UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 95th CONGRESS
FIRST SESSION

VOLUME 123—PART 1

JANUARY 4, 1977 TO JANUARY 17, 1977

(PAGES 3 TO 1356)

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SENATE—*Tuesday, January 4, 1977*

The 4th day of January being the day prescribed by Public Law 94-494, 94th Congress, 2d session, for the meeting of the 1st session of the 95th Congress, the Senate assembled in its Chamber at the Capitol at 2 o'clock post meridian.

The VICE PRESIDENT. The Senate will come to order. The Chaplain will offer the prayer.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our Fathers and our God, who has watched over this Nation from generation to generation and brought us to this place at this time, accept now the dedication of our hearts, our minds and our souls in the service of Thy higher kingdom. Help us to learn and to heed the lessons of history, of nature, and the world about us. Show us what we ought to do and how to do it. May new opportunities bring new insights and may new insights bring new life to the Nation. In all our labor help us to keep our honor bright and our hearts pure. Make our lives more eloquent than our speech. May the oath taken by some this day be to all of us a renewal of our convenant with Thee. And as we offer our allegiance to the Nation and its Constitution may we once more ascribe our highest loyalty to Thee, in whom we live and move and have our being. Amen.

And now, according to the custom of many years on opening day, let us pray together the prayer the Master taught us, saying:

Our Father, who art in heaven. Hallowed by Thy name. Thy kingdom come. Thy will be done; On Earth, as it is in heaven. Give us this day our daily bread. And forgive us our trespasses; As we forgive those who trespass against us. And lead us not into temptation; But deliver us from evil; For Thine is the kingdom, and the power, and the glory, forever. Amen.

CREDENTIALS—RESIGNATIONS AND APPOINTMENTS

The VICE PRESIDENT. The Chair lays before the Senate letters of resignation of six Senators and Certificates of Appointment of seven Senators to fill the vacancies caused by these resignations and one death.

Without objection, the reading will be waived, and the documents will be printed in the RECORD.

The documents ordered to be printed in the RECORD as follows:

U.S. SENATE,
Washington, D.C., December 21, 1976.

Hon. J. JAMES EXON,
Governor of Nebraska,
Lincoln, Nebr.

DEAR GOVERNOR: Submitted herewith is my resignation as a United States Senator from Nebraska, effective at the close of business on December 27, 1976.

This date was selected with two considerations in mind. It allows the continued discharge of my Senate responsibilities and yet permits time for you to appoint my successor, Mr. Zorinsky, to the office before his regular term would begin, thus securing for the people of our state the benefit of that seniority over other incoming Senators.

It is my understanding from Mr. Zorinsky that he has discussed with you the effective date of my resignation and the date indicated in this letter is satisfactory to both of you.

With kind personal regards,

Sincerely,

ROMAN L. HRUSKA,
U.S. Senator.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. FRANCIS R. VALEO,
Secretary, U.S. Senate,
Washington, D.C.

DEAR MR. VALEO: I hereby inform you of my resignation as a United States Senator from the State of Minnesota, effective with the beginning of business on Thursday, December 30, 1976.

I have enclosed copies of the letters of resignation I sent on this date to Vice President Nelson A. Rockefeller, President of the Senate, Senator James O. Eastland, President Pro Tempore of the Senate, and to Wendell R. Anderson, Governor of Minnesota.

With best wishes,

Sincerely,

WALTER F. MONDALE.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. NELSON A. ROCKEFELLER,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I herewith tender my resignation as a Member of the United States Senate from Minnesota to become effective with the beginning of business on Thursday, December 30, 1976.

Respectfully,

WALTER F. MONDALE.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. JAMES O. EASTLAND,
President Pro Tempore, U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: I herewith tender my resignation as a Member of the United States Senate from Minnesota to become effective with the beginning of business on Thursday, December 30, 1976.

Sincerely,

WALTER F. MONDALE.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. WENDELL R. ANDERSON,
Governor of Minnesota, State Capitol, St. Paul, Minn.

DEAR GOVERNOR ANDERSON: I hereby resign as a United States Senator from the State of Minnesota, effective with the beginning of business on Thursday, December 30, 1976.

In accordance with Senate rules, I have notified Senator James O. Eastland, President Pro Tempore of the Senate, of my resignation, and have enclosed a copy of my letter to him.

With best wishes,

Sincerely,

WALTER F. MONDALE.

U.S. SENATE,
Washington, D.C., December 15, 1976.

The VICE PRESIDENT
The U.S. Senate,
Washington, D.C.

MY DEAR MR. VICE PRESIDENT: Effective as of the close of business on Tuesday, December 28, 1976, I resign as United States Senator from the State of Rhode Island.

With warmest personal regards, I am,

Sincerely,

JOHN O. PASTORE.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. CHRISTOPHER S. BOND,
Governor of Missouri,
Jefferson City, Mo.

DEAR GOVERNOR BOND: This is to notify you that I am resigning as a United States Senator as of Monday noon, December 27, 1976.

With every good wish,

Sincerely,

STUART SYMINGTON.

U.S. SENATE,
Washington, D.C., December 17, 1976.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
The Capitol, Washington, D.C.

DEAR MR. PRESIDENT: This is to notify you that I am resigning as a United States Senator as of Monday, noon, December 27, 1976, and attached hereto is a copy of my letter to the Governor of Missouri.

With every good wish,

Sincerely,

STUART SYMINGTON.

DECEMBER 23, 1976.

The Hon. JAMES A. RHODES,
Governor, State of Ohio, State House,
Columbus, Ohio

DEAR GOVERNOR RHODES: After considering the matter carefully, I have determined that

I wish to resign my position as United States Senator from the State of Ohio, effective as of the close of business on December 28, 1976, and by this letter I am doing so.

May I take this occasion to thank you for the many courtesies you and your Administration have extended to me during my term of service.

Most sincerely,

ROBERT TAFT, Jr.

U.S. SENATE,
Washington, D.C., December 9, 1976.

The Hon. EDMUND G. BROWN, Jr.
Governor, State Capitol,

DEAR GOVERNOR BROWN: In the best interest of California, to provide my successor with added seniority, I hereby resign from the Senate of the United States effective at the close of business on January 1, 1977.

I would hope that you would exercise your authority under Rule 6.4 of the standing rules of the Senate and appoint Senator-elect S. I. Hayakawa to the Senate at that time for the remainder of my term.

Sincerely,

JOHN V. TUNNEY,
U.S. Senator.

STATE OF MINNESOTA,
EXECUTIVE DEPARTMENT.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Minnesota, I, Rudy Perpich, the Governor of said State, do hereby appoint Wendell R. Anderson a Senator from said State, effective December 30, 1976, to represent said State in the Senate of the United States until the vacancy therein, caused by the resignation of Walter F. Mondale, is filled by election as provided by law.

Witness: His excellency, our governor, Rudy Perpich, and our seal hereto affixed at St. Paul this twenty-ninth day of December in the year of our Lord 1976.

By the Governor:

RUDY PERPICH, *Governor.*
JOAN ANDERSON GROWE,
Secretary of State.

STATE OF RHODE ISLAND,
PROVIDENCE PLANTATIONS.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the Constitution and General Laws of the State of Rhode Island, I, Philip W. Noel, the Governor of the State of Rhode Island and Providence Plantations, do hereby appoint John H. Chafee a Senator from said State to represent said State in the Senate of the United States for the vacancy therein caused by the resignation of John O. Pastore, effective December 29, 1976.

Witness: His Excellency our Governor, Philip W. Noel, and our seal hereto affixed at Providence this 29th day of December, in the year of our Lord, 1976.

By the Governor:

PHILIP W. NOEL,
Governor.
ROBERT F. BURNS,
Secretary of State.

STATE OF MISSOURI.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Missouri, I, Christopher S. Bond, the Governor of said state, do hereby appoint John Claggett Danforth, a Senator from said state in the Senate of the United States, to fill the vacancy caused by the resignation of Stuart Symington, effective at noon, Eastern Standard Time, December 27, 1976, to hold said office for the unexpired term.

Witness: His Excellency, our Governor, Christopher S. Bond, our seal hereto affixed at Jefferson City, Missouri, this twenty-first day of December in the Year of our Lord, Nineteen Hundred and Seventy-Six.

By the Governor:

CHRISTOPHER S. BOND,
Governor.
JAMES C. KIRKPATRICK.
Secretary of State.

EXECUTIVE DEPARTMENT,
STATE OF CALIFORNIA.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

I, Edmund G. Brown Jr., Governor of California, pursuant to the power vested in me by the Constitution of the United States and the Constitution and laws of the State of California, do hereby appoint, effective the second day of January, 1977, S. I. Hayakawa, a Senator to represent the State of California in the Senate of the United States for the unexpired term ending at noon on the third day of January, 1977, caused by the resignation of Senator John V. Tunney.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed hereto this 28th day of December, 1976.

EDMUND G. BROWN, Jr.,
Governor.
MARCH FONG EU,
Secretary of State.

STATE OF OHIO,
EXECUTIVE DEPARTMENT.

I, James A. Rhodes, Governor of the State of Ohio, do hereby appoint Howard M. Metzenbaum, Cleveland, Cuyahoga County, Ohio, as United States Senator representing the State of Ohio, for the unexpired term beginning December 29, 1976, vice Robert Taft, Jr., who resigned December 28, 1976.

In witness whereof, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus, this 28th day of December, in the year of our Lord, one thousand nine hundred and seventy-six.

JAMES A. RHODES,
Governor.

STATE OF OHIO.

To all to whom these presents shall come, greeting: know ye, That Whereas Howard M. Metzenbaum of Cleveland, Cuyahoga County, has been duly appointed to the office of United States Senator, Representing Ohio.

Therefore, By virtue of the authority vested in the Governor by the Constitution, and in pursuance of a provision of the Statutes, I do hereby commission him, the said Howard M. Metzenbaum, to be United States Senator representing Ohio for an unexpired term beginning December 29, 1976, authorizing and empowering him to execute and discharge all and singular, the duties appertaining to said office, and to enjoy all the privileges and immunities thereof.

In testimony whereof, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed, at Columbus, this 28th day of December, in the year of our Lord, one thousand nine hundred and seventy-six.

JAMES A. RHODES,
Governor.
TED W. BROWN,
Secretary of State.

STATE OF NEBRASKA.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE U.S. SENATE:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Nebraska, I, J. James Exon, Governor of said State, do hereby appoint Edward Zorinsky to fill the vacancy caused by the resignation of Roman L. Hruska, effective at midnight, December 27, 1976, to hold said office for the unexpired term ending at noon on the third day of January, 1977.

Witness:

His Excellency, our Governor, J. James Exon, and our Seal hereto affixed at ten o'clock a.m., on the 23rd day of December, in the Year of our Lord One Thousand Nine Hundred and Seventy-Six.

I. JAMES EXON,
Governor.
ALLEN J. BEERMAN,
Secretary of State.

STATE OF MICHIGAN.

CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Michigan, I, William G. Milliken, the governor of said State, do hereby appoint, effective December 30, 1976, Donald W. Riegle, Jr., a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Philip A. Hart, is filled by election as provided by law.

Witness: His Excellency our governor, William G. Milliken, and our seal hereto affixed at Lansing, Michigan, this thirtieth day of December, in the year of our Lord 1976.

WILLIAM G. MILLIKEN,
Governor.
RICHARD H. AUSTIN,
Secretary of State.

The VICE PRESIDENT. The Chair lays before the Senate the credentials of 33 Senators elected for 6-year terms beginning January 3, 1977. All certificates, the Chair is advised, are in the form suggested by the Senate, except the ones from California and Delaware, which use a different form but contain all the essential requirements of the form suggested by the Senate.

If there is no objection, the reading of the 33 certificates will be waived, and they will be printed in full in the RECORD.

There being no objection, the certificates were ordered to be printed in the RECORD as follows:

STATE OF TEXAS,
Office of the Governor.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, nineteen hundred seventy-six, Lloyd Bentsen was duly chosen by the qualified electors of the State of Texas, a Senator from said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred seventy-seven.

DOLPH BRISCOE,
Governor of Texas.

Attest:

MARK WHITE,
Secretary of State.

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS

This is to certify, That at a general election held on Tuesday, November 2nd, A.D. 1976 Lloyd Bentsen was duly elected United States Senator.

In testimony whereof, I have hereunto signed my name and caused the Seal of State to be affixed at the City of Austin, this the 19th day of November A.D., 1976.

DOLPH BRISCOE,
Governor of Texas.

Attest:

MARK WHITE,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, 1976, Quentin N. Burdick was duly chosen by the qualified electors of the State of North Dakota a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor Arthur A. Link, and our seal hereto affixed at Bismarck, North Dakota, this 23rd day of November, in the year of our Lord 1976.

ARTHUR A. LINK,
Governor.

Attest:

BEN MEUR,
Secretary of State.

COMMONWEALTH OF VIRGINIA,
Richmond, Va., November 10, 1976.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Harry F. Byrd, Jr., was duly chosen by the qualified electors of the State of Virginia a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our governor, Mills E. Godwin, Jr., and our seal hereto affixed at Richmond this eighth day of November, in the year of our Lord 1976.

By the governor:

MILLS E. GODWIN, Jr.,
Governor.

PATRICIA R. PERKINSON,
Secretary of the Commonwealth.

STATE OF WEST VIRGINIA,
EXECUTIVE DEPARTMENT,
Charleston.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Robert C. Byrd was duly chosen by the qualified electors of the State of West Virginia a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor Arch A. Moore, Jr., and our seal hereto affixed at Charleston, West Virginia, this 16th day of December, in the year of our Lord 1976.

By the Governor:

ARCH A. MOORE, Jr.,
Governor.

JAMES R. MCCARTNEY,
Secretary of State.

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify, That on the second day of November, nineteen hundred and seventy-six, Howard W. Cannon, was duly chosen by the qualified electors of the State of Nevada a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and seventy-seven.

By the Governor:

MIKE O'CALLAGHAN,
Governor.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, 1976, John H. Chafee was duly chosen by the qualified electors of the State of Rhode Island a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Witness: His excellency our Governor, Philip W. Noel, and our seal hereto affixed at Providence this fifteenth day of December, in the year of our Lord 1976.

By the Governor:

PHILIP W. NOEL,
Governor.

ROBERT F. RUNE,
Secretary of State.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the Second day of November, 1976, Lawton Chiles was duly chosen by the qualified electors of the State of Florida a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Witness: His excellency our governor, Reubin O'D. Askew, and our seal hereto affixed at Tallahassee, this eighteenth day of November, in the year of our Lord, 1976.

By the Governor:

REUBIN O'D. ASKEW,
Governor.

BRUCE A. SMATHERS,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, John Claggett Danforth was duly chosen by the qualified electors of the State of Missouri a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our governor Christopher S. Bond, and our Seal hereto affixed at Jefferson City, Missouri, this 21st day of December, in the year of our Lord 1976.

By the Governor:

CHRISTOPHER S. BOND,
Governor.

JAMES C. KIRKPATRICK,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Dennis DeConcini was duly chosen by the qualified electors of the State of Arizona a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor Raul H. Castro, and our seal hereto affixed at Phoenix this 22nd day of November, in the year of our Lord 1976.

By the Governor:

RAUL H. CASTRO,
Governor.

WESLEY BOLLIN,
Secretary of State.

STATE OF UTAH.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, A. D., Orrin G. Hatch was duly chosen by the qualified electors of the State of Utah a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977, A. D.

Witness: His excellency our Governor Calvin L. Rampton, and our seal hereto affixed at Salt Lake City, Utah, this 29th day of November, in the year of our Lord 1976, A. D.

CALVIN L. RAMPTON,
Governor.

Attest:

CLYDE L. MILLER,
Lieutenant Governor/Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

I, Edmund G. Brown, Jr., Governor of California, certify that on the second day of November, 1976, S. I. Hayakawa was duly chosen by the qualified electors of the State of California a Senator to represent the State of California in the Senate of the United States for the term of six years, beginnig on the third day of January, 1977.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed hereto this 10th day of December, 1976.

E. G. BROWN,
Governor.

Attest:

MARCH FONG EU,
Secretary of State.

By MICHAEL S. GAGAN,
Deputy Secretary of State.

COMMONWEALTH OF PENNSYLVANIA,
Governor's Office.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, one thousand nine hundred and seventy-six, H. John Heinz III, of the County of Allegheny, was duly chosen by the qualified electors of the Commonwealth of Pennsylvania a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Given under my hand and the Great Seal of the State, at the City of Harrisburg, this tenth day of December in the year of our Lord one thousand nine hundred and seventy-six and of the Commonwealth the two hundred and first.

By the Governor:

MILTON J. SHAPP,
Governor.

C. LORES TUCKER,
Secretary of the Commonwealth.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, 1976, Hubert H. Humphrey was duly chosen by the qualified electors of the State of Minnesota a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Witness: His excellency our governor, Wendell R. Anderson, and our seal hereto

affixed at St. Paul this 15th day of December, in the year of our Lord 1976.

By the Governor:

WENDELL R. ANDERSON,
Governor.
JOAN ANDERSON GROWE,
Secretary of State.

STATE OF WASHINGTON,
Office of the Governor.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, nineteen hundred and seventy-six, Henry M. Jackson was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and seventy-seven.

In witness whereof, I have hereunto set my hand and caused the Seal of the State of Washington to be affixed at Olympia this second day of December, A.D. nineteen hundred and seventy-six.

By the Governor:

DANIEL J. EVANS,
Governor of Washington.

THE COMMONWEALTH OF MASSACHUSETTS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, nineteen hundred and seventy-six, Edward M. Kennedy was duly chosen by the qualified electors of the Commonwealth of Massachusetts a Senator from said Commonwealth to represent said Commonwealth in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and seventy-seven.

Witness: His Excellency our Governor, Michael S. Dukakis, and our seal hereto affixed at Boston, this twenty-fourth day of November in the year of our Lord nineteen hundred and seventy-six.

By His Excellency the Governor:

MICHAEL S. DUKAKIS,
PAUL GUZZI,
Secretary of the Commonwealth.

STATE OF INDIANA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the Second day of November, nineteen hundred Seventy-Six, Richard G. Lugar, was duly chosen by the qualified electors of the State of Indiana a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred Seventy-Seven.

Witness: His excellency our Governor, Otis R. Bowen, M.D., and our seal hereto affixed at Indianapolis, Indiana, this 23rd day of November, in the year of our Lord nineteen hundred Seventy-Six.

By the Governor:

OTIS R. BOWEN, M.D.,
Governor.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Spark M. Matsunaga was duly chosen by the qualified electors of the State of Hawaii a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor George R. Ariyoshi, and our seal hereto affixed at Honolulu, Hawaii, this 23rd day of November, in the year of our Lord 1976.

By the Governor:

GEORGE R. ARIYOSHI,
Governor.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1976 John Melcher was duly chosen by the qualified electors of the State of Montana a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 1977.

In witness thereof, I have hereunto set by hand and caused the Great Seal of the State of Montana to be affixed. Done at the City of Helena, the Capital, this thirtieth day of November in the year of our Lord one thousand nine hundred and seventy six.

BILL CHRISTIANSEN,
By the Acting Governor.
FRANK MURRAY,
Secretary of State.
By JOANN WOODGERD,
Chief Deputy.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Howard M. Metzenbaum was duly chosen by the qualified electors of the State of Ohio a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Witness: His Excellency our Governor, James A. Rhodes, and our Seal hereto affixed at Columbus, Ohio, this fourteenth day of December, in the year of Our Lord nineteen hundred seventy-six.

By the Governor:

JAMES A. RHODES,
Governor.

STATE OF NEW YORK,
Executive Chamber.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is certify that on the second day of November, 1976, Daniel P. Moynihan was duly chosen by the qualified electors of the State of New York a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the third day of January, 1977.

Witness: His excellency our governor Hugh L. Carey, and our seal hereto affixed at Albany this sixth day of December, in the year of our Lord nineteen hundred seventy-six.

By the Governor:

HUGH L. CAREY.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the second day of November, 1976, Edmund S. Muskie was duly chosen by the qualified electors of the State of Maine a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 1977.

Witness: His excellency our Governor James B. Longley, and our seal hereto affixed at Augusta, Maine this sixteenth day of November, in the year of our Lord 1976.

By the Governor:

JAMES B. LONGLEY,
Governor.
MARKHAM L. GARTLEY,
Secretary of State.

THE STATE OF WISCONSIN,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the Second day of November, nineteen hundred and seventy-six, William Proxmire, was duly chosen by the qualified electors of the State of Wisconsin a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the Third day of January, A.D. 1977.

Witness: His Excellency our governor, Patrick J. Lucey, and our seal hereto affixed at the Capitol this 7th day of December, in the year of our Lord, 1976.

By the Governor:

PATRICK J. LUCEY,
Governor.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976 Donald W. Riegle, Jr. was duly chosen by the qualified electors of the State of Michigan a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor, William G. Milliken, and our seal hereto affixed at the State Capitol in the City of Lansing, this thirtieth day of November, in the year of our Lord, 1976.

By the Governor:

WILLIAM G. MILLIKEN,
Governor.

BY AUTHORITY OF THE STATE OF DELAWARE

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

Be it known, An election was held in the State of Delaware, on Tuesday, the 2nd day of November, in the year of our Lord one thousand nine hundred and seventy-six that being the Tuesday next after the first Monday in said month, in pursuance of the Constitution of the United States and the Laws of the State of Delaware, in that behalf, for the election of a Senator for the people of the said State, in the Senate of the United States.

Whereas, The official certificates or returns of the said election, held in the several counties of the said State, in due manner made out, signed and executed, have been delivered to me according to the laws of the said State, by the Superior Court of the said counties; and having examined said returns, and enumerated and ascertained the number of votes for each and every candidate or person voted for, for such Senator, I have found William V. Roth, Jr. to be the person highest in vote, and therefore duly elected Senator of and for the said State in the Senate of the United States for the Constitutional term to commence at noon on the third day of January in the year of our Lord one thousand nine hundred and seventy-seven.

I, Sherman W. Tribbitt, Governor, do, therefore, according to the form of the Act of the General Assembly of the said State and of the Act of Congress of the United States, in such case made and provided, declare the said William V. Roth, Jr. the person highest in vote at the election aforesaid, and therefore duly and legally elected Senator of and for the said State of Delaware in the Senate of the United States, for the Constitutional term to commence at noon on the third day of January in the year of our Lord one thousand nine hundred and seventy-seven.

Given under my hand and the Great Seal of the said State, in obedience to the said

Act of the General Assembly and of the said Act of Congress, at Dover, the 3rd day of December in the year of our Lord one thousand nine hundred and seventy-six and in the year of the Independence of the United States of America the two hundred and first.

By the Governor:

SHERMAN W. TRIBBITT,
ROBERT A. REED,
Secretary of State.

STATE ADMINISTRATIVE BOARD OF ELECTION LAWS,
Annapolis, Md.

This is to certify that the attached is a true and correct copy of Governor Mandel's Certification relative to the election of a United States Senator from the State of Maryland.

The same is taken from and compared with the original Certification which is now on file in this office.

In testimony whereof, I have hereunto set my hand and have caused to be affixed the official seal of the State Administrative Board of Election Laws, this 23rd day of November, 1976.

WILLARD A. MORRIS,
Administrator.

EXECUTIVE DEPARTMENT,
Annapolis, Md.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Paul S. Sarbanes was duly chosen by the qualified electors of the State of Maryland a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1977.

Witness: His Excellency our Governor, Marvin Mandel, and our seal hereto affixed at the City of Annapolis, this 23rd day of November, in the Year of Our Lord, One Thousand, Nine Hundred and Seventy-six.

MARVIN MANDEL,
Governor.
FRED L. WINELAND,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Jim Sasser was duly chosen by the qualified electors of the State of Tennessee a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our Governor Ray Blanton, and our seal affixed at Nashville this 22nd day of November, in the year of our Lord, 1976.

By the Governor:

RAY BLANTON,
Governor.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

This is to certify that on the 2nd day of November, 1976, Harrison "Jack" Schmitt was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His Excellency our Governor Jerry Apodaca, and our seal hereto affixed at the Executive Offices in Santa Fe, New Mexico, the Capital, this sixth day of December, in the year of our Lord 1976.

By the Governor:

JERRY APODACA,
Governor.
ERNESTINE D. EVANS,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Robert T. Stafford was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 1977.

Witness: His excellency our governor Thomas P. Salmon, and our seal hereto affixed at Montpelier this 17th day of December, in the year of our Lord 1976.

By the Governor:

THOMAS P. SALMON,
Governor.

Attest:

RICHARD C. THOMAS,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, A.D., 1976, John C. Stennis was duly chosen by the qualified electors of the State of Mississippi a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1977.

Witness: His Excellency, our Governor, Cliff Finch, and our seal hereto affixed at Jackson, Mississippi, this 29th day of November, A.D., 1976.

By the Governor:

CHARLES FINCH,
Governor.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Malcolm Wallop was duly chosen by the qualified electors of the State of Wyoming a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our governor Ed Herschler, and our seal hereto affixed at Cheyenne this 15th day of December, in the year of our Lord, 1976.

By the Governor:

ED. HERSCHLER.

STATE OF CONNECTICUT,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to Certify that on the second day of November, nineteen hundred and seventy-six, Lowell P. Weicker, Jr., was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and seventy-seven.

Witness: Her Excellency our Governor, Ella Grasso, and our seal hereto affixed at Hartford, this twenty-fourth day of November, in the year of our Lord nineteen hundred and seventy-six.

ELLA GRASSO,
Governor.

STATE OF NEW JERSEY.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Harrison A. Williams, Jr., was duly chosen by the Qualified Electors of the State of New Jersey a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His Excellency our Governor Brendan T. Byrne, and our Seal hereto affixed at Trenton, this 30th day of November, in the year of our Lord 1976.

By the Governor:

BRENDAN T. BYRNE,
Governor.

———, ———,
Secretary of State.

CERTIFICATE OF ELECTION FOR 6-YEAR TERM

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2nd day of November, 1976, Edward Zorinsky was duly chosen by the qualified electors of the State of Nebraska a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1977.

Witness: His excellency our governor J. James Exon, and our seal hereto affixed at the State Capitol, Lincoln, Nebraska this 29th day of November, in the year of our Lord 1976.

By the Governor:

J. JAMES EXON,
Governor.
ALLEN J. BEERMANN,
Secretary of State.

The VICE PRESIDENT. If the one Senator-designate from the State of Minnesota and the 33 Senators-elect will now present themselves at the desk in groups of four as their names are called in alphabetical order, the Chair will administer the oath of office.

The clerk will call the names.

The legislative clerk called the names of Mr. ANDERSON, Mr. BENTSEN, Mr. BURDICK, and Mr. HARRY F. BYRD, JR.

These Senators, escorted by Mr. HUMPHREY, Mr. TOWER, Mr. YOUNG, and Mr. SCOTT, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. ROBERT C. BYRD, Mr. CANNON, Mr. CHAFEE, and Mr. CHILES.

These Senators, escorted by Mr. RANDOLPH, Mr. LAXALT, Mr. PELL, and Mr. STONE, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. DANFORTH, Mr. DECONCINI, Mr. HATCH, and Mr. HAYAKAWA.

The Senators, escorted by Mr. EAGLETON, Mr. GOLDWATER, Mr. GARN, and Mr. CRANSTON, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. HEINZ, Mr. HUMPHREY, Mr. JACKSON, and Mr. KENNEDY.

The Senators, escorted by Mr. SCHWEIKER, Mr. ANDERSON, Mr. MAGNUSON, and Mr. BROOKE, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. LUGAR, Mr. MATSUNAGA, Mr. MELCHER, and Mr. METZENBAUM.

The Senators, escorted by Mr. BAYH, Mr. INOUYE, Mr. METCALF, and Mr. GLENN, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. MOYNIHAN, Mr. MUSKIE, Mr. PROXMIRE, and Mr. RIEGLE.

The Senators, escorted by Mr. JAVITS, Mr. HATHAWAY, Mr. NELSON, and Mr. GRIFFIN, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. ROTH, Mr. SARBANES, Mr. SASSER, and Mr. SCHMITT.

These Senators, escorted by Mr. BIDEN, Mr. MATHIAS, Mr. BAKER, and Mr. DOMENICI, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. STAFFORD, Mr. STENNIS, Mr. WALLOP, and Mr. WEICKER.

These Senators, escorted by Mr. LEAHY, Mr. EASTLAND, Mr. HANSEN, and Mr. RIBICOFF, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

The legislative clerk called the names of Mr. WILLIAMS and Mr. ZORINSKY.

These Senators, escorted by Mr. CASE and Mr. CURTIS, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the official oath book.

[Applause, Senators rising.]

CALL OF THE ROLL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 1 Leg.]

Abourezk	Glenn	Metzenbaum
Allen	Goldwater	Morgan
Anderson	Gravel	Moynihan
Baker	Griffin	Muskie
Bartlett	Hansen	Nelson
Bayh	Hart	Nunn
Bellmon	Haskell	Packwood
Bentsen	Hatch	Pearson
Biden	Hatfield	Pell
Brooke	Hathaway	Proxmire
Bumpers	Hayakawa	Randolph
Burdick	Heinz	Ribicoff
Byrd, Harry F., Jr.	Helms	Riegle
	Hollings	Roth
Byrd, Robert C.	Huddleston	Sarbanes
Cannon	Humphrey	Sasser
Case	Inouye	Schmitt
Chafee	Jackson	Schweiker
Chiles	Javits	Scott
Church	Johnston	Sparkman
Clark	Kennedy	Stafford
Cranston	Laxalt	Stennis
Culver	Leahy	Stevens
Curtis	Long	Stevenson
Danforth	Lugar	Stone
DeConcini	Magnuson	Talmadge
Dole	Mathias	Thurmond
Domenici	Matsunaga	Tower
Durkin	McClellan	Wallop
Eagleton	McClure	Weicker
Eastland	McIntyre	Williams
Ford	Melcher	Young
Garn	Metcalf	Zorinsky

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. MCGOVERN) is necessarily absent.

Mr. STEVENS. I announce that the Senator from Illinois (Mr. PERCY) is necessarily absent.

The VICE PRESIDENT. A quorum is present.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. May we have order in the Senate, please? Senators will please take their seats.

NOTIFICATION TO THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 1) was considered and agreed to, as follows:

S. RES. 1

Resolved, That a committee consisting of two Senators be appointed by the Vice President to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT. Pursuant to Senate Resolution 1, the Chair appoints the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Tennessee (Mr. BAKER) as a committee to join the committee of the House of Representatives to wait upon the President of the United States and inform him that a quorum is assembled and that Congress is ready to receive any communication he may be pleased to make.

NOTIFICATION TO THE HOUSE

Mr. BAKER. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 2) was considered and agreed to, as follows:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

SENATE RESOLUTION 3—FIXING THE HOUR OF DAILY MEETING OF THE SENATE

Mr. CRANSTON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 3) fixing the hour of daily meeting of the Senate.

The resolution (S. Res. 3) was read, considered, and agreed to as follows:

S. RES. 3

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian unless otherwise ordered.

SENATE CONCURRENT RESOLUTION 1—PROVIDING FOR THE COUNTING OF THE ELECTORAL VOTES FOR PRESIDENT AND VICE PRESIDENT OF THE UNITED STATES

Mr. CANNON. Mr. President, I submit a concurrent resolution and ask for its immediate consideration.

The VICE PRESIDENT. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 1) to provide for the counting on January 6, 1977, of the electoral votes for President and Vice President of the United States.

The concurrent resolution was considered and agreed to, as follows:

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall meet in the Hall of the House of Representatives on Thursday, the 6th day of January 1977, at 1 o'clock postmeridian, pursuant to the requirements of the Constitution and laws relating to the election of President and Vice President of the United States, and the President of the Senate shall be their Presiding Officer; that two tellers shall be previously appointed by the President of the Senate on the part of the Senate and two by the Speaker on the part of the House of Representatives, to whom shall be handed, as they are opened by the President of the Senate, all certificates and papers purporting to be certificates of the electoral votes, which certificates and papers shall be opened, presented, and acted upon in the alphabetical order of the States, beginning with the letter "A"; and said tellers, having then read the same in the presence and hearing of the two Houses, shall make a list of the votes as they shall appear from the said certificates; and the votes having been ascertained and counted in the manner and according to the rules by law

provided, the result of the same shall be delivered to the President of the Senate, who shall thereupon announce the state of the vote, which announcement shall be deemed a sufficient declaration of the persons, if any, elected President and Vice President of the United States, and, together with a list of the votes, be entered on the Journals of the two Houses.

The VICE PRESIDENT. In accordance with the provisions of Senate Concurrent Resolution 1, the Chair now appoints Mr. CANNON and Mr. HATFIELD as the tellers on the part of the Senate to count the electoral votes for President and Vice President of the United States on January 6, 1977.

COMMUNICATION PERTAINING TO ASCERTAINMENT OF ELECTORS FOR PRESIDENT AND VICE PRESIDENT

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Administrator of the General Services Administration transmitting, pursuant to law, certified copies of the final ascertainment of electors for President and Vice President from the several States and the District of Columbia, which, with the accompanying papers, are ordered to lie on the table.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. The Senators will please take their seats.

May we have order in the Senate, please.

UNANIMOUS-CONSENT PROPOSALS

Mr. ROBERT C. BYRD. Mr. President, it would be my hope that there could be a period for the transaction of routine morning business only for the purpose of making statements today. It is my understanding that Senators on both sides of the aisle have statements they would like to make for the RECORD.

At the same time, there are some housekeeping resolutions, one of which will be introduced by Mr. STEVENSON, one of which I will introduce, on which we would hope we could get agreement to send both resolutions to the Committee on Rules, with a provision that they be reported back in certain due time.

Before attempting that approach, I will ask unanimous consent that there may be a period for the transaction of routine morning business following the referrals of the two housekeeping resolutions to which I have alluded, if such consent is granted, and that there then be a period for the transaction of morning business, with the understanding that such morning business would be constituted only of the making of statements; that there be no introductions of bills or resolutions today.

It would be my hope that after today, if the Stevenson resolution can be referred to the Rules Committee, and if the resolution which I intend to introduce can be referred to the Rules Committee, we could then, after morning business is completed, go over until Thursday, at which time the Senate will convene, and the Senators will meet with the Members of the House of Representatives in the Hall of the House of Representatives to count the electoral votes.

It would then be my hope we would go from Thursday over until Monday, on which day bills and resolutions could be introduced, and business could be transacted.

I have not put this in the form of a request just yet. If the Chair will just indulge me for a moment.

Mr. HATHAWAY. Mr. President, if the Senator from West Virginia will yield——

Mr. ROBERT C. BYRD. Yes.

Mr. HATHAWAY. I understand that the Senator from West Virginia is going to ask unanimous consent to allow introduction of certain resolutions dealing with amendments to the Standing Rules of the Senate. The Senator from Oregon and I, and maybe others, have resolutions similar to the one that is going to be proposed to be referred to the Rules Committee, with such time limitation as suggested by the Senator from West Virginia. Both the Senator from Oregon and I would like the opportunity to offer our resolution on rules changes and housekeeping changes, under the same circumstances, and we would like to do this today, before morning business, if that is possible. We understand, at least from the leadership's point of view, there is no objection on the part of either side.

Mr. ROBERT C. BYRD. May I say this: I have talked with the Republican leadership with respect to both resolutions that I mentioned. I hope there will not be any objection to sending them to the committee. This is the orderly procedure. Otherwise a problem might be created here in the Senate which would prevent our going over from today until Thursday and from Thursday until Monday.

As to the introduction of other resolutions, I do not know what the wishes of the Senate will be in that regard. I had hoped that the introduction of all bills and resolutions other than those I mentioned could be deferred until Monday.

Mr. BAKER addressed the Chair.

Mr. ROBERT C. BYRD. However, if the Senator wishes to attempt that, I hope he would wait until Mr. STEVENSON has offered his resolution and I have offered mine; then see what the will of the Senate is at that point, and then if he wishes to do the same he certainly has the right as a Senator to do that.

Mr. HATHAWAY. All right.

Mr. BAKER. Mr. President, I wonder if we might explore one other possibility. I understand Senator Hathaway has an amendment and Senator HATFIELD has four amendments all dealing with this same subject matter—the rules changes relating to the handling of matters after the invocation of cloture under rule XXII.

I wonder if the distinguished majority leader would consider including in the unanimous-consent request he is about to propose a referral to the Rules Committee of any such amendment relating to that rule under the same order.

Mr. ROBERT C. BYRD. That would be perfectly all right with me. But the distinguished chairman of the Committee on Rules and Administration is here. I do not know how he would respond to that.

I would much prefer proceeding as I have suggested, that we take up the resolution that will be introduced by Mr. STEVENSON, and ask that it be referred. It is entirely separate and apart from the others. I would then ask that my resolution be referred so that it would rest on its own bottom, so to speak, and then let Senator HATHAWAY and others make the same effort in their own behalf. If there are objections, it will not appear with my resolution. If there are no objections to those resolutions, they would go to the committee, and at such time as the committee conducted its studies with respect to my resolution, it could include theirs.

Mr. BAKER. Mr. President, if the Senator will yield further, I think we are both reaching for the same result. I certainly would not be adverse to a separate order on the distinguished majority leader's resolution, another on the resolution of the chairman of the committee, and a third order saying that any other resolutions dealing with the change of postcloture rule XXII matters would also be referred.

We would have three orders, with a catchall, so to speak, for the Hatfield resolutions—there are four of them—and any others that may address the same subject matter, but not beyond that subject matter.

Mr. ALLEN. Mr. President, reserving the right to object, what is the present request? Has the Senator made a request?

Mr. ROBERT C. BYRD. No; the Senator has not made a request at this moment.

Mr. President, I will yield now without losing my right to the floor, if it may be with the consent of the Senate, to the distinguished Senator from Illinois (Mr. STEVENSON).

The VICE PRESIDENT. Without objection, it is so ordered. The Senator from Illinois.

SENATE RESOLUTION 4—SUBMISSION OF THE COMMITTEE SYSTEM REORGANIZATION AMENDMENTS OF 1977

Mr. STEVENSON (for himself, Mr. PACKWOOD, Mr. DOMENICI, Mr. HANSEN, Mr. METCALF, Mr. NELSON, Mr. BELLMON, Mr. CRANSTON, Mr. DANFORTH, Mr. GRAVEL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HAYAKAWA, Mr. LUGAR, Mr. SCHMITT, and Mr. WALLOP) submitted the following resolution, which was referred to the Com-

mittee on Rules and Administration, with instructions, by unanimous consent:

S. RES. 4

Resolved, That this resolution may be cited as the "Committee System Reorganization Amendments of 1977".

TITLE I—STANDING COMMITTEES: JURISDICTIONS AND SIZES

SEC. 101(a) XXV of the Standing Rules of the Senate is amended by striking out paragraphs 1, 2, and 3 and inserting in lieu thereof the following new paragraphs:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise on matters within their respective jurisdictions:

"(a)(1) Committee on Agriculture and Small Business, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

"1. Agriculture and agricultural commodities.

"2. Inspection of livestock, meat, and agricultural products.

"3. Animal industry and diseases.

"4. Pests and pesticides.

"5. Agricultural extension services and experiment stations.

"6. Forestry.

"7. Agricultural economics and research.

"8. Home economics.

"9. Plant industry, soils, and agricultural engineering.

"10. Farm credit and farm security.

"11. Rural development, rural electrification, and watersheds.

"12. Agricultural production, marketing, and stabilization of prices.

"13. Crop insurance and soil conservation.

"14. Human nutrition.

"15. School nutrition programs.

"16. Food stamp programs.

"17. Small business.

"18. Food from fresh waters and the sea.

"19. Irrigation and reclamation.

"20. Land-use planning.

"21. Regional economic development.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to food, nutrition, and hunger, both in the United States and in foreign countries, and all problems of American small business enterprises and all facts possible in relation thereto which would not only be of public interest, but which would also aid the Congress in enacting remedial legislation, and report thereon from time to time.

"(b) Committee on Appropriations, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in subparagraph (e), appropriation of the revenue for the support of the Government.

"2. Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

"3. The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

"4. New advance spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

"(c)(1) Committee on Armed Services, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. The common defense.

"2. The Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, generally.

"3. Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces.

"4. Military research and development.

"5. Selective service system.

"6. Strategic and critical materials necessary for the common defense.

"7. Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

"8. Panama Canal Zone government.

"9. Foreign military sales (joint).

"10. National security aspects of atomic energy.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to the common defense policy of the United States, and report thereon from time to time.

"(d)(1) Committee on Banking, Housing, and Urban Affairs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Banks, banking, and financial institutions.

"2. International finance, including international financial and monetary organizations.

"3. Financial aid to commerce and industry.

"4. Deposit insurance.

"5. Public and private housing (including veterans' housing).

"6. Federal monetary policy, including Federal Reserve System.

"7. Money and credit, including currency and coinage.

"8. Issuance and redemption of notes.

"9. Control of prices of commodities, rents, and services.

"10. Urban development (except for urban mass transit).

"11. Economic stabilization and defense production.

"12. Export controls.

"13. Export and foreign trade promotion.

"14. Nursing home construction.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to international economic policy, defense production and national stockpiles, economic growth, urban affairs, and credit, and report thereon from time to time.

"(e)(1) Committee on the Budget, to which committee shall be referred all concurrent resolutions on the budget (as defined in section in section 3(a)(4) of the Congressional Budget Act (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to that committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.

"(2) Such committee shall have the duty—

"(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;

"(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

"(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

"(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.

"(3) Such committee shall also study and review, on a comprehensive basis, matters relating to economic policy, public and private pension programs, priorities and economies in Government, the annual Economic Report of the President, and the budget data submitted by the President pursuant to section 605 of the Congressional Budget Act of 1974, and report thereon from time to time.

"(f)(1) Committee on Commerce, Science, and Transportation, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Interstate commerce.

"2. Transportation.

"3. Regulation of interstate common carriers, including railroad, buses, trucks, vessels, pipelines, and civil aviation.

"4. Merchant marine and navigation.

"5. Coast Guard.

"6. Inland waterways.

"7. Communications.

"8. Regulation of consumer products and services.

"9. Interoceanic canals.

"10. Standards and measurement.

"11. Construction and maintenance of highways, and highway safety.

"12. Urban mass transit.

"13. Scientific engineering and technology research and development.

"14. Nonmilitary aeronautical and space sciences.

"15. Science, engineering and technology policy.

"16. National Science Foundation.

"(2) Such committee shall also study and review, on a comprehensive basis, all matters relating to science and technology, transportation, communications, and consumer affairs, and report thereon from time to time.

"(g)(1) Committee on Energy and Natural Resources, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Energy policy.

"2. Energy regulation and conservation.

"3. Energy research and development.

"4. Solar energy systems.

"5. Nonmilitary development of nuclear energy.

"6. Naval petroleum reserves.

"7. Oil and gas production and distribution.

"8. Extraction of minerals from outer continental shelf lands.

"9. Energy related aspects of deepwater ports.

"10. Hydroelectric power.

"11. Coal production, distribution, and utilization.

"12. Public lands and forests, including farming and grazing thereon, and mineral extraction therefrom.

"13. National parks, recreation areas, wilderness areas, historical sites, military parks and battlefields, and preservation of prehistoric ruins and objects of interest on the public domain.

"14. Mining, mineral lands, mining claims, and mineral conservation.

"15. Mining education and research.

"16. Native American land management and trust responsibilities.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to energy and resources development, and report thereon from time to time.

"(h)(1) Committee on Environment and Public Works, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Environmental policy.

"2. Environmental research and development.

"3. Oceans, weather, and atmospheric activities.

"4. Fisheries and wildlife.

"5. Coastal zone management.

"6. Outer Continental Shelf lands (except extraction of minerals therefrom).

"7. Ocean dumping.
"8. Solid waste disposal recycling.
"9. Toxic substances.
"10. Environmental effects of pesticides.
"11. Water resources.
"12. Flood control and improvements of rivers and harbors.
"13. Public works, bridges, and dams.
"14. Water pollution.
"15. Air pollution.
"16. Noise pollution.
"17. Nonmilitary environmental regulation and control of atomic energy.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to environmental protection and resource utilization and conservation, and report thereon from time to time.

"(i) (1) Committee on Finance, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in the Congressional Budget Act of 1974, revenue measures generally.
"2. Except as provided in the Congressional Budget Act of 1974, the bonded debt of the United States.
"3. The deposit of public moneys.
"4. Customs, collection districts, and ports of entry and delivery.
"5. Reciprocal trade agreements.
"6. Transportation of dutiable goods.
"7. Revenue measures relating to the insular possessions.
"8. Tariffs and import quotas, and matters related thereto.
"9. National social security.
"10. General revenue sharing.

"(2) Such committee shall also study and review on a comprehensive basis, and report thereon from time to time—

"(A) the operations and effects of the internal revenue laws; and

"(B) the revenue policy of the United States.

"(j) (1) Committee on Foreign Relations, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Relations of the United States with foreign nations generally.
"2. Treaties and executive agreements except reciprocal trade agreements.
"3. Boundaries of the United States.
"4. Protection of United States citizens abroad and expatriation.
"5. Intervention abroad and declarations of war.
"6. Foreign economic, military, technical, and humanitarian assistance.
"7. United Nations and its affiliated organizations.
"8. International conferences and congresses.
"9. Diplomatic service.
"10. Foreign military sales (joint).

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to the national security policy of the United States, and report thereon from time to time.

"(k) (1) Committee on Governmental Affairs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in the Congressional Budget Act of 1974, budget and accounting measures, other than appropriations.
"2. Organization and reorganization of the executive branch of the Government.
"3. Intergovernmental relations.
"4. Government information, including freedom of information.
"5. Municipal affairs of the District of Columbia, except appropriations therefor.
"6. Acquisition of land and buildings for embassies and legations in foreign countries.
"7. Insular possessions of the United States.
"8. Federal Civil Service.
"9. Status of officers and employees of the United States, including their classification, compensation and benefits.
"10. Postal service.
"11. Census and collection of statistics, including economic, social, and labor statistics.
"12. Archives of the United States.
"13. Public buildings and grounds.
"14. Federal buildings and parks within the District of Columbia.
"15. United States Capitol and congressional office buildings.
"16. Construction and maintenance of the Botanic Garden, the Library of Congress, and the Smithsonian Institution.

"(2) Such committee shall have the duty of—

"(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the Senate as it deems necessary or desirable in connection with the subject matter of such reports;

"(B) studying the efficiency, economy, and effectiveness of all agencies and departments of the Government;

"(C) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government;

"(D) studying the intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

"(l) (1) Committee on Human Resources, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Measures relating to education, labor, health and public welfare.
"2. Vocational education.
"3. Handicapped individuals.
"4. Equal employment opportunity.
"5. Occupational safety and health, including the welfare of miners.
"6. Private pension plans.
"7. Aging.
"8. Railway labor and retirement.
"9. Public health.
"10. Arts and humanities.
"11. Gallaudet College, Howard University, and Saint Elizabeth Hospital.
"12. Biomedical research and development.
"13. Student loans.
"14. Native American education, health, social services, and loan programs.
"15. Veterans' measures, except for housing.
"16. Agricultural colleges.
"17. Overseas education of civilian and military dependents.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to health, education and training, aging and the problems of the elderly, income maintenance, and Native American affairs, and report thereon from time to time.

"(m) Committee on the Judiciary, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Judicial proceedings, civil and criminal, generally.
"2. Constitutional amendments.
"3. Federal courts and judges.
"4. Local courts in the territories and possessions.
"5. Revision and codification of the statutes of the United States.
"6. National penitentiaries.
"7. Protection of trade and commerce against unlawful restraints and monopolies.
"8. Holidays and celebrations.
"9. Bankruptcy, mutiny, espionage, and counterfeiting.
"10. State and territorial boundary lines.
"11. Meetings of Congress, attendance of Members, and their acceptance of incompatible offices.
"12. Civil liberties.
"13. Patents, copyrights, and trademarks.
"14. Patent Office.
"15. Immigration and naturalization.
"16. Apportionment of Representatives.
"17. Measures relating to claims against the United States.
"18. Interstate compacts generally.

"(n) (1) Committee on Rules, Administration, and Standards, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Matters relating to the payment of money out of the contingent fund of the Senate or creating a charge upon the same; except that any resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee.

"2. Except as provided in subparagraph (k), matters relating to the Library of Congress, the Government Printing Office, and the Senate Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"3. Except as provided in subparagraph (k), matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"4. Matters relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; Federal elections generally; Presidential succession.

"5. Matters relating to parliamentary rules; floor and gallery rules; Senate Restaurant; administration of the Senate Office Buildings and of the Senate wing of the Capitol; assignment of office space; and services to the Senate.

"6. Matters relating to printing and correction of the Congressional Record.

"(2) Such committee also have the duty of assigning office space in the Senate wing of the Capitol and in the Senate Office Buildings.

"(3) It shall be the duty of such committee to—

"(A) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, and violations of rules and regulations of the Senate, relating to the conduct and individuals in the performance of their duties as Members of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

"(B) recommend to the Senate by report or resolution by a majority vote of the full committee disciplinary action to be taken with respect to such violations which the committee shall determine, after according to the individuals concerned due notice and opportunity for hearing, to have occurred;

"(C) recommend to the Senate, by report or resolution, such additional rules or regulations as the committee shall determine to be necessary or desirable to insure proper standards of conduct by Members of the Senate, and by officers or employees of the Senate, in the performance of their duties and the discharge of their responsibilities; and

"(D) report violations by a majority vote of the full committee of any law to the proper Federal and State authorities.

"(4) Such committee shall also—

"(A) make a continuing study of the organization and operation of the Congress of the United States and shall recommend improvements in such organization and operation with a view toward strengthening Congress, simplifying its operations, improving

its relationships with other branches of the United States Government, and enabling it better to meet its responsibilities under the Constitution of the United States; and

"(B) identify any court proceeding or action which, in the opinion of the Committee, is of vital interest to the Congress as a constitutionally established institution of the Federal Government and call such proceeding or action to the attention of the Senate.

"2. Each standing committee may study and review tax expenditures related to subject matters within its jurisdiction, and submit reports and its recommendations with respect thereto.

"3. Except as otherwise provided by paragraph 6 of this rule, during the period commencing on the effective date of the Committee System Reorganization Amendments of 1977 and ending on that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed, the standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

Committee	*Members*
Agriculture and Small Business	16
Appropriations	25
Armed Services	16
Banking, Housing and Urban Affairs	15
Budget	16
Commerce, Science, and Transportation	18
Energy and Natural Resources	17
Environment and Public Works	15
Finance	16
Foreign Relations	15
Governmental Affairs	16
Human Resources	16
Judiciary	15
Rules, Administration, and Standards	9.

"(b) Not later than July 1, 1978, the Committee on Rules, Administration, and Standards shall report to the Senate a resolution amending paragraph 3 of rule XXV of the Standing Rules of the Senate which prescribes the number of members of the standing committees effective on that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed.".

TITLE II—COMMITTEE ASSIGNMENTS; CHAIRMANSHIPS

SEC. 201. (a) Paragraph 6 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"6. (a) Except as otherwise provided by this paragraph—

"(1) each Senator shall serve on two and no more standing committees; and

"(2) each Senator may serve on only one select, special, or ad hoc committee of the Senate or joint committee of the Congress.

"(b)(1) Each Senator may serve on not more than two subcommittees of each standing committee of which he is a member.

"(2) Each Senator may serve on only one subcommittee of each select, special, or ad hoc committee of the Senate or joint committee of the Congress of which he is a member.

"(3) Notwithstanding subparagraphs (1) and (2), a Senator serving as chairman or ranking minority member of a standing, select, special, or ad hoc committee of the Senate or joint committee of the Congress may serve ex-officio as a member of any subcommittee of such committee or joint committee.

"(4) No standing, select, special, or ad hoc committee of the Senate may establish any sub-unit of that committee other than a subcommittee, unless the Senate by resolution has given permission therefor. For purposes of this subparagraph, any sub-unit of a joint committee shall be treated as a subcommittee.

"(c) By agreement entered into by the majority leader and the minority leader, the membership of one or more standing committees may be increased temporarily from time to time by such number or numbers as may be required to accord to the majority party a majority of the membership of all standing committees. When any such temporary increase is necessary to accord to the majority party a majority of the membership of all standing committees, members of the majority party in such number as may be required for that purpose may serve as members of three standing committees. No such temporary increase in the membership of any standing committee under this subparagraph shall be continued in effect after the need therefor has ended. No standing committee may be increased in membership under this subparagraph by more than two members in excess of the number prescribed for that committee by paragraph 3 of this rule.

"(d) Any Senator who by reason of his being chairman of a standing committee is required by law to serve on more than one joint committee of the Congress may serve on each such joint committee, but such Senator may not serve on any select, special, or ad hoc committee of the Senate.

"(e)(1) No Senator shall serve at any time as chairman of more than one standing, select, special, or ad hoc committee of the Senate or joint committee of the Congress.

"(2) No Senator shall serve at any time as chairman of more than one subcommittee of each standing, special, select, or ad hoc committee of the Senate or joint committee of the Congress of which he is a member.

"(f) Membership on the Committee on Rules, Administration, and Standards shall not be taken into account for purposes of subparagraph (a)(1), but a Senator serving on such committee and two other standing committees may not serve on any select, special, or ad hoc committee of the Senate, and may not serve on any joint committee of the Congress unless the Senate members thereof are required by law to be appointed from the Committee on Rules, Administration, and Standards.

"(g) Until that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed—

"(1) membership on the Committee on the Budget shall not be taken into account for purposes of subparagraph (a)(1), but a Senator serving on such committee and two other standing committees may not serve on any committee referred to in subparagraph (a)(2)."

(b) Rule XVI of the Standing Rules of the Senate is amended by striking out paragraph 6.

(c)(1) Section 2 of Senate Resolution 400, Ninety-fourth Congress, is amended—

(A) by striking "paragraph 6(f)" in the last sentence of subsection (c) and inserting in lieu thereof "paragraph 6(c)(1)"; and

(B) by striking out subsection (d).

(2) On that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed, Senate Resolution 400, Ninety-fourth Congress, is repealed.

(3) Not later than July 1, 1978, the Committee on Governmental Affairs shall report to the Senate a resolution concerning the disposition of the jurisdiction and functions of the Select Committee on Intelligence.

(d)(1) Not later than July 1, 1977, the appropriate standing committees shall report legislation terminating the statutory authority of the following joint committees of the Congress and transferring their functions to the appropriate standing committees of the Senate and the House of Representatives (to the extent such functions are not then vested in such standing committees) or other appropriate bodies:

(A) Joint Committee on Atomic Energy;

(B) Joint Committee on Congressional Operations;

(C) Joint Committee on Defense Production;

(D) Joint Economic Committee;

(E) Joint Committee on the Library;

(F) Joint Committee on Printing; and

(G) Joint Committee on Taxation.

No proposed legislation shall be referred in the Senate to any joint committee of the Congress and no proposed legislation reported by any such joint committee shall be received in the Senate.

(2) Not later than July 1, 1977, the appropriate standing committees shall report legislation establishing a Congressional Revenue Office, to be staffed initially by the staff of the Joint Committee on Taxation and to be primarily responsible to the Committee on Ways and Means and the Committee on Finance.

(3) Until the termination of the joint committees referred to in paragraph (1), vacancies occurring in the Senate membership of any such joint committee shall be filled, consistent with the provisions of paragraph 6 of rule XXV of the Standing Rules of the Senate, by the appointment of Senators who are members of the standing committees of the Senate which have jurisdiction over the subject matters with respect to which such joint committee exercises its functions. The preceding sentence shall not apply (but paragraph 6 of rule XXV of the Standing Rules of the Senate shall apply) to any joint committee the Senate members of which are required by law to be appointed from one or more specified standing committees of the Senate.

(c) Senate Resolution 58, Eighty-first Congress, and Senate Resolution 338, Eighty-eighth Congress, are repealed.

(f) It is the sense of the Senate that in appointing Senators to the standing committees pursuant to the Standing Rules of the Senate (as amended by this resolution) and in establishing seniority of Senators on such standing committees, first and full consideration should be given to those Senators who, on October 1, 1976, were serving as chairmen and ranking minority members of standing committees whose jurisdictions are transferred to, or consolidated in, other standing committees and as chairmen and ranking minority member of select or special committees and subcommittees of standing committees whose jurisdictions and functions are so transferred or consolidated.

TITLE III—MULTIPLE REFERRAL OF PROPOSED LEGISLATION; ESTABLISHMENT OF AD HOC COMMITTEES

SEC. 301. (a) Rule XXVI of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. (a) Except as provided in this paragraph and paragraph 4, in any case in which a controversy arises as to the jurisdiction of any committee of the Senate with respect to any proposed legislation, the question of jurisdiction shall be decided by the presiding officer of the Senate, without debate, in favor of that committee which has jurisdiction over the subject matter which predominates in such proposed legislation; but such decision shall be subject to an appeal.

"(b)(1) Upon motion by the Majority Leader or his designee made for himself and the Minority Leader or his designee, proposed legislation may be referred to two or more committees jointly or sequentially. Notice of

such motion and the proposed legislation to which it relates shall be printed in the Congressional Record. The motion shall be privileged, but it shall not be in order until the Congressional Record in which the notice is printed has been available to Senators for at least twenty-four hours. No amendment to any such motion shall be in order except amendments to any instructions contained therein. Debate on any such motion, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than two hours, the time to be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(2) Proposed legislation which is referred to two or more committees jointly may be reported only by such committees jointly and only one report may accompany any proposed legislation so jointly reported.

"(3) A motion to refer any proposed legislation to two or more committees sequentially shall specify the order of referral.

"(4) Any motion under this subparagraph may specify the portion or portions of proposed legislation to be considered by the committees, or any of them, to which such proposed legislation is referred, and such committees or committee shall be limited, in the consideration of such proposed legislation, to the portion or portions so specified.

"(5) Any motion under this subparagraph may contain instructions with respect to the time allowed for consideration by the committees, or any of them, to which proposed legislation is referred and the discharge of such committees, or any of them, from further consideration of such proposed legislation.".

(b) Section 137 of the Legislative Reorganization Act of 1946 is repealed.

SEC. 302. Rule XXVI of the Standing Rules of the Senate (as amended by section 301 of this resolution) is amended by adding at the end thereof the following new paragraph:

"4. (a) A resolution submitted by the Majority Leader or his designee for himself and the Minority Leader or his designee which establishes an ad hoc committee to consider proposed legislation which falls within the jurisdiction of two or more committees of the Senate and which conforms to the requirements of this paragraph shall be privileged. Any such resolution shall—

"(1) specify the subject matter or matters over which the ad hoc committee shall have jurisdiction;

"(2) specify the number of members to serve on the ad hoc committee;

"(3) provide that the members of the ad hoc committee from the majority party shall be appointed by the Majority Leader, after consultation with the chairmen of the committees whose jurisdiction is involved (which committees shall be manned in the resolution);

"(4) provide that the members of the ad hoc committee from the minority party shall be appointed by the Minority Leader, after consultation with the ranking minority members of the committees whose jurisdiction is involved;

"(5) provide that the Majority Leader shall appoint the chairman of the ad hoc committee;

"(6) provide that the expenses of the ad hoc committee shall be paid out of the contingent fund of the Senate, and specify any limitation on the amount of such expenses; and

"(7) specify the period of existence of the ad hoc committee, which shall not extend beyond the end of the Congress in which it is established.

"(b)(1) A resolution described in subparagraph (a) shall not be referred to a committee but shall be placed on the calendar under the heading 'General Orders', and shall be printed in the Congressional Record. It shall be in order after the third day following the introduction of any such resolution, but not before, to move to proceed to its consideration. Debate on any such motion, and all debatable mations and appeals in connection therewith, shall be limited to not more than one hour, the time to be equally divided between, and controlled by the Majority Leader and the Minority Leader or their designees.

"(2) Debate on any such resolution, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than five hours, the time to be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(c) Notwithstanding paragraph 1 of rule XXV and paragraph 3 of this rule, all proposed legislation relating to the subject matter or matters over which an ad hoc committee established pursuant to subparagraph (a) has jurisdiction (as specified in the resolution establishing that ad hoc committee) shall be referred to that ad hoc committee.

"(d) An ad hoc committee established pursuant to this paragraph shall have power to report proposed legislation and shall have the powers conferred upon standing committees by section 134(a) of the Legislative Reorganization Act of 1946. The provisions of section 133 of the Legislative Reorganization Act of 1946 shall apply to any such ad hoc committee. For purposes of the Standing Rules and other rules of the Senate (including provisions of the Legislative Reorganization Act of 1946 enacted as rules of the Senate), an ad hoc committee established pursuant to this paragraph shall be treated as a special committee of the Senate.

"(e) With the approval of the chairman and ranking minority member of the committee concerned, an ad hoc committee established pursuant to this paragraph may utilize the personnel, services, and facilities of any other committee of the Senate.

"(f) Beginning with the day on which a resolution described in subparagraph (a) is introduced and until such resolution is disposed of, any proposed legislation introduced which involves any of the subject matters specified in such resolution shall not be referred to a committee, but shall be printed in the Congressional Record of the day on which introduced.".

TITLE IV—SCHEDULING OF COMMITTEE MEETINGS

SEC. 401. (a) In consultation with the Majority Leader and the Minority Leader, the Committee on Rules, Administration, and Standards shall establish and maintain a computerized schedule of all meetings of committees of the Senate and subcommittees thereof, and of all meetings of joint committees of the Congress and subcommittees thereof. Such schedule shall be maintained on-line to terminals in the offices of all Senators, committees of the Senate, and permanent joint committees of the Congress, and shall be up-dated hourly.

(b) Each committee of the Senate, and each subcommittee thereof, shall notify the Committee on Rules, Administration, and Standards of each meeting of such committee or subcommittee, including the time period or periods (as prescribed in paragraph 9 of rule XXV of the Standing Rules of the Senate), the place, and the purpose of such meeting. The Senate members of any joint committee of the Congress or of a subcommittee thereof shall cause notice to be given to the Committee on Rules, Administration, and Standards of each meeting of such joint committee or subcommittee, including the time, place, and purposes of such meeting. Notice under this subsection shall be given immediately upon scheduling a meeting.

(c) Each committee of the Senate, and each subcommittee thereof, shall notify the Committee on Rules, Administration, and Standards immediately upon the cancellation of a meeting of such committee or subcommittee. The Senate members of any joint committee of the Congress or any subcommittee thereof shall cause notice to be given to the Committee on Rules, Administration and Standards immediately upon the cancellation of a meeting of such joint committee or subcommittee.

(d) For purposes of this section, the term "joint committee of the Congress" includes a committee of conference.

SEC. 402. (a) Subparagraph (a) of paragraph 7 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(a) No committee of the Senate or any subcommittee thereof may meet, without special leave, after the conclusion of the first two hours after a meeting of the Senate has commenced and in no case after two o'clock postmeridian unless consent therefor has been obtained from the Majority Leader and the Minority Leader (or in the event of the absence of either of such Leaders, from his designee). The prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget. The Senate members of any joint committee of the Congress (other than a committee of conference) may not, without special leave, attend any meeting of the joint committee or any subcommittee thereof after the conclusion of the first two hours after a meeting of the Senate has commenced and in no case after two o'clock postmeridian unless consent therefor has been obtained from the Majority Leader and the Minority Leader (or in the event of the absence of either of such Leaders, from his designee). The Majority Leader or his designee shall announce to the Senate whenever consent has been given under this subparagraph.".

(b) Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"9. Morning meetings of committees of the Senate and subcommittees thereof shall be scheduled for one or both of the periods prescribed in this paragraph. The first period shall end at eleven o'clock antemeridian. The second period shall begin at eleven o'clock antemeridian and end at two o'clock postmeridian.".

(c) Section 134(c) of the Legislative Reorganization Act of 1946 is repealed.

SEC. 403. (a) The Majority Leader shall, from time to time and as far in advance as is practicable, announce to the Senate those days on which he plans to have the Senate meet and the hour at which he plans to have the Senate meet on each day. In order to provide the maximum amount of time for meetings of committees, the Senate should meet only on as many days as are necessary for the proper conduct of its business and to comply with the Constitution of the United States, and should not meet on any day before the hour regularly prescribed for commencement of daily sessions unless the business of the Senate so requires.

(b) Paragraph 3 of rule VII of the Standing Rules of the Senate is amended by striking "until the hour of 1 o'clock has arrived" and inserting in lieu thereof "until the conclusion of one hour after the meeting of the Senate was commenced".

(c) Rule VIII of the Standing Rules of the Senate is amended by striking out "2 o'clock" in paragraphs 1 and 2 and inserting in lieu thereof "the conclusion of two hours after the meeting of the Senate was commenced".

(d) It is the sense of the Senate that, insofar as possible, rollcall votes should not be held before two o'clock post meridian of any day, and that, when it is necessary to hold a rollcall vote before 2 o'clock post meridian on a day, notice of such vote should be given at least 24 hours in advance.

TITLE V—CONTINUING REVIEW OF THE COMMITTEE SYSTEM

SEC. 501. (a) The Majority Leader and the Minority Leader shall review, on a continuing basis, the committee system of the Senate and the Standing Rules and other rules of the Senate related thereto.

(b) During the second regular session of each Congress, the Majority Leader and the Minority Leader shall submit to the Senate a report of the results of their review under subsection (a) during that Congress. Such report shall include their recommendations (if any) for changes in the committee system of the Senate and the Standing Rules and other rules of the Senate related thereto. The Majority Leader and the Minority Leader may submit, from time to time, such other reports and recommendations with respect to such committee system and rules as they deem appropriate.

(c) At the request of the Majority Leader or Minority Leader, the Committee on Rules, Administration, and Standards (with the approval of the chairman of such committee), the Secretary for the Majority, and the Secretary for the Minority shall provide such assistance as may be requested to assist them in carrying out their duties and responsibilities under this section.

TITLE VI—AMENDMENTS NOT WITHIN A COMMITTEE'S JURISDICTION

SEC. 601. The Standing Rules of the Senate are amended by adding at the end thereof the following new rule:

"RULE XLV—COMMITTEE AMENDMENTS NOT WITHIN ITS JURISDICTION

"It shall not be in order to consider any proposed committee amendment (other than a technical, clerical, or conforming amendment) which contains any matter not within the jurisdiction of the committee proposing such amendment.".

TITLE VII—COMMITTEE STAFFS

SEC. 701. For purposes of this title, the term—

(1) "effective date" means the effective date of title I;

(2) "eligible staff member" means an individual who is a member of the staff of an old committee, or of a subcommittee thereof, on the day prior to the effective date and had served continuously as a member of the staff of an old committee or a subcommittee thereof since October 1, 1976;

(3) "new commtitee" means a standing committee established by paragraph 1 of rule XXV of the Standing Rules of the Senate, as amended by section 101(a);

(4) "old committee" means a standing, select, or special committee of the Senate which is in existence on the day before the effective date; and

(5) "transition period" means, with respect to a new committee, the period beginning on the effective date and ending on whichever of the following first occurs:

(A) 10 days after the date on which the Senate agrees to the first resolution which is reported pursuant to section 133(g) of the Legislative Reorganization Act of 1946 and which authorizes expenditures out of the contingent fund of the Senate to be made by such committee (not including any resolution reported pursuant to section 704 (b)),

(B) the 90th day after the effective date, or

(C) July 1, 1977.

SEC. 702. On the effective date, the staffs of the new committees shall, except as provided in section 703, consist of the staffs of the old committees and their respective subcommittees, as set forth in the following table:

The staff of the new Committee on—	Shall consist of the staff of the old Committee (and its subcommittees) on—
Agriculture and Small Business	Agriculture and Forestry.
Appropriations	Appropriations.
Armed Services	Armed Services.
Banking, Housing and Urban Affairs	Banking, Housing and Urban Affairs.
Budget	Budget.
Commerce, Science, and Transportation	Commerce.
Energy and Natural Resources	Interior and Insular Affairs.
Environment and Public Works	Public Works.
Finance	Finance.
Foreign Relations	Foreign Relations.
Governmental Affairs	Government Operations.
Human Resources	Labor and Public Welfare.
Judiciary	Judiciary.
Rules, Administration, and Standards	Rules and Administration.

SEC. 703. (a) For purposes of this section, the term "consolidated committee" means the Committee on Aeronautical and Space Sciences, the Committee on the District of Columbia, the Committee on Post Office and Civil Service, the Committee on Veterans' Affairs, and the select and special committees of the Senate in existence on the day prior to the effective date.

(b) On the effective date, each eligible staff member of each consolidated committee is transferred to the new committee which has the jurisdiction or performs the functions previously vested in the consolidated committee. When two or more new committees have the jurisdiction or perform the functions previously vested in a consolidated committee, the determination of the eligible staff members of the consolidated committee transferred to the staff of each of the new committees shall be made, prior to the effective date, by the Committee on Rules and Administration in consultation with the chairman or acting chairman and ranking minority member of the consolidated committee.

(c) In any case in which a subcommittee of an old committee has a separate staff and is separately funded and, on the effective date, a new committee has the jurisdiction or performs the functions previously vested in the subcommittee, each eligible staff member of the subcommittee is transferred on the effective date to the staff of such new committee. When two or more new committees have the jurisdiction or perform the functions previously vested in the subcommittee, the determination of the eligible staff members of the subcommittee transferred to the staff of each of the new committees shall be made, prior to the effective date, by the Committee on Rules and Administration in consultation with the chairman or acting chairman and ranking minority member of the subcommittee. This subsection does not apply (and section 702 shall apply) in any case in which the staff of the new committee is the successor to the staff of the old committee and its subcommittees under section 702.

(d) During the transition period of a new committee, each eligible staff member transferred by subsections (b) and (c) to the staff of the new committee—

(1) shall receive compensation at a rate not less than the rate of compensation such staff member was receiving on January 4, 1977; and

(2) may not be removed, except for cause, as a member of the staff of the new committee.

SEC. 704. (a) If this resolution is not agreed to before January 30, 1977, the Committee on Rules and Administration shall, before February 28, 1977, report a resolution which—

(1) extends, through the day prior to the effective date, the authority of each select or special committee which otherwise expires on February 28, 1977; and

(2) authorizes expenditures out of the contingent fund of the Senate through such day by each old committee at the same rate as authorized for the year ending February 28, 1977.

(b) Before the effective date, the Committee on Rules and Administration shall report a resolution which authorizes expenditures out of the contingent fund of the Senate during the transition period by the new committees. The amount authorized for each new committee shall be sufficient to enable that committee to pay the compensation of the members of its staff, including those members transferred to its staff by section 703, during the transition period.

(c) Within 90 days after the effective date, but in any event not later than July 1, 1977, the Committee on Rules, Administration, and Standards shall report resolutions under section 133(g) of the Legislative Reorganization Act of 1946 authorizing expenditures out of the contingent fund of the Senate by new committees for that portion of the year ending February 28, 1978, remaining after the termination of the transition period.

SEC. 705. (a) For purposes of this section, the term "displaced staff member" means an eligible staff member who is certified by the chairman or the ranking minority member of a new committee as having been dismissed at the termination of such new committee's transition period (or as having resigned before such termination) solely because of the reorganization of the staff of such new committee.

(b) The chairman of each new committee (or the ranking minority member with respect to minority employees) shall certify to the Committee on Rules, Administration, and Standards, not later than 30 days after the close of the transition period of such committee, the names of the displaced staff members of such committee.

(c)(1) Subject to the provisions of subsection (d) and (e), each displaced staff member shall be entitled, upon application therefor to the Committee on Rules, Administration, and Standards, to receive a gross amount of severance pay equal to—

(A) one week's pay for each year (or portion thereof) of service as an officer or employee of the Federal Government, not exceeding ten years; plus

(B) two weeks' pay for each year of service (or portion thereof) as an officer or employee of the Federal Government in excess of ten years.

(2) For purposes of paragraph (1)—

(A) the pay of a displaced staff member is the pay (computed at a weekly rate) received by him at the time of his dismissal or resignation from the staff of a new committee, or, if higher, received by him on January 4, 1977; and

(B) in the case of service for a portion of a year, the severance pay for such service shall be proportionately reduced.

(d)(1) Except as otherwise provided by regulations prescribed under section 707, payments of severance pay to a displaced staff member under this section shall be made by the Secretary of the Senate on a monthly basis, and on the same dates as provided for employees of the Senate, until such dis-

placed staff member has been paid the gross amount to which he is entitled under subsection (c), reduced as provided by paragraph (2).

(2) On or before the first day of each month (or such later day as may be provided by regulations prescribed under section 707), a displaced staff member shall certify in writing to the Secretary of the Senate—

(A) whether or not he was employed or engaged in self-employment during the preceding month; and

(B) the amount (if any) of compensation received by him as an employee and the amount (if any) of net earnings from self-employment received by him during the preceding month.

The amount of severance pay to which a displaced staff member is otherwise entitled for any month shall be reduced by the sum of the amounts certified by him under subparagraph (B). If a displaced staff member fails to certify with respect to a month, no amount of severance pay shall be paid to him for such month and the gross amount of severance pay to which he is entitled under subsection (d) shall be reduced by the entire amount of severance pay which would otherwise have been paid to him for such month.

(e)(1) A displaced staff member shall be entitled to receive severance pay under this section for any month only if the Committee on Rules, Administration, and Standards is satisfied that the displaced staff member has made reasonable efforts during such month to obtain employment comparable to his employment as a member of a committee staff, but has been unable to do so.

(2) Payments of severance pay under this section shall be made from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee on Rules, Administration, and Standards.

SEC. 706. (a) Until otherwise provided by law or resolution, each Senator shall, except as otherwise provided in this section, receive each fiscal year an amount equal to three times the amount referred to in section 105(e)(1) of the Legislative Branch Appropriation Act, 1968, as amended and modified. Such amount may be used by a Senator only to employ individuals for the purpose of assisting him in connection with his membership on committees of the Senate. Each Senator shall designate the committee with respect to which any individual is so employed to assist him.

(b) In the case of a Senator who is—

(1) the chairman or ranking minority member of a committee designated by him under subsection (a);

(2) the chairman or ranking minority member of any subcommittee of such committee that receives funding to employ staff assistance separately from the funding authority for staff of the committee; or

(3) authorized by the committee, a subcommittee thereof, or the chairman of the committee or subcommittee, as appropriate, to recommend or approve the appointment to the staff of such committee or subcommittee of one or more individuals for the purpose of assisting such Senator in his duties as a member of such commitee or subcommittee,

the amount to which such Senator is otherwise entitled under subsection (a) shall be reduced by an amount equal to the lesser of (A) an amount equal to the aggregate annual gross rates of compensation of all staff employees of that committee or subcommittee (i) whose appointment is made, approved, or recommended and (ii) whose continued employment is not disapproved by such Senator, if such employees are employed for the purpose of assisting such Senator in his duties as chairman, ranking minority member, or member of such committee or subcommittee thereof, as the case may be, or (B) the amount referred to in section 105(e)(1) of the Legislative Branch Appropriation Act, 1968, as amended and modified.

(c)(1) An employee appointed under this section shall be designated as such and certified by the Senator who appoints him to the chairmen and ranking minority members of the appropriate committee or committees as designated by such Senator and shall be accorded all privileges of a professional staff member (whether permanent or investigatory) of such committee or committees including access to all committee sessions and files, except that any such committee may restrict access to its sessions to one staff member per Senator at a time and require, if classified material is being handled or discussed, that any staff member possess the appropriate security clearance before being allowed access to such material or to discussion of it.

(2) If (A) a Senator's service on a committee terminates (other than by reason of his ceasing to be a Member of the Senate) or a Senator's status on a committee as the chairman or ranking minority member of such committee or a subcommittee thereof changes, and (B) the appointment of an employee appointed under this section and designated to such committee by such Senator would (but for this paragraph) thereby terminate, such employee shall, subject to the provisions of subsection (e), be continued as an employee appointed by such Senator under this section until whichever of the following first occurs: (1) the close of the tenth day following the day on which such Senator's service on such committee terminates or his status on such committee changes or (2) the effective date on which such Senator notifies the Secretary of the Senate, in writing, that such employee is no longer to be continued as an employee appointed under this section. An employee whose appointment is continued under this paragraph shall perform such duties as the Senator who appointed him may assign.

(d) An employee appointed under this section shall not receive compensation in excess of that provided for an employee under section 105(e)(1) of the Legislative Branch Appropriations Act, 1968, as amended and modified.

(e) The aggregate of payments of gross compensation made to employees under this section during each fiscal year shall not exceed at any time during such fiscal year one-twelfth of the total amount to which the Senator is entitled under this section (after application of the reductions required under subsection (b)) multiplied by the number of months (counting a fraction of a month as a month) elapsing from the first month in that fiscal year in which the Senator holds the office of Senator through the end of the current month for which the payment of gross compensation is to be made. In any fiscal year in which a Senator does not hold the office of Senator at least part of each month of that year, the aggregate amount available for gross compensation of employees under this section shall be the total amount to which the Senator is entitled under this section (after application of the reductions required under subsection (b)) divided by 12, and multiplied by the number of months the Senator holds such office during that fiscal year, counting any fraction of a month as a full month.

(f) The compensation of individuals appointed under this section shall be paid out of the contingent fund of the Senate.

(g) The preceding provisions of this section shall be suspended and have no force or effect during any period during which, by law enacted after the date on which this resolution is agreed to, funds are made available to Senators to employ individuals to assist them in connection with their membership on committees of the Senate.

(h) Senate Resolution 60, 94th Congress, is repealed.

(i)(1) Except as provided in this subsection—

(A) this section shall take effect on the first day of the month in which the effective date occurs; and

(B) a Senator shall not be entitled to receive any amount under section 108 of the Legislative Branch Appropriation Act, 1976, for any period on or after such first day, and any designation made by him under such section which is in effect on the day prior to such first day shall cease to be effective on such first day.

(2) The aggregate amount available to a Senator for gross compensation of employees appointed under this section during the fiscal year ending September 30, 1977, shall be the total amount to which the Senator is entitled under this section (after application of the reductions required by subsection (b)) divided by 12, and multiplied by the number of months remaining in such fiscal year on and after such first day.

(3) A Senator who, but for the provisions of paragraph (1), would be entitled to receive amounts under section 108 of the Legislative Branch Appropriations Act, 1976, may elect to continue to receive amounts under such section for the period beginning on such first day and ending on the day prior to the effective date. Such election shall be made at such time and in such manner as may be provided in regulations prescribed under section 707. In the case of a Senator who makes such an election—

(A) any designation made by him under such section 108, which is in effect on such first day shall remain in effect through the day prior to the effective date unless sooner revoked or changed by him; and

(B) the amount available to such Senator for gross compensation of employees appointed under this section for the month in which occurs the effective date shall be reduced by the amounts payable for the portion of such month prior to the effective date to employees appointed by him under such section 108.

SEC. 707. The Committee on Rules and Administration shall prescribe such rules and regulations as it determines necessary to carry out the provisions of sections 703 and 704 and, until the effective date, the provisions of section 706. The Committee on Rules, Administration, and Standards shall prescribe such rules and regulations as it determines necessary to carry out the provisions of section 705 and, on and after the effective date, the provisions of section 706.

TITLE VIII—MISCELLANEOUS

SEC. 801. Titles I through VI of this resolution and the amendments to the Standing Rules of the Senate made by such titles shall take effect on the thirtieth day after the day on which this resolution is agreed to.

SEC. 802. To the extent necessary to carry out the provisions of paragraph 1 of rule XXV of the Standing Rules of the Senate (as amended by title I of this resolution), all proposed legislation and nominations referred before the effective date of such title to the standing committees of the Senate shall be rereferred on such effective date to the appropriate standing committees.

SEC. 803. Any reference in any rule, resolution, or order of the Senate or in any law, regulation, or executive order to any standing committee of the Senate (as such committees were constituted before the effective date of title I of this resolution) shall, after such effective date, be considered as referring to the appropriate standing committee established by paragraph 1 of rule XXV of the Standing Rules of the Senate (as amended by title I of this resolution).

Mr. STEVENSON. Mr. President, I submit on behalf of myself, Senator PACKWOOD, and other Members, a resolution to amend the Standing Rules of the Senate and send it to the desk.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. (Mr. STONE). Is the Senator submitting the resolution at this time?

Mr. STEVENSON. That is what the Senator is doing.

The PRESIDING OFFICER. Does the Senator request immediate consideration?

Mr. STEVENSON. No; the Senator has not yet requested immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, before the resolution is referred, I wish to propound the following unanimous-consent request.

Mr. STEVENSON. Mr. President, will the distinguished majority leader withhold for 1 minute?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENSON. Mr. President, this resolution is the culmination of many years of protest, thought, and hard work. It is the culmination of many months of serious work by the Select Committee To Study the Senate Committee System. This resolution, which I have introduced with the distinguished Senator from Oregon and other Members, proposes the most far-reaching reorganization of the Senate in its history, the first reorganization in some 30 years.

I will not take time to elaborate upon its contents which are well known to the Members, except to say that, if adopted, this resolution would rationalize the jurisdiction of Senate committees, cut back the number of committees and subcommittees, equalize the workload and the responsibilities of committees and Members, and enable the Senate to more effectively utilize all of its resources, including the precious time of its Members, and to act comprehensively on such complex questions as energy, the environment, the transportation and international economics.

If acted upon expeditiously, it will cause no interference with the orderly conduct of the Senate's business. On the contrary, it would make this a more effective, responsible, and democratic institution.

So it is my strong hope that the Rules Committee, to which it will be referred, and the Senate, as a whole, will act with dispatch, and for that reason that the Committee on Rules and Administration will report a resolution upon this subject no later than January 19, pursuant to a request which I understand will be made by the distinguished majority leader.

Mr. President, I commend the majority leader, also the chairman of the Committee on Rules and Administration, the Senator from Nevada (Mr. CANNON), Senator PACKWOOD, the former Senator, our colleague on the select committee, Mr. Brock, and all of my colleagues on that committee for their progressive leadership and strong commitment to the substance and the process of Senate reorganization.

The leaders on both sides and Senator GRIFFIN, the distinguished Senator from Michigan, as well as our distinguished majority leader, deserve the commendations and the gratitude of all of the Members for their help, and they certainly have mine.

Mr. NELSON and Mr. PACKWOOD addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I have the floor.

The VICE PRESIDENT. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. I yield to the Senator from Wisconsin.

Mr. NELSON. I wish to comment for 2 minutes.

Mr. ROBERT C. BYRD. I yield without losing my right to the floor.

Mr. NELSON. Mr. President, as a member of the Stevenson committee I wish at this time to commend Senator STEVENSON, Senator Brock, and other members of that committee for the long and dedicated effort they put into the attempt to structure committee jurisdiction, committee assignments, and committee workload, in an enterprise that I think is very important to the Senate. I know how long and hard they worked on it. I know the pressure under which the whole committee worked, because a substantial amount of that work had to be performed in the past in the last 8 weeks before adjournment when we were meeting all day and on into many evenings.

I think it is perfectly obvious to anyone that if any individual drafted his own resolution it would be different from this. It represented some compromises, but I think it is a major important step in the right direction. I am sure that the Rules Committee will hear views and ideas that involve some modifications, but basically it is a substantial and important step in the right direction. The two cochairmen are entitled to the thanks of the Members for the long and hard hours and days they put into this effort.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I am greatly pleased to introduce today with Senator STEVENSON and our other colleagues a resolution to reform the Senate committee system. Reform in the nature we are proposing has not been considered by the Senate since 1946. The time is obviously ripe for an updating and streamlining of our Senate committee structure and operation. The members of the Temporary Select Committee To Study the Senate Committee System, our colleagues, staff, representatives of various groups and organizations, and many citizens have all worked diligently over the last few months to make possible the introduction of this resolution.

Our work began on March 30, 1976, when the temporary select committee was created. Since then, the members of the select committee have met many times to discuss the various facets of congressional committee reform. From the very beginning, our top priorities have been a lessening of Senators scheduling conflicts and wasted time and review of the jurisdiction of Senate committees. The committee has published numerous reports and studies which have served as the foundation for our recommendations today.

Obviously, when you are dealing with over 3,000 Government programs and nearly 1,400 appropriation accounts and uncounted bureaus, commissions, boards and committees, the task of defining committee jurisdiction is extremely difficult. However, I believe that on the whole we have met the measure of a viable committee system in our recommendations.

If not more important is the emphasis the select committee has placed on reducing the scheduling conflicts and wasted time so many of us encounter due to the great number of assignments which we have. All the committees, subcommittees, and other positions we hold are simply too many for us to adequately adjust our own schedules and fulfill the demands required of us. Therefore, the select committee reduced the present 31 Senate committees to 15 and our plan calls for a nearly 50-percent reduction in the number of subcommittee assignments. Our plan provides a foundation for a committee system that allows each Member to give careful attention to a readily defined number of subject areas.

The work of the select committee has been based on careful analysis and research of committee jurisdictions, Government programs, committee and subcommittee workloads, committee staffing, nearly 100 interviews with committee staff and Senators concerning committee jurisdiction, testimony and written work of various individuals, and both the Senate and committee rules. For the first time, our committee has identified which Government programs are included within each committee's jurisdiction. This final step has provided the basic building block for the restructuring of our committee system.

Under our proposal, each Senator would be limited to two standing committee assignments and one assignment to a special, select, or ad hoc committee. A Senator would serve on no more than two subcommittees for each standing committee and one subcommittee for the special, select, or ad hoc committee.

The select committee has also recommended that the majority and minority leader have joint responsibility for the multiple referral of bills and for the establishment of ad hoc committees with legislative authority for issues of national importance. These ad hoc committees would automatically expire under our proposal within the Congress in which they were created. This would greatly help in halting the proliferation of additional committees.

The reduction of committees and subcommittees and the assignments for each Senator to those bodies will in itself reduce the scheduling conflicts we encounter. Yet, in addition to those structural changes a Senate scheduling service will be created to computerize the various committee and subcommittee meetings

during the week. To further reduce wasted time our proposal includes a sense of the Senate resolution that it postpone record votes until after the hour of 2 p.m. each legislative day.

On the whole, our recommendations would greatly improve the operation of the Senate. In my mind we have provided in this plan an opportunity for each Senator to serve on two major committees without the scheduling conflicts and loss of our time that characterize the present system. This select committee's recommendations deserve careful consideration by the Senate Rules Committee and eventually the full Senate. It is my sincere hope that we can complete our reform of the committee system over the next few weeks and that our work will create an efficient, streamlined, and updated Senate in which we can get on with the work of the Nation.

Mr. President, when the Rules Committee considers this and then hopefully it is referred to the Senate, I hope they will keep in mind as it is being considered that this recommendation is not a perfect piece of work but there are some compromises in it. If we had tried to realine committee jurisdictions perfectly we would not have been able to equalize the workload as well as we have done. Had we tried to make the workload exactly equal we could not have reached the accommodations on jurisdictional realinement that we did.

In addition, in the forefront of all of our minds was the problem of scheduling committee meetings, overlapping subcommittees, and being called to the floor to vote. All of these were factors in addition to studying the subject of committee jurisdiction.

I think Senator STEVENSON, myself, and others on the committee are receptive to suggested changes and suggested amendments. But I would hope that we would all restrain ourselves in efforts to recreate many of the committees that have been abolished in this resolution. If we want to shift jurisdiction from one committee to another that is fine. I will not quarrel too much with that. But this is a very delicately balanced report. Everyone has had to give up something. And if just a few people want to get back most of what they have given up, it is going to unravel and fail, and we will be right back where we were prior to the start of this commission. So I would simply ask restraint on all of our part in an effort to recreate the bailiwicks and jurisdictions that we all had, realizing if we try to do so and some of us succeed I think all of us will fail.

Mr. DOMENICI. Mr. President, will the Senator yield 3 minutes.

Mr. ROBERT C. BYRD. Yes; I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise to commend the Senator from Illinois in his cochairmanship and Senator Bill Brock, who is no longer with us, who carried these hearings and this resolution through the end of last year, and I now commend the distinguished Senator from Oregon who will take the ranking lead on the Republican side.

I, too, as one of the members who worked on this proposal, know that it is not perfect. On the other hand, as we open a new session, we do not have clearly before us the problems of 6 months and 8 months ago, the end of the previous year, and the confusion with energy legislation which many committees and many subcommittees had.

I hope we will all think back as we find reason to argue with this, and that we truly consider that at some point in time this institution has to remodel and remold its committee jurisdiction system. The committee certainly knows that there can be some changes back and forth, but I think the variation of fewer standing committees and the idea of fewer subcommittees, which are engraved in very black ink in this proposal, for they are at the heart of it, ought to be considered by everyone as reform that would be good for all of us.

Many of us are very much concerned when we cannot go to the committee hearings that we are supposed to attend. Much of that is attributable to the proliferation of subcommittee hearings, often three and four on the same day. Granted that is partly management; but certainly when there are fewer duplications and the jurisdictions are better confined, as proposed here, it will be easier for all of us to do a better job.

When the division of work between four and five committees that properly belongs in one is not right before our eyes, I hope each of us will nevertheless approach the debate with that in mind, and with the idea of equal division of matters of jurisdiction and workload. As all of us can understand, changes will have to be made, but they would certainly be subject to review.

I commend the distinguished Senator from Illinois for his very practical approach to this matter, and I hope we will see the day in the next 2 or 3 weeks when the Senate will vote for the total reformation the Senator desires, with the rules changes that will be required.

STATEMENT SUBMITTED BY SENATOR HANSEN

Mr. HANSEN. Mr. President, the resolution submitted today by Senators STEVENSON and PACKWOOD offers the Members of the Senate the opportunity to make ourselves more efficient and effective as an institution. As a member of the Temporary Select Committee To Study the Senate Committee System, whose recommendations the resolution incorporates, I believe that the proposed reorganization will do much to reduce the wastage of Senators' time and efforts, to strike a blow for better government, and thereby to aid the American taxpayer who sustains what the Federal Government does.

All Senators, including our new colleagues, are familiar with the list of complaints that led the Senate to create the select committee last March:

The Senate's committees and subcommittees have proliferated, with an increase of more than 300 percent in the number of subcommittees since 1947.

Today the average Senator is spread thin over 18 committee and subcommittee assignments. Some Senators have more than 30 such assignments.

Lack of an effective Senate-wide scheduling system means that Senators frequently are expected in several meetings and hearings at the same time.

Rule XXV, which sets forth the jurisdictions of committees, was written in 1946. As a result, it does not meet today's needs. Committee jurisdictions are obsolete and overlapping, no more seriously than in the critical areas of energy and the environment.

Because of the jurisdictional situation, officials of the executive branch are called upon to testify by what surely must seem to them a maze of committees and subcommittees.

Fragmentation of jurisdictions and the hectic pace of the Senate mean that comprehensive policymaking by our committees is a near impossibility.

The situation has become so frantic that committees are hampered in their responsibilities to oversee the work of administrative departments and agencies and to foresee major issues before they develop into crises of the moment.

Workload is divided unequally among committees, and workload and leadership responsibilities are divided unevenly among Senators.

In my judgment, Mr. President, the reorganization package agreed to by the select committee will do much to alleviate such problems. It will reduce the number of committees on which Senators serve from 31 to 15 and cut the number of subcommittees from 174 to approximately 100. It will consolidate jurisdictions in many areas, notably energy, environmental protection, human resources, and governmental affairs. It will establish a computerized Senate scheduling service. It will limit the committee and subcommittee assignments of Senators to eight, rather than the current average of 18. It will make the workload of Senate committees more nearly equal. Overall, it will encourage comprehensive and coherent policymaking by the committees of the Senate. By empowering the floor leadership to refer bills by motion and establish ad hoc committees with legislative authority, it will encourage more efficient carrying out of the Senate's business.

Mr. President, I believe that this reorganization is supported by a wide consensus in this body. It will improve the quality of our lives as Senators. It will make the Senate a more effective institution in national policymaking. By so doing, it may help restore public confidence in the institutions of government, and those who carry out the business of governing. For these reasons, this reorganization package should command support among Senators of all persuasions. It is the recommendation of a bipartisan committee of six Republicans and six Democrats served by a nonpartisan staff.

There are some who believe that their particular interests are adversely affected by the proposed reorganization. I do not believe that the interests of veterans, or the elderly, or the young, or

any other group in our Nation will be poorly served by this reorganization. If I did, I would not support it. Making the Senate more effective will serve the interests of us all.

Mr. President, I think it is vital that this reorganization be voted on by the Senate before the present committee vacancies are filled on a permanent basis. Freshman Senators can be appointed on a temporary, ad hoc basis, and without any prejudice to the rights of others to committees appointed to existing vacancies. While the delay in filling committee vacancies on a permanent basis is a temporary inconvenience to some Senators, it should be understood that an attempt to make so-called temporary appointments—except as it relates to giving the 1977 freshmen class of Senators specific temporary niches—can be used to defeat the demonstrated need for reorganization. I hope this is not the case. Reorganization needs to be accomplished and I am satisfied that the majority of the freshmen Senators want to see it accomplished, too.

Mr. President, the reorganization package is not perfect, but it offers significant improvement. I wish that the select committee had had the time to study conference committees, and make recommendations about them. But we had an extensive mandate and were unable to investigate that issue and incorporate them with the structural proposals of the reorganization. I trust that we will be able to make some recommendations about the conference committees before our work is completed. In the meantime, I strongly support the resolution that Senators STEVENSON and PACKWOOD have introduced today. I urge all Senators to do likewise. I believe that reorganization is vital to the future of the Senate as an institution of Government.

Mr. President, another important area in need of serious study is in the area of conference committee reform.

As a conferee on dozens of bills, I have felt the frustration of coming out of conference knowing that the Senate position was not upheld as well as it should have been. The House conferees are better organized, better informed and seem to be able to uphold their Chamber's position on the most important provisions of a bill.

My staff and I have worked together on what seem to be the most severe problems facing the Senate in conference and as solutions to the problems, we have isolated the need for rules governing conference proceedings.

Accordingly, we have drafted four resolutions:

1. Requiring that a quorum consisting of a majority of the appointed Senate conferees be present in order to conduct business or vote;

2. Requiring conferees on the part of the Senate to be furnished with written texts of motions, or written explanations thereof prior to their consideration by a committee of conference;

3. Relating to the appointment of conferees on the part of the Senate on measures which have been considered by more than one committee; and

4. Requiring the formal substitution of conferees.

These reforms will help the Senate conferees better represent the strengths of the Senate position and improve the Senate position relative to that of the House in conference.

As a member of the Select Committee on Committees, I am very interested in committee reform. Yet reform of the committee system without reform of the conference committee is incomplete.

Because we are all conferees at one time or another, this issue affects us all and deserves our careful consideration.

This aspect of the legislative system is so important that it has often been called the Third House of Congress. Since few, if any, of the important bills ever pass both Houses in identical form and since the final shape of legislation must be determined in conference, the importance of conference committees should not be underestimated.

The 11 to 12 percent of all public laws enacted during recent Congresses have gone through conference. But numbers alone cannot provide a proper index of the importance of the central role that conference committees play in the legislative process. Submitted to these House-Senate negotiations are most of the important measures before Congress, including most appropriations bills.

Once a conference report reaches the floor it is almost impossible to defeat. A report is of the highest priority and may be brought up at any time except when the Journal is being read or when the Senate is dividing. As of August 30 of 1976, 182 conference reports had been filed in the 94th Congress and only 7 failed.

It is not in order to amend a conference report and it must be voted up or down in its entirety without debate. This, combined with the difficulty of reconvening or calling a new conference greatly enhances the power of the conferees—especially near the close of a session.

When a bill reaches the conference stage of the legislative process, it has generally passed through subcommittee, full committee, and achieved floor passage in both Houses. Often there have been hearings on the bill and much committee time has been devoted to its consideration. And then, when it reaches the conference table, in the space of a few minutes, conferees can change the most important provisions of the bill. A former U.S. Senator, Albert Gore, commented on conference committees:

It is here . . . that a few men can sit down and undo the most painstaking work of months of effort by several standing committees and the full membership of both houses.

Conference committees have the potential to waste the investment of valuable time, energy, and work of committee members.

This committee is considering reform of the committee system. The objectives include reform in jurisdictions, referrals, numbers and sizes, and limitations on assignments but reform of the conference committee system must accompany these other reforms. There is a saying that a chain is only as strong as its weakest link and I believe the conference committee to be the committee system's weakest link.

From my experience as a conferee on dozens of bills, I see the need for reform more clearly in the conference committee than anywhere else. Solving the problems of overlapping jurisdictions, bill referrals, and the like will help the Senate perform its general legislative duties more effectively but if we are not represented well in conference our effectiveness will be severely limited.

Comparing the representative from each Chamber it is easy to see that House conferees are usually far more orderly and organized. The Senate conferees, in contrast, come less prepared, if they come at all, and conduct business in an almost haphazard way; one might be hard pressed to realize that they are representing a common cause.

The difference between the two Houses in conference has not gone unrecognized. Richard Fenno who studied the House Ways and Means Committee commented on the difference in his book, "The Power of the Purse":

By general agreement, the House conferees are better prepared, better organized, better informed, more single-minded in their interest and employ a more belligerent bargaining style.

David Paretz, one of the few contemporary political scientists to study conference committees, also noted the disparity between the House and Senate conferees:

Burdened by more committees, more subcommittees, ordinarily larger constituencies, greater demands by the mass media, and other conference committee responsibilities, Senators are frequently less diligent in their attendance, less informed and less involved in a conference than Representatives.

No doubt that when this committee finishes its work and its recommendations are implemented in the Senate, many of these problems will be mitigated. However, due to the nature of the differences between the House and Senate conferees, I cannot hope that we will be able to come to conference on equal footing with the House unless we reform the conference committees themselves.

The Senate attendance at conference is markedly worse than that of the House. Typically in conference all of the appointed House Members end up facing only one or two Senators across a long green table. The House conference chairman, with a full contingent of conferees to support him, can become a very persuasive bargainer.

Poor Senate attendance gives the House a big advantage in conference. On a bill with many titles it is important to have the Senators present who have developed a particular expertise on a particular title. And it is not enough to have each Senator present only during the consideration of his particular title. Tradeoffs, bargains, and concessions have to be made, all of which require knowledge of the entire bill. An absent Senator can only entrust his proxy to a colleague who may not be as interested in his particular issue and its relevance to the bill as a whole.

A quorum requirement would go a

long way toward lessening these disadvantages in conference. At present, there is no such requirement and one Senator may conduct business in the name of his entire Chamber. If the conference committee is to function as a viable and representative institution then it requires participation and rules governing participation.

A third paragraph as an amendment to rule XXVII of the Standing Rules of the Senate would solve the problem. It would require that a majority of the appointed conferees be present in order to conduct business at any committee of conference.

The proposed amendment also provides for the suspension of the quorum requirement if agreed to by a majority of the Senate conferees. This would give conferees a degree of flexibility at conferences on unimportant bills with no major disagreements between the two Houses. These conferences serve only to hammer out the final language of a bill—often a tedious process which requires the presence of only one Senator.

A second problem with conferences is that the details of the legislation being considered are such that they make it impossible to avoid significant errors in judgment. Although this problem is not limited to the conference stage of the legislative process, it is more pronounced here than anywhere else. When amendments are being rapidly thrown back and forth across the conference table, it is difficult to be aware of the ramifications of a particular amendment.

Here again, the House has an edge in dealing with the problem. The average House Member who sits on only one or two committees is more likely to be expert in the subject under consideration and to have done the legislative work himself. Senators, by contrast, sit on three to five committees and sometimes are unaware of the specific provisions of a bill. When they propose amendments, they often do so in vague and very general wording with the result that the staff members, who must draft the language for the conference report, have little idea what the amendment's proponent had in mind.

House conferees usually present amendments in writing for all conferees to read, or at least dictate amendments from notes for all conferees to write down and think about before discussion and voting. If we could follow the House example, we could better avoid in judgment and improve our position relative to the House in conference. A requirement that Senate conferees have in writing, the proposed amendment in front of them for a certain time period, would serve this purpose. It would give the Senate conferees time to study the proposals in front of them and make intelligent decisions on behalf of the Senate.

The appointment of conferees from several standing committees causes yet another problem for the Senate conferees. Each conferee is limited, somewhat arbitrarily, to vote only on the particular title of a bill that comes out of his committee. It is often unclear exactly who has jurisdiction over what issues and when he is allowed to vote. Amendments added on the Senate floor and issues only addressed in the House bill compound the problem. It is difficult to fit a particular title of a bill under the jurisidiction of a few of the conferees without some kind of discussion and clarification.

This disorganization which often has disastrous effects for the Senate conferees, could easily be avoided by defining the role of each conferee before coming to conference. A formal agreement between the various committee chairmen and ranking minority members in consultation with the majority and minority leaders of the Senate would serve the purpose.

The Senate conferees would come to the conference table knowing exactly what their areas of jurisdiction are. There would be time to pepare for a particular issue and the initial confusion would disappear.

THE SUBSTITUTION OF CONFEREES

The fourth area of reform in conference pertains to the substitution of conferees. I have noticed, on several occasions, that Senators who are not duly appointed conferees will attend and even vote in the name of absent conferees. There are certainly times when Senators who are not members of the conference committee can and should be invited to attend and address themselves to an issue before the conference, but such participation should be formalized.

Senators who are not conference members, voting in the name of an absent Senator, will only increase the confusion on the Senate side of the bargaining table. Substitute Senators will have to be brought up to date on all of the proceedings which takes a lot of time and even then, they may still not be aware of the issues at stake. New participants in a conference are obviously at a disadvantage and their presence, without proper and complete briefing, may well weaken the Senate position.

This highly irregular practice also violates the entire intent of having the Senate appoint conferees to represent it at conference. It establishes the frightening precedent that, in the absence of a duly-appointed conferee, any other Senator may represent the Senate without its knowledge or acquiesence. The regular method of appointment, which was established to choose conferees who represent the strengths of the Senate position is easily circumvented by this procedure.

Accordingly, the fourth reform I propose will codify what is usually thought of as a standard Senate practice, that only Members who are duly appointed may participate as Senate conferees in committees of conference. First, it would prohibit a Senator who is not a duly appointed conferee from participating in or voting at any meeting of a conference. Second, it would provide that new Members may be appointed in place of Members already appointed as conferees if properly announced on the Senate floor when the Senate is in session and entered upon and printed in the Senate Calendar.

Formal restrictions on conference committee meetings, such as the rules I am proposing give rise to the possible influence of matters of procedure on the substance of legislation. The desirability of such influence deserves to be questioned, however, in light of the severe problems facing the Senate in conference, rules can only strengthen our position.

To spend as much time as we do in careful consideration of legislation and then to have so much effort overturned in conference does not make sense. It is important that we strengthen the weak link of our legislative process so that we will be able to better perform our legislative duties.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the resolution just submitted by the Senator from Illinois (Mr. STEVENSON) be referred to the Committee on Rules and Administration, with instructions that the committee report it or a resolution with the same general purpose to the Senate not later than January 19, 1977.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, to make sure I understand the request, it is that the resolution now before us be referred to the committee for no longer than until January 19, with the requirement that the Rules Committee report something back to the Senate on January 19th?

Mr. ROBERT C. BYRD. Exactlly.

Mr. BAKER. There is no implication in this resolution or in this request that would prevent the Senate from again referring it if it chose to do so?

Mr. ROBERT C. BYRD. That is true.

Mr. BAKER. No objection.

Mr. CANNON. Mr. President, if the Senator will yield, I would say, if the resolution is referred to the Committee on Rules and Administration, we will have hearings starting at 10 o'clock. We will not be able to meet on Thursday because of the counting of the electoral votes. We will then resume on Friday, and plan to go over to further hearings next week as may be necessary, in order that we complete the hearings and hear testimony from people and organizations that want to be heard, many of whom have already evidenced an interest.

So we will attempt to move just as expeditiously as we can, and report within that time frame if the matter is referred to us as the Senator suggests.

I thank the Senator for yielding.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Without objection, it is so ordered.

Mr. CANNON. Mr. President, I have just been advised, since I announced the hearings for 10 o'clock, that there has been a Democratic caucus called for 10 o'clock in the morning, so the hearings will start at 10:30 rather than at 10 o'clock.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. STEVENSON. Mr. President, if the Senator will yield, it was my understanding, when the hearings of the Rules Committee were mentioned as being at 10 o'clock, that the conference had been changed to 11.

Mr. ROBERT C. BYRD. The Senator is

correct. I misinformed the distinguished Senator from Nevada. The caucus is to begin at 11.

Mr. CANNON. Then, Mr. President, the hearings will begin at 10 o'clock in the morning, as scheduled.

SENATE RESOLUTION 5—SUBMISSION OF A RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD submitted the following resolution, which was referred to the Committee on Rules and Administration, by unanimous consent:

S. RES. 5

Resolved, That Rule XXII be amended as follows:

SEC. 1. On line 2 of the last paragraph of section 2, strike out "one hour" and insert "one-half hour."

SEC. 2. Beginning at the end of lines 4 and 5 (as printed in "Senate Manual") of the last paragraph of section 2, strike out the words "and it" and insert in lieu thereof the following: "and after not to exceed 50 hours of consideration of the proposition on which cloture was invoked, the Senate shall proceed to vote on the final disposition thereof to the exclusion of all motions except a motion to table, amendments, and debate except for one quorum call on demand to establish the presence of a quorum just before the final vote begins. The total amount of time allotted above may be further reduced by the adoption of a motion without debate by a two-thirds affirmative vote of the Senators duly chosen and sworn, in which case the time allotted shall be equally divided and controlled by the Majority and Minority Leaders or their designees. It"

SEC. 3. Amend Rule III by striking out all after the words "unless by unanimous consent" and insert "or on motion decided without debate. Motions to correct the 'Journal' shall be privileged and proceeded with until disposed of and shall be confined to an accurate description of the proceedings of the preceding day."

SEC. 4. Amend Rule V to add at the end thereof a new section numbered 4, as follows:

"SEC. 4. Rulings by the Presiding Officer sustaining a point of order that no business has been transacted since the last quorum call shall not be subject to an appeal when that fact is supported by the minute book of the 'Journal' or the transcript of the proceedings of debate; this prohibition shall also apply to a ruling on a point of order made immediately following a yea and nay vote where the presence of a quorum was shown and no business has intervened."

SEC. 5. That Rule XV be amended by adding a new paragraph thereto as follows:

"3. The demand for the reading of an amendment when presented to the Senate for consideration, including House amendments, may be waived on motion decided without debate when the proposed amendment has been identified by the clerk and is available in printed form."

SEC. 6. That Rule XXVII be amended by adding at the end of paragraph 1, after "without debate.", the following: "The demand for the reading of a conference report when presented may be waived on motion decided without debate when the report is available in printed form."

Mr. ROBERT C. BYRD. Mr. President, I send a resolution to the desk which would have the effect of modifying the rules in such a way as to expedite the business of the Senate once cloture has been invoked.

This resolution would not in any way change the requirements for cloture: 60 Senators voting for the invocation of cloture would still be required. But once the Senate has expressed its intention by way of 60 Senators having voted for cloture, then it is my feeling that the Senate ought to be able to expedite its business on that measure or matter, without trampling on the rights of the minority, but at the same time allowing the majority of the Senate to work its will and reach a vote up or down on the matter.

This resolution would provide for a time limit of not to exceed 50 hours on a measure or matter once cloture has been invoked. At the expiration of that time, if it were all consumed, the Senate would vote on the matter, with only a motion to lay on the table being in order, and with no further debate being in order and no further amendments being in order. It would, therefore, be possible for Senators to debate the matter up to 50 hours and to offer amendments, get votes up or down on them, put in quorum calls, or do whatever they wish; but whatever quorum calls would be put in would be charged against the overall 50 hours. Each Senator would have one-half hour under my proposal, and I also provide for an additional motion, which would be nondebatable, which would allow for a further reduction of time below the 50 hours if such motion were to be supported by a constitutional two-thirds of the Members.

This would assure the minority that a majority would not run roughshod over a minority in attempting to further reduce the time. But if it became obvious, in the judgment of the Senate, that the further utilization of time was not in the interests of bringing about a legitimate modification of the proposal or the defeat of it, and if two-thirds of the Senators elected chose to support that motion, then the time would be reduced.

I would also provide for a nondebatable motion in the event objection was heard to dispensing with the reading of the Journal. I would also provide that the reading of an amendment or a conference report could be waived by a majority vote on a motion, not debatable, in the event that such amendment or conference report is available and is printed.

I think that I have given a summary of the proposals that I have included in this resolution, I have discussed this matter with Mr. CANNON; I have discussed it with Mr. ALLEN; I have discussed it with the distinguished Republican leader; and I believe that they are willing to pursue this course.

They may want to suggest a modification in my request, but until they hear it they cannot suggest a modification.

I would therefore ask unanimous consent, Mr. President, that this resolution be referred to the Committee on Rules and Administration, with instructions that the resolution be reported back, or that the committee report back a resolution on the same general subject matter, within, let us say, not to exceed 60 days.

Mr. BAKER. Mr. President, reserving the right to object, and I do not plan to object, the distinguished majority leader is entirely correct. We discussed this matter previously. I know of no objection on our side to proceeding. I reiterate I am speaking on procedure. There is much disagreement on the substance of the resolution. But as to the matter of referring this resolution to the Rules Committee with an order to report back this or some other resolution on this subject matter in not later than 60 days, I have no objection.

I wanted to clarify one point. That is that there are other resolutions on this same subject. The distinguished senior Senator from Oregon, for instance, has four resolutions that he wishes to be treated in a similar way. The Senator from Maine has a resolution.

It is my intention to make, or to respectfully request the majority leader to make, a third request: that any other resolutions dealing with this rule would be referred to the Rules Committee under the same or similar procedures.

I take it there is no difficulty with that procedure as far as the distinguished majority leader is concerned, but I wanted to make clear my intention in that respect.

Mr. CANNON. Will the Senator yield, Mr. President?

Mr. ROBERT C. BYRD. Yes.

Mr. CANNON. I would like to suggest that if the Rules Committee could be given a maximum of 90 days and a blanket coverage of all other resolutions on that same rule, then we could handle the job, I believe, and not be pressed quite so much. As the Senator knows, we are already pressed very much between now and the 19th. In addition, we have the inauguration to worry about. If we could consider all of these resolutions as long as they relate to rule XXII and report something back, but be given not to exceed 90 days from this date, I think it would be adequate and I would be willing to agree to not object to that kind of a request.

Mr. HATHAWAY. Will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, I was just going to state that there are other rules involved. For example, the motion to waive the reading of the Journal would impact on rule III. There are other rules involved may I say to my distinguished chairman.

Mr. CANNON. That makes my case stronger for 90 days on the other resolution. I would be willing to agree if the Senate would give us the 90 days to cover the other resolutions that have been talked about here, which I understand will be introduced today, and the resolution proposed by the majority leader. We will report back on those resolutions not later than 90 days.

Mr. ROBERT C. BYRD. I would be very happy to so modify my request.

Mr. ALLEN. Reserving the right to object, and it is not my purpose to object, I also have two amendments to the rules that I would like to have covered. They do not refer to rule XXII but they could just as easily have been applied to rule XXII. I would like to have the opportunity to introduce these resolutions and have them covered by this blanket con-

sideration. Would there be any objection to that approach?

Mr. ROBERT C. BYRD. There is no objection on my part.

Mr. BAKER. Mr. President, reserving the right to object, I have no objection on my part in that respect. I might point out in clarification that the four resolutions of the Senator from Oregon do deal with matters other than rule XXII. The third request, if it is made, should include rules beyond just rule XXII.

Mr. ALLEN. Reserving the right further to object, I want to commend the distinguished majority leader for the approach that he is taking here with respect to an amendment to rule XXII and other amendments to the Senate rules. It gives indication of the fact that the plan is to seek amendments of the Senate rules in accordance with the rules of the Senate. I recall very vividly 2 years ago the distinguished majority leader, then the assistant majority leader, fought very strongly for that principle, that the rules should be amended in accordance with the rules of the Senate. Apparently the distinguished majority leader now wishes to follow the course that he recommended 2 years ago but which was not followed. The rules were amended in a manner not sanctioned by the rules.

I am indeed pleased that the distinguished majority leader is willing to have his resolution go to the Rules Committee, where the resolution 2 years ago should have gone, to the Rules Committee, because the Rules Committee would have an opportunity to work on this resolution, possibly perfecting it to such an extent that there would be little opposition to it.

I have some proposals I would like to make to the Rules Committee that might remove my objections to the resolution. Two years ago amendments were not allowed here in the Chamber.

I commend the distinguished majority leader for requesting this resolution to go to the Rules Committee, that adequate time be given for consideration by the Rules Committee, and that everybody have an opportunity to have input into this effort to amend the rules. I think he is acting in a very statesmanlike fashion in following the rules of the Senate in seeking to amend the Senate rules.

I would like also to ask the distinguished majority leader, inasmuch as he seems willing to increase the time to 90 days maximum, if he would not also be willing to modify his request to provide for a minimum time in committee of 60 days, a maximum of 90 and a minimum of 60. Would there be any objection to that modification?

Mr. ROBERT C. BYRD. Not at all, Mr. President, I think it is a very worthwhile suggestion.

Mr. ALLEN. I thank the distinguished majority leader.

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that the resolution which I am submitting, the resolution by Mr. HATHAWAY, the four resolutions by Mr. HATFIELD, and the two resolutions by Mr. ALLEN be referred to the Committee on Rules and Administration, with the understanding that these resolutions, or that a resolution on the subject matter, be referred back to the Senate within not to exceed 90 days, and with the further proviso that such may not be reported back to the Senate and entered upon the calendar prior to the expiration of 45 days——

Mr. ALLEN. I asked for 60 days——

Mr. ROBERT C. BYRD. I beg the Senator's pardon.

Mr. ALLEN (continuing). Sixty days, both dates to begin running as of today.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I simply want to take this brief opportunity while this request is pending to also compliment the disinguished majority leader on choosing this technique for addressing this very difficult problem. I have been in the Senate only 10 years but I can recall on first days of sessions very, very difficult times on this subject. I think this is a far more prudent and orderly way to do it in view of the difficulties we have had with protracted debate over the years.

Mr. ROBERT C. BYRD. I thank the distinguished Senator, and I thank the distinguished Senator from Alabama.

Mr. HATHAWAY. Mr. President, I assume the days referred to are calendar days, the 60 days and 90 days?

Mr. ROBERT C. BYRD. Yes. I thank the Senator.

Mr. HATHAWAY. I thank the Senator for accommodating me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SENATE RESOLUTION 6, SENATE RESOLUTION 7, SENATE RESOLUTION 8, AND SENATE RESOLUTION 9—SUBMISSION OF RESOLUTIONS TO AMEND THE STANDING RULES OF THE SENATE

Mr. HATFIELD submitted the following resolutions which were referred to the Committee on Rules and Administration, by unanimous consent:

S. RES. 6

Resolved, That paragraph 2 of rule V of the Standing Rules of the Senate is amended—

(1) by striking out "If" and inserting in lieu thereof "(a) Except as provided in subparagraph (b), if"; and

(2) by adding at the end thereof the following new subparagraph:

"(b) Whenever the Senate is proceeding under paragraph 2 of rule XXII, if a question is raised by any Senator as to the presence of a quorum, the Presiding Officer shall count those Senators present. If he determines that a quorum is present he shall so announce, stating the number of Senators present. If he determines that a quorum is not present, he shall proceed under subparagraph (a).".

S. RES. 7

Resolved, That rule XXII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. (a) At any time after a bill or resolution has been the pending business for three or more hours on each of two or more calendar days (whether or not such days are consecutive), it shall be in order to move that no amendment not germane to such bill or resolution shall be in order. One hour after the Senate meets on the first calendar day following the day on which any such motion is made, the Presiding Officer shall lay the motion before the Senate and direct that the Secretary call the roll. Upon the ascertainment that a quorum is present, the Senate shall immediately proceed to a yea-and-nay vote on such motion.

"(b) If such motion is agreed to by the affirmative vote of two-thirds of the Senators present and voting, no amendment not germane to such bill or resolution shall be in order. Points of order against amendments under this paragraph, and appeals from decisions of the Presiding Officer with respect thereto, shall be decided without debate.".

S. RES 8

Resolved, That the second sentence of the last paragraph of paragraph 2 of rule XXII of the Standing Rules of the Senate is amended to read as follows: "Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time.".

S. RES. 9

Resolved, That paragraph 1 of rule III of the Standing Rules of the Senate is amended—

(1) by inserting "(a)" before "The" in the first sentence;

(2) by striking out "The" in the second sentence and inserting in lieu thereof "Except as provided in subparagraph (b), the"; and

(3) by adding at the end thereof the following new subparagraph:

"(b) Whenever the Senate is preceding under paragraph 2 of rule XXII, the reading of the Journal may be suspended by motion, and any motion to suspend the reading of the Journal shall be decided without debate.".

SENATE RESOLUTION 10—SUBMISSION OF A RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE

Mr. HATHAWAY submitted the following resolution which was referred to the Committee on Rules and Administration by unanimous consent:

S. RES. 10

Resolved, That rule III of the Standing Rules of the Senate is amended by renumbering paragraph 2 as 3, and by inserting after paragraph 1 the following new paragraph:

"2. Notwithstanding the provisions of paragraph 1, at any time during the reading of the Journal or during the consideration of a motion to amend or correct the Journal, a motion to approve the Journal shall be in order. Such a motion may be amended, may not be tabled, and shall be decided without debate. No motion to reconsider the vote by which such a motion is agreed to or not agreed to shall be in order. If such a motion is agreed to, any further reading of the Journal shall be dispensed with and no motion to amend or correct the same shall be in order.".

(b) The first sentence of paragraph 1 of rule VII of the Standing Rules of the Senate is amended by inserting after "Journal is read" the following: "or approved pursuant to a motion made under paragraph 2 of rule III".

SEC. 2. (a) Paragraph 2 of rule V of the Standing Rules of the Senate is amended to read as follows:

"2. If, at any time during the daily sessions of the Senate, a question shall be raised by any Senator as to the presence of a quorum, the Presiding Officer shall count the number of Senators present. If he determines that a

quorum is present, he shall so announce to the Senate, stating the number of Senators present. If he determines that a quorum is not present, he shall forthwith direct the Secretary to call the roll and shall announce the result. All proceedings under this paragraph shall be without debate and shall not be suspended except by unanimous consent. No appeal from a decision of the Presiding Officer under this paragraph shall be in order.".

SEC. 3. The first paragraph of paragraph 2 of rule VII of the Standing Rules of the Senate is amended to read as follows:

"2. Senators having petitions, memorials, bills, or resolutions to present after the morning hour may deliver them to the Secretary of the Senate, endorsing upon them their names, and said petitions, memorials, bills, and resolutions shall, with the approval of the Presiding Officer, be entered on the Journal with the names of the Senators presenting them as having been read twice and referred to the appropriate committees, and the Secretary of the Senate shall furnish a transcript of such entries to the official reporter of debates for publication in the RECORD. In the case of a bill or resolution, if, on the first day on which the Senate meets following the day on which such bill or resolution was presented and on which the RECORD showing the presentation of such bill or resolution has ben published and made available to all Senators, any Senator objects to the application of the preceding sentence with respect to such bill or resolution, then such bill or resolution shall be considered as having been offered and objected to under paragraph 1 of rule XIV on the day on which such bill or resolution was presented.".

STREAMLINING SENATE FLOOR PROCEDURES

Mr. HATHAWAY. Mr. President, today I am submitting a resolution to amend the Standing Rules of the Senate to expedite the procedure for reading the Journal, for ascertaining the presence of a quorum, and for introducing bills and resolutions.

These are modest changes and in many respects follow procedures which work well in the House of Representatives.

These proposals would allow this body to operate more smoothly on a day-to-day basis but would preserve the substantive rights of all Senators which the rules were intended to protect.

The first section of this resolution would provide for the suspension of the reading of the Journal and any amendments or corrections thereto by nondebatable motion to approve the Journal, supported by majority vote.

The second section would allow the Presiding Officer to ascertain the presence of a quorum by counting, and the third would make explicit the ability of Senators to introduce bills and resolutions by leaving them with the Secretary.

It is my hope that these proposals may be considered early in this session. I have brought them to the attention of the Democratic caucus and shall also mention them in the course of my testimony before the Rules Committee regarding committee reorganization proposals.

If we successfully reorganize our committee structure into a more efficient one and at the same time streamline our floor procedures to handle the legislation generated by these committees on a more expeditious basis, we would be going a long way toward making the Senate a more effective and responsive body.

To reform the committee structure without also reforming floor procedures seems shortsighted. We must achieve both goals fully and adequately address the problems of the Nation and our constituents.

Mr. ALLEN. Will the Senator yield?

The PRESIDING OFFICER. Will the Senators send the resolutions referred to to the desk.

Mr. ALLEN. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Inasmuch as we are talking about the introductions of resolutions and permission is being granted for the introduction of resolutions, I have a resolution which has been prepared for introduction. It is cosponsored by the distinguished Senator from North Carolina (Mr. HELMS). It would have to do with expressing the sense of the Senate that no action be taken by the Chief Executive, whoever he might be, granting a blanket pardon to Vietnam-era draft dodgers. The distinguished majority leader has requested that no resolutions or bills other than these having to do with amending the Senate rules be permitted.

Of course, the distinguished Senator from North Carolina and the Senator from Alabama would accede to the request of the distinguished majority leader. I am wondering if we might have unanimous consent agreement that on Monday, it will be in order for the Senator from North Carolina and the Senator from Alabama to introduce this resolution.

Mr. ROBERT C. BYRD. Mr. President, by way of response to the distinguished Senator from Alabama—and I thank him for his cooperation in acceding to the suggestions that I have made earlier, that no bills and resolutions be entered today nor on Thursday over until Monday, with the exception of housekeeping resolutions.

There are two additional resolutions which will be offered by the distinguished Senator from Michigan (Mr. GRIFFIN) which deal with the unfortunate and untimely passing of our recently deceased colleague, PHILIP HART. With the exception of those two, I would like, then, to get unanimous consent on a request I propound at this time.

ORDER FOR ADJOURNMENT ON THURSDAY, JANUARY 6, 1977, UNTIL MONDAY, JANUARY 10, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Thursday of this week, it stand in adjournment over until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

STANDING ORDER FOR RECOGNITION OF THE MAJORITY AND MINORITY LEADERS EACH DAY

Mr. ROBERT C. BYRD. I ask unanimous consent that during the 95th Congress each day immediately following the prayer the majority and minority leaders be recognized for not to exceed 10 minutes each.

Mr. BAKER. Mr. President, reserving the right to object, I did not hear the request.

The PRESIDING OFFICER. The request is that each leader have 10 minutes to be recognized after the prayer each day during the session.

Mr. BAKER. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY, JANUARY 10, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, immediately following the recognition of the two leaders on Monday next, under the standing order, there be a period for the transaction of routine morning business of not to exceed 1 hour, with statements limited therein to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. If the Senator will yield, that would allow the introduction of the resolution of the Senator from Alabama, I understand.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, if I may ask the Senator to yield for just a moment, if I understand the nature of the request in toto, other than the request for recognition of the leaders and the morning business, there is now pending, or the Chair has acted on, a request that no bills or resolutions be introduced before next Monday.

Mr. ROBERT C. BYRD. No, I have not propounded that.

Mr. BAKER. May I ask the distinguished majority leader if he could withhold that for just a moment, until I check with Members on our side?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. I had a request from the distinguished Senator from Arizona that may have had a bearing on the distinguished majority leader's request.

I cannot reach the Senator from Arizona. It is my understanding that his principal concern was that he not be precluded from putting statements in the RECORD or making statements that did not relate to the introduction of bills or resoluions. May I inquire of the majority leader if we have protected that right?

Mr. ROBERT C. BYRD. Does the Senator mean for today?

Mr. BAKER. Yes.

Mr. ROBERT C. BYRD. Yes, I have.

ORDER FOR RECEIPT OF STATEMENTS UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that all Senators may have until 5 o'clock today to have statements printed in the RECORD.

Mr. BAKER. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TODAY UNTIL 12:30 P.M. ON THURSDAY, JANUARY 6, 1977, FOR ELECTORAL VOTE COUNT

Mr. ROBERT C. BYRD. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12:30 p.m. on Thursday; that following the prayer on Thursday and at no later than 12:40 p.m. on Thursday, Senators march in a body to the Hall of the House of Representatives for the purpose of counting the electoral votes with respect to the last Presidential election; provided further that, upon the completion of the counting of the electoral votes in the Hall of the House of Representatives, the Senate stand in adjournment until the hour of 12 noon on Monday next.

Mr. ALLEN. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Was this request granted?

The PRESIDING OFFICER. Not yet.

Mr. ALLEN. I will not object to that.

Mr. GRIFFIN. Will the majority leader yield?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. I asked the Senator to yield provided this other request had been agreed to.

Mr. ROBERT C. BYRD. May I yield first to the Senator from Alabama?

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. ALLEN. I have none.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama is recognized.

ORDER OF BUSINESS

Mr. ALLEN. The majority leader indicated that he was going to ask today for a period for the transaction of routine morning business, with the business to be statements by Senators.

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Would there be any objection, under the letter and spirit of the request, to inserting into the RECORD—I ask unanimous consent to have printed in the RECORD the text of the resolution to which I referred, as to the pardon. It would not be a pending resolution but it would merely indicate what I plan to do on Monday.

Mr. ROBERT C. BYRD. By virtue of its appearing in the RECORD, it would not constitute an introduction?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. I ask unanimous consent that there now may be period for the transaction of routine morning business, for the purpose only of introduction of statements, not to extend beyond 1 hour, with limits on statements therein not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO SENATOR PHILIP A. HART

Mr. CRANSTON. Mr. President, a few short months ago, when this body last convened, I joined with many of my colleagues in rising to pay tribute to our retiring friend and colleague, Senator PHILIP A. HART, of Michigan.

We knew then—as he did—that his days on Earth were numbered. Still, the news of his passing on the day after Christmas saddened the holiday season for all of us.

But PHIL HART faced and met death as he lived his entire life—quietly and calmly, with dignity and courage, surrounded by those who loved him.

The Washington Star printed a particularly moving account of Senator HART's last Christmas, written by its fine staff writer Judy Flander—who happens to be married to my press secretary, Murray Flander. For those of my colleagues who did not see it, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A MOST BEAUTIFUL LAST CHRISTMAS

(By Judy Flander)

For the family of Sen. Philip Hart, D-Mich., this Christmas, they say, was the most beautiful, the most meaningful they have ever had. Hart, 64, who had been stricken with cancer a year and a half ago, died in his Washington home yesterday at 1:03 p.m., his hand held tightly by his wife, Janey.

Throughout the day, as every day in the past couple of months, one or more of Hart's eight children were in his bedroom, accompanying him as far as they could go on his last journey. Clyde, 22, and Cammie, 28, were there as he died. "Cammie was consoling him," Clyde said. "She told him we loved him. We feel and hope he was aware."

The family is certain Hart was aware of them all on Christmas Day. Though he could no longer speak and had been receiving drugs for pain, he followed each of them with his eyes and, once in the evening, he smiled.

There had been gift-giving around the Christmas tree in the living room in the morning. It was a large gathering, including Cammie's husband, Peter Conserva, their son Philip, 3, and their infant daughter, Katie; Clyde's friend, Betsy Dayrell; Walter Hart, 26, and his friend, Lisa Groves; the Harts' other daughters, Laura, 19, and her friend Bob Cole, and May (Mary), 20, and Ann, 29; and sons, Michael, 24, and James, 25, and his friend Kimball Wheeler. And a few close family friends.

There was a small cowboy shirt for Philip Conserva, with a card, "From Granddad." Philip put on the shirt and ran in and gave Hart a big kiss. There was a turkey dinner, cooked by a family friend, and in the evening there were Christmas carols by The Northwest Quartet, a professional group.

The quartet was formed this fall when Kimball Wheeler left school in Brussels, Belgium, to join James, who with the other farflung Hart children had come home to be with his father during the senator's last days. The singers included Wheeler and Ann Hart, both mezzo sopranos, and Wayne Jones and Steve Cordle.

At about a quarter to seven Christmas evening, everyone assembled in Hart's room for the carols—"Coventry Carol," "Good King Wencelas" and "Ding Dong Merrily on High."

"We weren't sure how he'd react," Wheeler said. "We thought the noise might bother him." But it didn't. Hart smiled. "Everybody burst out crying but there was always someone to hold onto. It was a wonderful way to say goodbye." The singing was brief, over by seven.

"We had such a lovely Christmas," Janey Hart said. "He held my hand the whole time they were singing." Phil, she told him afterwards, "I love you. All is well. Laura is here. She passed her math exam (Laura is a premed at Brandeis University). If you understand me, squeeze my hand."

Philip Hart squeezed his wife's hand.

A family friend said, "He looked at his children. A tear came out of his eye and on his cheek. I remember Janey wiping it away. We all felt after that at peace. He knew everyone there loved him. He was not alone."

Yesterday Janey Hart was on the phone, notifying people and listening to condolences. Friends of Hart have been calling. Like most of them, President Gerald Ford asked Janey Hart, "Is there anything I can do?"

"Well, yes," she said. "There is just one thing I wish you would do and that is to give amnesty to the Vietnam protestors, deserters and draft evaders." It was, she said later, "the last thing Phil in his last weeks wished he could get through."

"Well," President Ford answered Mrs. Hart, "I'll give it another hard look."

During the day Janey Hart was also making arrangements. "It's almost a macabre scene now," she said. Hart was lying, wrapped in a sheet, in a pine coffin in their "garden-room"—a plant-filled, many-windowed room off the living and dining rooms. After Hart died, she said, "his sons picked him up and carried him down the hall and put him in the coffin."

Three weeks before, Mrs. Hart had called Father William Wendt, rector of St. Stephens of the Incarnation Episcopal Church, with whom she had been "arrested and convicted for trying to make peace" at a prayer-protest against the Vietnam war at the Pentagon in 1970.

She told him, "We'll be needing a coffin." Wendt, she knew, had a carpenter who made pine coffins averaging about $150 in price. When she had investigated the possibility of obtaining a pine coffin, she learned, "They only have them for Jewish funerals for about $800." Hart, she said, had always deplored "the absurdity" of high-priced funerals.

Used to visiting their father, the Hart children spent yesterday going in and out of the garden room where he lay in the open coffin. (Today, for an invitation-only wake, the coffin is closed.)

There they talked about "little things," James said, like the days when "we were running around playing Indians when we were supposed to be in bed."

Death is not disguised in the Hart house. Even little Philip knows what has happened. "Granddad is dead," he told Ann Hart. "Yes, I know," his young aunt replied. "He knew it was solemn," a family friend said, "but he knew it wasn't terrible. It wasn't terrible. It was sad, it was a shock, but it wasn't terrible."

This month, Rolling Stone magazine had a story on Phil Hart entitled, "The Saint of the Senate." It was a title he would have shrugged of, probably with amusement but possibly with a rare burst of anger. "He never wanted praise," Walter said. "He objected to it because people would try to canonize him. He did not think his selflessness, his giving heart, was extraordinary. We can't dismiss him as a saint and then dismiss our own responsibility for living because we're ordinary.

"His mind and his heart weren't at odds. Although he loved and worked for the ideal, he could accept and love reality, too."

Hart was a realist. One of his aides noted that he had felt his most significant contribution in the Senate was as floor manager of the Voting Rights Act of 1965. This was the act that struck down the literacy tests the South had as a requirement to qualify people to vote. Four years later he was reminding an audience, "We shouldn't forget when civil rights progress was getting a white man to say he wouldn't mind living next door to Ralph Bunche."

Michael remembers Hart's graciousness. "It was never a question of misunderstanding us even in more difficult moments. He was always trying to understand."

Clyde said that the most important thing he had learned from his father was that "the evolution of civilization is a task that takes great compassion and patience." Months ago, the Hart children told him they wished they could do something for him. He told them that he knew they loved him and that was enough. "It's been a tough time," Walter said. "But we've been really lucky.

"He was just a man, a good man. He was a happy man."

On Wednesday, Janey Hart, her children, and Mrs. Oner Lee, her housekeeper for 27 years, will take Hart's cremated remains on an Air Force plane to Mackinac Island, the family's Michigan home. There, after a final service conducted by the Rev. Joseph Francis, Hart will be buried in St. Anne's Catholic cemetery near the grave of his first child, a son who drowned when he was 2.

Philip Hart's death brought his grown children together for a brief intense time during which every member gained something while sustaining an enormous loss. Now they will begin to go their own ways again, several with companions of their own. In June Janey Hart is likely to be on her way across the Pacific, sailing with her friend Ann Bronfman in the Meander II. The sailboat has private quarters originally designed to accommodate Phil Hart, too. But he won't be coming along, except in memories.

Mr. CRANSTON. Mr. President, Sigmund Freud once noted that there was at least some reason to be hopeful about mankind's future—in words which could have described PHIL HART, and his lifetime of distinguished public service:

The voice of intellect is a soft one, but it does not rest until it has gained a hearing. Ultimately, after endlessly repeated rebuffs, it succeeds. This is one of the few points in which one may be optimistic about the future of mankind, but in itself it signifies not a little.

The quiet intelligence of PHILIP A. HART graced this Chamber from 1959—when he began the first of his three successive terms of Senate service, until September 30, 1976—when he bid us farewell. His tenure in the Senate followed 10 years of public service in Michigan, which culminated with his election and then reelection as Lieutenant Governor of that State.

Gentleness, noncontentiousness and courtliness characterized the Senator from Michigan—whose campaigns for office consisted of praising the character and integrity of his opponents, while expressing differences on the issues. In keeping with his own character, he said about those campaigns:

Since I have never had an ill-mannered opponent, my sense of restraint has never been put to any serious test.

And, on the Senate floor, PHIL HART usually tried to find merit in the positions of his opponents, even while perceiving with distress the consequences of their misguided views.

Yet, restraint of character never kept him from taking serious and bold positions: PHIL HART authored or cosponsored almost every major piece of consumer legislation enacted by Congress from the Drug Safety Act of 1962 to the Antitrust Parens Patriae Act of 1976, which marked a fitting end of his tireless crusade for more expeditious and effective enforcement of the antitrust laws.

He championed the causes of consumer protection and antitrust, of civil rights and civil liberties, and of environmental preservation and protection.

He was the foremost Senate voice for national no-fault insurance, for truth-in-packaging, and for truth-in-lending. And, he exposed monopolistic practices wherever he found them.

Nor did his gentle character signify any want of courage: his vigorous stands against antibusing legislation provide ample proof of that.

Now PHIL HART is dead of cancer at the age of 64, survived by his widow Janey, who has continued to demonstrate—even during her bereavement—her own political courage, selflessness, and dedication to the national interest.

It was a privilege to know PHIL and Janey Hart—they will be remembered here with pleasure and deep affection. I know my colleagues join me in extending condolences and deepest sympathy to Janey Hart, and to their remarkable family.

It is fitting that in commemorating the passing of this great statesman we be reminded of his inspirational words of September 30, 1976—the very last that PHIL HART spoke in the Senate Chamber—for they may inspire us to serve the Nation more wisely and well, and that is what PHIL HART would have wanted:

I leave as I arrived, understanding clearly the complexity of the world into which we were born and optimistic that if we give it our best shot, we will come close to the goals set for us 200 years ago.

DEFENSE PROFITS AND PRODUCTION—THE MYTH AND THE REALITY

Mr. GOLDWATER. Mr. President, over the past years we have heard a great barrage of nonsense concerning the so-called military industrial complex. In the process the liberal antidefense forces have done great damage to the American industrial system. One of the results of this dishonest outpouring has been the gradual creation of a core of about 40,000 "watchers" who look over the shoulder of Government contracting officers to make sure the Government gets what it ordered. And a result of this has been a serious shrinking of the profit margin a producer can expect from a defense contract.

Mr. President, I am sure it will come as a surprise to many liberals as well as to the American people to learn that the defense contractor today can expect a profit on Government work of about 4.7 percent. This compares with what the Federal Trade Commission says is the normal profit for all types of manufacturing of 6.7 percent.

What this all means is that American industry is now becoming disillusioned with defense work and some companies are actually refusing to bid on Pentagon contracts. Competition has shrunk to the point where between 50 and 70 percent of all defense contracts are now awarded in a "no competition" atmosphere.

Mr. President, this problem is so serious that I believe Members of the Senate should read carefully a recent position paper published by the Association of the U.S. Army entitled "Defense Profits and Production—The Myth and the Reality." I ask unanimous consent to have this paper printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

DEFENSE PROFITS AND PRODUCTION—THE MYTH AND THE REALITY

A few years ago there was a briefly popular play called, "What If They Gave a War and Nobody Came?" It was a farcical treatment of popular disillusionment with war.

Today a playwright who is an astute observer of the American scene might write an epic called, "What If They Wanted to Give a War But Nobody Would Make the Bullets?"

For after decades of assumed romance between the U.S. Department of Defense and the industries making up the other half of President Eisenhower's "military-industrial complex," the thrill seems to be gone. The fabulous "cost plus ten percent" contracts of World War II are not only gone, they are illegal. In fact, the Pentagon weapons buyers, under pressure from within as well as from Congress, have been driving a very hard bargain, both in price and in quality control.

A result of this tougher customer/producer relationship has been the gradual creation of a corps of about 40,000 "watchers" who look over the shoulders of government contracting officers and contractors alike to make sure the government gets what it ordered.

Another result is the shrinkage of the profit margin a producer can expect from a Defense contract. On an across-the-board basis, considering contracts with gross values in the billions as well as those worth only a few thousand dollars, the Defense contractor today can expect a profit of about 4.7 percent. The Federal Trade Commission says the normal profit for all types of manufacturing is 6.7 percent.

The two percent gap doesn't seem very large but it is enough to persuade many potential Defense contract bidders that they don't want to be bothered by the horde of inspectors and the paperwork snowstorm that have been part and parcel of a Defense contract.

It is a hard fact of life, too, that few of the critics of Defense spending consider the most fundamental difference between the United States and Soviet economies as they go through their annual comparison of Defense budgets. While they compare U.S. and Soviet expenditures on a dollar-for-dollar, dollar-for-rubles or percent of gross national product basis, they ignore the fact that Soviet industry has no need to show a profit.

Still another contributor to the overall problem is the "up and down" nature of military procurement over the past 20 years. Peaks of intense military buying to meet situations like the Vietnam war and unexpected demands in foreign military assistance have been separated by long valleys of forced economy. It has been next-to-impossible to keep military production lines going on a steady basis and many former producers of equipment for the armed forces have turned to more predictable civilian production.

The Defense Department must now often take hat in hand and beg producers to take military contracts. When the decision was made to renew production of the Army's standard M–60 main battle tank after stocks were depleted by aid to Israel, there was only one foundry with the capability to make the turret castings. Even that company was reluctant to take on a new Defense contract but finally agreed to do it when the government promised enough business to make it worthwhile and guaranteed to cover any necessary capital investments.

On a larger scale, when the Army began soliciting competitors for prototypes of the new XM–1 tank they managed to entice only two companies, General Motors and Chrysler—and this program could mean multi-billion dollar orders for the successful competitor. In this instance the system worked well, however, as both competitors produced outstanding prototypes and the Army had a difficult decision to make before choosing Chrysler.

Ideally, all government contracts should be awarded on the basis of competition among potential suppliers. If the system worked right the taxpayers would get a break by being able to choose the lowest price or the better of two mousetraps at the same price.

Unfortunately, the system is working so poorly that between 50 and 70 percent of all Department of Defense contracts are awarded in a "no competition" atmosphere.

One of the things the Defense Department is doing to correct this is to close the profit gap. A project called "Profit '76," begun on October 1, 1976, will permit contracting officers to negotiate profit objectives based on a number of considerations: the cost risk the contractor is assuming; the extent to which he is providing his own facilities and financing; his ability to increase productivity, and; the amount of effort he is making to promote foreign military sales. DOD will even bear its fair share of the interest the contractor must pay on money he borrows to provide production facilities. And, the Department is prepared to cut down on the number of "watchers" who will be checking the quality of his production. Most contractors, DOD says, can be trusted to turn out a product that meets specifications.

The Department's judgment in including foreign military sales effort among the profit-boosting criteria will undoubtedly be questioned. The very term "foreign military sales" radiates bad vibrations in Washington these days following a series of scandals surrounding weapons sales to a number of countries. But DOD is willing to bear the criticism because of the potential benefits to the overall procurement program. Whenever weapons and equipment can be produced for the United States and foreign governments on the same production line the unit price is driven down and the production line itself can be kept active for a longer time.

DOD doesn't care whether the foreign sale is made directly between the producers and the nation involved or through the Department's foreign sales program. It makes a big difference to the contractor though.

If he can make the sale himself the contractor can insist on a down payment of between 20 and 30 percent, thus providing working capital. Also, the customer will frequently want an extensive support package included in the contract to provide training in the use and maintenance of the equipment. If the order comes in through the DOD sales program, however, there is no down payment since the foreign country is buying the equipment from the U.S. government and not directly from the contractor. Under those circumstances it is usual for DOD to set up the training and maintenance programs.

Some might argue a case for squeezing Defense procurement profits even lower in the hope of making a sizeable reduction in the yearly military hardware budget. But it would take a magic, and improbable, stroke to wipe out the whole concept of profit as an incentive to risk time, effort and capital. It is, after all, a very fundamental part of our way of life.

So, the Department of Defense has sent briefing teams ranging throughout the country to sell the concept of Profit '76. At last report they have visited 13 cities and briefed more than 3,000 potential Defense contractors.

There is a problem, too, with finding enough manufacturers to provide the component parts of major items of equipment. For many years smaller companies rushed to get their share of subcontracts to supply parts for the prime contractors but the last few years have seen a steady decline in the number of firms willing to subcontract. The Defense Department attributes this to the gradual expansion of the civilian market and declining profits from Defense work while, at the same time, the Defense market has been slowly shrinking. Manufacturers naturally prefer to have a steady market for their products.

Defense procurement specialists hope to reverse this trend by allowing more flexibility in specifications for components and by encouraging greater use of commercial parts and multiple sources of supply in subcontracting procedures. They say this should broaden the competitive base and reduce procurement costs.

The problem is even bigger than the year-to-year process of keeping the military forces going. Defense Department planners are most worried about the likelihood that a sudden major emergency will find the industrial production base incapable of meeting expanded military needs.

Despite the United States' deserved reputation for being able to mass-produce everything from pins to precision instruments, few production facilities can make an overnight switch from mousetraps to tent pegs. The Nation's vast automotive assembly lines might be easily adapted to put together heavy-duty military trucks but many of the suppliers who would be called on to manufacture the parts for the trucks would have a difficult time tooling up to meet more stringent military specifications.

Unfortunately, no matter how much latitude the Pentagon might allow in substituting standard commercial components, there will always be a broad area of military requirements in which the commercial substitute simply will not work. Because men's lives depend on them, the major share of military equipment items, large and small, must have built-in reliability far exceeding their commercial counterparts.

The renewed production of M–60 tank turrets is a good example of a shrunken industrial base that not only obviates cost-saving competition but also forecasts grave danger in the events of a major mobilization. No manufacturer, least of all one requiring heavy investment in production equipment, wants to tie up his capital in tools needed to fill sporadic military orders.

Until World War II a major share of peacetime Defense production was accomplished by government-owned arsenals, weapons factories and shipyards. In the case of the Army, all of its once-famous arsenals, like Springfield, Frankford and Watervliet, have either been closed entirely or diverted to maintenance or research and development tasks. The Navy, which once forged its own heavy naval guns, built intricate torpedoes and even built many of its own ships, is now entirely out of business in those areas.

The arsenal/shipyard provided a production base and a core of management expertise that lent itself to quick expansion into civilian industry in a mobilization situation. It fell victim to claims of unfair competition with civilian manufacturers and to its inability to stay abreast of improved manufacturing techniques through continuous investment in capital facilities.

Now the Navy is faced with such industry reluctance to get involved with shipbuilding it is seeking authority to build some submarines and smaller surface vessels in its own maintenance yards. Private shipbuilders estimate that the ships would cost 18 to 124 percent more if built in the government-owned shipyards but they show no improved inclination to take on the job themselves.

In recent testimony before the Joint Congressional Committee on Defense Production, Jacques Gansler, Deputy Assistant Secretary of Defense for Material Acquisition, described the need to react to either a short, high-intensity war or one of longer duration. He outlined some of the things that must be done to prepare for these eventualities.

In the case of the short, high-intensity war, he said, the armed services must be able to rely on pre-stocked reserves of supplies and equipment until civilian industry can shift to Defense production.

For a war that builds up gradually, perhaps after a prolonged period of tension, the services should be able to rely on increased production from existing assembly lines for about a year while other sources are converting to Defense production. He calls the ability to meet these situations a "surge production capability."

"Of critical importance to this surge response," Gansler told the Committee, "is the preplanning and resolve necessary for its success. Here we are looking at reduced production lead times through the pre-stocking of long-lead time parts and components, the elimination of manufacturing bottlenecks and the modernization of plants and equipment. *As an element of assuring success in this endeavor, we are considering holding each defense system program manager responsible for incorporating surge production planning into his program.*" (Emphasis added.)

Hopefully, the improved profit structure offered by the Department of Defense will lure more potential producers into competition for Defense contrasts, bringing all the benefits of cost-savings and making a major contribution to expansion of the emergency production base.

At the same time, however, the Department and the Congress must continue to press for additional funds to support realistic pre-stockage of equipment and supplies while concurrently planning—and funding—a surge production capability.

If it becomes necessary to "give a war" sometime in the future we must be assured that there are enough caterers prepared to supply everything from shoelaces to bombs.

REMEDY FOR THE U.S. SHOE INDUSTRY

Mr. HATHAWAY. Mr. President, the nonrubber domestic footwear industry has been encouraged by the recent unanimous finding of the U.S. International Trade Commission that our domestic industry is being injured by foreign imports.

I urged the ITC to come up with the right remedy so as to rescue the American shoe industry from drowning in the rising flood of footwear imports when I testified before it on December 7.

I expect the ITC to render its ruling on remedy on January 6. The remedy chosen may well decide the fate of thousands of shoe workers and dozens of communities in New England and in the some 30 States in other sections of the country where shoes are now produced.

More than 70,000 jobs have been wiped out by shoe imports since 1968 as at least 300 domestic footwear factories were forced to close. If we hope to preserve the 167,000 jobs remaining in this industry, the ITC must recommend to the President a remedy that is commensurate with its second unanimous finding of injury within a year.

A suitable remedy would be quotas placed on shoe imports based on import averages for the 3 years 1973, 1974, and 1975. The American Footwear Industries Association, the United Shoe Workers of America, and the Boot and Shoe Workers Union requested such quota relief from the ITC.

And as the European Common Market shoe producers noted at the ITC hearing, this base period with its high level of imports represents a major concession on the part of the American industry and labor unions.

After the administration rejected the remedy requested by management and labor last April, there was a tremendous spurt in imported shoes. Import penetration of the American market exceeded 50 percent in August—the first time ever in American history that our own shoe factories sold to a minority of the market.

For 1976, around 400 million pairs of foreign shoes will have been sold in the United States.

Unless quotas are imposed promptly, we shall see the steady erosion of more and more jobs as imports continue to rise.

I ask unanimous consent that a copy of my testimony delivered on December 7 before the ITC be printed in the RECORD as background on this matter.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WILLIAM D. HATHAWAY BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION, WASHINGTON, D.C., DECEMBER 7, 1976

Mr. Chairman and Members of the Commission; Good morning. The domestic non-rubber footwear industry in the United States has been very badly used by our government in the recent past and it is a privilege and a pleasure for me to appear before you today to do what I can to aid and encourage a redress of this deserving industry's serious and legitimate grievances.

Make no mistake about it, we should not find it necessary to be here today because had your earlier recommendations reached comprehending minds instead of naive internationalists, the administration would have implemented effective and meaningful relief.

Instead of assembling today to consider this problem again, we would instead be watching the improved position of the domestic footwear industry.

The owner of a small shoe factory in Lewiston, Maine told me recently that the worst thing, of all of his problems, is that no one cares. That means more than self pity—how else is a shoe manufacturer to react to last Spring's indifferent decision to his plight? What will happen if we do not make the correct decision for the shoe industry now? It is easy—and correct—to say that it will die.

But let us consider for a moment the details of that death. Without relief from the effects of cheap imported shoes, our domestic manufacturers will be unable to obtain capital for operations and for development because capital will go elsewhere. Similarly, research into new and more efficient ways of making shoes will cease. Related manufacturing—tanners, die makers, last factories—will lose their sources of business. Rubber and textile manufacturers who supply special materials to the footwear industry will cease to do so. Skilled workers will lose their jobs and find that their assets—those hard-earned skills—are of no value to anyone.

All of this has started already. You can find evidence that the whole structure which I have just outlined is about to come crashing down and has started to do so already.

Time is very short, however, and we must act now or there will be nothing left to save in this industry. That is where we are, and that is what will happen if we fail to provide meaningful relief against imports. This means relief adequate to the degree of injury being suffered by the industry.

Now I do not need to tell this commission that domestic footwear manufacturers are suffering injury, for you unanimously reached that conclusion within the past year. And the situation is even worse now.

The last eight years have seen the loss of nearly 300 shoe factories in the United States. As many as 10,000 jobs were lost nationally in the month of July, 1976, and in August imports of shoes exceeded 50 percent penetration of our market for the first time.

Maine and other New England states have been particularly hard hit by the import invasion. In Maine, 19 shoe plants closed down between 1968 and 1975 with a nearly 55 percent drop in production and the loss of almost 11,000 jobs through the first nine months of 1976. New Hampshire has lost 24 plants, 56 percent of its shoe production and 8,500 jobs. Massachusetts has lost 60 plants, 56 percent of its production and 17,000 jobs. Many of the 36,500 jobs lost in these three states may never be regained and without relief thousands more jobs will disappear.

These problems are good cause for granting relief. The Commission, of course, will be told by opponents that relief to the industry will penalize the consumer. But let us remember that shoe workers, tanners, and all their suppliers are consumers, too. And when they are not working, their unemployment and those quiet factories cost us and all other consumers dearly in the loss to the economy, of tax collections, and in diminished spending power. We don't need to suffer these costs.

And we should well ask who is enriched in this process. It is not the foreign workers—those women and children working at hours and wages not seen in our country for a half century or more. Rather, I suspect that it is the trading companies, the Mitsubishis, and the Mitsuis, and the Sumatomos who gain the lion's share of the vast profits which our Amercian market can provide them.

The Trade Act of 1974 was an important step towards the relief which our shoe manufacturers need. I supported the legislation which became the Trade Act because it did raise the hope of help to our industry.

In December of 1974, just prior to passage of the Act, I requested and received the Administration's promise to—and this is a quote—"give immediate attention to devising some suitable form of arrangement with the governments of other nations whose exports to us are the significant causes of disruption to our footwear industry. The purpose of such arrangements would, of course, be to reduce or eliminate the disruptive effects of imports." End of quote.

Members of the Commission, this promise to reduce or eliminate disruptive imports is a promise still to be fulfilled. Many people await the help the shoe industry needs. It is not quite too late for the industry; but we are at a very critical moment now. Further indecision, or another failure of vision and judgment such as the one suffered already this year, will set in motion forces, such as the flight of capital, which could run rapidly and, in geometric increments, the shoe industry in the United States would be cut in one wrenching motion out of the economic body of this country and be thrown upon the dust heap of history. The trip downhill could be very swift. There is little margin for error or procrastination now.

If we are inclined to allow our shoe industry to be destroyed, we should first remember that it is a part of the whole which would be dying, and in its death there resides a threat to the rest of the structure.

Shoes are made from the skins of animals raised by our ranchers; or from synthetic materials produced by the rubber and chemical industries; or with textiles made out of natural fibers grown by our farmers.

The glues, the nails and all the other findings come from still other factories. All of this, plus the skilled labor directly employed in the manufacture of footwear is at stake in this hearing today.

The United States International Trade Commission has the power to aid this great industry by recommending quotas on imports. I urge you to help to fulfill some long-deferred promises to the American footwear industry and all who depend upon it.

Thank you.

POLIO IMMUNIZATION PROGRAM

Mr. JAVITS. Mr. President, on September 23, 1976, the Health Subcommittee of the Labor and Public Welfare Committee, of which I am ranking minority member, conducted hearings on the Federal Government's responsibility for the supply of critically important vaccines and the need to develop a national vaccine policy.

Such a national policy was necessary with respect to the issues surrounding informed consent and immunization; the problems of vaccine manufacture and production; the problems associated with liability and indemnification; a review of the processes of research and development with a view toward future identification of vaccine preparations available for general use; the role of and responsibility for professional and public education on vaccine utilization as a disease prevention strategy, and the use of public information techniques to acquaint health professionals and the public with these matters. As part of a national vaccine policy it was also clear that special policies with regard to specific diseases, such as poliomyelitis, would need to be developed.

The first witness at the hearings was Dr. Jonas Salk, an historic figure and Nobel Prize winner in this particular field. His thoughtful views on the issues provide an important scientific basis upon which policy decisions may be made.

I commend his testimony to the attention of my colleagues and ask unanimous

consent that the full text of his prepared statement before the Health Subcommittee of the Labor and Public Welfare Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY BEFORE SUBCOMMITTEE ON HEALTH, COMMITTEE ON LABOR AND PUBLIC WELFARE, U.S. SENATE, BY JONAS SALK

I want to thank you for inviting me to this hearing. As you may know, I have for many years been concerned about our poliomyelitis immunization policy. I have expressed this on numerous prior occasions, but nearly always in a technical context in scientific publications, or before scientific audiences or official health policy committees. Now I welcome the opportunity to express these views in the public forum which this Committee provides, and to help clarify a matter of current public concern.

The statement which I prepared several days ago was based on the assumption that this hearing was to be held primarily because of two questions: one about availability of polio vaccine and the other about liability in the event of vaccine-caused disease. Yesterday's announcement of the signing of a contract by the Center for Disease Control for the purchase of polio vaccine eliminates the immediate concern about supply as well as concern on the part of the manufacturer regarding its liability. However, it refocuses the unresolved question as to where responsibility and liability now lie in the event of vaccine-caused disease. Do they now lie with the government, with the physician, with the clinic, or with the patient?

I claim no expertise in liability matters. But I believe such questions should not be decided—or even intelligently discussed—in isolation from the underlying scientific issues, a full understanding of which may not only be relevant but indispensable to any judicious solution. It is the scientific issues to which I will address myself.

The question asked prior to yesterday's announcement was: How might we solve the sudden shortage of polio vaccine that is normally available through public health clinics? Let me say that this shortage did not pose an immediate threat to public health. Now the liability question becomes the principle problem. To find a solution to it requires that we understand its cause. This will require a brief review. However, first let me clarify a few points about this problem.

The polio vaccine which was being withheld is the oral live poliovirus vaccine. It appears that it was not being made available because the manufacturer understandably does not want to be liable for damages resulting from the small but inherent risk associated with its use. Several suggestions had been made for dealing with this immediate problem—for example:

1. That liability for this risk should be assumed by the federal government, as was recently done for the proposed swine influenza virus immunization program. However, there is a great difference between the influenza and polio vaccines. The influenza vaccine is made from killed viruses and therefore has no risk of causing the disease. The oral polio vaccine, however, is made of live viruses, and has a small but definite danger of causing polio.

2. That liability of the manufacturer for this risk can be avoided by requiring recipients of the vaccine or their guardians to sign a consent form stating that they have been fully informed. However, this requires that the existence of alternatives be explained as well as the relative risk associated with receiving, or not receiving vaccine. A consent form which I have seen does *not* explain the alternatives.

What *are* the alternatives?

As you know, in the early 1950's, a polio vaccine was developed using *killed* viruses. Prior to its acceptance and licensing for use in 1955, it was subjected to a scientifically controlled field trial for safety and effectiveness. By 1961, its use resulted in more than a 95% decrease in incidence of polio even though far less than 95% of the population had been immunized.

You will also recall, in 1961–1962, another polio vaccine was introduced which could be given orally, and was made from attenuated but still live viruses. This vaccine was licensed in the U.S. *without any prior scientifically controlled field trial,* as had been carried out with the killed virus vaccine, and largely on the basis of wide-scale application in the USSR. As noted in a 1961 Report to the House of Delegates of the American Medical Association, "Although the field trials in the USSR were vast in scope, the experience reported from these trials as it concerns post-vaccination poliomyelitis is not capable of being examined in as great detail as one would wish it to be.

However, the available Soviet reports of such trials revealed to evidence of the occurrence of poliomyelitis attributable to the vaccination." In retrospect, it is clear that such cases had occurred but were not so interpreted.

In 1961, the American Medical Association called for and promoted a changeover from the use of the killed to the live polio-virus vaccine. It also spearheaded mass reimmunization with the oral vaccine. Subsequently, the Advisory Committee on Immunization Practices of the USPHS, and the Committee on Infectious Diseases of the American Academy of Pediatrics recommended their preference for the use of the live virus vaccine. These recommendations were based upon the following hypotheses:

1. That the live virus in the vaccine was *completely safe* and would *not revert* to a dangerous form;

2. That the live virus vaccine would "spread immunity," by causing *harmless* infection in contacts of those who had been vaccinated with the live virus;

3. That *only the live virus vaccine would produce the so-called "herd effect"* thus further protecting unvaccinated members of the population by decreasing the spread of wild viruses. It was claimed that this *could not be accomplished with the killed virus vaccine;*

4. That the live virus vaccine produced *longer-lasting immunity* than did the killed virus vaccine.

It is now 1976, and data are available from more than 21 years of experience with the killed virus vaccine and more than 14 years with the live. We can now reexamine the 1961 hypotheses upon which was based the proposed switch from the use of a killed to a live poliovirus vaccine in the U.S. The data now indicate that:

1. Contrary to beliefs in 1961, the oral live polio vaccine has been shown to be not completely safe, since there is a small but definite, inherent risk of its causing polio in recipients of the vaccine and their contacts. More than 140 such cases have thus far accumulated in the United States, and in the last several years, the live vaccine has been the principal if not the sole cause of domestically arising cases of polio. In other words, it may be said that, at the present time, the risk of acquiring polio from the live virus vaccine is greater than from naturally occurring viruses.

2. Contrary to beliefs held in 1961, the "spread of immunity" by infection of contacts is not always harmless and contributes to the public risk associated with the use of the live virus vaccine. It is now clear that if the killed virus vaccine had not already been administered there would have been many more cases of poliomyelitis resulting from use of the live virus vaccine.

3. Contrary to beliefs held in 1961, it has been shown that the killed poliovirus vaccine is effective in eradicating the disease, and in eliminating wild poliovirus from the community. It has also been shown that the so-called "intestinal immunity," or "natural immunity," produced by the live virus vaccine is not important for a herd effect, and that, in fact, the killed vaccine does produce a herd effect and widespread community protection. This has been demonstrated in countries where only killed virus has been used as you will hear from Dr. Penttinen.

4. Contrary to beliefs held in 1961, that the killed vaccine produces immunity of short duration and requires booster doses every 2–3 years, data available in 1976 demonstrate that booster doses of killed virus vaccine are not required any more than are booster doses of the live virus vaccine.

The following arguments in support of the routine use in the U.S. of a live poliovirus vaccine have been made:

1. That a vaccine given orally is more acceptable to the public than a vaccine given by injection. However, by 1961 a higher proportion of children had received three doses of killed virus vaccine by injection than has even now been achieved with the oral vaccine. Furthermore, more children have received three injections of diphtheria, tetanus and pertussis vaccine than have received three feedings of the oral polio vaccine.

Moreover, killed polio vaccine can be admixed with the vaccine for diphtheria, tetanus and pertussis, in any combination, as is done in some countries. Thus the ideal of a single vaccine for this group of childhood diseases, including polio, is a practical reality in certain other countries. The advantage for polio immunization is that DTP vaccine is already in routine use for all children.

2. That the cost per dose of the oral vaccine is less. I am not a merchandising expert but it seems evident that when looking at cost one has to consider volume of demand, additional cost of shipping and storage in the frozen state, and the final cost to the patient in terms of number and cost of office visits as well as insurance and liability burdens which are also passed on to the consumer. These also apply to government-operated clinics, which are the public consumer.

3. That if a choice of the live or killed poliovirus vaccine were offered, the public would be inclined toward the safer killed vaccine, and this would subject the country to virus invasion through immigrants or travelers especially across the Mexican border. However, as I have already noted, the killed vaccine induces the herd effect and does provide community protection. I published such evidence prior to the time of the initial policy decision to favor the live vaccine. I repeat it now. And I call attention to the accumulated evidence in the scientific literature.

I concur that the live virus vaccine would be more suitable than the killed virus vaccine for use in suppressing an outbreak should any arise in communities with low vaccination rates. However, I regard a killed poliovirus vaccine as more suitable for routine immunization because of differences in risk.

The ultimate goal in the control of any infectious diseases is the prevention of outbreaks. This can be accomplished by sufficiently widespread use of the safest as well as the most effective vaccines that we are able to create.

Surely, by taking advantage of our knowledge of the anatomy of viruses and of the structure and function of their genetic and somatic constituents, we should be able to improve upon our present methods of immunization toward eliminating risk rather than having to improve upon methods of compensation for vaccine damage.

For your further information and for clari-

fication, I have included some of the data upon which the points I have made are based.

Implied in this discussion is the fundamental ethical question: Who has the right to decide which of two vaccines to use when it has been established scientifically that one of them carries an inherent risk of causing paralytic polio and the other does not?

What is of equal significance is that the risk of acquiring the vaccine-induced disease is now greater than the natural disease.

Who, therefore, is to make the decision as to whether or not to be vaccinated, if only the vaccine that carries a risk is made available?

UTILIZATION OF KILLED POLIOVIRUS VACCINE IN FINLAND

Poliomyelitis Vaccination (Salk)

Vaccination is started when the child is 6 months old. Two polio vaccination doses are then injected at one-month intervals or also combined polio-DT vaccine can be used, as mentioned above. Booster doses are given at the earliest one year after the last vaccination which takes the child to the latter half of the second year of life. It is endeavoured to give a booster dose at the age of 6–7 years when starting school, and about 5–6 years later when leaving school. Boys obtain a further booster dose in the army.

In our country, changing over to the use of live attenuated vaccine (Sabin) has been much discussed. Since, however, Finland has been free from polio since the year 1964, and in connection with the use of Sabin vaccine several polio cases have occurred in many countries, we have been restraining the use of this method.

NUMBER OF CASES OF VACCINE-ASSOCIATED PARALYTIC POLIO FOR KNOWN RECIPIENTS AND CONTACTS, UNITED STATES, 1961–73

	1961–64	1965–73	1961–73
Recipient cases	62	20	82
Contact cases	3	46	49
Total	65	66	131

RATES OF VACCINE-ASSOCIATED, PARALYTIC POLIO FOR KNOWN RECIPIENTS AND CONTACTS, UNITED STATES, 1961–73

Vaccine and period	Estimated doses distributed in millions	Recipient cases	Recipient rate/million*	Contact cases	Contact rate/million*
MOPV–1:					
1961–64	[1] 109	16	0.147	0	0
1965–73	8.76	1	.114	2	.228
MOPV–2:					
1961–64	[1] 104	2	.019	0	0
1965–73	6.96	0	0	2	.287
MOPV–3:					
1961–64	[1] 105	39	.371	3	.029
1965–73	7.46	6	.804	0	0
All MOPV:					
1961–64	[1] 318	57	.179	3	.009
1965–73	23.2	7	302	4	.172
TOPV:					
1961–64	28.2	5	.177	0	0
1965–73	207	13	.063	40	.193
All OPV:					
1961–64	346	62	.179		.009
1965–73	230	20	.087	[2]46	.200

[1] Sources of distribution data: State health departments and PHS regional offices before June 1962 and CDC subsequently.
[2] Includes 2 cases for which type of vaccine administered to recipient is unknown during 1972 when TOPV was the only vaccine of significant distribution.
*Doses of vaccine.

Community contact cases as well as close contact cases occur that are attributable to virus of OPV origin. This suggests the possibility that all sporadic cases in the U.S. (other than those due to imported wild viruses) are of similar origin whether antigenic and RTC characteristics are compatible or not. Note ages of cases in close contacts and community contacts.

TABLE 9.—PARALYTIC DISEASE IN CLOSE CONTACTS OF VACCINE RECIPIENTS, 1972

State	Age	Sex	Prior immunization	Contact: Relationship	Contact: Vaccine administered	Interval: Administered to onset	PT's isolate type	Antigenic and RCT [1] characteristic	4-fold AB change	Residual disability
Texas	35	M	0	Son	TOPV	51 days	3	Non-vaccine ±/−	1, 2, 3	Death.
Florida	21	F	0	Baby	TOPV	26 days	3	Vacc-like +/±	3	Severe.
Georgia	30	M	0	Daughter	TOPV	23 days	None		No change	Significant.
Indiana	18	M	1–IPV	Nephew	TOPV	48 days	1	Vacc-like −/−	No change	Minor.

[1] RCT performed at 39.2°C and 39.9°C.

TABLE 10.—PARALYTIC DISEASE IN "COMMUNITY CONTACTS," 1972

State	Age	Sex	Prior immunization	Contact: Relationship	Contact: Vaccine administered	Interval: Administered to onset	PT's isolate type	Antigenic and RCT [1] characteristic	4-fold AB change	Residual disability
Wisconsin	18	F	0	None	Unknown	Unknown	1	Vacc-like −/−	No change	Severe.
Texas	12	M	1–IPV	do	do	do	3	Vaccine −/−	1, 2	Minor.

[1] RCT performed at 39.2° C and 39.9° C.

LPV-ASSOCIATED CASES HAVE REPLACED WILD VIRUS-ASSOCIATED CASES AS THE PRINCIPAL CAUSE OF POLIO IN THE UNITED STATES.

REPORTED POLIO IN UNITED STATES IN 1973 14 CASES [1] (3 DEATHS)

[13 vaccine-related (9 recipients, 4 contacts)]

Age	Residual paralysis
Recipients:	
4 mo	Significant.
8 mo	Significant.
8 mo	Severe.
3 yr	Severe.
6 yr	Severe.
8 mo.[2]	(Severe).
8 mo.[2]	Fatal.
9 mo.[2]	Fatal.
10 mo.[2]	Fatal
Contacts:	
17 mo	Significant.
18 yr	Significant.
18 yr	Severe.
36 yr	Severe.

[1] Case observed in a 56 yr. old man returning from Mexico.
[2] Immunodeficient.

VACCINATION AGAINST POLIOMYELITIS: VACCINE-ASSOCIATED CASES

Seven million doses of live poliomyelitis vaccine were distributed from 1965 to 1972. As most children were primarily vaccinated it is judged that about 300,000 children were vaccinated each year. The age groups recommended for vaccination were 6–12-month, 7-year and 14-year cohorts.

Since the introduction of live vaccine and up to 1972, 11 cases of paralytic poliomyelitis have been traced. Four cases were caused by wild polio viruses and seven cases associated with vaccination. During the last six years only vaccine-associated cases have occurred, except for one case where the infection by wild virus evidently was acquired abroad.

Of the seven vaccine-associated cases five were adults and two children. The adults had severe disease with extensive paralyses. Most interesting is the fact that five or six cases were contact vaccine-associated. All three polio virus types were involved, but four cases were caused by Type II, two cases by Type I and only one case by Type III.

In conclusion the rate of vaccine-associated cases is rather high, one per million distributed doses, i.e. approximately one case per 300,000 vaccinated children. It should be stressed that the trivalent live poliomyelitis vaccines employed were the same as those used in the UK and USA. The reason for the high incidence may be that the tracing of cases is more easy in a small and homogenous population.

COMPARISON OF UTILIZATION RATES OF DTP AND OPV IN THE UNITED STATES (1974) (SHOWING A HIGHER RATE FOR 3 DOSES OF DTP GIVEN BY INJECTION AS COMPARED WITH 3 DOSES OF OPV GIVEN BY MOUTH)

[In percent]

Age group	Number of DTP doses ≥4	Number of DTP doses ≥3	Number of OPV doses, ≥3
1	2	32	21
1	17	65	54
2	35	72	60
3	42	76	66
4	48	81	71
1 to 4	36	74	63
5 to 9	65	85	74
10 to 13	68	86	(10–14) 70 (15–19) 60
Total (0 to 13)	54	79	(0–19) 65

Effects of killed virus vaccine in preventing disease as well as in interrupting circulation of wild virus in Sweden and Finland, confirms that intestinal infection with live virus vaccine is not essential for eradication of wild virus from a population.

Killed Virus Vaccine

"Since 1963 there has been no domestic case in Sweden, and the circulation of the virus . . . so far as can be established, has been interrupted. We have found in the past few years a few positive isolations in a mass investigation of sewage, but since the beginning of the 1960s we have not been able to isolate the virus from people . . . There is very little circulation, if any, in the community of wild virus." Dr. Holger Lundbeck, *Sweden* (1973).

"In Sweden and Finland, we have not only eradicated poliomyelitis but have also eradicated the live virus." Professor Pekka Halonen, *Finland* (1973).

From: International Symposium on Vaccination against Communicable Diseases, Monaco 1973; Symp. Series Immunobiol. Standard, vol. 22, pp. 319–320.

THE ISSUES FACING OUR SOCIETY

Mr. MATHIAS. Mr. President, I have used the time since the close of the 94th Congress on October 2, 1976, to discuss with the people of Maryland—and with citizens across the Nation—the issues facing our society.

I have learned much from these discussions. I learned that our people have come away from our Bicentennial Year with renewed faith in this country and its Constitution. I learned that Americans remain unshaken in their belief that our society can indeed offer a better life to us and our children. And I learned that Americans today are inspired by the same sense of justice that has animated our progress from the beginning.

Two hundred years ago, the founders of this Republic proposed an agenda for our political life:

To form a more perfect union, establish justice, insure domestic tranquility, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

If we are to fulfill these purposes—and thereby create a true constitutional community—we must dedicate ourselves to completing the agenda the founders of this Nation set for us.

The American people know there are no easy answers. They know that we live in an imperfect world where each generation will have to address new, as well as many old, problems.

But I also learned that Americans today, like their forebears, want to set to work on the agenda facing the country. They want to apply their faith and hope, and their sense of justice, to the issues before us.

Today, in the first week of our third century as a nation and on the first day of a new Congress, is a propitious time to make a new beginning. To that end and inspired by my intensive discussions and study over the past several months, I have prepared a series of bills that I will introduce on the first day bills are received at the desk. I announced these bills and described their main features in a statement I released to the public on December 22, 1976. I ask unanimous consent that the text of that statement, as well as the commentary made in the press on these initiatives, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MATHIAS LEGISLATIVE STATEMENT

(By Senator CHARLES MCC. MATHIAS, Jr.)

The only road back for the Republican Party is the high road. To stay on the high road means to stick to the hard surface—and to avoid the side tracks that have bogged the Party down for forty years of declining membersip and influence. It means keeping our eyes on the stars and our feet in the middle of the road.

That route should lead us directly to the concerns of the American people and the basic needs of soicety today, from jobs and housing to meeting the energy challenge, from small business relief to controlling crime by controlling repeat offenders and making the penal system more effective. The Republican Party can be useful to the people of America by facing the problems of the country and helping to solve them. When the people again see that the Repuplican Party is a useful institution, they will want to use it and to employ Republicans at the highest levels of national leadership.

On the other hand, I doubt that continued bickering between the factions within the Republican Party will stir much interest in the general public or attract many new recruits among the intelligent and skeptical younger generation. Nor do I think that many voters, Republican or otherwise, will be galvanized into action by hearing repeatedly that the old Republican stable full of windblown nags are ready to run again in 1978 or 1980. What will interest people is not the employment prospects of Republican politicians, but what Republicans can do for the country now and throughout 1977.

It is sometimes overlooked that the Founders of the Republic long ago proposed an agenda for political parties and for individual citizens: ". . . to form a more perfect Union, establish Justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty. . ." There is much work yet to be done on the agenda, and if we attend to it, the people will respond to, and support us.

To this end, I have been drafting a series of legislative proposals that address the concerns of the people of the United States. They seek solutions to problems that hurt all of us, but elude simple answer. I am today releasing a list of these bills which I shall introduce on the first day of the new session of Congress.

One of the reasons I am making the texts of the bills available to the public and to my colleagues is to seek help in having them enacted into law. I hope that Republicans will co-sponsor them as positive and rational programs consistent with our traditions. I hope that Democrats will support them as reasonable and effective measures to deal with stubborn, long term problems. Most of all, I hope that citizens across the country will find in them a source of hope and confidence that there are still no problems too big for America.

For a hundred years the idea that moved the Republican Party was "freedom"—the simple basic concept that all Americans should be free and equal before the law. The public perceived that we had flagged in our interest in freedom even before we ourselves had noticed it. Now the time has come to return to the source of inspiration, for inspiration is sorely needed today. Liberty and freedom are challenged today by forces as strong as the slavers' chains and much more subtle.

These bills have been drafted with a view to imprinting on the statute books the concept of liberty as we apply ancient principles to modern problems. It is a job for all Republicans and a goal for all Americans.

MAIN FEATURES OF MATHIAS LEGISLATIVE INITIATIVES

On the first day of the 95th Congress, January 4, 1977, I will introduce a legislative package dealing with major issues facing the country—the economy, crime and civil liberties, education, energy, welfare reform, home ownership and the elderly. Set out below is a summary of the main features of these bills.

THE ECONOMY

Senate Bill No. 1 (S. 1), The Employment Resources Act of 1977, represents a comprehensive approach to the problems of unemployment, inflation, and economic growth.

S. 1, The Employment Resources Act, is a practical and realistic alternative to the Humphrey-Hawkins Bill. Too much talk has been devoted to criticizing that bill. Not enough energy has been devoted to preparing an alternative. We need full employment. America must provide the opportunity for a productive job for every person able and willing to work. To do otherwise is to diminish the lives and aspirations of all our people—and to default on the Constitution's promise "to establish Justice" and "promote the general Welfare."

But we must work towards full employment in a sound way. S. 1 does not create an elaborate central planning system. S. 1 does establish a process by which Congress, the President, and the Federal Reserve can fashion the fiscal and monetary policies that will enable our free enterprise system to offer full employment without overheating the economy.

S. 1 is based on the proposals and final report of a distinguished group of 75 Americans participating in the American Assembly on Manpower Goals for American Democracy, held at Arden House, Harriman, New York, May 20–23, 1976.

S. 1 concentrates on goals and mechanisms for developing the economy and restraining inflation; S. 1 is also designed to create jobs for young adults from low-income families where jobless rates have been exceptionally high. S. 1 establishes a new National Youth Services Program and expands the Young Adult Conservation Corps.

SUMMARY OF SPECIFIC PROVISIONS IN S. 1 AND S. 7

S. 1 calls for a full employment economy. The bill sets forth as federal policy a reduc-

tion of the unemployment rate by 1.5% per year, with the short-range goal of a 5% unemployment rate by 1978. In addition, S. 1:

Declares that inflation is a major national problem and requires the President to develop anti-inflationary techniques on a standby basis.

Requires the President to design and carry out fiscal and monetary policies to assure that the unemployment rate does not exceed 5% by the end of 1978. The bill requires the President to set forth in his annual economic report the fiscal, tax and monetary policies necessary to reach this goal.

Requires the Federal Reserve Board to report annually to the President and the Congress its intended policies and the extent to which they support the employment and anti-inflationary policies of the Act. The Board must justify any substantial variation from the policies in the President's economic report.

Creates a National Occupational Assessment Center to identify new employment opportunities created by technology and production trends. With more and more Americans entering the job market, particularly women and young people, imaginative approaches are needed to insure that enough jobs are available. The Center will help us to identify new ways to match people with jobs and to see if new approaches, such as job sharing and flexible work weeks, can increase the number of jobs. In addition, the Act creates the post of Assistant Secretary of Labor for Veterans' Affairs to manage employment and training programs for veterans.

S. 1 is also designed to cut the particularly high unemployment rate among youths, 16 to 24 years. According to official Bureau of Labor Statistics' figures, in the 2nd quarter of 1976, the unemployment rate for white teenagers was 16.5% while black teenage unemployment stood at 40%. A National Urban League Report showed black teenage unemployment at 63.8% for the 2nd quarter. "Justice" and "domestic tranquility" will be empty promises until we take strong action to attack these intolerably high jobless rates.

In brief, S. 1 would employ youths to do productive work on urban and environmental projects. The Act:

(1) Creates a National Youth Service Program under which public and private organizations, under contract with the Department of Labor, will employ youths from low-income families in local community projects to meet the need for housing and neighborhood rehabilitation, health care, crime prevention, and park and street maintenance;

(2) Expands the Young Adult Conservation Corps from a summer to a year-round program to employ youths in environmental projects on federal and state lands. In its first year, the Corps would employ 100,000 young people.

To improve the long-term job prospects of youths in the National Youth Service Program, S. 1 also provides, on a trial basis, for an innovative approach to job training. S. 1 authorizes the Secretary of Labor to make payments to employers in the Program who train youths in skills that will lead to permanent employment. Similar mechanisms are used in Western European countries and have been highly successful. In some Common Market countries the government pays employers $100 for every month they employ a youth in the first six months after school, and give approved training in skills beyond the initial job. Without undermining the minimum wage the bill gives employers an incentive to hire young workers and give them the skills they need for permanent jobs.

CRIME, JUSTICE AND CIVIL RIGHTS

The first purpose of government set forth in the Constitution is "to establish Justice". The Constitution further provides that government "insure domestic tranquility" and "secure the blessings of Liberty". The Legislation I propose in the fields of crime, justice and civil rights are designed to fulfill these purposes.

S. 14, The Bill of Rights Procedures Act, establishes a statutory foundation for the Fourth Amendment's protections against unreasonable searches and seizures. Endorsed by the House Republican Task Force on Privacy, the AFL–CIO, and the American Bankers Association, the Act protects the privacy of citizens' bank, telephone and credit card records. Under present law, government investigators do not need a warrant to examine these records. To gain access to these records, investigators would be required to obtain (1) the written consent of the individual, or (2) a subpoena, which could be challenged in Court, or (3) a judicial warrant. The Bill of Rights Procedures Act affirms our Constitutional right to individual privacy against governmental surveillance.

S. 28, The Repeat Offender Prosecution and Prison Improvement Act, and S. 35, The Civil Rights Improvement Act, are innovative approaches to the problem of justice in our society.

S. 28 would provide federal grants to states and cities to aid in the prosecution of persons charged two or more times with violent crime, such as robbery and burglary. Experience and studies show that a relatively small number of persons are responsible for a large proportion of violent crime. A recent study of 10,000 persons by University of Pennsylvania researcher Martin Wolfgang reveals that about 650 chronic offenders were responsible for ⅓ of the arrests and ⅔ of the crime committed by the group over a 5-year period. Successful pilot programs in Baltimore, Washington, D.C., and New Orleans and other cities have demonstrated that the crime rate can be cut by speedy prosecution and certain (not necessarily long) punishment for repeat offenders.

S. 28 would also establish a new relationship between the federal government and the states to modernize and upgrade our prison system. The federal government would build 5 regional prisons on federal land, such as under-used military bases. States would be able to lease bed-space in these federal prisons on a per diem basis. With federal standards and increased space, the inhumane conditions in overcrowded state prisons would be alleviated. In my State of Maryland, 6,700 prisoners occupy a prison system built to house 4,886—a capacity 40% less than the present number of prisoners.

S. 35, The Civil Rights Improvement Act, is designed to correct the trend of recent Supreme Court decisions limiting access to the federal courts for persons seeking relief under the Civil Rights Act. (Section 1983 of Title 42, U.S. Code.)

As Justice Brennan recently wrote in a dissenting opinion:

"A series of decisions have shaped the doctrine of jurisdiction, justiciability and remedy so as to increasingly bar the Courthouse door . . . The victims . . . are most often the litigants in need of judicial protection of their rights: the poor, the underprivileged, the deprived minorities." (Address by Justice William J. Brennan, Jr., before the New Jersey State Bar Association, May 22, 1976.)

Rights that cannot be enforced are worthless. The result is to breed disbelief in the basic fairness of our system of government.

Examples of recent decisions which S. 42 would correct are (1) *Rizzo* v. *Goode* (1976), where the Court refused to grant victims of unconstitutional police misconduct an injunction requiring police superiors to insure that such misconduct did not happen again; (2) *Paul* v. *Davis* (1976), where the Court held that a person whose picture was circulated on a police antishoplifting leaflet was not protected against the resulting defamation by the Fourteenth Amendment, and (3) *Imbler* v. *Pachtman* (1976), where the Court ruled that a prosecutor is immune from Section 1983 suits, even when he knowingly fails to disclose evidence favorable to the defendant.

S. 35 would also strengthen the Civil Rights Act by removing the immunity presently enjoyed by states, municipalities and governmental agencies. Since individuals, the only persons now liable under Section 1983, are often unable to pay the full cost of a verdict, the innocent victim must bear the burden of his injury. This is manifestly unfair, not only to the victim, but also to the individual defendant (e.g., a policeman) whose superiors' failure to train and supervise may have been responsible for the violation.

To remedy this situation, The Civil Rights Improvement Act would, in summary:

(1) Provide that Section 1983 liability will attach to supervisors and governmental units in limited circumstances where (a) the supervising officer authorized, approved, directed or encouraged the action, or (b) failed to remedy a pervasive pattern of unconstitutional or unlawful conduct by subordinates, or (c) a subordinate committed a particularly gross or egregious violation of one's Constitutional rights.

(2) Provide that the right to enjoy one's reputation is protected by the due process clause of the 14th Amendement.

(3) Provide a limited exception to prosecutorial immunity when the prosecutor unconstitutionally withholds or suppresses exculpatory evidence.

(4) Provide that the doctrines of Absention and Exhaustion of Remedies do not apply to Section 1983 suits.

(5) Provide that Sections 1983 and 1343 (the federal jurisdictional statute) are coextensive, so that one can always invoke Section 1343 to obtain federal jurisdiction whenever a Section 1983 suit is filed.

(6) Provide that federal courts will generally not be barred from hearing Section 1983 suits previously litigated in state courts, but limit the type of relief available in such situation to the modification or overturning of a criminal conviction or a damage award.

(7) Prescribe the circumstances under which a federal court should defer hearing a Section 1983 suit when the party bringing the suit is a party to a criminal proceeding or a civil suit brought by the state and arising out of the same situation.

WELFARE REFORM

S. 21, An Act to Create a National Commission on the Reform of Income Maintenance Programs would lay the groundwork for reform of our welfare system.

Along with Senators Javits and Brooke, I introduced this bill toward the end of the 94th Congress. Since that time, the bill has been endorsed by the U.S. Conference of Mayors and the National Association of Counties. The bill is designed to get the facts about all our income maintenance programs—facts which we do not have today—and to develop reform proposals free of the kind of emotionalism that has made "welfare" a favorite punching bag of political campaigners.

There is no consensus today in the Congress or among the American people on how welfare should be reformed. My bill would begin the process of developing that consensus. The 18-member, bipartisan Commission that would be created by this bill would have one year to recommend measures to reform all federal income maintenance programs. By looking at the full spectrum of such programs—comprising a $28 billion system—the Commission should enable us to make sound reforms in this expensive and important function of government.

S. 42, The Early Childhood Education Assistance Act, is designed to extend the public

education system to four-year olds—the age when immense strides in learning can be made. And, with this early start, expensive problems of school failure, truancy, and dropouts can be headed off. The bill would take advantage of the empty school rooms and excess teachers facing local school districts in many parts of the nation.

The bill would provide $500 million yearly to state and local school boards on the basis of 90% federal, 10% state the first year, with decreasing federal percentages until a 50–50 match is reached in the fifth year.

SMALL BUSINESS

S. 49, the Small Business Administrative Review Act, would provide small businessmen and women a forum, modeled on the U.S. Tax Court's Small Claims Branch, in which to contest fines and citations issued by federal agencies. The forum would be limited to hearing small claims of $2,500 or less. The bill is designed to give a "day in court to the little person".

ENERGY

S. 56, The Domestic Petroleum Production Act, and S. 63, The Nuclear Waste Management Act are specific initiatives aimed at the energy challenge.

S. 56 provides an incentive for the construction of oil refineries in the U.S. This would have two effects: (1) it would lessen our dependence on foreign refining capacity (the United States now depends on foreign refineries for 40% of its residual fuel oil) and (2) it would create new jobs for construction and refinery workers. The bill would amend the U.S. Tariff Schedules to impose gradually escalating rates of duty on petroleum products refined abroad. Revenue from the increased duty would be distributed to the states which consume such products.

The Nuclear Waste Management Act addresses the critical problem of safe disposal of nuclear waste. There may be 800–900 nuclear power plants by the year 2000 which will have generated 60 million gallons of liquid high-level waste. An M.I.T. study by Mason Willrich has concluded that the "existing organization for radioactive waste management will be unworkable if left unchanged." The Willrich study pinpointed the most serious problem as one of "bifurcated responsibility for an essentially integrated series of waste management operations." To remedy this, S. 63 would create an independent, self-financing government agency, the "Radioactive Waste Authority" in which all nuclear waste management functions would be concentrated. The Authority would own and control all radioactive waste facilities, governmental and commercial. It would finance its operations by charging fees for radioactive waste disposal. The Nuclear Regulatory Commission would continue to regulate waste management operations and ERDA would retain its responsibility for research and development of waste technologies.

HOME OWNERSHIP

S. 70, The Home Buyers' Assistance Act, would help the growing number of families being squeezed out of the homebuying market. The bill would authorize the Federal Home Loan Bank Board and other federal financial supervisory agencies to permit federally chartered savings institutions, such as banks and savings and loan associations to offer a variety of mortgage instruments. This would enable potential homebuyers to better match their monthly payments to their income.

S. 70 contains a number of consumer protection features, including a requirement that conventional level payment mortgages also be offered to a buyer, advance disclosure of terms, prohibitions on prepayment penalties, and a guarantee that the mortgage could remain with the home and be assumed by a new buyer. Among the possible new types of mortgages which would be offered under the Act are: graduated payment mortgages, deferred interest mortgages, and reverse annuity mortgages (to assist elderly persons on fixed incomes).

THE ELDERLY—AMENDMENTS TO THE SOCIAL SECURITY ACT

Through amendments to the Social Security Act, two provisions which have been particularly discriminatory would be modified.

The Social Security Act discourages beneficiaries in some situations for marrying. A woman who receives benefits because she is a widow loses a good part of them if she remarries. A woman under sixty years of age who receives disability payments loses them if she marries. My amendments would maintain the level of benefits for any individual regardless of marriage.

In addition, the Social Security Act discourages elderly Americans from working by limiting to $3,000 the amount that can be earned before benefits are reduced. My amendment would raise this limit from $3,000 to $5,000.

CITIES

In addition to the above bills, I am preparing an Urban Resources and Management Act to aid our financially troubled cities.

Key provisions of this bill include:

Changes in the formula for bloc grants under the Community Development Act and the Economic Development Act to insure that older cities are not shortchanged.

Tax incentives to encourage business to locate or remain in urban areas.

Federal insurance of state and local bonds for economic development.

Creation of a Transportation Trust Fund, using funds from the Highway Trust Fund, for urban transportation projects.

A new federal leasing and contract policy to require acceptance of bids no more than 10% higher than low bid if bidder is in an urban area with high unemployment.

[From the Washington Post, Dec. 23, 1976]

SENATOR MATHIAS UNVEILS JOBS, RIGHTS BILLS

(By Douglas Watson)

Declaring that Republicans need to do less in-fighting and more to solve the nation's problems, Sen. Charles McC. Mathias Jr. (R-Md.) yesterday unveiled a dozen bills addressing unemployment, energy, civil rights, civil liberties and a variety of other issues that he will introduce in Congress.

Maryland's senior senator and maverick member of the GOP warned that voters won't "be galvanized into action by hearing repeatedly that the old Republican stable full of windblown nags are ready to run again in 1978 or 1980.

"What will interest people is not the employment prospects of Republican politicians, but what Republicans can do for the country," Mathias told a press conference.

In outlining his large package of proposed legislation, Mathias declared, "When the people again see that the Republican Party is a useful institution, they will want to use it and to employ Republicans at the highest levels of national leadership."

Asked whether his unusual presession calling for action in so many legislative areas indicates that he continues to be interested in running for President, something Mathias flirted with last year, the Maryland Republican said only, "I've got a four-year contract with the people of Maryland and I intend to honor that contract."

Mathias' Senate term will expire in 1981 when President-elect Carter's term does.

Because his progressive-to-moderate positions have put him very much in the minority of the Republican party and had even caused him to consider running as an independent, Mathias has felt the GOP backlash. Last summer Maryland Republicans denied Mathias, the party's highest elected official, a seat on the platform committee at the Republican National Convention.

Currently there is talk that Republican right-wingers may seek to punish Mathias for his independence by seeking to prevent him from becoming the ranking minority member of the Senate Judiciary Committee, but there have been no open moves in that direction.

Mathias said he isn't going to let concern about offending more conservative Republicans prevent him from taking a lead in proposing legislation. "It seems to me that unless somebody gets roused up, then nothing's going to happen," the 54-year-old Marylander said.

Mathias again deplored the impact former California Gov. Ronald Reagan has had on the Republican party, saying, "We were pushed and shoved into a position (in the 1976 presidential campaign) that ultimately led to a very shattering defeat."

But Mathias also criticized "continued bickering between the factions within the Republican Party," which he said is in danger because "the two-party system is out of balance and it can't work when it's this far out of balance."

In the 95th Congress convening Jan. 4, Mathias is introducing Senate Bill No. 1, an Employment Resources Act that would require the President to adopt fiscal and monetary policies aimed at reducing unemployment to 5 per cent by 1978. Mathias also is introducing a bill to create a "National Youth Service Program" to employ jobless teenagers.

Other Mathias bills would provide incentives for the construction of oil refineries within the United States and would establish a "Radioactive Waste Authority" to assure safe disposal of nuclear wastes.

Mathias also has drafted legislation aimed at protecting privacy by requiring government investigators to obtain warrants before examining individuals' bank, credit or telephone records.

Other bills call for construction of five regional prisons in which states could lease space to ease their overcrowded penitentiaries, and the broadening of the Civil Rights Act in the face of recent Supreme Court decisions narrowing its applicability.

Mathias further is sponsoring bills to make it easier for would-be home buyers to obtain mortgages; to provide small businessmen a new forum in which to contest actions by federal agencies, and to offer federal grants to school systems so public education can be made available to 4-year-old children.

[From the Baltimore Sun]

MATHIAS UNVEILS PROPOSALS IN BID TO LEAD GOP LIBERALS

(By Barry C. Rascovar)

WASHINGTON.—Senator Charles McC. Mathias, Jr. (R., Md.) made a pitch yesterday for leadership of the moderate wing of the Republican party during a press conference in which he called for new GOP candidates to replace the "wind-blown nags" of yesteryear.

The meeting with reporters had been called ostensibly to present an all-encompassing legislative package that Mr. Mathias will introduce next month. However, the Maryland senator spent much of the time calling for more progressive, middle-of-the-road leadership from the GOP.

And while he denied that the legislative package might be a precursor for his own bid for the presidency in 1980, Mr. Mathias maintained he had a "responsibility to restore the Republican party to the confidence of the American people.

"The two-party system is out of balance and it can't function when it's this far out of balance," Mr. Mathias said.

He cited his package of bills—ranging from

jobs programs, disposal of nuclear wastes, individual privacy rights and welfare reform—as a way to demonstrate the "Republican party can be useful to the people of America by facing the problems of the country and helping to solve them."

In a formal statement delivered under the glare of television lights, Mr. Mathias repeated his attacks on the conservative element of the GOP that had excluded him and nearly all other liberal Republicans from significant roles at the party's Kansas City Convention.

He derided the "continued bickering between factions within the Republican party," and scoffed at suggestions that voters "will be galvanized into action by hearing repeatedly that the old Republican stable full of wind-blown nags are ready to run again in 1978 or 1980.

"What will interest people," Mr. Mathias continued, "is not the employment prospects of Republican politicians, but what Republicans can do for the country now and throughout 1977."

When the Marylander was asked if former California Gov. Ronald Reagan was one of the "wind-blown nags" he was referring to, Mr. Mathias said: "Yes, I think that's an example."

The proposals in Mr. Mathias' legislative running as an independent presidential candidate this year, said he feels the GOP "still is capable of positive leadership. The party has been led down a number of side paths in recent years and we have got to stop that."

He maintained that, had President Ford not been forced by the Reagan challenge to abandon his middle-of-the-road stance, the Republicans would have won the November 2 election.

The proposals in Mr. Mathias' legislative package included:

A scaled-down version of the Democrats' Humphrey-Hawkins full employment bill calling for a reduction of unemployment to 5 per cent by 1978. The cost of this proposal over the next three years would be $8.3 billion.

A bill designed to cut unemployment among youths by utilizing youths to work on local community projects and environmental projects.

A measure to make it more difficult for government investigators to examine a person's bank, telephone or credit card records.

A bill to authorize construction of five new regional federal prisons in which the states could lease space. Mr. Mathias noted that this was needed especially in Maryland, where 6,700 prisoners are housed in facilities built for 4,886.

A bill to guarantee the safe disposal of nuclear waste.

Amendments to the Social Security Act allowing married couples to maintain their individual levels of benefits and increasing the amount that can be earned, before benefits are reduced, from $3,000 to $5,000.

Mr. Mathias, who is angling to become the Senior Republican member of the Senate Judiciary Committee, said he could not predict if senior conservative Senate Republicans would be "aroused" by his statements and his legislative package.

"Unless somebody gets roused up, there's not going to be much on the Republican side of the aisle to get roused up about," he concluded.

[From the Baltimore Sun, Dec. 26, 1976]

THE WIDE MATHIAS UMBRELLA

Senator Charles Mathias has taken a useful step toward bringing the Republican party back to the ideological center where lies its best hope for revival and prosperity. He is reacting to the GOP drift to the right—exemplified in the Ford-Reagan nomination contest—that promises only further shriveling of the party. Indeed the Senator's own political experience offers a good illustration of what's happening as the GOP abandons the moderates. His centrist-liberal brand of Republicanism brought him two Senate terms in a state overwhelmingly Democratic. Yet in a national election year he was virtually ignored by his own party, nationally and locally. He even thought aloud about leaving the party. Now that the Democrats are taking over the White House the GOP forum is the Congress where Republicans are very much in the minority. Remaining in his party Senator Mathias has offered himself as an alternative to the party's musty leadership and produced a legislative program broad enough to cover much of the political spectrum.

The Mathias legislative package ranges from an attacking unemployment with minimal government spending to promoting home ownership, encouraging national energy self-reliance, managing nuclear waste disposal, financing early childhood education, buttressing constitutional guarantees of privacy, strengthening citizen protection against government abuse of civil rights, reversing the Supreme Court's restriction of access to the federal courts, providing cities and states with federal money to prosecute career criminals, relieving state prison overcrowding, and establishing a federal commission to lay the groundwork for welfare reform.

Singly, each of the Mathias bills offers a response to a critical national problem. In some cases, clear alternatives to Democratic proposals are proposed. For example, Mr. Mathias calls for an attack on unemployment considerably less grandiose than the Democrats' Humphrey-Hawkins bill. Mr. Mathias would provide federal funds for training and employment of youth. But on a broader basis he would establish closer liaison between the President and the Federal Reserve Board so they can fashion fiscal and monetary policies together to fight inflation and reduce the unemployment rate.

Taken together, the bills constitute a wide umbrella that can accommodate Republicans of all persuasions. What Mr. Mathias now needs is the help of other Republicans. He has offered them a constructive vehicle for attacking serious national problems and rebuilding their beleaguered party as a responsible alternative to the Democrats while personally taking what might be the first steps toward a presidential campaign in 1980.

[From the News American, Baltimore, Dec. 24, 1976]

MATHIAS DESCRIBES BILLS HE WANTS ENACTED; BLASTS GOP

(By Rich Hollander)

Sen. Charles McC. Mathias Jr. opened the congressional session with a shopping list of bills he will seek to have enacted when the Senate convenes in January.

While most of the bills would relate in some way to Baltimore, a package called an "Urban Resources and Management Act" has the greatest potential local impact.

At the beginning of a Capitol news conference Mathias delivered a stinging criticism of the Republican leadership.

He blasted what he called "the old Republican stable full of wind-blown nags ready to run in 1978 or 1980.

"When the people again see that the Republican Party is a useful institution, they will want to use it and to employ Republicans at the highest levels of national leadership," Mathias said.

The sharp rebuke of the GOP establishment coupled with the introduction of bills obviously national in scope inspired several questions on Mathias' political ambitions.

"As far as I'm concerned," said Mathias, "I have a four-year contract with the people of Maryland and I'm going to honor that contract."

Maryland's senior senator went on to repeat his thesis that "the two party system is out of balance and can't work if it remains this far out of balance."

Earlier this year Mathias toyed with the thought of running for president, but eventually gave his endorsement to incumbent Gerald Ford.

By calling a major news conference and inviting representatives from the networks and national media, Mathias seemed to be positioning himself for future leadership.

Former GOP presidential hopeful Ronald Reagan was the only politician Mathias singled out as an "example of a posture which ultimately led to a very shattering defeat."

Despite his strong remarks about a fellow Republican, Mathias made it evident he has no intention of leaving the party.

Turning to cities, Mathias said he favored a new formula for allocating federal funds which would be aimed to benefit older Eastern cities like Baltimore.

In addition, Mathias proposed diverting revenues from the highway trust fund into a new fund to be used on urban mass transit.

Other bonuses to cities stemming from the Mathias legislation include business tax incentives to firms remaining in the cities and federal insurance of urban economic development bonds sold by state and local governments.

Mathias said it was imperative that the nation seek "transportation alternatives to the automobile."

Other areas within Mathias' legislative package are employment, criminal justice, welfare reform energy, education, home ownership and the elderly.

Calling his bill "a practical and realistic alternative to the Humphrey-Hawkins bill," Mathias said he hopes to place a 5 per cent ceiling on unemployment.

The most costly portion of the bill would employ young persons 16 to 24-year-olds on urban and environmental projects.

Mathias defended the $2.1 billion annual price tag on the bill, saying it would stimulate the economy.

In the criminal justice portion of the legislation, Mathias is endeavoring to clamp down on illegal governmental surveillance; aid states prosecuting repeat criminal offenders and modernize the prison system with the federal government leasing bed space in its facilities to states on a per-diem basis.

Without favoring a specific program, Mathias has introduced a bill creating a bipartisan commission to study the $28 billion a year welfare system.

Another bill entitled the "Early Childhood Education Assistance Act" would provide $500 million yearly to local school boards to extend public education to four-year-olds.

In an attempt to decrease U.S. dependency on foreign oil, Mathias has also sponsored legislation to give tax incentives to companies constructing domestic refineries.

In another energy-related bill, Mathias would create a "Radioactive Waste Authority" to deal with what he called "the critical problem of safe disposal of nuclear waste."

For the homeowner, Mathias has proposed a bill authorizing the Federal Home Loan Bank Board to permit federally chartered savings institutions to offer a wider variety of mortgage instruments.

Finally, Mathias would amend the Social Security Act to change the existing statute which, in his opinion, discourages beneficiaries from remarrying.

Mathias termed his extensive legislative package "positive and rational programs consistent with our traditions." He said he hoped it would receive support from both parties.

[From the Baltimore Afro-American, Dec. 25, 1976]

MATHIAS PRESCRIBES PILL FOR REPUBLICAN "ILLNESS"

(By Elmer W. Lammi)

Sen. Charles Mathias Jr. (R-Md.) offered his prescription Wednesday for a Republican resurgence: a middle-of-the-road approach to problems and new candidates to replace the "windblown nags" of yesteryear.

The GOP should "keep its feet in the middle of the road" and "avoid the side tracks that have bogged the party down for 40 years of declining membership and influence," Mathias told a news conference.

He also offered a package of bills that was so all-encompassing reporters speculated it might be a platform for launching his own presidential campaign in 1980.

"No," he replied when asked about that possibility. "I've got a four-year contract with the people of Maryland, and I want to keep that contract."

The Maryland Republican said he would introduce a dozen bills—of which he said six "won't cost anything"—as soon as Congress convenes.

The bills include one calling upon the President and the Federal reserve board to work with congress in drawing up a federal policy aimed at reducing the unemployment rate by 1.5 per cent a year.

Another bill would set up a youth employment program—including federal subsidies to private employers who hire young people.

Other bills in the package deal with crime and civil liberties, education, energy, welfare reform, home ownership and the elderly.

[From the Baltimore Evening Sun, Dec. 23, 1976]

. . . FOR MATHIAS SETS SAIL AT DAWN

Senator Mathias may have been right last Spring, he may be right now. Gerald Ford could have been preparing for a new term today had he, as Mr. Mathias advised him, turned his back on the Republican right-wing and presented himself to American voters, instead, as a moderate progressive moving slowly but surely along the middle of the road. Well, he didn't, probably because he couldn't. At the party's Kansas City convention, Ronald Reagan—not Gerald Ford—turned out to be the GOP darling. The result was, the President was obliged to absorb unwanted Reagan-wing thrusts—the gratuitous insult to Henry Kissinger, the imposition of the gross Robert Dole as running-mate—simply to hold restless delegates in line and to preserve his own political balance. He may have lost the election in November, for it was the very narrow, by the way he won the nomination in August.

Today, Mr. Mathias is back at it again, hitting out at the "wind-blown nags" of the party's yesteryear, meaning the Goldwaters and the Reagans, the Nixons and Agnews and the Fords. He does not offer a list of fresher names to take their places in 1980 but the hint is hard to miss. Mr. Mathias would like to see somebody run like, well, like Mr. Mathias. Indeed, wasn't it Mr. Mathias who undertook early last summer to explore the presidential possibilities then open to himself?

If that is the Mathias objective, it is not altogether quixotic. Party loyalties of the old-fashioned sort are fading fast among American voters: a Republican who, Mathias-like, tends to defy his own Republican leaders could stir definite interest among the Democratic voting majorities who, by 1980, may be disenchanted with the Jimmy Carter administration. Meantime, Mr. Mathias aims for greater personal eclat in the Senate and even for a share of the leadership of the minority party which, as he correctly points out, just now suffers a painful shortage of leadership. He must make the voice of the new Republican party rising from November's ashes ring with the accents of his own Frederick, Md.

The obstacles, like the opportunities, are also present. Kansas City showed where the dominant weight of the party rests nationally: it is no longer in the East, no longer even the Midwest. The West, and the more reactionary corners of it at that, is the new heartland of Republicanism. Mr. Reagan is one more "wind-blown" nag, all right, but when he speaks the now-controlling elements of the party pay close attention. Probably the Reagan insurgency last summer blunted and stained the Ford campaign beyond retrieval. In 1980, if not Mr. Reagan himself, some Reagan-like figure seems certain to rise up and try to spoil a Mathias candidacy too.

A truly independent candidacy, free of both party's strings, is what Mr. Mathias probably prefers. The time for that may come, but hardly by 1980. The Mathias future still seems confined within his own shrinking, increasingly resentful Republicans.

[From the Washington Star, Dec. 22, 1976]

MATHIAS TO GOP: AVOID BICKERING, TAKE "HIGH ROAD"

(By Martha Angle)

Sen. Charles McC. Mathias Jr., R-Md., today urged the Republican party to stop factional bickering and return to the "high road" of politics with programs designed to meet the basic needs of the American people.

The liberal maverick from Maryland unveiled a package of a dozen bills running the gamut from unemployment and welfare reform to civil rights which he said he will introduce when Congress returns next month.

Mathias said he will ask other Republicans to join him in pressing for enactment of the legislative package, which he called "positive and rational programs consistent with our traditions."

"The only road back for the Republican party is the high road," Mathias said. "To stay on the high road means to stick to the hard surface—and to avoid the sidetracks that have bogged the party down for 40 years of declining membership and influence."

Mathias, who has repeatedly criticized the GOP's drift to the right in recent years, said it would be a mistake for the country if the existing political parties turn into conservative and liberal groupings.

"It might be easier for the politicians, but I don't think it would be good for the country," he said.

He also warned that few voters are likely to be "galvanized into action by hearing repeatedly that the old Republican stable full of wind-blown nags are ready to run again in 1978 or 1980."

Asked whether he considered former California Gov. Ronald Reagan one of those "windblown nags" who has helped lead the GOP astray, Mathias conceded Reagan was indeed "an example" of what he had in mind.

FAIR ELECTION LAWS

Mr. GOLDWATER. Mr. President, there has been a lot of discussion about the pros and cons of the fair election laws passed by the last Congress, and I think we have all formed opinions bearing, to some degree, of course, but, nevertheless, opinions. I said at the time of passage that the act was extremely unfair because it gave the unions of this country almost unlimited authority to spend any amount of money that they cared to in a way that, of course, corporations are not allowed to. There is a memorandum from COPE which is the political arm of the AFL–CIO, explaining some of the things they did during this last campaign, and also attached is a report on what people in authority feel this costs. It always amuses me to hear Common Cause and other similar organizations raise so much need about what corporations and private individuals do, but any amount of millions that the unions want to spend to influence an election is all right. I wonder who is in bed with whom? I ask unanimous consent that this memo and its attachment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMO FROM COPE

The AFL–CIO MEMO FROM COPE had some interesting reading in their November 22nd issue.

Following is a summary of a report by National COPE to the AFL–CIO Executive Council meeting convened one week after the election. It provides a capsule account of the value of the labor movement's efforts on behalf of the endorsed presidential ticket.

Over-all registration nationally—Approximately 70 percent.

Union member registration—80 percent, according to preliminary reports from State AFL–CIO Councils, COPE helped produce nearly six million new registrations of members and families, and through nonpartisan registration groups.

Over-all vote nationally—53.3 percent of eligible voters.

Union member vote—approximately 65 State and Local Councils.

Union member vote for Carter—70 percent, according to key ward and precinct figures (see below) higher in many areas, particularly the industrial states.

In the south while minority of whites voted for Carter according to CBS poll, a majority of white union members did.

From the material in the following paragraphs we estimated the costs to give an idea of unions' "in kind" support:

ESTIMATED FIGURES NOT IN COPE REPORT

Manpower—more than 120,000 COPE volunteers. Estimated 120,000 volunteers giving 16 hours at $3 per hour, $5,760,000.

Phone banks—more than 20,000 phones in thousands of phone banks. Placed more than 10 million calls during register-and-vote campaigns. We estimate installation and 2 month charge at $54 each, $1,080,000; Allowing 220 calls free per phone cost of estimated overage calls based on 5,600,000 at .07c, $392,000.

Get-out-the-vote effort—In addition to precinct operation and phone banks, major in-plant effort by stewards and other local union officials. Unestimated cost.

Minorities operation—Randolph Institute operations registered three-quarters of a million blacks. Estimated $1 per registrant, $750,000.

Materials—more than 80 million pieces (leaflets and posters, labor press coverage, letters directly to members from international union presidents and hundreds of local union officers) to union members from all levels of labor movement (National COPE, international unions, state and local councils and local unions). More than 700 prints of COPE films were distributed. Meany broadcasts over NBC and Mutual networks supplemented by sponsorship of them in hundreds of communities by local councils and local unions. Estimated average cost per piece 25c (includes mailing of some), $20,000,000; 700 prints of COPE films at $30 per film, $21,000; Production cost (estimated) $50,000; Network & local radio, $300,000.

Total of $28,353,000.

These estimates are only minimum guesses. Keep in mind this was basically for the

Presidential race. We also believe these are minimum figures.

U.S. DEFENSE NEEDS—A LOOK AHEAD

Mr. GOLDWATER. Mr. President, we hear a lot of discussion these days about future U.S. defense needs. One of the factors fueling this debate is President-elect Carter's contention that he can cut $5 to $7 billion from the Pentagon budget at a time when the Soviet arms program is reaching a new and dangerous peak.

This is shaping up today as one of the greatest issues of our time. Indeed, the security of the United States as well as that of the entire free world may well be at stake. Recently the officials of the Association of the United States Army prepared an excellent paper on the subject of U.S. defense needs. Because of its extreme importance I ask that it be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

U.S. DEFENSE NEEDS—A LOOK AHEAD

The worst threat to our well-being remains what it has been ever since World War II—a clash between U.S. and Soviet armed forces. U.S. policy must address the threats to peace as well as the more likely economic opportunities. *Setting National Priorities.* The Brookings Institution, 1976.

The election is over. Waves of rhetoric that were smashing against the seawall of public consciousness have subsided into ripples. Promises of expanded social programs, reduced unemployment and that perennial will-of-the-wisp, the balanced budget, must now be considered in the harsh light of practical politics and economics. Two of the factors that must enter into that consideration are foreign policy and national defense, both of which have very limited fields of maneuver.

No matter which basic political philosophy shapes one's attitudes, one's solutions to problems in these areas will work in similar ways to support our national interests. The principal reason is that the problems which impact most heavily on both foreign policy and national security are externally created and beyond our easy control. There is not a whole lot we can do to influence the continued malevolence and expanding ambitions of the Soviet Union. Overpopulation, a worldwide shortage of foodstuffs, dwindling energy resources, the exploitation of resources from the seas, and nuclear proliferation all make for a full checklist of problems that contribute directly to global tensions and unrest. Add to those the burgeoning discontent in many of the emerging nations, the flaming hatreds of centuries-old protagonists in the Mid-East, racism in Africa, the remaining vestiges of colonialism through parts of the world, and it becomes readily apparent why we cannot call the tune on what we require diplomatically and defensively to protect our very vital national interests.

So that we might maintain a clear perspective as we address the broad spectrum of issues confronting us, it is useful to review some of our basic foreign policy defense requirements lest they be neglected. What are the stresses and strains from outside our shores which we cannot escape?

As the comparative maps indicate, the flowing tide of communism during the period when we have had atomic weapons is a reality, not a right-wing rallying cry. The annexation of some 15 nations to the Communist fold in the last 30 years does not reflect the final outcome of political struggles in some countries of Western Europe, the littoral of Mediterranean, Africa and Latin America. So we are dealing with ongoing momentum that cannot be described fairly as in the best interests of the United States.

The philosophy of communism prospers in a climate of want and unrest—and there are too many fertile fields in much of the world today that provide these ingredients. Burgeoning population growth is outstripping our ability to provide foodstuffs needed to sustain life in much of the world. We are at the critical point where there is a direct correlation between a major natural disaster be it drought, floods or wind which impacts on harvests and a rise in starvation in other parts of the globe. Worldwide efforts to correct this tragic situation require stability, peace and cooperation to a degree the world has yet to attain.

In his new book "Precarious Security," General Maxwell D. Taylor spotlights the problem. "By modern demographic methods, the growth of national populations can be estimated with fair accuracy to the end of the century, even though, in the meantime, governments may do their best to reduce the national growth rate. According to such calculations, by the year 2000 the world population will at least double with the greatest densities concentrated in countries least prepared to support them—South Asia, China, Indonesia, Africa, the Middle East, and tropical Latin America.

"By the end of the century, in South Asia, where starvation is frequent today in a population of 770 million, there will be about 1.4 billion people struggling for survival. China, which currently must often import large quantities of grain to feed 820 million, must find food for more than a billion to escape mass starvation. Indonesia, faced with the problem of accommodating over 230 million by the year 2000, will envy the vast open spaces of neighboring Australia, which by that time will be sustaining only about 20 million. Brazil, with over 200 million at the end of the century, will tower over its neighbors Argentina, Chile, and Uruguay, whose combined populations total only about a fourth of Brazil's. Some 3 million Israelis are today encircled by 70 million hostile Arab neighbors who will double in number by the year 2000, while Israel adds perhaps 2 million. Mexican "wetbacks" now pour illegally into our southwestern states at an annual rate believed to be over 800,000. What will be the extent of the invasion at the end of the century when the population of Mexico will have nearly doubled or by 2025 when it may approximate that of the United States?

"Such considerations justify a conviction that population growth and population-related problems will be a dominant, pernicious factor in the future development of nations and their relations with one another. The consequences will endanger not just American security but that of the world community."

Our own interdependence with the rest of the world is reflected in the adjacent box which lists 35 strategic materials which we must import to maintain our own physical survival. Three of these materials are vital and irreplaceable—chromium, platinum group, and aluminum. These are not materials for munitions alone but are essential to keep the wheels of U.S. industry turning. Many of those imports come from countries which are not close allies—and from some, like Africa for instance, where our diplomatic track record is abysmal. We have been unable, for example, to come to any sort of easy or comfortable terms with the raw-material-producing countries south of the industrial democracies.

Mineral, percent imported, and major foreign sources:

Manganese, 100%, Brazil, Gabon, S. Africa, Zaire.

Cobalt, 98%, Zaire, Finland, Norway, Canada.

Titanium, 97%, Australia, India.

Chromium, 91%, USSR, S. Africa, Turkey, Philippines.

Aluminum, 88%, Jamaica, Surinam, Dom. Rep.

Tantalum, 83%, Australia, Canada, Zaire, Brazil.

Platinum Group, 86%, USSR, S. Africa, Canada.

Tin, 86%, Malaysia, Thailand, Bolivia.

Fluorine, 86%, Mexico, Spain, Italy.

Nickel, 80%, Canada, Norway, USSR.

Tungsten, 60%, Canada, Bolivia, Peru, Mexico.

Germanium-Indium, 60%, USSR, Canada, Japan.

Beryllium, 50%, Brazil, S. Africa, Uganda.

Zirconium, 50%, Australia, Canada, S. Africa.

Barium, 40%, Ireland, Peru, Mexico.

Iron, 23%, Canada, Venezuela, Liberia, Brazil.

Lead, 21%, Canada, Peru, Australia, Mexico.

Copper, 18%, Canada, Peru, Chile, S. Africa.

Trade, fuel, and a whole range of intercourse with many nations are essential to the economic survival of our country. One cannot visualize the prospects for peace being enhanced by our growing vulnerability to raw materials cartels. It will take energetic and imaginative diplomacy—adequate supported by a credible defense—to guide us through this highly intricate and delicate area. This is a good place to emphasize how closely meshed foreign policy and a credible defense posture really are. Frederick the Great said it best, "Diplomacy without armaments is like music without instruments."

Part of the difficulty that contributes to unrest and the inability to make greater progress in peaceful endeavors is the instability of many national governments. In the last 15 months, the head of government has changed 44 times in 35 countries. Italy, for example, has finally seated its 39th government in 33 years. Included among the changes of government in the last three years have been 17 successful coups. Such instability makes much of our efforts of international negotiation almost impossible but, even worse, provides a constant threat of outbreaks by arms.

The bedrock of our foreign policy and principal focus of our national interest continues to lie with our NATO alliance in Europe. With all its stresses and strains NATO has served the cause of world peace and prosperity well for a quarter of a century. We have reduced our military participation substantially and would only tempt fate by cutting further. Ever since the Treaty of Rome in 1957 there have been great efforts to establish a European economic and political community which would integrate the nations of Europe into a viable political entity. Progress toward an early solution to the many problems involved has been slow indeed. It would be difficult to forecast the day when our strong military presence in NATO can be safely terminated.

It would take a considerable amount of space to review the imminent dangers that arise from the civil war in Lebanon and the tinderbox of Africa. In our own backyard there is real cause for concern about a peaceful solution in Panama. It will take a high degree of diplomatic and political skill to extricate ourselves from this dilemma in a way that will not alienate our important neighbors to the South and at the same time protect our interests. Each of these situations has all the ingredients for potential trouble of a nature serious enough to warrant the availability of credible U.S. deterrent forces.

We cannot overlook either the dangers arising from terrorist incidents. Forty-nine

nations have had at least one terrorist incident occur on their soil in the past three years.

Across the globe in the Far East, our prosperity is inextricably linked to the economy of the Pacific basin. Last year our trade with Asian nations exceeded our trade with Europe. Asian raw materials fuel our factories; Asian manufacturers serve our consumers; Asian markets offer outlets for our exports and investment opportunities for our business community. It is essential that we widen and strengthen our relationships in this important region of the world where we have already fought three wars in the last 30 years in an effort to secure peace.

The Pacific doctrine for the United States enunciated last year seeks to buttress our non-Communist allies and at the same time increase our cooperation and communication with the leadership of Red China as well.

This Pacific doctrine has had a favorable reception and it is still the considered view of most students of the area that most Asian nations, to include mainland China, want the U.S. to remain in the Pacific as a stabilizing force.

The U.S. projects a diminishing military profile in the Far East. With the withdrawal of all of our personnel from Thailand, we have no other troops in Southeast Asia. In the Western Pacific, including Japan, Okinawa, the Philippines, and South Korea, we have about 100,000 personnel. Additionally, manning the naval forces at sea in that area, we have another 24,000. In the absence of conflict, these forces would appear to be strong enough to support our country's Pacific doctrine.

Japan continues as our most important partner in the Far East. It occupies a unique status. In addition to being our largest foreign trading partner, it also is the largest for Russia and China.

Japan represents a commitment that we could not disown and also represents one of the greatest successes in American postwar foreign policy. Her growing trade with China similarly offers the best hope of bringing China more quickly into an active role in the international community.

Across the Sea of Japan, the quiet of the Korean Peninsula has been marred recently by the insane murders at Panmunjon and there is little likelihood of an early reconciliation between the North and South. Averting a Korean war remains a high priority for the United States in the coming decade. The best way to do this is to continue to maintain a situation in which neither government sees a chance of victory. Yet, there are those who believe that the time has come for the U.S. military to begin to look at ways we can reduce further our forces in Korea which now include only a corps headquarters, one division with supporting troops, air defense forces, and aviation. In our view, such a withdrawal now would be risky. Ongoing modernization of South Korean armed forces will require several more years to put them on a par with the North. Whatever we do needs to be done in close consultation with Japan.

The Communist leadership in Hanoi has continued consolidating its hold on all of Vietnam and will remain preoccupied for a time yet in getting the country reorganized and in some sort of shape to become more self-supporting. However, Hanoi has already started looking outward and will be a factor of growing importance in far-eastern stability.

Now as to the matter of defense. We must define the bounds of our defense requirements. Simply stated, the proposition of "How Much Defense Do We Need" should include at least the following:

We need enough, with our allies, to deter warfare at all levels and to defend our national interests should deterrence fail;

We need enough to maintain U.S. technological superiority over the Soviet Union; and

Above all, we need enough to provide the credible strength upon which further peace negotiations can be pursued.

A recent poll conducted for the non-partisan Potomac Associates by the Gallup organization shows a renewed surge of public concern for the military strength of the United States and for the way our country is viewed by others. The poll showed that the category of "Keeping our military and defense forces strong" got an aggregate score of 81. The same item had been scored at 84 in a pre-Vietnam 1964 poll and had fallen to 74 in 1974. "Maintaining respect for the U.S. in other countries" scored 78 in the recent poll, compared to 81 in 1964 and 73 in 1974.

When we look at how much defense we need—we also have to look at what kind—especially in these days of strategic nuclear equivalency. Without getting bogged down in an unfruitful numbers game, most thoughtful observers agree that given the present strategic nuclear arsenals of the Soviet Union and the United States, the least likely form of conflict for the immediate future would be a major nuclear war. This will continue to be true so long as our nuclear arsenal remains viable, modern and credible. This is one area where our investments in strategic weaponry—although costly—have provided insurance that all can understand and for which most are willing to pay. Of greater concern is the growing list of countries developing a nuclear capability. They especially, have to believe our strategic arsenal is credible as well as the Soviets.

Since 1945, there have been literally hundreds of situations of violence somewhere in the world. The U.S. has been involved in only 7 or 8.

So it is fair to say that we have not gone around the world looking for places we could intervene with our armed forces. The interesting point is that all of these armed conflicts have occurred during a time when we have had an overwhelming nuclear capability—and yet all were fought with conventional weapons. Think too of today's potential trouble spots—Korea, Mideast, Africa, Cyprus, Lebanon, Panama, to name the most obvious. If we were to become involved in any of these, it would certainly be a conventional conflict.

So we have to be especially careful that our conventional forces are capable of supporting adequately our national objectives. This means an Army and Marine Corps adequately manned and equipped to respond affirmatively and effectively to this wide spectrum of potential troubles. This means a modern Navy to transport and support any necessary projection of land forces to distant lands—a Navy that can keep the sea lanes open. This means an Air Force sufficiently strong to provide air supremacy, support for the ground battle and the very rapid movement of men and equipment that would be required.

In today's climate where we quest for quick and easy solutions, there will be those who will advance as new the thought that land forces really aren't all that essential, especially when people costs are up.

A very realistic principle of conflict is that wars are fought for the control of land areas and the people who inhabit them. Although land, sea, and air forces are complementary, Army forces possess capabilities which set them apart. The Army can direct and support full-time and comprehensive control over the land, over its resources, and over its people. In peacetime, this power is the basis of the stability, law, and order essential to a free society. In wartime it is the ultimate decisive act of occupying and securing of those land areas necessary to the achievement of our national objectives. This is particularly true in the limited war situation where there is an overriding requirement on the ground for forces that can occupy and continuously control the people in the contested area. Only Army forces can execute and support a requirement of this type for any period of time.

In its deterrent role, the political impact conveyed by military force is as important as the sheer destructive power it can wield. In the era of nuclear stalemate, the role of the Army has taken on even greater importance. It emerges as the really significant balance of employable power and has profound effect on the military relations between powers.

We have serious shortfalls across the board in our conventional forces—in equipment, munitions, and planes. It will take sizeable defense budgets over a period of years to provide the credible deterrence and backbone our national policy requires. There is no political legerdemain that can soften this fact.

When the discussion gets down to costs, it is especially important that we work from a factual perspective. It is popular on the campaign trail to talk about reordering priorities which to many politicians means taking money from defense for other programs. This is exactly what we have been doing for most of the last 22 years. The Advisory Commission on Intergovernmental Relations has just published a study, "Significant Features of Fiscal Federation—1976 Edition." It contains some interesting realities which will shape the policy choices all levels of government will be making in the next decade.

One table, for example, shows the extraordinary shift from defense to domestic spending in the past 22 years. In 1954, at the end of the Korean War, the federal defense budget was $47.1 billion. The same year $49.9 billion was spent for all domestic programs in the federal, state, and local budgets. So the two were substantially equal. This year, domestic expenditures have risen to seventy-eight percent of the government pie, while defense has shrunk to twenty-two percent. To put it another way, half of the past two decades' rapid growth in domestic spending has been financed by taxes and deficits and half by a shift from defense to civilian programs. So it's obvious that the priority reordering has already taken place and further shifts are not feasible if we are to have a credible defense.

There are those who feel that the military tend to view international events in militaristic terms. Although this increased sensitivity is undoubtedly for the best, as one of our colleagues so aptly put it: "No matter how much we adjust our focus or examine our lenses, we are still confronted with some of the same blindingly apparent conclusions about the world in which we live. Both the history of the Twentieth Century and the daily newspaper contain ample evidence that the international system is now, and will be for the foreseeable future, characterized by conflict and military competition. Our wishes to the contrary, a cold and rational examination of the world in which we live provides eloquent testimony to the fact that the maintenance of military force is still a national necessity and that peace is a consequence of military strength."

We look to the day for example when we may see some change in Soviet goals—when their outward projection of power is abated—but that is not now. As a matter of fact, Soviet military drive is at a higher point now than in the past.

It is not the purpose of this paper to discuss in detail specifically how much is enough for national defense or what the force structure should be to meet minimum U.S. needs. The point is that current strengths and force structure are barely ade-

quate in today's world, provided they are at full strength and fully equipped.

Political planners must recognize this point if U.S. security is to be preserved. The dynamics of the world situation, beyond the control of the politicians or the military leaders is dictating what the U.S. must have militarily if our national interests are to be protected.

It is imperative that our adversaries as well as our friends and allies continue to recognize our country as a viable fulcrum in world power on the side of peace. They must see as we do that the Age of America is not declining. John F. Kennedy enunciated a goal that is worth remembering. What we really want, he said "is a peaceful world, that is fairly safe for diversity."

These are thoughts that we should keep before us as we move forward.

A final quote from the Brookings Institution report, Setting National Priorities:

"Lord Acton spoke of the 'remote and ideal object' that captivates the imagination by its splendor and the reason by its simplicity, and thus evokes an energy that cannot be commanded by lesser and more proximate goals. Our remote and ideal object is to achieve a community of developed nations in which Western Europe, Japan and the United States will arrange their defenses to deter war in the main areas of political confrontation, will harmonize their political policies to lessen the prospect of conflict and proliferation, and will coordinate their economic policies to promote steady noninflationary growth in the industrial world and improve economic opportunities for developing countries. It should be our purpose to see the Soviet Union, the Eastern European countries, and many developing nations eventually drawn into this community's constructive business."

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is made available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the several notifications I received during adjournment.

In addition, I also received a Presidential Determination on military sales to Turkey which also represents a 36(b) Letter of Offer, which I also ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY ASSISTANCE AGENCY DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/SA

Washington, D.C., Dec. 7, 1976.

In reply refer to: I-9025/76

Hon. JOHN J. SPARKMAN

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 77-1, concerning the Department of the Army's proposed Letter of Offer to Korea for ammunition estimated to cost $15.6 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-1

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Korea.

(ii) Total Estimated Value: $15.6 million.

(iii) Description of Articles or Services Offered: Annual buy of conventional training ammunition ranging from .22 caliber to 155mm.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: 7 Dec. 1976.

This proposed sale will not have any adverse impact on U.S. readiness or procurement programs. These items will be provided from procurement and production capacity in excess of U.S. Army requirements.

This proposed sale is for major articles and is appropriately handled as an FMS case.

This ammunition will provide ammunition for Korea's annual training requirements.

The purchaser will pay all costs for this proposed sale plus an administrative service charge to handle as an FMS case. This sale will have a positive net effect on U.S. balance of payments.

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA

Washington, D.C., December 8, 1976.

In reply refer to:
I-10106/76

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmital No. 77-2, concerning the Department of the Army's proposed Letter of Offer to Germany for tank conversion kits estimated to cost $37.7 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-2

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Germany.

(ii) Total Estimated Value: $37.7 million.

(iii) Description of Articles or Services Offered: Six-hundred and fifty (650) tank conversion kits to convert 650 German-owned tanks from M-48A2 90mm guns to 105mm guns.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: 08 Dec. 1976.

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA

Washington, D.C., December 8, 1976.

In reply refer to:
I-10107/76

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 77-3, concerning the Department of the Army's proposed Letter of Offer to Germany for air defense systems estimated to cost $59.5 million. Shortly after this letter is delivered to your office we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-3

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Germany.

(ii) Total Estimated Value: $59.5 million.

(iii) Description of Articles or Services Offered: One (1) Air Defense Control Coordination System, (4 console) AN/TSQ-73, ten (10) Air Defense Control Coordination Systems, (2 console), AN/TSQ-73, repair parts, test equipment, and installation and checking system.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: December 8, 1976.

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA

Washington, D.C., December 8, 1976.

In reply refer to:
I-11072/76

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 77-4, concerning the Department of the Navy's proposed Letter of Offer to Germany for SEASPARROW program estimated to cost $13.0 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-4

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Germany.

(ii) Total Estimated Value: $13.0 million.

(iii) Description of Articles or Services Offered: Germany is participating in NATO SEASPARROW surface missile system: six (6) launchers, thirteen (13) transmitters and organizational spare parts for SEASPARROW program.

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: December 8, 1976.

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA

Washington, D.C., December 8, 1976.

In reply refer to: I-11206/76

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 77-5, concerning the Department of the Air Force's proposed Letter of Offer to Germany for computer systems estimated to cost $45.0 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77–5

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Germany.

(ii) Total Estimated Value: $45.0 million.

(iii) Description of Articles or Services Offered: Two-hundred ten (210) LRU–1 computer systems for use with the German F–4 aircraft.

(iv) Military Department: Air Force.

(v) Sales Commission, Fee etc. Paid, Offered or Agreed to be Paid: [Deleted.] (e) The information contained in paragraph (v) consist of proprietary data within the meaning of 18 U.S.C. 1905, and accordingly may not be disclosed except pursuant to the provisions of the Code.

(vi) Date Report Delivered to Congress: 08 Dec. 1976.

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE) OASD/ISA,

Washington, D.C., December 17, 1976.

In reply refer to: I–12015/76.

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 77–6, concerning the Department of the Navy's proposed Letter of Offer to Germany for torpedoes estimated to cost $26 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77–6

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act.

(i) Prospective Purchaser: Germany.

(ii) Total Estimated Value: $26.0 million.

(iii) Description of Articles or Services Offered: Two-hundred and four (204) MK–46 torpedoes.

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: December 17, 1976.

This proposed sale will not impact on U.S. readiness or procurement programs. The torpedoes involved in this proposed sale will come from new procurement.

This proposed sale is for a military weapon that is not available through direct negotiations with the contractor.

The acquisition of these weapons will increase Germany's defensive capability.

The purchaser will pay all costs for the torpedoes plus an administrative service charge for handling as an FMS case. This sale will have a positive net effect on the U.S. balance of payments.

THE WHITE HOUSE,

Washington, D.C., November 18, 1976.

Hon. JOHN J. SPARKMAN,

Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I wish to inform you that I have exercised my authority under Section 620(x) of the Foreign Assistance Act of 1961, as amended, to permit during the fiscal year 1977 the sale to Turkey, and related financing, under the Arms Export Control Act of long lead time items for the forty F–4 aircraft described in my determination of August 27.

This letter also serves as formal notification of proposed letters of offer for the sale in accordance with Section 36(b) of the Arms Export Control Act, as amended. The letters of offer will be issued by the United States Air Force thirty days after your receipt of this letter. At that time, the Department of Defense will issue a guaranty for a loan in the principal amount of $69.6 million, the full amount of the sale.

A copy of my determiation and a copy of the justification for this action are enclosed.

Sincerely,

GERALD R. FORD.

THE WHITE HOUSE,

Washington, D.C., November 19, 1976.

[Presidential Determination No. 77–8]

MEMORANDUM FOR THE SECRETARY OF STATE

Subject: Determination under Section 620 (x) of the Foreign Assistance Act of 1961, as amended, to Permit the Sale of Certain Specified Defense Articles to the Government of Turkey.

Pursuant to the authority vested in me by Section 620(x) of the Foreign Assistance Act of 1961, as amended, (the Act), I hereby:

(a) Determine that purchase by the Government of Turkey of long lead-time items in the amount of $69.6 million for the procurement of 40 F/RF–4E aircraft is necessary to enable Turkey to fulfill her defense responsibilities as a member of the North Atlantic Treaty Organization, and

(b) Suspend the provisions of Section 620 (x) of the Act and of Section 3(c) of the Arms Export Control Act, as amended, for the fiscal year 1977 in order that the aforementioned defense articles may be sold to Turkey and the Turkish procurement of said articles may be financed under the authority of the Arms Export Control Act, as amended, within the limitations specified in Section 620(x) of the Act.

This determination supplements Presidential Determination No. TQ–3 of August 27, 1976 (41 FR 37561), which authorized the sale and financing of the initial long lead-time items for the procurement of the above-described aircraft.

This determination shall be published in the Federal Register.

GERALD R. FORD.

JUSTIFICATION OF PRESIDENTIAL DETERMINATION TO PERMIT FOREIGN MILITARY SALES AND FINANCING FOR TURKEY

Section 620(x) of the Foreign Assistance Act of 1961, as amended, (the FAA) suspended, prior to its amendment by the Arms Export Control Act of 1976, all grant military assistance (MAP), as well as foreign military sales to Turkey. However, the amended Section 620(x) permits the President to suspend the provisions of that section and Section 3(c) of the Arms Export Control Act with respect to cash sales, credits and guaranties under the latter Act. As amended, Section 620(x) permits, during FY 1977, the sale and financing under the Arms Export Control Act of such defense articles and services valued at not to exceed $125 million as the President determines "are necessary to enable Turkey to fulfill her defense responsibilities as a member of the North Atlantic Treaty Organization."

This determination to permit foreign military sales and financing for Turkey is a necessary follow-on to a previous Presidential Determination made on August 27 under the provisions of Section 620(x) of the FAA. That determination permitted Turkey to purchase and to finance under foreign military sales procedures, long lead-time items necessary to the eventual procurement of 40 F/RF–4E aircraft. The present determination allows the production of these same aircraft to proceed on schedule.

The United States Air Force now requires, by November 30, an additional payment by Turkey in the amount of $69.6 million for the purchase of parts and payments to the manufacturer to keep production of the F/RF–4E aircraft on schedule. This is a routine payment which does not accelerate production or increase the number of aircraft.

Turkey is a loyal member of NATO and an enthusiastic participant in the NATO military structure. Because of its strategically important geographic position, Turkey's military forces serve as a barrier to potential Soviet expansion into the Eastern Mediterranean; and Turkey affords a base in the event of conflict with the Warsaw Pact. Virtually all of Turkey's air forces are formally committed to the integrated alliance military structure. However, because of the restrictions on United States military assistance and sales to Turkey, the operational effectiveness of Turkish air forces and the air defense capabilities of the NATO alliance have been seriously impaired.

The purchase by Turkey of new F–RF–4E aircraft was recommended by NATO planning authorities to replace obsolete Turkish aircraft.

Turkey continues to experience a balance of payments deficit and a falling foreign exchange reserve. Turkish ability to purchase required defense articles from domestic resources is seriously reduced. Accordingly, in order that Turkey may make the required payment of $69.6 million toward the purchase of the F/RF–4E aircraft, financing for the payment will be provided under the Arms Export Control Act through the issuance of a loan guaranty. The repayment obligation of this guaranteed loan is within Turkey's financial capacity.

THE AIR FORCE DECISION ON THE B–1—A WISE CHOICE

Mr. GOLDWATER. Mr. President, the key element necessary for nuclear deterrence is a strong, reliable strategic offensive force. We have such a force today in our strategic Triad, a combination of land based intercontinental ballistic missiles, sea based submarine launched ballistic missiles, and strategic bombers. This Triad poses unique problems to any potential aggressor that make it impossible for an enemy to launch a disarming first strike on our forces.

Our bomber forces play an essential role in maintaining our strategic posture with the Triad. They are a highly visible force, and provide a combination of weapon yields and delivery accuracy which make it difficult for a potential enemy to assure protection of even his most valued areas. As you know, currently the backbone of this bomber force is the B–52. It is definitely a very versatile aircraft, but it cannot last forever. A product of early 1950 technology, and designed for high altitude bombing, the last B–52 was completed in 1962. Updates and modifications have extended the capability of the B–52, but continued modification is not cost effective in light of the increasing Soviet threat projected for the 1980's and the inherent difficulties arising from the basic aircraft's size, shape, and performance characteristics.

Realizing the need to respond to potential future changes in the threat environment, the Air Force began studies in the early 1960's on the required capabilities for a new bomber. The B–1 is the result of those studies and over 6 years of design and test—including the most extensive production test program for any military aircraft. Let me just list some of

the key accomplishments of this test program:

Over 23,000 wind tunnel test hours, using 17 different wind tunnels;

More than 680 structural component tests, including major section static tests to 150 percent of design load and fatigue tests to more than two lifetimes.

Over 13,000 operating hours of engine testing, including over 1,650 flight hours. Engine Product Verification, that is testing the production design against specific operating conditions, has been successfully completed.

Over 400 hours of flight testing, including over 150 hours of flight testing of the offensive avionics in the third B–1 aircraft have been completed.

The test program was structured to demonstrate the critical items of B–1 performance. The primary mission of the B–1 involves high speed-low level penetration. The B–1 has flown at .85 Mach at 200 feet, not once, but several times. The B–1 is fully compatible with the existing KC–135 tanker fleet. Aerial refuelings with KC–135 are a common occurrence on test missions. The B–1 has conducted weapons separation tests using the Short Range Attack Missile—SRAM—presently carried by our B–52's, and the Mark 82 conventional bomb. All of these tests have shown that the B–1 can perform its designed mission.

Since 1973, the B–1 program has been structured for production contract award in November 1976, with certain goals established for that point in time. Many of these goals I have already mentioned, such as the demonstrated low level performance. Each of these goals has been met. The entire program was extensively reviewed by the staff of the Secretary of Defense in preparation for the production contract award decision. In addition, Secretary of the Air Force Reed chartered two independent groups of recognized experts to review the B–1. One group examined the need for the B–1, comparing it with a variety of alternatives including modifying existing B–52's and a standoff cruise missile launch aircraft. This group determined that the B–1 was the most cost effective alternative to provide a strategic bomber into the 1990's.

The second independent group examined the technical accomplishments of the B–1 program. This group concluded that the Department of Defense could make a production decision with confidence from a technical point of view.

As I noted earlier, the B–1 production decision was scheduled for late 1976 since 1973. Starting a production program of the size of this one is a very complex process, involving detailed planning, coordination of prime and subcontractor efforts, hiring of people, and so on. The Congress provided funds in fiscal year 1976 and the transition quarter to smooth the change from development to production and we provided funds in fiscal year 1977 to begin production, although the amount the Air Force can spend until the first of February next year is controlled. This decision on the part of the Department of Defense to begin expenditure of these fiscal year 1977 funds was made because its time had come.

The testing has been accomplished and reviewed, the contractor planning has been done, the contracts were negotiated, and the military need was apparent. Secretary Reed has noted that a delay until February 1, 1977, could add up to $500 million to the cost of the B–1 program—certainly an unnecessary cost increase, and one appropriately avoided.

The strategic bomber force of the United States requires modernization to cope with the increasing Soviet threat and to maintain strategic force sufficiency in the 1980's and beyond. The B–1 was designed to provide this needed modernization and has been shown to be the most cost effective alternative for this role.

CONTROLLING THE SPREAD OF NUCLEAR WEAPONS: SOME HOPEFUL SIGNS

Mr. CRANSTON. Mr. President, one of the most important matters we must deal with in this Congress is nuclear proliferation. Over the past several weeks there have been some hopeful signs that the industrial nations of the world are finally awakening to the danger of the rapid spread of nuclear weapons that is inherent in their peaceful nuclear export programs.

Following on the heels of strong statements by President-elect Carter and President Ford on the need to curb the spread of sensitive nuclear equipment and material, the French, West Germans, Russians, and the Canadians each have announced new policies that hold the first real promise of effective proliferation control.

The new U.S. policy, announced on October 28 by President Ford after considerable prodding by Mr. Carter, takes a go-slow approach to the reprocessing of plutonium from the spent fuel of power reactors and urges other supplier countries to forego exporting reprocessing plants for at least 3 years.

Plutonium, once separated from spent fuel, is atom bomb material, of which only about 10 pounds is needed to produce the equivalent of the weapon that destroyed Nagasaki. By the end of the century, spent fuel from the world's reactors will contain enough plutonium for 10 million bombs, and two-thirds of it will be located outside the United States. It is clear, therefore, why the new U.S. policy also calls for the storage of spent fuel in international depositories outside the reach of individual nations, as well as for a delay in the separation and recycling of plutonium as reactor fuel until the proliferation danger can be fully considered.

On December 16, the French responded to apparent U.S. pressure by announcing that as a matter of policy they will not enter into any new agreements to export reprocessing plants. However, France refused to renege on a commitment to sell such a plant to Pakistan, although a high French official is quoted as stating privately that "France would now be only too happy if the Pakistanis decided to call the deal off." A Pakistani cancellation now seems likely, but under the dubious incentive of a U.S. offer to sell Pakistan 100 A–7 fighter-bombers.

I ask unanimous consent that two articles describing the French policy decision, "French Consider Nuclear Shift," from the Washington Post of December 16, and "Paris Will Embargo Atomic-Fuel Plants," from the New York Times of December 17, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. CRANSTON. Mr. President, less than a week after the French announcement, West Germany followed suit with a statement by the Foreign Ministry barring future exports of nuclear technology that can be used for weapons production. But also following the French example, the Germans refused to cancel a contract to export plutonium reprocessing and uranuim enrichment plants to Brazil. It has been reported, however, that Chancellor Schmidt is trying to find a graceful way for Brazil to cancel at least the reprocessing plant. The United States is understood to be pressuring Brazil as well, and I hope very much that we will be successful.

I ask unanimous consent that an article describing the German decision, "Bonn Indicates It Will Curtail Nuclear Exports," from the Washington Post of December 21, be printed in the RECORD at the conclusion of my remarks, as well as a December 23 Washington Post editorial, "Action Against Nuclear Spread."

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 2.]

Mr. CRANSTON. Mr. President, the most stringent nuclear-export controls of all were announced December 22 by the Canadian Government. Canada announced that, effective immediately, it would not export any nuclear equipment or material to any nation that has not ratified the Nuclear Non-Proliferation Treaty—NPT—or alternatively has agreed to place all of its commercial nuclear activities under safeguards of the International Atomic Energy Agency—IAEA. Canada said it went ahead with this policy on its own after it became clear that other suppliers would not agree to adopt it as a common policy at the suppliers conference in London.

I ask unanimous consent that an article describing the Canadian action, "Canadians Tighten Atom Export Curbs," from the New York Times of December 23, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 3.]

Mr. CRANSTON. Mr. President, the Canadian policy should be adopted by the United States and the other suppliers because it would bar any nation from utilizing peaceful nuclear assistance in unsafeguarded facilities to make nuclear weapons. The Canadian policy includes a commitment to cut off nuclear assistance to any nonnuclear weapons state that sets off a nuclear explosion—a step Canada took regarding India after India's nuclear test of 1974. Regrettably, the United States did not follow suit

even though India used our heavy water as well as a Canadian reactor in producing the plutonium for its explosion.

President-elect Carter, soon after he takes office, would be wise to consult with the Canadians and the other suppliers in an effort to establish a common policy that follows the Canadian guidelines. But the United States should be prepared to adopt such a strict policy unilaterally, if necessary.

There may be an opportunity to reach a strong suppliers agreement in light of a recent proposal by the Soviet Union at the suppliers conference. The Russians proposed that all nuclear exports be conditioned on an agreement by customer countries to place all of their nuclear activities under IAEA safeguards. Unfortunately, the Russians have undermined their own policy initiative by agreeing to export heavy water to India, which operates unsafeguarded nuclear facilities, following a Canadian cutoff of heavy water prompted by the Indian nuclear test. Hopefully, the United States and Canada can persuade the Soviet Union to delay the heavy-water export in an effort to win greater cooperation from the Indians.

I ask unanimous consent that two articles dealing with the Soviet actions, "Soviet Arms Limit Bid Rebuffed," from the London Observer of November 21, and "Soviets Agree to Sell India Heavy Water for Reactors," from the Washington Post of December 8, be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 4.]

Mr. CRANSTON. Mr. President, some of these latest developments provide hopeful signs that stricter controls will be placed on worldwide nuclear development. But much remains to be done, particularly with respect to spent fuel and the plutonium it contains. I believe our new President will move quickly and forcefully in this critical area.

(EXHIBIT 1)

FRENCH CONSIDER NUCLEAR SHIFT—MAY CANCEL PAKISTAN, IRAQ SALES

(By Jim Hoagland)

PARIS, DEC. 15.—French plans to sell controversial nuclear technology to Pakistan and Iraq are being reconsidered and are likely to be cancelled, informed French sources said today.

President Valery Giscard d'Estaing, who is reportedly impressed by the tough stand taken on nuclear proliferation by President-elect Jimmy Carter during the election campaign, is also weighing a total ban on the export of nuclear reprocessing facilities, according to the sources.

This would represent a major shift in French policy and would remove one of the few remaining points of friction between Paris and Washington. Strong diplomatic efforts by the Ford administration on the nuclear issue have played a role in the shift that is in the making here, the sources indicated.

In a related development, reports reaching here from Tripoli, Libya, say that President Muammar Qaddafi won Soviet agreement to supply Libya with a nuclear electricity generating plant and other "technical cooperation" during his visit this month to Moscow.

France agreed in March to sell Libya a 600-megawatt nuclear reactor. It was not immediately clear if the reported Libyan deal with the Soviets, who have replaced France as Quaddafi's main source of weapons for the extensive military buildup he is undertaking, will replace or supplement the French reactor.

Despite Qaddafi's volatile and belligerent temperament, diplomatic sources expressed no immediate concern about the reported agreement. Electricity generating reactors are not considered to be dangerous technology, and the sources pointed out that the Soviet Union has tightly controlled its nuclear knowhow in the past.

[Libya suddenly ratified the Non-Proliferation Treaty in May, 1975, shortly before the Soviets agreed to sell nuclear equipment to that country, U.S. sources in Washington said. Libya's adherence to the treaty as well as conditions of sale believed imposed by the Soviet Union will require that virtually all Libyan nuclear facilities be open to international inspection, officials said. Under the treaty, Libya is also required to foreswear any weapons development.]

The Soviets recently agreed to supply India with 200 tons, or about a six-year supply, of heavy water for its nuclear power program. The agreement was made after the United States and Canada refused to supply the heavy water because India would not provide assurances that it would not explode a second atomic bomb. Conditions of the Indian-Soviet agreement are not known, but U.S. experts said they believed India agreed not to divert from the plant to be supplied with Soviet heavy French water any plutonium for weapons usage.

The shift on nuclear exports is also in part entangled in domestic politics. The Iraqi, Libyan and Pakistani agreements were all made by former Prime Minister Jacques Chirac, who quit in an angry dispute with President Giscard last August, Chirac has now taken charge of the Gaullist party and is a potential political rival to the president.

There are increasing indications in the French press and diplomatic circles that the presidential staff is blaming Chirac for being too hasty in making atomic agreements for commercial gain, and suggesting that Giscard has developed a new sensitivity to the dangers of such exports since becoming personally involved.

France agreed earlier this year to sell Pakistan a nuclear reactor and a reprocessing plant, which extracts from spent fuel plutonium, the raw material for an atomic bomb. The deal is worth $550 million to French industry.

Now Pakistan, which was told by the Ford administration that it faced a statutory cutoff in American military and economic aid if it went ahead with the deal, is reportedly close to cancelling the contract.

French officials say they are prepared to honor the contract for the reprocessing plant. They also leave the impression that they would be satisfied if Pakistan called off the deal. Giscard then would not have to back down in public from the strong stand Chirac took for the government last August when he vowed the deal would go forward despite American objections.

Sources here indicate that Pakistan has decided that it would not be able to use the reprocessing plant to build an atomic weapon, and that it would be uneconomic to use it for peaceful purposes. They did not elaborate.

Iraq had asked France to supply it with 900-megawatt nuclear reactor and research laboratory, French sources said. A review of the research laboratory plans, which would have resembled Osiris-type research reactor already supplied by the Soviet Union to Iraq, has raised concern here because of the type of uranium the Iraqis propose to use, the sources indicated.

France is negotiating a much more lucrative sale of two 925-megawatt nuclear reactors to Iran, which came to the brink of war with Iraq in 1975 and which still distrusts that Arab neighboring state. Iranian opposition to the sale to Iraq would also probably cool French enthusiasm.

The proposed ban on the export of reprocessing facilities will be discussed Thursday at a meeting of Giscard's nuclear review council, formed after the dispute between Secretary of State Henry A. Kissinger and Chirac over the Pakistan deal.

A key factor in a decision to end reprocessing exports is expected to be the willingness of other nuclear exporters to forgo such sales. West Germany has signed a contract to sell a reprocessing plant to Brazil and has shown no signs so far of changing policy.

PARIS WILL EMBARGO ATOMIC-FUEL PLANTS

(By Clyde H. Farnsworth)

PARIS, December 16.—The French Government announced today that it would ban further exports of nuclear fuel-reprocessing plants, which have the potential to produce plutonium for use in weapons.

"Faithful to its peaceful and humanitarian traditions, France, does not intend to contribute to the terrible threat of nuclear arms proliferation," said the Government's Nuclear Export Council, which is headed by President Valéry Giscard d'Estaing.

It was established in September in a policy shift that signaled greater willingness to cooperate with other exporters of nuclear technology in checking the weapons spread.

France had been criticized, mainly by the United States and Canada, for signaling a contract last spring with Pakistan for a reprocessing plant. Although that arrangement was not canceled by today's decision, the chances that France will actually provide the facility were viewed as much reduced.

GESTURE TO JIMMY CARTER SEEN

A Presidential spokesman, Jean-Pierre Lecat, said "signed contracts remain signed," but another high official added privately, "France would now be only too happy if the Pakistanis decided to call the deal off."

While the French decision to sign no more contracts for fuel-processing plants followed pressure from the Ford Administration, it was also seen as a gesture to Jimmy Carter.

During the election campaign, Mr. Carter had urged increased international efforts to check the spread of nuclear weapons, and he recently said at a news conference in Plains, Ga.:

"My hope is that the sale of plutonium processing plants by both France and West Germany might be abrogated. I think there's a good chance this might be successful."

He added that attempts would be pursued "through normal diplomatic channels and normal diplomatic persuasion."

West Germany has been criticized for a contract signed with Brazil to build an entire nuclear industry, including reprocessing and enrichment plants. France was to deliver a reprocessing plant to South Korea, but after American pressure, the South Koreans said a year ago that the contract had been postponed.

Today's decision in France appears to make West Germany more vulnerable to strictures about ignoring the dangers of a nuclear spread. At a moment of increasing commercial competition and threats to jobs because of faltering economic recovery, both European nations face internal problems in renouncing nuclear contracts that mean profits and employment.

The French action does not affect the sale of nuclear power plants, which both France and West Germany have been selling throughout the world.

France tended to ignore the censure of nonaligned countries last summer for making agreements with South Africa for the delivery of arms and nuclear power stations.

POWER-PLANT EXPORTS TO CONTINUE

Today's statement said France would continue to export power stations and it promised that France would guarantee the delivery of nuclear fuel supplies. This would make it unnecessary for purchasers to obtain their own reprocessing plants from which nuclear weapons can be made.

The communiqué also said the French Government was prepared to discuss with other nuclear exporters, as well as with purchaser nations, most of which now are in the third world, ways to avoid stimulating the spread of weapons through commercial competition.

Two years ago, France became one of the founding members of the nuclear supplier conference, a group that has met periodically in London to try to establish rules to arrest the weapons spread. The group was organized after India had exploded a nuclear device manufactured with equipment and materials supplied for peaceful purposes by Canada and the United States.

The supplier conference, which has been boycotted only by China among the nuclear technology nations, is made up of the United States, the Soviet Union, Britain, France, Canada, West Germany, Japan, Sweden, Belgium, the Netherlands, Italy, East Germany and most recently Czechoslovakia and Poland. Switzerland has sent observers to the meetings.

While France has joined the work of the conference, it refuses, as does China, to sign a 1968 treaty that is designed to prevent the spread of nuclear weapons.

A French nuclear official, commenting on future prospects, said the outlook was for some kind of international control of fuel-reprocessing facilities and stocks of plutonium, but only after long and probably difficult negotiations.

(EXHIBIT 2)

BONN INDICATES IT WILL CURTAIL NUCLEAR EXPORTS

(By Michael Getler)

BONN, WEST GERMANY, Dec. 20—The West German Foreign Ministry indicated today that in the future West Germany would refrain from exporting nuclear technology that could possibly be used in the production of nuclear weapons.

The apparent West German decision, which follows a similar step by France last week, does not affect Bonn's existing contract with Brazil, the Foreign Ministry's press spokesman said.

It is the contract with Brazil that is extremely controversial, however, because it includes a complete cycle of nuclear technology, including reprocessing of nuclear wastes. It is this technique that can produce plutonium, a necessary ingredient in nuclear weapons.

Foreign Ministry spokesman Klaus Terfloth's remarks suggested that West Germany, with the exception of the Brazilian deal, would go along in the future with the position taken by France to halt the export of technology that could allow purchasers to build nuclear weapons.

Both France and West Germany had been under heavy pressure from President Ford and President-elect Jimmy Carter to cancel their controversial agreements with Pakistan and Brazil, respectively.

France announced last week that it would ban the sale of nuclear reprocessing plants in the future, although a spokesman for President Valery Giscard d'Estaing said "signed contracts remain signed" and that the deal with Pakistan involving a reprocessing plant is still on.

Terfloth said that the French position corresponds to recent discussions in London among countries that export nuclear technology, adding that West Germany is a member of the nuclear export group. Participants in the London talks include the United States, the Soviet Union, Britain, Canada, Japan, France, and West Germany.

Terfloth said that France has now announced officially what has been the policy of members of this club for some time. Results of these discussions are "already reflected in our policy," he said.

The ministry spokesman's comments were made in response to reporters' questions, and while they appeared to signal a shift in West German policy after the Brazilian deal, it was not clear whether Bonn would adhere to such restraints in all future cases.

There has been no formal West German policy statement on the subject.

West Germany is a country that is highly dependent on exports for its economic vitality, with about 25 per cent of its gross national product involving export trade. The prospective sale to Brazil of $4 billion in nuclear power plants and technology is the country's largest single export deal ever.

The West German government has become increasingly concerned, however, about pressure that it expects from the United States under the new Carter administration on nuclear exports.

There was a widespread view in Bonn this week that pressure would increase substantially in the aftermath of the French decision.

ACTION AGAINST NUCLEAR SPREAD

International concern over the spread of nuclear weapons seems to be, well, spreading. The other day France announced a formal nuclear-export policy designed to prevent the sale of technology that would allow a buyer, if tempted, to move on from producing power to making a bomb. And on Monday West Germany indicated—granted, in an elliptical manner that requires clarification—that it was weighing a similar policy. The significance of these steps lies in the fact that, among nuclear suppliers, France and Germany are the two governments under the heaviest commercial pressure to sell those components of the nuclear-fuel cycle that would permit the building of nuclear weapons. Other would-be suppliers, including the United States, have their commercial impulses under tighter control.

There is, however, a hitch. So far France has refused to cancel the sale of a reprocessing plant to Pakistan, and Germany stands on its determination to sell a multi-billion-dollar soup-to-nuts nuclear industry to Brazil. As suppliers, they take the view that they don't wish to deprive friendly Third World states of the technology that the latter feel is essential to their development.

But not all is bleak. Pakistan wants to buy 110 American A–7 light bombers in a three-quarter-billion-dollars deal that would be financed by Saudi Arabia. The American position is that, if Pakistan bought the French reprocessing plant, it could not expect to acquire the A–7s. The plane deal has its own liabilities in terms of its effect on the balance of conventional forces in the Asian subcontinent. As it happens, Jimmy Carter has spoken out forcefully against large conventional-arms sales as well as against nuclear-technology sales that could encourage proliferation. It would help a great deal if France were to apply to Pakistan the nuclear-export considerations it intends to apply to others. France promises to guarantee a reliable fuel supply so that a buyer of its reactors will not feel compelled to acquire its own reprocessing or enrichment facilities. These last are what is subject to abuse.

Brazil has signed contracts with Germany for a multi-billion-dollar package including uranium mining, eight reactors, a pilot enrichment plant and reprocessing facilities. The Brazilians regard themselves as destined to be the world's next great power, and they do not take kindly to suggestions that they practice nuclear restraint. We would not assume, nonetheless, that they cannot envisage alternative ways of demonstrating their capacity for world leadership, especially if their legitimate energy requirements were met by means that did not involve the proliferation risks involved in enrichment and reprocessing facilities. With a new administration coming to power in Washington, Brazil might well respond to an invitation to join in a nuclear-policy review.

(EXHIBIT 3)

CANADIANS TIGHTEN ATOM EXPORT CURBS

(By Robert Trumbull)

OTTAWA, Dec. 22.—The Canadian Government today tightened its already tough restrictions on supplying nuclear reactors and fuel to other countries to prevent the use of such items in weapons development.

The new rules were described by Foreign Minister Donald C. Jamieson as "the most stringent conditions in the world" for nuclear exchanges. They will deny Canadian nuclear technology to countries that refuse to sign the treaty to halt nuclear proliferation unless, Mr. Jamieson said, they "otherwise accept international safeguards on their entire nuclear programs."

Previous restrictions, announced a year ago, demanded safeguards only on items supplied by Canada, leaving the receiving countries free to experiment with weapons technology using material obtained from other sources.

"Under the new policy," Mr. Jamieson explained at a news conference, "the totality of a nuclear effort is covered." In other words, Canada will withhold nuclear supplies from any country that moves toward a weapons capability with machines or material obtained from any nation, or even from its own resources.

The ban will apply automatically when a nuclear device is exploded by any country that does not already possess nuclear weapons, Mr. Jamieson declared.

The Foreign Minister said that Canada would attempt to persuade other countries producing nuclear materials to join in a collective treaty containing the same restrictions. He said that he had communicated the new Canadian program to the top foreign policy aides of other nuclear-exporting countries, including Secretary of State Henry A. Kissinger.

"We are charting a course which we hope will serve as a compelling example to other nuclear suppliers," he said in a statement announcing the step in the House of Commons. At his news conference, Mr. Jamieson said that Canada had decided to impose the new conditions alone when it became clear that there was little likelihood of a general agreement this year.

(EXHIBIT 4)

SOVIET ARMS LIMIT BID REBUFFED

(Nigel Hawkes and David Martin)

A move by the Soviet Union to strengthen the safeguards under which nuclear technology is bought and sold on the international market has apparently been rebuffed by other members of the "London Club" of nuclear-exporting countries.

The proposal was presented to the meeting of the club in London earlier this month but won unconditional support from only one other participant, Canada.

The other nuclear exporting countries, including Britain, are believed not to have argued against the Soviet proposal but to have

suggested that discussion of it be deferred until next March.

The Soviet proposal would have extended the "guidelines" under which members of the club agree to sell nuclear technology. States which do not already have nuclear weapons would in future receive nuclear supplies from members of the club only if they accept the safeguards of the International Atomic Energy Agency, based in Vienna, on all their peaceful nuclear activities.

Implementation of the Soviet proposal would mean that by accepting a single item on the London clubs "trigger list" of critically important nuclear materials and devices, a recipient country would then be obliged to open all its installments to international inspection.

The proposal is important, because it is known to have the support of Dr. Sigyard Eklund, Director-General of the IAEA, and is believed by experts to be the most powerful weapon the nuclear exporting countries could employ against proliferation.

At the club's recent meeting, the United States is believed to have supported the Soviet proposal in principle, but to have deferred a decision on it for the next meeting in March, on the grounds that a new Administration under President Carter will by then have taken office. Britain is said to have argued for a more cautious, step-by-step approach, and other countries, including France, Japan and West Germany, expressed various reservations.

The secrecy of the London Club, which began as the "Group of 7" in the summer of 1975, is gradually beginning to crumble. The initial meetings, attended by the seven original members (UK, USA, USSR, France, West Germany, Japan and Canada) have now expanded to include Belgium, Czechoslovakia, East Germany, Holland, Poland, Italy and Sweden. At the most recent meeting, Switzerland was present as an observer.

A document obtained by the Observer last week lists the guidelines under which the club operates, and the "trigger list" of sensitive materials covered by the agreement.

The guidelines cover five major points. First, they insist that items on the trigger list can be transferred to non-nuclear-weapon States only "upon formal governmental assurances from recipients explicitly excluding uses which would result in any nuclear explosive device." This rules out both bombs and the so-called "peaceful nuclear explosions" (PNEs).

Secondly, the guidelines insist that nuclear materials must be "placed under effective physical protection to prevent unauthorised use and handling." This is intended to prevent sabotage or theft of nuclear materials by terrorist groups.

Thirdly, the guidelines cover the transfer of technology, including reprocessing, enrichment, and heavy-water production—all techniques useful in the production of nuclear weapons. A special control is imposed on enrichment technology; the recipient nation is obliged to agree that the technology will not be used to design plants capable of enriching uranium sufficiently to manufacture a bomb. A limit of 20 per cent enrichment—ample for nuclear reactors, but not enriched enough for bombs—is laid down in the guidelines.

Finally, the guidelines prohibit the retransfer of nuclear materials to third parties, a rule intended to prevent recipient countries from passing on their knowledge to other non-nuclear States. Such retransfer cannot be carried out without the approval of the original supplier.

The 'trigger list' of the London club, also in the hands of The Observer, is intended to be a comprehensive list of all materials which could be used for the production of bombs. It includes nuclear reactors capable of producing more than 100 grams of plutonium a year, reactor pressure vessels, reactor fuel charging and discharging machines, reactor control rods, pressure tubes and primary coolant pumps. Somewhat surprisingly, it also includes zirconium tubes, which can be used as fuel cladding in reactors.

Under enrichment, the trigger list includes every technology so far devised for enriching uranium—gas diffusion, gas centrifuge, the jet nozzle and the vortex type.

Although agreement has been reached on the guidelines and the trigger list, there are signs that some of the newer members of the club are unhappy about the way decisions are made. At this month's meeting, there was criticism of the dominance of the nuclear weapon States in the club, and the super-Powers were warned to take more notice of the interests of the non-weapon States. In particular, American attempts to alter or prevent contracts between France and Pakistan and West Germany and Brazil met with resentment.

SOVIETS AGREE TO SELL INDIA HEAVY WATER FOR REACTORS

(By Don Oberdorfer)

The Soviet Union has agreed to sell 200 tons of heavy water for use in India's nuclear program following Canada's refusal on nonproliferation grounds to supply the material.

The decision, which became known when India reported the transaction to the International Atomic Energy Agency, is a rare case of Soviet willingness to supply sensitive nuclear materials to a country with a nuclear bomb-making capability. As such it is causing concern among some U.S. officials and senior members of President-elect Jimmy Carter's incoming team.

Soviet cooperation is vital to the plans for international action to curb the spread of nuclear weapons, and until now the Russians have been more cautious than the United States and other Western countries in their nuclear exports.

In a meeting last month of the semi-secret "London club" of nuclear exporting nations, the Soviets proposed to tighten controls in an important way on atomic sales to nonweapons states. Several European countries are reported to have reservations about the far-reaching Soviet proposal. The United States asked that a decision be put off until the next supplier country meeting, which will take place after the Carter administration comes to power Jan. 20.

The decision to sell the heavy water to India appears to some experts to be inconsistent with the generally tough Soviet stand. These experts suggest that in this case, Russia placed a higher value on its bilateral relations with a friendly country than on its nonproliferation objectives.

Soviet officials have indicated that the heavy water is intended for use in the Canadian-supplied Rajasthan Atomic Power Plant II (RAPP II), and that international inspection and safeguards will be required as well as a pledge from India that the material will not be used to make atomic weapons. In view of this, some U.S. experts believe the Soviet sale to India—while it is unusual—does not contradict Russia's nonproliferation stand.

Heavy water, a substance rarely found in nature, is necessary to control nuclear reactions in certain types of atomic reactors. U.S. heavy water, sold directly to India in 1955 and supplied later in other shipments through Canada, is believed to have been used by India in producing the material for its May, 1974, nuclear explosion.

India now produces a small amount of heavy water in its own plants, but not enough to fuel a major installation such as the Rajasthan power reactor. The 200 metric tons to be sold by Russia is believed to be just about enough to "load" and resupply the RAPP II reactor, which will provide power to a large area of northwest India near the border with Pakistan.

Canada halted its nuclear sales to and other cooperation with India after the 1974 explosion. It made the cutoff permanent this May after two years of unsuccessful negotiations on antibomb assurances. Among other things, Canada wanted India to place all its nuclear facilities—including those which had been used to make the explosive device—under international inspection by the IAEA. This India refused to do.

The Soviet proposal at last month's London meeting would require a nonweapons state to open all its atomic facilities to international safeguards as a condition of purchases from the nuclear supplier states. According to State Department officials, the United States favors such a plan in principle if other countries agree to abide by it.

At present, Israel and South Africa as well as India operate some nuclear facilities which are outside international safeguards. However, all three countries are on the U.S. government's approved list for continued nuclear cooperation.

The license for a U.S. shipment of enriched uranium fuel to India is being held up by the Nuclear Regulatory Commission pending the outcome of U.S.-Indian discussions on India's return to the United States of irradiated reactor material which could be used to make atomic weapons. U.S. officials said that while the Indians have shown a cooperative attitude, the two sides are far apart on financial and logistical arrangements.

During his campaign for the presidency, Carter placed heavy stress on stronger action to stop the spread of nuclear weapons. In a Sept. 25 speech, he declared he would make no new commitments for the sale of nuclear technology or fuel to countries which refuse to place their nuclear facilities under IAEA safeguards.

Carter also stressed the need to negotiate with the Soviet Union and other nuclear powers on nonproliferation and disarmament issues.

EVERETT McKINLEY DIRKSEN

Mr. BAKER. Mr. President, Everett McKinley Dirksen, late a Senator of Illinois, was born on January 4, 81 years ago today. Senator Dirksen was a distinguished Republican leader of the Senate as well as a great son of Illinois. I knew him long and well, and time has not diminished my respect and affection for him.

Mrs. Dirksen recently sent me a column by Larry Leonard which seems to capture much of the sense of the Dirksen aura, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EV DIRKSEN SAW WHERE PEKIN WAS

(By Larry Leonard)

He came from Pekin, which tells you quite a bit if you understand where Pekin is.

Most say it's 10 miles south of Peoria, but then Peoria is one of Illinois' largest cities so it's understandable that many would have that point of view. However, Sen. Everett McKinley Dirksen always thought of it as being north of New Salem . . . and for our purposes that's the viewpoint that counts.

Remember Dirksen, the senator from Illinois who used to speak about marigolds and the need for prayers in public schools and other issues outside the main stream

of political concern? He was an orator of the classical school, won a Grammy award for a record titled "Gallant Men" and people used to be more impressed with the way he said something than what he said.

A conservative, he initially supported Robert Taft for President, always was against closed union shop and wasted a lot of effort trying to legislate away several Supreme Court decisions. But then, he came from a small river town, his father named all the sons after great Republicans and so what do you expect?

You don't expect his lifetime voting record to read like it does. For example, which Republican senate leader was instrumental in passage of President Kennedy's Nuclear Test Ban Treaty? Who was the guiding hand for much of President Johnson's Great Society legislation? Same answer as the first. And try this for a parlay. Whose influence insured passage of the 1964 Civil Rights Act, 1965 Voting Rights Act and 1968 Open Housing Act? Right again.

So how does all this fit together? Was he just another politician who seized any opportunity that came along? He once said, "America has a dynamic economy and sometimes you have to change your position." How does that sound for being inconsistent?

Well, consider that business of where he came from. Abraham Lincoln was a very real factor in the boyhood of young Dirksen. Everett McKinley was born in Pekin just before the turn of the century to very frugal, hard-working German immigrant parents.

He grew up in a world of very good guys and very bad guys and, in spite of any pictures you might have seen, Ev always knew that Lincoln wore a white hat. And he knew that young Lincoln had grown up just down the road a ways. He knew that Lincoln the lawyer had practiced in Pekin, that as a state representative he had represented Tazewell County and as a candidate he had come to Pekin to gain his party's nomination for congress.

Pekin of the early 1900s was a town that personally remembered Lincoln. And it was Lincoln the emancipator, the storyteller, the martyr.

Mrs. Dirksen's son never was much interested in being a martyr. But he did pretty well at telling stories. He understood the value of using a story to make a point and, in his prime, there were few better.

He believed his career might run parallel to his predecessor and even imagined that his family had been much poorer than it was. He wanted to be president. He made his bid in 1943. His party chose Gov. Thomas Dewey but the nation never forgot Dirksen from Illinois. He was a national figure from then on.

But an emancipator in the 1960s? That's a little strong, isn't it? OK, but we're talking about a man who saw his home town, which was a river city where the boats unloaded cargo and crew, and the miners came on Saturday night as "Sweet Auburn, loveliest village of the plain."

And while there unquestionably were many reasons for his decisions, the fact that he lived north of New Salem certainly was one of them.

HABRE-DE-VENTURE LOST IN TRAGIC FIRE

Mr. MATHIAS. Mr. President, on New Year's Day one of the architectural glories of Colonial Maryland—Habre-de-Venture—was virtually destroyed by fire.

Habre-de-Venture's owner, Mrs. Peter Vischer, and the estate's caretaker, Mr. Alfred Lemko, both were severely burned in the fire but, mercifully, they have survived and will recover. The tragedy of the loss of this unique example of Maryland tidewater architecture is, of course, tempered by the knowledge that there was no concurrent loss of human life. But the destruction of this historic house leaves Maryland and the Nation incalculably poorer.

Habre-de-Venture was built in 1771 by Thomas Stone, one of the four Marylanders who signed the Declaration of Independence. When Stone built Habre-de-Venture on an inland farm near Port Tobacco in Charles County, he incorporated a earlier brick structure which was already standing on the farm. It was this structure, built in 1742, and the central section of the house which were destroyed. The two wings which gave the house its unique crescent shape still stand, only slightly damaged.

I first saw Habre-de-Venture some 30 years ago and I saw it last on the Fourth of July when I visited the grave of Thomas Stone as part of a bicentennial pilgrimage to lay wreaths on the graves of all of the Maryland signers of the Declaration of Independence.

Habre-de-Venture was even more beautiful on that last visit than it had been on the first.

Over the years Habre-de-Venture had been meticulously restored and maintained by its owners. In addition, Helen and Peter Vischer had replanted the gardens and so refurbished the grounds that they had come to rival even the house itself. Habre-de-Venture was magnificent in every respect.

The celebration of our bicentennial has quickened us to the richness of our past and to its importance in our understanding of ourselves as a Nation. We have learned that it is at least in part through the dusty pages of old manuscripts and through the doors and designs of our historic houses, that we can reconstruct and reclaim our past and the ideals that ennobled the founding of our Nation. In losing Habre-de-Venture, we have lost a particularly lovely chapter of that past.

With the hope that Habre-de-Venture will rise from its ashes, I ask unanimous consent that the description of it contained in The National Survey of Historic Sites and Buildings be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HABRE-DE-VENTURE, MARYLAND

Location: Charles County, on the west side of Rose Hill Road, which connects Md. 6 and Md. 225, about 1 mile north of Port Tobacco.

In 1771 Thomas Stone built this plantation house near the busy riverport town of Port Tobacco, Md. He lived in it during his most politically active years, and on his death in 1787 was buried in the adjacent family graveyard.

A Georgian structure of brick and frame, Habre-de-Venture consists of five parts: a central house connected to two wings by two covered passageways, or "hyphens." The hyphens and wings extend southward to form a semicircle. The main building is a 1½-story structure over an elevated basement. It has a dormered gambrel roof flanked by external end chimneys. The brick walls are laid in Flemish bond with glazed headers. Center doors and full-length, one-story porches are located at the front and rear of the house.

A center hall, with stairs set against its west wall, divides the central unit into dining and living rooms. In 1928 the Baltimore Museum of Art removed the elaborate handcarved paneling in the living room; it was subsequently replaced with a replica. The fireplace wall in the dining room protrudes out into the room, and the flue curves back to the wall and up to the ceiling.

To the west of the central house is the kitchen wing, a low, two-story, gable-roofed structure with brick ends and frame sides. Its second story, added about 1820, contains two bedrooms. The connecting hyphen, originally gabled roof and one story in height and containing a breakfast room, was increased to 1½ stories by the addition of a gambrel roof with dormers to provide bathrooms for the second floor of the main house. The east wing, a gambrel-roofed, low, 1½-story frame structure that has one room on each floor, served as Stone's law office. A one-story gabled brick hyphen connects it to the main house.

Except for the alternations mentioned above, Habre-de-Venture has changed but slightly through the years. In excellent condition and carefully restored, it now serves as a private residence and is not shown publicly.

SENATE RESOLUTION 13—ELECTION OF JOSEPH STANLEY KIMMITT AS SECRETARY OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That Joseph Stanley Kimmitt, of Montana, be, and he is hereby, elected Secretary of the Senate, beginning April 1, 1977.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 13) was agreed to.

SENATE RESOLUTION 14—ELECTION OF JAMES H. DUFFY AS SECRETARY FOR THE MAJORITY OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask that it be stated.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That James H. Duffy, of Rhode Island, be and he is hereby, elected Secretary for the Majority of the Senate, beginning April 1, 1977.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 14) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

SENATE RESOLUTION 15—DEATH OF SENATOR PHILIP A. HART

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

Mr. GRIFFIN. Mr. President, on another date, I shall have remarks concerning the death of our late colleague, Senator PHILIP HART. For the moment, I send to the desk two resolutions and ask for their immediate consideration: First is a resolution concerning the notice of the death.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. Philip A. Hart, late a Senator from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate, at the conclusion of its business today, do adjourn.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 15) was agreed to.

SENATE RESOLUTION 16—A RESOLUTION RELATIVE TO THE EXPENSES INCURRED BY THE COMMITTEE APPOINTED TO ARRANGE FOR AND ATTEND THE FUNERAL OF THE HONORABLE PHILIP A. HART, LATE A SENATOR FROM THE STATE OF MICHIGAN

Mr. GRIFFIN. Mr. President, I send another resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 16) relative to the expenses incurred by the committee appointed to arrange for and attend the funeral of the honorable Philip A. Hart, late a Senator from the State of Michigan.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 16) was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the Committee appointed to arrange for and attend the funeral of the Honorable Philip A. Hart, late a Senator from the State of Michigan, on vouchers to be approved by the Chairman of the Committee on Rules and Administration.

AUTHORIZATION FOR RECEIPT OF BILLS, JOINT RESOLUTIONS, AND SIMPLE RESOLUTIONS

Mr. INOUYE. Mr. President, I ask unanimous consent that during the 95th Congress Senators be allowed to bring to the desk bills, joint resolutions, and simple resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR RECEIPT OF REPORTS AT THE DESK FROM SENATORS

Mr. BAKER. Mr. President, I ask unanimous consent that during the 95th Congress it be in order for the proper members of the staff to receive reports at the desk when presented by a Senator at any time during the day of the session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER RELATING TO PRINTING OF CONFERENCE REPORTS AND ACCOMPANYING STATEMENTS

Mr. MELCHER. Mr. President, I ask unanimous consent that, notwithstanding the provisions of the Legislative Reorganization Act, conference reports and statements accompanying them not be printed as Senate reports when the House of Representatives acts first on such reports, or conference reports and statements have been printed as a House report, unless specific request is made in the Senate in each instance to have such a report printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORTS

Mr. INOUYE. Mr. President, I ask unanimous consent that the Committee on Appropriations be, and it is hereby, authorized during the 95th Congress to file reports during adjournments or recesses of the Senate on appropriation bills, including joint resolutions, together with any accompanying notices of motions to suspend rule XVI, pursuant to rule XL, for the purpose of offering certain amendments to such bills or joint resolutions, which proposed amendments shall be printed. I also ask unanimous consent that the committee be authorized to sit during the sessions of the Senate during the 95th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF JOINT COMMITTEE ON NOTIFICATION TO THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, the distinguished Republican leader and I, in fulfillment of our mission for the Senate, contacted the President of the United States and informed him that a quorum of the Senate was present and ready to do business and we requested his wishes in such regard in behalf of the Republican leader and majority leader, on behalf of the Senate.

He stated that at the moment he merely wished to congratulate the Senate and Members of the Senate, and that it was his hope that he would be able to deliver the state of the Union message on the 12th day of January at 9 o'clock p.m.

He indicated that he would, of course, seek clearance with the leadership of the House with respect to such date and time. I am not at this point in a position to state whether or not he has been able to talk with the House leadership in that regard and get that clearance.

For the record, this was his expressed desire to the Senator from Tennessee (Mr. BAKER) and to me, and Mr. BAKER, of course, will respond on his own in connection with this mission that we were asked to perform.

Mr. BAKER. Mr. President, the President of the United States wished to convey his appreciation to Members of the Senate, particularly to the leadership of the Senate, for their cooperation in the past.

He has expressed his desire to meet and to address a joint session of the Congress which the distinguished majority leader has indicated.

I am privileged to participate in this first official act beyond the activities of the Senate itself in the notification of the President.

May I take just a brief second to say that I look forward to serving with my distinguished friend from West Virginia in our combined effort to lead the Senate in this session.

Mr. ROBERT C. BYRD. Mr. President, I thank my friend and I look forward to serving with him and with our colleagues on both sides of the aisle.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communciated to the Senate by Mr. Marks, one of his secretaries.

PERSONAL AND BUSINESS TAX REDUCTIONS IN 1977—MESSAGE FROM THE PRESIDENT—PM 1

The VICE PRESIDENT laid before the Senate the following message from the President of the United States which was referred to the Committee on Finance:

To the Congress of the United States:

In October 1975, I presented to the Congress a program of tax cuts and spending restraints that would have reduced the burden of government for all taxpayers. It would have given the American people more freedom to spend their incomes as they choose rather than as Washington chooses for them. However, Congress decided otherwise—to increase

spending far more than I wanted and to cut taxes far less than I wanted.

My forthcoming 1978 Budget will provide a detailed blueprint for Federal spending. Today, as I promised, I am outlining my proposals for personal and business tax reductions in 1977. First, I again urge a permanent increase in the personal exemption from $750 to $1,000 to replace the system of temporary tax credits that have so greatly complicated the individual income tax return. I am also recommending an increase in the low income allowance and a series of permanent tax rate reductions. In total, my proposals provide income tax relief for individuals of approximately $10 billion in 1977. The tax reductions of 1975 and 1976 focused tax relief on the lower income taxpayer. However, it is high time to focus substantial tax relief on middle income taxpayers. The tax relief I seek will cut the 1977 income taxes of a typical family with four with an income of $15,000 by $227.

In the long run, inflation and real economic growth constantly push taxpayers into higher and higher tax brackets if tax law remains unchanged. Some believe that these additional tax receipts should be spent on new Federal programs. I do not. Instead, I believe that the Congress should periodically counteract the growing burden imposed by the tax system by providing offsetting tax cuts while continuing to restrain the rate of growth of Federal spending.

The creation of good permanent jobs for our expanding labor force requires a higher level of private investment. I am, therefore, recommending again a permanent reduction in the corporate income tax from 48 to 46 percent. This would reduce business tax liabilities by $2.5 billion in 1977.

I also urge making permanent the 10 percent investment tax credit and the surtax exemption provisions of the Tax Reform Act of 1976. In the longer run we must eliminate the double taxation of dividend payments. I am, therefore, renewing my proposal to integrate corporate and personal income taxes gradually over a period of years beginning in 1978. All of these changes in the tax laws will increase the funds available, directly and indirectly, for new and better plants, machinery, stores and equipment.

I am again recommending accelerated depreciation for new plants and equipment installed in rural and urban labor market areas where unemployment is 7 percent or higher. I am firmly convinced that this is a far better way to help create jobs in those areas that have lagged behind in the economy recovery than adding layer upon layer of new hastily conceived spending programs.

A year ago, in my 1977 Budget, I noted that the old age, survivors and disability trust funds would be depleted in the early 1980's unless some action was taken. Therefore, much as I didn't like doing it, I felt compelled to recommend payroll tax rate increases beginning January 1, 1977. The employee share of this increase would have amounted to less than one dollar per week for taxpayers at the top end of the pay scale and a few cents per week for those at the bottom. Congress failed to act on this proposal. Partly because of the delay, a higher tax increase is now necessary if the social security system is to remain intact. Because current law already prescribes a four-tenths of one percent increase in the tax rate in 1978, I do not believe that a very large additional increase is appropriate in that year. I am therefore proposing an additional two-tenths of one percent rate increase in 1978 supplemented by a six-tenths of one percent rate increase in 1979 and a three-tenths of one percent rate increase in 1980. These increases will restore the fiscal integrity of the Social Security Trust Funds in the short run and, together with my proposals for correcting the inflation adjustment for future benefits for currently employed workers, will greatly reduce the long-run deficit faced by the social security system.

I have in the past urged several other changes in our tax laws which are both necessary and desirable. These will be proposed again in my budget, but need not be discussed in detail at this time. These include a tax credit for home insulation, exempting charitable contributions from the burden of the minimum tax, increasing the railroad retirement tax in a manner consistent with the recommended Social Security tax increases, and providing State and local governments with an option to issue taxable bonds subsidized in part by the Federal government.

I am also recommending repeal of the earned income credit and the provision for funding Employee Stock Ownership Plans through additional investment tax credits. The earned income credit is not integrated with the rest of our welfare system and makes future reform of that system even more difficult. The Employee Stock Ownership Plan provides a very large taxpayer subsidy to employers who wish to purchase stock in their firm for their employees. I do not believe that this is an equitable approach to the encouragement of stock ownership.

I urge that the Congress take prompt action on all of the above tax proposals.

GERALD R. FORD.

THE WHITE HOUSE, *January 4, 1977.*

S. RES. 11 AND S. RES. 12—SUBMISSION OF RESOLUTIONS TO AMEND THE STANDING RULES OF THE SENATE

Mr. ALLEN. Mr. President, I send to the desk the two resolutions having to do with amending the rules, and I ask unanimous consent it be in order to offer these resolutions at this time and that they be printed in the RECORD.

The PRESIDING OFFICER. The request is to file and receive these resolutions?

Mr. ALLEN. No. Consent has already been given that the Senator from Alabama could offer these resolutions. I am merely offering them in accordance with the unanimous consent.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I shall not object, the Senator is alluding to the resolutions that have to do with the proposed changes in the rules?

Mr. ALLEN. Proposed changes in the rules, yes.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROMOTING GOOD GOVERNMENT BY PUBLIC DISCLOSURE OF INCOME AND NET WORTH

Mr. ALLEN. Mr. President, in both the 93d and 94th Congresses, the Senate approved legislation requiring financial disclosure. In neither Congress did the House act on disclosure legislation, although several disclosure bills were introduced by House Members. Over the years several Senators, including especially my distinguished colleague, the senior Senator from New Jersey, have been in the forefront in seeking better government by mandatory disclosure of income and net worth by government officials. Progress has been made, yet regrettably, Mr. President, much remains to be done.

I am confident that we all approved the initiative of the President-elect in developing a plan to eliminate conflicts of interest and to require public financial disclosure by members of the executive branch. The President-elect is to be particularly commended for his decision to apply those standards first to himself so that others serving in his administration can be guided both by the requirements imposed and by the example set. Also following his good example, I believe the Senate too should take early action to require public disclosure by its Members and by certain of its employees—without needlessly awaiting enactment of legislation requiring approval in both houses. I am, therefore, today in accordance with rule XL of the Standing Rules of the Senate giving notice to the Senate that I intend to introduce a resolution to amend rule XLIV of the Standing Rules to require disclosure of income and net worth by all candidates for the Senate and Senators and by all Senate employees compensated at a rate in excess of $25,000 a year.

As Senators know, rule XLIV now requires that candidates for the Senate, Senators, and employees compensated at a rate in excess of $15,000 file certain financial information with the Comptroller General of the United States. However, the information filed is not available to the public and serves no useful purpose except in those unusual cases in which an individual's conduct is already called into question. The beneficial aspects inherent in full public disclosure are thus not obtained.

My resolution would make available through the Secretary of the Senate to the public a full statement of assets and liabilities of each person covered and would require public disclosure of the amounts and sources of all income received. I have used a rate of compensation of $25,000 per annum rather than the $15,000 figure used previously in present rule XLIV because I believe employees who affect policy and who ought to disclose publicly are generally compensated now—in light of the inflation which has occurred since the adoption of rule XLIV in 1968—at a rate equal

to or in excess of $25,000. But even with the inflation we have witnessed over past years, I believe the cut-off figure of $15,000 remains appropriate for filing information in confidence with the Comptroller General although inappropriate for the public disclosure I now propose. Hence I do not propose to change the present requirements of rule XLIV in that regard.

Mr. President, by adopting my resolution, I do not believe the Senate will have fully discharged its continuing duty to seek open and honest government. I am joing with Senators CASE, WEICKER, PROXMIRE, and others in introducing a bill which would require public financial disclosure of all members of the Federal Government compensated at a rate in excess of $25,000 per annum. Similar disclosure would be required of all candidates for elective federal office. Notwithstanding my resolution which would affect the Senate only, I also very strongly urge enactment of the measure proposed by Senator CASE, and I intend to work to that end.

But, Mr. President, we can take decisive action now to put our own house in order, and I do not believe we should delay further. If we are successful in securing legislation covering all branches of Government, we can thereafter make appropriate amendment to our own disclosure rule, but we ought not to make the prospect of such legislation an excuse for failing to look after our own affairs.

Mr. President, let us go ahead now and make the necessary changes. The matter is fully within our power, and further delay serves no good purpose and may well be interpreted as reluctance to face the issue.

S. RES. 11

Resolved, That Rule XLIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"6. Each person referred to in paragraph 1 hereof, except those who are compensated at a rate less than $25,000 a year, shall file annually with the Secretary of the Senate on or before May 15 of each year a full and complete report of net worth as of the end of the preceding calendar year, such report to consist of a statement of assets (and of their reasonable market value) owned by him, or jointly by him and his spouse, and of liabilities owed by him, or jointly by him and his spouse, together with a full and complete statement of income for the preceding calendar year, such statement of income to consist of a list of the identity of each source of income and a list of the amount paid by each source of income to him, or jointly to him and his spouse, during the preceding calendar year, except that in lieu of such statement of income, each such person may file with the Secretary of the Senate a copy of his Federal income tax report for such calendar year. The report required by this paragraph shall be in such form and shall contain such additional information as the Secretary of the Senate may prescribe in order to meet the provisions of this paragraph. Notwithstanding any provision of law to the contrary, pursuant to the power vested in the Senate by the Constitution of the United States, all reports filed under this paragraph shall be maintained by the Secretary of the Senate as public records, open to inspection by members of the public, and copies of such reports shall be furnished to members of the public upon request at a reasonable fee. Any report filed under this paragraph shall be retained by the Secretary of the Senate for a period of five years and shall be certified as being correct by the person making the same on his oath properly notarized. This paragraph shall become effective on March 1, 1977.

PROHIBITING PREPARED TEXT AND STAFF ASSISTANTS IN THE SENATE CHAMBER

Mr. ALLEN. Mr. President, I have been privileged to serve for 8 years a Member of the U.S. Senate, and during that period I have devoted a great deal of my time and thought to procedures followed by the Senate during the conduct of business in the Senate Chamber.

Mr. President, I am not satisfied that the Senate truly functions as the deliberative body envisioned by the authors of the Constitution of the United States. Too often I have been impressed by the apparent lack of attention given by Senators to particular items of legislation which have been more or less rammed through the Senate assembly-line fashion with little actual examination by Senators voting passage. Platoons of aides flock into the Senate Chamber when legislation of interest to them is under consideration, yet numbers of Senators are entirely absent. Frankly, Mr. President, sometimes it seems to me—and I am sure to spectators in the gallery—that the activities of the U.S. Senate are being orchestrated and directed by staff assistants rather than by Senators themselves.

Time and again only a handful of Members are on the floor when the Senate makes far-reaching and momentous decisions touching on the lives of every citizen of the country. Senators who have sponsored legislation arrive immediately prior to its final passage, having taken little or no part in its debate, and hurridly read statements prepared for them and thrust into their hands by waiting aides. Other Senators insert in the RECORD massive amounts of material bearing on legislation, and indeed forming the legislative history of bills before the Senate, without so much as having glanced at its content prior to its being delivered up to the Clerk for printing.

I propose to bring this sorry state of affairs to a halt by amending rule XIX to prohibit the use of prepared text in the Senate Chamber and to make the floor of the Senate off limits to staff. Why should we not be free and willing to discuss among ourselves matters before us? Do we not better serve by discussing our ideas one with another than by conferring continuously with staff?

Mr. President, I believe we were meant to give careful attention to every bill coming before us, and I believe the legislative process envisages a shaping and molding of legislation in a parliamentary body during debate and discussion by all the Members of that body. I do not believe the legislative process ought to consist of massive amounts of printed material prepared by armies of staff assistants, reviewed partially by a small number of Senators in committee, and thereafter rubber-stamped by the body at large.

The Senate of the United States has a critical role to play in shaping and forming legislative expressions of the will of the people of the United States. That role is not carried out by relegating to staff virtually all those deliberative functions which should be carried out by Senators themselves—here together in this Chamber.

Mr. President, we are the chosen representatives of the 50 States. We are assembled in Congress to deliberate as a body. Such deliberation can occur only in the Senate Chamber and only with the participation of all or nearly all of the Members of the Senate. Out of such deliberation informed votes and intelligent decisions are rendered. Without such deliberation the Senate as an institution becomes merely a collection of committees and committee staffs observing only grudgingly the formality of full Senate action on the projects of those staffs and committees.

Mr. President, the committees of the Senate and the Senate staff certainly have an important function in the operations of the Senate, but, Mr. President, let us not lose sight of the chief strength of the Senate and the characteristic which distinguishes it from the House of Representatives and indeed from other legislative bodies throughout the world—I mean, Mr. President, simply the free ability of each Member to express his thoughts fully and to hear expressed fully the thoughts, ideas, and opinions of his colleagues in open discussion in the Senate Chamber where all may participate. Only out of such free and full discussion can the body properly arrive at its collective judgment rendered dispassionately, since only during such discussion and in free and wide ranging debate are the strengths and weaknesses of our thoughts exposed and explored.

So, Mr. President, let us today take action to guarantee that Senators do themselves take part in debate here in the Senate Chamber—and that they do themselves understand legislation coming before this body—and that they do themseves contribute fully to the shaping and forming of the ideas of this body free from the pervasive influence of employees hired to assist rather than to direct. The solution I propose is simple and ought to receive the support of all Senators interested in good and efficient government and in performing conscientiously their full duty as Members incorporate of this great deliberative body.

The Senate is not, Mr. President, 100 Senators; the Senate is rather this room given life by those who from time to time gather together and are privileged to speak in it.

S. RES. 12

Resolved, That Rule XIX is amended by adding at the end thereof the following new paragraphs:

"9. In speaking on the floor of the Senate no Senator shall speak from a prepared script or from prepared written, printed, or typed remarks, nor may he insert in the Congressional Record any prepared remarks to be shown as delivered by him on the floor.

"10. No Senator may, in the Senate Chamber, make use of any legislative assistant or other person on his staff or on the staff of any committee on which he serves, for advice, information, or other assistance, in the performance of his duties.".

NO BLANKET PARDON FOR DRAFT EVADERS

Mr. ALLEN. Mr. President, the Constitution, in article II, section 2, vests in the President "the power to grant reprieves and pardons of offenses against the United States." The power to grant pardons given to the Chief Executive is unlimited and unqualified, not subject to any action of either the Senate or the House of Representatives. The authors of the Constitution after debate and deliberation placed no limits on the power of the President to grant pardons in order to allow him the fullest possible discretion and freedom of action in dealing with situations demanding immediate or plenary action.

The President's right to grant an unconditional pardon to Vietnam draft violators or even to military deserters is thus fundamental to our system of government, and in offering my resolution I do not wish in any way to imply a challenge to the President's authority to grant pardons as he sees fit wholly within his own discretion. However, Mr. President, an even more fundamental right—or, perhaps, duty—is ours as representatives of the 50 States; that duty is to offer to the President in appropriate instances our considered judgment as to the effect of actions he contemplates.

Senators should, therefore, clearly understand that my resolution does not question the constitutional authority of a President to proclaim a general amnesty or blanket pardon; it merely expresses the considered judgment of the Senate that in these circumstances an unconditional blanket pardon would be a grave mistake.

This resolution affords each of us the opportunity to go on record against the contemplated action of the President-elect that we might thereby convince him that his proposal, if carried out, would be a grievous error without historical precedent and dangerous to the future security of the Nation. Conversely, if any Senator favors the contemplated pardon, his vote against the resolution will put his stand on record.

Mr. President, having just completed our Bicentennial Year, we are all even more mindful than in other times that American freedom and our constitutional system of law were purchased 200 years ago at very high cost in the War for Independence. Since that initial victory, Americans have been required to make periodic payments for the continuation of our freedom in numerous and bloody wars. But, Mr. President, unlike the laws of virtually any other nation in the world, in every conflict, our Constitution and laws have allowed for debate and lawful opposition and have even permitted lawful alternatives to combat for those deemed to be morally motivated in their opposition to it. Vietnam was no different. The men drafted into our Armed Forces and those who volunteered for service were no more willing or anxious to see and suffer the horrors of combat or to die than had been any of their predecessors in past conflicts—but they obeyed the law.

Three million young men served in Vietnam; 300,000 were wounded in action; and more than 50,000 died there—the majority in each category having been drafted into service. Many hundreds, as prisoners of a criminal enemy, suffered because they too, preserving their honor inviolate, obeyed the laws of the United States.

Who here can now say how many countless times the sickening fear of violent death was confronted and overcome by those steadfast Americans who did serve faithfully in this unpopular and cruel conflict? Mr. President, I do not think I am being too dramatic in reminding Senators that the hazards of war are faced best by those motivated in high patriotism, confident that their countrymen approve, support, and admire their conduct. Such was the case at Bunker Hill, such was certainly the case on the beaches of Salerno, such has been the case on countless fields of carnage over the long two centuries of our existence as a free people.

Mr. President, in past wars and during the Vietnam conflict there have also been those who have opposed combat and genuinely motivated by high moral purpose have refused to fight, but, Mr. President, they were willing to accept full responsibility for their actions within the framework of our laws and to perform alternate service or to accept punishment in accordance with their own conscience and as proof of their convictions. Thus, too, following almost every conflict, American Presidents, consistent with the generous spirit and popular will of the people of the United States, have when appropriate offered pardons to such individuals. The United States, at the insistence of her people, when at war pursues victory and when at peace plays fair with those who for reasons of conscience would not fight.

Our history proves us to be fundamentally a moral and forgiving nation. However, never once—let me repeat, never once—in our history has an unconditional pardon been given as is now proposed by the President-elect. In every case, American Presidents have required certain actions of those to whom pardons were granted and have also limited in some fashion every general amnesty extended to those who were thought to deserve it. Thus, President Washington demanded an oath of loyalty from the whiskey rebels; President Lincoln sent Union deserters back to their units to serve out their time; and President Truman pardoned one in 10 draft violators after the Second World War only after they had served jail sentences. The Korean war is the only major conflict in our country's history after which no pardons were offered. But, Mr. President, the point is that all of the precedents taken alone or considered collectively, imply that a President in a postwar period ought to exercise the Nations' mercy and forgiveness within limits and with conditions placed upon those who receive it.

At the conclusions of the Vietnam conflict, President Ford apparently felt that there was indeed a need for just such a conditional grant of pardon. He did, therefore, on September 16, 1974, proclaim a limited amnesty program and signed Executive Orders 11803 and 11804 establishing the Clemency Review Board. Individual draft violators were required to apply for clemency, thereby displaying their intent and desire to become again citizens in good standing. Each case was reviewed on its merits, and 94 percent of the cases reviewed resulted in recommendations of leniency or full pardon.

Mr. President, many of the draft evaders, who had been convicted and who were at the time of the proclamation serving out their prison terms, were immediately set free. A good number were given the chance to serve their country in the areas of public health or the environment in order to, as the President put it, "earn their reentry" into American society; 15,500 draft evaders and deserters participated. When the program was about to lapse, it was extended twice—once on January 31, 1975, and again on February 28, 1975—so that more could apply and have the opportunity to right the wrong they had committed. The Clemency Board dispensed the Nation's forgiveness to those who sincerely desired it and who by their actions had manifested their wish to make good in a lawful way the wrong they had committed against their country.

Mr. President, by complying with the rules and determinations of the Clemency Review Board, the individuals who participated in its program will ironically also, in my judgment, along with the millions who served honorably, be aggrieved by a totally unconditional pardon extended now to those who not only disobeyed the law in the first place but who were unwilling later to take any action whatsoever to reclaim their citizenship and to assume its responsibilities. They deserted their country in a time of need; they refused her forgiveness; they deserve nothing more.

At present an all volunteer military force defends our Nation. We are also, thankfully, at peace. However, the reality of the present world order should make evident to us all that the latter condition could change in an instant. A major national crisis could require the reinstitution of the draft. In that unhappy event, it might well prove impossible to implement an effective national mobilization if an unconditional blanket pardon is now granted to those who violated with apparent impunity the very same draft statutes. And let us be frank about this matter, the draft has served to compel millions of Americans to do their duty in a prompt and efficient manner, and it has saved the democracies in this world twice in this century. Without the ability to reimplement it if needed, the peace and security of the world are in certain jeopardy.

When the Selective Service Act was written, it included penalties for its violation. Our predecessors in this Chamber felt those penalties necessary, and if the draft were in a crisis to be reimplemented, those penalties would be necessary again today. Those penalties make effective our Selective Service System, which in itself even when lying dormant acts as a deterrence to potential

enemies of the United States. But, Mr. President, if an unconditonal blanket pardon is given to draft dodgers now, that deterrent effect of a reimplement draft will be undermined, and our enemies—present or future—ought to rejoice at the prospect.

Thomas Jefferson, in his first inaugural address, in which he set forth the standards by which government should be judged, stressed repeatedly the need for equal and exact justice under law. An unconditional pardon would mock that standard, would break the precedent of two centuries of our history, and would aggrieve the millions who have served honorably in past wars, the tens of thousands who had died, and the hundreds of thousands who still bear the scars of conflict as reward for obeying the laws of their Nation. Furthermore, it would undermine and possibly nullify the ability of the United States to take decisive military action, if necessary, on any scale and for whatever cause.

Mr. President, our resolution does not seek vengeance. To so judge it would require the conclusion that our entire history as a nation has been immoral and unforgiving. Senators who stand with this resolution will by their vote offer good advice to a new President and hopefully thereby prevent a serious initial error which might forever blemish his Presidency, even notwithstanding the many future great accomplishments he may achieve and which we all sincerely hope for him. The action I propose would not, therefore, be taken out of any wish for vengeance against lawbreakers or from any desire to embarrass a statesman for whom we all have the deepest respect but would be done rather to reaffirm our commitment to equal and exact justice under law, to insure our future security and peace within the framework of law, and to honor as is justly due those who served lawfully.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD, such resolution to be for information only and not to constitute the introduction of the resolution. It would merely be a manuscript inserted in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution is as follows:

Resolved, that—

Whereas President-elect Jimmy Carter has indicated that he will, as one of his first official acts as President, issue some form of Presidential pardon for all Vietnam era draft evaders;

Whereas the grant of an immediate blanket Presidential pardon for all Vietnam era draft evaders would be a disservice to the more than 3 million men and women who served honorably in the Armed Forces during the Vietnam era and to the families whose sons died in battle or captivity or remain missing in action;

Whereas the grant now of an immediate blanket Presidential pardon for all Vietnam era draft evaders would ignore the purpose and work of the Presidential Clemency Board and make meaningless the alternate service performed by those who elected to apply for clemency;

Whereas an immediate blanket Presidential pardon for Vietnam era draft evaders could have dire effect on military morale and discipline and might tend to hamper future defense efforts; and

Whereas the issue of blanket pardons for draft dodgers is of such importance to the United States and the people of the United States that the Senate feels that President-elect Carter and the people should be advised of the Sense of the Senate on this issue;

Now therefore, the Sense of the Senate is that the President of the United States would be ill-advised to pardon, and he is hereby urged not to pardon, by any general or blanket decree, proclamation, order, or amnesty those individuals who violated the laws of the United States rather than to serve in our Armed Forces during the period August 4, 1964, through March 28, 1973.

THE PRISONER OF WAR/MISSING IN ACTION PROBLEM

Mr. HELMS. Mr. President, under the same circumstances prevailing in connection with the request by the distinguished Senator from Alabama, the Senator from North Carolina sends to the desk, purely for the purpose of printing in the RECORD, a concurrent resolution which the Senator from North Carolina intends to submit next Monday, on behalf of himself and the Senator from Alabama (Mr. ALLEN). I ask unanimous consent that it be in order that I do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution is as follows:

Resolved by the Senate (the House of Representatives concurring),

Whereas, Article II, Section 2, of the Constitution of the United States designates the President of the United States Commander in Chief of the Army and Navy (Military Forces), and

Whereas, on August 10, 1964, the Senate and House of Representatives of the United States Congress passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the Maintenance of International Peace and Security in Southeast Asia, and

Whereas, over 800 members of the Armed Forces authorized by the Congress and dispatched by the President to Southeast Asia are still categorized as Prisoner of War or Missing in Action and are still unaccounted for, and

Whereas, Article II, Section 2 of the Constitution of the United States grants to the President of the United States further power, by and with the Advice and Consent of the United States Senate to make treaties, and

Whereas, on January 27, 1973, the Paris Agreement on Ending the War and Restoring Peace in Vietnam (Designated the Paris Agreement), which, by its terms became effective on that date, was executed by duly authorized representatives of the United States, the Republic of Viet-Nam (South Viet-Nam), the Democratic Republic of Viet-Nam (North Viet-Nam) and the Provisional Revolutionary Government of the Republic of South Viet-Nam (the Vietcong), and

Whereas, Article 8(b) of the Paris Agreement provides:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about *those still considered missing in action.*" (Emphasis supplied.)

which Article establishes an obligation under International Law upon the parties to the Agreement in favor of members of the United States Armed Forces who are categorized as Missing in Action and a further obligation to, if possible, exhumate and repatriate the remains of those categorized as Killed In Action. This obligation runs to the United States as a party to the Agreement, and

Whereas, the State Department as the responsible agency of the Executive Branch of the United States Government has exhibited no positive direction or leadership in meeting its responsibility of enforcing Article 8(b) of the Paris Agreement or seeking alternatives that might otherwise resolve the Prisoner of War/Missing in Action problem, and

Whereas, on September 11, 1975, the U.S. House of Representatives formed the Select Committee on Missing Persons in Southeast Asia, to report within one year on the status of persons held as prisoners or missing in action and unaccounted for in North and South Viet-Nam, Laos and Cambodia, which committee has been responsible for identifying or accounting for less than one-tenth of one percent of Americans unaccounted for in those areas, and

Whereas, the Joint Casualty Resolution Center's recent withdrawal from Thailand leaves no United States Agency in Asia to locate Americans still prisoner or missing and unaccounted for in Indochina, and

Whereas, knowledge that some unaccounted for military and civilian personnel, fifty-seven of whom were known to be alive and who have not been returned, were at one time prisoners of war and alive was manifested through enemy propaganda broadcasts, foreign media reports, photographs and other sources, personnel who may be presumed to be living and retained for purposes of bargaining or blackmail by the Vietnamese, Cambodians or Laotians now in power.

Now therefore be it resolved:

1. That the President of the United States recognize his duty and responsibility as Commander in Chief of the Armed Forces of the United States and require an accounting for the person or remains of all military personnel responding to the Orders of the Office of the President and who are presently categorized as Prisoner of War, Missing in Action or Killed in Action (body not recovered) in Southeast Asia on the personnel rosters of the United States Army, United States Navy, United States Marine Corps or United States Air Force.

2. That the President of the United States, by executive fiat, require the Secretary of State to pursue, with diligence and tenacity, enforcement of the Paris Agreement of January 27, 1973, with emphasis on enforcement of Article 8(b) of that Agreement.

3. That the Congress of the United States, having passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the maintenance of international peace and security in Southeast Asia, recognize a corresponding continuing duty and obligation to determine the fate of Americans missing or unaccounted for consequent from enforcement of that Law.

4. That the President of the United States, through and by the Secretary of State, hold the Democratic Republic of Viet-Nam (North Viet-Nam) and the Provisional Revolutionary Government of the Republic of South Viet-Nam (the Vietcong) responsible to account for and provide essential information not otherwise available to satisfactorily dispose of the Prisoner of War/Missing in Action problem in accordance with the Paris Agreement or seek alternatives that might

otherwise resolve the question of those Americans unaccounted for in Southeast Asia.

5. That responsible officeholders in the Executive and Legislative branches of the Government of the United States, both elected and appointed, should immediately address the authority of their office, individually and collectively, toward a satisfactory resolution of the Prisoner of War/Missing in Action problem, make a public accounting, and remove any question as to the integrity of their function.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, January 11, 1977, at 10 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Griffin B. Bell, of Georgia, to be Attorney General-designate.

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

BUDGET COMMITTEE HEARINGS TO REVIEW FISCAL 1977 BUDGET GOALS

Mr. MUSKIE. Mr. President, the Senate Budget Committee will hold Public Hearings January 11, 12, and 13 to reassess Congress' fiscal 1977 budget goals in light of the current economic outlook.

The hearings will provide the committee with a thorough evaluation of the current economic forecast in relation to the fiscal and economic objectives of the second budget resolution for fiscal 1977 which Congress adopted in September. They will form the basis for any determination by the committee as to whether the current forecast warrants a modification in the second budget resolution plan. Under the 1974 Congressional Budget Act, and such adjustment would require adoption by Congress of a third budget resolution for fiscal 1977.

The critical question the Budget Committee now confronts is whether the second resolution budget plan provides sufficient economic stimulus to maintain a strong economic recovery.

Adopted by Congress in September, this plan reaffirmed a 1977 budget policy designed to maintain the pace of recovery and reduce the Nation's jobless rate. The committee stated at that time that it would be prepared to reassess congressional budget policy in subsequent months. Our report accompanying the second resolution stated that we would be prepared to consider a new concurrent resolution early in 1977 if the economic data received by then did not indicate that recovery was proceeding satisfactorily.

Since that time, the Nation's key economic indicators have shown that our budget goals, which included an economic growth rate in calendar 1977 of 6 percent and a reduction in the jobless rate to 6.2 percent by the end of the year, are apparently out of reach. This is cause for considerable concern. It is important, therefore, that the committee have before it not only the best available economic information but also a broad review of various fiscal policy options best suited to deal with the current realities.

Such options would include those combinations of tax relief, direct Federal action in creating job opportunities and international policy initiatives that would be most effective in providing this stimulus.

On Tuesday, January 11, the committee will look at the critical economic forecasts as well as various policy options for providing additional economic stimulus. Our witnesses will include Drs. Walter W. Heller and Paul W. McCracken, both former Chairmen of the Council of Economic Advisers, and Dr. Alice M. Rivlin, Director of the Congressional Budget Office.

On Wednesday, January 12, the witnesses will address the implications of the international economic outlook to Federal budget policy. They will include Dr. Lawrence Krause, senior fellow of the Brookings Institution; Dr. Frank Schiff, vice president and chief economist of the Committee for Economic Development; and Lawrence A. Veit, deputy manager and international economist with Brown Bros., Hartman & Co.

On Thursday, January 13, witnesses will include Mr. Reginald Jones, chairman of the board of the General Electric Co.; Hon. Kenneth Gibson, mayor of Newark and president of the U.S. Conference of Mayors; and Albert T. Sommers of the conference board.

All hearings will be held in 357 Russell Senate Office Building beginning at 10 a.m.

HEARINGS ON NOMINATION OF CYRUS VANCE TO BE SECRETARY OF STATE

Mr. SPARKMAN. Mr. President, as Chairman of the Committee on Foreign Relations, I wish to announce that the committee has scheduled a public hearing on Tuesday, January 11, 1977, to hear Mr. Cyrus Vance and public witnesses on Mr. Vance's nomination to be Secretary of State. The hearing will be held in room 4221 in the Dirksen Senate Office Building beginning at 10 a.m.

NOTICE OF MOTION TO AMEND CERTAIN SENATE RULES

Mr. ROBERT C. BYRD submitted the following notice:

In accordance with the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend Rules XXII, III, V, XV, and XXVII of the Standing Rules of the Senate in the following particulars, namely:

Section 2 of Rule XXII on line 2 of the last paragraph of the Standing Rules of the Senate is amended by striking out "one hour" and inserting "one-half hour."

Section 2 of Rule XXII beginning at the end of lines 4 and 5 of the last paragraph of the Standing Rules of the Senate is amended by striking out the words "and it" and inserting in lieu thereof the following: "and after not to exceed 50 hours of consideration of the proposition on which cloture was invoked, the Senate shall proceed to vote on the final disposition thereof to the exclusion of all motions except a motion to table, amendments, and debate except for one quorum call on demand to establish the presence of a quorum just before the final vote begins. The total amount of time allotted above may be further reduced by the adoption of a motion without debate by a ⅗rds affirmative vote of the Senators duly chosen and sworn, in which case the time allotted shall be equally divided and controlled by the Majority and Minority Leaders or their designees. It"

Section 1 of Rule III of the Standing Rules of the Senate is amended by striking out all after the words "unless by unanimous consent" and inserting in lieu thereof "or on motion decided without debate. Motions to correct the Journal shall be privileged and proceeded with until disposed of and shall be confined to an accurate description of the proceedings of the preceding day."

Rule V of the Standing Rules of the Senate is amended to add a new section numbered 4, as follows:

"SEC. 4. Rulings by the Presiding Officer sustaining a point of order that no business has been transacted since the last quorum call shall not be subject to an appeal when that fact is supported by the minute book of the Journal or the transcript of the proceedings of debate; this prohibition shall also apply to a ruling on a point of order made immediately following a yea and nay vote where the presence of a quorum was shown and no business has intervened."

Rule XV of the Standing Rules of the Senate is amended by adding a new paragraph numbered 3, as follows:

"3. The demand for the reading of an amendment when presented to the Senate for consideration, including House amendments, may be waived on motion decided without debate when the proposed amendment has been identified by the clerk and is available in printed form."

Section 1 of Rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof following the words "without debate" the following: "The demand for the reading of a conference report when presented may be waived on motion decided without debate when the report is available in printed form."

The purpose of the proposed amendments is—

(1) To modify section 2 of Rule XXII by reducing one hour to one-half hour;

(2) To modify section 2 of said rule as to limit the total amount of time after a cloture motion has been adopted before the Senate proceeds to vote on final disposition of the proposition on which cloture was invoked.

(3) To modify section 1 of Rule III so as to authorize the suspension of the reading of the *Journal* on motion without debate and to confine corrections to an accurate description of the proceedings of the preceding day.

(4) To add a new paragraph to Rule V to remove rulings by the Presiding Officer sustaining a point of order that no business has been transacted since the last quorum call from an appeal when the fact is supported by the minute book of the *Journal* or the transcript of proceedings. The same prohibition would apply to rulings on a point of order made immediately following a yea and nay vote where the presence of a quorum was established and no business had since intervened.

(5) To add a new paragraph numbered 3 to Rule XV to waive the reading of amendments by a motion without debate when presented to the Senate for consideration when they are available in printed form.

(6) To modify paragraph 1 of Rule XXVII to waive the reading of a conference report on motion without debate when the report is available in printed form.

ADJOURNMENT UNTIL 12:30 P.M. THURSDAY, JANUARY 6, 1977

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, and as a further mark of respect to the memory of PHILIP A. HART, late a Senator from the State of Michigan, that the Senate stand in adjournment until 12:30 p.m. Thursday next.

The motion was agreed to; and at 3:50 p.m., the Senate adjourned until Thursday, January 6, 1977, at 12:30 p.m.

HOUSE OF REPRESENTATIVES—*Tuesday, January 4, 1977*

This being the day fixed by the 20th amendment of the Constitution for the annual meeting of the Congress of the United States, the Members-elect of the House of Representatives of the 95th Congress met in their Hall, and at 2 o'clock p.m., were called to order by the Clerk of the House of Representatives, Hon. Edmund L. Henshaw, Jr.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be strong in the Lord and in the power of His might.—Ephesians 6:10.

O God and Father of us all, who art from everlasting to everlasting, we bow before Thee at the beginning of the 95th Congress to acknowledge our dependence upon Thee and to pray that Thy redeeming and renewing power may flow through our lives enabling us to do what is right and good for our Nation and for all mankind. As we enter this new year awaken within us the realization that Thou are with us always, all the way. May Thy presence strengthen us, Thy spirit guide us, and Thy wisdom make us wise.

Bless our President, our President-elect, our Speaker, the Members of Congress, and all who labor with them that they may continue to lead our Nation in the paths of peace, along the lanes of liberty, and by the roads of righteousness toward the glorious goal of our human brotherhood.

Hear us as we reverently unite in praying the Lord's Prayer:

Our Father, who art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on Earth as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory forever. Amen.

The CLERK. Representatives-elect to the 95th Congress, this is the day fixed by law for the meeting of the 95th Congress.

This law directs the Clerk of the House to prepare the official roll of the Representatives-elect. Credentials covering the 435 seats in the 95th Congress have been received, and are now on file with the Clerk of the 94th Congress.

The names of those persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of the several States of the United States will be called; and as the roll is called, following the alphabetical order of the States, beginning with the State of Alabama, the Representatives-elect will please answer to their names to determine whether there is a quorum present.

The reading clerk will call the roll by States.

The Clerk called the roll by States and the following Representatives-elect answered to their names:

[Roll No. 1]

ALABAMA

Edwards, Jack	Bevill	Flowers
Dickinson	Flippo	
Nichols	Buchanan	

ALASKA

Don Young (at large)

ARIZONA

Rhodes	Stump	Rudd
Udall		

ARKANSAS

Alexander	Hammer-schmidt	Thornton
Tucker		

CALIFORNIA

Johnson, Harold T.	Sisk	Wilson, Charles H.
Clausen, Don H.	Panetta	Anderson, Glenn M.
Moss	Krebs	Clawson, Del
Leggett	Ketchum	Hannaford
Burton, John L.	Lagomarsino	Lloyd, Jim
Burton, Phillip	Goldwater	Brown, George E.
Miller, George	Corman	Pettis
Dellums	Moorhead, Carlos J.	Patterson, Jerry M.
Stark	Beilenson	Wiggins
Edwards, Don	Waxman	Badham
Ryan	Roybal	Wilson, Bob
McCloskey	Rousselot	Van Deerlin
Mineta	Dornan	Burgener
McFall	Burke, Yvonne	
	Hawkins	
	Danielson, George E.	

COLORADO

Schroeder	Johnson, James P.	Armstrong
Wirth		
Evans, Frank E.		

CONNECTICUT

Cotter	Giaimo	Sarasin
Dodd	McKinney	Moffett

DELAWARE

Evans, Thomas B. (at large)

FLORIDA

Sikes	Gibbons	Lehman
Fuqua	Ireland	Pepper
Bennett	Frey	Fascell
Chappell	Bafalis	
Kelly	Rogers	
Young, C. W. Bill	Burke, J. Herbert	

GEORGIA

Ginn	Young, Andrew	Evans, Bill Lee
Mathis	Flynt	Jenkins
Brinkley	McDonald	Barnard
Levitas		

HAWAII

Heftel	Akaka	

IDAHO

Symms	Hansen	

ILLINOIS

Metcalfe	Mikva	Michel
Russo	Annunzio	Railsback
Derwinski	Crane	Findley
Fary	McClory	Madigan
Hyde	Erlenborn	Shipley
Collins, Cardiss	Corcoran	Price
Rostenkowski	Anderson, John B.	Simon
Yates	O'Brien	

INDIANA

Benjamin	Evans, David W.	Hamilton
Fithian	Myers, John T.	Sharp
Brademas	Cornwell	Jacobs
Quayle		
Hillis		

IOWA

Leach	Grassley	Harkin
Blouin	Smith, Neal	Bedell

KANSAS

Sebelius	Winn	Skubitz
Keys	Glickman	

KENTUCKY

Hubbard	Snyder	Perkins
Natcher	Carter	
Mazzoli	Breckinridge	

LOUISIANA

Tonry	Waggonner	Breaux
Boggs	Huckaby	Long, Gillis W.
Treen	Moore	

MAINE

Emery	Cohen	

MARYLAND

Bauman	Holt	Mitchell, Parren J.
Long, Clarence D.	Spellman	Steers
Mikulski	Byron	

MASSACHUSETTS

Conte	Tsongas	Heckler
Boland, Edward P.	Harrington	Burke, James A.
Early	Markey	Studds
Drinan	O'Neill	
	Moakley	

MICHIGAN

Conyers	Traxler	Ford, William D.
Pursell	Vander Jagt	Dingell
Brown, Garry	Cederberg	Brodhead
Stockman	Ruppe	Blanchard
Sawyer	Bonior	Broomfield
Carr	Diggs	
Kildee	Nedzi	

MINNESOTA

Quie	Vento	Bergland
Hagedorn	Fraser	Oberstar
Frenzel	Nolan	

MISSISSIPPI

Whitten	Montgomery	Lott
Bowen	Cochran	

MISSOURI

Clay	Bolling, Richard	Volkmer
Young, Robert A.	Coleman	Burlison, Bill D.
Gephardt	Taylor	
Skelton	Ichord	

MONTANA

Baucus, Max	Marlenee	

NEBRASKA

Thone	Cavanaugh	Smith, Virginia

NEVADA

Santini (at large)

NEW HAMPSHIRE

D'Amours	Cleveland	

NEW JERSEY

Florio	Maguire	Meyner
Hughes	Roe	Le Fante
Howard	Hollenbeck	Patten, Edward J.
Thompson	Rodino	
Fenwick	Minish	
Forsythe	Rinaldo	

NEW MEXICO

Lujan	Runnels	

NEW YORK

Pike	Holtzman	Pattison,
Downey	Murphy,	Edward W.
Ambro	John M.	McEwen,
Lent	Koch	Robert C.
Wydler	Rangel	Mitchell,
Wolff	Weiss	Donald J.
Addabbo	Badillo	Hanley
Rosenthal	Bingham	Walsh
Delaney	Caputo	Horton
Biaggi	Ottinger	Conable
Scheuer	Fish	LaFalce
Chisholm	Gilman	Nowak
Solarz	McHugh,	Kemp
Richmond	Matthew F.	Lundine
Zeferetti	Stratton	

NORTH CAROLINA

Jones,	Neal	Gudger
Walter B.	Preyer	
Fountain	Rose	
Whitley	Hefner	
Andrews,	Martin	
Ike F.	Broyhill	

NORTH DAKOTA

Andrews, Mark (at large)

OHIO

Gradison	Ashley	Ashbrook
Luken	Miller,	Applegate
Whalen	Clarence E.	Carney
Guyer	Stanton	Oakar
Latta	Devine	Stokes
Harsha	Pease	Vanik
Brown,	Seiberling	Mottl
Clarence J.	Wylie	
Kindness	Regula	

OKLAHOMA

Jones,	Watkins	Edwards,
James R.	Steed	Mickey
Risenhoover		English

OREGON

AuCoin	Duncan,	Weaver
Ullman	Robert	

PENNSYLVANIA

Myers,	McDade	Goodling
Michael O.	Flood	Gaydos
Nix	Murtha	Dent
Lederer	Coughlin	Murphy,
Eilberg	Moorhead,	Austin J.
Schulze	William S.	Ammerman
Yatron	Rooney	Marks
Edgar	Walker	Myers,
Kostmayer	Ertel	Gary A.
Shuster	Walgren	

RHODE ISLAND

St Germain	Beard, Edward P.

SOUTH CAROLINA

Davis	Derrick	Holland
Spence	Mann	Jenrette

SOUTH DAKOTA

Pressler	Abdnor

TENNESSEE

Quillen	Gore	Jones, Ed
Duncan,	Allen	Ford,
John J.	Beard,	Harold E.
Lloyd, Marilyn	Robin L.	

TEXAS

Hall	Pickle	Mahon,
Wilson,	Poage	George H.
Charles	Wright	Gonzalez
Collins,	Hightower	Krueger
James M.	Young, John	Gammage
Roberts	de la Garza	Kazen
Mattox	White,	Milford
Teague	Richard C.	
Archer	Burleson,	
Eckhardt	Omar	
Brooks	Jordan	

UTAH

McKay	Marriott

VERMONT

Jeffords (at large)

VIRGINIA

Trible	Daniel, Dan	Fisher
Whitehurst	Butler	
Satterfield	Robinson	
Daniel,	Harris	
Robert W.	Wampler	

WASHINGTON

Pritchard	McCormack	Adams
Meeds	Foley	
Bonker	Dicks	

WEST VIRGINIA

Mollohan	Staggers,	Slack
	Harley O.	Rahall

WISCONSIN

Aspin	Reuss	Cornell,
Kastenmeier	Steiger	Robert J.
Baldus, Alvin	Obey	Kasten
Zablocki		

WYOMING

Roncalio (at large)

The CLERK. The rollcall discloses that 434 Representatives-elect have answered to their names. A quorum is present.

ANNOUNCEMENT BY THE CLERK

The CLERK. The Clerk wishes to state that credentials regular in form have been received showing the election of the Honorable WALTER E. FAUNTROY as Delegate from the District of Columbia, the election of the Honorable ANTONIO BORJA WON PAT as Delegate from Guam, and the election of the Honorable RON DE LUGO as Delegate from the Virgin Islands.

The Clerk will also state that credentials regular in form have been received showing the election of the Honorable BALTASAR CORRADA as Resident Commissioner from the Commonwealth of Puerto Rico for a term of 4 years beginning January 3, 1977.

ELECTION OF SPEAKER

The CLERK. The next order of business is the election of the Speaker of the House of Representatives for the 95th Congress.

Nominations are now in order.

The Clerk recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Clerk, as chairman of the Democratic Caucus, I am directed by the unanimous vote of that caucus to present for election to the office of the Speaker of the House of Representatives of the 95th Congress the name of the Honorable THOMAS P. O'NEILL, JR., a Representative from the State of Massachusetts.

The CLERK. The Clerk now recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Clerk, as chairman of the Republican Conference and by authority, by direction, and by unanimous vote of the Republican Conference, I nominate for Speaker of the House of Representatives the Honorable JOHN J. RHODES, a Representative-elect from the State of Arizona to the 95th Congress.

The CLERK. The Honorable THOMAS P. O'NEILL, JR., a Representative-elect from the State of Massachusetts, and the Honorable JOHN J. RHODES, a Representative-elect from the State of Arizona, have been placed in nomination.

Are there further nominations?

There being no further nominations, the Clerk will appoint tellers.

The Clerk appoints the gentleman from New Jersey (Mr. THOMPSON), the gentleman from Alabama (Mr. DICKINSON), the gentlewoman from New York (Mrs. CHISHOLM), the gentlewoman from Massachusetts (Mrs. HECKLER).

Tellers will come forward and take their seats at the desk in front of the Speaker's rostrum.

The roll will now be called, and those responding to their names will indicate by surname the nominee of their choice.

The reading clerk will call the roll.

The tellers having taken their places, the House proceeded to vote for the Speaker.

The following is the result of the vote:

[Roll No. 2]

O'NEILL

Adams	Fary	Mikva
Addabbo	Fascell	Milford
Akaka	Fisher	Miller, Calif.
Alexander	Fithian	Mineta
Allen	Flippo	Minish
Ambro	Flood	Mitchell, Md.
Ammerman	Florio	Moakley
Anderson,	Flowers	Moffett
Calif.	Flynt	Mollohan
Andrews, N.C.	Foley	Montgomery
Annunzio	Ford, Mich.	Moorhead, Pa.
Applegate	Ford, Tenn.	Moss
Ashley	Fountain	Mottl
Aspin	Fraser	Murphy, N.Y.
AuCoin	Fuqua	Murphy, Pa.
Badillo	Gammage	Murtha
Baldus	Gaydos	Myers, Michael
Barnard	Gephardt	Natcher
Baucus	Giaimo	Neal
Beard, R.I.	Gibbons	Nedzi
Bedell	Ginn	Nichols
Beilenson	Glickman	Nix
Benjamin	Gonzalez	Nolan
Bennett	Gore	Nowak
Bergland	Gudger	Oakar
Bevill	Hall	Oberstar
Biaggi	Hamilton	Obey
Bingham	Hanley	Ottinger
Blanchard	Hannaford	Panetta
Blouin	Harkin	Patten
Boggs	Harrington	Patterson,
Boland	Harris	Pattison
Bolling	Hawkins	Pease
Bonior	Hefner	Pepper
Bonker	Heftel	Perkins
Bowen	Hightower	Pickle
Brademas	Holland	Pike
Breaux	Holtzman	Poage
Breckinridge	Howard	Preyer
Brinkley	Hubbard	Price
Brodhead	Huckaby	Rahall
Brooks	Hughes	Rangel
Brown, Calif.	Ichord	Reuss
Burke, Calif.	Ireland	Richmond
Burke, Mass.	Jacobs	Risenhoover
Burleson, Tex.	Jenkins	Roberts
Burlison, Mo.	Jenrette	Rodino
Burton, John	Johnson, Calif.	Roe
Burton, Phillip	Jones, N.C.	Rogers
Byron	Jones, Okla.	Roncalio
Carney	Jones, Tenn.	Rooney
Carr	Jordan	Rose
Cavanaugh	Kastenmeier	Rosenthal
Chappell	Kazen	Rostenkowski
Chisholm	Keys	Roybal
Clay	Kildee	Runnels
Collins, Ill.	Koch	Russo
Conyers	Kostmayer	Ryan
Corman	Krebs	St Germain
Cornell	Krueger	Santini
Cornwell	LaFalce	Satterfield
Cotter	Lederer	Scheuer
D'Amours	Le Fante	Schroeder
Daniel, Dan	Leggett	Seiberling
Danielson	Lehman	Sharp
Davis	Levitas	Shipley
de la Garza	Lloyd, Calif.	Sikes
Delaney	Lloyd, Tenn.	Simon
Dellums	Long, La.	Sisk
Dent	Long, Md.	Skelton
Derrick	Luken	Slack
Dicks	Lundine	Smith, Iowa
Diggs	McCormack	Solarz
Dingell	McDonald	Spellman
Dodd	McFall	Staggers
Downey	McHugh	Stark
Drinan	McKay	Steed
Duncan, Oreg.	Maguire	Stokes
Early	Mahon	Stratton
Eckhardt	Mann	Studds
Edgar	Markey	Stump
Edwards, Calif.	Mathis	Teague
Eilberg	Mattox	Thompson
English	Mazzoli	Thornton
Ertel	Meeds	Tonry
Evans, Colo.	Metcalfe	Traxler
Evans, Ga.	Meyner	Tsongas
Evans, Ind.	Mikulski	Tucker

Udall	Weaver	Yates
Ullman	Weiss	Yatron
Van Deerlin	White	Young, Ga.
Vanik	Whitley	Young, Mo.
Vento	Whitten	Young, Tex.
Volkmer	Wilson, C. H.	Zablocki
Waggonner	Wilson, Tex.	Zeferetti
Walgren	Wirth	
Watkins	Wolff	
Waxman	Wright	

RHODES

Abdnor	Forsythe	Myers, Gary
Anderson, Ill.	Frenzel	Myers, Ind.
Andrews, N. Dak.	Frey	O'Brien
Archer	Gilman	Pettis
Armstrong	Goldwater	Pressler
Ashbrook	Goodling	Pritchard
Badham	Gradison	Pursell
Bafalis	Grassley	Quayle
Bauman	Guyer	Quie
Beard, Tenn.	Hagedorn	Quillen
Broomfield	Hammer-schmidt	Railsback
Brown, Mich.	Hansen	Regula
Brown, Ohio	Harsha	Rinaldo
Broyhill	Heckler	Robinson
Buchanan	Hillis	Rousselot
Burgener	Hollenbeck	Rudd
Burke, Fla.	Holt	Ruppe
Butler	Horton	Sarasin
Caputo	Hyde	Sawyer
Carter	Jeffords	Schulze
Cederberg	Johnson, Colo.	Sebelius
Clausen, Don H.	Kasten	Shuster
Clawson, Del	Kelly	Skubitz
Cleveland	Kemp	Smith, Nebr.
Cochran	Ketchum	Snyder
Cohen	Kindness	Spence
Coleman	Lagomarsino	Stanton
Collins, Tex.	Latta	Steers
Conable	Leach	Steiger
Conte	Lent	Stockman
Corcoran	Lott	Symms
Coughlin	Lujan	Taylor
Crane	McClory	Thone
Daniel, R. W.	McCloskey	Treen
Derwinski	McDade	Trible
Devine	McEwen	Vander Jagt
Dickinson	McKinney	Walker
Dornan	Madigan	Walsh
Duncan, Tenn.	Marks	Wampler
Edwards, Ala.	Marlenee	Whalen
Edwards, Okla.	Marriott	Whitehurst
Emery	Martin	Wiggins
Erlenborn	Michel	Wilson, Bob
Evans, Del.	Miller, Ohio	Winn
Fenwick	Mitchell, N.Y.	Wydler
Findley	Moore	Wylie
Fish	Moorhead, Calif.	Young, Alaska
		Young, Fla.

Answered present—

O'Neill Rhodes

The CLERK. The tellers agree in their tallies that the total number of votes cast is 434, of which the Honorable THOMAS P. O'NEILL, JR., of Massachusetts, has received 290 votes, and the Honorable JOHN J. RHODES, of Arizona, has received 142, with 2 voting "present."

Therefore, the Honorable THOMAS P. O'NEILL, JR., of Massachusetts, is duly elected Speaker of the House of Representatives for the 95th Congress, having received a majority of the votes cast.

The Clerk appoints the following committee to escort the Speaker-elect to the chair: The gentleman from Arizona (Mr. RHODES), the gentleman from Texas (Mr. WRIGHT), the gentleman from Illinois (Mr. MICHEL), the gentleman from Washington (Mr. FOLEY), the gentleman from Massachusetts (Mr. BOLAND), and the gentleman from Massachusetts (Mr. CONTE).

Without objection, the Clerk appoints the two former distinguished Speakers, the honorable gentleman from Massachusetts, Mr. John W. McCormack, and the honorable gentleman from Oklahoma, Mr. Carl Albert, to the Escort Committee.

There was no objection.

The Doorkeeper announced the Speaker-elect of the House of Representatives of the 95th Congress, who was escorted to the chair by the Committee of Escort.

Mr. RHODES. Mr. Speaker-elect, Mr. Speaker Albert, Mr. Speaker McCormack, my colleagues, guests, ladies and gentlemen, it is always a solemn occasion when the House of Representatives chooses a Speaker. It is particularly fitting that our two Speakers who have served in this capacity so honorably for so many years are here today.

It is equally fitting, of course, that we have elected to be the Speaker of the House a man who has served this body so honorably and well. Believe me, it is not an easy task to run against TIP O'NEILL anytime, but to run against him in this particular Congress as a Republican was a humbling experience. Nevertheless, it is a great honor to be the candidate for Speaker of the Republican Party, and to serve as minority leader when defeated.

Mr. Speaker-elect, I assure you that it will be my job as the leader of the minority to do everything I can to make sure that the minority fulfills that greatest of all purposes: that is, to be the anvil upon which the majority hammers out its legislative program. And if that sounds a little violent, perhaps it sometimes is, but nevertheless I have the feeling—and I know you share the feeling—that we are all working for the same goal, toward the same ends and for the welfare of the American people.

I also want to say, Mr. Speaker-elect, that once upon a time I wrote a book, and in that book I said that you were the most partisan man I ever knew. I am expecting you to work for the next 2 years to prove what a liar I am.

I do not need to tell you, and I do not need to tell those present here, that the Speaker is the Speaker of the whole House. He has the duty and the honor of serving all of the Members as Speaker, and I am sure that as he does, he will take into consideration the fact that the Members of the minority represent some 71 million Americans, that they have their jobs to do here, and their people to represent. Of course, the main job, the main task with which a Speaker is honored, is to make sure that the legislative program goes forward, and I know you will do that.

As the leader of the minority, I promise you that when we are in opposition—and we may be from time to time—we will be as vigorous as we can, but we will not oppose for the sake of opposition alone. If you have a legislative program—and I hope that you will—that is worthy of our consideration, we will consider it eagerly.

Mr. Speaker-elect, you are my friend. We came to Congress together about a hundred years ago. We will retain that friendship through these next 2 years.

Now, it is my great honor and my duty, which I am proud to perform, to introduce to the Members of the House the man who will, in my opinion, be the greatest one-term Speaker that this House has ever had; your Speaker, my Speaker, a great Speaker, my good friend THOMAS P. O'NEILL, JR.

[Applause, Members rising.]

Mr. O'NEILL. I thank the distinguished gentleman from Arizona (Mr. RHODES). My colleague well knows I understand that he has his eye on the Speaker's seat. I am sure that is all he has on it.

I was delighted to break precedent today to have the Honorable Carl Albert, and the Honorable John McCormack, our former Speakers, escort me down the aisle. I was more than grateful to the group that marched with me, including my good friend, the gentleman from Massachusetts (Mr. BOLAND), who came to Congress with me so many years ago and with whom I have lived.

My colleagues and friends, it is with heartfelt gratitude that I stand before you, ready to pick up the gavel as Speaker of the House. Few men have the good fortune to see their dreams realized. But thanks to you, and to the people of the Eighth Congressional District of Massachusetts, I am about to assume the highest office that I have ever aspired to.

In electing me your Speaker, you have placed your trust in me. You have given me authority as the constitutional head of the House. I will spare no effort to discharge the responsibilities that come with that authority. I will spare no effort to justify your trust.

A great Speaker of the House, Henry Clay, once outlined certain principles that he thought should guide a Speaker. These same principles, to paraphrase them, will guide me.

I pledge to be prompt and impartial in deciding parliamentary questions. I pledge to be patient, good tempered, and courteous toward the individual Members. I pledge best to employ the talent of the House for full and fair consideration of issues that come before us. In those "moments of agitation from which no deliberative assembly is always entirely exempt," I pledge to "remain cool and unshaken, guarding the permanent laws and rules of the House from being sacrificed to temporary passions, prejudices, or interests."

This House is made up of individuals—individuals who represent every facet of our society. As your Speaker, I intend to insure that every Member is treated fairly. In the future, as in the past, I will maintain an open door policy with all Members.

This House is greater than any of us. Its greatness is the product of 435 human beings collectively contending with extraordinary problems. If the House is truly to fulfill its role as a coequal partner in Government, we must all work together. No Member can be allowed to abuse his position so as to bring discredit upon this House or to obstruct its work.

I have served in the House of Representatives and this Congress for 24 years. It is not an efficient institution, but it is the most democratic arm of our Government. We are the people's representatives. We must act so as to justify their faith in us.

I have been in politics all my life. I am proud to be a politician. No other career affords as much opportunity to help people, and there is no better political office from which to serve people than as a Member of Congress.

These past several years have seen Congress reassert its rightful place in our scheme of government. With the War Powers Act and the new budget process, with increasingly vigilant oversight. Congress is providing that it is capable of operating on an equal footing with the Executive. Commonsense and the Constitution demand that Pennsylvania Avenue remain a two-way street.

The tasks before us are difficult. By history's yardstick, we are a young nation. We are a nation with a proud heritage. It is a heritage set down by the Founding Fathers in the Declaration of Independence and in the Constitution. It is a heritage that has attracted, and was enriched by, immigrants from all across the world.

Our Nation is dedicated to equal opportunity and the dignity of every individual, but no individual can find dignity when society tells him that there is no job for which he deserves to be paid. Our first priority must be to put Americans back to work.

In partnership with the new President, this new Congress faces a long agenda. Not only must we restore economic good health, we must restore faith in the Federal Government by proving that it can operate efficiently and honestly. We must bolster public confidence in Congress by adopting, and living by, a tough code of ethics.

We must reaffirm our compassion for people by trying to provide better health care and education, to guarantee a decent standard of living for all our citizens, and to distribute the financial burdens of both Federal and local government more equitably. We must expand upon current energy conservation programs and explore alternative long-range sources of energy and raw materials.

As a nation, we must demonstrate that democracy does work. Today, fewer than 25 nations retain democratic forms of government. The future will bring even greater challenges to democratic government—challenges that will lead others to look to us for assistance and inspiration.

As we enter our third century, let us recall the courage and wisdom of that brave band of men and women who founded this Nation. Let us keep faith with them by making sure that the United States stands out as an example of what democracy can achieve. Ours may indeed be the worst form of government—except for all others.

On the floor with us today to witness this ceremony are more than 200 young people—brothers and sisters, sons and daughters, and grandsons and granddaughters of Members of the 95th Congress. It is with their interests as well as our own in mind that we undertake our duties.

Let us forget the frustrations of the past, and think of our unfulfilled potential.

Let us not concern ourselves with what we have tried and failed, but with what is still possible to do.

Let us spare no energy that the Nation and the world may be better for our efforts.

Now I am prepared to take the oath as Speaker of this great House. I hope to be true to the distinguished history and tradition of this institution. With God's help, and yours, I hope to be a good Speaker.

I ask the distinguished dean of the House, Mr. MAHON of Texas, to administer the oath.

Thank you.

Mr. MAHON then administered the oath of office to Mr. O'NEILL, of Massachusetts.

[Applause, the Members rising.]

SWEARING IN OF MEMBERS

The SPEAKER. According to the precedent, the Chair will swear in all Members of the House at this time.

If the Members will rise, the Chair will now administer the oath of office.

The Members-elect and Delegates-elect and the Resident Commissioner-elect rose, and the Speaker administered the oath of office to them.

The SPEAKER. The gentlemen and gentlewomen are now Members of Congress.

The Chair recognizes the gentleman from Washington (Mr. FOLEY).

MAJORITY LEADER

Mr. FOLEY. Mr. Speaker, as chairman of the Democratic Caucus, I have been directed to report to the House that the Democratic Members have selected as majority leader the gentleman from Texas, the Honorable JIM WRIGHT.

The SPEAKER. The Chair now recognizes the gentleman from Illinois (Mr. ANDERSON).

MINORITY LEADER

Mr. ANDERSON of Illinois. Mr. Speaker, as chairman of the Republican Conference, I am directed by that conference to officially notify the House that the gentleman from Arizona, the Honorable JOHN J. RHODES, has been selected as the minority leader of the House.

MAJORITY WHIP

Mr. FOLEY. Mr. Speaker, I have the honor to advise Members of the House that the gentleman from Indiana, Mr. BRADEMAS, will act as whip of the Democratic Party for the 95th Congress.

MINORITY WHIP

Mr. ANDERSON of Illinois. Mr. Speaker, as chairman of the Republican Conference, I am directed by that conference to notify the House officially that the Republican Members have selected as minority whip the gentleman from Illinois, the Honorable ROBERT MICHEL.

ELECTION OF CLERK OF THE HOUSE, SERGEANT AT ARMS, DOORKEEPER, POSTMASTER, AND CHAPLAIN

Mr. FOLEY. Mr. Speaker, I offer a resolution (H. Res. 1) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That Edmund L. Henshaw, Jr., of the Commonwealth of Virginia, be, and he is hereby, chosen Clerk of the House of Representatives;

That Kenneth R. Harding, of the Commonwealth of Virginia, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That James T. Molloy, of the State of New York, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Robert V. Rota, of the Commonwealth of Pennsylvania, be, and he is hereby, chosen Postmaster of the House of Representatives;

That Reverend Edward G. Latch, D.D., of the State of Maryland, be, and he is hereby, chosen Chaplain of the House of Representatives.

Mr. ANDERSON of Illinois. Mr. Speaker, I shall offer a substitute for the resolution just offered by the gentleman from Washington (Mr. FOLEY) but before doing so, I would request that there be a division of the question on the resolution so that we may have a separate vote on the office of the Chaplain.

The SPEAKER. The question is on agreeing to the portion of the resolution providing for the election of the Chaplain.

That portion of the resolution was agreed to.

SUBSTITUTE AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Speaker, I offer a substitute amendment for the remainder of the resolution.

The Clerk read the substitute amendment, as follows:

Amendment offered by Mr. Anderson of Illinois as a substitute for the remainder of House Resolution 1:

Resolved, That Joe Bartlett, of the State of Ohio, be, and he is hereby, chosen Clerk of the House of Representatives;

That Walter P. Kennedy, of the State of New Jersey, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That Tommy Lee Winebrenner, of the State of Indiana, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Ronald W. Lasch, of the State of New Jersey, be, and he is hereby, chosen Postmaster of the House of Representatives.

The SPEAKER. The question is on the substitute amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The substitute amendment was rejected.

The SPEAKER. The question is on the resolution offered by the gentleman from Washington (Mr. FOLEY).

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Will the officers elected present themselves in the well of the House?

The officers-elect presented themselves at the bar of the House and took the oath of office.

NOTIFICATION TO SENATE OF ORGANIZATION OF THE HOUSE

Mr. WRIGHT. Mr. Speaker, I offer a resolution (H. Res. 2) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 2

Resolved, That a message be sent to the Senate to inform that body that a quorum of the House of Representatives has assembled; that Thomas P. O'Neill, Jr., a Representative from the State of Massachusetts, has been elected Speaker; and Edmund L. Henshaw, Jr., a citizen from the Commonwealth of Virginia, has been elected Clerk of the House of Representatives for the Ninety-fifth Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT OF THE UNITED STATES OF THE ASSEMBLY OF THE CONGRESS

Mr. WRIGHT. Mr. Speaker, I offer a resolution (H. Res. 3) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES 3

Resolved, That a committee of three Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to join the committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make, the gentleman from Texas (Mr. WRIGHT), the gentleman from Arizona (Mr. RHODES), and the gentleman from Indiana (Mr. BRADEMAS).

AUTHORIZING THE CLERK TO INFORM THE PRESIDENT OF THE UNITED STATES OF THE ELECTION OF THE SPEAKER AND THE CLERK OF THE HOUSE OF REPRESENTATIVES

Mr. MAHON. Mr. Speaker, I offer a resolution (H. Res. 4) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 4

Resolved, That the Clerk be instructed to inform the President of the United States that the House of Representatives has elected Thomas P. O'Neill, Jr., a Representative from the State of Massachusetts, Speaker; and Edmund L. Henshaw, Jr., a citizen from the Commonwealth of Virginia, Clerk of the House of Representatives of the Ninety-fifth Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed resolutions of the following titles, in which the concurrence of the House is requested:

S. Con Res. 1. Concurrent resolution to provide for the counting on January 6, 1977, of the electoral votes for President and Vice President of the Untied States.

S. Res. 1

Resolved, That a committee consisting of two Senators be appointed by the Vice President to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

S. Res. 2

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

The message also announced that the Vice President, pursuant to Public Law 79–585, and under the authority of Senate Resolution 584 of the 94th Congress, 2d session, appointed Mr. DOMENICI to be a member, on the part of the Senate, of the Joint Committee on Atomic Energy, vice Mr. Buckley, resigned.

The message also announced that the Vice President, pursuant to Public Law 94–280, and under the authority of Senate Resolution 584 of the 94th Congress, 2d session, appointed Mr. STAFFORD to be a member, on the part of the Senate, of the National Transportation Policy Study Commission, vice Mr. Buckley, resigned.

RULES OF THE HOUSE

Mr. WRIGHT. Mr. Speaker, I offer a privileged resolution (H. Res. 5) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 5

Resolved, That the Rules of the House of Representatives of the Ninety-fourth Congress, including all applicable provisions of law which constituted the Rules of the House at the end of the Ninety-fourth Congress, be, and they are hereby, adopted as the Rules of the House of Representatives of the Ninety-fifth Congress, with the following amendments included therein as part thereof, to wit:

(1) In Rule X, clause 1(b), strike out the word "Unexpected" and insert in lieu thereof "Unexpended";

(2) In Rule X, clause 1(c), insert immediately after subparagraph (10) the following new subparagraph:

"(11) Military applications of nuclear energy.";

(3) In Rule X, clause 1(d), strike out "Committee on Banking, Currency and Housing" and insert in lieu thereof "Committee on Banking, Finance and Urban Affairs";

(4) In Rule X, clause 1(j), insert immediately after subparagraph (16) the following new subparagraph:

"(17) Regulation of the domestic nuclear energy industry, including regulation of research and development reactors and nuclear regulatory research.";

(5) In Rule X, clause 1(k), insert before the period at the end of the subparagraph (14) the following: ", including nonproliferation of nuclear technology and nuclear hardware" and insert before the period at the end of subparagraph (15) the following: ", including all agreements for cooperation in the export of nuclear technology and nuclear hardware,";

(6) In Rule X, clause 1(l), insert at the end thereof the following: "Such committee shall have the same jurisdiction with respect to regulation of nuclear facilities and of use of nuclear energy as it has with respect to regulations of nonnuclear facilities and of use of nonnuclear energy. In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight functions under clause 2(b)(1)), such committee shall have the special oversight functions provided for in clause (3)(h) with respect to all laws, programs, and government activities affecting nuclear energy.";

(7) In Rule X, clause 1(m), strike out the last two paragraphs thereof;

(8) In Rule X, clause 1(r), strike out "except nuclear research and development" in subparagraph (11);

(9) In Rule X, clause 1(t), strike out subparagraphs (2) and (3) and strike out the word "provisions" and insert in lieu thereof "provision", and in rule X, clause 1(q), strike out the words "or relating to financial disclosure by a Member, officer, or employee of the House of Representatives" in subparagraph (1);

(10) In Rule X, clause 3, insert at the end thereof the following:

"(h) The Committee on Interstate and Foreign Commerce shall have the function of reviewing and studying on a continuing basis, all laws, programs and Government activities relating to nuclear energy.";

(11) In rule X, clause 4(a)(2), strike out "clause 5(j)" and insert in lieu thereof "clause 4(h)";

(12) In rule X, clause 4(e)(2), insert at the end thereof the following:

"(E) A member of the committee may disqualify himself from participating in any investigation of the conduct of a Member, officer, or employee of the House upon the submission in writing and under oath of an affidavit of disqualification stating that he cannot render an impartial and unbiased decision in the case in which he seeks to disqualify himself. If the committee approves and accepts such affidavit of disqualification, the chairman shall so notify the Speaker and request the Speaker to designate a Member of the House from the same political party as the disqualifying member of the committee to act as a member of the committee in any committee proceeding relating to such investigation.";

(13) In rule X, clause 5(c), strike out the words "after the first":

(14) In Rule X, clause 5, insert at the end thereof the following:

"(e) No bill or resolution introduced or received in the House shall be referred to the Joint Committee on Atomic Energy.";

(15) In Rule X, clause 6(e), insert at the end thereof the following: "The Speaker shall name Members who are primarily responsible for the legislation and shall, to the fullest extent feasible, include the principal proponents of the major provisions of the bill as it passed the House.";

(16) In Rule XI, clause 2(e)(2), insert immediately before the period at the end thereof the following: ", except that in the case of records in the Committee on Standards of Official Conduct respecting the conduct of any Member, officer, or employee of the House, no Member of the House (other than a member of such committee) shall have access thereto without the specific, prior approval of the committee";

(17) In Rule XI, clause 2(g)(1), strike out "clause 4(a)(3)" and insert in lieu thereof "clause 4(a)(1)";

(18) In Rule XI, clause 2(g), strike out the word "quorum" wherever it appears and insert in lieu thereof the word "majority";

(19) In Rule XI, clause 2(g)(2), insert immediately after "House of Representatives" the following: ". No Member may be excluded from nonparticipatory attendance at any hearing of any committee or subcommittee, with the exception of the Committee on

Standards of Official Conduct, unless the House of Representatives shall by majority vote authorize a particular committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subparagraph for closing hearings to the public";

(20) In Rule XI, clause 2(h) is amended to read as follows: "Quorum for taking testimony and certain other action.

"(h)(1) Each committee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence which shall be not less than two.

"(2) Each committee (except the Committee on Appropriations, the Committee on the Budget, and the Committee on Ways and Means) may fix the number of its members to constitute a quorum for taking any action other than the reporting of a measure or recommendation which shall be not less than one-third of the members.";

(21) In Rule XI, clause 2(i) is amended to read as follows:

"(1) No committee of the House (except the Committee on Appropriations, the Committee on the Budget, the Committee on Rules, and the Committee on Standards of Official Conduct) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule. For purposes of this paragraph, special leave will be granted unless 10 or more Members object.";

(22) In Rule XI, clause 2(l)(3)(A) is amended to read as follows: "(A) shall include the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X separately set out and clearly identified;";

(23) In Rule XI, clause 2(l)(3)(D), strike out "clause 2(b)(2)" and insert in lieu thereof "clause 4(c)(2)";

(24) In Rule XI, clause 2(l)(6), strike out the words "following the day" in the first sentence, and insert a comma after the word "holidays";

(25) In Rule XI, clause 2(m)(2)(A) is amended to read as follows:

"(2)(A) A subpena may be authorized and issued by a committee or subcommittee under subparagraph (1)(B) in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpenas under subparagraph (1)(B) may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpenas shall be signed by the chairman of the committee or by any member designated by the committee.";

(26) In Rule XI, clause 2(n) is amended to read as follows:

"(n) Funds authorized for a committee under clause 5 are for expenses incurred in the committee's activities; however, local currencies owned by the United States shall be made available to the committee and its employees engaged in carrying out their official duties outside the United States, its territories or possessions. No appropriated funds, including those authorized under clause 5, shall be expended for the purpose of defraying expenses of members of the committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to travel outside the United States or its territories or possessions:

"(1) No member or employee of the committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

"(2) Each member or employee of the committee shall make to the chairman of the committee an itemized report showing the dates each country was visited, the amount of per diem furnished the cost of transportation furnished, any funds expended for any other official purpose and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. All such individual reports shall be filed no later than sixty days following the completion of travel with the chairman of the committee for use in complying with reporting requirements in applicable Federal law and shall be open for public inspection.";

(27) In Rule XI, clause 4 is amended by adding at the end thereof the following:

"(e)(1) On any legislative day when reports from the Committee on Rules are being considered, the Speaker may announce to the House, in his discretion, before consideration of the first resolution, that he will postpone further proceedings on such of the resolutions reported from that Committee as he may designate if a recorded vote or the yeas and nays are ordered or if the vote is objected to under clause 4 of Rule XV when the Chair puts the question on the previous question or on the adoption of the resolution, until all such resolutions have been considered and any debate thereon concluded, with the question having been put and determined on each such resolution on which the taking of the vote will not be postponed.

"(2) When the last of such resolutions so designated has been considered and any debate thereon concluded, with the question put and determined on each such resolution on which further proceedings were not postponed, the Speaker shall put the appropriate question on each such resolution on which further proceedings were postponed in the order in which each such resolution was considered.

"(3) At any time after the vote on the question has been taken on the first resolution on which the Speaker has postponed further proceedings under this paragraph, the Speaker may, in his discretion, reduce to not less than five minutes the period of time within which a recorded vote on the appropriate question may be taken on any or all of the additional resolutions on which the Speaker has postponed further proceedings under this paragraph.

"(4) If the House adjourns before the question is put and determined on all resolutions on which further proceedings were postponed under this paragraph, then, on the next following legislative day, the first order of legislative business, after the disposition of business on the Speaker's table and such other legislative matters as the Speaker in his discretion may direct, shall be the disposition of all such resolutions previously undisposed of, in the order in which those resolutions were entertained.";

(28) In Rule XI, clause 5(a), (b) and (c)(1) is amended to read as follows:

"5. (a) Whenever any committee, commission or other entity (except the Committee on Appropriations and the Committee on the Budget) is to be granted authorization for the payment, from the contingent fund of the House, of its expenses in any year, other than those expenses to be paid from appropriations provided by statute, such authorization initially shall be procured by one primary expense resolution for the committee, commission or other entity providing funds for the payment of the expenses of the committee, commission or other entity for that year from the contingent fund of the House. Any such primary expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of the funds to be provided to the committee, commission or other entity under the primary expense resolution for all anticipated activities and programs of the committee, commission or other entity; and

"(2) to the extent practicable, contain such general statements regarding the estimated foreseeable expenditures for the respective anticipated activities and programs of the committee, commission or other entity as may be appropriated to provide the House with basic estimates with respect to the expenditure generally of the funds to be provided to the committee, commission or other entity under the primary expense resolution.

"(b) After the date of adoption by the House of any such primary expense resolution for any such committee, commission or other entity for any year, authorization for the payment from the contingent fund of additional expenses of such committee, commission or other entity in that year, other than those expenses to be paid from appropriations provided by statute, may be procured by one or more supplemental expense resolutions for that committee, commission or other entity as necessary. Any such supplemental expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of additional funds to be provided to the committee, commission or other entity under the supplemental expense resolution and the purpose or purposes for which those additional funds are to be used by the committee, commission or other entity; and

"(2) state the reason or reasons for the failure to procure the additional funds for the committee, commission or other entity by means of the primary expense resolution.

"(c) The preceding provisions of this clause do not apply to—

"(1) any resolution providing for the payment from the contingent fund of the House of sums necessary to pay compensation for staff services performed for, or to pay other expenses of, any committee, commission or other entity at any time from and after the beginning of any year and before the date of adoption by the House of the primary expense resolution providing funds to pay the expenses of that committee, commission or other entity for that year; or";

(29) In Rule XI, clause 6(c) is amended by inserting immediately preceding the period at the end thereof the following: ", except that two professional staff members of each standing committee shall be entitled to pay at a single per annum gross rate to be fixed by the chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level IV of the Executive Schedule in section 5215 of Title 5 United States Code";

(30) In Rule XI, clause 6 is amended by striking out paragraph (j) thereof;

(31) In Rule XIII, clause 7 is amended by striking out paragraph (c) thereof and by redesignating the succeeding paragraphs (d) and (e) as (c) and (d) respectively;

(32) In Rule XV, clause 6 is amended by inserting at the end thereof the following new paragraph:

"(e)(1) Except as provided by subparagraph (2), it shall not be in order to make or entertain a point of order that a quorum is not present unless the Speaker has put the pending motion or proposition to a vote.

"(2) Notwithstanding subparagraph (1), it shall always be in order for a Member to move a call of the House when recognized for that purpose by the Speaker.";

(33) In Rule XXIII, clause 2 is amended to read as follows:

"2. A quorum of a Committee of the Whole shall consist of one hundred Members. The first time that a Committee of the Whole finds itself without a quorum during any day, the Chairman shall invoke the procedure for the call of the roll under clause 5 of Rule XV, unless, in his discretion, he orders a call of the Committee to be taken by the procedure set forth in clause (2)(b) of Rule XV; and thereupon the Committee shall rise and the Chairman shall report the names of the absentees to the House, which shall be entered on the Journal; but if on such call a quorum shall appear, the Committee shall thereupon resume its sitting without further order of the House. After the roll has been once called to establish a quorum during such day, the Chairman may not entertain a point of order that a quorum is not present and may not invoke the procedure for the call of the roll under clause 5 of Rule XV or order a call of the Committee to be taken by the procedure set forth in clause (2)(b) of Rule XV unless the Committee is operating under the five-minute rule and the Chairman has put the pending motion or proposition to a vote. If, at any time during the conduct of any quorum call in a Committee of the Whole, the Chairman determines that a quorum is present, he may, in his discretion, declare that a quorum is constituted. Proceedings under the call shall be considered as vacated, and the Committee shall not rise but shall continue its sitting and resume its business.";

(34) In Rule XXIII, after clause 7, insert a new clause 8 as follows:

"8. At the conclusion of general debate in a Committee of the Whole on any concurrent resolution on the budget pursuant to section 305(a) of the Congressional Budget Act of 1974, the concurrent resolution shall be considered as having been read for amendment.", and redesignate clause (8) as clause (9);

(35) In Rule XXVII, clause 1 is amended to read as follows:

"1. No rule shall be suspended except by a vote of two-thirds of the Members voting, a quorum being present; nor shall the Speaker entertain a motion to suspend the rules except on Mondays and Tuesdays, and during the last six days of a session.";

(36) In Rule XXVII, clause 3(b) is amended by striking out the word "Rules" wherever it appears and inserting in lieu thereof "rules";

(37) In Rule XXVIII, clause 6 is amended to read as follows:

"6. (a) Each conference committee meeting between the House and Senate shall be open to the public except when the House, in open session, has determined by a rollcall vote of a majority of those Members voting that all or part of the meeting shall be closed to the public.

"(b)(1) After the reading of the report and before the reading of the joint statement, a point of order may be made that the committee of conference making the report to the House has failed to comply with paragraph (a) of this clause.

"(2) If such point of order is sustained, the conference report shall be considered as rejected, the House shall be considered to have insisted upon its amendment(s) or upon disagreement to the amendment(s) of the Senate, as the case may be, and to have requested a further conference with the Senate, and the Speaker shall be authorized to appoint new conferees without intervening motion.";

(38) In Rule XXXII, clause 1 is amended by striking out "the Parliamentarian" and all that follows through "subject to the provision of clause 3 of this rule;" and insert in lieu thereof the following: "the Parliamentarian, elected officers and elected minority employees of the House (other than Members); and ex-Members of the House of Representatives, former Parliamentarians of the House, and former elected officers and elected minority employees of the House, subject to the provisions of clause 3 of this rule; and clerks of committees when business from their committee is under consideration and not more than one person from a Member's staff when that Member has an amendment under consideration, subject to the provisions of clause 4 of this rule;";

(39) In Rule XXXII, insert the following new clause at the end thereof:

"4. Persons from Member's staffs admitted to the Hall of the House or rooms leading thereto under clause 1 shall be admitted only upon prior notification to the Speaker. No such person or clerk of a committee so admitted under clause 1 shall engage in efforts in the Hall of the House or rooms leading thereto to influence Members with regard to the legislation being amended. Such persons and clerks shall remain at the desk and are admitted only to advise the Member or committee responsible for their admission. Any such person or clerk who violates this clause may be excluded during the session from the Hall of the House and rooms leading thereto by the Speaker.";

(40) In Rule XLIV, strike out "not later than April 30, 1969, and by April 30 of each year thereafter," and insert in lieu thereof "by April 30 of each year,".

Mr. WRIGHT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with in order that we may proceed under the rule, during which time I would undertake to explain briefly what changes would be made to the rules of the House by the resolution, and during which time I would expect to yield 30 minutes, or exactly one-half of the time allotted, to the gentleman from Arizona (Mr. RHODES) for his use, yielding only for purposes of debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RHODES. Mr. Speaker, reserving the right to object, the amendments to the rules of the 94th Congress which are to be offered are rather extensive and far reaching. I think it would be well and perhaps would serve the purpose of conserving time and keeping the Members informed better if the amendments were to be read. Therefore, regretfully, I do object.

Mr. WRIGHT. Mr. Speaker, would the gentleman withhold his objection and yield for a brief colloquy?

Mr. RHODES. Yes, Mr. Speaker, but I reserve the right to object.

Mr. WRIGHT. Mr. Speaker, I hope that the gentleman is aware—and I should have made Members aware—that there are some 400 copies of these changes available at the back of the Chamber for each Member. They may secure them at their pleasure.

Does the gentleman still insist upon his reservation of objection?

Mr. RHODES. I feel constrained to do that. I think the time is necessary for the Members to get these copies and look them over, and I believe they can do this better and understand the resolution better if the Members have the copy before them.

Mr. Speaker, I do object.

The SPEAKER. Objection is heard.

The Clerk will continue the reading of the resolution.

The Clerk continued to read the resolution.

Mr. WRIGHT (during the reading). Mr. Speaker, I rise for the purpose of renewing my request and I just wonder if the gentleman from Arizona, now that all Members have had an opportunity to secure and digest the material contained in the resolution, would yield and agree to dispense with further reading of the resolution?

Mr. RHODES. Mr. Speaker, reserving the right to object, the Clerk, has read through paragraph 16 of the resolution.

I can understand the desire of the gentleman from Texas to have the rest of the rules considered as read. I have to agree with the gentleman that probably listening to the gentleman explain the amendments in his resolution will leave the House better informed than trying to read the official language of the rules. I will yield to my own assessment of the gentleman's eloquence, Mr. Speaker, and withdraw my objection.

The CHAIRMAN pro tempore (Mr. NATCHER). The gentleman from Texas (Mr. WRIGHT) is recognized for 1 hour.

Mr. WRIGHT. Mr. Speaker, I shall yield 30 minutes of that time to the distinguished gentleman from Arizona (Mr. RHODES), pending which I shall yield myself such time as I may consume, during which I shall attempt to describe exactly what the rules changes proposed by the Democratic Caucus and embodied in this resolution would entail.

Mr. Speaker, with the exception of purely technical, conforming amendments, relating to spelling, typography, sequential numbering and so forth, the basic changes embodied in this resolution relate to four or five general areas.

First, they concern the powers of the Speaker.

Second, they deal with the powers and the privileges of committees of the House.

Third, there are a number of changes respecting the conduct of business on the floor of the House.

Finally, there are certain specific changes with respect to the Committee on Standards of Official Conduct and with respect to the Joint Committee on Atomic Energy.

Regarding the powers of the Speaker, the rule changes herein proposed would do the following things:

First, they would permit the Speaker at his discretion to impose a time limit upon committees to which bills have been sequentially referred and to require those committees to report the bills back within the stipulated time.

Second, a change would provide additional guidelines to the Speaker in appointing conferees, suggesting that he consider appointing sponsors of major successful amendments which have been adopted on the floor of the House.

Third, there is a rule which would permit the Speaker to facilitate the business of the House by postponing votes on relatively noncontroversial rules, reported from the Committee on Rules,

then taking them in sequence after the debate on all the rules has been completed. This would be similar, in effect, to the manner in which the Speaker now may schedule votes on motions to suspend the rules and pass various bills.

Mr. RHODES. Mr. Speaker, will the gentleman yield for a question?

Mr. WRIGHT. Of course, I am happy to yield to the distinguished minority leader.

Mr. RHODES. I just want to clarify what the gentleman just said. Is my understanding correct that the authority which the rule change gives the Speaker to group votes is confined to matters which are resolutions of the House; House resolutions, rules and other resolutions which might pertain to other matters, particularly allowances for committees to expend funds for various purposes? I just wonder how far it goes, in other words.

Mr. WRIGHT. So far as I am able to determine and will so advise my colleague, it applies only to the one specific area which I have earlier enumerated; those rules reported from the Committee on Rules up for consideration by the House establishing procedures for the debate of bills.

Mr. RHODES. I thank the gentleman.

Mr. WRIGHT. There is another rule which will permit the Speaker to schedule suspensions on any Monday or Tuesday, and during the last 6 days of the session. A second category of changes regards the committees of the House, their powers and privileges and responsibilities. One would permit the committees to adopt a rule in their proceedings allowing one-third of the members of each committee or subcommittee to constitute a quorum, except that a majority must be present in all cases to close committee meetings and hearings and a majority must in all cases be present to report a measure to the floor, and to authorize the issuance of subpenas.

A second change concerning committees would allow committees to exclude Members of Congress who are noncommittee members from attendance at hearings only when so authorized by a majority vote of the House and then only by the same rollcall procedures which apply to closing hearings to the public.

A third rule would permit four specific committees, the Committees on Appropriations, Budget, Rules and Standards of Official Conduct, to sit at any time while the House is in session, and would permit any other committee to sit during the 5-minute rule unless 10 Members should object.

A fourth category of change would authorize committees or subcommittees to issue subpenas upon a vote of a majority of the members of the committee or subcommittee; not simply a majority of a quorum otherwise established, but in this instance a majority of the members of the committee or subcommittee. It would permit a majority of the members of the committee to delegate that authority to the chairman of that full committee.

Finally, a rules change would require Members to report all official committee travel to the chairman of the committee within 60 days, and then require the chairman to submit a report to the House Administration Committee.

A third category of changes regards the business of the House on the floor of the House.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. WRIGHT. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Speaker, with regard to the rules amendments that the gentleman has just described, he has noted that one of the new rules changes provide for committees of the House to sit with as few as one-third constituting a quorum.

There is also a general power which allows committees of the House to adopt rules of the House as their own in any instances where the committee's rules do not conflict.

But the pending rules also provide for a further change that says that no further point of no quorum can be made once a quorum is established at the beginning of the meeting of the House or by extension one must assume, once a quorum is established in a legislative committee.

Is the gentleman, therefore, telling us that a legislative committee can meet with as few as one-third of the members present for a markup session, then that one-third membership can drift away and as few as two or three members can remain to mark up a bill and that no point of order of no quorum can be made until the bill is finally reported out? Will that be the case under these rules?

Mr. WRIGHT. Mr. Speaker, I think the gentleman's interpretation of the rule would be a strained interpretation of this rule.

I believe that a point of order suggesting the absence of a quorum may always be in order in any committee. The new rule to which the gentleman refers is not applicable to standing or select committees, but only in the House or in Committee of the Whole.

Moreover, the rule that will concern the business of the House, which I was just about to explain, would apply only with respect to a point of order raised in the House at times other than when the Speaker is putting the pending question. At any time when the Speaker is putting the pending question on any measure before the House or on any matter before the House, a point of order of no quorum always would lie.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield further, I am given hope by the gentleman's answer, because the tentative ruling by the chief counsel of one of the committees on which I will probably again serve interprets these new rules, taken together, as allowing a quorum to be established at the beginning of a full committee or subcommittee meeting, and then no point of order can be made until the bill is reported. I am pleased to hear the gentleman's interpretation.

Mr. Speaker, I thank the gentleman.

Mr. WRIGHT. So far as the rule regarding the limitation of the point of order that a quorum is not present in the House is concerned, it applies, again, only in the House.

The rule would permit only one quorum call in the Committee of the Whole during general debate or whenever the Chair is not putting a question on a given day. But it would allow a point of order whenever any question was put under the 5-minute rule.

A third change would provide that any concurrent budget resolution must be open for amendments under the 5-minute rule.

A fourth change would require that all conference committees be open to the public unless the House by rollcall vote should determine that all or part of them may be closed by agreement.

And, finally, it would permit any Member offering an amendment on the House floor to have one person from that Member's staff at the committee table only while that amendment is under active consideration in the Committee of the Whole.

To conclude, there are specific changes proposed with regard to the Committee on Standards of Official Conduct and with regard to the Joint Committee on Atomic Energy.

Concerning those changes that would apply to the Committee on Standards of Official Conduct, they would, first, eliminate the legislative jurisdiction of that committee over financial disclosure and lobbying.

Second, they would provide a procedure for members of the committee to disqualify themselves if ever they found themselves unable to render an impartial judgment with respect to a pending question.

And, third, permit nonmembers of the committee to have access to the records of that committee only on those occasions when that committee would so deem proper.

Mr. Speaker, with regard to the Joint Committee on Atomic Energy, the proposed changes in the rules would remove the legislative jurisdiction from that committee and would transfer that jurisdiction to the following committees of the House:

Where it involves the application of nuclear energy for military purposes, the jurisdiction would be transferred to the Committee on Armed Services.

Where it regards domestic regulation, it generally would be transferred to the Committee on Interior and Insular Affairs.

Concerning the export of technology of a nuclear type, those matters would be referred to the Committee on International Relations.

Jurisdiction over facilities regulation and oversight would lie with the Committee on Interstate and Foreign Commerce, and all nuclear research, including jurisdiction over ERDA, would lie with the Committee on Science and Technology.

Mr. Speaker, I believe that describes all of the major rules changes.

Mr. YOUNG of Texas. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, will the gentleman yield for a question?

Mr. WRIGHT. Let me yield first to the gentleman from Arizona; then I will yield to my friend, the gentleman from Texas.

Mr. RHODES. Mr. Speaker, I just have one question concerning the Joint Committee on Atomic Energy. It has been somewhat of a mystery to those of us on this side as to what we can expect for the future of that committee.

The rules as proposed by the Democratic Caucus seem to strip that committee of all its jurisdiction. I am wondering if it will be the purpose of the leadership on the majority side to ask that that committee be disbanded or whether Members will be appointed to it for this next Congress.

Mr. WRIGHT. Mr. Speaker, I am not definitively authorized to answer the question. I am not sure I can speak for the leadership, but I think it is logical to assume that, particularly if the other body takes the same or similar action, there probably would be little need for the continuance of the committee.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I am happy to yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, as the gentleman from Arizona knows, there is no reference in the rules to the Joint Committee on Atomic Energy, and presumably some changes in the Atomic Energy Act would be in order, and those would have to be taken up in the regular manner.

Mr. YOUNG of Texas. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Speaker, I would say to my distinguished colleague and friend, the majority leader, that as a member of the Joint Committee on Atomic Energy it has long been my feeling and deep conviction that the interests of this country and indeed the interests of this House in the field of energy require and I think will ultimately demand that all energy, whether it be nuclear or nonnuclear, be within the jurisdiction and authority of one committee of this House.

The reason for that is indeed plain. In order for this House to deal effectively and directly with the enormous problems confronting the Nation and the world in the field of energy, nuclear and nonnuclear, these problems and the authority of the House of Representatives should not be fragmented but should be consolidated, and hopefully they will be consolidated in one committee where the House can deal effectively with these matters.

I was pleased to read and hear public statements made, as I understand it, by the President-elect of the United States and by our distinguished Speaker, that it is their intention to move in the direction of having one committee to handle the matters of energy. Obviously, with the fragmentation that has existed in the nonnuclear field and that now will exist in the nuclear field, some committees at some point are going to have to be willing to step back and be deprived of some authority and responsibility in their various fields .

I can only speak for myself as a member of the Joint Committee on Atomic Energy, Mr. Speaker; but in view of what I have said about the need for a single committee with authority and responsibility, I, for one, gladly give up the authority and responsibility of the Joint Committee.

Indeed, Mr. Speaker, I am hopeful that this will ultimately result in a single committee with total authority in the field of energy.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman from Texas (Mr. YOUNG) for his comments.

I fully agree with the gentleman that nothing could be more important to the future of the United States than for this Congress to have some means of determining a clear-cut, long-range energy policy for long-range and immediate-range development of energy sources and for conservation so as to purchase time for this Nation to bring on that development.

Mr. YOUNG of Texas. Mr. Speaker, if the gentleman will yield further, I support the resolution.

Mr. WRIGHT. Mr. Speaker, at this time I should like to reserve the balance of my time and to yield to the gentleman of the minority in order that they may consume time; and, Mr. Speaker, I yield only for purposes of debate.

The SPEAKER pro tempore. The Chair now recognizes the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, may I inquire as to the format under which we are operating.

Am I to understand that I have been yielded 30 minutes for the purpose of debate only and that I may yield to other Members as I see fit, similar to the situation which would prevail if this were a rule being considered?

The SPEAKER pro tempore. The gentleman is correct.

Mr. RHODES. Mr. Speaker, I would like the attention of the majority leader, if I might have it, to ask him a question.

As I mentioned before, when I reserved the right to object and finally did object to the gentleman's request to consider the resolution as read, this is a very far-reaching set of amendments. The minority has not had a chance to go over them. The amendments were adopted in the Democratic caucus. There was no debate in which the minority took part.

Now, Mr. Speaker, the resolution to adopt the rules, including these amendments, is being brought to the floor under a situation in which the minority has only one-half hour to debate and no ability at all to offer amendments.

May I ask the majority leader, Mr. Speaker, if he will yield to me for the purpose of offering a series of amendments which the minority Members of the House have approved.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Yes, of course I yield to the majority leader.

Mr. WRIGHT. Mr. Speaker, I really do not think the gentleman from Arizona (Mr. RHODES) expects me to do that, and I shall not disappoint him.

Mr. Speaker, from time immemorial it has been done this way. The majority party in the Congress has the responsibility of organizing the Congress and therefore has the obligation of establishing the rules under which that Congress can operate.

It was thus in 1953 and in 1957 when the gentleman's party was the majority party in the House.

Therefore, Mr. Speaker, I think the gentleman fully understands my declination to yield for any purposes other than for debate.

Mr. RHODES. Mr. Speaker, I thank the gentleman. Of course, I do understand, but it is with regret because I think this is a different situation, a situation in which there are more changes than I have seen at any given time in my 24 years in the House.

Usually, I think it is true that if changes as voluminous and as far reaching as these are to be made, they are made after the initial adoption of the rules; but, Mr. Speaker, I think that the better way to proceed would have been to adopt the rules of the 94th Congress and then at some time in the future, after the Committee on Rules has had a chance to go over the proposed rules, that they then be brought up in the form of a resolution, preferably amendable, but if not, at least in the form of a resolution which can be debated at some length.

Mr. Speaker, here it is 20 minutes to 5 on the opening day with many Members having obligations to people from their own districts. It seems a shame to me that we are conducting such an important event as this under this type of scenario, and I regret it.

Mr. Speaker, I ask unanimous consent that I may include in the RECORD at this point the proposed rules changes which the minority would offer if the minority were in a position to do so.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

(The material referred to follows:)

SUMMARY OF SOME PROPOSED AMENDMENTS TO THE HOUSE RULES FOR THE 95TH CONGRESS

(1) *Ethics Committee Accountability*—clause 4(e) of rule X is amended to *require* the Committee on Standards of Official Conduct to report its findings and any recommendations for action once an investigation has been undertaken and to permit the House to direct the committee, by appropriate resolution, to undertake an investigation. Moreover, a Member who has filed a proper complaint with the committee may call up a privileged resolution to direct the committee to undertake an investigation if the committee fails on its own to undertake an investigation within 15-legislative days after the filing of the complaint. Under the present rule, filing a report on an investigation is discretionary with the committee and the committee may *only* undertake an investigation by majority vote of its members.

(2) *Subcommittee Limitation*—clause 6(c) of rule X amended to limit House committees to having no more than six subcommittees. The present rule requires a minimum of four subcommittees for action committee having more than 20 members, but imposes no ceiling on the number of sub-

committees. Subcommittee proliferation has become an increasing problem, up from 148 to 181 in just the last three years.

(3) *Applicability of House Committee Rules to Special Committees*—clause 1 of rule XI is amended by requiring, insofar as applicable, that the rule apply to any select, special or ad hoc committee, commission or other entity created by the House and that any bill, resolution or report of any such committee, commission or other entity be subject to the rules of the House in the same manner as though reported from a standing committee. The present House committee rules apply only to standing committees.

(4) *Public Access to Records of Committee Actions*—clause 2(e) (1) of rule XI is amended to require each House committee to keep a *verbatim* transcript of all committee action on matters of a legislative or investigative nature as well as a separate written summary of all such action, and that such transcript and summary be available for public inspection unless otherwise prohibited by any law or rule of the House. The present rule only requires that a record of rollcall votes be made available to the public.

(5) *Proxy Voting Ban*—clause 2(f) or rule XI is amended to prohibit all proxy voting in committees. The present rule permits written proxies if provided for in the rules of the committee.

(6) *Open Committee Meetings*—clause 2(g) (1) of rule XI is amended to require that committee *meetings* may only be closed if disclosure of matters to be discussed would endanger the national security, violate any law or rule of the House, or involve committee personnel or budget matters. The present rule permits the closing of committee meetings for any reason.

(7) *Rollcall Votes in Committees*—clause 2(1)(2)(A) & (B) or rule XI is amended to permit any member of a committee to demand a rollcall vote on any proposition put to a vote, to require rollcall vote on the reporting of any measure or matter, and to require publication in the committee report of the names of those voting for and against reporting. The present rule simply requires that a majority be present to report and the *number* voting for and against be published in the report.

(8) *Accuracy of the Congressional Record*—rule XIV is amended to require that words actually spoken on the floor be clearly distinguishable in the Congressional Record from remarks which are inserted. Under the present procedure it is often impossible to distinguish between what was actually spoken and what was inserted.

(9) *Suspension of the Rules*—clause 1 of rule XXVII is amended to prohibit bringing up and matter under suspension of the rules unless authorized by rollcall vote of the committe having jurisdiction or by joint request of the chairman and ranking minority member. Under the present procedure the chairman may unilaterally request bringing a matter up under suspension.

(10) *House Broadcasting*—a new rule XLV would be added providing for the continuous coverage of House floor proceedings by the broadcast media, under the direction and control of the Speaker and subject to certain conditions set forth in the rule, identical to those conditions which now apply to broadcasting committee meetings and hearings.

AMENDMENTS TO STRIKE CERTAIN RULES CHANGES PROPOSED BY THE DEMOCRATIC CAUCUS

Several of the recommended changes in the House Rules, as adopted by the Democratic Caucus three weeks ago, are a throwback to a less reform-minded era. Many changes reek more of expedience than any concern for the workings of democratic government. Five of the more controversial proposals are outlined below.

(11) *One-Third Quorum for Committee Markups*—clause 2(h) of Rule XI would be amended to permit committees (except for Budget, Appropriations, and Ways and Means) to fix the number required for taking any action other than reporting a measure at not less than one-third of the members. The quorum for taking testimony and receiving evidence remains not less than two members.

This proposal is not new; the Democratic Caucus considered this rule change in 1975. The Republican Task Force on Reform, seriously concerned with the impact of a reduced quorum requirement, issued the following on March 10, 1975:

". . . Any new rule subverting the standard quorum in House committees will only debase the democratic process, reduce the incentives for broad based participation and cast public doubt on the legislative product of this body. The proposal for reducing the number of Members needed to constitute a quorum endorses increased absenteeism and non-participation . . . Now is not the time to propose rule changes which will increase the domination of House committee and subcommittee chairmen while serving as an inducement for Members to stay home and rest."

(12) *Increasing Suspension Days*—clause 1 of Rule XXVII would be amended to permit the Speaker to entertain motions to suspend the rules every Monday and Tuesday (instead of just the first and third Mondays and Tuesdays of the month as is the case with the present rule).

At the begining of the 93rd Congress, the use of the suspension was increased from 2 to 4 days per month. A majority of Republican Members opposed such an expansion of the suspension procedure as detrimental to sound legislative practice. Although assurances were given by the Democrat leadership that the suspension rule would be used sparingly and be limited to minor, noncontroversial legislation, what has occurred is an abuse of suspensions with bill after bill being considered under an essentially closed rule procedure—limited debate with no amendments. The end result—debasement of the legislative process. The Task Force on Reform has recommended, strongly that:

1. No bill be brought up under suspension unless the chairman and ranking minority member of a committee so request.

2. A dollar ceiling amount be placed on bills which may be brought up under suspension.

3. At least three calendar days advance notice be given to any bill which is to be brought up under suspension.

4. Prior to scheduling a bill under suspension, the majority party leadership would consult with the minority leader.

Even with these safeguards, expanded use of suspensions is simply an invitation for further abuse.

(13) *Committee Requests to Sit During Five Minute Rule*—Clause 2 (1) of Rule XI would be amended to grant committee requests for special leave to sit during the five-minute rule unless 10 or more Members object. Under the present rule, requests may be denied on the objection of any one Member.

This proposal to increase from 1 to 10 the number of Members needed to object to a committee sitting while the House is in the Committee of the Whole was recently considered by the Commission on Administrative Review during hearings on the report drafted by its Task Force on Scheduling. The Minority Views of Representatives Frenzel, Armstrong and Bauman to this report indicate that no evidence exists of any abuse of the objection privilege which would make such a change necessary or desirable. The minority views emphasized:

"By increasing the potential for committee meetings during floor debate, the Commission is forcing Members to decide between their standing committee responsibilities and those of the most important of all committees, the Committee of the Whole. Either participation in floor debate will suffer, or participation in vital committee work will suffer."

It should be noted that under the present rules, three committees—Rules, Budget, and Appropriations—are exempted from obtaining special leave to sit during the five-minute rule. An additional Democratic rules proposal would add the Committee on Standards of Official Conduct to this list.

(14) *Committee Subpena Power*—clause 2(m)(2)(A) of Rule XI would be amended to permit committees *and subcommittees* to authorize and issue subpoenas by majority vote, a quorum being present. Committees would be permitted to grant blanket subpoena authority to the chairman pursuant to such limitations as the committee may prescribe.

Such an unwarranted expansion of the committee subpoena power creates the probability for a serious abuse of this powerful weapon. This new subpoena power would give over 180 subcommittee chairmen the ability to harass citizens for nearly any purpose, including publicity or personal aggrandizement. Any easing of constraints bears crucial consequences. There is no evidence that subpoena power exercised under the present rules has been inadequate to serve the needs of Congress.

A further wrinkle—this new extended subpoena power combined with the new one-third quorum proposal would allow one-sixth plus one of a subcommittee or committee to authorize subpoenas.

(15) *Quorum Call Restrictions in the House and the Committee of the Whole.*

(a) *Quorum Calls in the House*—clause 6 of Rule XV would be amended by inserting a new paragraph: "(e)(1) Except as provided by subparagraph (2), it shall not be in order to make or entertain a point of order that a quorum is not present unless the Speaker has put the pending motion or proposition to a vote. (2) Notwithstanding subparagraph (1), it shall always be in order for a member to move a call of the House when recognized for that purpose by the Speaker."

In short, under this proposal, except when the Speaker recognizes a Member for the purpose of moving a call of the House, it is not in order to make or entertain a point of no quorum unless the Speaker has put a pending motion or proposition to a vote.

(b) *Quorum Calls in the Committee of the Whole*—clause 2 of Rule XXIII would be amended so that once a quorum has been established in the Committee of the Whole, a quorum call would not be in order except during the five minute rule when the Chairman has put the pending motion or proposition to a vote.

Both these proposals, by restricting quorum calls, will only lead to a reduced participation in the conduct of legislative business.

Mr. RHODES. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I think it is particularly important for us to understand some of the ramifications of the rules which will be adopted, particularly the rule pertaining to the markup of bills in committee. As far as I know, it has always at least been the custom that when a bill is marked up that there be at least one Member of the minority side present.

After these rules are adopted—and I have no illusions but what they will be adopted—it will be possible for the majority to hold a committee meeting with one-third of the Members present to

mark up a bill without any minority Members being present at all. It is almost a replay of what we find ourselves doing right now, where we are confronted with rules changes upon which the minority has had no chance to express its opinion whatsoever.

When the time comes at the end of the debate, the gentleman from Illinois (Mr. ANDERSON) will ask for a vote on the previous question. If the previous question were to be voted down, he intends to offer a substitute resolution which would provide for 4 hours of debate on the proposed changes and then amendments would be offered under the 5-minute rule in the ordinary course of events.

I hope that the majority understands our intentions, with all of the changes that are proposed. All Members should have the right to understand what is going on, to fully and adequately debate the changes, and to offer amendments. That would be a much better way to proceed.

Mr. Speaker, I now yield 3 minutes to the gentleman from Texas (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I thank the distinguished majority leader for yielding to me.

Mr. Speaker, we are here today talking about the importance of the legislative process; talking about the importance of the Government of this country; talking about what makes America great; but, in the final analysis, the majority party of this House is bringing before this body a resolution which was discussed in their caucus and is being considered today under a closed rule process where no opportunity whatsoever is accorded individual Members to debate changes on their merits. I say to my colleagues and the American people it is time that we tightened up the legislative process. It is time that we have openness in government, and openness, yes, in this legislative body, where we should have the freedom to debate at will, where the American people know and understand the impact and the importance of the changes being proposed, rather than doing what is happening here today—on a partisan basis. I say that because this country survives and our Government survives with a two-party system, an openness and the willingness to debate. However, the majority party has chosen to say that this is not what they want. They say we do not want to debate this resolution on its merits, on an individual amendment basis, and that we are going to adopt what we bring before you by resolution, irrespective of what some Members might think.

Yes, Mr. Speaker, I think it is time that we have openness in this body. That we debate the issues, not set a precedent here on the opening day of the 95th Congress, where we are ramrodding this through, and where we seem to think that the American people will not look at it with regret as some Members of this body will.

Mr. Speaker, I do believe that it would pay us to go into full debate on each change and not loosen up the wheels and the machinery of the various committees. The danger is that too much bad legislation will be reported and make this a runaway Congress, and as a result make the American people suffer, and suffer, and suffer.

Mr. Speaker, I plead with the Members to vote down the previous question so that we can get down to debate on each of the items and do the things that are necessary for the benefit of all of the people.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RHODES. Mr. Speaker, I now yield 7 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. EMERY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maine.

Mr. EMERY. I thank the gentleman for yielding.

Mr. Speaker, we are considering adoption of a set of rules which will, in final form, determine the way the 95th Congress will conduct its business. Today, we are considering rules that will greatly affect the activities, behavior, and rights of Members. We are, in fact, considering the very methods by which laws will be debated and passed in this House. However, we are also dealing with another issue—the rights of individual Members to differ with the organized majority. The majority party has developed a series of rule changes in its party caucus, and has presented this package to the rest of the House under a rule that prohibits amendments and provides only limited debate on each change.

We are today considering rules changes which include provisions affecting committee quorum requirements, their subpena powers, procedures on the floor of the House, and many other important matters.

I oppose these changes and feel that they represent, for the most part, thinly veiled efforts to strengthen the autonomy and power of the leadership, not only against the Republican minority, but also against dissenting Democrats as well. But what I object to most strongly is the blatant and uncompromising action of the majority, denying the minority the right to debate and to offer amendments to these rule changes. Article I, section 5 of the Constitution specifically states that, "Each House may determine the rules of its proceedings * * *" and the word "House," to me, means the whole House, not just part of it. I do not object to the majority decision to adopt the rules; but I do object to being excluded from the constitutional process because of my political affiliation. This unwarranted procedure violates my rights as a duly elected Member of Congress, and also limits the representation that I can provide my constituents.

This is simply a case of a tyrannical majority imposing its will on this body, while at the same time denying the minority the right to participate in the decisionmaking process. I urge every Member here present to vote down the previous question and allow the minority of this Congress, and their constituents, the right of due process in consideration of these rules.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Louisiana.

Mr. MOORE. I thank the gentleman for yielding.

Mr. Speaker, I also rise in opposition to the procedure we are using this afternoon and I support my colleague, the gentleman from Illinois (Mr. ANDERSON).

Mr. Speaker, advocates of the rules package which will determine the procedural conduct for consideration of all legislation during the next 2 years claim necessary changes have been made to streamline Congress so that time will be used more efficiently.

To a limited extent this is true and some changes merit adoption. At the same time, I fear the bulk of the proposed changes actually debauch the legitimate drive for reform of Congress and will ultimately pave the way for those who control the reins of power in Congress to steamroll legislation to enactment in the absence of due legislative consideration. This is not true reform. Moreover, it must not be allowed to be masked as such by anyone.

Let us vote today on each proposed change from rules that governed our conduct during the 94th Congress so that each of us will be able to go on record for or against the awesome concentration of power that is found within portions of rules text now before us. Casting one vote on the merits of all 24 changes in the rules is a reckless departure from recommendations I helped prepare as a member of the Task Force on Reform for the past 2 years. It is cosmetic reform at best.

I firmly believe any Member of Congress should have an equal opportunity to offer a new rule or a change from those under which we have acted in the past regardless of party affiliation. I am presently denied that opportunity. In turn, the citizens of the Sixth District of Louisiana are denied the same voice others have had in assembling each plank of the rules package now before us. Such concentration of power in the hands of any group, caucus, or partisan political entity endangers the precious freedoms of open and free debate inherent in the history of our young Republic, now 200 years old. If persisted in long enough, freedom subsides as corruption flourishes.

Absent the opportunity to vote on each of the 24 proposed rules changes individually, I will vote against the entire package due primarily to four objectionable major procedural changes. Two apply to committee activities and two pertain to floor procedure.

The two committee changes permit fewer Members to be present in order to consider amendments and substantive language on bills before all but three

House committees while the second gives committee and subcommittee chairmen blanket subpena power for the first time.

The first change will permit most committees to determine the text of bills under their jurisdiction with only one-third of the committee or subcommittee membership present. In addition, 10 Members must object to a committee meeting while the House is reading a bill for amendment. Previously, only one objection was required. This spells lower attendance on the floor of the House and a proliferation of committee meetings during vital House floor debate. Worse, it means for the first time less than half a committee can write the laws of this country which goes against traditional concepts of a quorum.

I have never known any democratic organization which could function with less than one-half of its membership, much less committees of the Congress of the United States.

My second objection centers upon granting committee and subcommittee chairmen a free hand at issuing subpenas regardless of the issue, witness, or time. It is a powerful and potentially abusive weapon that should be decided by committee or subcommittee vote in each instance.

Two proposed changes in floor procedures are also worthy of rejection. Under the first only one quorum call will be permitted each day outside of a quorum call request made just prior to a vote on an amendment or final passage of a bill. Free of responsibilities to listen to floor debate, absenteeism and last-minute political pressure on how to vote will continue unabated.

The second proposed change will double the number of days allowed for bills to be brought forward under suspension of the rules. Once reserved only for noncontroversial bills, legislative steamrolling of substantive legislation under this procedure of limited debate and where no amendments are permitted will become even more frequent. In addition, legislation and accompanying reports need only be available to Members 2 days prior to floor consideration instead of the present 3-day requirement. This, too, will lead to a lack of familiarity on major issues being voted upon.

Apart from these flaws steps have been taken to make Congress more open to the public. I support the proposed rules change to open the doors of House-Senate conferences. This "sunshine" move will permit all Members, the news media, and the public in general to monitor this key step in the legislative process which so often drafts legislative language that becomes law. Consolidation of committee expense needs in one primary expense resolution and reassignment of the legislative duties of the Joint Committee on Atomic Energy are two steps to reduce duplication in legislative authority.

In addition to viewing the 24 proposed rule changes before us, we must not ignore suggested rules changes not contained within the rules package and not allowed to be offered under the procedure forced upon us. If I had the opportunity today, I would support a rule to require committees to keep and make public a verbatim transcript and written summary of committee actions, a rule to end proxy voting, a requirement that all committee meetings be open where national security permits, and a provision to allow any committee member to demand a roll-call vote on any issue voted in committee.

Further changes that should be made include increasing the accountability of the Committee on Standards of Official Conduct, limiting committees to no more than six subcommittees, and a requirement that actual remarks made on the House floor be distinguished from statements inserted later.

Similarly, I would support a check upon legislation brought to the floor under suspension of the rules to insure measures are indeed noncontroversial. I would support a rule to requiring reporting of congressional employees who are immediate relatives of a Member under a new Antinepotism Rule, 2-day layover of bills reported by subcommittee to the full committee to provide time for analysis, and an end to closed rules which form the vehicle for steamrolling legislation all too often. Floor legislative schedules should be fixed, published, and adhered to.

Any Member who was defeated or has retired should be prohibited from travel at Government expense. House Members convicted of a felony should be subject to expulsion by a resolution of Congress to be considered within 30 days.

Mr. Speaker, I believe all Members should have an equal footing in the legislative process. Preferential treatment for some as provided in the proposed rules denies open and free debate at all levels of the legislative process. It thwarts the legitimate drive for reform of Congress and the need to restore public confidence in us by the electorate.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise to urge defeat of the previous question on this closed-caucus rule resolution so that we can then offer a substitute resolution that would readopt the rules of the 94th Congress, permit us 4 hours of general debate, and then under the 5-minute rule consider the 24 proposed changes that have been recommended by the Democratic Caucus, along with other suggestions that may be offered on the Republican side of the aisle.

Until a few minutes ago I felt as if I would be a voice from the vast depths asking that the tides stand still in suggesting that course of action. But something took place just a few minutes ago that has given me new courage, that, indeed, has caused some reason to believe that the majority party may yet relent in the attitude demonstrated a moment ago when they refused to yield for any amendment whatever. And what took place was simply a paraphrase of the very eloquent words spoken more than a century ago by a former Speaker of this House, Henry Clay, as they were very eloquently echoed today by our newly elected Speaker, the gentleman from Massachusetts (Mr. O'NEILL) when he suggested that under his speakership there would be full and fair consideration of every matter to come before this House. What better time to start than now to demonstrate that that pledge has real meaning? What could be more important than a full and fair consideration of the rules by which we govern our deliberations in this body?

A few minutes ago the distinguished majority leader suggested that since time immemorial we have done it this way: The majority party has dictated in its caucus a set of changes to existing rules, and then it has been ratified after an hour of debate and under a procedure that permits no amendments.

But when we look back at the history of this body, we find that simply is not so. The House has handled its rules in an open manner in the past.

In his book "History of the United States House of Representatives," Dr. George Galloway, who was at one time Librarian of Congress and a distinguished student of this body, has the following to say:

> The customary practice in post-bellum days when a new House met was to proceed under general parliamentary law, often for several days with unlimited debate, until a satisfactory revision of former rules had been effected. Proposed changes in the old rules were discussed on those occasions in a leisurely, good-natured way, and the meaning of the complex code of the House was explained to new Members.

I suggest what better way could we begin this 95th Congress than to reestablish that very desirable tradition? What do we have to do for the next week or two that is so important that we could not take the time at least for 4 hours and under a procedure whereby we, under the 5-minute rule, could offer amendments to get an explanation of the changes that have been proposed?

I intend no disrespect to my distinguished friend, the newly elected majority leader, the gentleman from Texas (Mr. WRIGHT), when I say that it was too much even for his great and cogent and eloquent powers of articulation to adequately explain in less than 20 minutes some of the very fundamental changes that would be wrought in the rules of this body by adopting this resolution.

I am disturbed by the fact that there is a coverup involved here—and I use the word advisedly because we are being sold this package on the argument and on the basis that it is going to contribute to the greater efficiency of this House. We heard again from the newly elected Speaker a confession that we are not an efficient body. We are democratic but we are not efficient. But the thrust of the rules changes that have been proposed is not to promote greater efficiency but rather it is to permit such things as the distinguished minority leader pointed out, that would permit a quorum of one-third of a committee to sit in markup and to amend a bill and to make important changes with only one-third of the membership of that committee present.

The changes would provide that committees of the House en masse could absent themselves from the floor during the time that important debates are being conducted. The Members could be elsewhere. Cluster voting is designed to permit the Members to be where? To be elsewhere than here in attendance on the

proceedings of this House when under a procedure of voting every 5 minutes we are going to permit that kind of treatment of such important debates as relate to the rules that are adopted on various bills.

Subcommittees are going to have the authority without the approval of the full committee to issue subpenas.

I think that taken together what these new rules provide is not a greater efficiency in the conduct of our business but rather it is a license for absenteeism in the House, and what it amounts to is legislation without representation.

Not the least of my objections, Mr. Speaker, to the procedure which the majority has elected to follow today is the fact that we cannot even consider numerous other important suggestions that have been made. I have made some of these suggestions. The distinguished gentleman from Minnesota, who will address the Members later, as well as other Members in this House have made suggestions whereby we could change the rules of this body, whereby we could open up the process, whereby we could do something for example about the proliferation of subcommittees. They have gone from 148 to 181 in the last 3 years, just in the last 3 years alone. There is where we need to organize this House of Representatives. There is where we need to change the rules.

There should be no monopoly on concern at the other end of Pennsylvania Avenue about the necessity of reorganizing the Government. It ought to be done here in the legislative branch as well, and under the procedure that those on the majority side of the aisle have elected to follow here today we simply cannot raise those important questions under an amending process or an amending procedure.

I urge the defeat of the previous question simply for the purpose of giving us a free and open debate on this very important matter.

I hope that we can adopt the open debate and amendment substitute, not only so we can defeat some of these new absentee rules, but so we can offer some truly constructive and genuine House rules reform.

I am dismayed, for example, that the caucus failed to adopt a rule to provide for the continuous broadcast coverage of our floor proceedings, despite a survey showing 271 Members of the 95th Congress in favor of broadcasting.

We would also like to offer amendments to make the CONGRESSIONAL RECORD an accurate record of words actually spoken on the floor, to require the Ethics Committee to issue reports on investigations undertaken, and to permit a House majority to direct the Ethics Committee to undertake investigations.

We would like to offer further amendments to limit committees to six subcommittees, eliminate proxy voting in committees, permit any member to demand a rollcall vote in committee, and require a rollcall vote on reporting a measure.

We want to offer other amendments to require a verbatim transcript of committee actions and permit public inspection of that record, to extend our House committee rules to select, ad hoc and special committees, and to require all committee meetings to be open unless closed for national security, personal privacy or personnel or committee budget matters, and finally, to prohibit bringing any matter up under a suspension of the rules unless authorized by rollcall vote of the committee or requested by the chairman and ranking minority member.

While all my colleagues may not agree on all of these proposed changes, we should at least agree on permitting these amendments to be offered through an open amendment process instead of this closed, caucus gag rule. I therefore urge defeat of the previous question and adoption of the open amendment substitute.

The SPEAKER pro tempore (Mr. NATCHER). The Chair now recognizes the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, today we are seeing a rerun of the sorry performance which began the 94th Congress.

Those same friendly folks who last session gave us proxy voting, repudiation of minority staffing mandated by law, and resolution and more closed rules, are this year giving us not only those golden oldies, but some new bonus rules too.

This year that funloving gang is laying on us a one-third quorum rule. Last year, proxies allowed half of us to be absent at committee meetings. That was such fun that this year only an unlucky one-third of us need bother with committees. Never mind that we told the people who sent us here that we wanted to represent them. Just pass the handy proxy to your chairman or to some staff bureaucrat. They will relieve you of the inconvenience of representing your constituents. That is real expediency.

There is even more expediency in the rule allowing the one-third quorum to grant blanket subpena power to committee and subcommittee chairmen. That will increase our potential for citizen harassment, all right.

But there is more. Remember, in 1975, we doubled suspension days. That allowed our leadership to schedule more bills under closed rule prceedings with no amendments and limited debate. This year, we are going to double them again. We can double our fun. Twice as many amendments can be suppressed. Twice as much debate can be limited.

And that is not all. Remember how inconvenient it was last year coming to the floor and representing your constituents by working on legislation. This year's rules will not quite make that work obsolete, but they will give us a great new excuse and a great new obligation to be absent from the floor for committee work.

And, luckily, we would not have to worry about quorums. These rules are not going to allow very many silly interruptions like making sure one-half the Members of the House are alive.

And it does not stop there. Our leadership has decided that there is no reason to trouble ourselves with debate, or voting, on any of the Republican reform proposals. That means that all of you who like the secret committee records would not have to worry about any pesky constituent looking at the verbatim records, and the committee rollcalls can be kept limited too. Our nonorators can still make nonspeeches since we do not have to make the CONGRESSIONAL RECORD factual. We will be spared from drafting any pesky antinepotism rules. Luckily the home folks would not know what we are doing since there will be no electronic broadcasts from the floor. Lame ducks can continue to enjoy the pleasure domes of the world at taxpayer expense. And we can avoid any bothersome pressures to perform oversight functions.

Is that not a wonderful package? No. It is a sick and sorry mess.

All told, the readoption of old rules, the addition of the changes based on expediency, and the refusal to consider responsible reforms may look like a bright and wonderful package to some of the majority group here, but I think the people will view these rules in a different light. They would not be fooled. Americans know what a quorum is. They know what a proxy vote is.

The very process is a "gag rule" which has disenfranchised one-third of the Members of this House. The end result is a set of rules unworthy of this great representative body. Members who vote for these rules will have 2 long years to regret that vote, and 2 long years in which to apologize to their constituents. But that is hardly enough time, because these rules need plenty of regret and even more apologies.

Mr. Speaker, I ask unanimous consent to list in the RECORD at this point a 30-point list of reforms developed by the House Republican Research Committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota (Mr. FRENZEL)?

There was no objection.

The 30-point list is as follows:

GOP PROPOSALS FOR REFORM OF HOUSE RULES

1. Inclusion of Minority Views in Conference Reports.

Amendment to Rule XXVIII, probably cl. 1(c).

2. Public Access to Records of Committee Action.

Require each House committee to keep verbatim transcript and separate written summary of all committee action—both of which are to be available for public inspection. Amendment to Rule XI cl. 2(e)(1).

3. Ban On Proxy Voting.

Amend cl. 2 (f) of Rule XI.

4. Subcommittee Limitation.

Limit House committees to no more than 6 subcommittees. Amend Rule X, cl. 6(c).

5. Select Investigating Committee.

Proposal derived from Rep. Cleveland's resolution which was adopted at the December meeting of the Conference. Amend Rule X, cl. 6 to establish a minority controlled Select Investigating Subcommittee at any time in which both Houses of Congress and the White House were controlled by the same party.

6. Congressional Record Reform.

Differentiation in type between remarks spoken on floor and those merely inserted. Amendment to Rule XIV.

7–8. Full Disclosure of Honoraria and Gifts.

Amendments probably would be directed to Rule XLIII, cls. 4 and 5, with additional

amendments necessary if to be available to public inspection. (e.g. Duties of the Clerk—Rule III).

9. Full disclosure of expenditure accounts—to be available in the Office of the Clerk for public inspection.

Derived from Rep. Coughlin's motion to recommit with instructions the Legislative Appropriations Bill of FY 1977. Amendment to Rule III, cl. 3.

10. Antinepotism Rules.

Provide that Clerk of the House maintain records, available to public inspection, of the family relationship of staff to any Member of Congress. Amend Rule III, cl. 3.

11. Compensation for Subcommittee Staff.

Amend Rule XI cl. 5(d)(3) to eliminate restriction that minority staff not be compensated at a rate higher than subcommittee majority staff.

12. Rollcall Votes in Committee.

Permit any member of committee to demand rollcall vote on any proposition put to vote, to require rollcall vote on reporting of any measure or matter, and to require publication in committee report of names of those voting for and against reporting. Amendment to Rule XI cl. 2(1)(2)(A) & (B).

2nd proposal would add following sentence to Rule XI, cl. 2(e)(1)—a rollcall vote shall be ordered on any measure or matter upon demand by any Member.

13. Two-day layover from Subcommittee.

No bill approved by subcommittee would be considered by committee unless measure available to all members at least two calendar days, accompanied by a comparison with existing law and a section-by-section analysis of such measure. Amendment to Rule XI, cl. 2(1) by inserting a new section 6.

14. Prohibition on Closed Rules.

Amendment probably to Rules XI, cl. 4(b).

15. Restriction on Use of Suspensions.

Anderson—prohibit bringing up matter under suspension of the rules unless authorized by rollcall vote of committee having jurisdiction or by joint request of the chairman and ranking minority member.

Task Force additional qualifications—dollar ceiling amount to be placed on bills brought up under suspension; at least three calendar days advance notice; prior to scheduling, majority party leadership to consult with minority leader.

Amendment to Rule XXVII, cl. 1.

16. Broadcasting of Floor Proceedings.

Anderson recommends a new Rule XLV.

17. Fixed, Published Schedule for Floor Work (Armstrong).

Publication of legislative floor schedule in Congressional Record at least one day in advance of consideration. Amendments to Rule XXIV, Rule XXI, Rule XI, cl. 4.

18. Cosponsorship of Bills.

Remove restriction that only 25 members can cosponsor bill. Amendment to Rule XXII, cl. 4.

19. Restriction on Lameduck Travel.

Amend Rule XI, cl. 2(n) to prohibit any funds under this section from being used by any member who has been defeated or has retired.

20. Publication of Committee Votes in Congressional Record.

Require committees to publish monthly in Record compilation of all rollcall votes. Amend Rule XI, cl. 2(e)(1).

21. Nongermane Senate Amendments.

Require a ⅔ vote of the House for adoption of such amendments. Amendment to Rule XXVIII, cl. 4.

22. Committee Travel Funds.

Committee Travel Funds to be approved by roll call vote of the committee in open session. Amendment to Rule XI. cl. 2(n).

23. Travel Fund Itemization.

Funds received under the per diem rate to be itemized as to expense and the excess turned back to committee. Amendment to Rule XI cl. 2(n).

24. Staff Compensation Restriction.

Prohibit any staff person hired pursuant to any primary or additional expense resolution from being on both a Committee and a Member's payroll at the same time. Amend Rule XI cl. 5 by adding new subsection (e).

25. Felony Conviction of Member.

Provide that in an instance of a felony conviction, a resolution for expulsion is considered automatically in the full House within 30 days. Amendment to Rule XLIII, probably cl. 10.

26. Open Committee Meetings.

Task Force—Instances to Close: "tend to degrade, defame or ridicule any person; unreasonably invade the private or personal affairs of any person; reveal private proprietary information of any business entity; reveal information inimical to important national interests".

Anderson—Instances to Close: if disclosure of matters to be discussed would endanger national security, violate any law or rule of the House, or involve committee personnel matters.

Amend Rule XI cl. 2(g)(1).

27. Applicability of House Committee Rules to Special Committees.

Rule XI to apply to any select, special or ad hoc committee, commission or other entity created by the House; any bills reported by same to be subject to the rules of the House in the same manner as though reported from standing committee (present House committee rules apply only to standing committees). Amendment to cl. 1 of Rule XI.

28. Ethics Committee Accountability.

Require Ethics Committee to report findings once investigation undertaken and to permit the House to direct the committee, by appropriate resolution, to undertake an investigation. Member who has filed complaint with the committee may call up a privileged resolution to direct the committee to undertake an investigation within 15 legislative days after filing the complaint if the committee has failed to so do. Amendment to Rule X, cl. 4(e).

29. Committee Budget Reports.

Require that committee reports under the Budget Act be made formal committee action and allow the filing of minority, additional or separate views. At present there is no uniformity among committees as to how the first budget resolution recommendations are put together. Some chairmen effect this by letter, and this deprives the Minority as well as other interested Members from participating. Amend Rule XI, cl. 2(1)(2)(A) and cl. 2(1)(5) to allow greater minority input.

30. Oversight.

Amend Rule X, cl. 2(c) to require inclusion of Minority committee members in the drafting of oversight plans which committees develop in concert with the Government Operations Committee during the first 60 days following the convening of Congress.

Mr. FRENZEL. Mr. Speaker, these proposals are not Republican policy, nor are they the only reforms needed now. They simply represent honest recommendations that should have been considered had the House adopted its rules under a representative process.

Because the rules are hopelessly flawed, and because the process is unrepresentative, I urge a vote against the previous question. If the previous question prevails, I urge a vote against these rules, the passage of which can only mark a dismal beginning for a new leadership in a new Congress.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I am particularly concerned that the proposed changes in the House rules do not include adequate safeguards for one of the most important minority rights—the right to counsel. In 1970 and in 1974, the House adopted a guarantee that the minority members of each committee be allotted one-third of each committee's funds for staffing. As a general matter, the minority members enjoy far less than a third. For both times the majority reconsidered this guarantee and then removed it. At present only about a fifth of the payroll is spent on minority staffing.

What appears to be overlooked is that Republicans are duly elected by people just as are Democrats. We all have an equal right to be here. And we all have an equal duty under law—to serve the people of the United States.

Why, then, in fulfilling that duty should some Members be preferred over others? Why in a country noted for its freedom of thought and expression should that preference be based on Members' beliefs? Why should Republican Members be denied the legislative tools available to Democrats?

Moreover, it should be noted that as a general matter funds spent on minority staffing are not controlled by the minority. In fact, minority staff persons are hired by the majority.

The fact that the majority must approve of any minority decision to hire a staff person produces a useless waste of time. When interviewing applicants, no commitment can be made regarding salary, starting time, or even the job itself. Often this results in the loss of valuable personnel. If the applicant is willing to go forward without any assurances, there then follows days and sometimes weeks of trying to get ahold of the staff director and the committee chairman for majority approval of the minority applicant. This inevitable delay is understandable. Staff directors and chairmen are busy people. Why should they trouble themselves to help the loyal opposition?

The House rules should not ask them to do so. The administrative solution is to commit a third of the funds to the minority for the employment of staff. Such a proposal would then permit all Members, regardless of party, to participate effectively in the legislative process. The result would be more soundly reasoned legislation which would reflect well on us all.

Mr. Speaker, I also wish to express my support for a proposal of the gentleman from New Hampshire (Mr. CLEVELAND) which would establish a Select Investigating Committee controlled by the minority party which would be activated whenever the majority party in the House also controls the other body and the executive branch. The purpose of this proposal is to give life to the doctrine of checks and balances.

It is self-evident that no one can credibly investigate himself. If some scandal should break out in the future,

there will be established no agency to bring the facts to light. To establish an agency at that time may be too sensitive a matter to accomplish. If we wait until then, the merits of having such an agency may be enmeshed in the merits of the particular controversy. The time to establish the mechanism is now—when there is no scandal to investigate.

Regrettably, these and other desirable rules changes cannot be made unless the House votes down the previous question and adopts the Anderson substitute which would permit the House rules to be freely amended under the 5-minute rule.

Is it too much for a Congressman to ask—the right to offer amendments to our rules? Or is this too much democracy for the House to bear?

Mr. Speaker, I am attaching to these remarks a schedule showing the wide disparity in the staffs allocated to the majority and minority members of the respective committees. The flagrant denial of minority rights is graphically illustrated in the following schedule:

House committee staffs (June 23, 1976)	Number of staff										Gross monthly payroll (March 1976)	Percent payroll majority	Percent payroll minority
	May 1973		September 1974		September 1975		March 1976						
	Total	Percent minority	Total	Percent minority	Total	Percent minority	Total	Majority	Minority	Percent minority			
Agriculture	18	22.2	19	21	48	31	52	37	15	28.9	$92,837.68	67.5	32.5
Appropriations	80	18.7	130	12	145	14	106	84	22	20.8	222,473.38	81.8	18.2
Armed Services	29	0	29	0	29	0	42	38	4	9.6	71,572.03	87.9	12.1
Banking, Currency, and Finance	44	20.4	57	18	91	20	97	79	18	18.6	169,113.03	81.1	18.9
Budget					67	4	65	62	3	4.6	128,276.78	95.3	4.7
District of Columbia	32	9.3	34	12	44	30	52	40	12	24.1	87,020.26	76.0	24.0
Education and Labor	81	19.7	90	20	99	19	106	87	19	18.0	178,134.10	76.9	23.1
Government Operations	56	14.2	62	15	69	19	74	62	12	16.2	137,274.84	82.9	17.1
House Administration	35	5.7	39	8	57	5	59	55	4	8.5	91,941.42	92.4	7.6
International Affairs	41	17.0	44	5	58	17	58	48	10	17.3	103,753.39	81.4	18.5
Interior and Insular Affairs	38	26.3	41	24	55	22	57	43	14	24.6	100,198.35	76.4	23.6
Interstate and Foreign Commerce	54	14.8	81	9	114	14	119	101	18	15.0	264,814.13	87.4	12.6
Judiciary	49	20.4	64	16	82	13	84	72	12	14.3	134,166.73	78.8	21.2
Merchant Marine and Fisheries	21	19.0	22	18	29	31	29	20	9	31.1	84,827.01	80.5	19.5
Post Office and Civil Service	35	17.1	38	16	49	24	53	39	14	26.5	84,863.00	71.6	28.4
Public Works	64	20.9	72	19	89	26	74	53	21	28.4	133,329.68	70.6	29.4
Rules	7	28.5	8	25	23	35	23	16	7	31.5	42,109.90	69.6	31.4
Science and Technology	44	12.5	29	10	47	15	53	47	6	11.4	93,653.34	87.5	12.5
Small Business			21	24	30	27	33	23	10	30.3	69,883.33	77.0	23.0
Veterans' Affairs	17	23.5	18	42	27	33	29	19	10	34.5	39,966.54	73.3	26.7
Ways and Means	29	20.6	33	12	69	16	79	62	17	21.6	147,830.59	78.2	21.8
Total	790	16.7	931	14.5	1,321	18	1,344	1,087	257	19.3	2,241,507.18	79.0	21.0

The SPEAKER pro tempore. The Chair now recognizes the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I yield 3 minutes to the distinguished minority whip, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker and my colleagues, the rules of the House are most important. They are not sacrosanct, and should not be immune from change. However, we ought to examine the more important ones individually, and in my judgment, to vote on each one separately on its own merit.

To lump 24 changes in one package with no opportunity for amendment and with limited debate is running roughshod over the minority. I concur in the remarks expressed by the minority leader, that in all my time here I do not recall an instance of the House ever proceeding in this fashion with so many proposed rule changes being offered at one time. If one considers just the question of establishing a quorum, as has been alluded to several times, in committee and on this floor, one has to be concerned.

The Constitution itself requires that, "A majority of each * * *" meaning the House and Senate * * * "shall constitute a quorum to do business."

What this new rule says is that what goes on during general debate does not count for a thing in this body; it is a sham. This proposed change demeans debate and should tell the American people that free and open discussion of our laws is no longer part of the official business of the House. What about legislative history? Do not the executive departments and agencies of Government downtown depend upon what we establish here by way of legislative history, and to a lesser degree the courts, in determining what kind of decisions they ought to render? This is not reform in the interest of efficiency. This is nothing more than a bold deception in the interest of expediency.

Just a few moments ago the gentleman from Maryland (Mr. BAUMAN) asked the majority leader a question and engaged in a dialogue on his interpretation of these new rules. If every Member were here, undoubtedly other questions would have been asked as to how the proposed changes would apply in committee.

As for only one-third of committees required to mark up legislation, we are saying that all the committees other than those which are exempt—Budget, Appropriations and Ways and Means—really are not as important as those three, and therefore only a third is required to do business.

With fewer and fewer Members required to do business, we are going to have more absenteeism than ever. Mark my words, our major concern should be the fantastic growth and proliferation of committees and subcommittees which, as the distinguished gentleman from Illinois (Mr. ANDERSON) pointed out, now exceed 180. That is why the other body is reorganizing itself. Members are spread too thin, and the net result of these quorum call changes will be fewer and fewer Members engaging in the debate with the big, key decisions affecting this country being made by a handful of representatives.

Make no mistake, everybody talks about, "Let us have everybody participating in our Government." We are going to have fewer people making the key decisions when these rules changes are adopted. Democrary is not neat, it is not even tidy for that matter, and it is not convenient. It demands full debate; open free and candid.

There is something wrong, it seems to me, when the first order of business of the 95th Congress just happens to be a proposal to remedy an inconvenience to the representatives of the people that requires them to attend their committees faithfully and to be present on this floor when important business is being transacted.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. RHODES. Mr. Speaker, I yield one-half minute to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, you have the majority and therefore you have the votes, but that does not necessarily mean that your proposals are good for this House or for the American people. We should have an opportunity in this, the people's House, to freely debate and amend these changes on our side. What, frankly, is the majority afraid of? I hope the previous question will be voted down so that this body will have an opportunity to discuss and vote on each of the proposed changes as well as any others which might be offered under the procedure outline by the gentleman from Illinois (Mr. ANDERSON).

Mr. RHODES. Mr. Speaker, it is my understanding that the gentleman from Texas has no further speakers, and that he desires that I go ahead and run through my list of speakers.

Mr. WRIGHT. Mr. Speaker, the situation has changed only in a minor way. I think perhaps at this time I should like to yield 1 minute to the gentleman from Wyoming (Mr. RONCALIO), and then I will yield for a colloquy to the gentleman from New York.

Mr. RONCALIO. Mr. Speaker, I thank the eminent majority leader for yielding to me.

Mr. Speaker, I want to commend the gentleman from Texas (Mr. YOUNG) for an act of greatness and personal sacrifice in the furtherance of our search for answers in the energy field. It was commendible of him to take the floor as he did earlier today, and announce his support of these rules. His is an act of great leadership, and I commend him for that.

I believe the objections based on lack of openness my good friends on the other side of the aisle raised today are not valid. During the 5 days of the meetings of the majority last December in this Hall, every session was open to the press and to the minority, and they could have attended. They were invited, as a matter of fact. These rule changes were openly arrived at by a two-thirds majority of the full House, duly assembled in a duly called canvas. I would like the RECORD to show that.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. I thank the distinguished majority leader for yielding.

Mr. Speaker, I would like to join my friend, the gentleman from Wyoming, in commending the gentleman from Texas (Mr. YOUNG) for his position.

I would like to say that we recognize, with respect to the jurisdiction formerly exercised by the Joint Committee on Atomic Energy, there will be questions arising as between the respective standing committees of the House. This is standard procedure. With any major matters that come before the House there are differences of opinion among the committees with regard to their jurisdiction, and some of these will have to be thrashed out as we go along.

Mr. Speaker, I would like to say that representatives of the Committee on Interior and Insular Affairs and the Committee on Interstate and Foreign Commerce have met with members of my staff and have worked out a suggested arrangement which would seem to be satisfactory to those two committees, so far as the division of responsibilities between those two committees are concerned.

Mr. Speaker, I insert that memorandum of understanding at this point in the RECORD:

The memorandum referred to is as follows:

MEMORANDUM OF UNDERSTANDING WITH RESPECT TO BINGHAM AMENDMENT

The transfer of jurisdiction accomplished by the Rule changes to be proposed by Representative Bingham would clarify the jurisdiction of the Committee on Interstate and Foreign Commerce with respect to nuclear issues. These amendments would explicitly recognize that the Commerce Committee "shall have the same jurisdiction with respect to regulation of nuclear facilities and of use of nuclear energy as it has with respect to regulation of nonnuclear facilities and of use of nonnuclear energy." This legislative jurisdiction is buttressed by special oversight jurisdiction over "all laws, programs, and government activities relating to nuclear energy." Thus, in the course of exercising its regulatory jurisdiction with respect to electric utilities, oil and gas pricing, mandatory conservation and supply, the Commerce Committee can examine the economics of nuclear power and exercise the same authority over siting, reliability and other aspects of economic regulation of nuclear power plants as the Commerce Committee has over fossil fuel and hydroelectric generation facilities.

Similarly, the transfer of jurisdiction accomplished by the proposed Rule change will not limit the jurisdiction of the Committee on Interstate and Foreign Commerce with respect to protection of the public health and environment from radiation discharged from nuclear power plants into the environment. Thus, in the course of exercising its regulatory jurisdiction with respect to control and abatement of air pollution, prevention of exposures to toxic substances, management, disposal and transportation of solid waste, protection of safe drinking water, and other health and environmental protection legislation, the Commerce Committee can examine the public health and environmental effects of nuclear power and can exercise the same authority over regulation of the emission or disposal of any radioactive contaminant eminating from nuclear power plants and other federally licensed nuclear plants and sites as the Commerce Committee has over regulation of the emission or disposal of any other contaminants from fossil fuel fired and other nonnuclear power facilities.

Under the Rule change, however, the jurisdiction of the Joint Committee on Atomic Energy over various matters concerning the domestic nuclear power industry is primarily vested in the Committee on Interior and Insular Affairs; these matters include regulation of research reactors and reactors used in production of energy for commercial purposes; regulation of the commercial production and reprocessing of nuclear fuels; regulation of nuclear waste management at the site of federally-licensed facilities; regulation of transportation of nuclear fuels and wastes; nuclear regulatory research.

The Committees recognize that their jurisdictions with respect to nuclear power may overlap to some extent and in these cases joint or sequential referrals may be appropriate. For example one area in which joint or sequential referral would be appropriate would be regulation of management and disposal of nuclear wastes.

The intention of the proponents of the Bingham amendment, as modified, is to give the Interior Committee primary jurisdiction with respect to legislation that deals principally with nuclear licensing and with safety regulation of nuclear facilities. However, as noted above, the Commerce Committee will have concurrent jurisdiction over many of these measures, and could request a sequential referral of these measures, including amendments to the Price-Anderson Act and authorizations of appropriations for the Nuclear Regulatory Commission.

Measures relating to more than one regulatory agency, such as bills regulating public participation in agency processes, prohibitions on employment of former regulators by regulated industry, and agency litigation authorities would be referred to the Commerce Committee initially.

Harley O. Staggers, John E. Moss, John D. Dingell, Paul G. Rogers, Fred B. Rooney, Morris K. Udall, Jonathan B. Bingham.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. MCCORMACK).

Mr. McCORMACK. Mr. Speaker, I would like to first of all ask the distinguished majority leader a series of questions. The first is as follows:

During the debate on the Bingham amendments in the Democratic Caucus on December 8, in a response to a question concerning the jurisdiction on matters then within the province of the Joint Committee on Atomic Energy, Mr. BINGHAM, the sponsor of the amendments said:

Generally, it is the intention of this resolution that the jurisdiction of the Interior Committee would parallel that of the Nuclear Regulatory Commission, and the jurisdiction of Science and Technology would parallel that of ERDA.

So that we may establish this matter clearly in the formal record of the House at this time, would the majority leader state that the intention of the new rules involving this jurisdiction is as indicated by Mr. BINGHAM; that is, that jurisdiction for all activities of the Energy Research and Development Administration, except for weapons research and fabrication, falls within the jurisdiction of the Science and Technology Committee; and that legislative and special oversight jurisdiction over the Nuclear Regulatory Commission is shared by the Committee on Interior and Insular Affairs and the Interstate and Foreign Commerce Committee, as indicated today by the memorandum placed in the RECORD by Mr. BINGHAM.

Mr. WRIGHT. The gentleman from Washington is completely correct. The jurisdiction for all ERDA programs and activities except for weapons research and production would, under the new rules being offered at this time, go to the Committee on Science and Technology. This includes fusion energy research.

Mr. McCORMACK. It is my understanding that the intent of the amendment is to transfer the jurisdiction for energy research and development activities performed under contract for the Energy Research and Development Administration at the National Laboratories to the Committee on Science and Technology.

Mr. WRIGHT. Yes; that is correct. The basic thrust of these rules is to transfer jurisdiction over all energy research, development and demonstration and all other activities of ERDA except weapons research and production, to the Committee on Science and Technology.

Mr. McCORMACK. It is my understanding that the leadership of the House is taking steps leading toward the creation of a select ad hoc committee on energy, with the necessary legislative and policymaking authority for the purpose of helping to establish a national energy policy for the Congress and the country; and for resolving questions concerning energy policy and jurisdiction within the House. Is that correct?

Mr. WRIGHT. Yes; it is.

Mr. McCORMACK. Mr. Speaker, I appreciate the clarification of the rules that has been provided by the distin-

guished majority leader and I am, of course, greatly pleased that the leadership of the House plans to initiate action to create a select ad hoc committee in the near future. Given the chaotic situation that now faces the House with the adoption of the Bingham amendments, the only solution, it seems to me, is the creation of such a select committee with jurisdiction to help establish energy policy for the Congress and the country, and to resolve policy and jurisdictional disputes between the many subcommittees of the House which now claim jurisdiction in energy-related legislation.

Such a select committee is a goal I have sought for many years. I look forward now to the House helping to establish a coherent energy policy for our Nation.

However much I applaud this new leadership, I must, in all sincerity, record a vigorous protest against the redistribution of jurisdiction in legislation related to nuclear energy in the manner it has been done.

Little or no thought has been given to the many problems that have been created by the Bingham amendments, and although some of the potential jurisdictional problems are resolved by the statement by the gentleman of New York (Mr. BINGHAM) and the answers to my questions by the distinguished majority leader, the fact remains that a great deal of damage has been done to one of this Nation's most important programs, the development of nuclear energy.

Nor should we ignore the fact that the Joint Committee on Atomic Energy has done an outstanding job during recent years in helping to develop nuclear energy to its present state, wherein the production of electricity from nuclear fission is one of the safest of human activities, and wherein the nuclear breeder program and the nuclear fusion program provide this Nation with its only opportunity for energy self-sufficiency during the latter part of the 20th century and the first half of the 21st century.

Mr. Speaker, there is no doubt in my mind that if the entire House could debate and vote the Bingham amendments they would be defeated. However, the parliamentary situation does not allow for such debate or vote.

Now we are all going to be on trial before the people in this country, and all the free world, which looks toward the United States for strength and stability. Of course, I pray that things will go well, and that the damage done by the Bingham amendments and the splintering of energy jurisdiction in the House will be overcome by the wiser deliberations by a select committee on energy.

Finally, I do not consider the Joint Committee on Atomic Energy to be a sacred cow to be preserved at any cost. It could be abolished, and its jurisdiction distributed among other committees, and without harm, if this were done in a rational, deliberate manner, as recommended by the gentleman from California (Mr. BROWN). I do insist that the Joint Committee has done an outstanding job in serving the Congress and the people in this country, with truth, integrity and openness. Its continued existence is however, of no moment if it can be replaced with a committee or committee structure which will meet the same high standards that the Joint Committee has met, and which will continue to move this country forward to energy independence and economic stability and national security.

Mr. WRIGHT. Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair now recognizes the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the gentleman from Arizona (Mr. RHODES), the gentleman from Illinois (Mr. ANDERSON), and the gentleman from Illinois (Mr. MICHEL), as well as others, have made the point repeatedly that by the action which we are taking today and the procedure under which we are operating it is impossible, first, for any Member, not just the majority Members, but for any Member of this body to offer for the consideration of this body proposed amendments to the rules.

In other words, it is not just: What are we going to adopt? It is: What are we going to listen to?

I think that is wrong for reasons that have already been adequately stated.

Mr. Speaker, I also want to support and underscore the remarks of the gentleman from Illinois, who said that under this proposal we are not even permitted to consider the predigested amendments of the Democratic Caucus, that it is a take-it-or-leave-it package proposition. I think that is most unfortunate.

I am not pleased with these responses of the majority leader to the inquiries. I think it is a most disappointing reply. He says in effect: "Well, we have the votes, and we are going to run the show."

I am well aware that when you have the majority, the temptation to resort to that kind of argument becomes very strong, and I suppose that the larger the majority, the greater the temptation. I would hope at least in this one instance involving the basic rules of this body and involving the integrity and the honor of this body the majority would be able to resist the temptation to just say out of hand, "We are not going to listen to your arguments, and they will not even be presented or be considered. We have the votes, and we are going to run the show." I hope that just this once we can avoid that temptation.

If the majority is unwilling to do that, it is not just that they are running roughshod over the minority Members of this body, it is not just that their colleagues on this side of the aisle are precluded from expressing their thoughts so that the majority could obtain our judgment and our thoughts, but it is the people whom we represent that are not being heard today.

Mr. RHODES. Mr. Speaker, is my understanding correct that the majority has no further speakers?

Mr. WRIGHT. The gentleman is correct.

Mr. RHODES. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, we all joined in congratulating you earlier today in your election to Speaker of the House. I certainly joined in that expression, despite the letter you sent endorsing my opponent in the recent campaign.

We are all moved by the fact that as a result of participation in Bay State politics and through 24 years of service in Congress you have now reached the pinnacle of power in the House of Representatives as our Speaker. But now under these rules that have been offered, I think I can say to the ladies and gentlemen of the House that the Speaker will never see the Members of the House, unless he desires to call us from wherever we may be. Certainly we will not be on the floor of the House of Representatives learning from debate and forming opinions. We will not be in the committees marking up bills. Where will we be? Will we be in the House gym playing handball or over in the Democratic Club or in the Capitol Hill Club indulging our baser natures? Or will we, like the former gentleman from Ohio, who is no longer with us, be exercising our own personal predilections in preference to performing our duties? No one knows, because these rules allow us to skip out and stay out.

Why is it not important that we act as representatives of the people of the United States and legislate in the House of the people? That is what we are sent here for, and that is exactly what our past rules permitted. We should not walk away from our responsibilities and indulge in steamroller government.

I hope, Mr. Speaker, that we do uphold the integrity of the House of Representatives of the United States of America. I know that this debate is not newsworthy. It will not receive the coverage of Korean payoffs or sex scandals. The press does not look at this important issue with the same scrutiny.

No, this is only the integrity of the legislative process, and the rights of all the people of America. I hope that we will follow the suggestion of the silver-maned moderate from the heartland of America, the gentleman from Illinois (Mr. ANDERSON), and vote these rule changes down. We must instead conduct our affairs on behalf of the people with full understanding of our responsibilities as Members of the Congress of the United States of America. These rules fly in the face of that sworn duty.

Mr. RHODES. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker and Members of the House, we all will recall

that on September 1, 1976, this House considered the legislative appropriations bill under an unprecedented gag rule that prohibited all amendments. We likewise will recall that about midnight of that day we had a vote on a motion to recommit that bill with instructions labeled "E." That was defeated by four votes. By four votes, Mr. Speaker, we then defeated real reform.

Now, Mr. Speaker, we are considering another package of reforms and again under an unprecedented gag procedure.

Mr. Speaker, to consider reform and openness under a gag procedure has to be the height of travesty. Were these rules subject to amendment, a number of those reforms could be introduced now and the House could work its will.

Mr. Speaker, it tarnishes the image of our institution to consider sunshine in the darkness.

Mr. RHODES. Mr. Speaker, I yield the remainder of my time to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker, with the increased Democratizing—with a capital "D"—of the House, it seems as though the Members on that side of the aisle would have liked to increase the "Democratizing" of the House in practice.

Mr. Speaker, how are we going to explain to our constituents that one-third of a committee is a quorum which conducts the most important business of this House?

The SPEAKER. The time of the gentleman from Michigan (Mr. BROWN) has expired.

The Chair recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, much has been said about gag rules. Something has been said about integrity. I think all of us will agree that integrity wears no party label. It is not the exclusive property of either party.

So far as a gag rule is concerned, nothing is being done differently today from what has been done at the beginning of every Congress in this century, and perhaps earlier than that.

Mr. Speaker, since time immemorial, it has been the responsibility of the majority party in the Congress to organize the Congress. With that responsibility has gone the obligation of establishing the rules under which the Congress will operate.

Mr. Speaker, the changes in the rules proposed by the Democratic Caucus this year and embodied in this resolution are not catastrophic. They do make it possible for the business of the House to be facilitated. They do permit us to avoid, hopefully, some of the troubles we got into when last year, during 1 particular week, 20 hours of every Member's time were consumed in frivolous motions to respond to quorum calls and to rollcall votes on which fewer than 15 Members voted on the losing side.

Mr. Speaker, if what we are attempting to do is to permit the committees to work their will in orderly process, then this will serve that purpose. If what we are attempting to do is to permit the Members of the House not to be constantly harassed by obstructionist groups or small coteries of tightly knit minorities, then that is what we are attempting to do.

Mr. Speaker, I have no quarrel with any of the gentlemen who have spoken. It is their right to offer changes in the rules, and I suggest to them that no gag is being applied to them. They have the next 2 years in which any rules change they might propose can be offered, in the orderly process, to the Committee on Rules of the House; and if a majority of the Committee on Rules of the House should find the change worthy, it can be brought to the floor of the House and can be attached as an appendage to the rules that we are now seeking to adopt.

Mr. Speaker, the rules on more than one occasion were described by the late Lew Deschler as the most carefully balanced rules of any legislative body in the world. They exist so as to protect the minority against the intolerance of a majority and also to protect the majority against the intolerance of a minority.

I believe these are constructive additions to the rules, Mr. Speaker.

I move the previous question on the resolution, Mr. Speaker.

Mr. CLEVELAND. Mr. Speaker, I intend to vote against the previous question on the motion to adopt the resolution providing for new House rules for the 95th Congress. If the previous question is defeated, amendments to the rules can then be offered and I will vote for the substitute resolution offered by Congressman JOHN B. ANDERSON of Illinois.

If the previous question is adopted, we will have no opportunity to consider the substitute nor will there be an opportunity for separate consideration of the 24 changes in House procedures adopted by the Democratic Caucus. The previous question issue therefore, amounts to a closed rule issue.

At a time when public confidence in Government, and particularly the U.S. Congress is appallingly low, I find this situation unconscionable. Only 2 years ago, at the beginning of the 94th Congress, there were promises of great reform by the majority party including the elimination of closed rules on legislation. Yet, a mere 2 years later, we are being asked to consider modifications to the procedures which govern our legislative activities as a "package" with no amendments or additions allowed. Such a blatant display of the misuse of power is an affront to the American people.

I find it difficult to believe that responsible members of the majority party will support a motion which not only precludes consideration of any minority proposals but also prohibits separate consideration of proposals offered in the Democratic Caucus. A vote for the previous question is in effect a vote to permit a mere one-third of the Members of the House—or one-half the majority party—to bind 435 Representatives to a set of procedures which clearly calls for improvement.

Some of the amendments which would be offered should the previous question be defeated include the elimination of proxy voting in committees, greater accountability from the ethics committee, and public access to verbatim transcripts of committee actions. Others which I have cosponsored and worked for in past sessions would permit broadcast coverage of House floor proceedings and require that the CONGRESSIONAL RECORD accurately reflect words actually spoken on the floor of the House.

Furthermore, if the previous question is not defeated, we will not even have an opportunity to cast separate votes on such important considerations as whether committees should be permitted to mark up legislation with only one-third of their Members present and whether quorum calls should be drastically restricted thereby promoting absenteeism on the House floor.

Many other amendments with significant impact on the direction and operations of the 95th Congress, including my amendment to establish an investigating committee controlled by the minority party when the majority party controls both the Congress and the White House, will not even be considered on the floor of the House unless we defeat this closed, no-amendment Democratic Caucus rules resolution. I will discuss this important issue in separate remarks.

I urge my colleagues to demonstrate their commitment to achieving meaningful reform of the House and to prove to the American public that the House is capable of effective, responsible representation by joining in defeating the previous question.

Mr. ASHBROOK. Mr. Speaker, in addition to allowing real minority participation in the revising and adoption of the House rules, I have a special reason for voting against the previous question. On the first day of the 94th Congress the House eliminated the House Committee on Internal Security by voting for the previous question, thereby ruling out any amendments to the rules. The House Committee on Internal Security—HCIS—had been eliminated as a standing committee of the House in the Democratic Caucus where the rules for the 94th Congress were amended. These amendments, contained in House Resolution 5, were presented to the House for adoption on January 14 with HCIS no longer listed as a standing committee, effectively abolishing that unit. Thus, a committee whose predecessor committees dated back to the early 1930's and covered such important activities as Nazi and Fascist activities, ongoing investigations of Communist subversion down through the years, the KKK, SDS, and Black Panthers, to mention but a few, were abolished without a direct vote by the Members of the House on the all-important merits of the committee.

On the day following the abolition of the committee, I submitted legislation to reestablish HCIS as it was constituted at the end of the 93d Congress. This measure received no action in the Rules Committee and died at the end of the 94th Congress.

In addition I introduced a proposal

calling for a joint Senate-House Committee on Internal Security. This proposal also received no attention in the House and likewise died at the end of the last Congress.

In order to insure that the House of Representatives give some consideration to the vital area of internal security, in March of 1975 and again in March 1976, I sought to have the House allocate $300,000 for internal security work within the Judiciary Committee. The vehicle for this proposal was the Judiciary Committee's appropriation which I tried to have recommitted for the purpose of adding the $300,000. Unfortunately, these two efforts were voted down.

The support for the internal security units in the House over the years has been demonstrated by the various votes on these committees, lopsided votes favoring the continuance of these units. If the previous question is voted down, I will offer an amendment to the rules, reestablishing the House Committee on Internal Security. In this way, the American people can ascertain whether the longstanding support for the internal security committees is reflected in that of the Members of the 95th Congress.

Mr. GARY A. MYERS. Mr. Speaker, many of the rules changes proposed by the majority here this afternoon are laudable attempts to rationalize committee and floor procedure. Others, unfortunately, appear to sacrifice important minority rights and comprehensive debate on the altar of legislative expediency.

Of greatest significance, however, are the many areas in which meaningful reform has been postponed or ignored. Mr. Speaker, I intend to support attempts to open the proposed rule to further amendment to allow Members to offer further rules changes. Reform is required in several significant areas.

First. Proxy voting in committees: All too many Members are familiar with circumstances where important committee votes have been decided by a flood of proxies wielded by a minority of the Members present and participating in committee debate. If we are to have rational, informed voting on committee business—business that, in many respects, is the heart of the legislative process—then proxy voting should be banned. If we are not prepared for this step, at a bare minimum, Members voting by proxy should be listed in committee reports.

Second. Committee voting tallies: To further strengthen the committee process, legislative reports to the Congress should include lists of Members voting for and against reported measures and for and against amendments offered in committee. Committee vote tallies, combined with proxy voting lists, would offer all Members a better knowledge of the closeness of committee votes, a firmer understanding of Members' positions during debate, and a ready source of Members who participated in and could share information on committee proceedings.

Third. Fuller protection for preprinted amendments under the 5-minute rule: Currently, House rule XXIII partially protects amendments printed in the RECORD 1 day prior to debate by allowing the Member offering the amendment 5 minutes of speaking time when debate has otherwise been closed. However, a Member may still lose the opportunity to speak in favor of his or her amendment if an amendment in the nature of a substitute for the bill has been adopted. A Member who has prepared an amendment should be permitted to offer the amendment, with necessary conforming alterations, and his or her 5 minutes should be protected even if a substitute is being considered.

Fourth. Allocation of debate time between committee members and other Members of the House of Representatives: On numerous occasions in past Congresses, Members not serving on a particular committee have not had time under the 5-minute rule for debate of their proposed amendments. Instead, on a bill with a number of controversial provisions, members of the committee often use up all the time before the motion to limit debate rehashing ideas rejected during committee debate and amendments defeated in committee voting. The less well-known amendments, proposed by committee outsiders, need explanation and debate. The rules of the House should be amended to explicitly provide for equal access to amendment debate time for committee members and other Members, so Members will be able to vote with an adequate understanding of all amendments before them for consideration.

Fifth. Clear differentiation between debate and extension of remarks: A change which is long overdue is the clear distinction in the CONGRESSIONAL RECORD between remarks actually made on the floor of the House and remarks inserted for printing after the debate and the vote on the measure is completed. Increasingly, the debate on legislation is being looked to as an explanation of the intended meaning of the legislature when a phrase in a statute is vague or ambiguous. The public has the right to know which statements were uncontradicted during debate and which were added later and, therefore, reflect the opinion of only one of those voting on the measure.

Sixth. Four hour rule for printing of bills and reports: The 94th Congress improved the rules when it provided that all bills must be available in their final written form on the floor of the House of Representatives at least 2 hours before the bill becomes in order for consideration. However, further improvement is sorely needed. Four hours is a much more reasonable period of time for reviewing the final version of a bill before consideration, especially considering the invariable shortening of debate time at the end of a session. Also the committee reports should be available for the same period of time, since many bills are so technical or so intricately amend existing statutes, that their true impact cannot be weighed within 4 hours without the aid of the report.

Seventh. Twenty-five cosponsors rule: It is time for repeal of this dated rule. Each Congress the duplicate bills which result from this rule cost the taxpayers over $1 million. There should be no limit on the number of cosponsors for any piece of legislation. Reintroduction of an identical bill also should not be permitted. Instead, an official registry of those currently cosponsoring a proposal should be kept and computerized for immediate access. This arrangement would also permit a Member to withdraw his cosponsorship.

Eighth. Lobbying by former Members: Lobbying on the floor of the House of Representatives by former Members should be treated as a serious offense. These former colleagues have changed professions; some are now hired to influence legislation from a narrow point of view rather than determine public policy from a broad perspective. Persons required to register under any lobbying act of the Congress should not be permitted on the floor except for ceremonial occasions. They should face civil and criminal penalties for violation of this rule. There is no way to draw the line between lobbying and not lobbying by these individuals; therefore, we should not force this task on our presiding officer.

This list is by no means all-inclusive; other Members undoubtedly have equally pressing concerns. It is inexcusable to prohibit open debate and voting on these proposed rules changes.

Mr. CLEVELAND. Mr. Speaker, the Democratic majority has decreed that the House will not even consider any amendments to the House rules, no matter how good. This includes one which I was prepared to offer.

Mr. Speaker, my amendment simply provides that a separate oversight committee under minority control be established, funded and vested with investigative authority whenever both the Congress and the White House are controlled by the majority party.

Accordingly, it represents a long-overdue reform in light of at least four facts which should be self-evident to all Members regardless of party:

First, no administration can be relied upon to investigate itself, nor can the majority party in the Congress be relied upon to investigate an administration of the same party. Whatever the competence, commitment and integrity of those carrying out investigative responsibilities, independence from the subject of the investigation is critical to the confidence of the public in their findings.

Second, the legislative oversight function is equally important as the lawmaking function in the discharge of congressional responsibilities.

Third, the committees of the House have yet to meet their responsibilities uniformly on a sustained and comprehensive basis.

And fourth, this failure accounts in large measure for the unresponsiveness and otherwise poor performance of executive branch agencies, which has contributed to the decline of public confidence in government—notably including the legislative branch.

The concept draws on experience from the British parliament and the conduct of the Teapot Dome scandal investigation

in our own country, as well as the not altogether satisfactory conduct of the Estes and Bobby Baker investigations. The concept of independence also has been reflected in establishment of the Watergate Special Prosecutor's Office and the Federal Elections Commission.

Members should note that similar proposals have been advanced seriously since 1965 as fundamental reforms, in years of Republican as well as Democratic administrations. Thus it is by no means a late-blooming response to the present circumstances.

If Members, particularly on the majority side, will examine this proposal carefully, they might note certain advantages.

First, the rules amendment is carefully crafted to assure that the minority-controlled investigations subcommittee be barred from intruding into areas already under active investigation by standing committees of the House. This will guard against any wide-ranging, free-wheeling partisan operation which otherwise might result. Indeed, its very existence should provide incentive for all committees to do what they should be doing anyway in the oversight field.

Second, it would permit investigations in sensitive areas where members of the majority party might find themselves deterred from entering.

Third, its existence should similarly provide incentive to improve executive agency performance, the prospects of embarrassing exposure being the best single spur to competent, efficient and responsive operation.

In recent years, the Congress has taken several steps to improve its own performance, including partial jurisdictional realinements, increased public scrutiny of our operations and a strengthened adversary system through minority staffing improvements. Much remains to be done in these areas.

But we should go beyond these to provide this mechanism as I have proposed it, with the overwhelming support of the Republican Conference. In my view, it should be regarded as a true test of one's commitment to genuine reform of the House as an institution, irrespective of partisan considerations.

The text of the amendment which I was prepared to offer, had the majority party not prevented consideration of any amendments, follows:

AMENDMENT OF MR. CLEVELAND TO THE RULES OF THE HOUSE OF REPRESENTATIVES

Clause 6 of Rule X of the Rules of the House of Representatives is amended by inserting at the end thereof the following:

"(h)(1) Whenever in any Congress the majority party in the House and Senate is the same party as that to which the President belongs, there shall be established in the House a Select Committee on Investigations consisting of fifteen Members appointed by the Speaker and distributed between the majority and minority parties as provided in subparagraph (2).

"(2)(A) The number of members of the select committee appointed from the minority party shall bear the same ratio to the number of members appointed from the majority party as the total number of the Members of the House who are from the majority party bears to the total number of the Members of the House who are from the minority party, rounded to the next higher whole number. The remaining members of the committee shall be appointed from the majority party.

"(B) Any vacancy occurring in the membership of the select committee shall be filled in the manner in which the original appointment was made.

"(3) It shall be the duty of the select committee to conduct studies and investigations of the administration and enforcement of Federal laws by the departments and agencies of the Federal Government, with particular reference to (A) whether such laws are being administered and enforced reasonably, effectively, and in a manner consistent with and in furtherance of the intent, purposes, and objectives for which such laws were enacted; (B) whether such departments and agencies are conducting their operations economically and efficiently; (C) whether each such department and agency is consulting with and seeking advice from all other significantly affected departments and agencies of the Federal Government in an effort to assure fully coordinated programs; and (D) whether the departments and agencies of the Federal Government are supplying full and accurate information to the Congress and the public in accordance with the requirements of law. The committee shall not consider any subject matter under active investigation by any standing committee of the House or by any subcommittee thereof.

"(4) The select committee may from time to time submit to the House such reports as it deems advisable and prior to the close of the Congress for which it was appointed shall submit to the House its final report on the results of its study and investigation, together with such recommendations as it deems advisable. Any report submitted when the House is not in session may be filed with the Clerk of the House.

"(5) For the purpose of this clause the select committee, or any subcommittee thereof, is authorized to sit and act during the Congress for which it was appointed at such times and places within the United States, whether or not the House has recessed or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony as the committee deems necessary. The chairman of the committee or any member thereof may administer oaths to witnesses.

"(6) The majority of the members of the select committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking of evidence including sworn testimony.

"(7) There shall be paid to the select committee from the contingent fund of the House, upon passage of an expense resolution in the manner provided for standing committees under clause 5(a) of rule XI, such sums as may be necessary to carry out its functions. The minority party on the select committee shall be entitled, upon request of a majority of such minority, to one-third of the funds provided for the appointment of committee staff pursuant to such expense resolution."

Mr. KEMP. Mr. Speaker, one of the most important things which this Congress can do over the next 2 years is to conduct itself in such a manner as to reinstill public trust and confidence in it as an institution and in its Members as holders of the public trust.

Few things are more important in a society, especially a free society, than trust in the institutions which act in behalf of the people's interests.

I am deeply concerned over the stress which a number of disclosures about misconduct on the part of some Members of Congress is putting on our social fabric. We are a strong people, but like any society, the threads which hold us together cannot be too often severed without the cloth coming apart. You cannot get through today at the expense of tomorrow forever, and it is time Congress realizes this point.

The attitude that Congress can take care of a basic, fundamental problem by dealing only with a specific instance of wrongdoing is wrong. So is the attitude that a problem can be glossed over by ignoring it. Maybe that was true at one time, when disclosures of wrongdoing were few and far between, but it is not true anymore. Look at the disclosures and allegations over the past several years. Abuses of congressional staff positions and salaries. Converting campaign funds to personal uses. Accepting political contributions or personal gifts from foreigners with immense financial interest in the decisions of Congress. Traveling abroad at the expense of foreign governments who depend upon the economic and military assistance we vote them. And the list goes on.

My point here is not a partisan one, for the need for genuine congressional reform transcends both political party and philosophical persuasion. That is why I am particularly disappointed in today's debate on adopting the rules of the House for the next 2 years, a debate which once again sees the defenders of the status quo lined up to stop us from passing badly needed reforms.

The situation is not as bad as some believe or as bad as others would want us to believe. For every instance of corruption, or misconduct, or simply bad judgment, there are hundreds of instances of honesty and good judgment. It is like everything else in life—only the abberations make the news, for only they are the news. Probably the most obvious and tangible evidence of this disparity between perceptions of Congress in general and of most Congressmen in particular is the fact that while we have polls showing only 19 percent of the people have confidence in Congress as an institution, individual Members of Congress who run for reelection are returned by majority votes in their respective districts at the rate of 90 to 92 percent. The people appear to be saying, "Congress isn't worth too much, but we think a great deal of our own Congressman." And when you add those sentiments together, it shows the strong support for individual Members, which when added together, should—but does not—show confidence in Congress as an institution.

A number of things—substantive ones—need to be done by us here, at the outset of this new Congress. We have a new Speaker, a new majority leader, and I congratulate them, new faces in the leadership of the committees and their subcommittees, many new Members, and even a new President who made trust in government one of his most successful campaign themes, as did the outgoing President. We have an opportunity, therefore, to carry out meaningful reforms in the coming months, and I am firmly pledged to pushing for them.

I intend to make congressional reform one of my strongest efforts this Congress.

Next week I will introduce one of the most far-reaching congressional reform legislations to have been introduced in Congress. This legislation consist of two measures—the Congressional Reform Act of 1977 and the Congressional Reform Resolution of 1977. The first covers all matters not governed by the rules of the House, and the second encompasses all matters governed by those rules.

The Congressional Reform Act has provisions which—

Prohibit the use of campaign funds for personal use, with a felony penalty provision included;

Prohibit travel by Members and staff at the expense of a foreign government or an organization effectively controlled by a foreign government, with the Attorney General of the United States after consultation with the Secretary of State, making the decisions on which organizations are so controlled;

Prohibit the chairman of the Committee on House Administration or any of its subcommittees from serving simultaneously as an officer of the National Republican Congressional Committee or the Democratic National Congressional Committee;

Assure that salary increases for Members will not take effect until the Congress after which recommendations for increases were not disapproved or amended;

Permit the many allowances to be set or adjusted only by a vote of the entire House;

Prohibit Members from hiring relatives of other Members;

Prohibit travel at Government expense outside the United States by Members who have been defeated or who have resigned or retired;

Require a mandatory study of the personnel policies and practices of Members and committees by an independent management consultant firm;

Prohibit reimbursement for first-class air fare for Members and employees;

Require a mandatory audit of all income tax returns made by Members;

Require the House restaurant, cafeterias, and other food services of the House to be operated on a self-sustaining basis;

Require that estimates of costs and savings in total and to each taxpaying family of legislation proposed be printed on the first page of bills and resolutions;

Require additional information on reports and forms required by proposed legislation to be incorporated in committee reports;

Require information to be made available in post offices on how and where to communicate with Members of Congress;

Require all postal patron mailings by Members and Senators to include information on how to communicate with Members;

Prohibit certain franked mailings by Members and certain officers;

Require reports by executive agencies to persons elected to the House on activities within their districts;

Require seminars for freshmen Members to be conducted;

Better define what honorariums can and cannot be accepted by Members and other officers of the Government and under what circumstances; and,

Establish an Office of the General Counsel of the House.

The Congressional Reform Resolution has provisions which—

Require complete committee and subcommittee records be made available for inspection by the public;

Prohibit proxy votes in committees and subcommittees;

Permit rollcall votes to be demanded by any Member of a committee or subcommittee thereof;

Require a rollcall resolution on every motion to report a bill or resolution from committee to the House;

Establish conditions for admission of ex-Members and certain other persons to the Hall of the House and rooms leading thereto;

Remove the limitation on the number of Members who may introduce jointly any bill, resolution, or memorial;

Prohibit a party caucus or conference from binding a Member to a decision contrary to his or her conscience;

Permit the inclusion of any minority views in conference reports;

Require full disclosure of honorariums and gifts;

Require full disclosure of expenditure accounts with reports to be made available in the Office of the Clerk of the House for public inspection;

Require a 2-day period before a bill reported from subcommittee to full committee can be acted upon by the full committee;

Prohibit closed rules;

Restrict the use of suspensions;

Permit the broadcasting of floor proceedings;

Require committee votes to be published in the CONGRESSIONAL RECORD;

Require that all committee travel funds be approved by rollcall vote of the committee in open session;

Require the itemization and disclosure of all travel funds;

Permits the House to move within 30 days to expell a Member who has been convicted of a felony;

Apply the House rules to special committees;

Make the Ethics Committee accountable to the full House;

Require committee reports under the Budget Act to be made formal committee action and allow the filing of minority, additional, or separate views; and

Require inclusion of minority committee members in the drafting of oversight plans which committees develop in concert with the Committee on Government Operations during the first 60 days following the convening of Congress.

Mr. Speaker, the time has come for the enactment of these measures.

The SPEAKER. The question is on ordering the previous question.

Mr. ANDERSON of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 261, nays 140, not voting 32, as follows:

[Roll No. 3]

YEAS—261

Addabbo	Fountain	Nichols
Akaka	Fraser	Nix
Alexander	Fuqua	Nolan
Ambro	Gammage	Nowak
Ammerman	Gephardt	Oberstar
Anderson, Calif.	Giaimo	Obey
Andrews, N.C.	Gibbons	Ottinger
Annunzio	Ginn	Panetta
Applegate	Glickman	Patten
Ashley	Gonzalez	Patterson, Calif.
Aspin	Gore	Pattison, N.Y.
AuCoin	Gudger	Pease
Badillo	Hall	Pepper
Baldus	Hamilton	Perkins
Barnard	Hanley	Pickle
Baucus	Hannaford	Pike
Bedell	Harkin	Poage
Benjamin	Harrington	Preyer
Bennett	Harris	Price
Bevill	Hawkins	Rahall
Biaggi	Hefner	Rangel
Bingham	Heftel	Reuss
Blanchard	Hightower	Richmond
Blouin	Holland	Risenhoover
Boggs	Holtzman	Roberts
Boland	Howard	Rodino
Bolling	Hubbard	Roe
Bonior	Huckaby	Rogers
Bonker	Hughes	Roncalio
Bowen	Ichord	Rooney
Brademas	Ireland	Rose
Breaux	Jacobs	Rosenthal
Breckinridge	Jenkins	Rostenkowski
Brinkley	Jenrette	Roybal
Brodhead	Johnson, Calif.	Runnels
Brooks	Jones, N.C.	Russo
Brown, Calif.	Jones, Tenn.	St Germain
Burke, Calif.	Jordan	Santini
Burke, Mass.	Kastenmeier	Satterfield
Burleson, Tex.	Kazen	Scheuer
Burlison, Mo.	Keys	Schroeder
Burton, John	Kildee	Seiberling
Burton, Phillip	Koch	Sharp
Carney	Krebs	Shipley
Carr	Krueger	Sikes
Cavanaugh	LaFalce	Simon
Chappell	LeFante	Skelton
Collins, Ill.	Lederer	Slack
Conyers	Leggett	Smith, Iowa
Corman	Lehman	Solarz
Cornell	Levitas	Staggers
Cornwell	Lloyd, Calif.	Stark
Cotter	Lloyd, Tenn.	Steed
D'Amours	Long, La.	Stokes
Daniel, Dan	Long, Md.	Stratton
Danielson	Luken	Studds
Davis	Lundine	Thompson
de la Garza	McDonald	Thornton
Delaney	McFall	Tonry
Dellums	McHugh	Tsongas
Dent	Mahon	Tucker
Derrick	Mann	Udall
Dicks	Markey	Ullman
Dingell	Mathis	Van Deerlin
Dodd	Mattox	Vanik
Downey	Mazzoli	Volkmer
Drinan	Meeds	Waggonner
Duncan, Oreg.	Metcalfe	Walgren
Early	Meyner	Watkins
Eckhardt	Mikulski	Waxman
Edwards, Calif.	Mikva	Weaver
Eilberg	Milford	Weiss
English	Miller, Calif.	White
Ertel	Mineta	Whitley
Evans, Colo.	Minish	Whitten
Evans, Ga.	Mitchell, Md.	Wilson, C. H.
Evans, Ind.	Moakley	Wilson, Tex.
Fary	Moffett	Wirth
Fascell	Mollohan	Wolff
Fisher	Montgomery	Wright
Fithian	Moorhead, Pa.	Yates
Flood	Moss	Yatron
Flowers	Mottl	Young, Mo.
Flynt	Murphy, N.Y.	Young, Tex.
Foley	Murtha	Zablocki
Ford, Mich.	Natcher	Zeferetti
Ford, Tenn.	Neal	
	Nedzi	

NAYS—140

Abdnor	Badham	Broyhill
Anderson, Ill.	Bafalis	Buchanan
Andrews, N. Dak.	Bauman	Burgener
Archer	Beard, Tenn.	Burke, Fla.
Armstrong	Broomfield	Butler
Ashbrook	Brown, Mich.	Caputo
	Brown, Ohio	Carter

Cederberg	Harsha	Pritchard
Clausen, Don H.	Heckler	Pursell
Clawson, Del	Hillis	Quayle
Cleveland	Hollenbeck	Quillen
Cochran	Holt	Railsback
Cohen	Horton	Regula
Coleman	Hyde	Rhodes
Collins, Tex.	Jeffords	Rinaldo
Conable	Johnson, Colo.	Robinson
Conte	Kasten	Rousselot
Corcoran	Kelly	Rudd
Coughlin	Kemp	Ruppe
Crane	Ketchum	Sarasin
Daniel, R. W.	Kindness	Sawyer
Derwinski	Lagomarsino	Schulze
Devine	Latta	Sebelius
Dickinson	Leach	Shuster
Dornan	Lent	Skubitz
Duncan, Tenn.	Lott	Smith, Nebr.
Edwards, Ala.	Lujan	Snyder
Edwards, Okla.	McClory	Spence
Emery	McCloskey	Stanton
Erlenborn	McDade	Steiger
Evans, Del.	McEwen	Stockman
Fenwick	McKinney	Symms
Findley	Madigan	Taylor
Fish	Marks	Thone
Forsythe	Marlenee	Treen
Frenzel	Marriott	Trible
Frey	Martin	Vander Jagt
Gilman	Michel	Walker
Goldwater	Miller, Ohio	Wampler
Goodling	Mitchell, N.Y.	Whalen
Gradison	Moore	Whitehurst
Grassley	Moorhead, Calif.	Wiggins
Guyer	Myers, Gary	Wilson, Bob
Hagedorn	Myers, Ind.	Winn
Hammer-schmidt	O'Brien	Wydler
Hansen	Pettis	Wylie
	Pressler	Young, Alaska
		Young, Fla.

NOT VOTING—32

Adams	Florio	Quie
Allen	Gaydos	Ryan
Beard, R.I.	Jones, Okla.	Sisk
Bellenson	Kostmayer	Spellman
Bergland	McCormack	Steers
Byron	McKay	Stump
Chisholm	Maguire	Teague
Clay	Murphy, Pa.	Traxler
Diggs	Myers, Michael	Vento
Edgar	O.	Walsh
Flippo	Oakar	Young, Ga.

Mr. RUSSO changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

Mr. RHODES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 256, nays 142, not voting 35, as follows:

[Roll No. 4]

YEAS—256

Addabbo	Brademas	Dent
Akaka	Breaux	Derrick
Alexander	Breckinridge	Dicks
Ambro	Brinkley	Dingell
Ammerman	Brodhead	Dodd
Anderson, Calif.	Brooks	Downey
Andrews, N.C.	Brown, Calif.	Drinan
Annunzio	Burke, Calif.	Duncan, Oreg.
Applegate	Burke, Mass.	Early
Ashley	Burleson, Tex.	Edwards, Calif.
Aspin	Burlison, Mo.	Eilberg
AuCoin	Burton, John	English
Badillo	Burton, Phillip	Ertel
Baldus	Carney	Evans, Colo.
Barnard	Carr	Evans, Ga.
Baucus	Cavanaugh	Evans, Ind.
Bedell	Chappell	Fary
Benjamin	Clay	Fascell
Bennett	Conyers	Fisher
Bevill	Corman	Fithian
Bingham	Cornell	Flood
Blanchard	Cornwell	Flowers
Blouin	Cotter	Flynt
Boggs	D'Amours	Foley
Boland	Daniel, Dan	Ford, Mich.
Bolling	Danielson	Ford, Tenn.
Bonior	Davis	Fountain
Bonker	de la Garza	Fraser
Bowen	Delaney	Fuqua
	Dellums	Gammage
Gaydos	Mahon	Rooney
Gephardt	Mann	Roncalio
Giaimo	Markey	Rose
Gibbons	Mathis	Rosenthal
Ginn	Mattox	Rostenkowski
Glickman	Mazzoli	Roybal
Gonzalez	Meeds	Runnels
Gore	Metcalfe	Russo
Hall	Meyner	St Germain
Hamilton	Mikulski	Santini
Hanley	Mikva	Satterfield
Hannaford	Milford	Scheuer
Harkin	Miller, Calif.	Schroeder
Harrington	Mineta	Seiberling
Harris	Minish	Sharp
Hawkins	Mitchell, Md.	Shipley
Hefner	Moakley	Sikes
Heftel	Moffett	Simon
Hightower	Mollohan	Skelton
Holland	Montgomery	Slack
Holtzman	Moorhead, Pa.	Smith, Iowa
Howard	Moss	Solarz
Hubbard	Motti	Staggers
Huckaby	Murphy, N.Y.	Stark
Hughes	Murtha	Steed
Ireland	Myers, Michael	Stokes
Jacobs	Natcher	Stratton
Jenkins	Neal	Studds
Jenrette	Nedzi	Thompson
Johnson, Calif.	Nichols	Thornton
Jones, N.C.	Nix	Tonry
Jones, Tenn.	Nolan	Tsongas
Jordan	Nowak	Tucker
Kastenmeier	Oberstar	Udall
Kazen	Obey	Ullman
Keys	Ottinger	Van Deerlin
Kildee	Patten	Vanik
Koch	Patterson, Calif.	Volkmer
Kostmayer	Pattison, N.Y.	Waggonner
Krebs	Pease	Watkins
Krueger	Perkins	Waxman
LaFalce	Pickle	Weaver
Le Fante	Pike	Weiss
Lederer	Poage	White
Leggett	Preyer	Whitley
Lehman	Price	Wilson, C. H.
Levitas	Rahall	Wilson, Tex.
Lloyd, Calif.	Rangel	Wirth
Lloyd, Tenn.	Reuss	Wolff
Long, La.	Richmond	Wright
Long, Md.	Risenhoover	Yates
Luken	Roberts	Yatron
Lundine	Rodino	Young, Mo.
McFall	Roe	Young, Tex.
McHugh	Rogers	Zablocki
McKay		Zeferetti

NAYS—142

Abdnor	Findley	Miller, Ohio
Anderson, Ill.	Fish	Mitchell, N.Y.
Andrews, N. Dak.	Forsythe	Moore
Archer	Frenzel	Moorhead, Calif.
Armstrong	Frey	Myers, Gary
Ashbrook	Gilman	Myers, Ind.
Badham	Goldwater	O'Brien
Bafalis	Goodling	Pettis
Bauman	Gradison	Pressler
Beard, Tenn.	Grassley	Pritchard
Broomfield	Guyer	Pursell
Brown, Mich.	Hagedorn	Quayle
Brown, Ohio	Hammer-schmidt	Quillen
Broyhill	Hansen	Railsback
Buchanan	Harsha	Regula
Burgener	Heckler	Rhodes
Burke, Fla.	Hillis	Rinaldo
Butler	Hollenbeck	Robinson
Caputo	Holt	Rousselot
Carter	Horton	Rudd
Cederberg	Hyde	Ruppe
Clausen, Don H.	Ichord	Sarasin
Clawson, Del	Jeffords	Sawyer
Cleveland	Johnson, Colo.	Schulze
Cochran	Kasten	Sebelius
Cohen	Kemp	Shuster
Coleman	Ketchum	Skubitz
Collins, Tex.	Kindness	Smith, Nebr.
Conable	Lagomarsino	Snyder
Conte	Latta	Spence
Corcoran	Leach	Stanton
Coughlin	Lent	Steers
Crane	Lott	Steiger
Daniel, R. W.	Lujan	Stockman
Derwinski	McClory	Symms
Devine	McCloskey	Taylor
Dickinson	McDade	Thone
Dornan	McDonald	Treen
Duncan, Tenn.	McEwen	Trible
Edwards, Ala.	McKinney	Vander Jagt
Edwards, Okla.	Madigan	Walker
Emery	Marks	Wampler
Erlenborn	Marlenee	Whalen
Evans, Del.	Marriott	Whitehurst
Fenwick	Martin	Wiggins
	Michel	Wilson, Bob
Winn	Wylie	Young, Fla.
Wydler	Young, Alaska	

NOT VOTING—35

Adams	Flippo	Ryan
Allen	Florio	Sisk
Beard, R.I.	Gudger	Spellman
Bellenson	Jones, Okla.	Stump
Bergland	Kelly	Teague
Biaggi	McCormack	Traxler
Byron	Maguire	Vento
Chisholm	Murphy, Pa.	Walgren
Collins, Ill.	Oakar	Walsh
Diggs	Panetta	Whitten
Eckhardt	Pepper	Young, Ga.
Edgar	Quie	

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT OF THE UNITED STATES OF THE ASSEMBLY OF THE CONGRESS

Mr. WRIGHT. Mr. Speaker, your committee on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make, has performed that duty.

Mr. Speaker, the President sends to the House and each of its Members his warmest greetings for the new year, and the President further requests the privilege of addressing a joint session of the two Houses in a state of the Union message at 9 o'clock p.m. on Wednesday, January 12, 1977.

The SPEAKER. The Chair thanks the chairman of the committee and its members.

COMPENSATION OF CERTAIN MINORITY EMPLOYEES

Mr. RHODES. Mr. Speaker, I offer a resolution (H. Res. 6) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 6

Resolved, That pursuant to the Legislative Pay Act of 1929, as amended, five of the minority employees authorized therein shall be the following-named persons, effective January 3, 1977, until otherwise ordered by the House, to wit: Joe Bartlett, Walter P. Kennedy, and Tommy Lee Winebrenner to receive gross compensation of $41,800, respectively; Ronald W. Lasch to receive gross compensation of $33,994.80; and J. Brian Smith to receive gross compensation of $32,376 per annum.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING OF HOUSE OF REPRESENTATIVES

Mr. WRIGHT. Mr. Speaker, I offer a resolution (H. Res. 7) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 7

Resolved, That until otherwise ordered, the hour of meeting of the House shall be, 12 o'clock meridian on Mondays and Tuesdays; 3 o'clock postmeridian on Wednesday; 11 o'clock antemeridian on all other days of the week up to and and including May 14, 1977; and that from May 15, 1977 until June 30, 1977 the hour of daily meeting of the House shall be 12 o'clock meridian on Mondays and Tuesdays and 10 o'clock antemeridian on all other days of the week; and that from July 1, 1977 until the end of the first session, the time of meeting of the House shall be 12 o'clock meridian.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT SESSION OF CONGRESS—STATE OF THE UNION MESSAGE

Mr. WRIGHT. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 1) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 1

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, January 12, 1977, at 9 o'clock postmeridian, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR A JOINT SESSION TO COUNT ELECTORAL VOTES

Mr. WRIGHT. Mr. Speaker, I call up a Senate concurrent resolution (S. Con. Res. 1) and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall meet in the Hall of the House of Representatives on Thursday, the 6th day of January 1977, at 1 o'clock postmeridian, pursuant to the requirements of the Constitution and laws relating to the election of President and Vice President of the United States, and the President of the Senate shall be their Presiding Officer; that two tellers shall be previously appointed by the President of the Senate on the part of the Senate and two by the Speaker on the part of the House of Representatives, to whom shall be handed, as they are opened by the President of the Senate, all the certificates and papers purporting to be certificates of the electoral votes, which certificates and papers shall be opened, presented, and acted upon in the alphabetical order of the States, beginning with the letter "A"; and said tellers, having then read the same in the presence and hearing of the two Houses, shall make a list of the votes as they shall appear from the said certificates; and the votes having been ascertained and counted in the manner and according to the rules by law provided, the result of the same shall be delivered to the President of the Senate, who shall thereupon announce the state of the vote, which announcement shall be deemed a sufficient declaration of the persons, if any, elected President and Vice President of the United States, and, together with a list of the votes, be entered on the Journals of the two Houses.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 1, the Chair appoints as tellers on the part of the House to count the electoral votes on January 6, 1977, the gentleman from New Jersey, Mr. THOMPSON, and the gentleman from Alabama, Mr. DICKINSON.

AUTHORIZING SPEAKER TO DECLARE A RECESS ON WEDNESDAY, JANUARY 12, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that on Wednesday, January 12, 1977, it may be in order for the Speaker to declare a recess at any time subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SPEAKER TO DECLARE RECESSES ON THURSDAY, JANUARY 6, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that on Thursday, January 6, 1977, it may be in order for the Speaker to declare recesses at any time subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRESIDENTIAL INAUGURATION

Mr. WRIGHT. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 2) and ask for its immediate consideration.

The Clerk read as follows:

H. CON. RES. 2

Resolved by the House of Representatives (the Senate concurring), That effective from January 4, 1977, the joint committee created by Senate Concurrent Resolution 90, of the Ninety-fourth Congress, to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 20th day of January 1977, is hereby continued and for such purpose shall have the same power and authority as that conferred by such Senate Concurrent Resolution 90, of the Ninety-fourth Congress.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 2, 95th Congress, the Chair appoints as members of the Joint Committee to Make the Necessary Arrangements for the Inauguration of the President-Elect and the Vice President-Elect of the United States on the 20th day of January, 1977, the following Members on the part of the House: Mr. O'NEILL, of Massachusetts; Mr. WRIGHT, of Texas; and Mr. RHODES, of Arizona.

INTRODUCTION AND REFERENCE OF BILLS TODAY

The SPEAKER. The Chair would like to make a statement concerning the introduction and reference of bills today.

As Members are aware, they have the privilege today of introducing bills. Heretofore on the opening day of a new Congress, several thousand bills have been introduced. It will be readily apparent to all Members that it may be a physical impossibility for the Speaker to examine each bill for reference today. The Chair will do his best to refer as many bills as possible, but he will ask the indulgence of Members if he is unable to refer all the bills that may be introduced. Those bills which are not referred and do not appear in the RECORD as of today will be included in the next day's RECORD and printed with a date as of today.

The Chair has advised all officers and employees of the House that are involved in the processing of bills that every bill, resolution, memorial, petition, or other material that is placed in the hopper must bear the signature of a Member. Where a bill or resolution is jointly sponsored, the signature must be that of the Member first named thereon. The bill clerk is instructed to return to the Member any bill which appears in the hopper without an original signature. This procedure was inaugurated in the 92d Congress. It has worked well, and the Chair thinks that it is essential to continue this practice to insure the integrity of the process by which legislation is introduced in the House.

ANNOUNCEMENT BY THE SPEAKER REGARDING JOINT SESSION ON JANUARY 12

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that on January 12, when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor and the cooperation of all the Members is requested.

PROVIDING COMPENSATION AT MAXIMUM PAY LEVELS FOR EMPLOYEES OF HOUSE OF REPRESENTATIVES

Mr. WRIGHT. Mr. Speaker, I offer a resolution (H. Res. 8) and ask unani-

mous consent for its immediate consideration.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the resolution as follows:

H. RES. 8

Resolved, That, until otherwise provided by law—

(1) each employee referred to in subsection (a) of the first sentence of House Resolution 413, Ninety-fourth Congress, adopted May 6, 1976,

(2) each employee in a position referred to in subsection (b) of section 523 of Public Law 91–510, and

(3) each individual with respect to whose compensation House Resolution 890, Ninety-second Congress, was made permanent law by Public Law 92–607,

may be compensated at a rate not in excess of the rate of basic pay for one pay level above the maximum pay level for employees of the House of Representatives provided under clause 6(c) of Rule XI of the Rules of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CREATING SELECT COMMITTEE ON ASSASSINATIONS

Mr. WRIGHT. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 9

Resolved, That, effective January 3, 1977, there is hereby created a Select Committee on Assassinations to be composed of twelve Members and Delegates of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as Chairman. Any vacancy occurring in the membership of the Select Committee shall be filled in the same manner in which the original appointment was made.

The Select Committee or a Subcommittee thereof is authorized and directed to conduct a full and complete investigation and study of the circumstances surrounding the assassination, murder, homicide and death of President John F. Kennedy and the assassination, murder, homicide and death of Martin Luther King, Jr. and of any other persons the Select Committee shall determine in order to ascertain whether the existing laws of the United States, including but not limited to laws relating to the safety and protection of the President of the United States, assassinations of the President of the United States, deprivation of civil rights, and conspiracies related thereto, as well as the investigatory jurisdiction and capability of agencies and departments of the United States Government, are adequate, either in their provisions or in the manner of their enforcement; and shall make recommendations to the House, if the Select Committee deems it appropriate, for the amendment of existing legislation or the enactment of new legislation.

For the purpose of carrying out this resolution the Select Committee, or any subcommittee thereof authorized by the Select Committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or in any other country, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary; to take testimony on oath anywhere within the United States or in any other country and to authorize designated counsel for the Select Committee to obtain statements from any witness who is placed under oath by an authority who is authorized to administer oaths in accordance with the applicable laws of the United States or of any state; except that neither the Select Committee nor any subcommittee thereof may sit while the House is reading a measure for amendment under the five minute rule unless special leave to sit shall have been obtained from the House. The Chairman of the Select Committee may establish such subcommittees of the Select Committee as he considers appropriate. One-third of the Members of the Select Committee shall constitute a quorum for the transaction of business as permitted by the rules of the House, except that the Select Committee may designate a lesser number as a quorum for the purpose of taking testimony, but not less than two. The Select Committee may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. The Select Committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performtance of the duties vested in the Select Committee, other than expenses in connection with meetings of the Select Committee or any subcommittee thereof held in the District of Columbia.

Subpenas may be authorized by the select committee, or any subcommittee thereof, or the chairman of the select committee, and issued under the signature of the chairman of the select committee or any member of the Select Committee designated by him, and may be served by any persons designated by such chairman or member.

The select committee shall be considered a committee of the House of Representatives for all purposes of law, including but not limited to section 102 of the Revised Statutes of the United States (2 U.S.C. 192); and sections 6002 and 6005 of title 18, United States Code or any other act of Congress regulating the granting of immunity to witnesses.

The select committee shall adopt written rules governing its procedures, which rules shall not be inconsistent with this resolution and the Rules of the House of Representatives.

The select committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman from Texas, the new majority leader, tell us whether it is possible in the change of rules for the House Committee on Administration to allocate any money to this particular function without a vote of the House?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield.

Mr. WRIGHT. Mr. Speaker, it is my understanding, and I will yield for confirmation to the House Committee on Administration, that absent an amendment of this type, there would be no means by which the committee could makes funds available to this special committee.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I would be happy to yield.

Mr. THOMPSON. The gentleman from New Jersey at the moment is not the chairman of the Committee on House Administration.

Mr. ROUSSELOT. Is there any doubt in the gentleman's mind that the gentleman will be?

Mr. THOMPSON. Mr. Speaker, if the gentleman will yield further, with the experiences of the past, it might be reasonable with this rule; but earlier in the day the House adopted the rule so that all select, special, ad hoc and other type committees, before they can be funded must introduce resolutions which will go to the Committee on House Administration, to its Subcommittee on Accounts, the prospective chairman being our colleague, the gentleman from Pennsylvania (Mr. DENT); then to the full committee and then to the floor.

Mr. ROUSSELOT. So what the gentleman is saying, before the committee can function further in that respect, coming from the chairmanship the gentleman formerly held, it must be brought to the floor.

Mr. THOMPSON. Mr. Speaker, if the gentleman will yield further, the answer to that is "Yes." The House will have the opportunity to consider the resolution, not only for the committee to which the distinguished majority leader is referring, but to all other special, select, and ad hoc committees.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, the effect of this resolution is really based on a continuing resolution until a further resolution is passed.

Mr. WRIGHT. Mr. Speaker, if the gentleman will yield, that is precisely correct.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I am glad to yield.

Mr. THOMPSON. Essentially the resolution of the gentleman from Texas is to reconstitute the committee. The committee, presuming the adoption of the next resolution, which is a continuing resolution, will be entitled to the equivalent of 1 month's expenditure, or approximately $8,000 per month, until the House acts on the larger budget request.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comment. That was my next question. We are then, in effect, voting to fund this select committee for 1 more month.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I would be glad to yield.

Mr. THOMPSON. Presuming from the date the continuing resolution, which will be up next passes, the Committee on Assassinations, or whatever it is called, will be funded under the language of the continuing resolution until March 31.

Mr. ROUSSELOT. At the rate of approximately $8,000 a month?

Mr. THOMPSON. If the gentleman will yield further, at the equivalent of one-twelfth per month of its authorization in the previous Congress, keeping in mind that the committee was constituted late in the previous Congress, in September.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I yield to the distinguished majority leader.

Mr. WRIGHT. I think the accurate description of what this would permit is to say that it would allow the continued authorization, until some action can be taken, at the rate of actual expenditure incurred by that committee in the month of December.

Mr. ROUSSELOT. But not to exceed that amount?

Mr. WRIGHT. Not to exceed that amount; not to exceed that amount.

Mr. ROUSSELOT. From the $50,000 per month, is that what it is?

Mr. WRIGHT. If the gentleman will yield further, I am advised that that is approximately correct, and under no circumstances could enactment of this resolution authorize any amount calling for the expenditure of more than $50,000.

Mr. ROUSSELOT. I thank the gentleman for yielding, and I withdraw my reservation of objection.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I certainly was not aware that this resolution was going to be called up this afternoon. Copies have not been available to Members generally. I listened to its reading very carefully, as one who supported the original authorization for this committee, I believed the statement of the former gentleman from Virginia, Mr. Downing, that the investigation was going to cost one-half million dollars to $1 million and would continue for about a year. I am and a great many other people are alarmed at the scope of both the staffing and the expenditures that have now been proposed.

Surely, this committee does not have a higher claim to the consideration of the House than many of those standing or select committees or other groups. Unfortunately, none of us have had much of a chance to consider this. I would ask the gentleman if the resolution could not be brought up on Thursday so that Members would have a sufficient chance to consider it.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Certainly, I yield to the gentleman.

Mr. WRIGHT. I wish the gentleman would not suggest that we bring it up on Thursday, because Thursday is set aside for the somewhat ceremonial, but nonetheless extremely important, constitutionally directed business of canvassing votes and discovering who was elected President of the United States.

I would suggest to the gentleman that the House will have ample opportunity to work its will as to the vote with respect to this particular committee. I too, as has the gentleman from Maryland, have been alarmed by quite large sums bandied about in the press as to the probable cost of this investigation. What we are doing at the moment is authorizing only the very short view, because it is necessary to authorize continuously lest it die, and then at a rate no more than the amount of money expended monthly as was expended in the preceding month, which was the month of December.

It cannot cost more than about $50,000, and I would suggest to the gentleman that it is appropriate to vote on it today. The gentleman from Texas (Mr. GONZALEZ), I am advised, discussed it in some detail with the gentleman from Ohio (Mr. DEVINE), and I am not aware of any basic issue.

Mr. BAUMAN. Further reserving the right to object, I understand the gentleman's desire to have this fast $50,000 which—if the gentleman will pardon the expression—is not peanuts. I do think that if we go ahead with this resolution we are, in effect, approving of what we have heard the committee's plans are for the future. I cannot agree to the scope of those plans or the cost.

I therefore object to its consideration

The SPEAKER. Objection is heard.

Mr. WRIGHT. Mr. Speaker, I move the adoption of the resolution.

The SPEAKER. The Chair will inform the gentleman that that motion is not in order at this time.

HOUSE RESOLUTION 10 RELATING TO HOUSE DOCUMENTS SUBPENAED BY COURTS OF LEGAL OFFICERS

Mr. WRIGHT. Mr. Speaker, I offer a privileged resolution (H. Res. 10), and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 10

Whereas, by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice be taken from such control or possession except by its permission: Therefore be it

Resolved, That when it appears by the order of any court in the United States or a judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; and be it further

Resolved, That during the Ninety-fifth Congress, when a subpena or other order for the production or disclosure of information is by the due process of any court in the United States served upon any Member, officer, or employee of the House of Representatives, directing appearance as a witness before the said Court at any time and the production of certain and sundry papers in the possession and under the control of the House of Representatives, that any such Member, officer, or employee of the House, after notifying the Speaker, is authorized to appear before said court at the place and time named in any such subpena or order, but no papers or documents in the possession or under the control of the House of Representatives shall be produced in response thereto; and be it further

Resolved, That after the Speaker has been notified by the Member, officer, or employee that a proper court has determined upon the materiality and revelancy of specific papers or documents called for in the subpena or other order, then said court, through any of its officers or agents shall have full permission to attend with all proper parties to the proceedings before said court and at a place under the orders and control of the House of Representatives and take copies of the said documents or papers and the Clerk of the House is authorized to supply certified copies of such documents that the court has found to be material and relevant, except that under no circumstances shall any minutes or transcripts of executive sessions, or any evidence of witnesses in respect thereto be disclosed or copied, nor shall the possession of said documents and papers by any Member, officer, or employee of the House be disturbed or removed from their place of file or custody under said Member, officer, or employee; and be it further

Resolved, That the House of Repesentatives reserves to itself the power to revoke or modify the authority contained herein in all or specific instances; and be further

Resolved, That a copy of these resolutions be transmitted by the Clerk of the House to any of said courts whenever such writs of subpena or other orders are issued and served as aforesaid.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement concerning the electronic voting system.

After consultation with the leadership on both sides of the aisle it has been decided that it would be a convenience to Members to permit changes in votes cast with the electronic system by reinserting the voting card under the following conditions:

First, on 15-minute votes, Members may reinsert a voting card in any voting station during the first 10 minutes of the voting period. After 10 minutes, if a Member wishes to change his vote, he must follow the present procedure of doing so by voting card, in the well, following the completion of the 15-minute voting period; with the announcement of his change when called by the Clerk.

Second, on 5-minute votes, the revised procedure will permit Members to reinsert voting cards in any voting station at any time until the Chair directs voting stations to be closed by inquiring whether Members in the Chamber wish to change their votes or be recorded. From that point until the Chair's announcement of the result, Members must follow the present procedure of submitting voting cards, in the well, at the completion of the 5-minute voting period, and an-

nouncing his change when recognized to do so.

The necessary programing of the computer has been accomplished to accommodate this change and so this new procedure on 5-minute votes is effective today.

AUTHORIZING FUNDS FOR THE STANDING AND SELECT COMMITTEES OF THE HOUSE OF REPRESENTATIVES

Mr. THOMPSON. Mr. Speaker, I offer a privileged resolution (H. Res. 11) and ask unanimous consent for its immediate consideration.

Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 11

Resolved, That (a) there shall be paid out of the contingent fund of the House of Representatives, in accordance with subsection (b), for the period beginning January 3, 1977, and ending at the close of March 31, 1977, such sums as may be necessary for the continuance of the same necessary projects, activities, operations, and services, by contract or otherwise (including payment of staff salaries for services performed), and for the accomplishment of the same necessary purposes, undertaken in calendar year 1976 by each standing or select committee established in the rules of the House of Representatives.

(b) Each standing committee or select committee referred to in subsection (a) shall be entitled, for each month or portion of a month occurring during the period specified in subsection (a), to payments out of the contingent fund of the House of Representatives in amounts equal to one-twelfth of the total amount authorized for use by the standing committee or select committee involved during calendar year 1976.

SEC. 2. (a) In the case of any select committee of the House of Representatives which—

(1) was established by resolution during the Ninety-fourth Congress;

(2) did not complete the functions assigned to it by such resolution, or any subsequent resolution, before the close of the Ninety-fourth Congress; and

(3) is reestablished by resolution during the Ninety-fifth Congress before the close of March 31, 1977, to carry out functions substantially similar to functions assigned to such select committee during the Ninety-fourth Congress;

such select committee shall be entitled, for each month or portion of a month occurring during the period beginning on the effective date of the resolution reestablishing such select committee and ending at the close of March 31, 1977, to payments out of the contingent fund of the House of Representatives, for the expenses and purposes specified in subsection (a) of the first section of this resolution, in amounts equal to the greater of—

(A) one-twelfth of the amount determined under subsection (b); or

(B) the total amount of expenditures made by the select committee involved during December 1976;

except that the entitlement of such select committee for the month during which such select committee is reestablished shall be prorated based upon that portion of such month during which such select committee is in existence.

(b) The amount which shall be the basis for an entitlement under subsection (a) shall be the amount which bears the same ratio to the total amount authorized for use by the select committee involved during calendar year 1976 as 12 months bears to the number of months during which such select committee was in existence during such year. For purposes of the preceding sentence, any portion of a month in calendar year 1976 which is 15 days or more and during which any such select committee was in existence shall be considered to be a complete month.

SEC. 3. The entitlement of any standing committee or select committee of the House of Representatives to payments out of the contingent fund of the House of Representatives pursuant to the provisions of this resolution shall cease to be effective on the effective date of the primary expense resolution adopted with respect to the standing committee or select committee involved.

SEC. 4. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with law.

Mr. THOMPSON (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, will the gentleman explain the resolution?

Mr. THOMPSON. Mr. Speaker, if the gentleman will yield I will be glad to explain it.

Mr. BAUMAN. I yield to the gentleman from New Jersey.

Mr. THOMPSON. Mr. Speaker, this is a resolution authorizing funds for the continued operation of the standing and select committees of the House of Representatives. It is both traditional and essential to the continued operation of the House of Representatives that a continuing resolution be adopted each session, in order that the standing and select committees of the House of Representatives may continue their necessary activities, projects, operations, and services—including the payment of staff salaries for services performed—as undertaken by these committees in the calendar year 1976.

In order to permit standing or select committees established by the rules of the House to continue their operations, this resolution makes available from the contingent fund of the House an amount each month equal to one-twelfth of that committee's total authorization for calendar year 1976. Such payments are to continue until the effective date of the primary expense resolution adopted with respect to each committee, or until March 31, 1977.

With respect to select committees not established in the rules of the House, their funding under this continuing resolution will be available upon the effective date of the resolution reestablishing such committees in the 95th Congress.

Mr. Speaker, I move the adoption of the resolution.

Mr. BAUMAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
January 3, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Under Rule III, Clause 4 (Section 647) of the Rules of the House of Representatives, I herewith designate Mr. W. Raymond Colley, Deputy Clerk, to sign any and all papers and do all other acts for me under the name of the Clerk of the House which he would be authorized to do by virtue of this designation, except such as are provided by statute, in cases of my temporary absence or disability.

If Mr. Colley should not be able to act in my behalf for any reason, then Mr. Benjamin J. Guthrie, Assistant to the Clerk, shall similarly perform such duties under the same conditions as are authorized by this designation.

These designations shall remain in effect for the 95th Congress or until revoked by me.

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
October 5, 1976.

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:55 a.m. on Tuesday, October 5, 1976, and said to contain a message from the President wherein he transmits the sixth periodic report on the Cyprus negotiations as required by Public Law 94–104.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

SIXTH PERIODIC REPORT ON CYPRUS NEGOTIATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–2)

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Pursuant to Public Law 94–104, I am submitting my sixth periodic report on the Cyprus negotiations and the actions which this Administration is taking to assist in the search of a lasting solution to the problems still facing the people of the Republic of Cyprus.

In my last report I reviewed recent steps taken by the Administration to bring about further progress in the Cyprus talks, and I emphasized the need for the parties to set aside procedural problems and move on to discussions of key substantive issues.

Our efforts during the past sixty days have been directed to encouraging the resumption of such negotiations. We have been in close contact with our major Western allies regarding new ideas which might contribute to progress in the Cyprus talks and have continued to work closely with United Nations Secretary General Waldheim. Secretary of State Kissinger met with Mr. Waldheim in New York in late August to discuss the Cyprus question. Following that meeting Secretary General Waldheim asked the chief Cypriot negotiators from both sides to come to New York for individual consultations with him on how the negotiations might best be resumed. These consultations developed into a series of joint meetings at which both sides discussed the issues which were blocking further progress. After these meetings, the two Cypriot negotiators agreed to continue their consultations in Nicosia, under the chairmanship of the Secretary General's Special Representative for Cyprus. It is my hope these talks will lead to resumption of meaningful discussion on the main issues.

In his meeting with the Foreign Ministers of Greece and Turkey at the United Nations last week, Secretary Kissinger urged their strong support once again for a new round of talks. We will continue to work as closely as possible with the Governments of Greece and Turkey, with the UN Secretary General, with our Western allies, and with the parties themselves, to insure that every opportunity is seized in pursuing a just and lasting settlement on Cyprus.

To focus the world's attention on the need for rapid progress, Secretary Kissinger stated anew the position of my Administration in his speech before the UN General Assembly on September 30 when he emphasized that our overriding objectives remain the well-being of the Cypriot people and peace in the Eastern Mediterranean. Calling upon all concerned to undertake a new commitment to achieve these ends, he underlined once again the position I have repeatedly voiced:

"A settlement must come from the Cypriot communities themselves. It is they who must decide how their island's economy and government shall be reconstructed. It is they who must decide the ultimate relationship of the two communities and the territorial extent of each area."

This Administration believes that in order to restore momentum in the negotiations a set of principles along the following lines might help the parties to resume talks on substantive issues:

—A settlement should preserve the independence, sovereignty and territorial integrity of Cyprus;

—The present dividing lines on Cyprus must be adjusted to reduce the area currently controlled by the Turkish side;

—The territorial arrangement should take into account the economic requirements and humanitarian concerns of the two Cypriot communities, including the plight of those who remain refugees;

—A constitutional arrangement should provide conditions under which the two Cypriot communities can live in freedom and have a large vote in their own affairs; and

—Security arrangements should be agreed that permit the withdrawal of foreign military forces other than those present under international agreement.

It is my strong hope that these ideas may be given careful consideration by all concerned.

In addition to these steps, the United States also continues to provide financial assistance to the people of Cyprus so that they may overcome the burdens imposed on them by the events of 1974. I have just signed into law a bill authorizing $17.5 million in U.S. relief assistance for Cyprus in the coming fiscal year. Our assistance thus far, some $50 million over the past two years, has been a major factor in providing adequate homes for almost all of those unfortunate Cypriots uprooted in 1974, and, in addition, has made a substantial contribution toward the medical needs, emergency food aid and the general welfare of the many displaced from their homes. We will continue to offer our help wherever it is needed.

The United States also continues to be the largest financial contributor to the maintenance of the United Nations Peacekeeping Force on Cyprus, which has done such a highly effective job. We continue actively to support both the work of the UN Peacekeeping Force and the UN resolutions calling for a just and lasting solution to the Cyprus problem, respect for the sovereignty and territorial integrity of that island, and withdrawal of all foreign military forces not authorized by agreements. While I strongly endorse all of these precepts, the last is of special importance since the cause of peace can only be poorly served when men confront each other with arms. I was therefore gratified to hear of the withdrawal last month of a further portion of the Turkish armed forces from Cyprus.

In summary, during the past sixty days we have increased our efforts to bring the two sides together once more for discussions in any area which might contribute to a more secure and normal life for the people of Cyprus. We have reaffirmed our determination to continue direct bilateral assistance on a large scale. We have worked with other members of the international community to bring about the best possible set of conditions for resumption of the Cyprus talks at an early date.

My Administration will further intensify its efforts to bring both sides together again with the hope, based on their meetings in New York last month, that some further significant advances may occur.

The people of the United States remain keenly interested in promoting an equitable and lasting settlement on Cyprus. My Administration has been active at every opportunity in encouraging such a settlement. We believe the people of both the Greek Cypriot and Turkish Cypriot communities share equally a desire for peaceful, productive and secure lives. We will continue to use every opportunity further to encourage the leaders of both sides toward a common solution which will achieve these goals.

GERALD R. FORD.

THE WHITE HOUSE, *October 4, 1976.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 5, 1976.

HON. CARL ALBERT,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 2:30 P.M. on Friday, November 5, 1976, and said to contain a message from the President wherein he transmits the fourth special message under the Impoundment Control Act of 1974 for fiscal year 1977.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

WITHDRAWING OF ONE PROPOSED RESCISSION, REPORTING THREE NEW DEFERRALS, AND REPORTING REVISIONS TO TWO PREVIOUS DEFERRALS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–3)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I am withdrawing one previously proposed rescission and reporting three new deferrals. In addition, I am reporting revisions to two deferrals previously transmitted.

The withdrawal is for the highway crossing federal projects program of the Federal Highway Administration. The three new deferrals, totaling $980.8 million affect programs of the Departments of Defense, Health, Education, and Welfare, and the Treasury. The revised deferrals are for programs in the Department of Health, Education, and Welfare and reflect routine increases in the amounts previously deferred.

The details of the rescission withdrawal and each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *November 5, 1976.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communi-

cation from the Clerk of the House of Representatives:

DECEMBER 3, 1976.

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 1:35 P.M. on Friday, December 3, 1976, and said to contain a message from the President wherein he transmits the fifth special message under the Impoundment Control Act of 1974 for fiscal year 1977.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

FOUR NEW DEFERRALS AND TWO REVISIONS OF PREVIOUS DEFERRALS UNDER IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–4)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of funds totaling $3.7 billion. Funds deferred were appropriated for the Department of Labor, two International Security Assistance programs, and ACTION.

In addition, I am reporting revisions to two deferrals previously transmitted. The Department of Defense military construction deferral is increased by $259.4 million and a General Revenue Sharing deferral in the Department of the Treasury is increased by $11.1 million.

The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *December 3, 1976.*

FORTHCOMING 1978 BUDGET TO PROVIDE A DETAILED BLUEPRINT FOR FEDERAL SPENDING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–5)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

In October 1975, I presented to the Congress a program of tax cuts and spending restraints that would have reduced the burden of government for all taxpayers. It would have given the American people more freedom to spend their incomes as they choose rather than as Washington chooses for them. However, Congress decided otherwise—to increase spending far more than I wanted and to cut taxes far less than I wanted.

My forthcoming 1978 Budget will provide a detailed blueprint for Federal spending. Today, as I promised, I am outlining my proposals for personal and business tax reductions in 1977. First, I again urge a permanent increase in the personal exemption from $750 to $1,000 to replace the system of temporary tax credits that have so greatly complicated the individual income tax return. I am also recommending an increase in the low income allowance and a series of permanent tax rate reductions. In total, my proposals provide income tax relief for individuals of approximately $10 billion in 1977. The tax reductions of 1975 and 1976 focused tax relief on the lower income taxpayer. However, it is high time to focus substantial tax relief on middle income taxpayers. The tax relief I seek will cut the 1977 income taxes of a typical family with four with an income of $15,000 by $227.

In the long run, inflation and real economic growth constantly push taxpayers into higher and higher tax brackets if tax law remains unchanged. Some believe that these additional tax receipts should be spent on new Federal programs. I do not. Instead, I believe that the Congress should periodically counteract the growing burden imposed by the tax system by providing offsetting tax cuts while continuing to restrain the rate of growth of Federal spending.

The creation of good permanent jobs for our expanding labor force requires a higher level of private investment. I am, therefore, recommending again a permanent reduction in the corporate income tax from 48 to 46 percent. This would reduce business tax liabilities by $2.5 billion in 1977.

I also urge making permanent the 10 percent investment tax credit and the surtax exemption provisions of the Tax Reform Act of 1976. In the longer run we must eliminate the double taxation of dividend payments. I am, therefore, renewing my proposal to integrate corporate and personal income taxes gradually over a period of years beginning in 1978. All of these changes in the tax laws will increase the funds available, directly and indirectly, for new and better plants, machinery, stores and equipment.

I am again recommending accelerated depreciation for new plants and equipment installed in rural and urban labor market areas where unemployment is 7 percent or higher. I am firmly convinced that this is a far better way to help create jobs in those areas that have lagged behind in the economic recovery than adding layer upon layer of new hastily conceived spending programs.

A year ago, in my 1977 Budget, I noted that the old age, survivors and disability trust funds would be depleted in the early 1980's unless some action was taken. Therefore, much as I didn't like doing it, I felt compelled to recommend payroll tax rate increases beginning January 1, 1977. The employee share of this increase would have amounted to less than one dollar per week for taxpayers at the top end of the pay scale and a few cents per week for those at the bottom. Congress failed to act on this proposal. Partly because of the delay, a higher tax increase is now necessary if the social security system is to remain intact. Because current law already prescribes a four-tenths of one percent increase in the tax rate in 1978, I do not believe that a very large additional increase is appropriate in that year. I am therefore proposing an additional two-tenths of one percent rate increase in 1978 supplemented by a six-tenths of one percent rate increase in 1979 and a three-tenths of one percent rate increase in 1980. These increases will restore the fiscal integrity of the Social Security Trust Funds in the short run and, together with my proposals for correcting the inflation adjustment for future benefits for currently employed workers, will greatly reduce the long-run deficit faced by the social security system.

I have in the past urged several other changes in our tax laws which are both necessary and desirable. These will be proposed again in my budget, but need not be discussed in detail at this time. These include a tax credit for home insulation, exempting charitable contributions from the burden of the minimum tax, increasing the railroad retirement tax in a manner consistent with the recommended Social Security tax increases, and providing State and local governments with an option to issue taxable bonds subsidized in part by the Federal government.

I am also recommending repeal of the earned income credit and the provision for funding Employee Stock Ownership Plans through additional investment tax credits. The earned income credit is not integrated with the rest of our welfare system and makes future reform of that system even more difficult. The Employee Stock Ownership Plan provides a very large taxpayer subsidy to employers who wish to purchase stock in their firm for their employees. I do not believe that this is an equitable approach to the encouragement of stock ownership.

I urge that the Congress take prompt action on all of the above tax proposals.

GERALD R. FORD.

THE WHITE HOUSE, *January 4, 1977.*

COMMUNICATIONS FROM CHAIRMAN OF COMMITTEE ON AGRICULTURE CONCERNING APPROVAL OF WORK PLANS FOR CERTAIN WATERSHED PROJECTS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Agriculture; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations:

WASHINGTON, D.C.,
September 29, 1976.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture on September 23, 1976, considered and by a voice vote unanimously approved the following work plans for watershed projects, which were referred to the Committee by Executive Communication:

Bayou Grosse Tete, Louisiana
Choctaw Bayou, Louisiana
Deer Creek, Mississippi
Diamond Brook, Massachusetts
Honolulu, Hawaii
Middle Walnut, Kansas
Mill Brook, New York
Sedgwick-Sand Draws, Nebraska and Colorado
Three Mile and Sulfur Draw, Texas
Wailuku-Alenaio, Hawaii
Bailey-Cox-Newtson, Indiana
Espanola-Rio Chama, New Mexico
Hall-Flat Creek, Indiana
Johnson Bayou, Louisiana
Long Branch, Nebraska
Mill Branch, Georgia

The attached are Committee resolutions with respect to these projects.

With best regards.

Sincerely,

THOMAS S. FOLEY,
Chairman.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AUTHORIZING CERTAIN WATERSHED PROJECTS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations:

WASHINGTON, D.C., *October 1, 1976.*

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 201 of Public Law 89–298, the Committee on Public Works and Transportation of the House of Representatives on September 23, 1976, adopted Committee resolutions authorizing the following water resources development projects:

Bear River Basin, California
Delaware River, Philadelphia, Pennsylvania, to Trenton, New Jersey
Fort Fisher, North Carolina
Grand Isle and Vicinity, Louisiana
Hay Creek, Schuylkill River Basin, Pennsylvania
Iowa and Cedar Rivers, Iowa and Minnesota, at Evansdale, Iowa
Jonesport Harbor, Maine
Kahoma Stream, Maui, Hawaii
Orgeon Slough, Oregon
Petit Anse, Tigre and Carlin Bayous, Louisiana
Ponce Harbor, Puerto Rico
Saw Mill River at Ardsley, New York
Southern Branch of Elizabeth River, Virginia
Upper Guyandotte River Basin, West Virginia
Virginia Beach, Virginia

Copies of the resolutions are enclosed.

With warm personal regards, I am,

Sincerely,

BOB JONES.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON AGRICULTURE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Agriculture which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations:

WASHINGTON, D.C., *October 2, 1976.*

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

MY DEAR MR. SPEAKER: It has just been brought to my attention that in the last-minute rush toward adjournment of the 94th Congress, the name of the Flint Creek, New York, Watershed was inadvertently omitted from the listing of newly approved watershed projects contained in my September 29, 1976 letter to you although the signed resolution attesting to its approval was attached. This further correspondence is intended to rectify that oversight.

I am enclosing a copy of the original resolution, which you received earlier, in an effort to facilitate the updating of your records and apologize most sincerely for this omission.

With best personal regards,

Sincerely,

THOMAS S. FOLEY,
Chairman.

ADJOURNMENT TO THURSDAY, JANUARY 6, 1977

Mr. LEDERER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Thursday, January 6, 1977.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Committee on Public Works, which was read and together with the accompanying papers, without objection, ordered to be printed:

WASHINGTON, D.C.,
October 14, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved a prospectus for proposed construction of a new Technical and Administrative Complex at the National Aviation Facilities Experimental Center (NAFEC) located near Atlantic City, New Jersey, on September 16, 1976.

The original and one copy of the authorizing resolution are enclosed.

Sincerely,

BOB JONES.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMISSION ON ADMINISTRATIVE REVIEW

The SPEAKER pro tempore (Mr. DANIELSON) laid before the House the following communication from the Chairman of the Commission on Administrative Review, which was read and, without objection, ordered printed:

WASHINGTON, D.C.,
December 20, 1976.

The SPEAKER,
U.S. House of Representatives, Washington, D.C.

DEAR SIR: The Commission on Administrative Review, established by the House Resolution 1368 and incorporated into law by P.L. 94–440, was directed to study administrative operations and services of the House of Representatives. The Commission was requested by the Speaker to review and make recommendations to the House of Representatives regarding House scheduling.

Pursuant to this request the Commission on Administrative Review transmits herewith its initial report on scheduling with recommendations. This report is also intended to serve as the semi-annual report of the Commission mandated in the aforementioned resolution.

The Commission, in pursuing its responsibilities under H. Res. 1368, will continue to study and make recommendations in the following areas:

1. Scheduling of the House. Enclosed is a report and recommendations. Further scheduling changes will be considered later in the Commission study.
2. Financial Management and Accountability. This area is now being studied and the Commission plans to make recommendations to the House early in 1977.
3. Overall Organization of Administrative Units and Resource Management. The Commission is studying the organizational structure of administrative units as well as the resources available to the House.
4. Work Management. The Commission plans to look at the management of work in Member and committee offices and make recommendations to the House.

Sincerely,

DAVE R. OBEY,
Chairman.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMISSION ON INFORMATION AND FACILITIES

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Commission on Information and Facilities, which was read and, without objection, ordered printed:

WASHINGTON, D.C.,
November 5, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives. Washington, D.C.

DEAR MR. SPEAKER: A report of the House Commission on Information and Facilities on the Feasibility of a Congressional Staff Journal is hereto attached.

This project was completed in compliance with the provisions of House Resolution 988 of the 93d Congress, which also provided that the Commission report its findings to the Speaker no later than January 2, 1977.

All members of the Commission present at the meeting on September 30, 1976, voted unanimously to approve this report and the recommendations it contains.

Sincerely,

JACK BROOKS.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMISSION ON INFORMATION AND FACILITIES

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Commission on Information and Facilities, which was read and, without objection, ordered printed:

WASHINGTON, D.C.,
December 30, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: House Resolution 988 of the 93d Congress, which established the

Commission on Information and Facilities, directed the Commission, among other things, to study "House resources for information and the organizational framework which makes them effective or ineffective." The Committee on Appropriations, in House Report 94–208, also expressed an active interest in these studies.

The Commission has completed studies of the Office of Technology Assessment and the Congressional Research Service. The third in this series of studies, devoted to the organizational effectiveness of the Congressional Budget Office, has been completed, and it is transmitted herewith.

Sincerely,

JACK BROOKS.

TRANSMISSION OF STUDY OF ORGANIZATIONAL EFFECTIVENESS OF CONGRESSIONAL RESEARCH SERVICE

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Commission on Information and Facilities, which was read and ordered to be printed:

WASHINGTON, D.C.,
December 30, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: House Resolution 988 of the 93d Congress, which established the Commission on Information and Facilities, directed the Commission, among other things, to study the Office of Technology Assessment, the Congressional Research Service and the General Accounting Office and "the organizational framework which makes them effective or ineffective." The Committee on Appropriations, in House Report 94–208, also expressed an active interest in these studies.

The second in this series of studies, devoted to the organizational effectiveness of the Congressional Research Service, has been completed, and it is transmitted herewith.

Sincerely,

JACK BROOKS.

TRANSMISSION OF REPORT OF STUDY OF INFORMATION PROBLEMS, FACILITIES, SPACE REQUIREMENTS, AND STAFF OF HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Commission on Information and Facilities, which was read and, without objection, ordered to be printed:

WASHINGTON, D.C.,
December 30, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: House Resolution 988 of the 93d Congress, which established the Commission on Information and Facilities, directed the Commission to conduct a thorough and complete study of the information problems of the House of Representatives, the facilities and space requirements of Members and committees, and the staff required by the House Legislative Counsel to meet the needs of Members of the House, and to make such recommendations as may be appropriate. The resolution also required that the final report of the Commission be submitted no later than January 2, 1977, and it is transmitted herewith.

During the course of its work, the Commission has conducted a number of studies and pilot projects, the results of which have been published individually. The final report represents an overview of the information and space needs of the House and a summary of the findings and recommendations included in the Commission's previous studies and reports.

Sincerely,

JACK BROOKS.

THE CLOSING OF THE FRANKFORD ARSENAL

(Mr. LEDERER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LEDERER. Mr. Speaker, I have asked for this opportunity to speak to the members of the House today, the day we take our oath of office, to draw your attention and that of the House to certain actions by the Pentagon and by the administration which continue to harm the economy of Philadelphia and which, in a larger sense, may adversely effect this Nation's security and the faith of our people in their Government.

I am referring to the closing of the Frankford Arsenal which lies partially in my congressional district.

Mr. Speaker, as you may know, Vice President-elect MONDALE has pledged his efforts, and the efforts of the Carter administration, to keeping the arsenal open. He has repeated that commitment many times and has asked that Secretary of Defense-designate Harold Brown begin an immediate review of the entire situation.

Meanwhile, the Army Armament Research and Development Command, under the direction of Gen. Bennett L. Lewis, has stepped up its own closing schedule, originally set for the summer of 1977, presumably to preclude the possibility that enough will be left of the Frankford facility to be saved by the Carter administration.

This is not an issue which simply effects Philadelphia or Pennsylvania; it effects us all.

Mr. Speaker, the history of the Army's decision to scuttle the Frankford Arsenal is filled with broken promises, specious arguments, misinformation, and half truths. In my judgment, there is probably enough evidence to warrant an investigation of the very process by which the Army decided this issue. The Philadelphia Daily News, as long ago as 1974, referred to a "complex web of intrigue and conflict of interest" and suggested that the Government's ability to influence the costs of arms produced by private industry would be severely undermined by this move.

Admittedly, I am distressed by the incredible number of jobs that Philadelphians have lost due to similar Pentagon decisions over the last 8 years—first, at the navy yard, then at the U.S. Electronics Command, and now at the Frankford Arsenal.

Mr. Speaker, I am concerned by the apparent indifference, on the part of the current administration, to the wishes of the incoming administration with respect to this matter. It is one thing to talk about a smooth and cooperative transition of power, but the people that I represent would have a difficult time squaring that sentiment with reality.

Mr. Speaker, I have sent a letter to Vice President-elect Mondale urging him to appeal directly to President Ford for an immediate moratorium on further transfers of people and machinery from the Frankford Arsenal. I am including a copy of my letter for insertion into today's RECORD. Clearly, the President has not gotten the message, and perhaps a direct appeal will remedy any problems of communications or misconceptions that may exist.

Mr. Speaker, I respectfully ask that each Member of this House read that letter and do what they can to help get the message through.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 4, 1977.

Hon. WALTER F. MONDALE,
Russell Office Building,
Washington, D.C.

DEAR VICE PRESIDENT-ELECT MONDALE: I was pleased by your recent request that Secretary of Defense-designate Harold Brown begin an immediate review of the Pentagon's decision to close the Frankford Arsenal. Your encouraging words and actions since the November 2nd election have served to underscore the sincerity of your pledge to keep the Arsenal open.

However, I am concerned that recent developments, coupled with the mysterious moves by the Pentagon over the past eight years, will make the Arsenal situation ancient history the day of your inauguration. Despite your widely publicized pronouncements to the contrary, the Army seems bent on closing this installation with ever increasing haste. One must assume that these activities are proceeding with the knowledge and approval of the current administration and that the White House has either not received the message, is not interested, or views your statements as empty rhetoric.

I am convinced that the only chance of preventing a premature closing of the Frankford Arsenal is by a direct appeal from you to President Ford, both privately and publicly, requesting an immediate moratorium on any further transfers of people or machinery. Only if that appeal is made and honored will Dr. Brown's review be of any value to the Carter-Mondale Administration. I am writing to you to ask you to make such an appeal.

This letter and my sense of urgency were sparked by the recent decision of the Army Armament Research and Development Command (ARADCOM) to accelerate the moving schedule of the Arsenal's small-caliber ammunition shops. These shops are a core component of the Arsenal and will apparently be dismantled and removed to Dover, New Jersey, by January 18, 1977—two days before your inaugural date.

My concern is not simply restricted to the loss of additional jobs in my district and in my city which some may regard as a parochial interest. Although, I must point out, the shutdown would mean a loss of $50 million in wages and $1.5 million in tax revenues for Southeastern Pennsylvania. I am also concerned about the attitude which has prevailed throughout the Nixon-Ford years and which has resulted in the loss of thousands upon thousands of jobs in this area; first at the Navy Yard, then at the U.S. Electronics Command and, finally, at the Frankford Arsenal.

Perhaps Dr. Brown's review will discover that economic considerations often cited by the Pentagon were merely excuses for these closings. Perhaps the review will find out why Philadelphia was subjected to such callous treatment. It was a decision, in my judgment, made without regard to higher national security considerations. Historically, the Frankford Arsenal has acted as a restraining influence on the costs of armaments

produced by private industry. That important function will be severely undermined by its closing.

In the Fall of 1974, the *Philadelphia Daily News* referred to a ". . . complex web of intrigue and conflict of interest . . ." and revealed that the 22 member panel which planned the Arsenal closing consisted of 18 executives from private companies who stood to benefit from that move.

Hoag Levins, the investigative reporter who wrote that devastating series, concluded by predicting that a probe would someday show ". . . what really happened at the Frankford Arsenal . . ." and that the Pentagon would suffer ". . . its own Watergate in the corruption laced field of armaments contracts."

Perhaps Dr. Brown's review will show all this and more.

It will undoubtedly show that Mayor Rizzo's offer to build new facilities—at no initial cost to the Army—was never seriously considered. It will show that on November 26, 1974, President Ford promised a reexamination of the Arsenal decision and offered the City the chance to submit a rebuttal to the Army's financial justification. I will also show that the Army privately considered its decision "irreversible" even before the City's documents were delivered on January 31, 1975.

Finally, the review will show that the pleas and arguments of Philadelphia's Congressional delegation had no impact on the Ford Administration. I am concerned about this attitude, and I am somewhat perplexed by an administration that prides itself on a "smooth transition" of power while moving in some areas—from the Arsenal issue to the decontrol of gasoline prices—to undercut stated goals and policies of the incoming administration.

I genuinely hope that I have misinterpreted both the actions and motivations of the Pentagon and of the Ford Administration, but I fear that my conclusions are correct.

Again, thank you for your efforts to save the Frankford Arsenal, and I trust that a direct appeal to the President will serve to clear up any doubts he may have about your intentions with respect to the future of the Arsenal.

With warmest wishes,

RAYMOND F. LEDERER,
Member of Congress.

CONGRESS FIRST PRIORITY MUST BE TO LOWER FEDERAL TAX RATES TO FIGHT BOTH INFLATION AND UNEMPLOYMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, the first priority of the 95th Congress must be to reduce rates across the board.

These cuts should not be temporary, one-shot rebates, but rather permanent reductions that will assure more jobs and greater productivity in the private sector.

Today I introduced a bill to provide for such permanent tax cuts. It is the Jobs Creation Act, a successor to my bill of the last Congress which had 132 cosponsors. I will explain it in detail in just a moment, but first let me return to why it is essential to restoring the vitality of our economy to enact this bill.

THE ECONOMIC EFFECTS OF LOWER TAX RATES

Reducing tax rates would be the most immediate and effective boost to economic recovery of all the options open to us. It would stimulate output, the purchase of additional equipment, the construction of homes and factories, and the creation of more jobs at higher real wages. In short, reduced rates will combat both inflation and unemployment.

At lower tax rates, we would have a substantially larger private sector and an expanding tax base. The expanded tax base would more than offset the decline in tax rates, as it has done in the past, so that Government revenues would be higher, even as they fell as a percentage of gross national product. In fact, paradoxically, they would be higher because they were a lower percentage of GNP and therefore less of a drag on the growth of the productive sector.

The choice before us is so simple that it is hard to imagine anyone's not being able to see it. There are two ways to try to gain additional tax revenues: higher tax rates with less economic activity, on the one hand, or lower tax rates with greater economic activity on the other.

Higher tax rates stunt economic growth, and the amount of income available to be taxed, while lower tax rates increase economic growth and income. Congress should pass real tax reform by guaranteeing lower tax rates and thus assuring real growth, but it will not until the public demands it. Too many in Congress have opted for the "spend your way to prosperity" approach in the past because of their attitude that Congress knows how to spend the peoples' income better than the people themselves.

TAX CUT INDUCED DEFICITS ARE SELF-CORRECTING

The simple fact of the matter is that potential deficits from tax rate reductions are nipped in the bud, as additional tax revenue is produced through accelerated expansion of employment and real output. Food, clothing, housing, and other goods and services are produced in larger quantity, helping to hold prices down as real consumer needs are satisfied by increased production.

Deficits created by excessive spending, on the other hand, inevitably lead to some form of tax increase, either through the inflation tax or higher taxes to pay interest on the expanded public debt. This spending adds nothing to the supply of food, clothing, housing, or other goods, and does nothing to help lower prices. It reduces the reward to labor and investment, shrinks the productive private sector, and leads to recession and layoffs. The last 10 years are an excellent example.

THE NECESSITY OF RETHINKING THE TAX CUT QUESTION

Many have argued against spending deficits for so long that they have come to fear any policy which appears, even if only at first glance, to increase the deficit. That fear has blurred our vision of the distinction between the effects of increased Government spending and tax rate reduction.

It is not that fiscal conservatives have not wanted to cut tax rates. But there is something akin to a visceral reaction that causes them to become hypnotized by the possibility of an imbalanced budget, to the point that they will not risk a tax rate reduction, no matter how successful that policy has proven in the past.

The big spenders in Congress have helped construct a national following by offering an endless stream of tax-supported programs to various constituencies. By playing Santa Claus—or, more accurately, Robin Hood—with other people's money, they were able to win popularity, but this appeal has diminished as people have begun to recognize that these programs come out of the hide of the average worker in taxes and inflation.

Unfortunately, however, others in Congress have made too little an effort to build programs which would, in effect, return to the producers and workers of this country their rightful earnings through tax rate reductions. This is what I propose a majority of us in this Congress do, and it has nothing to do with political party affiliation. It has to do with what the American people both need and want and with what freedom requires.

PREMISES FOR TAX ACTION

Tax policy must be considered from the standpoint of its effects on the incentives of people to work and produce, to save and invest, to build and employ. When tax rates go up and investment and employment opportunities in the private sector go down, it is not the rich who have been soaked, but the unfortunate workers who either become unemployed or must work with less productive tools and machinery.

Attempts to benefit the less fortunate and fight poverty by trying to redistribute income through the Tax Code ultimately are counterproductive. The only real way to raise the standard of living is to increase the amount of capital per capita by reducing the tax barriers to investment and employment.

In 1950, the United States had twice the per capita income of Sweden or Switzerland. In 1974, these countries surpassed the United States in per capita income, and several others are close at hand. This rapid progress of our trading partners was due to deliberate attempts to increase the availability of tools and equipment per worker. We should do the same.

The greater the tax, the greater the shrinkage in real growth. Conversely, lower tax rates produce growth. When tax rates were cut in the 1920's, 1950's, and 1960's, workers had more incentive to work, small businessmen worked longer hours, professional people took shorter vacations, people saved more, investment grew, new jobs were created, output soared, and people consumed more.

No wonder tax revenues rose.

We must eliminate the tax bias against saving and investment. I say bias, for there is no economic activity which we tax as heavily as savings and investment. It is taxed on the Federal level through personal and corporate income taxes, double taxation of corporate dividends, capital gains levies, inheritance taxes, and gift taxes. After that, State and local governments tax it in as many ways. The resulting total marginal tax

bite is often as high as 90 percent or more.

Taxes also impact directly on hiring. The firm's total cost of hiring includes payroll and withholding taxes, while a worker's take-home pay is exclusive of both. As taxes rise, the cost of labor to the firm rises, and fewer workers are hired. Simultaneously, the take-home pay of those with jobs is reduced, causing many workers to lose incentive and opportunity.

All of these effects are disastrous at a time of high inflation and unemployment.

Reducing tax rates, coupled with spending and monetary restraint, should be at the center of the Ford Administration's last opportunity for the January budget proposal to expand real economic recovery and Mr. Carter's first chance to address these problems.

REPUBLICAN AND DEMOCRATIC ADMINISTRATIONS HAVE PROVED TAX RATE CUTS WORK

We know such tax rate cuts work, and we also know that Republican and Democratic administrations in this century have gotten them through Congress with substantial benefits to the economy.

The Republicans swept to power in 1920 by pledging a "return to normalcy"—that is, a repeal of the high taxes which had been necessary to finance the first World War. Secretary of the Treasury Andrew Mellon insisted the high wartime rates were stifling economic growth and that their repeal would bring prosperity and government revenues sufficient to pay off the war debt. He was right. The Treasury staff, which had opposed the tax cuts, was proved wrong.

Over 40 years later, President Kennedy fulfilled his campaign pledge to "get the country moving again" by sharply reducing personal and business tax rates. And it worked in the 1960's the same way it worked for Mellon in the 1920's. Both periods saw sharp economic growth and improvement for those in the lower and middle-income brackets.

Clearly, the Kennedy rate cuts were successful, so why do some people oppose tax rate cuts today? The reason may be that they are more interested in redistributing income and expanding the role of Government than in producing greater real income through economic freedom.

The Kennedy tax cuts were rationalized by his chief economic adviser, Walter Heller, as a way of creating a deficit—that is, a way to stimulate aggregate demand. They were not rationalized on the grounds of increasing aggregate supply by increasing the reward to work and investment. They did have the same consequences as the Mellon cuts, however, and that is the economic point to be made here regardless of the rationale.

Kennedy sent his proposals to Capitol Hill despite the simplistic and static analysis of Treasury's accountants, who assumed there would be no increase in GNP due to the tax cut, and projected sizable tax losses. Kennedy's Treasury Department projected 6-year revenue losses of a staggering $89 billion as a result of the 1962–64 and 1965 tax cuts. Instead, revenues jumped upward by $54 billion over that period—a $143 billion total difference from what Treasury had projected. The reality is so dramatically different from the Treasury predictions that it warrants being looked at, year by year:

[In billions]

Year	1963	1964	1965	1966	1967	1968	Total
Treasury-estimated revenue losses	−2.4	−5.2	−13.3	−20.0	−23.7	−24.4	−89.0
Actual revenue gains	+7.0	+6.0	+4.0	+14.0	+19.0	+4.0	+54.0

[1] Library of Congress study done at my request.

Why were the Treasury predictions so far off? Because Treasury ignored the feed-back effects of tax rate changes on productive behavior.

REVENUE LOSS PROJECTIONS ARE USUALLY WRONG

Keynesian economic models ignore the reasons why people produce, and only consider changes in Government spending. In Keynesian economic models, lower Government spending is bad for Gross National Product and employment. Higher spending is good, even if it means a tax increase. The tax increase is assumed not to reduce the incentive to work and invest.

In its projections of revenue impacts arising from proposed tax cuts in recent years, the Treasury has traditionally assumed that tax rate reductions will produce tax revenue losses. The statistical reality of the Mellon and Kennedy tax rate cuts was not seen by the White House last year until 2 weeks before the election. President Ford's statements in favor of tax cuts in the latter part of the campaign reflected an awareness of the concept behind the Mellon and Kennedy approaches, but it was too late.

Candidate Carter was the beneficiary, especially since he had embraced the elimination of double taxation of dividends and the adoption of several other capital-investment-producing measures early in his campaign.

A major article in the Wall Street Journal by one of Mr. Carter's principal economic advisers, Walter Heller, expressing sympathy for this approach, buttressed the Carter campaign platform in this regard.

President-elect Carter—and Republicans and Democrats in both the House and the Senate—have a sizable research base from which to work in pursuing across-the-board tax rate cuts.

WHAT IS THE JOBS CREATION ACT?

Over the past several years, I have helped lead a drive to reduce tax rates on both personal and business incomes. This drive centers around the Jobs Creation Act and continues to be the private enterprise alternative to the Humphrey-Hawkins "full employment bill" and the kind of misguided tax reform act which Congress passed and the President signed into law this year.

The Jobs Creation Act is designed to assure the acceleration of savings and investment capital in the private sector of the economy and remove the bias against savings and production in the tax code. Capital investment is the only way to increase the economic growth rates which once gave this country unquestioned leadership and prosperity in the world community. The Jobs Creation Act would mean more real, productive jobs in the private sector, higher real wages, a boost to the economic growth rate and the Gross National Product, and even more total revenue with which to reduce the deficit and even start paying off the national debt.

The Jobs Creation Act in the 95th Congress will reduce all income tax rates by 10 percent. For example, if the rate is now 20 percent, it will be reduced by 10 percent. This treats everyone equally and brings the tax brackets in line with the shrunken purchasing power of everyone's income. The legislation will bring an end to that double taxation on dividends which taxes the earnings of job-creating investment twice. It will increase the corporate surtax exemption to $100,000 to help smaller businesses compete more successfully.

It will carry into effect additional tax reforms which are badly needed.

An economic analysis of the proposed tax changes was carried out by Dr. Norman Ture, the same consultant who helped work out the Kennedy round of tax cuts.

Dr. Ture estimated that the Jobs Creation Act would significantly increase GNP, employment, and real wages. He estimated that Federal tax revenues would also increase, despite and because of the lower tax rates.

The Department of the Treasury, long imbued with demand-management models, was forced to do some hard thinking by Dr. Ture's emphasis on the real factors that influence people's decisions to work, save, and invest. Treasury has now agreed in principle with Ture's approach, and only quarrels over how much additional Gross National Product and employment the Jobs Creation Act would create.

SOME CAUTION ABOUT ECONOMIC MODELS

Some words about the usual economic models—DRI, Wharton, and Chase—and reliance on their findings is in order here.

The best-known econometric models of the U.S. economy that have been developed since the second World War operate on the basis of measuring changes in total demand. The main emphasis is on changes in spending, and that spending is broken down into three types: consumer spending, investment spending, and government spending.

The premise upon which these models operate is the Keynesian notion that an increase in government spending—especially if the increase in government spending causes revenue to be overspent and results in a Federal budget deficit—

will lead to an increase in economic activity both directly and by raising the level of consumer and investment spending.

In these models, a reduction in taxes is not seen as a way of stimulating the economy through production incentives to individual units, but instead as a way of causing a deficit in the budget, which increases demand.

Therefore, in these models it is not changes in people's behavior that is modeled, but only mechanical changes in total spending. As a result, a cut in tax rates would be modeled in terms of its impact on total spending and not in terms of a behavioral response to being allowed to keep more of what one earns from working or receiving a higher after-tax return from savings and investment.

The Ture model does not make this mistake. It rests upon the understanding that an increase in incentives to work and invest will lead to more work and investment, thereby raising the productivity of labor and the economy. In short, tax cuts stimulate supply as well as demand.

TAX RATE CUTS ARE ESSENTIAL THIS YEAR

The problem here is wider than whether one agrees with one analysis or the other, however. What is at stake is not a contest between economic models, but rather the question of what leadership will be brought to bear to get the needed tax reforms through Congress to expand the economy.

We know for sure that the deficits produced by ever-increasing Government spending have produced double-digit inflation and almost double-digit unemployment. We know the recession arose from those policies. We ought to be able to infer, therefore, that a return to the lower tax rate policies which produced economic growth before will once again produce similar growth.

In a world of increasingly competitive economic interests among nations, I can think of few things more important than reasserting our leadership. I cannot think of anything more important for the men and women in this country who earnestly do want a real job but cannot find one, than to give them a tax policy which will provide them with meaningful and productive jobs that will generate taxes instead of consume them. It is not only sound economics, it is good politics.

LEGISLATION TO REPEAL INEQUITABLE PROVISION OF SOCIAL SECURITY LAW RE EARNINGS LIMITATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, I am today introducing legislation to repeal what is perhaps the most inequitable provision of the social security law, the earnings limitation for social security recipients. This legislation is identical to a bill I introduced on the first day of business in the 94th Congress. It is, in fact, a measure of tax reform, since the earnings test appicable to social security beneficiaries actually imposes a 50 percent tax on those recipients whose income exceeds $3,000 a year in 1977.

The earnings test is inequitable, first, because it denies benefits to those persons who have earned them by paying into the social security system all their lives. It is doubly unfair that, even as these workers are denied their social security benefits, they must continue to pay social security taxes on their earnings—even though they may never receive their due benefits.

It is further a very discriminatory tax because it is only imposed on working beneficiaries, whether employees or self-employed. Persons whose after retirement incomes are derived from such sources as rents, dividends, interest, sales of property, pension, or nonearned income are not subject to this tax and receive full social security benefits.

The earnings limitation is not only inequitable in and of itself; it is unfair in its application. Persons such as lawyers, accountants, and entertainers, who are able to earn several thousand dollars in just a few months, are entitled to receive full benefits for the months in which they choose not to work. In contrast, retired persons who have no choice but to work year around begin losing social security benefits every month after they have exceeded the limitation of $3,000 per year.

This provision encourages our workers to retire when the economy needs the output from their labors; and at the same time we are developing and funding programs to provide elderly Americans with meaningful leisure time activity and useful functions in society. This is indeed contradictory.

The social security earnings limitation applies not only to our older workers but to young widowed mothers and students as well. It is not sensible to discourage these persons from working.

Even with recent improvements in social security, the latest data show that the average social security benefit for a retired worker is just sufficient to maintain his standard of living barely above the poverty threshold. The earnings ceiling provision thus penalizes those who absolutely must work to supplement their incomes. This is both a practical and a philosophical problem.

My bill would eliminate the earnings limitation entirely. I believe it is contrary to American philosophy to penalize those who want and need to work; and I urge my colleagues to join me in support of this legislation.

TO MY FRIEND, BELLA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 5 minutes.

Mrs. FENWICK. Mr. Speaker, I would like to join with my colleagues in expressing regret that Representative Bella Abzug is leaving this House. Few Members earned greater respect and affection—respect for her honest concern for her constituents, and the causes she championed; affection for her ability to differ without animosity or rancor.

None of us will soon forget her earnest speeches in the well of the House. She was not one who took her work lightly. Government was a serious matter for her. One had to admire the working of a trained mind, and the passionate devotion to the principle she believed to be at stake.

For me, the loss is also a personal one. We were friends, from the first time we met. A warmhearted, loyal friend, an unforgettable personality, her stay in the House was not long but—unlike many of us who will go from here without leaving a trace—Bella Abzug will be long remembered.

REGULATORY COST IMPACT ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. THONE) is recognized for 5 minutes.

Mr. THONE. Mr. Speaker, today I am introducing with FRANK HORTON the Regulatory Cost Impact Act of 1977. The public outcry over the size and cost of the Federal bureaucracy and the heavy-handedness of its regulators continues to grow. Each daily issue of the Federal Register testifies to this.

The tremendous Federal bureaucratic engine, spewing paperwork forms and regulations before it, threatens to smother both small and large business, industry, State and local governments, schools, and individuals—in fact, all that stand in its way. As the enormity of this situation has emerged, we have become increasingly aware that unless we halt the wasteful and unnecessary proliferation of forms and regulations, time and money will be eroded from the institutions and individuals at our Nation's social and economic foundation.

As the size and cost of Federal Government regulation has expanded in recent years, the benefits received by those who pay for these regulations has not been anywhere near commensurate. We cannot, in fact, will not tolerate this trend any longer. Initiatives from both the legislative and executive branches demonstrate the growing concern for this problem at the Federal level. The current administration has worked actively to solve it. The new administration made it a key part of its election campaign. Communications received continually from my Nebraska constituents in reference to specific cases of regulatory harassment and general concern for this matter underline the burgeoning need for action.

We all witness overlapping, complex regulations that in too many cases are at cross purposes with each other—often rendering them meaningless. They often

impose needless impediments in the lives of businesses and individuals. The purpose of Federal regulations—whether they are intended to protect the environment, health or safety of Americans, or to avoid monopoly or destructive competition in our economic sector—is to help and serve the needs of the U.S. citizenry. In order to fulfill this purpose, Government regulations must be cost-effective: each must return to the public in benefits an amount equal to the costs it demands of them. How ironic it is when regulations that impose heavy burdens on the time, energy, and money of consumers and taxpayers are too confusing to be effectively implemented. How ironic when they demand far more in costs than they return in benefits.

It is time Federal regulations undergo scrutiny reflecting cognizance of the fallibility of Washington rulemakers. This bill would require Federal officials to evaluate their regulatory proposals—by comparing their overall costs and benefits—in much the same way that State, local, business and school officials must evaluate theirs in order to comply with Federal requirements. This measure provides a framework for determining if these regulations are an overall help to the public—be they considered in the context of private individuals or that of officials in various capacities.

In order to insure Federal statutes, regulations and policies do provide equivalent public benefits, proposed Federal agency regulations with projected significant economic impacts would be accompanied by a regulatory cost/benefit assessment analyzing public costs and benefits. The assessment would study short- and long-term, direct and indirect costs and benefits—quantifying when possible and listing when immeasurable. The assessment would evaluate the net public benefit of the proposal by examining the relationship between its costs and benefits and the reasonable alternatives to it, their respective costs and benefits and the relationship of their costs and benefits. The final regulatory cost/benefit assessment would be prepared after the public and other agencies had had an opportunity to comment on a draft assessment published in the Federal Register.

This measure follows other congressional and executive branch activity directed toward reforming Federal regulations. Early last year, the Oversight and Investigations Subcommittee of the House Committee on Interstate and Foreign Commerce conducted a series of hearings on nine independent regulatory agencies. Further, hearings were held during the last Congress on bills pertaining to the termination of unneeded agencies, zero base budgeting, and congressional review of administrative rulemaking.

More specifically, both H.R. 7575 and S. 200 from last Congress had provisions for cost assessment statements in certain circumstances when they passed their respective Houses. Executive Order 11821, promulgated by President Ford in 1974, required agencies to certify they have evaluated the inflationary impact of regulatory proposals.

The Regulatory Cost Impact Act would provide Americans with a long neglected role in the rulemaking process. When regulations with a significant economic impact are being proposed, consumers have neither the time nor money to hire legal counsel to represent their point of view. Rulemaking requires technical, economic and administrative expertise not available to the average American. Giving the public the opportunity to present their points of view and evaluating these views fairly with the mechanisms available to Government would logically make Government regulations more just for both the regulators and the regulated.

It is past time we eliminate regulation where Federal intervention is counterproductive and means higher taxes or higher consumer costs without equal overall benefits to taxpayers and consumers. It is past time we expel those regulations that contribute to inflation, promote inefficiency, or discourage innovation. Since there is seemingly no objective general consensus about which regulations are the culprits—those that are wasteful and purposeless—it is important we introduce a mechanism for evaluating proposed regulations from all sides, so that factual evidence can establish which should be instituted and which are not justified by their cost.

A summary of the bill's major provisions follows:

SUMMARY OF THE MAJOR SECTIONS

(1) Congressional findings—

(A) government programs and policies are often adopted without adequate information on public costs, without balancing those costs with the benefits to be derived; and without attempting to determine the net public benefit of those programs and policies.

(B) present and recurring economic problems are at last partially attributable to the excessive costs of government programs which don't provide commensurate benefits; and

(C) programs should bear a reasonable relationship between costs and benefits (Section 2(a)).

(2) A congressional policy declaration for proposed legislation or regulations, where a significant impact on costs to the public can be projected, to provide benefits bearing a reasonable relationship to such costs. (Section 2(b)).

(3) "Benefits" and "Costs" are defined to include short- and long-term effects to the public, those which may be quantified or measured in an appropriate manner, and those which cannot be adequately measured but which are nevertheless deemed to be of significance to the public. (Section 3).

(4) Every agency would prepare a draft Regulatory Cost/Benefit Assessment for regulations which might significantly impact public costs. The Assessment would require short- and long-term costs and benefits to be analyzed. They must be quantified or measured wherever possible and listed when they are not quantifiable. The Assessment would then evaluate the net public benefit of such proposal by examining the relationship between its costs and benefits and the reasonable alternatives to it, their respective costs and benefits and the relationship of their costs and benefits. (Section 4(a)).

(5) The agency shall follow certain procedural responsibilities for review and comment of the draft Assessment by the public and other agencies, for the preparation and publication of the final Regulatory Cost/Benefit Assessment and the final regulation shall be subject to judicial review including compliance with the Act. Section 4(b–d).

(6) Emergency procedures are provided in the case the delay for preparation of a draft Regulatory Cost/Benefit Assessment would present a substantial risk to health or safety of persons or to national security, so the regulation may be promulgated subject to a requirement that a Regulatory Cost/Benefit Assessment can be prepared and the regulation be revised or rescinded as needed in light of the final Assessment. Section 5.

(7) The Executive shall promulgate sufficiently detailed guidelines to insure the preparation of complete, comprehensive, objective Regulatory Cost/Benefit Assessments shortly after adoption of the Act and provide for judicial review of their completeness. Section 6.

(8) Agencies may review existing regulations under certain circumstances, and amend them if they determine there is substantial disparity between the public costs and the benefits derived. Section 7.

(9) Congressional committees shall prepare Regulatory Cost/Benefit Assessments for legislation having a significant impact on public costs. (Section 8.)

DOMESTIC UNEMPLOYMENT IS PRESSING PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER. Mr. Speaker, as we begin the new session, it is imperative that Congress follow up quickly on initiatives taken last year to deal with one of our most pressing domestic problems—unemployment.

In this regard, my first order of business today is the filing of a bill to provide up to $6 billion in new funds for public works projects to create jobs. I do so in cooperation with many of my colleagues, and especially the new majority leader, the Hon. JAMES WRIGHT of Texas.

But at the same time, I urge Congress to address what I regard as the total ineptitude of the Economic Development Administration in handling the public works funds which already have been made available for unemployment relief.

I represent a district which includes cities that have suffered staggering economic problems and chronic unemployment. And two of these communities in my district—Taunton and Fall River—as well as economically depressed cities throughout eastern Massachusetts, have been denied aid specifically intended for them by Congress.

Any new money for the local public works program must be predicated on major changes in the method of calculating unemployment. Once individuals exhaust their unemployment benefits, they no longer count as far as the official jobless statistics are concerned.

This is absurd, and it means that many cities which need the help the most suffer.

Communities like Fall River and Taunton have suffered because their unemployment rates have been understated on the one hand, but also because the EDA has failed to follow through on the intent of the public works employment law.

The guidelines specifically state that

duration, as well as severity of unemployment, be included in proposed project determinations. And these cities which I represent—which have yet to receive one single dime—have been contending with high unemployment for years. They presented well designed, urgently needed projects which should have been approved.

At the urging of the Massachusetts congressional delegation, the EDA has agreed to hold a public meeting in Boston Thursday to explain the public works selection process which has failed to aid so many needed Massachusetts communities.

I also will be seeking legislative review of the EDA's performance with the program to date. When so many desperately needed communities are left dry, something must be wrong.

NUCLEAR ENERGY REAPPRAISAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 10 minutes.

Mr. FISH. Mr. Speaker, due to a rising concern in recent years for the overall effects of the energy crisis, the Congress and the American people have thrown themselves into a frantic search for viable alternative sources of energy in the hope of creating and/or enhancing a technology which would successfully combat the certainty of dwindling oil resources.

Energy research and development has surfaced in the areas of shale oil, fossil fuel, solar, geothermal energy, combustion conversion and a number of energy source alternatives, yet it appears that a disproportionate amount of time, effort, and money have been directed toward the promotion of nuclear power, the light-water reactor, and the liquid metal breeder. Nuclear power has apparently found its way into the hearts of the American utilities as the most convenient, economical, and efficient solution to our energy problems.

Proponents of nuclear power argue that the American people now favor increased development of civilian nuclear plants by a margin of 3 to 1. The risks involved are insignificant we are told when compared with the potential nuclear power has to offer.

I, however, cannot believe that nuclear power is so flawless that we should commit ourselves today to the pursuit of a technology lacking, in my judgment, time tested credibility.

Mr. Speaker, nuclear power is the most dangerous technology to ever enjoy widespread commercial use. It is frighteningly apparent that our nuclear development has far surpassed out collective ability to deal with the resultant and very real negative aspects of a massive expansion of the nuclear power program.

We cannot only concern ourselves with the possibility of catastrophic accidents such as the partial core melt down in the Brown's Ferry, Ala., plant. Mankind also faces the environmental insult of radioactive poisons, increased cancer risks, the problems of waste storage and disposal, the threat of nuclear sabotage and the effects on our national security from thoughtlessly accelerated proliferation. It makes little sense to spend billions of dollars to prevent an atomic attack on the United States while we are heavily subsidizing the construction of nuclear plants near major metropolitan areas—ready targets for radioactive sabotage by small groups of terrorists.

Mr. Speaker, there are viable alternatives to nuclear power. I plan to actively consponsor, in the 95th Congress, legislation which would promote extensive research in the area of solar energy, seeking to facilitate the utilization of solar energy through programs designed to assist States in implementing these systems into public buildings, and establishing guaranteed loan programs encouraging the installation of solar energy hardware in private dwellings. I will also cosponsor legislation calling for studies of waste conversion as a possible energy source, as well as legislation calling for increased attention in the area of our abundant coal resources. Our Nation has a wealth of untapped resources and I am firmly committed to their vigorous development. This and conservation should be our priority.

Mr. Speaker, I am introducing in the 1st session of the 95th Congress, on behalf of myself, Mr. PATTISON of New York and 16 of my colleagues, the Nuclear Energy Reappraisal Act of 1977. This proposed legislation calls for a moratorium on the granting of construction licenses by the Nuclear Regulatory Commission for new nuclear powerplants, pending a 5-year comprehensive and independent study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment. This measure does not affect plants which are currently operating or under construction. Should this measure have a direct negative impact on employment, section 8 of this bill provides that, to the maximum extent possible, the Federal Government will provide funds for employment creation programs in areas in which it is established that unemployment has been caused by the implementation of this act.

We feel that enactment of the Nuclear Energy Reappraisal Act will enable the American people to make an informed judgment as to whether to embark on an irreversible commitment to nuclear power as a major energy source.

Mr. Speaker, the text of the bill follows:

H.R. —

A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive five-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Energy Reappraisal Act".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that there is serious division in the general citizenry and in the scientific community about the wisdom of a commitment to a further expansion of nuclear fission power because of: the likelihood of the exportation of atomic reactors increasing the proliferation of nuclear weapons; the unresolved questions about the safety of nuclear plants; the potential danger to society from the use of special nuclear materials, such as plutonium, which if diverted from their intended uses, may be used as weapons of terror; the unresolved problem of the storage of nuclear waste materials for 250,000 years; because the economic feasibility and reliability of nuclear plants continues to be in question; and that several foreign governments are currently reassessing their nuclear power programs.

(b) The Congress therefore declares that—

(1) the further deployment of civilian nuclear fission plants is inconsistent with the national security and public safety as required by section 3(d) of the Atomic Energy Act of 1954;

(2) the serious safety and environmental problems associated with nuclear fission power should be resolved before a further commitment to nuclear power is made by the United States Government; and

(3) The Office of Technology Assessment should undertake a comprehensive review of the safety, environmental, and economic consequences of the proliferation of nuclear fission plants in the United States and abroad in a completely independent manner.

CESSATION OF LICENSING OF NUCLEAR PLANTS

SEC. 3. (a) The Nuclear Regulatory Commission is directed to cease, beginning on the first day after the date of the enactment of this Act, the granting of construction licenses or limited work authorization for the construction of nuclear fission powerplants and the granting of licenses for the export of nuclear fission powerplants.

(b) This termination shall continue until the Congress, after having adequate time to study the results of the investigation described in section 4, shall make a determination that—

(1) the continuance of the nuclear reactor program does not significantly contribute to the proliferation of atomic weapons;

(2) the effectiveness of all safety systems, including but not limited to the emergency core cooling system, of any nuclear fission powerplant operating or to be operated in the United States is demonstrated, by comprehensive testing, in actual operation, of substantially similar physical systems, to the satisfaction of the Congress;

(3) the radioactive wastes from such a plant can be stored or disposed of, with no reasonable chance, or intentional or unintentional escape of such wastes or radioactivity into the natural environment or immediately or eventually adversely affect the land or the people of the United States, whether due to imperfect storage technologies, earthquakes or other acts of Nature, theft, sabotage, acts of war, governmental or social instabilities, or whatever other sources the Congress may deem to be reasonably possible;

(4) the effectiveness of security systems throughout the fuel cycle is demonstrated to the satisfaction of the Congress; and

(5) after analysis of all the safety, environmental, and economic and proliferation consequences enumerated in section 5, nuclear fission plants are acceptable in comparison to other energy sources, including renewable energy sources.

(6) other methods exist to supply the necessary energy to support a strong economy and fullest possible employment.

(c) This termination shall continue until the Congress, after having adequate time to

study the results of the investigation described in section 4, shall provide by law—

(1) for the resumption of issuance of construction licenses for nuclear fission power plants and the development of criteria and standards for the licensing of such plants; or

(2) that resumption of such licensing be permitted but only under limited conditions specified in that law.

(d) Beginning five years and one hundred and eighty days after the date of the enactment of this Act, if the Congress has not determined, under section 3(b), that the licensing of fission plants may continue, each existing nuclear fission power plant and each such plant under construction shall not be operated at any time at more than 60 percent of the licensed core power level of such plant and shall thereafter be derated at a rate of 10 percent per year of the licensed core power level of such plant, and shall not be operated at any time in excess of such reduced core power level.

(e) The provision of section 3 shall not apply to small scale nuclear fission reactors used exclusively for medical or experimental purposes.

OFFICE OF TECHNOLOGY ASSESSMENT STUDY

SEC. 4. (a) The Office of Technology Assessment is directed to undertake a comprehensive study and investigation of the entire nuclear fuel cycle from mining through fuel reprocessing and waste management and, as described in section 5, to determine the safety and environmental hazards of this cycle.

(b) The Office of Technology Assessment shall conduct this study independently. The Office in conducting the study shall request, receive and consider the comments and opinions of independent scientists, engineers, consumer, and environmental representatives. The Office shall hold informal public hearings on each major area of inquiry to permit interested persons to present information orally, to conduct or have conducted cross examination of such persons as the Office determines appropriate for a full airing of the issues and to present rebuttal arguments. A verbatim transcript shall be taken of any oral presentation in cross examination and shall be published by the Office. The Office shall have the power to enter into contracts with individuals or corporations for the purposes of conducting the study, but shall not enter into contracts with or rely primarily on the expertise of any industry or company which provides materials, management capabilities, research, or consultant services for nuclear fission powerplants or which otherwise in the judgement of the Office might have an interest in perpetuating the nuclear industry.

(c) All Government agencies shall cooperate to the fullest extent with the Office and shall provide access to their personnel and data. At the request of the Office, any Government agency shall furnish any information which the Office deems appropriate for the purpose of conducting the study. The Office is further empowered to compel the delivery of any information in the possession of any federal agency, commission or other organization, or any person, corporation, or association which the Office deems necessary for conducting the study.

OFFICE OF TECHNOLOGY ASSESSMENT REPORTS

SEC. 5. (a) Five years after the date of the enactment of this Act, the Office of Technology Assessment shall submit a final report to the Congress and the public concerning the safety and environmental hazards of nuclear fission powerplants and the nuclear fuel cycle.

(b) The Office will provide an annual report to the Congress and the public on the progress of the study, and provide the opportunity for an annual public hearing concerning the progress of the study. In each annual report the Office shall inform the Congress of the actions it has taken to fulfill the requirements of the Act, whether it has found any evidence that any persons have violated the laws and regulations relating to safety in the development or use of nuclear power or special nuclear materials, whether it has any evidence that the agencies of the Federal Government, present or past, which have the responsibility for insuring the safety of the nuclear fission power have not faithfully or effectively exercised their responsibilities, the extent to which other Federal agencies have cooperated with the Office, whether all information requests of the Office under section 4(c) have been complied with, whether and to what extent the Office has made provision to insure that all viewpoints have been adequately considered. The Office, in its annual report, shall also make available to Congress and the public, any information relating to the safety of the nuclear fuel cycle which has heretofore not been public information either because it was not publicly available, it was not compiled in an analytical form, or for other reasons.

(c) The final report shall include recommendations as to whether a resumption of the licensing of nuclear fission power plants should be allowed, and if so, the conditions under which licenses should be granted. The report shall consider the following issues:

(1) The safety and environmental hazards associated with the entire nuclear fuel cycle, including, but not limited to the significance of frequent malfunctions in components of emergency core cooling systems as evidenced by the abnormal occurrences reported by the Nuclear Regulatory Commission, the six failures of emergency core cooling systems in semi-scale tests, and the significance of the British government's rejection of the light water reactor because of the danger of pressure vessel rupture.

(2) The short-term and long-term genetic effects of low level radiation.

(3) The economic implications of a commitment to nuclear fission powerplants, particularly in relation to:

(A) the long-term cost and availability of raw materials in light of the existence of a foreign uranium cartel;

(B) the cost implications of the frequent shutdown of nuclear plants including the costs of shutdown and startup inspections, the cost to consumers of purchase of alternative power during shutdown, unemployment benefits and other costs of unemployment that result from shutdowns:

(C) the economic wisdom of a commitment to an energy technology in which prudent safety management requires that all plants of similar design be shut down when a serious safety problem arises at one plant, or sabotage of one plant is threatened; and the costs of necessary safeguards, including the costs of the design of the components of a nuclear transportation system, the costs both public and private, for personnel, equipment and property to protect the projected several hundred nuclear plants, reprocessing facilities, and the thousands of components of the nuclear transportation system and the costs of decommissioning existing nuclear fission powerplants; and

(D) the total savings to nuclear plant operators arising from the subsidies to nuclear power by the Federal Government since the inception of the civilian nuclear power program including research costs, for programs such as the plutonium breeder reactor, waste storage costs, regulatory costs, promotional costs enrichment costs, safeguards costs, insurance subsidies through the Act commonly called Price-Anderson Act and any other costs associated with the development of civilian nuclear power.

(4) The storage of high level radioactive wastes which may remain dangerous for two hundred and fifty thousand years.

(5) The central question of proliferation, nationally or internationally, of nuclear fission powerplants in relation to possibly safer and cheaper alternatives, especially renewable energy sources.

(6) An assessment of whether utilities, as institutions, are financially and technically capable of operating nuclear plants safely in light of the high costs of safety measures and the nuclear regulatory commission documented abnormal events in utility operated nuclear plants.

(7) An assessment of the licensing processes of the Atomic Energy Commission (and its successor, the Nuclear Regulatory Commission) which have permitted nuclear plants to be built over geologic faults and in other unsafe locations and which have allowed the continuation of licenses for utilities which have shown gross negligence in the operation and construction of nuclear plants.

PUBLIC INFORMATION

SEC. 6. (a) The Office of Technology Assessment shall be subject to section 552 of title 5, United States Code. The provisions of paragraphs (4) and (5) of section 552 of title 5, United States Code, shall not be construed to apply to any records of the Office which relate to the development, operation, or efficacy of the safety systems throughout the entire nuclear fuel cycle, except that provisions of paragraph (4) of such section may be construed to apply to such records in any case where the Office, after notice and opportunity for an agency hearing on the record, determines that such disclosure would result in irreparable injury to the competitive position of the person from whom the information was obtained. Such determination shall be subject to judicial review pursuant to section 552 of title 5, United States Code.

(b) As used in subsection (a)—

(1) the term "records of the Office" includes any application, document, study, report, correspondence, or other material or information or any part thereof received by or originated by the Office in connection with its duties under this Act; and

(2) the term "Office" means the Office of Technology Assessment, or any entity therein.

COMPENSATION FOR PUBLIC

SEC. 7. The Office of Technology Assessment shall, pursuant to rules promulgated by it, provide compensation for travel costs, per diem expenses, and experts' fees, and other costs in consulting with the Office, pursuant to the Office's responsibility under section 3(b), to any person who—

(1) has or represents an interest (A) which would not otherwise be adequately represented in such consultation, and (B) whose views are necessary for a full assessment of nuclear power and alternatives pursuant to this Act; and

(2) who is unable to participate effectively in such assessment because such person cannot afford to pay the cost of travel, per diem expenses and expert witnesses.

SEC. 8. To the maximum extent possible, the Federal government shall provide for the expenditure of funds available for employment creation programs in the areas in which it is established to the satisfaction of the appropriate federal agency that unemployment has been caused by the implementation of this act.

AUTHORIZATION

SEC. 9. There is authorized to be appropriated for the study under section 4 the sum of $15,000,000 for each of the first five fiscal years beginning after the date of the enactment of this Act.

PENSION FOR WORLD WAR I VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Florida. Mr. Speaker, on this first day of the 95th Congress, I am introducing for the sixth time my bill to provide a pension for World War I veterans. It was my honor and privilege to introduce this bill in each of the Congresses in which I have served—the 90th, 91st, 92d, 93d, and 94th. This is the first piece of legislation I introduced in the 95th Congress. It is first in my heart, first in my mind, and first in my hopes for success.

Before the 95th Congress ends 60 years will have come and gone since 4,744,000 U.S. soldiers fought in World War I. Sixty years used to be a lifetime. It was when the doughboys were born. Thanks to modern nutrition, medicine, and technology there are an estimated 834,000 World War I veterans with an average age of 80 still living in the United States.

One of the saddest tragedies in our society today is the failure of the Congress to pay proper recognition and respect to those of our World War I veterans who are still living. The time of reckoning is now, not tomorrow because tomorrow is too late. The time has come when we in Congress must act because, for many of our World War I veterans who are still living today there will be no tomorrow. In 1976 more than 94,000 of our World War I veterans died. This assumes significance when we realize that 53,513 doughboys died in World War I. So last year more soldiers of World War I died, than during the war itself.

As these veterans approach their nineties their numbers will diminish at a faster pace. This is one Government program that we know will diminish each year in the future.

Our people worry about food for the world but we have here at home thousands of World War I veterans who are inadequately fed. If we can give so much freely to those who have done nothing to help our country, how can we stand by and watch the suffering of these people who preserved our way of life.

Last year I received a letter from an 84-year-old woman whose husband—a World War I veteran—had died a few months before. Like many women of her generation she married very young, raised a family and kept house all her life. The finances were entirely managed by her husband. When he died the small pension he received from his employer was terminated, and his widow was left to survive on a small social security check. In a few short months the house she had lived in most of her life was being repossessed by the mortgage company, the telephone company had removed her phone, bills were coming in from all over and there was no money with which to pay them. She wrote to me for assistance, and there was nothing I could do to help her under present law. She wrote back when she received my letter and thanked me for trying. She added that she hoped God would see fit to take her soon as he had her husband because her existence here on Earth was so harsh.

The world is not the way people of 84 expected it to be when they planned for their "golden years" more than 20 years ago. Most thought they would be dead. Very few anticipated the longevity they have. Very few planned for the financial burdens of old age. Old age is new to our society and the world. When the people who served in World War I were born the life expectancy was 50 or 60 years maximum. In most parts of the world this is still true. We have a challenge to cope with the problems presented by longevity, but overall we have failed to face them. We do not want to look old age in the eye. Like ostriches we would rather put our heads in the sand than deal with the reality of our new situation.

We have created an environment that makes long life possible. Now let us create an environment that makes long life enjoyable, fulfilling, and worthwhile.

Let us stop treating the elderly like human garbage sitting at the back door waiting to be picked up by the grim reaper. Let us bring them back inside our society and work with them to solve the problems of age. Our over 65 population is one of the fastest growing segments of our society. Our over 85 population is not growing as fast. Those who reach this age, in too many cases curse the good health that let them live so long, instead of blessing the technology, nutrition, and medicine that enabled them to have so many years.

World War I veterans have an average age of more than 80 years. Most have been retired from the work force either by choice or coercion since they were 65. That is more than 15 years for most of living on accumulated savings, social security, and small pensions. With the health problems that occur after 65 only a few have been able to maintain a lifestyle above the poverty level.

Obviously we cannot solve all the problems of the elderly immediately. Some short term measures are necessary to ease the burdens faced by today's elderly. In my opinion, the most valid short term proposal presented to the 95th Congress is a pension for World War I veterans and their spouses. No proposal for Federal spending will do more to ease suffering and hardship than the few dollars per month advocated by my bill to assist World War I veterans.

INTRODUCING LEGISLATION TO EXTEND PUBLIC WORKS JOBS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN), is recognized for 10 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, I am pleased to join with other members of the Committee on Public Works and Transportation in introducing legislation to extend the public works jobs program of the Economic Development Administration.

The grants announced recently allowed funding for only 1 of every 12 project applications submitted. This happened though even to be eligible each project had to be ready to go immediately. The 1976 bill just did not go far enough. That bill was aimed at funding projects where construction could begin within 90 days. This means that there are still many very important projects fully justified and ready to go. Funding these projects will make another significant contribution toward job creation and the reduction of unemployment.

These projects are not leaf raking jobs. They will mean a permanent improvement in the local area. They will have an immediate impact on the building trades, which currently are experiencing almost 20 percent unemployment nationally. And there will be a ripple effect, first felt in the building supplies area, then throughout the economy as a whole as the wages earned are spent and circulated among the Nation's small businessmen.

Many of us feel there must be revisions in the allocation formula to reflect the lessons learned in the first allotment of these funds. During the hearings on the bill, our Economic Development Subcommittee will consider these charges and see if remedial action is warranted. I intend to work with my colleagues on the committee to review carefully the entire program. At the same time, I expect that there will be some pressure to advance this bill very rapidly in order to make funds available for selected projects, and thus create jobs and reduce unemployment as quickly as possible.

LEGISLATION TO REESTABLISH SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 10 minutes.

Mr. WOLFF. Mr. Speaker, today I have introduced legislation to reestablish in the House of Representatives the Select Committee on Narcotics Abuse and Control of which I had the honor to be the chairman in the 2d session of the 94th Congress. Of the 5 months during which the select committee was in existence during the 94th Congress, 3 were while the Congress was in session and 2 were while the Congress was not in session. Although it was originally anticipated that the select committee would be occupied solely with organizational tasks during the 94th Congress, a significant amount of substantive work was completed. Much work, however, remains for the committee during the 95th Congress.

The resolution which I have today introduced is identical in all respects to the resolution cosponsored by over 220 Members in the 94th Congress and which was approved by the House by a vote of 361 to 10. The select committee will be composed of 18 Members with at least 1 member being chosen from each of the seven standing committees which has legislative jurisdiction over a major facet of narcotics abuse and control. These committees are: The Com-

mittee on Armed Services, the Committee on Government Operations, the Committee on International Relations, the Committee on Interstate and Foreign Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and the Committee on Ways and Means.

The select committee, as during the 94th Congress, would not have legislative jurisdiction. The select committee would have authority to: First, conduct a continuing comprehensive study and review of the problems of narcotics abuse and control, including, but not limited to, international trafficking, enforcement, prevention, narcotics related violations of the Internal Revenue Code of 1954, international treaties, organized crime, drug abuse in the Armed Forces of the United States, treatment and rehabilitation, and the approach of the criminal justice system with respect to narcotics law violations and crimes related to drug abuse; and second, review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting narcotics abuse or control.

During the 5-month life of the select committee in the 94th Congress, the select committee held 9 days of significant oversight and local law enforcement hearings, wrote three substantive reports, and engaged in a seven-nation factfinding trip, accompanied by the Administrator of the Drug Enforcement Administration, DEA, all with a view toward conducting a comprehensive study of the problems of drug abuse and control.

In line with the mandate of the select committee to "review any recommendations made by the President * * * relating to programs or policies affecting narcotics abuse or control," the select committee has met with the President-elect's transition group to discuss our work, and to hear their views on reorganization of the executive branch so as to more effectively deal with the problem of drug abuse. It is very apparent that the new administration shares the view of the Congress that drug abuse control is one of the priority issues which must be worked on during the next several years.

The select committee has kept the standing legislative committees of the House fully informed as to its continuing studies and findings and has made effective plans for its activities in the 95th Congress. The select committee has in each of its endeavors sought to serve the needs of the standing committees of the House which are responsible for legislation dealing with drug abuse control.

The select committee has concentrated its efforts to date upon examining the current Federal and international effort against drug abuse and the findings, conclusions, and recommendations contained in its interim report will be made available to Members as soon as the printing is completed. The report will be found to be comprehensive and useful.

The distinguished chairman of the Judiciary Committee, Mr. Rodino, made the following observation at the time House Resolution 1350, creating this select committee in the 94th Congress, was debated on the floor in July, 1976:

For a great many years, we in government have decried the dangers posed by narcotics, yet we have failed to act in a systematic coordinated fashion. The results have not satisfied any of us.

This fact alone is enough to justify the extraordinary step in creating a Select Committee of the House to focus our best efforts upon this terrible and crippling problem.

Mr. Speaker, we have begun upon this great and significant effort and I, therefore, ask that the House give its support in the same overwhelming manner in which it acted in the national interest last July. I invite my colleagues to join with me in supporting the reestablishment of the Select Committee on Narcotics Abuse and Control.

At this time a copy of the resolution will be printed in the RECORD.

H. RES. —

Resolved, That (a)(1) there hereby is established in the House of Representatives a select committee to be known as the Select Committee on Narcotics Abuse and Control (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of eighteen Members of the House.

(2) Members of the select committee shall be appointed by the Speaker of the House. One member of the select committee shall be designated by the Speaker to serve as chairman of the select committee.

(3) At least one member of the select committee shall be chosen from each of the following committees of the House: The Committee on Armed Services, the Committee on Government Operations, the Committee on International Relations, the Committee on Interstate and Foreign Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and the Committee on Ways and Means.

(4) Any vacancy occurring in the membership of the select committee shall be filled in the same manner as the original appointment.

(b) The chairman of the select committee may establish such subcommittees of the select committee as he considers appropriate. Any such subcommittee shall be composed of not less than four members of the select committee.

SEC. 2. The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing comprehensive study and review of the problems of narcotics abuse and control, including, but not limited to, international trafficking, enforcement, prevention, narcotics-related violations of the Internal Revenue Code of 1954, international treaties, organized crime, drug abuse in the Armed Forces of the United States, treatment and rehabilitation, and the approach of the criminal justice system with respect to narcotics law violations and crimes related to drug abuse; and

(2) to review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting narcotics abuse or control.

SEC. 3. (a) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee, may sit and act at such times and places as it considers appropriate whether the House is sitting, has recessed, or has adjourned.

(b) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee to hold hearings, may hold such hearings, and may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it considers necessary. Subpenas may be issued under the signature of the chairman of the select committee or any member of the select committee designated by him, and may be served by any person designated by such chairman or member.

(c) A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may designate a lesser number as a quorum for the purpose of taking testimony. The chairman of the select committee, or any member of the select committee designated by him, may administer oaths or affirmations to any witness.

(d) The select committee and any subcommittee thereof and its staff may conduct field investigations or inspections. Members and staff of the select committee may engage in such travel as may be necessary to conduct investigations relating to the purposes of this resolution.

SEC. 4. The select committee may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee or any subcommittee thereof held in the District of Columbia.

SEC. 5. The provisions of clause 2(g)(1) of rule XI of the rules of the House shall apply to the select committee.

SEC. 6. (a) The select committee shall report to the House with respect to the results of any investigation conducted by the select committee, or any subcommittee thereof, under section 3(d).

(b) The select committee shall submit an annual report to the House which shall include a summary of the activities of the select committee during the calendar year to which such report applies.

(c) Any report of the select committee under this section which is submitted during a period in which the House is not in session shall be filed with the Clerk of the House.

TAX BILL INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, as we begin this new Congress I am introducing a tax bill that I hope will be given serious consideration in the next 2 years.

Since we have entered the decade of the seventies our citizens have been faced with ever increasing costs of food, clothing, gasoline, and utility costs, but when they review their budgets they have found that the biggest increase has been in the amount of taxes that they pay. According to the most recent statistics, taxes have risen 65 percent while the cost of living climbed about 40 percent.

The tax system in the United States has been very successful—one of the most successful in the world—because our citizens voluntarily comply with its requirements. The majority of our citizens do not object to paying taxes as long as they feel that everyone is paying his fair share. But what many citizens are finding more and more objectionable is

not being able to understand the present tax system. Its complexities at this stage have forced two out of every five taxpayers to seek outside assistance, usually at some expense, to help them complete their forms.

The middle-income taxpayer is up in arms because he does not feel that the system is equitable. Constant reports of millionaires who do not pay taxes, and numerous tax loopholes not available to the average taxpayer cause many of our middle-income citizens to feel that they are bearing the burden of the tax system and they are not happy with this thought.

The bill I am proposing today will certainly not cure all of the ills of our present system but will simplify it to a degree. My bill says that, notwithstanding any other provisions of the Tax Code, the tax liability of those who file an income tax return on an adjusted gross income of less than $30,000 will be no more than 10 percent of that adjusted gross income.

It is my hope that the House Ways and Means Committee, which has the responsibility for tax legislation, would utilize this basic proposal when considering tax reform in this Congress. Our citizens deserve to be able to understand our tax system without outside help, as well as feel that the system is fair and equitable, but at the present time neither is so.

EULOGY FOR MAYOR RICHARD J. DALEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise in tribute to Mayor Richard J. Daley, Chicago's leader and mayor for almost 22 years, who died on December 20 after a lifelong career of dedicated service and devotion to the people of Chicago.

I was privileged to know Mayor Daley for 36 years, and he was a man of great human understanding and compassion who did not tackle a job haphazardly but exercised tremendous discretion before he made a decision. He had one of the most outstanding political careers as a public servant of any man I know in American politics. Not only was he a great leader of a great city, he was a man who strongly believed in the sanctity of the family, and both his public and private life reflected his devotion to the highest standards of loyalty and strength. He was a man who rose to the top from his humble job in the stockyards, and throughout his brilliant career, he never lost his love for family, for friends, for the people of Chicago he served so well.

I watched Dick Daley as the minority leader of the Illinois Senate and in this capacity he was responsible for the enactment of social legislation that to this day is benefiting the people of Illinois. He served with great distinction and honor as a member of Governor Stevenson's cabinet as director of revenue, and it was during his years as an Illinois State legislator and cabinet officer that he became a recognized expert on finance and taxation. I, too, served in Governor Stevenson's cabinet as director of labor working alongside Dick Daley and during those years I had the opportunity to observe the tremendous contribution that he made to the establishment of new procedures for the collection of much needed revenues in our State.

Richard Daley became the county clerk of one of the largest counties in the Nation—Cook County—and all of the election precincts in our county outside of the city of Chicago, Berwyn and Cicero were under his jurisdiction. He was one of the leaders to bring election machines to the precincts of Cook County and was responsible for many of the reforms in that office, again serving the people of his city and his county with humility, understanding, dedication, and devotion.

In 1955 he was elected mayor of the city of Chicago and during the past 21 years he completely reorganized, updated, and modernized every branch of city service to the citizens of Chicago. Mayor Daley moved forward with bold vision and with determination to improve health and sanitation services, to modernize the fire department, to complete construction of the modern O'Hare International Airport, to install a vast network of efficient freeways and public transportation, to initiate urban renewal projects for removal of slum areas, to revitalize the downtown business area, to improve the police system and the welfare system by appointing able administrators, and to make countless other improvements. In fact, every department felt the impact of this man's dedication to bring good, honest, and efficient government to Chicago.

All of Richard Daley's fellow mayors acclaimed him as the best mayor in the United States, and Chicago as the best-run city in the United States. Other mayors were constantly seeking his advice and counsel toward the solution of their own municipal problems, and the people of Chicago held him in the highest esteem for his monumental services by returning him to office for six terms—the longest tenure ever held by any of Chicago's mayors.

What is not a commonly known fact is that the rebuilding of the inner loop area of downtown Chicago was accomplished without a single dollar of Federal urban renewal aid. In other major cities, such as New York and Philadelphia, more than two-thirds of the money spent for rebuilding portions of the central city came from Federal grants. Chicago, instead, used only private funds for improving the downtown loop area. This accomplishment alone stands as a tribute to his organizational genius and his brilliant and tolerant understanding of the need to involve all factions and groups in the success of our community.

Many of the Chicagoans who braved the near-zero temperatures to stand in line and pay their last respects to the mayor acknowledged that "losing Mayor Daley is like losing your own father," and one of the great strengths of Mayor Daley's method of administration was that he extended the same love and devotion to the people of his city that he extended to his own family. The people returned this devotion by giving their overwhelming support to him in election after election because they knew that the mayor was not using their votes as a steppingstone to higher political office in Springfield or in Washington—they knew that he was totally dedicated to the betterment of their city and the solution of their problems.

Mayor Daley never tried to be something that he was not, either personally or politically, and he knew the limits of power in a democracy. The mayor himself said time and again that "good politics is good government," and he understood that politics is people—people working together to achieve a common goal. Long before the politics of "citizen involvement" came to the attention of the Nation at large, Mayor Daley was involving the people of Chicago in the administration of their city. He understood that the people would care deeply about the success of their community only if they felt themselves a part of its governmental structure, and only if their views, their grievances, their wants and their needs were given a hearing and acted upon by the officials they had elected. Thus, to be a good politician Mayor Daley also had to be a good conciliator and mediator as well as a wise and understanding counselor.

Richard J. Daley was a remarkable man and he left our city of Chicago with a legacy of greatness. His outstanding record of excellence will never be forgotten by the generation of Chicagoans he served so well. Mrs. Annunzio and I extend our deepest sympathy to Mayor Daley's devoted wife, Eleanor, and their seven children.

NATIONAL CONDOMINIUM AND PLANNED UNIT DEVELOPMENT CONSUMER PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH) is recognized for 5 minutes.

Mr. MINISH. Mr. Speaker, I am today reintroducing the National Condominium and Planned Unit Development Consumer Protection Act. This legislation was originally introduced on September 2, 1976, too late in the 2d session of the 94th Congress for the bill to receive full consideration prior to adjournment. I am hopeful that it will receive the early attention of the Banking Committee's Housing Subcommittee in 1977.

The measure embodies the recommendations of a report on condominium development and sales practices issued by the subcommittee on General Oversight and Renegotiation of the Committee on Banking, Currency and Housing. This report, based on 4 days of hearings and an intensive staff analysis, details the rapid growth of condominium and related forms of housing and documents the existence of serious consumer problems.

Almost 4 million Americans currently reside in the condominiums, and it is our belief that condominiums will continue to account for a significant share of the Nation's housing in the years to come. In fact, experts have described condo-

miniums as the best housing alternative available to Americans given the economic and environmental realities of the present time. We are introducing this bill to help insure that condominium purchasers obtain good and decent housing and that condominium development keeps pace with the Nation's housing needs.

One of the major conclusions of the Oversight Subcommittee was that consumer dissatisfaction is based in large measure on purchaser unfamiliarity with the concept of shared property ownership. To remedy this situation, our bill requires developers to disclose to prospective purchasers in a brief, easy to understand format, the information necessary to enable consumers to reach a sound purchase decision. As a further protection, the bill grants purchasers the right to cancel a sales contract within 15 days of its execution. This cooling-off period is warranted by the lengthy and complicated nature of condominium documents as well as the high-pressure sales techniques of certain condominium developers.

One of the most frequently cited consumer complaints in the area of condominium housing is poor quality construction. Unlike purchasers of single family homes, condominium buyers, especially in high-rise structures, are unable to perform adequate inspection of a building's major structural systems. Our bill, therefore, provides a limited 1-year warranty against major structural defects for both the individual dwelling unit and a project's common areas. For converted structures, the warranty would extend for an additional year.

Condominiums also pose problems for tenants whose rental apartments are converted into condominiums. HUD estimates that 100,000 dwelling units have already undergone such conversion, and testimony before our subcommittee indicated that the conversion process will continue to be of significant proportions during the next decade. Too often tenants in projects undergoing conversion cannot afford to purchase their apartments and are given inadequate notice of the landlord's intention to convert. They are, therefore, unable to locate suitable alternative housing. Our bill proposes that tenants in buildings undergoing conversion be afforded written notice of a landlord's intention to convert at least 120 days prior to their being required to vacate their apartments.

Let me stress, Mr. Speaker, that the consumer protection measures set out in our bill are designed as minimum standards. The States are free and are, in fact, encouraged under this bill to develop more stringent protective measures than those we propose. This is possible because we have left enforcement of the rights and obligations set out in this bill to individual unit owners through suit in Federal court. This enforcement mechanism will permit the States that wish to regulate condominiums to formulate their own programs unhampered by a conflicting and duplicitous Federal enforcement scheme. In addition, placing responsibility for enforcement in the hands of those citizens most directly affected obviates the need for a costly and cumbersome new bureaucracy. We believe that nothing in this bill will result in a substantial increase in costs to condominium purchasers or discourage honest developers from initiating new condominium construction.

LEGISLATION REVISING NATIONAL LABOR RELATIONS POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON) is recognized for 15 minutes.

Mr. THOMPSON. Mr. Speaker, I am introducing today a bill which would bring about the most sweeping revisions in national labor relations policy since the passage of the Landrum-Griffin Act 17 years ago. I am convinced that such fundamental reform of the National Labor Relations Act is long overdue.

In the 14 years that I have served as chairman of the Labor-Management Subcommittee of the Committee on Education and Labor, I have discovered many serious deficiencies in the operation of the NLRA. The Labor Reform Act of 1977 is intended to correct many of those deficiencies.

The original Wagner Act asserts in its first section that it is the policy of the United States, in order to eliminate substantial obstructions to the free flow of commerce, to encourage the practice and procedure of collective bargaining in our country "by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection."

It was further recognized that was necessary because otherwise the inequality of bargaining power between individual workers and accumulations of capital organized in corporate form tended to aggravate recurrent business depressions by depressing wage rates and the purchasing power of wage earners and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

Thus the Wagner Act set out to encourage the friendly adjustment of industrial disputes by restoring equality of bargaining power between employers and employees.

The promise of the National Labor Relations Act has still not been completely fulfilled because the structure we established to achieve those objectives has not been adequate to the task. We set up the National Labor Relations Board to protect and enforce the rights we created, but we have encumbered that Board unnecessarily and we have failed to provide it with the weapons needed to carry out its remedial aims.

The hearings of our subcommittee have documented case after case in which workers were thoroughly frustrated in their efforts to secure the promise and benefits of the NLRA because the enforcement mechanism we established was inadequate to cope with the recalcitrant employer adamant in its opposition to bargaining with its workers.

The Labor Reform Act I am introducing is directed at dealing with that problem by expediting the processes and procedures of the act and by strengthening the remedies available for its enforcement.

The word most repeated in our hearings over the years has been "delay." If there is any one single problem that has contributed to the breakdown in enforcement of national labor policy it has been the inability of the enforcing agencies to provide prompt and expeditious protection of peoples' rights. It has reached almost scandalous proportions and has disillusioned millions of working people with the promises of their governmental leaders.

I hate to repeat cliches—but who can challenge the fact that justice delayed is justice denied?

And no one who has examined our hearing records can deny that thousands of individual workers have been denied justice due them under the law because of delays in adjudicating their complaints. Much of this delay is caused by what is essentially a two-tier system of adjudicating unfair labor practice complaints in the first instance. Under the present law, the decision on complaints must be made by the Board.

The hearing examiner is little more than a conduit who forwards the record of the hearing to the Board itself for decision. In addition to delaying the disposition of unfair labor practices, this practice unnecessarily burdens the members of the Board and interferes with their carrying out of other duties. Section 4 of my proposed bill would authorize the Board to delegate decisionmaking authority on unfair labor practice complaints to administrative law judges, retaining a right of review of such decisions within the Board similar to the certiorari or certification jurisdiction of many courts. I believe that such a procedure would greatly help expedite decision in unfair labor practice cases.

Similar problems of delay occur in the Board's handling of representation elections. Under the Board's present procedures, if the unions and the employer cannot agree on holding a consent or stipulated election, the regional director conducts what are often lengthy hearings on the appropriate bargaining unit under the act and the eligibility of various workers to be included in that bargaining unit. After the regional director decides those issues, the parties have a right to seek review from the full Board. Many employers feel they have nothing to lose by contesting the eligibility of numerous workers and by raising every conceivable objection to bargaining unit determinations.

As a result, it often takes more than a year after the filing of a representation petition before an election is finally held. Not only does this cause tremendous frustration and disillusionment among the workers—and often a belief that the boss is above the commands of the law—by the time the election takes place, the vigor of the organizing drive has been dissipated and vast changes in the composition of the work force may have taken place. Section 5 of the proposed

bill would require that even where there are disputes over the appropriate bargaining unit or the eligibility of specific workers, the Board must conduct a representation election in the unit designated by the union within 45 days of the filing of the petition, and thus record the contemporaneous decision of the workers as to union representation. In some instances, where the dispute is solely over eligibility of voters, such a vote will demonstrate that counting the challenged ballots will not affect the result of the election and the Board can immediately certify the results and permit collective bargaining to proceed. At worst, in some cases, the election held will ultimately have to be set aside and a new election held, in which case the workers will be no worse off than they are under the present system.

Section 6 would bring about another reform aimed at eliminating delay in workers' efforts to enforce their right to bargain collectively. Under present law, there is no way a union can avoid the holding of an election to demonstrate its majority status if the employer insists upon it, no matter how clear and overwhelming the union's support among the workers. Section 6 would return the law in this regard to where it was prior to the Taft-Hartley amendments and permit the Board to certify a union as the bargaining agent of the employees without an election if the union can demonstrate that a large majority of the workers so desire. The union would be able to make such a showing by demonstrating that at least 55 percent of the workers in an appropriate unit are members and desire collective bargaining representation.

Even after the Board, with all its delays, decides that an unfair labor practice has been committed or that a union should be certified as collective-bargaining representative, that is only the beginning, not the end, of the legal process.

As the law is now administered, there is no real incentive for the respondent to abide by the Board's order. It can always buy more time by challenging the Board in Court. Although the present section 10(g) of the NLRA states that the institution of judicial proceedings is not to operate as a stay of Board orders, in fact it does, and the burden is on the agency to convince a court to enforce its order provisionally pending the completion of litigation. The courts have shown themselves very reluctant to do this—possibly because it means deciding cases twice, once for temporary relief and again on final hearing. Section 9 of the reform bill attempts to reassert that section 10(g) of the act means exactly what it says—that Board orders are to be enforced until and unless a court sets them aside.

There is no reason, once disputes have been fully litigated through the Board's processes, to make the successful litigant wait until the court relitigates it. This is particularly true since the overwhelming majority of Board decisions are ultimately enforced by the courts. Section 9 would shift the burden to the respondent to convince a court that the Board's determination was so deficient that the court ought to stay the Board result pending full judicial review.

I believe that, if all of the foregoing provisions are enacted by the Congress, we shall have gone a long way toward eliminating delay and procrastination in enforcement of rights under the NLRA.

The act also makes provision for the Board, in particularly egregious situations in which fundamental rights are threatened with destruction even before the Board can proceed to hearing on an unfair labor practice complaint, to go into court for temporary injunction pending its own hearing. This is an important provision. However, the courts have not been overly receptive to these applications and as a result the Board has been deterred from seeking such 10(j) injunctions even in egregious cases. Section 10 of the proposed bill attempts to spell out the standards to be applied in seeking and granting such 10(j) injunctions so that the Board will have clearer guidelines as to when to seek such relief and the courts clearer guidelines as to when to grant it.

The problem I have been describing is really twofold. On the one hand there is the need for timely relief, and on the other hand the type of relief which will act: First, to deter violations of the act by making them unprofitable; and second, to make the victims of violations whole.

In many cases, the present remedies provided in the act are about as effective as hunting lions with a pea shooter. Many employers have discovered it is more profitable to continue to ignore and defy the provisions of the National Labor Relations Act than to comply with them. There are three new remedial weapons provided against violations of the act in the proposed bill. Section 8 gives the Board power to issue "make whole" orders in refusal to bargain cases. The Board lamented the lack of such power in the Ex-Cell-O Corp. case (185 NLRB 107) (1970). This merely means that where a respondent has been found guilty of a refusal to bargain, the Board can restore the other side to the economic position the Board decides it would have achieved but for the violation. The aim is, of course, to take the profit out of the violations of the law.

What is even worse, is when flagrant violators who thumb their noses at the laws of the United States can turn around and make profits out of doing business with the United States. Section 11 of the bill would do away with that possibility by depriving such industrial scofflaws of the privilege of receiving Government contracts.

Finally, section 12 would create a treble-damage remedy for workers who have suffered the loss of their jobs because of their efforts to enforce their rights under the act. Much suffering has been caused to the families of workers wrongfully discharged for exercising their legal rights. If 3 years later they finally get legal vindication and back pay, that hardly compensates them for the great anguish and deprivation suffered in the meantime. By awarding treble damages in appropriate cases maybe some of that deprivation can be redressed and maybe violators will have second thoughts about subjecting themselves to the possibility of such an award.

There are two final provisions which I wish to mention to round out the comprehensive reform it undertakes in order to make the NLRB more effective. Section 7 has to do with the procedures followed by the Board and its personnel in processing charges of unfair labor practices.

When a charge is filed with the Board, it is up to the regional staff under the supervision of the General Counsel's office whether or not to issue an actual complaint, thus triggering the Board's adjudicative processes. We have received many complaints about the refusal of the regional offices to issue complaints because the investigators determined, after ex parte interviews and investigations, that the respondent was not guilty. Our system is committed to the principle of adversary hearings and giving to parties who feel they have been unlawfully aggrieved their "day in court." When grievances are disposed of by faceless investigators without permitting the illumination provided by an adversary process, the frustrations of the grievant who perceives that he or she has been truly wronged, are great. I believe that many of these people should be allowed their "day in court."

I do not insist that the Board issue a complaint every time a charge is filed. Of course, on many occasions it will be clear as a result of objective and uncontradicted evidence that no unfair labor practice has been committed. These charges should be dismissed without a complant issuing and the grievant should be given a written statement of explanation. However, the investigators ought not to attempt to resolve issues of credibility and testimonial disputes as a result of ex parte investigations. Section 7 makes use of the standards developed by the civil courts for the grant of motions for summary judgment. That judicial body of law should be looked to by the agency in deciding when it is appropriate to issue formal complaints. If there is no genuine issue of material fact and it is clear as a matter of law that no unfair labor practice has been committed, then dismissal is appropriate. However, if there is genuine dispute as to the facts and if the charge would be resolved one way if the trier of fact accepted one version of the facts and a contrary way if the other version were accepted, then the charge should not be dismissed without the agreement of the complainant. I acknowledge that such a process will increase the workload of the Board and its hearing examiners, but I believe we will just have to provide the necessary resources in order to see that proper justice is done.

The final provision in title I which I will mention is section 3, which provides that a Board member whose term has expired will continue to serve until a successor has been appointed. This is necessary to prevent the recurrence of situations in which the Board has been left with only four members and important issues of the administration of the act could not be decided because of a standoff among them.

Mr. Speaker, if the Labor Reform Act of 1977 is adopted in its entirety, I am convinced that we will have taken a huge step toward fulfillment of the promises made by the Congress 42 years ago to the working people of America with the adoption of the Wagner Act.

WILSON POSTAL REFORM BILL STRESSES MORE ACCOUNTABILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 15 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I do not believe that it would come as a great surprise to many of my colleagues if I told them that a great number of Americans are dissatisfied with the U.S. Postal Service.

Indeed, it has become increasingly obvious that some form of congressional action must be taken to deal with the many problems which have manifested themselves since passage of the Postal Reorganization Act in 1970.

As the current chairman of the Postal Facilities, Mail and Labor Management Subcommittee of the House Post Office and Civil Service Committee, and a member of the committee for over a dozen years, I have been responsible for exposing many of the difficulties besetting the Postal Service, including the highly questionable billion dollar national bulk mail system.

In the 94th Congress we addressed the postal problem, but in effect reached no solution, and simply voted a $1 billion bailout for the Postal Service, and established a study commission to buy some time.

The fact is, despite some bright recent short-term financial statements which could be misinterpreted, the Postal Service is in serious trouble with an uncertain future at best and will be forced in the near future to either again raise rates or cut service, or both. Whether we like it or not, some basic public policy choices will have to be made, and it is our responsibility, as the elected representatives of the American people, to make them.

Recent events seem to magnify the importance of prompt attention for the future of the Postal Service by the Congress.

Last week a Federal appeals court ruled that the Postal Service and the Postal Rate Commission failed to comply with the law when a rate increase to 10 cents for first class mail was approved several years ago. Implicit is the possibility that the court may also rule in the near future that the method used to arrive at the current 13-cent rate was also improper. Regardless of the merits, such a decision would lead to chaos for users of every class of mail. If rates were raised significantly for major users of second-third- and fourth-class mail, these users might be forced to abandon the Postal Service, an action which would seriously damage first-class users as well.

While not so immediate a consideration, the ever-faster pace of technological development in the communications field raises a number of basic questions as to what role our nationwide postal system will play in the 1990's and beyond.

Mr. Speaker, in order to initiate congressional consideration for some of the issues I have just noted, I am today introducing a postal reform bill which includes some of the basic elements necessary to bring the Postal Service back on the right track and allow the public to have some say in postal rate and service decisions. I trust that this legislation will serve well as a vehicle for discussion.

Clearly, the conclusions of the Postal Service Study Commission, as well as our committee's consideration of the Postal Service's budget under the procedures established by Public Law 94–421, could prompt modifications to the bill.

In essence what my legislation would do is return some degree of accountability for postal decisions to the President and Congress, without going so far as to repeal the 1970 Postal Reorganization Act entirely.

Several years ago I introduced legislation to abolish the Postal Service Board of Governors, and make the Postmaster General again a Presidential appointee—with confirmation by the Senate. This provision is included in the bill I introduce today.

The need for this change is obvious. Responsibility for postal operations is assigned to an anonymous board which the public is not aware of, and thus true accountability is prevented. During the campaign, President-elect Carter endorsed this concept of direct appointment of the Postmaster General.

The legislation which I have introduced today also addresses the question of postal ratemaking authority. Although I personally would not have a serious problem with having Congress once again responsible for setting rates, I recognize that a number of my colleagues are not anxious at this time to jump back completely into the procedure.

For that reason, my bill would establish a procedure whereby if projected postal revenues will not meet estimated cost for a given year, the Postal Service could request an additional authorization and appropriation from Congress, or request a rate increase or a change in the level of postal service from the Postal Rate Commission, or a combination of all three.

If the Postal Service makes a request of Congress, the Postal Service would be required to notify the Postal Rate Commission of such request and provide the Commission with data on the necessary increases required if Congress fails to make such an appropriation. Conversely, if the Postal Service makes the initial request of the Postal Rate Commission, the Postal Rate Commission would notify Congress of the request and provide data on amount of appropriations needed to forego a rate increase or service cut.

If the Congress chooses to appropriate nothing or less than the amount requested after 5 months, the Postal Service would make a request of the Postal Rate Commission. Then, in this case, the Commission would be required to act within 5 additional months.

If the Postal Service makes its initial request for a rate increase or service change, the Commission would have to wait 5 months before making a recommended decision so that Congress would have the opportunity to act if it so chooses.

Also under my bill, the Postal Rate Commission would make a separate budget request to the President, thus increasing its independence from, and objectively toward, the Postal Service.

My experience as chairman of the Facilities Subcommittee has led to the inclusion of a provision which specifies that the Postal Service would not be permitted to carry out any capital investment project having a total estimated cost which exceeds $200 million unless the Postal Service before commencing such a project, transmits a report to the appropriate congressional committees. These committees would review the project and transmit recommendations to the Postal Service within 4 months. The Postal Service would then make the final decision, taking into account congressional recommendations.

If this provision had been in effect in the early 1970's, we may have been able to prevent the unwise expenditure of $1 billion for the national bulk mail system.

Any provisions of this bill are not intended to disrupt the Postal Service's currently mandated collective bargaining system under provisions of the National Labor Relations Act.

Mr. Speaker, without objection, I will include a copy of my bill, Postal Reorganization Act Amendments of 1977, at this point in the RECORD:

H.R. —

A bill to amend title 39, United States Code, to alter the organizational structure of the United States Postal Service, to revise the procedure for adjusting postal rates and services, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Postal Reorganization Act Amendments of 1977".

ORGANIZATION OF POSTAL SERVICE

SEC. 2. (a)(1) Section 202 of title 39, United States Code, is amended to read as follows:

"§ 202. Postmaster General

"The chief executive officer of the Postal Service is the Postmaster General, who shall be appointed by the President, by and with the advice and consent of the Senate. The pay of the Postmaster General shall be at an annual rate equal to the annual rate of basic pay, as in effect from time to time, for level I of the Executive Schedule of section 5312 of title 5.".

(2) The table of sections for chapter 2 of title 39, United States Code, is amended by striking out the item relating to section 202 and inserting in lieu thereof the following new item:

"202. Postmaster General.".

(b)(1) Section 203 of title 39, United States Code, is amended to read as follows:

"§ 203. Deputy Postmaster General

"The deputy chief excutive officer of the Postal Service is the Deputy Postmaster General, who shall be appointed by the Postmaster General. The Postmaster General shall fix the term of service of, and shall have the power to remove, the Deputy Postmaster General. The pay of the Deputy Postmaster General shall be at an annual rate, fixed and adjusted by the Postmaster General, not more than $2,500 less than the annual rate of basic pay of the Postmaster General, as in effect from time to time.".

(2) The table of sections for chapter 2 of title 39, United States Code, is amended by striking out the item relating to section 203 and inserting in lieu thereof the following new item:

"203. Deputy Postmaster General.".

(c)(1) Section 205 of title 39, United States Code, is amended to read as follows:

"§ 205. General authority of Postmaster General

"The Postmaster General shall direct and control the expenditures and review the practices and policies of the Postal Service and perform other functions and duties prescribed by this title.".

(2) The table of sections for chapter 2 of title 39, United States Code, is amended by striking out the item relating to section 205 and inserting in lieu thereof the following new item:

"205. General authority of Postmaster General.".

(d)(1)(A) Section 102 of title 39, United States Code, is amended to read as follows:

"§ 102. Definition

"As used in this title, 'Postal Service' means the United States Postal Service established by section 201 of this title.".

(B) The table of sections for chapter 1 of title 39, United States Code, is amended by striking out the item relating to section 102 and inserting in lieu thereof the following new item:

"102. Definition.".

(2) Section 204 of title 39, United States Code, is amended by striking out "Board" and inserting in lieu thereof "Postmaster General".

(3) Section 207 of title 39, United States Code, is amended by striking out "Board" and inserting in lieu thereof "Postmaster General".

(4)(A) Title 39, United States Code, is amended by striking out section 402.

(B) The table of sections for chapter 4 of title 39, United States Code, is amended by striking out the item relating to section 402.

(5) Section 1001(d) of title 39, United States Code, is amended by striking out "of the Board or".

(6) Section 1002(a) of title 39, United States Code, is amended by striking out "Governor or".

(7) Section 1011 of title 39, United States Code, is amended by striking out "Board" and inserting in lieu thereof "Postmaster General".

(8) Section 2402 of title 39, United States Code, is amended to read as follows:

"§ 2402. Annual report

"The Postmaster General shall submit to the President and to the Congress an annual report concerning the operations of the Postal Service under this title.".

(9) Section 3621 of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(10) Section 3623(b) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(11)(A) Section 3624(c)(1) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(B) Section 3624(d) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(12)(A) Section 3625(a) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(B) Section 3625(b) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(C) Section 3625(c) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(D)(i) The first sentence of section 3625(d) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(D)(i) The first sentence of section 3625(d) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(ii) The last sentence of section 3625(d) of title 39, United States Code, is amended to read as follows: "However, the Postmaster General may modify any such further recommended decision of the Commission under this subsection if the Postmaster General expressly finds that—

"(1) such modification is in accord with the record and the policies of this chapter; and

"(2) the rates recommended by the Commission are not adequate to provide sufficient total revenues so that total estimated income and appropriations will equal as nearly as practicable estimated total costs.".

(E) Section 3625(e) of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(F) Section 3625(f) of title 39, United States Code, is amended by striking out "Board" and inserting in lieu thereof "Postmaster General".

(G)(i) The heading for section 3625 of title 39, United States Code, is amended to read as follows:

"§ 3625. Action relating to recommended decisions".

(ii) The table of sections for subchapter II of chapter 36 of title 39, United States Code, is amended by striking out the item relating to section 3625 and inserting in lieu thereof the following new item:

"3625. Action relating to recommended decisions.".

(13) Section 3628 of title 39, United States Code, is amended by striking out "Governors" each place it appears therein and inserting in lieu thereof "Postmaster General".

(14) Section 3641 of title 39, United States Code, is amended by striking out "Governors" each place it appears therein and inserting in lieu thereof "Postmaster General".

(15) Section 3684 of title 39, United States Code, is amended by striking out "Governors" and inserting in lieu thereof "Postmaster General".

(16) Section 5206(c) of title 39, United States Code, is amended by striking out "Board" each place it appears therein and inserting in lieu thereof "Postmaster General".

PROCEDURES FOR ADJUSTMENT OF RATES AND SERVICES

SEC. 3. (a)(1) Title 39, United States Code, is amended by redesignating section 3628 as section 3629 and by inserting immediately after section 3627 the following new section:

"§ 3628. Appropriations or adjustments for operating deficits.

"(a)(1) If the Postal Service determines that total estimated revenues of the Postal Service for any fiscal year are not sufficient to defray total estimated costs of the Postal Service for such fiscal year, the Postal Service may—

"(A) request the Congress to authorize the appropriation of, and appropriate, an amount which, together with such total estimated revenues, will defray as nearly as practicable such total estimated costs:

"(B) make a request under section 3622(a) of this title for a recommended decision of the Postal Rate Commission; or

"(C) propose a change in the nature of postal services under section 3661(b) of this title.

"(2)(A) If the Postal Service makes a request to the Congress under paragraph (1)(A) of this subsection, the Postal Service shall notify the Postal Rate Commission of such request and shall provide the Commission with data and an analysis with respect to the amount of any increase in a rate or rates of postage or in a fee or fees for postal services, or with respect to the nature of any change in postal services, which would be necessary if the Congress fails to appropriate the amount involved in such request.

"(B) If the Postal Service makes a request under section 3622(a) of this title, or proposes a change under section 3661(b) of this title, as a result of a determination of the Postal Service under subsection (a) of this section, the Postal Rate Commission shall notify the Congress of such request or proposal and shall provide the Congress with data and an analysis with respect to the amount of appropriated funds which, together with total estimated revenues of the Postal Service for the fiscal year involved, would defray as nearly as practicable the total estimated costs of the Postal Service for such fiscal year.

"(b)(1) If the Congress fails to appropriate the amount requested by the Postal Service under subsection (a)(1)(A) of this section, or if the Congress appropriates an amount which is less than such amount, during the 5-month period immediately following the date upon which such request is made, and the Postal Service has not made a request under section 3622(a) of this title or proposed a change under section 3661(b) of this title during such 5-month period, the Postal Service may make such request or propose such change, as a result of a determination of the Postal Service under subsection (a) of this section, at any time after such 5-month period. Any such request or proposal shall take into account the amount of any appropriation made by the Congress as a result of a request of the Postal Service under subsection (a)(1)(A) of this section during such 5-month period.

"(2) In the case of any request made by the Postal Service under section 3622(a) of this title after the 5-month period immediately following the date upon which the Postal Service makes a request under subsection (a)(1)(A) of this section, the Postal Rate Commission shall transmit its recommended decision to the Postmaster General no later than 5 months after receiving such request under section 3622(a) of this title.

"(c)(1) If the Postal Service makes a request under section 3622(a) of this title as a result of a determination of the Postal Service under subsection (a) of this section, the Postal Rate Commission may not make a recommended decision with respect to such request during the 5-month period immediately following the date upon which such request is made. If the Congress appropriates funds to the Postal Service during such 5-month period for the purpose of defraying as nearly as practicable the total estimated costs of the Postal Service for the fiscal year involved, the request made by the Postal Service under section 3622(a) of

this title shall be modified to take into account such appropriation.

"(2) If the Postal Service submits a proposal under section 3661(b) of this title as a result of a determination of the Postal Service under subsection (a) of this section, such proposal may not take effect during the 5-month period immediately following the date upon which such proposal is submitted. If the Congress appropriates funds to the Postal Service during such 5-month period for the purpose of defraying as nearly as practicable the total estimated costs of the Postal Service for the fiscal year involved, the proposal submitted by the Postal Service under section 3661(b) of this title shall be modified to take into account such appropriation.

"(d) The provisions of this section shall not apply to any adjustment of a rate or rates of postage which is authorized by section 3627 of this title.

"(e) For purposes of this section, the Congress shall not be deemed to have passed legislation making an appropriation unless such legislation becomes law.

"(f) For purposes of this section, the term 'total estimated costs' has the meaning given it by section 3621 of this title.".

(2) The table of sections for subchapter II of chapter 36 of title 39, United States Code, is amended by striking out the item relating to section 3628 and inserting in lieu thereof the following new items:

"3628. Appropriations or adjustments for operating deficits.

"3629. Appellate review.".

(b)(1) Section 3624(c)(1) of title 39, United States Code, is amended by inserting immediately before the period at the end thereof the following: ", except that such recommended decision shall be transmitted no later than 5 months after receiving any such request from the Postal Service if such request is subject to the provisions of section 3628(b)(2) of this title".

(2) Section 3624(c)(2) of title 39, United States Code, is amended by inserting "5-month period or" immediately before "10-month period".

(c) Section 3627 of title 39, United States Code, is amended by inserting immediately after "provision of this subchapter" the following: "(other than the provisions of section 3628 of this title)".

REVIEW OF PROPOSED CAPITAL INVESTMENTS

SEC. 4. (a) Chapter 20 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 2011. Review of proposed capital investments

"(a) The Postal Service may not carry out any capital investment project having a total estimated cost which exceeds $200,000,000 unless the Postal Service, before commencing such project, transmits a report to the Post Office and Civil Service Committees of the Senate and the House of Representatives. Such report shall contain a detailed description of the project involved, together with a justification for such project.

"(b) The Post Office and Civil Service Committees of the Senate and the House of Representatives, upon receiving any report from the Postal Service under subsection (a) of this section, shall review the project involved and conduct such hearings with respect to such project as each Committee considers necessary. Each such Committee shall transmit recommendations to the Postal Service with respect to such project no later than 4 months after receiving a report under subsection (a) of this section.

"(c) The Postal Service may not commence any capital investment project with respect to which a report has been transmitted by the Postal Service under subsection (a) of this section until the Postal Service has received recommendations with respect to such project from the Post Office and Civil Service Committees of the Senate and the House of Representatives under subsection (b) of this section. The Postal Service shall take such recommendations into account in making its final determination with respect to carrying out the project involved.

"(d) For purposes of this section, the term 'capital investment project' means any project the cost of which is not properly chargeable, under generally accepted accounting principles, as an expense of operation and maintenance.".

(b) The table of sections for chapter 20 of title 39, United States Code, is amended by adding at the end thereof the following new item:

"2011. Review of proposed capital investments.".

POSTAL RATE COMMISSION BUDGETS

SEC. 5. Section 3604(d) of title 39, United States Code, is amended to read as follows:

"(d) The Commission annually shall prepare and submit to the President a separate budget of the expenses of the Commission, including expenses for facilities, supplies, compensation, and employee benefits. The President shall include the budget of the Commission, with his recommendations but without revision, as a separate item in the budget required by section 11 of title 31 to be transmitted to the Congress.".

EFFECT ON COLLECTIVE BARGAINING AGREEMENTS

SEC. 6. Nothing in this Act, or in any amendment made by this Act, affects—

(1) any collective bargaining agreement entered into by the United States Postal Service which is in effect on the effective date of this Act; or

(2) the authority of the United States Postal Service under chapter 12 of title 39, United States Code, to engage in collective bargaining with respect to any collective bargaining agreement into which the United States Postal Service may enter.

EFFECTIVE DATE

SEC. 7. The provisions of this Act shall take effect at the beginning of the first fiscal year which begins after the date of the enactment of this Act.

LEGISLATION TO CONTROL FRAUD AND ABUSE IN MEDICAID AND MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. ROGERS) is recognized for 5 minutes.

Mr. ROGERS. Mr. Speaker, I am joining today with my colleague, the Honorable DAN ROSTENKOWSKI, to introduce before the 95th Congress a bill designed to address problems of fraud and abuse in the medicaid and medicare programs.

Medicaid and medicare are our primary public programs for financing health care services. They are large programs; together, they will soon account for nearly $45 billion in Federal and State expenditures. They are necessary programs. They help our elderly and our disabled and our poor and broken families to pay for sorely needed medical care services. But increasingly over the past several years, the integrity of these programs has been clouded by instances of abuses and in some cases outright fraud by medical providers who have provided poor service or unnecessary service or no service and billed the programs for extensive amounts. These practices cannot continue.

Fraud and abuse in our medical care programs benefit no one—except the unscrupulous provider. The honest, hard-working provider suffers, because his reputation is damaged. Indeed we seem often to have reached the unfortunate situation where simply because providers receive significant amounts of reimbursement through our public medical care programs, they become suspect. The recipients of the program suffer—because instances of abuse and fraud reduce public support for these programs, because providers who engage in abusive and fraudulent activities provide low quality medical care which may cause more harm than good, because the strain on State and Federal treasuries of the high costs of the program often result in cutbacks in benefits covered. And in the end, the general public suffers. They pay for these programs through their taxes, and they resent it when they see waste and fraud and abuse.

We have an obligation to all concerned to improve the administration and management of our medical care programs. Necessarily, much of the burden of this task must fall on HEW and the State agencies who administer medicaid. But I believe we can assist them in this task by tightening up the legislation. The bill Congressman ROSTENKOWSKI and I are introducing today is designed to do this.

In introducing this legislation, Chairman ROSTENKOWSKI and I are fulfilling a promise made to Members in the closing days of the last session. We indicated then our awareness of the serious nature of the problems of fraud and abuse in medicare and medicaid. My colleagues will remember that the Subcommittee on Health of the Interstate and Foreign Commerce Committee held hearings in the closing days of the last session on a measure similar to the one we are introducing today. Testimony was taken from HEW officials, from State medicaid program directors, from an attorney with experience in prosecuting medicaid and medicare fraud, from associations of physicians, hospitals, and professional standards review organizations.

Although the pressure of an early October adjournment made enactment of the legislation in a form satisfactory to the Members impossible, we have used the intervening time to confer with interested parties and improve the measure. We have talked with Justice and HEW officials. We have conferred with fraud investigators. We have talked with State medicaid personnel. We have listened to the advice and comments of interested parties. Our staffs have cooperated fully on this—and I might note, there has also been a high degree of cooperation with Senate Members and staff who have done extensive work in the area. The contribution of Senator TALMADGE and his staff should be particularly noted.

The result, we are convinced, is a bill worth the early attention of the Members. Early hearings are necessary. We anticipate they can occur in the first weeks of February as soon as the organization of the House committees is complete. Additionally, since the bill contains a number of measures that affect medicare and medicaid in parallel, and those programs fall within the jurisdic-

tion of two committees—Ways and Means and Interstate and Foreign Commerce—we believe joint hearings should be held on the measure. And we are committed to that happening. Our cooperation on this, we believe, can result in a strong bill which we can bring to the Members early in the term.

The problems of fraud and abuse in our medical care programs are complex ones. They involve inadequate numbers of able personnel administering the program at the State and Federal level; woefully inadequate data systems in many State medicaid programs; slow payments to providers which allow fraud and abuse to flourish; unethical providers; a reimbursement system which too often encourages overuse; and a lack of alternate high-quality facilities to serve the poor, particularly in areas of our major cities. This bill alone will not solve all of these problems—no one bill could. But it will increase the tools available to HEW and the States to find and prosecute fraud and abuse. It will allow them to put unscrupulous providers out of the programs. And, hopefully it will serve as a first step in a strong and continuing cooperative effort with the new administration to improve our publicly financed medical care programs.

MEDICARE AND MEDICAID ANTI-FRAUD AND ABUSE AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI), is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today, with the opening of the new Congress, my colleague from Florida (Mr. ROGERS) and I renew our commitment to seek prompt congressional action on legislation designed to help curb the growing number of fraudulent practices in the Federal health programs—medicare and medicaid. We are today introducing a revised and expanded version of legislation that we proposed in the closing days of the last Congress on this subject. In developing this legislation, we have, as in the last Congress, worked closely with our colleague in the other body, Senator HERMAN TALMADGE, in developing tools to better detect and prosecute fraud in both the medicare and medicaid programs.

A similar bill will be introduced in the Senate by our coauthor in that body the distinguished gentleman from Georgia, Senator HERMAN TALMADGE, probably next week.

The bill that we introduced today should not be viewed as the final answer to the problem of fraud and abuse in these programs. For it is not. Rather, it should be viewed as the first of a series of congressional initiatives in this area. As the work of congressional oversight and investigatory committees has shown, the sophistication of those who seek to defraud our health programs has to date far out-distanced the sophistication of our prevention and detection and efforts. In this Congress, we seek to close that gap.

In proceeding jointly on this matter, my colleague, Mr. ROGERS, and I seek to do whatever we can to encourage rapid congressional consideration of this initial antifraud and abuse bill. Since the bill involves subject matter within the jurisdiction of the Committee on Ways and Means—medicare—as well as subject matter within the jurisdiction of the Committee on Interstate and Foreign Commerce—medicaid, we hope that joint hearings on this legislation can be held by our two committees early next month.

As has become only too clear in recent months, strong efforts must now be made both legislatively and administratively—through a renewed commitment to interdepartmental cooperation—to bring a sense of order and morality back into our Federal health payment programs. These efforts must begin here in this session of the Congress—and they must begin before we seriously consider further expansion of these programs.

A brief summary of the highlights of our new antifraud and abuse legislation follows:

SUMMARY OF MEDICARE-MEDICAID ANTI-FRAUD AND ABUSE AMENDMENTS

SECTION 1. The Medicare-Medicaid Anti-Fraud and Abuse Amendments.

SEC. 2. Would modify existing law in both titles XVIII and XIX to clarify the ban on the use of factoring arrangements in the payment of medicare and medicaid monies to physicians or other persons providing services under either program. The provision would make clear that a power-of-attorney could not be used to circumvent existing antiassignment rules.

SEC. 3. Would require providers (other than individual physicians) and suppliers participating in either program to disclose upon request specified ownership information and information pertaining to business transactions with related parties.

This provision would also define a "shared health facility" (a so-called "medicaid mill") so that Professional Standards Review Organizations can increase their review given to this type of ambulatory facility.

SEC. 4. Would clarify and upgrade the criminal penalties for fraudulent activities under medicare and medicaid. Except for penalties involving medicare beneficiaries or medicaid recipients, all penalties would be upgraded to felonies.

SEC. 5. Makes several modifications in the existing Professional Standards Review Organization provisions. The bill would (a) require the Secretary of Health, Education and Welfare to give priority to a Professional Standards Review Organization request to review the services of a shared health facility ("medicaid mill");

(b) the bill would provide that a Professional Standards Review Organization furnish appropriate data to state and federal agencies investigating fraud and abuse (and to agencies engaged in health planning activities under federal or state law);

(c) the bill would clarify provision of present law that all duplicative review activities otherwise authorized under law stop when the Secretary of Health, Education and Welfare finds a Professional Standards Review Organization competent to assume review responsibilities;

(d) the bill would provide that Professional Standards Review Organization review with respect to the necessity and appropriateness of care is conclusive (subject to the provision for hearings and appeals);

(e) the bill would clarify legislative intent that the costs of Professional Standards Review Organization operations are to be financed wholly by the federal government (no state medicaid contribution is required);

(f) the bill would clarify legislative authority for the federal government to assume the costs of defense of Professional Standards Review Organizations against suit;

(g) the bill would authorize the Secretary of Health, Education and Welfare to extend a conditional Professional Standards Review Organiaztion's trial period for 24 months where he finds that the Professional Standards Review Organization has been unable to satisfactorily perform all the functions required of a Professional Standards Review Organization;

(h) the bill would permit the Secretary of Health, Education and Welfare to designate a Professional Standards Review Organization as a qualified organization following its trial period where he finds it is performing reviews of hospital services satisfactorily and has a plan for progressively assuming all required Professional Standards Review Organization functions. (Under present law, a Professional Standards Review Organization must be reviewing all types of inpatient and outpatient services before it can be designated as a qualified organization.);

(i) the bill would would clarify legislative intent that reimbursement for Professional Standards Review Organization operations be made under arrangements similar to those used in medicare for reimbursing intermediaries;

(j) the bill would require the Secretary of Health, Education and Welfare to submit an annual report to the Congress on the administration, impact and cost of the Professional Standards Review Organization program.

Sec. 6. Would give the General Accounting Office subpoena power to assist it in its monitoring, review and oversight activities related to the Social Security Act programs.

Sec. 7. Would require the Secretary of Health, Education and Welfare to suspend individual practitioners from the medicare program who are convicted of a criminal offense related to their involvement in either medicare or medicaid. Similarly, medicaid would be modified to require that states suspend from medicaid, any individual practitioner who is convicted of a criminal offense related to his involvement in either medicare or medicaid.

Sec. 8. Would require prospective providers of services or those seeking recertification under either medicare, medicaid, or title XX social services to disclose in the application for program participation the name of any person who has a five percent or more ownership or controlling interest in the applicant provider and who has been convicted of a criminal offense relating to a prior involvement with a program authorized under either title XVIII, XIX, or XX of the Social Security Act. The Secretary of Health, Education and Welfare or appropriate state agency is not required to enter into any agreement or contract with a provider who, although otherwise qualified, has an owner who meets such criteria. In the case of an application disclosing an ownership or control interest outlined above, the Secretary or appropriate state agency shall notify the Inspector General of both the receipt and disposition of such application.

SEC. 9. Would allow federal access to the books of providers of services under medicaid in the same manner that such access is presently provided to state agencies.

SEC. 10. Would allow 75 percent federal matching towards the cost of operating are approved medicaid claims processing and information system if the system provides explanation of benefits information to a sample group of individuals. This modifies present law which only allows the higher matching if the explanation is furnished to all recipients. The strict matching requirements of existing law have limited the growth of this type of claims processing and information system.

SEC. 11. Would make clear that medicaid is the payor of last resort where other payors might have an obligation to cover the cost of services rendered to a medicaid claimant.

A DESCRIPTION OF LEGISLATIVE PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, today I am inserting in the RECORD a list of 56 bills I plan to introduce early in the 95th Congress. I am introducing 36 of these bills today and I shall be reintroducing the remainder over the next several weeks. Thirty-eight of the total number of bills are reintroductions of bills and resolutions from the 94th Congress. Some of them date back to the 91st Congress when I first came to the House of Representatives. Fifteen of the bills listed are new pieces of legislation. These new bills include the Municipal Financial Guarantee Act of 1977 to provide loan guarantees to municipalities, a bill to reform the transportation trust fund to provide more funds for mass transit, and welfare reform legislation to replace existing public assistance and welfare programs with a single Federal program. In addition, these new bills include legislation to amend the definition of foreign assistance so as to eliminate "maintenance of internal security" as a justification for which U.S. military assistance may be furnished. I am also introducing the Class Action Procedures Improvement Act of 1977 and the Employee Bill of Rights.

In addition, I will be introducing three new Home Health Care bills with Congressman PEPPER which are consolidations of the many bills which I introduced on this subject in the 94th Congress.

Of course, I am also including in this list many of my major bills from the 94th Congress. These include legislation providing a renter's tax credit for a percentage of local real estate taxes, a bill to end tax discrimination against single persons and working married couples, the two major Koch-Goldwater privacy bills, two previous Koch-Pepper Home Health Care bills, the bill to establish a Commission on the Humane Treatment of Animals, the Public Participation in Government Proceedings Act, and legislation which would award fees to the accused in criminal cases where the ultimate disposition is an acquittal, unless such an award is found not to be in the interests of justice.

In the coming weeks and months, I will be sending letters to our colleagues explaining these bills in detail and asking for cosponsorship. Of the approximately 20,000 bills introduced in the House every Congress, about 6 percent receive hearings and are reported from committee, about 5 percent are passed, and 3 percent signed into public law. Obviously, not all of the bills that I am introducing this month will become law in the 95th Congress, but I hope that some will and I shall do my best to make that come about.

The following is a brief description of the bills I am introducing at the outset of the 95th Congress:

LIST OF LEGISLATION: REINTRODUCTIONS AND NEW PROPOSALS

TAXES AND TAX RELIEF

A bill to give tax equity to single taxpayers and working married couples.

A bill to allow a credit to tenants of houses or apartments for their proportionate share of the taxes and interest on mortgage paid by their landlords.

A bill to provide that landlords using an accrual method of accounting may not deduct real property taxes on their property until such taxes are paid.

A bill to allow a tax credit for certain donations of the artist's own work to public institutions.

A bill to provide that the 4-percent excise tax on the net investment income of a private foundation shall not apply to a private foundation organized and operated exclusively as a library, museum, or similar educational institution.

A bill to disallow the business expense tax deduction for first-class air and rail travel in excess of the coach fare for such travel.

A bill to increase to $1,500 the personal income tax exemptions of a taxpayer, including the exemption for a spouse, for dependents, for old age and blindness.

A bill to provide that blood donations shall be considered as charitable contributions deductible from gross income.

HUMAN RIGHTS AND FOREIGN POLICY

A bill to eliminate "maintenance of internal security" as a purpose for which military assistance may be furnished.

A bill to prohibit U.S. companies from participating in the boycott of another U.S. company or a country friendly to the United States, or providing certain information, in response to a foreign country's request.

A resolution to urge the leaders of the Soviet Union to remove all obstacles to emigration and to the free exercise of religious and cultural rights and expressing congressional support of "Solidarity Sunday" to achieve this goal.

A resolution requesting reports from the President and from the Commission on Security and Cooperation in Europe concerning the freedom of the citizens of the Socialist Republic of Romania to emigrate and the status of minorities in the Socialist Republic of Romania.

A resolution expressing the request of the U.S. Government that the Government of the U.S.S.R. provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University.

A bill to provide that the place of birth of an individual issued a U.S. passport shall not be disclosed in the passport and to eliminate the requirement that the passport of an individual seeking entry into the United States disclose such individual's place of birth.

URBAN ENVIRONMENT

A bill to authorize the Secretary of the Treasury to provide loan guarantees for the debts of municipalities.

A bill to modify the Highway Trust Fund, to create a Surface Transportation Trust Fund from which funds will be available for both mass transportation and highway purposes.

A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways in urbanized areas and to connect urban areas with local, State, and national parks.

A bill to repeal the existing statute defining diplomatic privileges in the United States and to substitute a narrower scope of privilege as permitted by the Vienna Convention of 1961.

A bill to amend the Tariff Schedules of the United States in order to require proof of liability insurance for automobiles entered into the United States by nonresidents and foreign government personnel.

A bill to establish a Commission on the Humane Treatment of Animals.

A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats.

A bill to authorize money for grants to be awarded by the Secretary of HEW for the development of alternatives to scientific experimentation and testing of toxic substances on live animals.

SOCIAL SECURITY

A bill to reduce from 20 to 10 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record.

A bill to provide that support and maintenance—in cash or kind—furnished to an eligible individual by members of his or her immediate family shall be disregarded—and shall not serve to reduce his or her supplemental security income benefits—to the extent that it does not exceed $200 a month.

PRIVACY

A bill to extend to the private sector and State and local governments privacy safeguards now in effect for Federal agency files on individuals—introduced by Representative GOLDWATER.

A bill to establish restrictions on the disclosure of certain financial, toll, and credit records.

A bill to forbid employers from discharging employees who exercise their first amendment rights, to prohibit retaliation by employers against employees who report law violations in good faith to the authorities, to require employers to respect the privacy of their employees, and to allow employees to examine their personnel files.

A bill to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for the employer to request that an employee or an applicant for employment provide military discharge papers or other service-connected records.

A bill to prohibit the use of polygraphs—lie detectors—for employment purposes.

A bill to prohibit inquiries into records of arrests not resulting in convictions, to

limit inquiries into records of convictions and to regulate the dissemination of arrest and conviction records.

A bill to restrict the disclosure of information in the possession of telephone or telegraph companies.

HEALTH, EDUCATION, AND WELFARE

A bill to amend the Social Security Act to replace existing Federal public assistance and welfare programs with a single program under which all residents of the United States are guaranteed an adequate minimum income, with incentives to work for those who are able to do so, and for other purposes.

A bill to expand home health care and homemaker services provided under medicare and medicaid.

A bill to improve the survey and certification process, ratesetting and fiscal audit methods, and general regulation of nursing homes and intermediate care facilities under medicaid, and provides for medical, psychological, and social assessment of long-term care patients under medicare and medicaid.

A bill to revise and expand various provisions relating to home health and other long-term care services under medicare—introduced by Representative PEPPER.

A bill to improve and make more effective the provision of nursing home services under medicare and medicaid—introduced by Representative PEPPER.

A bill to provide additional programs as assistance for health personnel training programs—introduced by Representative PEPPER.

A bill to provide for supportive day treatment and in-home services to troubled children and families.

A bill to provide equal employment opportunity for handicapped individuals.

A bill to provide access to voting places for handicapped voters.

A bill to provide colleges and universities with Federal funds to make their campuses accessible to disabled students.

A bill to establish state-wide independent living programs to provide various support services for handicapped individuals.

A bill to establish a commission to study the results of racial integration of public schools, the use of busing to achieve racial integration of the public schools, and other questions relating to the quality of public schools.

A bill to establish a library services matching grant program to provide for Federal matching of private contributions made to public libraries for operating expenses.

A bill to increase the fiscal year 1977 authorization for the Museum Services Act from $15,000,000 to $30,000,000.

A bill to require that operators of a schoolbus be at least 18 years of age.

A bill to increase the excise tax on cigarettes and establishes a trust fund for research programs at the National Cancer Institute.

A bill to establish research programs and treatment centers for the study and treatment of problems associated with human fertility, sterility and the reproductive process.

A bill to provide for the protection of the public health from unnecessary medical exposure to ionizing radiation by providing for the licensure of radiologic technologists; directs the Secretary of HEW to prescribe radiation standards for diagnostic and other X-ray equipment manufactured before August 1, 1974, and to conduct regular inspections of all X-ray equipment.

CIVIL LIBERTIES, THE COURTS, CRIMINAL JUSTICE, AND GOVERNMENT

A resolution to endorse the publicly declared Vietnam-era reconciliation program of the President-elect and urging the President-elect to extend that program to include all Vietnam-era selective service offenders and all Vietnam-era veterans who received less than honorable discharges or who deserted or were absent without leave during such era.

A bill to decriminalize personal use and possession of marihuana.

A bill to prohibit discrimination on the basis of affectional or sexual preference.

A bill to permit Federal regulatory agencies to award attorneys' fees where there is a showing that the applying party could substantially contribute to the fairness of the proceeding.

A bill to amend title 28, United States Code, to improve certain procedures in class actions.

A bill to provide for the payment by the United States of attorneys' fees and other costs of the accused in criminal cases where the ultimate disposition is other than a conviction or plea of nolo contendere.

A bill to amend the Federal Election Law to provide that payments made or obligations incurred with respect to campaign items, such as buttons and bumperstickers, shall not be considered to be contributions to Presidential campaigns under such laws.

IMPROVE THE LOCAL PUBLIC WORKS ACT OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 10 minutes.

Mr. DODD. Mr. Speaker, as you have stated so well, the first priority of this new Congress must be to put America back to work and to get our economy moving again. We are faced with a great responsibility, and I believe we have new opportunities in this regard.

As throughout the rest of the country, economic recovery and reducing unemployment are of major concern to my State of Connecticut, and to my Second Congressional District.

It is for these reasons that I am cosponsoring an extension of the Public Works Employment Act of 1976, the measure intended by the last Congress to be a primary vehicle for this Nation's economic revitalization. Today, the first day of the 95th Congress is particularly appropriate for the introduction of this extension.

However, in supporting this $4 billion extension, Mr. Speaker, I would like to state emphatically that certain changes must be made in this program if it is to truly meet the needs of the country.

The need for such changes has become unmistakably apparent in recent weeks, as the Federal Economic Development Administration—EDA—announced its preliminary allocation of funds under this program.

It has become clear that the underlying concept of the 1976 Public Works Act remains valid—to stimulate the economy through employing jobless Americans on quick-starting, local public works projects, in areas of highest unemployment. Such projects include libraries, sewer and water lines, police-fire stations and municipal complexes.

Yet, I think it probably is an understatement to say that the administration of this program, and perhaps the criteria to determine which communities qualify for its funds, leave a great deal to be desired.

EDA's preliminary allocation of public works funds 2 weeks ago in Connecticut, and throughout the Nation, raises serious questions whether this agency is following Congress expressed intent in this act, and whether as presently administered, the act will have the desired effects of stimulating economic recovery and lowering unemployment.

Apparently contrary to Congress intent, EDA allocated funds in some cases to economically well-off areas with relatively low unemployment, while communities with much higher jobless rates received no funds whatsoever.

While I am encouraged that some communities in my district, and in Connecticut, received the funds, I have serious questions why others with incredibly high jobless rates did not benefit from this program.

I believe that the 95th Congress should closely scrutinize both the administration and eligibility criteria of the act, and I am gratified that the House leadership, and the leadership of the Public Works Committee, are already moving decisively in this direction.

No doubt the committee will receive many ideas how to improve the criteria established under the act by EDA. I would respectfully suggest that a community's ability to pay for public works projects, measured by its tax revenues, tax base and operating expenses, be seriously considered for inclusion as one of the significant criteria for this program.

To forward the committee's efforts to review the 1976 act, its administration by EDA, and the criteria, four of my Connecticut colleagues in the House, and the distinguished senior Member of the other body from our State, have joined with me to ask the General Accounting Office—GAO—for an investigation of the present program.

It is our aim that such an investigation will produce information necessary to insure that the act is the economic recovery measure it was intended to be.

We also would hope an investigation would produce any recommendations deemed appropriate to improve the program through this extension measure being introduced today. It would be our intention to forward the results of the

GAO's investigation to the appropriate House and Senate committees.

Through this process of committee consideration, GAO investigation and deliberation by the House, I am hopeful that needed improvements will be made to this important program to meet this Congress first priority—to put America back to work and get our economy moving again.

THE FINANCIAL DISCLOSURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, one of the major items of unfinished business left by the 94th Congress was legislation requiring public financial disclosure by high-ranking Government officials. The Senate passed a comprehensive disclosure bill last year. President Ford had proposed legislation similar to that which was approved by the Senate. In the House of Representatives, 168 Members joined with me in cosponsoring the Financial Disclosure Act. The House Democratic Caucus passed a resolution stating that the House should be allowed to work its will on financial disclosure legislation. Notwithstanding these acts, however, the House, to the disappointment of many, retained its long history of resistance to public disclosure, and the Judiciary Committee became the graveyard for the Financial Disclosure Act.

The need for financial disclosure remains as great as ever. The scandals of the past several years have further contributed to the erosion of confidence and trust held by the American people in their government leaders. Opinion polls reveal that the public overwhelmingly agrees with the statement that too many political leaders are "just out for their own personal financial gain," and we now face the unpleasant prospect of the unraveling of more scandals.

Obviously, we must respond to the urgent challenge to give the public sufficient reason to have faith in the integrity of their Government leaders, and financial disclosure is one of those necessary steps we must take if we are to restore the image of Government so as to establish beyond question the propriety of the public behavior of public servants. Financial disclosure will give the public access to basic information regarding the outside financial interests of Government officials. It will enable citizens to determine for themselves whether or not outside interests could possibly affect the judgment and performance of such officials. Once the public has such information, I believe it will provide the best assurance to them that overwhelming number of those who serve Government are not using their offices for personal financial gain, and through public disclosure, a major contribution will be made to the restoration of confidence in Government.

Mr. Speaker, Congressman TOM RAILSBACK and I, along with 81 of our colleagues, are, today, introducing the Financial Disclosure Act. The main provisions of this measure require the following:

A uniform financial disclosure report, to be filed annually, by the President and Vice President, each Member of Congress, Justices and judges and those officers and employees of the executive, judicial, and legislative branches of Government who are compensated at a rate equal to or in excess of the minimum GS–15 pay scale or who occupy pay grade 0–6 or higher of the uniformed service;

A financial disclosure statement from every candidate for nomination for or election to Federal office;

A financial disclosure statement from any individual appointed by the President to an office for which confirmation is required within 10 days after the nomination is submitted;

The reporting of the amount and source of each item and each gift or aggregate of gifts from one source, excluding immediate family, which exceed $100 in a calendar year;

The identity of each asset, other than household furnishings or personal goods, exceeding $1,000;

The identity of each liability owed exceeding $1,000;

Any transactions in securities of any business entity or transactions in commodities futures if the aggregate amount involved in such transactions exceeds $1,000 in a year;

Any purchase or sale of real property if the value of the property exceeds $1,000; and

The identity of any position as an officer, director, partner, adviser, or consultant of any business enterprise or partnership.

The financial disclosure reports are to be filed with the Comptroller General and will be available for public inspection. It, however, will be unlawful for any individual to obtain or inspect such reports for any commercial purpose, to determine or establish credit ratings or to be used in the solicitation of money for any political purpose.

The Financial Disclosure Act also provides that the Comptroller General shall audit at least one report of the President and Vice President during their term of office. At least one report filed by Members of Congress shall be audited during a 6-year period and an audit of 5 percent of the reports shall be conducted on a random basis.

Mr. Speaker, the campaign for financial disclosure has substantial bipartisan support. The 1976 platforms of both the Democratic and Republican Parties call for public disclosure by high-ranking Government officials. President-elect Carter has said:

> We are . . . in need of requirements for complete financial disclosure by all important officials. . . .

The House Republican Task Force on Reform of the 94th Congress stated that each Member of Congress should make an annual public statement of assets over $1,000 in value.

This new Congress, and the House in particular, has an obligation to restore the faith of the public in the integrity of their leaders, and the public should demand no less. Financial disclosure, perhaps more than any other reform proposal, will place high Government officials and Members of Congress directly under the scrutiny of the public eye. If we fail to act, then I am afraid that the public will interpret such inaction as confirming their worst suspicions about us. I am hopeful, however, that this new Congress will live up to its responsibility, and with the House, the Senate, and a new President acting together, we will see financial disclosure become law.

Mr. Speaker, the following is a list of cosponsors of the Financial Disclosure Act:

Thomas Ashley, Ohio
Les AuCoin, Oregon
Herman Badillo, New York
Alvin Baldus, Wisconsin
Max Baucus, Montana
Richard Bolling, Missouri
Don Bonker, Washington
William Brodhead, Michigan
Clair Burgener, California
John Burton, California
Phillip Burton, California
Bob Carr, Michigan
Shirley Chisholm, New York
Thad Cochran, Mississippi
John Conyers, Michigan
Robert Cornell, Wisconsin
Robert Drinan, Massachusetts
Robert Edgar, Pennsylvania
Don Edwards, California
David Emery, Maine
Dante Fascell, Florida
Millicent Fenwick, New Jersey
Paul Findley, Illinois
Hamilton Fish, New York
Harold Ford, Tennessee
Donald Fraser, Minnesota
Benjamin Gilman, New York
Willis Gradison, Ohio
John Hammerschmidt, Arkansas
Mark Hannaford, California
Tom Harkin, Iowa
Michael Harrington, Massachusetts
Elwood Hillis, Indiana
William Hughes, New Jersey
James Jeffords, Vermont
John Jenrette, South Carolina
Robert Kastenmeier, Wisconsin
Martha Keys, Kansas
Edward Koch, New York
John Krebs, California
William Lehman, Florida
Norman Lent, New York
Jim Lloyd, California
Matthew McHugh, New York
Edward Madigan, Illinois
Andrew Maguire, New Jersey
Romano Mazzoli, Kentucky
Lloyd Meeds, Washington
Helen Meyner, New Jersey
Norman Mineta, California
Joe Moakley, Massachusetts
Anthony Moffett, Connecticut
Ronald Mottl, Ohio
Richard Nolan, Minnesota
James Oberstar, Minnesota
Richard Ottinger, New York
Edward Pattison, New York
Joel Pritchard, Washington
Albert Quie, Minnesota
Tom Railsback, Illinois
Henry Reuss, Wisconsin
Frederick Richmond, New York
Matthew Rinaldo, New Jersey
Robert Roe, New Jersey
Benjamin Rosenthal, New York
Jim Santini, Nevada
John Seiberling, Ohio
Paul Simon, Illinois
Gladys Spellman, Maryland
Fortney Stark, California
William Steiger, Wisconsin

Gerry Studds, Massachusetts
Charles Thone, Nebraska
Bob Traxler, Michigan
Morris Udall, Arizona
Charles Vanik, Ohio
Henry Waxman, California
James Weaver, Oregon
Charles Wilson, Texas
Larry Winn, Kansas
Timothy Wirth, Colorado
Lester Wolff, New York
Clement Zablocki, Wisconsin

TRIBUTE TO MAYOR RICHARD J. DALEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FARY) is recognized for 5 minutes.

Mr. FARY. Mr. Speaker, in the few short weeks that have passed since his death, thousands, perhaps millions of words have been committed to print and spoken over the airwaves eulogizing Mayor Richard J. Daley.

The list of men and women who have paid him tribute is impressive: a President, a President-to-be, Congressmen, Senators, public figures from every State in the Union, editors, columnists, and television news personalities; all have contributed in praising this remarkable man.

Permit me now to add my own humble but intensely heartfelt words.

I speak of Richard Daley as mayor of Chicago, and preeminent urban statesman of our time, but still more, I cherish his memory as a constituent of mine and a personal friend.

The strengths of Richard Daley, the public figure, have been amply described by others, and much of what has been said is true:

He was a man of immense, irrepressible energy, matched only by his ability to translate it into solid achievements which benefit more than 3 million Chicagoans every day.

He stood as one of the greatest figures in the Democratic Party he loved so well, towering over his occasional detractors.

He was a man whose pride in his home city know no bounds, and even the casual observer can see that it was a pride amply and demonstrably justified. His love of our country was equally fierce and unswerving.

Richard Daley was mayor of the city of Chicago for two decades; the metropolis itself, in all its vibrance and greatness, stands as his monument. While other great cities from coast to coast sank into decay, Chicago grew and prospered under his dynamic leadership. The Windy City is today universally regarded as the one great urban concentration in the United States that really works.

I also knew Richard Daley, the private man, equally well. He was a humble person, who walked modestly among his fellow citizens. He was a loving and devoted husband and father, and a loyal son of the church. He came up through the ranks the hard way, by his own strenuous efforts, but he never forgot or neglected men, women, and children less fortunate than he. In his characteristic way, he translated this compassion into concrete and successful measures which ease their plight.

Mr. Speaker, six decades ago, Carl Sandburg undertook the formidable task of defining the essence of Chicago. His robust words described our beautiful city well; I think they also describe the man who served as its mayor with such distinction for so many years:

> . . . here is a tall bold slugger, set vivid against the little soft cities; . . .
> Bareheaded,
> Shoveling,
> Wrecking,
> Planning,
> Building, breaking, rebuilding. . . .
> Proud to be Hog Butcher, Tool Maker, Stacker of Wheat, Player with Railroads and Freight Handler to the Nation.

Now Richard J. Daley is gone. I mourn his passing, but I rejoice in the good works he has left behind, and I take comfort in the knowledge that he is reaping his eternal reward.

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing the Surface Mining Control and Reclamation Act of 1977 on behalf of myself and 17 of my colleagues on the Interior Committee.

With the exception of minor modifications to assure compliance with the Budget Act and other technical changes, this bill is identical to H.R. 13950 reported by the Committee on Interior and Insular Affairs during the 94th Congress. That bill contained a number of changes and was designed to make the bill more palatable to the Ford administration and coal surface mine operators. Unfortunately, the bill was tabled by the Committee on Rules.

But this is water under the bridge. We are in a new Congress and the new occupant of the White House has repeatedly expressed his support for Federal coal surface mining legislation. During the last televised debate with Mr. Ford, Governor Carter indicated that he would have signed the strip mining bill Mr. Ford vetoed. I believe that the President-elect understands the problems of attempting to increase this Nation's reliance on its vast coal resources without imposing sound reclamation requirements. It is appropriate, therefore, to give the coal surface mining controversy top priority in the 95th Congress.

Critics of Federal legislation have argued that a national bill is no longer needed because mining concerns have improved their reclamation practices under strengthened State laws. Frankly, I have serious doubts that this is the case, but the question of the status of current mining procedures is a good starting point for consideration of coal issues in the current Congress.

I have, therefore, arranged for a series of briefings on the question of reclamation practices and environmental problems of modern day surface mining. On January 10 and 12—room to be announced—at 9:45 a.m., members of the Interior Committee of the 94th Congress will receive comments from a variety of citizens and coal operators on these issues. Formal hearings on the legislation itself will be held at a later date and we plan to receive testimony from the broad spectrum of interested parties, including Federal, State, and local officials, electric utilities as well as industry spokesmen, environmental organizations, and citizens.

The initial briefings on January 10 and 12 will not interfere with the ability of interested parties to contribute to the legislative hearing record. But we need to get started and we can make good use of our spare time during this period of organization by taking a look at the practices and problems of current coal surface mining procedures.

Mr. Speaker, I would like to invite my colleagues who are interested in the issue of coal surface mining to participate in this briefing session. If any of my colleagues desire to attend the meeting I would ask them to direct their staff to contact the Interior Committee at extension 58331 so that appropriate arrangements can be made.

Mr. Speaker, I would also add that I am aware that the legislation I am introducing today is not viewed as beyond improvement by those interested in this issue. The environmentalists want a tougher bill and the coal industry believe many of its provisions are onerous. In general, I believe that the legislation's reclamation requirements and procedures are sound but this is a new Congress and a fresh look at a proposed statute never hurt any legislation. This bill does represent, however, the most recent best efforts of the Interior Committee and is, therefore, the most logical starting point for our deliberations. Our briefing sessions and later hearings will help evaluating the merits of this bill and carry out our responsibility to address this issue that has affected coal development for too many years.

INTRODUCTION OF TENANTS' TAX JUSTICE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, along with 42 of my colleagues, I am today introducing the tenants' tax justice bill which allows tenants to claim their share of local and State property tax payments for Federal income tax purposes.

Tenants pay property taxes on their dwelling units through their rent payments, but unlike homeowners, they are not allowed to claim their property tax payments for Federal income tax purposes under current law. Because of this inequity, the Federal income tax liability is greater for tenants.

I believe that since the tenant actually pays State and local property taxes, the tenant should have the same right as the homeowner to claim the property tax payment. The tenants' tax justice bill provides a credit for tenants of 25 percent of the property tax payment. For

the average taxpayer, a credit of 25 percent of the property tax payment is approximately equivalent to the full property tax deduction which the homeowner can claim. The amount of the credit which a tenant can claim is dependent upon the actual amount of the property tax payment on a prorated basis.

COMPUTATION OF TENANTS' TAX CREDIT

Under the bill, a tenant can claim a credit of 25 percent of the proportionate share of the property taxes paid. The tenant's proportionate share of the property tax payment is determined by multiplying the total property taxes paid on the building by the ratio of the floor space rented by the tenant to the total rental floor space in the building, excluding common areas. For example, if someone rented for an entire year an apartment with 5,000 square feet of floor space and there was a total of 50,000 square feet of rental floor space in the building, then the tenant's proportionate share of the property tax is 10 percent of the building's property tax. In this example, if the total property tax payment was $6,000 then the tenant's share is $600, and the credit which the tenant can claim is 25 percent of $600 or $150. A tenant is allowed to claim the property tax payment for his principal residence and for only the portion of the year during which he actually rents the apartment. In the example above, if the tenant had only rented the apartment for 6 months, then his share of the property tax is $300 and his credit, $75.

Obviously, since the size of existing apartments and buildings rarely change in size, only one calculation by the landlord is needed to determine the proportionate size of the apartments in the landlord's building. On a yearly basis the landlord would advise the tenant of the proportionate share of the property tax payment which the tenant had paid in his rent and the number of days during the year when the apartment was rented by the tenant.

BENEFITS TO THE TAXPAYER

This legislation is particularly timely and will ease housing problems in several ways. Many Americans find that they are unable to buy a home because of constantly rising purchase, maintenance, and tax costs; other Americans have jobs that require them to frequently move their place of residence; and still others for strictly personal reasons have decided that they would prefer to rent. The average citizen in a free society has the right to make such a decision without suffering tax disadvantages. Not only do tenants rent garden or high rise apartments, but many rent town houses or single family homes. Nationally, about 36 percent of all housing units are renter occupied. The bill enhances rental markets and personal savings. The tenants' tax justice bill discourages "instant condominiums" by removing an artificial tax stimulus to apartment conversion—simply, those who rent will no longer lose the right to claim their property tax payment. By extending property tax relief to tenants, the bill reduces the Federal income tax liability of many average Americans.

The bill also makes partners of property owners and tenants in keeping local property taxes under control. Many landlords support this concept because in addition to enhancing rental markets, the bill makes the tenants realize what portion of the rent is not "rent" at all, but a property tax payment. The landlord is currently caught in the middle—the local government raises taxes, but because the landlord collects the tax in the rent, he is "blamed" for increasing rents. Under the tenants' tax justice bill, it is clear that the landlord is merely acting as a collection agent for the local government.

In no way does the bill reduce the advantages of homeownership, nor does it increase the tax burden on apartment owners. The tax which the landlord collects and passes on to the State or local government is not real income for the landlord and is not considered as such under either current law or our bill. At the same time the landlord reports the property tax collection as income he also lists it as an expense—the property tax payment is not included in the landlord's net income and, therefore, should not be taxed. The tenants' tax justice bill recognizes that the landlord is merely acting as a transfer agent for the local government and, accordingly, does not change the tax liability of the landlord.

WIDESPREAD SUPPORT FOR TAX REFORM FOR TENANTS

During the 94th Congress, similar legislation, which I introduced, received widespread attention from the national news media and several organizations. Those who expressed favorable interest included the National Tenants Association, the American Association of Retired Persons, Apartment Life magazine, as well as several apartment owner organizations. Mr. Bruce Mazzie, president of the National Tenants' Association calls the tenants' tax justice bill "a positive step in correcting an inequity that has existed between tenants and homeowners for too long." Mr. Mazzie adds that the bill "would also stimulate the economy by putting money in the hands of consumers who need it most."

Public policy has discriminated against tenants for too long; genuine tax reform requires that we treat the Nation's tenants with fairness and equity. By allowing tenants to claim their property tax payments the Tax Code will be more just. The tenants tax justice is of considerable interest to the American tenant and deserves the attention of every member. It is my hope that this Congress will quickly act on this proposal and thereby extend property tax relief to tenants. The bill follows:

H.R. —

A bill to amend the Internal Revenue Code of 1954 to allow a tax credit on houses or apartments for a portion of the real estate taxes paid or incurred by their landlords.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SEC. 44B. REAL PROPERTY TAXES IN CASE OF INDIVIDUALS WHO RENT THEIR PRINCIPAL RESIDENCE.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year the amount of the rent paid or incurred by the individual during the calendar year in which the taxable year begins for any dwelling unit used by the individual as his principal residence, but only to the extent that such amount does not exceed 25 percent of the individual's proportionate share of the State and local real property taxes (within the meaning of section 164(a)(1))—

"(1) which are imposed on such dwelling unit, or on the building in which such dwelling unit is located, and on the land on which such dwelling unit (or building) is situated, and

"(2) which are paid or accrued during such calendar year.

A credit shall not be allowed under this subsection for any amount of rent for which the individual is entitled to a deduction under this chapter.

"(b) PROPORTIONATE SHARE.—

"(1) IN GENERAL.—For purposes of subsection (a), an individual's proportionate share of the real property taxes described in such subsection which are paid or accrued during any calendar year with respect to any dwelling unit shall be an amount equal to—

"(A) the amount of such real property taxes—

"(i) in the case of a dwelling unit located in a building which contains one or more other units, which are attributable to such dwelling unit, or

"(ii) in the case of any other dwelling unit, which are imposed with respect to such unit; multiplied by

"(B) a fraction the numerator of which is the number of days in the calendar year on which such dwelling unit was used by the individual as his principal residence and the denominator of which is the number of days in such calendar year.

"(2) TAXES ATTRIBUTABLE TO CERTAIN DWELLING UNITS.—For purposes of paragraph (1), the amount of the real property taxes described in subsection (a) which are attributable to any dwelling unit located in a building containing one or more units is an amount which bears the same ratio to the aggregate amount of such taxes imposed on the building and the land on which it is situated as the number of square feet of floor space in such unit bears to the total number of square feet of floor space in all the units in such building. For purposes of the preceding sentence, there shall not be taken into account the amount of any floor space in the building which is a common area or is used by the lessor of such building for purposes of maintenance."

(b)(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44B. Real property taxes in case of individuals who rent their principal residence."

(2) Section 56(c) of such Code (defining regular tax deduction) is amended by striking out "and" at the end of paragraph (7), by striking out the period at the end of paragraph (8) and inserting ", and" in lieu thereof, and by adding at the end thereof the following new paragraph:

"(9) section 44B (relating to real property taxes in case of individuals who rent their principal residence)."

(3) Section 6096(b) of such Code (defining income tax liability) is amended by

striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

SEC. 2. The amendments made by the first section of this Act shall apply to rent paid or incurred after December 31, 1976, in taxable years ending after such date.

LEGISLATION TO AMEND THE 1974 EMPLOYEE RETIREMENT INCOME SECURITY ACT

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Michigan (Mr. CARR) is recognized for 5 minutes.

Mr. CARR. Mr. Speaker, I am today introducing a bill to help a small but important group of people who are not adequately protected by the 1974 Employee Retirement Income Security Act, ERISA.

ERISA has been received as a landmark of congressional legislation. This law sets up basic standards to be followed by pension plans to insure that employees are protected from unsound or unfair practices. Until Congress passed that law, some workers were financially ruined when their pension plans were unscrupulously administered or went bankrupt; other employees were deprived of the money they had paid into a plan before they moved to a new employer; and some workers were even fired before retirement and received no pension benefits at all.

ERISA reduced these inequities. It not only improved the soundness and the integrity of pension plans throughout the Nation, but also set up the Pension Benefits Guaranty Corporation—the PBGC—to take over funding of those plans that go bankrupt. ERISA requires the PBGC to make the basic pension payments of bankrupt plans and also gives PBGC the option to pay other nonbasic benefits in a particular plan, such as health insurance, life insurance, and early retirement.

But experience with the PBGC has revealed some inequities and hardships with the disposition of nonbasic benefits. Specifically, early retirement plans such as the "30 and out" programs are not fully protected by ERISA. The result is that in those cases where pension plans have gone bankrupt since the enactment of ERISA, and have been taken over by the PBGC, employees entitled to early retirement benefits under normal circumstances have been cut off from full compensation. The hardships caused by such circumstances have been devastating for some older workers and their families, and the administrative problems that the PBGC has been saddled with in determining optional benefit payments have been equally frustrating.

The Diamond Reo Corp. of Lansing, Mich., was the first bankrupt company whose pension plan was taken over for administration by PBGC. Some 80 of the 650 Reo retirees had retired early from the company under its supplemental pension benefits plan. When the PBGC ruled against continuing these optional ERISA benefits, the early retirees were devastated, many of them experiencing income drops from $550 per month to as low as $82.44. Early Diamond Reo retirees typically lost over three-fourths of their income. While these personal hardships were abrupt and disastrous for people who were deprived of the investment of decades of work, the slow and grinding administrative problems of the PBGC were also frustrating. In total, the PBGC spent a year and a half analyzing, disposing, and arbitrating the pension problems of Diamond Reo before the last case was settled and the last benefits were readjusted for the third or fourth time. Part of the difficulty stemmed from the PBGC being charged with deciding whether or not to award certain benefits that were treated as optional under the ERISA. Early retirement supplements are currently such optional benefits.

If the intention of ERISA was to prevent persons under pension plans from suffering great financial hardship because their pensions were poorly administered, then clearly in the case of early retirees that protection is still lacking. It is hard to imagine a greater unfairness than telling a person who has contributed most of his life to a pension plan for retirement security that because the plan has gone bankrupt, he will have to live on $82.44 a month instead of $550. This is precisely the situation that ERISA was intended to prevent.

To repair this inequity and to ease the workings of the PBGC, I am today introducing a bill to amend ERISA so that the PBGC would be required to fund not only the basic benefits of a bankrupt pension plan but also the early retirement benefits that would normally go to employees under a solvent pension operation.

The number of people who would be affected by this bill may be few, but their sufferings are nonetheless great. We must act immediately for their protection and welfare to insure that the full intention of ERISA is realized.

YOUNG ADULT CONSERVATION CORPS LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, today I am introducing the Young Adult Conservation Corps legislation on behalf of myself and over 60 cosponsors. This legislation was first introduced during the 94th Congress and passed the House with overwhelming approval. Unable to obtain a budget waiver, it died in the Senate. The new administration has indicated its interest in this concept and I feel that its cooperation can be expected in passage and implementation of the Young Adult Conservation Corps program.

This is not a new concept. During the Great Depression of the thirties President Franklin D. Roosevelt proposed this sensible approach to the dual problem of massive unemployment and resource management. It was called the Civilian Conservation Corps. As near to us as Skyline Drive and as far as the Olympic National Park in my home State of Washington, the benefits of this program still stand. In addition to the permanent enrichment of our public lands, however, the human product of the CCC has enriched the ranks of business, labor, agriculture, and government because young lives of our future leaders were provided hope in an era of despair. The productivity of the land and of the corpsmen has repaid many times the cost of the CCC.

Six years ago Congress created the Youth Conservation Corps. Under this highly successful and popular program young people between the ages of 15 and 18 are provided part time summer jobs performing healthful outdoor work on public projects.

The unemployment rate for young people under the age of 25 is three times the national average. The 1976 report of the Congressional Joint Economic Committee states that our "prolonged recession threatens to spawn a large disenchanted group of young adults—out of the work force, without opportunity for adequate self-support and alienated from the society that fails to accord them a productive roll." The report continues that "extended idleness for young people with little past work experience will result in severe social and economic cost" in terms of crime and other antisocial behavior. It is no mere coincidence that while nearly half our Nation's total unemployed are under the age of 25 according to the FBI selected crime index this age group also accounts for over half the total arrests recorded nationally. There is every indication that reducing the unemployment rate among youth will also reduce the crime rate.

While millions of young people are idle and jobless, jobs which need doing on public lands are left undone. Our Nation faces a reforestation backlog of over 3.5 million acres that will penalize future generations if left undone. In addition to reforestation, other vital environmental work such as timber stand improvement, forest firefighting, trail and campground improvement, insect, flood, disease, and erosion control need doing. In Washington State our fisheries are in dire need of enhancement. Other States have similar problems of resource management.

The Young Adult Conservation Corps legislation is based on the combined experience of the CCC and the YCC summer program. It will expand the current YCC program to employ young adults age 19–24 on a year-round basis.

Robert Kennedy once said that our Nation's youth are our "last, best hope." We must do what we can to provide them with the opportunities to become productive members of society. I urge my colleagues from both sides of the aisle to join me in this effort to enrich the lives of our youth and enhance the resources of our Nation.

NUCLEAR ENERGY REAPPRAISAL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from New York (Mr. PATTISON) is recognized for 5 minutes.

Mr. PATTISON of New York. Mr. Speaker, since its introduction to the world in 1945, nuclear power has become one of the most complicated problems of today's world. On one hand, it could possibly supply much of the energy we will need in the future. On the other, it could provide for the destruction of all we know as real and living. Great care must be taken in working with and handling the various elements of the nuclear fuel cycle. If not, disaster may occur. Arguments and counterarguments have been repeatedly made by both sides of the nuclear power debate, and most all of the arguments are sound. What remain is not only a split within our scientific community but a split among the people of this country. Everyone wants all the power they can use, but no one wants a nuclear powerplant built nearby.

I can understand the split. There is simply not enough information available to allay the fears many of us have regarding the use of nuclear power. And in many cases, the lack of information results from a lack of an answer to a problem. This is regrettable, especially when we talk about the most pressing problem concerning the use of nuclear power: the problem of waste disposal.

We must ask ourselves: is there a safe method for permanent disposal of radioactive wastes? The answer: at this time, no. The methods and procedures for the disposal of low and medium level wastes seem to be failing. We have experienced losses of radioactive waste through leakage and improper management. Industry does not want to be in the waste disposal business. We have seen this in New York State where Nuclear Fuel Services, Inc. has recently declared bankruptcy because there are no profits in radioactive waste disposal. The people of New York are now responsible for the safe disposal of these wastes as well as all the costs associated with disposal. High level radioactive wastes are still being stored at the generating facilities. We could continue to do that in the short run, a more long term solution is needed. It also appears that the costs of waste disposal will be staggering. But again, the costs cannot be estimated because there are no agreed upon plans available for safe and long term disposal of nuclear wastes.

This problem alone is cause enough for us to place a moratorium on the construction of new nuclear powerplants. We need to answer many of the questions before we continue our development and dependence on nuclear power. If answers and solutions can be found, and they are reasonable, then I will be able to support nuclear power development. Until that time, I cannot.

I ask that you give serious consideration to the Nuclear Energy Reappraisal Act.

CONGRESSMAN STRATTON INTRODUCES A BILL TO MAKE CERTAIN IMPROVEMENTS IN THE MILITARY SURVIVOR BENEFIT PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. STRATTON) is recognized for 10 minutes.

Mr. STRATTON. Mr. Speaker, during the latter part of the 94th Congress the Committee on Armed Services, after thorough consideration by the Subcommittee on Military Compensation, reported a bill to make a number of important improvements in the military survivor benefit plan. That bill was enacted by the House in substantially the form recommended by the committee.

However the Senate, because of the imminent adjournment of the 94th Congress, passed only those portions of the bill which were patterned on recently enacted changes in the civil service plan and deferred action on the remainder of the bill as passed by the House. In the interest of securing the limited benefits provided by the Senate-passed bill, the House accepted the Senate version which was enacted as Public Law 94–496.

Today, I join with the gentleman from California, (Mr. BOB WILSON) who has been most active in his efforts to correct the shortcomings of the present survivor benefit plan, in introducing a new bill which incorporates the remaining features of the remedial legislation originally passed by the House during the 94th Congress. Very briefly, those features are:

First, cost-of-living increases of annuities under the retired serviceman's family protection plan. This action will provide the same cost-of-living adjustments for those getting benefits under that plan as is provided under the present plan.

Second, reinstatement of the survivor benefit plan payments to widows whose dependency and indemnity benefits are terminated on remarriage after age 60. This would eliminate an inequitable situation in which the widow of a retiree can have her benefits reinstated if her husband died from a non-service-connected death, but the widow of a member who died from a service-connected reason cannot have those benefits reinstated.

Third, reduction from 100 percent to 50 percent in the social security offset.

Fourth, elimination of the social security offset when there is a dependent child.

Fifth, elimination of the social security offset when the spouse beneficiary is not receiving social security benefits based on the deceased retiree's military service; and

Sixth, elimination of the social security offset when the only military service involved periods of active duty of less than 30 consecutive days and the member concerned received a refund of social security taxes withheld for those periods.

Mr. Speaker, the present 100-percent social security offset provisions, while unfair to all widows under the plan, are particularly burdensome to the enlisted men's widows. In some cases, the offset completely wipes out any benefit otherwise payable under the plan. This is grossly unfair to the retired member who contributed very substantially during his lifetime in order to provide this benefit for his widow.

Mr. Speaker, we hope the Committee on Armed Services can consider this bill at an early date, and that the House can pass it early in the session so as to enable the Senate to have ample time to consider and enact these urgently needed improvements during the first session of the present Congress.

Below I include a brief statement comparing the military survivor benefit plan with similar civil service plans:

COMPARISON OF MILITARY SURVIVOR BENEFIT PLAN COST FORMULA VERSUS CIVIL SERVICE FORMULA

In the development of the new Military Survivor Benefit Plan, it was intended to pattern the new Plan on the Civil Service Plan to the maximum extent possible.

As enacted, however, there is one area in which the military plan inadvertently deviates from the civil service plan and results in greater cost to the military retiree than to a comparable civil service retiree.

Under both the military civil service plans, the initial cost calculation to the retired member of providing a survivor's annuity to the spouse is identical. The formula is 2.5 percent of the first $300 of the member's retired pay and 10 percent of any amount in excess of $300.

Post retirement increases in retired pay for military retirees:

When there is a post retirement increase in retired pay, the cost to retired military member is recalculated using the same formula, i.e., 2.5 percent of the first $300 of retired pay plus 10 percent of any amount in excess of $300. Under this method, if the member's retired pay was initially $300 or more (as is the case normally) the premium charged against the additional amount of retired pay which the retiree receives is 10 percent.

Post retirement increases in retired pay for Civil Service retirees:

When there is a post retirement increase in retired pay, the cost to the retired civil service employee for participating in the plan is not recalculated; the amount of retired pay being received is increased by the percentage of the increase; and the amount being withheld by reason of participation in the Survivor Benefit Plan is similarly increased by that percent.

Since the usual retired pay increase is less than 10 percent, the amount of the added survivor benefit cost to the civil service retiree is invariably less than the added cost to the military retiree.

The bill to amend the survivor benefit plan will correct this inconsistency and provide a military survivor benefit cost formula which will function in an identical fashion to the civil service plan.

SELECT COMMITTEE ON POPULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SCHEUER) is recognized for 5 minutes.

Mr. SCHEUER. Mr. Speaker, today I am introducing with 100 cosponsors a resolution calling for the creation of a Select Committee on Population. The problem of worldwide population growth and the role the United States should play in assisting the developing nations in getting a handle on their population growth rates continues to be an issue of overriding importance.

Yet, we here in Congress have failed to devote adequate attention to the popu-

lation equation both here in the United States and around the world in the developing nations. The only committee which has taken a serious look at population problems is the Census and Population Subcommittee under the chairmanship of our colleague from Colorado, Mrs. SCHROEDER. I commend her and the other members of the subcommittee for the outstanding set of hearings they held on U.S. population problems.

Four billion people now inhabit our small planet, and the world's population is expected to double in the next 35 years. Seventy percent of the world's population lives in the developing world and accounts for over four-fifths of the yearly increase in population. Yet the world population problem far transcends demographic statistics and national boundaries.

Try to imagine the quality of life of the people in New York City, Atlanta, Los Angeles, Chicago, or Houston if every man, woman and child suffered from malaria, 40 percent had tuberculosis, 1 in 30 were afflicted with leprosy, and 4 in 10 children died before age 5 from measles. This is the quality of life, differing only in detail, endured by 500 million people in parts of Africa, Asia, and Latin America.

It is not easy for us to imagine that literally hundreds of millions of human beings suffer day in and day out from disease and hunger and must wage a perpetual struggle against grinding poverty.

The increase in malnutrition, hunger and mortality rates are compelling reasons for us to give more attention to the population issue. Between one-third and one-half of the world's people are chronically undernourished. As populations expand, we can expect a corresponding increase in the demand for food and improved standards of living.

Just 30 years ago, all of the areas of the world were net exporters of food. Today almost all of the world's food exports come from North America. It is becoming increasingly clear that we will no longer be able to expand food production at the same rate as in the past. As food demand has outstripped production gains, world grain reserves have been depleted and prices have climbed. As recently as 1970, grain reserves, including both the carryover stocks of grain and the grain equivalent of idled cropland in the United States, amounted to 89 days of world consumption. By 1974 reserves had dropped to just over 30 days where they remain today.

The increase in death rates is indicative of this severe nutritional stress. Death rates are on the increase in many of the world's poorest countries. While death rates measure the demographic effect of prolonged hunger, they do not measure the social impact. For every person that dies, many more suffer. While many infants survive prolonged periods of semistarvation, they suffer irreparable brain damage in the process.

There are other compelling reasons of national security and international order which thrust on us a heavy burden of responsibility to give the world population problem the high priority it deserves. In the developing world, where food shortages already exist, expanding populations will mean that food supplies will have to be stretched even further. The fragile governments of these lesser developed countries may have a difficult time responding to these demands for food and better living conditions. The resulting dissatisfaction may lead to internal disorders, perhaps even revolution, which may have international repercussions—all in a world where nuclear weapons are proliferating.

The strained relations between the United States and Mexico is an outgrowth of Mexico's population problem. In 1950 North America and Latin America had populations of almost identical size. Latin America now adds four times as many people to its population each year as North America. Mexico alone with a population of 60 million is adding more people than are the United States and Canada together, with a combined population of 238 million. Mexico's population is doubling every 20 years, probably the fastest growth of any country in the world. Half of the Mexican population is under 15 years of age, threatening even more rapid population growth in decades to come absent effective family planning programs. The population explosion in Mexico is so great, the labor supply is growing so rapidly, and unemployment is so high that millions of persons have no choice but to look to the United States as a source of jobs. Nearly 10 percent of Mexico's 60 million people are illegal aliens residing in the United States. This can only auger strained relations with Mexico.

During recent years we have seen a dramatic change in attitude among the leaders of the developing world toward population programs. Decisionmakers in many underdeveloped countries recognize the galloping population growth rates are a problem and have taken steps to establish population related and child spacing programs. While the developing countries must assume the major responsibility for controlling their own rates of population growth by establishing programs which are consistent with their tribal, religious and political traditions, the United States and, indeed, other nations of the developed world, must also rise to the challenge by assisting those nations which have demonstrated a commitment to slowing their rate of population growth.

Population growth rates are an integral part of poverty and underdevelopment. Rapid population growth has virtually destroyed all the effectiveness of our programs to improve the quality of life in the developing countries like India and Egypt by spreading their already pathetically small stores of food even thinner and by placing a greater burden on already miserably inadequate health care and education facilities, by increasing unemployment and by contributing to the vast tide of rural-urban migration with all its attendant problems. If populations continue to expand at their current rates, we may expect increased political and civil instability and disorders in the future.

If the United States and our AID recipients are to get the maximum cost-benefit return from our foreign assistance dollars, we here in Congress must begin not only to examine seriously the symptoms of population growth but also to seek solutions. We must gather the facts necessary to produce a coherent and sustained national population policy.

Even in the United States there are still between 3 and 4 million women who do not have access to any family planning services at all, and a full third of our counties, mostly rural, do not have any such services. Last year, for the first time, over half of all births in Washington, D.C., were illegitimate.

We must develop a population policy which will assist the developing nations to bring their excessive population growth rates under control and which will enable us to deal effectively with the special population problems of our own country. This is what the Select Committee on Population would hope to accomplish.

INTRODUCTION OF LEGISLATION AMENDING HOUSE RULE XI, PERTAINING TO REPORTING REQUIREMENTS FOR TRAVEL ABROAD BY MEMBERS AND EMPLOYEES OF THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I am offering for consideration by our colleagues, a resolution to amend House rule XI (2n)(2), which pertains to the reporting requirements for travel abroad by Members and employees of the House.

My amendment would reduce the time period within which reports must be filed from 60 days to 10 days following completion of travel. It would also require that these individual reports, showing dates, places and costs of travel, be published in the CONGRESSIONAL RECORD immediately following their receipt by the chairman of the committee.

One of the strongest criticisms which we, as Members of Congress, receive, both as individuals and as a body, is the difficulty the public has in determining the facts about money spent on congressional travel.

Let me state at the outset that I firmly believe that travel on authorized official business by Members of Congress is essential to the work of this institution and need not and should not be curtailed. However, I believe just as strongly that the public is entitled to a clear and prompt accounting of the cost of such travel by each individual Member and employee. Our system to date of reporting these costs needs improvement and I think that my resolution will help to bring this about.

It cannot be denied that there have been abuses of congressional travel in some instances. I believe the responsibility for eliminating abuses and for monitoring travel expenditures rests with each individual who travels. For this reason, the burden of filing prompt and ac-

curate expenditure reports should rest with the individual, as well as with the chairman of the authorizing committee and the House Administration Committee.

Under the old system, each Member and/or employee who traveled abroad was required to file a report showing the amount of foreign currencies expended for per diem and transportation costs. The report was also to show the places visited and the number of days spent in each place. These reports were filed with the chairman of the authorizing committee, although there was no time frame within which they had to be submitted. The chairman of the committee, in turn, was required to submit a consolidated report to the Clerk of the House within 60 days after the start of a new session of Congress showing the total travel expenditures for that committee during the preceding year. These consolidated reports were to be published in the CONGRESSIONAL RECORD within 10 days following their receipt by the Clerk.

The House has just adopted a rules change which wisely requires the individual reports to be submitted to the committee chairman within 60 days following completion of travel. This is an improvement over the old method; however, I do not believe it is enough. There is no reason why such reports cannot be filed within 10 days following the completion of a trip. For one thing, the information about and the reasons for the expenditures are still fresh in the mind of the individual. Second, the public should not have to wait 2 months to find out how much a trip cost.

My proposal for immediately publishing the report in the CONGRESSIONAL RECORD follows the same line of reasoning. It makes the information immediately available and eliminates the need for anyone to have to consume valuable committee time handling requests to see travel records. Last year, the House adopted my amendment to the Mutual Assistance Act restoring the requirement that the consolidated reports be published in the CONGRESSIONAL RECORD. Now we need to include individual reports under this procedure.

I hope our colleagues will agree that my new proposal is an improvement over the rule change we just adopted and will act to incorporate it into the rules accordingly.

There are other areas of foreign travel reform which must be examined and on which I also plan to make proposals in the near future. One of the most necessary reforms we should seek to undertake is to eliminate the practice known as double-dipping. This occurs when an agency such as the Department of Defense pays the entire costs of a Member's travel expenses, including transportation, hotel and meals, and the Member collects the $75 per diem allowance. The per diem is supposed to be used only for allowable expenses such as hotel, meals and related expenses such as tips, et cetera. Thus, if the Department of Defense is paying for all these costs, there should be no need for each Member to collect the $75 per diem. Nevertheless, some may do this—perhaps, without realizing the situation. This practice should be eliminated.

Another area where reform is needed is to require the executive branch to report to the chairman of the authorizing committee on the cost of support services for any congressional delegation traveling abroad. These costs would include provision of a control room, for example, or any other services that are supplied in addition to the per diem and transportation costs—the latter two items are included in the reports made by the individual to the chairman. These reports were required for the State Department until 1973. In that year, the requirement was eliminated by law. It is my understanding that the State Department, under a departmental directive, presently does provide such information, although of lesser detail than was previously required. I believe the earlier requirement should be restored by law and should be expanded to include any executive department or agency which sponsors congressional travel abroad. This information should also be published in the CONGRESSIONAL RECORD, along with that supplied by the Member and the committee.

Mr. Speaker, as I noted earlier, congressional travel abroad is essential to the performance of our duties. However, the abuses of the travel prerogative must be eliminated and we must streamline and clarify the system of reporting the cost of such travel so that it is easily and readily accessible to the American public. It does not seem to me that this should be a very difficult task and I believe the majority of our colleagues would agree that this must be done. I think it will be done by the 95th Congress.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE. Mr. Speaker, on behalf of my colleague, the Honorable MORGAN MURPHY, I wish to announce that he will be necessarily absent today because of a death in his family.

FULL FAITH AND CREDIT FOR CONFLICTING CHILD CUSTODY DECREES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, Congressman DON EDWARDS and I along with 25 other Members of Congress are today introducing legislation which addresses the problem of conflicting child custody decrees and consequently, the problem of child snatching.

Because there are differences in State laws regarding jurisdiction, this legislation is designed to complement the Uniform Child Custody Jurisdiction Act which was drafted by the National Conference of Commissioners on Uniform State Laws in 1968, and has been adopted by 10 States so far.

Since the U.S. Supreme Court has never held that child custody decrees are entitled to full faith and credit, there is no governing policy regarding conflicting custody decrees. Consequently, a parent who is denied custody in one State may decide to snatch the children and retry the question of custody in another State.

Although no actual statistics on the incidence of child snatching exist, the problem is large. The CBS program "60 Minutes" estimates that 100,000 children a year are snatched by their own parents. These children—children caught in the conflict of laws—are subjected to wrenching changes in environment. Cases have been documented of serial thefts by parents as children are removed and returned to States having decrees favoring a particular parent.

The problem of child snatching and forum shopping will continue so long as States do not honor their sister States' judgments. Our legislation would require that the initial State's custody decree be granted full faith and credit by subsequent States which are called upon to decide the question of custody. In other words, the decision of the original court to issue a custody decree shall be binding on courts which are later asked to consider the question of custody unless the original court declines to exercise its jurisdiction.

For example, Mr. and Mrs. White get a divorce in Nevada. Mrs. White is awarded custody of the children and Mr. White visitation rights. Mr. White later moves to Ohio and the children go to visit him. At the end of the visit Mr. White refuses to return the children and files a petition for a change of custody in Ohio.

Under current law, Ohio is not obliged to honor the Navada custody decree and may proceed to litigate the question. Under our bill, Ohio would be required to defer to the Nevada decree and return the children to Nevada. If Mr. White wants to press for a change of custody, he would have to file a petition in Nevada, the State with continuing jurisdiction.

Once deference to the continuing jurisdiction of the prior court becomes generally accepted, the incidence of custody forum shopping should be considerably reduced. Any new court that is approached for a modification would send the petitioner back to the State of the initial decree.

PROTECTION OF SOCIAL SECURITY BENEFIT INCREASES

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I have introduced a bill which will insure that social security recipients do not lose benefits from federally assisted pro-

grams, because of increases in social security payments.

Under present law, increases in social security benefits are counted as income for the purposes of participation in other Federal aid programs. Thus a person whose income increases, because of higher social security benefits may lose entitlement to such programs as medicaid, public housing, and food stamps. Others may receive reduced veterans' or supplemental security income benefits.

Because of this treatment, cost-of-living increases in social security benefits, which were intended to allow senior citizens to keep pace with today's rampaging inflation, will produce no additional income for many social security recipients, and will actually lower the income of some.

My bill would rectify this injustice by requiring both State and Federal agencies to disregard completely social security benefit increases for purposes of eligibility for and amount of benefits under federally assisted programs. It would guarantee that social security recipients actually get the benefit increases to which they are entitled and which Congress intended.

We have seen too many instances in which the Federal Government gives benefits with one hand and takes them away with the other. I believe that, when Congress provides increases in social security payments in order to help senior citizens cope with inflation, it does not intend to see those increases nullified or worse by reductions in other benefits. I urge my colleagues to support my bill so that America's elderly will not suffer further from this absurd inequity in the social security law.

The text of the bill follows:

H.R. —

A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid to families with dependent children, and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or assistance reduced because of post-1974 increases in monthly social security benefits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1612 of the Social Security Act (relating to supplemental security income benefits) is amended by adding at the end thereof the following new subsection:

"Special Rule for Social Security Benefit Increases

"(c) In determining the income of any individual (or his eligible spouse) who is entitled for any month to a monthly benefit under the insurance program established by title II of this Act, there shall be excluded any part of such benefit which results from (and would not be payable but for) a cost-of-living increase in benefits under such program occurring after 1974 pursuant to section 215(i) of this Act (regardless of any concurrent increase in the benefits payable under this title which may result from the operation of section 1617), or any other increase in benefits under such program, enacted after 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3) of this Act.".

SEC. 2. Section 402 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(d) In addition to the requirements imposed by subsection (a) as a condition of approval of a State plan for aid and services to needy families with children, there is hereby imposed the requirement (and the plan shall be deemed to require) that, in the case of any individual found eligible (as a result of the requirement imposed by this subsection or otherwise) for aid to families with dependent children for any month who also receives in such month a monthly insurance benefit under title II of this Act which is increased (or is greater than it would otherwise be) by reason of a cost-of-living increase in benefits occurring after December 1974 pursuant to section 215(i) or any other increase in benefits, enacted after December 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3), the sum of the aid to families with dependent children received by him for such month, plus the monthly insurance benefit received by him in such month, shall not be less than the sum of—

"(1) the aid to families with dependent children which would have been received by him for such month under the plan as in effect for December 1974, plus

"(2) the monthly insurance benefit which was or would have been received by him for December 1974, plus the amount by which such benefit (effective for months after December 1974) was or would have been increased by such cost-of-living increase or general benefit increase,

whether this requirement is satisfied by disregarding a portion of his monthly insurance benefit or otherwise.".

SEC. 3. (a) Subsection (g) of section 415 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying paragraph (1)(G) of this subsection, shall disregard any part of such benefits which results from (and would not be payable but for) a cost-of-living increase in benefits under such program occurring after 1974 pursuant to section 215(i) of the Social Security Act, or any other increase in benefits under such program, enacted after 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act.".

(b) Section 503 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying subsection (a)(6) of this section, shall disregard any part of such benefits which results from (and would not be payable but for) a cost-of-living increase in benefits under such program occurring after 1974 pursuant to section 215(i) of the Social Security Act, or any other increase in benefits under such program, enacted after 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act.".

(c) In determining the annual income of any person for purposes of determining the continued eligibility of that person for, and the amount of, pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the Administrator of Veterans' Affairs shall disregard, if that person is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, any part of such benefits which results from (and would not be payable but for) a cost-of-living increase in benefits under such program occurring after 1974 pursuant to section 215(i) of the Social Security Act, or any other increase in benefits under such program, enacted after 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act.

SEC. 4. Notwithstanding any other provision of law, in the case of any individual who is entitled for any month to a monthly benefit under the insurance program established by title II of the Social Security Act, any part of such benefit which results from (and would not be payable but for) a cost-of-living increase in benefits under such program occurring after 1974 pursuant to section 215(i) of the Social Security Act, or any other increase in benefits under such program, enacted after 1974, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act, shall not be considered as income or resources or otherwise taken into account for purposes of determining the eligibility of such individual or his or her family or the household in which he or she lives—

(1) for participation in the food stamp program under the Food Stamp Act of 1964, or for surplus agricultural commodities under any Federal program providing for the donation or distribution of such commodities to low-income persons,

(2) for admission to, occupancy of, or fixing or adjusting rent for low-income housing under the United States Housing Act of 1937, or

(3) for any other aid or assistance in any form under a Federal program, or a State or local program financed in whole or in part with Federal funds (including the Federal-State programs of aid and assistance under titles I, X, XIV, and XVI of the Social Security Act where such programs are effective), which conditions such eligibility to any extent upon the income or resources of such individual, family, or household,

or for purposes of determining the amount or extent of such participation or such aid, assistance, or benefits.

SEC. 5. The amendments made by the first section of this Act shall apply with respect to benefits for months after the month in which this Act is enacted. The amendments made by section 2 of this Act shall be effective with respect to calendar quarters beginning on or after the date of the enactment of this Act. The amendments made by section 3 of this Act shall apply with respect to annual income determinations made pursuant to sections 415(g) and 503 (as in effect both on and after June 30, 1960) of title 38, United States Code, for calendar years after 1974. Section 4 of this Act shall be effective with respect to benefits, aid, or assistance furnished after the month in which this Act is enacted.

ELIMINATING SOCIAL SECURITY EARNINGS LIMITATION

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, the present social security laws penalize those senior citizens who must work to supplement their income. If they earn over $2,520 a year in wages, their social security benefits are reduced.

The time has come to do away with this harsh provision which denies to many senior citizens not only the benefits they may have worked 40 years to earn, but the difinity of working for a living. I am therefore, introducing today legislation which will eliminate any lim-

itation on retirement income. My bill will allow senior citizens to work without receiving reduced social security benefits.

For many of our elderly, the income they earn to supplement their meager social security benefits means the difference between bare subsistence and a decent standard of living. In a time of crippling inflation it is criminal that our social security laws penalize those persons who most need additional income.

In addition, many people approach age 62 or 65 in vigorous health, willing and able to continue working. It seems pointless for the social security laws, through the earnings limitation, to discourage these experienced people from continuing to be active and productive.

Finally, the earnings limitation is discriminatory. While wage earners are penalized, persons with unearned incomes are not. There can be no rational justification for taking away all social security benefits from someone who makes a salary, for example, of $8,500 a year, while allowing another, who may receive $50,000 a year in stock dividends, to get full benefits.

Many of my elderly constituents have told me of their despair and fear in the face of rapidly rising prices, and their anger at a Government which seems not to care. Passage of my bill to remove the social security earnings limitation will help to correct this intolerable situation by insuring at least that working senior citizens will not be denied a decent standard of living by their Government.

The text of the bill follows:

H.R. —

A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b), (d), (f), (h), (j), and (k) of section 203 of the Social Security Act are repealed.

SEC. 2. (a) Subsection (c) of section 203 of the Social Security Act is redesignated as subsection (b); and such subsection as so redesignated is amended—

(1) by striking out "Noncovered Work Outside the United States or" in the heading;

(2) by striking out paragraph (1);

(3) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively;

(4) by striking out "For purposes of paragraphs (2), (3), and (4)" and inserting in lieu thereof "For purposes of paragraphs (1), (2), and (3)"; and

(5) by striking out the last sentence.

(b) Subsection (e) of such section 203 is redesignated as subsection (c); and such subsection as so redesignated is amended by striking out "subsections (c) and (d)" and inserting in lieu thereof "subsection (b)".

(c) Subsection (g) of such section 203 is redesignated as subsection (d); and such subsection as so redesignated is amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(d) Subsection (i) of such section 203 is redesignated as subsection (e); and such subsection as so redesignated is amended by striking out "subsection (b), (c), (g), or (h)" and inserting in lieu therof "subsection (b) or (d)".

(e) Subsection (l) of such section 203 is redesignated as subsection (f); and such subsection as so redesignated is amended by striking out "subsection (g) or (h)(1)(A)" and inserting in lieu thereof "subsection (d)".

SEC. 3. (a) Section 202(n)(1) of the Social Security Act is amended by striking out "Section 203(b), (c), and (d)" and inserting in lieu thereof "Section 203(b)".

(b)(1) Section 202(q)(5)(B) of such Act is amended by striking out "section 203(c)(2)" and inserting in lieu thereof "section 203(b)(1)".

(2) Section 202(q)(7)(A) of such Act is amended by striking out "deductions under section 203(b), 203(c)(1), 203(d)(1), or 222(b)" and inserting in lieu thereof "deductions on account of work under section 203 or deductions under section 222(b)".

(c)(1) Section 202(s)(1) of such Act is amended by striking out "paragraphs (2), (3), and (4) of section 203(c)" and inserting in lieu thereof "paragraphs (1), (2), and (3) of section 203(b)".

(2) Section 202(s)(3) of such Act is amended by striking out "the last sentence of subsection (c) of section 203, subsection (f)(1)(C) of section 203,".

(d) Section 202(f)(7) of such Act is amended by striking out "Subsections (b), (c), and (d)" and inserting in lieu thereof "Subsection (b)".

(e) Section 202(w)(2)(B) of such Act is amended by striking out "or 203(c)".

(f) Section 203(a)(2)(C) of such Act is amended by striking out "and subsections (b), (c), and (d)" and inserting in lieu thereof "and subsection (b)".

(g) Section 208(a)(3) of such Act is amended by striking out "under section 203(f) of this title for purposes of deductions from benefits" and inserting in lieu thereof "under section 203 for purposes of deductions from benefits on account of work".

(h) Section 215(g) of such Act is amended by striking out "and deductions under section 203(b)".

(i) Section 1612(a) of such Act is amended—

(1) by striking out "as determined under section 203(f)(5)(C)" in paragraph (1)(A) and inserting in lieu thereof "as defined in the last sentence of this subsection:" and

(2) by adding at the end thereof the following new sentence:

"For purposes of paragraph (1)(A), the term 'wages' means wages as defined in section 209, but computed without regard to the limitations as to amounts of remuneration specified in subsections (a), (g)(2), (g)(3), (h)(2), and (j) of such section; and in making such computation services which do not constitute employment as defined in section 210, performed within the United States by an individual as an employee or performed outside the United States in the active military or naval service of the United States, shall be deemed to be employment as so defined if the remuneration for such services is not includible in computing the individual's net earnings or net loss from self-employment for purposes of title II.".

(j) Section 2 of the Railroad Retirement Act of 1974 is amended by striking out subsections (f) and (g)(2).

(k) Section 3(i) of Public Law 93-233 is amended by striking out "section 203(f)(8),", and inserting a comma after "230(a)".

SEC. 4. The amendments and repeals made by this Act shall be effective with respect to taxable years ending after the date of the enactment of this Act.

LEGISLATION TO DEPORT NAZI WAR CRIMINALS

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I have introduced, today, legislation to authorize the deportation of aliens who engaged in war crimes under the Nazis.

Although the immigration laws exclude from the United States everyone from polygamists to marihuana users, from prostitutes to anarchists, there is no bar against the entry of Nazi war criminals. Deportation actions now underway against alleged Nazis living in this country are based on the concealment of war crime activities in response to questions by immigration officials. The only persons asked about war crimes, however, were those who entered the United States under the Displaced Persons Act. Nazi war criminals who did not enter under the Displaced Person Act—for the most part those who came after 1952—were not questioned about their activities, did not have to answer falsely, and thus, are not subject to deportation.

As a result of this situation, at least two persons against whom INS has received substantial evidence of war crimes allegedly committed under the Nazis cannot be deported.

In addition, of course, Nazi war criminals can enter this country freely today.

My bill would correct this failing in our immigration laws by giving the Immigration Service direct legislative authority to act against Nazi war criminals. INS officials have told me that this provision will aid them in their present investigation of alleged Nazis, and will allow them to proceed against those who would otherwise be protected.

I have been working for nearly 3 years to assure that the Immigration Service does its job in removing Nazi war criminals from this country. I believe it is essential that we in Congress give INS the legislative help it needs in this effort. My bill will do that.

The text of my bill follows:

H.R. —

A bill to amend the Immigration and Nationality Act to exclude from admission into and to deport from the United States all aliens who persecuted others on the basis of religion, race, or national origin under the direction of the Nazi government of Germany

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)), relating to general classes of aliens ineligible to receive visas and excluded from admission, is amended—

(1) by striking out the period at the end of paragraph (31) and inserting in lieu thereof a semicolon; and

(2) by adding immediately after paragraph (31) the following new paragraph:

"(32) Any alien, who during the period beginning on March 23, 1933, and ending on May 8, 1945, under the direction of or in association with—

"(A) the Nazi government of Germany,

"(B) any government in any area occupied by the military forces of the Nazi government of Germany,

"(C) any government established with the assistance or cooperation of the Nazi government of Germany, or

"(D) any government which was an ally of the Nazi government of Germany,

engaged or assisted in, or incited or ordered any other person to engage or assist in, the persecution of any person on account of such person's religion, race, or national origin.".

SEC. 2. Section 241(a) of the Immigration and Nationality Act (8 U.S.C. 1251(a)), relating to general classes of deportable aliens is amended—

(1) by striking out "or" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; or"; and

(3) by adding immediately after paragraph (18) the following new paragraph:

"(19) during the period beginning on March 23, 1933, and ending on May 8, 1945, under the direction of or in association with—

"(A) the Nazi government of Germany.

"(B) any government in any area occupied by the military forces of the Nazi government of Germany.

"(C) any government established with the assistance or cooperation of the Nazi government of Germany, or

"(D) any government which was an ally of the Nazi government of Germany,

engaged or assisted in, or incited or ordered any other person to engage or assist in, the persecution of any person on account of such person's religion, race, or national origin.".

LEGISLATION TO PROMOTE FAIRER AND MORE EFFECTIVE PROSECUTIONS IN FEDERAL RAPE CASES

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, today I am introducing a bill to make prosecutions of Federal rape cases fairer and more effective. My bill amends the Federal Rules of Evidence to protect rape victims from unwarranted invasions of their privacy at trial and thereby to encourage them to report and testify about the crime committed against them.

At the present time, a woman who has been raped is often reluctant to report the rape or testify at trial, because if she takes the stand she may be subjected to a painful and humiliating cross-examination into the intimate details of her private life. In Federal court and in most States, the trial judge decides on a case-by-case basis whether the victim can be examined about her sexual past. A woman who has been raped must therefore take the risk that the trial will turn into a degrading public inquisition into her sexual experience.

It is well recognized that this potential intrusion into the victim's privacy makes women reluctant to cooperate with police and prosecutors and acts as a deterrent to effective law enforcement in rape cases. Available statistics indicate that the majority of rapes committed are never reported. For example, the New York City Police Department's sex crimes analysis unit has estimated that only 1 out of 10 rapes in New York City are reported. Information received by the Task Force on Rape of the National Organization for Women indicates no more than a 50-percent report rate.

The trend in recent court decisions has been to limit and prevent cross-examination about a victim's prior sexual experiences, because it is irrelevant to the issue of whether the defendant committed rape. Last year, a District of Columbia Superior Court ruled in a rape case that questions could not be asked about the victim's relations with other men. Several States have recently enacted legislation limiting cross-examination about the victim's prior sexual history.

These court decisions and legislative revisions recognize that questions about a rape victim's prior sexual experience are unduly prejudicial since they suggest to the jury that the issue is the victim's morality rather than the defendant's guilt.

My bill prohibits cross-examination of the rape victim about her sexual history except in two limited circumstances. The first is with respect to prior sexual relations with the defendant. The second is the case where a defendant claims he did not have sexual relations with the victim and wishes to introduce evidence to show a third party was responsible for the act.

Evidence claimed to fall under these two narrowly drawn exceptions is not automatically admissable. If the defendant proposes to offer evidence falling within the exceptions, he must first make a written offer of proof. If the judge decides after a hearing that the evidence is admissible, he must make a written order specifically identifying the evidence to be admitted and describing exactly the areas of cross-examination to be permitted. This procedure should assure the victim maximum notice that such questioning may occur and afford the victim the most effective opportunity to protect her privacy.

The text of my bill follows:

H.R. —

To amend the Federal Rules of Evidence to protect the privacy of rape victims, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Privacy Protection for Rape Victims Act of 1977".

SEC. 2. (a) Article IV of the Federal Rules of Evidence is amended by adding at the end thereof the following new rule:

"RULE 412. RAPE CASES; RELEVANCE OF VICTIM'S PAST BEHAVIOR

"(a) Notwithstanding any other provision of law, reputation or opinion evidence of a person's past sexual behavior is not admissible in any trial if an issue in such trial is whether such person was raped or assaulted with intent to commit rape.

"(b) Notwithstanding any other provision of law, evidence of specific instances of a person's past sexual behavior is not admissible in any trial if an issue in such trial is whether such person was raped or assaulted with intent to commit rape, except that otherwise admissible evidence of specific instances of such conduct is admissible in such trial—

"(1) if such evidence—

"(A) is evidence of sexual behavior with persons other than the accused, offered by the accused upon the issue of whether the accused was or was not, with respect to the alleged victim, the source of pregnancy, disease, semen, or injury; or

"(B) is of past sexual behavior with the accused and is offered by the accused upon the issue of whether the alleged victim consented to the sexual behavior with respect to which rape or assault is alleged; and

"(2) if the requirements contained in subsection (c) are satisfied.

"(c)(1) If the person accused of committing rape or assault with intent to commit rape intends to offer under subsection (b) evidence of specific instances of the alleged victim's past sexual behavior, the accused shall make a written motion to offer such evidence not later than fifteen days before the date on which the trial in which such evidence is to be offered is scheduled to begin, except that the court may allow the motion to be made at a later date, including during trial, if the court determines that the evidence is newly discovered and could not have obtained earlier through the exercise of due diligence. Any motion made under this paragraph shall be served on all other parties and on the alleged victim if not a party.

"(2) The motion described in paragraph (1) shall be accompanied by a written offer of proof. If the court determines that the offer of proof contains evidence described in subsection (b)(1), the court shall order a hearing in chambers to determine if such evidence is admissible. At such hearing the parties may call witnesses, including the alleged victim, and offer relevant evidence. Notwithstanding subsection (b) of rule 104, if the relevancy of the evidence which the accused seeks to offer in the trial depends upon the fulfillment of a condition of fact, the court, at the hearing in chambers or at a subsequent hearing in chambers scheduled for such purpose, shall accept evidence on the issue of whether such condition of fact is fulfilled and shall determine such issue.

"(3) If the court determines on the basis of the hearing described in paragraph (2) that the evidence which the accused seeks to offer is relevant and that the probative value of such evidence substantially outweighs the danger of unfair prejudice, such evidence shall be admissible in the trial to the extent an order made by the court specifies evidence which may be offered and areas with respect to which the alleged victim may be examined or cross-examined.

"(d) For purposes of this rule, the term 'past sexual behavior' means sexual behavior other than the sexual behavior with respect to which rape or assault with intent to commit rape is alleged.".

(b) The table of contents for the Federal Rules of Evidence is amended by inserting immediately alter the item relating to rule 411 the following new item:

"Rule 412. Rape cases; relevance of victim's past behavior.".

SEC. 3. The amendments made by this Act shall apply to trials which begin more than thirty days after the date of enactment of this Act.

ENDING DISCRIMINATION AGAINST WORKING WIDOWS UNDER THE SOCIAL SECURITY LAWS

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I am introducing today an amendment to the social security laws to remedy present discrimination against widows who have worked.

At present a widow who has worked is faced with a difficult problem: she may receive either her own old-age benefit or a widow's benefit based on her husband's earnings—but not both. Since the widow's benefit is usually the larger, she will ordinarily receive that benefit and thereby lose her own contributions to the social security trust fund. As a result, most working widows collect exactly the

same benefit as widows who have never worked.

The unfairness inherent in the law is clear. Not only does the working widow collect no more than the widow who did not work, but she also loses everything she has contributed to the trust fund over the years. I think this law is an unfair restriction on the working spouse's right to receive social security benefits he or she has paid for through the payroll tax.

Under my bill, the working woman would be entitled to collect both her own old-age benefit and her widow's benefit when her husband dies. The bill would equally apply to men, allowing those eligible to collect a widower's benefit also to collect an old-age benefit.

My bill would reward those who have been a productive part of the economy and supply additional income at a time when it is most urgently needed. It would provide security for many widows since they would know that the death of their spouse would not signal a sharp reduction in social security benefits.

In recent years we have witnessed a number of significant changes in the social security laws designed to end discriminatory treatment of women. The need for continued improvement is underscored by the shocking fact that 6 out of 10 elderly women who live alone have incomes below the poverty line. My bill would be an important step toward providing a decent standard of living for widows and eliminating inequities by recognizing that the working woman should collect benefits she has earned in her own right as well as those the law provides her as a surviving spouse.

The text follows:

H.R. —

A bill to amend title II of the Social Security Act to provide that an individual may simultaneously receive (without any reduction or offset) both an old-age or disability insurance benefit and a widow's or widower's insurance benefit

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202(k)(3)(A) of the Social Security Act is amended by inserting "(except a widow's or widower's insurance benefit)" after "any other monthly insurance benefit".

SEC. 2. (a) Section 202(e)(1) of the Social Security Act is amended—

(1) by adding "and" after the comma at the end of subparagraph (B),

(2) by striking out "and" at the end of subparagraph (C),

(3) by striking out subparagraph (D),

(4) by striking out ", dies, becomes entitled to an old-age insurance benefit equal to or exceeding the primary insurance amount of of such deceased individual," in the matter following subparagraph (F) and inserting in lieu thereof "or dies,", and

(5) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

(b) Section 202(f)(1) of such Act is amended—

(1) by adding "and" after the comma at the end of subparagraph (C),

(2) by striking out subparagraph (E),

(3) by striking out ", dies, or becomes entitled to an old-age insurance benefit equal to or exceeding the primary insurance amount of his deceased wife," in the matter following subparagraph (G) and inserting in lieu thereof "or dies,", and and (G) as subparagraphs (E) and (F), respectively.

(c)(1) Section 202(e)(6) of such Act is amended by striking out "(1)(F)" and inserting in lieu thereof "(1)(E)".

(2) Section 202(f)(7) of such Act is amended by striking out "(1)(G)" and inserting in lieu thereof "(1)(F)".

(d) Section 226(h)(1)(B) of such Act is amended by striking out "subparagraph (F)" and "subparagraph (G)" and inserting in lieu thereof "subparagraph (E)" and "subparagraph (F)", respectively.

SEC. 3. Section 202(k)(3)(A) of the Social Security Act (as amended by the first section of this Act) is amended—

(1) by inserting "(i)" after "(A)"; and

(2) by adding at the end thereof the following new clause:

"(ii) If any individual entitled both to an old-age or disability insurance benefit and a widow's or widower's insurance benefit for any month is also entitled for such month to one or more other benefits under the preceding provisions of this section, his or her widow's or widower's insurance benefit (or the largest such benefit) shall be considered the largest benefit to which he or she is entitled under subsections (b) through (h) of this section for purposes of subparagraph (B) of paragraph (2) or subparagraph (B) of this paragraph, and he or she shall not be entitled to any benefit under subsections (b) through (h) other than such widow's or widower's insurance benefit (or the largest such benefit), unless (as determined under regulations prescribed by the Secretary) the total amount of the benefit or benefits which such individual actually receives for such month under this title would be greater without the application of this clause, in which case this clause shall be disregarded and all of the other provisions of this subsection shall apply."

SEC. 4. The amendments made by this Act shall apply only with respect to monthly insurance benefits payable under title II of the Social Security Act for months after the month in which this Act is enacted, and, in the case of individuals who are not entitled to benefits under such title for the month in which this Act is enacted, only on the basis of applications filed on or after the date of the enactment of this Act.

FEDERAL GRAND JURY PRACTICE

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, today I am introducing legislation to reform several serious problems related to Federal grand jury practice.

At present, there are no specific limits on the length of time a person can be imprisoned for refusing to answer questions posed by the grand jury. If held in civil contempt, a witness may be imprisoned for the life of a grand jury—up to 18 months. But, when the grand jury's term expires, nothing prevents the witness from being resubpenaed before a new grand jury, questioned again, and subjected to another 18-month period of imprisonment.

Significantly, a judge acting alone cannot imprison a witness for criminal contempt for more than 6 months. My bill brings civil contempt in line with criminal contempt and limits imprisonment to 6 months. It also prohibits reimprisoning a witness for refusing to answer questions about a matter for which he has already been held in civil contempt and imprisoned.

A second major problem is that courts are provided no standards upon which to decide the place of imprisonment for contempt of a Federal grand jury. Because a person can be subpenaed to appear before a Federal grand jury anywhere in the U.S., he can be imprisoned for civil contempt far from his family, home, or attorney. This has caused some extraordinarily harsh results in the past. For example, in the case of the Fort Worth Five, five New York residents were summoned to testify before a Federal grand jury in Fort Worth, Tex. These men were held in contempt and imprisoned in Texas for almost a year and a half. Since the families of all five men and their principal attorney were in New York, imprisonment in Texas posed a serious problem. My bill permits a witness held in civil contempt to apply for a transfer of his place of imprisonment on a showing of hardship.

Furthermore, a person held in civil contempt is sometimes incarcerated in State prisons or county jails. These jails are often substandard. My bill requires that, unless a witness consents, imprisonment must be in a Federally facility.

Although many other major reforms have been suggested with respect to Federal grand jury proceedings, I suggest we begin by correcting the problems I have outlined above.

The text of my bill follows:

H.R. —

A bill to amend titles 18 and 28 of the United States Code to provide that an individual appearing before certain grand juries can be imprisoned for no more than 6 months and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Contempt Reform Act of 1977".

SEC. 2. Section 1826 of title 28, United States Code, is amended to read as follows:

"§ 1826. Recalcitrant witnesses.

"(a)(1) Whenever a witness in any proceeding before or ancillary to any court or grand jury of the United States refuses without just cause shown to comply with an order of the court to testify or provide other information, including any book, paper, document, record, recording or other material, the court, upon such refusal and after a hearing at which the witness may be represented by counsel may, if the court finds that such refusal was without just cause, hold the witness in contempt and order the witness to be imprisoned.

"(2) Any imprisonment for refusal to give testimony or provide information pursuant to this subsection shall be at Federal correctional institution unless the witness agrees to confinement at a non-Federal institution designated by the Attorney General.

"(3) Upon a showing of need or hardship, the court ordering such imprisonment may grant a request by the witness to be imprisoned at a suitable correctional institution near the place of residence or employment of the witness or the witness' family or relatives or the attorney of the witness.

"(4) Any imprisonment for refusal to give testimony or provide information pursuant to this subsection shall continue until such time as the witness is willing to give such testimony or provide such information except that no period of such imprisonment shall exceed the lesser of—

"(A) (i) in the case of a court proceeding, the life of the court proceeding before which such refusal to comply with the court order occurred, or

"(ii) in the case of a grand jury, the term of the grand jury, including extensions, before which such refusal to comply with the court order occurred; or

"(B) six months.

"(5) No hearing shall be held under this subsection unless ten days notice is given to the witness who has refused to comply with the court order under this subsection, except that a witness subpenaed for a trial may be given a shorter notice of not less than five days if the court, upon a showing of special need, so orders.

"(b) No person imprisoned under this section for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events may be again imprisoned under this section or under section 401 of title 18, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction, set of transactions, event, or events.

"(c) Any person confined pursuant to subsection (a) of this section shall be admitted to bail or released in accordance with the provisions of chapter 207 of title 18, United States Code, pending the determination of an appeal taken by such person from the order of imprisonment, unless the appeal is patently frivolous. If the person has not been released on bail or otherwise released, any appeal from an order of imprisonment under this section shall be disposed of as soon as practicable, pursuant to an expedited schedule, and in no event more than thirty days from the filing of such appeal. If the appellate court shall fail to dispose of the appeal or a person who remains confined within 30 days, the person shall automatically be released on his or her personal recognizance pending disposition of the appeal.

"(d) In any proceeding conducted under this section, counsel may be appointed in the same manner as provided in section 3006A of title 18, United States Code, for any person financially unable to obtain adequate assistance.

"(e) A refusal to answer a question or provide other information before a grand jury of the United States shall not be punishable under this section or under section 401 of title 18, United States Code, if the question asked or the request for other information is based in whole or in part upon evidence obtained by an unlawful act or in violation of the witness' Constitutional rights or of rights established or protected by any statute of the United States.".

SEC. 3. (a) Chapter 21 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 403. Refusal of a witness to testify in a grand jury proceeding:

"No person who has been imprisoned or fined by a court of the United States under section 401 of this title for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events in a proceeding before a grand jury (including a special grand jury summoned under section 3331 of this title) impaneled before any district court of the United States may again be imprisoned or fined under section 401 of this title or under section 1826 of title 28, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction, set of transactions, event, or events.".

(b) The table of sections for chapter 21 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"403. Refusal of a witness to testify in a grand jury proceeding.".

LEGISLATION RESTORING CITIZENSHIP TO PERSONS WHO RENOUNCED NATIONALITY

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I have introduced a bill to permit Americans who renounced their citizenship because of their opposition to the Vietnam war to regain their citizenship.

President-elect Carter has announced that, upon taking office, he will pardon Vietnam era draft resisters. Such a pardon would enable thousands of Americans who left the country in order to escape the draft to return home without fear of prosecution.

Nearly 5,000 Americans who fled during the period of Vietnam, however, will not be able to come home despite the proposed pardon. These are people who gave up their citizenship after leaving the United States.

Under current law, none of these persons may return to this country; none can regain American citizenship; and the proposed pardon will not remedy their plight.

Most Americans now recognize that our involvement in Vietnam was a tragic and costly mistake. This country should not compound and perpetuate this mistake by continuing to penalize those Americans who, in a painful act of conscience, left the United States and renounced their citizenship because of the war.

The text of my bill follows:

H.R. —

A bill to restore citizenship to persons who renounced or otherwise lost American nationality because of opposition to American military action in Indochina, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any person formerly a citizen of the United States who lost his nationality through any action taken by such person solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina shall, upon petition, to any district court of the United States by such person or a legal representative, in accordance with subsection (b), be fully and unconditionally restored to United States citizenship.

(b) Any petition submitted pursuant to subsection (a) shall include a statement sworn to or affirmed by the petitioner stating that the loss of nationality of such petitioner resulted from action taken by such petitioner solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina. Such oath or affirmation shall be conclusive evidence of such fact in case of any person who—

(1) is male and reached the age of eighteen years during the period beginning May 13, 1961, and ending April 29, 1975, or

(2) took such action during such period.

SEC. 2. The Commissioner of Immigration and Naturalization shall, upon the receipt of a sworn written statement from any former citizen of the United States stating that such person lost his nationality through action taken solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina, exempt such person from the provisions of section 212(a)(22) of the Immigration and Nationality Act.

TOWARD IMPROVEMENT OF MASS TRANSIT

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, today I am introducing a bill to require public hearings before a mass transit system receiving Federal funds can raise fares or make substantial route changes.

Mass transit fare increases can have serious adverse consequences for riders who depend on public transportation. Higher transit fares cut into the pocketbooks of working people and can even prevent the unemployed from seeking jobs. For many people, a fare increase will mean a reduction in their standard of living.

Major route changes for transit buses or subways are also of serious concern to the public. Transportation routes determine whether people can conveniently get to work, school, shopping. Routes affect a city's growth and development.

Although public hearings are now required before a Federal mass transit project is funded, once Federal money is received, fares can be raised and routes changed or discontinued with no public input whatsoever. Decisions that raise fares or change routes are too important, however, to be left to bureaucratic fiat.

The public should be guaranteed a voice in decisions on mass transit fares and routes decisions that vitally affect their lives. Decisions that have passed the test of public hearings are bound to be better than those arrived at behind closed doors.

In many municipalities, however, there is no legal requirement that public hearings be held on fare increases or route changes. There were no hearings on New York City's last fare increase. Now another fare increase is rumored. The public's right to be heard on any such increases should be assured.

The Congress has required public hearings before there can be any change in interstate highway routes. At present, there must be public hearings on airline and railroad fare increases and on rates for all kinds of interstate shipping. Certainly the fares and routes of buses and subways used daily by millions of people are equally important.

My bill would mandate that transit authorities or other appropriate public bodies hold public hearings on the economic, environmental, social and energy conservation consequences of raising fares or changing routes. If no hearings are held, Federal payments could be suspended and no new applications approved for urban mass transit.

I urge support for this bill. The text follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Urban Mass Transportation Act of 1964 (49

U.S.C. 1601 et seq.) is amended by adding at the end thereof the following new section:

"ESTABLISHMENT OR CHANGE OF FARES OR SERVICES

"SEC. 17. (a) The Secretary shall not approve any grant or loan under this Act unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary, that prior to the establishment or change (1) in any fare, or (2) in any service which the Secretary has, by rule, determined may substantially affect any community or segment thereof, the applicant—

"(A) will afford an adequate opportunity for public hearings on such establishment or change in such fare or such service and will hold such hearings pursuant to adequate prior notice;

"(B) will give proper consideration to views and comments expressed in such hearings and will consider the effect on energy conservation and the economic, environmental, and social impact of the establishment or change in such fare or such service; and

"(C) will have determined that the establishment or change in such fare or such service is consistent with official plans, or plans of local planning agencies, for the comprehensive development of the urban area affected by such fare or such service.

Notice of any hearing held pursuant to this section shall include a concise statement of the establishment or change in the fare or service and shall be published in a newspaper of general circulation in the geographic area affected by such fare or such service and on every vehicle which is owned by the applicant and is used for mass transportation in such area. A transcript shall be made of any such hearing and shall, upon request of the Secretary, be submitted to the Secretary.

"(b) If the Secretary determines, after giving an applicant proper notice and an opportunity for a hearing, that such applicant has established or changed any fare or any such service without first complying with the procedural requirements set forth in subsection (a) with respect to which the applicant has entered into an agreement with the Secretary, the Secretary shall—

"(1) suspend any further payment due under any grant or loan agreement for which such requirements were necessary for approval of such grant or loan agreement; and

"(2) not approve any other application for any grant or loan under this Act submitted by such applicant,

until the Secretary determines that such applicant has established or changed such fare or such service pursuant to such procedural requirements.".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to all grant or loan agreements made under the Urban Mass Transportation Act (49 U.S.C. 1601 et seq.) after the date of enactment of this Act.

IMMIGRATION LAW CHANGE

Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, today I am introducing a bill to change a provision of the immigration law that discriminates against fathers. Under section 101(b)(1) of the Immigration and Nationality Act, an illegitimate child can be brought into the United States by its mother, or even by an unrelated stepmother. The child cannot, however, be brought in by its natural father. Even when its mother has died or abandoned it, the illegitimate child cannot be brought into the United States by its U.S. citizen father.

Similarly, an illegitimate child who is a U.S. citizen may bring his mother or stepmother to the United States, but not his father.

This is blatant sex discrimination against fathers. The immigration law says in effect that the father of an illegitimate child is not a "parent" and that an illegitimate child is not a "child". But saying so does not make it so. Fathers can have a deep and abiding relationship with their children regardless of whether they were married to the mothers of these children. To pretend otherwise is cruel and inhumane. It is outrageously discriminatory to deny a father, solely on the basis of his sex, rights that a mother has.

The law is not designed to protect against false paternity claims since the natural father is not permitted to offer proof of paternity. It is not designed to prevent "kidnaping" of illegitimate children by parents without legal custody since their mothers or stepmothers are not required to prove an award of custody and the father is not even permitted to do so. The law is not designed to keep children out of the hands of unfit parents since the mother or stepmother need make no proof of fitness. The law reflects, rather, a destructive and irrational stereotyping by sex: Rights are given to a mother or stepmother but denied to a father without any justification.

This discriminatory law is also unconstitutional. Only 3 years ago the U.S. Supreme Court decided a very similar case in Stanley against Illinois. Under Illinois law the father of an illegitimate child was denied custody of his child even though the child's mother was dead. The Illinois statute preferred to place the illegitimate child in an orphanage rather than permit the natural father to have custody. The Supreme Court found such discriminatory treatment unconstitutional and held that the father of an illegitimate child must be considered a parent under the law.

This year the Supreme Court talked about the role that fathers as well as mothers play:

It is no less important for a child to be cared for by its . . . parent when that parent is male rather than female. And a father, no less than a mother, has a constitutionally protected right to the "companionship, care, custody and management of the children he has sired and raised. . . .

Section 101(b)(1) of the immigration law works a continuous hardship on illegitimate children and their fathers who wish to be together.

I would urge prompt passage of my bill so that we can accord fathers and their natural children the due process and equal protection of the law guaranteed to them by our Constitution.

The text of the bill follows:

H.R. —

A bill to amend section 101(b) of the Immigration and Nationality Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(b)(1) is amended—

(1) by striking out clause (C);

(2) by redesignating clauses (D), (E), and (F) as (C), (D), and (E), respectively; and

(3) by striking out the semicolon at the end of the clause redesignated as (C) by paragraph (2) of this section and by inserting in lieu thereof "or natural father; or".

SOCIAL SECURITY AND THE COST OF LIVING

(Mr. ROSENTHAL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROSENTHAL. Mr. Speaker, it has been 5 years since the White House Conference on Aging called for the enactment of a minimum floor of income for the elderly in accordance with the intermediate level budget established by the Bureau of Labor Statistics. With 13 percent of today's older Americans living in poverty, the Conference's recommendations are more valid than ever. Rapidly rising inflation and growing unemployment have served to reduce job opportunities for elderly workers and erode the purchasing power of fixed incomes.

To assure that all older Americans are able to enjoy a decent standard of living and to correct the regional inadequacy in social security benefits, I am today introducing legislation to establish assured minimum annual income benefits for the aged.

My bill would:

First. Establish a minimum standard of income for elderly Americans of $3,850 a year for an individual and $5,200 for a couple.

Second. Adjust this sum annually to reflect changes in the intermediate budget level cost of living as determined by the BLS.

Third. Increase benefits for those living in large metropolitan areas where the cost of living exceeds the national average.

This legislation would be financed by a combination of payments from the social security system and appropriations from general tax revenues.

The erosion of the purchasing power of fixed incomes is a relative problem. For $2,892 a year an elderly person living in a nonmetropolitan area of the South can have all the goods and services and enjoy the same standard of living that would cost him $3,675 in New York City. Yet, regardless of where he lives and what it costs to live there, his social security check is the same—$2,616 a year, for the average retired worker.

For the person living in the lowest cost areas, this means social security benefits nearly cover the costs of his minimum needs. But this is not the case for the elderly person in a large metropolitan area where the cost of living is much higher. Obviously, it is time that the differences in costs of living be accounted for in fixed-income programs. My bill would do that by increasing benefits for those living in metropolitan areas where the cost of living exceeds the national average.

Beyond this, in raising the minimum income to the intermediate budget level, my bill would increase benefits by about $1,234 a year per recipient. This allot-

ment would insure that each elderly individual could live on more than a subsistence budget.

I recognize that some Members would be reluctant to support a measure which would appear, on the surface, to give their constituents slightly less money than it would to social security recipients in certain other areas. However, I am confident that after close study of this proposal, you will see the justice in this measure. While the dollar total of benefits may differ from area to area, this bill would equalize the real dollar buying power of social security recipients throughout the Nation, regardless of where they live.

REINTRODUCTION OF EARTHQUAKE HAZARDS REDUCTION ACT OF 1977

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of California. Mr. Speaker, I wish to note the reintroduction of the Earthquake Hazards Reduction Act of 1977 which is nearly identical to the bill by that name which was reported by the Committee on Science and Technology as an amendment to S. 1174 last year. S. 1174, originally authored by Senator ALAN CRANSTON, passed the Senate late in the 94th Congress. This bill is being primarily sponsored in the House in the 95th Congress by the dedicated and distinguished chairman of the Committee on Science and Technology, Mr. TEAGUE, and will have the bipartisan support of a large number of interested Members. It is unfortunate that the Earthquake Hazards Reduction Act is not now law, but due to circumstances last session, it was considered under the suspension calendar where it failed to get a two-thirds vote. I am confident that the votes against this bill were based upon a misunderstanding of its purpose and practicality and I expect that in this Congress a more enlightened attitude will prevail.

The need for this bill was clearly established last year before we adjourned, and more than reestablished by the events which have occurred since the end of the 94th Congress. To cite one specific example, we have had widespread public concern about earthquake predictions which were not based on any recognized science, but which were nevertheless reported by the new media, without any response from a credible, official body. Among the things the bill introduced today does is establish an Earthquake Prediction Evaluation Board. It is exactly such a board which is needed to properly evaluate and respond to predictions by scientists and charlatans alike.

The prime reason for this legislation comes from the progress that has been made in understanding earthquakes. There is a general belief among seismologists that reliable earthquake predictions can be made within the next few years provided the proper level of support is given to accomplishing this task. The estimated costs of such a program are in the tens of millions, while the estimated savings in property are in the billions of dollars, without even considering the immeasurable value of the certain saving of human lives.

The two key Federal agencies involved, the U.S. Geological Survey and the National Science Foundation, have already greatly advanced the areas of science that relate to earthquake hazards, such as seismology and engineering, but they suffer from the lack of a clear cut set of goals and responsibility for carrying out a comprehensive and coordinated national program designed to reduce the hazards from earthquakes. The legislation being introduced today will remedy this problem.

Mr. Speaker, I do not wish to give the full rationale for this legislation here today. The committee report which accompanied S. 1174, as amended by the Committee on Science and Technology, contains ample justification for this bill. I would recommend House Report 94–1440, parts I and II to any of my colleagues who might be especially interested in further details. In addition, I wish to bring to my colleagues attention the floor debate, under suspension of the rules, on this bill. This information can be found on pages H10530 to H10544 of the September 20, 1976, CONGRESSIONAL RECORD.

Let me simply conclude by saying that the Earthquake Hazards Reduction Act of 1977 is a simple, but important bill that gives the Federal Government the responsibility and the resources to conduct a public protection program that only the Federal Government is capable of conducting. I hope that the Congress will act promptly on this bill.

THE NATIONAL CLIMATE PROGRAM ACT OF 1977

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of California. Mr. Speaker, today I am pleased to introduce the National Climate Program Act of 1977, which is much like the bill which attracted wide interest and was the subject of hearings before the Subcommittee on the Environment and the Atmosphere last year.

Large-scale change in the world's climate could override all other environmental problems. It could effectively foreclose or negate many global strategies in economics, energy, agriculture, and demography. It is currently primarily a research frontier, but one with implications for almost all practical areas of human activity.

Compared to the immense possible impact of climate fluctuations, we possess only limited scientific understanding of what causes them. Our knowledge is primitive concerning the importance of natural factors such as solar activity or orbital behavior.

We have even less knowledge of man-made effects such as those due to CO_2 and particulate emissions, or to fluorocarbon and NO_x interaction with the ozone layer.

We have only begun to explore alternatives for adjusting to climatic change should significant impacts on society become possible or probable.

During the 94th Congress, members of the Subcommittee on the Environment and the Atmosphere made much progress in emphasizing the urgency and timeliness of the issues surrounding the possibility of long-term climate change. Hearings were held during May 1976, and were supplemented by a Congressional Record Service study entitled "A Primer on Climatic Variation and Change."

Subcommittee efforts drew upon a number of valuable reports and studies issued on this matter in the past 2 years, including: "Understanding Climate Change—A Program for Action," from the National Academy of Sciences, "The Role of the Oceans in Predicting Climate," prepared by the National Academy of Sciences' Ocean Science Committee, and "The Physical Basis of Climate and Climate Modeling," from the Joint Organizing Committee, World Meteorological Organization/International Council of Scientific Unions, "The Natural and Radiatively Perturbed Troposphere," by the Department of Transportation, "Impact of Climatic Impact on Major North American Food Crops," from the Institute of Ecology, and expert reports from many other sources.

Within the executive branch, the Subcommittee on Climate Change of the Environmental Resources Committee of the Domestic Council prepared an important report, "A United States Climate Program," December 1974, making specific recommendations to develop a long-term climate program on a global scale.

The goal of the climate program, as defined in the report is—

> To help the nation respond more effectively to climate induced problems by enabling its government to be aware of or anticipate climate fluctuations and their domestic and international impacts. (Page 6 of A United States Climate Program).

This goal can now be met as a cooperative legislative-executive effort with the National Climate Program Act of 1977.

This bill has four main objectives:

First. To establish a climatic impact warning system. The present National Oceanic and Atmospheric Administration operation does not acquire, process, interpret or deliver timely climatic impact warnings to decisionmakers. The know-how is present for early warning; the tools are not present. In order to adequately process the available data and access and analyze new data on a national and international scale this bill proposes additional funding.

Second. To improve existing climate prediction. Valid forecasts of precipitation and temperature fluctuations for more than a season ahead have not yet been demonstrated. But some improvements are possible in this area if proper analysis of climate factors and application of statistical methods of prediction are carried out. This would be particularly helpful in understanding climate's impact on food production, availability of water resources and energy consumption.

Third. To develop computer simulation and prediction of climate, the simulations and forecasting of climatic variations by computer solution of the gov-

erning laws of physics offer the only approach that lends itself to answering the full range of climate related questions to which the Government must ultimately respond. A long-term commitment is necessary to:

Apply existing mathematical models of experimental monthly forecasts;

Develop a combination of oceanic/atmospheric models;

Determine the limits of climatic prediction; and

Simulate man's effect on climate and determine the possible consequences.

Fourth. To develop a global monitoring system for climate. NOAA, working with NASA and other Federal agencies has developed an extensive worldwide monitoring system for many environmental conditions. However, this system will require substantial bolstering to monitor the global climate. The present system provides a sound base—supported by the Federal Government by about $10.6 million in fiscal year 1975—on which to build U.S. participation in the international climate monitoring efforts from which the United States and many other nations will benefit. Specifically this will include:

International ocean monitoring;

An Earth-orbiting satellite program for climate—beyond the work of NASA;

A global pollutant monitoring program for climate—for example, the effects of CO_2, particulate matter, fluorocarbons and oxides of nitrogen on climate; and

Accelerated development of the climate-related environmental monitoring systems of the United Nations agencies.

I believe we have reached a maturity and urgency of scientific and popular interest which makes possible a successful drive toward scientific, executive branch, and legislative consensus on the design of a national and coordinated climate program. I am impressed by the unusual unanimity of concern among scientific and agency witnesses, variously familiar with the Domestic Council initiative, with continuing National Academy of Sciences studies, and with the most recent efforts toward a global environmental monitoring system, GEMS, under the United Nations environment program. Indeed, the consensus is so broad that it appears that cooperative international effort on the study of climatic change could become a catalyst for greater international cooperation in many other areas.

I also feel that the most successful legislative action will naturally result from cooperation of the Committee on Science and Technology with the members and staffs of a number of other congressional committees, particularly the House Committees on Interstate and Foreign Commerce, on Merchant Marine and Fisheries, on Agriculture, and on the Interior.

I encourage suggestions from Members and staffs, of both the House and Senate, to the staff of the Subcommittee on the Environment and the Atmosphere, and to my staff, regarding the proposed national climate program. We welcome the attention of our colleagues to the international and national impacts of climatic change on food production, energy consumption, health, and the availability of water. Today's technological advances, particularly in satellite monitoring and computer sciences, if guided scientifically and legislatively in the most useful directions, offer hope for dramatic gains in understanding climate, and predicting its behavior and its impact on man's activities.

I have tried to convey the sense of legislative continuity and of timeliness for legislative action which we believe characterizes present concern for the implication of climatic change.

To be prepared to deal with such change, we must assess the adequacy of our knowledge in several areas:

First. Do we have a sound understanding of the climate baseline and fluctuations to be expected?

Second. Can we develop systems able to detect climate change or large-scale fluctuations in a reliable way?

Third. How can we gain a better understanding of natural and possible man-made factors which may cause climate change?

Fourth. Have we accurately assessed the incremental economic effects of incremental climate change?

Fifth. What organizational or technical steps could we take to protect ourselves from possible effects?

These and other unanswered questions have been clearly raised during the past Congress. In hearings before our subcommittees covering "Inadvertent Modification of the Upper Atmosphere," on "Research and Development Related to Sulphates in the Atmosphere," and on "The Costs and Effects of Low-Level Chronic Exposure to Pollutants in the Environment," concern was repeatedly expressed about potential long-range atmospheric changes induced by environmental agents.

Although there was much support after the May 1976 hearings, H.R. 10013 did not reach the House floor. The subcommittee did, however, report a much narrower bill concerning studies of weather modification—later to become Public Law 94-490—and Members were in substantial bipartisan agreement at the conclusion of this work on the need for far more comprehensive climate research and monitoring action during the 95th Congress.

With the help of our colleagues, a successful program of atmospheric research and monitoring need not be overly expensive. It may be possible to organize networks of existing NOAA, EPA, DOD, national, State, and local capabilities. It may be possible to utilize existing international planning frameworks. The potential economic consequences of misunderstanding basic climatic phenomena certainly in themselves justify the investment of effort needed to bring these networks into coordination.

Mr. Speaker, I need not today present further detail on the questions addressed by this legislation. The hearings and report which accompanied H.R. 10013 contain ample justification for this bill. I would recommend the December 1976 subcommittee print, "Climate Research and a National Climate Program," to any of my colleagues who might be interested in further details.

The hearings conducted May 18, 19, 20, 25, 26, and 27, 1976, are published as print No. 78, of the Subcommittee on the Environment and the Atmosphere.

In addition, I wish to bring to my colleagues attention the following selections: on weather and food reserves, with thanks to the gentleman from Iowa, Mr. SMITH, on pages 14313 and 14314 of the May 18, 1976, CONGRESSIONAL RECORD; on the need for a national climate program, from the gentleman emeritus from Missouri, Mr. Symington, on pages 13438 to 13439, of May 11, 1976, CONGRESSIONAL RECORD; and to the comments before the hearings of the Senate Foreign Relations Committee, on pages 13098 to 13105, of the May 10, 1976, CONGRESSIONAL RECORD.

I will work closely with my colleagues in the Congress, with the administration of President-elect Carter, and with interested persons outside the Federal Government, especially from scientific, professional, and public interest organizations, toward achieving consensus in defining a program for investing these long-range but potentially very important matters.

Mr. Speaker, I consider this an important bill. It will contribute greatly to our understanding of climate. I trust that all concerned will provide their prompt input to our deliberations and that the Congress will act promptly on this bill. I encourage my colleagues to support the National Climate Program Act of 1977.

AUTOMOTIVE TRANSPORT RESEARCH AND DEVELOPMENT ACT OF 1977

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of California. Mr. Speaker, I rise to note the reintroduction of the Automotive Transport Research and Development Act which was passed by the 94th Congress last September, and subsequently vetoed by President Ford. As you know, the veto of that bill, H.R. 13655, was overridden by the House on September 29 by a vote of 293 to 102, but sustained by the Senate. Since the Senate had voted in favor of this, or similar legislation on four previous occasions by more than two-thirds majority, it is fairly clear that the vote to sustain the President's veto had little to do with the merits of the bill. In addition, the Senate did vote to override the veto of the companion bill to H.R. 13655, H.R. 8800, the electric car bill, only 1 week earlier. Since the House did vote to override both vetoes, it is logical to expect continued support in the 95th Congress for this legislation.

I basically consider the Automotive Transport Research and Development Act of 1977 to be an item of unfinished business from the 94th Congress. Similar legislation has been introduced, and actively considered since early 1973 in both Houses of the Congress. If we had enacted such legislation in 1973, we would be nearing the completion of the R. & D.

program called for in this bill, and we would probably be seeing new automobiles which get double or triple the mileage of existing autos, and be meeting the auto emission standards of the Clean Air Act too. If we are to prevent further delays in this vital energy conservation and environmental improvement program, we must act rapidly to enact the bill we emphatically passed last September.

The legislation itself has already been sent to every Member of the House. I am gratified to note that over 25 Members have agreed to cosponsor this bill. In addition, I wish to express my sincere appreciation to the chairman of the full Committee on Science and Technology, Mr. TEAGUE, and the chairman of the subcommittee which considered this bill, Mr. MCCORMACK, as well as many other Members, for their expressions of support in expediting passage of this bill. Since the Automotive Transport Research and Development Act is already the product of long and careful deliberations, as well as a compromise of many conflicting viewpoints, I believe it is fair to urge support for the bill as it is introduced today. I hope that I can count on that support, not for myself, but for the benefit of the program, in the weeks to come.

The purpose of the Automotive Transport Research and Development Act is relatively easy to explain. It establishes a 5-year program to research, develop, and demonstrate new engines and advanced ground propulsion systems that would be energy-efficient, economical, meet environmental and safety standards, and reduce our dependence on imported oil. The program would be conducted by the Energy Research and Development Administration with the assistance of the Department of Transportation and the National Aeronautics and Space Administration, as well as other public and private national resources.

The need to develop an energy efficient automobile is obvious. The internal combustion engines in existing autos consume about 40 percent of all the petroleum used in the United States today. This makes the auto the single largest user of oil. The automobile is also the single largest contributor to air pollution, and while it is possible for the internal combustion engine to be cleaned up, it is probable that the cleanest, most efficient engines will not be the traditional Otto cycle ICE in current use.

The Automotive Transport Research and Development Act does not specify which engines the Federal program should develop, but rather it gives criteria which must be used by the program managers in choosing engine types. Among those criteria is the ability to use nonpetroleum based fuels, such as hydrogen or methanol. We considered this non-use of petroleum to be quite important for the engines of the future.

Among the engine types anticipated to meet the goals of the act are the Stirling cycle engine and the Brayton cycle engine. These two were most frequently identified as engines likely to meet our goals. However, it is possible that some radical change in the Otto cycle, or the Diesel engine, could also be the result, as well as other engine types. The purpose of the legislation is not to replace, or inhibit the current investments by the automobile industry, but rather supplement or encourage investments into automotive research and development.

The reason for the Federal involvement should be clear. Numerous reports and studies have concluded that some Federal involvement is necessary if the development of high risk, long-range technologies is to be accomplished. This role of the Federal Government is widely accepted, and the existence of ERDA and NASA demonstrate our commitment to it. However, another role is also necessary, and that is one of serving the public interest in developing new, low-cost technologies even in the face of industry opposition. The establishment of the TVA, as a yardstick utility, is an example. Another example is the Federal role in researching and developing scrubbers to clean up stationary air pollution emissions in the face of a "can't do" attitude by the industry. The foot dragging by the American automobile industry, for whatever reasons, cannot be tolerated because the consequences to the United States if we fail to act are too great.

In conclusion, I wish to say that the Automotive Transport Research and Development Act is both necessary and long overdue. The hearing records, the conference report, and the veto override all document the need for this legislation. I trust that it will become law in the very near future.

DISALLOWING ADVERTISING OF ALCOHOLIC BEVERAGES AS A BUSINESS TAX DEDUCTION

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of California. Mr. Speaker, I am introducing legislation today to amend the Internal Revenue Code of 1954 to disallow the advertising of alcholic beverages as a business tax deduction. The bill is a modest effort to deal with the problem of alcoholism by discouraging the excessive liquor advertising which has the effect of instilling in people's minds—especially the young—all sorts of favorable associations between alcohol use and good times, the good life, friendship, romance, the great outdoors, and other positive feelings.

The alcoholic beverage industry spent approximately $310 million on various forms of advertising in 1974. By contrast, estimates are that the Federal Government spent $160 million in 1976 to combat alcoholism. And this figure represents only the direct Federal costs of alcoholism prevention and education, exclusive of State, local, and private expenditures. The indirect costs of alcoholism are staggering. Estimates of the dollar loss due to job time lost, decreased productivity, health costs, et cetera, range between $15 and $25 billion annually. Some 15,000 homicides and suicides a year are attributed to alcohol use as are some 20,000 deaths from accidents in which alcohol is involved. It is time to correct the irrationality of spending large amounts of money on the treatment and prevention of alcohol abuse and incurring such high social costs while at the same time providing an incentive for advertising promoting increased alcohol consumption.

Liquor advertising restrictions are seen by many groups as one way of dealing with the widespread problems of excessive alcohol consumption. The American Council on Alcohol Problems, among other groups, has endorsed efforts such as this and views it as one way to reduce the levels of alcohol advertising. The Department of Health, Education, and Welfare in its "Forward Plan for Health" listed the restricting of alcohol advertising as one option to be used for reducing the incidence of alcohol abuse and alcoholism. And, in 1974, the Michigan Task Force on Victimless Crime even recommended a ban on all advertising of alcoholic beverages.

This bill would not restrict the right of the industry to advertise its product, but would simply take the Federal Government out of the business of providing an incentive, through the tax structure, for such advertising. It is about time that we consider the social costs to our society before routinely providing tax incentives for every kind of business activity, regardless of its impact on the human environment.

VETERANS' LEGISLATION

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HAMMERSCHMIDT. Mr. Speaker, the ever-spiraling cost of living has had a particularly adverse effect upon those of our citizens who are dependent wholly or in part upon fixed incomes. The Nation's veterans are no exception.

This fact has consistently been reflected in the resolutions calling for cost-of-living increases in service-connected disability compensation and survivor benefits; nonservice connected pension payments and educational allowances adopted by the major veterans' organizations in their most recent national conventions.

The spokesman for one organization highlighted this point in testimony before the Committee on Veterans' Affairs last September when he said:

> Aged veterans and widows especially are the prime victims of the raging inflation that has affected the entire American people.

It is essential that veterans' and widows' benefit payments be increased from time to time to reflect the increasing cost of living. Accordingly, I am today introducing a series of bills that respond to the expressed concerns of the Nation's veterans' organizations.

These measures will authorize a 10-percent increase in the monthly rates of compensation payable for service-connected disability and a similar increase for the widows and children of those veterans whose deaths resulted from service-connected causes.

They will increase by 10 percent the monthly payments to veterans, widows, and children who are participating in

the education and training programs offered by the GI bill and related laws.

A measure to provide a 20-percent monthly supplemental pension payment to widows who have reached the age of 78 years is also included in this group.

A bill to provide outpatient treatment for World War I veterans on the same basis as it is provided for Spanish American War veterans is also being introduced. This will permit World War I veterans to receive outpatient treatment when needed for any disability.

Finally, Mr. Speaker, I will introduce in a few days a measure to authorize a 10-percent increase in pension payments for eligible veterans and widows and a similar increase in dependency and indemnity compensation payments for parents of service-connected deceased veterans.

I am hopeful, Mr. Speaker, that early action on these or similar measures in this 95th Congress will alleviate the financial plight of those to whom we owe so much—veterans of our Nation's wars.

AMNESTY OR PARDON SHOULD NOT BE GRANTED FOR PERSONS WHO COMMITTED DRAFT OR MILITARY ABSENCE DURING MILITARY INVOLVEMENT IN VIETNAM

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I was shocked and dismayed last August upon learning that the President-elect had informed the American Legion of his intention to issue a blanket pardon to Vietnam draft evaders. I was even more surprised to learn that President Ford upon request was deciding whether to reconsider granting a blanket amnesty to draft evaders and military deserters.

Somehow or other, Mr. Speaker, I received the distinct impression that President Ford had already extended to each civilian and serviceman who had committed draft or military absence offenses during the conflict in Vietnam an opportunity to receive clemency and once again become a productive citizen when he issued his clemency proclamation of September 16, 1974. Basing his program on a "national commitment to justice and mercy * * *" and "the necessity for national reconciliation," draft evaders and military absentees could, according to the President, "earn their return to the mainstream of American society."

The proclamation created a Presidential Clemency Board which considered the case of each applicant on an individual basis. Clemency was not dispensed or denied automatically, by category, or by any rigid formula. The review was based upon the merits of each applicant's case, with full respect given to his rights and interests.

Despite this golden opportunity to again become productive members of our society, the vast majority of the offenders ignored the President's program. Of the 113,337 who were eligible for the clemency program, the Board tells us that 21,729—only 19 percent of the offenders—applied for clemency.

Mr. Speaker, these figures speak for themselves. They are appalling. They tell us that most of those who refused to enter service or fight in Vietnam because the United States was engaged in a conflict that was "morally reprehensible" were spurning amnesty or clemency. The clamor for unconditional amnesty or a blanket pardon appears to have been productive of results with President-elect Carter's pronouncement to the American Legion. Let me share with you the views of some of the Nation's major veterans' organizations on this subject.

The Veterans of Foreign Wars said:

> We sustain total opposition to both unconditional and conditional "amnesty" or "pardon" for draft dodgers and military deserters.

The American Legion stated:

> We reaffirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice.

The Disabled American Veterans reaffirmed its opposition to the granting of blanket amnesty, and that draft dodgers and military deserters be tried on an individual case-by-case basis.

AMVETS informed the President-elect that:

> We cannot condone a concept of special treatment for those who refused to obey the laws, designed by the people for the defense of our Nation and/or the promulgation of democracy abroad.

Mr. Speaker, I share the views of these organizations. The memory of the 56,000 American citizens who gave their lives fighting in the Vietnam war, whether that war was moral or immoral, is still fresh in my mind. The memory of the 1,100 servicemen still missing in action and unaccounted for cannot be erased. The granting of an unconditional pardon or amnesty would be an affront to all who served with courage and honor during that conflict.

In conclusion, Mr. Speaker, I want to commend the gentleman from Mississippi (Mr. MONTGOMERY) for initiating a petition to the President-elect calling upon him to reconsider his pledge to issue a pardon for all Vietnam era draft evaders. I was pleased to sign the gentleman's petition. While the action taken by the gentleman from Mississippi must be applauded, it is my view that a much stronger manifestation of congressional sentiment is necessary. I am, therefore, today introducing a concurrent resolution reflecting the sense of Congress that a general or blanket amnesty or pardon for persons who committed draft or military absence offenses during our Nation's military involvement in Vietnam should not be granted by the President. The text of the resolution follows:

H. CON. RES. —

Whereas President Ford in his Proclamation of September 16, 1974 created a program of conditional clemency for approximately 13,000 civilians and 100,000 servicemen who had committed draft or military absence offenses between the adoption of the Gulf of Tonkin Resolution (August 4, 1964) and the day the last American combatant left Vietnam (March 28, 1973), and

Whereas a total of 113,337 persons were determined to be eligible under the President's clemency program, only 21,727 or 19 percent of those eligible actually applied for clemency during the six and one-half months the privilege was offered, and

Whereas President-Elect Carter has declared his intention of issuing a "blanket pardon" to those who evaded or violated the draft laws of our nation, within one week after his inauguration, and

Whereas the nation's major veterans' organizations have taken strong positions in total opposition to general or blanket amnesty and/or pardon as evidenced by Resolution #401 of the Veterans of Foreign Wars that "we sustain total opposition to both unconditional and conditional 'amnesty' or 'pardon' for draft dodgers and military deserters"; Resolution #434 of the American Legion that "we affirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice"; Resolution #349 of the Disabled American Veterans reaffirming "its opposition to the granting of blanket amnesty, and that draft dodgers and military deserters be tried on an individual case-by-case basis"; and by AMVETS Resolution #78 and 79 that "we sustain total opposition to both unconditional and conditional 'amnesty' for draft dodgers and military deserters" and

Whereas the Presidential Clemency Board said in its minority report, "We do not believe that a man who deserted his comrades on the battlefield in Vietnam or who refused to go to Vietnam when he was so ordered, should be given clemency." and

Whereas a member of the Board further stated, "A Presidential pardon must be viewed as a prized and relatively infrequent occurrence." and

Whereas this proposed action would be an insult to the memory of the 56,000 American citizens who were killed in Vietnam and the nearly 1100 who are still missing in action, as well as an affront to all who served with courage and honor during that conflict: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring,) That it is the sense of Congress that a general or blanket amnesty or pardon for persons who committed draft or military absence offenses during our nation's military involvement in Vietnam would represent a breach of faith with those who served honorably, particularly our honored war dead and their survivors and should not be issued or granted by the President of these United States.

BILL OF RIGHTS PROCEDURES ACT REINTRODUCED

(Mr. WHALEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHALEN. Mr. Speaker, I today am introducing the Bill of Rights Procedures Act of 1977, legislation that is intended to close several gaps in our Federal laws protecting citizens' rights to privacy. Senator MATHIAS is introducing identical legislation in the other Chamber.

We believe that this legislation is essential to helping assure American citizens that their privacy rights are not being improperly abridged by their Government. It is becoming ever easier to

discover the most intimate information about an individual by perusing various sources that are now open without restraint to any investigator. This situation must be corrected.

For instance, Government officials can now look at all of your bank records, photocopies of your canceled checks, and so forth, without legal restraint. Similarly, they also can review all records of our telephone calls and make records of who writes to us. And our national wiretap statutes contain loopholes that permit the telephone company to monitor private conversations and enable anyone to intercept telegrams and computer transmissions.

The Bill of Rights Procedures Act for the first time would subject all of these practices to Federal statutory restrictions. [A brief summary of our legislation appears at the end of this statement.]

The bill we are introducing today is based on the proposed Bill of Rights Procedures Act of 1975 (H.R. 214 in the 94th Congress). That legislation attracted a strong, bipartisan block of 75 cosponsors in the House. Too, it won numerous endorsements from organized labor, the banking community, consumer groups, and leading newspapers.

Following extensive hearings and markup, the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice—ably lead by our colleagues, BOB KASTENMEIER and TOM RAILSBACK—approved the revised bill 5 to 0. Today's measure closely adheres to the text produced by that subcommittee.

Now that the new Congress is seated, MAC MATHIAS and I intend to seek cosponsors for our bill. We expect again to have the support of a wide spectrum within the Congress, as well as continuing encouragement from the public.

In recent years we have all read a terrible parade of headlines that have catalogued a whole host of ways in which the Federal Government's investigative powers can be abused. Examples include COINTELPRO; the so-called national security wiretapping of Mort Halperin and others; FBI secret files on various public figures; White House directed rifling of psychiatric files in private offices; IRS audits for political reasons; and the list goes on and on.

As the pollster, Louis Harris, noted in September 1974,

> One of President Ford's first pronouncements upon assuming office was to reassure the American people that their privacy would be more respected in the future ... Not only was this assurance undoubtedly welcomed by the people, but the issue of individual privacy promises to remain high on the agenda of politics.

In that period immediately following Watergate the expectation of corrective action was indeed high. But not a single new privacy protection law has yet been approved by the Congress. The promise is unfulfilled.

Mr. Speaker, the need is clear, the demand is great, and the legislation is ready. I am now serving notice that we intend to press ahead vigorously in our efforts to enact H.R. 215, the Bill of Rights Procedures Act.

A summary of the act follows:

A SUMMARY OF H.R. 215 BILL OF RIGHTS PROCEDURES ACT

CHIEF SPONSORS

Congressman Charles W. Whalen, Jr. (R-Ohio) and Senator Charles McC. Mathias (R-Md.)

HISTORY

First introduced in 1974 by Senator Mathias and Congressman Charles A. Mosher (R-Ohio), the bill underwent extensive hearings and markup in the 94th Congress. It was approved 5–0 by the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, but proceeded no further in 1975. The bill had a bipartisan group of 75 cosponsors.

PURPOSE

H.R. 215 is intended to close several gaps in Federal privacy protection laws; it addresses several problem areas where American citizens reasonably expect protection of their privacy, but where Federal statutes currently are silent.

This legislation would not prohibit any law enforcement activity now considered to be legal and proper. Rather, it establishes by statute guidelines and procedures to be followed when there would be legitimate need for the invasion of a citizen's privacy in certain areas. Civil and criminal liabilities are established for those who willfully intrude upon those rights to privacy.

HIGHLIGHTS

Third Party Records—Financial institutions, telephone companies and credit card issuers keep detailed records of the personal transactions of millions of individuals. Presently, access to these records is unlimited by Federal law. H.R. 215 provides that Federal agents may gain access to these records only by one of the following means:

a. obtaining the written, express consent of the subject individual;

b. serving a subpoena or summons on the holder institution, with a copy to the customer. Opportunity and standing for a customer challenge is given;

c. obtaining from the courts a search warrant.

Mail Covers—Currently no statute governs the use of mail covers, the procedure in which a systematic record is made of information that appears on the outside covers of first class mail. H.R. 215 establishes strict standards of conduct and accountability, incorporating as much as possible features of existing internal guidelines of the Postal Service.

Service Monitoring—Clarifying a portion of existing Federal wiretap law, this bill establishes strict limits on telephone company "service monitoring" interceptions of customer-to-customer conversations. The bill also sets procedural safeguards for the monitoring of telephone conversations of company employees. H.R. 215 would make illegal the possession of so-called blue boxes and black boxes, devices used to defraud the phone company of long distance toll charges.

Non-Aural Communications—H.R. 215 extends the protection of the Federal wiretap laws to non-aural communications. This will prohibit the interception of telegraph and telex messages, computer data transmissions, etc. except by court order.

CONGRESSIONAL PAY RAISE DEFERRAL ACT IS NEEDED NOW

(Mr. WHALEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHALEN. Mr. Speaker, I wish to call your attention to the Congressional Pay Raise Deferral Act, legislation which I introduced today. This is a rather short bill, only three pages long, but it embodies a very important concept, one which we must enact into law as quickly as possible.

The Congressional Pay Raise Deferral Act provides that no increase in the salary of Members of Congress can go into effect until after the next Congress is seated. In this way, all Members of the House and at least a third of the Senators would have to stand for election before they could actually benefit from any congressional pay raise.

The legislation I am sponsoring does not eliminate cost-of-living increases, Quadrennial Commission recommendations, or any other salary adjustments. Rather, it is designed to provide a more rational framework within which we consider any proposed salary increases.

As we have seen in recent years, any increase in congressional salary levels is inherently a hot political issue. Consistently, we have been unable to debate such pay raises in an objective manner because of the political ramifications and the fact that we, ourselves, are the immediate beneficiaries of our actions.

As you know, Mr. Speaker, the Congress is the only body of Federal workers which can raise its own salaries. This is as it should be, because there is no other agency that can or should be vested with responsibility for altering congressional pay levels.

But I do think it is desirable that the public have a greater opportunity to enter into the decisionmaking process.

I propose that we do this by requiring that a general election must fall between the approval and the actual implementation of a congressional pay raise. I can think of no other way to give the public so great a voice in the debate, and I can think of no other single step that would do more to reinforce the integrity of the process.

In September, 1975, our respected former colleague, Charles Mosher, sponsored legislation similar to that which I am introducing today. He gathered a bipartisan group of 85 cosponsors in the House and he worked with Senator ROBERT TAFT, also of Ohio, to secure passage of this legislation in the Senate. Unfortunately, the 94th Congress ended without the House acting on the Congressional Pay Raise Deferral Act.

This year, I hope, will be different. We are under new leadership and you, Mr. Speaker, have personally pledged to work towards improving the image of the House by assuring the public of the integrity of its Members and its processes.

This legislation can be an important first step in that direction.

Later this month we will receive President Ford's budget message. This is expected to include a recommendation for a substantial increase in congressional pay. If that recommendation is made we, again, will be forced to consider congressional salary levels in a highly political subjective setting. The Congressional Pay Raise Deferral Act, in my opinion, offers a very sound solution to this vexing problem.

Finally, I am pleased to note that I am joined in this first day introduction of the Congressional Pay Raise Deferral Act by

three distinguished colleagues, NED PATTISON, NEWTON STEERS—chairman of the freshman Republican Caucus—and DON PEASE—vice chairman of the freshman Democratic Caucus. It is especially pleasing to be associated with these Members in the task of promoting this sorely needed legislation.

THE NEW CASE AGAINST OSHA

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, ever since the passage of the Occupational Safety and Health Act of 1970, both private business and various Government agencies in the United States have been subjected to the unnecessary harassment and arbitrary administrative fines and penalties of the most notorious of all Government regulatory agencies and departments—OSHA. Millions upon millions of dollars have been spent by private industry in an attempt to comply with the thousands of capricious and unreasonable rules and regulations of OSHA; and the constitutional rights of many business owners have been abused in the name of "job safety and health of the employee." However, a recent decision handed down by a panel of three Federal judges held that this unwieldy regulatory agency had gone far enough.

In a landmark case, the panel ruled as unconstitutional provisions of the 1970 law which authorized the Labor Department to make onsite inspections without a warrant. In short, the Idaho ruling stripped the Occupational Safety and Health Administration of its authority to conduct onsite inspections; and the entire authorizing section of the law was struck down as defective. There can be little doubt that the new court decision provides added weight to the contention that many of us have held for some time—that enactment of the Occupational Safety and Health Act has been an invasion of constitutional rights and an economic disaster for the private sector of our country. The attached news article from the January 4 edition of the Washington Post provides details on the judicial ruling.

Today I am reintroducing legislation to repeal the Occupational Safety and Health Act of 1970. It is my hope that during the 95th Congress, my colleagues will consider my proposal within the context of the recent OSHA decision and move to rid the private sector of this unnecessary Federal agency.

[From the Washington Post, Jan. 4, 1977]

JOB SAFETY INSPECTION HELD ILLEGAL WITHOUT A WARRANT

A panel of three federal judges in Idaho has declared unconstitutional the 1970 law authorizing the Labor Department to conduct occupational safety and health inspections without a warrant.

The department fears the decision could strip it of all occupational safety and health enforcement power, and plans to appeal.

"We consider the right of inspection to be absolutely vital," Morton Corn, the assistant labor secretary who heads the Occupational Safety and Health Administration, said yesterday. "We will take whatever legal steps are necessary to vindicate that right."

The Idaho ruling, handed down last week, involved an electrical contractor, F. G. Barlow of Pocatello, who refused to let a federal inspector go through his place of business.

He rested his refusal on the Fourth Amendment to the Constitution, which forbids, "unreasonable searches and seizures" and says search warrants should only be issued where there is probable cause to suspect a violation of the law.

The 1970 Occupational Safety and Health Act not only authorizes unannounced inspections of workplaces but prohibits advance warnings that inspections are about to occur. It makes no mention of search warrants, and federal inspectors do not obtain them.

In a Texas case earlier last year a three-judge panel said in effect that this failure to mention warrants must have been inadvertent, and ruled that safety inspectors ought to take warrants out in the future. That case is on appeal.

In the Idaho ruling, however, the panel simply said the law is unconstitutional, and left any repairs to Congress.

The Idaho ruling thus left OSHA without any authority to make inspections; the whole authorizing section was struck down as defective.

The Idaho judges then issued an injunction forbidding future inspections of Barlow's place of business and possibly—the panel's meaning is not completely clear—forbidding all further OSHA inspections nationwide.

OSHA lawyers said they would appeal the constitutional finding and seek a stay of the injunction. An appeal would take the issue directly to the Supreme Court, which in the past has upheld some warrantless government health and safety inspections and struck down others.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MILLER of Ohio) to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 30 minutes, today.
Mr. EDWARDS of Alabama, for 5 minutes, today.
Mrs. FENWICK, for 5 minutes, today.
Mr. RAILSBACK, for 5 minutes, today.
Mr. THONE, for 5 minutes, today.
Mrs. HECKLER, for 5 minutes, today.
Mr. FISH, for 10 minutes, today.
Mr. BURKE, of Florida, for 10 minutes, today.
Mr. DON H. CLAUSEN, for 10 minutes, today.

(The following Members (at the request of Mr. GEPHARDT) to revise and extend their remarks and include extraneous material:)

Mr. WOLFF, for 10 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. MINISH, for 5 minutes, today.
Mr. THOMPSON, for 15 minutes, today.
Mr. CHARLES H. WILSON of California, for 15 minutes, today.
Mr. ROGERS, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes, today.
Mr. YOUNG of Georgia, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. DODD, for 10 minutes, today.
Mr. KASTENMEIER, for 5 minutes, today.
Mr. FARY, for 5 minutes, today.
Mr. UDALL, for 5 minutes, today.
Mr. HARRIS, for 5 minutes, today.
Mr. CARR, for 5 minutes, today.
Mr. MEEDS, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. PATTISON of New York, for 5 minutes, today.
Mr. STRATTON, for 10 minutes, today.
Mr. SCHEUER, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. PRICE, for 5 minutes, today.
Mr. MOSS, for 5 minutes, today.
Mr. MONTGOMERY, for 60 minutes, on January 11.
Mr. FLOOD, for 60 minutes, on January 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MILLER of Ohio), and to include extraneous matter:)

Mr. STEERS in three instances.
Mr. FINDLEY in three instances.
Mr. QUIE.
Mr. SARASIN in two instances.
Mr. COHEN in four instances.
Mr. COUGHLIN.
Mr. WINN.
Mr. WHITEHURST.
Mr. HORTON in two instances.
Mr. HYDE.
Mr. RHODES.
Mr. BROOMFIELD in two instances.
Mr. HANSEN.
Mr. SYMMS.
Mr. ABDNOR.
Mr. RAILSBACK in two instances.
Mr. DERWINSKI.
Mr. CLEVELAND in two instances.
Mr. PRESSLER.
Mr. REGULA.
Mr. ANDERSON of Illinois in three instances.
Mr. MICHEL in two instances.
Mr. BROYHILL in four instances.
Mr. KEMP in three instances.
Mr. MILLER of Ohio in four instances.

(The following Members (at the request of Mr. GEPHARDT) and to include extraneous matter:)

Mr. SISK.
Mrs. LLOYD of Tennessee in five instances.
Mr. ANNUNZIO in six instances.
Mr. FORD of Tennessee in four instances.
Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. CHARLES H. WILSON of California.
Mr. PATTEN.
Mr. MINISH.
Mr. ROSENTHAL in 10 instances.
Mr. CORNELL in five instances.
Mr. KASTENMEIER in two instances.
Mr. KOCH in six instances.
Mr. BLANCHARD.
Mr. TEAGUE in six instances.
Mr. DODD in two instances.
Mr. EILBERG in 10 instances.
Mr. LEDERER in three instances.
Mr. LONG of Maryland in 10 instances.

Mr. MOORHEAD of Pennsylvania in 10 instances.
Mr. DOWNEY.
Mr. EDGAR in two instances.
Mr. UDALL in five instances.
Mr. MCDONALD.
Mr. ZABLOCKI in two instances.
Mr. PATTISON of New York.
Mr. HARRIS.
Mr. OBERSTAR in two instances.
Mr. RICHMOND.
Mr. DENT.
Mr. LLOYD of California.
Mr. ROE.
Mr. MURPHY of New York in three instances.
Mr. STARK in 10 instances.
Mr. CORMAN in two instances.
Mr. CARR.
Mr. MEEDS in two instances.
Mr. YOUNG of Georgia.
Mr. DUNCAN of Oregon in two instances.
Mr. HAWKINS.
Mr. PRICE in three instances.

ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Thursday, January 6, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the President of the United States, transmitting his determination that the sale and financing of certain defense articles to Turkey during fiscal year 1977 is necessary to enable her to fulfill her obligations as a member of the North Atlantic Treaty Organization, and his suspension of the provisions of section 620(x) of the Foreign Assistance Act and section 3(c) of the Arms Export Control Act, pursuant to section 620(x) of the Foreign Assistance Act of 1961, as amended (90 Stat 757), together with notice of the intention of the Department of the Air Force to issue related letters of offer, pursuant to section 36(b) of the Arms Export Control Act (H. Doc. No. 95–6); to the Committee on International Relations and ordered to be printed.

2. A letter from the Secretary of Agriculture, transmitting the annual report on the location of new Federal offices and other facilities in rural areas for fiscal year 1976 and the transition quarter ending September 30, 1976, pursuant to section 901(b) of the Agricultural Act of 1970, as amended by section 601 of the Rural Development Act of 1972; to the Committee on Agriculture.

3. A letter from the Chairman, Commodity Futures Trading Commission, transmitting notice that the Commission's annual report will be transmitted at a later date due to the change in the fiscal year, pursuant to section 105, Public Law 93–463; to the Committee on Agriculture.

4. A letter from the Chairman, Commodity Futures Trading Commission, transmitting a report concerning insuring owners of commodity futures accounts against loss, pursuant to section 417, Public Law 93–463; to the Committee on Agriculture.

5. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of October 1, 1976, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–7); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of November 1, 1976, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–8); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of December 1, 1976, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–9); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting the current services estimates for fiscal year 1978, pursuant to section 300 of Public Law 93–344; to the Committee on Appropriations.

9. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for fiscal year 1977 for the administration of the Packers and Stockyards Act has been reappointed on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

10. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriations to the Department of Health, Education, and Welfare for fiscal year 1977 for "Public Assistance" and "Special Benefits for Disabled Coal Miners" have been apportioned on a basis which indicates the necessity for supplemental estimates of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

11. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Labor for fiscal year 1977 for "Special Benefits, Employment Standards Administration" has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriations, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

12. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriations to the Veterans' Administration for fiscal year 1977 for "Compensation and Pensions," "Medical Care," and "General Operating Expenses" have been reapportioned on a basis which indicates the necessity for supplemental estimates of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

13. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report that no use was made of funds appropriated in the Defense and Military Construction Appropriation Acts, 1976, during the period January 1 through June 30, 1976, to make payments under contracts in a foreign country except where it was determined that the use of foreign currencies was not feasible, pursuant to sections 734 and 109 of the respective acts; to the Committee on Appropriations.

14. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on transfers of amounts appropriated to the Department of Defense, pursuant to section 733 of Public Law 94–212; to the Committee on Appropriations.

15. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report covering the fourth quarter of fiscal year 1976 on receipts and disbursements pertaining to the disposal of surplus military supplies, equipment material, and for expenses involving the production of lumber and timber products, pursuant to section 712 of Public Law 94–212; to the Committee on Appropriations.

16. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement for the quarter ending September 30, 1976, pursuant to section 719, Public Law 94–419; to the Committee on Appropriations.

17. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notice of the intent of the Department of Defense to obligate those funds appropriated to the various DOD stock funds for the procurement of war reserve materiel inventory, pursuant to section 735 of Public Law 94–419; to the Committee on Appropriations.

18. A letter from the Administrator of General Services, transmitting additional information to accompany a previously submitted report of a violation of the Anti-Deficiency Act, pursuant to section 3679(1)(2) of the Revised Statutes; to the Committee on Appropriations.

19. A letter from the Architect of the Capitol, transmitting his report of expenditures during the period January 1 through September 30, 1976, pursuant to section 105(b) of Public Law 88–454, as amended; to the Committee on Appropriations.

20. A letter from the Secretary of Defense, transmitting the annual report of the Reserve Forces Policy Board, pursuant to 10 U.S.C. 133(c)(3); to the Committee on Armed Services.

21. A letter from the Deputy Secretary of Defense, transmitting the report of funds obligated in the chemical warfare and biological research programs during fiscal year 1976 and the transition quarter, pursuant to section 409 of Public Law 91–121, as amended; to the Committee on Armed Services.

22. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period November 15, 1976 to February 15, 1977, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

23. A letter from the Assistant Secretary of Defense (Installations and Logistics), stating the Department's understanding that it has complied with the notice requirements of section 612 of the Military Construction Authorization Act, 1977, with respect to the candidate base realinement proposals announced during March and April 1976; to the Committee on Armed Services.

24. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on negotiated contracts for experimental, developmental, test or research work, or for industrial mobilization in the national defense, covering fiscal year 1976, pursuant to 10 U.S.C. 2304; to the Committee on Armed Services.

25. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting the report on military construction projects placed under contract in fiscal year 1976 in which it was necessary to exceed the amount authorized for the project by more than 25 percent, or reduce the project scope, pursuant to section 603(f) of Public Law 94–107; to the Committee on Armed Services.

26. A letter from the Deputy Assistant Sec-

retary of Defense (Installations and Housing), transmitting a report on the design and construction supervision, inspection, and overhead fees charged by the construction agents for military construction projects (fiscal year 1976), pursuant to section 604 of Public Law 94–107; to the Committee on Armed Services.

27. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of a construction project proposed to be undertaken for the Air Force Reserves, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

28. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of 16 construction projects proposed to be undertaken for the Air Force Reserve, pursuant to 10 U.S.C. 2233 a(1); to the Committee on Armed Services.

29. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of nine construction projects to be undertaken by the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

30. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the U.S. Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

31. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Air National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

32. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Navy and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

33. A letter from the Secretary of the Army, transmitting the annual report of the Department's contracts for military construction awarded without formal advertisement, for the period July 1, 1975–June 30, 1976, pursuant to section 604 of Public Law 94–107; to the Committee on Armed Services.

34. A letter from the Secretary of the Army, transmitting notice of the proposed transportation of certain chemical agents and munitions from Fort McClellan, Ala., to Anniston Army Depot, Ala., pursuant to section 409(b)(4) of Public Law 91–121; to the Committee on Armed Services.

35. A letter from the Assistant Secretary of the Army (Installations and Logistics), notice of the disposal by sale of chemical agents stored at the Rocky Mountain Arsenal, pursuant to section 409(b) of Public Law 91–121, as amended; to the Committee on Armed Services.

36. A letter from the Acting Assistant Secretary of the Army (Installations and Logistics), transmitting the annual report of the firms awarded the highest amounts of architect-engineering contracts by the Army, pursuant to and partially complying with section 604 of Public Law 94–107; to the Committee on Armed Services.

37. A letter from the Assistant Secretary of the Army (Research and Development), transmitting the Department's report of research and development procurement actions of $50,000 and over covering the period July 1–September 30, 1976, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

38. A letter from the Acting Deputy Chief of Naval Material (Procurement and Production), Department of the Navy, transmitting the Department's report of research and development procurement actions of $50,000 and over covering the period July 1–September 30, 1976, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

39. A letter from the Acting Under Secretary of the Air Force, transmitting a report for fiscal year 1976 on Air Force military construction contracts awarded on other than a competitive basis to the lowest responsible bidder, and the top 10 architect-engineering firms during the year, pursuant to section 604 of Public Law 94–107; to the Committee on Armed Services.

40. A letter from the Deputy Assistant Secretary of the Air Force (Installations), transmitting the annual report on the firms awarded the highest amounts of architect-engineer contracts by the Air Force, pursuant to and partially complying with section 604 of Public Law 94–107; to the Committee on Armed Services.

41. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal contributions to States for civil defense personnel and administrative expenses for the transition quarter ending September 30, 1976, pursuant to section 205(f) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2286(f)); to the Committee on Armed Services.

42. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal Contributions to States for civil defense equipment and facilities for the transition quarter ending September 30, 1976, pursuant to section 201(1) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

43. A letter from the Secretary of Transportation, transmitting a report on negotiated contracts for experimental, developmental, test or research work, or for industrial mobilization in the interest of the national defense, covering the period April 1 through September 30, 1976 pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

44. A letter from the Administrator of General Services, transmitting a report on the strategic and critical materials stockpiling program for the 6-month period January–June, 1976, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c); to the Committee on Armed Services.

45. A letter from the Administrator of General Services, transmitting the statistical supplement to the stockpile report for the period January–June, 1976, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c); to the Committee on Armed Services.

46. A letter from the Secretary of the Treasury, transmitting a report on the status of the proposal that the Inter-American Development Bank use light capital or intermediate technologies in its activities, pursuant to section 29 of the Inter-American Development Bank Act, as amended (90 Stat. 593); to the Committee on Banking, Finance and Urban Affairs.

47. A letter from the Acting Comptroller of the Currency, transmitting the 1975 Annual Report of the Comptroller, pursuant to section 333 of the Revised Statutes (12 U.S.C. 14); to the Committee on Banking, Finance and Urban Affairs.

48. A letter from the Attorney General, transmitting the annual report on voluntary agreements and programs as of April 14, 1976, pursuant to section 708(e) of the Defense Production Act of 1950, as amended; to the Committee on Banking, Finance and Urban Affairs.

49. A letter from the Secretary of Housing and Urban Development, transmitting the eighth report on the implementation of the Emergency Homeowner's Relief Act, pursuant to section 111 of the act; to the Committee on Banking, Finance and Urban Affairs.

50. A letter from the Secretary of Housing and Urban Development, transmitting the first annual report on the community development block grant program, pursuant to section 113 of Public Law 93–383; to the Committee on Banking, Finance and Urban Affairs.

51. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the annual report of the operations of the Bank for fiscal year 1976, pursuant to section 9 of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635g); to the Committee on Banking, Finance and Urban Affairs.

52. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report covering the quarter ended September 30, 1976, on the export expansion facility program, pursuant to Public Law 90–390; to the Committee on Banking, Finance and Urban Affairs.

53. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during August 1976 to Communist countries as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended); to the Committee on Banking, Finance and Urban Affairs.

54. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during September and October 1976 to Communist countries (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended); to the Committee on Banking, Finance and Urban Affairs.

55. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during November 1976 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

56. A letter from the Chairman, Federal Insurance Corporation, transmitting the 1975 annual report of the Corporation, pursuant to section 17(a) of the Federal Deposit Insurance Act; to the Committee on Banking, Finance and Urban Affairs.

57. A letter from the Vice Chairman, Board of Governors of the Federal Reserve System, transmitting the eighth annual report of the Board of Governors on truth in lending, covering 1976, pursuant to section 114 of the Truth in Lending Act [15 U.S.C. 1613]; to the Committee on Banking, Finance and Urban Affairs.

58. A letter from the Chairman, National Center for Productivity and Quality of Working Life, transmitting the annual report of the Center for the period November 28, 1975, through September 30, 1976, pursuant to section 208(a) of Public Law 94–136; to the Committee on Banking, Finance and Urban Affairs.

59. A letter from the Chairman, National Commission on Electronic Fund Transfers, transmitting the interim report of the Commission on electronic fund transfer systems, pursuant to section 203(b) of Public Law 93–495, as amended by section 201 of Public Law 94–200; to the Committee on Banking, Finance and Urban Affairs.

60. A letter from the Chairman, National

Commission on Supplies and Shortages, transmitting the report of the Commission, pursuant to section 720 of the Defense Production Act of 1950, as amended (88 Stat. 1169, 89 Stat. 820); to the Committee on Banking, Finance and Urban Affairs.

61. A letter from the Chairman, National Commission on Supplies and Shortages, transmitting the final report of the Commission's Advisory Committee on National Growth and Policy Processes, pursuant to section 720 of the Defense Production Act of 1950, as amended; to the Committee on Banking, Finance and Urban Affairs.

62. A letter from the Mayor of the District of Columbia, transmitting his response to the Comptroller General's report entitled "Administrative and Financial Management Weaknesses in the Office of Youth Opportunity Services", pursuant to section 736(b)(3) of Public Law 93–198; to the Committee on the District of Columbia.

63. A letter from the District of Columbia Auditor, transmitting a report on the publication of the City's booklet "For Your Information", pursuant to section 455 of Public Law 93–198; to the Committee on the District of Columbia.

64. A letter from the District of Columbia Auditor, transmitting a report on Bank Processing of Tax Payments, pursuant to section 455 of Public Law 93–198; to the Committee on the District of Columbia.

65. A letter from the District of Columbia Auditor, transmitting a report on Annual Financial Report Fiscal Year 1976, pursuant to section 455 of Public Law 93–198; to the Committe on the District of Columbia.

66. A letter from the acting general manager, Washington Metropolitan Area Transit Authority, transmitting the semiannual report of the Office of Program Control dated July 1976; to the Committee on the District of Columbia.

67. A letter from the Secretary of Labor and the U.S. Commissioner of Education, transmitting the joint report on the status of bilingual vocational training, pursuant to section 192 of the Vocational Education Act of 1963, as amended (88 Stat. 607); to the Committee on Education and Labor.

68. A letter from the Administrator of Law Enforcement Assistance, Department of Justice, transmitting the initial volume of the report of the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice, including recommendations for standards on adjudication and for a general implementation plan, pursuant to section 247(b) of Public Law 93–415; to the Committee on Education and Labor.

69. A letter from the Assistant Secretary of Agriculture, transmitting notice of the establishment and first meeting of the National Advisory Council on Maternal, Infant, and Fetal Nutrition, pursuant to Public Law 94–105 (89 Stat. 521); to the Committee on Education and Labor.

70. A letter from the Assistant Secretary of Agriculture, transmitting notice that the report on the study of cost accounting requirements in school food service programs will be submitted in final form at a later date, pursuant to section 21 of Public Law 94–105; to the Committee on Education and Labor.

71. A letter from the Secretary of Labor, transmitting the seventh annual report on the work incentive program for fiscal year 1976, pursuant to section 440 of the Social Security Act, as amended; to the Committee on Education and Labor.

72. A letter from the Secretary of Labor, transmitting the annual report on the administration of the Employee Retirement Income Security Act of 1974 for calendar year 1975, pursuant to section 513(b) of the act (93–406); to the Committee on Education and Labor.

73. A letter from the Secretary of Health, Education, and Welfare, transmitting notice that the report on rehabilitation services will be delayed until January 1, 1977, and submitted at that time pursuant to section 404 of the Rehabilitation Act of 1973, as amended; to the Committee on Education and Labor.

74. A letter from the U.S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting the first report on the condition of bilingual education in the United States, pursuant to section 731(c) of the Elementary and Secondary Education Act of 1965, as amended; to the Committee on Education and Labor.

75. A letter from the Acting U.S. Commissioner of Education, transmitting the first annual report on the programs and activities under the Women's Educational Equity Act of 1974, pursuant to section 408(f) of Public Law 93–380; to the Committee on Education and Labor.

76. A letter from the Director, National Institute of Education, Department of Health, Education, and Welfare, transmitting an interim report on the Institute's study of compensatory education; to the Committee on Education and Labor.

77. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed regulations for the guaranteed student loan program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

78. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations for the National Alcohol and Drug Prevention program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

79. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations for the national direct student loan program interim regulations, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

80. A letter from the Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations implementing amendments for the pinpoint disaster programs of Public Laws 81–815 and 81–874, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

81. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final funding criteria for the vocational education curriculum program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Comimttee on Education and Labor.

82. A letter from the Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed regulations for the guaranteed student loan program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

83. A letter from the Chairman, National Labor Relations Board, transmitting the 41st annual report of the Board for the fiscal year ended June 30, 1976, pursuant to 29 U.S.C. 153(c); to the Committee on Education and Labor.

84. A letter from the Chairman, National Commission for Manpower Policy, transmitting the second annual report of the Commission, pursuant to section 505 of Public Law 93–203; to the Committee on Education and Labor.

85. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a followup report on actions taken on recommendations in the first annual report of the Advisory Council on Women's Educational programs, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

86. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on actions taken on recommendations contained in the interim report of the National Advisory Council on the Education of Disadvantaged Children entitled "Can We Afford Deficient Evaluations," dated January 23, 1976, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

87. A letter from the Secretary of the Treasury, transmitting the combined statement of receipts, expenditures, and balances of the U.S. Government for fiscal year 1976 and the transition quarter, pursuant to section 15 of the act of July 31, 1894 (31 U.S.C. 1029) and section 114 of the act of September 12, 1950 (31 U.S.C. 66b); to the Committee on Government Operations.

88. A letter from the Attorney General, transmitting the annual report on identical bidding in advertised public procurement, pursuant to section 7 of Executive Order 10936; to the Committee on Government Operations.

89. A letter from the Assistant Attorney General for Administration, transmitting the Department's report on the disposal of foreign excess property for fiscal year 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

90. A letter from the Assistant Secretary of the Interior, transmitting the Department's report on the disposal of foreign excess property for the fiscal year ending September 30, 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

91. A letter from the Assistant Secretary for Administration, Department of Agriculture, transmitting the Department's report on the disposal of foreign excess property for the fiscal year ending September 30, 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Goverhment Operations.

92. A letter from the Director of Administrative Services and Procurement, Department of Commerce, transmitting the annual report of the Department on disposal of foreign excess property for fiscal year 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

93. A letter from the Secretary of Transportation, transmitting the Department's report on the disposal of foreign excess property for the fiscal year ending September 30, 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

94. A letter from the Assistant Director for General Services, Facilities and Support Services Division, U.S. Environmental Protection Agency, transmitting a report on the agency's disposal of foreign excess property during fis-

cal year 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

95. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the annual report of the agency for fiscal year 1976 on its disposal of foreign excess property, pursuant to section 404 (d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

96. A letter from the Administrator of Veterans Affairs, transmitting the Administration's report on the disposal of foreign excess property for the period July 1, 1975, through June 30, 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

97. A letter from the Deputy Administrator, Veterans Administration, transmitting the Administration's report on the disposal of foreign excess property for the period July 1, 1976, through September 30, 1976, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

98. A letter from the Assistant Director for Administration, Office of Management and Budget, Executive Office of the President, transmitting a notice of proposed changes in the office's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

99. A letter from the Attorney General, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

100. A letter from the Secretary of Agriculture, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

101. A letter from the Acting Secretary of Agriculture, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

102. A letter from the Assistant Secretary of Agriculture, transmitting notice of proposed changes in the Forest Service's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

103. A letter from the Assistant Secretary of the Interior, transmitting notice of proposed changes in the Bureau of Indian Affairs and the Mining Enforcement Safety Administration's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

104. A letter from the Deputy Assistant Secretary of the Interior for Administration and Management, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

105. A letter from the Assistant Secretary of Health, Education, and Welfare (Administration and Management), transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

106. A letter from the Assistant Secretary for Administration and Management, Department of Health Education, and Welfare, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

107. A letter from the Assistant Secretary of Health, Education, and Welfare (Administration and Management), transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

108. A letter from the Secretary of Housing and Urban Development, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

109. A letter from the Secretary of Housing and Urban Development, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

110. A letter from the Secretary of Housing and Urban Development, transmitting a notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

111. A letter from the Assistant Secretary of Transportation for Administration, transmitting a notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

112. A letter from the Assistant to the Secretary and Director of Public Affairs, Department of Transportation, transmitting notice of proposed changes in the Department's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

113. A letter from the Associate Administrator, Federal Highway Administration, Department of Transportation, transmitting notice of proposed changes in the Federal Highway Administration's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

114. A letter from the Associate Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting notice of proposed changes in the Administration's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

115. A letter from the Chief of Staff, U.S. Coast Guard, transmitting notice of proposed changes in the U.S. Coast Guard's system of records, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

116. A letter from the Controller, Energy Research and Development Administration, transmitting notice of proposed changes in the Administration's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

117. A letter from the Chairman, Federal Election Commission, transmitting notice of proposed changes in the Commission's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

118. A letter from the Administrative Officer, Privacy Protection Study Commission, transmitting notice of proposed changes in the Commission's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

119. A letter from the Secretary, Railroad Retirement Board, transmitting notice of proposed changes in the Board's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

120. A letter from the Acting Director, U.S. Information Agency, transmitting notice of proposed changes in the Agency's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

121. A letter from the Records Officer, United States Postal Service Finance Group, transmitting notice of proposed changes in the Postal Service's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

122. A letter from the Associate Deputy Administrator of Veterans Affairs, transmitting notice of a proposed change in the system of records of the Department of Medicine and Surgery, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

123. A letter from the Administrator of Veterans Affairs, transmitting notice of proposed changes in the Administration's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

124. A letter from the Executive Director, Committee for Purchase from the Blind and Other Severely Handicapped, transmitting notice of proposed changes in the Committee's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

125. A letter from the Clerk, U.S. House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress, pursuant to Rule III, clause 2, of the Rules of the House of Representatives (H. Doc. No. 95–10); to the Committee on House Administration and ordered to be printed.

126. A letter from the Secretary of the Interior, transmitting the annual report on the current status of the Government's helium program for the fiscal year ending June 30, 1976, pursuant to 50 U.S.C. 167n; to the Committee on Interior and Insular Affairs.

127. A letter from the Under Secretary of the Interior, transmitting notice of a proposed refund for excess payments for costs for royalty substances and proposed reimbursement of overpayment of royalties for an offshore California lease to the Sun Oil Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953 (Public Law 83–212); to the Committee on Interior and Insular Affairs.

128. A letter from the Under Secretary of the Interior, transmitting the fiscal year 1976 annual report of the Governor of Guam on the activities under the Guam Development Fund Act of 1968, pursuant to section 6 of the Act (Public Law 90–601); to the Committee on Interior and Insular Affairs.

129. A letter from the Assistant Secretary of the Interior, transmitting a report on the cancellations and adjustments of the reimbursable charges against Indians or Indian tribes for the fiscal year and the transition quarter, 1976, pursuant to 47 Stat. 564 (25 U.S.C. 386a); to the Committee on Interior and Insular Affairs.

130. A letter from the Deputy Assistant Secretary of the Interior, transmitting notice of the receipt of project proposals and loan applications from the Hidalgo County Water Control and Improvement District No. 1, Edinburg, Tex., and the Pond-Poso Improvement District of Wasco, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

131. A letter from the Deputy Assistant Secretary of the Interior, transmitting notice of a change in the use of water for the San Juan-Chama Project authorized by Public Law 87–483; to the Committee on Interior and Insular Affairs.

132. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting a report on the allowance of attorney expense claims under the Alaska Native Claims Settlement Act in two cases, pursuant to section 20(e) of the act; to the Committee on Interior and Insular Affairs.

133. A letter from the Secretary of State, transmitting a report on the progress made toward achieving full respect for the human and legal rights of U.S. citizens detained in Mexico, pursuant to section 408(b)(2) of Public Law 94–329; to the Committee on International Relations.

134. A letter from the Secretary of State, transmitting the annual report on U.S. contributions to international organizations for fiscal year 1975, pursuant to section 2 of Public Law 806, 81st Congress (H. Doc. No. 95–11); to the Committee on International Relations and ordered to be printed.

135. A letter from the Acting Under Secretary of State for Security Assistance, transmitting part V of the annual report on foreign assistance for fiscal year 1975 (relating to exports of arms), pursuant to section 657 of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

136. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination TQ–6, finding that it is in the national interest to sell up to 100,000 metric tons of wheat/wheat flour to Egypt under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, pursuant to section 103(d) (3) and (4) of the act; to the Committee on International Relations.

137. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. TQ–7, exercising his authority under section 614(a) of the Foreign Assistance Act of 1961, as amended, to waive the restriction of section 620(m) of the act as it applies to security supporting assistance to Spain during the transition quarter and fiscal year 1977; to the Committee on International Relations.

138. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting copies of Presidential Determinations 77–1 and 77–2, finding that it is in the national interest to sell up to 1 million metric tons of wheat/wheat flour and 4,000 metric tons of tobacco to Egypt and up to $50 million worth of agricultural commodities to Portugal under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, pursuant to sections 103(d) (3) and (4) of the act; to the Committee on International Relations.

139. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 77–5, finding that the sale of defense articles and services to the Government of the Democratic Republic of the Sudan will strengthen the security of the United States and promote world peace, pursuant to section 3(a)(1) of the Arms Export Control Act, as amended; to the Committee on International Relations.

140. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting copies of the Presidential Determination (77–6) and justification therefor of the financing, by issuance of foreign military sales guaranties, of the sale to Tunisia of a sophisticated weapons system is important to the national security, pursuant to section 4 of the Arms Export Control Act, as amended; to the Committee on International Relations.

141. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Iran for permission to transfer U.S.-origin military equipment to the Government of Jordan, pursuant to section 3(a) of the Arms Export Control Act, as amended; to the Committee on International Relations.

142. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report of allocations, by country, of grant military assistance and of international military education and training assistance for fiscal year 1977, pursuant to section 653(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

143. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on the administration's position with respect to an Indian Ocean arms limitation initiative, pursuant to section 47 of the International Security Assistance and Arms Export Control Act of 1976; to the Committee on International Relations.

144. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles sold commercially (MC–1–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

145. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–2–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

146. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles and defense services sold commercially (MC–3–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

147. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–4–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

148. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–5–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

149. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–6–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

150. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles and services sold commercially (MC–7–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

151. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–8–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

152. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–9–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

153. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles and defense services sold commercially (MC–10–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

154. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles and services sold commercially (MC–11–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

155. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed amendment to an existing helicopter manufacturing license agreement with a Japanese firm to expand the manufacturing program in a non-NATO country (MC–12–77), pursuant to section 36(d) of the Arms Export Control Act (90 Stat. 743); to the Committee on International Relations.

156. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–13–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

157. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defens articles and defense services sold commercially (MC–14–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

158. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of defense articles sold commercially (MC–16–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

159. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of proposed licenses for the export of major defense equipment sold commercially (MC–17–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

160. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on excess defense articles delivered to foreign governments during the transition quarter, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended; to the Committee on International Relations.

161. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting an invitation for consideration by the House of Representatives to nominate candidates for the Nobel Peace Prize; to the Committee on International Relations.

162. A letter from the Administrator, Agency for International Development, Department of State, transmitting the initial report on the programing and obligation of funds for the relief and rehabilitation of people affected by recent earthquakes in Guatemala, pursuant to section 495A(e) of the Foreign Assistance Act of 1961, as amended (90 Stat. 397); to the Committee on International Relations.

163. A letter from the Administrator, Agency for International Development, Department of State, transmitting a report on the implementation of recommendations of the World Food Conference, pursuant to section 213 of the International Development of Food Assistance Act of 1975; to the Committee on International Relations.

164. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a report of the international disaster assistance program for the quarter ended September 30, 1976, pursuant to section 492 of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

165. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting the first quarterly report on the programing and obligation of funds for Lebanon relief and rehabilitation, pursuant to section 495C(e) of the International Security Assistance and Arms Export Control Act of 1976 (90 Stat. 762); to the Committee on International Relations.

166. A letter from the Senior Adviser and Coordinator for International Narcotics Matters, Department of State, transmitting a report on the proposed changes in allocations of fiscal year 1977 funds for the international narcotics control program, pursuant to section 653 of the Foreign Assistance Act; to the Committee on International Relations.

167. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (Oct. 7, 1976); to the Committee on International Relations.

168. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (Oct. 15, 1976); to the Committee on International Relations.

169. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (Oct. 21, 1976); to the Committee on International Relations.

170. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (Oct. 29, 1976); to the Committee on International Relations.

171. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (November 4, 1976); to the Committee on International Relations.

172. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (November 11, 1976); to the Committee on International Relations.

173. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to sections 112(b) of Public Law 92–403 (November 19, 1976); to the Committee on International Relations.

174. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (November 24, 1976); to the Committee on International Relations.

175. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403 (December 2, 1976); to the Committee on International Relations.

176. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112 (b) of Public Law 92–403; to the Committee on International Relations.

177. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on International Relations.

178. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on International Relations.

179. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting summaries of the acts of the 11th Congress of the Postal Union of the Americas and Spain received from the U.S. Postal Service, some of which constitute international agreements, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

180. A letter from the Acting Fiscal Assistant Secretary of the Treasury, transmitting a report on the inventory of nonpurchased foreign currencies as of June 30, 1976, pursuant to section 613(c) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

181. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on an increase of the stockpile of defense articles valued in excess of $10 million located in the Republic of Korea, pursuant to section 514(e) of the Foreign Assistance Act of 1961, as amended (90 Stat. 731); to the Committee on International Relations.

182. A letter from the Director, Defense Security Assistance Agency, transmitting quarterly reports on commercial and governmental military exports, covering the transition quarter, pursuant to section 36(a)(1)–(6) of the Arms Export Control Act (90 Stat. 740); to the Committee on International Relations.

183. A letter from the Director, Defense Security Assistance Agency, transmitting additional information concerning the proposed sales of certain defense articles and services to Norway, Denmark, the Netherlands, and Belgium (transmittal No. 75–24, dated April 22, 1975), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

184. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Korea (Transmittal No. 77–1), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

185. A letter from the Director, Defense Security Assistance Agency, transmitting a statement of the intent of the Department of the Army to offer to sell certain defense articles to Germany (Transmittal No. 77–2), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

186. A letter from the Director, Defense Security Assistance Agency, transmitting a statement of the intent of the Department of the Army to offer to sell certain defense articles to Germany (Transmittal No. 77–3), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

187. A letter from the Director, Defense Security Assistance Agency, transmitting a statement of the intent of the Department of the Navy to offer to sell certain defense articles to Germany (Transmittal No. 77–4), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

188. A letter from the Director, Defense Security Assistance Agency, transmitting a statement of the intent of the Department of the Air Force to offer to sell certain defense articles to Germany (Transmittal No. 77–5), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

189. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to Germany (Transmittal No. 77–6), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

190. A letter from the Acting Secretary of Commerce, transmitting a report covering the period October 1975–March 1976 on the activities of the Departments of Commerce and Defense under the Export Administration Act of 1969, as amended, pursuant to section 10 of the act; to the Committee on International Relations.

191. A letter from the Attorney General, transmitting the initial semiannual report on the voluntary agreement and plan of action to implement the International Energy Program, including the impact on competition and small business, pursuant to section 252(1) of the Energy Policy and Conservation Act; to the Committee on Interstate and Foreign Commerce.

192. A letter from the Secretary of Health, Education, and Welfare, transmitting the research plan on aging developed by the National Institute on Aging in consultation with the National Advisory Council on Aging, pursuant to section 464 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

193. A letter from the Secretary of Health, Education, and Welfare, transmitting the Annual Report of the National Institute on Alcohol Abuse and Alcoholism for the fiscal year 1975, pursuant to section 102(1) of Public Law 91–616; to the Committee on Interstate and Foreign Commerce.

194 A letter from the Under Secretary of Health, Education, and Welfare, transmitting the annual report on health services research and health statistics, pursuant to section 308(a) (1) of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

195. A letter from the Under Secretary of Health, Education, and Welfare, transmitting a report on the review of the statutorily required reports to Congress that are prepared by the Public Health Service, pursuant to section 7 of Public Law 93–641; to the Committee on Interstate and Foreign Commerce.

196. A letter from the Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting a report on the establishing of the effective date for implementation of motor vehicle bumper standards, pursuant to section 112 of Public Law 92–513; to the Committee on Interstate and Foreign Commerce.

197. A letter from the Executive Director, Federal Communications Commission, trans-

mitting a report on the backlog of pending applications and hearing cases in the Commission as of August 31, 1976, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

198. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of September 30, 1976, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

199. A letter from the Administrator, Federal Energy Administration, transmitting the final version of the primary documentation volume on the Project Independence evaluation system, pursuant to section 31(1) of the Federal Energy Administration Act of 1974, as amended (90 Stat. 1132); to the Committee on Interstate and Foreign Commerce.

200. A letter from the Administrator, Federal Energy Administration, transmitting the Strategic Petroleum Reserve Plan, pursuant to section 154(b) of the Energy Policy and Conservation Act (Public Law 94–163) (H. Doc. No. 95–12); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations.

201. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares of retail gasoline marketers during June and July 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

202. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares of sales of refined petroleum products during the period January 1976 through June 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

203. A letter from the Administrator, Federal Energy Administration transmitting a report on changes in market shares of sales of refined petroleum products during July 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

204. A letter from the Assistant General Counsel, Federal Energy Administration, transmitting notice of a meeting related to the International Energy Program on Oct. 4, 1976 at Paris, France, pursuant to section 252(c)(1)(A)(i) of Public Law 94–163; to the Committee on Interstate and Foreign Commerce.

205. A letter from the General Counsel, Federal Energy Administration, transmitting notice of a meeting related to the International Energy Policy on Dec. 9, 1976, in Paris, France, pursuant to section 252(c)(1)(A)(i) and Public Law 94–163; to the Committee on Interstate and Foreign Commerce.

206. A letter from the General Counsel, Federal Energy Administration, transmitting notice of a meeting related to the International Energy Program on December 1, 1976 at London, England, pursuant to section 252(c)(1)(A)(i) of Public Law 94–163; to the Committee on Interstate and Foreign Commerce.

207. A letter from the Chairman, Federal Power Commission, transmitting the report on permits and licenses issued for hydroelectric projects, together with financial statements and names and compensation of employees of the Commission, for fiscal year 1976, pursuant to section 4(d) of the Federal Power Act [16 U.S.C. 797(d)]; to the Committee on Interstate and Foreign Commerce.

208. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication "Typical Electric Bills, 1976"; to the Committee on Interstate and Foreign Commerce.

209. A letter from the Secretary, Federal Trade Commission, transmitting the semiannual report on the impact on competition and on small business of the development of voluntary agreements and plans of action to implement provisions of the International Energy Program, pursuant to section 252(i) of the Energy Policy and Conservation Act of 1975; to the Committee on Interstate and Foreign Commerce.

210. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission staff's initial report on bank sponsored securities services, pursuant to section 11A(e) of the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

211. A letter from the Chairman, Securities Exchange Commission, transmitting the final report of the Commission on the practice of recording the ownership of securities in the records of the issuer in other than the name of the beneficial owner of such securities, pursuant to section 12(m) of the Securities Exchange Act of 1934, as amended (89 Stat. 119); to the Committee on Interstate and Foreign Commerce.

212. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting a report on deaths, injuries, and economic losses resulting from accidental burning of products, fabrics, or related materials, pursuant to section 14 of the Flammable Fabrics Act (15 U.S.C. 1191, as amended); to the Committee on Interstate and Foreign Commerce.

213. A letter from the President, National Railroad Passenger Corporation, transmitting the Corporation's 5-year plan for fiscal years 1977–81 including the formal program budget request for fiscal year 1978, pursuant to section 601(b) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

214. A letter from the Chairman, National Commission on Diabetes, transmitting the 1976 update of the long-range plan to combat diabetes, pursuant to section 701 of Public Law 94–278; to the Committee on Interstate and Foreign Commerce.

215. A letter from the vice president for Government affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for July 1976, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

216. A letter from the vice president for Government affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for August 1976, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

217. A letter from the vice president for Government affairs, National Railroad Passenger Corporation, transmitting a report covering the month of August 1976 on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

218. A letter from the vice president for Government affairs, National Railroad Passenger Corporation, transmitting a report covering the month of September 1976 on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

219. A letter from the vice president for Government affairs, National Railroad Passenger Corporation, transmitting a report covering the month of October 1976, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

220. A letter from the Chief Justice of the United States, transmitting the proceedings of the Judicial Conference of the United States held September 23–24, 1976 (H. Doc. No. 95–13); to the Committee on the Judiciary and ordered to be printed.

221. A letter from the Attorney General, transmitting a report listing the names of the persons on whom the President conferred the Young American Medals for Bravery and Service for calendar year 1974, pursuant to 42 U.S.C. 1925 (64 Stat. 397–398); to the Committee on the Judiciary.

222. A letter from the Attorney General, transmitting his report on the administration of the Foreign Agents Registration Act for calendar year 1975, pursuant to section 11 of the act; to the Committee on the Judiciary.

223. A letter from the Administrator, Law Enforcement Assistance Administration, U.S. Department of Justice, transmitting the eighth annual report of the Law Enforcement Assistance Administration, covering fiscal year 1975, pursuant to section 518 of Public Law 90–351, as amended by Public Law 93–83; to the Committee on the Judiciary.

224. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a report on the facts in each application for conditional entry of aliens into the United States under section 203(a)(7) of the Immigration and Nationality Act for the 9-month period ending September 30, 1976, pursuant to section 203(f) of the Act (8 U.S.C. 1153(f)); to the Committee on the Judiciary.

225. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification (dated November 4), pursuant to section 204(d) of the Immigration and Nationality Act, as amended (9 U.S.C. 1154(d)); to the Committee on the Judiciary.

226. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (8 U.S.C. 1154(d)); to the Committee on the Judiciary.

227. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States (Oct.), pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(28)(I)(ii)(b)); to the Committee on the Judiciary.

228. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in the cases of certain

aliens found admissible to the United States (September), pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(28)(I)(ii)(b)); to the Committee on the Judiciary.

229. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States (November), pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (8 U.S.C.(a)(29)(I)(ii)(b)); to the Committee on the Judiciary.

230. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens (dated October 1), pursuant to section 212(d)(6) of the act (8 U.S.C. 1182(d)(6)); to the Committee on the Judiciary.

231. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens (dated November 1), pursuant to section 212(d)(6) of the act (8 U.S.C. 1182(d)(6)); to the Committee on the Judiciary.

232. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the immigration Nationality Act was exercised in behalf of certain aliens (dated December 2), pursuant to section 212(d)(6) of the act (8 U.S.C. 1255b(c)); to the Committee on the Judiciary.

233. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, together with a list of the persons involved, pursuant to section 244(c) of the act (8 U.S.C. 1254(c)); to the Committee on the Judiciary.

234. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(2) of the Immigration and Nationality Act, together with a list of the persons involved, pursuant to section 244(c) of the act (8 U.S.C. 1254(c)); to the Committee on the Judiciary.

235. A letter from the Assistant Secretary of the Interior, transmitting a report on receipts and expenditures of the Department in connection with the administration of the Outer Continental Shelf Lands Act of 1953, for fiscal year 1976, pursuant to section 15 of the act (Public Law 83–212); to the Committee on the Judiciary.

236. A letter from the Secretary of the Smithsonian Institution, transmitting a report of the work accomplished by the National Society of the Daughters of the American Revolution from March 1, 1975 to March 1, 1976, pursuant to section 3 in accordance with the act of February 20, 1896; to the Committee on the Judiciary.

237. A letter from the Chairman, Commission on the Review of the National Policy toward Gambling; transmitting the final report of the Commission's findings and recommendations, pursuant to section 805(b) of Public Law 91–452; to the Committee on the Judiciary.

238. A letter from the Executive Director, National Commission on New Technological Uses of Copyrighted Works, transmitting the preliminary report of the Commission on its activities, pursuant to section 206(a) of Public Law 93–573; to the Committee on the Judiciary.

239. A letter from the Chairman, Little League Baseball, Inc., transmitting the annual report for the year 1976 including the independent audit for the fiscal year ending September 30, 1976, pursuant to section 14(b) of Public Law 88–378; to the Committee on the Judiciary.

240. A letter from the National Adjutant Paymaster, Marine Corps League, transmitting a report of the examination of the financial statements of the League for the fiscal year ending June 30, 1976, pursuant to section 3 of Public Law 88–504 (36 U.S.C. 1103); to the Committee on the Judiciary.

241. A letter from the President of the National Conference on Citizenship, transmitting a report on the examination of the financial statements of the Conference for the years ending June 30, 1975, and 1976, pursuant to section 3 of Public Law 88–504 (36 U.S.C. 1103); to the Committee on the Judiciary.

242. A letter from the President of the National Safety Council, transmitting a report of the audit of the financial transactions of the Council for the fiscal year ended June 30, 1976, pursuant to section 15 of Public Law 83–259; to the Committee on the Judiciary.

243. A letter from the National Secretary-Treasurer, Sons of Union Veterans of the Civil War, transmitting a copy of the certified audit of the corporation for the fiscal year ending June 30, 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

244. A letter from the Acting Assistant Secretary of the Interior, transmitting the annual report of the Fish and Wildlife Service on the administration of the Marine Mammal Protection Act of 1972 dealing with certain specific marine mammals, pursuant to section 103(f) of the Act (16 U.S.C. 1361, 86 Stat. 1027); to the Committee on Merchant Marine and Fisheries.

245. A letter from the Secretary of Commerce, transmitting the fifth annual report of the National Advisory Committee on Oceans and Atmosphere and his comments and recommendations on the report, pursuant to section 4 of Public Law 92–125; to the Committee on Merchant Marine and Fisheries.

246. A letter from the Secretary of Commerce, transmitting the annual report on ocean pollution, overfishing, and offshore development for the period July 1974 through June 1975, pursuant to section 202(c) of Public Law 92–532; to the Committee on Merchant Marine and Fisheries.

247. A letter from the Secretary of Commerce, transmitting the fourth and final volume of the report on sharing marine technology with other nations, pursuant to section 205(c) of Public Law 89–454, as amended (87 Stat. 171); to the Committee on Merchant Marine and Fisheries.

248. A letter from the Secretary of Commerce, transmitting the fourth annual report on marine sanctuaries covering fiscal year 1976, pursuant to section 302(d) of Public Law 92–532; to the Committee on Merchant Marine and Fisheries.

249. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the fourth annual report on his administration of the ocean dumping permit program for calendar year 1975, pursuant to section 112 of Public Law 92–532; to the Committee on Merchant Marine and Fisheries.

250. A letter from the Chairman, Migratory Bird Conservation Commission, transmitting the Commission's report for the year ended September 30, 1976, pursuant to section 3 of the act of February 18, 1929 (16 U.S.C. 715B); to the Committee on Merchant Marine and Fisheries.

251. A letter from the Secretary of the Treasury, transmitting a report on the experiences of Federal agencies under the program for self-insuring fidelity losses of Federal personnel for the fiscal year ended June 30, 1976, pursuant to section 103 of Public Law 92–310 (86 Stat. 101); to the Committee on Post Office and Civil Service.

252. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the annual report on scientific and engineering positions established during the period July 1-September 30, 1976 under the authority provided in section 203(c)(2)(A) of the National Aeronautics and Space Act of 1958, as amended (90 Stat. 1270), pursuant to section 206(b) of the act (42 U.S.C. 2473(a)); to the Committee on Post Office and Civil Service.

253. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting the annual report of the Postmaster General for fiscal year 1976 and the transition quarter; to the Committee on Post Office and Civil Service.

254. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on the study of Atlantic coast deepwater port facilities, in response to resolutions of Senate and House committees; to the Committee on Public Works and Transportation.

255. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on the study of the west coast deepwater port facilities, in partial response to a resolution of the House Committee on Public Works; to the Committee on Public Works and Transportation.

256. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on the study of the gulf coast deepwater port facilities (Texas, Louisiana, Mississippi, Alabama, and Florida), in partial response to Senate and House committee resolutions; to the Committee on Public Works and Transportation.

257. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on Gavins Point Reservoir (Lewis and Clark Lake), South Dakota and Nebraska, in response to resolutions of House and Senate committees; to the Committee on Public Works and Transportation.

258. A letter from the Secretary of Commerce, transmitting the fourth annual report dealing with the effects of pollution abatement on international trade, pursuant to section 6(b) of the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92–500); to the Committee on Public Works and Transportation.

259. A letter from the Secretary of Transportation, transmitting the initial report on the study to determine the repairs required to restore Alaska highways after construction of the trans-Alaska pipeline, pursuant to section 151(a) of Public Law 94–280; to the Committee on Public Works and Transportation.

260. A letter from the Administrator of General Services, transmitting a report of building project survey for Rock Springs, Wyo., pursuant to a resolution adopted by the Committee on Public Works and Transportation; to the Committee on Public Works and Transportation.

261. A letter from the Administrator of General Services, transmitting a report of building project survey for Texarkana, Tex.,

pursuant to a resolution adopted by the Committee on Public Works and Transportation; to the Committee on Public Works and Transportation.

262. A letter from the Administrator of General Services, transmitting a prospectus for alterations at the Orange County, Calif., Federal Building, Laguna Niguel, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

263. A letter from the Administrator of General Services, transmitting a prospectus for alternations at the Menlo Park, Calif., Building No. 2, U.S. Geological Survey, Pacific Coast Center, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

264. A letter from the Administrator of General Services, transmitting a prospectus which proposes a succeeding lease for space presently occupied in the Hill Building at 6th and G Streets, Anchorage, Alaska, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

265. A letter from the acting project manager, Government Printing Office Project, General Services Administration, transmitting additional information to accompany the previously submitted final environmental impact statement for the proposed Government Printing Office relocation project in Washington, D.C., pursuant to section 102 (2)(C) of the National Environmental Policy Act of 1969; to the Committee on Public Works and Transportation.

266. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on negotiated contracts for experimental, development, or research work, and notice that no contracts were negotiated for industrial mobilization in the interest of national defense, during the 6-month period January 1–June 30, 1976, pursuant to 10 U.S.C. 2304(e); to the Committee on Science and Technology.

267. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of the proposed transfer of "Construction of facilities" funds appropriated to NASA for fiscal year 1976 among specific Space Shuttle facilities projects, pursuant to section 3 of Public Law 94–39; to the Committee on Science and Technology.

268. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1975 to June 1976, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

269. A letter from the Acting Principal Deputy Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July–August 1976, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

270. A letter from the Administrator, U.S. Small Business Administration, transmitting the agency's annual report for fiscal year 1976; to the Committee on Small Business.

271. A letter from the Acting Assistant Administrator (Advocacy and Public Communications), U.S. Small Business Administration, transmitting the preliminary report by the Office of Advocacy on the study of small business problems, pursuant to section 206 of Public Law 94–305; to the Committee on Small Business.

272. A letter from the national adjutant, Disabled American Veterans, transmitting the report of the proceedings of the organization's 55th annual convention, including a report of receipts and expenditures as of December 31, 1975, pursuant to 44 U.S.C. 1332 and section 3 or Public Law 88–504 (H. Doc. No. 95–14); to the Committee on Veterans' Affairs and ordered to be printed with illustrations.

273. A letter from the Secretary of the Treasury, transmitting a copy of a prototype report containing consolidated financial statements for the Federal Government for fiscal year 1975; to the Committee on Ways and Means.

274. A letter from the Under Secretary Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to provide for payment to the social security trust funds for expenses incurred in providing information required to enable an employee benefit plan to comply with the Employee Retirement Income Security Act of 1974; to the Committee on Ways and Means.

275. A letter from the Chairman, East-West Foreign Trade Board, transmitting the Boards sixth quarterly report on trade between the United States and nonmarket economy countries, prusuant to section 411 (c) of the Trade Act of 1974; to the Committee on Ways and Means.

276. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's eighth quarterly report on trade between the United States and the nonmarket economy countries, pursuant to section 410 of the Trade Act of 1974; to the Committee on Ways and Means.

277. A letter from the Chairman, U.S. International Trade Commission, transmitting the 27th annual report of the Commission on the operation of the trade agreements program for the calendar year 1975, pursuant to section 163(b) of the Trade Act of 1974 (88 Stat. 1978); to the Committee on Ways and Means.

278. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's annual report for 1975, pursuant to 46 Stat. 698 and 88 Stat. 2056 (19 U.S.C. 1332(g); to the Committee on Ways and Means.

279. A letter from the Chairman, Federal Election Commission, transmitting a copy of correspondence sent to the Office of Management and Budget relating to a proposed revision by the President of the original request for appropriations for fiscal year 1978, pursuant to section 310(d)(1) of the Federal Election Campaign Act of 1971, as amended; jointly, to the Committees on Appropriations and House Administration.

280. A letter from the Chairman, United States Railway Association, transmitting an appropriation request for administrative expenses, pursuant to section 202(g)(2) of the Regional Rail Reorganization Act (Public Law 93–236); jointly, to the Committees on Appropriations, and Interstate and Foreign Commerce.

281. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of a letter the Board sent to the Office of Management and Budget appealing the amounts provided for fiscal years 1977 and 1978, pursuant to section 304(b)(7) of Public Law 93–633; jointly, to the Committees on Appropriations, and Public Works and Transportation.

282. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting tthe texts of International Labor Organization Convention No. 141 and Recommendation No. 149, concerning organizations of rural workers and their role in economic and social development, pursuant to article 19 of the ILO constitution [H. Doc. No. 95–15]; jointly to the Committees on International Relations, and Education and Labor and ordered to be printed.

283. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting the texts of International Labor Organization Convention No. 142 and Recommendation No. 150, concerning vocational guidance and training in the development of human resources, pursuant to Article 19 of the ILO constitution [H. Doc. No. 95–16]; jointly to the Committees on International Relations, and Education and Labor and ordered to be printed.

284. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting the texts of International Labor Organization Convention No. 143 and Recommendation No. 151, concerning migrations in abusive conditions and the promotion of equality of opportunity and treatment of migrant workers, pursuant to article 19 of the ILO constitution [H. Doc. No. 95–17]; jointly to the Committees on International Relations, and Education and Labor and ordered to be printed.

285. A letter from the Chairman, Interstate Commerce Commission, transmitting the 90th annual report of the Commission, covering fiscal year 1976, pursuant to section 21 of the Interstate Commerce Act; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

286. A letter from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting a report on the energy efficiency of the Agency's regulations, pursuant to section 382(a)(3) of the Energy Policy and Conservation Act (Public Law 94–163); jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

287. A letter from the Under Secretary of Health, Education, and Welfare, transmitting a report covering the quarter ended September 30, 1976, on grants approved by the Secretary for experimental, pilot, demonstration, or other projects all or any part of which are wholly financed with Federal funds under the Social Security Act, pursuant to section 1120(b) of the act; jointly, to the Committee on Interstate and Foreign Commerce, and Ways and Means.

288. A letter from the Chairman, U.S. Commission on Civil Rights, transmitting a report on the Puerto Rican community in the continental United States, pursuant to section 104(b) of Public Law 85–315, as amended; jointly, to the Committees on the Judiciary, and Interior and Insular Affairs.

289. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the number of NASA employees in each general schedule grade as of June 30, 1975 and as of September 30, 1976, pursuant to section 1310 of the Supplemental Appropriation Act of 1952 (65 Stat. 736, 758); jointly, to the Committees on Post Office and Civil Service, and Appropriations.

290. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report of the Chief of Engineers on the inspection of dams located in the United States, recommendations of the Assistant Secretary, and a draft of proposed legislation to establish a National Dam Safety Program, pursuant to section 5 of Public Law 92–367; jointly, to the Committee on Public Works and Transportation, Interior and Insular Affairs, and Agriculture.

291. A letter from the Chairman, Commission on Information and Facilities, U.S. House of Representatives, transmitting a report on the feasibility of a Congressional Staff Journal, pursuant to section 204 of House Resolution 988, 93d Congress [H. Doc. No. 95–18]; ordered to be printed.

292. A letter from the Chairman, Commission on Information and Facilities, U.S.

House of Representatives, transmitting a report on the Congressional Research Service as an information resource of the House of Representatives and the organizational framework which makes it effective or ineffective, pursuant to section 204 of House Resolution 988, 93d Congress [H. Doc. No. 95–19]; ordered to be printed.

293. A letter from the Chairman, Commission on Information and Facilities, U.S. House of Representatives, transmitting a report on the Congressional Budget Office as an information resource of the House of Representatives and the organizational framework that make it effective or ineffective, pursuant to section 204 of House Resolution 988, 93d Congress [H. Doc. No. 95–20]; ordered to be printed.

294. A letter from the Chairman, Commission on Information and Facilities, U.S. House of Representatives transmitting the final report of the Commission, pursuant to section 204 of House Resolution 988, 93d Congress [H. Doc. No. 95–22]; ordered to be printed.

295. A letter from the Chairman, Commission on Administrative Review, U.S. House of Representatives, transmitting the initial report of the Commission on scheduling the work of the House, pursuant to section 5 of House Resolution 1368, 94th Congress [H. Doc. No. 95–23]; ordered to be printed.

RECEIVED FROM THE COMPTROLLER GENERAL

296. A letter from the Comptroller General of the United States, transmitting a report that the legal action of which Congress was notified on July 7, 1976 (House Document No. 94–558) to require the release of rental housing assistance funds, will not be filed because a subsequent court action enjoining the release of those funds; to the Committee on Appropriations.

297. A letter from the Comptroller General of the United States, transmitting his review of the revised deferrals of budget authority contained in the message from the President dated September 28, 1976 (House Document No. 94–633), pursuant to section 1014(c) of Public Law 93–344 [H. Doc. No. 95–24]; to the Committee on Appropriations and ordered to be printed.

298. A letter from the Acting Comptroller General of the United States, transmitting his review of the deferrals of budget authority contained in the message from the President dated October 1, 1976 (House Document No. 94–650), pursuant to section 1014(c) of Public Law 93–344 [H. Doc. No. 95–25]; to the Committee on Appropriations and ordered to be printed.

299. A letter from the Deputy Comptroller General of the United States, transmitting his review of the proposed rescission and deferrals of budget authority contained in the message from the President dated November 5, 1976 (House Document No. 95–3), pursuant to section 1014 (b) and (c) of Public Law 93–344 [H. Doc. No. 95–26]; to the Committee on Appropriations and ordered to be printed.

300. A letter from the Comptroller General of the United States, transmitting his review of the deferrals of budget authority contained in the message from the President dated December 3, 1976 (House Document No. 95–4), pursuant to section 1014(c) of Public Law 93–344 [H. Doc. No. 95–27]; to the Committee on Appropriations and ordered to be printed.

301. A letter from the General Counsel, U.S. General Accounting Office, transmitting a report on the release of budget authority for the Legal Services Corporation, the recission of which was proposed by the President but not approved by the Congress; to the Committee on Appropriations.

302. A letter from the General Counsel, U.S. General Accounting Office, transmitting a report on the status of budget authority involved in three rescissions proposed by the President, but not approved by the Congress; to the Committee on Appropriations.

303. A letter from the General Counsel, U.S. General Accounting Office, transmitting a report on the status of budget authority involved in four rescissions proposed by the President, but not approved by the Congress; to the Committee on Appropriations.

304. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during September 1976, pursuant to section 234 of Public Law 91–510; to the Committee on Government Operations.

305. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during October 1976, pursuant to section 234 of Public Law 91–510; to the Committee on Government Operations.

306. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during November 1976, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

307. A letter from the Comptroller General of the United States, transmitting a report assessing the performance of the Federal agencies in implementing internal audit systems; to the Committee on Government Operations.

308. A letter from the Comptroller General of the United States, transmitting a report on the audited accounts of the United States Capitol Historical Society for the year ended January 31, 1976, pursuant to section 451 of the Legislative Reorganization Act of 1970 (40 U.S.C. 193m–1); to the Committee on Government Operations.

309. A letter from the Comptroller General of the United States, transmitting covering needed improvement in the administration of repair contracts for the overhaul and repair of Government property; to the Committee on Government Operations.

310. A letter from the Comptroller General of the United States, transmitting a report recommending that the executive agencies provide the Congress with status reports which compare the current status of major civil projects with original congressional authorizations; to the Committee on Government Operations.

311. A letter from the Acting Comptroller General of the United States, transmitting a report and recommendation on the claims of William J. Elder and Stephen M. Owen against the United States, pursuant to 45 Stat. 413 (31 U.S.C. 236); to the Committee on the Judiciary.

312. A letter from the Comptroller General of the United States, transmitting a report on the recovery of costs incurred in training foreign military students; jointly to the Committees on Government Operations, Appropriations, and Armed Services.

313. A letter from the Comptroller General of the United States, transmitting a report on improving the management of Department of Defense industrial plant equipment; jointly to the Committees on Government Operations and Armed Services.

314. A letter from the Comptroller General of the United States, transmitting a report pointing out the potential for savings to the Department of Defense through the adoption of commercial jet-coach standards; jointly to the Committees on Government Operations and Armed Services.

315. A letter from the Comptroller General of the United States, transmitting a report discussing the utility of the industrial fund method of financing Defense industrial and commercial activities; jointly to the Committees on Government Operations and Armed Services.

316. A letter from the Comptroller General of the United States, transmitting a report discussing the National Defense Reserve Fleet's importance in the time of national emergency; jointly to the Committees on Government Operations and Armed Services.

317. A letter from the Comptroller General of the United States, transmitting a report describing problems pertaining to the treatment of emotionally disturbed and handicapped children under the Civilian Health and Medical Program of the Uniformed Services; jointly to the Committees on Government Operations and Armed Services.

318. A letter from the Acting Comptroller General of the United States, transmitting a report discussing the need for better management of Government facsimile communications equipment; jointly to the Committees on Government Operations and Armed Services.

319. A letter from the Comptroller General of the United States, transmitting a report showing that Department of Defense management action is needed to maximize the benefits of a new aircraft maintenance concept called reliability-centered maintenance; jointly to the Committees on Government Operations and Armed Services.

320. A letter from the Comptroller General of the United States, transmitting a report on alternatives in controlling Department of Defense manpower costs; jointly to the Committee on Government Operations and Armed Services.

321. A letter from the Comptroller General of the United States, transmitting a report on competitive negotiation versus formal advertising when contracting Navy ship repair and overhaul work; jointly to the Committees on Government Operations and Armed Services.

322. A letter from the Comptroller General of the United States, transmitting a report showing how the Department of Housing and Urban Development can improve its program to insure that tenants in subsidized housing projects are paying proper rents; jointly to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

323. A letter from the Comptroller General of the United States, transmitting a review of the Operation Breakthrough program and the lessons learned about demonstrating new technology programs; jointly to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

324. A letter from the Comptroller General of the United States, transmitting a report discussing inequities caused by the current formula used to allocate Community Development Block Grants by the Department of Housing and Urban Development; jointly to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

325. A letter from the Comptroller General of the United States, transmitting a report summarizing the need for the Environmental Protection Agency to establish a health-monitoring program for laboratory employees; jointly to the Committees on Government Operations, and Education and Labor.

326. A letter from the Comptroller General of the United States, transmitting a report describing how the Department of Agriculture and the Agency for International Development disposed of commodities remaining from terminated Indochina economic assistance programs; jointly to the Committees on Government Operations, International Relations and Agriculture.

327. A letter from the Comptroller General of the United States, transmitting a report on the need to reduce food losses caused by storage, spillage and spoilage to better held developing countries, jointly to the Committees on Government Operations, International Relations, and Agriculture.

328. A letter from the Comptroller General

of the United States, transmitting the first report on world population growth and its impact on the quality of life in developing countries (Agency for International Development); jointly to the Committees on Government Operations and International Relations.

329. A letter from the Comptroller General of the United States, transmitting a report summarizing the problems in administering and enforcing immigration laws and the need for reassessing U.S. policy; jointly to the Committees on Government Operations and the Judiciary.

330. A letter from the Comptroller General of the United States, transmitting a report on the need for the U.S. Coast Guard to develop an effective recreational boating safety program; jointly to the Committees on Government Operations, and Merchant Marine and Fisheries.

331. A letter from the Comptroller General of the United States, transmitting a report assessing the progress in meeting objectives of the Coastal Zone Management Act of 1972; jointly to the Committees on Government Operations, and Merchant Marine and Fisheries.

332. A letter from the Comptroller General of the United States, transmitting a report on the long-range planning and analysis activities in selected Federal agencies; jointly to the Committees on Government Operations, Merchant Marine and Fisheries, and Science and Technology.

333. A letter from the Comptroller General of the United States, transmitting a report on the need for revising the civil service disability retirement law; jointly to the Committees on Government Operations, Post Office and Civil Service, and Education and Labor.

334. A letter from the Comptroller General of the United States, transmitting a report describing the Federal Highway Administrations progress in establishing highway safety programs; jointly to the Committees on Government Operations, and Public Works and Transportation.

335. A letter from the Comptroller General of the United States, transmitting a report describing the status of the Appalachian Development Highway System in West Virginia; jointly to the Committees on Government Operations, and Public Works and Transportation.

336. A letter from the Comptroller General of the United States, transmitting a report discussing ways to improve the detection of medically unfit civilian airmen by Federal Aviation Administration; jointly to the Committees on Government Operations, and Public Works and Transportation.

337. A letter from the Comptroller General of the United States, transmitting a report on Federal mass transit programs and the participation of private operators; jointly to the Committees on Government Operations, and Public Works and Transportation.

338. A letter from the Comptroller General of the United States, transmitting a report assessing the Federal Aviation Administration's development of an improved air-traffic-control system; jointly to the Committees on Government Operations, and Public Works and Transportation.

339. A letter from the Comptroller General of the United States, transmitting a report on the need for better water quality data collection and planning to justify the construction of advanced waste treatment facilities funded under the Federal Water Pollution Control Act Amendments of 1972; jointly to the Committees on Government Operations, and Public Works and Transportation.

340. A letter from the Comptroller General of the United States, transmitting a report on how the Interstate Commerce Commission can improve service to small shippers; jointly to the Committees on Government Operations, and Public Works and Transportation.

341. A letter from the Comptroller General of the United States, transmitting a report describing Federal efforts to develop a new short takeoff and landing aircraft for use in a short-haul air transportation system; jointly to the Committees on Government Operations, Public Works and Transportation, and Science and Technology.

342. A letter from the Comptroller General of the United States, transmitting a report on the economies available by designating the Lawrence Berkeley Laboratory computer facility as a Federal Scientific Data Processing Center; jointly to the Committees on Government Operations, and Science and Technology.

343. A letter from the Comptroller General of the United States, transmitting a report describing the evaluation, distribution, and monitoring of science education materials, developed through 10 projects supported by the National Science Foundation; jointly to the Committees on Government Operations, Science and Technology, and Education and Labor.

344. A letter from the Comptroller General of the United States, transmitting a report evaluating the reasonableness of a cost-benefit study the Internal Revenue Service made in support of a new computer system for tax administration; jointly to the Committees on Government Operations, and Ways and Means.

345. A letter from the Comptroller General of the United States, transmitting a report on the Social Security Administration's need for accurate Veterans' Administration and Railroad Retirement Board benefit data to compute supplemental security income payments; jointly to the Committees on Government Operations, and Ways and Means.

346. A letter from the Comptroller General of the United States, transmitting a report discussing alternatives to the present system of dairy import quotas; jointly to the Committees on Government Operations, Ways and Means, and Agriculture.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KASTENMEIER (for himself, Mr. RAILSBACK, Mr. BOLLING, Mr. BURGENER, Mr. COCHRAN, Mr. CONYERS, Mr. CORNELL, Mr. DRINAN, Mr. EDWARDS of California, Mr. FASCELL, Mrs. FENWICK, Mr. FINDLEY, Mr. FISH, Mr. HAMMERSCHMIDT, Mr. MAZZOLI, Mr. MINETA, Mr. MOFFETT, Mr. QUIE, Mr. RINALDO, Mr. SEIBERLING, Mr. SIMON, Mr. STEIGER, Mr. UDALL, Mr. CHARLES WILSON of Texas, and Mr. WINN):

H.R. 1. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. UDALL (for himself, Mr. BINGHAM, Mr. PHILLIP BURTON, Mr. CARR, Mr. DON H. CLAUSEN, Mr. DE LUGO, Mr. ECKHARDT, Mr. JOHNSON of Colorado, Mr. KASTENMEIER, Mr. LAGOMARSINO, Mr. MEEDS, Mr. MILLER of California, Mr. RONCALIO, Mr. RUPPE, Mr. SANTINI, Mr. SEILBERLING, Mr. TSONGAS, and Mr. WEAVER):

H.R. 2. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROSTENKOWSKI (for himself and Mr. ROGERS):

H.R. 3. A bill to strengthen the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs, and for other purposes; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. RHODES:

H.R. 4. A bill to establish a Commission on the Reorganization of the Executive Branch of the Government; to the Committee on Government Operations.

By Mr. BURLESON of Texas:

H.R. 5. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. EDWARDS of California (for himself and Mr. BUTLER):

H.R. 6. A bill to establish a uniform law on the subject of bankruptcies; to the Committee on the Judiciary.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. THOMPSON, Mr. BUCHANAN, Mr. DENT, Mr. PRESSLER, Mr. BRADEMAS, Mr. HAWKINS, Mr. FORD of Michigan, Mr. CLAY, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. LEHMAN, Mr. BLOUIN, Mr. CORNELL, Mr. SIMON, Mr. BEARD of Rhode Island, and Mr. ZEFERETTI):

H.R. 7. A bill to authorize a career education program for elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. RONCALIO (for himself, Mr. COCHRAN, Mr. GUYER, Mr. PERKINS, Mr. SEBELIUS, Mr. SLACK, Mr. KETCHUM, and Mr. PEPPER):

H.R. 8. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 9. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. CLAY:

H.R. 10. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitation, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROE (for himself, Mr. JOHNSON of California, Mr. WRIGHT, Mr.

HARSHA, Mr. HOWARD, Mr. HAMMERSCHMIDT, Mr. ROBERTS, Mr. ANDERSON of California, Mr. GINN, Mr. MINETA, Mr. LEVITAS, Mr. OBERSTAR, Mr. NOWAK, Mr. BRADEMAS, Mr. ASHLEY, Mr. SISK, Mr. MCFALL, Mr. ROSTENKOWSKI, Mr. SLACK, Mr. PATTEN, Mr. DE LA GARZA, Mr. MEEDS, Mr. ALEXANDER, Ms. JORDAN, and Mr. ROSE):

H.R. 11. A bill to increase the authorization for the local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. DON CLAUSEN, Mr. MCCORMACK, Mr. SNYDER, Mr. BREAUX, Mr. MILFORD, Mr. WALSH, Mr. HOLLAND, Mrs. LLOYD of Tennessee, Mr. FARY, Mr. RISENHOOVER, Mr. EDGAR, Mr. AMBRO, Mr. HEFNER, Mr. MOORHEAD of Pennsylvania, Mr. DANIELSON, Mr. KASTENMEIER, Mr. BROWN of California, Mr. HAMILTON, Mr. OBEY, Mr. HARRINGTON, Mr. BYRON, Mr. D'AMOURS, Mr. CARNEY, and Mr. FISHER):

H.R. 12. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. CLAY:

H.R. 13. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LE FANTE:

H.R. 14. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a credit for certain expenses paid by him in connection with his education or training, or the education or training of his spouse or any of his dependents, at an institution of higher education or a vocational school; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 15. A bill to extend for 5 years certain elementary, secondary, and other education programs; to the Committee on Education and Labor.

By Mr. DINGELL:

H.R. 16. A bill to provide a program of national health insurance, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE:

H.R. 17. A bill to provide for more efficient and effective control over the proliferation of nuclear explosives by amendments to the Atomic Energy Act of 1954, as amended; to the Committee on International Relations.

H.R. 18. A bill to amend the Atomic Energy Act of 1954, as amended to improve the effectiveness and efficiency of the system for the regulation of nuclear facilities; to the Committee on Interior and Insular Affairs.

By Mr. CHARLES H. WILSON of California:

H.R. 19. A bill to amend title 39, United States Code, to alter the organizaional structure of the U.S. Postal Service, to revise the procedure for adjusting postal rates and services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Georgia:

H.R. 20. A bill to provide employment opportunities for youth in the public and private sectors of the economy, and for other purposes; to the Committee on Education and Labor.

By Mr. CORMAN (for himself, Mr. PEPPER, Mr. RANGEL, Mr. STARK, Mr. ANDERSON of California, Mr. BRADEMAS, Mr. BRODHEAD, Mr. PHILLIP BURTON, Mr. CONYERS, Mr. DIGGS, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FRASER, Mr. MCFALL, Mr. MEEDS, Mr. MOSS, Mr. NOLAN, Mr. PRICE, Mr. REUSS, Mr. RODINO, Mr. ROYBAL, Mr. SCHEUER, Mr. THOMPSON, Mr. UDALL, and Mr. VAN DEERLIN):

H.R. 21. A bill to create a national system of health security; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. ADDABBO, Mr. ANNUNZIO, Mr. BALDUS, Mr. BEARD of Rhode Island, Mr. BIAGGI, Mr. BINGHAM, Mr. BLANCHARD, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLAY, Mr. CORNELL, Mr. DRINAN, Mr. FASCELL, Mr. FORD of Michigan, Mr. HARRINGTON, Mr. HOWARD, Mr. KOCH, Mr. LEHMAN, Mr. MCCORMACK, Mrs. MEYNER, Mr. MINISH, Mr. MITCHELL of Maryland, and Mr. MOAKLEY):

H.R. 22. A bill to create a national system of health security; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. EILBERG, Ms. HOLTZMAN, Mr. KILDEE, Mr. METCALFE, Mr. MIKVA, Mr. MURPHY of New York, Mr. NIX, Mr. NOWAK, Mr. OBERSTAR, Mr. OTTINGER, Mr. RICHMOND, Mr. ROE, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. SEIBERLING, Mr. Mr. SOLARZ, Mr. STOKES, Mr. STUDDS, Mr. TSONGAS, Mr. WEAVER, Mr. WOLFF, and Mr. ZEFERETTI):

H.R. 23. A bill to create a national system of health security; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 24. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DELANEY:

H.R. 25. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. SNYDER, Mr. RONCALIO, Mr. HAMMERSCHMIDT, Mr. GINN, Mr. COCHRAN, Mr. MINETA, Mr. ABDNOR, Mrs. LLOYD of Tennessee, Mr. TAYLOR, Mr. FARY, Mr. GOLDWATER, and Mr. HAGEDORN):

H.R. 26. A bill to amend the Federal Aviation Act of 1958 to provide improved notice to the public of changes in air carrier fares; to the Committee on Public Works and Transportation.

By Mr. ANDERSON of California (for himself, Mr. SNYDER, Mr. JOHNSON of California, Mr. HAMMERSCHMIDT, Mr. RONCALIO, Mr. COCHRAN, Mr. GINN, Mr. ABDNOR, Mr. MINETA, Mr. TAYLOR, Mrs. LLOYD of Tennessee, Mr. GOLDWATER, Mr. FARY, and Mr. HAGEDORN):

H.R. 27. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. BURKE of California:

H.R. 28. A bill to provide for the establishment of multipurpose service centers for displaced homemakers, and for other purposes; to the Committee on Education and Labor.

By Mr. ANNUNZIO:

H.R. 29. A bill to amend the Consumer Credit Protection Act to prohibit abusive practices by debt collectors; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MEEDS (for himself, Mr. ALEXANDER, Mr. ANDERSON of California, Mr. BALDUS, Mr. BEDELL, Mr. BEVILL, Mr. BINGHAM, Mr. BLOUIN, Mr. BOLAND, Mr. BONKER, Mr. BRADEMAS, Mr. BRECKINRIDGE, Mr. BRODHEAD, Mr. CARNEY, Mr. CONYERS, Mr. CORMAN, Mr. CORNELL, Mr. DELANEY, Mr. DE LUGO, Mr. DICKS, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Oregon, Mr. EILBERG, and Mr. FISH):

H.R. 30. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. FLOOD, Mr. FRASER, Mr. GILMAN, Mr. HAWKINS, Mr. HOWARD, Mr. HUGHES, Mr. JOHNSON of California, Mr. KOCH, Mr. LA FALCE, Mr. LAGOMARSINO, Mr. LEGGETT, Mr. LEHMAN, Mr. LUNDINE, Mr. MCCORMACK, Mr. MAZZOLI, Mrs. MEYNER, Mr. MOSS, Mr. MURTHA, Mr. PATTEN, Mr. PATTISON of New York, Mr. PEPPER, Mr. PERKINS, Mr. PRITCHARD, and Mr. QUIE):

H.R. 31. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. RICHMOND, Mr. ROE, Mr. RODINO, Mr. RYAN, Mr. SEIBERLING, Mr. SCHEUER, Mr. SIMON, Mr. SISK, Mr. THOMPSON, Mr. UDALL, Mr. WAXMAN, Mr. WEAVER, Mr. WOLFF, Mr. YATRON, Mr. ZEFERETTI, Mr. ROBERTS, Mr. YOUNG of Alaska, Mr. HAMMERSCHMIDT, and Mr. STEERS):

H.R. 32. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. SMITH of Iowa:

H.R. 33. A bill to assist in the marketing and handling of the 1977, 1978, 1979, 1980 and 1981 crops of feed grains, wheat, cotton, and soybeans and to determine the conditions under which such commodities owned or controlled by the U.S. Government may be sold or used for disaster assistance; and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE:

H.R. 34. A bill to establish a materials policy for the United States, to create a materials research and development capability, and to provide an organizational structure for the effective application of such research capability, and for other purposes; jointly, to the Committees on Science and Technology, the Judiciary, and Rules.

By Mr. TEAGUE (for himself, and Mr. BROWN of California):

H.R. 35. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Science and Technology.

By Mr. TEAGUE:

H.R. 36. A bill to provide additional assistance to the Energy Research and Development Administration for the advancement of nonnuclear energy research, development, and demonstration; to the Committee on Science and Technology.

H.R. 37. A bill to provide additional assistance to the Energy Research and Development Administration for biomass demonstration facilities; to the Committee on Science and Technology.

H.R. 38. A bill to provide additional assistance to the Energy Research and Development Administration for the advancement of nonnuclear energy research, development, and demonstration; to the Committee on Science and Technology.

By Mr. UDALL (for himself, Mr. PHILLIP BURTON, Mr. BINGHAM, Mr. ANDERSON of Illinois, Mr. BRODHEAD, Mr. CARR, Mr. DELLUMS, Mr. DRINAN, Mr. EDGAR, Mr. EDWARDS of California, Mr. FRASER, Mr. HARRINGTON, Mr. JEFFORDS, Mr. KASTENMEIER, Mr. MINETA, Mr. MOAKLEY, Mr. MOFFETT, Mr. NOLAN, Mr. OTTINGER, Mr. RONCALIO, Mr. SEIBERLING, Mr. WAXMAN, Mr. TSONGAS, and Mr. WEAVER):

H.R. 39. A bill Alaska National Interest

Lands Conservation Act; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM:

H.R. 40. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON of California:

H.R. 41. A bill to amend title 39, United States Code, to require the furnishing of certain information in connection with the solicitation of charitable contributions by mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL:

H.R. 42. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

H.R. 43. A bill to permit the advertising of drug prices and to require retailers of prescription drugs to post the prices of certain commonly prescribed drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 44. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the "established name" of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 45. A bill to require that certain drugs and pharmaceuticals be prominently labeled as to the date beyond which potency or efficacy becomes diminished; to the Committee on Interstate and Foreign Commerce.

H.R. 46. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

By Mr. STUDDS (for himself, Mr. HOWARD, Mr. AMBRO, Mr. AUCOIN, Mr. BAUMAN, Mr. BINGHAM, Mr. BOLAND, Mr. COHEN, Mr. DODD, Mr. DRINAN, Mr. EDGAR, Mr. EILBERG, Mr. EMERY, Mr. HARRINGTON, Mr. JEFFORDS, Mr. KREBS, Mr. LA FALCE, Mr. MCHUGH, Mr. MARKEY, Ms. MEYNER, Mr. MILLER of California, Mr. OBERSTAR, Mr. PRITCHARD, Mr. RODINO, and Mr. ROE):

H.R. 47. A bill to establish a comprehensive legal regime governing liability and compensation for removal costs and other damages caused by oil pollution, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. STUDDS (for himself, Mr. AMBRO, Mr. BAUCUS, Mr. JOHN L. BURTON, Mr. CORNELL, Mr. COTTER, Ms. FENWICK, Mr. HUGHES, Mr. KILDEE, Mr. LEHMAN, and Mr. MURPHY of Pennsylvania):

H.R. 48. A bill to establish a comprehensive legal regime governing liability and compensation for removal costs and other damages caused by oil pollution, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. STUDDS (for himself, Mr. BOLAND, Mr. CONTE, Mr. BURKE of Massachusetts, Mr. DRINAN, Mr. HARRINGTON, Mr. MARKEY, Mr. MOAKLEY, and Mr. TSONGAS):

H.R. 49. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation of the lands and waters in the trust area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAWKINS (for himself and Mr. PERKINS):

H.R. 50. A bill to establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production, and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs; to the Committee on Education and Labor.

By Mr. ICHORD:

H.R. 51. A bill to amend title 10, United States Code, to prohibit collective bargaining with the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. OBERSTAR:

H.R. 52. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. SYMMS:

H.R. 53. A bill to expand the medical freedom of choice of consumers by amending the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under that act solely to assure their safety; to the Committee on Interstate and Foreign Commerce.

By Mr. SYMMS (for himself, Mr. BEDELL, Ms. CHISHOLM, Mr. COCHRAN, Mr. COLLINS of Texas, Mr. CRANE, Mr. HAMMERSCHMIDT, Mr. KETCHUM, Mr. KINDNESS, Mr. LA FALCE, Mr. LAGOMARSINO, Mr. LOTT, Mr. MCDONALD, Mr. SANTINI, Mr. TREEN, Mr. WAGGONNER, Mr. BOB WILSON, Mr. CHARLES WILSON of Texas, Mr. HALL, and Mr. MARTIN):

H.R. 54. A bill to expand the medical freedom of choice of consumers by amending the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under that act solely to assure their safety; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of California (for himself, Mr. CORMAN, Mr. DE LUGO, Mr. EDGAR, Mr. FASCELL, Mrs. HOLT, Mr. JOHNSON of California, Mr. KETCHUM, Mr. KINDNESS, Mr. KREBS, Mr. LAGOMARSINO, Mr. LEHMAN, Mr. LENT, Mrs. LLOYD of Tennessee, Mr. MAZZOLI, Mr. MEEDS, Mr. MOLLOHAN, Mr. MOTTL, Mr. MURPHY of Illinois, Mr. MURTHA, Mr. O'BRIEN, Mr. ROE, Mr. SISK, Mr. SLACK, and Mr. YATRON):

H.R. 55. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself, Mr. RONCALIO, Mr. RODINO, Mr. EILBERG, Mr. AUCOIN, Mr. FISH, Mr. ASPIN, Mr. STRATTON, Mr. BONKER, Mr. TUCKER, Mrs. HECKLER, Mr. SEIBERLING, Mr. REGULA, Mr. MOTTL, Mr. ULLMAN, Mr. WEAVER, Mr. NIX, Mr. YATRON, Mr. MURTHA, Mr. ROONEY, Mr. ALLEN, Mr. FORD of Tennessee, Mr. PICKLE, Mr. GONZALEZ, and Mr. NATCHER):

H.R. 56. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. MAZZOLI, Mr. PERKINS, Mr. EMERY, Mr. BOLAND, Mr. TSONGAS, Mr. MOAKLEY, Mr. BURKE of Massachusetts, Mr. STUDDS, Mr. CONYERS, Mr. NEDZI, Mr. FORD of Michigan, Mr. BLANCHARD, Mr. FRASER, Mr. NOLAN, Mr. BOWEN, Mr. BAUCUS, Mr. HUGHES, Mr. THOMPSON, Mrs. FENWICK, Mr. MAGUIRE, Mr. WOLFF, Mr. OTTINGER, Mr. HANLEY, and Mr. BEVILL):

H.R. 57. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. BUCHANAN, Mr. UDALL, Mr. THORNTON, Mr. MOSS, Mr. LEGGETT, Mr. DELLUMS, Mr. EDWARDS of California, Mr. RYAN, Mr. KREBS, Mr. ROYBAL, Mrs. BURKE of California, Mr. CHARLES H. WILSON of California, Mr. VAN DEERLIN, Mr. MOLLOHAN, Mr. BALDUS, Mr. CORNELL, Mr. CHARLES WILSON of Texas, Ms. HOLTZMAN, Mr. BINGHAM, Mr. TRAXLER, Mr. CONTE, Mr. FLORIO, Mr. RINALDO, and Mr. MINISH):

H.R. 58. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. STOKES, Mrs. MEYNER, Mr. CORMAN, Mr. JONES of Oklahoma, Mr. GAYDOS, Mr. COTTER, Mr. LE FANTE, Mr. REUSS, Mr. DODD, Mr. WAXMAN, Mr. HAWKINS, Mr. MCKINNEY, Mr. PHILLIP BURTON, Mr. WHALEN, Mr. MICHAEL O. MYERS, Mr. YOUNG of Texas, Mr. FUQUA, Mr. MCDADE, Ms. OAKAR, Mr. LEDERER, Mr. DUNCAN of Oregon, Mr. CHAPPELL, Mr. LONG of Louisiana, and Ms. MIKULSKI):

H.R. 59. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. LEHMAN, Mr. CARR, Mr. BRODHEAD, Mr. BROOMFIELD, Mr. CLAY, Mrs. CHISHOLM, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. PEPPER, Mr. HOLLENBECK, Mr. BROOKS, Mr. YOUNG of Alaska, Mr. MURPHY of New York, Mr. SIKES, Mr. WAGGONNER, Mr. RICHMOND; Mrs. BOGGS, Mr. ROSENTHAL, Mr. BIAGGI, Mr. JOHN BURTON, Mr. SCHEUER, Mr. ZEFERETTI, Mr. KOCH, and Mr. RANGEL):

H.R. 60. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. WYLIE:

H.R. 61. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for expenditures by a taxpayer for solar heating and cooling equipment installed in new or existing residential buildings, to provide a tax credit for expenditures by an individual for insulation in such individual's principal residence, and to make certain changes in the investment tax credit; to the Committee on Ways and Means.

H.R. 62. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for certain expenses of higher education and to provide a tax credit for amounts contributed to postsecondary education savings plans; to the Committee on Ways and Means.

H.R. 63. A bill to amend title II of the Social Security Act to increase to $5,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an indi-

vidual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 64. A bill to amend the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative, and Judicial Salaries; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. HAWKINS, Mr. QUIE, Mr. BIAGGI, Mr. BLOUIN, Mrs. CHISHOLM, Mr. GOODLING, Mr. JEFFORDS, Mr. SARASIN, Mr. STEIGER of Wisconsin, Mr. ZEFERETTI, Mr. PEPPER, Mr. ROSENTHAL, Mr. ANNUNZIO, Mr. AUCOIN, Mr. BINGHAM, Mr. BROWN of California, Mr. BURKE of Massachusetts, Mr. COHEN, Mr. DERWINSKI, Mr. DRINAN, Mr. ENGLISH, Mr. FISHER, Mr. FORD of Tennessee, and Mr. GRASSLEY):

H.R. 65. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 66. A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in proceedings before Federal agencies and for other purposes; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 67. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 68. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 69. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced-rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

H.R. 70. A bill to establish the Airport Noise Curfew Commission and to define its functions and duties; to the Committee on Public Works and Transportation.

H.R. 71. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of retail unit prices of consumer commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 72. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; to the Committee on Government Operations.

H.R. 73. A bill to amend title 5, United States Code, to provide for the establishment of a special cost-of-living pay schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 74. A bill to amend the Social Security Act to provide for a minimum annual income (subject to subsequent increases to reflect the cost of living) of $3,850 in the case of elderly individuals and $5,200 in the case of elderly couples; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 75. A bill to provide for furthering the conservation, protection and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes; to the Committee on Agriculture.

By Mr. FORD of Michigan (for himself, Mr. BROWN of California, Mr. CLAY, Mr. CONYERS, Mr. DENT, Mr. DIGGS, Mr. DINGELL, Mr. DRINAN, Mr. MEEDS, Mr. STARK, Mr. SEIBERLING, Mr. THOMPSON, Mr. TRAXLER, Mr. BRODHEAD, Mr. BLANCHARD, Mr. CARR, Mr. KILDEE, Mr. BONIOR, AND Mr. NEDZI):

H.R. 76. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly to the Committees on Education and Labor, and Banking, Finance, and Urban Affairs.

By Mr. THOMPSON:

H.R. 77. A bill to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act; to the Committee on Education and Labor.

By Mr. WAMPLER (for himself, Mr. FOLEY, Mr. DE LA GARZA, Mr. BERGLAND, Mr. JONES of North Carolina, Mr. MATHIS, Mr. BOWEN, Mr. WEAVER, Mr. BALDUS, Mr. MCHUGH, Mr. JENRETTE, Mr. THORNTON, Mr. SEBELIUS, Mr. FINDLEY, Mr. THONE, Mr. SYMMS, Mr. JOHNSON of Colorado, Mr. MADIGAN, Mr. BROWN, Mrs. HECKLER, Mr. JEFFORDS, Mr. KELLY, Mr. GRASSLEY, Mr. HAGEDORN, and Mr. MOORE):

H.R. 78. A bill to establish a national agricultural research policy advisory board, and other purposes; to the Committee on Agriculture.

By Mr. WAMPLER (for himself, Mr. TEAGUE, Mr. FITHIAN, Mr. JONES of Tennessee, Mr. PRESSLER, Mr. BRECKINRIDGE, Mr. RICHMOND, and Mr. COLEMAN):

H.R. 79. A bill to establish a national agricultural research policy advisory board, and for other purposes; to the Committee on Agriculture.

By Mr. WYLIE:

H.R. 80. A bill to amend the Congressional Budget Act of 1974 and the Budget and Accounting Act, 1921, to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or economic necessity declared by the Congress; jointly, to the Committees on Rules, and Government Operations.

H.R. 81. A bill to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes, to the Committee on Agriculture.

H.R. 82. A bill to amend section 924 (relating to commission of Federal felonies with firearms) of title 18 of the United States Code to make applicable to a first conviction under that section of the rules for suspended or probationary sentences now applicable to school and subsequent convictions; to the Committee on the Judiciary.

By Mr. HARRIS (for himself, Mr. FISHER, and Mr. STEERS):

H.R. 83. A bill to provide for the establishment of an equitable rate structure for water delivered to the District of Columbia and to encourage water conservation in the District of Columbia, and for other purposes; jointly, to the Committees on the District of Columbia, and Public Works and Transportation.

By Mr. HARRIS (for himself, Mr. BRODHEAD, Mr. CONYERS, Mr. FITHIAN, Mr. FLORIO, Mr. GILMAN, Mr. HARRINGTON, Mr. HYDE, Mr. JENRETTE, Mr. KOCH, Mr. LEHMAN, Mr. MAGUIRE, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOTTL, Mr. NOLAN, Mr. OTTINGER, Mr. PEPPER, Mr. RINALDO, Mr. ROE, Mr. ROSENTHAL, Mr. SOLARZ, Ms. SPELLMAN, and Mr. ZEFERETTI):

H.R. 84. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit on houses or apartments for a portion of the real estate taxes paid or incurred by their landlords; to the Committee on Ways and Means.

By Mr. BLANCHARD (for himself, Mr. MINETA, Mr. LEVITAS, Mr. RUSSO, Mr. BRODHEAD, Mr. PRITCHARD, Mr. MOAKLEY, Mrs. LLOYD of Tennessee, Mr. OTTINGER, Mrs. HOLT, Ms. FENWICK, Mr. WHITEHURST, Mr. ZEFERETTI, Mr. NEAL, Mr. GRADISON, Mr. JONES of Tennessee, Mr. HANNAFORD, Mr. FUQUA, Mr. SEIBERLING, Mr. SANTINI, Mr. EDGAR, Mr. CLEVELAND, Mr. TRAXLER, Mr. KOCH, and Mr. WHITLEY):

H.R. 85. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; to the Committee on Rules.

By Mr. BLANCHARD (for himself, Mr. MINETA, Mr. GILMAN, Mr. RAHALL, Ms. KEYS, Mr. BEDELL, Mr. MILFORD, Mr. FRENZEL, Mr. AUCOIN, Mr. LAFALCE, Mr. PEPPER, Mr. DUNCAN of Tennessee, Mr. ICHORD, Mrs. SPELLMAN, Mr. SIMON, Mr. MITCHELL of New York, Mr. AMBRO, Mr. DRINAN, Mr. BEARD of Rhode Island, Mr. BLOUIN, Mr. D'AMOURS, Mr. DODD, Mr. FITHIAN, Mr. HUBBARD, and Mr. HUGHES):

H.R. 86. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; to the Committee on Rules.

By Mr. BLANCHARD (for himself, Mr. MINETA, Mr. CORNELL, Mr. LLOYD of California, Mr. MILLER of California, Mr. PATTERSON of California, Mr. WIRTH, Mr. CHARLES WILSON of Texas, Mr. CARNEY, Mr. HILLIS, Mr. COHEN, Mr. HOLLAND, Mr. WAXMAN, Mr. LEHMAN, Mr. BENNETT, Mr. GEPHARDT, Mr. DELLUMS, Mr. NOWAK, Mr. JACOBS, and Mr. CARR):

H.R. 87. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; to the Committee on Rules.

By Mr. EDWARDS of Alabama:

H.R. 88. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 89. A bill to amend the National Security Act of 1947 to establish procedures and standards for the classification and declassification of sensitive information and unauthorized disclosure of such information or material, and for other purposes; to the Committee on Armed Services.

By Mr. BALDUS:

H.R. 90. A bill to provide price support for milk at not less than 90 percent of the parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. BENNETT (for himself and Mr. STEIGER):

H.R. 91. A bill to amend title 10, United States Code, to regulate the discharge of members of the Armed Forces, and for other

purposes; to the Committee on Armed Services.

By Mr. PEPPER (for himself and Mr. KOCH):

H.R. 92. A bill to amend the Social Security Act to improve and make more effective the provision of nursing home services under the medicare and medicaid programs, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 93. A bill to promote competition in the production of coal, uranium, and geothermal power; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 94. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order to better protect the rights and liberties of such witnesses, to require notice to a grand jury of its rights and duties, to provide for independent inquiries by grand juries, to require periodic reports to Congress, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS:

H.R. 95. A bill to amend title II of the Social Security Act to increase to $6,000 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself and Mrs. HOLT):

H.R. 96. A bill to amend titles 10 and 32, United States Code, to authorize additional medical and dental care and other related benefits for reservists and members of the National Guard, under certain conditions, and for other purposes; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself, Mr. NICHOLS, Mr. DICKINSON, and Mrs. HOLT):

H.R. 97. A bill to amend section 1448 of title 10, United States Code, to provide survivor benefits in case of death of certain members or former members of the Armed Forces who die before becoming entitled to retired pay for nonregular service, and for other purposes; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself, Mr. DICKINSON, and Mr. HOLT):

H.R. 98. A bill to amend section 1333 of title 10, United States Code, relating to retirees point credit for nonregular service; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself, Mr. NICHOLS, and Mrs. HOLT):

H.R. 99. A bill to amend chapter 67 of title 10, United States Code (relating to retired pay for nonregular service), to authorize payment to persons otherwise eligible, at age 55, and in reduced amounts to such persons who are at least 50 but less than 55 years of age; to the Committee on Armed Services.

By Mr. MONTGOMERY (for himself and Mrs. HOLT):

H.R. 100. A bill to amend title 10, United States Code, to authorize retirement of enlisted members of the Army and of the Air Force with 20 years of active Federal service; to the Committee on Armed Services.

By Mr. ROONEY:

H.R. 101. A bill to establish the Office of General Counsel to the Congress, and for other purposes; to the Committee on House Administration.

H.R. 102. A bill to create a national landlord and tenant commission, to establish housing courts, and to define or to provide therefor the rights, obligations, and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on Banking, Finance and Urban Affairs.

H.R. 103. A bill to amend section 223 of the Communictions Act of 1934 to prohibit harassing telephone calls made to collect alleged debts, and to inform the public of their right to be free from harassing, coercive, abusive, and obscene telephone calls; to the Committee on Interstate and Foreign Commerce.

H.R. 104. A bill to establish and prescribe the duties of a Federal boxing commission for the purpose of insuring that the channels of interstate commerce are free from false or fraudulent descriptions or depictions of professional boxing contests; to the Committee on Interstate and Foreign Commerce.

H.R. 105. A bill to amend the Interstate Commerce Act to extend coverage of such act to certain motor vehicles used to transport schoolchildren and teachers, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROONEY (for himself and Mr. ECKHARDT):

H.R. 106. A bill to amend the Interstate Commerce Act to provide improved enforcement of motor carrier safety regulations; to protect motor carrier employees against discrimination for reporting violations of such regulations; and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROONEY:

H.R. 107. A bill to make Flag Day a legal public holiday, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 108. A bill to protect collectors of antique glassware against the manufacture in the United States or the importation of imitations of such glassware; to the Committee on Interstate and Foreign Commerce.

H.R. 109. A bill to improve existing tertiary eye centers, to examine the delivery of eye care to the general public, and to study the feasibility of implementing a system of tertiary eye care centers throughout the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 110. A bill to amend chapter 27 of title 49 of the United States Code to provide that compressed gas cylinders shipped in interstate commerce be inspected in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Georgia:

H.R. 111. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BURLESON of Texas (for himself, Mr. ARMSTRONG, and Mr. JONES of Oklahoma):

H.R. 112. A bill to amend section 4940 of the Internal Revenue Code of 1954 with respect to private operating foundations the principal activity of which is the operation of long-term care facilities; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 113. A bill to provide for quality assurance and utilization control in home health care under the medicare, medicaid, and social services programs in accordance with a plan to be developed by a commission specifically established for that purpose; jointly, to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORNELL (for himself, Mr. EDGAR, Mr. MCHUGH, Mr. HUGHES, Mr. MILFORD, Mr. MURPHY of New York, Mr. MOAKLEY and Mr. FLOOD):

H.R. 114. A bill to amend the Internal Revenue Code of 1954 to allow persons covered by certain other retirement plans to establish personal savings for retirement; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. CORMAN, Mr. FISH, Mr. FLOOD, Mr. HANNAFORD, Mr. HARRINGTON, Mrs. KEYS, Mr. KINDNESS, Mr. KOCH, Mr. LENT, Mr. MCCLORY, Mr. MARTIN, Mr. MOAKLEY, Mr. MURTHA, Mr. NEAL, Mr. ROE, Mr. SEBELIUS, Mr. WAXMAN, and Mr. WIRTH):

H.R. 115. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FLOWERS:

H.R. 116. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; to the Committee on the Judiciary.

By Mr. HYDE:

H.R. 117. A bill to amend title 18 of the United States Code for the purpose of prohibiting the sale of children in interstate or foreign commerce; to the Committee on the Judiciary.

By Mr. JONES of Oklahoma:

H.R. 118. A bill to amend the Walsh-Healey Act to permit employment not in excess of 10 hours in any 1 day and not in excess of 4 days in any 1 week; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. MIKVA:

H.R. 119. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MONTGOMERY (for himself, and Mr. BEARD of Tennessee):

H.R. 120. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. SARASIN:

H.R. 121. A bill to provide for economic growth and job creation through a reordering of Government priorities and reorganization of Government programs; tax reform for individuals, small businesses, and corporations; and amendment of existing employment and training programs; and for other purposes; jointly to the Committees on Rules, Government Operations, Ways and Means, and Education and Labor.

By Mr. WRIGHT:

H. Res. 9. A resolution creating a Select Committee on Assassinations; to the Committee on Rules.

By Mr. MEEDS (for himself, Mr. BONKER, Mr. DICKS, Mr. PRITCHARD, Mr. FOLEY, and Mr. MCCORMACK):

H.J. Res. 1. Joint resolution to provide for the establishment of a Commission to examine the effect of Northwest Indian Off-Reservation Treaty Fishing Rights, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. WYLIE:

H.J. Res. 2. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. HORTON:

H.J. Res. 3. Joint resolution to establish a Joint Committee on National Security; to the Committee on Rules.

By Mr. ASHBROOK:

H.J. Res. 4. Joint resolution to establish a Joint Committee on Internal Security, and

for other purposes; to the Committee on Rules.

By Mr. DELANEY:

H.J. Res. 5. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and equal protection are afforded to an individual from the moment of conception; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.J. Res. 6. Joint resolution proposing an amendment to the Constitution of the United States to provide an age limit and a single 6-year term for the President; to the Committee on the Judiciary.

By Mr. ROBINSON (for himself and Mr. MARTIN):

H.J. Res. 7. Joint resolution proposing an amendment to the Constitution relating to the continuance in office of judges of the Supreme Court and of inferior courts; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.J. Res. 8. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

H.J. Res. 9. Joint resolution to designate April 13, 1977, as "Thomas Jefferson Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 10. Joint resolution to designate March 16, 1977, as "James Madison Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 11. Joint resolution to designate January 13, 1977 as "Religious Freedom Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 12. Joint resolution authorizing the President to proclaim the week beginning October 2, 1977, and ending October 8, 1977, as "National Volunteer Firemen Week"; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON (for himself and Mr. MOORHEAD of California):

H.J. Res. 13. Joint Resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on Post Office and Civil Service.

By Mr. BAFALIS (for himself, Mr. ABDNOR, Mr. ARMSTRONG, Mr. BEARD of Tennessee, Mr. BURGENER, Mr. DEL CLAWSON, Mr. COLLINS of Texas, Mr. GRASSLEY, Mr. HAGEDORN, Mr. HARSHA, Mrs. HOLT, Mr. KETCHUM, Mr. LAGOMARSINO, Mr. LOTT, Mr. LUJAN, Mr. MCDONALD, Mr. MANN, Mr. MONTGOMERY, Mr. MOORHEAD of California, Mr. ROBINSON, Mr. ROUSSELOT, Mr. RUNNELS, Mr. SNYDER, Mr. SYMMS, and Mr. WINN):

H.J. Res. 14. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H.J. Res. 15. Joint resolution proposing an amendment to the Constitution of the United States to provide for the special election of a Vice President in cases of vacancy in that office; to the Committee on the Judiciary.

H.J. Res. 16. Joint resolution proposing an amendment to the Constitution of the United States relating to the tenure in office of Supreme Court Judges; to the Committee on the Judiciary.

H.J. Res. 17. Joint resolution to designate Christmas week as Blood Donor Week; to the Committee on Post Office and Civil Service.

By Mr. FRENZEL:

H.J. Res. 18. Joint resolution proposing an amendment to the Constitution of the United States to limit the tenure of office of Senators and Representatives; to the Committee on the Judiciary.

By Mr. MOTTL:

H.J. Res. 19. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling attendance in schools other than the one nearest the residence and to insure equal educational opportunities for all students wherever located; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:

H.J. Res. 20. Joint resolution proposing an amendment to the Constitution of the United States relating to the nomination of individuals for election to the Offices of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. TEAGUE:

H.J. Res. 21. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.J. Res. 22. Joint resolution designating the second Sunday in June of each year as National Pet Remembrance Day; to the Committee on Post Office and Civil Service.

By Mr. ROUSSELOT (for himself, Mr. MCDONALD, and Mr. SYMMS):

H.J. Res. 23. Joint resolution proposing an amendment to the Constitution of the United States relative to abolishing personal income, estate, and gift taxes and prohibiting the U.S. Government from engaging in business in competition with its citizens; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

1. By the SPEAKER: A memorial of the Senate of the Commonwealth of Massachusetts, relative to the cost of education in the City of Boston Public School System; to the Committee on Education and Labor.

2. Also, a memorial of the Legislature of the State of California, relative to the exchange of public lands; to the Committee on Interior and Insular Affairs.

3. Also, a memorial of the Legislature of the Territory of Guam, relative to the U.N. resolution concerning Guam's political status and the military presence on Guam; to the Committee on Interior and Insular Affairs.

4. Also, a memorial of the Senate of the Commonwealth of Massachusetts, relative to the Arab boycott; to the Committee on Interstate and Foreign Commerce.

5. Also, a memorial of the Senate of the Commonwealth of Massachusetts, relative to the Public Safety Officers Benefit Act of 1976; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1. By the SPEAKER: Petition of Mary C. Torres, Keaau, Hawaii, and others, relative to foreign sugar quotas; to the Committee on Agriculture.

2. Also, petition of John R. Eggen, Jacksonville, Fla., relative to charter provisions of the Veterans of Foreign Wars; to the Committee on Armed Services.

3. Also, petition of the Municipal Assistance Corporation for the City of New York, State of New York, relative to the city's financial crises; to the Committee on Banking, Currency and Housing.

4. Also, petition of the Arkansas Legislative Council, Little Rock, Ark., relative to publicly supported retirement plans; to the Committee on Education and Labor.

5. Also, petition of the National Indian Education Association, Minneapolis, Minn., relative to extending the Indian Education Act; to the Committee on Education and Labor.

6. Also, petition of Jessie D. McDonald, Nashville, Tenn., relative to the primary and general election in the 5th Congressional District in Tennessee; to the Committee on House Administration.

7. Also, petition of Harrison E. Livingstone, Baltimore, Md., relative to entitlement to press credentials for the House Press Gallery; to the Committee on House Administration.

8. Also, petition of the Fourth Northern Mariana Islands Legislature, Susupe, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to commending U.S. Senator Hiram L. Fong; to the Committee on Interior and Insular Affairs.

9. Also, petition of the speaker of the Marshall Islands Nitijela Legislature, and others, Majuro, Marshall Islands, Trust Territory of the Pacific Islands, relative to Trust Territory Medical Fee Schedules; to the Committee on Interior and Insular Affairs.

10. Also, petition of the Lithuanian American Council, Inc., Chicago, Ill., relative to the annexation of Lithuania, Latvia and Estonia by the Soviet Union; to the Committee on International Relations.

11. Also, petition of the President of the Legislative Assembly of the Turkish Federated State of Cyprus dispute; to the Committee on International Relations.

12. Also, petition of Vincent J. Donahue, Cocoa Beach, Fla., relative to U.S. servicemen missing in Southeast Asia; to the Committee on International Relations.

13. Also, petition of the Allegheny Chamber of Commerce, Pittsburgh, Pa., relative to the Consumer Communications Reform Act of 1976; to the Committee on Interstate and Foreign Commerce.

14. Also, petition of the Nebraska Medical Association, Lincoln, Nebr., relative to the National Health Planning and Resources Development Act of 1974; to the Committee on Interstate and Foreign Commerce.

15. Also, petition of Oklahoma Society of Professional Engineers, Oklahoma City, Okla., relative to divestiture of the petroleum industry and the Consumer Communications Reform Act of 1976; to the Committee on Interstate and Foreign Commerce.

16. Also, petition of the Georgia Association of Chiefs of Police, Inc., Atlanta, Ga., relative to the Federal Bureau of Investigation; to the Committee on the Judiciary.

17. Also, petition of the Ladies' Auxiliary, Ancient Order of Hibernians, Burlington, N.J., relative to the rights of citizens of the United States; to the Committee on the Judiciary.

18. Also, petition of Lithuanian Workers Society, Woodhaven, N.Y., relative to Lithuanian immigration; to the Committee on the Judiciary.

19. Also, petition of the Maui County Council, Wailuku, Hawaii, relative to prayer in public schools; to the Committee on the Judiciary.

20. Also, petition of Hartleigh Dillman, relative to redress of grievances; to the Committee on the Judiciary.

21. Also, petition of Aden D. Kauffman, Dundee, Ohio, relative to Redress of Grievance; to the Committee on the Judiciary.

22. Also, petition of City Council, Norton, Ohio, relative to the Local Public Works Employment Act of 1976; to the Committee on Public Works and Transportation.

23. Also, petition of the Joint Commission on Accreditation of Hospitals, Chicago, Ill., relative to the Department of Health, Education, and Welfare annual report on medicare validation surveys of hospitals accredited by the Joint Commission on Accreditation of Hospitals; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the third calendar quarter 1976:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., Suite 800, Washington, D.C. 20001.

A. Carol Ann Anderson, 1150 Connecticut Avenue NW., No. 1009, Washington, D.C. 20036.
B. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.

A. W. Eugene Ainsworth, 1806 Security Life Building, Denver Colo. 80202.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Association of Data Processing Service Organizations, Inc. (ADAPSO), 210 Summit Avenue, Montvale, N.J. 07645.

A. William W. Bailey, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Clark Equipment Co., 324 East Dewey Avenue, Buchanan, Mich. 49107.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Hospital Underwriters Group, Ltd., P.O. Box 1262, Hamilton, Bermuda.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Marco Polo Corp., John Matouk & Co., Inc., 136 Madison Avenue, New York City, N.Y. 10016.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Nuclear Mutual, Ltd., P.O. Box 1262, Hamilton, Bermuda.

A. John N. Barineau III, P.O. Box 3151, Houston, Tex. 77001.
B. Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.

A. Richard H. Bauer, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. General Public Utilities Service Corp., 260 Cherry Hill Road, Parsippany, N.J. 07054.

A. Kenneth U. Benjamin, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Loews Corp., 666 Fifth Avenue, New York, N.Y.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Rentar Industries, 160 Central Park South, New York, N.Y.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Seagrave Corp., 350 Fifth Avenue, New York, N.Y.

A. Berman & Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Sydney Baron & Associates, 540 Madison Avenue, New York, N.Y.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. General Teamsters Local 959, State of Alaska, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Kenneth T. Blaylock, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Barbara H. Brandon, College of Law, University of Kentucky, Lexington, Ky. 40506.

A. Lester M. Bridgeman, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, P.O. Box 16705, Mobile, Ala. 36616.

A. Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, P.O. Box 16705, Mobile, Ala. 36616.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street, NW., Washington, D.C. 20036.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. Diane V. Brown, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.

A. Busby Rivkin Sherman Levy & Rehm, 900 17th Street NW., Suite 1100, Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Association of American Publishers.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Salomon Bros., 1 New York Plaza, New York, N.Y. 10004.

A. Matthew J. Carey, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Teleprompter Corp., 50 West 44th Street, New York, N.Y.

A. Stephen J. Chapman, 325 Pennsylvania Avenue SE., Washington, D.C.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C.

A. Chevron Employees of Contra Costa, P.O. Box M, Concord, Calif. 94524.

A. James M. Childress, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

A. Patrick J. Clancy, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

A. Ken W. Cole, 500 Jefferson Building, Houston, Tex. 77002.
B. Amoco Production Division, Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. Thomas B. Collins, 2031 Via Venice, Punta Gorda, Fla. 33950.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Sharon Comey, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Committee Urging Regulatory Reform for Efficient National Trucking (CURRENT), 1000 Connecticut Avenue NW., Washington, D.C.

A. Conservative Victory Fund, 422 First Street SE., Washington, D.C. 20003.

A. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

A. Benjamin Y. Cooper, Jr., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va., 22030.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. The May Department Stores Co., Sixth and Olive Streets, St. Louis, Mo. 63101.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Committee for 806.30 and 807, 2001 I Street NW., Washington, D.C. 20006.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C.
B. Committee in Support of Existing U.S. Tariff Policy With Respect to Honey, M–50 at Springville, Onsted, Mich. 49265.

A. Dana de Friedberg, Polish American Congress, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Polish American Congress, Inc., 1200 West Ashland Avenue, Chicago, Ill. 60622.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

A. DK Consultants, Inc., 918 16th Street NW, No. 402, Washington, D.C. 20006.
B. American Committee for Shaare Zedek Hospital in Jerusalem, 6 East 46th Street, New York, N.Y. 10017.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Federal Express, 2837 Sprankel, Memphis, Tenn.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Univest Corp., 647 West Virginia Street, Milwaukee, Wis. 53201.

A. Nancy Drabble, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of Liberia, Embassy of Liberia, 5303 Colorado Avenue NW., Washington, D.C. 20001.

A. George K. Eliades, 1501 Wilson Boulevard, Suite 804, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1501 Wilson Boulevard, Suite 804, Arlington, Va. 22209.

A. Joseph D. Feeney, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Western Railroad Association, 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Bernard Fensterwald, Jr., 1707 H Street, NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

A. Bernard A. Feverstein, 65 Brewster Road, Scarsdale N.Y. 10583.
B. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017 (for Mrs. Mia Le Comte, et al.).

A. Charles Louis Fishman, 633 East Capitol Street SE., Washington, D.C. 20003.
B. Westinghouse Corp.

A. John Hall Fitch, Jr., Suite 1200, 1717 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Society of Public Accountants, 1717 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Hubert V. Forcier, 1300 Northwestern National Bank Building, Minneapolis, Minn.
B. The American Lutheran Church, 422 South Fifth Street, Minneapolis, Minn.

A. Hubert V. Forcier, 1300 Northwestern National Bank Building, Minneapolis, Minn.
B. Lutheran Welfare Services of Illinois, 4840 Byron West, Chicago, Ill. 60641.

A. James W. Foristel, 1100 17th Street NW., Washington, D.C. 20036.
B. American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. College of American Pathologists, 1775 K Street NW., Room 221, Washington, D.C. 20006.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hadley Memorial Hospital, 4601 Martin Luther King Avenue SW., Washington, D.C. 10032.

A. Frances E. Francis, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.

A. Frances E. Francis, Spiegel & McDiarmid., 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Richmond Power & Light of the City of Richmond, Ind.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Rosebud Sioux Tribe, Rosebud, S. Dak.

A. José A. Gemeil, 1100 17th Street NW., Suite 302, Washington, D.C.
B. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington D.C. 20036 (for Instituto Brasileiro do Cafe).

A. Dennis Garrison, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 2005.

A. Norma J. Gilbert, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

A. Neil B. Goldstein, 50 West 40th Street, New York, N.Y.
B. Sierra Club, 50 West 40th Street, New York, N.Y.

A. Lawrence T. Graham, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

A. Alan J. Greenwald, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Guardian(s) of the Constitution, Box 6268, Arlington, Va. 22206.

A. Joseph Halow, 26 Broadway, New York, N.Y. 10004.
B. North American Export Grain Association, Inc., 26 Broadway, New York, N.Y. 10004.

A. Seymour Halprin, 540 Madison Avenue, New York, N.Y.
B. Department of Information, Private Bag X152, Pretoria 0001, Republic of South Africa.

A. Philip W. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for the National Labor-Management Foundation, Louisville, Ky.).

A. Theodore J. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for United States Industrial Council, Nashville, Tenn.).

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue N.W., No. 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Bryce L. Harlow, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Noel Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas F. Henderson, 950 Petroleum Club Building, Denver, Colo. 80202.
B. Rocky Mountain Oil & Gas Association, 950 Petroleum Club Building, Denver, Colo. 80202.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.

A. Keith R. Hundley, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. Interamerican Marketing Association, 2341 Jefferson Davis Highway, Suite 736, Arlington, Va. 22202.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.

A. Herbert N. Jasper, 520 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
B. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., Suite 800, Washington, D.C. 20001.

A. Linda Jenckes, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Jones, Day, Reavis, & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.

A. Jones, Day, Reavis, & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Metropolitan Life Insurance Co., 1 Madison Avenue, New York, N.Y. 10010.

A. Jones, Day, Reavis, & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, P.O. Box 81185, San Diego, Calif. 92138.

A. Jones, Day, Reavis, & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stackpole Hall Foundation, St. Mary's, Pa.

A. H. Richard Kahler, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 NE Adams Street, Peoria, Ill. 61629.

A. Susan Kaiser, Box 803, Englemeade Road, Pikesville, Md.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Thomas P. Kerester, Coopers & Lybrand, 1800 M Street NW., Washington, D.C. 20036.
B. Wolfe Pecanlands, Inc., Box 811, Stephenville, Tex. 76401.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Morton-Norwich Products, Inc., 110 North Wacker Drive, Chicago, Ill. 60606.

A. John I. Le Berre 900 17th Street NW., Washington, D.C. 20006.
B. Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Commerzbank AG, Neue Mainzer Strasse, 33-35 Frankfurt am Main, West Germany.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
B. Association of Reserve City Bankers, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.

A. Christopher LoPiano, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

A. Harry J. Maginnis, 8401 Connecticut Avenue, Chevy Chase, Md. 20015.
B. Prentice-Hall, Englewood Cliffs, N.J.

A. Robert E. McCoy, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Bankers Life & Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. United Insurance Co. of America, One Wacker Drive, Chicago, Ill. 60601.

A. Robert C. McDiarmid, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.

A. Robert C. McDiarmid, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Town of Reading, Mass.

A. Robert S. McIntyre, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen, Inc., Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

A. Bernard McMonigle, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Sheet Metal Workers' International Association, 1750 New York Avenue NW., Washington, D.C. 20006.

A. Kirk Miller, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

A. John S. Monagan, 1730 Pennsylvania Avenue NW., Suite 1010, Washington, D.C. 20006.
B. Shimano American Corp., 1133 Avenue of the Americas, New York, N.Y. 10036.

A. Robert M. Morris, 341 East Ohio Street, Chicago, Ill. 60611.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. National Council of Agricultural Employers, 237 Southern Building, 1425 H Street NW., Washington, D.C. 20005.

A. National Student Lobby, 2000 P Street NW., Washington, D.C. 20036.

A. Richard A. Nelson, 2000 Clearwater Drive, Oak Brook, Ill. 60521.
B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill.

A. Billy C. Newbold, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

A. E. J. Newbould, Faulkner, Shands, Stupar & Tucker, 910 16th Street NW., Suite 303, Washington, D.C. 20006.
B. Logan Clay Products Co., P.O. Box 698, Logan, Ohio 43138.

A. Edwin J. Nielson, United Airlines, 1825 K Street NW. No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

A. Donald R. Niemi, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

A. Andrea K. Nordell, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.

A. North American Export Grain Association, 26 Broadway, New York, N.Y. 10004.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.
B. Conservative Victory Fund, 422 First Street SE., Washington, D.C. 20003.

A. Paul Parkhurst, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., a subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee of Zonal Electric Heating Manufacturers, 150 Avenue L., Newark, N.J.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Fey Manufacturing Corp., 1860 North Tyler Avenue, South El Monte, Calif. 91733.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. McDermott, Will & Emery, 111 West Monroe Street, Chicago, Ill. 60603.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Longines-Wittnauer Watch Co., 145 Huguenot Street, New Rochelle, N.Y. 10810.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. WESCO (Western Gasification Co.), 810 South Flower Street, Los Angeles, Calif. 90017.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Westinghouse Electric Corp., Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee Urging Regulatory Reform for Efficient National Trucking (CURRENT), 1000 Connecticut Avenue NW., Washington D.C. 20036.

A. Elana H. Pecker, 50 West 40th Street, New York, N.Y.
B. Sierra Club, 50 West 40th Street, New York, N.Y.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 1750 K Street NW., Washington, D.C. 20006.

A. Stuart F. Pierson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Commonwealth of Puerto Rico.

A. Lawrence D. Pratt, 8136 Old Keene Mill Road, Springfield, Va. 22152.
B. Gun Owners of America, 951 Arden Way, Sacramento, Calif. 95815.

A. Producers & Consumers Cooperative Exchange, Inc., 101 South Whiting Street, Alexandria, Va. 22304.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Purcell, Hansen & Valdez, Chtd., 1819 H Street N.W., Suite 230, Washington, D.C. 20006.
B. El Ganadero, Inc., Hato Rey, P.R.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilding Association (APRA, 6849 Old Dominion Drive, McLean, Va. 22101.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Fibreboard Corp., 55 Francisco Street, San Francisco, Calif.

A. Magda Ratajski, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.

A. Reasoner, Davis & Vinson, 800 17th Street NW., Washington, D.C. 20006.
B. The George Washington University, 2121 I Street NW., Washington, D.C. 20006.

A. Pratt Remmel, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Roadway Express, Inc., 1501 Wilson Boulevard, Suite 910, Arlington, Va. 22209.

A. Antoinette K. Roche, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.

A. Harvey J. Rosenfield, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. College of American Pathologists, 1775 K Street NW., Room 221, Washington, D.C. 20006.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hadley Memorial Hospital, 4601 Martin Luther King Avenue SW., Washington, D.C. 20032.

A. Seagrave Corp., 350 Fifth Avenue, New York, N.Y.

A. 2d Pro-Life Congressional District Action Committee, 3244 East Willard, Tucson, Ariz. 85716.

A. Richard N. Sharood, 919 18th Street NW., Washington, D.C. 20006.
B. National Federation of Fishermen, 31 Green Street, Cambridge, Mass.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. National Committee on Locks & Dam 26, 1129 20th Street NW., Washington, D.C. 20036.

A. Shimano American Corp., 1133 Avenue of the Americas, New York, N.Y. 10036.

A. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. S. L. Sommer & Associates, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Arlington, Va.

A. Southe, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. Quality Management Committee, 1505 Southwest Taylor, Portland, Oreg.

A. Girardeau A. Spann, 2000 P Street NW., Suite 700, Washington, D.C. 20036.

B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.

A. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., suite 302, Washington, D.C. 20036.
B. Instituto Brasileiro do Café (Brazilian Coffee Institute), 767 Fifth Avenue, New York, N.Y. 10022.

A. Samuel E. Stavisky, Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036.
B. Samuel E. Stavisky & Associates, Inc., (for Instituto Brasileiro do Café), 1100 17th Street NW., Washington, D.C. 20036.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Rule of Law Committee, Suite 800, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Stitt, Hemmendinger & Kennedy, Suite 609, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Brazilian Handbag Producers (through the Bank of Brazil, New York, N.Y., at the request of the Brazilian Ministry of Finance).

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Fuller Tool Co., Inc., 152–35 10th Avenue, Whitestone, N.Y. 11357.

A. Pamela Strayer, 10564 Jason Lane, Columbia, Md. 21044.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. 23d Pro-Life Congressional District Action Committee, 575 Charles Street, St. Marys, Pa. 15857.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica Inc. & Affiliates, 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Raymond C. Wallace, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.

A. Western Railroad Association, 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Wm. T. Burton Industries, Inc., 101 North Huntington Street, Sulphur, La. 70663.

A. William & Jensen, 1130 17th Street, NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.

A. Albert Young Woodward, 1205 North Nash Street, Arlington, Va. 22209.
B. The Flying Tiger Line, Inc., 7401 World Way West, Los Angeles, Calif.

A. Edward R. Yawn, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

A. John L. Zorack, 8802 Law Court, Springfield, Va. 22152.
B. Federal Express, Memphis International Airport, AMF Box 30167, Memphis, Tenn. 38130.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter 1976:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e.g., salary, fee, etc.)

6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year

8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.
E. (9) $48.30.

A. Ad Hoc Coalition for Low and Moderate Income Housing, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
D. (6) $8,850. E. (9) $12,361.11.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,066.67. E. (9) $92.45.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $70.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $300.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $10,311.06. E. (9) $10,311.06.

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. (For: Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $4,358.15.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill., 60684.
D. (6) $1,250. E. (9) $74.80.

A. John N. Ake, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Amercan Capital Partners, 261 Madison Avenue, New York, N.Y. 10016.
D. (6) $6,939.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C.
B. Datran (Data Transmission Co.), 8310 Boone Boulevard, Vienna, Va. 22180.
D. (6) $5,000.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Gibbs Oil Co., 40 Lee Burbank Highway, Revere, Mass. 02151.
D. (6) $3,000.

A. Akin, Gump, Strauss, Hauser & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Republic of Texas Corp., P.O. Box 22105, Dallas, Tex. 75222.
D. (6) $6,773.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Society of Independent Gasoline Marketers of America (SIGMA), 230 South Bemiston Street, St. Louis, Mo.
D. (6) $7,500.

A. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
E. (9) $8,425.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, No. 1207 Rosslyn, Va. 22209.
B. Jim Walter Corp., Post Office Box 22601, Tampa, Fla. 33622.
D. (6) 3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, No. 1207 Rosslyn, Va. 22209.
B. Tampa Electric Co., Post Office Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, No. 1207 Rosslyn, Va. 22209.
B. Tampa Port Authority, Post Office Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 22036.
D. (6) $1,875. E. (6) $6,818.49.

A. Maxton Allcox, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $5,625.

A. Anne Genevieve Allen, International Airport, Los Angeles, Calif. 90009.
B. Rockwell International, International Airport, Los Angeles, Calif. 90009.
D. (6) $354.56. E. (9) $769.77.

A. John Allen, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $300. E. (9) $80.

A. Webb M. Alspaugh, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $750. E. (9) $400.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Aircraft Corp., Post Office Box 551, Burbank, Calif. 91520.
D. (6) $980. E. (9) $186.22.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,094.06. E. (9) $1,094.06.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $48.25.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $48,681.03. E. (9) $48,681.03.

A. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,975.56. E. (9) $1,975.56.

A. American Committee on United States-Soviet Relations, 122 Mariferd Avenue NE., Washington, D.C. 20002.
D. (6) $7,600. E (9) $2,163.48.

A. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $2,789.50.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $8,256.53. E. (9) $8,256.53.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; Washington Offices: 425 13th Street NW., Washington, D.C. 20004.
D. (6) $41,529. E. (9) $41,529.

A. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $74,720.63.

A. American Frozen Food Institute, 919 18th Street, NW., Washington, D.C. 20006.
D. (6) $111,222.50. E. (9) $550.00.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.
D. (6) $2,227.35. E. (9) $1,606.66.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $4,011.10. E. (9) $4,487.09.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $44,208.13. E. (9) $ 44,208.13.

A. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
E. (9) $2,888.00.

A. American Maritime Association, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $1,182.44.

A. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,685.00. E. (9) $24,639.91.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $8,225.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $4,045.00.

A. American Nuclear Energy Council, 1750 K St., NW., Suite 300, Washington, D.C.
D. (6) $11,117.57. E. (9) $12,572.52.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,016.91. (E) (9) $3,016.91.

A. American Optometric Association, c/o Alvin Levin, O.D., 120 S. Hanover Street, Carlisle, Pa. 17013.
D. (6) $1,621.63. E. (9) $1,621.63.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $470.30.

A. American Parents Committee, Inc., 1346 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $41,024.35. E. (9) $37,431.23.

A. American Petroleum Institute, 2101 L Street, Washington, D.C. 20037.
D. (6) $93,352. E. (9) $56,178.

A. American Physical Therapy Association, 1156 15th Street, NW., Washington, D.C. 20005.
D. (6) $7,812.17. E. (9) $7,812.17.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $12,618.48.

A. American Polygraph Association, 3105 Gumwood Drive, Hyattsville, Md. 20783.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,871,256.49. E. (9) $118,125.67.

A. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $4,086. E. (9) $4,086.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
E. (9) $2,000.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $920.35. E. $920.35.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., 1 World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $163.13. E. (9) $97.88.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $12.30.

A. American Textile Manufacturers Institute, Inc., Wachovia Center, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $30,682.51. E. (9) $30,682.51.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $53,568.78.

A. American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $1,982.81. E. (9) $2,244.

A. Morris J. Amitay, 1341 G Street, No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street, No. 908, Washington, D.C. 20005.
D. (6) $5,750.

A. Anthony L. Anderson, Sun Co., Inc., Suite 820; 1800 K Street NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,000. E. (9) $1,175.

A. John L. Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Time, Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,966.74. E. (9) $2,539.71.

A. M. Kent Anderson, Trane Co., 2020 14th Street, North Arlington, Va. 22201.
B. Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $350.

A. William C. Anderson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $8.25.

A. Scott P. Anger, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $200. E. (9) $217.

A. J. Donald Annett, 1050 17th Street NW., No. 500 Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $200.

A. APA Co., 400 First Street NW., Washington, D.C.
B. University of Health Sciences/The Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. Appalachian Hardwood Manufacturers, Inc., 164 South Main Street, NCNB Building, Room 408, High Point, N.C. 27260.
E. (9) $705.20.

A. Leonard Appel, Wilson, Woods, Villalon & Hollengreen, 425 13th Street NW., Washington, D.C. 20004.
B. Everett Terminal Co., Inc., P.O. Box 1478 Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
D. (6) $18,250. E. (9) $126.85.

A. Clarence A. Arata, 1129 20th Street NW., Washington, D.C. 20036.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,750.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Greeting Card Publishers, 200 Park Avenue, New York, N.Y. 10017.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $6.25.

A. Howard Arnett, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $1,140. E. (9) $285.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Continental Insurance Cos., 80 Maiden Lane, New York, N.Y. 10038.
D. (6) $852.50. E. (9) $5.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Council on Atmospheric Sciences, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $14,170. E. (9) $236.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Puerto Rican Government, G.P.O. Box 2350, San Juan, P.R. 00936.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $18,750. E. (9) $1,844.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Automobile Insurance Co., 1 State Farm Plaza, Bloomington, Ill. 61701.
D. (6) $11,640. E. (9) $436.

A. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
E. (9) $2,410.

A. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $2,864.80.

A. Association of Media Producers, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $7,682.66. E. (9) $7,682.66.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $8,276.99. F. (9) $8,276.99.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $4,335. E. (9) $4,300.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $520.

A. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $3,400. E. (9) $4,500.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $1,100. E. (9) $1,200.

A. Fritz E. Attaway, 1600 I Street, NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Walter F. Atwood, 3105 Gumwood Drive, Hyattsville, Md. 20783.
B. American Polygraph Association, 1306 Gumwood Drive, Hyattsville, Md. 20783.

A. Robert L. Augenblick, 1775 K Street, NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington D.C. 20006.
D. (6) $13.

A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $2,460.10. E. (9) $2,460.10.

A. John S. Autry, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $500. E. (9) $600.

A. Richard W. Averill, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $920. E. (9) $396.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $100.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.10004.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right To Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $25.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James F. Bailey, 101 Constitution Avenue, Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $2,275. E. (9) $140.35.

A. David L. Baird, Jr., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York.
E. (9) $73.30.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $70.32 E. (9) $375.40.

A. Donald Baldwin, Donald Baldwin Associates, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, N.Y. 10004.
D. (6) $7,308.18.

A. Markham Ball, Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva Hawes, Symington, Martin & Oppenheimer, 600 First Avenue, New York, N.Y. (for Cooperative for American Relief Everywhere, Inc.).
D. (6) $1,333.66.

A. Robert D. Bannister, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005; 430 North Michigan, Chicago, Ill. 60601.
D. (6) $1,787.50. E. (9) $438.30.

A. John N. Barineau III, P.O. Box 3151, Houston, Tex. 77001.
B. Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.
D. (6) $225.

A. Thomas H. Barksdale, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,450. E. (9) $340.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $250.

A. Fraser Barron, 1054 Potomac Street NW., Washington, D.C. 20007.
B. The Five Tribes of Central Arizona, in care of Royal D. Marks, Esq., 1019 Title & Trust Building, Phoenix, Ariz. 85003.
D. (6) $8,333.34. E. (9) $426.44.

A. Joseph W. Barron, 1828 L Street NW., Suite 402, Washington, D.C. 20036.
B. The Singer Co., Aerospace & Marine Systems, 30 Rockefeller Plaza, New York, N.Y. 10020.
D. (6) $400.

A. David S. Barrows, 214 Century Building, Portland, Oreg.
B. Association of Oregon & California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $233.56.

A. William M. Bates, William M. Bates, Public Relations, Inc., 814 Carnegie Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $4,500. E. (9) $1,398.40.

A. Laurie G. Battle, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill,
D. (6) $2,656.25.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Herbst Oil Co., et al., P.O Box 42005, Las Vegas, Nev 89104.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Gary Lee Bauer, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $1,525.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke Va. 24011.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
D. (6) $1,003.68. E. (9) $2,478.53.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. Pennsylvania Electric Co., 1001 Broad Street, Johnstown, Pa. 15907.
D. (6) $1,692.86. E. (9) $2,124.17.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,186.89.

A. Christine T. Beatty, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $2,188.

A. Allison Beck, 113 Fourth Street, Washington, D.C. 20003.
B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $975.

A. Thomas Belford, 2030 M Street NW., Washington, D.C.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,800. E. (9) $109.64.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $121.49.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $400.

A. C. Robert Benedict, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $300. E. (9) $50.

A. Bruce Benefield, 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., Suite 80, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $500.

A. Kenneth U. Benjamin, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,300. E. (9) $171.

A. John C. Bennett, Pouch 7009, Anchorage, Alaska 99510.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001; El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510.
D. (6) $3,750.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $125.

A. Benrus Corp., Benrus Center, Ridgefield, Conn. 06877.

A. Nancy C. Benson, 1625 I Street NW., Suite 514, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $180.50. E. (9) $49.90.

A. Gene S. Bergoffen, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
D. (6) $2,500.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. RENTAR Industries, 160 Central Park South, New York, N.Y. 10019.
D. (6) $2,000.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Seagrave Corp., 350 Fifth Avenue, New York, N.Y.
D. (6) $2,500.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Sydney Baron & Co., 540 Madison Avenue, New York, N.Y. 10022.
D. (6) $3,750.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $9,000.

A. Berl Bernhard, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.
D. (6) $3,000. E. (9) $130.

A. Jim Bernhart, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $800. E. (9) $50.50.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue N.W., Washington, D.C. 20006.
B. OEHEG, Sudtiroler Platz, 8, A–6020 Innsbruck, Austria. OEMOLK, P.O. Box 176, A–1013 Vienna, Austria.
E. (9) $31.77.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $1,087.50. E. (9) $89.24.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000.00. E. (9) $3,725.73.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Third Floor, Washington, D.C.
B. Geothermal Kinetics, Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Third Floor, Washington, D.C. 20006.
B. Society of the Plastics Industry, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. SoGen Swiss International Corp., 190 Wall Street, New York, N.Y. 10005.
E. (9) $233.46.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Third Floor, Washington, D.C. 20006.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Linda M. Billings, Sierra Club, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $4,225. E. (9) $114.

A. Charles L. Binsted, 2021 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, No. 301, 2021 K Street NW., Washington, D.C. 20006.
D. (6) $1,554. E. (9) $1,575.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of Accus, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $275.

A. Susan Engelhart Bistline, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $1,375. E. (9) $195.

A. Robert B. Bizal, 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $364.13. E. (9) $4.24.

A. Gerrie Bjornson, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B.F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $28.65.

A. Donna C. Blair, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $125. E. (9) $125.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.
B. National Sugarbeet Growers Federation, Greeley National Plaza, Suite 740, Greeley, Colo. 80631; 1776 K Street, Washington, D.C. 20006.
D. (6) $164.

A. Edwin C. Bliss, 1462 Teal Drive, Sunnyvale, Calif. 94087.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $550.

A. Richard W. Bliss, 1200 18th Street NW., Washington, D.C. 20036.
B. Business Round Table, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $2,700. E. (9) $225.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Becky Bogard, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electrification Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $183.45.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. L. H. Bonin, Jr., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $2,400. E. (9) $350.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon Street, Charlotte, N.C. 28285.
D. (6) $7,800. E. (9) $534.65.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $3,615.85.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714, Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $600. E. (9) $700.10.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $9,727.77. E. (9) $967.37.

A. Richard P. Bowling, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $339.09.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $8,500.

A. William W. Brackett, Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $4,500. E. (9) $100.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., subsidiary of Standard Oil Co. of California, Suite 1204, 100 K Street NW., Washington, D.C. 20006.
E. (9) $100.

A. George E. Bradley, Room 1247-South Building, Department of Agriculture, Washington, D.C. 20250.
B. Organization of Professional Employees of USDA (OPEDA), Room 1247-South Building, Department of Agriculture, Washington, D.C. 20250.
D. (6) $1,260. E. (9) $25.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Joseph E. Brady, 5018 East Summer Moon Lane, Phoenix Ariz. 85044.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $878.79. E. (9) $131.32.

A. Jacques Bramhill, Jr., 199 Cherry Hill Road, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $1,250.

A. Robert P. Brammer, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Campaign To Stop the B–1 Bomber, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,625.

A. David C. Branand, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $18.15. E. (9) $4.75.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. Breed, Abbott & Morgan, 1 Chase Manhattan Plaza, New York, N.Y. 10005.
B. Lehman Brothers, et al., 1 William Street, New York, N.Y.
D. (6) $4,572.88. E. (9) $18.12.

A. Jerome J. Breiter, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $409.80. E. (9) $25.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Cyril F. Brickfield, Miller, Singer, Michaelson, Brickfield & Raives, 1909 K. Street NW., Washington, D.C. 20006.
B. National Retired Teachers Association, 1909 K Street NW., American Association of Retired Persons, Washington, D.C. 20006.
D. (6) $870. E. (9) $134.

A. Lester M. Bridgeman, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, P.O. Box 16705, Mobile, Ala. 36616.
D. (6) $230. E. (9) $4.40.

A. Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, P.O. Box 16705, Mobile, Ala. 36616.
D. (6) $230. E. (9) $4.40.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $3,140. E. (9) $317.

A. Claude S. Brinegar, Sr., 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $104.80.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, the Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

A. Wally Briscoe, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $912.50.

A. John B. Brock, P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $625.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500.

A. Phillip W. Brooks, Volunteer State Oil Committee, Division of API, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $12.50.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $735. E. (9) $80.

A. Charles S. Broomfield, 25th and McGee, Kansas City, Mo. 64108.
B. Hallmark Cards, Inc., 25th and McGee, Kansas City, Mo. 64108.
D. (6) $2,700.

A. Charles S. Broomfield, 25th and McGee, Kansas City, Mo. 64108.
B. National Association of Greeting Card Publishers, Meridian Building, 170 Mason Street, Greenwich, Conn. 06830.
E. (9) $941.02.

A. J. Robert Brouse, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Donald K. Brown, 3539 Carolina Street, San Pedro, Calif. 90731.
B. Cerrell & Associates, 5967 West Third Street, Suite 302, Los Angeles, Calif. 90036.

A. Donald K. Brown, 1127 11th Street, Suite 544, Sacramento, Calif. 95814.
B. Hughes Air Corp., 3125 Clearview Way, San Mateo, Calif. 94403.

A. Donald K. Brown, 1127 11th Street, Suite 544, Sacramento, Calif. 95814.
B. Summa Corp., P.O. Box 14000, Las Vegas, Nev. 89156.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.
D. (6) $5,000. E. (9) $425.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, 9200 Leesburg Turnpike, Vienna, Va. 22180.
D. (6) $200. E. (9) $150.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, DC. 20034.
D. (6) $300.

A. Michael F. Brown, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $200.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,343.75. E. (9) $816.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Housing Producers, Eighth Floor, 9255 Sunset Boulevard, Los Angeles, Calif. 90069.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38113.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Foodservice Manufacturers Association, 1 East Wacker Drive, Chicago, Ill. 60601.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Bethesda, Md. 20014.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Restaurant Association, Suite 2600, 1 IBM Plaza, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Brownstein, Zeidman, Schomer and Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass.
E. (9) 89.89.

A. Brownstein, Zeidman, Schomer and Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. ServiceMaster Industries Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.

A. Jacqueline Brunell, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,016.91. E. (9) $3,061.91.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,938. E. (9) $11,542.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,152.52. E. (9) $130.11.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. The B. F. Goodrich Co., Akron, Ohio 44318.

A. Norman D. Burch, 1775 K Street NW., No. 201, Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $115.50.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $51.84.

A. Francis X. Burkhardt, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, AFL–CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $743.11. E. (9) $73.55.

A. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $3,202.20. E. (9) $696.24.

A. Phillip S. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $806.25. E. (9) $51.50.

A. George Burnham IV, U.S. Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
B. U.S. Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $247. E. (9) $243.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $330.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $9,724.50. E. (9) $7,964.51.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,937.50. E. (9) $278.26.

A. Harry W. Buzzerd, Jr., 1725 K Street, NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street, NW., Suite 903, Washington, D.C. 20006.
D. (6) $250. E. (9) $250.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: Badger Meter, Inc.), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: Cabot Corp.), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: Encyclopaedia Britannica, Inc.), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: Insurance Association of Connecticut), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: Jos. Schlitz Brewing Co.), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for: U.S. Steel Corp.; Bethlehem Steel Corp.; Inland Steel Co.; Freeport Minerals Co.; Hanna Mining Co. and AMAX), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. M. Douglas Caddy, 925 15th Street, NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior, Chicago, Ill. 60611.
D. (6) $1,000. E. (9) $107.71.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 1 Market Plaza, San Francisco, Calif. 94119.
D. (6) $1,000. E. (9) $50.

A. C. Richard Calkins, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $250. E. (9) $12.50.

A. Victoria R. Calvert, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154. Eagle Signal, 736 Federal Street, Davenport, Iowa 52803.
D. (6) $3,000.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. Prismo Universal Corp., 4 Research Place, Rockville, Md. 20850.
D. (6) $5,166.50.

A. Cameron Engineers, Inc., 1315 South Clarkson Street, Denver, Colo. 80210.
E. (9) $6,399.61.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La. 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.
D. (6) $1,500.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $265.15.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.
E. (9) $276.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. David A. Caney, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,500.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
D. (6) $1,500.

A. David L. Cantor, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. Nat'l Association of Electric Companies, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $418.75. E. (9) $206.

A. Marvin Caplan, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,960. E. (9) $277.10.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Aetna Life & Casualty, et al., 151 Farmington Avenue, Hartford, Conn. 06156.
D. (6) $39,950. E. (9) $1,092.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $4,950. E. (9) $26.06.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Salomon Brothers, 1 New York Plaza, New York, N.Y. 10004.
E. (9) $56.13.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
E. (9) $1,016.55.

A. Charles R. Carlisle, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $8,875. E. (9) $789.36.

A. Carl J. Carlson, 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $11,300.

A. Chapin Carpenter, Jr., 1629 K Street NW., No. 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $344.49.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y.
D. (6) $150. E. (9) $15.00.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo. 65201.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $712.37.

A. Henry A. Carrington, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Charles M. Carroll, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C., 20036. (For Aerospatiale 37, Boulevard de Montmorency 75016 Paris, France.)

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Ann M. Case, 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $72.

A. Frank H. Case III, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $50. E. (9) $25.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. New York Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.
E. (9) $194.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Occidental Petroleum Corp., 10889 Wilshire Boulevard, Los Angeles, Calif. 90024.
D. (6) $11,775. E. (9) $1,401.74.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Teleprompter Corp., 50 West 44th Street, New York, N.Y.
D. (6) $2,585.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $30,870. E. (9) $5,027.86.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $217.90.

A. Eugene I. Casraiss, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,461.30. E. (9) $697.60.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
B. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
D. (6) $3,693.

A. Catholics for a Free Choice, 515 Madison Avenue, New York, N.Y. 10022.
D. (6) $649. E. (9) $5,425.41.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $75. E. (9) $64.

A. Frank R. Cawley, Room 511, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $250. E. (9) $91.25.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,000.01. E. (9) $83.50.

A. Charles E. Chace, Nebraska Petroleum Council, 334 South 13th Street, Lincoln, Nebr. 68508.
B. American Petroleum Institute, 2010 L Street NW., Washington, D.C. 20037.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,240.50.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $516.75.

A. J. W. Chandler, 1101 17th Street NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa. 17405.
E. (9) $70.50.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,076.22.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (for American General Capital Management, Inc., 717 Fifth Avenue, New York, N.Y. 10022).
E. (9) $401.50.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (for Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002).
D. (6) $13,650. E. (9) $1,364.60.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Chester Bank, Chester, Conn. 06412. The Chester Savings Bank, Chester, Conn. 06412.
D. (6) $5,017.20. E. (9) $5,017.20.

A. Howard P. Chester, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stone, Glass & Clay Coordinating Committee, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $6,870. E. (9) $775.44.

A. Chevron Employees of Contra Costa, P.O. Box M, Concord, Calif. 94524.
D. (6) $192. E. (9) $447.88.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C. 20010.
D. (6) $830. E. (9) $686.83.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. James Ciarroccki, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $725. E. (9) $231.41.

A. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $50,479.77.

A. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $220,976.81. E. (9) $16,895.85.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky. 41101.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.
D. (6) $300. E. (9) $100.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Maryland National Bank, 10 Light Street, Baltimore, Md. 21202.
D. (6) $200. E. (9) $100.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Patrick J. Clancy, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $12.95.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,900. E. (9) $26.20.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $304.70. E. (9) $202.25.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,500.02. E. (9) $176.95.

A. Thomas R. Clark, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $35.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
D. (6) $550. E. (9) $541.

A. Clark, West, Keller, Sanders & Butler, 2424 First National Bank Building, Dallas, Tex. 75202.
B. National Music Publishers' Association, Inc., 110 East 59th Street, New York, N.Y. 10022.
D. (6) $3,000. E. (9) $794.90.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Joan B. Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $923.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Banque Nationale de Paris, 75450 Paris, France, Cedex 09.
D. (6) $516.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $300.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.
D. (6) $3,250. E. (9) $48.05.

A. Walter S. Clement, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $170.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers Tobacco Co., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, A Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $75.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $40.68.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $525. E. (9) $183.40.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y., 10017.
E. (9) $3.50.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. N.Y. Cocoa Exchange, Inc. and N.Y. Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 82 Broad Street, New York, N.Y.
D. (6) $375. E. (9) $104.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Teleprompter Corp., 50 West 44th Street, New York, N.Y. 10036.

A. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.
D. (6) $10,075.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $1,233.60.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $1,507.30.

A. John J. Coffey, Suite 638, 2101 L Street NW., Washington, D.C. 20037.
B. Western Oil & Gas Association, 609 South Grand Avenue, Suite 910, Los Angeles, Calif. 90017.
D. (6) $825.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,124.97. E. (9) $484.10.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, Suite 301, 2021 K Street NW., Washington, D.C.
D. (6) $3,000.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, N.A., 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $2,398.35. E. (9) $1,522.72.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. H. H. Robertson Co., 2 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $178.75. E. (9) $6.22.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222.

A. E. William Cole, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Company of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $200.

A. Eleanor Cole, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
D. (6) $1,000. E. (9) $1,000.

A. Ken W. Cole, 500 Jefferson Building, Houston, Tex. 77002.
B. Amoco Production Company Division, Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $391.45.

A. Stacey W. Cole, c/o New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Academy of General Dentistry, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $3,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Cardio Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Pharmaceutical Alliance, P.O. Box 13547, St. Petersburg, Fla. 33733.
D. (6) $7,500.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Guild of Authors and Composers).
D. (6) $1,600.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Imported Automobile Dealers Association.

A. William J. Colley, 1200 17th Street, NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Society of Association Executives).
D. (6) $2,600.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Association of Trial Lawyers of America).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Boating Industry Associations).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Chicago Board, Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Council of State Chambers of Commerce).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Energy Advances, Inc.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Association of Engine and Boat Manufacturers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Medical Care, Inc.).
D. (6) $1,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Reading Co.).

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Ad Hoc Committee For A Fair Natural Gas Policy, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
D. (6) $600. E. (9) $161.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.
D. (6) $1,395.32. E. (9) $1,356.22.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450.

A. Paul G. Collins, 1 Jackson Walkway, Providence, R.I. 02903.
B. New England Commercial Banking Caucus, 1 Jackson Walkway, Providence, R.I. 02903.
D. (6) $2,400. E. (9) $429.13.

A. Thomas B. Collins, 2031 Via Venice, Punta Gorda, Fla. 33950.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000. E. (9) $758.43.

A. Thomas B. Collins, 2031 Via Venice, Punta Gorda, Fla., 33950.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $464.34.

A. Robert B. Collyer, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

A. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.
D. (6) $723.50. E. (9) $723.50.

A. Committee for Public Advocacy, 1730 Rhode Island Avenue NW., Suite 600, Washington, D.C. 20036.
D. (6) $3,650.21. E. (9) $7,922.51.

A. Committee Urging Regulatory Reform for Efficient National Trucking (Current), 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
D. (6) $2,550. E. (9) $5,729.55.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,590,406.96. E. (9) $309,418.27.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $26,154.06. E. (9) $26,157.06.

A. Raymond F. Conkling, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $250. E. (9) $23.15.

A. Ross Conlin, Chessie System, 840 Washington Building, Washington, D.C. 20005.
B. Chessie System, Terminal Tower, Cleveland, Ohio 44101.
D. (6) $2,000. E. (9) $1,000.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $752.40. E. (9) $20.20.

A. John J. Connolly, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $900.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Conservative Victory Fund, 422 First Street SE., Washington, D.C. 20003.
D. (6) $40,509.22. E. (9) $29,543.97.

A. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $200.

A: Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
E. (9) $10,900.

A. Container Corporation of America, 1101 15th Street NW., No. 205, Washington, D.C. 20005.
B. Container Corporation of America, 1 First National Plaza, Chicago, Ill. 60607.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $362.64. E. (9) $33.90.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $302.50. E. (9) $57.80.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $785.40.

A. Charles M. Cooper, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $26.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Jesse D. Cooper, North Dakota Petroleum Council, P.O. Box 1395, Bismarck, N. Dak. 58501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $430. E. (9) $13.95.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Commitee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $2,500. E. (9) $824.24.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $7,500.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,500. E. (9) $1,032.60.

A. Darrell Coover, 1625 I Street NW., No. 1001, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $329.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,187. E. (9) $100.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Clean Air Act Motorcycle Amendments Committee, 33832 Violet Lantern, Dana Point, Calif. 92629.
D. (6) $5,000. E. (9) $93.41.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Frank G. Kingsley, 285 Canoe Road, New Cannan, Conn. 06840.
D. (6) $4,000. E. (9) $44.54.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $97.10.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $200.

A. John E. Cosgrove, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,526.80.

A. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $7,041.59. E. (9) $7,041.59.

A. Council for the Preservation of Worldwide Meetings, 1101 16th Street NW., Third Floor, Washington, D.C. 20036.
D. (6) $800. E. (9) $189.75.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $977. E. (9) $675.12.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $17,625. E. (9) $94.14.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $9,813.56. E. (9) $266.12.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Businessmen's Assurance Company of America, BMA Tower, 1 Penn Valley Park, Kansas City, Mo. 64141.
E. (9) $20.87.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $76.78.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.
E. (9) $33.13.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The May Department Stores Co., Sixth and Olive Streets, St. Louis, Mo. 63101.
E. (9) $60.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
E. (9) $157.68.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., Post Office Box 1537, Salisbury, Md., 21801.
E. (9) $143.33.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pineapple Growers Association of Hawaii, 1902 Financial Plaza of the Pacific, Honolulu, Hawaii 96813.
E. (9) $681.24.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pyramid Ventures Group, Inc., Post Offiec Box 1671, Morgan City, La. 70380.
D. (6) 15,000. E. (9) $199.58.

A Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., Post Office Box 1521, Houston, Tex. 77001.
E. (9) $255.70.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $28. E. (9) $28.

A. Carol A. Cowgill, 470 L'Enfant Plaza East, SW., Suite 3100, Washington, D.C. 20024.
B. American Academy of Family Physicians, 470 L'Enfant Plaza East, SW., Suite 3100, Washington, D.C. 20024.
D. (6) $500.01. E. (9) $159.18.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kan. 66222.
D. (6) $165. E. (9) $5.

A. William J. Cox, 1707 L Street NW., Suite 400, Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $13,474.12. E. (9) $5,451.46.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $349.14.

A. William D. Crawford, 400 First Street NW., No. 820, Washington, D.C. 20001.

B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. James R. Cregan, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $153.96.

A. P. H. Croft, American Short Line Railroad Association.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,050. E. (9) $1,189.52.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, American Textile Manufacturers Institute, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $1,500. E. (9) $64.03.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Barry M. Cullen.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $165. E. (9) $50.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $438. E. (9) $1,129.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.
E. (9) $8,817.

A. Lynn E. Cunningham, 2000 P Street NW., No. 410, Washington, D.C. 20036.
B. Florence Wagman Roisman, 2000 P Street NW., No. 410, Washington, D.C. 20036 (for Cooperative Services, Inc., 7404 Woodward, Detroit, Mich. 48202).
D. (6) $31.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $9,979.23. E. (9) $3,912.40.

A. Everett E. Cutter, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $15,558.61.

A. William K. Dabaghi, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $685. E. (9) $108.50.

A. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
E. (9) $1,008.63.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Tracy Danese, P.O. Box 013100, Miami, Fla. 33101.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
E. (9) $6.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $60.57. E. (9) $32.60.

A. Joan E. Dannenbaum, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $200.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $562.50. E. (9) $562.50.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $45.02. E. (9) $45.02.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Noncommissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $4,875. E. (9) $115.

A. Philip J. Daugherty, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washintgon, D.C. 20006.
D. (6) $3,882. E. (9) $211.54.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $192.40.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill 60603.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $670. E. (9) $189.37.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Charles W. Davis, 1 First National Plaza. No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,950. E. (9) $67.13.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $20.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $400.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co. of America, 1 East Wacker Drive, Chicago, Ill. 60601.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George R. Davis, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis, P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $450. E. (9) $780.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $1,560. E. (9) $135.36.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $2,500. E. (9) $341.51.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Federated Research Corp., 421 Seventh Avenue, Pittsburgh, Pa. 15219.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Florida Power and Light Co., P.O. Box 013100, Miami, Fla., 33101.
E. (9) $26.17.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Jockeys' Guild, Inc., 555 Fifth Avenue, New York, N.Y., 10017.
D. (6) $625. E. (9) $180.81.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Corporation for Housing Part-

nerships, 1133 15th Street NW., Washington, D.C.
D. (6) $1,082.81. E. (9) $23.37.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Life and Accident Insurance Co., et al., National Life Center, Nashville, Tenn. 37250.
D. (6) $256.25. E. (9) $15.66.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Charles W. Day, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $1,300. E. (9) $596.20.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. John Russell Deane, III, 1128 16th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
D. (6) $300.

A. Tony T. Dechant, P.O. Box 39251, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $34.92.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $245.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.
D. (6) $385. E. (9) $22.50.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $3517.50. E. $363.96.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recycled Paperboard Division of the Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $333. E. (9) $13.10.

A. Paul H. DeLaney, Jr., DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Cargill, Inc., Cargill Building, Minneapolis, Minn. 55402.
D. (6) $9,019.57 E. (9) $1,000.

A. Paul H. DeLaney, Jr., DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Continental Grain Co., Two Broadway, New York, N.Y. 10004.
D. (6) $5,402.76. E. (9) $1,000.

A. John L. Delano, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.
E. (9) $537.02.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $112.49.

A. John H. Denman, Missouri Oil Council, 208 Madison Street, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $259.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. William J. Dennis, Jr., 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $284.

A. Wells Denyes, Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $75. E. (9) $6.96.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors, and Publishers, 1 Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Flavor & Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., 1 Liberty Plaza, New York, N.Y. 10006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Xerox Corp., Stamford, Conn. 06904.

A. John P. Devers, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,050.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $275.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1776 F Street NW., Washington, D.C. 20006.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
D. (6) $7,671.40. E. (9) $814.43.

A. Ralph B. Dewey, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $5,692.50. E. (9) $2,790.72.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Krauss-Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany.
D. (6) $900. E. (9) $829.32.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Societe Nationale Industrielle Aerospatiale, 3 Boulevard de Montmorency, 75016 Paris, France.
D. (6) $18,707,32. E. (9) $18,707.32.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John M. Dickerman, John Dickerman & Associates, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber and Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $7,069.99. E. (9) $109.25.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Federated Investors, Inc., 421 Seventh Avenue, Pittsburgh, Pa. 15219.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.
D. (6) $500.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O., Box 516, St. Louis, Mo. 63166.
D. (6) $300. E. (9) $256.50.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,287.04. E. (9) $187.04.

A. Michael F. Dineen, Lumbermens Mutual Casualty Co., 1511 K Street NW., Washington, D.C. 20005.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $1,600.

A. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
E. (9) $2,287.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $65,995.47. E. (9) $65,995.47.

A. Dennis C. Dix, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $100. E. (9) $100.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $337.50. E. (9) $113.10.

A. Hollis M. Dole, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $225. E. (9) $250.

A. Dana B. Dolloff, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $350.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $5,000. E. (9) $19,460.72.

A. David D. Dominick, Cogswell, Chilson, Dominick & Whitelaw, 2510 Lincoln Center Building, Denver, Colo. 80203.
B. Cameron Engineers, Inc., 1315 South Clarkson Street, Denver, Colo. 80210.
D. (6) $3,240. E. (9) $1,948.05.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Gary W. Donnelly, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $28.67.

A. James A. Dorsch, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $236.25. E. (9) $96.51.

A. Richard Morgan Downey, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,000.01.

A. Shirley Downs, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,142. E. (9) $5,459.

A. Nancy Drabble, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, Washington, D.C. 20003.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,502. E. (9) $779.

A. Andrew Drance, Room 511, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $954.50. E. (9) $269.16.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Macmillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $1,550.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $230.

A. Lawrence M. Dubin, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,950. E. (9) $67.13.

A. Evelyn Dubrow, 1710 Broadway, New York City, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York City, N.Y. 10019.
D. (6) $5,385.90. E. (9) $3,378.78.

A. Morgan D. Dubrow, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Michael J. Duff, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $250.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250. E. (9) $400.

A. Robert A. DuLong, 1421 Peachtree Street NE., Suite 201, Atlanta, Ga. 30309.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,562.50.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th Street NW., Room 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. Dunnells, Duvall & Porter, 1220 19th Street NW., Suite 400, Washington D.C. 20036.
B. Savings Banks Association of New York State, 200 Park Avenue, New York, N.Y. 10017.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $520.

A. Richard O. Duvall, Zena Co., P.O. Box 338, South Plainfield, N.J. 07080.
B. Dunnells, Duvall & Porter, 1220 19th Street N.Y., Suite 400, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $39.94.

A. L. L. Duxbury, Burlington Northern, Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.
B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $1,750. E. (9) $1,972.90.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jean F. Dye, 12700 Lake Avenue, Cleveland, Ohio 44107.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $1,557.07.

A. Jack D. Early, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $612.65.

A. Robert E. Ebel, Enserch Energy, Inc., Suite 1206, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $1,047.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $23.40.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20036.
B. American Safety Belt Council, 271 North Avenue, New Rochelle, N.Y. 10801.
D. (6) $1,500. E. (9) $43.87.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Manufactured Housing Institute, P.O. Box 201—14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,250.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Insulation Contractors Association, 1120 19th Street NW., Suite 405, Washington, D.C. 20036.
D. (6) $500.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $500.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $9,375. E. (9) $9,886.17.

A. Edelman International Corp., 1730 Pennsylvania, Avenue NW., Washington, D.C. 20006.
B. Republic of Turkey, Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $21,300. E. (9) $12,367.01.

A. William R. Edgar, 1025 Connecticut Avenue NW., 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $2,261.53.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,250.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Navajo Nation, Window Rock, Ariz. 86515.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Portland General Electric Co., 621 Southwest Alder Street, Portland, Oreg. 97250.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12235, Memphis, Tenn. 38112.
D. (6) $437.50. E. (9) $109.84.

A. Charles E. Ehrhart, 1800 K Street NW., 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $144.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va.
B. Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $175.

A. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001.
E. (9) $21,268.44.

A. George K. Eliades, Imported Hardware Products Association, Inc., 1501 Wilson Boulevard, Suite 808, Arlington, Va. 22209.
B. Imported Hardware Products Association,, Inc., 1501 Wilson Boulevard, Suite 808, Arlington, Va. 22209.
D. (6) $233. E. (9) $350.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $132.96.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md.

A. Ruth Bowdey Elliott, 550 Quincy Street, Hyattsville, Md. 20784.
D. (6) $1,068.07. E. (9) $587.88.

A. Northcut Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Deepsea Ventures, Inc., Gloucester Point, Va. 23062.
D. (6) $6,000.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $23,988.56. E. (9) $27,251.81.

A. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $1172.73.

A. William Emerson, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio. 44117.
D. (6) $1,000.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $68.34.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $625.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Energy Action Committee, Inc., 1523 L Street NW., Washington, D.C. 20005.
D. (6) $7,558.39. E. (9) $15,377.64.

A. Gertrude Engel, 2450 Virginia Avenue, NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,950. E. (9) $329.16.

A. M. Dale Ensign, Husky Oil Co., 1625 Eye Street NW., Washington, D.C. 20006.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
E. (9) $179.95.

A. Grover W. Ensley, National Association of Mutual Savings Banks, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $923.08.

A. John L. Erickson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $623. E. (9) $973.50.

A. Jerry N. Ervin, P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. George T. Esherick, U.S. Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
B. U.S. Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $155. (9) $384.

A. David C. Evans, Suite 900, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Joseph O. Evans, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. D. (9) $50.

A. Vernon L. Evans, 1000 16th Street NW., Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $100.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn. 55440.
D. (6) $2,500. E. (9) $14.

A. Richard M. Fairbanks III, Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Robert J. Falasca, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $375.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,715. E. (9) $93.30.

A. Farmers' Educational & Co-Operative Union of America (National Farmers Union), P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $95,347.32. E. (9) $42,039.23.

A. Leonard B. Farrell, 1413 35th Street NW., Washington, D.C. 20007.
B. Institute of Electrical & Electronics Engineers, Inc., 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,687. E. (9) $515.70.

A. R. Roy Fausset, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $150.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $855.12. E. (9) $855.12.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500. E. (9) $4,500.

A. Arthur S. Fefferman, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Andrew A. Feinstein, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Stuart F. Feldman, 1730 Rhode Island Avenue NW., Suite 600, Washington, D.C. 20036.
B. Committee for Public Advocacy, 1730 Rhode Island Avenue NW., Suite 600, Washington, D.C. 20036.
D. (6) $5,968.20.

A. Stuart F. Feldstein, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,930.

A. Kenneth E. Feltman, 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,437.50.

A. Bernard Fensterwald, Jr., 1707 H Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $4,872.50 E. (9) $895.67.

A. Richard C. Fenton, 1707 H Street NW., Suite 901, Washington, D.C. 20006.
B. American Committee on U.S.-Soviet Relations, 122 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,000. E. (9) $342.92.

A. Barnard A. Feuerstein, 65 Brewster Road, Scarsdale, N.Y. 10583.
B. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017 (for Mia le Comte, et al., Box 113, Great Barrington, Mass. 01252).

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,213.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of B.C., 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $8,882.07. E. (9) $320.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Joint Committee of Printing & Publishing Industries of Canada, Suite 1001, 150 Ferrand Drive, Don Mills, Ontario M3C 1H6, Canada.
D. (6) $3,000. E. (9) $195.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $6,791.72.

A. Maurice W. Fillius, 5040 Lowell Street NW., Washington, D.C. 20016.
B. Bacardi Imports, Inc. 2100 Biscayne Boulevard, Miami, Fla. 33137; Castleton Beverage Corp., P.O. Box 26368, Jacksonville, Fla. 32218.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $209.

A. Luke W. Finlay, Jr., 5506 Pollard Road, Bethesda, Md. 20016.
B. Lawyers Co-Operative Publishing Co., Rochester, N.Y. 14603.

A. James W. Finley, Crown Zellerbach, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, One Bush Street, San Francisco, Calif. 94119.
E. (9) $250.

A. Frederick Finn, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $466. E. (9) $16.

A. Peter J. Finnerty, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $1,000. E. (9) $20.

A. Firearms Lobby of America. 325 Pennsylvania Avenue SE., Washington. D.C. 20003.
D. (6) $4,648.50. E. (9) $4,740.84.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $20.

A. Margaret Fitzgerald-Bare, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,750.

A. William J. Flaherty, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

A. James J. Flanagan, 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $1,188.81. E. (9) $670.29.

A. James F. Fleming, United Egg Producers, 991 National Press Building, Washington, D.C. 20045.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
D. (6) $1,000.

A. Carl J. Fleps, Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.
D. (6) $350. E. (9) $77.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C. 20003.
B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $4,017.20.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60600.
D. (6) $2,000. E. (9) $745.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Badger Meter, Inc., 4545 West Brown Deer Road, Milwaukee, Wis. 53223.
D. (6) $2,990. E. (9) $17.37.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corporation & Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $600.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $7,815. E. (9) $11.37.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $1,300.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Jos. Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53201.
D. (6) $400.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., et. al., 71 Broadway, New York, N.Y. 10006.
D. (6) $8,970. E. (9) $110.86.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association, St. Paul, Minn. 55101.
D. (6) $500. E. (9) $331.37.

A. Hubert V. Forcier, 1300 Northwestern Bank Building, Minneapolis, Minn. 55402.
B. The American Lutheran Church, 422 South Fifth Street, Minneapolis, Minn. 55415.
E. (9) $324.54.

A. Hubert V. Forcier, 1300 Northwestern Bank Building, Minneapolis, Minn.
B. Lutheran Welfare Services of Illinois, 4840 West Byron Street, Chicago, Ill. 60641.
E. (9) $297.28.

A. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. James W. Foristel, 1100 17th Street NW., Washington, D.C. 20036.
B. American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.
D. (6) $640.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. College of American Pathologists, 1775 K Street NW., Room 221, Washington, D.C. 20006.
D. (6) $1,400.

A. James W. Foristel, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hadley Memorial Hospital, 4601 Martin Luther King Avenue SW., Washington, D.C. 20032.
D. (6) $2,000.

A. Gerard J. Forney, 141 Battery Street, San Francisco, Calif. 94111.
B. Uranium Enrichment Associates, 141 Battery Street, San Francisco, Calif. 94111.
D. (6) $4,500. E. (9) $2,000.

A. John S. Forsythe, 1730 Pensylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $700. E. (9) $100.

A. Francis C. Fortune, 3211 South Leisure Boulevard, Silver Spring, Md. 20906.
E. (9) $25.90.

A. David H. Foster, 1025 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.
D. (6) $2,475. E. (9) $323.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.
D. (6) $3,382. E. (9) $2,364.83.

A. David E. Fox, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $262.50. E. (9) $89.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Frances E. Francis, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Suite 312, Washington, D.C. 20037.
B. Richmond Power & Light of the City of Richmond, Ind.
D. (6) $292.50.

A. Ron Frank, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $5.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,008.92. E. (9) $192.61.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $319. E. (9) $5.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,212.50.

A. Harry L. Freeman, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,593.75. E. (9) $35.75.

A. Pamela B. Freer, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $3,499.99. E. (9) $380.43.

A. David T. French, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $500. E.(9) $50.

A. George L. Frick, Delaware Oil Men's Association, 437 North DuPont Highway, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Border Patrol Council, Care of Richard Brannick, Route 2, Dexter, N.Y. 13634.
D. (6) $90.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $480. E. (9) $214.34.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $837.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Cheyenne River Sioux Tribe, Box 100, Eagle Butte, S. Dak. 57625.
E. (9) $33.35.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Hua'apai Tribe of Arizona, Peach Springs, Ariz.
E. (9) $9.58.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
D. (6) $240.60. E. (9) $48.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Nez Perce Tribe, Lapwai, Idaho.
D. (6) $675. E. (9) $15.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak. 57770.
E. (9) $112.35.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.
D. (6) $1,090. E. (9) $56.40.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Rosebud Sioux Tribe, Rosebud, S. Dak.
E. (9) $15.20.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salt River Pima Maricopa Indian Community, Route 1, Box 120, Scottsdale, Ariz.
D. (6) $62.50. E. (9) $6.65.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Seneca Nation of Indians, Box 231, Salamanca, N.Y. 14779.
E. (9) $25.35.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 S. Harwood, Dallas, Tex. 75201.
D. (6) $1,000. E. (9) $305.94.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $44,236. E. (9) $10,553.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $2,200.

A. Charles H. Fritzel, 1625 Eye Street NW., No. 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill.
D. (6) $1,500. E. (9) $125.

A. Cornelius F. Froeb, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $238.

A. Paul K. Frost II, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Vicki Love Frost, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,999. E. (9) $229.15.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. San Diego Gas & Electric Co, 101 Ash Street, San Diego, Calif. 92112.
D. (6) $1,800. E. (9) $302.27.

A. Terry Gabrielson, 470 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.
D. (6) $450. E. (9) $49.14.

A. James E. Gaffigan, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $253.86.

A. Norman S. Gaines, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $700. E. (9) $20.

A. Mark J. Gallagher, 1707 L Street NW., Suite 400, Washngton, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Steret NW., Suite 400, Washington, D.C. 20036.
D. (6) $6,841.17. E. (9) $1,192.47.

A. Peter N. Gammelgard, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Nicole Gara, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,750. E. (9) $2,215.

A. William B. Gardiner, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $10,000.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $1,238.41.

A. Paul Gardner, Jr., 2011 I Street NW., Washington, D.C. 20006.
B. Banque Nationale de Paris, 75450 Paris, France, Cedex 09.
D. (6) $5,580.

A. Dennis Garrison, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $15,087.10. E. (9) $1,877.76.

A. Gas Applicance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $870.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,125.

A. José A. Gemeil, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Stavisky & Associates, Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036 (for: Brazilian Coffee Institute, 767 Fifth Avenue, New York, N.Y. 10022).
D. (6) $500. E. (9) $8.

A. General Aviation Manufacturers Asso-

ciation, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
E. (9) $2,883.45.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
E. (9) $1,130.05.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $2,725. E. (9) $236.35.

A. Donald H. Gerrish, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Llewellyn H. Gerson, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $212.50. E. (9) $64.75.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $1,171. E. (9) $50.

A. Anne Marie Gibbons, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $400.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $115. E. (9) $80.34.

A. Norma J. Gilbert, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,200.

A. Don Gilchrist, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Association of Home Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Arthur P. Gildea, Holiday Park East, Suite 428–432, 801–B West 8th Street, Cincinnati, Ohio 45203.
B. National Conference of Brewery & Soft Drink Workers, International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, Affiliate, 300 South Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Mark W. Gillaspie, P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,565.

A. Dave Givens, 916 Nashville Trust Building, Nashville, Tenn. 37201. Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
E. (9) $550.

A. Glass Packaging Institute, 1800 K Street NW., Suite 400, Washington, D.C. 20006.

A. Vernie R. Glasson III, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (5) $3,312. E. (9) $16.

A. George L. Gleason, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $687.50. E. (9) $19.16.

A. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
E. (9) $271.17.

A. Horace D. Godfrey, 918 16th Street NW., Suite 500, Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
D. (6) $312.50. E. (9) $271.17.

A. Harvey S. Gold, Velsicol Chemical Corp., 910 17th Street NW., Suite 1000, Washington, D.C. 20006.

A. Howard S. Goldberg, 1227 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. for: Aerospatiale, 37 Boulevard de Montmorency 75016 Paris, France.)

A. Alfonso J. Gonzalez, 1425 H Street NW., Suite 600, Washington, D.C. 20005.
B. NASW, 1425 H Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $6,415. E. (9) $6,815.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $1,200.

A. Don A. Goodall, 1625 I Street NW., Suite 514, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $162.50. E. (9) $48.15.

A. Charles E. Goodell, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for: Aerospatiale, 37 Boulevard de Montmorency. 75016 Paris, France).

A. Vance V. Goodfellow, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 4th Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $8,000.01.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Hecon Corp., Flextime Division, 31 Park Road, Tinton Falls, N.J. 07724.

A. Gould, Reichert & Strauss, 2613 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, et al., Box 1336, Cristobal, C.Z.
D. (6) $5,000. E. (9) $1,000.

A. Donald E. Graham, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $2,725. E. (9) $157.

A. Lawrence T. Graham, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $211.54.

A. Allan Grant, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,175.

A. John F. Grant, 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, 1730 North Lynn Street, Arlington, Va. 22209.
D. (6) $1,900.08. E. (9) $437.30.

A. Wm. W. Grant, Utah International Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.
B. Utah International Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $312.42.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $942. E. (9) $25.

A. Robert K. Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,650.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
E. (9) $20.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $625. E. (9) $124.66.

A. Alan J. Greenwald, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $49.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.
E. (9) $670.46.

A. Claiborne D. Gregory, Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Ave., New York, N.Y. 10022.
D. (6) $4,000. E. (9) $433.77.

A. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Wesley E. Gross, 604 Portland Building, 200 West Broadway, Louisville, Ky.
B. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
D. (6) $150.

A. Frank N. Grossman, The Atchison, Topeka and Santa Fe Railway Co., 1100 Connecticut Avenue NW., Suite 840, Washington, D.C. 20036.
B. The Atchison, Topeka and Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $2,000. E. (9) $300.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.
B. WEMA, 2600 El Camino Real, Palo Alto, Calif. 94306.
D. (6) $3,000. E. (9) $329.17.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $724.98. E. (9) $178.

A. C. James Hackett, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Paul R. Haerle, Thelen, Marrin, Johnson & Bridges, 2 Embarcadero Center, No. 2200, San Francisco, Calif. 94111.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. Hy-Gain Electronics Corp., 100 North 56th Street, Lincoln, Nebr. 68505.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. The Williams Cos., National Bank of Tulsa Building, Tulsa, Okla. 74103.

A. Paul Hallisay, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,050. E. (9) $1,112.18.

A. Morris G. Hallock, South Dakota Petroleum Council, Division of API, Post Office Box 669, Pierre, S. Dak. 57501.
B. American Petroleum Institute, 2101 L. Street NW., Washington, D.C. 20037.

A. Jerald Vinson Halvorsen, Allied-General Nuclear Services, 2120 L Street, NW., Suite 245, Washington, D.C., 20037.
B. Allied-General Nuclear Services, Post Office Box 847, Barnwell, S.C. 29812.

A. Newman T. Halvorson, Jr., 888 16th Street NW., Washington, D.C. 20006.
B. Trustees of the Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.
D. (6) $3,500. E. (9) $55.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $100. E. (9) $50.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Freda R. Caspersen, Post Office Box 595, Venice, Fla. 33595.
E. (9) $100.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga.
D. (6) $500. E. (9) $50.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Philip W. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for: National Labor-Management Foundation, Louisville, Ky.).
E. (9) $11.05.

A. Theodore J. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for: U.S. Industrial Council, Nashville, Tenn.).
D. (6) $750. E. (9) $15.82.

A. Thomas A. Hammer, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,813. E. (9) $56.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,478. E. (9) $138.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $433.77.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $426. E. (9) $20.

A. Christopher G. Hankin, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $24.50.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., No. 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Dave Harbour, Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $500.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $250. E. (9) $162.58.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C., 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2.75.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $613. E. (9) $188.

A. William J. Hargett, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,875. E. (9) $804.

A. Bryce L. Harlow, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $51. E. (9) $194.

A. Bryce N. Harlow, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45302.
D. (6) $576.50. E. (9) $614.81.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $60. E. (9) $42.50.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $600. E. (9) $200.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $661.08. E. (9) $42.80.

A. Godfrey Harris, 9200 Sunset Boulevard, Suite 404, Los Angeles, Calif. 90069.
B. Embassy of the Republic of Panama, 2862 McGill Terrace NW., Washington, D.C. 20008.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $418.75. E.(9) $10.64.

A. Walter D. Harris, TRW Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $238.

A. Rita M. Hartz, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 18th Street NW., Washington, D.C. 20036.

D. (6) $6,923.10. E. (9) $526.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Sidney G. Hawkes, the Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $1080.

A. John H. Hawkins, Jr., 600 North 18th Street, Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
D. (6) $2,125. E. (9) $4,940.54.

A. Paul M. Hawkins, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $6.21. E. (9) $6.21.

A. Bruce R. Hawley, American Farm Bureau Federation, 425–13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,812. E. (9) $46.

A. Carl F. Hawver, 1000–16th Street NW., Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $500.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa., 15222.
D. (6) $5,972.99. E. (9) $1,591.

A. Patrick J. Head, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill.
D. (6) $48. E. (9) $150.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $8,327.64. E. (9) $8,327.64.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $110.08. E. (9) $110.08.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $431.25. E. (9) $48.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc. 1346 Connecticut Avenue, NW., Washington, D.C. 20036.

A. William H. Hecht, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc. 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $600.

A. Robert E. Heggestad, 2203 California Street NW., Washington, D.C. 20008.
B. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,208. E. (9) 38.75.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $6,333.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. Spencer H. Heine, Montgomery Ward & Co., Inc., 1101 15th Street, NW., No. 205, Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $37.50. E. (9) $150.

A. Phil D. Helmig, 410 E. College Street, Roswell, N. Mex. 88201.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Leslie P. Hemry, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America Inc., 1750 K Street, NW., Washington, D.C.

A. Richard Dean Henderson, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. Robert C. Hendon, Consolidated Freightways, Inc., 6845 Elm Street, Suite 608, McLean, Va. 22101.
B. Consolidated Freightways, Inc., 601 California Street, San Francisco, Calif. 94108.
E (9) $1,049.11.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $242.60.

A. George F. Hennrikus, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street, NW., Washington, D.C. 20006.
D. (6) $3,054.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
E. (9) $1,512.37.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $2730. E. (9) $1232.92.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for D.C., Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $89.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $12,275. E. (9) $485.06.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $670. E. (9) 189.37.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,950. E. (9) $67.13.

A. Paul T. Hicks, c/o R. I. Petroleum Association, A Division of A.P.I., 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $75. E. (9) $40.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A. and Mellon National Corporation, Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $763.94.

A. Catherine J. Hill, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Counsel Associates, 421 New Jersey Avenue, SE., Washington, D.C. 20003.
D. (6) $1,000. E. (9) $750.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. J. Eldred Hill, Jr., UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $2,000. E. (9) $2,000.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, Inc., P.O. Box 592055, AMF, Miami, Fla. 33159.
D. (6) $1,100. E. (9) $50.

A. Kathryn Hilton, 918–16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,375. E. (9) $12.

A. Robert Hitzhusen, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,625. E. (9) $25.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $573.66.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., 9th Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Howard E. Hoelter, Illinois Petroleum Council, A Division of API, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $172. E. (9) $17.76.

A. Glen D. Hofer, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1120 20th Street NW., Washington, D.C.
D. (6) $2,160. E. (9) $257.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30/32 St. Mary Ave, London EC3A 8ET, England.
D. (6) $1,065. E. (9) $68.75.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
D. (6) $1,315. E. (9) $96.70.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Guam Power Authority, Agana, Guam.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
E. (9) $14.20.

A. Izetta B. Hoge, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Thomas P. Holley, 1625 I Street NW., Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $90.84.

A. Henry W. Holling, 100 NE. Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.
D. (6) $724. E. (9) $1,277.

A. Thomas D. Holman, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,790.

A. Eric Holmes, Jr., Petroleum Council of Georgia, a Division of API, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Dr., Chicago, Ill.
D. (6) $1,187.50.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $28.30.

A. Wayne K. Horiuchi, Japanese American Citizens League, 1730 Rhode Island Avenue NW., No. 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $687.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Michael E. Horrell, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $705. E. (9) $40.38.

A. Charles A. Horsky, 888 16th Street NW., Washington, D.C. 20006.
B. Trustees of the Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.
D. (6) $7,425. E. (9) $30.

A. Douglass C. Horstman, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co., Northern Textile Association, National Knitted Outerwear Association.
D. (6) $4,000. E. (9) $600.

A. John F. Horty, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.
B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Suite 312, Washington, D.C. 20037.
B. Richmond Power & Light of the City of Richmond, Ind.
D. (6) $1,058.75. E. (9) $160.07.

A. Craig Hosmer, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $2,700. E. (9) $170.70.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th floor, Washington, D.C. 20036.
B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md. 21620.
D. (6) $1,677.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th floor, Washington, D.C. 20036.
B. Committee for Protection of American Trade, 1735 I Street NW., Suite 616, Washington, D.C.
D. (6) $828.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th floor, Washington, D.C. 20036.
B. Quileute Tribe of Indians, P.O. Box 1587, La Push, Wash. 98350.
E. (9) $1,203.

A. Thomas B. House, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Mary Greer Houston, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C.
D. (6) $250.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $5,250.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Ill. 60501.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Paul N. Howell, Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.
D. (6) $1,200. E. (9) $942.59.

A. Charles L. Huber, Disabled American Veterans, 807 Main Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $4,821. E. (9) $30.52.

A. James C. Hughes, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Sammons Enterprises, Inc., 403 South Akard, Dallas, Tex. 75202.
D. (6) $300. E. (9) $30.

A. Nancy R. Huheey, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $660.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. James Floyd Humphreys, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,333.

A. Keith R. Hundley, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98402.
D. (6) $600. E. (9) $46.40.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100. E. (9) $120.43.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $7,976.15. E. (9) $1,991.42.

A. Joan L. Huntley, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $187.20.

A. Hunton & Williams, c/o George C. Freeman, Jr., P.O. Box 1535, Richmond, Va. 23212.
B. National Association of Electric Companies, 1140 Connecticut Avenue, NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $1,500.

A. John Edward Hurley, 1101 New Hamp-

shire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $125.

A. Raymond D. Hurley, Suite 1010, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. E. Hamilton Hurst, 2901 Butterfield Road, Oak Brook, Ill. 60521.
B. Nalco Chemical Co., 2901 Butterfield Road, Oak Brook, Ill. 60521.

A. Dewey M. Hutchins, Jr., Eastman Kodak Co., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Kodak Co., 343 State Street, Rochester, N.Y. 14650.
D. (6) $230. E. (9) $96.28.

A. Philip A. Hutchinson, Jr.; 475 L'Enfant Plaza SW., Suite 2450; Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $200. E. (9) $25.

A. Hydeman, Mason & Goodell, 1220 19th Street NW., Suite 700, Washington, D.C. 20036.
B. Atlantic Container Line, GIE, Overlie House, Southampton, England.
E. (9) $41.20.

A. David C. Hyer, c/o Ohio Petroleum Council, A Division of API, 88 East Broad Street, Columbus, O. 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. F. N. Ikard, 2101 L Street, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street, Washington, D.C. 20037.
D. (6) $3,042. E. (9) $793.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $525.

A. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,018. (9) $1,018.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $12,607.46.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $9,638.64. E. (9) $9,638.64.

A. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $7,045.93.

A. International Brotherhood of Painters & Allied Trades, AFL–CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $1,381.02.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $22,650.40.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $179,117. E. (9) $179,117.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $4,032.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $11,820.53. E. (9) $7,806.88.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Joseph A. Jeffrey, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $120.90.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20004.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.

A. Linda Jenckes, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Asociation of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. James Courtney Jennings, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. W. Pat Jennings, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $2,500. E. (9) $1,717.94.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $74.73.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Guy E. Jester, 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63121.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $80.

A. Bob Johnson, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,031.25. E. (9) $185.

A. Bruce T. Johnson, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,308. E. (9) $3,889.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institue, 2101 L Street NW., Washington, D.C. 20037.

A. John Paul Johnson, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $8,531.28. E. (9) $2,692.64.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Rady A. Johnson, 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $2,384.60. E. (9) $18.54.

A. Reuben L. Johnson.
B. Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo., 1012 14th Street NW., Washington, D.C.
D. (6) $6,461.56. E. (9) $148.97.

A. Spencer A. Johnson, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $300.

A. Stanley L. Johnson, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $90.

A. James D. Johnston, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $2,771.86.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,016.50.

A. Charlie W. Jones, 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $350.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.
E. (9) $50.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Metropolitan Life Insurance Co., 1 Madison Avenue, New York, N.Y. 10010.
E. (9) $200.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, P.O. Box 81185, San Diego, Calif. 92138.
E. (9) $862.88.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
E. (9) $50.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stackpole Hall Foundation, St. Mary's, Pa.
E. (9) $50.

A. H. Daniel Jones III, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $520. E. (9) $28.32.

A. James E. Jones, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,075.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $8.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $10,252.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $6,500. E. (9) $245.50.

A. Brenda Joyce, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $200.

A. Robert E. Juliano, Hotel and Restaurant Employees & Bartenders International Union, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel and Restaurant Employees & Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $7,500. E. (9) $6,271.49.

A. Fritz R. Kahn, 9209 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $9.75.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $68.34.

A. Everett E. Kavanaugh, 1133 15th Street NW., Washington, D.C. 20005.
B. Cosmetic, Toiletry & Fragrance Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $100.

A. William J. Keating, 725 15th Street NW., Room 500, Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.

A. Keck, Cushman, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $665. E. (9) $1,048.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Jefferson D. Keith, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $9,000. E. (9) $2,005.

A. Paul J. Kelley.
B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
E. (9) $3,000.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. George Kelm, 1 First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. Thomas J. Kenan, George, Kenan, Robertson & Lindsey, 1000 Fidelity Plaza, Oklahoma City, Okla. 73102.
B. Coquina Oil Corp., P.O. Drawer 2690, Midland, Tex. 79701.
E. (9) $2,910.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $137.70.

A. Robert T. Kenney, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al., 1461 West 16 Place, Yuma, Ariz. 85364.
E. (9) $5.

A. Thomas P. Kerester, Coopers & Lybrand, 1800 M Street NW., Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Ct. 06830.
D. (6) $375.

A. Thomas P. Kerester, Coopers & Lybrand, 1800 M Street NW., Washington, D.C. 20036.
B. The Balcor Co., One Concourse Plaza, 4711 Golf Road, Skokie, Ill. 60076.
D. (6) $225.

A. Thomas P. Kerester, Coopers & Lybrand, 1800 M Street NW., Washington, D.C. 20036.
B. Wolfe Pecanlands, Inc., Box 811, Stephenville, Tex. 76401.
D. (6) $262.50.

A. Daniel L. Kiley, 8 North Jefferson Street, Roanoke, Va. 24042.
B. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $1,882.22. E. (9) $1,085.34.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $82.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,729.89.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Automatic Phonograph Manufacturers, et al., Rowe International, Inc., 75 Troy Hills Road, Whippany, N.J. 07981.
D. (6) $1,962. E. (9) $20.20.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Ralph W. Kittle, Room 700, 1620 I Street NW., Washington, D.C. 20006.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $827. E. (9) $212.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
E. (9) $270.

A. Andrew Kneier, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,200.01.

B. American Gas Association, 1515 Wilson Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $236.29. E. (9) $15.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $200.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $4,000. E. (9) $640.16.

A. Ruth E. Kobell.
B. Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $2,865.40. E. (9) $166.16.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.50.

A. George W. Koch, 1425 K Street NW., Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.
D. (6) $70.02.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc. 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $31.52.

A. Robert M. Koch, Jr., 3251 Old Lee Highway, Suite 501, Fairfax Va. 22030.
B. National Limestone Institute, Inc.,3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $29.72.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. John T. Korsmo, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. Kenneth S. Kovack, United Steelworkers of America, 815 Sixteenth Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,972.99. E. (9) $1,987.75.

A. Michael J. Kowalsky, 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $6,692.28.

A. Mylio S. Kraja, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,695. E. (9) $1,551.

A. Amos Kramer, Kansas Petroleum Council, Suite 1414, Merchants National Bank Building, Topeka, Kans. 66612.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $412.28.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.

A. Raymond R. Krause, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $384.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Richard W. Kreutzen, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $127.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $853. E. (9) $29.

A. Anthony L. Kucera, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $500.

A. Philip Kugler, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,427.89.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $9,120. E. (9) $1,175.61.

A. Thomas R. Kuhn, 1750 K Street NW., Suite 300, Washington, D.C.
B. Americal Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $950. E. (9) $81.52.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $137.30.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $13,022. E. (9) $9,920.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $21,288.46.

A. Edward J. Lachowicz, Garfield House, Apt. 600, 2844 Wisconsin Avenue NW., Washington, D.C. 20007.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
E. (9) $50.

A. Philip A. Lacovara, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $7.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $631.

A. David P. Lambert, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $250.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Ray, Calif. 90291.
D. (6) $1,128.05. E. (9) $74.15.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Sportsmans Paradise Homeowners Association, P.O. Box 278, Blythe, Calif. 92225.
D. (6) $216.60. E. (9) $26.

A. Lane and Edson, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
B. Ad Hoc Coalition for Low and Moderate Income Housing, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
D. (6) $11,966.66.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $1,154.20.

A. Richard G. Larsen, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ernst & Ernst, 1225 Connecticut Avenue NW., Washington, D.C. 20036 (for Ling-Temco-Vought, Inc.).

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. Glenn T. Lashley, D.C. Division, American Automobile Association, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. D.C. Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Latham & Watkins, 555 South Flower Street, Los Angeles, Calif. 90071.
B. James L. Walker, S. T. Timmons, William Rapien, and Russell K. Kendall, c/o 6315 Bandini, City of Industry, Calif. 90040.
E. (9) $986.10.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,000. E. (9) $350.

A. Delmar Dale Lawson, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,703.60. E. (9) $750.03.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Robert W. Lee, The John Birch Society, 1028 Connecticut Avenue NW., 1004, Washington, D.C. 20036.
B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. Michael L. Lehrman, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc. (for Aerospatiale 37 Boulevard de Montmorency 75016 Paris, France), 1225 19th Street NW., Washington, D.C. 20036.

A. Michael L. Lehrman, 3012 Cortland Place NW., Washington, D.C. 20008.
B. The Plessey Co., Ltd., Ilford, Essex, England.
E. (9) $1,710.

A. Richard J. Leighton, Vorys, Sater, Seymour & Pease, 1701 K Street NW., Suite 800, Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.
D. (6) $1,266. E. (9) $3,474.21.

A. Gilbert LeKander, 910 17th Street NW., Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Box 3727, Spokane, Wash. 99220.
D. (6) $450.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $809.58.

A. Earl T. Leonard, Jr., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $150. E. (9) $127.30.

A. Donald Lerch & Co., Inc., 1030 15 Street NW., Washington, D.C. 20005.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald Lerch & Co., Inc., 1030 15 Street NW., Washington, D.C. 20005.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Herbert J. Lerner, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ernst & Ernst (for Ling-Temco-Vought, Inc.), 1225 Connecticut Avenue, Washington, D.C. 20036.

A. Gilbert B. Lessenco, 2021 L Street NW., Washington, D.C. 20036.
B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.
D. (6) $1,550.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D.(6) $1,333.66.

A. Leva, Hawes, Symington, Martin & Oppenheimer, Kenneth I. Schaner and John S. Hoff, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of Community Hospitals (CCH), 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $1,000.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $550.

A. David Lewis, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $73.04. E. (9) $68.77.

A. Fielding H. Lewis, 176 Garth Road, Scarsdale, N.Y.
B. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.
D. (6) $3,461.52.

A. Robert G. Lewis.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $1,852.31. E. (9) $35.26.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
B. Association of Reserve City Bankers.
D. (6) $200.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $650. E. (9) $75.

A. Lester W. Lindow, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Wendell G. Lindsay, Jr., 9181 Interline Avenue, Suite 310, Baton Rouge, La. 70809.
B. PVF, Inc., P.O. Box 1711, Baton Rouge, La. 70821.
D. (6) $448. E. (9) $74.61.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. County of Baltimore, 111 West Chesapeake Avenue, Towson, Md. 21204.
D. (6) $1,200. E. (9) $50.23.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $363.84 E (9) $27.20.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $807.30. E. (9) $60.34.

A. Ron M. Linton, 1015 18th Street NW, Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $9,193.92. E. (9) $1,726.12.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $1,091.25. E (9) $81.56.

A. Ron M. Linton, 1015 18th Street NW., Washington, D.C. 20036.
B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $218.70. E. (9) $16.34.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $7,500. E. (9) $387.87.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $2,656.35. E. (9) $198.54.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Michigan Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $883.35. E. (9) $66.03.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $1,514.94. E. (9) $113.24.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $1,464.30. E. (9) $109.44.

A. Charles B. Lipsen, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $2,000.

A. Charles B. Lipsen, 6414 Earlham Drive, Bethesda, Md. 20034.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $470.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $375. E. (9) $130.82.

A. E. F. Livaudais, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $200.

A. H. Richard Lloyd, Jr., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Harold D. Loden, 1030 15th Street NW., Washington, D.C.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $700.

A. Nils Lofgren, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Nellie L. Longsworth, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
B. Preservation Action, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
D. (6) $3,830. E. (9) $2,923.04.

A. Edward J. Lord, National Legislative Commission, 1608 K Street NW., Washington, D.C. 20006.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,747. E. (9) $413.07.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $600. E. (9) $200.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. James Rowland Lowe, Jr., Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $5,000. E. (9) $150.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,480.54.

A. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. McNamara Construction of Manitoba, Ltd., 255 Consumers Road, Willowdale, Ontario, Canada.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $2,275.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 2006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101; 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $7,500. E. (9) $1,463.73.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D (6) $300. E. (9) $12.82.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
D. (6) $650. E. (9) $62.64.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. Lusk-Evans Ltd., 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,490. E. (9) $14,214.88.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. James H. Mack, 7901 Westpark Drive, McLean, Va., 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va., 22101.
D. (6) $622.50. E. (9) $500.

A. Duncan H. MacKenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $518. E. (9) $318.54.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $3,750. E. (9) $4,574.60.

A. J. Jerome Madden, Suite 1200, 1030 15th Street NW., Washington, D.C. 20005.
B. Eli Lilly & Co., 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $7,000. E. (9) $800.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $613.80.

A. Harry J. Maginnis, 8401 Connecticut Avenue, Chevy Chase, Md. 20015.
B. Prentice-Hall, Englewood Cliffs, N.J.
E. (9) $35.

A. John Mahoney, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $802.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C.
D. (6) $300. E. (9) $35.

A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,195.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $375. E. (9) $12.50.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $706.04.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. Marine Engineers' Beneficial Association, AFL–CIO District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.
D. (6) $2,097.59. E. (9) $587.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washton, D.C. 20036.
E. (9) $350.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $84.45.

A. Mike Manatos, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. Procter & Gamble Manufacturing Co., 301 East Sixth St., Cinn., Ohio 45203.
D. (6) $103.35. (9) $103.35.

A. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $1,754.25. E. (9) $1,754.25.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.
E. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D (6) $1,050. E. (9) $8.75.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. March For Life Inc., P.O. Box 2950, Washington, D.C. 20013.
D. (6) $8,747.88. E. (9) $15,965.10.

A. Carl Marcy, 122 Maryland Avenue NE., Washington, D.C. 20002.
B. American Commission on United States-Soviet Relations.
D. (6) $900.

A. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
E. (9) $9,786.64.

A. Thomas P. Marinis, Jr., 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Build-

ing, Houston, Tex. 77002 (for Waterwood Improvement Association, 4400 East Broadway Boulevard, Box S626, Tucson, Ariz. 85703.
D. (6) $1,715. E. (9) $57.15.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $253.02.

A. Rodney W. Markley, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.

A. Matthew J. Marks, Prather, Seeger, Doolittle, Farmer, & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Heterochemical Corp., 111 E. Hawthorne Avenue, Valley Stream, Long Island, N.Y. 11580.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Edwin E. Marsh, 336 Southern Building, 805 15th Street NW., Washington, D.C. 20005.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $5,227.26. E. (9) $600.16.

A. Jeremiah Marsh, 1 First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. Union Bank of Bavaria, 1 First National Plaza, Suite 4454, Chicago, Ill. 60603.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $190.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $439.17. E. (9) $350.75.

A. M&I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Katherine E. Martin, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $93.42. E. (9) $70.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500. E. (9) $200.

A. Steven A. Martindale, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,840.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $72.31.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $68.34.

A. Mike M. Masaoka, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Thomas P. Mason, Jr., 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $116.28.

A. Cliff Massa III, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. David Masselli, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. P. H. Mathews, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $1,973.40. E. (9) $475.19.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C.
B. National Ocean Industries Association, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $2,250. E. (9) $241.41.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $404.79.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvnia Street, Indianapolis, Ind.
D. (6) $5,043. E. (9) $315.

A. Robert R. Mattson, 200 East Randolph Drive, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $260. E. (9) $334.23.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.
D. (6) $412.50. E. (9) $140.

A. Anthony F. Mauriello, c/o N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Thomas H. Maxedon, Kentucky Petroleum Council, 4010 Dupont Circle, Suite 469, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $410. E. (9) $8.57.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 502, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $7,878. E. (9) $790.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $42.50.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica, 425 N. Michigan Avenue, Chicago, Ill. 60611.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica Educational Corp., 425 N. Michigan Avenue, Chicago, Ill. 60611.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Santee River Cypress Lumber Co. & Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.
D. (6) $165.

A. H. Wesley McAden, Cook Industries, Inc., 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. Cook Industries Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. F. Stephen McArthur, 1341 G Street, No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street, No. 908, Washington, D.C. 20005.
D. (6) $3,750.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4.500. E. (9) $231.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. John A. McCart, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,320.78.

A. McClure & Trotter, 1100 Connecticut

Avenue NW., Suite 600, Washington, D.C. 20036.
B. Avon Products, Inc., No. 9 West 57th Street New York, N.Y. 10019.
E. (9) $8.10.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.
E. (9) $69.84.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.
E. (9) $29.81.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., 1 Gulf & Western Plaza, New York, N.Y. 10023.
E. (9) $240.80.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
E. (9) $160.87.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry and Jefferson Streets, Montgomery, Ala. 35102.
E. (9) $19.65.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Tidewater Marine Service, Inc., 3308 Tulane Avenue, New Orleans, La. 70110.
E. (9) $21.54.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.
E. (9) $20.76.

A. John L. McConnell, New York Stock Exchange, Inc., 1800 K Street NW., Suite 1100, Washington, D.C. 20006.
B. New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y. 10005.
D. (6) $1,200. E. (9) $245.

A. James T. McCorkle.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,125. E. (9) $5.

A. Wayne McCormack, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $200.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 819 Railway Labor Building, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, Apartment 699, Arlington, Va. 22209.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Apartment 699, Arlington, Va. 22209.

A. Albert L. McDermott, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $560.25.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Bankers Life & Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.
D. (6) $3,973. E. (9) $245.48.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $670. E. (9) $189.37.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,950. E. (9) $67.13.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $20.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees Under Will of Warren Wright, c/o First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. United Insurance Co. of America, 1 Wacker Drive, Chicago, Ill. 60601.

A. Robert C. McDiarmid, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 1400 Coleman Avenue, Santa Clara, Calif.
E. (9) $8.

A. Jack McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald, Associates, 6845 Elm Street, McLean, Va. 22101 (for Lear Siegler, 3171 South Bundy Drive, Santa Monica, Calif. 90406).
D. (6) $1,500.

A. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $6,000. E. (9) $3,225.

A. James McDonald, 6845 Elm Street, Suite 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, McLean, Va. 22101 (for Lear Siegler, 3171 South Bundy Drive, Santa Monica, Calif. 90406).
D. (6) $1,500.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. Montana Power Co., Butte, Mont. 59701.

A. Michael B. McFarland, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $575. E. (9) $40.62.

A. Linda S. McFarlin, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $8,637.60.

A. Peter E. McGuire, National Association of Retired and Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired and Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kan. 66010; Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., No. 304, Washington, D.C. 20006; International Confederation of Police Associations, 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $800. E. (9) $800.

A. John J. McHale, Jr., 3146 Q Street, Washington, D.C. 20007.
B. Consolidated Rail Corporation, P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,500.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $952.75.

A. Lyn R. McIntosh, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $231.25. E. (9) $7.46.

A. Robert McIntyre, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. James D. McKevitt, 490 L'Enfant Plaza East, Suite 3206, Washington, D.C.
B. National Association of Women's & Children's Apparel Salesmen (NAWCAS), Palisades Building, 515 Peachtree, Atlanta, Ga. 30309.
D. (6) $2,000. E. (9) $355.

A. James D. McKevitt.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $5,500. E. (9) $186.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.
D. (6) $100. E. (9) $42.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $3,963.84. E. (9) $4,710.35.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.
E. (9) $250.

A. William F. McManus, 777 14th Street NW., Washington, D.C.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $700. E. (9) $435.

A. C. W. McMillan, 425 13th Street NW., Suite 1020. Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Bernard McMonigle, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Sheet Metal Workers' International Association, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al., 12 South 12th Street, Philadelphia, Pa. 19107.
D. (6) $26,249.97. E. (9) $1,719.12.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006. Washington, D.C.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C.
D. (6) $6,300. E. (9) $248.26.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Suite 500, Washington, D.C. 20036.
D. (6) $2,200. E. (9) $150.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, 4 Financial Center, Wichita, Kans. 67202.
D. (6) $2,800. E. (9) $150.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $589.67.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $270. E. (9) $12.71.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, Professional Society, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $550.

A. Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
E. (9) $55.42.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $255.

A. Marilee Menard, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. John A. Merrigan, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $1,800. E. (9) $50.

A. Lawrence C. Merthan, Carpet & Rug Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Carpet & Rug Institute, Dalton, Ga. 30720.
D. (6) $1,250. E. (9) $359.01.

A. Nancy S. Metler, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $47.50.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $549.

A. Samuel S. Michaels, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $1,641.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $505.99. E. (9) $1,592.60.

A. Roy H. Millenson, 1707 L Street NW., Room 480, Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $130.

A. A Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. Alaska Federation of Natives, International, 133 Queen Ann Avenue North, Seattle, Wash. 98109.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Columbia Gas System, Inc., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $250. E. (9) $22.95.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $3,300. E. (9) $54.52.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pacific Lighting Corp., Box 60043, Terminal Annex, Los Angeles, Calif. 90054.
D. (6) $1,350. E. (9) $123.02.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $700. E. (9) $15.21.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $32.58.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf Inc., New York, N.Y.
D. (6) $375. E. (9) $384.21.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
D. (6) $8,680.02. E. (9) $94.54.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co., George A. Hormel & Co.
D. (6) $600. E. (9) $50.

A. Luman G. Miller, 620 SW. Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 SW. Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $155.66.

A. John F. Mills, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $150.

A. Linda Mills, 1629 K Street NW., Suite 403, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 "I" Street NW., Washington, D.C.
B. Georgia-Pacific Corp., 900 SW., Fifth Avenue, Portland, Oreg. 97204.
E. (9) $278.00.

A. Phillip W. Moery, 1110 Marion Drive, Wynne, Ark. 72396.
B. Riviana Foods, Inc., 2777 Allen Parkway, Houston, Tex. 77019.

A. Graham T. T. Molitor, 1629 K Street NW., Suite 403, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
E. (9) $721.46.

A. John Moller, Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. John S. Monagan, Suite 1010, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Benrus Corporation, Benrus Center, Ridgefield, Conn. 06877.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Chester Bank; Chester Savings Bank, Chester, Conn. 06411.
D. (6) $5,000. E. (9) $17.20.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Suite 1010, Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $752.40. E. (9) $20.20.

A. John S. Monagan, Suite 1010, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Shimano American Corp., 1133 Avenue of the Americas, New York, N.Y. 10036.

A. Michael Monroney, TRW Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C. 20005.
D. (6) $85.50. E. (9) $150.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $113.72. E. (9) $83.17.

A. O. William Moody, Jr., 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,023.61.

A. Alan J. Moore, Atchison, Topeka & Santa Fe Railway Co., 1100 Connecticut Avenue., Suite No. 840, Washington, D.C. 20036.
B. Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $300.

A. Moore-McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn. 06901.
E. (9) $4,084.

A. Powell A. Moore, 1155 15th Street NW., Washington, D.C. 20005.
B. Associated Gas Distributors, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $37.50.

A. E. Joyce Morgan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Earl J. Morgan, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., Post Office Box 516, St. Louis, Mo. 63166.
D. (6) $600. E. (9) $315.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Sperry & Hutchinson Company, 330 Madison Avenue, New York, N.Y. 10017.

A. Morris Associates, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.
D. (6) $11,975. E. (9) $13,717.75.

A. Robert M. Morris, 341 East Ohio Street, Chicago, Ill. 60611.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $686.56.

A. Alan B. Morrison, Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $350. E. (9) $350.

A. James A. Morrissey, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124 400 Street, Charlotte, N.C. 28285.
D. (6) $1,400. E. (9) $118.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $210.92.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Walter L. Mote, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil & Gas Association, 950 Petroleum Club Building, Denver, Colo. 80202.

A. John J. Motley, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $580.

A. Roger L. Mozingo, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $110.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $117.30.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 30006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Mullin, Connor & Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
D. (6) $475.82. E. (9) $243.30.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $200. E. (9) $15.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $7,124.91. E. (9) $5,097.08.

A. Beverly J. Murphy, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $220.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1050 17th Street NW., Suite 1050, Washington, D.C. 20036.
B. Merch & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. William T. Murphy, Jr., American Gas Association, 1414 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boluevard, Arlington, Va. 22209.
D. (6) $2,550. E. (9) $400.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific RR., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $200. E. (9) $47.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $100. E. (9) $25.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42 Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $49.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 Frist National Bank Building, St. Paul Minn. 55101.
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue, Washington, D.C. 20036.
B. National Association of Industrial and Office Parks, 1901 Fort Myer Drive, Suite 1100, Arlington, Va.
D. (6) $200. E. (9) $35.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C.
D. (6) $100. E. (9) $54.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.
B. United Service Organization, 237 East 52d Street, New York, N.Y. 10022.
D. (6) $100. E. (9) $38.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $45.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $300. E. (9) $8.

A. Lawrence P. Mutter, 6849 Old Dominion Drive, McLean, Va. 22101.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $25.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $80.

A. Gary D. Myers, Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1018 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $1,099.73.

A. J. Walter Myers, Jr., P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. William T. Nachbaur, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif. 94104.
D. (6) $520. E. (9) $50.

A. Kenneth D. Naden, 1129 20th Street, NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,438. E. (9) $154.

A. Naman, Howell, Smith & Chase, Texas Center, Waco, Tex. 76701.
B. Our Land, Our Lives, A Coalition for Human Rights, P.O. Eox 715, Gatesville, Tex. 76528.
D. (6) $3,004.91. E. (9) $42.53.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Air Carrier Association, 1730 M Street NW., Suite 710, Washington, D.C. 20036.
D. (6) $1,330. E. (9) $1,330.

A. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $176. E. (9) $789.83.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $602.96. E. (9) $12,164.54.

A. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
D. (6) $1,625.37. E. (9) $1,625.37.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450. E. (9) $450.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $100. E. (9) $100.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $489,356.01. E. (9) $72,480.12.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $51,325.43. E. (9) $51,325.43.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Companies, 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Assocaition of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $8,271.31. E. (9) $8,271.31.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $1,347.21. E. (9) $1,347.21.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill.; 925 15th Street NW., Washington, D.C.
E. (9) $27,495.85.

A. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $16,427.31. E. (9) $4,216.42.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $9,904.95. E. (9) $13,520.15.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,650. E. (9) $1,650.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $19,135.75. E. (9) $19,135.75.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $1,069. E. (9) $3,713.94.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $254,934.93. E. (9) $8,508.59.

A. National Committee for Research in Neurological and Communicative Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $4,500. E. (9) $4,145.68.

A. National Committee on Locks and Dam 26, 1129 30th Street NW., No. 512, Washington, D.C. 20036.
D. (6) $113,342.90. E. (9) $57,650.13.

A. National Consumer Finance Association, 1000 16th Street NW, Washington, D.C. 20036.
E. (9) $630.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $12,530.46. E. (9) $12,530.46.

A. National Council for a Responsible Firearms Policy, Inc, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,068. E. (9) $235.

A. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C.
D. (6) $6,661.77. E. (9) $4,481.77.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $80,960. E. (9) $97,957.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York City, N.Y.
D. (6) $2,666.67. E. (9) $457.25.

A. National Counsel Associates, 421 New Jersey Avenue, SE., Washington, D.C. 20003.
B. Domestic Wildcatters Association,, 900 First National Bank Building, Houston, Tex. 77002.
D. (6) $15,000. E. (9) $346.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Electronic Memories & Magnetics, 1880 Century Park East, Los Angeles, Calif. 90067.
D. (6) $750. E. (9) $242.60.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 1030 15th Street NW., Suite 360, Washington, D.C. 20036.
D. (6) $8,633.33. E. (9) $6,116.62.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Zimmer, Egge & Sisk, Suite 220, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $5,250. E. (9) $224.34.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $372,583.93. E. (9) $31,721.16.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $34,314.48. E. (9) $34,314.48.

A. National Grain & Feed Association, 725 15th Street NW., P.O. Box 28328, Washington, D.C. 20005.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $144,675.02. E. (9) $14,462.50.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $403,770. E. (9) $800.33.

A. National Hairdressers and Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.
D. (6) $763.06.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $312.75.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $25,956.88. E. (9) $38,452.64.

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
D. (6) $9,276.26. E. (9) $9,276.26.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Neb. 68107.
D. (6) $5,448.57. E. (9) $5,448.57.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $4,9555.51. E. (9) $4,955.51.

A. National Motor Sports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $5,139. E. (9) $351.59.

A. National Oil Jobbers Council, 1750 New York Avenue NW., Suite 230, Washington, D.C. 20006.
D. (6) $116,919.36. E. (9) $28,883.

A. National Organization for Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $6,225. E. (9) $5,664.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $2,590.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $2,944. E. (9) $2,944.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.
E. (9) $6,340.84.

A. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $5,754. E. (9) $1,960.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,629.60.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,200.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $21,586.75.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $695. E. (9) $695.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $33,519. E. (9) $11,695.27.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $21,000. E. (9) $41,486.44.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $4,562. E. (9) $5,973.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $275. E. (9) $184.34.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,278.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $750. E. (9) $500.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. International Leather Goods, Plastics and Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.
D. (6) $250. E. (9) $225.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. The National Handbag Association, 350 Fifth Avenue, New York, N.Y. 10016.
D. (6) $250. E. (9) $225.

A. Connie M. Nelson, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $30.81.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Network, 224 D Street SE., Washington, D.C. 20003.
D. (6) $17,142.24. E. (9) $3,743.54.

A. William E. Neumeyer, Suite 900, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. GTE Service Corp., One Stamford Forum, Stamford, Conn. 06904.
D. (6) $70. E. (9) $31.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; One IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $2,500. E. (9) $217.80.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,812.50. E. (9) $884.79.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $36,000. E. (9) $26,992.

A. E. J. Newbould, Faulkner, Shands, Stupar & Tucker, 910 16th Street NW., Washington, D.C. 20006.
B. Logan Clay Products Co., P.O. Box 698, Logan, Ohio 43138.
D. (6) $1,000. E. (9) $19.65.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $850. E. (9) $310.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,500. E. (9) $740.

A. Donald R. Niemi, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $800. E. (9) $1,032.71.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $9,693.60. E. (9) $2,084.61.

A. Charles M. Noone, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $246.12.

A. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $3,262.56.

A. Richard B. Norment IV, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $475.

A. Robert H. North, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.
B. Conservative Victory Fund, 422 First Street SE., Washington, D.C. 20003.
D. (6) $2,466.88.

A. Thos. C. Norton, 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $861.25.

A. Victor L. Nut, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf + Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
D. (6) $400.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $650.

A. Mary E. Oakes, 188 K Street NW., Washington, D.C. 20006.
B. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899
D. $84.60. E. (9) $260.

A. Dallin H. Oaks, Brigham Young University, Provo, Utah 84602.
B. Brigham Young University, Provo, Utah 84602.

A. Hubert K. O'Bannon, 1318 North George Mason Drive, Arlington, Va. 22205.
B. Consolidated Rail Corp., P.O. Box 23451 L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,200.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,200. E. (9) $45.50.

A. John F. O'Brien, Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100.

A. Raymond V. O'Brien, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $40. E. (9) $14.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $206. E. (9) $25.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alleghany Corp., New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., No. 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., No. 600, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $237.75.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $160.18.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Automotive Parts & Accessories Association, Inc., 1730 K Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $10.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Condren, Walker & Co., Inc., 9 West 57th Street, New York, N.Y. 10019.
E. (9) $300.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.
D. (6) $1,125. E. (9) $290.28.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., Suite 2900 IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,800. E. (9) $90.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Lehigh Coal & Navigation Co., Minneapolis, Minn.
D. (6) $200. E. (9) $15.75.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
D. (6) $4,267.50. E. (9) $622.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Church and Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $375. E. (9) $84.87.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, New York, N.Y. 10001.
D. (6) $1,000. E. (9) $50.

A. O'Connor & Hanna, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $861.38. E. (9) $128.89.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. T. J. Oden, 1523 L Street NW., Washington, D.C.
B. Independent Gasoline Marketers Council, No. 604, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $10,000.

A. Robert C. Odle, Jr., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $400. E. (9) $100.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Patrick E. O'Donnell, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $175.

A. Neil H. Offen, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C.
D. (6) $1,287.50. E. (9) $126.77.

A. Jane O'Grady, Amalgamated Clothing & Textile Workers Union, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, AFL–CIO, 15 Union Square, New York, N.Y. 10003.
D. (6) $5,894.98. E. (9) $770.47.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $6,499.99.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,000.01.

A. Alvin E. Oliver, 725 15th Street NW., Room 500, Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28388, Washington, D.C. 20005.
D. (6) $77.78.

A. William P. Oliver, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $870.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $200. E. (9) $300.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. George C. P. Olsson, 25 Clifford Road, Plymouth, Mass. 02360.
B. Ocean Spray Cranberries, Inc., Hanson, Mass. 02341.
D. (6) $337.50.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $25.76.

A. Evan J. O'Neil, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $800. E. (9) $79.72.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue, Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $187.45.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
E. (9) $3,843.

A. Organization of Professional Employees of the Department of Agriculture (OPEDA), Room 1247, South Building, U.S. Department of Agriculture, Washington, D.C. 20250.
D. (6) $3,907.59. E. (9) $3,086.27.

A. John L. Oshinski, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,046.41. E. (9) $2,017.13.

A. Roland A. Ouellette, 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $4,306.52.

A. Our Land, Our Lives, a Coaliton for Human Rights, P.O. Box 1000, Gatesville, Tex. 76528.
D. (6) $551.03. E. (9) $6,640.72.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,038.45. E. (9) $74.50.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $530. E. (9) $180.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lew M. Paramore, Box 1160, Kansas City, Kans. 66117.

B. Mo-Ark Basins Flood Control & Conservation Association, Box 1160, Kansas City, Kans. 66117.

A. Herschell E. Parent, c/o Arkansas Petroleum Council, 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Michael J. Parker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $850. E. (9) $35.13.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $443.12.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $1,924.98.

A. David J. Pattison, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $41. E. (9) $6.11.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $6,800.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee of Zonal Electric Heating Manufacturers, 150 Avenue L, Newark, N.J.
D. (6) $340.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $13,125. E. (9) $300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Guild of Authors and Composers, 50 West 57th Street, New York, N.Y. 10019.
D. (6) $1,062.50. E. (9) $1,781.54.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $18.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,050. E. (9) $32.44.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.
D. (6) $3,400. E. (9) $2,987.78.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.
D. (6) $625.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,125.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill 60601; National Association of Engine & Boat Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
D. (6) $760. E. (9) $40.75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $1,020. E. (9) $265.35.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Committee for American Movie Production (AMP), c/o Mr. Marvin Korman, 711 Fifth Avenue, New York, N.Y. 10022.
D. (6) $2,125. E. (9) $354.30.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $305. E. (9) $19.96.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Energy Advances, Inc., 1375 Perry Street, Columbus, Ohio 43201.
D. (6) $1,322.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Fey Manufacturing Corp., 1860 North Tyler Avenue, South El Monte, Calif. 91733.
D. (6) $215.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Hobby Industry Association of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. King Ranch, Inc., Kingsville, Tex. 78363.
D. (6) $450. E. (9) $300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.
D. (6) $435.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mail Order Association of America, P.O. Box 7047, Alexandria, Va. 22307.
D. (6) $375.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
E. McDermott, Will & Emery, 111 West Monroe Street, Chicago, Ill. 60603.
D. (6) $1,450. E. (9) $21.55.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $375. E. (9) $1,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 17365.
D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $17,595. E. (9) $500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Outboard Marine Corp., 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Pyrotechnic Signal Manufacturers Association, Inc., 1730 K Street, Suite 1300, Washington, D.C. 20006.
D. (6) $800.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston-Purina Co. Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $3,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reading Co., Reading Terminal, 12th and Market Streets, Philadelphia, Pa. 19107.
D. (6) $900.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Revlon, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $180.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $560. E. (9) $7,450.51.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. SW Industries, Inc., 1 Hospital Trust Plaza, Providence, R.I. 02903.
D. (6) $90.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.
D. (6) $957.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Uncle Ben's Inc., 1300 Westheimer Boulevard, Houston, Tex. 77001.
D. (6) $500. E. (9) $16.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
D. (6) $1,707.75. E. (9) $204.04.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.

B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $4,726.70. E. (9) $324.44.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Longines-Wittnauer Watch Co., 145 Huguenot Street, New Rochelle, N.Y. 10810.
D. (6) $180.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Committee Urging Regulatory Reform for Efficient National Trucking (Current), 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $1,839.57.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. National Association for Milk Marketing Reform (NAMMR) 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $8,525. E. (9) $1,197.27.

A. Steven C. Pearlman, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Campaign To Stop the B–1 Bomber, 318 Massachusetts Avenue NE, Washington, D.C. 20002.
D. (6) $1,625.

A. Pendleton & Robinson, 306 6th Street NW., Washington, D.C. 20001.
B. Embassy of Chile, 1732 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $21.25.

A. Charles Penman, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Pennsylvania Power & Light Co., 2 North 9th Street, Allentown, Pa. 18101.
E. (9) $712.64.

A. Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
E. (9) $8,970.

A. Dominic V. Pensabene, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., No. 200, Washington, D.C. 20006.
B. Coalition of Concerned Charities, 1776 Street NW., No. 200, Washington, D.C. 20006.

A. J. Carter Perkins, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National REA Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,504.73.

A. Mary B. Peterson, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $2,640.59.

A. Donald A. Petris, 2029 Connecticut Avenue NW., Washington, D.C. 20008.
B. Dreyfus Corp., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $12.500.

A. Paul P. Petrus, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,200.

A. John Pflieger, 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $400.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
E. (9) $26.65.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Scott H. Phillips, 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Daphne Philos, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $250.

A. Sam Pickard, 1101 17th Street, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $42.65.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $13,589.68. E. (9) $1,350.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York.
E. (9) $620.75.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $50. E. (9) $12.

A. Harlan Pomeroy, 500 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
B. Baker, Hostetler, Frost & Towers, 500 Southern Building, 15th and H Streets NW., Washington, D.C. 20005 (for The Hall Chemical Co., P.O. Box 197, Wickliffe, Ohio 44092).

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $200. E. (9) $104.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,963. E. (9) $83.

A. S. J. Poray-Tucholsu, 15257 East Cedarsprings Drive, Whittier, Calif. 90603.
B. Bermejo River Project Development Association.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $14.05.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $562.50.

A. Edmond A. Potter, 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., Main and K Streets, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $700.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $3,750.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,675.20. E. (9) $85.25.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $750. E. (9) $40.88.

A. John J. Power, 101 Constitution Avenue, Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washintgon, D.C. 20001.
D. (6) $3,528.54. E. (9) $170.

A. William C. Prather, U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $650.

A. Dan Prescott, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $155. E. (9) $35.

A. Preservation Action, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
D. (6) $3,830. E. (9) $2,923.04.

A. Lloyd T. Preslar, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for: Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Intalco Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98218.
D. (6) $390.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Moore-McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn. 06901.
D. (6) $4,084.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. The Pack River Co., 425 Peyton Building, Spokane, Wash. 99201.
D. (6) $7,352.50.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Port of Seattle, P.O. Box 1209, Seattle, Wash. 98111.
D. (6) $42.50.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
D. (6) $552.50.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $562.50.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 2006.
D. (6) $1,200.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $75.

A. Jerry Z. Pruzan, 1025 Connecticut Avenue NW., Washington, D.C.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $100. E. (9) $100.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C.
D. (6) $2,890.29. E. (9) $2,890.29.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $18,412.08. E. (9) $26,956.33.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. David E. Pullen, 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $300. E. (9) $400.

A. Donald E. Purcell, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $250. E. (9) $250.

A. Purcell, Hansen & Valdez, Washington, D.C. 20006.
B. Association of Independent Grain Inspection Agencies, Fort Worth, Tex.
D. (6) $450.

A. Purcell, Hansen & Valdez, Washington, D.C. 20006.
B. The Board of Trade of Kansas City, Mo., Inc., Kansas City, Mo.
D. (6) $100.

A. Purcell, Hansen & Valdez, Washington, D.C. 20006.
B. El Ganadero, Inc., Hato Rey, P.R.
D. (6) $200.

A. Purcell, Hansen & Valdez, Washington, D.C. 20006.
B. Planters Peanuts, Suffolk, Va.
D. (6) $1,000.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle III, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co., (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,720.97. E. (9) $31.58.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. American Bakers Association, Suite 650, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilding Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $2,100.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. Fur Conservation Institute of America, 855 Avenue of the Americas, New York, N.Y. 10001.
D. (6) $3,000.

A. Quality Management Committee, Forest Products, 1500 Southwest Taylor Street, Portland, Oreg. 97205.

A. William A. Quinlan, 3045 Riva Road, Annapolis, Md. 21401.
B. Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill. 60613.
D. (6) $550.40. E. (9) $71.50.

A. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,860.34.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $361.90.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $24,913.50. E. (9) $24,913.50.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

A. Donald A. Randall, 1000 Connecticut Avenue NW., Suite 1201, Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $4,000. E. (9) 1,100.15.

A. Arthur G. Randol, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,106.25. E. (9) $156.51.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $433.77.

A. D. Michael Rappopport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $743.09. E. (9) $1,210.59.

A. Magda Ratajski, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $125.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $1,500. E. (9) $820.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $337.

A. Timothy J. Redmon, American Optometric Association, 1730 M Street NW., Washinton, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $693.42. E. (9) $627.90.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $412.75. E. (9) $304.30.

A. Jerry Rees, 1030 15th Street NW., Washington, D.C. 20005.
B. National Association of Wheat Growers, Suite 1030, 1030 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $1,263.66.

A. J. Mitchell Reese, Post Office Box 1166, Pittsburgh, Pa. 15230.
B. Gulf Oil Corp., Post Office Box 1166, Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $2,110.12.

A. Thomas J. Reese, 1225 Otis Street NE., Washington, D.C. 20017.
B. Taxation With Representation, 2369 North Taylor Street, Arlington, Va. 22207.
D. (6) $988.11. E. (9) $35.83.

A. John T. Reggitts, Jr., R.D. No. 2 Boonton Avenue, Boonton, N.J. 07005.

A. J. E. Reinke, 1030 15th Street NW., Washington, D.C. 20005.
B. Eastern Air Lines, Inc., 1030 15th Street NW., Washington, D.C. 20005.
E. (9) $145.65.

A. W. W. Renfroe, 69 Fountain Place, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Foun-

tain Place, Capital Plaza, Frankfort, Ky. 40601.
E. (9) $469.18.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $551.27.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40511.
D. (6) $108. E. (9) $137.73.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $4,653.

A. John H. Reurs, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $8,250. E. (9) $800.

A. William L. Reynolds, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $1,800. E. (9) $160.

A. Austin T. Rhoads, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $430.11.

A. C. Brewster Rhoads, Jr., Bell Telephone Co. of Pennsylvania, One Parkway, Philadelphia, Pa. 19102.
B. Bell Telephone Co. of Pennsylvania, One Parkway, Philadelphia, Pa. 19102.
D. (6) $10. E. (9) $2.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $492.20.

A. Ronald C. Rice, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $118.46.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., No. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La. 70427.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $325. E. (9) $35.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. Morris A. Riley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 N. Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,750. E. (9) $461.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $43.75.

A. Stark Ritchie, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $6,250. E. (9) $1,238.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $60.26.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y. 10019.
B. Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.
D. (6) $9,480. E. (9) $410.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $55.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Jerome Robinson, Florida Restaurant Association, 500 Three Islands Boulevard, Hallandale, Fla. 33009.
B. Florida Restaurant Association, 1077 Northeast 125th Street, North Miami, Fla. 33161.

A. Antoinette K. Roche, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $525.

A. James Anthony Rock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $134.61. E. (9) $14.85.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $200.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Cos. & Affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500.

A. Mitchell A. Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Byron G. Rodgers, 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.
D. (6) $410.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $1,062.50.

A. Terrence L. Rogers, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $3,993.50. E. (9) $117.85.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street East, Charleston, W. Va. 25301.
B. Appalachian Power Co., 301 Virginia Street East, Charleston, W. Va. 25301.
D. (6) $700. E. (9) $752.85.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A William C. Rountree, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. Standard Oil Co. (an Ohio corporation) Midland Building, Cleveland, Ohio 44115.
D. (6) $250. E. (9) $239.

A. Rouss and O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C. V., Balderas 36, Mexico, D. F. Mexico.
D. (6) $1,600. E. (9) $2,049.38.

A. Eugene F. Rowan, J. C. Pennsy Co., Inc., 1156 15th Street NW., Washington, D.C.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $132.50. E. (9) $125.60.

A. John W. Rowland, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO,

5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $326.92. E. (9) $70.34.

A. Nicholas L. Ruggieri, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $25.

A. Albert R. Russell, Post Office Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn. 38112.
D. (6) $3,693.18. E. (9) $208.81.

A. Christine A. Russell, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East S.W., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $200.

A. J. T. Rutherford & Association, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Association of Bioanalysis/ International Society of Clinical Labs, 411 North 7th Street, St. Louis, Mo.
D. (6) $600. E. (9) $1,046.76.

A. J. T. Rutherford & Association, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill.
D. (6) $500. E. (9) $1,475.56.

A. J. T. Rutherford & Association, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $1,846.50.

A. Millard H. Ruud, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $55. E. (9) $55.55.

A. William H. Ryan, 1300 Connecticut Avenue NW., Washington D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $75.43.

A. Fred J. Sacco, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $294.99.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington D.C.
B. Aminoil U.S.A. Inc., P.O. Box 94193, Houston, Tex. 77018.
D. (6) $500.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $1,300.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000.

A. Peter G. Sandlund, Room 400, 919 18th Street, Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30–32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $300.

A. Thomas H. Saunders, 1800 M Street, Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,500.01.

A. Harold B. Say, 916 Prince Street, Alexandria, Va. 22314.
B. Veterans of World War I of the USA, Inc., 916 Prince Street, Alexandria, Va. 22314.
D. (6) $507.50.

A. Frank J. Scaduto, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Sheet Metal Workers' International Association, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $5,800.

A. Thomas T. Scambos, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for: Krauss-Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany).
D. (6) $339.08. E. (9) $372.08.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) 72.31.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fairgrounds, Timonium, Md. 21093.
E. (9) $68.34.

A. Stephen I. Schlossberg, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $10,911.20. E. (9) $2,456.69.

A. Richard M. Schmidt, Jr., 1920 L Street NW., Suite 700, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $2,000.

A. Robert L. Schmidt, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $19.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue SW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.
D. (6) $800.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. College of American Pathologists, 1775 K Street NW., Room 221, Washington, D.C. 20006.
D. (6) $100.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hadley Memorial Hospital, 4601 Martin Luther King Avenue SW., Washington, D.C. 20032.
D. (6) $450.

A. Mahlon C. Schneider, Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
D. (6) $250. E. (9) $999.03.

A. Ronald F. Schrader, National Committee on Locks and Dam 26, 1129 20th Street NW., Room 512, Washington, D.C. 20036.
B. National Committee on Locks and Dam 26, 1129 20th Street NW., Room 512, Washington, D.C. 20036.
D. (6) $12,498.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,125. E. (9) $285.30.

A. Bari Lee Swartz, 2030 M Street NW., Room 300, Washington, D.C. 20037.
B. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,855.90. E. (9) $554.20.

A. Carl F. Schwensen, 1030 15th Street NW., Washington, D.C. 20005.
B. National Association of Wheat Growers, Suite 1030, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $1,340.33. E (9) $25.

A. Harold B. Scroggins, Jr., 1101 16th Street

NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $28.55.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J. 07960.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Colonial Penn Group, Inc. & Affiliated Corporations, 5 Penn Center Plaza, Philadelphia, Pa. 19103.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Occidental Life Insurance Company of California, Occidental Center, Los Angeles, Calif. 90054.
E. (9) $100.

A. Scribner, Hall, Thornburg & Thompson 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.
E. (9) $50.

A. Seagrave Corp., 350 Fifth Avenue, New York, N.Y. 10001.
E. (9) $2,500.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $42.29.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $400. E. (9) $4.19.

A. Second Pro-Life Congressional District Action Committee, 3244 East Willard, Tucson, Ariz. 85716.

A. Self-Determination for District of Columbia, 2030 M Street NW., Room 300, Washington, D.C. 20036.
D. (6) $855. E. (9) $1,052.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
E. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $650. E. (9) $20.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $76.48.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., Post Office Box 013100, Miami, Fla. 33101.
D. (6) $1,890. E. (9) $217.38.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $825. E. (9) $735.

A. Harry D. Shapiro, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $72.31.

A. Harry D. Shapiro, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $68.34.

A. John J. Sharkey, Room No. 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $909.48. E. (9) $127.59.

A. Sharon Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Detroit, Toledo & Ironton Railroad Co., 1 Park Lane Boulevard, Dearborn, Mich. 42816.
D. (6) $295. E. (9) $111.03.

A. Sharon Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Grocers' Alliance, 5725 East River Road, Chicago, Ill. 60631; Topco Associates, Inc., 7711 Gross Point Road, Skokie, Ill. 60076.
D. (6) $19,700. E. (9) $2,040.94.

A. Sharon Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Oklahoma Natural Gas Co., Post Office Box 871, Tulsa, Okla. 74102.
D. (6) $1,200. E. (9) $52.

A. Richard N. Sharood, 919 18th Street NW., Washington, D.C. 20006.
B. Great Lakes & European Lines, Inc., 222 South Riverside Plaza, Suite 2310, Chicago, Ill. 60606.
D. (6) $2,900.

A. Richard N. Sharood, 919 18th Street NW., Washington, D.C. 20006.
B. National Federation of Fishermen, 31 Green Street, Cambridge, Mass.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
D. (6) $2,837.50.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
D. (6) $680.50.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Institute of Foreign Bankers, 489 5th Avenue, New York, N.Y.
D. (6) $5,660.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,833.98. E. (9) $4,698.49.

A. Seymour Sheriff, 1126 Woodward Building, Washington, D.C. 20005.
B. Man-Made Fiber Producers Association, Inc.

A. Shimano American Corp., 1133 Avenue of the Americas, New York N.Y. 10036.

A. Morris Shipley, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $695. E. (9) $34.25.

A. Harvey A. Shipman, 2021 K Street NW., Suite 700, Washington, D.C. 20006.
B. Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.

A. Fred B. Shippee, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Arlington, Va. 22209.

A. James K. Shiver, 1629 K Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp., Cleveland, Ohio.

A. W. Ray Shockley, American Textile Manufacturers Institute Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, No. 2124, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $93.15.

A. L. J. Sichel, Abbott Laboratories, 1730 M Street NW., No. 808, Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Richard H. Siemsen, 8100 Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $483.08.

A. Bernard H. Sieracki, Illinois Petroleum Council, 200 East Randolph Drive, Suite 5106, Chicago, Ill., 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,500. E. (9) $35.

A. Harry G. Silleck, Jr., 20 Broad Street, New York, N.Y. 10005.
B. Trustees of Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
E. (9) $2,468.31.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Government of the Netherlands Antilles, Fort Amsterdam, Willemstad, Curacao, Netherlands Antilles.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings and Loan League, 1200 17 Street NW., Washington, D.C. 20036.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Venture Capital Association, 4300 Sigma Road, Dallas, Tex. 75240.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Venezuelan-American Chamber of Commerce and Industry, Apartado 5181, Caracas 101, Venezuela.

A. Talmadge E. Simpkins, 100 Indiana Avenue, NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,900. E. (9) $28.

A. Lana H. Sims, 400 Barringer Building, Columbia, S.C. 29201.
B. South Carolina Railroad Association, 400 Barringer Building, Columbia, S.C. 29201.
D. (6) $39.70. E. (9) $36.19.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $187.50. E. (9) $25.

A. Roma D. Skeen, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $209.58.

A. James A. Skinner, Jr., 1136 2nd Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y., 10017.
D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co,, Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., Suite 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $311.60.

A. Robert Slomski, 620 C Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $810.

A. Small Producers for Energy Independence, Suite 970, 4th Financial Center, Wichita, Kans. 67202.
D. (6) $79,713.50. E. (9) $9,100.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $999.96.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Douglas M. Smith, P.O. Box 335, Annapolis, Md. 21404.
B. Texas Legal Protection Plan, Inc., P.O. Box 12487, Capitol Station, Austin, Tex. 78711.
E. (9) $1,997.66.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017 (for: Florists' Transworld Delivery Association).

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017 (for: Hecon Corp., Flextine Division).

A. Hugh H. Smith, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. J. Kenneth Smith, Sun Co., Inc., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,000. E. (9) $1,225.

A. James R. Smith, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $500. E. (9) $36.

A. Michael P. Smith, 485 Lexington Avenue, New York, N.Y. 10017.
B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
D. (6) $368. E. (9) $475.

A. Robert Bland Smith, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $950. E. (9) $250.

A. Robert William Smith, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $4,580. E. (9) $626.16.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co.
D. (6) $2,812.50. E. (9) $1,008.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98402.
D. (6) $6,0000. E. (9) $87.50.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C.
B. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C.
D. (6) $696.24.

A. John M. Snow, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufactures, 8401 Connecticut Avenue Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,353.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $320.00.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $6,549.82. E. (9) $4,816.92.

A. Carl A. Soderblom, 1 East First Street, Suite 905, Reno, Nev. 89501.
B. Nevada Railroad Association 1 East First Street, Suite 905, Reno, Nev. 89501.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Illinois 60611.
E. (9) $50.00.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,500. E. (9) $1,032.60.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. Quality Management Committee, 1500 S.W. Taylor Street, Portland, Oreg. 97205.
D. (6) $25,000. E. (9) $4,087.80.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Company (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $222.39.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Robert A. Spelman, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $543. E. (9) $215.27.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $483. E. (9) 100.

A. Sportsmans Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif. 92225.
D. (6) $725.35. E. (9) $12.50.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $472.50. E. (9) $4.51.

A. Harold L. Springer, DGA International, Inc., 1225 19th Street N.W., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for: Krauss-Maffei AG Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany).
D. (6) $151.38. E. (9) $153.48.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $292.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,718.25. E. (9) $141.86.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $1,861.39.

A. Standard Oil Supporters, P.O. Box 26146, San Francisco, Calif. 94126.
E. (9) $1,650.68.

A. Melvin L. Stark, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. State and Federal Associates, Inc., 1101 15th Street NW., Suite 309, Washington, D.C. 20005.
B. Schering-Plough Corp., Galloping Hill Road, Kenilworth, N.J. 07033.
D. (6) $1,687.50. E. (9) $198.74.

A. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036.
B. Broadcast Music, Inc., 40 West 57th Street, New York, N.Y. 10019.
D. (6) $4,500. E. (9) $53.60.

A. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Instituto Brasileiro do Café (Brazilian Coffee Institute), 767 Fifth Avenue, New York, N.Y., 10022.
D. (6) $1,500. E. (9) $18.

A. Samuel E. Stavisky, Stavisky & Associates, Inc., 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036 (for: Brazilian Coffee Institute, 767 Fifth Avenue, New York, N.Y. 10022).
D. (6) $1,000. E. (9) $10.

A. Eugene H. Stearns, American Petroleum Institute, 200 E. Randolph Drive, Chicago, Ill. 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600.

A. Robert Stengel, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $325.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Rule of Law Committee, Suite 800, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $4.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $621.92.

A. Kenneth F. Stinger, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Assns., Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $234.01.

A. B. R. Stokes, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $206.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. O. R. Strackbein, 3505 N. Abingdon St., Arlington, Va. 22207.
B. International Printing Trades Association, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $625.

A. Sandra J. Strebel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. The Cities of Anaheim and Riverside, California.
D. (6) $68.75. E. (9) $3.25.

A. John Stringer, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $2,600.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Veg. Assn., 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $262.50. E. (9) $16.94.

A. George W. Strong, P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $779.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $3,125.

A. Richard L. Studley, 1110 Spring Street, Silver Spring, Md. 20910.
B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $2,400.

A. Sullivan, Beauregard, Clarkson & Moss, 1800 M Street NW., Suite 925, Washington, D.C. 20036.
B. Newport News Shipbuilding & Dry Dock Co., 4101 Washington Avenue, Newport News, Va. 23607.
D. (6) $10,898.25. E. (9) $103.76.

A. Harold R. Sullivan, No. 700, 1010 16th Street NW., Washington, D.C. 20036.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.
D. (6) $600. E. (9) $122.30.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii.
E. (9) $18.75

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B Association of Art Museum Directors, P.O. Box 620, Philadelphia, Pa. 10021.
D. (6) $200. E. (9) $25.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr. 68106.
D. (6) $200. E. (9) $25.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Travelers Corp., One Tower Square; Hartford, Conn. 06115.
D. (6) $1,000. E. (9) $25.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn 56378.
D. (6) $37,127.96 E. (9) $5,337.19.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C., 20005.

A. Noble J. Swearingen, 101 2d Street NW., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $9,282.47.

A. John L. Sweeney, 13931 Esworthy Road, Germantown, Md. 20767.
B. Consolidated Rail Corp., P.O. Box 23451 L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $6,000.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $200. E. (9) $96.25.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $1,079.87. E. (9) $724.39.

A. Matsuo Takabuki, c/o Estate of Bernice P. Bishop, Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii 96801.
B. Estate of Bernice P. Bishop, Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii 96801.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215–216, Washington, D.C.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
D. (6) $112. E. (9) $165.

A. Task Force against Nuclear Pollution, Inc., P.O. Box 1817, Washington, D.C. 20013.
D. (6) $7,840.94. E. (9) $7,076.81.

A. D. W. Taylor, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.

A. David K. Taylor, Jr., 1100 Connecticut Avenue NW., No. 1030, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Sid Taylor, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $250. E. (9) $253.

A. William A. Taylor, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William K. Tell, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $200.

A. Texas Legal Protection Plan, P.O. Box 12487, Capitol Station, Austin, Tex. 78711.
E. (9) $1,997.66.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. John T. Thielke, Economics Laboratory, Inc., 4 Corporate Park Drive, White Plains, N.Y. 10604.
B. Economics Laboratory, Inc., Osborn Building, St. Paul, Minn. 55102.
D. (6) $2,500. E. (9) $1,116.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,432. E. (9) $38.50.

A. Kenneth W. Thompson, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. William D. Thompson, General Motors Corp., 1660 L Street NW., Suite 804, Washington D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $4,139.10.

A. Terence Hastings Thorn, 1515 Wilson Boulevard, American Gas Association, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,270. E. (9) $500.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $560. E. (9) $14.40.

A. John R. Thorne, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $440.

A. Gil Thurm, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
D. (6) $1,500. E. (9) $65.87.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $6,000. E. (9) $6,901.55.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $4,054.66.

A. Paul J. Tierney, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
B. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Wallace Tillman, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $249.

A. Timmons and Co., Inc., 1176 F Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $88.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Falcon Jet Corp., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $27.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Genesco, Inc., 111 Seventh Avenue, North, Nashville, Tenn. 37202.
D. (6) $83.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $175.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Mondakota Gas Co., P.O. Box 224, Billings, Mont. 59103.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $83.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $57.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Riviana Foods, Inc., P.O. Box 2636, Houston, Tex. 77001.
D. (6) $17.

A. Timmons & Co., Inc. 1776 F Street NW., Washington, D.C. 20006.
B. Sea Oil & General Corp., 1315 16th Street NW., No. 712, Washington, D.C. 20036.
D. (6) $50.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6) $42.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $208.

A. Michael L. Tiner, Active Ballot Club Department, Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $3,742.80. E. (9) $794.82.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th St. NW., Washington, D.C. 20036.
E. (9) $2,526.

A. Maurice B. Tobin, 1010 16th Street NW., Washington, D.C. 20036.
B. American Land Development Association, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $25.

A. Maurice B. Tobin, Potlatch Corporation, 1010 16th Street NW., Washington, D.C. 20036.
B. Potlatch Corporation, Box 3591, San Francisco, Calif. 94119.
D. (6) $25.

A. Patrick Tobin, 417 4th Street SE., Washington, D.C. 20001.
B. International Longshoremen's & Ware-

housemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.
D. (6) $5,005.

A. H. Willis Tobler, 1735 I Street, Washington, D.C. 20006.
B. E. A. Jaenke & Associates Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
D. (6) $750.

A. Warren D. Toburen, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Company, 1660 L Street NW., Washington, D.C. 20036.
D. (6) $225.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.
D. (6) $603. E. (9) $42.61.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Discover America Travel Organizations, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,425. E. (9) $60.

A. John Tope, 1101 15th Street NW., Washington, D.C.
B. Republic Steel Corporation, Republic Building, Cleveland, Ohio 44101.

A. Howard A. Topel, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Mullin, Connor and Rhyne, Attorneys, 1000 Connecticut Avenue, Washington, D.C. 20036 (for: Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany).
D. (6) $164.34. E. (9) $8.10.

A. John M. Torbet, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $152. E. (9) $206.59.

A. Jay C. Townley, 715 South Harvey, Oak Park, Ill. 60304.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $303.08. E. (9) $414.46.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
E. (9) $325.74.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $7,250. E. (9) $109.

A. George G. Troutman, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co, 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $350.

A. Jerry R. Tucker, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Apartment 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,461.30. E. (9) $1,003.16.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $790. E. (9) $112.35.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $300. E. (9) $25.

A. John G. Turner, Jr., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B Chevron Oil Co. Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $49.50.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Shela C. Turpin, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $365.

A. St. Clair J. Tweedie, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
D. (6) $700. E. (9) $162.

A. Wayne Underwood, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
D. (6) $375.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constituion Avenue NW., Washington, D.C. 20001.
E. (9) $8,342.79.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
E. (9) $1,610.

A. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $3,634.48. E. (9) $3,634.48.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $5,255.53.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $346.78.

A. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
E. (9) $82,555.34.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,176.86.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., No. 912, Washington, D.C. 20005.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22208.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., No. 912, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite No. 912, Washington, D.C. 20005.
B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.

A. Gerard J. Van Heuven, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $450. E. (9) $327.32.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $100. E. (9) $20.

A. Lois W. Van Valkenburgh, 3512 Halcyon Drive, Alexandria, Va. 22305.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $75. E. (9) $57.

A. John A. Vance, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,650. E. (9) $910.56.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $686.56.

A. Jerry T. Verkler, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $424.41.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $60. E. (9) $40.

A. R. Eric Vige, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service, 1660 L Street NW., Washington, D.C. 20036.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street, NW., Washignton, D.C. 20037.
D. (6) $3,000. E. (9) $375.

A. David K. Voight, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $655.

A. Robert J. Wager, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,625. E. (9) $9.65.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Alameda Naval Employees' Association, Alameda Naval Air Station, Alameda, Calif.
D. (6) $1,500. E. (9) $186.95.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. American Association of Independent News Distributors, 50 California Street, San Francisco, Calif. 94111.
D. (6) $2,100. E. (9) $206.69.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. American Capital Partners, 261 Madison Avenue, New York, N.Y. 10016.
D. (6) $1,000. E. (9) $70.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Friends of the Earth, 529 Commercial, San Francisco, Calif.
D. (6) $624. E. (9) $115.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (3) $8,748.06. E. (9) $313.40.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Franchise Association Coalition, 242 North Wolf Road, P.O. Box 773E, Wheeling, Ill. 60090.
D. (6) $1,500. E. (9) $405.88.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Recording Industry Association of America, One East 57th Street, New York, N.Y. 10022.
D. (6) $2,499.99. E. (9) $125.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Task Force One, Federal Employees Organization, Point Mugu, Calif.
D. (6) $500. E. (9) $60.

A. Robert E. Waldron, Associated Petroleum Industries of Michigan, 930 Michigan National Tower, Lansing, Mich. 48933.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $401.25.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $462.16.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allen Products Co., Inc., P.O. Box 2187, R.D. No. 3, Allentown, Pa., 18001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Company of America, Washington, D.C. 20006.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. AMAX, Inc., AMAX Center, Greenwich, Conn. 06830; et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, 633 Third Avenue, New York, N.Y. 10017.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Suite 601, Washington, D.C. 20006.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Associates of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Room 310, Washington, D.C. 20036.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Airlines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica Inc & Affiliates, 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $125.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 113 15th Street NW., Washington, D.C. 20005.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fluor Engineers & Constructors, Inc., 2500 South Atlantic Boulevard, Los Angeles, Calif. 90040.
D. (6) $375

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Geothermal Kinetics Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co. 1800 K Street NW., Washington, D.C. 20006.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Bank of Commerce, P.O. Box 1359, Laredo, Tex 78040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street, Suite 700, Washington, D.C. 20006.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, et al., Laredo, Tex. 78040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pullman-Kellogg, 1300 Three Greenway Plaza East, Houston, Tex. 77046.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trailer Train Co., 300 South Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $178.57.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Co. of California, 461 South Boyiston, Los Angeles, Calif. 90017.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $100.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Wheelabrator-Frye Inc., 299 Park Avenue, New York, N.Y. 10017.

A. Thomas C. Walker, Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.
B. Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.

A. R. Duffy Wall, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $150.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.
D. (6) $101.01.

A. Donald L. Wallace, Jr., 1707 L St. NW., Suite 540, Washington, D.C. 20036.
B. Cotton Warehouse Association of America, 1707 L St. NW., Suite 540, Washington, D.C. 20036.
D. (6) $1,025. E. (9) $199.68.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Johnnie M. Walters, 1730 Pennsylvania Avenue NW., Suite 1060, Washington, D.C. 20006.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $2,400.

A. Carol Ann Ward, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,315.56. E. (9) $1,277.67.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,060. E. (9) $263.44.

A. Michael O. Ware, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $7.

A. Peter F. Warker, TRW Inc. 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 2355 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $350. E. (9) $35.

A. Robert B. Washington, Jr., Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006; Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $45.02. E. (9) $45.02.

A. Washington State NARAL, P.O. Box 15549, Seattle, Wash. 98115.
D. (6) $865.15. E. (9) $1,097.97.

A. J. Wesley Watkins III, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. George A. Watson, Suite 800, 1612 K Street NW., 20006.
B. The Ferroalloys Association, 1612 K Street NW., 20006.
E. (9) $1,500.

A. Michael A. Watson, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $1,500.

A. Ralph J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $385. E. (9) $110.

A. George B. Watts, National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. William H. Weatherspoon, N.C. Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100.

A. Douglas M. Webb, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Webster & Sheffield, One Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.
E. (9) $2,230.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $726.

A. David M. Weiman, Post Office Box 39251, Denver, Colo.
B. The Farmers Educational and Cooperative Union of America, Post Office Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $3,958.16

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $490.28. E. (9) $496.36.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C 20036.
B. American Society of Composers, Authors and Publishers, ASCAP Building, 1 Lincoln Plaza, New York, N.Y. 10023.
D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corporation, 200 South Street, Morristown, N.J.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. P. S. Seymour-Heath, 3094–A Panorama Road, Riverside, Calif. 92509.
D. (6) $250.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500. E. (9) $129.60.

A. William Weitzen, 6821 Granby Street, Bethesda, Md. 20034.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. For: Krauss-Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $6,209. E. (9) $406.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $225.12.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $750. E. (9) $450.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $200. E. (9) $123.

A. Brian B. Whalen, 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester, 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $2,429.87.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $10,000. E. (9) $2,175.

A. Edwin Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $940. E. (9) $92.

A. Wheeler, Van Sickle, Anderson, Norman & Harvey, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Madison, Wis. 53202.

A. John C. White, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc.

A. John S. White Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $686.58.

A. Leonard M. Wickliffe, 1620 I Street NW., Suite 615, Washington, D.C. 20006.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
D. (6) $9,624.99. E. (9) $4,979.76.

A. Thomas D. Wilcox, 919 Eighteenth Street NW., Washington, D.C. 20006.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.

A. Patricia B. Wild, Economics Laboratory, Inc., 4 Corporate Park Drive, White Plains, N.Y. 10604.
B. Economics Laboratory, Inc., Osborn Building, St. Paul, Minn. 55102.
D. (6) $1,000. E. (9) $119.16.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 5th Avenue, New York, N.Y. 10022.
E. (9) $1,164.71.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $68.15.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $272. E. (9) $25.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., Suite 2100, 36 South State Street, Salt Lake City, Utah.
E. (9) $31.21.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $36.09.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 Elizabeth Street, Bethlehem, Pa.
E. (9) $18.63.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $172.85.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, PO. Box 817, Hoopa, Calif.
E. (9) $33.40.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc. (IDCMA), 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $728. E. (9) $40.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, 85 John Street, New York, N.Y. 10038.
D. (6) $453. E. (9) $20.

A. Wilkinson, Cragun & Baker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 48, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $48.64.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C.
B. Benenson Realty Co., 380 Madison Avenue, New York, N.Y. 10017.
D. (6) $95.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Milos Forman, Hampshire House, New York, N.Y.
D. (6) $1,721.25.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Harding deC. Williams, National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Harry D. Williams, 1025 Connecticut Avenue NW., Apartment 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., Post Office Box 391, Ashland, Ky. 41101.
D. (6) $500.

A. Robert E. Williams, United Airlines, 1825 K Street NW., Apartment 607, Washington, D.C. 20006.
B. United Airlines, Post Office Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $295.80.

A. Samuel M. Williams, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $600.

A. Bertram C. Willis, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $20.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $1,735.50.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Essential Oil Association, 60 East 42d Street, New York, N.Y. 10017.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $425. E. (9) $84.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex., 77005.

A. Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.
D. (6) $6,240.

A. Dorothy R. Wilson, Suite 1205 East, 4201 Cathedral Avenue NW., Washington, D.C. 20016.
B. Coalition of Concerned Charities, 1776 F Street NW., Washington, D.C. 20006.

A. R. J. Winchester, Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
B. Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
D. (6) $6,400. E. (9) $2,570.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gould Inc., 8550 Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $550. E. (9) $2.95.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $1,362.50. E. (9) $330.15.

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $624. E. (9) $240.85.

A. Richard F. Witherall, 420 Denver Club Building, Denver, Colo.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. James E. Wolf, 2020 14th Street, North Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $600. E. (9) $47.80.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street, NW., Suite 708, Washington, D.C. 20036

A. Nathan T. Wolkomir, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $9,230.76. E. (9) $1,380.50.

A. Kenneth Wollack, 1341 G Street, No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street, No. 908, Washington, D.C. 20005.
D. (6) $6,249.96.

A. Don Womack, Suite 1013, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texas Utilities Services Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $562.50. E. (9) $86.68.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $490.00. E. (9) $567.88.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $550. E. (9) $621.39.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20045.
B. National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $750. E. (9) $150.

A. Albert Young Woodward, 1205 North Nash Street, Arlington, Va. 22209.
B. The Flying Tiger Line, Inc., 7401 World Way West, Los Angeles, Calif.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,000. E. (9) $101.

A. Ronald L. Wooten, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $76.64. E. (9) $15.

A. George Worden, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,000.

A. Wyatt & Saltzstein, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,687.50. E. (9) $125.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Company, 8490 Sunset Boulevard, Los Angeles, Calif. 90067.
D. (6) $375.

A. John Yarmola, Seafarers International Union of North America, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $315.50.

A. Edward R. Yawn, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,125. E. (9) $43.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $173.85.

A. Reynolds Young, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $560.25. E. (9) $113.85.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right To Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $558. E. (9) $208.

A. Lynn Zakupowsky, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $488.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. Citizens Committee for the Right To Keep and Bear Arms, 1601 114th Street SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $1,000. E. (9) $500.

A. Barry Zorthian, Time, Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time, Inc., Time-Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $3,000. E. (9) $750.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $116.06.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1976 were received too late to be included in the published reports for that quarter:

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____ ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ←

AFFIDAVIT

[Omitted in printing]

PAGE 1←

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
D. (6) $2,550. E. (9) $459.65.

A. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad Hoc Committee of Concerned Cable Television Operators for a Fair Copyright Law, Post Office Box 389, Painted Post, N.Y. 14870.
D. (6) $1,894.48. E. (9) $342.88.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $11,437.13. E. (9) $11,437.13.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $156. E. (9) $20,739.61.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $81,997. E. (9) $124,480.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $16,025.58. E. (9) $15,469.90.

A. The American Humane Association, Post Office Box 1266, Denver, Colo. 80201.
E. (9) $1,800.

A. American Israel Public Affairs Committee, 1341 G Street NW., No. 908, Washington, D.C. 20005.
D. (6) $17,446.68. E. (9) $26,909.61.

A. American Maritime Association, 17 Battery Place, North Building, New York, N.Y. 10004.
E. (9) $941.90.

A. American Polygraph Association, 3105 Gumwood Drive, Hyattsville, Md. 20783.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $72.17.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $375.

A. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $1,880.

A. Scott G. Anderson, Scott Anderson Productions, Inc., Heron House, Reston, Va. 22090.
B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $4,500. E. (9) $1,971.84.

A. Andrews, Kurth, Campbell & Jones, 2500 Exxon Building, Houston, Tex. 77002.
B. King Ranch, Inc., P.O. Box 1418, Kingsville, Tex. 78363.
D. (6) $175.

A. Robert E. Ansheles, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y. 10016.
D. (6) $100. E. (9) $9.

A. Apco Oil Corp., P.O. Box 1841, Oklahoma City, Okla. 73101.

A. Jack Arant, 801 North Pitt Street, Alexandria, Va. 22314.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Roy A. Archibald, National Education Association, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $100.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
E. (9) $69.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $12,500. E. (9) $1,530.90.

A. Arnold & Porter, 1229 19th Street NW., Washington, D C. 20036.
B. State Farm Mutual Automobile Insurance Co., 1 State Farm Plaza, Bloomington, Ill. 61701.
D. (6) $1,308. E. (9) $483.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77074.
E. (9) $374.72.

A. The Associated General Contractors of America, 1957 E Street NW., Washington D.C. 20006.
D. (6) $5,350. E. (9) $500.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $1,020.

A. Walter F. Atwood, 3105 Gumwood Drive, Hyattsville, Md. 20783.
B. American Polygraph Association, 3105 Gumwood Drive, Hyattsville, Md. 20783.

A. The Authors League of America, Inc., 234 West 44th Street, New York, N.Y. 10036.
D. (6) $824.41. E. (9) $824.41.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Markham Ball, Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer (For Cooperative for American Relief Everywhere, Inc., 600 First Avenue, New York, N.Y.)
D. (6) $1,038.96.

A. James G. Banks, 1511 K Street NW., Suite 439, Washington, D.C. 20005.
B. Board of Realtors, 1511 K Street NW., No. 439, Washington, D.C. 20005.

A. Roger V. Barth, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. American Association of Clinical Chemists, 1725 K Street NW., Washington, D.C. 20006.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $800.

A. Sadie R. Baulch, 1619 Massachusetts Avenue, Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20036.

A. John N. Bauman, 312 Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. White Consolidated Industries, Inc., 11770 Berea Road, Cleveland, Ohio 44111.
D. (6) $5,000. E. (9) $658.36.

A. Christine T. Beatty, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,750.

A. Noreen H. Beebe, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing, Heating & Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $182. E. (9) $182.

A. R. C. Beerbower, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Winston Everett Bell, P.O. Box 5463, Las Vegas, Nev. 89102.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $3,000. (9) $200.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Benrus Corp., Benrus Center, Ridgefield, Conn. 06877.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. Crum & Forster Insurance Co., P.O. Box 2387, Morristown, N.J. 07960.
D. (6) $375.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,250.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. SoGen Swiss International Corp., 190 Wall Street, New York, N.Y. 10005.
D. (6) $885. (9) $176.72.

A. Linda M. Billings, Sierra Club, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $4,225. (9) $85.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Paul Revere Corp., Worcester, Mass. 01608.

A. Robin Birge, 277 St. Phillip Court, Fremont, Calif. 94538.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Gerrie Bjornson, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $365.

A. Gene M. Bradley, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. Boeing Co., Box 3707, Seattle, Wash. 98124.
D. (6) $800. E. (9) $920.

A. S. Gail Bramblett, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) 3,158.25. E. (9) $134.25.

A. Robert P. Brammer, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Campaign To Stop the B–1 Bomber, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,625.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. Bread for the World, Inc., 235 East 49th Street, New York, N.Y. 10017.
D. (6) $125,079.72. E. (9) $95,516.79.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $825. E. (9) $80.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $650. E. (9) $95.

A. Charles S. Broomfield, 3635 North Main, Kansas City, Mo. 64116.
B. Hallmark Cards, Inc., 25th and McGee, Kansas City, Mo. 64108.

A. Charles S. Broomfield, 3635 North Main, Kansas City, Mo. 64116.
B. National Association of Greeting Card Publishers, 170 Mason Street, Greenwich, Conn. 06830.
D. (6) $325. E. (9) $597.57.

A. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 815 16th Street NW., Fifth Floor, Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $25,503.58. E. (9) $25,503.58.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $325.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,938. E. (9) $13,226.

A. A. T. Brust, Cromwell Street, Luke, Md. 21540.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $20. E. (9) $10.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $475. E. (9) $10.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $4,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $700.

A. John M. Burdick, 4810 Guilford Road, College Park, Md. 20740.
B. Citizens Committee on Natural Resources, 1000 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $3,000. E. (9) $150.

A. William J. Burhop, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, Washington, D.C. 20003.
D. (6) $2,375.

A. Duane V. Burke, Post Office Box 1724, Rockville, Md. 20850.
B. National Association of State Lotteries, Post Office Box 1000, Braintree, Mass. 02184.
D. (6) $1,800. E. (9) $151.55.

A. Lowell A. Burkett, 1510 H Street NW., Washington, D.C. 20005.
B. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,200.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $316.

A. Carol Burris, 1345 G Street SE., Washington, D.C. 20003.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,300. E. (9) $50.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 1 Market Plaza, San Francisco, Calif. 94119.
D. (6) $1,000. E. (9) $50.

A. David W. Calfee III, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $288.76.

A. John H. Callahan, IUE, 1126 16th Street NW., Washington, D.C. 20036.
B. International Union of Electrical, Radio & Machine Workers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $875. (9) $500.

A. Bruce P. Cameron, 1411 K Street NW., Washington, D.C. 20005.
B. Americans for Democratic Action, 1424 16th Street NW., Washington, D.C. 20036.
D. (6) $1,125.

A. John E. Campbell, 1 Farragut Square, South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $62.97. E. (9) $15.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Aetna Life & Casualty et al., 151 Farmington Avenue, Hartford, Conn., 06156.
D. (6) $60,050. E. (9) $1,412.80.

A. Charles R. Carlisle, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $7,100. E. (9) $142.90.

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,953.30. E. (9) $336.51.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. John B. Carroll, Carroll, Carroll, & Butz, 918 Onondaga Savings Bank Building, Syracuse, N.Y. 13202.
B. Dairy Farmer Distributors of America, Chittenango, N.Y.
D. (6) $6,000. E. (9) $9,162.71.

A. Ann M. Case, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $68.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Apco Oil Corp., P.O. Box 1841, Oklahoma City, Okla. 73101.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C.
B. Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $7,907.50. E. (9) $317.18.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.
D. (6) $295. E. (9) $4.96.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
E. (9) $767.82.

A. Robert J. Casey, 330 Madison Avenue, New York, NY. 10017.
B. American Stock Exchange, 86 Trinity Place, New York, N.Y. 10006.
D. (6) $1,200. E. (9) $593.25.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
B. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
D. (6) $3,692.28.

A. Catholics for a Free Choice, 515 Madison Avenue, New York, N.Y. 10022.
D. (6) $16,495.75. E. (9) $5,475.17.

A. Chester Bank, Chester, Conn. 06412; the Chester Savings Bank, Chester, Conn. 06412.
D. (6) $54.27. E. (9) $54.27.

A. James Ciarrocki, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee.
D. (6) $675. E. (9) $104.51.

A. Citizens Committee on Natural Resources, 1000 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $13,758. E. (9) $5,209.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky. 41101.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.
D. (6) $500. E. (9) $100.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Maryland National Bank, 10 Light Street, Baltimore, Md. 21202.
D. (6) $200. E. (9) $100.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Joseph M. Clapp, 1501 Wilson Boulevard, No. 910, Arlington, Va. 22209.
B. Roadway Express, Inc., P.O. Box 471, Akron, Ohio, 44309; 1501 Wilson Boulevard, No. 910, Arlington, Va. 22209.
D. (6) $14.

A. Anne Harrison Clark, 10564 Jason Lane, Columbia, Md. 21044.
B. Women's Lobby Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,420. E. (9) $82.46.

A. Joan B. Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Clean Water Action Project, P.O. Box 19312, Washington, D.C. 20036.
D. (6) $5514.50. E. (9) $5452.80.

A. Charles M. Clusen, 324 C Street SE., Washington, D.C. 20003.
E. Sierra Club, 530 Bush Street, San Francisco, Calif. 95108.
D. (6) $4,375. E. (9) $67.

A. Carl A. S. Coan, Jr., 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $8,812.49. E. (9) $989.87.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $262.48.

A. Jeffery Cohelan, Group Health Association of America, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $2,700.

R. Timothy A. Colcord, 1620 I Street NW., Washington, D.C. 20006.
B. National BankAmericard Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $8,605.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp. 1660 L Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $1,244.44.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002. (For: Brown & Root, Inc., P.O. Box 3, Houston, Tex. 77001.)
E. (9) $1,628.87.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002. (For: Joan Stroud, R.D. No. 2, West Grove, Penn.)
E. (9) $536.13.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Ad Hoc Committee for a Fair Natural Gas Policy, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
D. (6) $600. E. (9) $190.

A. Committee for Humane Legislation, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) 40,500.07. E. (9) $46,247.01.

A. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $1,608. E. (9) $3,439.

A. Committee Urging Regulatory Reform for Efficient National Trucking (CURRENT), 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $12,600. E. (9) $5,482.46.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $23,723.90. E. (9) $23,723.90.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1,407.61. E. (9) $1,407.61.

A. Conservative Victory Fund, 422 First Street, Washington, D.C. 20003.
D. (6) $26,309.94. E. (9) $38,650.32.

A. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
E. (9) $10,900.

A. Consumer Action Now, Inc., 49 East 53d Street, New York, N.Y. 10022.
D. (6) $3,333.30. E. (9) $1,903.54.

A. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $10,164. E. (9) $10,379.01.

A. James A. Cook, Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,187. E. (9) $100.

A. Glen S. Corso, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,250. E. (9) $140.06.

A. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C.
D. (6) $1,250. E. (9) $1,250.

A. John A. Couture, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) 866.56.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, 515 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $1,012.

A. William D. Crawford, 400 First Street NW., No. 820, Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States & Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. James R. Cregan, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $152.37.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Joseph M. Cribben, 3104 Valley Lane, Falls Church, Va. 22044.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $78.44.

A. Cuba Claims Association, Executive Committee, P.O. Box 014004, Miami, Fla. 33131.
E. (9) $12.50.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $401. E. (9) $973.

A. Frank Cummings, 1819 H Street NW., Suite 1175, Washington, D.C. 20006.
B. The Institute of Electrical & Electronics Engineers, Inc., 345 East 47th Street, New York, N.Y. 10017.
D. (6) $3,647.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,350. E. (9) $194.69.

A. Dairy Farmer Distributors of America, Chittenango, N.Y.
E. (9) $10,196.49.

A. Lee Daneker, P.O. Box 19312, Washington, D.C. 20036.
B. Clean Water Action Project, P.O. Box 19312, Washington, D.C. 20036.
D. (6) $2,083.33.

A. Tracy Danese, P.O. Box 013100, Miami, Fla. 33101.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $6,000. E. (9) $199.56.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Computer System of America, Inc., 141 Milk Street, Boston, Mass. 02109.
E. (9) $277.15.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Confederation Europeenne de L'Industrie de la Chaussure (European Confederation of Footwear Industry), Rue du Luxembourg 19–BTE 14, 1040 Bruxelles, Belgium.
E. (9) $5.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C.
B. Micam-Anci, Milano, Italy.
E. (9) $5.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $4,875. E. (9) $260.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, 418 Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
E. (9) $593.96.

A. Daniel P. Dawson, 200 East Randolph, Mail Code 3101, Chicago, Ill. 60601,
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Mail Code 3101, Chicago, Ill. 60601.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Atlantic Time Products, et al., St. Croix, V.I.
D. (6) $500.

A. Donald S. Dawson, 723 Washington, Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.
D. (6) $750.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Beneficial Finance Co., Beneficial Building, Morristown, N.J.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp, 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Vitex Manufacturing Co., Ltd., Amity International Corp., St. Croix, V.I.
D. (6) $1,500.

A. Gaston de Bearn, Hoffman-La Roche, Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffman-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017.
B. Mia Le Comte, et al., Box 113, Great Barrington, Mass. 01252.
E. (9) $6,753.76.

A. L. E. Dennis, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $420. E. (9) $335.30.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C.
B. Federated Investors, Inc., 421 Seventh Avenue, Pittsburgh, Pa.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. American Committee for Shaare Zedek Hospital, 6 East 46th Street, New York, 10017.
D. (6) $1,000. E. (9) $1,000.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Helena Vertac, 5100 Poplar Avenue, Memphis, Tenn. 38137.
D. (6) $6.77. E. (9) 6.77.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. National Association of Property Owners, c/o David Witts, 5353 First International Building, Dallas, Tex. 75270.
D. (6) $10,600.11. E. (9) $10,600.11.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Norton Manufacturing Co., P.O. Box 9067, Memphis, Tenn. 38109.
D. (6) $1,250. E. (9) $1,250.

A. James F. Doherty, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $10,395.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $65.50. E. (9) $20.01.

A. Bill Dougherty, 115 East 11th Street, Sioux Falls, S. Dak. 57102.
B. Mountain Bell Telephone Co., 930 15th Street, Denver, Colo.; Northwestern Bell Telephone Co., 125 South Dakota Avenue, Sioux Falls, S. Dak. 57102.
E. (9) $7,019.32.

A. Bruce A. Dunton, 1126 16th Street NW., Washington, D.C. 20036.
B. Amalgamated Clothing & Textile Workers Union, 99 University Place, New York, N.Y. 10003.
D. (6) $4,225. E. (9) $100.

A. Donald R. Ebe, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Clifford E. Edwards, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $216. E. (9) $44.

A. Glenn Ellefson-Brooks, 7601 Tiverton Drive, Springfield, Va. 22152.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $27.70.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. D. A. Ellsworth, Brotherhood of Railway Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $8,250. E. (9) $1,097.54.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $647.75.

A. John W. Emeigh, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. John R. Englehorn, P.O. Box 948, Stamford, Conn. 06904.
B. Texasgulf, Inc., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,031.26. E. (9) $816.50.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
E. (9) $800.

A. Constance Everett, 5423 Harwood Road, Bethesda, Md. 20014.
B. Citizens Committee on Natural Resources, 1000 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $1,585.

A. Richard M. Fairbanks III, 1 Farragut Square South, Third Floor, Washington, D.C. 20006.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Leon Felix, Jr., National Education Association, 1419 Joan Drive, Palatine, Ill. 60067.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,927.20. E. (9) $75.

A. Andrew A. Feinstein, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Bernard Fensterwald, Jr., 1707 H Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $3,600. E. (9) $870.70.

A. Bernard Fensterwald, Jr., 1707 H Street NW., Suite 1005, Washington, D.C. 20006.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $1,200. E. (9) $74.97.

A. Bernard A. Feuerstein, 65 Brewster Road, Scarsdale, N.Y.
B. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017. (For Mia Le Comte, et al., Box 113, Great Barrington, Mass. 01252.)
D. (6) $6,730.80.

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park, Ridge, Ill.
(D) (6) $3,213. E. (9) $114.

A. Peter J. Finnerty, 1730 K Street NW., Suite 307, Washington, D.C. 20006.
B. R. J. R. Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $1,000. E. (9) $40.

A. Robert R. Fitzgerald, 13174 Putnam Circle, Woodbridge, Va. 22191.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,038.76.

A. Carl J. Fleps, The Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. The Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.
D. (6) $300. E. (9) $55.

A. Carol Tucker Foreman, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $1,851. E. (9) $80.

A. David H. Foster, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,250. E. (9) $534.07.

A. Alice Frandsen, 10311 Folk Street, Silver Spring, Md. 20902.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NW., Washington, D.C. 20002.
E. (9) $48.25.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,212.50.

A. Greg N. Friberg, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06115.
D. (6) $1,100.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. Alaska International Industries, P.O. Box 60029, Fairbanks, Alaska 99701.
D. (6) $4,975. E. (9) $74.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. Institute for Scientific Information, Inc., 325 Chestnut Street, Philadelphia, Pa. 19106.
D. (6) $1,312.50. E. (9) $23.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. The National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. The Organization for the Management of Alaska's Resources, Inc., Box 516, Anchorage, Alaska 99510.
D. (6) $200.

A. Norman S. Gaines, 1730 K Street NW., Suite 307, Washington, D.C. 20006.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $700. E. (9) $20.

A. Margaret Gehres, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Leo J. Gehrig, M.D., American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,491.68. E. (9) $475.15.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $2,725. E. (9) $302.45.

A. James M. Gibson, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,183.75.

A. Norma J. Gilbert, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,200.

A. Arthur P. Gildea, Holiday Park East, Suite 428–432, 801–B West Eighth Street, Cincinnati, Ohio 45203.
B. National Conference of Brewery & Soft Drink Workers—International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, Affiliate, 300 South Ashland Boulevard, Chicago, Ill. 60607.

A. Vernie R. Glasson, III, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,312. E. (9) $128.

A. Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa. 19102.
E. (9) $24,227.37.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Michael Goodman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $3,589.13. E. (9) $355.66.

A. Carl F. Graham.
B. Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.
D. (6) $1,178. E.(9) $1,792.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,055. E. (9) $497.63.

A. P. Michael Greenwald, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $439.20. E. (9) $198.93.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $21,817. E. (9) $21,817.

A. Thomas A. Hammer, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,813. E. (9) $78.

A. Dave Harbour, Alaskan Arctic Gas Pipeline Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.
B. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $500.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,600. E. (9) $75.

A. Michael M. Hash, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,344.22. E. (9) $202.63.

A. Walter A. Hasty, Jr., 888 17th Street NW., Washington, D.C. 20036.
B. Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $245.

A. Bruce R. Hawley, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,812. E. (9) $87.

A. Heavy Duty Truck Manufacturers' Association, Suite 1300, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $75. E. (9) $46.

A. Catherine J. Hill, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $2,025. E. (9) $850.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. Association of Closed-End Investment Cos., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $3,106. E. (9) $57.05.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. California Housing Finance Agency, 1120 N Street, Sacramento, Calif.
D. (6) $3,878.13. E. (9) $121.87.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. Maremont Corp., New England Division, Box 111, Saco, Maine 04072.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $317.31. E. (9) $368.04.

A. Hill, Livingstone & Associates, 1220 Watergate South, 700 New Hampshire Avenue NW., Washington, D.C. 20037.
B. VIII Pan American Games Organizing Committee, G.P.O. Box 70175, San Juan, P.R. 00936.
D. (6) $1,500. E. (9) $1,500.

A. Hill, Livingstone & Associates, 1220 Watergate South, 700 New Hampshire Avenue NW., Washington, D.C. 20037.
B. National Association of Greeting Card Publishers, Meridian Building, 170 Mason Street, Greenwich, Conn. 06830.
D. (6) $3,660.34. E. (9) $3,660.34.

A. Arthur Hintze, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert Hitzhuzen, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,625. E. (9) $119.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $573.66.

A. Austin B. Hogan, Jr., American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,459.52. E. (9) $540.68.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
D. (6) $248.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
E. (9) $1,310.

A. Wayne K. Horiuchi, Japanese American Citizens League, 1730 Rhode Island Avenue NW., No. 204, Washington, D.C. 20036.
B. Japanese American Citizens League, National Headquarters, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $687.

A. Douglass C. Horstman, 1612 K Street NW., Suite 1210, Washington, D.C. 20006.
B. Maytag Co.; Northern Textile Association; National Knitted Outerwear Association.
D. (6) $3,300. E. (9) $400.

A. John F. Horty, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.
B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

A. Arthur L. Howard, 6801 Industrial Road, Springfield, Va. 22151.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $329.90. E. (9) $83.60.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
E. (9) $3,761.24.

A. Karl T. Hoyle, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
E. (9) $430.43.

A. Edward L. Huie, 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.
B. National Association of Air Traffic Specialists, Inc., 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.
D. (6) $4,383.62. E. (9) 253.41.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. David J. Humphreys, Paulson & Humphreys, Suite 400, 5272 River Road, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $15,000. E. (9) $53.70.

A. James Floyd Humphreys, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,333.

A. Deborah Imle, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,250. E. (9) $25.59.

A. Inter-American Services, Inc., 1750 Pennsylvania Avenue NW., 1109, Washington, D.C. 20006.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
E. (9) $4,325.

A. Institute of Foreign Bankers, 489 Fifth Avenue, New York, N.Y.
D. (6) $30,311.71. E. (9) $1,167.

A. David L. Ivey, 1101 17th Street NW., Washington, D.C. 20036.
B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $2,687.50. E. (9) $34.04.

A. Gary L. Jarmin, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $3,254.22.

A. David M. Jenkins, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $153.57.

A. Bruce T. Johnson, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,063. E. (9) $3,155.

A. John Paul Johnson, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee.
D. (6) $8,125.02. E. (9) $1,600.63.

A. Nicholas Johnson, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
E. (9) $29.10.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stackpole Hall Foundation, St. Mary's, Pa.
E. (9) $50.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $12,589.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut, Washington, D.C. 20036.

A. Robert E. Juliano, Hotel & Restaurant Employees & Bartenders International Union, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel & Restaurant Employees & Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $7,500. E. (9) $4,781.92.

A. Susan Kaiser, Box 803, Englemeade Road, Pikesville, Md.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $73.08.

A. Everett E. Kavanaugh, 1133 15th Street NW., Washington, D.C. 20005.
B. Cosmetic, Toiletry & Fragrance Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $100.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $7,000. E. (9) $1,133.69.

A. Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al, 1461 West 16 Place, Yuma, Ariz. 85364.
E. (9) $5.

A. Carl F. Kettler, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,750. E. (9) $386.10.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $96.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,125. E. (9) $1,835.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,187.50. E. (9) $418.10.

A. Ralph W. Kittle, Room 700, 1620 I Street NW., Washington, D.C. 20006.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $662. E. (9) $170.

A. Gary D. Knight, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Jeffrey W. Knight, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. John S. Knox. Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $200.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Biscuit & Crackers Manufacturers' Association, 1660 L Street, Washington, D.C. 20036.
D. (6) $150. E. (9) $72.30.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Norwich Pharmacal Co., Norwich, N.Y. 13815.
D. (6) $1,500. E. (9) $340.50.

A. Louis C. Kramp & Associates, 1819 H Street NW., Suite 420, Washington, D.C. 20006.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
D. (6) $1,310.

A. Joseph A. Kuchler, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $451.29 E. (9) $43.75.

A. Dan Kuykendall, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $12,012. E. (9) $10,290.

A. Ralph D. B. Laime, National Education Association, 245 Northampton Drive, Willingboro, N.J. 08046
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $75.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Lane & Edson, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
B. The National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,800. E. (9) $153.65.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,825.

A. Susannah C. Lawrence, 317 Pennsylvania Avenue, Washington, D.C.
B. Consumer Action Now, Inc., 49 East 53d Street, New York, N.Y. 10022.
D. (6) $419.90. E. (9) $419.90.

A. Charles W. Lee, 148 Duddington Place SE., Washington, D.C. 20003.
B. Committee for Full Funding of Education Programs, 148 Duddington Pl. SE., Washington, D.C.
D. (6) $80.

A. Pat Leeper, 13234 Memory Lane, Fairfax, Va. 22030.
B. National Organization for Women (NOW), Inc., 425 13th Street NW., No. 1001, Washington, D.C. 20004.
D. (6) $1,487.50. D. (9) $35.

A. Richard J. Leighton, Vorys, Sater, Seymour & Pease, 1701 K Street NW., Suite 800, Washington, D.C. 20006.
B. Grocery Manufactuers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. David M. Lenny, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Dale Lestina, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,005.35. E. (9) $198.13.

A. Joseph A. Letorney, National Education Association, 112 Union Street, South Weymouth, Mass. 02190.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,005.35. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $1,038.96.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.
D. (6) $627.50.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $1,000.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.
D. (6) $36,303.38. E. (9) $36,057.20.

A. J. Patrick Logue, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,056.47. E. (9) $159.38.

A. C. Lance Lujan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,105.56. E. (9) $213.21.

A. Cynthia MacDonald, No. 1204, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. National Association for Milk Marketing Reform, No. 1204, 1000 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $112.02.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' As-

sociation, 324 East Capitol Street, Washington, D.C. 20003.

A. Ronald M. Marcus, Suite 713, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, Suite 713, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Edwin E. Marsh, 336 Southern Building, 805 15th Street NW., Washington, D.C. 20005.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $5,221.26. E. (9) $1,151.04.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $165.

A. Thomas P. Mason, Jr., 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $435.57.

A. Jon G. Massey, P.O. Box 8293, Washington, D.C. 20024.
B. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. Charles D. Matthews, Suite 410, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries Association, Suite 410, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $252.11.

A. Charles H. Mauzy, National Education Association, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $75.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $410. E. (9) $3.

A. John L. McConnell, New York Stock Exchange, Inc., Suite 1100, 1800 K Street NW., Washington, D.C. 20006.
B. New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y. 10005.
D. (6) $1,200. E. (9) $225.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,850. E. (9) $567.95.

A. Ellen M. McGovern, 2401 Virginia Avenue NW., Washington, D.C. 20037.
B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $5,342.40. E. (9) $366.31.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,884. E. (9) $381.25.

A. Peter E. McGuire, National Association of Retired and Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired and Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66010; Hotel and Restaurant Employees and Bartenders International Union, No. 304, 1666 K Street NW., Washington, D.C. 20006; International Conference of Police Associations, 1239 Pennsylvania Avenue, SE., Washington, D.C. 20003.
D. (6) $800. E. (9) $800.

A. John J. McHale, Jr., 3146 Q Street, Washington, D.C. 20007.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,500.

A. William F. McManus, 777 14th Street NW., Washington, D.C.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $725. E. (9) $455.

A. Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, % Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
E. (9) $119.06.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American General Capital Management, Inc., 717 Fifth Avenue, New York, N.Y. 10022.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American International Group, Inc., 102 Maiden Lane, New York, N.Y. 10005.
D. (6) $75. E. (9) $18.75.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Estate of Charlotte M. O'Toole, Westover Hills, 710 Princeton Road, Wilmington, Del.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fidelity Management & Research Co., 35 Congress Street, Boston, Mass. 02109.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Havens Relief Fund Society, 289 Park Avenue South, New York, N.Y. 10010.
D. (6) $25. E. (9) $5.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lincoln National Corp., 1301 South Harrison, Fort Wayne, Ind. 46801.
D. (6) $200. E. (9) $51.47.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Medical Area Service Corp., % Mr. Michael Brewer, Holyoke Center, 1000, Cambridge, Mass. 02138.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Clara A. Miller, Trust, Frederick M. Bransfield, Trustee, 2666 1 First National Plaza, Chicago, Ill. 60603.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. State Street Research & Management Co., 225 Franklin Street, Boston, Mass. 02110.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co.; George A. Hormel & Co.
D. (6) $600. E. (9) $50.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $216. E. (9) $38.

A. Clarence Mitchell, Washington Bureau, NAACP, Suite 410, 733 15th Street NW., Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $8,000.

A. John Moller, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., Detroit, Mich. 48202.
D. (6) $400.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Michael Monroney, TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Howard Moore, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Jo V. Morgan, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,800.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $588. E. (9) $7.70.

A. Tessa Morris, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $877.

A. Roger L. Mozingo, 4207 Sideburn Road, Fairfax, Va. 22030.
B. Tobacco Institute, 1776 K Street NW., Washingtin, D.C. 20006.
D. (6) $110.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $215.91.

A. Richard W. Murphy, Suite 1109, 1200 18th Street NW., Washington, D.C. 20036.
B. Merck & Co, Inc., Rahway, N.J. 07065.
D. (6) $500

A. Rosemary G. Murray, 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $400.10

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $494.25. E. (9) $547.49.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, NY. 10019.
D. (6) $22,147. E. (9) $21,649.

A. National Association for Milk Marketing Reform, 1600 Connecticut Avenue NW., No. 1204, Washington, D.C.
D. (6) $24,377. E. (9) $24,273.99.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $60,073.01. E. (9) $ 14,472.65.

A. National Association of Air Traffic Specialists, Inc., Suite 200, 4630 Montgomery Avenue, Washington, D.C. 20014.
D. (6) $64,189.15. E. (9) $4, 737.03.

A. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
D. (6) $2,269.57. E. (9) $2,269.57.

A. National Association of Federally Licensed Firearms Dealers: American Press Media, 7001 North Clark Street, Chicago, Ill. 60626.
D. (6) $2,100. E. (9) $2,100.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $58,913.19. E. (9) $50,577.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $500. E. (9) $485.

A. National Association of State Lotteries, P.O. Box 1000, Braintree, Mass. 02184.
D. (6) $1,900.85. E. (9) $1,900.85.

A. National Association of Theatre Owners, Inc., 1500 Broadway, New York, N.Y. 10036.
E. (6) $1,523.52.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $35,163. E. (9) $685.89.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $19,277.25. E. (9) $19, 277.25.

A. National Campaign To Stop the B–1 Bomber, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $5,260.50. E. (9) $7,823.92.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $1,320. E. (9) $60.

A. National Clean Air Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $8,950. E. (9) $6,324.47.

A. National Coalition for Marine Conservation, Inc., P.O. Box 5131, Savannah, Ga. 31403.
D. (6) $27,008.80. E. (9) $17,960.19.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $2,800.

A. National Consumer Center for Legal Services, 1302 18th Street NW., Washington, D.C. 20036.
D. (6) $11,722.44. E. (9) $4,658.97.

A. National Council of Agricultural Employers, 237 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $2,000. E. (9) $2,518.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $5,500. E. (9) $5,536.27.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $60,636.10. E. (9) $15,219.06.

A. The National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $257,200.78. E. (9) $6,398.54.

A. National Government & Legislative Relations Service, 1625 I Street NW., Suite 124–A, Washington, D.C. 20006.
D. (6) $12,200. E. (9) $11,320.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $162,947.34. E. (9) 14,462.50.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $30,438.20. E. (9) 38,415.32.

A. The National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Organization for Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $7,127. E. (9) $6,627.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $4,610.85.

A. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $6,161. E. (9) $1,100.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $75,114.28. E. (9) $79,358.35.

A. National Right to Life Committee, Inc., 529 14th Street NW., No. 557, Washington, D.C. 20045.
E. (9) $18,500.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $4,375. E. (9) $4,222.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,562.52.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. National Student Lobby, 2000 P Street NW., Washington, D.C.
D. (6) $8,687.30. E. (9) $10,685 32.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,599.80 E. (9) $3,301.24.

A. National Taxpayers Union, 325 East Capitol Street, Washington, D.C. 20003.
D. (6) $46,788.28. E. (9) $34,445.14.

A. National Turkey Federation, Suite 302, International Center, Reston, Va. 22091.
D. (6) $300. E. (9) $300.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $5,555. E. (9) $9,246.15.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505 Washington, D.C. 20036.
D. (6) $108,200. E. (9) $49,542.72.

A. A. S. Nemir Associates, Suite 1230, Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $3,000. E. (9) $640.

A. Frank Newham, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.
E. (9) $299.96.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $347.42.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.
B. Conservative Victory Fund, 422 First Street SE., Washington, D.C.
D. (6) $721.14.

A. Thomas C. Norton, 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,281.25.

A. Dallin H. Oaks, Provo, Utah 84602.
B. Brigham Young University, Provo, Utah 84602.

A. Hubert K. O'Bannon, 1318 North George Mason Drive, Arlington, Va. 22205.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $1,200.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $337.50. E. (9) $205.58.

A. T. J. Oden, 1523 L Street NW., Washington, D.C.
B. Independent Gasoline Marketers Council, No. 604, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $12,000.

A. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. Kathleen F. O'Reilly, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $3,633. E. (9) $90.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 320, Washington, D.C. 20006.
E. (9) $3,843.

A. J. Denis O'Toole, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,781.25. E. (9) $281.10.

A. Roland A. Ouellette, 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $3,271.85.

A. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.
E. (9) $3,260.18.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee Urging Regulatory Reform for Efficient National Trucking (Current), 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $3,469.

A. Steven C. Pearlman, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Campaign To Stop the B–1 Bomber. 318 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,625.

A. Pepper, Hamilton & Scheetz, 123 South Broad Street, Philadelphia, Pa. 19109.
B. Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $21,500. E. (9) $2,727.37.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $1,008. E. (9) $2,167.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,450.10.

A. Richard W. Peterson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
E. (9) $430.43.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. J. Francis Pohlhaus, Washington Bureau, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $500.

A. Rafe Pomerance, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $200. E. (9) $104.

A. Frederick T. Poole, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,963. E. (9) $121.

A. John Post, 888 17th Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York,, N.Y. 10017 and 888 17th Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $30.

A. Robert D. Powell, 734 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Business Aircraft Association, Inc., 425 13th Street NW., Washington, D.C. 20004.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $4,500.

A. PROD, Inc., 2000 P Street NW., Washington, D.C. 20036.
D. (6) $40. E. (9) $34.47.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,687.01. E. (9) $2,687.01.

A. Purcell & Nelson, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.
D. (6) $150.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilding Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $2,100.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

A. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
E. (9) $2,156.30.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Bermuda Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Denver Water Department, 154 West Calfax Avenue, Denver, Colo.
E. (9) $491.75.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.
D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Ski Areas Association, 99 Park Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $190.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.Y.
D. (6) $900. E. (9) $32.50.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Security Pacific National Leasing, Inc., Post Office Box 7722, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Stimson Lumber Co., and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Uranium Enrichment Associates, 1620 I Street, Washington, D.C.
D. (6) $20,000.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $1,396.33. E. (9) $1,246.33.

A. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
E. (9) $15,053.70.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Thomas J. Reese, 1225 Otis Street NE., Washington, D.C. 20017.
B. Taxation With Representation, Suite 201, 732 17th Street NW., Washington, D.C. 20006.
D. (6) $926.10. E. (9) $51.90.

A. Pratt Remmel, 317 Pennsylvania Avenue SE., Washington, D.C.
B. American Rivers Conservation Council, 317 Pennsylvania Avenue S.E., Washington, D.C. 20003.
D. (6) $480.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40511.
D. (6) $118.20. E. (9) $127.99.

A. Reserve Officers Association of the U.S. 1 Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,497.92. E. (9) $1,972.28.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.
B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $1,000. E. (9) $621.41.

A. Edmund B. Rice, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $41.03. E. (9) $18.90.

A. Pamela E. Rich, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Pan American World Airways, Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $787.54. E. (9) $5.49.

A. John R. Rivers, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,238.39. E. (9) $240.77.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.
E. (9) $4,140.

A. Roadway Express, Inc., 1501 Wilson Boulevard, No. 910, Arlington, Va. 22209.
E. (9) $23.50.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $2,250.

A. Ronn Robinson, National Education Association, P.O. Box 558, Mercer Island, Wash. 98040.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $100.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies and Affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500.

A. Mitchell A. Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. James A. Rogers, 1101 15th Street NW., Suite 302, Washington, D.C. 20005.
B. United Parcel Service, Greenwich Office Park 5, Greenwich, Conn. 06830.
D. (6) $500. E. (9) $1,779.36.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,437.50. E. (9) $109.69.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $1,950. E. (9) $210.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $10.

A. Paul M. Ruden, Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. Southwest Airlines Co., 1820 Regal Row, Dallas, Tex. 75235.
D. (6) $800. E. (9) $59.89.

A. Austin St. Laurent, 710 White Henry Stuart Building, Seattle, Wash. 98101.
B. Western Environmental Trade Association of Washington, Inc., 710 White Henry Stuart Building, Seattle, Wash. 98101.

A. Henry Schacht, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $729.46.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,063.92.

A. Allen D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. U.S.-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Robert L. Schmidt.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $590.

A. Frank Schneller, 1957 E. Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, 20006.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,250.

A. Paul Y. Seligson, Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. Southwest Airlines Co., 1820 Regal Row, Dallas, Tex. 75235.
D. (6) $250. E. (9) $59.89.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $94.88.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,475. E. (9) $122.32.

A. Yvonne L. Shafer, National Education Association, c/o Classroom Teachers of Dallas, 3816 San Jacinto Street, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,426.80. E. (9) $100.

A. Richard N. Sharood, 919 18th Street NW., Washington, D.C. 20006.
B. Great Lakes & European Lines, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $3,000.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.

A. Shaw & Stedina, 350 Madison Avenue, New York, N.Y. 10017.
B. Committee for Fair Reform of the Customs Laws, 350 Madison Avenue, New York, N.Y. 10017.
D. (6) $6,800. E. (9) $612.06.

A. Jowanda Shelton, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $3,900.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Norman R. Sherlock, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,526.25. E. (9) $696.86.

A. James K. Shiver, 1629 K Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp., Cleveland, Ohio.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $2,750. E. (9) $2,737.86.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,810. E. (9) $10.

A. Lana H. Sims, 400 Barringer Building, Columbia, S.C. 29201.
B. South Carolina Railroad Association, 400 Barringer Building, Columbia, S.C. 29201.
D. (6) $68.10. E. (9) $339.96.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Suite 220, Washington, D.C. 20006.
B. The Oil Shale Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $3,500. E. (9) $446.10.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $177.

A. Robert Slomski, 620 C Street SE., Washington, D.C. 20003.
B. National Clean Air Coalition, Inc., 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,980.

A. Douglas M. Smith, P.O. Box 335, Annapolis, Md. 21404.
B. Texas Legal Protection Plan, Inc., P.O. Box 12487, Capitol Station, Austin, Tex. 78711.
E. (9) $2,288.92.

A. Hugh H. Smith, 4140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.
D. (6) $150.

A. John M. Snyder, 1721 DeSales Street NW., Washington, D.C. 20036.
B. Citizens Committee for the Right To Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $4,050.

A. Carl A. Soderblom, Nevada Railroad Association, 1 East First Street, Suite 905, Reno, Nev. 89501.
B. Nevada Railroad Association, Pacific Transportation Co., Western Pacific Railroad Co., 1 East First Street, Suite 905, Reno, Nev. 89501.
E. (9) $613.15.

A. Belle Soloway, 1207 East Capitol SE., Washington, D.C. 20003.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,360. E. (9) $68.21.

A. Leland R. Sorteberg, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $216. E. (9) $22.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $1,723.33. E. (9) $1,723.33.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $2,500. E. (9) $125.

A. Sportsmans Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif. 92225.
E. (9) $50.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $216. E. (9) $14.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C.
B. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C.
D. (6) $28,500. E. (9) $28,500.

A. Travis B. Stewart, Hoffmann-La Roche, Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $500. E. (9) $200.

A. Pamela Strayer, 10564 Jason Lake, Columbia, Mo. 21044.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $45.30.

A. Sandra J. Strebel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. The Cities of Anaheim and Riverside, Calif.
D. (6) $123.75.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $908.

A. Richard L. Studley, 1110 Spring Street, Silver Spring, Md. 20910.
B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Association of Art Museum Directors, P.O. Box 620, Philadelphia, Pa. 10021.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr. 68106.
D. (6) $100.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Travelers Corp., 1 Tower Square, Hartford, Conn. 06115.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.
D. (6) $500. E. (9) $10.

A. John L. Sweeney, 13931 Esworthy Road, Germantown, Md. 20767.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $6,000.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $200. E. (9) $105.50.

A. Matsuo Takabuki, 519 Halekauwila Street, Honolulu, Hawaii 96801.
B. The Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii 96801.

A. Fred R. Tammen, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
B. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $5,500. E. (9) $100.

A. Taxation With Representation, Suite 201, 732 17th Street NW., Washington, D.C. 20006.
D. (6) $10,438.37. E. (9) $12,779.63.

A. Texas Legal Protection Plan, P.O. Box 12487, Capitol Station, Austin, Tex. 78711.
E. (9) $2,288.92.

A. Fred D. Thompson, Thompson, Liebengood & Crawford, First American Center, Nashville, Tenn. 37238.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,636.87. E. (9) $605.86.

A. Melissa Thompson, 425 13th Street NW., No. 1001, Washington, D.C. 20004.
B. National Organization for Women (NOW), Inc., 425 13th Street NW., No. 10001, Washington, D.C. 20004.
D. (6) $2,376. E. (9) $488.83.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $4,953.18.

A. Patrick F. Tobin, 417 Fourth Street SW., Washington, D.C. 20001.
B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.
D. (6) $5,005.

A. Joseph P. Trainor, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,250. E. (9) $1,567.05.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.
B. American Motors Corp., 27777 Franklin Road, Detroit, Mich. 48076.
D. (6) $6,250. E. (9) $370.25.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Jerry R. Tucker, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,411.90. E. (9) $622.30.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $400.

A. H. Stewart Van Scoyoc, Suite 210, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $80. E. (9) $16.

A. R. Dick Vander Woude, National Education Association, 648 A Dauphine Court, Elk Grove Village, Ill. 60007.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,118.20. E. (9) $75.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Marcos von Goihman, 6700 Belcrest Road, No. 625, Hyattsville, Md. 20782.
B. Guyana Airways Corp., No. 625, 6700 Belcrest Road, Hyattsville, Md.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,191.16. E. (9) $762.51.

A. Leonard Warner, P.O. Box 100, Ashburn, Va. 22011.
B. Len Warner, Inc., P.O. Box 100, Ashburn, Va. 22011.
D. (6) $1,000. E. (9) $1,630.

A. Washington Board of Realtors, No. 439, 1511 K Street NW., Washington, D.C. 20005.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
E. (9) $1,548.53.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020.
B. Aluminum Association, 750 Third Avenue, New York, N.Y. 10017.
E. (9) $3,591.43.

A. Carol Werner, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $4,131.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $5,644.16. E. (9) $2,063.61.

A. Western Environmental Trade Association of Washington, Inc., 710 White, Henry & Stuart Building, Seattle, Wash. 98101.
E. (9) $1,393.70.

A. Gordon A. Whitt, 6801 Industrial Road, Springfield, Va. 22151.
B. Washington Gas Light Co., 1100 H. Street NW., Washington, D.C. 20080.
D. (6) $990.73. E. (9) $144.30.

A. Anne Wickham, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Medicorp, Inc., 111 Presidential Boulevard, Bala Cynwyd, Pa. 19004.
E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bangor Punta Operations, Inc, 1 Greenwich Plaza, Greenwich, Conn 06830.
E. (9) $40.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Brown & Root, Inc., Box 3, Houston, Tex. 77001.
E. (9) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $30.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin Ryan Haley & Associates, Inc., 40 Central Park South, New York, N.Y. 10019.
E. (9) $40.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,700. E.(9) $170.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.
E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Jack E. Lawton and William B. Lawton, Route 2, Box 816, Sulphur, La. 70663.
E. (9) $7.50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.
E. (9) $21.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Matilda Grey Trust, P.O. Box 20001, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of Water Companies, Box 387, Washington, D.C. 20044.
D. (6) $900. E. (9) $90.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Health Legislation Council, P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Powell Lumber Co., P.O. Box P, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Smith Kline Corp., 1500 Spring Garden, Philadelphia, Pa. 19130.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5330 Wisconsin Avenue NW., Washington, D.C. 20015.
D. (6) $2,200. E. (9) $220.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Tyson Foods, Inc., Drawer E, Springdale, Ill. 72764.
E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Vinson, Elkins, Searls, Connally & Smith, 21st floor, First City National Bank, Houston, Tex. 77002.
E. (9) $80.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.
D. (6) $100. E. (9) $10.

A. Robert E. Williams, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $363.

A. A. W. Winter, P.O. Box 1677, Englewood, Colo. 80110.
B. Pasco. Inc., P.O Box 1677, Englewood, Colo. 80110.
D. (6) $1,027.40. E. (9) $829.03.

A. Irvin Wolkstein, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $270.38. E. (9) $108.60.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,421.86. E. (9) $555.10.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Robert Zacharias, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $453.

A. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $6,410. E. (9) $29,515.89.

A. John L. Zorack, 8802 Law Court, Springfield, Va. 22152.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $367.64.

EXTENSIONS OF REMARKS

IRS REGULATIONS ON TUITION

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. STEERS. Mr. Speaker, on November 2, 1976, the IRS issued proposed regulations that would treat tuition remitted by an educational institution on behalf of a student who is a dependent of a faculty member as prima facie compensation taxable to the faculty member, rather than as a scholarship to the dependent, excludable from income. These regulations came as a total surprise to the academic community which had no reason to anticipate a unilateral action by the Internal Revenue Service in a matter which has had both congressional and IRS approval for 22 years.

It is clear that the effect of the regulations would be to destroy tuition remission programs while the return to the Treasury would be minimal—estimated at less than $5 million. In addition, if the 27,000 students currently enrolled in accredited institutions under tuition remis-

sion programs were to apply next year for basic education opportunity grants—and a significant number of these same students would indeed be eligible for BOGS's—the cost to the Federal Government would be approximately $45 million.

This situation coupled with the existing financial burdens on institutions of higher learning will most certainly prove intolerable. I am, therefore, introducing a measure to provide that these tuition-remission programs of higher education will be treated as scholarships and as such will not be taxable.

Tuition exchange programs originated in large part to remedy the inequities caused by the existence of a large number of all-male and all-female colleges and universities. For example, it seemed unfair that the son, but not the daughter, of a faculty member at an all-male institution would be ineligible for scholarship.

There are approximately 1,000 public and private colleges and universities throughout the United States with some type of tuition-remission program. The three variations are:

First. Tuition waiver, which provides for the waiving of tuition at the institution for faculty and/or all other employees of the institution, their dependent children, and their dependent spouses;

Second. Tuition exchange, which provides for the waiving of tuition for faculty and dependent children at approximately 150 institutions which are associated with Tuition Exchange, Inc., a nonprofit corporation; and

Third. Tuition grants, which provide a grant to the dependent children of faculty and/or all other employees of the institution who are admitted to accredited institutions.

Under my bill, all three forms of tuition-remission enumerated above would be treated as an amount received as scholarship.

Although there has apparently been no study of the potential impact of the proposed regulations, it is probable that they will generate little or no revenue, while placing severe burdens on educational institutions, faculty, and students.

It is my understanding that Chairman PERKINS of the House Education and Labor Committee has voiced his objections to the implementation of these regulations in a letter to Chairman ULLMAN of the House Ways and Means Committee.

I am hopeful that this measure will move swiftly toward passage before it places an inequitable and most unfair burden on our institutions of higher learning.

PETER LISAGOR

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. RHODES. Mr. Speaker, on December 10, 1976, the Nation lost one of the best reporters it has been my privilege to know. Peter Lisagor's death has saddened all his friends who came to know him, respect him, enjoy his humor and sometimes fear his acute incisiveness.

Most of us in public life do not like to admit that we care greatly about what the press thinks; and mainly we do not. But there are exceptions and, for many of us, Peter Lisagor was a prime exception. If he did not respond to a particular line of reasoning, or react with enthusiasm to a particular proposal, it was usually a good indication that the thought or the proposal had little merit.

It was very obvious to those of us who had occasion to attend morning breakfast sessions with reporters, a Washington tradition, that Peter Lisagor had a profound effect on the thinking of his colleagues in the press. He was a true leader in his field.

Those morning sessions were brightened frequently by Peter's sharp wit and congenial personality. The laughter he provoked time and again was one of his great gifts to us, and the separate instances of his humor are too numerous to recount. But one example comes to mind. I was explaining to the reporters the pitch that congressional Republicans would be making to the voters in the upcoming campaign, a case predicated on public displeasure with the performance of a Congress dominated by one party for over two decades. I concluded my explanation by saying:

Now I realize that my proposition may be a bit too simple for such a sophisticated group as this one . . .

I was cut off in midsentence by Peter Lisagor, seated across the table from me.

But not for those peasants out there in the country!

Probably the most beautiful thing about Peter Lisagor in a professional sense was that he would never allow those of us in higher office to become "too big for our britches" or take ourselves too seriously. He had a masterful talent for bringing us all back to reality whenever we were in need of the trip.

Those of us who knew him shall miss him profoundly for the rest of our days.

RECALCULATION OF RETIRED OR RETAINER PAY TO REFLECT LATER ACTIVE DUTY

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. BROYHILL. Mr. Speaker, I am introducing again today legislation that revises the rule for computing retired or retainer pay to reflect later active duty service. I have been a sponsor of this legislation since 1971 and I am proud to say that during the 94th Congress, this bill received the support of the full Armed Services Committee. This legislation is directed to only a very small number of persons and it will correct an inequity that has existed since 1966.

During the peak of the Vietnam conflict, men experienced in combat techniques were desperately needed to train young men being sent into combat. Therefore, the Navy and the Marine Corps sent letters inviting several thousand selected men to return on active duty. Most of these men had combat experience and outstanding prior military records. In return for leaving their communities and returning to active duty, these men were promised, in writing, by both the Navy and Marine Corps that—

Upon your future separation from active duty, your retainer pay will be recomputed using the current pay scales and crediting your additional active service.

For example, a constituent of mine served from 1943 until 1962. He was asked to return on active duty in 1966. He served for a second time until his retirement in 1971, devoting over 25 years of service to his country. It was not until after he retired for the second time that he learned that the promise made to him could not be kept.

This legislation applies to a small group of retirees who served a minimum of 2 years during the Vietnam conflict after their first retirement. This legislation is a simple and equitable bill and certainly not a costly one.

Several men returned to active duty to serve their country for 2 years in good faith when they were needed. They were promised in writing that their entitlement to retired pay would be on the basis of their latest active duty. This promise was not in accordance with the law. By passing this legislation, we would restore the faith of these brave Americans who helped this country when it was in need.

This legislative proposal recognizes the contribution of these men and it meets every test of fairness and good conscience. It will restore in the minds of this small number of men that their government is as good as its word. I am hopeful that the legislation can be considered and passed early in this session of the Congress.

LEGISLATION TO PERMIT ALIEN RESIDENTS OF THE UNITED STATES TO REGISTER AIRCRAFT IN THIS COUNTRY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, under present law, persons not citizens of the United States cannot register aircraft in the United States. Section 501(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1401) makes it un-

lawful for any person to operate or navigate any aircraft eligible for registration if such aircraft is not registered by its owner, or to operate or navigate within the United States any aircraft not eligible for registration. Section 501(b) limits eligibility to: First, those aircraft owned by a citizen of the United States; second, those aircraft not registered under the laws of any foreign country; and third, those aircraft of the Federal Government, or of a State, territory, or possession of the United States, or the District of Columbia, or of a political subdivision thereof.

A foreign national can own and operate an aircraft within the United States provided it is registered in another country and provided that person complies with any permits, orders, or regulations issued by the Civil Aeronautics Board pursuant to section 1108(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1508 (b)). This has not been a satisfactory solution for permanent residents of the United States who wish to base their aircraft here. This is because the aircraft must be maintained in accordance with the airworthiness requirements of the country of registry, including periodic maintenance and inspection. It is often difficult, if not impracticable, for a foreign national to contract with qualified mechanics and repair stations in the United States in order to meet the particular requirements of the country of registry.

With respect to airman licensing there is no parallel problem. A foreign national can obtain a U.S. pilot license and a Federal Communications Commission permit to operate the radio transmitters aboard aircraft. The anomaly of the present law is that a foreign national can legally fly a U.S. registered aircraft in the United States, but he or she is prevented from owning an aircraft of U.S. registry.

This bill would extend the eligibility to register aircraft in the United States to citizens of foreign countries who have been lawfully admitted for permanent residence in the United States, provided, as is the present case, the aircraft is not registered under the laws of any foreign country. If a foreign national loses his or her status as a resident alien, the aircraft would no longer be eligible for registration, thus subjecting the certificate of registration to suspension or revocation by the Secretary of Transportation pursuant to section 501(e) of the Federal Aviation Act of 1958 (49 U.S.C. 1401(e)).

An identical bill passed the House last year.

VETERANS' BENEFITS AND SOCIAL SECURITY

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to call the attention of my distinguished colleagues in the House to the problem of those persons receiving both veterans' benefits and social security. Today, an increase in social security payments results in a decrease in veterans' benefits. I am introducing legislation to make certain that increases in social security will be "passed through" to those who receive veterans' benefits as well.

This would be accomplished by directing the Administrator of Veterans' Affairs to disregard any part of a general increase in social security benefits in determining the annual income, and therefore, the level of benefits, of any individual who is entitled to a veterans' pension.

Currently, the amount of income used to determine benefit levels is called countable income. This excludes such forms of assistance as welfare and food stamps but includes social security payments. Thus, as the general price level rises and social security beneficiaries are given a cost of living increase, the Veterans' Administration quickly recovers part or all of the increases by decreasing the recipient's veterans' pension.

The use of this procedure is especially important because of the number of beneficiaries it affects. Of the nearly 5,470,000 persons receiving veterans' pension benefits, about 80 percent receive social security payments also. While 321,000 of these beneficiaries rely wholly on their veterans' pension as countable income, many others rely on their veterans' pension and social security checks as their sole means of support.

It is said that the decreases in veterans' benefits resulting from an increase in social security benefits never leave the recipient with less overall monthly income—that the decrease never more than offsets the increase and often leaves the beneficiary with a net gain in monthly income. Such thinking fails to realize, however, that speaking in terms of real income, the beneficiary is often worse off. Social security cost-of-living increases are given to offset the cruel bite of inflation. When the Government takes it away, the recipient is increasingly pressed for ways to make ends meet, since his monthly cost of living rises without regard to his income. This is especially crucial in this case, where so many of those affected are on the fixed incomes of veterans' benefits and social security.

To those who claim the veterans' pension program is based on need, and determined by the recipient's level of income, from whatever source, I say this is not a welfare program, but an assistance plan which helps us say thanks to those many veterans who gave exemplary service to their country in its time of need.

Now it is those veterans, who were loyal to their country, who are in need. Are we going to play bureaucratic games with them and take away from them what was meant as a cost-of-living adjustment on their social security? I say no.

Mr. Speaker, it is my belief that in all too many cases, increases in social security enacted by Congress to help recipients deal with inflation are being nullified by decreases in the beneficiary's veterans' benefits. We should not take away with one hand what we give with another. I urge my colleagues to strongly support the legislation I am introducing today, to guarantee that future increases in social benefits will be passed through to veterans' pension recipients.

JET NOISE CURFEW

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, noise pollution is one of the major environmental problems facing this country today. Aircraft are prime contributors, not just in urban districts, but in suburban and most rural areas as well. This is a national problem, not a regional one.

I am today introducing a bill to create a nine-member commission to investigate the establishment of curfews on aircraft operations during normal sleeping hours. A curfew on aircraft operations is not the ultimate solution to the noise pollution problem, but it is a viable short-term answer that will provide immediate relief to millions of persons plagued by the whine, roar, and soot of low-flying planes.

The cost of a curfew is minimal, there is no question of compromising safety, and no new technology is needed. Curfews may mean some inconvenience for the airlines and an extremely small number of passengers—because most flights during normal sleeping hours contain freight—but that must be weighed against the public's right to domestic tranquility and a decent night's sleep.

The noise impact of a jetliner taking off or landing is 10 times more disturbing during sleeping hours, when it is much more difficult to assimilate sounds, than during the day, according to acoustics experts.

The commission proposed by this bill would report its findings and recommendations to the Congress within 6 months of creation. It would be composed of the Administrators of the Environmental Protection Agency and the Federal Aviation Administration, two representatives of the aviation industry, and five public members.

Nighttime curfews already are in effect here at Washington National Airport as well as in Tokyo, London, Geneva, and Zurich; Fresno, Los Angeles, and Newport Beach, Calif.; and Boise, Idaho.

THE TYRANNY OF EGALITARIANISM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MICHEL. Mr. Speaker, the distinguished attorney and treasurer of the Democratic National Committee, Edward Bennett Williams, has long been known for his devotion to civil liberties. It was no surprise, therefore, to learn that Mr. Williams, in October 1976, delivered a lecture before the Lawyers Division of the Anti-Defamation League of B'nai B'rith, in which he eloquently and courageously spoke against a new tyranny that is currently endangering civil liberties. I refer to what Mr. Williams calls "the tyranny of egalitarianism."

Mr. Williams quite correctly reminds us that racial and religious bigotry is "a cardinal sin in the litany of human evils." But, as Mr. Williams points out, "it does not follow that we must all share equally in the rewards for the efforts, talents, and enterprise of others." He criticizes those perhaps well-intentioned "total egalitarians" who "would divide the wealth equally, impose quotas and ratios in education, in employment and in the political processes, regardless of merit."

Unfortunately, the imposition of quotas and ratios in employment and education is currently the result—unintended, perhaps, but nonetheless cruel to its victims—of the Federal Government's "affirmative action" programs. Defenders of these programs state that the "goals and timetables" they impose upon employers for the hiring of officially designated minorities are not really "quotas." Try to tell that to a young man or woman who has been denied a place in college or in industry or a trade because he or she belongs to an ethnic or racial group not officially designated as being worthy of governmentally imposed quotas. This is no matter of semantics—the sad fact is that currently we have what is called "reverse discrimination" in this country. I believe that it is time that the Congress got around to reexamining the various programs that have made the quota system possible in this country. My own view is that neither the Civil Rights Acts nor Executive orders of the President demand "goals and timetables" in hiring and education. Indeed, governmentally imposed quotas are inherently discriminatory and, therefore, violate the civil rights of many Americans.

Mr. Williams does not simply point out what is wrong. He offers a solution to the problem. He calls for "a national commitment to excellence" and states:

I think the best kept secret in America today is that real satisfaction, real fulfillment, real exhilaration come not from leisure, or tranquillity, pampered idleness, or self-indulgence, but rather from striving with all one's physical and spiritual might for a worthwhile objective.

It seems to me that the kind of America envisioned by Mr. Williams is one that has no room for the kind of regulatory obsession which unfortunately seems to be the hallmark of so much that goes on in Congress. No, Mr. Williams' vision looks to a time when individual effort will once again be applauded instead of regulated to death, when striving for excellence means more than lobbying for favors, when the "goals and timetables," of our current "quota society" are replaced by goals and timetables each individual sets for himself, in a spirit of freedom. It is my hope that those of us in the Congress keep Mr. Williams' words in mind.

At this time I would like to place in the RECORD "The Tyranny of Egalitarianism" by Edward Bennett Williams, as printed in the ADL Bulletin, October 1976:

THE TYRANNY OF EGALITARIANISM

(By Edward Bennett Williams) *

When I first went to Washington to attend law school over three decades ago, I used to enjoy walking on Sunday afternoons in the vicinity of the Supreme Court. I never failed to thrill when I read the words emblazoned across the magnificent marble portico of the Supreme Court building: "Equal Justice Under Law."

"Equal," not almost the same, not similar, not comparable, but "equal."

Since those days many pages of legal history have been written and we have advanced many leagues in our quest for equality, liberty and justice. We have advanced beyond the concept of equal justice under law so that now equal opportunity, equal education, equal enfranchisement, and equal respect are the patrimony of every American.

Yes, we are all equal, but we must carefully recognize what that means. For by my lights, the most significant threat to freedom on our 200th anniversary as a nation is the tyranny of egalitarianism.

Almost a century and a half ago, Alexis de Tocqueville warned of this threat to liberty in his "Democracy In America":

"There is indeed a manly and legitimate passion for equality which rouses in all men a desire to be strong and respected. This passion tends to elevate the little man to the rank of the great. But the human heart also nourishes a debased taste for equality, which leads the weak to want to drag the strong down to their level and which induces men to prefer equality in servitude to inequality in freedom. It is not that peoples with a democratic social state naturally scorn freedom; on the contrary, they have an instinctive taste for it. But freedom is not the chief and continual object of their desires; it is equality for which they feel an eternal love; they rush on freedom with quick and sudden impulses but if they miss their mark they resign themselves to their disappointment; but nothing will satisfy them without equality, and they would rather die than lose it."

If there be a cardinal sin in the litany of human evils, I believe it is racial and religious bigotry. I believe that for those who practice prejudicial discrimination against their fellow man or woman by reason of his or her color, religion, sex, national origin, or other accident of birth, there must be reserved the hottest corner of Hades. But it does not follow that we must all share equally in the rewards for the efforts, talents and enterprise of others.

We are equal in the sense that we must all have equal opportunity to compete for the rewards of excellence, not share in its fruits regardless of personal effort or ability. An equal opportunity based on merit benefits everyone. By rewarding excellence, we share in the fruits of that genius.

The total egalitarians miss the point. They would divide the wealth equally, impose quotas and ratios in education, in employment, and in the political process, regardless of merit, overlooking the crucial fact that all human progress throughout history owes its origin to the talented and the enterprising. We must keep a system that allows us to develop and use the talents and excellence of all, no matter what their origin. But if we practice inverse discrimination in the name of a ratio or quota system, we shall deprive the country of some of the real genius and talent we desperately need.

The really great people of each generation are those who have a commitment to excellence—a commitment to be at all times, in all places, under all circumstances, the very best that they can be at whatever they do. John Gardner said it best in this century when he wrote:

"An excellent plumber is infinitely more admirable than an incompetent philosopher. The society which scorns excellence in plumbing because plumbing is a humble activity and tolerates shoddiness in philosophy because it is an exalted activity will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water."

Edward Gibbon said it all 200 years ago when he wrote:

"In the end, more than they wanted freedom, they wanted security. They wanted a comfortable life and lost it all—security, comfort and freedom. When the Athenians finally wanted not to give to society but for society to give to them, when the freedom they wished for was freedom from responsibility, then Athens ceased to be free."

Albert Sindlinger did a poll in Swarthmore, Pennsylvania. Every afternoon a battery of pollsters sat at a bank of telephones and called people all across the land.

"What's the principal sickness in America today, ignorance or apathy?"

"I don't know and I don't care," was the majority answer.

I think the best kept secret in America today is that real satisfaction, real fulfillment, real exhilaration come not from leisure, or tranquility, pampered idleness, or self-indulgence, but rather from striving with all one's physical and spiritual might for a worthwhile objective.

As we begin our third century as a nation we are suffering a malaise of the national spirit. As a nation we have grown fat, indolent, and apathetic, affluent and corrupt. We cannot bring ourselves to make the personal

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*Mr. Williams, one of the nation's most famous trial lawyers, is president of the Washington Redskins football club, general counsel of Georgetown University, and author of "One Man's Freedom." Among the posts in which he has served are: President Ford's Foreign Intelligence Advisory Board, the President's Lawyers Committee on Civil Rights, the U.S. Judicial Conference Advisory Committee on Federal Rules of Evidence, chairman of the American Bar Association Special Committee on Crime Prevention and Control. He has taught criminal law at several university law schools. This article is based on his address before the Lawyers Division of the ADL Appeal.

sacrifices required to have once again a national commitment to excellence. Our preoccupation with self-centered concerns and pleasures has deflected us from public obligations and necessary collective endeavors. We have lost the spirit that changed a people into a citizenry and transformed a territory into a nation.

This is a time for heroes. The test at the beginning of our third century will be whether we mistake the growth of affluence for the growth of character.

The long run challenge to our country is nothing less than a challenge to our sense of purpose, our vitality, our commitment and our rededication. To understand the nature of the challenge, we must remember that our kind of free society is still the exception in the world—still unattainable to most people, for most of the world lives under government that has no interest in fostering and nurturing the concept of freedom. The world is full of people who think men need masters.

Our survival as a free society is not inevitable. It will remain alive only if enough of us care. The words of the poet philosopher Rabindranath Tagore on the freedom of his beloved India are an inspiration for America:

"Where the mind is without fear and
The head is held high;
Where knowledge is free
Where the world has not been broken
Up into fragments by narrow domestic walls;
Where words come up from the depth of truth;
Where tireless striving stretches its
Arms toward perfection;
Where the clear stream of reason has
Not lost its way in the dreary desert
Sand of dead habit;
Where the mind is led forward
Into ever-widening thought and action—
Into that heaven of freedom, my Father,
Let my country awake."

NATIONAL HEALTH SERVICE IN U.S.S.R. A FAILURE OR SOME HEALTHIER THAN OTHERS

HON. LARRY M'DONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. McDONALD. Mr. Speaker, many persons while not admiring communism per se feel that their massive state health systems are something desirable. Somehow the illusion has always been that while Socialist states do not always have top quality medical care available, it is always free and adequate for its citizenry. An article from the Sunday London Telegraph of October 3, 1976, brings out the fact that the Soviet system is in trouble. I commend the attention of my colleagues to this item, who feel we should completely go to a national health system of some sort during this Congress. The item follows:

SOME HEALTHIER THAN OTHERS

The Soviet Russian nationalised health service is in such financial difficulty, according to Mr. Anatoly Rubinov, writing in last week's Moscow *Literaturnaya Gazeta* that "instead of tipping your hospital doctor or nurse with a crystal vase or box of chocolates, please put the money into a fund to keep the health service running."

Mr. Rubinov said many Soviet hospitals were in dire straits with patients "lying in the corridors; and at holiday times, it is painful to see that all hospital patients have to go unattended and un-fed. In fact many have to remain un-treated at such times, except in the most drastic cases, and are usually ignored by their neighbours in other beds who may be lucky enough to have visitors or relatives to care for them, and even to give them their necessary medicine."

Earlier, a Soviet Minister of Health, writing in *Pravda*, said that in future it would be necessary for people to pay a contribution to keep elderly relatives in hospital because there was not enough money for the State to keep them.

Mr. Rubinov said that the Soviet Union must adopt the policy now adopted by Poland, where the health service was largely financed by a tax on vodka and all spirits, and a tax on football.

He added that old age pensioners who wish to do so, should be allowed to leave money to the Soviet health service—in a will. How about that, Mr. David Ennals?

FISHING RIGHTS

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MEEDS. Mr. Speaker, on several occasions, I have stood before the House of Representatives and stressed the extremely serious impact of the 1974 Boldt fishing-rights decision on the people and the economy of the Pacific Northwest.

That ruling, handed down by Federal District Court Judge George H. Boldt on February 12, 1974, was based on Indian treaties signed by the Federal Government during the mid-1800's in the Pacific Northwest. The treaties allowed the tribes the right to take fish at all their usual and accustomed grounds and stations, in common with all citizens of the territory.

Judge Boldt interpreted the treaties to mean that certain tribes in the Pacific Northwest have the right to take up to 50 percent of the harvestable runs of steelhead and salmon in State waters. That ruling was upheld by the U.S. Ninth Circuit Court of Appeals on June 4, 1975, and by the U.S. Supreme Court on January 26, 1976, when it refused to hear the case.

To say the least, the Boldt ruling has placed tremendous new demands upon an ever-diminishing resource and has thrown considerable confusion into our fishing industry.

Previously, I have explained the impact of the ruling on the industry—which is one of our most important in our State. I have told of its serious impact on the size of the fish runs, and the growing threat of depletion.

Perhaps most importantly, however, I have stressed how this ruling has affected our people and our human relations in the Northwest. I have pointed out how this decision has, in many instances, resulted in confusion, confrontation, and even violence; how lawbreaking seems the rule, rather than the exception.

Let me assure the Members of Congress that since I last spoke of these problems, they have not subsided. In fact, they have worsened.

Lack of management, poor regulation, as well as bitterness, anger, and frustration continue to threaten fish runs and endanger lives. Lawbreaking and violence are common. Relations among Indians and non-Indians are strained.

ACTION DUE

Mr. Speaker, this situation in Washington State cannot and must not continue.

A precious resource is threatened; hundreds of livelihoods are at stake; violence and confrontation are constantly around the corner. We must come up with answers soon.

If not, we might well witness the disappearance of one of the most valuable resources in the Northwest.

Therefore, I believe it is imperative that the Congress of the United States become more directly involved in efforts to help find solutions to the fisheries controversy in my region.

Although such action might have been disruptive or potentially misdirected prior to final action by the courts, I do believe it is now necessary. The courts have acted; it is now up to Congress. I have taken this position before; I reiterate its importance now.

In fact, solutions to our fishing troubles must be one of the highest priorities of the 95th Congress.

Toward that end, Mr. Speaker, I am today introducing in the House of Representatives, a bill designed as a vehicle to provide some of those answers.

The bill would set up a commission to explore the impact of the Boldt ruling on the Northwest and would make specific recommendations to Congress on the steps necessary to solve those problems. It would recommend the very best systems for management, for enforcement, for planting fish, and so on.

The commission would be comprised largely of local people—people from the Northwest. Commercial and sports fishermen, who are feeling the brunt of the ruling most directly, would be included on the commission as active members. It would also include representatives of the Indian tribes, the State and Federal Governments, and experts in the fisheries field.

All would have a chance to speak—to have their voices heard. All would be actively involved in jointly working out solutions to these fisheries hassles.

DUTIES

The commission would explore the entire fisheries controversy. It would look at the problems their causes, and how best to solve them. It would explore the impact of the Federal court decision by Judge Boldt and what it means to the people of our area. Finally, and most importantly, it would suggest specific actions to Congress on how to solve these problems.

Among its highest priorities, would be to find the best management system for the entire fishery—the best system for setting rules and regulations, seasons and limits, gear restrictions, and so on.

Right now, the management of the fishery is near chaos.

Under the Boldt ruling, 30 Indian tribes and Government agencies potentially have the right to set regulations, seasons, limits, and other rules regarding catches.

This is a blueprint for disaster. Poor management of seasons and limits, can easily mean the destruction of fish runs. Overlapping jurisdiction and conflicting rules cause only confusion and anger among fishermen.

The commission would attempt to resolve this confusion, by recommending a single management unit. It would consider the possibility of total Federal control, total State control, control by a separate management mechanism, control by the regional management council under the 200-mile limit and possible control through a separate State-Federal agreement.

After considering these possibilities and others, it would recommend a specific course of action. A priority consideration for the commission would be to consider the prospect of removing the Indian steelhead nets from the rivers.

Prior to the Boldt ruling, Indians—like all other citizens—could catch steelhead only in the conventional "hook-and line" manner in off-reservation areas. This allowed substantial escapement for spawning purposes.

However, the Boldt ruling allows the Indians to fish in their usual and accustomed manner, which includes netting steelhead in off-reservation locations and selling them commercially.

As a result of this netting, tremendous demands are being placed upon these runs, as I mentioned earlier. The runs are rapidly dwindling, leaving fewer and fewer fish for State sportsmen, whose license fees are used in propagating these prized runs.

In an effort to remove these nets, the commission would consider the possibility of substitution, buy-out, or trade-off of the Indians' rights in the steelhead fishery.

Also, the commission would recommend the best system for planting more fish in our streams.

Since the controversy first began, I have strongly maintained that one of the best answers to our fisheries troubles is by putting more fish in the water for all fishermen.

More fish mean more jobs, a better economy, better recreation, and better human relations. We all benefit, regardless of heritage or treaties or courts.

And finally, the commission would be able to look into various other aspects of the fish controversy: It could consider phasing in of the Boldt decision; it could recommend the best system for enforcement; it could and should explore every facet of the controversy and get to the bottom of it.

TO PRODUCE SOLUTIONS

Mr. Speaker, let me reemphasize that this commission would be set up to provide answers and workable solutions to our fisheries problems. Unlike some other studies or commissions, it is not designed to sweep the problem under the carpet or bury it in a mountain of redtape. That would only intensify the problems and the frustration.

The commission would be directed to report its findings to Congress as soon as possible, and in any case no later than 1 year after the bill is signed into law. This will allow enough time for the various parties to get together, to explore the problem, and come up with recommendations.

It will not stretch out for years and years, while our fish slowly disappear.

Also, the commission would be made up of those people directly involved in this issue—those who stand to benefit the most from workable solutions. Commission members would include representatives of the commercial and sports fishermen, Indian tribes, sportsmen, Federal and State officials. I feel confident that these people will not allow this commission to in any way ignore the problems, but will, rather, deal with them openly, honestly, and directly.

Finally, once the commission's work is complete, it will not quietly become another permanent agency of the Federal Government. Under the bill, the commission itself will be dissolved 90 days after its report is submitted to Congress.

THE VIEW FROM HOME

As many of you recall, I introduced a similar bill in Congress last fall, with the support of the entire Washington State delegation in the House of Representatives.

My purpose was to present a "talking paper"—a place to begin on such a concept.

Since that time, this bill has attracted considerable interest. I have talked with many people about it—fishermen, Indians, biologists, fisheries experts, elected officials, and so on. In making their comments, all have expressed the urgency of the fisheries troubles. All have indicated that something must be done. Unless we act now, they say, we will see our fish runs disappear and our human relations go further downhill. I could not agree more with that assessment.

But it is not enough for me to stand in this House, as I have before, discussing this sense of urgency I hear, this frustration and irritation and anger that is building. It is not enough to stand in this historic hall and discuss this issue in the abstract, without seeing the concern on the faces of the people directly involved.

Therefore, because of the need for action to solve these problems and the deep concern among the people of Washington State, I intend to call for congressional hearings in Washington State to present testimony regarding this fishery controversy. I am hopeful that we can proceed with these hearings in the very near future.

I am looking forward to the testimony of those individuals who have been severely impacted by the Boldt ruling. I invite all to testify: the commercial and sports fishermen, the Indian tribes, the State and Federal officials, the experts, the biologists, the packers and processors, the local residents.

I welcome their views on my own legislation—the good or the bad points they see. I welcome their views on the matter generally, on what answers are best, on how we go about finding solutions, on answers that are realistic. I welcome their views on any other legislation that may be introduced concerning fisheries in the Northwest.

Since this is such an important issue which affects citizens throughout the Northwest, I think it is only appropriate that the Congress not only hear the representatives of these people, but also the people themselves.

TOP PRIORITY

Today begins the first session of the 95th Congress—the first Congress of the third century of this Nation.

For 200 years, we have been a strong, proud, and brave Nation. We have served our people well and dealt with our neighbors honorably.

I am proud of the role that Congress has played in that progress, and I look forward to the challenge of the future.

But a very serious, complex problem is growing in one corner of our Nation. It is a problem that demands the closest attention and concern of this institution.

It is a problem fed by anger and frustration. It cuts across the issues of race and economic survival. It has all the earmarks for violence and confrontation.

These troubles in the Pacific Northwest must be dealt with directly and must be dealt with very soon. The Congress must explore every avenue and it must help find solutions.

This problem will not go away by itself; it will not go away with only cursory attention. It will be removed only through the persistent efforts of those who honestly desire to provide workable solutions.

Therefore, I urge my fellow House Members to consider the impact of this fishing controversy on the Northwest; to consider the serious need for Congress to play its fair share in providing answers. I look forward to the active involvement of this Congress in developing solutions to these fisheries troubles of Washington State and to finally resolving this controversy which continues to plague the entire Pacific Northwest.

PROPOSES SELECT COMMITEE ON ENERGY

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. BROYHILL. Mr. Speaker, in the 93d Congress, some 2,000 energy bills were drafted. Last Congress, over 1,500 energy-related bills were introduced with more than 86 committees and/or subcommittees hearing testimony on energy problems and proposed solutions. While everyone involved in the issue is complaining about energy disorganization Congress has done nothing to coordinate the multitude of proposals to arrive at a sound solution.

Congress energy record is nothing to be proud of. Such inaction is inevitable, however, unless we construct a rational and effective mechanism for dealing with our Nation's energy dilemma.

I have introduced a proposal which calls for the creation of a Select Committee on Energy which would have legislative jurisdiction over all energy matters. This bill would not create a new energy bureaucracy, but rather would consolidate control and coordinate congressional action. We would be using what we have more effectively and would not spread energy jurisdiction throughout 8 or 10 committees with their countless subcommittees. It is no wonder that this body cannot produce a comprehensive energy policy. As soon as a bill is introduced, it is lost somewhere among the committees and subcommittees who all are fighting for a piece of the energy action.

I have seen energy issues in Congress diluted and torn apart until the only issues left were political ones. A select committee such as I have proposed will reflect the balance of the House and will enable us to unite in our efforts for a sound comprehensive energy program. Through such a consolidation as I have proposed, Congress will at least be able to face the issue squarely. There should be no reason for any Member, majority or minority, to oppose a measure such as this.

VERNON JORDAN ADDRESSES 50TH ANNIVERSARY OF SPRINGFIELD URBAN LEAGUE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FINDLEY. Mr. Speaker, 3 weeks ago the executive director of the National Urban League, Vernon E. Jordan, Jr., came to Springfield, Ill., to address the 50th anniversary dinner meeting of the Springfield Urban League. Mr. Jordan's speech contained a candid appraisal of how crucial black support was to the Presidential victory of Jimmy Carter, and a message to Republicans that if we wish to win future Presidential contests, we must make inroads among black voters. Vice Presidential candidate ROBERT DOLE, a prominent conservative Republican, has echoed these thoughts in some of his recent statements.

In addition, Mr. Jordan also presented a perceptive analysis of the debilitating effect of poverty on white and black Americans. While many believe that poverty is a problem primarily of our Nation's black ghettos, the facts are otherwise. The burden of poverty, unemployment, and lack of opportunity falls heaviest upon white Americans, even though it also affects blacks in substantial numbers. In truth, these are American problems which do not know the boundaries of race or color.

Following is a portion of Mr. Jordan's speech to the Springfield Urban League on December 12, 1976:

There are many lessons to be drawn from this election. I want to mention just a few of them tonight.

First, the black vote elected Carter. Without a large black turnout and without such massive black support for Carter, the outcome would have been different. It was the black vote that won the South for Carter. His so-called solid southern base was black; white southerners gave President Ford a majority of their votes. The black vote won Ohio. The black vote won Texas. The black vote won Missouri, Pennsylvania and other key states.

From this comes the second lesson of this election, which should be taken to heart by the Republican Party: the black vote is necessary to win a close election. Black people have a stake in a viable two-party system. To a large degree, black citizens were driven out of the party of Lincoln forty years ago because of active hostility to their needs, and have stayed out of it because the National Republican Party demonstrated continued indifference to black interests. The Republican Party should learn from 1976 that it cannot win a close national election without penetrating the black and urban vote, and it should frame policies in the coming years that will attract those votes.

A third lesson of this election is that the Voting Rights Act of 1965 has been vindicated, that the Selma-to-Montgomery March culminated on November 1, 1976. Black voters connected their needs and aspirations to a Presidential election as never before. They examined the issues and voted, like others in a democracy, on their perception of their own best interests. And they did it with sophistication and maturity, as can be seen by extensive ticket-splitting that showed black willingness to support any candidate of any party who identified with black interests.

So black people today are justifiably proud. They elected a President, made use of the precious right to vote that was bought so dearly in the struggles of the 1960s, and used that right with skill and comprehension. But winning a battle must not be mistaken for winning a war.

It is one thing to get elected, and quite another to govern. We must concern ourselves with governance. No matter how personally concerned about race relations the President-elect may be, once he gets to Washington and faces the political pressures of the Office and the necessary compromises that are part of the democratic process, he may find it expedient to defer those programs of vital importance to black people.

We must not allow this. Our history is full of instances in which our friends took our friendship for granted and sold us cheap. The President-elect must understand that it's not enough to sing with us, it's not enough to pray with us, and it's not enough to give some of us important jobs.

The President-elect must understand we want action on the real issues facing us, action to create jobs, to replace welfare with work with a rational income maintenance program, to provide quality health care for all, to save our cities, to enforce the civil rights laws, to improve our schools, to make life better for the many millions of all races who are shackled by poverty and discrimination.

The next four years must be marked by a concentrated effort to restore a sense of purpose and vitality to our national life, to place before our people a vision of a future free of the horrors of poverty and discrimination.

A sense of purpose must pervade a new set of policies geared to creating a better, brighter future for all. It was Lincoln, in his first inaugural, who declared America's purpose is "to lift artificial weights from all shoulders; to clear the path of laudable pursuits for all; to afford all an unfettered start and a fair chance in the race of life."

Thus, the underlying engine of the policies we propose is the goal of equality, the total and irrevocable dismantling of the institutional arrangements that keep black and brown and all poor citizens from realizing their full potentials.

I recognize the enormous reservoir of white fears and the resistance to change. But I realize too, the vast reservoir of goodwill and common sense waiting to be tapped by self-confident leadership guided by the morality of doing right. Jimmy Carter, during the campaign, talked of how the civil rights laws freed not only blacks but also southern whites, from the oppressive hand of racism. The removal of racial barriers nationally would free white people too.

It is too often forgotten that four times as many whites as blacks are without jobs, that twice as many whites as blacks are on welfare, that far more whites than blacks lack decent housing, health care and schooling.

And it is too often forgotten that the major beneficiaries of the so-called "black programs" of the 1960s, were white. The war on poverty became a major instrument for reducing white poverty faster and in greater numbers than black poverty.

In spite of this, many white people trained by manpower programs and placed in well-paying jobs, living in decent homes financed with federal loans and guarantees with children in college on federally-financed scholarships and grants, people whose entire well-being was made possible by the programs of the 1960s, are now castigating those programs as being for black people.

We see people themselves just one generation removed from poverty, whose access to jobs and schools was increased by the absence of black competition, now screaming about welfare, food stamps, integrated schools, and affirmative action.

Even more absurd is the phenomenon of millions of white people out of work or in low-paying jobs, unable to afford decent housing, unable to provide their children with good educations, resisting social programs that would benfit themselves on the incredible grounds that such programs are for blacks.

Clearly, white Americans must come to understand that racial arrogance and fear of black competition is a major impediment to their own progress and to the construction of a Nation free of the curse of poverty and unemployment.

Thus, the crying need in these last years of the 1970s, is for our national leadership to encourage white people to abandon those beliefs that have held both races back, and to unite with concerned black people behind programs that offer solutions to the basic problems affecting both groups.

Last year alone, the poverty rolls grew by two-and-a-half million people. Some 40 million Americans endure unacceptably low living standards. The official unemployment figures that show over 7 million jobless are grossly understated, with the true total of unemployed and undermployed in the neighborhood of 15 million.

And there can be no doubt that these problems affect black people disproportionately. The largest share of the burdens of our society and economy have been placed on the shoulders of black citizens.

A fourth of the black work force is unemployed, two-thirds of black teenagers are jobless, a third of all black families are poor and half of them do not get a single penny from welfare, and black family income is slipping to only a little more than half of white family income. In almost every measure of socio-economic status blacks lag behind whites and in many instances the gap is growing, not closing.

MARGARET McKINLEY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, our educational system is without a doubt one of the most important segments of our society. Through the children and young adults they instruct, educators deal directly with the future. Thus, it is not surprising that the men and women in the field of education—faculty, administrators, and staff—occupy a special place in the hearts of most Americans.

On January 7, 1977, one of these very special people will leave education after more than 42 years of tireless, selfless dedication. Margaret McKinley, who began her teaching career in 1934, will retire from her position as an instructor with the Los Angeles Unified School District.

Margaret McKinley was born on January 20, 1914. Her teaching career began in the State of Nebraska in 1934, where she taught in several small towns including Bristol, Thurston, and Harvard for the next 6 years.

Arriving in California in 1940, Margaret attended the University of Southern California for 1 year, earning her masters degree in English. After instructing students in El Centro and Anaheim, she joined the Los Angeles Unified School District in 1947, beginning at Banning High School in Wilmington, Calif.

After serving as chairperson of the English department at Banning in 1955, Margaret McKinley transferred to Carson High School when it first opened in 1963. She brought her experience and dedication to that school as English department chairperson in that initial year, helping Carson earn a reputation for academic excellence early in its existence.

Her hobbies are bridge and travel, and Margaret McKinley has been able to apply the latter pursuit to her chosen profession. With the experience and knowledge gained by her journeys, she has tried to give her students a wider perspective of the world and of our Nation.

Margaret toured Europe in 1958 and 1967, including the Holy Land and the Middle East in the later trip. She spent the summer of 1960 in South America, and took a coast-to-coast tour of the United States in 1969. She has also traveled extensively through Mexico, Canada, and Hawaii, and plans to tour the Orient during the spring of 1977.

Mr. Speaker, it is always hard to judge the contribution of a person who provides leadership and knowledge to our young people today. In Margaret McKinley's case, the danger is to underestimate that contribution. Through her dedication and inspiration, this modest, unassuming woman has had an inestimable impact on the students she has touched through the years. Her wise counsel and encouragement—to fellow faculty members as well as students—have earned her a very special status to all who know, love, and respect her.

Margaret McKinley will be missed by students, parents, and the teachers and administrators who were fortunate enough to know her. In addition, her visits to hospitals, contributions to the needy and to children, and many charitable activities have made her a very special member of the community. My wife, Lee, joins me in expressing our thanks to this wonderful person who helped improve our community in so many ways.

Perhaps this quotation—which I am told is Margaret McKinley's favorite—best expresses her excellence as an educator. It is from "The Deserted Village," by Oliver Goldsmith:

And still they gazed, and still the wonder grew
That one small head could carry all he knew.

THE TAX CREDITS AND ALLOWANCES ACT

HON. ROBERT J. CORNELL

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. CORNELL. Mr. Speaker, I am taking this opportunity today to reintroduce one of the most comprehensive welfare reform and tax relief measures ever before Congress, the Tax Credits and Allowances Act. I had the pleasure of introducing this much needed reform bill during the 94th Congress when 30 of my colleagues joined me in sponsoring this legislation.

As many of you already know, the bill as introduced in the last Congress, would have replaced aid to families with dependent children and the food stamp programs with a dual system of first, rebatable $225 tax credits for everyone, and second, basic cash grants to those with little or no income. The direct cash grants would be keyed to family structure, size, and income. The combination of tax credits and cash allowances would provide a maximum total of $4,300 to a two-parent family of four, $3,775 to a one-parent family of four. For a married couple, maximum benefits would total $3,100; for a single adult, $1,100. To encourage work, $1 in gross wages subject to the social security payroll tax would cause only a 47-percent reduction in the basic cash grant. Among other advantages, this proposal would end the practice of categorical aid which has penalized poor families for staying together and denied cash help to nonaged persons without children. This program would be administered by the Internal Revenue Service which would have the capability of more accurately dispensing benefits, thus reducing overpayments as well as underpayments.

Although this measure as proposed last year had many good features, some of my colleagues suggested that more meaningful reform could be acomplished if the supplemental security income program—SSI—could be incorporated into the bill's provisions. Therefore, I am reintroducing the bill with this important addition. As now drafted, the Tax Credits and Allowances Act provides benefits slightly higher than now currently guaranteed to SSI recipients by the Federal Government. A single filer who is aged, blind, or disabled would receive $2,075 in cash assistance plus the rebatable $225 tax credit for a total of $2,300. A couple who are both aged, blind, or disabled would be guaranteed $3,500 plus $450 in tax credits for a total of $3,950. Because these levels are greater than the Federal SSI maximum, further fiscal relief will be available to the States who may no longer have to supplement SSI.

The second substantive change in the Tax Credits and Allowances Act is the addition of a work registration requirement. Again, some of my colleagues requested that this be added to a revised bill. All recipients of assistance except those needed to care for children or dependent adults or those incapable of working will be required to register with the State employment agencies. In addition, recipients will have to provide—on a quarterly basis—certification reports along with their income statements to demonstrate that they are continuing to search for employment.

Over the past 2 years, I have called attention to the fact that while welfare reform was often on the public's mind, it was rarely mentioned on the House floor. I am more optimistic about the prospects for such legislation during the 95th Congress. President-elect Carter has repeatedly stated that welfare reform is one of his top priorities for the new administration. I hope that Mr. Carter will not waiver from his public statements on the need to overhaul our welfare system rather than to resort to a patchwork approach. I believe the Tax Credits and Allowance Act could serve as a model for real reform.

A nation with the resources of the United States can no longer tolerate a welfare program filled with abuses and inequities. Bureaucratic redtape is sapping funds from the poor and the needy. Impoverished families living side by side find one set eligible while the other is not. The working poor are discouraged to find themselves laboring for less than what those on welfare receive and yet work is discouraged since it often means the loss of considerable benefits. Neither morally nor financially can the United States afford to foster generations of welfare families. We must establish a system where the needy will receive assistance, but will be encouraged to build a better and more independent life for themselves. It is my belief that the Tax Credits and Allowances Act will move us closer to this goal.

A BICENTENNIAL POEM

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. SARASIN. Mr. Speaker, although our Bicentennial is now behind us, it is

important that we not lose the spirit of last year's celebrations. The contributions of our ancestors, as well as of our present-day patriots, the traditions and the values that have made us a great nation and a great people must accompany us always, particularly as we enter our third century.

I would like to offer to my colleagues the following poem written by Mr. Harris F. Dake, one of my constituents from Monroe, Conn. Mr. Dake captures the feeling of our Nation's proud history and the timeliness of our grandeur. The poem follows:

I AM A NATION

Conceived in the Plymouth breasts of faith
With a need to preserve my liberty,
For more than a hundred and fifty years;
Waiting to be born—wanting to be free.
Listening to the Spanish unsheathed sword
The French and the English musketry,
In the darkened womb, I plead to my Lord:
"I want to be born—I want to be free".

While Congress debated for a full two years
(But even before they had eventually met)
The pamphlet of Otis in Boston town
And the "seventy-four" Declaration was set.
Bring forth this child I pray and I cry
Where *are* these hands to deliver me?
When will my people pay heed to my call?
"I am a nation and I want to be free!"

With the Albany Plan of Union,
From Benjamin Franklin's pen,
Came my first breath of joy and of freedom
Though I really was not free—even then.
There were forty-eight men of the eleven
And of the eleven there were seven from the king.
In Philadelphia—In "fifty-four"
What did it *actually* bring?

There was Livingston, Sherman and Jefferson
Franklin and Adams,—these five
Charged by my God and my Congress
To keep my freedom alive.
I was *really* born the Fourth of July
On a hot Thursday afternoon.
I was moulded and shaped by these ten strong hands
As promised the eleventh of June.

It was heard on the following Monday
As Hopkins declared it to all,
But it was received as a "Song of Triumph"
And not as a "Battle Call".
There were dancing and cheers from the patriot.
There was prayer in the church and the home.
There were fasting and pleas for forgiveness
For this child that was frail and alone.

But they came from the farm and the village
From the clergy and the businesses too
And all that they asked of their leaders
Was "Give me a job to do".
Oh, they had their Arnold's and Andre's,
And the retreat was Washington's game,
But with faith in the causes of justice
They preserved the nation's name.

I am two hundred years a nation,
But so young as nations go,
I have opened my doors to the whole wide world—
The seed and the fruit that have me grow.
I have stuttered and stumbled along the way
Yet victory has come to me.
I have minted the phrase "In God We Trust".
By this I am a nation, through Him I am free!

The lessons I've learned, the blood and the tears,
The fear I might fail from within
Give truth of the words to Corinth by Paul—
Love is the power and the place to begin.
The yoke of my future is directly on you.
You must preserve my dignity.
From thirteen to fifty, from now and beyond,
I am a nation and I must remain free!

FISH AND WILDLIFE COORDINATION ACT AMENDMENTS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. OBERSTAR. Mr. Speaker, today I am introducing a bill with two very important national purposes. It is designed to conserve valuable fish and wildlife resources and to expedite our national water development program. The bill would amend the Fish and Wildlife Coordination Act to include several recommendations from Federal and State fish and wildlife agencies and many conservation organizations with an interest and expertise in these matters.

A series of conferences among these groups developed a consensus of views which were incorporated into an action report released late in 1971. That report offered 169 recommendations for needed changes in legislation policy, and procedures to streamline fish and wildlife consideration in planning and constructing Federal and federally licensed and assisted water projects. Among the highest in priority was a recommendation to strengthen the Coordination Act.

A bill was introduced and extensive hearings were conducted in 1974 by the House Subcommittee on Fisheries and Wildlife Conservation and the Environment. Those hearings, supported by a 1974 General Accounting Office report, show conclusively that changes in the Fish and Wildlife Coordination Act would be in the broad public interest. Governors of 37 States and one territory have given their support to such changes.

Late last year I introduced a refined version of the original bill to give my colleagues an opportunity to study and help improve the language. I am reintroducing that bill today with only a few minor technical changes.

My bill would bring projects constructed or assisted by the Tennessee Valley Authority and the Soil Conservation Service under the provisions of the Fish and Wildlife Coordination Act. Licensing of nuclear power generating stations would be covered also. The legislation would encourage changes in planning procedures to have fish and wildlife professionals become a part of each project-planning team so their views and recommendations would be considered from the earliest point. The joint planning would minimize and help eliminate the divisive and costly action-reaction relationships among agences.

The amended act would encourage use of new procedures to prevent, compensate, and mitigate fish and wildlife losses in water development projects. It would strengthen public participation in planning those projects. It would help assure that features recommended for fish and wildlife be installed in phase with other project features, rather than later when land costs, for example, have escalated.

Mr. Speaker, there is no question that water development is necessary. The problem remains, however, that many projects are developed without adequate input to protect fish and wildlife habitat. Consequently we are confronted with unnecessary losses of valuable resources which result in public opposition and costly delays in water projects.

It is important to note that my bill is complementary to the National Environmental Policy Act. NEPA requires environmental consideration only after a project has been planed—after many major decisions have been made. My bill would require such consideration during the earliest planing stages before any commitments are made. Thus, agencies could avoid the many delays, arguments, and loss of taxpayers' money that have characterized our water development program.

Let me stress that my bill would not give wildlife agencies veto power over water development projects. Under my bill the U.S. Army Corps of Engineers and other agencies would not have to accept any recommendations where the public interest demands otherwise. But those agencies must take affirmative steps to accept or reject them in a timely manner.

I invite my colleagues to study this matter. I invite the widest possible participation and assistance in producing legislation which will assure that fish, wildlife, and other natural resources are considered fully in the planning and operations of Federal and federally licensed or assisted water resource projects. The public is calling for needed changes in the way we conduct our national affairs. The management of natural resources is no exception; these values are important to people, make no mistake. I hope Congress will respond to the call for changes that will improve the conduct of our natural resources programs.

An analysis follows:

SECTION-BY-SECTION ANALYSIS OF PROPOSED AMENDMENTS TO THE FISH AND WILDLIFE COORDINATION ACT

Section 1—This Section would confer a statutory title (Fish and Wildlife Coordination Act Amendments of 1977).

Section 2—This Section would add to Section 1 of the present Act a declaration of Congressional policy that lands and waters for fish and wildlife purposes be acquired concurrently with other lands and waters for Federal projects. It is intended that the amendment proposed would insure timely acquisition.

Section 3—This Section would extend the coverage of the Coordination Act and clarify its consultation requirements. Its application to activities on the continental shelf would be confirmed, as for mineral development. This proposed application is of particular interest to fish and wildlife agencies of coastal States whose concerns extend both to offshore and induced onshore impacts. Such impacts are also of growing concern to the Federal agencies to be consulted. It is essential that these activities be conducted in an environmentally responsible manner so that when extraction is complete the natural

values will still be intact for future generations.

The amendment would also extend coverage to TVA (as a wholly owned Government corporation) and to the small watershed and related water planning and development activities of the Department of Agriculture. Both programs are now exempted from the Act. This section is intended to extend the Act's coverage to the licensing of nuclear power generating stations by the Federal Government, a clarification of the present situation. Application of the present Act to most Federal and federally licensed water projects would be undisturbed. The proposed Section also would clarify application of the Act to all surface and ground waters. It would then apply to some or all geothermal projects.

The Section would also clarify and expand the consulting and reporting requirements of the Act. It would require consultation (defined in Sec. 10) with the National Marine Fisheries Service as well as the Fish and Wildlife Service and the State agency having "immediate and direct" administrative responsibility for fish and wildlife. Intent is to insure that the consultation is with fish and wildlife professionals and not a general Department of Natural Resources. It would then require written reports from the Secretary of Commerce as well as the Secretary of the Interior (as now) and the State agency (in this instance it might be a Department of Natural Resources).

The amendments would require that the public be given "every appropriate opportunity" for participation and planning. This would recognize the present capabilities of many citizens to participate meaningfully in water resources planning.

Section 4—This Section would amend subsection (2)(b) of the present Act, relating principally to reporting, and expand it into six new subsections.

Subsection 2(b)(1) would require that the reports required by subsection 1(a) above be based on written findings of the fish and wildlife agencies. These findings must include an evaluation of probable project effects—both direct and indirect—and specification of measures needed to prevent, mitigate, or compensate for losses to fish and wildlife. In addition, the draft amendments would ask that the findings consider "the need for additional pre- or post-construction investigations" to further identify project impacts and needed mitigatory measures. The draft would prohibit the use of dollar evaluation of losses in justification for the adoption or rejection of any fish and wildlife recommendation. Monetary evaluations typically have been based on recreational use (as fishing and hunting) which is often at a low level on private lands and does not reflect the underlying environmental values at issue.

Subsection (2) would provide an orderly procedure for considering and disposing of fish and wildlife recommendations by construction agencies. The objective is to insure adequate consideration, but avert any possibility of veto by environmental or conservation agencies, and at the same time avoid imposing undue delays on existing review schedules. The subsection would require the construction or licensing agency to advise the two Secretaries and the State agency of its proposed disposition of fish and wildlife recommendations, including their implementation schedule. Concurrence would be required prior to construction except that (1) failure to respond in 90 days would be deemed to signify concurrence and (2) a negative report could be overridden by a published determination that acceptance is not in the public interest.

The draft amendments would add, at the request of representatives of State fish and wildlife agencies, a further requirement that construction agencies conduct a public hearing prior to a final determination that specific recommendations are not in the public interest if the affected fish and wildlife agency so requests. The proposed requirement is consistent with contemporary notions of what constitutes due process and orderly procedure. Public resources are at issue and the public voice and advice should be heard.

Subsection (3) of the draft would retain the present reimbursement treatment of costs related to mitigation, compensation and loss prevention measures in Federal or federally assisted water and associated land projects. Briefly, these costs are now assumed to be a joint responsibility of beneficial purposes. Accordingly they are allocated as joint costs among all purposes. That portion of those joint costs allocated to reimbursable functions such as water supply are also reimbursable to the U.S. Treasury. Those allocated to flood control are nonreimbursable. This is believed to be equitable and reasonable.

Concerning enhancement costs, present law requires the Federal Government to assume 75% of the cost of separable features allocated to fish and wildlife, and all joint costs. Annual operation and maintenance costs are a responsibility of the administering non-Federal agency. The enclosed draft amendments would change this situation only to require that all costs of enhancing anadromous fish should be non-reimbursable (Federal).

This is proposed in recognition of the fact that anadromous fish are interstate and international in their migrations and in their pursuit by sport and commercial fisherman. It is manifestly wrong to expect any State or local entity to assume these costs in behalf of beneficiaries who may be thousands of miles removed. This proposed provision would place anadromous fish on a par with migratory waterfowl insofar as reimbursement requirements are concerned.

Probably the greatest single burden on State fish and wildlife agencies is associated with annual O & M costs of enhancement features under their management. The subsection would settle a current discussion as to which Federal agency's budget should carry the appropriations requested to defray operation and maintenance costs related to means and measures to minimize or prevent losses to fish and wildlife. Traditionally, the Corps has maintained that such costs should be funded by the Federal fish and wildlife agencies.

It is the view of the latter that such costs would not have been incurred except for the Federal project and, therefore, they should be funded by the construction agency. They should clearly be in the public works budget so that the true costs of Federal water development are conspicuously apparent in that place.

Subsection (4) would make specific provision for post-construction studies in evaluating proposed major projects to determine with greater accuracy the impacts of the project on fish and wildlife resources. This is of importance in those cases where the probable impacts are difficult to predict or when pre-construction planning may be on such a short deadline that there is inadequate time for thorough ecological and economic studies. It is expected that the need for such studies will be recognized in project authorization documents. Their costs would be nonreimbursable.

Subsection (5) would continue the present requirement that findings and reports prepared under the Act shall be made an integral part of authorizing documents and add a further requirement that they promptly be made available to the public.

Section 5—This Section would require construction agencies to transfer adequate funds to the Fish and Wildlife Service and National Marine Fisheries Service to cover the costs of investigations and reporting. These agencies would make necessary funds available to State fish and wildlife agencies. The present authority to transfer funds is discretionary and relates only to the U.S. Fish and Wildlife Service as a recipient. It is believed important to make the requirement mandatory and to insure that funds transferred are adequate to finance all studies necessary under the Coordination Act, whether expended by the Federal or by State fish and wildlife agencies who have been chronically underfunded for this activity. These are administrative problems implicit in the proposed language but they can be surmounted.

Section 6—This Section would repeal that part of the present Act (Sec. 2(h)) which exempts from its application those impoundments of less than 10 acres in area and watershed activities on Federal lands which are considered to be primarily for land management purposes. Although few projects of 10 acres are of major concern, it is believed that the fish and wildlife agencies should have the option of giving attention to such projects if the probable impacts justify such action. Some of the more significant damages to the environment stem from the cumulative impacts of a number of small projects. This is particularly true in the wetlands of the Nation. Insofar as diversions of water on public lands for land management purposes are concerned, these are similar in intent and impact to irrigation projects. The Government as landlord should be treated the same as private beneficiaries of water development.

Section 7—This Section would add two new subsections—2(h) and 2(i).

Subsection (h) would require that Federal agencies authorized to construct or assist in the construction of water projects prepare annual reports detailing their progress in installing fish and wildlife features compared to the rate of installing other project features. The purpose is to help insure that fish and wildlife measures are in proper phase and to avoid situations in which such features have been delayed to the point that they are no longer feasible. This is particularly true for land acquisition. The fish and wildlife agencies have never had sufficient resources to monitor this situation. The proposed report would provide the intelligence necessary to keep everyone informed. The report would be provided to the Congress along with the views of the Secretary of the Interior and the Secretary of Commerce.

Subsection (i) would establish procedures to be followed in connection with the post-construction investigations authorized by subsection 2(b)(5). The report and recommendation of the fish and wildlife agency would be fully considered by the construction agency. Recommendations which are justified and within the authority of the latter would be implemented. For measures not implemented, the construction agency would publish its reasons and inform the Congress. The objective would be to make the information available as a basis for Congressional decision.

Section 8—This Section would provide that revenues realized from the administration of wildlife lands (as from share cropping or timbering) shall be left with the administering wildlife agency for its use in managing the area. Present Corps of Engineers' regulations have prohibited such retention and thus deprived certain State fish and wildlife agencies of funds which were important in the management of these lands. State agencies are particularly concerned in connection with mitigation lands. As noted, the measures are strictly attributable to losses associated with the project and the project and construction agency should make whole such losses in the degree reasonably possible.

Section 9—This Section is designed to clarify the intent of the proviso in subsection 3(c) of the existing Act. Subsection 3(c) authorizes the acquisition of lands, waters, and interests therein when consistent with the purposes of the Act and the reports of the Secretary of the Interior. The proviso then appears to offer an option in the case of previously authorized projects, for the construction agency to request the Congress for specific authority in each instance. This has proven time consuming and has brought such actions out of phase with project construction. The alternative proposed is to permit the acquisition when a properly justified report is presented to the Congress before an appropriation is requested therefor. It is believed that this would facilitate acquisitions in connection with projects previously authorized while preserving the proper oversight by the Congress.

Section 10—This Section would amend Section 8 of the present Act to expand the definitions of terms. The present definition of "wildlife" would be improved. A definition of "consult" would be added to emphasize that it extends to assistance in project planning and evaluation insofar as fish and wildlife concerns are affected. The key to realization of the objectives of the Act is the participation of conservation interests throughout project planning, from inception of planning through operation of the constructed project. The term "Federal Department or agency" is also defined to include agencies that receive delegated authorities otherwise subject to the Coordination Act.

Section 11—This Section would authorize the institution of citizen suits alleging violation of the Act or regulations, orders, or permits issued pursuant to the Act. Prior notice to the appropriate department or agency would be required.

Section 12—This Section would repeal Sec. 3 of the Act of August 12, 1958 (72 Stat. 563), which added Section 12 to the Watershed Protection and Flood Prevention Act. Sec. 12 requires notification to the Secretary of the Interior whenever the Secretary of Agriculture approves the furnishing of assistance to local sponsors in preparing work plans for small watershed projects. It also provides that no funds may be transferred from the Department of Agriculture to conduct fish and wildlife studies related to such work plans, although such studies by the Secretary of the Interior are authorized. Placing the small watershed program under the Coordination Act makes this section no longer necessary.

LEGISLATION TO PROHIBIT THE SALE OF CHILDREN IN INTERSTATE AND FOREIGN COMMERCE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. HYDE. Mr. Speaker, I am today reintroducing legislation to amend the Federal Criminal Code for the purpose of prohibiting the sale of children in interstate or foreign commerce.

I realized when I first introduced this bill last August 25, just prior to the congressional recess, that there was not enough time to schedule hearings on the bill, much less enact legislation. However, it was my intent to stimulate interest in the need for adequate Federal legislation in this area and to encourage both the support of my colleagues and public comment on this issue.

Due to the scarcity of babies available for adoption, the black market in interstate and international baby selling has become a flourishing business for profiteers who barter with human lives—in these cases, the sale of a child for cash. In treating the baby as a chattel, not only is the future welfare of the child placed in jeopardy, but in many instances, both the mother or natural parents and the future parent or parents are emotionally and financially victimized.

Last year two investigative reporters for the Chicago Sun-Times, Palm Zekman and Bob Olmstead, were the authors of an excellent, indepth series on the black market baby business, particularly in the Chicago area. This outstanding study of the problem first alerted me and many other Chicago area residents to the nature and severity of the problem, and stimulated continuing national media interest. This series revealed that the black market baby business is most flagrant in interstate and international deals that are beyond the control of State authorities and where there is a legal vacuum, because of the absence of Federal controls.

Since the Sun-Times series appeared, there have been indictments in New Jersey, which are now undergoing jurisdictional challenges; recent indictments in the District of Columbia; and investigations of black market baby selling are now underway in New York City. In addition, a recent UPI dispatch reports that the Government of Mexico has launched an investigation into the alleged sales of Mexican babies to American families.

My legislation seeks to make it a criminal offense to place or coerce the placement of a child for adoption under circumstances which amount to a "sale" of the child. Once this legislation is enacted, any individual convicted of violating this law will face a fine of up to $10,000 or imprisonment of up to 5 years or both.

I invite my colleagues cosponsorship of this bill and urge that hearings on this legislation be scheduled before the Judiciary Committee as soon as possible.

FREEDOM FOR VIETNAMESE POLITICAL PRISONERS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. KOCH. Mr. Speaker, last week the International League for Human Rights sent a letter to the Socialist Republic of Vietnam asking that it end its jailing of peaceful political opponents. I joined with over 100 other antiwar activists in signing that letter. I did so for the same reasons that I had opposed the war earlier: I believe that the United States should never support or condone repression in another country.

I want to make clear that these South Vietnamese political prisoners did not collaborate with the Thieu regime. On the contrary, they opposed the repression and advocated peace and reconciliation. They faced persecution for their beliefs then, and for their independence they have once again been suppressed. Tran Van Tuyen perhaps typifies the spirit of these "prisoners of conscience." Ordered to write lengthy self-criticisms, he simply responded:

I have committed no crime against the Vietnamese fatherland or the Vietnamese people. If I have done anything wrong, it is only in the eyes of the Lao Dong party (the Communist Party of Vietnam).

The daughter of Tran Van Tuyen, Mrs. Tran Thi Dam Phuong, has made an eloquent and passionate plea for the release of her father. I am appending that statement, and urge that my colleagues read it.

In a very real sense, the United States owes a great debt to these third-force leaders. During the war the United States blindly supported the Thieu regime and thus indirectly suppressed these other South Vietnamese. We now have another opportunity in which these people need our help, and we should not let it escape us.

Some may ask me if I regret my opposition to the war. I do not. I am one of those who always believed that North Vietnam was as repressive as South Vietnam. But I also believe that the United States should not become involved in a civil war between two repressive regimes.

Others may question the right of the United States to voice concerns about freedom in Vietnam. Whatever our mistakes, and they have been tragic and numerous as regards Vietnam, we as a nation should not be fearful to speak out in the cause of freedom. In recent years many of us here in Congress have worked to promote respect for basic human rights as a factor in U.S. foreign policy. Assistance to Chile and Uruguay has been cut because of repression there. I am hopeful that the new administration will be more sensitive to these concerns.

Mr. Speaker, I believe the United States can once again stand as a symbol of freedom if we voice our opposition to repression whether it comes from the left or the right, and if we understand the limits of our abilities to influence the actions of other governments. For instance, the United States can play a constructive role in securing the release, by exchange, of political prisoners in right- and left-wing dictatorships, as has already occurred between Chile and the Soviet Union.

Mr. Speaker, however terrible the war in Vietnam was, the Government of Vietnam should be held accountable for its detention of political prisoners. I hope that it will allow an international human rights organization to conduct a review of the situation there. I am appending the letter from the International League for Human Rights to the Government of Vietnam, followed by the statement of the daughter of Tran Van Tuyen:

THE INTERNATIONAL LEAGUE
FOR HUMAN RIGHTS,
New York, N.Y., December 29, 1976.

H. E. AMBASSADOR DINH BA THI,
Office of the Permanent Observer of the Socialist Republic of Vietnam, New York, N.Y.

DEAR AMBASSADOR DINH BA THI: As a non-governmental organization affiliated with the United Nations, we address you to convey our deep concern with reported activities of your Government which appear to be in violation of the human rights principles to which we assume your Government subscribes by virtue of its United Nations connection.

These activities, supported by documentation, cover suppression of language held to be critical of the Government or its policies, thus contravening Article 19 of the Universal Declaration of Human Rights. In similar fashion, other articles of the Declaration appear to be violated in the detention of political prisoners solely for activities not involving violence or organized opposition. In this connection, we enclose a petition addressed to your Government and signed by 90 well-known Americans concerned with foreign affairs.

It is particularly appropriate that these Americans should address you in view of the fact that they were all staunch opponents of America's participation in the war against Vietnam. They are equally now staunch advocates of the principles of human rights established by the United Nations and subscribed to by almost every member state, including, we hope, your own.

We respectfully request you to forward this communication to your Government for the attention of the appropriate offices. We would appreciate your acknowledgement.

With assurances of our respect.

Yours sincerely,

ROGER N. BALDWIN,
Honorary President.

A PLEA TO THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

STATEMENT BY MRS. TRAN THI DAM PHUONG, INTERNATIONAL LEAGUE FOR HUMAN RIGHTS PRESS CONFERENCE, DECEMBER 29, 1976

Please release my father, political prisoner Tran Van Tuyen, former chairman of the Opposition Bloc in Saigon's National Assembly.

I would like first of all to express my support for the International League for Human Rights, and my gratitude for the efforts of all people concerned about political prisoners held by the government of Vietnam. I know my father would want me to say this first, because he once led an organization to free political prisoners jailed by the old Saigon government. He himself has suffered jail, torture and other forms of persecution by the French, by the various Saigon dictators, and by the Communists, for his life-long efforts to free political prisoners and establish a government where there could be no political prisoners.

My father and my brother are among the many in Vietnam's "re-education" detention camps. Tran Van Tuyen, my father, is 63 years old, and very sick. He is held in the strictest confinement at the Long Khanh province detention camp, denied an adequate diet, and refused medical care, according to information my family has received from Vietnam from a variety of trusted sources.

Who Is Tran Van Tuyen?

My father fought against the French colonialists as one of the youngest members of Vietnam's Nationalist Party, inspired by Sun Yat Sen's similarly named political party in China. Like Sun, my father was committed to an independent republic in Vietnam, democratic socialism, and welfare for the people.

My father demanded immediate independence for Vietnam, commanded an entire province in armed resistance to French rule, and was jailed by the colonial Surete in Hanoi. He joined the late Ho Chi Minh's coalition government in 1945 as second-ranking member of the foreign ministry. He was driven into exile when the Communists showed they wanted to dominate all power in the coalition government rather than share power democratically, and actually began assassinating non-Communist nationalist leaders, or betraying them to the Surete for arrest.

After this experience my father tried to use the Emperor Bao Dai as a rallying symbol for the Vietnamese people to fight both the colonialists and the Communists. He served in Bao Dai's cabinet, accepting what he thought was a French offer of a compromise peace, but was forced to flee again when French Governor General Jean de Lattre de Tassigny ordered his arrest after my father forcefully instructed the colonial officer to shut up and leave a Bao Dai cabinet meeting. He became a colonel in the army of the Cao Dai Buddhists in Tay Ninh because they agreed with his proposals to fight against both enemies of Vietnamese freedom.

In 1960, under Ngo Dinh Diem's rule, my father was arrested and tortured for three years on the then-secret Con Son island prison, which later became known for its "tiger cages." His crime was that he joined the "Caravelle Group" political leaders who in a public statement daringly criticized the Diem dictatorship for political arrests that "fill the prisons to the rafters." The widely-circulated statement demanded a free press, open political parties, a liberal form of government, civil rights, the recognized right of a functioning political opposition, and "authentic democracy." This is what my father has stood for his entire life.

I can remember well my father's early opposition to the introduction of American troops in Vietnam, and I can also remember pro-Saigon government newspapers attacking him as a "pacifist" because of this. Until the day Saigon became Communist my father hoped to end the war and transform the fighting into a peaceful political contest for the support of the people.

When Saigon was ruled by Marshal Cao Ky and later General Nguyen Van Thieu, my father called repeatedly for a new civilian government with freedom of expression. As the elected chairman of the Opposition Bloc in South Vietnam's National Assembly—the equivalent of the House Minority Leader in America—during the Thieu regime, he strongly opposed the detention of political adversaries, worked as a lawyer to achieve their release, and attended street demonstrations at great personal risk to try to prevent Thieu's secret police from beating and maiming non-violent demonstrators, all too often with scant success. Because of such actions, he was persecuted by the Saigon regime. Thieu's secret police even tried to bomb his house once to scare him off.

My father persisted then, as in the past, to stand up and openly declare his belief in freedom of expression, and I know in my heart that he will continue to show the courage of his convictions until his dying day. Vietnamese refugees who shared his prison camp report that when he was ordered to "confess" his crimes in lengthy self-criticisms, he produced two sentences: "I have committed no crime against the Vietnamese people or the Vietnamese fatherland. If I have done anything wrong, it is only in the eyes of the Communist Party of Vietnam." A New York Times column recently called him the "Solzhenitsyn of Vietnam's Gulag Archipelago."

An appeal

All his life my father fought for the independence and unification of his country, for the freedom of his people, and for a democracy in which human rights are honored for all Vietnamese. I appeal to the leaders of the Socialist Republic of Vietnam to release my father, who has been detained for more than 18 months, and whose only crime has been a lifetime of doing his best to express his love for his people and his fatherland. My father wanted a true democracy in Vietnam. I now appeal to people in democratic nations everywhere to try to persuade the Vietnamese government to free him and other political detainees.

STATEMENT OF THE HONORABLE NEWTON I. STEERS, JR.

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. STEERS. Mr. Speaker, I am today releasing a detailed financial statement of my net worth as of December 31, 1976.

I believe that disclosures of this nature by public officials are important and in the public interest. Public officials in my view are public servants, and "no servant can serve two masters," as the old saying goes.

As a Congressman, I will be called on to vote on a wide variety of issues. It is the public interest I am sworn to serve. By detailed disclosure, Montgomery Countians can determine whether there was a conflict between my private and my public interest, and which one I served with my vote.

In recent years, the Congress as an institution has been shaken by revelations of bribery, kickbacks, and campaign office account abuses of some Members of Congress. The net effect of these charges is that the public's respect for the Congress has plummeted to the point where only a bare majority of Americans have any faith in this body. Many of the citizens we represent believe that the majority of Members of Congress are—pure and simple—crooks, using their office to line their pockets rather than to serve the public.

Although I am only a freshman Member of this body, and today is only my first day as a Member of Congress, I know that this sorry view is not correct. As a resident of the Washington area for almost 20 years, I have known a great number of individuals who have served in Congress with honor and integrity and deserve the highest respect. I can say that the vast majority of the present Members of the House and Senate—on both sides of the aisle—are decent, honorable individuals whose overriding interest is serving the people.

However, I believe that perceptions are very important and that we should do all we can, as individuals and as a body, to erase the public's doubts through complete personal financial disclosure, as practiced by a good number of Members over the past several years. I have decided to devote this, my

"maiden statement," in the CONGRESSIONAL RECORD to publishing my own financial statistics, on an annual basis

By means of this statement, the people of my district—and the people of the Nation—will be able to review my record each year to satisfy themselves that I am serving their interests and not my own.

I urge my colleagues, especially those in the freshman class, to set the tone for the 95th Congress by publishing their financial statements.

A detailed statement of my net worth follows:

NEWTON I. STEERS, JR., STATEMENT OF NET WORTH AS OF DECEMBER 31, 1976

ASSETS

Cash Items:	
Net credit, E. F. Hutton & Co. brokerage account	$6,817.00
Checking accounts:	
Potomac National Bank	9,491.76
American National Bank	4,351.35
Riggs National Bank	1,251.83
Savings Accounts:	
Gov't Services Savings & Loan	26,072.30
Chevy Chase Savings & Loan	30,778.82
Total cash items	78,763.06
Securities (Schedule A)	893,926.50
Retirement account, State of Maryland (as of 6/30/76)	3,485.60
Car, 1972 Pontiac LeMans, mean of wholesale and retail values	2,500.00
Insurance—National Service Life, $10,000 face, cash value	----------
Personal belongings such as furniture, clothing, tools, and equipment are omitted as not relevant to the purpose of this statement. Current household expenses payable are omitted for the same reason	----------
Real estate:	
6601 River Road, Bethesda (home)[1]	490,000.00
6509 River Road, Bethesda (rented out)[1]	112,500.00
Less mortgage payable (on 6509 River Road)	3,013.29
Total real estate	599,486.71
Net worth	1,578,161.87

[1] Two independent appraisals have been made, as follows:

9/26/73	$112,500	$490,000
10/8/73	75,000	292,400

Higher value adopted above, in view of lapse of time since appraisals were made.

SCHEDULE A

NEWTON I. STEERS, JR., SECURITIES HELD AS OF DEC. 31, 1976

	Shares or amount	Market value: Per share	Market value: Total
Common stocks:			
APS	6,000	$8.875	$53,250.00
Computer Data Systems	6,300	2.75	17,325.00
Dart Drug	5,000	7.875	39,375.00
Emerson's, Ltd	22,000	.75	16,500.00
Fidelity Union Life	1,500	25.25	36,375.00
Frederick's of Hollywood	5,000	4.50	22,500.00
Glenmore Distill. B	5,200	11.625	60,450.00
Government Services S. & L	6,000	7.875	47,250.00
Hickory Farms	5,000	8.75	43,750.00
Management TV	17,000	----------	----------
Michigan Seamless Tube	2,500	24.50	61,250.00
Montgomery Cable Comm	2,000	----------	----------
NEA Mutual Fund	100	8.64	864.00
Presto Products	4,000	9.50	38,000.00
Redken Laboratories	3,500	20.25	70,875.00
RPM	6,750	13.75	92,812.50
Transtechnology	22,000	2.50	55,000.00
Tri-Chem	4,000	16.75	67,000.00
Tropicana	1,000	31.00	31,000.00
Varco	1,000	12.75	12,750.00
WD-40	2,000	20.25	40,500.00
Wiser Oil	400	109.00	43,600.00
Total			850,426.50
Preferred Stock: Santa Fe IND. $50	4,000	10.875	43,500.00
Total securities			893,926.50

AN URGENT NEED: A NEW, FAIR, AND EQUITABLE 1977 PUBLIC WORKS EMPLOYMENT ACT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PATTEN. Mr. Speaker, it sounds very hard to believe, but although Middlesex County, N.J., suffered an unemployment rate of 9.3 percent and almost 26,000 jobless during the April, May, and June 1976, period considered, not one of its 25 communities was included for a Federal construction grant under the Public Works Employment Act list issued by the Economic Development Administration—EDA.

The selection list was not only disturbing to the county and its communities, but to me as a cosponsor. Since the 9.3-percent unemployment rate was about 2 percent higher than the national average, we certainly expected some Middlesex County grant applications to be approved by the EDA. Unfortunately, despite the fact that over $100 million in applications were filed by the county and its municipalities, not even one was selected.

The EDA claims that it has no control over the selections made in late December, because of the seven criteria analyzed by the computer—ranging from the rate of unemployment, to the personal income of the area. However, it is evident to me and to many other Members that a new, fair, and equitable bill should be passed soon by Congress and signed by President Jimmy Carter.

Besides urging an investigation to determine how and why Middlesex County and its communities—and similar high-unemployment areas—were excluded from selection by EDA, I strongly urge the new Congress and the Carter administration to extend—and expand—the Public Works Employment Act introduced by its chief sponsors: Representative JIM WRIGHT, Democrat of Texas, and Representative ROBERT A. ROE, Democrat of New Jersey. I commend them for their fine leadership, and join them again as a cosponsor of this vital program.

Mr. Speaker, more Federal funds must be authorized and appropriated in the new bill being introduced today. The $2 billion in title I funds was certainly inadequate—even ridiculous. For example, $24 billion worth of applications from State, county, and local units in the Nation had to compete for the $2 billion. I also believe that the 70–30-percent formula should be eliminated and replaced with one which gives high unemployment areas the priority and attention they deserve. To express it in very mild terms, Middlesex County and its communities failed to obtain the grants they deserve.

I am well aware that the Public Works Employment Act is not the solution to the serious unemployment problem America faces today, but it does help. In my congressional district, alone, over 30,000 persons are looking for work—a real economic tragedy. Let us help put more people to work and also aid communities in their building plans—from the construction of libraries, to providing street improvements.

The $2 billion is not enough. I feel that we should pass a bill which includes the amount supported by the Democratic leadership and reportedly by President-elect Carter: $4 billion, at least. It would be a wise investment—in both human and physical terms. My colleagues of the House, let us show that we care about the unemployed and their communities.

ACTION NEEDED TO ALLEVIATE GAS SHORTAGE

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. BROYHILL. Mr. Speaker, the natural gas shortage continues to loom as one of the largest problems facing this Nation, and the public is beginning to pay the price of congressional inaction. The question of deregulation of the wellhead price for new natural gas has consumed much time in Congress, with the result that the serious short-term supply shortages have been ignored. It is obvious that Congress must take immediate steps to protect homeowners, small businesses, and industrial users for whom there is no ready substitute for natural gas.

Fortunately a number of factors, primarily mild weather conditions, have enabled the Nation to avert major economic disruptions the last two winters. This winter, however, has been much colder than anticipated. Not only have substantial volumes of gas been withdrawn from next year's storage, but hundreds of small industrial and commercial users are relying on purchases of "emergency" gas, supplies which may be discontinued with only a few hours notice.

There are more than 75 small commercial and high-priority natural gas users in North Carolina which are being threatened with a total cutoff of gas supplies this month. These companies employ more than 50,000 persons, and are vital to my State's economy and my

constituents' welfare. With the weather as cold as it is, this trend is expected to continue throughout the Nation. I am informed that the State of South Carolina hosts another 100 companies whose supplies might be discontinued this month. It is my belief that Congress should act to alleviate this situation before it worsens, so that small and vital users of natural gas may be reasonably assured of essential supplies.

For these reasons, I am introducing a short-term or "emergency" bill to amend the Natural Gas Act to temporarily increase the availability of natural gas supplies. My bill would permit an interstate pipeline that is curtailing users to purchase emergency supplies of natural gas from intrastate pipelines. The high priority needs which would be protected by this bill would include industry, small businesses, schools, and similar users whose operations are vital to public health and well-being. The gas would be available for periods of 180 days, and would be flowing only through April 1978.

There is little doubt that the 95th Congress will again be debating long-term solutions to our Nation's natural gas shortage. However, the likelihood exists that thousands of Americans may be unemployed, industries and schools closed down while Congress considers the long-term problem and ignores the immediate crisis. Regardless of your point of view on how best to assure future adequate supplies of natural gas I would urge your support of my emergency proposal which can, if we act promptly, relieve the impending crisis of the next 3 months.

APPLIED SOCIOLOGY AND THE MONDALE BLUEPRINT

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. EDGAR. Mr. Speaker, I would like to share with my colleagues a provocative analysis and commentary on legislation conceived of by Vice President-elect WALTER MONDALE which would increase the role of social scientists in Federal decisionmaking. This paper, entitled "Applied Sociology and the Mondale Blueprint," is authored by Prof. Arthur Shostak of Drexel University in Philadelphia. Accepted for reading at the 1977 meeting of the Eastern Sociological Society, the paper assesses the need for this bill and reviews its nearly 10 years of legislative history:

ABSTRACT

Since 1967 Walter F. Mondale has been urging Congressional colleagues to enact a bill that would vastly increase the uses made of the social sciences by the Federal government. In his position now as Vice-President he may move to finally secure its passage, and aides and consultant are already reviewing a 1977 update of the oft-considered, but never-passed bill. As law it would establish a Council on Social Analysis and an annual Social Report to the President, either or both of which would dramatically and radically revamp the status and role of sociology in American life. Objections to the Mondale blueprint are discussed, and the paper closes with an assessment of the bill's overall significance, whatever its near-future fate.

Applied sociology *may* have a larger role in the Carter-Mondale administration than ever before true in federal affairs—though whether to the better or detriment of the profession and the nation remains a perplexing and open matter. Much hinges on whether or not Vice-President Walter F. Mondale seeks and gets approval to press ahead with his ten-year old quest to vastly increase the government's use of social indicators, social evaluations, and social reports. No other present or recent member of Congress has pushed as long, as hard, and as knowledgeably as has Mondale on behalf of a remarkable boost in the status, power, and impact of our discipline. The time for resolution of the Mondale campaign now appears close at hand—with Carter Administration influentials likely to decide within the term's first year whether to go with or stifle the Vice-President's vision of a "twice-born" sociology, a vigorous and relevant sociology in the service of immediate and long-range public policy questions.

As often before over the decade-long record of this particular Mondale campaign a number of opportunities will exist for sociologists to contribute to the dialogue. Testimony pro and con the Mondale blue-print is already on-the-record from the likes of Amitai Etzioni, S. M. Miller, Talcott Parsons, Eleanor Sheldon, Mancur Olson, Daniel Patrick Moynihan, and a score of others invited by Mondale to appear before concerned Congressional committees.[1] As well, occasional magazine articles and journal essays attest to past interest, and to present-day opportunities to help shape the 1977 outcome of this go-around.[2]

To help enlarge the diversity and quantity of concerned sociologists I propose to raise and answer three central questions:

First, just what *is* the Mondale blue print?

Second, what are the major criticisms leveled at it?

Finally, what is its special significance, regardless of its 1977 fate?

Research of mine in support of the discussion that follows includes Summer, 1976 interviews with consultants retained by Mondale to prepare a 1977 draft of his original 1967 bill. I have also interviewed several sociologists who have previously testified before Congressional groups inquiring into the Mondale bill (in all of its various versions). And I have analyzed all the relevant testimony in hundreds of pages of Congressional hearings ('68, '70, '71) on the bill.[3]

1. *Mondale's Blue-Print.* First proposed as legislation in 1967, the Senator's plan for applied sociology revolves about his deepset conviction that the social sciences in general, and sociology in particular, offer a signal advance over the "hunch, intuition, and good intentions that have been the heavy artillery of social problem solvers."[4] When he re-introduced his bill in 1971, after Senate passage in 1970—and again in 1972—(but House neglect on both occasions), Mondale stressed the fundamental inadequacy of the information on which he and his colleagues had been operating as they had legislated the Great Society into existence.

Still more interesting is Mondale's apparent conviction that securement of the missing information might have spelled the difference between policy and program success or failure:

"To our collective sorrow most of [the sociology studies that would have helped] remained buried in the forbidding pages of the scholarly journals . . . One can only imagine how different the tumultuous decade just ended might have been had there existed then the sort of mechanism for monitoring and reporting social conditions I am proposing."[5]

Whether this 1972 persuasion of his has actually withstood the test of five intervening years is presently known only to Mondale, and may be decisive in the scenario ahead.

Be that as it may, Mondale's original confidence in the "if/then" analytic and prescriptive powers of the social sciences has had him champion the development of two remarkable additions to the Executive Office of the President:

First, the creation of a *Council on Social Analysis* (CSA), comparable to the Council of Economic Advisers, as set in motion 31-years ago in the Employment Act of 1946.

Second, the creation of an annual *Social Report of the President*, prepared by the CSA, and analogous to the annual Economic Report to the President, prepared for 31-years now by the CEA.

Either or both development will immediately and radically alter the role of sociology in American life, . . . and in short order, elsewhere as well.

The proposed CSA would be composed of three of the nation's "most gifted and respected social analysts (appointed by the President and confirmed by the Senate) and staffed by a number of America's brightest young social scientists", or so Mondale prescribed.[6] It would have four major functions—date-gathering, social monitoring, program evaluation, and "translation" (or the interpretation of sociologese to Congress, and, vice versa!). Mondale went out of his way to note that a "principal task" of the Council would entail developing a system of social indicators—something presumably more substantial than our '73 OMB and '76 OMB compendiums of assorted indicators.

As for the proposed annual report of the President on the nation's social status, Mondale cited two related objectives:

"Requiring the President to report annually on such areas as education, health, housing, alienation, political participation, personal security, and social mobility would do far more than assure the publication of CSA findings and recommendations: It would guarantee such societal knowledge visibility of the sort that only presidential involvement can generate."[7]

These two objectives—bolstering a case for many different CSA studies of strategic facets of American life, and lending Presidential prestige and clout to CSA findings and recommendations—would usher in a new age for applied sociology, an age of far more potential influential and power than any save Comte and Saint-Simon might rest easy with.

2. *Criticisms.* From the 1967 beginning of the campaign to win enactment of this blueprint opposition has been considerable, thought-provoking, and over-whelming—at least to date.

Some critics insist that the Council of Economic Advisers can do all that Mondale asks, and recommend therefore that we need only add a sociologist or two to the CEA staff.[8] Certain critics contend that the social sciences, with the lone exception of economics, of course, lack basic theories of causation, and cannot be looked to for the really substantial counsel that Mondale seems to envision.[9] And still other critics castigate the blueprint for its seeming over-reliance on the alleged potential of "scientific" information. Typical here is a recent stinging column by conservative commentator George F. Will, who sees in Mondale's "reverence for the social sciences" a sorry and revealing indicator of the man's "idea of sensible statecraft."[10]

In response Mondale has respectfully, but firmly contended that the CEA ought not to be taxed with an entirely new and distinctive agenda, especially one with which many economists hold little brook. As for

Footnotes at end of article.

the lack of powerful and relevant theoretical schemes, Mondale concedes the point, but quotes social science testimony on the benefits to theory-building of applied exercises . . . and falls back on his basic insistence that some help, however limited, from the "soft" sciences is better than the normative workings at present of the federal apparatus.

Mondale's strongest rebuttal, however, remains his willingness to yield, especially when criticism is constructive and cogent: In the first year of his bill's Congressional review, for example, in 1967

Prof. Preston Wilcox of Columbia urged inclusion of a clear role for community people on CSA Advisory Committees; the Act was so revised.

Prof. Bertram Gross of Syracuse urged strengthening of the role in CSA matters of local and State governments; the Act was so revised.

Mr. Allan Speiser of the ACLU urged addition of admonitions against violations of civil liberties or invasions of privacy; the Act was so revised.

Prof. S. M. Miller of NYU urged new stress on the CSA's concern with long-range aspects of social policy and social programming; the Act was so revised.

Most recently the 1977 draft version of the bill has adroitly retitled the 1967 "Council of Social Advisers" by a new tag—the "Council on Social Analysis"—in a delicate effort to placate status-sensitive members of the prestigious Council of Economic Advisers . . . who want no other profession to share such proprietery nomenclature.

3. *Significance?* While members of Mondale's staff have been preparing a 1977 draft since the Spring of '76, and while several sociologists and other social scientists have been privately asked to critique versions of a new bill, the possibility remains that Administration strategists will choose instead to forego another Mondale-backed effort to win its enactment. They are weighing the argument that the "foresight" requirement of the 1974 Congressional Budget Act, the mandate that now requires a five-year plan (and futures research) of all dollar-allocating agencies and Congressional committees, does much of the job that Mondale called for back through '67 to '74, and is at least owed a chance to prove this.[11]

Whatever its particular near-future fate, however, the example of the decade-old *unsuccessful* campaign to elevate sociology's employ in federal affairs has at least this major significance—It challenges our profession to ask once again, as from our very founding by French social engineers and American social activists, just what really ought to be our relationship to power, and our instrumental place in the federal scheme of things?

Does the Mondale blue-print ask too much of us? Ought we to run the risks our economist colleagues know in too close an identification with White House mainstream ideologies? Should we welcome a new source of crystallization of status and prestige within our profession—this a stultifying likely—consequence of the establishment of a new Council on Social Analysis?

Or should we see instead in the Mondale blue-print an overdue extension to the social sciences of hard-earned and warranted influence and significances? Should we see in the blue-print a natural next stage, a logical advance, a healthy challenge, and an indispensable prod to advances both in theory-building and program and policy applications?

If the continued prospect of still-another go-around with the Minnesotan's sociological vision accomplishes little other than the reinvigoration of our own internal dialogue in the matter it will have made a signal contribution—though I, for one, join the Vice-President in dreaming of far more.

Summary. Trying to second-guess the likely sociological areas of concentration under the first two years of the new Carter-Mondale administration calls attention to four leading candidates:

Job Preparation Programs, in terms of skills acquisition, morale and motivation, a pro-job style of life, and other aids to permanent placement on the nation's payrolls.

Neighborhood Self-Help Efforts, as a calculated alternative to government-abetted neighborhood "triage" policies.

Youth Corps Service, as a revival of the CCC mode of fostering adolescent skills—attainment, citizenship experience, and race and class exposure.

Day Care Provision, as a government-run, or subsidized and monitored aid to dual job-holding parents; and also as a calculating supplement to childhood educational and social-psychological growth.

Less well-known, but possibly more far-reaching than all of these is the prospect that this Administration will once and for all set the Federal government's course firmly in the direction of vast new reliance on better-than-ever social intelligence.

From Hoover's request in the early 1930's for the fourteen-volumes of *Recent Social Trends,* (the extraordinary and sadly neglected prototype of the social indicator annuals now published or underway in twenty-six countries), through the 1969 HEW stimulant, *Toward a Social Report,* and our two recent national efforts at social intelligence centralization, the OMB '73 and '76 volumes on social indicators, we have moved unsteadily and unevenly—but also unerringly toward a state of relations envisioned in the Mondale blue-print.

Our public policy and reality-comprehension needs seem increasingly to require more of social science analysts than ever earlier true, especially as once-powerful agents of explanation (religious, ideological, and even economic paradigms) steadily lose their grip on our minds . . . and spirit. We are freshly challenged by a host of seemingly-new quandries—such as the possible desirability of slower growth, a smaller population, a shorter work involvement, a larger free-time challenge, a turbulent politics of young versus old, and so on. We look for keener tools of analysis and insight than we have thus far possessed—and are urged by the Mondale plan to consider two in particular, a Presidential Council and a Presidential Social Report, that could help meet the bill—or hasten instead the sorry spectacle of adult sociologists serving as servile "mansion houseboys", the equivalent among '77 academics of 1857 "house blacks".

The challenge cuts to the heart of a major dilemma of ours in the transition from an industrial to post-industrial period: How best can we serve—our profession, the community of social scientists everywhere, and our nation—with craft and integrity, while remaining free of the "entangling alliances" some perceive in the otherwise exhilerating likes of Mondale's vision of a "twice-born" sociology.

FOOTNOTES

[1] See, for example, *Hearings on S. 843 Before the Subcommittee on Government Research of the Senate Committee on Government Operations,* 90th Cong., 1st Sess. (1968).

[2] Etzioni, for example, devoted a Summer, 1976 column of his in *Human Behavior* to the subject, and a forthcoming 1977 issue of *The Annals,* edited by Conrad Taxieber, will be devoted to several essays assessing the December, 1976 publication of *Social Indicators, 1976*—paying special attention to alternative models of sociology's optimum contribution to public affairs.

[3] All of this research is part of a much larger undertaking: I have two Summers still to run on a 3-Summer NSF Fellowship to study the role of social indicators in the solution of societal problems. My first Summer (1976) was spent as an NSF Fellow at the Center for Coordination of Research on Social Indicators, SSRC, Washington, D.C.

[4] Mondale, Walter F. *Congressional Review,* January 25, 1971.

[5] Mondale, Walter F. "Social Advisers, Social Accounting, and the Presidency", *Law Contemporary Problems,* 1972. p. 498.

[6] *Ibid.,* p. 497.

[7] *Ibid.*

[8] Senator Proxmire takes this position, or did so as recently as 1972 when the last hearings were held. Cf. Olson, Mancur, "An Analytic Framework for Social Reporting and Policy Analysis." *The Annals,* March, 1970. pp. 112–126.

[9] See, for example, Sheldon, E. B. and Freeman, H. E. "Notes on Social Indicators: Promises and Potential," *Policy Sciences,* 1970, 1. pp. 97–111.

[10] Will, George F. "Mondale's Idea of 'Sensible Statecraft'." *Washington Post,* September 9, 1976. p. A–23.

[11] See for support, De Neufville, Judith Innes. *Social Indicators and Public Policy.* Elsevier: New York, 1975. pp. 190–195.

A CONTINUING CONCERN OVER TELEVISION VIOLENCE

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. RAILSBACK. Mr. Speaker, last September, I expressed my concern over the rising rates of juvenile crime and violent crime. I noted that from 1960 to 1975, the most recent available statistics, the number of violent crime arrests rose 156.4 percent with juvenile arrests up 293.4 percent. At the same time, I was faced with criticisms of the high incidence of violent events on television. For example, by the age of 12, the average child will have seen over 101,000 violent episodes on television and will have witnessed 13,400 deaths. Furthermore, recent reports, including those done by the University of Utah and by the Annenberg School of Communications of the University of Pennsylvania, indicate a relationship between viewing violence on television and changing attitudes toward violence in the real world. I responded by introducing a resolution expressing the concern of Congress in this area and asking those responsible for television programing to take these trends into account. Seventeen other Members of Congress joined me as cosponsors and two other indicated their desire to cosponsor on the next reintroduction.

Since that time, I have received numerous letters from concerned parents and teachers voicing their support of this effort. The PTA had already launched a project of its own and is holding a series of eight public hearings in major U.S. cities. The 6½ million members also plan to monitor and evaluate TV programs, to boycott products or programs and to contact local stations, networks, sponsors, and legislators. People continue to be troubled by the violence occurring in the real world and on the screen. They still suspect a causal link between the two.

Until we, as legislators, are convinced that there is no relationship or that the relationship, if significant and harmful, can be remedied, we have an obligation to express the feelings of our constituents to those in a position to make the necessary changes.

I ask for wide support and involvement in resolving this problem. All of us are personally affected. Early hearings and full consideration in regard to the resolution I am introducing will indicate our sincere efforts.

A DEBT OF GRATITUDE

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. WINN. Mr. Speaker, today is a day filled with excitement as we welcome our new colleagues and begin what we all hope will be a productive Congress.

We have been through some turbulent times in the past decade, and we can now look forward to the promise of the future. To a great extent, I think we owe a debt of gratitude to President Ford for this renewed spirit of optimism.

My purpose in making these remarks today, however, is not to make a partisan stand, nor to criticize the soon-to-be-installed administration. Instead, my purpose is to share with my colleagues in the House an article printed soon after the November election in the Kansas City Times.

In my opinion, this article sums up the feelings of countless Americans regardless of party affiliation, and therefore, I urge my colleagues to give it their consideration:

THANK YOU, MR. FORD, FOR BEING THERE

(By Bob Greene)

Dear Mr. Ford:

These must be among the most trying hours of your life, and I hope this letter is not an intrusion. Losing the presidency is a hurt that only a handful of men will ever know, and no one besides yourself can understand the personal sorrow that you are feeling now.

But I want to write—as one of many Americans who are not very interested in politics, and who are not registered members of either political party—to say thanks. Thanks for being there when we all needed you.

You did not seek the presidency when it was handed to you. You were the middleman in a crisis the likes of which we may never see again. The rest of us could feel relief when your predecessor left office; while we talked about how the bad times were over, you alone faced the burden of trying to put us all back together again.

Before you came to office you said that you would never run for the presidency on your own. You changed your mind soon after entering the White House, but it would be hard to blame you for that. Only 36 other persons in the history of this nation shared with you the experience of being President; it is not hard to imagine that the lure of wanting it some more is an enticement hardly any man could resist.

In the first minutes of your presidency, you said that you realized you had not been elected by our votes. You asked that, in the absence of our ballots, you could have our prayers. You wished aloud that your predecessor and his family could find personal peace; you said that the long national nightmare was over.

We out here in the country were moved by your speech that day, but we all have short memories. Within months we were treating you the same way we have treated all of our modern Presidents. It is probably good, this intense scrutiny and easy criticism, for it helps make a President realize that his constituency is, indeed, paying close attention. But in your case we went out of our way to let you know that we did not regard you as an unflawed man.

So we made the jokes and the nasty cracks and the innuendos. It wasn't just the editorial cartoonists and the political columnists; so many of us joined in the glee at laughing every time you displayed a physical clumsiness and making jokes about your uneasy way with words and snickering over what we were led to believe was your lack of intellect. That you were an athlete, that you were a discerning survivor of the political infighting of the Congress, that you were an attorney graduating near the top of your law school class at Yale University—those things did not impress us. Now you were the President, and Presidents are the biggest targets we have.

By the time this election season came around it was fashionable to portray you as a bumbling clown. How this may have affected you as a human, we didn't much care. You were the President, and that is how we have been conditioned to treat our Presidents in the second half of the 20th century.

So you must be nursing hurts that you never expected. You will be leaving the White House soon, perhaps leaving Washington. And now perhaps it is the right time to say the words to you that we didn't ever say before.

You were a victim of circumstances. We all were victims of circumstances, of the national crushing of the spirit that was brought about by your predecessor. It was a little easier for us to be victims, though; we could merely complain and not be forced to do anything about it.

You, though—you had the job of beginning the healing. And you did it.

Two years ago it seemed at times impossible that we could ever be a nation that could smile again—that we could ever be a people who felt good about ourselves. But somehow it began to turn around. And you, more than anyone else, did it. In a quiet, low-key way you made sure we knew that the White House was not a place of uncleanliness anymore. You made sure that we knew that a President could, indeed, still be a caring man worthy of our trust. You helped get us out.

I don't want to talk about the results of Tuesday night's balloting. As I said at the beginning of this letter, there are many of us who do not spend very much time thinking about political matters, and it is best to leave the political analysis to those who make a career of that.

This is just a note of gratitude for helping all of us find a peace that, for a while, seemed destined never to be ours again. May you and your own family find peace, too. We can never repay you for the service you gave to your countrymen when we needed it most. It is difficult to put our feelings into words, but please know that the feelings are there, and that we will not forget.

Thank you, Mr. President.

ERISA AMENDMENTS URGED

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DENT. Mr. Speaker, on Labor Day, 1974, the President signed into law the Employee Retirement Income Security Act of 1974. This comprehensive scheme of Federal regulation of private pension and welfare plans was the product of more than 10 years of intensive study and work by the Congress. We knew when ERISA was enacted that it would not prove to be a perfect law. It was recognized that some of the complex and difficult legislative judgments we made as ERISA was developing, judgments which appeared correct in theory, would need improvement as the experience with the law developed.

I believe that our experience to date clearly demonstrates a vital need for statutory amendments to ERISA. Reporting requirements, for instance, must be reexamined to make certain that plan assets, which should be used primarily to pay benefits to participants, are not being used instead to pay for the preparation of duplicative and nonproductive Government reports. Confusion and a frequent lack of coordination among the agencies responsible for the administration of ERISA must be remedied. Other areas, to be sure, demand attention as well.

Our goal throughout the development and oversight of ERISA has been to improve and protect an employee's interest in his or her pension and welfare plans. I believe that ERISA represents a tremendous advance toward this important goal. By carefully and thoughtfully considering amendments to ERISA, I believe the Congress can move still closer toward this goal.

Mr. Speaker, I welcome the recommendations of my colleagues in the House regarding both the need for amendments to ERISA as well as the contents of such amendments. By acting early in this new 95th Congress, I believe we can achieve a more effective and more meaningful level of pension reform.

A TRIBUTE TO GEORGE WHITE

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. SISK. Mr. Speaker, on November 27, 1976, dairymen and those associated with the dairy industry of California gathered to pay honor to Mr. George White who retired as general manager of the San Joaquin Valley Dairymen's Association, a position he had held since 1949.

As a result of his hard work and efforts on behalf of the 317 dairymen who make up this dairy cooperative, their single plant now processes the same amount of milk in 1 month as it used to in 1 year. That, in and of itself, is a tribute to both the dairymen and the man they selected in 1949 to be their general manager.

Mr. White's career with the San Joaquin Valley Dairymen's Association began in June 1928 and has been continuous since, except for 4 years in the 1940's when he worked for another dairy firm. In 1948 he returned to the Los Banos Dairymen's Association as assistant

manager, and became general manager the following year. In September 1974 the East-West Dairymen's Association and the Los Banos Dairymen's Association merged into today's San Joaquin Dairymen's Association which last year processed 692,298,000 pounds of milk.

During his lengthy career in processing milk for the producer-owners of the Los Banos area, White developed inline processing for churning butter, as well as for automated powdered milk. He also introduced processing of mozerella and jack cheese to Merced County.

The California Legislature will be memorializing this dairy industry leader and I feel that his retirement dinner November 27 will be but a single tribute of many to be received as he steps aside. I wish he and his wife Elba a happy retirement.

A CALL FOR INDEXING

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. COUGHLIN. Mr. Speaker, today marks the beginning of the third Congress in which I have introduced tax indexing legislation as I have done this afternoon.

Tax indexing, in its simplest terms, is the concept of tying income taxes to real income rather than to inflated dollar incomes. My bill would require annual automatic adjustments in the income tax rates, the amount of standard deduction, personal exemption, depreciation, capital gains, and interest on certain U.S. obligations and their redemption value to reflect changes in the cost of living as measured by the Consumer Price Index. The result would be a tax structure which prevents taxpayers from being pushed into higher and higher tax brackets due to rising wages which provide them with no additional purchasing power in real terms because of inflation.

I am pleased to note the growing acknowledgement of the merits of tax indexing and draw the attention of my colleagues to the release recently of a Joint Economic Committee staff study which advocates the indexing approach. The American people want real tax reform and any meaningful reform must include the indexing concept. Once again I urge the Ways and Means Committee to give serious consideration to tax indexing which reflects the views not only of a growing circle of noted economists, labor and financial leaders but an increasing number of average taxpaying Americans as well.

An article by James L. Rowe Jr. which appeared in the Washington Post on January 2, 1977 focuses on the Joint Economic Committee staff report and I insert it in the RECORD at this point:

A CALL FOR TAX INDEXING

(By James L. Rowe, Jr.)

The progressive income tax, far from automatically keeping the economy on a stable path as it is designed to do, actually made the 1974–75 recession worse because it pushed people into ever higher tax brackets when their real incomes were falling.

That is the contention of a Congressional Joint Economic Committee staff study released yesterday.

The study argues that the federal personal income tax system must be indexed—or corrected for inflation—so that effective tax rates are not raised by wage increases which merely keep pace with, or even lag somewhat behind inflation.

Under an indexed system, persons with larger incomes would continue to pay a bigger percentage of those incomes to the government than would poorer persons, but wage increases which merely keep pace with higher prices would not raise the average tax rate for any individual.

Thomas F. Dernburg, chairman of the economics department at American University and author of the study, contends that not only does the progressive income tax reduce real incomes during inflation periods ("so that erstwhile automatic stabilizers become destabilizers) but that it also provokes labor to seek higher wages, lowering production (and employment) and intensifying inflation.

Traditional economic theory holds that the graduated income tax is an "automatic stabilizer" because when prices and wages are rising during periods of excess demand, progressively higher percentages of the incomes are taxed. This boosts the federal tax take and has a restrictive effect on the economy. Similarly, when production and wages are falling during a recession, the percentage tax take falls faster than wages decline, thereby propping up real income and production.

The same theories argue that indexing will contribute to inflation and economic instability by failing to reduce excess demand during periods of inflation.

But when, as in 1973 and 1974, inflation occurs not because of excess demand but because of supply problems—such as the quadrupling of oil prices by producing countries and the worldwide grain shortage which boosted food prices—the progressive tax system does not help inflation and can contribute to recession.

"Very few competent analysts would seriously claim that the economy of 1974 was characterized by excessive demand," Dernburg contends. Instead, it was plagued by what economists call stagflation—rising prices and falling production.

Yet, because prices were rising, the progressive income tax pushed federal spending and taxing policies into a sharply restrictive mode. Between the final three months of 1973 and the third quarter of 1974, real economic output (as measured by the gross national product adjusted for inflation) fell at an annual rate of 3.2 per cent. But nominal GNP, including the effect of inflation, rose at an annual rate of 11.1 per cent. That means that even though fewer goods and services were produced, their total cost was much higher than the price tag on the bigger output nine months earlier.

Personal income rose 9.4 per cent in dollar terms, but after adjusting for inflation, it fell 2.4 per cent. Because the federal income tax rate rises on additional dollars earned, federal tax receipts increased faster than either nominal personal income or GNP.

The federal income tax take rose from 11 to 11.5 per cent of personal income during the period, even though the economy was weakening, as evidenced by the fall in real economic output.

"This is one of the troubles with an unindexed income tax. The aggregate income tax rate rises as long as nominal personal income rises, rather than as long as aggregate demand is excessive," Dernburg notes. Had the tax system been adjusted to account for inflation, the ratio of taxes to personal income would have fallen slightly, to 10.9 per cent.

"There is no doubt, therefore, that indexed taxes would have moderated the collapse of 1974," Dernburg contends.

Even without outside disturbances, however, the progressive tax system contributes to inflation, as workers seek to compensate for the higher taxes by demanding large wage increases, he argues. The tax increases reduce demand, thereby lowering production, employment and incomes. By itself, this would lower the price level. But the wage increases workers demand raise production costs. Because production costs rise, output falls even further, which lowers incomes. But total consumption never falls as much as total income (consumers either reduce savings or borrow to maintain a higher spending level), so effective demand rises relative to output and may boost the overall price level back up to where it was.

As a result, Dernburg contends, the progressive tax system may decrease employment during an inflation period without much gain against inflation. "This certainly ought not to be permitted to happen automatically, inasmuch as it implies a built-in mechanism that automatically creates a bias toward higher unemployment and rapidly rising wages as well," he says. He concedes that the empirical evidence to support this theory, at least in the case of the United States, is far from conclusive, but says that events in 1964, following the tax cut, and in 1968, following the imposition of the tax surcharge, would be consistent with this theory.

Dernburg, co-author of one of the leading intermediate economic-theory textbooks, notes that Congress regularly has taken action to ensure that inflation does not substantially change the way the tax system redistributes income and to keep the overall share of federal taxes (personal and corporate income and Social Security) at about 20 per cent of GNP.

Discretionary action, however, cannot perform adequately "in the handling of short-run stabilization policy," he says. Without indexing, the progressive tax system today can make matters worse.

He argues that rather than having a tax system which responds to inflation (whatever its cause) by raising the aggregate tax rate, an indexing system would produce a "neutral response that keeps the aggregate tax rate constant and maintains proportionality between taxes and personal incomes when the price level changes."

SOVIET STRUGGLE FOR HUMAN RIGHTS

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. HARRIS. Mr. Speaker, on this, the first day of the 1st session of the 95th Congress, I take this opportunity to charge that the Soviet Union has not complied with its promise to permit the reunification of families who seek to emigrate to Israel. I, and many of my colleagues, plan to redouble our efforts on behalf of those individuals who continue to be denied their human rights in the U.S.S.R. Two such individuals are Eugene Reinberg and his wife Sophia. The Reinbergs have been separated from their only child and son, Yuri, for 19 months by Soviet emigration policy.

In addition to being a full-time medi-

cal student in Tel Aviv, Yuri was forced into part time employment in order to assist his parents. Yuri gained support for his cause by visiting the United States this past August to meet with me and other concerned citizens to discuss his parents' plight. During his visit to my office, I telephoned his father in Leningrad, informing him of our actions on his behalf. Yuri's father has a Ph. D. in physics and worked 28 years as a specialist and professor of metallurgy at the Institute for Shipbuilding in Leningrad. Like many other scientists who have applied to leave the Soviet Union, he has since been demoted to the much lower position of foreman of building repairs. It is felt that Yuri's father is being used as an example to warn others at the institute not to apply for permission to emigrate. But I believe that Professor Reinberg has become a symbol to free persons everywhere that we must maintain our dedication to human rights wherever they are being denied.

At this time I want to reassure the Reinberg family and others in the Soviet Union that the world has not forgotten them. Those who are seeking their restoration of human rights should continue their struggle. Their cause is just and Members of Congress, such as myself, will continue our work for this cause.

MAJOR POST OFFICE AND CIVIL SERVICE COMMITTEE BILLS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mrs. SCHROEDER. Mr. Speaker, I am today reintroducing four bills from the 94th Congress which fall under the jurisdiction of the House Post Office and Civil Service Committee, of which I am a member.

The first of these bills would require that once again the Postmaster General and the Assistant Postmaster General be confirmed with the advice and consent of the Senate. Since the Postal Reorganization Act of 1971, these offices have been filled by persons solely appointed by the Postal Service Board of Governors. Thus, while Congress has been struck with Postal Service mismanagement and deficits, it has had no say in the appointment of those who have managed to create the deficits. I think my bill represents one of the steps which must be taken to correct this situation.

The second bill I am putting in the hopper today abolishes the congressional franking privilege and puts postage meters in each congressional office. The bill would serve two useful purposes: First, it would create a system of total accountability for mail sent by each Member of Congress. Second, it would eliminate the abuses of the congressional frank like those which have previously occurred and make it clear to the average citizen that congressional mail is not free and unaccountable.

The third measure I am introducing is the Federal Statistical Activity Control Act of 1977. This measure will provide the Federal Government with a mechanism to bring under control our Nation's paperwork burden. This bill contains the following provisions:

First, it imposes a "sunset principle" on all Federal authority to collect or process information for statistical purposes. Under the bill's provision, every statistical authority shall terminate at the end of a 5-year period beginning with the effective date of the legislation, or in the case of new authority, 5 years after its effective date. In other words, the forms or questionnaires are going to have to prove their necessity every 5 years or go out of existence.

Second, my legislation recognizes that Congress must bear much of the blame for the glut of data demands, because it all too frequently gives little or no attention to the data implications of legislated requirements for program reporting, for application for participation in programs, or in mandated studies and reports.

Therefore, my legislation requires that each committee of Congress shall provide a detailed data impact statement to accompany any piece of reported legislation which provides for Federal information authority. Such a statement would include: First, the nature of the information a respondent would have to collect, process, or provide; second, the method by which such information would be collected; third, the estimated costs both to respondents and the Government to provide and collect the information; and fourth, alternative methods for collecting such information.

These provisions would, at least, get the Congress thinking about the potential impact of its legislation before it becomes too late.

Some may believe that this issue is too small to cause great concern. Such a notion is clearly inappropriate when one considers that in recent years the "data and statistics business" has grown so much that the total cost of providing the information that Government agencies ask for has been estimated to run as high as $40 billion annually.

Mr. Speaker, the fourth measure which I am reintroducing is the Agricultural Census bill. I am happy to say that Representatives CHARLES ROSE, GILLIS LONG, and PAUL SIMON are cosponsoring this bill. These Members assisted me greatly when this bill was before my Subcommittee on Census and Population last year. In the 94th Congress, this measure, H.R. 14830, was reported to the House floor by the House Post Office and Civil Service Committee late in the second session. Unfortunately, although there was widespread support for the bill's passage, time was too short for its enactment.

The most recent Census of Agriculture met with great resistance throughout rural America because of the unreasonable burden it placed on farmers. Farmers were required to fill out forms which were too long, too complex, and too irrelevant. While it is important that reliable agricultural information be collected and published regularly, it is neither necessary nor desirable for farmers to be forced to fill out incredibly detailed forms which ask questions for which farmers just do not have answers. It simply appears as if much too little thought and effort went into considering the average farmer's time and frustration in filling out these forms.

The result was an agricultural census which is a marketer's dream, but a farmer's nightmare. I believe that now is the time to deal with this issue before plans are made for the next Census of Agriculture which will be taken in 1979.

My bill would reduce by at least 40 percent the paperwork burden placed on respondents to the agricultural census. The net result of the bill will be to reduce by at least 1.5 million hours the time needed by American farmers and ranchers to fill out Government forms. To meet this requirement, the Bureau of the Census would be forced to cut the size of its questionnaires and to make much greater use of sampling techniques—something it should have been doing all along.

The bill would also do two other things. First it would require the Bureau of the Census to continue to collect certain limited information on very small farms, and to continue to consider them as farms. Last Congress, the Bureau of the Census and the Department of Agriculture wanted to increase by 400 percent the minimum sales required for an establishment to be considered as a "farm." This would have resulted in hundreds of thousands of farms being technically redefined out of existence.

Because of an adverse congressional response to this redefinition, the action was later rescinded. But I think that the Congress ought to preclude any further attempts to redefine large number of farms out of existence. Therefore, the bill provides that any future changes in definition which would increase the sales to qualify as a farm cannot exceed inflationary trends.

Third, the bill recognizes the fact that there have been great changes in the ownership structure of farms in recent years which are not fully understood or documented. Therefore, the bill calls upon the Bureau of the Census to improve upon its collection of data on the farm ownership of the United States.

I believe that this bill presents a great opportunity to reduce substantially the paperwork burden on a major section of the economy without damaging in any way the information needs of our society.

FEDERAL WORKERS' PAY DIFFERENTIAL

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, Federal employees who live in high cost-of-living areas should be entitled to appropriate cost-of-living wage differential benefits. Private industry and many State governments already pay higher salaries and wages to employees in large cities than they do for the same kind

of work in other areas where living costs are not as high.

In contrast, the Federal Government pays many of its own employees in the New York City area salaries which, within $100 of the amount, they could receive if they collected welfare. Under current Federal pay scales, a GS–1 appointment starts at $5,810 while a family of four receiving full welfare benefits in New York City gets the equivalent of $5,712.

Labor Department studies show that the average family of four needs $13,886 to maintain a moderate standard of living in a small city, but almost $17,498 a year more for the same level in New York City.

Every major national employer has resolved this issue—everyone except the Federal Government, which is the Nation's largest employer. Improved salaries would not only aid Federal employees, but would help the Government as well. If the Federal Government paid its classified workers salaries which are competitive with private industry in that locale, it would be able to recruit and retain more qualified and better trained employees, instead of losing them to private industry.

I am introducing today legislation to provide for the establishment of a special cost-of-living pay schedule containing increased pay rates for Federal employees in metropolitan areas of 500,000 and up to offset the increased cost of living there. This would cover about 2.1 million persons in 65 metropolitan areas.

OSHA'S SINKING AUTHORITY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. HANSEN. Mr. Speaker, on December 30, 1976, a panel of three Federal judges in Idaho declared the inspection provisions of OSHA unconstitutional and void, and refused the Department of Labor further inspections of private business premises with or without a search warrant. That is a milestone in the continuing fight for individual rights which are traditional to American citizens.

I urge my colleagues both favorable and unfavorable to OSHA to read the panel's landmark decision, which follows:

CIVIL NO. 1–76–3 (THREE-JUDGE COURT)

SUMMARY JUDGMENT

Barlow's, Inc., an Idaho corporation, Plaintiff, vs. W. J. Usery, Secretary of Labor of the United States of America, in his official capacity, et al., Defendants

The cross motions of the parties for summary judgment having been heard and submitted and the court having heretofore entered its memorandum decision and order, and it appearing that there are no genuine material issues of fact and that the record in this cause presents only questions of law, and the court having concluded that plaintiff is entitled to the relief prayed for in its complaint on file herein,

It is hereby ordered, adjudged and declared as follows:

I

That Section 8(a) of Public Law 91–[illegible]6, December 29, 1970, 84 Stat. 1598 (29 U.S.C. 657(a)), is unconstitutional and void in that it directly offends against the prohibitions of the Fourth Amendment of the Constitution of the United States of America.

II

That defendant, the Secretary of Labor of the United States of America, and all other defendants, and their successors in office, and all other persons acting by, through or under them, are hereby forever and permanently RESTRAINED and ENJOINED from acting or attempting to act pursuant to or in furtherance of Section 8(a) of OSHA (29 U.S.C. 657(a)) and from conducting or attempting to conduct any general searches or inspections of the non-public portions of the premises of the plaintiff herein pursuant to Section 8(a) of the Occupational Safety and Health Act of 1970.

III

No costs or attorneys' fees are allowed.

Dated this 30th day of December, 1976.

M. OLIVER KOELSCH,
Senior Circuit Judge.
J. BLAINE ANDERSON,
Circuit Judge.
RAY MCNICHOLS,
Chief District Judge.

CIVIL NO. 1–76–3 (THREE-JUDGE COURT)

MEMORANDUM DECISION AND ORDER

Barlow's, Inc., an Idaho corporation, Plaintiff, v. W. J. Usery, Secretary of Labor of the United States of America, in his official capacity, et al., Defendants

Before: Koelsch and Anderson, Circuit Judges, and McNichols, Chief District Judge.

Plaintiff is an Idaho corporation in good standing situated in Pocatello, Idaho. Its business is the installation of electrical and plumbing fixtures, heating and air conditioning units. The corporation is engaged in interstate commerce in that it purchases and uses materials such as sheet metal which are made without the State of Idaho.

On September 11, 1975, Occupational Safety and Health Compliance Officer Daniel T. Sanger arrived at plaintiff's business premises for the purpose of conducting a safety and health inspection pursuant to Section 8(a) of the Occupational Safety and Health Act. 29 U.S.C. § 657(a).[1] Mr. Sanger properly identified himself and requested permission to inspect the nonpublic area of the premises. Mr. Ferrol G. "Bill" Barlow, President and Manager of Barlow's, Inc., refused to allow the inspection, basing his refusal on the absence of a search warrant. It is undisputed that Mr. Sanger did not have any cause, probable or otherwise, to believe a violation existed nor was he in possession of any complaints by any employee of Barlow's, Inc.

As a result of Mr. Barlow's refusal, the Secretary petitioned this court on December 13, 1975, for an order compelling entry, inspection and investigation. A show cause order was thereafter issued and subsequent to the show cause hearing the Secretary's petition was granted on December 30, 1976.

On January 5, 1976, the court's order was presented to Mr. Barlow. Mr. Barlow again declined to permit the inspection. The next day the plaintiff filed the instant action requesting that a three-judge court be convened to enjoin the enforcement of the Act on the ground of repugnance to the Fourth Amendment and, further, requesting a temporary restraining order. The present three-judge court[2] empaneled and the temporary restraining order was denied on the ground of an inadequate showing of immediate and irreparable injury.

Footnotes at end of article.

This case squarely presents the issue of whether the entry and inspection provisions of the Occupational Safety and Health Act (OSHA), 29 U.S.C. § 651, et seq., are consistent and compatible with the dictates of the Fourth Amendment.[3]

I

Preliminarily, the Secretary advances two grounds to preclude this panel from reaching a decision on the merits. First, it is contended that this court lacks subject matter jurisdiction. This argument is premised on two principles: First, that judicial review is improper because Congress has designated an exclusive forum—the Occupational Safety and Health Administration, and, second, that plaintiff is not entitled to challenge agency action for a supposed or threatened injury until prescribed administrative proceedings have been exhausted. In short, the Secretary contends that plaintiff should simply have permitted a full inspection under protest, thereby preserving its objections for the Commission and appellate courts, if and when a citation resulting from the inspection is actually issued against it.

The purposes served by the exhaustion doctrine, as set forth in *McKart v. United States*, 395 U.S. 185 (1969), are absent from this case and we therefore will not apply the rule to this case. It is beyond question that the administrative channels of OSHA lack the expertise to consider and determine the constitutional question presented by this case. We also find, after a consideration of the factors set forth in *Abbott Laboratories v. Gardner*, 387 U.S. 136 (1967), that the issue presented by this case is ripe for judicial determination. The issue presented is one of constitutional law only and, further, the plaintiff is placed in a dilemma of being forced to give up his asserted right of privacy or potentially finding himself in contempt of court. We therefore reject the Secretary's contention that this court lacks subject matter jurisdiction.

The Secretary's second ground urged in support of dismissal is that plaintiff's failure to appeal the order of December 30, 1976, requiring the inspection bars the present action on res judicata grounds. Our review of the transcript of that hearing convinces us that the presiding judge reserved the constitutional issue on the basis that it was premature. The ruling in that case, Civil 4–75–58, clearly left open the door for subsequent litigation of the Fourth Amendment claim. We thus proceed to the merits.

II

In *Frank v. Maryland*, 359 U.S. 360 (1959), the Supreme Court upheld the conviction of Aaron D. Frank who refused to permit a Baltimore City health inspector to enter and inspect his premises without a search warrant. This holding was expressly overruled by the Supreme Court in *Camara v. Municipal Court of San Francisco*, 387 U.S. 523 (1967), and its companion case, *See v. City of Seattle*, 387 U.S. 541 (1967). In *Camara* appellant was awaiting trial on a criminal charge of violating the San Francisco Housing Code by refusing to give permission to a city housing inspector who sought to inspect appellant's residence without a warrant. The court, in tracing the history and scope of the Fourth Amendment, stated:

"Nevertheless, one governing principle, justified by history and by current experience, has consistently been followed: except in certain carefully defined classes of cases, a search of private property without proper consent is unreasonable unless it has been authorized by a valid search warrant." 387 U.S. at 528–29 (citations omitted).

The court went on to hold that under the Fourth Amendment a person has the constitutional right to insist that a search warrant be obtained before an administrative inspection of a private residence is allowed.

In *See, supra,* the court was faced with a warrantless inspection of a commercial warehouse in the course of a municipal fire, health and housing program. In expanding its *Camara* holding to include commercial structures as well as private residences, the court stated:

"We therefore conclude that administrative entry, without consent, upon the portions of commercial premises which are not open to the public may only be compelled through prosecution or physical force within the framework of a warrant procedure." 387 U.S. at 545.

In *Colonnade Catering Corp. v. United States,* 397 U.S. 72 (1970), the court narrowed the scope of its *Camara* holding in upholding the warrantless inspection of the premises of a retail dealer of liquor. In *United States v. Biswell,* 406 U.S. 311 (1972), the *Colonnade* reasoning was expanded to permit warrantless inspections of firearms dealers.

III

It is upon the framework of the abovementioned cases that we must base our decision. We reject the notion as espoused in *Brennan v. Buckeye Industries, Inc.,* 374 F. Supp. 1350 (S.D. Ga. 1974), that the *Colonnade* and *Biswell* decisions envision a trend of the Supreme Court to generally narrow the holdings of *Camara* and *See.* Instead, we find that the warrantless inspection scheme pursuant to OSHA is more properly aligned with and must be controlled by the holdings in *Camara* and *See, supra.* See *Brennan v. Gibson's Products, Inc. of Plano,* 407 F. Supp. 154 (Three-judge court, E. D. Texas, 1976).

We simply cannot overlook the fact that in *Colonnade* and *Biswell* the court dealt with an "industry long subject to close supervision and inspection" (*Colonnade,* 397 U.S. at 77), and a "pervasively regulated business" (*Biswell,* 406 U.S. at 316). We believe that both of those cases fit into the *Camara* categorization of "certain carefully defined classes of cases." We have no such industry in this case. OSHA applies to all businesses that affect interstate commerce. 29 U.S.C. § 651 (a) (3). As such, it applies to a wide variety of over 6,000,000 work places and does not focus on one particular type of business or industry. It cannot be questioned that this broad spectrum of businesses can be distinguished from the heavily-regulated liquor and firearm industries encountered in *Colonnade* and *Biswell,* supra.[4]

We have also had the benefit, not enjoyed by the court in *Brennan v. Buckeye Industries, Inc., supra,* of recent Supreme Court pronouncements which show a continued allegiance to the *Camara* and *See* holdings as expressing the court's views on the scope of the Fourth Amendment. In *Almeida-Sanchez v. United States,* 413 U.S. 266 (1973), the court was faced with a statute and regulations which permitted warrantless searches for aliens, without probable cause, within a one hundred mile zone along the international border. The court invalidated these roving searches by the Immigration and Naturalization Service, finding that such searches: "embodied precisely the evil the court saw in *Camara* when it insisted that the 'discretion of the official in the field' be circumscribed by obtaining a warrant prior to the inspection." 413 U.S. at 270.

The court went on to distinguish *Colonnade* and *Biswell* by noting that "businessmen engaged in such federally licensed and regulated enterprises accept the burdens as well as the benefits of their trade, . . ." 413 U.S. at 271.

More recently, in *Air Pollution Variance Board v. Western Alfalfa Corp.,* 416 U.S. 861 (1974), an inspector of the Colorado Department of Health conducted daylight visual pollution tests of smoke being emitted from the company's chimney. The inspector had entered the outdoor premises of the business without the owner's consent or having obtained a search warrant. The court expressly reaffirmed the holdings of *Camara* and *See,* but held them inapplicable to the case because of the "open fields" doctrine. See *Hester v. United States,* 265 U.S. 57 (1924).

There is one common thread among these cases that requires the result we reach here. In *Camara, See* and *Western Alfalfa, supra,* each was involved with statutory and regulatory schemes aimed at promoting and protecting public health and safety. The warrantless inspections authorized under OSHA likewise seek to promote public health and safety and therefore must be controlled by *Camara* and *See.*

The analysis which we have outlined above is consistent with that taken by another three-judge panel in *Brennan v. Gibson's Products, Inc. of Plano, supra.* While we adopt, in general, the similar reasoning employed there, we decline the invitation to judicially redraft an enactment of Congress. Unlike the *Gibson's Products* court, we cannot accept the proposition that the language of the OSHA inspection provisions envision the requirement that a warrant be obtained before any inspection is undertaken. Certainly, Congress was able, had it wished to do so, to employ language declaring that a warrant must first be obtained, the procedures under which it is to be obtained, and other necessary regulations. Congress did not do so and we refuse to accept that duty.

We therefore hold that the inspection provisions of OSHA which have attempted to authorize warrantless inspections of those business establishments covered by the Act, are unconstitutional as being violative of the Fourth Amendment.

It is so ordered and judgment shall be entered accordingly.

Dated this 30th day of December, 1976.

M. OLIVER KOELSCH,
Senior Circuit Judge.
J. BLAINE ANDERSON,
U.S. Circuit Judge.
RAY MCNICHOLS,
Chief, U.S. District Judge.

FOOTNOTES

[1] 29 U.S.C. § 657(a) states:

"(a) In order to carry out the purposes of this chapter, the Secretary, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized—

(1) to enter without delay and at reasonable times any factory, plant, establishment, construction site, or other area, workplace or environment where work is performed by an employee of an employer; and

(2) to inspect and investigate during regular working hours and at other reasonable times, and within reasonable limits and in a reasonable manner, any such place of employment and all pertinent conditions, structures, machines, apparatus, devices, equipment, and materials therein, and to question privately any such employer, owner, operator, agent or employee."

[2] During the pendency of these proceedings Judge Koelsch took senior status and Judge Anderson was elevated from district judge to circuit judge and continues to participate in this matter by designation of the Chief Judge of the Ninth Circuit.

[3] Amendment IV—Searches and Seizures

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

[4] The Congressional investigations revealed in the legislative history of the Act (3 U.S. Code Congressional and Administrative News, 91st Congress, Second Session, 1970, p. 5177, et seq.) make a persuasive case for "need" in the health and safety fields. We, of course, do not sit in judgment of the wisdom of Congress. Our only concern is the alleged affront to the Fourth Amendment. The rationale of an anonymous saying "Expediency is the argument of tyrants, it precedes the loss of every human liberty" seems of forceful application here. That the end result may be laudable and desirable does not justify the means used to accomplish it when constitutional prohibitions are confronted. To paraphrase Burke, *Impeachment of Warren Hastings,* February 16, 1788; "The Constitution (law) and arbitrary power are in eternal enmity." We suggest that there are other less intrusive and oppressive methods of accomplishing the intended result, e.g., employer reporting requirements with provisions for employee contribution and participation; employer-employee safety committees; encouragement of employee complaints; in the organized management-labor relations field a greater and more forceful input by labor unions as the safety representative of their members; efforts toward better enforcement by the states of their health and safety laws, etc. We subscribe to the *Camara* court holding that warrantless inspections must be confined to "certain carefully defined classes of cases." *Camara, supra,* p. 528–9.

UNIFORM LAW ON THE SUBJECT OF BANKRUPTCIES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. EDWARDS of California. Mr. Speaker, today I introduce, with the gentleman from Virginia (Mr. BUTLER) a bill to establish a uniform law on the subject of bankruptcies. This bill is the product of several years of intensive study of our bankruptcy laws and bankruptcy system, conducted by the Commission on the Bankruptcy Laws of the United States, a Congressionally created Commission on which Mr. WIGGINS and I were privileged to serve; by the National Conference of Bankruptcy Judges; by the National Bankruptcy Conference; by numerous other consumer and commercial organizations and during the 94th Congress, by the Subcommitee on Civil and Constitutional Rights of the Judiciary Committee. The bill that Mr. BUTLER and I introduce today is the product of the subcommittee's study, after hearing from many of the groups interested in this legislation.

During the 94th Congress, the subcommittee held 35 days of hearings on the subject of bankruptcy, heard from over 100 witnesses, and compiled a hearing record of over 2,700 pages. It was the detailed and comprehensive work and study of the organizations I have mentioned that enabled the subcommittee to conduct its hearings and study in such depth, and to understand the issues of the many complex problems in the bankruptcy field.

What the subcommittee has found in all of its work is that the bankruptcy system is basically sound. It is sound because of the people that operate the system, the bench, the bar, and the support people in administrative capacities. This is all the more amazing, Mr. Speaker, when it is understood that the bankruptcy system under which we are operating today was designed in 1898, in

the horse and buggy era of consumer and commercial credit, and was last overhauled in 1938, nearly 40 years ago. It has only been since 1938 that the consumer credit industry has grown; and it has only been since the widespread adoption of the Uniform Commercial Code in the early 1960's that commercial credit has grown to its present magnitude. In spite of the enormous new demands these two developments have placed on the bankruptcy system, the people that operate the system have adapted and modernized within the existing framework to process a 20-fold increase in the number of bankruptcy cases, and an even greater increase in the amount of assets passing through the bankruptcy courts every year.

But, Mr. Speaker, this is not to say that the bankruptcy system and the bankruptcy laws are not without their problems. The principal problem, of course, is that the bankruptcy system has outgrown itself. It has come of age, and it is time to recognize this fact in law, as it has been recognized in fact ever since the adoption of the Rules of Bankruptcy Procedure, promulgated by the Supreme Court 4 years ago. Though the bankruptcy courts were established as adjuncts of the district courts, their work has become more and more independent over the years. As higher caliber judges have assumed the bankruptcy bench, they have been less and less subject to supervision on a case-by-case basis than ever in the past. But in spite of this growing independence, and in spite of the totally different nature of the cases that pass through bankruptcy courts and through district courts, the bankruptcy judges still remain subservient to the district judges. The dependency of the bankruptcy courts and the resulting inability to accomplish what needs to be done in bankruptcy cases, is perhaps the major problem in the bankruptcy system today.

It is for this reason that the bill introduced today proposes to recognize statutorily what should have been recognized years ago. The bill establishes a new court system that will handle bankruptcy cases, exclusively, without interference from another court unconcerned with the problems and difficulties of bankruptcy practice. The independent court system, Mr. Speaker, is the most significant and important aspect of this bill.

Before I describe the other salient features of the subcommittee bill, I would like to point out that this bill is not a final product. It is a codification of a loose consensus of the subcommittee. We have not held formal markup on this bill. It is a starting point for final subcommittee deliberations, which will take place in the next few months. It is a starting point, but it is also more. It is not the subcommittee's intention to begin the process of study and debate all over again. We have accomplished that in great depth in the 94th Congress. We expect now to move quickly to put the finishing touches on this bill, and to be able to report to the Judiciary Committee and to the House early this year a final product for your consideration.

The bill is a complete rewriting of all of the bankruptcy laws. It starts from scratch, because to attempt to make amendments to an 80-year-old law that has continually been amended during its long life would be to create an unintelligible and unworkable statute. The bill is divided into five parts. The first, title I, codifies and enacts title II of the United States Code, and contains the substantive law of bankruptcy. It is the heart of the bill. Title II establishes the new court and administrative system, and contains the rules for everything pertaining to the courts. Title III has been set aside for conforming amendments to the Internal Revenue Code. Technical and conforming amendments to other laws are found in title IV, and title V contains the transition provisions—the rules for operation of the bankruptcy system while the new system is being established.

As I have already mentioned, the most important changes the bill makes are in the court system, so I will describe those first. The bill establishes new U.S. bankruptcy courts, modeled after the district courts, and established under article III of the Constitution. The judges of the new courts will have all of the powers and privileges of judges, including tenure during good behavior and the full salary protections of constitutional judges. The bill establishes constitutional courts for several reasons. First, the nature of the work of the bankruptcy courts, its importance, and its volume justify the same treatment for bankruptcy cases and litigants as other civil cases and litigants now receive in the district courts. In fiscal 1975, the bankruptcy courts handled over 250,000 cases, involving over $500 billion in assets, and over $700 billion in liabilities. Approximately 700,000 creditors were affected in these proceedings. Second, the increased stature of the bankruptcy courts will attract the highest caliber people to serve as judges. In this highly complex area, it is important to have the best people possible manning the benches.

Finally, there has developed some constitutional doubt about the status of a court whose judges have less than full constitutional protections. It is not clear exactly what, if any, limits there are on the powers of judges with fixed terms. The Supreme Court has not spoken clearly on this issue, but the subcommittee's research has raised the issue as possibly interfering with the broad scope of powers that must be given to bankruptcy judges in order for them to discharge their duties fully. In order to remove all doubt, and to invest the bankruptcy courts with all powers and jurisdiction necessary for them to do their jobs, the bill creates the bankruptcy courts as full constitutional courts.

Next, the bill invests the new U.S. bankruptcy courts with full jurisdiction of all cases in bankruptcy, and overall proceedings arising under or related to cases in bankruptcy. This is a much broader grant of jurisdiction than the bankruptcy courts currently have, and is necessitated by the increasingly complex litigation arising in bankruptcy cases. Under present law, with the bankruptcy court's limited jurisdiction, there is often as much litigation over whether the court has jurisdiction over a particular matter as there is over the matter itself. This is extremely wasteful and costly, and is usually used as a delaying tactic by a party against whom the bankrupt estate has a claim. Because the central theme of bankruptcy administration is speed and efficiency, the increased jurisdiction granted to the bankruptcy court to handle all matters related to or arising out of a particular case is vital to the success of the new system.

Finally, the bankruptcy court system is modeled after the district court system. The courts are created in the same judicial districts as the district courts, are entitled to the same personnel as the district courts, and the judges will participate the same as the district judges in the judicial conference and the judicial councils, the administrative arms of the court system.

A concomitant of the establishment of a full judicial court system for bankruptcy cases is to remove from the duties of the bankruptcy judges many of the supervisory functions over individual cases, not involving resolution or decision of any actual dispute, that the bankruptcy judges must perform. In keeping with the thrust of the bill to make the bankruptcy judge a truly judicial officer, performing primarily judicial functions, that is, the resolution of disputes, many of the supervisory functions now performed by bankruptcy judges are transferred to a new officer in the Department of Justice, the U.S. trustee.

The U.S. trustee system is modeled after the U.S. attorney system, and will be under the general supervision of a new Assistant Attorney General for the Bankruptcy Division in the Department of Justice. The primary function of the U.S. trustees, decentralized, and located in every judicial district, will be to establish and maintain panels of private trustees to serve when needed in bankruptcy cases. A U.S. trustee will also be able to offer general support and advice to private trustees serving in cases, and provide a certain limited supervision against overreaching by private trustees. Finally, the U.S. trustee will serve as trustee in cases that today go without trustees, and in very small cases where the assets in the estate are insufficient to compensate a private trustee fully for the work that must be done. When the U.S. trustee serves as trustee in a case, he will be entitled to the same fee as a private trustee, but the fee will be paid into the Treasury to help support the system.

The existence of the U.S. trustee system will relieve the bankruptcy judges of their supervision of trustees in cases today, and will relieve them of the burden of having to appoint trustees in cases as they do today. Both will contribute to a new perception of the bankruptcy court as a fairer forum, with the judges removed from the day-to-day administration of a case, and with the most frequent litigants, the trustees, having been appointed by someone other than the judge that tries the case.

These three features, Mr. Speaker, the independent court system, expanded jurisdiction, and the U.S. trustee system, are what the subcommittee hopes will establish the new bankruptcy system as an equal partner with the other courts in the Federal judiciary, in terms not only of fairness, but of appearance of fairness, and in terms of giving the judges their proper functions and place.

The second major area in which the bill departs from current law is in the provisions for consumer debtors. Since World War II, there has been an unprecedented rise in the availability and use of consumer credit, that is, credit to buy consumer goods. The Report of the Commission on the Bankruptcy Laws, Part I, documents this rise and its consequences for bankruptcy. With so many more consumers buying on credit and borrowing, there has been a corresponding rise in the number of consumers who, through no fault of their own, find themselves in financial difficulty. Perhaps a breadwinner is laid off, or illness strikes the family, or a working wife leaves the job market to raise a family. All of these factors contribute to financial difficulty, and when a family has borrowed extensively, they may not have the reserve necessary to meet the unexpected emergency.

The result is often harassment by creditors, and increased worry and tension within the family. Bankruptcy offers an alternative. Its premise is a fresh start for the overburdened debtor. But present law was written primarily in 1938, before the consumer credit industry's tremendous growth. Today, consumer cases account for nearly 90 percent of all bankruptcy cases. It is time for a reexamination of the benefits that bankruptcy can provide for a debtor.

The bill that Mr. BUTLER and I introduce today takes a new view of the equities in the bankruptcy context. Its most significant feature is that it encourages the use of plans for individuals with regular income, under chapter 13. These plans, currently called wage earner plans under chapter XIII of the Bankruptcy Act, give a debtor court protection from his creditors while he formulates and executes a repayment plan for his debts. Usually, such a repayment plan will contemplate repayment of all of the debtor's debts in full over an extended period, usually around 3 years. During that period, creditors are enjoined from using legal process or any other method against the debtor to obtain favored treatment of their claims.

Present law contains this policy, but this bill provides additional incentives to induce a debtor to choose a repayment plan instead of straight bankruptcy, or liquidation. The bill allows the debtor greater flexibility in formulating a repayment plan, and removes the disincentive in current law that forces debtors to attempt to repay more than they may be able to pay under a plan. Often, debtors attempt full repayment in order to avoid the penalty found in present chapter XIII for less than full repayment, only to fall short, and be in worse straits than before the plan. In addition, the bill allows the debtor more power in dealing with secured creditors—those that may have liens on the debtor's car, household furnishings, clothes, and personal belongings. No longer will the secured creditor be able to extract the full amount of his claim when his security interest is worth far less than his claim. To the extent that the secured creditor does not have security for repayment of his claim, he is treated as other, unsecured creditors.

The bill also gives much needed protection to codebtors—those that cosign the debtor's note with the debtor, usually without any knowledge or understanding of their ultimate liability on the note. Too often, pressure on codebtors, usually friends or relatives of the debtor, make a repayment plan impossible, because the debtor must act to protect his family and friends from overreaching by his creditors. Thus, the bill provides that to the extent that the debtor will ultimately repay a debt on which there is a codebtor, a creditor cannot move against the codebtor. This will relieve the indirect pressure now put on debtors to favor certain creditors under a plan.

To assist the debtor in his formulation of and performance under a plan, the bill establishes a system of advisers to advise the debtor and the court on many issues that arise in a chapter 13 case. The bill directs the U.S. trustee for each district to establish a panel of advisers, in a similar manner to the establishment of panels of private trustees. These advisers, from the private sector, will be appointed in each case by the U.S. trustee. The bill does not contemplate that the advisers will replace the debtor's attorney, an indispensible party in a chapter 13 case, but rather contemplates that they will advise the debtor and the court on financial matters and budgeting, much as a chapter XIII trustee does today.

The bill establishes the adviser system in order to avoid a serious potential conflict of interest that exists in the trustee's position today. The trustee serves as adviser to the debtor, adviser and friend of the court, and representative of creditors. These functions are inherently inconsistent, even though little problem has arisen so far, because those serving as trustees have done so well at keeping their various obligations straight. However, under the new bill, the potential for conflict is heightened because it allows the very small individual entrepreneur to use chapter 13. With the occasional self-employed businessman in chapter 13, the conflict becomes more real than apparent, and the bill responds by vesting the duty of representative of creditors, the trustee, in the U.S. trustee. In most cases, the trustee will have very little function, for in the small consumer case, there is little to do on behalf of creditors. Thus, only in the small business cases will the U.S. trustee have any significant function.

Mr. Speaker, however attractive the bill makes chapter 13, and however much some debtors wish to repay their debts under court supervision, for some it is nearly impossible, or far too burdensome. Thus, the bill also strengthens the provisions for a fresh start for the consumer debtor that must go through straight bankruptcy, or liquidation, in which he surrenders the bulk of his assets to the trustee for liquidation and distribution of the proceeds to his creditors.

Nearly universally recognized as vital to a fresh start for an overburdened debtor is the provision for exemptions—what property the debtor will be allowed to keep in order to start over again once he has gone through bankruptcy. The Bankruptcy Act presently allows a debtor the exemptions to which State law entitled him. Because many States have not rewritten their exemption laws since the 19th century, most are outmoded and hopelessly inadequate to give the urban debtor a fresh start after bankruptcy. Though the subcommittee is hesitant to legislate in an area that is primarily of State concern, it is a necessity if the provisions of this new bankruptcy law are to be effective. However, the bill does not totally preempt the exemption area. The bill provides a set of exemptions, based largely on the Uniform Exemptions Act recently adopted by the National Commissioners on Uniform State Laws, that a debtor may choose in place of State exemptions, but preserves the State exemptions as an alternative.

To strengthen the exemptions available to distressed debtors, the bill also provides certain powers to debtors that have unwittingly pledged property that would otherwise have been exempt. First, the bill allows redemption of exempt property from a lien, if the debtor pays the holder of the lien the fair market value of the property. This amounts to a right of first refusal at a foreclosure sale of the property, and prevents secured creditors from using nearly worthless property to extract high payments on their claims from debtors that pledged the property often without any understanding of the consequences. Second, the provisions of the bill invalidate certain types of security interests—those typically taken by creditors with great leverage over the debtor in property that is most often worthless monetarily, but very valuable to the harassing creditor. And the bill permits the debtor to invalidate a judicial lien on his personal belongings and household goods. Again, this kind of lien is most often a tool of coercion rather than a bona fide means of acquiring something valuable from the debtor to secure repayment of a debt. Because a judicial lien against a debtor is always obtained on the debtor's slide into bankruptcy, it is also fairer to his other creditors that one creditor not be able to take unfair advantage by being the first to move into court.

The bill also gives the debtor a better fresh start by making all reaffirmations of debts discharged in a bankruptcy case unenforceable involuntarily against the debtor. The bill does not attempt to prevent debtors from repaying those debts which they might feel a moral obligation to repay in spite of the bankruptcy discharge. But the bill unequivocally makes the choice the debtor's. The bill prohibits a creditor from taking any action to collect a discharged debt. Too often, this practice has been the subject of abuse, and debtors after bankruptcy

may be back into the same situation they were in before bankruptcy. If bankruptcy is to be made an effective remedy, the bankruptcy laws must prevent private action from undoing the beneficial effects of the law.

The dischargeability provisions of the bill cure another frequent abuse by creditors. Current law excepts from discharge any debt obtained by fraud or false pretenses, and the bill carries over this exception. However, the mere threat of litigation to a consumer debtor, where the alleged fraud has been nothing more than the signing of a boiler plate statement at the creditor's urging, has been enough to force many debtors to reaffirm debts which were in fact not fraudulently incurred. The cost of litigation is the incentive for the debtor to agree to pay a reduced sum back to the creditor if that sum is less than the attorney's fee and court costs of fighting. The bill, therefore, removes this incentives by providing that a debtor that wins in a proceeding to except a consumer debt from discharge on the grounds of fraud may recover attorney's fees, court costs, and damages caused by the litigation. This provision, while protecting the legitimate interests of creditors in recovering fraudulently incurred debts, also restores the balance in the economics of litigation, and should prevent the abuse that has prevailed in spite of the 1970 dischargeability amendments to the Bankruptcy Act.

Finally, the result of Perez against Campbell is expanded and codified. That case, in the Supreme Court in 1971, held that a State may not deny a driver's license to an individual on the grounds that the individual had not paid a tort judgment arising out of an automobile accident, if the reason for nonpayment was a discharge in bankruptcy. The Supreme Court held that such State action would frustrate the fresh start purposes of the Bankruptcy Act. The antidiscrimination provision in the bill applies only to governmental units and licensing boards, and not to private persons or those that might extend credit to the former debtor.

In order to balance the increased protections given to the debtor under the bill, and because those protections will make bankruptcy a more effective remedy for a distressed debtor's ills, the bill increases the time after which an individual may seek bankruptcy relief again from the current 6 years to 7 years. The increase will not work a hardship on the honest debtor, for the statistics show that it is very rare that a person needs bankruptcy relief more than once. But it will serve as an additional deterrent to those who would abuse the system.

Mr. Speaker, an area that has been of great concern to the commercial credit community has been the area of business rehabilitation—arrangements and reorganizations. Currently, there are three chapters in the Bankruptcy Act governing this complex area. Their respective spheres have not always been clear, and the lines between them have begun to blur. In addition, the more widely used chapter, chapter XI, has become too weak a vehicle to be effective in today's credit world, and the more effective chapter, chapter X, is far too rigid and formalized a procedure to be able to provide the quick and inexpensive remedy that is so necessary to a successful reorganization. Thus, the bill takes the better features of the three chapters, and combines them into a flexible procedure for business arrangements and reorganizations.

The premise of the combined chapter is the same as the premise of the securities laws: provide adequate disclosure to all concerned parties, and let informed investors make the appropriate decisions. The combined chapter imposes a financial distribution rule only when the parties are unable to agree on an appropriate distribution of the value of the company undergoing reorganization.

The chapter imposes no presumption about the appropriateness of the appointment of a trustee to run the business during the proceeding. The bill establishes a functional criterion, and lets the court decide, when asked to do so by a party in interest, whether management should be ousted and replaced with an independent and disinterested trustee. Otherwise, the debtor remains in possession and continues to run the business during reorganization.

If the debtor is in possession, the debtor has an exclusive right for 120 days to oppose a reorganization or arrangement plan, and then an additional 60 days to obtain the required number of acceptances of the plan. The court may increase or reduce these time periods, but if the debtor fails to meet them, as modified by the court, then the debtor's creditors have an opportunity to propose a plan. If a trustee is appointed, then any party in interest, including the debtor and creditors, may propose a plan.

After a plan is proposed, acceptances are solicited by the proponent, but only after the court approves a disclosure statement that must accompany the solicitations. The disclosure statement is the key to the new combined reorganization chapter. It is the document that will inform those who may accept or reject the plan of whatever financial information about the debtor is available and relevant to an evaluation of the plan. Of course, disclosure will vary between different classes, depending on the relative sophistication of the members of a class, and their access to information from sources other than disclosure. The disclosure statement is intended to take the place of a section 14 proxy statement for public classes, and to play a similar role for private classes as well. The bill also provides that solicitation after transmission of an approved disclosure statement relieves the solicitor from liability for violation of various disclosure laws and rules governing solicitation of proxies and disclosure in connection with the purchase or sale of securities.

After creditors and equity security holders have received the plan and an appropriate disclosure statement, they may accept or reject the plan. Classes that do not share in the value of the debtor under the plan are deemed to have rejected the plan. For other classes, acceptance is by two-thirds in amount and a majority in number of those actually voting.

The court must hold a hearing on confirmation after the time for accepting or rejecting has expired. The financial standard for confirmation of the plan differs significantly from current law. First the plan must meet the current chapter XI standard, the "best interests of creditors" test. That is, creditors must receive at least what they would on liquidation of the debtor. However, a particular creditor can waive that minimum. In addition to meeting the best interests test, the plan must have been accepted by all classes whose claims are impaired under the plan. A claim is impaired unless it is paid in full in cash or property—other than in securities of the debtor—or if it is not altered under the plan. If a class of claims is unimpaired, their acceptances are not required for confirmation. If all impaired classes accept the plan, it may be confirmed. If less than all impaired classes accept, the court may nevertheless confirm the plan if, with respect to all nonaccepting classes, the plan is fair and equitable, the current chapter X standard. This, Mr. Speaker, is just a sketch of the provisions in the chapter. They are, of course, set out with more detail and precision in the bill itself, and I would urge their careful perusal by all those who are interested.

An additional new feature of this bill is the securities laws exemptions it provides in reorganization cases. Current law is ambiguous and inadequate in protecting those who participate in the offer or sale of securities under a plan with court supervision. The bill defines and strengthens the exemption, while at the same time protecting the public from worthless securities by giving the court power to determine the adequacy of disclosure and to supervise the issuance, offer, and sale of the securities.

Mr. Speaker, this bill provides a workable, flexible reorganization and arrangement chapter, with adequate opportunity for court supervision and protection of creditors and equity security holders.

In addition to the provisions I have already mentioned, title I of the bill contains special chapters and subchapters for the reorganization of railroads, based largely on the general reorganization chapter, with some modifications relating to the jurisdiction of the Interstate Commerce Commission, for the adjustment of debts of a municipality, based on the Municipal Bankruptcy Act amendments enacted into law last year, and for the liquidation of stock brokers and commodity brokers, based on the proposed Securities Investor Protection Act amendments.

Title V of the bill, entitled "Transition," provides the rules for the operation of the bankruptcy system during the period between enactment of the law. and its final effective date, proposed for October 1, 1983. Because the bill establishes a bankruptcy court with judges with life tenure, it is essential that the appropriate number of judgeships be determined before the court system is actually implemented. Thus, the bill provides that

the substantive law of bankruptcy will become effective on October 1, 1978. During the period between October 1, 1978, and October 1, 1983, called the transition period, the current bankruptcy judges will continue to sit, but will administer the new law as it will be administered when the court system is fully implemented. Of course, because bankruptcy judges are not now article III judges, there are some matters that they will be unable to handle. But on the whole, the bill attempts to create as close a duplication of the future system as possible, in order that the Administrative Office of the U.S. Courts and the Judicial Conference will be able to study and determine the needs of the new system, and the number of judges that ultimately will be needed. The 5-year period for study was selected, after consultation with the Administrative Office, as necessary to complete an accurate study, to report to Congress, to authorize the new positions, and to complete the nominations and appointments process.

During the transition period, it is important that the current bankruptcy judges continue to sit. The new law is an uncharted area, and the experience and wisdom of the current bench will be essential to start the new law out on a solid basis. To encourage the judges to stay on during the transition period, the bill provides a retirement incentive in addition to the regular civil service retirement benefits that bankruptcy judges are now entitled to receive. The bill chooses the financial incentive instead of the prospect of reappointment to life-tenure terms, because the Constitution dictates that the appointment power be given to the President. In light of the recent decision in Buckley against Valeo, invalidating congressional designation of members of the Federal Elections Commission, it would be difficult to justify a provision that appointed all sitting judges as judges of the new court. The financial incentive contained in the bill is considered fair, and what is needed to retain the experienced judges now on the bench.

Yet to be completed and included in the bill are certain tax provisions. These include both the amendments to the Internal Revenue Code that will be contained in title III of this bill, and several tax provisions with general applicability both to Federal and State taxes that will be contained in title I of the bill.

Mr. Speaker, that completes my description of the more important provisions of this legislation. It is a long and complex bill, and I invite all interested parties to examine it carefully. There are many additional new features that will be of great interest to various segments of the commercial community, and to various consumer interest organizations. Though the subcommittee does not intend to hold more hearings on the subject of bankruptcy, we continue to welcome written comments from those who have been so helpful in the past in formulation of this bill.

This bill brings bankruptcy into the last quarter of the 20th century with many new concepts, and a thorough rethinking of long established concepts. This bill has been studied for several years now. It is now time for action. Mr. Speaker, the subcommittee plans to move quickly to report this legislation, and to pass a bill into law this year.

INTRODUCTORY REMARKS ON THE JOBS CREATION AND ECONOMIC GROWTH ACT OF 1977

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. SARASIN. Mr. Speaker, we begin with what I hope will be a productive and responsible session of the 95th Congress with a major problem still facing us in terms of unemployment among our Nation's workers. In spite of much debate, much rhetoric, and some useful legislation, such as the Comprehensive Employment and Training Act, and the Public Works Employment Act, we have still not come to grips with the heart of the problem, the fact that the supply of jobs in the private sector of the economy has simply not grown as fast as the number of individuals seeking jobs.

A great deal of time and attention in the 94th Congress was devoted to proposed solutions which did not really address this root problem, but would have masked it with the creation of massive numbers of public sector jobs at tremendous cost to the taxpayers and long-term danger to the entire economy.

In recent weeks there has been a significant change in the approach being suggested by spokesmen identified with the incoming administration of President Carter and even by some key members of the majority in this Chamber.

While these economic themes have been general in nature and have shown considerable variation, I have been delighted by one particular aspect—the underlying theory and the proposed basic mechanisms closely parallel those contained in the Jobs Creation and Economic Growth Act introduced by Congressman JACK KEMP, Congressman Marvin Esch, Congressman AL QUIE, and myself in the 94th Congress.

The stimulation of jobs-creating capital formation, the use of Government reform and reorganization to allow more vigorous expansion in the private sector, the targeting of specific problem areas, such as youth unemployment, for special attention, and similar remedies were all embodied in that bill.

I am pleased that these ideas, which we have espoused for so long, have now caught the attention of the majority, and of the new administration. I am pleased that the sound economic principles embodied in our bill are being included in the "new" economic programs being proposed today.

I am, therefore, reintroducing the Jobs Creation and Economic Growth Act in the 95th Congress, with an open invitation to the members of the majority to work with us to create a sound and workable jobs and economic policy from this very sound base.

THE OMEN IS CLEAR

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ABDNOR. Mr. Speaker, serving their customers or serving the Government is the unhappy choice being faced by small business across the Nation. In reality, it is not much of a choice at all, because serving the Government through compliance with complex, confusing and often conflicting Federal regulations and filling out Federal paperwork is mandated through Federal law backed with the threat of fines, penalties, and imprisonment.

Because they cannot afford to comply—and, too often, cannot afford the time and expense of challenging unfair Federal requirements—business people do their best to cope with an ever-growing burden imposed upon them by the Congress through the executive agencies.

Trade associations, once devoted to helping their membership improve customer services, are now devoting much of their workshop and conference schedules to helping their membership cope with Government. The experience of the South Dakota Automobile Dealers Association was the subject of an editorial in the Watertown, S. Dak., Public Opinion on December 28, 1976. I would like to share its very sobering analysis with my colleagues:

NO ROOM TO TALK ABOUT ANYTHING ELSE

Jerry Wheeler, executive vice president of the S.D. Automobile Dealers Association, recently conducted a series of "how to" workshops for SDADA members devoted entirely to complying with new federal regulations. One of the seven meetings was held here.

The series, beyond providing needed information for the membership, led to some pertinent observations by Wheeler, expressing a concern which businessmen in nearly all fields will share.

Wrote Wheeler in a news story on the workshops:

"We have conducted district workships for our members many times in the past but this is the first time we've had to fill the agenda with instructions on how to comply with new laws. Usually, these conferences are mostly devoted to improving customer services, new ways to serve the public, improving efficiency in dealers' business operations and other related topics.

"The fact that the current proliferation of federal laws left no room to talk about anything else is a serious omen, we think. We believe it shows the degree to which government has begun to strangle private enterprise. And we in the automotive business are not the only ones affected—almost every other form of commercial endeavor is feeling this impact. In fact, some of the laws being imposed on us pertain to virtually all other retail sales enterprises.

"While we recognize that some of the new regulations may be basically beneficial to both our customers and our industry as a whole, there are many others which are of little value to the public and mean more paper work than anything else. More than anything, they are increasing the cost of doing business which, in turn, is passed along to the consumer."

Among laws which Wheeler cites as most significant to the consumer are the Magnu-

son-Moss Warranty Act which specifies that while dealers are not required to provide warranties on used cars, warranties which are issued must specify in detail what is and is not covered; the federal odometer law which provides penalties for tampering with an odometer or falsifying odometer mileage and requires a seller's statement of a vehicle's mileage at the time of sale, and the holder-in-due-course in which financial lenders share with sellers in the responsibility for proved violation of sales contracts.

Laws which actually protect the consumer are one thing. The stifling tide of paperwork and confusion which accompanies the welter of government laws and regulations is quite another. When a complete series of meetings must be devoted to instructions on how to comply with them—when there is, as Wheeler says, no room to talk about anything else—the omen is clear. And, as he says, it is serious.

CUSTOMS PAPERWORK REDUCTION ACT OF 1977

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. HORTON. Mr. Speaker, I am today introducing legislation entitled the Customs Paperwork Reduction Act of 1977. This bill will substantially relieve paperwork and redtape burdens on international travelers arriving in the United States. Further, it will result in major paperwork reductions, as well as time and cost savings for small businessmen, who import goods. It will not be detrimental to the information and statistics-gathering activities of the Bureau of the Census, nor will it have any adverse effect on business, labor, or the revenues of the United States.

In introducing this legislation, I am implementing a recommendation of the Commission on Federal Paperwork, of which I have the privilege of serving as chairman. As you know, the Commission was created by the Congress to investigate redtape and paperwork excesses and to recommend solutions.

The Commission, as part of its general paperwork education investigation, has looked into current procedures for U.S. entry of travelers, as well as other laws that affect the importation of small quantities of merchandise by small businessmen. It is the Commission's belief that positive action can be taken immediately, with little controversy, that will result in obvious and direct redtape and paperwork reduction benefits.

We have all seen the long lines of travelers awaiting inspection at U.S. ports of entry. Over 17 million of these persons pass through our major airports each year; another 183 million arrive by ship, train, bus, and automobile. The legislation being introduced today proposes a major simplification in procedures for classification of merchandise being imported for the personal use of these travelers. By doing so, the Commission feels that the inordinate amount of processing time now involved in these inspections can be greatly reduced. It is clear that, compared to the amount of duty collected in each instance, this processing time creates an aggravating botleneck; it imposes an undue burden on all travelers.

Thus, the first provision of the bill would apply a 10 percent flat rate of duty on the fair retail value of all goods, within a reasonable limit of $500, brought into the country by international travelers, for their personal or household use. This 10 percent flat rate of duty, based on the retail value of the goods, equates with the average of 15 percent of the wholesale value now assessed. It will result in substantial savings in time to the traveler, for it is calculated that it will allow a threefold increase in processing efficiency. If the new rate allowed each traveler passing through customs to save an average of 5 minutes processing time, both travelers and Government inspectors would share in an estimated 3 million hours time savings.

The second provision of this legislation is also most meaningful from the Commission's viewpoint. It would raise the limit of informal entry of commercial shipments into the United States from $250 to $300. The $250 limit was set by congressional action in 1953. This proposed increase is intended to reflect, in an approximate way, the inflationary changes in value of products from 1953 to 1977—a 24-year span without such adjustment.

This portion of the legislation will result in a major cost savings for businessmen in America who import small quantities of merchandise. Present laws require formal entry documents to be filed for each shipment over $250. This change will reduce, by at least 200,000 filings per year, the more complicated formal documents—thus eliminating large amounts of paperwork. The resulting savings is estimated to be $6 million annually—$5 million in broker's fees and surety bonds, and $1 million to the Government in simplified processing.

I would further indicate that a bill to affect a major modernization of the Customs Service procedures (H.R. 9220) as well as legislation quite similar to the instant bill(H.R. 12931) was introduced in the 94th Congress. Hearings on H.R. 9220—which contained sections similar to H.R. 12931—were held in August 1976, before the Subcommittee on Trade of the Ways and Means Committee, at which I testified. Joining in general support thereof were representatives of industry and trade, as well as the affected Government agencies. Some concern was expressed about the statistics that would be forthcoming for the additional 200,000 shipments that would become informal entries. Unfortunately, due to the pressures of the closing days of the congressional session, neither bill, H.R. 9220 nor H.R. 12931, was acted upon.

The legislation I have introduced has been rewritten with this concern in mind, and section 3 now requires that the same type of statistics be collected for goods valued between $250 and $500, even though imported under informal entry procedures, as is required for goods entered under formal procedures. The Customs Service believes this would be workable.

Thus, I urge my colleagues to take prompt, positive action on the Customs Paperwork Reduction Act of 1977. It is in the public interest, beneficial to the international traveler, the importer of small quantities of commercial goods and to the Government by increased operating efficiency of its customs inspectors, and would not be detrimental to the statistics or revenues of the United States.

IN AFRICA OPPRESSION RULES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DERWINSKI. Mr. Speaker, we face continuing complications in foreign affairs. A natural area of concern is the continued demise of democracy on the continent of Africa. James O. Jackson, the Chicago Tribune London correspondent, recently completed an extensive tour of Africa, and an article summing up his observations appeared in the Sunday, December 26, 1976, Tribune which I insert in the RECORD at this point:

IN AFRICA, OPPRESSION RULES—ONE YOKE FOR ANOTHER

(By James O. Jackson)

NAIROBI.—For more than 40 years, Africans have struggled to rid themselves of white colonial rule, to be free to decide their own destinies and to choose their own leaders.

Most succeeded, but all across the rich green continent political freedom has proved to be a fleeting thing. Country after country is surrendering its parliaments, its free elections, and its hopes.

In most of Africa tyranny has become the rule, not the exception, and the indications are that the situation will get worse, not better.

"This is becoming the dark continent again," said a gloomy diplomat who attended the recent conference of the United Nations Educational, Scientific and Cultural Organization [UNESCO] in Nairobi.

"Take a look at the map—nearly every country is retrogressing, not progressing. Their governments are wrecks, and so are their economies. Most of these countries can't even be called 'developing,' because they're doing the exact opposite of that."

Indeed, the diplomat's map of Africa was not encouraging for anyone but Marxists, military dictators, and self-proclaimed kings. Repressive, military regimes are spreading like a malignancy, and more than half of the continent is now under one-party or military rule.

Since 1960, the year that the great "winds of change" began to drive colonialists from Africa, there have been at least 20 successful military coups and scores of failed ones. More than half of the original post-colonial presidents and prime ministers have been ousted from their posts. Some have been killed, most others exiled.

Those who replaced them, in almost every case, have taken the path of one-man or one-party rule and many have allowed themselves to be corrupted by the power at their disposal.

"For too many African elites, independence has meant taking the place of the whites and enjoying the privileges, often exhorbitant, hitherto accorded to colonials," wrote Rene Dumont, a French ecologist.

Dumont had in mind an array of African leaders ranging from the greatly respected and essentially benevolent Jomo Kenyatta of Kenya, to such appalling clowns as Idi Amin

of Uganda. In between are such leaders as President Mobutu of Zaire, reputed to be the richest man in Africa, and the privileged military rulers of Nigeria with their gold braid and limousines.

Uganda is the standard example of an African government gone mad. It is a country ruled by a man whose antics ceased being funny when his soldiers and secret police began random massacres that have cost the lives of tens of thousands of persons.

Amin's regime has also produced economic suffering on a cataclysmic scale. By exiling 40,000 Asians, who constituted Uganda's commercial and technical core, he not only rendered them homeless and bereft but he wrecked the economy. Foreign credits are nearly nonexistent, staples such as sugar are scarce, and the transportation system is in collapse.

But while Amin's Uganda is the worst example of misrule in Africa, it is not the only one.

In the Central Africa Republic there rules the bizarre Jean Bedel Bokassa, who made himself president, then president for life, and finally emperor, casting aside the constitution in the process. He makes public appearances in ludicrous 19-Century cocked-hat uniforms with gigantic epaulettes and grandiose medals that he awarded to himself.

Rules of behavior for his subjects include a dictum that they not be allowed to approach closer than six paces and that they give negative answers to his questions only when unavoidable, and only with great care—rules likely to be observed meticulously since Bokassa is known to order summary executions.

If his regime is harsh, it is not successful. Agriculture, which is the Central African Republic's main source of income, has been in serious decline for five years because of faulty management and senseless government policies. Potentially profitable diamond production has also fallen into chaos because of policy blunders.

But even in more benevolently ruled countries, immense hardship is resulting from mismanagement and from steamroller application of Marxist principles that do not sit well in Africa.

In Tanzania, President Julius Nyerere's highly acclaimed approach to African socialism has begun to crumble at the edges with the failure of his attempt to collectivize agriculture.

In Zambia, the astute and respected president Kenneth Kaunda has imposed one-party rule and has allowed the rich copper industry to slide to the brink of bankruptcy. In Nigeria, potentially the richest country on the continent, inflation is running away at 30 per cent a year because of ill-conceived government pay policies.

This kind of government, as it spreads across Africa, is having a disastrous effect. Economic growth has been running at a paltry one per cent a year for the continent, and in some areas growth has been negative.

Education in many countries is lagging behind population growth so that many black Africans find, to their shame, that their oppressed brethren in Rhodesia and South Africa are getting better educations than they.

An end to Africa's governmental and economic ills is not in sight, and there are even signs that the next plague to strike will be a series of destructive wars between such hostile countries as Kenya and Uganda, Ethiopia and Somalia, Algeria and Morocco.

The professionals of UNESCO, a congenitally optimistic group of individuals, take the view that time is needed to cure Africa's ills.

"Rome wasn't built in a day, and we have to keep in mind that these countries have been governing themselves for less than 12 years in most cases," says an American who has spent most of his career working with African governments.

"That's not a very long time to build up institutions and traditions of democracy, and it's our job to help them do that."

SHELTERBELT DEVELOPMENT NEEDED

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PRESSLER. Mr. Speaker, on this opening day of the 95th Congress, I wish to introduce a measure that I consider of great importance. The planting of trees in the Great Plains States is one of the most important conservation, moisture-saving, and environmentally supportive measures that can be taken.

Coming from a family farm myself, I am intensely aware of the cost of planting trees and of maintaining them. Land is expensive; taxes are high; farm profits are low; and now, above all, much of the upper Midwest is locked in a devastating drought.

The last time we had a national, comprehensive tree-planting program was during the drought of the 1930's. The program of shelterbelt establishment in the 1930's has given us a rich legacy which is becoming endangered. In 1975, the Government Accounting Office recommended that the Department of Agriculture encourage farmers to renovate and preserve existing shelterbelts in order to conserve land and water resources. Existing Federal programs to assist those who plant shelterbelts are ineffective and unable to meet the growing need for intensive reestablishment, rehabilitation, and cultivation of windbreaks throughout the country.

Many States, including South Dakota, are currently experiencing drought conditions. Topsoil erosion and the loss of moisture can be controlled by trees. Some say that out of adversity springs opportunity. I hope that our people will unite on water, environmental, and tree-planting programs as a result of the 1970's drought. It is with this thought in mind that I introduce legislation to ward the establishment of a National Shelterbelt Act providing incentives for the establishment, cultivation, and preservation of shelterbelts.

The purpose of a National Shelterbelt Act would be to provide economic incentives to landowners who plant shelterbelts. These incentives should include:

First. Full tax credits to those farmers who set aside land for the development of shelterbelts by planting new trees or shrubs. The purpose of this credit would be to replace lost income from removing land from production in order to establish a shelterbelt;

Second. Diversion of Federal grants to those States and counties which remove shelterbelt lands from local property tax rolls in order to replace lost tax revenues on the local level; and

Third. Federal grants to county Agriculture Soil Conservation Service offices who choose to participate in a shelterbelt program. These grants would reimburse farmers partially or fully for the cost of purchasing seedlings; cultivating seedlings; and for pest and insect control in shelterbelt areas.

The 95th Congress must act to preserve and perpetuate tree planting in agricultural areas. For if we do not, the attendant loss of water and land resources, agricultural productivity, as well as wildlife habitats as a result of Congress inaction will be a loss of truly national proportions.

Aside from the overwhelming economic, environmental, and soil erosion control reasons for a national tree-planting program, I cannot resist recalling Joyce Kilmer's beautiful poem "Trees:"

TREES

[For Mrs. Henry Mills Alden]

(By Joyce Kilmer)

I think that I shall never see
A poem lovely as a tree.

A tree whose hungry mouth is prest
Against the earth's sweet flowing breast;

A tree that looks at God all day,
And lifts her leafy arms to pray;

A tree that may in Summer wear
A nest of robins in her hair;

Upon whose bosom snow has lain;
Who intimately lives with rain.

Poems are made by fools like me,
But only God can make a tree.

RETIREMENT OF MSGR. DANIEL B. O'ROURKE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANNUNZIO. Mr. Speaker, on Sunday, October 24, I was privileged to attend a Mass in honor of Msgr. Daniel B. O'Rourke, pastor of Saint Mary of the Woods parish, who retired after 45 years of compassionate service to the people of our community.

Monsignor O'Rourke is an outstanding example in our Northwest Side Chicago community of resourceful dedication to high principle for he has been the spiritual guiding light and the driving force in the growth of Saint Mary of the Woods parish.

During his 45-year career of service to the people of Chicago, Father Dan took a strong interest in the young people of our community and provided the leadership in organizing sports activities and other programs to provide wholesome outlets for youthful energy. Ordained into the priesthood in 1931, his first assignment was St. Agatha's parish, where he was supervisor of the parish athletic program.

He was also the founder of St. Bartholomew's first social club for teenagers, and as the founding pastor of the new St. Mary of the Woods parish, he devoted his creative energy and resourceful talent over the years to the education of the parish children. It was

at this time that I first met Msgr. Dan O'Rourke and out of this meeting grew a lifelong friendship which has lasted for over 40 years. He has remained a good friend of my family over all of these years, administering to our personal needs. My wife and I were married in 1935 at St. Agatha's where he performed the marriage ceremony.

I was delighted that on October 24 a special room was set aside for his old parishioners from St. Agatha's, and I had occasion to meet a few of them. It was a tremendously impressive evening with a great turnout of people who manifested their admiration, respect, and love for Monsignor Dan.

Monsignor O'Rourke was recognized by the Pope in 1963, when he was elevated to membership in the official papal household with the rank of Domestic Prelate, and title of right reverend monsignor.

Not only has Daniel B. O'Rourke ministered to the material needs of his flock through the building of a new church, convent, and school in the St. Mary of the Woods parish, he has ministered to his parishioners' spiritual needs as well—through his attention to their joys and to their sorrows and through his untiring efforts to lift their spirits and enthusiasm for both personal and spiritual achievement.

Indeed, the retirement tribute to him is most appropriate and I was delighted to have a part in the occasion. I congratulate Father O'Rourke on his splendid record of achievement and I extend my warmest best wishes for many more years of good health and success in his life of service.

Mr. Speaker, a priestly chronology of the career of The Right Reverend Monsignor Daniel B. O'Rourke follows:

THE RIGHT REVEREND MONSIGNOR DANIEL B. O'ROURKE

PRIESTLY CHRONOLOGY

April 11, 1931—Ordained to the Holy Priesthood by His Eminence, George Cardinal Mundelein at St. Mary of the Lake Seminary.

April 12, 1931—Offered First Mass at St. Sabina, 78th and Throop, under founding pastor, Rt. Rev. Msgr. Thomas F. Egan.

June, 1931—Appointed Curate at St. Agatha parish, Douglas Boulevard and Kedzie. Pastors were Fr. William J. Mockenhaupt and Rt. Rev. Msgr. John B. Sprengel.

January, 1933—Named Regional Director of the Catholic Youth Organization by His Excellency, Archbishop Bernard J. Sheil.

July, 1937—Appointed Curate at St. Odilo parish, Berwyn, under pastor Fr. William Roberts.

July, 1938—Appointed Curate at St. Bartholomew parish, Patterson and Lavergne, under pastor Rt. Rev. Msgr. Jeremiah P. Holley.

June, 1943—Appointed Curate at St. James parish, Maywood, under pastor Fr. James O'Shea.

June, 1944—Appointed Curate at Resurrection parish, Jackson Boulevard and Leamington. Pastors were Rt. Rev. Msgr. Michael J. Sullivan and Rt. Rev. Msgr. William J. Gorman.

July, 1952—Named founding pastor of St. Mary of the Woods; celebrated first parish Mass in temporary store-front church at 6141 Touhy Avenue.

September, 1953—Opening of parish school in present location.

December, 1953—First Mass offered in original "new" church at Midnight on Christmas Eve.

September, 1954—Solemn Dedication of parish buildings by His Eminence, Samuel Cardinal Stritch.

February, 1956—Appointed Moderator, District No. 3, Archdiocesan Council of Catholic Women.

October, 1957—Added three classrooms, music room and gymnasium to parish school.

December, 1963—Named a Domestic Prelate with title of Right Reverend Monsignor by His Holiness, Paul VI.

October, 1965—Newly remodeled St. Mary of the Woods Church opened.

October, 1966—Solemn Dedication of church by His Eminence, John Cardinal Cody.

January, 1967—Named Deputy Vicar, Vicariate No. 2, Archdiocese of Chicago.

August, 1967—Appointed Chairman, Priests' Advisory Council and Moderator of Vicariate No. 2, Archdiocesan Council of Catholic Women.

April, 1971—Parish celebration of Monsignor's 40th anniversary of ordination.

July, 1976—Named by community civic organizations as Grand Marshal of area Bicentennial Parade and festivities on July 4.

A BILL TO REPEAL OSHA—AN UNCONSTITUTIONAL LAW

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. SYMMS. Mr. Speaker, on this first day of the 95th Congress my colleague from Idaho, Mr. GEORGE HANSEN, myself, Congressman LARRY MCDONALD of Georgia, and Congressman CARLOS MOORHEAD of California are again introducing a bill to repeal the Occupational Safety and Health Act of 1970.

When I first came to Congress in 1973 I raised constitutional arguments against OSHA, but many people, even some conservatives, were of the opinion that the constitutional arguments had no merit and that the law needed to be improved rather than repealed.

But on December 30, 1976, a U.S. three-judge court in Boise, Idaho, ruled OSHA to be unconstitutional declaring that it violated fourth amendment rights. The court also issued an order restraining and enjoining OSHA from carrying out searches and inspections on nonpublic premises pursuant to section 8(a) of the act. This decision was the result of the courageous fight waged against OSHA by Mr. F. G. (Bill) Barlow the owner of a small business in Pocatello, Idaho. It is my hope that the U.S. Supreme Court will uphold the decision of the three-judge court. This may very well be a landmark court decision, upholding the constitutional rights of the individual against the bureaucratic abuses of big government. Let us hope, Mr. Speaker, that this decision will serve as a warning to other Federal Government agencies such as EPA and FDA that the American people do have certain rights guaranteed to them that will be upheld in court.

The Idaho court decision was described as follows in the January 4, 1977, Washington Post:

JOB SAFETY INSPECTION HELD ILLEGAL WITHOUT A WARRANT

A panel of three federal judges in Idaho has declared unconstitutional the 1970 law authorizing the Labor Department to conduct occupational safety and health inspections without a warrant.

The department fears the decision could strip it of all occupational safety and health enforcement power, and plans to appeal.

"We consider the right of inspection to be absolutely vital," Morton Corn, the assistant labor secretary who heads the Occupational Safety and Health Administration, said yesterday. "We will take whatever legal steps are necessary to vindicate that right."

The Idaho ruling, handed down last week, involved an electrical contractor, F. G. Barlow of Pocatello, who refused to let a federal inspector go through his place of business.

He rested his refusal on the Fourth Amendment to the Constitution, which forbids "unreasonable searches and seizures" and says search warrants should only be issued where there is probable cause to suspect a violation of the law.

The 1970 Occupational Safety and Health Act not only authorizes unannounced inspections of workplaces but prohibits advance warnings that inspections are about to occur. It makes no mention of search warrants, and federal inspectors do not obtain them.

In a Texas case earlier last year a three-judge panel said in effect that this failure to mention warrants must have been inadvertent, and ruled that safety inspectors ought to take warrants out in the future. That case is on appeal.

In the Idaho ruling, however, the panel simply said the law is unconstitutional, and left any repairs to Congress.

The Idaho ruling thus left OSHA without any authority to make inspections; the whole authorizing section was struck down as defective.

The Idaho judges then issued an injunction forbidding future inspections of Barlow's place of business and possibly—the panel's meaning is not completely clear—forbidding all further OSHA inspections nationwide.

OSHA lawyers said they would appeal the constitutional finding and seek a stay of the injunction. An appeal would take the issue directly to the Supreme Court, which in the past has upheld some warrantless government health and safety inspections and struck down others.

In conclusion, Mr. Speaker, I think it is noteworthy that all of the court challenges to OSHA so far have been brought by small independent businessmen—not by big corporations. I will close by urging favorable House action on my bill to repeal this unconstitutional law.

FLUSHING MEADOW-CORONA PARK AND THE GATEWAY NATIONAL RECREATION AREA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, I am today introducing legislation which would expand Gateway National Recreation Area to include Flushing Meadow-Corona Park. The outstanding location and facilities of Flushing Meadow, which served as the site of the first United Na-

tions headquarters and of two World's Fairs, would make it a valuable addition to the Gateway urban park system.

Congress took a monumental step in 1972 toward providing city residents with adequate park facilities when it established the Gateway National Recreation Area. The number of visitors quickly doubled, and Gateway is on its way to becoming the most utilized recreation area in the federal park system.

Gateway is an enormous asset to the New York-New Jersey area, and its unique character gives it national significance. Its beaches, which currently draw 8 million visitors annually, are expected ultimately to draw 30 million. Expansion of the Gateway system would accommodate the recreational and cultural needs of additional city dwellers and expand the extent of facilities available to the public.

Flushing Meadow-Corona Park, the city's largest park, provides 40,000 New Yorkers every weekend with a variety of cultural and recreational opportunities. It is connected geologically to Gateway by a series of terminal moraine links. These could serve as bicycle trails or walking paths between the two areas. It is located in the geographic and population center of New York City. Modern transportation facilities made the site accessible to more than 100 million visitors during the two historic Worlds Fairs.

Inclusion of Flushing Meadow in any Gateway expansion has been called vital to improving access to the national parklands for millions of New Yorkers and has been enforced by the Department of the Interior.

An August 1976 study of urban parks by the National Park Service and the Interior Department's Bureau of Outdoor Recreation found that—

> Population of northern Queens, the Bronx and lower Westchester will never realistically be able to utilize the [existing] facilities of Gateway National Recreation Area because of the lack of adequate transportation.

It declared this problem could be solved only with the addition of other park areas, notably Flushing Meadow. The Interior Department report concluded that Flushing Meadow's accessibility by existing public transportation would enable it to add "potentially very significant recreational resources for millions of inner-city residents as soon as development takes place."

Flushing Meadow, originally a serene basin, had become a refuse dump by the time F. Scott Fitzgerald referred to it in "The Great Gatsby" as "The Valley of Ashes." Fitzgerald described it as—

> A fantastic farm where ashes grow like wheat and ridges and hills and grotesque gardens.

The 1939 World's Fair marked the emergence of the area as a flourishing parkland. The meadow was restored, two lakes and a boat basin were constructed, new approaches to the park were built and trees, grass, and shrubs were planted on what was once a vast urban wasteland. Improvements to the area costing $59 million were viewed by the fair's planners as a long-term investment. The site was selected for its potential as a park. City officials and fair planners kept in mind the permanent contribution which the fair could make to New York City after 1939.

After the fair closed, the city building at Flushing Meadow became the assembly hall for annual United Nations meetings from 1946 through 1950. This historic structure is now the New York City Pavilion and continues to attract thousands of visitors. In the late 1940's city officials improved the grounds and transportation facilities. Its convenient location, colorful history, and outstanding facilities led to its selection as the site for the 1964 World's Fair. During the planning and construction of this fair, pools, fountains, utilities, plantings, and some buildings were included as permanent features of the park. Robert Moses, president of the World's Fair Corp., stated:

> It is my firm conviction that in many ways, Flushing Meadow or Corona-Flushing Meadow, will turn out in time to be the best planned and most patronized park in New York.

Flushing Meadow has since grown into a vital recreational and cultural center for the surrounding community. Its 1,258 acres contain one of the few marinas in the city and two large lakes, one of which is used for boating. In addition to its natural assets, the park includes the Gertrude Ederle Swimming Pool in honor of the first woman to swim the English Channel, soccer fields, baseball/softball diamonds, and playgrounds. New York City is currently in the process of designing a 5-acre playground especially for the handicapped. For passive recreation, the park includes a wildlife refuge, the Queens Zoo, and the Queens Botanical Gardens.

The World's Fair buildings which remain are being utilized for cultural activities. The Singer Bowl, now named the Louis Armstrong Stadium, is the site of many concerts and sporting events. The New York City Pavilion contains the Queens Museum, which is the only art museum in the borough, a giant panorama of the city and an indoor skating rink. The New York State Pavilion is the site of an outdoor skating rink and the Queens Playhouse. The hall of science is the third most heavily-visited science museum in the Nation and a very popular museum in New York. Monuments from the two World's Fairs located throughout the park remind visitors that this area is indeed a landmark, enjoyed by millions over the years.

New York City today lacks sufficient funds to develop the park fully. As a result, Flushing Meadow's potential as a major recreational, cultural, and educational center has not yet been realized.

Flushing Meadow is an essential addition to the Gateway system. While transportation to other Gateway areas has posed real problems for the elderly and the handicapped, for example, Flushing Meadow is easily accessible and provides special facilities for these persons.

The concept of urban recreation areas emerged to fulfill the growing needs of city residents for accessible recreational and cultural facilities. These areas, which represent a departure from the traditional Federal idea of national parks, allow millions of urban dwellers the enjoyment of open spaces in a protected natural environment. Too many of our national parks are remote preserves, inaccessible to Americans of modest means, the handicapped, the elderly, and families without cars.

I am pleased to learn of the National Park Service endorsement for expansion of Gateway National Park to include Flushing Meadow and I look forward to working with the Service and its parent Department of the Interior to turn this dream into reality.

National Park Service expertise and funds would insure continued enjoyment of Flushing Meadow Park's facilities by a diverse urban population. Its multitude of indoor attractions could enable the park to be used year round, and become the central cultural and educational station of the Gateway system.

CONGRESS AND FOREIGN POLICY: LAPDOGS NO MORE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ZABLOCKI. Mr. Speaker, now that the country is about to have a Democratic President, to work with a Democratic Congress, there are those who are predicting that Congress will cease to reassert itself in the area of foreign policy.

For example, the former chairman of the Senate Foreign Relations Committee, the Honorable William Fulbright, has been quoted in the press as predicting that the congressional leadership will become "lapdogs" as soon as Jimmy Carter takes office.

I emphatically do not agree. For that reason it was a pleasure to see an article in the New York Times of November 29 by two well-respected political scientists, Thomas Franck and Edward Weisband, refuting the lapdog theory.

Their article points out some of the reasons why the Congress is unlikely to be willing to resume a secondary role in foreign policy, and I commend it to the attention of my colleagues.

To their argument I would add that because of a variety of congressional actions affecting foreign affairs, including the war powers resolution, the Budget Act, the repeal of emergency power provisions, and dozens of other acts and amendments, Jimmy Carter will come into office facing an array of legal constraints on his freedom of action in foreign affairs to an extent unknown by his elected predecessors.

The article follows:

[From the New York Times, Oct. 29, 1976]

LAPDOGS NO MORE

(By Thomas Frank and Edward Weisband)

Since 1973, the Constitution's "invitation to struggle" has turned into a nasty war between Congress and President for control of foreign relations.

The war has consisted chiefly of Congress' undoing Executive initiatives. It is difficult

for foreign nations—friends as well as enemies—to relate to a superpower which fitfully zigzags its way through the course of human events while various aspiring captains are seen to grapple for control of the wheel.

President-elect Carter has stated that a cease-fire with Congress is a top priority. But how?

One veteran of the war, former Senator J. William Fulbright, says that it will happen naturally. "After Carter takes over, the Democratic leadership will all revert to being the President's lapdogs."

We disagree.

During the past four years of Presidential eclipse, Congressmen and Senators have developed a taste for the long-forbidden fruit of foreign relations. They have learned that foreign-policy initiatives—once considered politically unrewarding—now attract media attention and popular recognition.

In particular, any Secretary of State appointed by Mr. Carter will soon encounter Senator Frank Church, slated to chair the Senate Foreign Relations Committee after Senator John Sparkman retires in two years. A recognized foreign-policy virtuoso—and a rejected suitor for Mr. Carter's Vice Presidency—Mr. Church will make an uneasy second fiddler.

Nor should the President-elect count too heavily on party loyalty. The Congress is normally the Presidency's official opposition. There tends to be closer affinity between Republicans and Democrats on the Foreign Relations Committee than between a President and Senators of his own party. Among the most tenacious foreign-policy critics during the Nixon-Ford Administration were the ranking committee Republicans, Senators Clifford Case and Jacob Javits.

Further militating against any slide back into the past is the recent rapid growth of a Congressional foreign policy bureaucracy. Congress, in the last five years, has developed a virtual counter-State Department composed of predominantly young, experienced and aggressive experts who are out to make their own marks on the foreign policy map. Supporting them is a new matrix of laws that institutionalize Congressional activism.

This does not necessarily mean that Congress will be as belligerent to Mr. Carter as to Richard Nixon and Gerald Ford. There will be the traditional "honeymoon" and Mr. Carter will not be cursed with the unoriginal sins of Vietnam, Watergate or the C.I.A.

Most important, Mr. Carter's outlook balances old elitist with newer populist proclivities. Like Henry Kissinger, he may sometimes worry about a Congress where, in Rousseau's words, "all men constantly wish the happiness of each but there is no one who does not take the word 'each' to pertain to himself." But, unlike Mr. Kissinger, he will understand that a foreign policy is more likely to succeed if it is conceived in the cacophony of full Congressional participation.

A new relationship, however, requires more than empathetic proclivities. It must begin with a total restructuring of the Congressional-Executive mesh. During the Nixon and Ford years, relations with Congress proceeded primarily via two channels: Mr. Kissinger and a few liaison professionals. It didn't work well because everyone on the Hill ignored the powerless messengers and demanded the all-powerful Secretary. Denied, they felt insulted rather than consulted.

This time around, the Executive must open more levels of communication.

By recently voting itself a large new foreign policy bureaucracy, Congress has coincidentally opened new entry points. A State Department desk officer can now find foreign relations specialists on the personal staffs of many Senators, the staffs of numerous House and Senate committees and subcommittees, the General Accounting Office and even in the office of the legislative counsel. They wield influence and, unlike most Congressmen, have the attention span to facilitate effective dialogue with midechelon Foggy Bottom counterparts.

Mr. Kissinger expressly vetoed a proposal to encourage midechelon contacts, fearing loss of control if a hundred flowers were to bloom. Yet he failed to stop the malcontents' taking their appeals to Congress; few Secretaries have come closer to losing control over their departments.

Instead of discouraging bureaucratic network-building across the chasm that marks the separation of powers, such activity should now be encouraged and openly conducted, for it can dampen incipient conflicts and make policy choices less intensely adversary.

NATIONAL CALAMITY: BREAKDOWN OF CHILDREN'S FOREMOST EDUCATIONAL INFLUENCE

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. QUIE. Mr. Speaker, 15 years ago Urie Bronfenbrenner, a professor at Cornell University, came before the Education and Labor Committee providing information on research he had conducted on children, youth, and the family. He had some dire predictions on the way this country seemed to be going. Those predictions have come to pass and are articulated in his article in Search and reprinted in the Outlook section of the January 2, 1977, Washington Post. He stated:

> Social and psychological research points to the family as the foremost influence in what . . . we might call "character formation," "cultural education" or "upbringing."

Yet, Professor Bronfenbrenner has found that there has occurred in the last 20 years a "rapid and radical change in American family life" and that "the consequences for the young, and for society as a whole, are approaching the calamitous."

I commend this article to my colleagues and urge them to consider Professor Bronfenbrenner's warnings in their work on legislation in the 95th Congress.

[From the Washington Post, Jan. 2, 1977]

THE CALAMITOUS DECLINE OF THE AMERICAN FAMILY

(By Urie Bronfenbrenner)

Americans like to talk a lot about "progress," "improving the quality of life" and "meeting the challenges of tomorrow." All these depend on our ability to raise today's children well. The future belongs to those countries that make their primary commitment to the cultivation of the minds, character and creative vigor of the young. Therefore, the United States should take the upbringing of its children at least as seriously as it does landing on the moon or Mars.

In the upbringing of today's children numerous factors play a role: their neighborhood or town, schools, friends, religious institutions, games, work, the television and films they watch, the papers, advertising, magazines and books they read, role models and their family. But in the recent years nearly every line of social and psychological research points to the family as the foremost influence in what the Germans call *erziehung*, the Russians *vospitanie*, the French *elevation*, the Greeks, *paideia*, and we might call "character formation," "cultural education" or "upbringing."

That the family is the central institution comes as no surprise to most anthropologists, ethnic patriarchs or social historians because the family is the only social institution that is present in every single village, tribe, people or nation-state we know throughout history. But that the family is the core institution in every society may startle and annoy many contemporary Americans. For most of us it is the *individual* that is the chief social unit. We speak of the individual vs. the state, individual achievement, support for disadvantaged individuals, the rights of individuals, finding ourselves as individuals. It's always the individual, with "the government" a weak second. The family is not currently a social unit we value or support.

This fact is reflected in the scholarly research of the United States. Until recently, there has been only sporadic research on the history, significance or changes in the family. And it is reflected in our national, local and business policies, where a father, mother, son and daughter are usually treated as four individuals rather than as a family.

Thus, we have the following situation. At a time when our nation more than ever needs a public-spirited and enlightened young, and when the best new research is pointed to the critical role of the family, our nation pays little attention to the family as a key social unit, and there are mounting indications that the American family as we know it is falling apart.

I realize that at several times in the past century observers have wailed about the decline of the family. Historian Charles Thwing, for example, wrote in his 1913 book on the family: "The individual has come to be regarded as the crown and center of social and legal order. The family, as an institution of prime importance, has passed away." But what has happened in the United States since the 1950s really adds up to a rapid and radical change in American family life. And the consequences for the young, and for society as a whole, are approaching the calamitous. Let me explain what I mean.

There was a kind of family stability in the late 1940s and early 1950s. The extended family still existed in places; one out of 10 families had another adult relative living under its roof. After the shakeout year of 1946, the divorce rate was quite low, especially among families with young children. Only one mother in four was working outside the home. And fewer than 4 per cent of all children born were illegitimate. Parents fought for a better education for their children, kicking off a school and college-building boom. Television, which became commercially available to households in 1948, was almost unknown. Mass magazines wrote of "togetherness" and radio soap operas featured families. Hollywood made films about young Andy Hardy, Shirley Temple and young Dorothy from Kansas, who went to see the Wizard of Oz but longed to return to her family.

In the past 25 years, however, the change has been dramatic. The dimensions of this change can be illustrated by some data that I and others have gathered about two categories: the number of parents and other adult relatives in the home and the amount of attention that parents devote to genuine relationships with their children.

As for adults in the home, there has been a further decline in the number of grandmothers, uncles or unmarried sisters in the home. From roughly 10 per cent of all homes

having a third or fourth adult in 1950, the percentage has dropped to half that. Compared to 50 years ago, the change is even more considerable. For example, in the 1920s half the households in Massachusetts included at least one adult besides the parents; today the figure is 4 per cent.

That leaves Mom and Dad. But Mom is increasingly not found at home either because she's out working, as well as attending meetings or shopping several nights a week. In 1975, for the first time in American history, a majority of the nation's mothers with school-age children—ages 6 to 17—held jobs outside the home. In fact, women with school-age children show the highest labor force participation rate, 54 per cent, compared with 28 per cent in 1950.

For preschool children the change is more startling. In 1975, 39 per cent of mothers of children under 6 were working, more than three times as many as in 1948. As for mothers with children under 3, nearly one in three is working—an amazing jump from 1950.

Of course, the increase of women in the work force is one of the most significant social and economic facts of our time. While the number of working husbands has risen from 29.8 million to 37.8 million between 1947 and 1975, or 27 per cent, the number of working wives has shot up from 6.5 million to 19.8 million, or 205 per cent—nearly 10 times as much. It began before the so-called women's liberation movement, and has unquestionably brought many new opportunities and greater satisfaction to numerous wives and mothers. But it has also had a major impact on American child-rearing.

ONE-PARENT FAMILIES

The parents not only have been leaving the home to work; they have increasingly been disappearing. The number of children under 18 living with only one of their parents—now one out of six—has almost doubled in the past 25 years. And the change has been most rapid for children under 6. In 1974, 13 per cent of all infants under 3—nearly 1 million babies—lived with only one parent.

Three of the main contributors to the rise of one-parent homes have been divorces, illegitimate births and desertions.

The divorce rate has risen appreciably in the past 25 years, but especially since the early 1960s. Last year, for the first time in U.S. history, the number of divorces exceeded 1 million—twice the number of a decade earlier and almost three times that of 1950. Nearly 40 per cent of all marriages now end in divorce, three out of 10 women separate from their husbands before the age of 30. The number of children from divorced families is twice that of a decade ago.

And a growing number of divorces are now accompanied by a new phenomenon: the unwillingness of either parent to take custody of the children.

Next to divorce, illegitimate births are the fastest growing contributor to one-parent homes. In the past 25 years the rate of illegitimacy has more than doubled, from 4 per 100 live births to 10 per 100 live births. And in addition to the more than 350,000 babies born out of wedlock last year, another 65,000 pregnancies were halted by abortions to teenagers alone. Thus, a growing number of children are being born to unmarried women, 80 per cent of them under 25 years old.

As for desertions, the male has long been a frequent deserter of his wife and children—male desertion accounted for 49 per cent of divorces in the United States in 1900—and males continue to flee. But wives have begun deserting in far greater numbers, too. Police department reports are suddenly full of notices of missing mothers, and detective bureaus indicate a quantum leap in the number of runaway wives.

Single-parenthood is especially common among the poor, although it is becoming more frequent among the lower and upper middle classes. And it is particularly prevalent among black Americans, many of whom are poor. In 1974 only 56 per cent of all black children under 18 lived with both parents, down from 71 per cent in 1965. (Recent research by Herbert Gutmann and others has found that black families have been more stable until recently than many believed.) Specifically, between 1960 and 1970 the percentage of single-parent families among blacks increased at a rate five times that for whites—a baffling fact since it was a period of considerable economic and education gains for blacks. Today, the proportion of single-parent families among blacks is three times that of whites.

Two things are noteworthy, however. White families are being fragmented progressively as well as black families. And middle-class families are now approaching the social disintegration of lower-class families a decade ago.

TIME WITH CHILDREN

The other broad category of change is the amount of attention that one or both parents give to affectionate child-raising when the children and adults are not separated by school or work. Here too there has been a sharp decline.

With demands of a job that sometimes claim the evening hours and weekends, with increasing time spent commuting and caring for automobiles, with entertaining and social visits as well as meetings and community obligations, parents spend less and less time working, playing, reading and talking with their children. More and more children come home to an empty house or apartment.

In some homes a child spends more evenings with a passive, uninterested babysitter than with a participating parent. One study of middle-class fathers of 1-year-old infants found that they spent an average of only 20 minutes a day with their babies. When a recording microphone was attached to each infant's shirt, the data indicated that in terms of true, intimate interaction between father and child the average daily time together was 38 *seconds*. One survey I did of child rearing practices in the United States over the past 25 years reveals a decrease in all spheres of interaction between parents and their children. (The same trend is appearing in Europe, according to cross-cultural studies.)

An increasing number of parents enroll their children in day-care centers—enrollment doubled between 1965 and 1975 alone—and then preschools. And they sit them in front of television. It is estimated by experts that preschool children—under 6—spend an average 50 hours a week watching TV. By the time the average American youngster graduates from high school he has spent more hours watching the television screen than he has spent in school, or in any other activity except sleeping.

Gone increasingly are family picnics, long Sunday dinners, children and parents working together fixing the house, preparing meals, hiking in the woods, singing and dancing with other families or friends. And we are paying a price for this growing inattention, even hostility, to our children.

Accidents among children appear to be increasing. Accidents are now the chief cause of death for persons under 18, and about 15 million days of school are lost annually because of accidental injuries to youngsters.

Child abuse by parents has become a national problem. A 1970 survey projected that at least 2 million battered-child cases a year may be found annually now; nearly 2,000 infants and children a year are being killed by their supposed caretakers. A more gruesome trend shows that the killing of infants under 1 year of age has been increasing since 1957. The infanticide rate has risen from 3.1 per 100,000 in 1957 to 4.7 per 100,000 in 1970. Sadly, 90 per cent of these incidents take place right in the home; the most severe injuries occur in single-parent homes, and many brutalities are inflicted by the frazzled mother herself.

SOCIETY'S NEGLECT

It is not only the parents of children who are neglecting them. Society does so, too. As the 1970 White House Conference on Children reported:

"A host of factors conspire to isolate children from the rest of society. The fragmentation of the extended family, the separation of residential and business areas, the disappearance of neighborhoods, zoning ordinances, occupational mobility, child labor laws, the abolishment of the apprentice system, consolidated schools, television, separate patterns of social life for different age groups, the working mother, the delegation of child care to specialists—all these manifestations of progress operate to decrease opportunity and incentive for meaningful contact between children and persons older or younger than themselves."

James Coleman's fine 1974 study, "Youth: Transition to Adulthood," documented the same new conditions.

Nor should all the blame fall on the heads of the parents themselves. In many ways, the crux of the problem is not the battered child but the battered parent. To quote from the same 1970 Report to the President:

"In today's world parents find themselves at the mercy of a society which imposes pressures and priorities that allow neither time nor place for meaningful activities and relations between children and adults, which downgrade the role of parents and the functions of parenthood and which prevent the parent from doing things he wants to do as a guide, friend and companion to his children. . . . The frustrations are greatest for the family of poverty where the capacity for human response is crippled by hunger, cold, filth, sickness and despair."

What has replaced the parents, relatives, neighbors and other caring adults? Three things primarily: television, peer groups (same-age cliques or gangs) and loneliness.

A recent study found that at every age level, children today show a greater dependency on their age-mates than they did 10 years ago. And, increasing numbers of lonely "latchkey children" are growing up with almost no care at all, often running away—at the rate of more than 1 million a year now—to join colonies of other solitary juveniles and to experiment with drugs, crime, sex, religious cults and the sheer restless busy-ness of Kerouac-like movement over the American landscape. These "latchkey children" contribute far out of proportion to the ranks of young persons who have reading problems, who are dropouts, drug users and juvenile delinquents.

What is not often recognized is that the social fabric which so many feel is tearing around them is to a large extent a result of the deteriorating family life and the conditions that undermine declining care for our children. Look at what has been happening to America's youth.

The first consequence is that many of them die at birth or soon thereafter. America, the richest, most advanced scientific and medical country in the world, stands 17th among nations in combating infant mortality. The offspring of young, black mothers face an especially frightful prospect: Babies of black mothers are today still dying at the rate at which white babies died in the 1940s.

Crime in America is increasingly a youth problem. Crimes by children—those under 18—have been growing at a higher rate than the juvenile population. According to FBI data, arrests of children for serious crimes—murder, assault, robbery and rape—have jumped about 200 per cent in the past 15 years, and arrests for lesser crimes—larceny,

burglary, auto theft, forgery—have doubled. Arrests for juvenile prostitution have increased 236 per cent, those for trafficking and use of drugs 4,600 per cent.

This increase of crime by children is three times that of adults over the same period. In 1973, 1.7 million children were arrested for criminal actions—one-fourth of the total arrests in that year. At the present rate, one of every nine teenagers can be expected to appear in court before 18. And since many criminal offenders tend to be repeaters, the depressing prospect is for an expanded adult criminal population in the years ahead. And crime is already costing Americans an estimated $80 billion a year.

School vandalism has become in some areas as American as apple pie, soft drinks and aspirin. A good deal of the blame put on teachers for failing to instruct our youth adequately belongs with parents and their increasingly resentful and violent children, and on the rest of us for failing to give both our teachers and our families adequate support, especially of the non-monetary kind.

The suicide rate for young people 15 to 19 has more than tripled in less than 20 years, leaping from 2.3 per 100,000 in 1956 to 7.1 in 1974; and in recent years there has been an increase in suicides among younger children, some as young as 10. Suicide is now the third leading cause of death among young American whites; the rate for young blacks is lower but increasing faster. For young American black males, homicide is now the leading cause of death. Death from violence in some form—suicide, homicide, auto and other accidents—now accounts for two out of three deaths of those between 5 and 18. The self-destructiveness of our children has become a truly serious problem.

ACADEMIC DECLINE

Well known by now is the decline in academic capability among the nation's young during the past 15 years or so. According to the College Entrance Examination Board, average scores on the scholastic aptitude tests have dropped in the past 12 years 44 points (from 478 to 434) in the verbal skills and 30 points (from 502 to 472) in math, on a scale of 200 to 800. Teachers and professors have in recent years become alarmed at what they experience as their students' growing inability to write decently, refusal to be rigorous in their work and inability to use common sense reasoning about everyday adult affairs of life.

In a 1976 Gallup Poll conducted for the Phi Delta Kappan, a professional education journal, two-thirds of the Americans sampled blamed parents for these test score declines because they did not provide enough attention, help and supervision for their children. And an impressive series of investigations, most notably by James Coleman and Christopher Jencks, have demonstrated that it is not so much the schools that determine academic achievement or character as a student's family life and the conditions undergirding a strong life within the family: employment, health services, work schedules, child care, neighbors who care and the like.

In addition, the alienation, antisocial behavior and disorientation of the young have made an ever larger minority of them unemployable, without training or self-discipline. Half the unemployment in our country today is among young persons under 25.

What are we as a nation to do?

I conducted a study recently for the National Academy of Sciences that tried to determine how successful all of America's early intervention programs such as Head Start really were. The results, sad to admit, were disappointing—except in places or in programs that involved the *parents* in the effort.

It's transparent now that the family is a critically important institution in shaping our children's minds, values and behavior. But it's equally clear that the American family is disintegrating. That's what I'd call a collision course for our society. It must be reversed. But how?

There is no space here for concrete suggestions, but I would like to offer a few thoughts. I think the main causes of the change in family life are three in number. So perhaps our remedies need to take three paths.

One cause is our attitudes. America has temporarily lost its balance. Today what matters most for many people is their own growth and happiness, their own self-fulfillment, doing their own thing, finding themselves. We seem to be sunk in individualism. We so much want to "make it" for ourselves that we have almost stopped being a society that cares for others. We seem to be hesitant about making a commitment to anyone or anything, including our own flesh and blood.

To be sure, individualism has helped bring about extraordinary solo efforts by many Americans—in art, science, business and other areas. But we have entered a period of history when we need to put other, neglected values on the scale, too.

We have many other traditions in the American past: our social welfare schemes, our great public education system, our way of helping our neighbors—or foreign peoples—in times of catastrophe, our volunteer organizations that Tocqueville found so outstanding, our scholarships and other help for the poor but able, our quickness in extending friendship and care to strangers. Like individualism, they too are American traits, and we should draw upon them also. It's a matter of more balanced attitudes.

The healthy growth of each child requires a commitment of love, care and attention from someone. Neighbors, day-care leaders and school teachers can help, but most of the enduring, irrational involvement and intimate activities must come from parents. No one else can ever care so much or so continually. We need to get out of ourselves and into the lives of our children more than we do.

A second cause is our socio-technical structure—The network of work schemes, social dances, travel patterns, telephones and other social patterns and apparatus that conduce us to separate and fragment rather than come together. We need to reshape parts of this socio-technical structure to meet the new needs of today's parents and children.

MORE PRAGMATISM NEEDED

As a nation we are superb at scientific technology. In this area we are pragmatic. We try new things to see if they work. But when it comes to social technology, we are stuffy, rigid, pessimistic. We often refuse to try little experiments in human affairs to see if our society can be more harmonious and our children happier. Little things, like more part-time work schemes to allow mothers, students and fathers to have more flexible schedules for greater human contact, seem so difficult.

Our welfare system is a disaster, actively abetting the dissolution of our families. It's chaotic and was designed by no one. Do we redesign it? No, we prefer to continue to muddle through, even though the cost in human lives is staggering.

I would suggest that the United States can no longer afford to be so methodical, precise, pragmatic and research-oriented solely in its technological advances, and continue to be so sloppy, neglectful, cautious and fatalistic in its social programs.

Last, our national rules and policy are a cause of family trouble. The United States is now the only industrialized nation that does not insure health care or a minimum income for every family with young children, and the only one that has not yet established a program of child care services for working mothers.

In the controversial gun control legislation we support the rights of each individual to bear arms but not the rights of our people—or our police—against being shot to death more easily each year.

We care more fervently about keeping our wilderness wild, our favorite fishing holes intact and football than we do about the condition of our families or the gradually spreading cancer among our children.

In our taxes, our plane fares or our government welfare policies we pay close attention to each individual's privileges and pay little attention to family rates or policies that would help build more cohesive families. We are not only "far out" in some of our individual behavior, among the advanced nations of the world the United States is "far out" in its national permissiveness toward individuals and its national neglect of the upbringing of its children.

Obviously, we cannot go back to the family life of an earlier age—nor should we wish to do so, given some of the oldtime family's inequalities and authoritarian practices. But we can design and put into practice new attitudes and structures appropriate for our time.

Among all the talk about returning to decency and fundamental values after Vietnam and Watergate, none ought to be more dear than that of a renewed concentration on the proper care, instruction, guidance and values of America's young people and the families in which they are raised.

The bodies, minds and emotional health of our children demand it. And the ability of our country to cope with its awesome future demands it.

BILL TO ADD SECRETARY OF THE TREASURY TO NATIONAL SECURITY COUNCIL

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. CARR. Mr. Speaker, today I introduce a bill that would add the Secretary of the Treasury to the National Security Council, reflecting the growing significance of international economics and domestic fiscal affairs in the development of national security policies.

The National Security Council, under the National Security Act of 1947, has the function "to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security, so as to enable the military services and the other departments of the Government to cooperate more effectively in matters involving national security." Inasmuch as a sound economy, with a sound dollar, is vital to national security, should there not be concern that our Nation's chief economic officer—the Secretary of the Treasury—has no statutory right to participate in these high level discussions of national security issues, issues which today obviously relate to his area of special knowledge and responsibility and issues about which all responsible citizens are becoming increasingly concerned.

For we all know that true national security is not limited to diplomatic activities or possible military threats, that such security also includes domestic well-being.

Surely economic problems incident to this aspect of national security deserve the attention of members of the National Security Council. In fact, the 1947 statute calls for consideration of domestic problems along with those having to do with diplomacy and the military.

We all know how intimately our domestic economy is related to foreign developments—the Mideast oil boycott and the sales of agricultural products to foreign countries are but two examples. Indeed it would appear that economic issues will loom ever larger as a factor which affects our security. These issues will increasingly determine not only our domestic policy but also our relationships to the rest of the world.

The presence of the Secretary of the Treasury on this Council is predicated upon the need for our vital economic interests to be represented in the formulation of national security.

I might add that this proposal was passed by both the House and the Senate in the 94th Congress only to be vetoed by President Ford. The Senate overrode the veto, but the House failed to consider the override.

SUBMARINE VETERANS OF WORLD WAR II

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. OBERSTAR. Mr. Speaker, on that day of infamy in December, some 35 years ago, when the naval forces of Imperial Japan struck a stunning blow against our fleet at Pearl Harbor, the American people experienced a momentary dread that they were completely defenseless against an implacable foe. Their fears were groundless. Within hours of that historic attack, a message went forth from the Commander, U.S. Submarines, Pacific. The message was addressed to a segment of the fleet already on station and poised for attack—the U.S. Navy's submarine flotilla. The message read: "Conduct unrestricted warfare."

Never in the annals of naval warfare was an order so loyally and so completely carried out. Our submarines, fighting in the lonely depths of the vast oceans, literally cut the fuel lines to the energy-starved Japanese homeland. That accomplished, they began, now aided by our rejuvenated air and surface forces, a war of attrition against the once-mighty Japanese naval and maritime forces. At war's end, while the Japanese Army was virtually intact, its seagoing forces had been annihilated.

As in any human endeavor which results in such total victory, there were costs. Fifty-two of our 252 active submarines were lost at sea. Three thousand five hundred and five officers and men went down with their boats. A tragic price to pay. Indeed, the loss rate of nearly 20 percent of our submarine force was the highest for any comparable unit in the U.S. Navy.

Those who also served and survived have not forgotten their shipmates. They have established an organization to keep alive the memory of those who went down to the sea in submarines in World War II. It is known as the U.S. Submarine Veterans of World War II. It is an elite organization, restricting its active membership to those who actually served on board those dark and solitary defenders of our freedoms. It is a unique organization, dedicated to perpetuating the spirit of loyalty and devotion to America which marked the final sacrifice of their lost shipmates.

Because of the knowledge and experience gained in this volunteer branch of our Navy, these submarine veterans have also recognized the bond between the past and today's nuclear-powered submarine forces—on station now, still protecting these shores against hostile attack. They have done this in numerous ways, but one which reveals this perception of continuity most directly is found in their acceptance as an associate member a colleague and a submariner—the President of the United States, Jimmy Carter.

Mr. Speaker, I am very honored to introduce this bill granting Submarine Veterans of World War II congressional incorporation and hope that the 95th Congress by enacting this legislation will join in paying respect to those few who have done so much for all of us.

FULL EMPLOYMENT BILL REINTRODUCED IN 95TH CONGRESS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. HAWKINS. Mr. Speaker, Senator HUMPHREY and I today announced the reintroduction of the Full Employment and Balanced Growth Act.

We know that the House will quickly wish to address its attention to such badly needed legislation, so that Congress's response with respect to the economy can be an effective, comprehensive program of national economic policy.

The joint press release follows:

HUMPHREY AND HAWKINS ANNOUNCE REINTRODUCTION OF FULL EMPLOYMENT BILL

Congressman Augustus F. Hawkins (D-Cal.) and Senator Hubert H. Humphrey (D-Minn.) announced today that they were reintroducing the Full Employment and Balanced Growth Act in the new 95th Congress. The actual introduction was accomplished at noon in the House to be followed in the Senate at the earliest permissible date for bill introductions in that upper chamber.

Senator Humphrey stated: "The time is ripe for passage of this legislation.

"Our economy has weathered three terrible years of underproduction, unemployment and inflation. For a while, we witnessed a pretty good recovery, but it was too short-lived. For the last seven months, the economy has been stalled, output has been growing very slowly and the unemployment rate has been going up again.

"This stop and go pattern is the result of poor economic policy making and poor planning on the part of the government, which is what the Full Employment and Balanced Growth Act wants to end."

Congressman Hawkins added: "Little variations in the economy, up as well as down, do not change two basic facts, challenged by none: (1) we still have immense idleness of human resources and plant, and (2) no forecasts today claim that the idleness will not remain intolerably high for many years to come unless we devise new and powerful weapons to achieve a comprehensive and integrated national economic policy and program. H.R. 50 and S. 50 provide the only means thus far proposed to do this. Enactment of this measure was never more needed than now."

Senator Humphrey emphasized: "Our aim is to reduce adult unemployment to 3 percent by 1980, and to continue reducing inflation below its current level. I know there are critics who say this can't be done. But we have done it in the past, and we can do it again. And the Humphrey-Hawkins bill is the best mechanism we have for doing it.

"There is no better time to get started than right now. We have a Democratic Congress and a Democratic President who are committed to jobs and full employment. President-elect Carter wants to get our economy moving again, and Congress should help in this by making all the employment and anti-inflation measures in the Full Employment and Balanced Growth Act available to the new President," Senator Humphrey said.

Congressman Hawkins concluded: "We expect to move as quickly as possible to push for enactment of the Full Employment and Balanced Growth Act of 1977. The people and the Congress urgently need a national legislative framework and commitment to full employment as the cornerstone of the country's economic policy."

CONGRESSIONAL PAY RAISE DEFERRAL ACT

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. STEERS. Mr. Speaker, I am pleased to join my respected colleague from Ohio (Mr. WHALEN) in introducing the Congressional Pay Raise Deferral Act. This legislation would delay any congressional salary increase until a new Congress is seated.

The chief benefit of this proposal is that it will allow the public to properly express its views on any congressional pay raise, because the Members must stand for election before they could receive any benefit from a salary change. And, because we would no longer be making decisions that are to our immediate benefit or detriment, we could hope for a more rational and objective consideration of congressional salaries than that which has been the case these past several years.

This legislation will benefit the entire Nation, but I must confess that my district, most of Montgomery County, Md., has a special interest in seeing this legislation enacted. This is because the salary levels of thousands of Federal employees are dependant upon what Congress pays itself, and I am proud to say that many of these high-level civil servants live in my district. This legislation would not act to delay civil service pay

increases during the congressional deferral period.

These hard-working people have suffered greatly as a result of congressional salaries being enmeshed in political controversy. So, I am pleased to note that they would benefit from any imposition of a rational process on congressional deliberations.

I believe it is time that we begin approaching congressional salary debates from an objective, apolitical perspective. The Congressional Pay Raise Deferral Act, introduced today by Mr. WHALEN, will facilitate this, and I therefore, give my strong support to this legislation.

THE FEDERAL AGENCY CONTROL AND REVIEW ACT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MINISH. Mr. Speaker, I am today reintroducing the Federal Agency Control and Review Act, a bill to control the growth of the Federal bureaucracy. Legislation similar to this measure was the subject of hearings by committees in both Houses of Congress last year and had reached the floor of the Senate prior to adjournment. I am hopeful, therefore, of early action in the new Congress.

The bill provides for a mandatory congressional review of each Federal agency at least once every 10 years. Unless an agency, after review, is explicitly approved and extended by law, it would be abolished. In my view, this statute is necessary to provide an effective check on the uncontrolled expansion of the size and the power of the Federal bureaucracy.

In the past 15 years, approximately 250 new Federal agencies, bureaus, departments, and commissions have been created, while only 21 such entities have been terminated. A recent Brookings Institution study found that of 175 governmental organizations existing in 1923, 85 percent were still around in 1974, and 62 percent still existed in virtually the same form. We now have reached the point where the bureaucracy has grown to embrace some 10 executive departments, 80 independent agencies, and hundreds of subagencies which employ over 2 million workers at an annual cost to the taxpayer of over $31 billion—and these figures do not even include the vast military bureaucracies.

Under the bill, the constituting authority for one-tenth of all agencies, except the Congress, the Presidency, and the courts, would expire each year. The appropriate committees of the House and Senate would then be required to evaluate the performance and effectiveness of the agencies and make a public report of recommendations, including legislation for the extension, reorganization, or dismantling of the agency involved. If, for any reason, the Congress failed to act on an agency due to expire, it would be abolished.

It is a natural tendency for bureaucracy to grow bigger and bigger, but as it does, it grows slower, less efficient, less productive, and more expensive. It drifts further and further away from its original purpose and loses touch with other Government agencies which end up duplicating its services.

We must effectively monitor the usefulness and responsiveness of these agencies. My bill seeks to provide the means to fulfill this responsibility.

NATIONAL PARK ON CAMP PENDLETON MARINE CORPS BASE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, today I submitted a bill which directs the Department of the Interior to study the feasibility of converting some of California's Camp Pendleton Marine Corps Base into a national park.

First introduced by retired Representative Alphonzo Bell this bill affects 18 miles of beach, and 125,000 acres of oak tree lined canyons, three mountain chains and several lakes and streams.

Mr. Speaker, I want to emphasize that this legislation is not a "witch hunt" aimed at the Marines. I believe Camp Pendleton has been and must continue to be a vital training base for our Marine forces. Beach and inland areas must be kept intact for their purposes.

However, close to Pendleton is Twentynine Palms Marine Corps Base with 932 square miles of land. With 932 square miles at Twentynine Palms, and 195 square miles at Camp Pendleton, we are asking the question: Does the Marine Corps need this space, or could some beach and inland property be used for recreation by the taxpayers.

With Yosemite National Park already overcrowded, this idea for a national park within easy driving distance from the Los Angeles-San Diego megalopolis is a good one.

The new park would be named the Santa Margarita National Recreation Area. Originally named Rancho Santa Margarita by the early Spanish settlers; shortly after Pearl Harbor the Marines bought the land, and it was dedicated by President Roosevelt in September 1942.

We are recommending that 13 miles of the beach on the military base be transferred to the national park. The Marines 5 miles of beach would be contiguous with the 25,000 acres inland where the headquarters, supply depot, and main barracks are located. This would constitute the new Camp Pendleton.

Mr. Speaker, I see this proposal as a logical extension of President Ford's proposal to double the size of the national park system. In his August 31, 1976, statement at Yellowstone National Park in California, the President called for a rapid expansion of the national parks to alleviate overcrowding problems in recreation areas.

More than 11.5 million people now live within 2 hours driving time of Camp Pendleton. We believe this idea will alleviate some of that overcrowding.

IN MEMORIAM: DEAN EMERITUS JEREMIAH L. O'SULLIVAN

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ZABLOCKI. Mr. Speaker, during the Christmas holidays one of Milwaukee's best known and most beloved citizens died at the age of 82. He was Jeremiah L. O'Sullivan, former dean of the College of Journalism at Marquette University.

Known as "the Dean" to generations of students, Jerry O'Sullivan was an educator who combined a fervor for academic excellence with the practicality of a man of action. For many years active in Democratic politics in Wisconsin, he was also a valued counselor to a number of the State's political figures.

Jerry O'Sullivan was my constituent and, upon occasion, my adviser. He could always oe counted on for a clearheaded analysis of problems. His loss is deeply felt.

At this point, I will insert in the RECORD the obituaries of this remarkable man which appeared in the Milwaukee Journal of December 21 and the Milwaukee Sentinel of December 22:

THE DEAN, O'SULLIVAN, IS DEAD

(By William Janz)

The lead on this story isn't long because you know he'd come back and edit it himself if it were.

There are only a few words here and they're not easy to write: Dean O'Sullivan died Tuesday at the age of 82.

Like a thousand other people, you have said that you were 35 years old before you felt comfortable calling him Jerry. Then, like those thousand other people you remembered you had never called him that.

Jeremiah Leo O'Sullivan was always "the dean."

For 34 years, Dean O'Sullivan manufactured journalists in dirty rooms full of broken newspapers at Marquette University. Like vitamins, he fed you active verbs, tight writing and journalistic ethics, and forced them into the paragraphs you wrote.

He gave you your first smell of gluepots and put you in a class where you stained your fingers with ink.

The stain is still there although you work in a computerized newspaper office with a pretty red rug on the floor and expensive drapes on the windows. There's still room here for what O'Sullivan taught, although he came from a time when city rooms were places where dead cigars could feel at home.

If you think hard enough, you can hear him talking to someone in that dark room on the second floor of Marquette's Copus Hall, where he brought plants to die of fright; his voice stopped traffic and his laughter peeled paint.

From 1928 to 1962 he was the dean there, one of the best known journalism educators in the country. He founded the Catholic School Press Association, and received more awards than a Kentucky basketball team.

An excellent reporter, he also was a teacher, scholar, administrator and a religious man. He made the Bible sound like good reporting.

Fifteen years ago, Robert J. Riordan, one of the best reporters in Milwaukee at the time, wrote that the "interaction of J. L. O'Sullivan and the Marquette University College of Journalism is a remarkable phenomenon in the history of men and institutions and it ought to be recorded."

But you won't find it in the history of the college because the dean wrote the history. Despite his humility, for more than 30 years he was the College of Journalism—fading bricks, rundown typewriters and all.

In the years before he retired, the gruff looking old legend lived in Copus Hall, a building that died a few months before he did.

It happened hundreds of times there. A student would say, "Dean, I can't raise $20 for books."

Handing over the money, the dean would say, "Don't be late for class."

Now he's gone. Too bad Copus Hall isn't still there, that dilapidated, ink infested campus monstrosity with the pink door that was an O'Sullivan shrine for the kids who studied at the hall.

He made you want to roll up a newspaper, use it as a pillow and sleep there.

Too bad it's gone, because O'Sullivan could have been buried inside with the empty Coke bottles, decks of cards, filled ashtrays and chewed copy pencils. Drop a newspaper at the front door in place of a headstone and the old man would have been right at home.

"The older I get," he said, laughing at an awards dinner in 1961, "the longer you clap for me."

Although he's been dead for hours now, you can still hear that laughter you heard then. You always will.

O'SULLIVAN RITES SET FOR THURSDAY

Services for Jeremiah L. O'Sullivan will be at 10:30 a.m. Thursday at the F. J. Borgwardt Sons Funeral Home, 7425 Harwood Ave., Wauwatosa, and at 11 a.m. at St. Bernard's Catholic Church, 1500 Wauwatosa Ave., Wauwatosa.

The body will be at the funeral home after 4 p.m. Wednesday, with a vigil at 8 p.m.

He is survived by a son, Quentin, and a daughter, Mrs. Louis (Geraldine) Riepenhoff, both of Wauwatosa, and a brother, Joseph P., Sr., of Hutchinson, Kans.

O'SULLIVAN, EX-DEAN AT MU, DIES

(By Robert W. Wells)

Dean Emeritus Jeremiah L. O'Sullivan, who shepherded generations of Marquette University students through its College of Journalism, died of cancer Tuesday at St. Camillus Health Center, 10100 W. Blue Mound Rd., Wauwatosa. He was 82.

Jerry O'Sullivan joined the college's faculty in 1924 after quitting as head of the Kansas City Bureau of United Press. His telegram of resignation became famous: "Hours too long. Wages too low. Life too short."

GRUFF EXTERIOR

Four years later, O'Sullivan succeeded Father John Danihy as dean, continuing in that job until his retirement in 1962. During those 34 years, Jerry and the journalism school were so closely identified it was difficult to think of one without the other.

Even the least confident freshman quickly learned that under the dean's sometimes gruff exterior was a friendly man who wished them well. Especially during the 1930s, when money was scarce, many students were able to stay in school only through scholarships and loans arranged by O'Sullivan. If such sources were unavailable, Jerry often dipped into his own pocket to help.

BORN IN KANSAS

As a man who loved teaching and continued to conduct classes after becoming dean, O'Sullivan's criticism of poor writing could bruise feelings. One coed whose story about not getting a gift of lilacs from her boy friend did not strike the dean's fancy was hurt by his frankness. The next spring, Jerry picked a bouquet of lilacs from his yard and put it on her desk.

O'Sullivan was born on a farm near Hutchinson, Kan., on April 28, 1894. He was in the second class to graduate from Marquette's journalism school, getting his bachelor's degree in 1914.

During his last two years in college he had worked part time for the Milwaukee Sentinel and after graduation he was hired full time, covering police. In 1915, he joined United Press—now United Press International—as manager of its Wisconsin Bureau.

O'Sullivan rose quickly with UP, becoming, in succession, manager of the Indianapolis, New York and Chicago bureaus before moving to Kansas City where he was in charge of coverage in 30 states.

The year after he became dean in 1928, the journalism college was accredited by the American Association of Schools and Departments of Journalism.

In 1931, O'Sullivan organized the Catholic School Press Association to foster publications in Catholic schools, serving as a director for the next 31 years.

Many honors came his way. Pope John XXIII awarded him the Knight of St. Gregory medal in 1961. In 1966, he received Marquette's Alumnus of the Year Award. Others included a papal medal for work with the Catholic Press, an honorary doctor of letters degree from Boston College, a $500 award for teaching excellence, a medal and $1,000 from the Catholic Press Association and a Pioneer Award medallion from the National Scholastic Press Association.

O'Sullivan was an enthusiastic card player, particularly bridge, gin rummy and poker. His distinctive laugh, delivered while breathing in instead of out, was a familiar sound at such hangouts as the Milwaukee Press Club where it punctuated a particularly enjoyable bit of byplay at the card table.

O'Sullivan and his wife, Evelyn, lived for many years at 1734 N. 83rd St., Wauwatosa. She died last year. Survivors include a son, Quentin J., and a daughter, Mrs. Lou (Geraldine) Riepenhoff, both of Wauwatosa, and a brother, Joseph P. Sr., Hutchinson, Kans.

Funeral services will be held at 11 a.m. Thursday at St. Bernard's Catholic Church, Wauwatosa, with burial at Holy Cross Cemetery. Visiting hours will be from 4 to 9 p.m. Wednesday at the F. J. Borgwardt Sons Funeral Home, 7425 Harwood Ave., Wauwatosa, with a vigil at 8 p.m. The family suggested memorial contributions to Marquette University.

A MORE SECURE RETIREMENT

HON. ROBERT J. CORNELL

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. CORNELL. Mr. Speaker, on behalf of Congressmen EDGAR, MCHUGH, HUGHES, MILFORD, MURPHY of New York, MOAKLEY, and FLOOD, I am today introducing legislation which will permit working men and women to provide for a more secure retirement. This bill will allow employees with low employer-financed pensions to supplement such annuities by establishing individual retirement accounts, IRA's.

Such legislation was given favorable consideration during the 94th Congress and, in fact, was included in the House version of the Tax Reform Act. Unfortunately for all those with inadequate employer-financed annuities, the Senate did not approve such a proposal and it was dropped from the final bill.

I believe that the Employee Retirement Income Security Act, ERISA, should be strengthened to allow all working people the opportunity to have sufficient income for their retirement. This program could help to prevent in the future the far too prevalent poverty among our senior citizens in America today. It will also bring a measure of equity to the law by allowing all workers to benefit from the tax advantages and retirement earnings now permitted only a few.

COLUMBIA RIVER INTERBASIN TRANSFER BILL

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DUNCAN of Oregon. Mr. Speaker, today I introduced a bill to extend the Colorado Basin Project Act study moratorium for an additional 10 years. The bill simply amends the act by striking out "10 years" and inserting in lieu thereof "20 years." All returning Members of the Idaho, Washington, and Oregon delegations, with the exception of the Secretary of Transportation designate, BROCK ADAMS, cosponsored this legislation.

The purpose of the bill is to insure the use of the Columbia River system for the continuing needs of the Pacific Northwest. The quality of life which residents of the Pacific Northwest are so fortunate to have, is due in large measure to the Columbia River. The Columbia River is the economic and recreational life blood of the Pacific Northwest.

This piece of legislation has been introduced, not in malice toward our sister States in the Southwest and Rocky Mountain areas, but rather with a realistic view toward the future. There have been numerous studies conducted by the Corps of Engineers and the Bureau of Reclamation which point out that the Columbia River system is presently being used to its maximum extent for energy, for transportation, for recreation, for irrigation, and for fish and wildlife.

Given the conclusion reached by those studies, it is obvious that any possible interbasin transfer is impractical and unjustifiable given the Pacific Northwest's future needs and no further study is necessary. Without regard to the feasibility of such an interbasin transfer, and there are indeed questions regarding such a proposal, it would be something less than responsible for those who live in the Northwest to ignore the needs of

the region in the future. The Columbia River system has been and will continue to be the source of the region's economic viability and source of its recreational enjoyment.

We in the Pacific Northwest are proud of our management of the river and the blessings which it has provided economically and recreationally. We share now with the Southwest the hydroelectric energy produced by the river system on a mutually beneficial basis. There is no national interest served by stripping the Northwest of its one great advantage and transferring that elsewhere. So solving the problems of the Southwest by creating more in the Northwest is not an acceptable solution.

I hope this bill will receive speedy and favorable consideration, and I pledge my best efforts to help the arid sections of our country with a solution to their water problems that will not adversely affect others.

STREAMLINING OF FEDERAL BUREAUCRACY

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. LLOYD of California. Mr. Speaker, today I introduced three bills which establish a mechanism for streamlining the Federal bureaucracy. Zero-base budgeting and sunset legislation received a great deal of support in the last Congress and is a pledged priority of the new administration.

It is clear that we do not have an unlimited income to spend on new Federal programs. It is equally clear that agencies established decades ago may not be meeting today's needs. If we are to make Federal Government responsive to the problems of today and the future, we must be able to discard programs that have outlived their usefulness. A legislative halt to new expenditures without strict oversight, and the automatic abolishment of offices which have not been cost-effective are responsible ways to meet the goals of the congressional budgetary process and provide fiscal and program accountability.

The regulatory agency sunset bill proposes the abolition of 11 Federal agencies within 3 years of enactment unless certain oversight conditions are met. Either a congressional or administrative review may find the agency effective and meeting mandated goals, or suggest reform and reorganization. Then Congress will decide to extend, overhaul, or abolish the agency. A companion bill allows Congress to veto agency regulations within 30 days after they have appeared in the Federal Register. This should help insure responsive and reasonable directives and public representation.

Zero-base budgeting will require congressional evaluation and review of all Federal spending, not just budget increases, every 4 years. Programs, agencies, offices, and departments will be examined according to their purpose, enabling Congress to scrap duplicative or outdated programs. If a program is kept, the budget would be determined from the ground up—with no automatic authorization level.

Taxpayers have watched Federal spending increase and the bureaucracy grow. They are justified in holding Congress accountable. Let us not continue programs just because they existed last year. We can reverse the trend that has created, and then forgotten over 1,200 commissions; the trend that created 85 Government bodies in 1974 alone and abolished only 3; the trend that continues 85 percent of all Federal Government bodies that existed in 1922. I urge my colleagues to join me in cosponsoring these important and necessary bills.

GOODWILL ON CAPITOL HILL

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. RAILSBACK. Mr. Speaker, too often we only hear about the problems and disagreements on Capitol Hill. This afternoon I would like to take just a moment to tell about a project which has received the support of Senators and Representatives—committees and members' staffs—Republicans, Democrats, independents.

That project—Project Happy—has been an annual event on Capitol Hill since 1970. It is an effort made by those of us who work on the Hill to assist the Salvation Army in providing some Christmas cheer for the many needy children in Washington who would have no holiday otherwise. People from the private sector, from the business community, from the White House, and various agencies have also contributed significantly. When the project first began 6 years ago, Christmas was provided for 45 children. This year the project took care of a record 227 children—more than double what was done just 1 year ago. In addition, several more young people at the Home for the Retarded Children were taken care of. I now look forward to an even bigger success in 1977.

Senator MCCLURE is to be commended for continuing to push this project, and his staff is to be congratulated for the yeoman's work all of them do on the project. I would particularly like to commend the Senator's secretary, Mrs. Butler, who has organized and promoted this project since 1970. People in other offices contributed gifts, money, their own time for wrapping and buying gifts, food, and several persons "adopted" a family—that is, they purchased all that family's holiday presents. My office alone took care of nearly 2 dozen children.

There were also two very generous, anonymous benefactors—one provided 100 frozen turkeys for the Salvation Army to distribute, the other provided dozens and dozens of toys—from tea sets to drums—for the children. Their kindnesses were deeply appreciated.

Last year I personally had the opportunity to meet with some of the children who were assisted by this project. At that time, instead of going as a Congressman, I appeared as Santa Claus, and found this new role most rewarding.

I am sure the others who have participated in Project Happy also found their efforts rewarding, and I would just like to list the offices from which these good people came:

Congressman ADAMS, Congressman ADDABBO, Congressman ALEXANDER, Congressman GLENN ANDERSON, Congressman ARCHER, Congressman ARMSTRONG, Congressman BAUCUS, Congressman BERGLAND, Congressman BIESTER, Congressman BOLLING, Congressman BROOKS, Congressman BROYHILL, Congressman BUCHANAN, Congressman CLAUSEN, Congressman DENT, Congressman DRINAN, Congressman EDGAR, Congressman FINDLEY, Congressman FORSYTHE, Congressman FRENZEL, Congresswoman KEYS, Congressman HANSEN, Congressman LAGOMARSINO, Congressman LENT, Congressman MCCLORY, Congressman MCDONALD, Congressman MCKAY, Congressman MCKINNEY, Congressman MARKEY, Congressman METCALFE, Congressman MILLS, Congressman MINISH, Congressman MOSHER, Congressman MURPHY, Congressman RODINO, Congressman ROONEY, Congressman ROSTENKOWSKI, Congressman RUSSO, Congressman REUSS, Congressman ST GERMAIN, Congressman STRATTON, Congressman VANDER JAGT, Senator CHILES, Senator CLARK, Senator MCCLURE, Senator SCHWEIKER, Senator THURMOND, Congressional and Senate Staff Clubs, Committees such as House District of Columbia, Judiciary, Ways and Means, and Education and Labor, and Senate Commerce and Public Works Committees; the White House; agencies; the Heritage Foundation; the American Legion; Jack Anderson; and various private individuals.

It is clear that there still is goodwill on Capitol Hill.

PHIL HART'S LEGACY

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. KASTENMEIER. Mr. Speaker, there is a kind of quiet that hangs over these halls today. It is a quiet that tells us something is dramatically different—one that forces us to pause and reflect. It is a quiet created by the absence of a man who deeply touched each of us who knew him; a man who showed us that truth and dignity and principle are still noble virtues that can guide us into the light of a better day.

It has often been said that PHIL HART was the conscience of the Senate. He served that purpose for many of us in the House, as well. For him, principle always ranked above political expediency. And, to me, it seemed that PHIL HART's guiding principle centered around the dignity and nobility of people and the Earth they inhabit.

He expressed it perhaps best himself in a guest column he wrote for the Detroit News of January 25, 1976. He offered some words which he suggested "might be useful guideposts against which to measure proposed actions." The words, as he noted, belong to an Indian youth and go like this:

The part of Indian culture I would like to see restored is the respect for natural resources—an appreciation of the sky, winds and water.

It's an appreciation of your surroundings and the people in it.

The most important thing is your belief in those surroundings and not using them indiscriminately, especially people. It's a good thing to think and not just follow the crowd.

The sentiments expressed in those words are PHIL HART'S legacy to us. If we follow those guideposts, we cannot help but be a better people creating a better world for our children. And that, in the end, is all PHIL HART, in his quiet, gentle way, ever asked of us.

We will miss this good man and his voice of reason and compassion.

My deepest sympathies are extended to his family.

TIME TO REPAY THE NATION'S WORLD WAR I VETERANS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, I am today introducing legislation, H.R. 55, which will provide a $150 monthly service-based pension to veterans of World War I or their surviving spouses. This bill will not adversely affect any veteran benefit which a World War I veteran might presently be receiving. H.R. 55 is similar to bills which I have introduced in each of the last four Congresses and I am pleased that 35 of our colleagues have already asked to be included as cosponsors of the "World War I Pension Act of 1977." I anticipate that the number of cosponsors will continue to grow, because a pension for these veterans is an idea whose time has come.

This Nation has provided very little to the veterans of World War I. The total benefit is $607.50 which the vast majority of World War I veterans have received. For these veterans, there were no GI educational benefits—now a benefit of up to $13,176 for a veteran with two dependents, nor was there an effort to aid these veterans in finding employment, nor a GI home loan program, nor an extensive system of high-quality veterans hospitals as there are today. In addition, by 1935, when the social security system was created, most of World War I veterans were already too old to build up maximum social security benefits.

Mr. Speaker, I firmly believe that an objective look at our system of veterans benefits will indicate that the veterans of World War I were shortchanged. The pension which I propose today is not a special privilege—far from it—but it will serve to partially recompense the veterans of World War I who were not eligible for the wide range of benefits available to the veterans of later wars.

There are presently 834,000 surviving World War I veterans—94,000 less than at this time last year. We in the Congress have a moral responsibility to act, and to act quickly, on this legislation.

CONSUMER FOOD LABELING ACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, more than 80 million Americans must be careful of what they eat because of allergies, dietary problems, religious considerations, and other reasons. Everyone has an undeniable right and need to know what is in the food he eats, who made it, how much it really costs, and more.

That is why I am today introducing the Consumer Food Labeling Act. This bill would require the labels on foods and food products to disclose all ingredients; nutritional content; accurate weight data; storage information; true identity of the manufacturer, packer, and distributor; uniform product grades; unit prices; ingredient changes, and it would bar the use of misleading brand names.

It is aimed at closing the still widening gap between the ability of Government to protect consumers and the ability of some segments of the business community to abuse them.

The following is a title-by-title description of the provisions of this legislation:

CONSUMER FOOD LABELING ACT

TITLE I. TRUTH IN FOOD LABELING

Requires food makers to show on their labels all ingredients by percentage, including all additives and preservatives, and by their common or usual names. As many as 80 million Americans must be aware of the food they are eating because of allergies, dietary problems, religious considerations and other reasons. It is presently impossible, thanks to a maze of regulatory exemptions, to tell from a label what is in a food product. The American consumer has an undeniable right and need to know what is in the food he eats.

TITLE II. NUTRITIONAL LABELING

Requires that any packaged consumer food product be labeled by the producer with the following information: (1) nutritional statements including fat content, vitamin and protein value, fats and fatty acids, calories and other nutritional data; (2) the net weight and drained weight of canned or frozen products packed in a liquid medium; (3) the major ingredients by percentage weight of any combination food item. We have been called "a nation of nutritional illiterates." Food labels currently provide little or no information on the nutritional value of the product although this is vital to the consumer's health. Many of the foods Americans eat do not have the nutritional value expected of them. Moreover, existing food labels fail to show the exact proportion of one ingredient to another. Some brands of combination food items contain more of the major ingredients than others (e.g. some brands of beef stew contain more meat, vegetables, etc. than others).

TITLE III. OPEN DATING PERISHABLE FOOD

Requires that all packaged perishable and semi-perishable foods be prominently labeled to show clearly the date beyond which it should not be sold and the optimum storage conditions at home. It also provides that overage products can be sold but only if they are safe, separated from other items and clearly identified as being beyond the expiration date. There is growing evidence that a significant number of perishable food products offered for sale to the American consumer are overage and may be unwholesome. Open dating information gives consumers personal policing powers over the sale of packaged foods and helps in storing these products at home.

TITLE IV. CONSUMER FOOD GRADING

Requires a uniform system of retail quality grade designations for consumer food products based upon quality, condition and nutritional value. There is currently no consistent and uniform system for determining and labeling the grades of food products. For example, one product may be graded A, B, C, and D, while another is AAAA, AAA and A; hence the two "A" grades are opposites, not equals, but there is no way for the consumer to know.

TITLE V. MARKETING PRACTICES DISCLOSURE

Requires labels on foods, drugs and cosmetics to contain the name and place of business of the true manufacturer, packer and distributor. Its value is two-fold: Most importantly it would aid government, industry and consumers in event of a recall by permitting quick and easy identification. This is now difficult because hundreds of private labels and private brand products on the market do not bear this information. (Bon Vivant vichyssoise was packed under more than 30 different private labels without Bon Vivant's name ever appearing on one of them—a fact which hindered that extensive recall.) Secondly, it would aid consumers in selecting products because they would know who really made the product under the private label. Private label products often tend to be priced lower than their nationally advertised counterparts, although there is frequently no difference between them.

TITLE VI. UNIT PRICING

Requires disclosure by retailers of the unit price of packaged consumer commodities. Individual retail businesses with sales below $250,000 a year are exempted. The myriad of package sizes makes it extremely difficult for consumers to compare the price of two or more package sizes of the identical product to determine the real cost and the best buy. Recent studies indicate that unit pricing provides valuable, objective price data which can save consumers around 8% on their food bills. Some stores now have unit price information but uniformity and comprehensiveness are lacking.

Also requires retailers to mark the actual selling price on the product itself, regardless of the possible presence of computer pricing codes and automated check-out facilities.

TITLE VII. NEW INGREDIENT NOTIFICATION

Requires manufacturers to print notices on all food labels that will alert consumers to ingredient changes.

TITLE VIII. MISLEADING BRAND NAMES

Prohibits the use of misleading product brand names. Advertising such names would violate the Federal Trade Commission Act unless the manufacturer can demonstrate that the product lives up to its name.

HANDICAPPED NEED MEASURE TO IMPROVE QUALITY OF LIFE

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to introduce a much-needed measure designed to improve the quality of life for over 11 million handicapped Americans. This bill would amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for employers for a certain portion of the wages wages paid to such individuals. This measure is patterned after the highly successful work incentive, WIN, tax credit program.

Under the WIN program, employers are allowed to claim up to 20 percent of the wages paid to WIN participants. Eligibility for this tax credit is limited to 1 year for each employee and the credit amount is limited to the first $50,000 of tax plus one-half of the tax liability in excess of $50,000. According to information furnished by the Senate Finance Committee, the WIN program, which is designed to aid the transition of individuals from welfare to work, has been responsible for the employment of some 300,000 welfare recipients and has involved some 91,000 employers.

As you may know the need for meaningful action toward solving the employment problems of the handicapped is indeed great.

According to a 1972 survey of the disabled compiled by the Social Security Administration, the unemployment rate for handicapped individuals is roughly double that of other Americans. Mr. Speaker, as alarming as these figures may appear, they in fact underestimate the problems in the sense that they fail to consider those who have given up hope of ever finding a job. This same survey shows a disparity of pay between the handicapped and the nonhandicapped, for while the working handicapped had a mean weekly rate of pay of $131, the rate for other employed Americans was $36 higher, $167.

Another study entitled "One in Eleven, Handicapped Adults in America," by the President's Committee on Employment of the Handicapped, points out several facts about the 11,264,830—9.3 percent of the total population—handicapped Americans. In general, handicapped Americans received lower pay and less schooling than other citizens. The number of handicapped individuals below the poverty level is twice that of other Americans. Fourteen percent fewer handicapped children made it beyond the eighth grade, and 7 percent fewer handicapped youths got beyond high school. In terms of income, 6 percent more of the handicapped had incomes below $2,000 a year than the nonhandicapped and 7 percent more of the handicapped men had incomes below $7,000 a year than the nonhandicapped men.

As you might expect, the employment problems faced by the handicapped are not new. A 1966 Social Security survey of the disabled points out that:

> One of the most serious consequences of disability is its effect on the disabled person's ability to earn a livelihood.

Further, the report shows that in the spring of 1966, almost one-half of the 4.5 million noninstitutionalized men aged 18 to 34 who were not in the labor force were disabled to some extent.

The Vocational Rehabilitation Act of 1973, Public Law 93-516, states in title III that—

> It is of critical importance to this nation that equality of opportunity, equal access to all aspects of society and equal rights guaranteed by the Constitution of the United States be provided to all individuals with handicaps.

Mr. Speaker, I believe that the facts I have presented demonstrate that handicapped Americans are being deprived of their right to equal opportunity in employment. The Vocational Rehabilitation Act is a good first step but we in Congress are duty bound to go further. Since wages reflect the value of the worker to the employer, the differences in rates of pay between the handicapped and nonhandicapped illustrate the reluctance of most employers to hire the handicapped for good paying jobs. This fact, when combined with the larger unemployment rate among handicapped individuals and the figures which show lower education levels for these citizens, serve to demonstrate the need for an incentive to encourage the cooperation of private industry in solving this difficult problem.

Mr. Speaker, we in Congress have an opportunity and a responsibility to supply this needed incentive by amending our tax laws. If we do this we cannot only aid the handicapped but also aid all of our citizens by bringing the enthusiasm, energy, and expertise of our handicapped to a worthy and productive use. I urge my colleagues to examine the provisions of my proposal carefully, and I hope that you will see fit to support this measure, for only through its enactment can we in Congress truly hope to enable the handicapped to live more independently with the dignity that comes from productive and self-sufficient lives.

THE HEALTH SECURITY ACT

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MEEDS. Mr. Speaker, I wish to support the introduction of the Health Security Act, a measure which I am cosponsoring for the third consecutive session. I strongly believe that we must make decent health care available to all our citizens a national goal, and we need to get a dialog started on how best to achieve that goal.

At the same time I wish to make it clear that I believe a program involving substantial expenditures of funds will have to wait for full implementation until such time as the economy improves and funds are available.

We ought, however, to have something in place when these funds are available. We should be examining our options through hearings, House dialog, and study, and be ready to move on a national health care system when the economy improves.

I prefer this particular bill, because it not only addresses itself to the problem of payment for health care, but also to the question of improved delivery systems and better distribution of health care in what is already a $118 billion industry. Additionally, this bill deals with duplication of services and a better shake for underserved areas.

In cosponsoring the Health Security Act, I expect it to provide an appropriate vehicle for meaningful dialog on the many difficult questions to be worked out before we are ready for a national health care system.

THE NEED FOR THE CONGRESSIONAL PAY RAISE DEFERRAL ACT

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PATTISON of New York. Mr. Speaker, later this month the President will transmit to us his views on the recommendations of the Quadrennial Commission on top-level Government salaries. The President's budget message is expected to include a $12,000 increase in Congressional salaries.

My purpose today is not to pass judgment on the expected salary increase proposal—although I suspect that there is much to be said on this subject. Rather, I want to comment now on the procedures involved.

Last September, I called our deliberations on the annual cost-of-living salary increase "an embarassing exercise." The same can be said about our pending review of the recommendations of the Federal Salary Commission.

The Constitution places the Members of Congress in a unique and awkward position. We are the only Federal agency that can determine its own salary levels and, ultimately, we cannot delegate that authority to anyone else. Nor should we.

But we are faced with an inherent conflict-of-interest situation when we must vote on a proposal that could be to our immediate and substantial personal advantage. In any other case, the appropriate course would be for the affected individuals to disqualify themselves from the vote, but this is obviously impossible when every Member of Congress is personally affected and there is no way to delegate ultimate responsiiblity.

Is this an unsolvable dilemma? I think not.

Today, I am pleased to join with several distinguished colleagues, Messrs. WHALEN, PEASE, and STEERS, to introduce the Congressional Pay Raise Deferral Act. I believe this simple bill—it is only 3 pages long—is the answer to our complex problem.

The Congressional Pay Raise Deferral Act provides that any increase in congressional salaries shall be deferred until the start of the Congress following the one in which the increase is recommended or approved. Thus, a Representative would have to be elected to the next Congress before he or she could receive the salary increase.

It seems to me that this is the only way in which we can remove ourselves from this conflict of interest. We would no longer be forced to make decisions that are to our immediate and personal benefit or detriment, and the public would be given an opportunity to pass judgment on the decision before it is implemented.

You know, Mr. Speaker, the Founding Fathers foresaw this very problem, almost 200 years ago. When they reviewed the new Constitution, it was decided that several perfecting amendments were needed, and a package of 12 amendments were sent out to the States for ratification.

The second of these 12 proposed amendments would have done just what we are proposing today—it would have delayed any Congressional salary adjustment until the Congress following the one in which it is decided. However, of the 12 amendments proposed only 10 were ratified; they are now know as the Bill of Rights.

For reasons unknown to me, the pay raise amendment was one of the two that were rejected. But I am proud to note that New York State was one of those that voted to ratify all 12 amendments.

Today, I do not think we need to go through the process of amending the Constitution. Instead, all that we need to do to set this matter straight is to enact a simple three-page bill.

I am enthusiastic in my support for the proposed Congressional Pay Raise Deferral Act, and I urge my colleagues to join as cosponsors of this legislation.

Together with CHUCK WHALEN and others, I will press hard for enactment of this bill. I supported similar legislation in the 94th Congress; I hope to see this bill enacted in this new, 95th Congress.

MANDATORY SENTENCING

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. LLOYD of California. Mr. Speaker, today I am introducing a bill which would require mandatory sentences for the use of firearms in the commission of Federal crimes.

Mandatory sentencing was included in a gun control bill considered by the Judiciary Committee in the 94th Congress. This is a separate issue and should be considered apart from controversial, and therefore less immediate legislation. Whether we support or oppose gun control, we can all agree that the soaring rate of violent crime in this Nation cannot be ignored. This legislation is a deterrent to the use of guns in crime without compromising the second amendment right to bear arms.

My bill provides penalties of 1 to 10 years for the first offense, and 2 to 25 years for the second conviction for a felony committed while using or carrying a firearm. It is my belief that these required prison terms will be part of the answer to our problem of violent crime.

POLITICAL FREEDOM FOR FEDERAL EMPLOYEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. CLAY. Mr. Speaker, I have today introduced H.R. 10, the Federal Employees' Political Activities Act of 1977.

H.R. 10 updates and modifies the Hatch Act. It permits Federal civilian and postal employees the right to participate voluntarily in political activities so long as those activities do not even appear to compromise the integrity of the merit system or the impartial administration of the functions of Government.

The Hatch Act was precipitously enacted in 1939 with no public hearings and limited debate. It was an overreaction by the Congress to abuses, not of voluntary political activity, but to coercion and kickbacks by employees and recipients in Federal relief programs.

Previous studies by the Congress had revealed not even the suggestion of any wrong doing in Federal employees participating in political activity voluntarily and on their own time. The Hatch Act, well-intended as it was, was enacted in a period during which the Congress was deeply concerned about the growth in the power and influence wielded by then-President Franklin Roosevelt.

But the times and conditions have changed since 1939 and H.R. 10 has taken notice of these realities. In 1939, Federal programs to provide direct aid to the poor were being expanded, while today they are being contracted. In 1939, only 32 percent of the Federal work force of 950,000 was under the merit system, in contrast to almost 70 percent of the current work force of 2.8 million. Third, the need for skilled personnel has increased to the point where the patronage system no longer flourishes as it did in the 1930's. Finally, the growing strength and influence of the Civil Service Commission has led to the institutionalization of the merit system. I find it difficult to believe that the authors of the Hatch Act ever intended that 2.8 million Federal employees would be denied the same opportunity to fully participate in the political process that is available to all other citizens of this Nation.

Prohibiting voluntary, off-duty political activity of Government employees is very serious business. It flies in the face of the guarantees of the first amendment. When we attempt to prohibit or regulate these activities, we deny free speech and free association. For this body or any other body of government to do that, there must be a compelling interest and overwhelming justification.

In modifying the Hatch Act it is important that our value system of merit, impartiality, and integrity be retained. Thus, six principles have been the centerpiece of our thinking in drafting H.R. 10.

First, that Federal employees ought to be extended all the rights and benefits of citizenship as any other person within the framework of prudence and possibility. Second, those rights and benefits ought to be made known to the recipients. Third, the administration of our laws must be impartial—free from any partisan considerations in the interpretation of those laws. Fourth, equally as important is the appearance of impartiality. The public in general must perceive the administration of laws as impartial. Fifth, the Federal Civil Service System must not be used as a patronage system to serve the political interests of any political party. And sixth, Government employees must not be subjected to undesirable pressures to participate in political activities because of fear or coercion.

H.R. 10 differentiates between voluntary and involuntary political activities. It protects the public interest while providing Federal employees with greater freedom to participate in the political process.

H.R. 10 is virtually identical to H.R. 8617, the Federal Employees' Political Activities Act of 1976, which was introduced during the 94th Congress. That bill, you may recall, passed both the House and the Senate by overwhelming majorities but was vetoed by President Ford.

In summary, the bill provides the following:

States that Federal employees are encouraged to exercise their right of voluntary political participation;

Prohibits the use of official authority, influence, or coercion with the right to vote, not to vote, or to otherwise engage in political activity;

Prohibits use of funds to influence or coercion with the right to vote, not to vote, or to otherwise engage in political activity;

Prohibits use of funds to influence votes; solicitation of political contributions by superior officials; and making political contributions in government rooms or buildings;

Prohibits political activity while on duty, in Federal buildings, or in uniform;

Prohibits the extortion of money for political purposes from employees;

Retains existing prohibitions against political activities for employees in sensitive positions within the Department of Justice, Internal Revenue Service, and Central Intelligence Agency;

Requires that employees who seek elective office do so on their own time. Employees shall, upon request, be granted accrued annual leave to seek elective office;

Authorizes the Civil Service Commission to conduct educational, enforcement and investigatory functions. Limits in-

vestigation of prohibited activities to 90 days;

Establishes an independent board whose function is to adjudicate alleged violations of law and provides for judicial review of adverse decisions;

Subjects violators of law to removal, suspension, or lesser penalties at the discretion of the board. Requires 30 days suspension without pay for any employees found guilty of violating prohibition against use of official authority or influence; and

Requires that the Civil Service Commission conduct a program for informing employees of their rights of political participation and report annually to the Congress on its implementation.

H.R. 10 adds to and strengthens those meritorious features of the Hatch Act by providing employees and the public with greater protection against any recurrence of the spoils system. It updates those parts of the Hatch Act which are no longer applicable by permitting those voluntary, off duty political activities which do not conclusively interfere with the impartial administration of effective public service.

EMERGENCY LOCATOR TRANSMITTER LEGISLATION

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, I am today introducing legislation to provide the Administrator of the Federal Aviation Administration increased flexibility, without compromising safety, in carrying out the law—first enacted in 1970—which required that emergency locator transmitters be installed on certain civil aircraft.

The bill requires the Administrator to issue regulations permitting the operation of civil aircraft—which are subject to the requirement—during any period for which the transmitter has been removed for inspection, repair, modification or replacement.

The Federal Aviation Regulation—FAR—requiring an operable ELT on certain civil aircraft was adopted in response to a mandate from Congress—Public Law 91-596. This regulation, which carried out the intent of Public Law 91-596, prohibits the operation of airplanes subject to the law unless there is an operable automatic type emergency locator transmitter. The mandatory date for compliance was June 30, 1974, in accordance with Public Law 93-239, which extended the original date. There was no provision made in the two statutes to permit the operation of an airplane, subject to the ELT requirement when an installed ELT becomes inoperative. The FAA, then, cannot by regulation provide for flexibility in the ELT requirement.

This lack of flexibility has caused problems. For example, following installation of some 27,000 units built by one manufacturer, a high rate of inadvertent activations was experienced. Examination revealed that internal corrosion was evident, causing the transmitter to activate indicating that an emergency existed. When a number of units were found to be defective, an Airworthiness Directive—AD was issued by FAA to require the removal and return to the manufacturer of some 27,000 units. The AD, therefore, in effect, required the grounding of some 27,000 aircraft, since there were not enough units available to replace those removed pending inspection and correction by the manufacturer. Current reports from airplane owners and ELT manufacturers indicate that time required to remove, repair, and reinstall a defective unit runs from 3 weeks to 2 months. The variation is dependent on the location of the owner and the backlog of the manufacturer. The airplanes that may be grounded have a variety of uses. Many are used for business and personal transportation, while others are used for pilot training.

Provisions should be made in the law that would allow the continued operation of the airplane while the ELT is being repaired, inspected, modified or replaced. Such provision in the law as is contained in this bill would permit the FAA to maintain an adequate level of safety and to carry out the broad intent of the statutory requirement without causing unnecessary hardship due to inflexibility existing in the present law.

A measure identical to that which I am introducing today was considered by the Aviation Subcommittee, reported, and passed by the House of Representatives on February 17, 1976. I would like to see early action on this bill in this Congress.

FARM POLICY OUTLOOK

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FINDLEY. Mr. Speaker, a recent issue of the Quincy, Ill., Herald Whig contains an article by the newspaper's farm editor, Keith L. Wilkey, appraising the 8 years of Republican administration of farm policy and taking a look ahead. This piece gives special attention to the views of the distinguished Director of Agricultural Economics throughout the 8 years, Dr. Don Paarlberg. His departure from this post and return to Purdue University is certainly a gain for Purdue but a great loss to the Nation's capital. Here is the text of the Wilkey piece:

FARMERS PONDERING DIRECTIONS AGRICULTURE WILL TAKE IN FUTURE

(By Keith L. Wilkey)

As the present year is about to expire, perhaps an era is also.

With the harvest gathered in—better, incidentally, than many mid-summer predictions indicated it would be—and the weather cold and often snowy, restricting some outdoor activities, farmers are perhaps pondering the forthcoming directions agriculture will now take.

Most interest is in the forthcoming changing of the national administration. As an old president leaves and a new one arrives, most all the top personnel of governmental departments also will change. Men who have guided the destiny of U.S. agriculture for eight years will be leaving, to be replaced by new faces and doubtless new ideas.

Along with this personnel change could be policy change. The Agricultural Act of 1973 expires this year, so a new farm bill will be drafted and acted on by the Congress, and approved or vetoed, by the president.

Since 1968 the nation has had three secretaries of agriculture—Clifford M. Hardin, Earl L. Butz and John A. Knebel, the present executive.

There has been a new fairly stabilized level of farm prices during the last six or seven years. Looking back in the files of The Herald-Whig, we find that eight years ago this date, the following grain prices were being paid:

Wheat—$1.24 per bushel; corn—$1.09 per bushel; soybeans—$2.52 per bushel and oats—60 cents per bushel.

For livestock it was; hogs—$20.35 per hundredweight; cattle—$29 and sheep—$22 per hundredweight.

By comparison today's commodity quotations are; Wheat—$2.55 per bushel; corn—$2.39, and soybeans—$6.84. Hogs are trading at $39 per hundredweight and cattle at $40.50.

It might be significant to note that during the period the importance of oats and sheep has declined to the place that they no longer are included in local market quotations.

So, a lot of water has gone beneath the bridge.

But not everything has changed. On the market page of the 1968 paper was this news item: "The cost of living rose .4 of one per cent last month, continuing the sharpest price rise spiral since 1951."

Few times in history has agriculture undergone the dramatic change it has in recent years. The biggest change has been the escalation of the United States from a residual supplier to an aggressive merchant on world markets.

So rapidly have agricultural exports risen that today the product of one acre in every four is marketed beyond the seas. Farm exports rose from $6 billion per year to $22 billion.

The big break came in 1972 when Russia negotiated for the largest wheat transaction with the U.S. that had ever been negotiated in the history of the world.

Since then they have been a steady customer and the purchases of Japan, the European Common Market countries and other nations have increased as demands for better diets have swept the globe.

Today wheat from the U.S. is exported to 87 countries.

This has made drastic changes in domestic agriculture. Farm prices have been lifted, as the quotations indicate, and have remained stabilized, with some variations.

Agriculture is now living with these price levels as a way of life. Said Dr. Don Paalberg, USDA agricultural economist for the last eight years, recently: "The inflationary surge of the last four years has carried prices substantially, and I think, permanently, above the levels that prevailed before the economic storm struck."

But now pressure from two sources is being exerted on the present free market system. One is the pressure of increasing cost items of farm production and the other is the disconcerting news that U.S. wheat stocks are rising because of a big world-wide crop this year.

Paarlberg warns of the impending dangers. He says:

"We will not deliberately return to the old policies, but we could unintentionally get the loan levels and target prices too high, thus pricing ourselves out of world markets and again pile up surpluses . . . we might again feel imperiled to restrict output."

It might be noted as a fact of significance that neither of the 1976 presidential candidates advocated production controls. So the new president will have no debts to repudiate or to pay on this issue.

There are rumblings among some of the smaller farm organizations that target prices be set at a figure that will cover the cost of production, "plus a reasonable profit." Since costs of production vary from farm to farm and with farmer to farmer, who can say what the cost of production is? The same way with a "reasonable profit." What may be "reasonable" to one Congressman or Senator may not be to another.

So there will probably be some changes. Many seasoned agricultural observers, however, foresee no cataclysmic overturn. The people who can deliver the votes seem to indicate that they are not interested in reentering the government into agriculture . . . carrying huge surpluses, with their interest and storage costs.

CAREER EDUCATION ACT OF 1977

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. WHITEHURST. Mr. Speaker, I am introducing today the Career Education Act of 1977, which provides Federal assistance to encourage local school districts to initiate and expand career education programs. In recent years, Federal, State, and local education agencies, in conjunction with business and professional groups, have increasingly emphasized the relationship between education and work. Career education courses have been instituted to help students find work and satisfy an employer. These efforts are also designed to stimulate the student's interest in a career and to better relate classroom learning to the skills which a student will need in order to prepare successfully for a career.

In large measure, the impetus for career education programs has been the extremely high unemployment rate among young workers. Nineteen percent of our teenage population are now unemployed when more than 1 million jobs are going unfilled. This is largely because the new members of the labor force have not gained marketable skills in school. About 900,000 students currently leave school each year before earning a high school diploma. This chronically high dropout rate continues at a time when the number of unskilled jobs is constantly diminishing. Forty years ago, 30 percent of the jobs were unskilled or required a few qualifications other than a willingness to work. At the other end of the spectrum, there are college graduates unable to find employment appropriate to their education, while some technical positions requiring less than 4 years of college—but offering good pay and a promising future—remain relatively difficult to fill.

Parents, school officials, and business leaders are now demonstrating a strong desire to increase career education efforts. A recent Gallup poll revealed that 93 percent of the parents interviewed want the schools to provide greater occupational orientation in their curricula. At a national chamber of commerce meeting last year, 60 percent of those in attendance indicated that their companies could provide work experience and observation a few hours each week, and 46 percent said their organizations could engage in regular discussions with students and teachers about their firms and their work. About 5,000 of the Nation's 17,000 school districts have ongoing career education courses, and many of these have been highly successful.

In Cleveland, for example, officials have worked with business leaders to establish a career education program in five central city schools where most of the children come from welfare homes. Over 90 percent of the students participating in this program have been placed in jobs during the past several years as a result of student trips to various companies, school visits by company representatives, and industry efforts to develop jobs for graduates. In contrast, one high school in Potomac, Md., has 87 percent of its graduates going on to college. The career education program in that school focuses on managerial and professional lines of work. Students spend 10 to 20 hours a week with lawyers, dentists, architects, veterinarians, and Federal medical and scientific facilities. In this way, their initial interest in becoming a doctor or architect or some other professional is tested and in the process strengthened or weakened, to the great benefit of the students and their families.

A third large-scale program worth noting has been established in Boston. Sixteen high schools and 80 companies participate in a comprehensive program involving 3,500 students. The Boston Chamber of Commerce serves as a clearing house, scheduling student work experience among various businesses and visits by business persons to various schools.

Despite the demonstrated success of career education programs and the growing desire among educators to implement such programs, many school districts simply do not have the resources to undertake new initiatives. With school budgets tightened and new programs actually being forced to cease operation in many school systems, Federal assistance is necessary to provide the "seed money" for beginning career education efforts in many areas.

However, let me make clear my strong belief that a permanent and costly categorical grant program is neither necessary nor desirable. Career education should not be expensive, since it requires neither new buildings nor expensive equipment. The basic costs of career education are those involved in: First, in-service education of school personnel; second, salaries for local career education coordinators and necessary support personnel, and third, supplies.

Thus, the costs should not be particularly high, and they should impose the heaviest burden only during the initial stages of program implementation. Consequently, I am proposing a four-year authorization, with decreasing funding levels each year. At the end of the 4 years, State and local education agencies would be expected to assume the costs of the programs which had received the "start-up" assistance from the Federal Government.

The Office of Education would, however, continue to provide professional leadership and technical assistance to local school districts.

Local education agencies would use the grants provided in the bill in several ways. Programs would be implemented for students in grades 1 to 10 involving career awareness and exploration. For students in grades 11 to 14, programs involving actual work experience and career planning and decisionmaking would be developed, as well as job placement assistance. Guidance and counseling services for students in all grades would be provided in addition to the establishment of career resources centers in school buildings. Funding is also authorized for the employment and training of career education coordinators and the in-service training of teachers, administrators, and counselors to inform them of the importance and purpose of career education. The purchase of supplies and instructional materials is an initial cost which would be funded. Finally, in recognition of the need for career education for those in college and even those already in the work force, funding is authorized for the programs of postsecondary and adult career education.

During my service in Congress, I have become increasingly skeptical about the efficacy of Federal education programs. Too often, those programs have failed to result in meaningful achievement by our children. However, I can think of no more practical or promising use of Federal education funds than to link education directly to employment. By bringing together educators and leaders of business, industry, and the professions, school programs can be focused on preparing students for specific jobs. Students will then find their studies more meaningful, as they will better understand the relationship of their school subjects to employment. The incredibly high unemployment rate among teenagers imposes a heavy burden on our society in terms of the nearly intolerable costs of welfare and unemployment compensation, escalating crime rates, and lowered economic growth and productivity. Because these costs so far outweigh the relatively minimal costs of career education, I am convinced that a Federal program to encourage career education would be an extremely wise investment. I would, therefore, urge my colleagues to act expeditiously to enact the Career Education Act of 1977. We have no greater resource than our young people.

Rx FOR CONSUMERS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, consumers scored an important victory last

year when the Supreme Court ruled States could not prohibit retail prescription drug price advertising. This is something I had been seeking legislatively since the late sixties. The pharmacy profession, however, has sternly resisted price advertising and a recent survey by a trade journal indicated that only 4 percent of pharmacists now advertise despite the Court ruling.

The purpose behind efforts to permit price advertising is to promote competition. That is why my legislation also included a section mandating price posting. Although pharmacies could not be required to buy ads, they should make price data readily available for the most commonly prescribed medicines. Experience has shown that price posting is the easiest and most effective way to accomplish this. Posting also provides an information base that can be used in advertising and help consumers compare prices. In addition, posting may prove the icebreaker that will encourage more pharmacies to compete for customers on the basis of price advertising.

American consumers are forced to pay over $1 billion annually in unnecessary prescription costs because of prohibitions on retail drug price data, overprotective patent laws, exorbitant promotional expenditures by industry, and unreasonable markups.

These are among the findings of an 18-month study conducted by my staff in New York and in Washington.

Americans are spending some $7 billion annually on prescription drugs—about $33 for each man, woman, and child—and the evidence is strong that they are being overcharged, on the average, by at least 25 percent.

One reason for this, we found is a callous disregard for the financial plight of consumers, especially the elderly, on the part of drug manufacturers, retail pharmacists, and State pharmacy boards.

The report also documents the huge disparity in the prices for identical prescriptions at different pharmacies in the same community. We surveyed over 120 pharmacies in Queens and in the Washington, D.C., area to compare retail prescription prices under a variety of conditions. The survey revealed markups generally averaged in excess of 200 percent. Pricing was grossly inconsistent, even among stores of the same chain for the same prescription.

Price advertising of drugs, extensively used on the wholesale level, is now permitted under last year's Supreme Court ruling, but it is not widely practiced, largely because of industry resistance and peer pressure. This results in a wide disparity of prices for identical drugs, from store to store and, in some instances even from customer to customer at the same store. The drug retailer is able to benefit from manufacturers' vigorous price competition but he denies that same right to the consumer.

To correct some of the glaring abuses uncovered by the study, I am introducing the following legislation:

The Prescription Drug Freshness Act, which requires the open dating of all perishable drugs, showing clearly on the dispensed product's label the date beyond which the potency is diminished or the chemical composition altered by age;

The Prescription Drug Labeling Act, which requires the labeling and advertising of prescription drugs by their established—generic—name and an end to all laws prohibiting generic substitution by pharmacists;

The Prescription Drug Price Information Act, which would require the posting of prices for the 100 most commonly prescribed drugs; and

The Prescription Drug Patent Licensing Act, which would make compulsory the licensing of new prescription drugs during the 17-year patent period.

AMENDING FEDERAL AVIATION ACT OF 1958

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I call to the attention of my colleagues a bill which I am introducing today to amend the Federal Aviation Act of 1958, as amended, to broaden the power of the Civil Aeronautics Board to grant relief by exemption in certain cases; and for other purposes.

Under the existing rules mandated by the Federal Aviation Act, the basic means of regulating and licensing air carriers to perform air transportation services is the certification procedure. Although small aircraft operators are authorized to operate without certification, operators of aircraft exceeding a maximum payload of 7,500 pounds and 30 passenger seating capacity must comply with this legislation. The certification procedure entails extensive time-consuming investigation by the Board into all matters regarding authorization, modification, suspension, and deletion of air transportation. It could require up to 10 years to effect and, at best, a minimum of 2 years. It is clear that congressional intervention is necessary in order to accommodate the growing need for overnight all-cargo air transportation service.

Hearings by the Subcommittee on Aviation of the Public Works and Transportation Committee in August and September of 1976, have revealed that the regulation and promotion of all-cargo service has been an utter failure. In addition, there is ample evidence that inappropriate regulation along with carrier neglect could have a disastrous effect on the all-cargo services industry as well as disturb the Nation's economy.

Further difficulties arise from the lack of power of the Board to grant exemptions from the normal certification requirement. Section 416(b) of the Federal Aviation Act of 1958 precludes the Board from acting to grant an exception unless it can find that the operation of the applicant air carrier are so limited in extent or affected by unusual circumstances that enforcement of the certification procedures would be an undue burden on the carrier and not in the public interest.

One case in particular which stands to have its operations thwarted by the inability of the Board to grant relief is the Federal Express Corp., an all-cargo aircarrier specializing in the swift transportation of small packages. The application from Federal Express for relief was denied by the Board in December of 1975. The request was for grant of a temporary exemption to permit the operation of five large supplementary aircraft to accommodate the growing demand that has overwhelmed the available lift capacity of the small aircraft fleet.

Although Federal Express is free to pursue the lengthy certification process, no remedy is available for the immediate alleviation of the urgent needs of the industry to fill the demand of its unduplicated package express services.

I hasten to add that this amendment is not designed to deregulate the all-cargo air transport industry. The Board would maintain complete authority to condition its temporary exemptions to ensure the safety and best interests of the American people. Again, what the bill would do is give the Board authority to grant interim relief from over-restrictive and ill-advised regulatory requirements. Most importantly, the bill would allow the Board to work expeditiously in promoting needed new all-cargo air transportation services, the development of which could be seriously impeded or destroyed with the time lag demanded in the present language of the act.

Mr. Speaker, I urge the distinguished Members of this body to join with me in supporting this effort to cut the bureaucratic red tape that is binding the hands of all-cargo air transportation industry.

THE CALAMITOUS DECLINE OF THE AMERICAN FAMILY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DOWNEY. Mr. Speaker, concern about the present status of the American family has been increasingly expressed in the media and academic circles. Prof. Urie Brofenbrenner of the College of Human Ecology at Cornell University has recently written an article on the subject. The essay, in my opinion, is both a masterful statement of the issue and a convincing argument for the development of a new sensibility when examining social programs that affect the family. The article, entitled "The Calamitous Decline of the American Family" appeared in the January 2 issue of the Washington Post. I had the privilege of being introduced to Dr. Brofenbrenner's thoughts while a student at Cornell. I would now like to share them with my colleagues:

[From the Washington Post, Jan. 2, 1977]

THE CALAMITOUS DECLINE OF THE AMERICAN FAMILY

Americans like to talk a lot about "progress," "improving the quality of life" and "meeting the challenges of tomorrow." All these depend on our ability to raise today's children well. The future belongs to those countries that make their primary commitment to the cultivation of the minds, charac-

ter and creative vigor of the young. Therefore, the United States should take the upbringing of its children at least as seriously as it does landing on the moon or Mars.

In the upbringing of today's children numerous factors play a role: their neighborhood or town, schools, friends, religious institutions, games, work, the television and films they watch, the papers, advertising, magazines and books they read, role models and their family. But in the recent years nearly every line of social and psychological research points to the family as the foremost influence in what the Germans call *erziehung*, the Russians *vospitanie*, the French *elevation*, the Greeks *paideia*, and we might call "character information," "cultural education" or "upbringing."

That the family is the central institution comes as no surprise to most anthropologists, ethnic patriarchs or social historians because the family is the only social institution that is present in every single village, tribe, people or nation-state we know throughout history. But that the family is the core institution in every society may startle and annoy many contemporary Americans. For most of us it is the *individual* that is the chief social unit. We speak of the individual vs. the state, the individual achievement, support for disadvantaged individuals, the rights of individuals, finding ourselves as individuals. It's always the individual, with "the government" a weak second. The family is not currently a social unit we value or support.

This fact is reflected in the scholarly research of the United States. Until recently, there has been only sporadic research on the history, significance or changes in the family. And it is reflected in our national, local and business policies, where a father, mother, son and daughter are usually treated as four individuals rather than as a family.

Thus, we have the following situation. At a time when our nation more than ever needs a public-spirited and enlightened young, and when the best new research is pointing to the critical role of the family, our nation pays little attention to the family as a key social unit, and there are mounting indications that the American family as we know it is falling apart.

I realize that at several times in the past century observers have wailed about the decline of the family. Historian Charles Thwing, for example, wrote in his 1913 book on the family: "The individual has come to be regarded as the crown and center of social and legal order. The family, as an institution of prime importance, has passed away." But what has happened in the United States since the 1950s really adds up to a rapid and radical change in American family life. And the consequences for the young, and for society as a whole, are approaching the calamitous. Let me explain what I mean.

There was a kind of family stability in the late 1940s and early 1950s. The extended family still existed in places; one out of 10 families had another adult relative living under its roof. After the shakeout year of 1946, the divorce rate was quite low, especially among families with young children. Only one mother in four was working outside the home. And fewer than 4 per cent of all children born were illegitimate. Parents fought for a better education for their children, kicking off a school and college-building boom. Television, which became commercially available to households in 1948, was almost unknown. Mass magazines wrote of "togetherness" and radio soap operas featured families. Hollywood made films about young Andy Hardy, Shirley Temple and young Dorothy from Kansas, who went to see the Wizard of Oz but longed to return to her family.

In the past 25 years, however, the change has been dramatic. The dimensions of this change can be illustrated by some data that I and others have gathered about two categories: the number of parents and other adult relatives in the home and the amount of attention that parents devote to genuine relationships with their children.

As for adults in the home, there has been a further decline in the number of grandmothers, uncles or unmarried sisters in the home. From roughly 10 per cent of all homes having a third or fourth adult in 1950, the percentage has dropped to half that. Compared to 50 years ago, the change is even more considerable. For example, in the 1920s half the households in Massachusetts included at least one adult besides the parents; today the figure is 4 per cent.

That leaves Mom and Dad. But Mom is increasingly not found at home either because she's out working, as well as attending meetings or shopping several nights a week. In 1975, for the first time in American history, a majority of the nation's mothers with school-age children—ages 6 to 17—held jobs outside the home. In fact, women with school-age children show the highest labor force participation rate, 54 per cent, compared with 28 per cent in 1950.

For preschool children the change is more startling. In 1975, 39 per cent of mothers of children under 6 were working, more than three times as many as in 1948. As for mothers with children under 3, nearly one in three is working—an amazing jump from 1950.

Of course, the increase of women in the work force is one of the most significant social and economic facts of our time. While the number of working husbands has risen from 29.8 million to 37.8 million between 1947 and 1975, or 27 per cent, the number of working wives has shot up from 6.5 million to 19.8 million, or 205 per cent—nearly 10 times as much. It began before the so-called women's liberation movement, and has unquestionably brought many new opportunities and greater satisfaction to numerous wives and mothers. But it has also had a major impact on American child-rearing.

ONE-PARENT FAMILIES

The parents not only have been leaving the home to work; they have increasingly been disappearing. The number of children under 18 living with only one of their parents—now one out of six—has almost doubled in the past 25 years. And the change has been most rapid for children under 6. In 1974, 13 per cent of all infants under 3—nearly 1 million babies—lived with only one parent.

Three of the main contributors to the rise of one-parent homes have been divorces, illegimate births and desertions.

The divorce rate has risen appreciably in the past 25 years, but especially since the early 1960s. Last year, for the first time in U.S. history, the number of divorces exceeded 1 million—twice the number of a decade earlier and almost three times that of 1950. Nearly 40 per cent of all marriages now end in divorce; three out of 10 women separate from their husbands before the age of 30. The number of children from divorced families is twice that of a decade ago.

And a growing number of divorces are now accompanied by a new phenomenon; the unwillingness of *either* parent to take custody of the children.

Next to divorce, illegitimate births are the fastest growing contributor to one-parent homes. In the past 25 years the rate of illegitimacy has more than doubled, from 4 per 100 live births to 10 per 100 live births. And in addition to the more than 350,000 babies born out of wedlock last year, another 65,000 pregnancies were halted by abortions to teenagers alone. Thus, a growing number of children are being born to unmarried women, 80 percent of them under 25 years old.

As for desertions, the male has long been a frequent deserter of his wife and children—male desertion accounted for 49 per cent of divorces in the United States in 1900—and males continue to flee. But wives have begun deserting in far greater numbers, too. Police department reports are suddenly full of notices of missing mothers, and detective bureaus indicate a quantum leap in the number of runaway wives.

Single-parenthood is especially common among the poor, although it is becoming more frequent among the lower and upper middle classes. And it is particularly prevalent among black Americans, many of whom are poor. In 1974 only 56 per cent of all black children under 18 lived with both parents, down from 71 per cent in 1965. (Recent research by Herbert Gutmann and others has found that black families have been more stable until recently than many believed.) Specifically, between 1960 and 1970 the percentage of single-parent families among blacks increased at a rate five times that for whites—a baffling fact since it was a period of considerable economic and education gains for blacks. Today, the proportion of single-parent families among blacks is three times that of whites.

Two things are noteworthy, however. White families are being fragmented progressively as well as black families. And middle-class families are now approaching the social disintegration of lower-class families a decade ago.

TIME WITH CHILDREN

The other broad category of change is the amount of attention that one or both parents give to effectionate child-raising when the children and adults are not separated by school or work. Here too there has been a sharp decline.

With demands of a job that sometimes claim the evening hours and weekends, with increasing time spent commuting and caring for automobiles, with entertaining and social visits as well as meetings and community obligations, parents spend less and less time working, playing, reading and talking with their children. More and more children come home to an empty house or apartment.

In some homes a child spends more evenings with a passive, uninterested babysitter than with a participating parent. One study of middle-class fathers of 1-year-old infants found that they spent an average of only 20 minutes a day with their babies. When a recording microphone was attached to each infant's shirt, the data indicated that in terms of true, intimate interaction between father and child the average daily time together was 38 seconds. One survey I did of child rearing practices in the United States over the past 25 years reveals a decrease in all spheres of interaction between parents and their children. (The same trend is appearing in Europe according to cross-cultural studies.)

An increasing number of parents enroll their children in day-care centers—enrollment doubled between 1965 and 1975 alone—and then preschools. And they sit them in front of television. It is estimated by experts that preschool children—under 6—spend an average 50 hours a week watching TV. By the time the average American youngster graduates from high school he has spent more hours watching the television screen than he has spent in school, or in any other activity except sleeping.

Gone increasingly are family picnics, long Sunday dinners, children and parents working together fixing the house, preparing meals, hiking in the woods, singing and dancing with other families or friends. And we are paying a price for this growing inattention, even hostility, to our children.

Accidents among children appear to be increasing. Accidents are now the chief cause of death for persons under 18, and about 15 million days of school are lost annually because of accidental injuries to youngsters.

Child abuse by parents has become a na-

tional problem. A 1970 survey projected that at least 2 million battered-child cases a year may be found annually now; nearly 2,000 infants and children a year are being killed by their supposed caretakers. A more gruesome trend shows that the killing of infants under 1 year of age has been increasing since 1957. The infanticide rate has risen from 3.1 per 100,000 in 1957 to 4.7 per 100,000 in 1970. Sadly, 90 per cent of these incidents take place right in the home; the most severe injuries occur in single-parent homes, and many brutalities are inflicted by the frazzled mother herself.

SOCIETY'S NEGLECT

It is not only the parents of children who are neglecting them. Society does so, too. As the 1970 White House Conference on Children reported:

"A host of factors conspire to isolate children from the rest of society. The fragmentation of the extended family, the separation of residential and business areas, the disappearance of neighborhoods, zoning ordinances, occupational mobility, child labor laws, the abolishment of the apprentice system, consolidated schools, television, separate patterns of social life for different age groups, the working mother, the delegation of child care to specialists—all these manifestations of progress operate to decrease opportunity and incentive for meaningful contact between children and persons older or younger than themselves."

James Coleman's fine 1974 study, "Youth: Transition to Adulthood," documented the same new conditions.

Nor should all the blame fall on the heads of the parents themselves. In many ways, the crux of the problem is not the battered child but the battered parent. To quote from the same 1970 Report to the President:

"In today's world parents find themselves at the mercy of a society which imposes pressures and priorities that allow neither time nor place for meaningful activities and relations between children and adults, which downgrade the role of parents and the functions of parenthood and which prevent the parent from doing things he wants to do as a guide, friend and companion to his children. . . . The frustrations are greatest for the family of poverty where the capacity for human response is crippled by hunger, cold, filth, sickness and despair."

What has replaced the parents, relatives, neighbors and other caring adults? Three things primarily: television, peer groups (same-age cliques or gangs) and loneliness.

A recent study found that at every age level, children today show a greater dependency on their age-mates then they did 10 years ago. And, increasing numbers of lonely "latchkey children" are growing up with almost no care at all, often running away—at the rate of more than 1 million a year now—to join colonies of other solitary juveniles and to experiment with drugs, crime, sex, religious cults and the sheer restless busy-ness of Kerouac-like movement over the American landscape. These "latchkey children" contribute far out of proportion to the ranks of young persons who have reading problems, who are dropouts, drug users and juvenile delinquents.

What is not often recognized is that the social fabric which so many feel is tearing around them is to a large extent a result of the deteriorating family life and the conditions that undermine declining care for our children. Look at what has been happening to America's youth.

The first consequence is that many of them die at birth or soon thereafter. America, the richest, most advanced scientific and medical country in the world, stands 17th among nations in combating infant mortality. The offspring of young, black mothers face an especially frightful prospect: Babies of black mothers are today still dying at the rate at which white babies died in the 1940s.

Crime in America is increasingly a youth problem. Crimes by children—those under 18—have been growing at a higher rate than the juvenile population. According to FBI data, arrests of children for serious crimes—murder, assault, robbery and rape—have jumped about 200 per cent in the past 15 years, and arrests for lesser crimes—larceny, burglary, auto theft, forgery—have doubled. Arrests for juvenile prostitution have increased 286 per cent, those for trafficking and use of drugs 4,600 per cent.

This increase of crime by children is three times that of adults over the same period. In 1973, 1.7 million children were arrested for criminal actions—one-fourth of the total arrests in that year. At the present rate, one of every nine teenagers can be expected to appear in court before 18. And since many criminal offenders tend to be repeaters, the depressing prospect is for an expanded adult criminal population in the years ahead. And crime is already costing Americans an estimated $80 billion a year.

School vandalism has become in some areas as American as apple pie, soft drinks and aspirin. A good deal of the blame put on teachers for failing to instruct our youth adequately belongs with parents and their increasingly resentful and violent children, and on the rest of us for failing to give both our teachers and our families adequate support, especially of the non-monetary kind.

The suicide rate for young people 15 to 19 has more than tripled in less than 20 years, leaping from 2.3 per 100,000 in 1956 to 7.1 in 1974; and in recent years there has been an increase in suicides among younger children, some as young as 10. Suicide is now the third leading cause of death among young American whites; the rate for young blacks is lower but increasing faster. For young American black males, homicide is now the leading cause of death. Death from violence in some form—suicide, homicide, auto and other accidents—now accounts for two out of three deaths of those between 5 and 18. The self-destructiveness of our children has become a truly serious problem.

ACADEMIC DECLINE

Well-known by now is the decline in academic capability among the nation's young during the past 15 years or so. According to the College Entrance Examination Board, average scores on the scholastic aptitude tests have dropped in the past 12 years from 44 points (from 478 to 434) in the verbal skills and 30 points (from 502 to 472) in math, on a scale of 200 to 800. Teachers and professors have in recent years become alarmed at what they experience as their students' growing inability to write decently, refusal to be rigorous in their work and inability to use common sense reasoning about everyday adult affairs of life.

In a 1976 Gallup Poll conducted for the Phi Delta Kappa, a professional education journal, two-thirds of the Americans sampled blamed parents for these test score declines because they did not provide enough attention, help and supervision for their children. And an impressive series of investigations, most notably by James Coleman and Christopher Jencks, have demonstrated that it is not so much the schools that determine academic achievement or character as a student's family life and the conditions undergirding a strong life within the family: employment, health services, work schedules, child care, neighbors who care and the like.

In addition, the alienation, antisocial behavior and disorientation of the young have made an ever larger minority of them unemployable, without training or self-discipline. Half the unemployment in our country today is among young persons under 25.

What are we as a nation to do?

I conducted a study recently for the National Academy of Sciences that tried to determine how successful all of America's early intervention programs such as Head Start really were. The results, sad to admit, were disappointing—except in places or in programs that involved the *parents* in the effort.

It's transparent now that the family is a critically important institution in shaping our children's minds, values and behavior. But it's equally clear that the American family is disintegrating. That's what I'd call a collision course for our society. It must be reversed. But how?

There is no space here for concrete suggestions, but I would like to offer a few thoughts. I think the main causes of the change in family life are three in number. So perhaps our remedies need to take three paths.

One cause is our attitudes. America has temporarily lost its balance. Today what matters most for many people is their own growth and happiness, their own self-fulfillment, doing their own thing, finding themselves. We seem to be sunk in individualism. We so much want to "make it" for ourselves that we have almost stopped being a society that cares for others. We seem to be hesitant about making a commitment to anyone or anyhing, including our own flesh and blood.

To be sure, individualism has helped bring about extraordinary solo efforts by many Americans—in art, science, business and other areas. But we have entered a period of history when we need to put other neglected values on the scale, too.

We have many other traditions in the American past: our social welfare schemes, our great public education systems, our way of helping our neighbors—or foreign peoples—in times of catastrophe, our volunteer organizations that Tocqueville found so outstanding, our scholarships and other help for the poor but able, our quickness in extending friendship and care to strangers. Like individualism, they too are American traits, and we should draw upon them also. It's a matter of more balanced attitudes.

The healthy growth of each child requires a commitment of love, care and attention from someone. Neighbors, day-care leaders and school teachers can help, but most of the enduring, irrational involvement and intimate activities must come from parents. No one else can ever care so much or so continually. We need to get out of ourselves and into the lives of our children more than we do.

A second cause is our socio-technical structure—the network of work schemes, social dances, travel patterns, telephones and other social patterns and apparatus that conduce us to separate and fragment rather than come together. We need to reshape parts of this socio-technical structure to meet the new needs of today's parents and children.

MORE PRAGMATISM NEEDED

As a nation we are superb at scientific technology. In this area we are pragmatic. We try new things to see if they work. But when it comes to social technology, we are stuffy, rigid, pessimistic. We often refuse to try little experiments in human affairs to see if our society can be more harmonious and our children happier. Little things, like more part-time work schemes to allow mothers, students and fathers to have more flexible schedules for greater human contact, seem so difficult.

Our welfare system is a disaster, actively abetting the dissolution of our families. It's chaotic and was designed by no one. Do we redesign it? No, we prefer to continue to muddle through, even though the cost in human lives is staggering.

I would suggest that the United States can no longer afford to be so methodical, precise, pragmatic and research-oriented solely in its technological advances, and con-

tinue to be so sloppy, neglectful, cautious and fatalistic in its social programs.

Last, our national rules and policy are a cause of family trouble. The United States is now the only industrialized nation that does not insure health care or a minimum income for every family with young children, and the only one that has not yet established a program of child care services for working mothers.

In the controversial gun control legislation we support the rights of each individual to bear arms but not the rights of our people—or our police—against being shot to death more easily each year.

We care more fervently about keeping our wilderness wild, our favorite fishing holes intact and football than we do about the condition of our families or the gradually spreading cancer among our children.

In our taxes, our plane fares or our government welfare policies we pay close attention to each individual's privileges and pay little attention to family rates or policies that would help build more cohesive families. We are not only "far out" in some of our individual behavior, among the advanced nations of the world the United States is "far out" in its national permissiveness toward individuals and its national neglect of the upbringing of its children.

Obviously, we cannot go back to the family life of an earlier age—nor should be wish to do so, given some of the oldtime family's inequalities and authoritarian practices. But we can design and put into practice new attitudes and structures appropriate for our time.

Among all the talk about returning to decency and fundamental values after Vietnam and Watergate, none ought to be more dear than that of a renewed concentration on the proper care, instruction, guidance and values of America's young people and the families in which they are raised.

The bodies, minds and emotional health of our children demand it. And the ability of our country to cope with its awesome future demands it.

FORTY-THREE INTRODUCE BILL TO END MANDATORY RETIREMENT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FINDLEY. Mr. Speaker, we all welcome those occasions when both principle and practicality come together. A law to prevent Americans from being forced to retire merely because they reach a particular age, usually 65, would be just such an occasion. It would end an ugly form of age discrimination, one of the remaining types of discrimination in our society yet to be eliminated.

Each year hundreds of thousands of Americans who want to continue working are forced to give up lifelong occupations simply because they reach the arbitrary age of 65.

Many people are well able to contribute after age 65 and many do their best work in later years. Benjamin Franklin helped draft the Declaration of Independence at age 70 and was chosen a member of the Constitutional Convention at age 81. Dr. Albert Schweitzer won the Nobel Peace Prize at 68, Frank Lloyd Wright designed New York's Guggenheim Museum at 76, and Winston Churchill was reelected British Prime Minister at 77. Carl Sandburg wrote some of his most beautiful poetry in his eighties, and Grandma Moses was still painting when she was over 100.

At a time when our Nation is learning to conserve its limited resources and striving to achieve full employment without inflation, we must stop squandering this most precious resource of all—the skill and experience of senior citizens. Eliminating the injustice of mandatory retirement would strengthen the social security and private pension systems by letting workers pay in beyond age 65 instead of drawing benefits, stimulate economic activity as those working past age 65 continue to use their full purchasing power, and add an estimated $10 billion to the gross national product from skilled workers who will stay in the economy.

Stopping forced retirement because of age has the support of 86 percent of the American people, according to a Harris survey. Both justice and common sense demand that we take this important step. That is why, on the first day of the new Congress, I have introduced H.R. 65, a bill to end mandatory retirement.

In the last session of Congress an identical measure won the support of 99 cosponsors and received a hearing before the Committee on Education and Labor's Subcommittee on Equal Opportunities, chaired by cosponsor AUGUSTUS F. HAWKINS, whose foresighted leadership to end mandatory retirement makes quick achievement of the goal more likely. This year, in addition to Chairman HAWKINS, other members of the Committee on Education and Labor have also agreed to cosponsor the bill, including the ranking Republican, ALBERT H. QUIE, of Minnesota; RONALD A. SARASIN, of Connecticut; SHIRLEY CHISHOLM, of New York; JAMES M. JEFFORDS, of Vermont; MARIO BIAGGI, of New York; WILLIAM F. GOODLING, of Pennsylvania; MICHAEL T. BLOUIN, of Iowa; and LEO C. ZEFERETTI, of New York. Much credit should also go to BENJAMIN S. ROSENTHAL of New York, whose tireless work on behalf of ending age discrimination in retirement helped bring the measure to where it is today.

A complete list of cosponsors follows:

LIST OF COSPONSORS

Augustus F. Hawkins (Calif.), Albert H. Quie (Minn.), Ronald A. Sarasin (Conn.), Shirley Chisholm (N.Y.), James M. Jeffords (Vt.), Mario Biaggi (N.Y.), William F. Goodling (Pa.), Michael T. Blouin (Iowa), Leo C. Zeferetti (N.Y.), Benjamin S. Rosenthal (N.Y.), James C. Corman (Calif.), Hamilton Fish, Jr. (N.Y.), Daniel J. Flood (Pa.), Mark W. Hannaford (Calif.), Michael Harrington (Mass.), Martha Keys (Kans.), Thomas N. Kindness (Ohio), Edward I. Koch (N.Y.).

Norman F. Lent (N.Y.), Robert McClory (Ill.), James G. Martin (N.C.), Joe Moakley (Mass.), John P. Murtha (Pa.), Stephen L. Neal (N.C.), Robert A. Roe (N.J.), Keith G. Sebelius (Kans.), Henry A. Waxman (Calif.), Timothy E. Wirth (Colo.), William A. Steiger (Wis.), Claude Pepper (Fla.), Frank Annunzio (Ill.), Les AuCoin (Wis.), Jonathan B. Bingham (N.Y.), George E. Brown, Jr. (Calif.), James A. Burke (Mass.), William S. Cohen (Maine), Edward J. Derwinski (Ill.), Robert F. Drinan (Mass.), Glenn English (Okla.), Joseph L. Fisher (Va.), Harold E. Ford (Tenn.), and Charles E. Grassley (Iowa).

REDUCED AIR FARES FOR THE ELDERLY AND THE HANDICAPPED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, today, I am introducing legislation designed to increase the availability of air service for the elderly and handicapped, and to improve air service for passengers using intrastate air carriers in California.

The bill would permit CAB to approve reduced air fares on a standby basis for persons 60 years of age or older and for the handicapped, and would require CAB to study the economic feasibility of reduced fares for youth.

These provisions would make air transportation more widely available to the public. Every citizen needs the mobility which air transportation affords. Unfortunately, however, inflation has placed air transportation well beyond the reach of many consumers. The problem is particularly severe for the elderly and the handicapped. Members of these groups tend to have below-average incomes and, in many cases they are particularly dependent upon public transportation because they are unable to drive private automobiles.

The fares now charged for air transportation tend to exclude the elderly and the handicapped. For example, a survey by United Airlines showed that only 5 percent of its passengers were 65 years of age or over, while persons in this age bracket make up 10 percent of the general population. This disparity is largely attributable to the low-income levels of many of the elderly. For example, in 1973 the median income for elderly households in 1973 was under $4,600, compared to the national average of $10,500. Similar problems are faced by the handicapped.

An excellent report on the transportation needs of our senior citizens has been issued by the Subcommittee on Federal, State, and Community Services of the Select Committee on Aging, under the chairmanship of Congressman SPARK M. MATSUNAGA. The report points out that a number of Federal programs, such as the urban mass transportation program, include special provisions designed to make transportation more widely available to the elderly. In air transportation there are no programs of this nature, and under existing law the Civil Aeronautics Board is limited in its ability to authorize reduced fare transportation for deserving groups. As a consequence, there are no reduced fare programs currently in effect for the elderly.

Chairman MATSUNAGA's report also suggests that well designed reduced fare programs for the elderly have been highly successful. For example:

> Inter-island carriers in Hawaii . . . instituted a half-fare for persons aged 65 and over in 1967, which remained in effect until 1974. During that time one of the carriers, Hawaiian Airlines, reported a 340-percent increase in the number of senior citizens taking advantage of the fare reduction.

Moreover, since the seniors were accommodated on a space-available basis, the half-fares charged more than covered the extra costs of carrying them, and returned substantial increased revenues to the carriers.

The report recommends that Congress "reaffirm the power of the Civil Aeronautics Board to permit discount standby air fares for the elderly."

This bill is designed to meet these needs, and to insure that similar reduced fare standby service will be available for the handicapped.

This proposal should also result in improved air service for those members of the traveling public who use intrastate air carriers in California. Under present law intrastate carriers are not permitted to offer through ticketing and baggage service for passengers who connect with interstate carriers. For example, Pacific Southwest Airlines, an intrastate air carrier, is the only carrier now serving Long Beach. If a passenger wishes to travel on PSA to San Francisco and then connect to Western Airlines to travel to Seattle, the passenger must purchase separate tickets from PSA and Western, and he must transfer his own baggage at San Francisco.

This bill would permit PSA and Western to enter into an agreement which would permit the Long Beach-Seattle passenger to purchase a single ticket at a joint fare. The agreement could also provide that the two airlines would provide baggage transfer service.

Mr. Speaker, both of these measures passed the House last year, but did not reach the White House. This is important consumer legislation and I am hopeful that we can move quickly on this proposal early in the 95th Congress.

INTRODUCTORY REMARKS ON THE YOUTH CAMP SAFETY ACT

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. SARASIN. Mr. Speaker, for too many years the Congress of the United States has considered the very real problem of assuring the health and safety of children attending the thousands of youth camps throughout the country.

We have held hours and hours of public hearings, we have commissioned studies by outside experts, we have inspected camping facilities and we have heard from parents who have suffered terrible tragedies as a result of the lack of proper standards for the facilities and the individuals to which we entrust our children.

Evidence we have gathered at previous hearings indicates that over 250,000 children will be injured at summer camp this season and that a majority of these injuries could be prevented by better supervision or higher standards of camp maintenance and administration. Some young lives will probably be lost.

We can no longer allow the safety of these children to be jeopardized by congressional inaction or political considerations. This House acted responsibly in the 94th Congress and adopted sound, effective standards for youth camp safety and a program to encourage the States themselves to implement these standards.

It is tragic indeed that our colleagues in the Senate did not see fit to act on a bill so that those attending camp this summer, and their parents, could have the security of knowing that at least reasonable health and safety standards are in effect at those camps.

Today I am reintroducing, with slight modification, that House-passed bill. It is my fervent hope that we can build on our years of study and act quickly to pass this legislation and to urge the other Chamber to do the same.

I want to make special mention of the individual who has been the most effective and eloquent spokesman for youth camp safety throughout the Nation. Mitchell Kurman, a resident of Westport, Conn., has virtually dedicated his life to this cause since the tragic death of his son in a camp canoeing accident in 1965. For those Members who are new to this Chamber and have not been exposed to the arguments on the need for this legislation, I urge you to listen to Mitch Kurman. I know he will be more than ready to talk to you.

The bill that I am introducing today is not some punitive or overly protective measure which would interfere with the adventure and character building of camping. In fact, it has the backing of the American Camping Association, the Boy Scouts, the Girl Scouts, the YMCA, virtually all major camping organizations, as well as the National Safety Council.

This bill would be welcomed by responsible camp operators, by State governments concerned with the safety of young people within their boundaries, and most of all by America's parents, who would have increased assurance that the summer camps to which they send their children will be safe and healthy places.

FOOD STAMP FIASCO

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MICHEL. Mr. Speaker, this morning's Washington Post—January 4, 1977—carried a front-page story, "City Food Stamp Fiasco Causes $800,000 Debt." The story stated in part:

The District government may have to repay the federal treasury more than $800,000 that is missing from or owed by 10 city-licensed sellers of food stamps, according to U.S. Agriculture Department investigators.

Among the unaccounted for food stamp funds is nearly $300,000 missing from two now defunct establishments that sold food stamps—a furniture store and a credit union—that are now being investigated by a federal grand jury here.

The District also will have to reimburse the federal government for what it is unable to recover of $250,000 that two clerics of St. Phillip's Pentecostal Church were convicted in September of swindling from the food stamps they sold.

Mr. Speaker, as a sponsor of a bill to reform the food stamp program I find this story appalling—but not terribly surprising. The sad fact of the matter is that this program, which has the noble intention of helping those in need, is a target for ripoff artists, con-men, fakers, and fast-buck chiselers whose abuse of the system has created a situation in which reform is not only desirable, but absolutely necessary.

I find it ironic, but instructive, that on the first day of the new Congress this story should appear. In a Congress that thinks only in tens of billions, a "mere" $800,000 probably does not seem to be very much to worry about. Well, I worry about it. I worry about it, because of what it is—a misuse of taxpayers money—and what it stands for: A nationwide failure of the food stamp system as it is currently operating. Perhaps more important, it is a reminder of what can happen even to the best of intentions, when those intentions are not translated into workable legislation that achieves desirable ends while at the same time operating with honesty and efficiency.

We do not need more laws—we need better laws. That should be the idea that dominates this Congress and it is an idea that demands some real reforms—not just papering over—in the food stamp program. Toward that end I plan to reintroduce legislation that will help those Americans who really need food stamps while at the same time putting an end to the rampant abuse of the program.

In view of the facts outlined in this article, I would hope that the new Secretary of Agriculture-designate would reconsider his apparent decision to rescind the food stamp program proposed by President Ford.

I insert the article, written by Doug Watson, in the RECORD at this point:

CITY FOOD STAMP FIASCO CAUSES $800,000 DEBT

(By Douglas Watson)

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The District also will have to reimburse the federal government for what it is unable to recover of $250,000 that two clerics of St. Phillip's Pentecostal Church were convicted in September of swindling from the food stamps they sold.

In addition, Agriculture Department auditors report that at least $294,000 is owed the government by seven other present and former food stamp sellers—including six neighborhood credit unions—that are not facing criminal action.

An Agriculture Department audit has found evidence that the D.C. Department of Human Resources, which has responsibility for overseeing the food stamp program here, has disregarded federal regulations in choosing these food stamp sellers.

As a result, the federal government could stop paying all or part of the $490,000 it now gives the city as its 50 percent annual share of the administrative cost of the District food stamp program, an Agriculture Department official said.

Most of the abuses and irregularities among District food stamp vendors were uncovered after a nationwide investigation was undertaken last winter by the Agriculture Department of 6,700 food stamp outlets—including 12 in the District—suspected of not returning food stamp receipts on time.

"The situation in the District was among the most serious disclosed," another Agriculture Department official said last week.

Bertrell L. Hallum, administrator of DHR's Payments Assistance Administration that is responsible for overseeing the food stamp program in the District, declined to comment on the findings of the federal auditors except to say, "I think we are operating under general compliance" with federal regulations.

The federal investigation of the food stamp program here was not aimed at the more than 40,000 food stamp purchasers in the District who pay a fixed amount each month and receive bonus coupons, depending on their net income and number of dependents, that supplement their food budgets.

Instead, the auditing by the Agriculture Department focused on most of the credit unions and other nonbanks here that sell food stamps to qualified purchasers. Of the 54 sellers in the city, 39 are banks, three are District government offices and most of the rest are credit unions.

Only two of these establishments currently are under investigation by the federal grand jury, according to investigators. One is the former Xavier furniture store, previously of 1401 North Capitol St., from which $203,724 allegedly is missing.

The other is the defunct D. C. Business Federal Credit Union, where federal auditors found $88,451 missing. Charted in 1969, this credit union was placed in involuntary liquidation in 1975 by the National Credit Union Administration, the federal oversight agency, after fund shortages and mismanagement were uncovered. It had an office on South Capitol Street.

According to Bonnie O'Neil, assistant to the director of the Agriculture Department's Food and Nutrition Service, which oversees the food stamp program at the federal level, the following present and former food stamp sellers in the District are being billed for the following sums:

The Change Federal Credit Union, of 1413 Park Rd. NW, which owes $127,584 and was terminated as a food stamp seller in 1974.

Southwest Community Federal Credit Union, of 401 M St. SW., which owes $106,000.

Armstrong Neighborhood Federal Credit Union, of 1502 North Capitol St. NW, which owes $20,844.

Fides Community Federal Credit Union, of 722 7th St. NW, which owes $23,085.

Far East Federal Credit Union, of 622 Division Ave. NE, which owes $16,290.

American Federation of Community Credit Union, of 2436½ 18th St. NW., which owes an unspecified amount.

According to the Agriculture Department, most of the at least $294,000 in owed funds in which no criminal charges are pending involves "lapping," the term used to describe the practice of many food stamp sellers of deliberately running late in repaying government funds, thereby building up large sums held without paying interest to the government.

Since the Agriculture Department probe, one District food stamp seller, Anacostia Southeast Federal Credit Union, of 1918 Martin Luther King Ave. SE, has reimbursed the federal government $129,601, Ms. O'Neil said.

Two other food stamp sellers who were audited, Friendship House Community Federal Credit Union and Hospitality Community Federal Credit Union, were found to have all funds accounted for, she said.

In September Bishop Lucius S. Cartwright, 33, and the Rev. Albert R. Hamrick, 40, of St. Phillip's Pentecostal Church, at Wheeler Road and Barnaby Street SE, were each sentenced to six months in prison and fined a total of $7,000 for stealing more than $250,000 in food stamp funds they had collected from stamp purchasers.

According to an interim report of a current audit of the District food stamp program by Agriculture Department investigators, licenses to stamp sellers "were not awarded in accordance with prescribed Food and Nutrition Service procedures. The resulting increased costs to the federal government may be disallowed."

The current audit was asked to look at how the D.C. Department of Human Resources was selecting food stamp sellers after complaints were received from Stanley S. Walters, president of Financial Transactions Corp., a check-cashing business that was first authorized and then halted by the city from selling food stamps.

Financial Transactions Corp. has filed a suit asking $168,018 in damages from the city, claimed it was discriminated against when the District decided to grant food stamp sales to many credit unions that were charging $1 per transaction while it was ready to do the work for 75 cents a transaction.

Walters said in an interview that the District's decision to pay 25 cents more for the same service has cost the city tens of thousands of dollars. Hallum declined to comment on the Financial Transactions Corp. suit.

Though a $1 fee to food stamp sellers for each transaction is said by an Agriculture Department official to be close to the average charged around the nation, it is less than is charged in a number of comparable cities.

In Chicago the food stamp seller's fee is 85 cents a transaction. In New York City, it's 80 cents. In Baltimore it averages 75 cents. In Philadelphia, it is only 40 to 45 cents, less than half the cost here.

THE ELDERLY AND HANDICAPPED AMERICANS TRANSPORTATION AND SERVICES ACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROSENTHAL. Mr. Speaker, today I am introducing legislation to improve the lives of two very important but neglected groups in our society: The elderly and the handicapped.

Several years ago I introduced legislation to permit the elderly and handicapped to travel free or at reduced rates on the Nation's commercial air, rail and bus lines. That bill preceded a similar measure (H.R. 10526) which passed in the House in the last few days of the 94th Congress, but unfortunately, never came to the Senate floor.

The House has already indicated its support for reduced air fares for the elderly and handicapped. It is in this spirit that I urge the adoption of a more far-reaching bill which would not only reduce air fares for this group, but would also encourage lower fares on rail, bus and mass transit systems, and promote special services and facilities to eliminate travel barriers. My bill also anticipates a long-range commitment to mobility for all Americans by planning, research, and demonstration proposals to assist the elderly and handicapped.

At a conference on aging I held in my Queens District, the overwhelming majority of participants pinpointed transportation as one of their most serious problems. As a result of economic and physical barriers, seniors are denied the mobility that can take them across town as well as across the country.

Senior citizens, particularly those who are living on fixed or limited incomes, have a difficult time meeting daily expenses, not to mention the luxury of air travel. As more than 30 percent of the Nation's elderly are poor or near poor, it is no surprise that such a small percentage of older persons travel by air. Even for the middle-income person, the cost of a plane ticket can be a financial burden.

We live in a society which places great emphasis on mobility, and seniors are consistently barred from taking part in a full and active life. This can be a time of extreme alienation and the joy of seeing family and loved ones can mitigate the loneliness that stems from growing old in our society. A woman once wrote to me:

> This bill if passed would do much to enhance the lives of the elderly who are very, very lonely. They could visit their loved ones and also see a little more than the street or town where they live . . . Loneliness is the greatest ill of the aged. They need to have something to look forward to. A trip occasionally would bring great joy to many.

Reducing these fares would cost the carriers nothing and would, in fact, increase ridership significantly. An average of 45 percent of seats on major airlines go unoccupied. Discount fares for the elderly and handicapped would bring in customers who previously stayed home. And studies have shown definitively that these two groups of people utilize all forms of transportation in greater numbers.

Mr. Speaker, what we are talking about is the freedom of mobility. All Americans deserve the opportunity to move from place to place. For pleasure or for business, we must encourage the development of transportation systems responsive to the needs of all individuals. At least 35 million Americans suffer some form of physical handicap; and over 20 million persons in this country are over 65. These people deserve the right to remain active and keep in touch with society.

Under the recently passed Urban Mass Transit Act, communities are encouraged to charge discount fares for elderly and handicapped people during nonpeak hours. Since the new plan costs the transit system virtually nothing, there is no reason why the special rates cannot be extended round-the-clock. Restricting discount fares to only off-peak hours can prevent many seniors from enjoying the benefits of a normal life. It

may mean having to wait weeks longer for a doctor's appointment, because of the abbreviated day imposed by transit fare restrictions. Or it may mean not being able to participate in the activities of community centers, something vital to a senior's life.

Since many seniors and handicapped persons, particularly those in urban areas, find it difficult to maintain a car, they are forced to rely on public transportation. Many seniors complain, however, that mass transit facilities are not designed for the slow moving or the handicapped. Elevators in subway stations, ramps instead of steps, and buses to accommodate wheelchairs are necessary features of a well-coordinated transportation system designed with all potential travelers in mind.

Getting out of their homes and traveling, whether for pleasure or for a previously unavailable job, is certain to give these Americans a new sense of belonging and a feeling of independence.

My bill also authorizes $40 million over the next 2 years for alternative transportation, research, and demonstration grants to study and implement barrier-free design in train and bus stations as well as airports. It would also provide funds to study transportation subsystems, so that all modes can be accessible to all persons.

Many measures can be taken to relieve the strain of urban and cross-country travel. Some examples of these include special ticket lanes; turnstiles that have been redesigned to accommodate not only the elderly and handicapped but also shoppers with packages, children, or anything that restricts movement; travel lanes set aside for those people unable to move quickly; wider doors on all vehicles and shuttles or minibuses where a long walk is required, as in airline terminals.

Visual indicators, illuminated sign boards, audio signals, and floor texture pathways would greatly benefit elderly and handicapped people and help keep traffic flowing smoothly. These special adaptations need not be separate from normal patterns of movement. In fact, they may prove to be even more convenient and preferable to the general public.

This bill goes beyond mere practicality. It makes new opportunities available to the elderly and handicapped. They would be freed of their present dependence and could use their new mobility for broader and richer lives. But more than anything else, this bill will aid our aged and disabled in achieving a dignified and meaningful life.

CONGRESSIONAL BUDGET ACT OF 1974

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. REGULA. Mr. Speaker, I am pleased to introduce legislation providing a much needed momentum for the 95th Congress regarding budgetary procedures. I offer this bill, which establishes a mandatory zero-base budgeting review of all Federal programs for Congress to follow. This serves as a complement to the Congressional Budget Act of 1974, and will finally allow us to draw our budget picture full circle.

My bill provides that the Budget Committees of the House and Senate create guidelines for a comprehensive zero-base review of all programs on a 6-year cycle. The review will be conducted by the appropriate House and Senate committees. Authorizations will automatically terminate at the end of each 6-year period. Thus, in order for the Congress to make any reauthorizations, programs must be justified from the ground up, as if enacted for the first time.

The only way Congress will cease hearing what a horrendous job is being done on our budget is for the Members of the 95th Congress to do something about it. My bill provides that opportunity.

Most important, it allows the committees involved in the actual oversight process the flexibility required for implementation.

We have jiggled around the concept of zero-base budgeting in our congressional brain long enough. Now it is time for action. No one disputes the value of the idea of zero-base budgeting—the question is what means do we employ to accomplish it. One of the keys to a successful review is cooperation and incentive. For this reason, the intricate web of instruction presented in other legislation is unrealistic.

Unlike other bills, mine offers the flexibility necessary for implementing such an innovative and complex maneuver.

It would defeat our purpose to enforce a blanket set of rigid procedures for all committees to follow in their review. Our object is not to tie the hands of each committee with a network of procedural rigidities—report filing, decision deadlines, paperwork requirements—and the like.

We must set our goals of a zero-base review and then allow each committee the discretion to mold its own specific procedures. It is the committees which best know the needs and direction of the programs under their jurisdiction. My bill accomplishes this. It permits the committee involved to tailor the process to the material within its responsibility.

We cannot legislate the Congress to do a good job through the mere words of a bill. But we can, in my bill, provide the guidance needed to encourage a good, thorough job.

Specifically, my bill includes the following framework for the zero-base budgeting review process. It is to be used at least once every 6 years on all Federal programs, and should determine:

First. Whether the program objectives are still relevant.

Second. Whether the program adhered to its original purpose.

Third. Whether the program had any substantial impact on solving the problems and objectives dealt with.

Four. What was the impact of the program on the functions and freedoms of the private sector.

Five. What is the feasibility of alternative programs for handling problems in the program and their cost effectiveness.

Six. What is the relation of all Government and private programs concerning the problems dealt with in the program.

Seven. What is the legislation pending in either House concerning modifications in these programs; looked at in the context of existing laws and private efforts.

These are the hard-core guidelines we need right now. We cannot continue to carry on the budget process of reviewing programs with a sieve each year. Under these guidelines, Congress can help to modify the trend of the budget-busters created in past years.

We can get to the root of Federal expenses—to expose duplications, distribution problems—and maybe for once answer the question we hear asked so often, "Where exactly is my tax dollar going, and why for that?"

At the root of all this process is the ultimate goal of restoring the confidence of the American people in their Government. Zero-base budgeting is not the whole answer, but it is a key to it that we can no longer afford to neglect.

STATEMENT OF THE HONORABLE JOHN M. MURPHY ON THE INTRODUCTION OF A BILL TO AMEND THE NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966 TO PROVIDE FOR THE INSTALLATION OF PASSIVE RESTRAINTS FOR OCCUPANT CRASH PROTECTION IN NEW PASSENGER CARS, JANUARY 4, 1977

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MURPHY of New York. Mr. Speaker, today I am introducing a bill to mandate the use of so-called passive restraints, including air bags, in all automobiles sold in the United States, beginning 3½ years after the date of enactment of this legislation.

The National Highway Traffic Safety Administration already has a rule regarding automobile passenger restraint systems, but it permits as one acceptable alternative the use of the standard active shoulder and lap belts which the occupant of the car must put on and engage.

Although these active belts would be about as effective as air bags if they were used, experience has shown that people simply do not use them. The Department of Transportation estimates only about 20 percent voluntary usage now, with a substantial portion of that number wearing the lap belt only. This is in spite of the fact that people have had since 1968 to accustom themselves to the lap belt, and in spite of the publicized and demonstrated life-saving potential of belt systems. The Department of Transportation estimates that the highest voluntary seat belt usage

they could hope for would be in the range of 35 to 40 percent.

An alternative to voluntary belt usage is, of course, for the States to pass mandatory seat belt usage laws such as exist in all of Europe, in Ontario, Canada, and in Australia. Where those laws are effectively enforced, seat belt usage climbs to about 70 percent. At that use level, consideration of passive restraints becomes unnecessary. But the States in this country have been unsuccessful in passing such laws. Although many States have introduced legislation, only Puerto Rico now has such a law.

The result of this lack of an effective occupant restraint system is an appalling number of avoidable highway deaths and serious injuries each year in this country.

The National Highway Traffic Safety Administration had been considering changes to its standard for a number of years, only to have Secretary of Transportation Coleman take the matter into his own hands last summer. In December, Secretary Coleman announced a rather peculiar ruling. It did not change the existing standard at all, but merely requested the industry to participate in a voluntary and limited study for 2 years. Each year, 250,000 cars would be equipped with air bags, half with air bags in all front positions and half in the driver's position only. Then the data would be analyzed and the standard would be reconsidered.

The basic defect in the ruling is that there is no need for an additional study of air bags, which this demonstration project represents. Air bags have been studied more than any other safety device and Secretary Coleman himself stated that the evidence showed unequivocally that their use would result in savings of 12,000 lives and tens of thousands of serious injuries per year, at a very reasonable cost. The Secretary estimates that to have an air bag in the driver's position would only cost an additional $50—$100 to equip all front positions.

Not only is the demonstration project not necessary, but it may actually set back the cause of safety several years because there is no time limit specified for analysis of data and amendment of the existing standard. The decision, in effect, delays requiring air bags or any other passive restraints for at least 5 years—5 years during which thousands of people will be killed and maimed unnecessarily.

The Secretary, I think, based his nonruling on the belief that, although he could not in conscience continue the present standard, mandating passive restraints might well result in congressional ire and a repeal of the amended standard, as happened with the ignition interlock rule. In effect, the Secretary gave us back the issue, and I think it is time that we take account of the clear facts and require passive restraints.

I should make it clear that passive restraints does not necessarily mean air bags. They are merely the most controversial form. Since the point of this effort is to get people protected in accidents, and since belts and air bags work in the same range of effectiveness, technological development should not be restricted unnecessarily. For this reason, my bill is written in terms broad enough to permit the development of a variety of passive restraints—not only air bags but, for instance, seat belts which are attached to the door of the car and are automatically placed around the occupant when the door is closed. The bill is intended to permit development of the most effective and least expensive alternatives.

Mr. Speaker, one final comment—the Secretary noted that one reason he did not mandate passive restraints is his belief that the public would not accept the air bag at this point. We should heed his warning. Although the facts seem to demonstrate that air bags are reliable—inadvertant deployment is estimated at only 5 or 6 for every 100,000 cars—and effective, people are afraid that the bags will go off when they are not supposed to, or fail to work in an accident. They are afraid of something that can explode in their faces. But the solution is not another test. The solution is, as with any other automotive feature, to have those who sell the product really sell it. So far, reports indicate that dealers themselves are not convinced, and they therefore denigrate air bags, fail to stock cars with the option, and otherwise discourage people from buying them. When this is combined with the very high cost estimates which the industry gives for air bags, it is no wonder that the public is not overly enthusiastic. A much better selling job could certainly be done.

Mr. Speaker, in the absence of effective mandatory seat belt usage laws, I believe that mandatory passive restraints are necessary to adequately protect people on our highways from death and injury.

The bill follows:

H.R.—

A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for the installation of passive restraints for occupant crash protection in new passenger cars, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) is amended by adding at the end thereof the following new subsection:

"(j) (1) Not later than 6 months after the effective date of this subsection, the Secretary shall amend Federal Motor Vehicle Safety Standard Number 208; Occupant Crash Protection (49 Code of Federal Regulations 571.208) to require the provision of occupant crash protection, as specified in paragraph (2) and paragraph (3) of this subsection, with respect to all front designated seating positions of passenger cars manufactured on or after the first day of September next occurring after the 36-month period beginning on the date of issuance of the amendment required by this paragraph.

"(2) Occupant crash protection in frontal and front angular impacts of passenger cars shall be provided by passive means in accordance with S5.1 (relating to frontal barrier crash), S6 (relating to injury criteria), and S8 (relating to test conditions) of Federal Motor Vehicle Safety Standard Number 208; Occupant Crash Protection (49 Code of Federal Regulations 571.208), as amended through August 30, 1976, or as subsequently amended by the Secretary.

"(3) Occupant crash protection in lateral impacts and rollovers of passenger cars shall be provided by means of a Type I seat belt assembly which meets the requirements of Federal Motor Vehicle Safety Standard Number 209; Seat Belt Assemblies (49 Code of Federal Regulations 571.209), as amended through January 24, 1974, or as subsequently amended by the Secretary.

"(4) For purposes of this subsection, the terms 'designated seating position' and 'passenger car' have the meanings given them by the Secretary.".

SEC. 2. Section 125 of the National Traffic and Motor Vehicle Act of 1966 (15 U.S.C. 1410b) is amended to read as follows:

"SEC. 125. (a) No Federal motor vehicle safety standard may—

"(1) have the effect of requiring, or

"(2) provide that a manufacturer is permitted to comply with such standard by means of, a safety belt interlock system or any continuous buzzer designed to indicate that safety belts are not in use.

"(b) For purposes of this section—

"(1) the term 'safety belt interlock' means any system designed to prevent starting or operation of a motor vehicle if one or more occupants of such vehicle are not using safety belts; and

"(2) the term 'continuous buzzer' means a buzzer other than a buzzer which operates only during the 8-second period after the ignition of a motor vehicle is turned to the 'start' or 'on' position.".

THE FAIR PACKAGING AND LABELING ACT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to introduce a bill designed to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price.

This is a simple, straightforward piece of legislation that is prompted by the food industry's intention to use computer-assisted checkout stands in supermarkets.

This system, known as the universal product code—UPC—is a coding system which marks each individual product with a symbol composed of a series of bars of varying widths and a numerical code.

According to this system, the actual price of the product would be listed on the shelf—much the way unit prices are currently listed on the shelves of some stores—but not on the product itself. During the checkout process, the customer's purchases are passed over a computer scanner built into the checkout stand. The scanner reads the UPC symbol and retrieves the product name and price from the store computer. This information is then printed on the customer receipt tape.

Mr. Speaker, let me say at the outset that I am not opposed to the introduction of this new computer checkout technology. On the contrary, I, like most of the retail food industry, can see great potential for new efficiency in the operation

and management of large foodstores as a result of effective implementation of this system.

I am, however, concerned that we make it known in no uncertain terms to those testing and installing the UPC that clearly marked prices on all packaged consumer items are a right not a privilege.

I ask that each Member of this body pause for a moment to consider what would follow in the wake of the removal of prices from goods in supermarkets. Comparison shopping from one aisle to the next or from one shopping day to the next would be impossible. While shopping, a consumer would be unable to maintain a rough estimate of the total cost of the goods in his or her shopping cart without the use of a calculator or accounting list.

There would also be no way for the shopper to check the accuracy of the computer in interpreting the UPC symbol unless he or she happened to remember the price of the good or maintained a detailed price list as they placed items into the shopping basket. The only information available to the consumer on product prices once he or she leaves the supermarket would be the cashier's receipt.

In response to criticism of price removal by nearly every major consumer group in the country, including the Consumer Federation of America, as well as the Retail Clerks' International Union and many store owners themselves, the retail food industry established the ad hoc committee for the development of the UPC. This ad hoc committee commissioned a report from Michigan State University on the use of the UPC system. This report was compiled by J. W. Allen of Michigan State University, Gilbert Harrell of Michigan State University, and Michael D. Hutt of the University of Vermont. In their study, they found that there was a "significant difference" in the price awareness of UPC store shoppers and the controversial store shoppers, with the price-on-store shoppers being substantially more price-aware. This finding substantiates the claim made by a number of consumer organizations that consciousness of food costs and price rises come in great part through constantly noticing prices on packages stocked at home. This educational tool would be lost with elimination of price marking.

The Michigan study also concluded that—

About 40 percent of the UPC store shoppers as compared with 15 percent of the conventional store shoppers reported difficulty in seeing prices during their shopping trip.

This inability to view prices is a special problem among those elderly consumers who may have difficulty bending low enough to see the shelf prices or who have poor eyesight.

The report issued by the Michigan State group inspired the following comment from the Subcommittee on Public Policy of the ad hoc committee for the development of the UPC:

The results indicated at this point that some shoppers in prices-off stores do experience a measurable reduction in price awareness and consciousness compared to shoppers in conventional stores. This overall finding is of major concern to the Public Policy Subcommittee. In fact, although current studies indicate that the savings from removal of item pricing are in accordance with earlier industry projections some consumers today apparently have problems in shopping in a prices-off environment.

The industry estimates that the difference in savings between eliminating item pricing and retaining it at an individual supermarket is approximately $225 a week. However, the store would still gain $23,000, in annual savings through other advantages the UPC presents. Thus, the claim by some that mandatory item pricing would destroy the incentive to proceed with the installation of the computerized checkout system are ludicrous. I maintain that $225 a week is not too much to pay for such a fundamental consumer privilege.

JAZZ GREAT ERROLL GARNER DIES

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, it was with great sadness that I learned of the death over this past weekend of jazz great, pianist Erroll Garner.

Garner, a native of Pittsburgh, was known the world over for his innovative play and compositions. Perhaps his most famous work was "Misty."

Erroll Garner's death was most shocking for me for I had just received a new year's greeting from him shortly before hearing of his death.

Just last year, I noted in the CONGRESSIONAL RECORD the birthday of this musical giant and reported to my colleagues a long list of his achievements.

I would like to include in the RECORD at this time, the Washington Post story on Erroll Garner's death; an editorial which appeared in Tuesday's Pittsburgh Post Gazette, and my statement which appeared in the June 15, 1976 CONGRESSIONAL RECORD:

[From the Washington Post, Jan. 3, 1977]

ERROLL GARNER, INNOVATOR AS JAZZ PIANIST

(By Leonard Feather)

LOS ANGELES.—Erroll Louis Garner, 53, one of the greats of jazz piano history, died Sunday afternoon in an ambulance en route to Cedars-Sinai Medical Center here.

Mr. Garner had been released from the hospital Wednesday after almost two years of intermittent illness. Death was attributed to emphysema.

Born in Pittsburgh, the son of a pianist, he began playing with local groups in 1937. He went to New York City in 1944, where he began a series of engagements at small clubs along the legendary 52d street working with Slam Stewart, before forming a trio of his own.

Mr. Garner was an immediate sensation, achieving recognition through a style that owed little or nothing to anyone who had preceded him. He concentrated mainly on standard popular melodies, to which he applied variations that were rich in harmonic invention, coupled with a guitar-like strumming of chords in the left hand.

During a visit to Los Angeles in 1947, he played on a record session with Charlie Parker that was unique in the recorded annals of both men. In the late 1940s, Mr. Garner was a ubiquitous figure on records, appearing on sessions for dozens of labels.

With the advent of LP's he became a big seller, his most famous album being "Concert by the Sea." During this period he wrote his best known composition, "Misty," first recorded by Mr. Garner himself in 1956 with Mitch Miller and his orchestra. It was later matched with words by Johnny Burke and became a hit for Johnny Mathis, Sarah Vaughan and many other singers. The tune played a prominent part in the motion picture, "Play Misty For Me."

The unusually melodic character of Mr. Garner's work enabled him to be seen more often on television than almost any other jazz performer.

During the next decade he stepped up his concert schedule around the world. He continued touring and recording regularly until 1975, when he was sidetracked by a severe case of pneumonia.

Mr. Garner was an innovator equaled only by a handful of pianists such as Earl Hines, Fats Waller and Art Tatum. His accomplishments earned him dozens of honors, among then the Esquire New Star Award in 1946 and First Place in many annual polls conducted by Down Beat, Playboy and several foreign publications.

He leaves a twin brother, Ernest, another brother, pianist Linton Garner, and three sisters, Martha, Ruth and Bernice.

[From the Pittsburgh Post-Gazette, Jan. 4, 1977]

TWO GIFTED MUSICIANS

Two famed black musicians, notable in different fields, died during the New Year's weekend.

Erroll Garner, 53, prestigious jazz pianist, was a Pittsburgh native who made his debut at seven and was playing piano on riverboats on the Allegheny at 11. He boasted that he never took a piano lesson, but he developed a unique style of rich harmonic inventions which, along with his friendly ebullience at the keyboard, captivated audiences all over the world. Mr. Garner also was a prolific composer, writing such jazz classics as "Misty" and "A New Kind of Love."

Roland Hayes, 89, concert tenor, was a trailblazer for his race in the field of classic music. The son of a former slave, Mr. Hayes already was recognized as a talented singer in 1920 when he met the manager of the Boston Symphony and confided his hopes of becoming a concert performer. The response was brutal. "He told me," Mr. Hayes later recalled, "that no one of my race would ever be accepted in music."

So Mr. Hayes went to Europe where his rich, sweet voice won hearts everywhere, leading to an invitation from King George V and Queen Mary to Buckingham Palace. In three years Boston changed its mind and signed him for 30 concerts, which led to a stellar career here and abroad. By opening the world of the concert stage to black singers, Mr. Hayes pioneered the way for such greats as Marian Anderson, Paul Robeson and Leontyne Price.

The world is richer for the music of these two men.

[From the CONGRESSIONAL RECORD, June 15, 1976]

HAPPY BIRTHDAY ERROLL GARNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MOORHEAD) is recognized for 5 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, today, Erroll Garner, a native of Pittsburgh and one of the world's most popular musicians, celebrates his birthday. I want to

take this opportunity to salute this musical giant and note for my colleagues some of his many achievements and contributions as a pianist and composer.

From his early beginnings in Pennsylvania, this man has gone on to win world acclaim and to bring much joy and better understanding through his unique and innovative music, to people in all parts of the world.

It is especially fitting that we salute Garner in this Bicentennial Year, since his artistry is so deeply rooted in the American landscape. A legend since his early twenties. Garner was born with a great natural gift for music. Self-taught, he began playing at the age of 3, performing professionally in Pittsburgh by the time he was 7, on radio station KDKA, and in local theaters. His everdeveloping talent has taken him from the riverboats on the Allegheny River to performances in the top concert halls of America and the world.

Garner is an original artist, an innovator, and is regarded as one of the most distinctive musical voices of this century. For the past 25 years, he has been regarded as one of the dominant influences in contemporary piano.

In 1950, Garner made his solo concert debut, and later—1957—went on to appear as guest soloist with major symphony orchestras throughout the United States. His pioneering efforts have opened doors for many other performers, in concerts, television, colleges, showrooms, theater tents, and hotels. He constantly has fought to improve performing and audience conditions in his field, and consistently has resisted offers to play in segregated situations, in any part of the world. Garner is the only artist from the jazz idiom to tour under the auspices of the late classical impresario, S. Hurok.

Garner's honors and acclaim have been international. He has been awarded the keys to numerous cities in the United States, including Pittsburgh, Omaha, Indianapolis, Kansas City, and Boston, and has been honored by the Governors of several of our States. A top international favorite, Garner received the Grand Prix du Disque from the French Academy of Arts, and his work is buried at the French Theater Comedie in a time capsule. French critics call Garner "The man with 40 fingers," and "The Picasso of the Piano." The Republic of Mali has issued a postage stamp honoring Garner, and he has been invited to appear in Command Performances throughout Europe.

Garner's work and renown as a composer also are significant. With several hundred compositions to his credit, including his best-known work, "Misty," Garner's laurels as a composer continue to grow. "Misty" has been recorded by scores of artists in all fields—symphonies, pop, rock and roll, soul, and most recently, in the country and western field, winning an award from ASCAP. "Misty" also has been the title song of the film, "Play Misty for Me," and was the theme music of the "Today Show" on NBC–TV for over a decade.

For his unique recordings, Garner again has won prizes throughout the world. His album, "Concert by the Sea" is considered a precedent-making landmark in recording and was a bestseller for many years. Last year, Garner was honored by Schwann's 25th Anniversary Edition Catalog as one of three jazz-oriented artists whose recorded works have been in catalog for more than 25 years. The "Book of the Month Club" this year will issue a special three album collection of Garner's works as "The Essential Erroll Garner." The Public Educational Network filmed a half hour TV special with Garner, who also appears frequently on television here and abroad.

For his lifetime work as a creative artist, as an originator and innovator, as a man of good will whose artistry has won him high honors and respect; as a performer who has cut through all national and international boundaries to spread good feeling and good will among the most hybrid audiences, of all backgrounds and all ages, I take pleasure in celebrating this birthday of Erroll Garner, and I am sure all in this Chamber wish him many more years of fulfilling, creative activity.

ZABLOCKI SEES STRONG ROLE FOR 95TH CONGRESS IN FOREIGN POLICY

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. KASTENMEIER. Mr. Speaker, the Congress has gradually over the past few years begun the process of reasserting itself in the area of foreign affairs. Largely as a result of the Vietnam debacle, and other evidence of U.S. activity and commitments in foreign countries undertaken without the public's knowledge, we enacted the War Powers Act; we required that the President submit all executive agreements to the Congress; we stipulated certain human rights requirements for countries receiving U.S. aid; and, we have generally provided for a more open conduct of our foreign policy.

There has been some speculation, however, that this effort may lose momentum now that we will have a Democrat in the White House and a democratically controlled Congress. Some question whether the Congress may revert, once again, to a "junior partner" role in foreign affairs, allowing the President to take the lead.

This issue was recently addressed by our colleague, CLEMENT J. ZABLOCKI, in a speech to the Third Regional Leadership Conference of the Southern Council on International and Public Affairs at the Citadel in Charleston, S.C.

In his remarks CLEM ZABLOCKI, who is the ranking Democratic member of the House International Relations Committee, asserted an "equal partner" role for the 95th Congress in the formulation of the Nation's foreign policy. I would like to share those remarks at this point with my colleagues.

STATEMENT BY THE HONORABLE CLEMENT J. ZABLOCKI OF WISCONSIN

(To the Third Regional Leadership Conference, Southern Council on International and Public Affairs, The Citadel, Charleston, S. Carolina, December 4, 1976.)

There are two thoughts which, I suspect, are today being harbored within the hearts of many diplomats, bureaucrats, professors of political science, and those who favor a strong Presidential Government.

Those thoughts are:

First, the past few years in which Congress has asserted itself in the area of foreign policy are an aberration, and

Second, now that—for the first time in eight years—we have in prospect a President of the same political party as the large majority in Congress, things will go back to "normal."

I would like to challenge both assumptions.

First, the period usually cited as "normal" is the 25 years from the outbreak of World War II until the late 1960's.

It was a period of undoubted Executive Branch dominance in the area of foreign affairs. Congress seemed content to take a "junior partner" role in the shaping of American foreign policy.

There were some disputes between the two branches of government over international issues during that period. But it is safe to say that the Presidents who served then—Roosevelt, Truman, Eisenhower, Kennedy and Johnson—seldom, if ever, found themselves blocked on a major foreign policy matter by a "nay-saying" Congress.

Because that "golden age" of Presidential power in foreign affairs lasted more than a quarter century, there is a tendency to see the period as the normal state of things, and to see what has been happening lately as a deviation.

My contention is that the 1941–1967 period was the aberration, and the most recent period is the more normal one, particularly when one reviews the situation from the perspective of almost 200 years of American history.

The Constitution gives the President a few vague, broad powers in the area of foreign affairs.

It gives the Congress numerically more powers, but more specific and more narrowly defined powers.

But too often the Constitution fails to draw hard and fast lines between what rightly should fall to the President, and what should fall to the Congress, when foreign affairs are at issue.

The result is a vast "twilight zone" of overlapping powers and responsibilities. As the great scholar Edward S. Corwin has said, the Constitution provides only "an invitation to struggle for the privilege of directing American foreign policy."

That struggle traditionally has characterized the relations between the Congress and the President in foreign affairs.

At times the President has had the upper hand; at other times the Congress has been dominant.

For an example of Congressional dominance, we might refer to the 33 years between the end of the Civil War and the beginning of the Spanish-American War. During that period, the Senate refused to ratify a single major treaty.

Of that situation, the writer Henry Adams said:

"The Secretary of State exists only to recognize the existence of the world which the Congress would rather ignore; of obligations which the Congress repudiates whenever it can; of bargains which Congress distrusts and tries to turn to its own advantage."

One hundred years later, another Henry might well endorse those same sentiments.

I need not remind you of a subsequent period of Congressional dominance—the 22 years between the end of World War I and the entry of the United States into World War II.

In that isolationist era, a stubborn Congress refused either to endorse the structure of peace which President Wilson had created, or to recognize the dangers of war when President Roosevelt pointed them out.

In part because Congress was wrongheaded in its isolationism in the 1920's and 1930's, the cult of Presidential dominance in foreign affairs was created.

Many people—including many members of the House and Senate—decided that if Congress had been so wrong before World War II, it probably could not be trusted to do anything right in the postwar era.

To paraphrase Mark Twain: We got more out of the lesson than there was in it.

Now—as a result of the events of recent years—we have learned another lesson. That lesson is that unbridled Presidential power

in foreign affairs can be just as wrongheaded, just as destructive, and just as harmful to the Nation as unbridled Congressional power.

I can assure you that the Congress will not forget that lesson simply because the majority on Capitol Hill shares a party identification with the man who occupies the White House.

In other words, we are not going to roll over and play dead just because Jimmy Carter is President.

Even if future Congresses should be tempted to abdicate their responsibilities, we have tried to make it difficult for them by institutionalizing, as far as possible, a resurgent Congressional role in foreign affairs.

For example, the Case-Zablocki Act of 1972 requires that all executive agreements be submitted to Congress. No longer can international agreements and commitments by Presidents lawfully be kept secret from the Congress, as they once were.

The War Powers Resolution of 1973 establishes fairly precise procedures designed to insure that the elected representatives of the people have a responsible voice in the matter of commitments of American troops into hostilities.

It is not a perfect piece of legislation. It has its critics. But the War Powers Resolution has, to date, worked as we who formulated it thought it should, and would, work.

Furthermore, just this year the Congress acted to erase from the book thousands of emergency powers which have accrued to Presidents since the 1930's, and to set in motion a procedure for reviewing other statutes which grant emergency powers.

Through the Budget and Impoundment Act of 1974, the Congress at last has a handle on the budgetary and administrative apparatus of our government.

As a result of the acts I have mentioned—and dozens of other acts and amendments—Jimmy Carter will come into office facing an array of legal constraints which did not face any of his elected predecessors.

The Congress is unlikely to repeal any of those legal constraints—even if asked. And we do not expect to be asked.

In fact, before his first term is over, President Carter may find that Congress has added new constraints. For example, I believe that action should, and will, go ahead to permit Congress to veto through a concurrent resolution those international executive agreements which constitute a commitment to a foreign nation or international body.

My purpose in making these points is not to leave you with the idea that the Congress will be seeking opportunities for confrontation with the new President. It will not.

When the Congress and the President are at loggerheads over foreign policy issues, American foreign policy does not work very well. The struggle discourages our friends, heartens our enemies and confuses just about everybody.

We live in a dangerous world. If our foreign policy is to insure the safety and prosperity of the American people, cooperation—not confrontation—is required between the Congress and the President.

Nor do I think that the new President will seek confrontation. Just before Thanksgiving, Governor Carter made a special effort to meet with members of the Senate Foreign Relations Committee and the House International Relations Committee. At those meetings he pledged to consult early and frequently with the Congress on matters of foreign policy.

I believe he is sincere in that pledge. Because he is, he will find that the Congress is willing to give him and his new Secretary of State a full measure of cooperation: not cooperation based on a misguided notion of Presidential supremacy, but cooperation born of a true partnership of equals.

CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. YOUNG of Georgia. Mr. Speaker, today I am introducing a bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia.

This bill is identical to a measure approved by the House Committee on Interior and Insular Affairs in the 94th Congress. The legislation was scheduled for consideration on the House floor, but unfortunately the House did not have enough time to call it up in the closing days of the 1976 session.

I now hope that the House will act expeditiously on this proposal in this session. The legislation would protect a 48-mile segment of the Chattahoochee River in Georgia and more than 6,000 acres of adjacent unspoiled land in the Atlanta metropolitan area. It would add an extraordinary national treasure to our national park system.

In the previous Congress, the House Subcommittee on National Parks and Recreation conducted an intensive field inspection of this stretch of the Chattahoochee, and followed that up with hearings in Washington.

A number of national conservation groups have been active in their advocacy of this legislation. In Georgia, virtually all conservation organizations strongly support the bill and have worked for protection of the river for many years.

Gov. George Busbee of Georgia and many other State and local officials have also given leadership to the drive to save the Chattahoochee, as did President-elect Jimmy Carter when he was Governor of Georgia.

Additionally, the Interior Secretary's Advisory Board on National Parks has recommended that this section of the Chattahoochee River be included in the national park system as a National Recreation Area.

The many Members of Congress and citizens who have worked for this legislation will very much appreciate passage of this bill by the House, and I hope that the other body will then accept this measure as passed by the House of Representatives.

Mr. Speaker, I would like now to review the history of this legislation and the movement to save the Chattahoochee.

For several years vigorous efforts have been underway to preserve the river area. Since the late 1960's, a citizen group called Friends of the River and a coalition of conservation organizations have made progress toward survival of the river in the Atlanta metropolitan area. Donations from private and Government sources have made possible the acquisition of 914 acres of land along the river. This land has a current value of about $14 million. That represents, in our view, a very substantial State and local commitment already made to this resource.

In addition, in 1973 the Georgia Legislature passed the Metropolitan River Protection Act, which put controls on construction and development in the river area. That law mandates a 150-foot setback of all buildings on either side of the river, bars construction in the 50-year flood plain, and provides for review by the Atlanta Regional Commission of all proposed rezoning within 2,000 feet of each bank.

In recent years, Mr. Speaker, extensive studies of the Chattahoochee area have found the resource to be deserving of greater protection.

In 1971, the Bureau of Outdoor Recreation developed a plan for preserving the natural and historical values of the Chattahoochee and for using some of the area for outdoor recreational opportunities. In 1972 a study by the Atlanta Regional Commission recommended a Federal-State-local partnership designed to protect the river and its corridor. In 1975 the Georgia Department of Natural Resources, in cooperation with A.R.C. and local citizen groups and in response to my request, made a careful new survey of the stream and its environs, and produced a new plan for the establishment and management of the Chattahoochee River National Recreation Area.

I believe it is also noteworthy that last year the Interior Secretary's Advisory Board on National Parks, Historic Sites, Buildings and Monuments, after a field inspection on the Chattahoochee by two of its members, recommended "that the National Park Service proceed with the necessary preliminary study, building on the work of the Bureau of Outdoor Recreation, the Georgia Department of Natural Resources, and Friends of the River, with the intent of adding to the System the Chattahoochee River National Recreation Area." I submit the full statement by the Advisory Board, dated October 8, 1975, for the RECORD at this point:

NATIONAL PARK SERVICE,
Washington, D.C., October 8, 1975.

MEMORANDUM

To: Secretary of the Interior

From: Chairman, Advisory Board on National Parks, Historic Sites, Buildings and Monuments

Subject: Proposed Chattahoochee River national recreation area

On September 26–27, 1975, the subcommittee of Linden Pettys and William Shade visited the proposed Chattahoochee River national recreational area. After an evening orientation by people from BOR, NPS, the Georgia Department of Natural Resources, the Atlanta Regional Commission, and a citizens' group called Friends of the River, the subcommittee then visited various sites on the ground, floated a two-mile stretch of the river, and then overflew the entire proposed area from Standing Peach Tree to Lake Sidney Lanier.

The subcommittee was extremely impressed with the natural beauty of the area, particularly since much of the most attractive portions of the river are within the city limits of Atlanta. The Chattahoochee is a unique resource; it obviously must be protected from the multitude of possible immediate encroachments, and it offers an extrordinary possibility to serve the recreation

needs of the area. Presently with no management at all, and often requiring citizens to violate private property, the river is extensively used. Atlanta public transportation and the interstate highway system provide easy access to the river for people in a five-state area. Twenty percent of present usage is from outside the Atlanta area, and half of that from outside the State of Georgia.

The subcommittee was in agreement that the Chattahoochee corridor more than met the established criteria for national recreation areas, and that private and State facilities for development have been exhausted. The Board thus recommends that the National Park Service proceed with the necessary preliminary study, building on the work of the Bureau of Outdoor Recreation, the Georgia Department of Natural Resources, and Friends of the River, with the intent of adding to the System the Chattahoochee River National Recreation Area.

The Board does not make this recommendation lightly, since it concurs with the general position presented in the memorandum of June 23, 1975, on Gateway National Recreation Area. The Board recommends that the National Park Service will make an extensive effort to tighten up or clarify the criteria for a national recreation area, and in particular try to provide more adequate guidelines on the meaning of "national significance." Further, it was clear to the subcommittee that the present proposals will create an extremely difficult management situation; and the subcommittee feared that, with the increased access to the river these proposals would provide, nothing less than creative management will be necessary to protect this beautiful and fragile resource from overuse.

Consequently, the Board recommends that the National Park Service, in approaching the creation of this new national recreation area, will explore all avenues of cooperative funding and management with State and local authorities. We particularly hope that the National Park Service will make use of this opportunity to develop new and innovative approaches to cooperative management that can provide examples for future ventures in urban recreation.

STEPHEN L. ROSE.

Mr. Speaker, the plan to preserve the Chattahoochee calls for space and facilities for family camping, primitive camping, picnicking, hiking trails, canoe beaches, scenic overlooks, and access points for fishing and other recreational activities. We also envision for the area botanical gardens, wildlife sanctuaries, and educational facilities for environmental awareness and scientific research. A historical and archeological center would interpret the vicinity's history. The area has sites recording the presence of Indians 10,000 years ago, the coming of the Georgia settlers, and the Civil War.

As we have seen, there have already been tremendous State and local efforts to save the Chattahoochee. We now seek Federal legislation to complete the job of protecting what we believe is a national treasure. We want to preserve the natural integrity of the corridor along the 48-mile segment mentioned earlier—from Lake Lanier northeast of Atlanta to Peachtree Creek in the city itself. We wish to acquire about 5,300 acres of additional land at an estimated cost of $51 mililon. This land, the corridor, and the acreage already held by the State of Georgia would be managed by the Park Service as a National Recreation Area. We believe that construction of the limited facilities needed to operate the area might cost around $9 million.

It seems appropriate to note at this point that the Chattahoochee River already has a relatively high user rate. In 1975, about 2.5 million people visited the Chattahoochee in the 48-mile stretch we are discussing for inclusion in the national park system. By comparison, in 1974, Yosemite National Park had 2.4 million visitors, and Yellowstone National Park had 1.9 million users.

We are proud of our great national parks, Mr. Speaker, and we are grateful for the work of the Interior Committee over the years to expand and improve our national park system. As we continue that process, we hope and trust that the Congress will decide that the Chattahoochee River in Georgia should be included in that system as a National Recreation Area. If we act now to save the Chattahoochee, our investment will be wise and it will really be priceless, because it will be an investment for generations in the decades and centuries to come. Thank you.

LICENSING PROCESS FOR NUCLEAR FACILITIES

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PRICE. Mr. Speaker, today I am introducing a bill to improve the effectiveness and efficiency of the licensing process for nuclear facilities.

During the 94th Congress, the Nuclear Regulatory Commission submitted proposed legislation to the Congress which would reduce the time now required to license nuclear facilities by giving the Commission authority to issue early approvals for proposed sites for nuclear facilities including nuclear powerplants. That proposal was introduced in the House by request as H.R. 7002 and was referred to the Joint Committee on Atomic Energy. The Joint Committee held extensive hearings on this and other proposals for nuclear facility licensing reform in 1974 and again in 1975. The bill which I am introducing today is completely responsive to the Nuclear Regulatory Commission's request and gives the Commission the licensing authority needed to get the job done. That sought-after goal would be achieved while preserving and further strengthening the fundamental objectives of the licensing system for commercial nuclear facilities established in the Atomic Energy Act of 1954, as amended.

OBJECTIVES OF THE BILL

The bill has the following objectives: First, to enhance earlier and more effective public participation in the licensing process for nuclear facilities; second, to enhance public confidence in and understanding of the licensing process; third, to enable the Commission to make the most effective use of its resources and to perform its licensing responsibilities as efficiently as possible; fourth, to reduce the burden of the licensing process on the public and on the participants in individual proceedings by minimizing unnecessary and costly duplication and delay in the procedures for licensing these facilities; and fifth, to reduce the long lead-time—approximately 10 years—required for the licensing of nuclear facilities under existing law by 3 or 4 years, thereby insuring that utilities which in the future will be required to construct additional elecric powerplants within shorter time periods will not be foreclosed from building a nuclear facility where that is the best alternative.

The bill accomplishes the foregoing without impairing in any way the quality or thoroughness of the Commission's regulatory responsibiilty under existing law with respect to protection of the public health and safety, the common defense and security and the environment; and without any adverse effect on the opportunity for proper public participation in the licensing process or reduction in the public and open conduct of the licensing process administered by the independent Nuclear Regulatory Commission.

NEED FOR THE LEGISLATION

The principal problem addressed by the bill is the need to reduce the long lead time—presently 10 years—required to bring a nuclear reactor through the planning, licensing, construction, and testing stages to commercial operation. It is now apparent that the Commission has accomplished about as much as can be accomplished in reducing the lead time under the licensing authority which is now available under the Atomic Energy Act of 1954, as amended. The major obstacle to further reduction is that existing law only gives the NRC the authority to issue a construction permit after a utility has filed a formal application to build a specific plant on a specific site.

Thus, under the existing licensing system, essentially all regulatory reviews and approval must be deferred to a point at which any substantial construction delay could be adverse to a utility's planned reliance on the additional capacity from the plant under construction. Further reduction in the lead time, without any sacrifice in the quality of the resolution of the paramount issues of safety, common defense and security, and environmental protection, can only be achieved by adding licensing authority which provides for early and timely decisions on approvals of facility sites. By authorizing the early review and approval of reactor sites and designs, the bill permits much of this time-consuming environmental and safety review work to be done well before a utility decides to apply for a permit to construct a plant.

If a utility decides to go ahead with an approved reactor design at an approved site, it should be able to obtain the necessary licensing authority to do so and have the plant constructed and operating in 6 or 7 years. New licensing authority which would result in lead-time reduction is needed now to avoid electrical supply shortages which may

not materialize until the early or middle part of the next decade. Since 1974, many nuclear generating plants have been canceled or deferred, due in large part, to financial pressures on the utilities. As the demand for electricity continues to grow, these utilities will be forced to bring new powerplants online to meet the demand in less than the 10 years now required for a nuclear plant. Unless something is done to reduce the leadtime for nuclear plants, those utilities will be forced to choose additional fossil fueled generating units even if nuclear were the preferred choice. The practical effect of this will be to foreclose the nuclear option and to increase this country's reliance on imported petroleum to generate its electricity.

The additional licensing authority contained in the bill, which provides for the early resolution of the major issues involved in site selection, construction, and operation of nuclear facilities does not prejudice anyone whose interest might be affected by the licensing of a nuclear facility. Indeed, the extensive hearing record which the Joint Committee has produced on this subject supports without any known exception the benefits from the standpoint of all interests, of a licensing system which permits early consideration of issues relating to the siting and design of nuclear facilities. Such a system would allow early focus on site suitability, an area in which public interest and participation is likely to be the most significant and effective.

That hearing record also demonstrates conclusively that delays in the construction of nuclear powerplants add, because of interest and inflation costs alone, many millions of dollars a month to the cost of the plant for each month's delay in plant completion and operation. In addition, the cost to a utility of replacement power, assuming that it is available, can now run as high as around $600,000 daily. These costs should be minimized by the procedural improvements in the licensing system provided for in this bill.

There are additional reasons why the reduction of the leadtime is clearly in the national interest. In 1975 alone, nuclear power provided nearly 9 percent of all the electricity generated in the United States. This contribution, according to utility announcements, represented a savings of 1 million barrels of oil a day. A 1,000-megawatt electrical nuclear plant should, on the average, replace the need for 10 million barrels of oil annually. Moreover, utilities using nuclear power to generate electricity assert that it resulted in cost savings of over $2 billion in 1975.

There are now more than 170 nuclear powerplants—in addition to the 62 now licensed to operate—which are planned or under construction. By the middle of the next decade, if all of these plants are on the line to generate electricity, they should, over their lifetime, save the equivalent of 70 billion barrels worth of petroleum generating capacity. This is about seven times the Alaskan North Slope reserves. Even at the present price of oil per barrel, the cost of such an oil replacement, again assuming its availability, would be approximately $27 billion annually.

The availability of these nuclear plants would reduce our dependency on oil imports, which have increased substantially since the oil embargo in 1973 to the point where these are in excess of domestic production. Moreover, their availability would result in the conservation of petroleum, the supply of which is finite and which has a multiplicity of essential uses other than to produce steam to generate electricity.

The Nuclear Regulatory Commission, which is responsible for the regulation of commercial nuclear facilities, testified emphatically before the Joint Committee that legislation is needed now, and that without it the prospects for further reduction in the leadtime are indeed dim.

But these costs and the long leadtime for nuclear facilities cannot be reduced at the expense of the quality of regulatory review. Safety is and must continue to be the paramount consideration in the Commission's regulation of commercial nuclear facilities. The need, therefore, is for legislation which will reduce the leadtime for nuclear plants but which will preserve the integrity of the present licensing process.

SUMMARY OF LICENSING CHANGES

The bill seeks to accomplish the objectives set forth above by two principal means: first, section 101 of the bill adds a new section 192 to the Atomic Energy Act which reaffirms, emphasizes, supplements and strengthens the objectives which the Joint Committee has stressed from the beginning of the commercial nuclear power program must be the foundation for a regulatory system which is both sound and acceptable to the public.

Second, the bill in section 103 modifies existing law by giving the Commission needed authority to restructure the process by which it approves the sites and designs for nuclear facilities. In addition to these two principal features, the bill makes other changes in the licensing process which should further the objectives set forth above.

POLICY GUIDANCE

The new section 192 emphasizes that the Commission must continue to the greatest extent feasible to candidly and expeditiously disclose information concerning radiation risks to the public. Direction is also provided for expediting Commission licensing proceedings by improving the effectiveness and efficiency of required licensing hearings.

The section emphasizes the value of obtaining finality in the Commission's licensing determinations and thereby avoiding the need for needless retrial of already resolved issues. The importance of early Commission and public involvement in a utility's site planning process is emphasized. The section also calls for increased effort by the Commission in certain areas in order to achieve greater efficiency and effectiveness in the licensing process. One such area is the need for improved coordination at the Federal level with other agencies which are involved in aspects of the licensing of nuclear facilities other than radiological health and safety.

Another area in which increased effort on the part of the Commission is needed is better coordination with States in which nuclear facilities are to be constructed in order to avoid unanticipated and undesirable duplication of regulatory programs, in fields other than radiological safety, with the goal of reducing unnecessary delay and uncertainty in obtaining the necessary approvals for nuclear powerplants.

Such improved coordination is essential if the early site approval concept is to be an effective vehicle so that Federal and State agencies can cooperate with the Commission in its licensing responsibilities by providing timely decisions on nonradiological environmental issues for which they and not the Commission have the principal responsibility. The Federal-State coordination role is an important and challenging one which will require the most careful study by the Commission. Accordingly, section 102 of the bill calls for a study to be made on the subject by the Commission.

ADDITIONAL LICENSING AUTHORITY

Section 103 of the bill adds a new section 193 to the Atomic Energy Act of 1954, as amended, which grants additional licensing authority to the Commission. The essence of this additional authority is that the Commission could upon application by a utility or other interested person, including a State, approve sites for nuclear facilities in advance of the filing of any application to construct such a facility. The licensing authority to approve sites is the additional authority needed by the Commission in order to provide early and timely decisions on site selection. The Commission already has the authority to approve the designs of nuclear facilities. The combination of these two authorities—early and separate site and design approvals—could shorten the lead time for a nuclear facility from the present 10 years to approximately 6 to 7 years if a utility decides to construct a nuclear power reactor of a previously approved design on a previously approved site.

Section 193 also provides that if a decision is made by a utility to apply for a permit to construct a facility of an approved design on an approved site, a public hearing would be required if the person requesting the hearing demonstrates to the satisfaction of the Commission under procedures published by the Commission that there is some substantial unresolved issue regarding the licensing of the facility.

Section 193 also authorizes the Commission to issue an interim license to operate a nuclear facility or an interim amendment to an operating license in those circumstances in which a hearing is pending regarding the final license to operate the facility, provided that the interim licensing requirements prescribed therein are met. Under present law the Commission lacks that authority and that deficiency has in fact on some occasions resulted in a nuclear facility being withheld from operation solely to await

the completion of the hearing and decision on the final license. The procedural deficiency could result in prolonged operational delays for a completed nuclear plant. For that reason the deficiency should be eliminated. As a practical matter, however, it is unlikely that the authority would have to be used frequently in view of the emphasis which is being placed on early and timely decisions in the licensing process.

OTHER CHANGES

Section 201 of the bill amends subsection 182b of the Atomic Energy Act of 1954, as amended, to permit the Advisory Committee on Reactor Safeguards to determine which applications for nuclear facilities it wishes to review. Under the present law that committee must review each application. In view of the fact that some of the applications are almost identical to applications which have already been reviewed by the Advisory Committee, the Advisory Committee has asked for and strongly supports this change. Indeed, the Advisory Committee has stated that this change would enable the Advisory Committee to carry out its responsibility more effectively by enabling the committee to focus on those issues which it believes are the most important.

The remainder of title II and title III of the bill simply provides for conforming changes to be made in the Atomic Energy Act of 1954, as amended, and involves no substantive change.

TRIBUTE TO SENATOR PHILIP HART

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. BRODHEAD. Mr. Speaker, the people of Michigan and the Nation have lost a great leader and a great friend. The passing of Senator PHILIP A. HART removes from our midst a strong and tireless advocate for legislation to help those in our society who lack a powerful lobby. He made Government work not just for the wealthy and powerful, but for every American. While he had considerable success as a legislator, his lasting legacy will be, I believe, the standard he set for political leadership. He showed by his life that gentleness, candor, and complete devotion to the needs of others are not incompatible with political success. A Detroit Free Press editorial and Detroit News article follow:

[From the Detroit Free Press, Dec. 28, 1976]

AS WE SEE IT: HART'S VISION AND COURAGE LEFT US ALL MUCH RICHER

It is hard to say goodby to a legend.

And Sen. Philip Hart, a kind and gentle and wise man who tried to make life better for people, was certainly that.

Sen. Hart was a person who fought the good fights, who stood up for what he believed in: a decent chance for all people in this country, whether that meant feeding the poor, knocking over racial barriers, or erasing the hatreds that grew from a woeful and undeclared war in Asia.

There are few people who are almost universally respected. Respect, after all, must be earned. But Philip Hart was such a person.

He seemed to do the right thing, to say the right thing, before most people had even thought about the subject, let alone come to a conclusion.

In 1957, long before the Peace Corps or VISTA, Mr. Hart, then lieutenant governor of Michigan, urged the state's Young Democrats to find solutions to "poverty in Asia and Africa and prejudice in America."

In 1958, six years before the creation of the Equal Employment Opportunity Commission, he wrote Vice-President Richard Nixon and requested that more facts be made available on the success or failure of eliminating racial discrimination in government-contracted jobs.

In 1959, his first year in the Senate—and more than a decade before financial disclosure legislation—he broke a state precedent and revealed the financial details of his office operations. That same year, he called for a system of federal election registrars to ensure voting rights for blacks in the South.

On through the years, example after example piled up. He was the man with the conscience. The man who fought for the rights of consumers. The man who stared the home state auto companies in the eye. The man who made others realize that politics, despite so much evidence to the contrary, sometimes could be the kind of noble endeavor envisioned by the pragmatic but philosophical politicians who wrote the Declaration of Independence and Constitution of this country.

Knowing all that about Philip Hart, it is doubly difficult to reconcile it with the profound despair he felt in his last months. Not despair for himself—Philip Hart, who worked in the Senate as long as he could despite the cancer growing inside him, would waste no time on that—but despair because more had not been accomplished, because the basic structures of the economy had remained mostly unchanged, because not everyone shared his vision of what a better America would be.

Perhaps no greater tribute could be paid to Mr. Hart than to say he was wrong in that despair.

His being on earth, his being in the Senate, made a difference. Anyone older than 35 in this country can look back to the year Phil Hart was elected to the Senate, and state categorically that things have gotten better. Not perfect—human nature itself precludes that—but better. There may still be racial discrimination, but it is not tolerated by law. There may still be consumer deception, but the doctrine of caveat emptor is no longer acceptable. There may still be those who will defend to the death the status quo, but there are others who, having known or known of Philip Hart, will never be so inclined.

The man was a legend. And now he is gone. And saying goodby is not easy at all.

[From the Detroit News, Dec. 27, 1976]

SENATOR HART'S FINAL SPEECH

WASHINGTON.—Three months ago—Sept. 29 to be exact—the Michigan congressional delegation hosted a reception for Sen. Philip A. Hart and Rep. James G. O'Hara in the Cannon House Office Building in Washington.

The occasion was to honor the two Michigan Democrats who were leaving Congress; Hart because he was retiring and O'Hara because he wanted to succeed Hart but had lost a Democratic primary to Rep. Donald W. Riegle Jr. in seeking to do so.

At the time of the reception Hart was dying of cancer and he and everyone there knew it. It was, in fact, to be his last public appearance.

When Hart stood up to speak the room became silent. No one talked. There was no clinking of glasses or tinkling of ice cubes.

Following is a text of much of that speech:

"It will be noticed very quickly, I did not have the opportunity that Jim O'Hara made for himself—to take the time to work on some remarks. Also, I'm at the very dangerous brink—with so much that I want to say and facing the hazard that in trying to say it all, I will do it very poorly. Or, recognizing the likelihood of that disaster, I may not say enough to make clear my appreciation. I will try to zero in on the latter.

"Those of us seated here who have been members of Congress do not need to be told that anyone who's been given the opportunity to sit in the legislature of his country has been lucky, and I, along with everyone who has been given the opportunity, am grateful to the people who demonstrate great patience with us on occasion and provide us with the means to come here and say this.

"As I look around, I see the press who know you're not as smart as your claims would suggest and know that they can make anybody look to be an idiot if they undertake it, but who nonetheless restrain themselves.

"And then there are those who, because of a specific interest in an issue, affiliate themselves with an organization which finds political action paramount and that organization determines if Jim O'Hara or Phil Hart or Phil Ruppe (a Republican congressman from Michigan's Upper Peninsula) will be their candidate, and take the streets in developing a story.

"You know our limitations and knew them before we came here. You tolerate them while attempting to improve them while we are here. I find it unlikely that I need try to explain how appreciative I am to you.

"For the two or three who may have wandered in looking for something more exciting than a retirement party, I have nothing to say.

"Again, when Jim and I met and began campaigning together in '58, the only thing we could be sure of was that we wouldn't be sure of what life would be like in '76. We've been given the opportunity to see it and for the two of us it's been exciting and for me, very fulfilling.

"There are people who fill books describing or vaguely suggesting the evils that occur in these halls. If they could listen to the conversations I've listened to since '58, if it was evil they were curious about, they would have long since left.

"In my book, politicians maintain a higher level of integrity than most other categories. The temptations are great but helpfully the discipline of the press and others is equally great. Most people say 'thank you, but no.'

"I hope that younger people understand that politics is a very dangerous business but what effective weapon isn't? And it's a weapon that will mean somebody is interested and if they will just understand that it does not demean them and that it does not expose them to more than they would be exposed to if they were a teller in a bank or an associate in a law office. Then we might be assured of a more constant, steady stream of the best of them—and we need them.

"And we've had in the brief time we've been here, Jim and I, we've seen some little growth, some improvements but it's still an awfully white audience out there and it's a pretty affluent audience.

"It's lucky that there are included in those two broad categories people who seek more clearly to understand the needs of the many who are not represented here physically tonight.

"But 50 years from now I hope the complexion and the Dun and Bradstreet rating and the ages of a group like this would be dramatically changed to reflect more in keeping with what we are as a country.

"This is the last time for me and I close as I began, by thanking all of you for trusting me."

REPORT ON CONGRESSIONAL ALLOWANCES AND OUTLAYS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. LONG of Maryland. Mr. Speaker, today, I am reporting my congressional allowances and outlays for the period January 1, 1976, to December 31, 1976.

With this voluntary report, I have gone well beyond any legal obligation, to present my constituents with a record of my disposition of the several congressional allowances and accounts:

I. CHECKING ACCOUNT

The following is a statement of receipts and disbursements from my checking account in the Mercantile-Safe Deposit and Trust Company during the calendar year 1976:

1. Balance in account, Jan. 1, 1976	$206.85
2. Receipts:	
Congressional allowance for expenses	2,000.00
Personal deposit	50.00
Total receipts	2,050.00
3. Total in account	2,256.85
4. Disbursements:	
Supplies and miscellaneous for office operations	2,228.20
Bank service charges	28.50
Total disbursements	2,256.70
5. Balance in checking account, Dec. 31	0.15

This general statement of receipts and expenditures from my checking account demonstrates the following: 1) that all of the disbursements from the account were used for Congressional office supplies; 2) that this account contains receipts only from appropriated funds (or personal funds after appropriated funds were exhausted); 3) that no campaign funds were deposited into this account; and 4) that this account contains no funds, gifts, loans, advances, credits, or deposits of money donated from any other source, for the purpose of supporting any of my activities, official or otherwise.

II. TRAVEL ALLOWANCE

The entire 1976 Travel Allowance was used by August 26, 1976, for daily travel from Washington, D.C. to Baltimore as follows:

Travel allowance for 1976	$2,250.00
Travel through Aug. 26, 1976: 130 round trips at 116 miles equals 15,080 miles at $0.15 per mile	2,262.00
Balance	0.00

III. TELEPHONE EXPENSES

Charges for strictly official long-distance calls and telegrams made or sent by or on behalf of each Member aggregating 125,000 units for each regular session will be paid by the Clerk of the House of Representatives from the contingent fund of the House. One minute of a long-distance call equals four units. One word of a telegram equals two units.

	Units
Carried over from 1975	31,128
Allowance for 1976	125,000
Total available beginning 1976	156,128
Total units used, District of Columbia office	57,408
Total units used, District office	16,816
Total units used, telegraph	2,300
Total units used	76,524
Total units not used or not processed	79,604

As of December 31, unprocessed invoices are still pending as follows:

D.C. office telephones: September, October, November, December.

District office telephones: October, November, December.

Telegraph: October, November, December.

IV. STATIONERY ACCOUNT

Allowance certified, January 1976	$6,500.00
Redeposited to cover office expenditures by Representative Long	−145.00
Bills due but not cleared for payment	−107.06
Supplies for office operations, not reimbursed from other accounts	−373.52
Subtotal	5,874.42
Less balance on hand Dec. 31, 1976	−28.66
Cash withdrawn from account	5,845.76

At the beginning of each session, the Clerk of the House credits each Member with the full amount of the Stationery Allowance. The amount is immediately available in cash. Whether or not the amount is taken in cash by the Member, the Internal Revenue Service considers the full amount as having been constructively received by the Member as income. The Member is personally liable for income tax payments on the amount. Each Member reports the amount as personal income and pays taxes on any amount which he cannot offset with proper deductions for amounts spent on supplies or other Congressional needs.

THE MUNICIPAL FINANCIAL GUARANTEE ACT OF 1977—AN ACT TO ENABLE NEW YORK AND OTHER FINANCIALLY PRESSED CITIES TO OBTAIN CREDIT AT REASONABLE RATES AND TO FACILITATE THE REESTABLISHMENT OF INVESTOR CONFIDENCE IN THEIR BONDS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. KOCH. Mr. Speaker, I introduced today legislation which will enable financially troubled cities to obtain a moderate assist from the Federal Government. This legislation would authorize the Secretary of the Treasury to guarantee some or all of the bonds, notes, or other debt obligations of municipalities and States.

These guaranteed notes or bonds may be short term or have maturities as long as 30 years. The Secretary may extend guarantees only in cases in which he determines that there is a "reasonable prospect of repayment" by the municipality concerned. According to the terms of my proposal, those guaranteed municipal bonds would be taxable by the Federal Government, so that neither investors nor the municipalities involved would receive the double benefit of a federally guaranteed bond which is also tax free.

Mr. Speaker, some may think that this legislation is specially designed for New York City in order to relieve it of debt, while other more fiscally prudent cities receive no benefits. This is not the case, both because all cities are eligible to take advantage of the guarantee program and because all cities may find their own credit impaired, if the Federal Government allows New York City to default on some or all of its debt.

It is true that New York City is a prime candidate to take advantage of this legislation. In the short run, New York City might want to apply to use the authority this legislation would provide in order to raise the $1 billion necessary to repay city notes recently declared immediately payable by the New York State courts. In that decision the court of appeals voided the moratorium on payment imposed in 1975 for those short-term notes. New York City might also want to refinance the long- and short-term city debt in order to reduce carrying costs by as much as $200 million per year. Most importantly, when New York City seeks to reenter the bond market in July 1978, the date the existing Federal Seasonal Financing Act expires, this guarantee authority could enable New York City to make a smooth and successful reentry into the credit market.

In the last 2 years New York City has demonstrated its good faith by reducing its expenditures, by increasing its revenues, by projecting a balanced budget for fiscal 1978, and by introducing some of the most sophisticated and thorough financial accounting controls in existence anywhere in the country. What the city is now asking is a reasonable response from the Federal Government.

I have recently asked a number of persons concerned with New York City financial affairs for their opinions on this proposal, and when I receive answers, I hope to be able to share them with my colleagues in the weeks to come. For the benefit of those of my colleagues who would like to see the text of the proposal, I am appending a copy of the bill I introduced today:

H.R. —

A bill to authorize the Secretary of the Treasury to provide loan guarantees for the debts of municipalities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Municipal Financial Guarantee Act of 1977".

FINDINGS

SEC. 2. The Congress finds that—

(1) at the present time, many cities and some States are unable to obtain at reasonable rates the credit necessary to continue essential governmental services because of the difficulties in restoring or continuing confidence in their financial integrity;

(2) because their underlying revenue bases remain strong, most of these cities and States

can restore investor and public confidence in their financial integrity, if they are permitted to refinance their present outstanding debt to provide for a sound and equitable system for retiring existing debt and to market such debt as is necessary to continue vital public services;

(3) because of the poor economic climate and past fiscal difficulties, many cities and some States may be unable to market municipal debt necessary to continue vital public services or to refinance their debt in an equitable manner and at reasonable interest rates unless the Federal Government restores investor confidence by guaranteeing the repayment of some or all of such municipal debt; and

(4) a bankruptcy or default by a State or city or a combination of them would be disastrous for the national financial markets (including the municipal and corporate credit markets), for the citizens of defaulting jurisdictions, and for citizens of all cities, towns, and States whose access to credit would be diminished and whose cost of borrowing would be increased.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "municipality" means any State of the United States, the District of Columbia, or any city, county, town, township, village, or other general purpose political subdivision of a State.

(2) the term "municipal bond" means any bond issued by a municipality.

(3) the term "Secretary" means the Secretary of the Treasury.

GUARANTEE OF MUNICIPAL BONDS

SEC. 4. The Secretary is authorized, upon application by a municipality, to guarantee as hereinafter provided any bond to be issued by the municipality.

SECURITY FOR BONDS

SEC. 5. In connection with any bond guaranteed under this Act, the Secretary may require the municipality to provide such security as he deems appropriate. The Secretary may take such steps as he deems necessary to realize upon any collateral in which the United States has a security interest pursuant to this section to enforce any claim the United States may have against the municipality pursuant to this Act. Notwithstanding any other provision of law, Acts making appropriations may provide for the withholding of any payments from the United States to the municipality, either directly or indirectly, which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the Secretary may have against the municipality pursuant to this Act.

LIMITATIONS AND CRITERIA

SEC. 6. A bond may be guaranteed under this Act only if the Secretary determines that there is a reasonable prospect of repayment of the loan in accordance with its terms and conditions and if such bond is payable in not more than 30 years. The Secretary may require such terms and conditions as he may deem appropriate to insure repayment. The Secretary is authorized to agree to any modification, amendment, or waiver of any such term or condition as he deems desirable to protect the interests of the United States.

REMEDIES

SEC. 7. The remedies of the Secretary prescribed in this Act shall be cumulative and not in limitation of or substitution for any other remedies available to the Secretary or the United States.

FUNDING

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

INSPECTION OF DOCUMENTS

SEC. 9. At any time a request for a guarantee is pending or a bond which is guaranteed is outstanding under this Act, the Secretary is authorized to inspect and copy all accounts, books, records, memorandums, correspondence, and other documents of the municipality relating to its financial affairs.

AUDITS

SEC. 10. No bond may be guaranteed under this Act unless the General Accounting Office is authorized to make such audits as may be deemed appropriate by either the Secretary or the General Accounting Office of all accounts, books, records, and transactions of the municipality involved, and any agency or instrumentality of such municipality. The General Accounting Office shall report the results of any such audit to the Secretary and to the Congress.

TAXATION OF BOND INTEREST

SEC. 11. Section 103(b) of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) EXCEPTIONS.—

"(1) Subsection (a)(1) not to apply.—Subsection (a)(1) shall not apply to interest on any municipal bond guaranteed pursuant to the Municipal Financial Guarantee Act of 1977.

"(2) Subsection (a)(2) not to apply.—Subsection (a)(2) shall not apply to interest on obligations of the United States issued after September 1, 1917 (other than postal savings certificates of deposit, to the extent they represent deposits made before March 1, 1941), unless under the respective Acts authorizing the issuance thereof such interest is wholly exempt from taxes imposed by this subtitle."

EFFECTIVE CONTROL OVER THE PROLIFERATION OF NUCLEAR EXPLOSIVES

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PRICE. Mr. Speaker, today I am introducing a bill to provide for more efficient and effective control over the proliferation of nuclear explosives throughout the world.

The purpose of the bill is:

First. To establish a comprehensive proliferation control policy of the United States which includes major proposed initiatives on the part of this Government with other nuclear supplier states and other countries of the world to strengthen, standardize and make more effective the international regimes for safeguarding and controlling the export of nuclear material, facilities, components and technology which could be of significance from the standpoint of the proliferation of nuclear explosives; and

Second. To clarify and strengthen the criteria which this Government will itself apply, pending further international agreements.

The bill would accomplish the foregoing principal purposes in the following manner:

INITIATIVES TO STRENGTHEN INTERNATIONAL NUCLEAR COOPERATION

First. The bill includes a declaration of policy and purpose by the Congress which, in essence, reaffirms the commitment of the United States to continue to urge the widest possible adherence to the Treaty on the Nonproliferation of Nuclear Weapons—"the Treaty"—and the Statute of the International Atomic Energy Agency—"Statute".

Second. The bill states the initiatives which the United States, as a matter of national policy, will initiate to strengthen international controls over the proliferation of nuclear explosives. These initiatives include the following:

The assurance to other nations that the United States is prepared to serve as a reliable supplier of nuclear fuel services to those countries which agree to adhere to policies designed to prevent the proliferation of nuclear explosive devices;

The initiatives which the United States shall institute immediately with other nations, including the nuclear supplier nations, to seek binding international arrangements which will establish agreed-to international criteria to govern all nuclear exports which could be of significance from the standpoint of the proliferation of nuclear explosives;

The initiatives which the United States shall institute immediately to endeavor, in concert with other nations, to strengthen the effectiveness of the International Atomic Energy Agency—"the Agency"—so that the Agency can effectively implement nuclear safeguards and other controls on the proliferation of nuclear explosive devices;

Initiatives which the United States shall immediately institute with other nations through the Agency to achieve international agreement on: international physical security standards and procedures for applying those standards, procedures to be followed in the event that any nation violates the Treaty, and procedures for recovering stolen or diverted nuclear materials; and

Initiatives which the United States shall immediately institute to explore the feasibility of and framework for nuclear fuel cycle facilities, including the location of a number of such facilities at specific sites, under effective international management, control, auspices, and inspection.

Third. The President, at the earliest practicable date after the enactment of the act would be required to issue regulations and proposed regulations as may be necessary to implement the national policies and initiatives in the bill.

CLARIFICATION AND STRENGHTENING OF U.S. NUCLEAR EXPORT CONTROLS

First. The bill would amend section 123 of the Atomic Energy Act, which provides the procedure for Presidential and congressional approval of agreements for cooperation with other nations, in the following manner:

To require that all agreements for cooperation for civil uses of nuclear energy be negotiated by the Secretary of State with the technical assistance and concurrence of the Administrator of the Energy Research and Development Administration and to require that such proposed agreements be submitted to the President jointly by the Secretary of State and by the Administrator;

To require that a proposed agreement be accompanied by the views of the Director of the Arms Control and Disarmament Agency;

To provide for an additional term and condition to be included in all future agreements for cooperation which would require that the other nation which is a party to the agreement, upon the request of the Government of the United States, consult with the United States for the purpose of determining whether the terms and conditions of the agreement relating to safeguards, other control mechanisms, and the peaceful use assurances contained therein should be amended;

To provide explicitly that all nuclear explosives, regardless of their purpose, are forbidden under all future agreements for cooperation for civil uses;

To provide that all future proposed agreements for cooperation and amendments to agreements for cooperation which are submitted to the Congress will be referred jointly in the Senate to the Joint Committee on Atomic Energy and the Foreign Relations Committee of the Senate, and in the House to the Joint Committee on Atomic Energy and the International Relations Committee of the House; and

(f) To provide that the Nuclear Regulatory Commission shall promptly furnish to such committees its views as to whether the safeguards and other controls included in a proposed agreement for cooperation which the President has submitted to the Congress provide an adequate framework to assure that nuclear exports thereunder will not be inimical to or constitute an unreasonable risk to the common defense and security.

Second. The bill would require the President to make every reasonable effort through consultation with other governments to assure that all agreements for cooperation for civil uses of nuclear energy which are in effect prior to the effective date of this act provide, either directly or through mutual understanding, for nonproliferation controls.

Third. The bill would require the Energy Research and Development Administration, prior to executing any subsequent arrangement under an existing agreement for cooperation, to obtain the prior concurrence of the Secretary of State and to consult with and take into full consideration the recommendations of other concerned agencies in the executive branch and the Nuclear Regulatory Commission.

Fourth. The bill would amend section 54 of the Atomic Energy Act to limit the authority of the Energy Research and Development Administration to export any special nuclear material other than under an export license granted by the Nuclear Regulatory Commission only to small quantities of special nuclear material which do not have significance for nuclear explosive purposes and which are either contained in instruments, medical devices or laboratory samples, or the distribution of which is needed to deal with an emergency situation in which time is of the essence.

Fifth. The bill would amend subsection 57b of the Atomic Energy Act to require that any approval by the Administrator of Energy Research and Development, under this authority, for the export of sensitive nuclear technology shall be only after prior consultation with the Department of State, the Arms Control and Disarmament Agency and the Nuclear Regulatory Commission.

Sixth. The bill would add a new section 111, "Export Licensing Procedures," to the Atomic Energy Act which provides for procedures to be followed to assure that the Nuclear Regulatory Commission obtains the views of all concerned agencies in the executive branch in making its licensing determinations regarding any nuclear export which could be of significance for nuclear explosive purposes.

Seventh. The bill would add a new section 112, "Principles Governing United States Nuclear Exports," to the Atomic Energy Act which the Nuclear Regulatory Commission must apply to all nuclear exports which could be of significance for nuclear explosive purposes. If, after applying these principles and performing its other statutory responsibilities, the Commission is unable to determine whether issuance of the proposed export license would be inimical to the common defense and security, or if the Commission determines that the issuance of the proposed license would be inimical to the common defense and security, that determination would be submitted to the President for his review. In such circumstances, the President, by Executive order effective not less than 60 days following its date of promulgation, could approve the export if he determines and certifies to the Congress that the export is required to avoid a serious adverse effect on significant U.S. foreign policy or national security objectives and does not substantially assist a nonnuclear weapon state in acquiring or developing nuclear explosives, and that he has received reliable assurances from the recipient country that it will not use the export to acquire, develop, or assist in the development of any nuclear explosives.

Eighth. The bill would amend section 109, "Component Parts of Facilities," in the Atomic Energy Act for the purpose of assuring that the Nuclear Regulatory Commission itself must license the exports of all component parts of nuclear facilities and such other items or substances which are intended for end use in such a facility if such component, item or substance is especially relevant from the standpoint of export control because of its significance for nuclear explosive purposes. All other items which could be of significance for nuclear explosive purposes but the end use of which is not known to be for nuclear purposes would be controlled by the Department of Commerce.

Ninth. The bill would provide for enhanced congressional oversight over nuclear export activities:

By providing for a comprehensive report from the President on the progress which is being made to carry out the initiatives called for in this act; and

By requiring that the Department of State, the Arms Control and Disarmament Agency, and the Department of Commerce keep the Joint Committee on Atomic Energy, the Senate Foreign Relations Committee, and the House International Relations Committee fully and currently informed with respect to their activities in the proliferation area to effectuate the purposes and policies of this act.

Tenth. The bill would authorize an additional $2 million for U.S. contributions to the International Atomic Energy Agency. It would also authorize for fiscal year 1978 an additional sum of $2,500,000 to permit the Nuclear Regulatory Commission to equip itself to carry out its responsibilities with regard to nuclear exports.

CHARLES H. WILSON REINTRODUCES CHARITY DISCLOSURE LEGISLATION

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. CHARLES H. WILSON of California. Mr. Speaker, today I will introduce a bill which is certain to be among the most important pieces of consumer legislation to be considered by the 95th Congress. This bill, a refined version of H.R. 10922 which I sponsored in the last Congress, would require organizations soliciting charitable contributions from the public to disclose some basic information about how that money is to be spent, and thereby protect the American public and responsible charities from dishonest moneymaking schemes and grossly inefficient operations.

Last year H.R. 10922 was approved by the House Committee on Post Office and Civil Service by voice vote, but did not reach the floor for consideration. Now, with endorsements for the legislation from such well-known organizations as the American Heart Association, the American Lung Association, the National Kidney Foundation, and the Arthritis Foundation, among others, I am confident that we will see enactment of the bill before the end of this Congress.

Mr. Speaker, we as Americans should be very proud indeed of the level of support for worthy charitable organizations, and of all the good work these groups have done. I believe that strong voluntary support for philanthropic enterprises is one of the best indications of our spirit as a nation.

Last year, it has been estimated, Americans gave nearly $29 billion to charities.

Despite the staggering magnitude of money raised, however, there is no Federal requirement that an organization provide any basic information at the time of solicitation to explain what the charitable purpose actually is, or how much of the money received in the previous year actually was spent directly for that charitable purpose, as contrasted to fundraising and administrative costs.

Contributors must have blind faith that their hard-earned money will be

spent prudently and for the purpose originally claimed.

The legislation which I introduce today will give the potential contributor, for the first time, a straight forward disclosure so that he or she can make a more educated judgment about which organization to give to.

Mr. Speaker, in recent years evidence of the need for such legislation has mounted.

Most notable, of course, has been the case of the Pallottine Fathers in Baltimore. Their fundraising operation raised over $20 million, but less than 5 percent of that amount actually went to the ostensible charitable purpose.

Another example is that of the Gorman brothers, two fundraisers who collected almost $800,000 in a 9-month period for families of slain police officers, but kept over $600,000 of that amount for "expenses."

Several years ago Vice President-elect MONDALE, in hearings before a Senate subcommittee, found numerous other cases of mismanagement and apparent fraud in the charity field. The Vice President-elect is now a strong supporter of financial disclosure by charitable organizations.

All of which leads to the obvious conclusion that, while most charitable organizations do an outstanding job, there is a need for some measure to protect the public against charity ripoffs.

While some have suggested various regulatory action, I believe that undue Government regulations, which could lead to Government control of philanthropy in this country is not a wise course to take.

Instead, what my disclosure bill does is simply require that a charity provide the public with some basic financial information at the time of solicitation. If the charitable organization were to feel any need to explain any of the data supplied in order to comply with the provisions of the bill, then that organization could do so within the solicitation. If the Pallottine Fathers could convince anyone to contribute to them, once the party receiving the solicitation knew that less than a nickel of every dollar received would go to the charitable purpose, then so be it. Let the public make the decision.

Specifically, the bill would require a charitable organization which solicits "in any manner or through any means, the remittance of a contribution by mail" to state at the time of solicitation its legal name and principal business address, the purpose of the solicitation and the intended use of the contribution, and the percentage of the previous year's contributions which acutally went to the charitable purpose—as opposed to fundraising and administrative costs. Also, the organization must provide more detailed financial information upon written request and state that such information is available.

One of the most important elements of my legislation is that compliance will not burden legitimate charities. Most reputable charities already break down costs in a manner required by this legislation.

Indeed the National Kidney Foundation, in a genuine display of leadership, has developed some materials this year which voluntarily comply with the legislation.

Accounting guideposts for compliance will be developed by the Postal Service. These regulations shall conform to generally accepted accounting principles as manifested in such documents as "Audit Guides," published by the American Institute of Certified Public Accountants; "Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations," published by the National Health Council; and "College and University Business Administration," published by the National Association of College and University Business Officers.

The effective date for the legislation would be 3 years after enactment. By doing this we can insure that the U.S. Postal Service will have adequate time to carefully consider the issues involved in the development of necessary regulations, and make them as clear and concise as possible. Also, the additional time will provide charitable organizations with an opportunity to carefully integrate the disclosure requirements into their solicitation packages. Most importantly this time delay will allow responsible charitable organizations to embark immediately upon an information program to better educate the public about the business of fundraising before the actual disclosure requirements would go into effect in 3 years.

In summary, Mr. Speaker, this is a very reasonable approach to a problem, and I think any American who contributes to a charity will benefit from the information provided under this bill. I am hopeful that the new Committee on Post Office and Civil Service will take prompt action on the measure after hearings provide interested parties the opportunity to voice their comments about the bill.

As I have been from the beginning, I am open to any constructive proposal which will improve the bill.

A copy of the legislation as introduced today follows:

H.R. —

A bill to amend title 39, United States Code, to require the furnishing of certain information in connection with the solicitation of charitable contributions by mail, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 30 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 3012. Soliciting charitable contributions by mail

"(a) Any charitable organization which solicits, in any manner or through any means, the remittance of a contribution by mail, shall include with such solicitation the following information:

"(1) the legal name and the principal business address of the charitable organization making the solicitation;

"(2) the purpose of the solicitation and the intended use of the contribution solicited;

"(3) the obligation of the charitable organization to furnish information in accordance with the provisions of subsection (d) of this section;

"(4) the percentage of all contributions for the charitable purpose of the organization which remained for direct application to such charitable purpose after deducting all fundraising and management and general costs during the most recent complete fiscal year of the organization, except that if the solicitation is made during the 6 month period immediately following the close of such fiscal year, such costs may be based upon the fiscal year preceding such fiscal year; and

"(5) in the case of a federated fundraising organization, the portion of all contributions distributed or allocated by such organization to its member organizations, during the most recent complete fiscal year of the organization which remained for direct application by such member organizations to the charitable purpose involved, after deductions described in paragraph (4) of this subsection are made by such federated fundraising organization and by its membership organizations, except that if the solicitation involved is made during the 6 month period immediately following the close of such fiscal year, information relating to such portion of contributions may be based upon the fiscal year preceding such fiscal year.

"(b)(1) In the case of a written solicitation which requests the mailing of contributions and which is subject to the provisions of subsection (a) of this section, the information required to be included with such solicitation by subsection (a) of this section shall be presented in language which is readily understandable by those persons to whom the solicitation is directed, shall be located in a conspicuous place on such solicitation, and shall appear in conspicuous and legible type in contrast by typography, layout, or color with other printed matter on such solicitation.

"(2) In the case of a solicitation which is subject to the provisions of subsection (a) of this section and which is made through the use of radio or television communications, the information required to be included with such solicitation by subsection (a) of this section—

"(A) shall be presented in language which is readily understandable by those persons to whom the communication is directed;

"(B) in the case of a radio communication, shall be clearly audible; and

"(C) in the case of a television communication, shall (i) appear in lettering of sufficient size to be readily legible to the viewer; (ii) be shown against a background which does not impair the legibility of such communication; (iii) remain in view for a period sufficient to enable the viewer to read such communication; and (iv) if presented in audio form, be clearly audible.

"(3) Any solicitation which is made through the use of radio or television communications and which does not exceed 60 seconds in duration shall not be subject to the provisions of subsection (a) of this section.

"(c) Any charitable organization which makes a solicitation which requests the mailing of contributions and which is subject to the provisions of subsection (a) of this section, or any charitable organization which receives any grant or allocation from any federated fundraising organization which requests the mailing of contributions and which is subject to the provisions of subsection (a) of this section, shall, upon request by the Postal Service, furnish to the Postal Service such audit reports, accounts, or other information as the Postal Service may require to establish or verify information which such organization is required to include in solicitations in accordance with subsection (a) of this section.

"(d) Any charitable organization which makes a solicitation which requests the mailing of contributions and which is subject to

the provisions of subsection (a) of this section shall, no later than 30 days after the receipt of a request from any person receiving such solicitation, furnish to such person a pertinent financial statement prepared in accordance with generally accepted accounting principles, for the most recent complete fiscal year of the organization, which is reasonably sufficient to verify any information included in the solicitation involved in accordance with paragraphs (3), (4), and (5) of subsection (a) of this section. If the solicitation involved is made during the 6 month period immediately following the close of the most recent complete fiscal year of the charitable organization, then the financial statement required by the preceding sentence may be based upon the fiscal year preceding such fiscal year.

"(e) The Postal Service shall adopt rules and regulations which establish the accounting methods and procedures to be used by charitable organizations to assure compliance with the provisions of this section. Such accounting methods and procedures shall conform to any generally accepted accounting principles applicable to the field of operation of the charitable organizations involved.

"(f) Any charitable organization which has revenues from any source, in addition to receipts from contributions, may, for purposes of complying with the provisions of paragraph (4) of subsection (a) of this section, apportion management and general costs, other than fundraising costs, between receipts from contributions and receipts from other sources. Any such apportionment shall be made in the manner specified by rules and regulations adopted by the Postal Service.

"(g) The provisions of subsection (a) of this section shall not apply to any bona fide membership organization with respect to any solicitation for contributions by mail made by such organization exclusively to the members of such organization.

"(h) The provisions of subsection (a) of this section shall not apply to any school, college, or university with respect to any solicitation for contributions made by such institution exclusively to its students, alumni, faculty, members of governing boards and appointed committees, or a member of the family of any such individuals, nor to any charitable organization which is authorized by and exclusively makes expenditures to or for the benefit of a school, college, or university with respect to any solicitation for contributions made by such organization exclusively to any such individuals.

"(i) For purposes of this section—

"(1) The term 'charitable organization' means any person (including any individual, organization, partnership, association, trust, society, foundation, group, or corporation, or any combination of them) which is organized, or which claims to be organized, for any charitable, benevolent, philanthropic, humane, patriotic, scientific, literary, medical, religious, or educational purpose, or for the prevention of cruelty to children or animals, or for any other eleemosynary purpose;

"(2) the term 'contribution' means the promise, grant, gift, or pledge of any money or property of any kind for any charitable, benevolent, philanthropic, humane, patriotic, scientific, literary, medical, religious, or educational purpose, or for the prevention of cruelty to children or animals, or for any other eleemosynary purpose;

"(3) the term 'federated fundraising organization' means a charitable organization established for the purpose of raising and distributing money for and among affiliated charitable organizations in any case in which affiliation with, or membership in, such organization does not confer operating authority and control by any individual charitable organization upon any other individual charitable organization;

"(4) the term 'membership' does not include any case in which an organization confers a membership on any person solely as a consideration for making a contribution; and

"(5) the term 'written solicitation' includes any request for the remittance of a contribution which is made through the use of any letter (other than a letter to any individual with whom the individual transmitting such letter is personally acquainted), circular, notice, brochure, advertisement, or other written material which is (A) mailed or delivered by any means to the individual receiving the solicitation; or (B) displayed in any newspaper, magazine, or other periodical or printed matter, or which is displayed on any billboard, poster, or other device for the display of written, printed, or graphic matter.".

(b) The table of sections for chapter 30 of title 39, United States Code, is amended by adding at the end thereof the following new item:

"3012. Soliciting charitable contributions by mail.".

SEC. 2. Section 3005(a) of title 39, United States Code, is amended by inserting immediately after "means of false representations" the following: "or for a charitable purpose without complying with the provisions of section 3012 of this title,".

SEC. 3. (a) Except as provided in subsection (b), this Act shall take effect 3 years after the date of the enactment of this Act.

(b) The authority of the United States Postal Service to adopt rules and regulations to carry out the provisions of section 3012 of title 39, United States Code, as added by subsection (a) of the first section of this Act, shall take effect on the date of the enactment of this Act, except that such rules and regulations shall not take effect before the close of the period specified in subsection (a) of this section.

OUR NATION SALUTES THE PASTOR AND PARISHIONERS OF OUR LADY OF MOUNT VIRGIN CHURCH OF GARFIELD AND LODI, N.J., UPON THE CELEBRATION OF THE DIAMOND JUBILEE OF THEIR CHURCH AND THE SILVER ANNIVERSARY OF THEIR SCHOOL

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ROE. Mr. Speaker, as the curtain descends upon our Nation's Bicentennial celebration, it is indeed an honor and privilege to call to the attention of you and our colleagues here in the Congress a most historic event that occurred in my congressional district. Our Lady of Mount Virgin Church of Garfield and Lodi, N.J., has celebrated the 75th anniversary of the founding of its parish and the 25th anniversary of the opening of its parochial school.

The events of the jubilee celebration will be commemorated this year in a history and journal that is being prepared under the auspices of the esteemed pastor, Rev. Joseph F. X. Cevetello and the parishioners of Our Lady of Mount Virgin Church. With your permission, I would like to insert at this point in our historic journal of Congress a brief profile on the background of the church's administration since its founding, as follows:

OUR LADY OF MOUNT VIRGIN PARISH

In 1901 Masses were celebrated in Garfield, New Jersey for Italian speaking families and in 1903, Most Reverend J. J. O'Connor, Bishop of Newark, gave Reverend Alfonso D'Angelo permission to formally open a mission for the Italians in Garfield. In 1904, Father D'Angelo, now appointed pastor, built a temporary chapel on Frederick Street and Grenelle (MacArthur) Avenue. On November 27, 1927, the present building was dedicated by Bishop O'Connor.

Father D'Angelo was succeeded by Reverend Joseph A. Dooling in 1930. During Father Dooling's pastorate, the interior of the church was gutted by fire. Up to this time, the building consisted of two floors—the upper being the church and the lower the auditorium. In remodeling the building, Father Dooling eliminated the auditorium, thus giving us the church as we have it today. Archbishop Joseph Walsh of Newark dedicated the renovated church November 27, 1940.

In 1946 the Reverend Charles P. Casserly was appointed administrator of Mount Virgin Parish and in 1951 he was given the title of Pastor. During his years as spiritual leader of the Mount Virgin Christian Community, Father Casserly built the school and rectory and provided a large convent for the sisters. In 1966 Father was appointed pastor of St. Matthew's Parish in Ridgefield, New Jersey.

The Reverend Sylvester Livolsi took over as administrator in 1966 and in 1972 was succeeded by the Reverend Joseph F. X. Cevetello, the present pastor.

Mr. Speaker, may I also commend to you the following birthday greetings expressed by Father Cevetello which so eloquently expresses the warmth of friendship and spiritual leadership that have emanated in a sterling tradition of faith, hope, and charity established throughout the past three-quarters of a century under his direction and that of his predecessor pastors: Rev. Alfonso D'Angelo, Rev. Joseph A. Dooling, Rev. Charles P. Casserly, and Rev. Sylvester Livolsi:

HAPPY BIRTHDAY, MOUNT VIRGIN

"This is the day which the Lord has made", the Scriptures tell us. "Let us rejoice and be glad." We rejoice and are glad because Our Lady of Mount Virgin Parish is celebrating its Diamond Jubilee and the school its Silver Jubilee. For seventy-five years, this parish has been ministering to the People of God, preaching Christ's message and administering his sacraments. Over 2,500,000 Communions have been administered so far. Since its founding, 13,420 have been baptized and 4,289 couples have had their marriage blessed. Literally, thousands have been confirmed. Only God knows how many have received the consolation of the sacraments while sick and dying. The offices of the rectory hold the secrets and problems of many who came for help and consolation. Millions upon millions of words of instruction, admonition, consolation and encouragement have been spoken from the Mount Virgin pulpit by many dedicated pastors and associate pastors. It has been estimated that well over 85,000 Masses have been celebrated in the parish during these past seventy-five years. The number of people attending these Masses is known to God alone.

Thousands of students have entered the portals of our school which has served the young for twenty-five years. Thousands have graduated and are making their mark in the world. This is due, in great part, to the priests, sisters and lay teachers who have instructed and prepared them—often at great sacrifice. Mount Virgin School can

boast priests, sisters, brothers, doctors, lawyers, mothers, fathers, etc. Its greatest boast is that it has prepared the young to be future citizens of Heaven and the United States.

How can we ever thank the priests, sisters and lay people, many long since gone to their eternal reward, for their zeal and dedication in the cause of Christ through Mount Virgin Parish. Those of the past and of the present can leave their reward in the Hands of God. He knows best what they so well deserve.

I thank our loyal parishioners and hope the others will imitate you. I thank my coworkers—priests, sisters, lay teachers, school staff, rectory staff, committees, societies and all others. Without your cooperation, I could not function as pastor.

I thank the various Diamond and Silver Jubilee Committees which are functioning so well under the General Chairmanship of Joseph Cimino.

Parishioners of Mount Virgin! Mount Virgin has been good to you over the years; she has tried to lead you to God! Don't let her down when she needs you!

Happy Birthday, Mount Virgin! May your children be a credit to God, their Church, you, their families and themselves.

Our Lady of Mount Virgin protect your children. Dear God, bless each and everyone of them.

Father JOSEPH F. X. CEVETELLO.

Mr. Speaker, I am pleased to have this opportunity to seek national recognition of the distinguished pastors and congregation of Our Lady of Mount Virgin Church. In their dedication and devotion to our people, in service to God and mankind, Father Cevetello and the former pastors of the church, through their noble deeds and quality leadership have truly enriched the cultural, educational, and religious endeavors of our community, State, and Nation. We do indeed salute them and the members of Our Lady of Mount Virgin Church of Garfield and Lodi, N.J.

POOR RICHARD CLUB OF PHILADELPHIA OBSERVES FRANKLIN DAY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. EILBERG. Mr. Speaker, on Monday, January 17, 1977, our fellow citizens will observe the 271st anniversary of the birth of Benjamin Franklin, the first major diplomat and member of a Foreign Service of our country, our first Postmaster General, founder of hospitals and universities in Philadelphia, and truly a citizen of the world.

Again, on this date, the Poor Richard Club of Philadelphia will conduct its annual Franklin Pilgrimage to the historic shrines of colonial Philadelphia which commemorate the contributions which Benjamin Franklin made to this country.

The members of the Poor Richard Club, which is the oldest and most widely recognized organization of men and women in the communications arts and industry—joined by a representative of the President of the United States, the Governor of Pennsylvania, the mayor of Philadelphia, and a number of the historic and learned societies of Philadelphia will visit Benjamin Franklin's grave, Christ Church, the memorial to Benjamin Franklin at the site of the first fire station in Philadelphia, Independence Hall, and the Franklin Institute—carrying out a program of historic tribute to this great statesman.

On the evening of January 17 the Poor Richard Club will hold its 71st annual banquet at the Benjamin Franklin Hotel in Philadelphia at which time they will present their Gold Medal of Achievement to a truly distinguished citizen of our country.

This award is one of the prize awards of many years in the field of communications and communications media throughout the United States. Previous recipients include Generals Dwight D. Eisenhower, Douglas MacArthur, Henry M. "Hap" Arnold, and a number of figures in the industrial world, including Henry Ford, Clare Booth Luce, John Knight, William Paley, Gen. David Sarnoff and his son, Robert, Walt Disney, and Bob Hope.

Ths year's recipient is Donald H. McGannon, chairman of the board and president of Group W, Westinghouse Broadcasting Co.

Apart from Westinghouse Broadcasting, Mr. McGannon is active in broadcasting and community affairs, and an officer of many industry and advertising organizations.

He is a trustee or adviser to seven institutions of higher learning and serves with several governmental agencies and groups. He is chairman of the Connecticut Commission for Higher Education, president and trustee of the National Urban League, and a member of the steering committee of the National Urban Coalition.

In March 1972 Mr. McGannon was elected chairman of the Advertisting Council, the first broadcaster so selected. The Advertising Council is the public-service arm of business which conducts public-service advertising campaigns on social problems facing the Nation. He is an honorary chairman of the Advertising Council.

Mr. McGannon has been the recipient of honors from broadcasting and nonbroadcasting organizations, among them the Trustees Award of the National Academy of Television Arts and Sciences, 1968; the Distinguished Service Awards of the National Association of Broadcasters, 1964; the National Catholic Office for Radio and Television, 1970; and the Frederick Douglass Award of the New York Urban League, 1969.

He has received honorary degrees from Fordham University, the University of Scranton, Creighton University, St. Bonaventure University, Emerson College, Fairfield University, the College of Steubenville, St. Joseph's College, Clark College, and Temple University. He was a founder and is a trustee of Sacred Heart University, Bridgeport, Conn. He is a past member of the Connecticut Transportation Authority, the Connecticut Scholarship Commission, and the Connecticut Committee on Environmental Policy.

He was founder of the Broadcast Skills Bank—later renamed the Employment Clearing House under the direction of the National Association of Broadcasters—a national effort to seek out, train, employ, and upgrade minority-group manpower in the broadcast industry.

Mr. McGannon is a member of the bar in the States of New York and Connecticut and he proudly served our country as a major in the U.S. Army during World War II.

He merits, deservedly and richly, to take his place among the illustrious recipients of the Gold Medal of the Poor Richard Club.

I believe, Mr. Speaker, it is fitting for us to recognize both the contributions of Mr. McGannon to this country and, at the same time, the tremendous contributions which the Poor Richard Club has made in the field of communications and community service throughout all of these years. This club merits recognition for its initial sponsorship of the Franklin Institute, the formation of the Better Business Bureau, and their work in the preservation of the historic shrines in Philadelphia including their contribution to Christ Church. Most recently they are forming an alliance of all the communications clubs in Philadelphia to give a stronger voice and more awareness to the importance of mass communications in our society.

WORLD MEDICAL CAPITAL

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MURPHY of New York. Mr. Speaker, little more than a decade ago, polio was a killer disease. Today, of course, it is almost nonexistent in America. Just a short time ago, we thought measles was an illness every child must experience. But a whole generation of children has grown up without ever having had it. In the very near future, we will have found lifesaving treatments for other dreaded diseases.

These discoveries have been made in research and medical school laboratories here in America because we are a country dedicated to quality health care for all of our people. It is especially important now, threatened by budgetary limitations, that we do not relax in our struggles to conquer disease.

It gives me great pleasure today, therefore, to be able to point with pride to a recent editorial in the Sunday New York Times, citing New York City as "the medical capital of the world." New York, a city in the news most frequently for its urban problems, can point with justifiable pride to the fact that it is the Nation's leading medical education center. New York State, in fact, has no peer in this vital area. It provides more than 10 percent of the country's total medical education, each school representing a paragon for excellence in its field.

You will surely recognize the names of these institutions. They have all fig-

ured so prominently in many of the medical findings during the past century and they have helped to elevate the level of medical care now dispensed in our medical centers and hospitals throughout our country.

The schools I am talking about are: Albany Medical College, Albert Einstein College of Medicine, Columbia University College of Physicians and Surgeons, Cornell University Medical College, Mount Sinai School of Medicine, New York Medical College, New York University School of Medicine, University of Rochester School of Medicine and Dentistry, State University of New York-Buffalo, SUNY-Downstate Medical Center, Stony Brook Medical College, and Upstate Medical Center at Syracuse.

These medical schools, even within the framework of rigid budgetary cutbacks, continue to do an outstanding job. It is with great pleasure that I call upon you to join in the spirit of the words of praise in the New York Times editorial, whose text I am including here:

WORLD MEDICAL CAPITAL

Ebullient as ever, Hubert Humphrey walked out of Memorial Sloan-Kettering Cancer Center here the other day after major surgery declaring, "God I love New York . . . I feel fine and eternally grateful to the doctors here." And of his convalescence, he said, "I'll be swimming and walking and, God knows, I'll be talking."

As a Senator from Minnesota, Mr. Humphrey normally divides his time between Washington, D.C. and his home state. Both communities have fine hospitals and excellent doctors. But when Senator Humphrey found his life threatened by cancer and required the best possible treatment, he chose a New York City hospital. He was not alone, of course, for each year tens of thousands of people—Americans and foreigners as well—come from distant places for medical treatment here. They recognize what is too often forgotten, that New York City is in many ways the medical capital of the world, having more centers of excellence for more serious ailments than any other single community.

At the core of New York City's abundant medical excellence are its seven medical schools. They have trained a disproportionately high share of the nation's doctors. Recurrent Nobel Prizes testify to the quality of their research. And each year the medical schools and affiliated hospitals treat hundreds of thousands of patients on an inpatient or ambulatory basis.

In these days of New York City's economic problems, it is not amiss to point to the importance of these medical schools and their affiliated hospitals as economic as well as humanitarian assets. In 1974–1975 alone, the schools brought some $170 million in Federal and private funds for research, teaching and service to the city, funds that in turn were translated into thousands of jobs. More recently, City College has established a pioneering biomedical program which, in cooperation with the local medical schools, offers medical training to able but disadvantaged youths.

Anyone analyzing New York's prospects must take account of the present contribution and future potential of the medical centers that are among Gotham's greatest glories.

STATEMENT TO ACCOMPANY INTRODUCTION OF BILL TO EXTEND FROM JUNE 30, 1977 TO SEPTEMBER 30, 1978 THE AUTHORITY FOR PAYMENT OF ENLISTMENT AND REENLISMENT BONUSES

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. PRICE, Mr. Speaker, at the request of the Department of Defense, the distinguished gentleman from California (Mr. BOB WILSON) joins me in introducing a bill to amend chapter 5 of title 37 of the United States Code to extend the expiration date of the enlistment and reenlistment bonus provisions from June 30, 1977 to September 30, 1978.

It is essential that action be taken by the Congress at an early date to extend this authority to avoid creating a situation in which the Armed Forces are seriously hampered in their efforts to recruit enlisted personnel, particularly for the combat arms.

As Members of the House are aware, the Armed Forces are now attempting to meet their manpower needs through voluntary enlistments. Among the tools provided by Congress to assist the military departments to meet these needs were the enlistment and reenlistment bonus authorities.

The Department of Defense is not completely satisfied with the current bonus provisions, and submitted a legislative proposal to the 94th Congress to revise the present enlistment and reenlistment bonus provisions and to make these revisions permanent. However, because of the pressures of other matters, the Committee on Armed Services was unable to consider that proposal before adjournment of the 94th Congress.

We have been informed that a similar proposal will be forwarded to the 95th Congress.

I am sure the Members are all aware that under the Congressional Budget and Impoundment Control Act first priority for action by the Committee on Armed Services must of necessity be the Military Procurement Authorization Act for fiscal year 1978. This will make it impossible for at least several months to conduct the in-depth study needed to consider adequately a revised bonus proposal.

In the meantime, however, the military departments are faced with immediate recruiting and retention problems as the result of the pending expiration on June 30, 1977, of the present enlistment and reenlistment bonus authority.

One example of the need for early action involves the delayed entry program. Under that program, the Army and the Marine Corps enlist young people, often still in school, into the inactive Reserve, with a commitment to enter on active duty up to 12 months in the future. Various active duty options are available, including a 4-year enlistment in the Regular Army and Marine Corps for service in a designated skill—primarily the combat arms. Selection of this option entitles the enlistee to receive an enlistment bonus. Since no authority currently exists for offering that bonus to persons who commit themselves to enter active duty on or after June 30, 1977, the Army and Marine Corps are currently seriously handicapped in their efforts to recruit high school students who graduate during June 1977, The inability of the Army and Marine Corps to offer the bonus to these young people will seriously hamper those services in meeting combat arms recruiting requirements.

To resolve this dilemma, we propose simply to defer the expiration of that authority from June 30, 1977 to September 30, 1978. That action will enable the military departments to continue their current recruiting programs and give the committee an opportunity later in the session to review in detail the Department's proposal for revising the present law.

RESTORATION OF BASIC HUMAN RIGHTS SHOULD BE GIVEN PRIORITY

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DODD. Mr. Speaker, on this first day of the 95th Congress, I would like to call attention to the countless violations of basic human rights that are taking place in numerous countries all over the world, and to express my hope that a vigorous commitment to the cause of human rights will become one of the priorities of the new administration and of the new Congress.

In the past several years, the tendency of the foreign policy establishment has generally been to ignore the abuses suffered by peoples in countries in which we have an interest, and to pursue our trade, aid, and negotiating relationships with those countries regardless of their internal situations.

This predilection, I believe, is wrong. We do have a moral responsibility to concern ourselves with the human rights of citizens in all countries. And if those citizens—be they under a rightist or a Communist regime—are being denied the freedoms which we uphold. I feel very strongly that we must make it our business to express our indignation, and to do what we can to right those wrongs.

I do feel also that we are at the beginning of a new era. Last year, the Congress passed legislation which mandates that policymakers take human rights issues into account when establishing military and economic aid programs overseas.

In addition, our Nation's consciousness of human rights has been steadily

growing, as our knowledge of these issues has increased and made us all more aware of their seriousness. And finally, our President-elect, Jimmy Carter, has many times stated his determination to give much greater weight to human rights considerations in the making of our foreign policy.

And so today, to renew my own personal commitment to the vital issue of human rights, I am introducing and cosponsoring several resolutions which I hope you will all support.

First of all, my distinguished colleagues, Mr. KOCH and Ms. FENWICK, and I, join in introducing a resolution urging the President to use American influence to bring about freedom for Valentyn Moroz. Mr. Moroz is a Ukrainian historian who has been imprisoned for fighting for the cultural independence of the Ukraine, He is presently in a labor camp, having already served many years in a Soviet prison. To protest the injustices perpetrated on his people by the Soviets, Mr. Moroz has renounced his citizenship of the U.S.S.R..

To show our support for him and for his courageous efforts on behalf of human liberties, this resolution is intended to convey to Soviet officials the continuing congressional concern for Mr. Moroz.

The second measure that I urge my colleagues to support is a House resolution designating January 22 of every year as "Ukrainian Independence Day," which Mr. KOCH, Ms. FENWICK, and I are also introducing today. As many of you may know, January 22, 1977, will mark the 59th anniversary of Ukrainian independence which only lasted 2 short years—1918–20—before the Soviet Union forced it under its rule.

Since that time the people of the Ukraine have suffered a severe and unrelenting oppression. Despite this, they have never stopped fighting for their cultural, intellectual, and national freedom. Their courage should inspire us all, and should motivate us to do all we can to encourage their resistance.

Passage of this resolution designating a Ukrainian Independence Day would mark this dedication on the part of the American people and of their Representatives and would pay true homage to their struggle for the freedom that we ourselves so fortunately attained a little over 200 years ago.

Lastly, Mr. Speaker, I would like to join my colleagues Mr. KOCH and Mr. DRINAN, in introducing a resolution which puts the Romanian Government on notice that it will have to ease its restrictions on the emigration and on the human rights of its citizens, or risk the loss of its most-favored-nation trade status.

The assaults on freedom that are being conducted by the Romanian Government against its ethnic minorities—and particularly the Hungarian, German, and Jewish populations—are brutal and systematic, and their ultimate end is the virtual elimination of these minority nationalities.

We, as a free people, should not tolerate such unconscionable abuses. Romania is the only Communist country to receive most-favored-nation status from the U.S. Government. We believe that if it is to continue receiving this privileged treatment, the Romanian Government must furnish us with evidence of positive change in its policies.

Thus, our resolution requires that a report be submitted by the President to the Congress on the status of human rights and emigration in Romania each time a request for extension of the most-favored nation status is sought for Romania by an administration.

In conclusion, I again take this opportunity to encourage all of you who care deeply about the issue of human rights to cosponsor these three resolutions, and to lend your continuing support to the cause of freedom all over the world.

A BILL TO PROVIDE FOR THE DETECTION OF EXPLOSIVES IN AIRLINE BAGGAGE AND CARGO

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. MURPHY of New York. Mr. Speaker, security precautions at our Nation's airports over the past few years have become an accepted reality, rather than an obtrusive burden as some critics thought they might. But armed guards, metallic sensors, baggage X-rays, and trained personnel have not been able to completely halt the ongoing threat of death posed by hijackers and bombers armed with everything from guns and knives to professionally constructed explosive devices. The threat is not only to those who travel on board an aircraft, but to those who simply walk into a major airline terminal, such as happened at the tragic LaGuardia Terminal incident last year, where a bomb exploded in a baggage locker, killing 11 and injuring 54 persons.

Although the Federal Aviation Administration theoretically has the authority to act on this problem, it has acted only in an incredibly superficial and bureaucratic fashion. The legislation which I am introducing today is intended to remedy that.

By way of some informative background, I introduced a similar piece of legislation during the last Congress, designed to require the inspection of all carry-on and all checked baggage for both weapons and explosive devices. Included would be both baggage intended for air transport as well as that to be stored in any airport locker or storage facility.

The response of the Federal Aviation Administration, the Department of Transportation and the Office of Management and Budget, was less than encouraging: it showed a bureacratic callousness which I find very difficult to fathom. The administration took great pains to circumvent any reasonable approach to the protection of air travellers, saying, in effect, that a certain level of casualties is acceptable to them. That attitude is unacceptable to me, and to the American people.

I was a principal author of the Anti-hijacking Act which brought about the current search procedures of carry-on luggage. That has been particularly effective: last year—1975—for example, there were 4,380 guns intercepted, 41,700 knives, and over 400 explosive devices, not including ammunition and fireworks. And that accounts only for carry-on luggage, not that which is checked for carriage in cargo bins, or that which is stored in lockers.

And therein lies the problem, which this legislation addresses directly. Although the Federal Aviation Administration has issued some rather nebulous regulations requiring air carriers to augment their screening systems to include the detection of explosives or incendiary devices in carry-on and checked baggage, the regulation is grossly inadequate. First, it is a purely administrative pronouncement which simply instructs the airlines to increase their security. If they do not, the only result is an administrative disapproval, and perhaps a few dozen dead bodies from the next bomb explosion. And equally important, the regulations, weak as they are, totally ignore the primary hazard of explosives stored in lockers and similar storage areas. There is no Federal criminal penalty. And that is what my bill would provide. I can find no valid reason to believe that the gaping loophole in the FAA rules could not be used again by terrorists who murder indiscriminately.

The response of Department of Transportation and Office of Management and Budget to such an approach was a captious statement which is contrary to both reality and necessity. DOT's claim that the Federal Aviation Administration has the necessary authority to meet "present or reasonably anticipated security threats" is ridiculous. First, if they have that authority, they have chosen the weakest possible means of exercising it; and second, surreptitious bombings by mad bombers cannot be reasonably anticipated or planned for. Therefore, stronger measures must be implemented, backed with the strength of Federal law, not regulatory platitudes.

Turning to the specific problem of storage lockers such as the site of the LaGuardia incident, the FAA's "rule" does not take such facilities into consideration at all. Various studies by locker manufacturers indicate that either a new locker design, or perhaps alternate placement of banks of lockers in airports might solve the problem. But I hardly think the locker industry's own report could be considered totally objective and unbiased.

Mr. Speaker, the only effective answer, short of a total ban on all lockers, is to place such storage facilities behind the security checkpoints which screen passengers and baggage for explosives and weapons. In addition, positive identification associating the passenger with checked baggage to be carried in the airplane or stored in lockers and checkrooms is a must.

Locker companies complain of a 40- to 50-percent loss in revenues when lockers are placed within "sterile" areas behind screening facilities. I would note two

things at this point. First, the lockers are for the convenience of the traveling public, not for the primary purpose of enriching the companies. To quote a loss in profit as a reason for maintaining an open invitation to bombers is ludicrous. Second, there are only 14,000 lockers at 140 of the almost 500 air carrier airports, with the majority concentrated at 20 major air terminals. While I am certain there would be a necessary capital outlay to relocate the bulk of the lockers, it would seem to be a small price to pay for the saving of untold numbers of human lives. To be torn apart by exploding metal fragments is not an acceptable risk at a public facility, particularly where we have the legislative solution available to us to protect the traveling public. It needs ony to be exercised.

I would also like to point out the bureaucratic opposition which will undoubtedly follow the introduction of this legislation. The Department of Transportation claims it has initiated surveys, studies, discussions, assessments, recommendations, and voluntary adoption of rules to deal with such problems. The fact of the matter is that few "mad bombers" are likely to hold their plans for killing in abeyance until the DOT can evaluate and implement their long-term surveys of improbable alternatives. A terrorist's purpose is to kill, not to outmaneuver the bureaucracy.

In 1975, the United States saw 2,053 actual or attempted bombing incidents, with deaths and dollar damages almost triple the preceding year. That is a total figure, not just airlines, which points to yet another problem, that of the possibility of increased security at airports simply squeezing terrorist activity toward other modes of transportation or concentrations of people, such as railroads, bus stations, subways, sports arenas, and the like.

There is indeed a distinct possibility that such a transferral of terrorist activities could occur, although it is impossible to determine whether such a "displaced" attack might have been originally intended for another transportation facility with upgraded security protection. But modern aviation attracts the largest volume of people in the tightest concentrations, with a relative ease of access to both the aircraft and the terminal facilities, which in turn attracts potential terrorists. Their purpose is seldom murder for its own sake, but rather to attract attention to a political cause, or for criminal purposes such as ransom, theft, or hijacking. The specter of an airborne explosion or the decimation of a terminal building packed with humanity has a rather macabre fascination for the American media, and hence for the terrorist seeking attention for his cause.

There are, of course, costs incurred in the correction of this deficiency. Who pays these costs?—the American public, with one very important note: The flying public has been paying these security costs for quite sometime, but has not been getting its money's worth.

When inspection of carry-on baggage began, the Civil Aeronautics Board authorized a "security surcharge" in order to pay for the equipment, personnel, training, and enforcement of the new procedures. It is interesting, incidentally, that a great deal of the initial capital investment costs were borne by the Federal Government for large equipment and for training programs for rapidly needed personnel, even though the original security surcharge which was imposed had anticipated the burden of those costs.

Nevertheless, the surcharge has now been legitimized by the CAB, which has authorized air carriers to consider the maximum of 62 cents per passenger per origination as a part of their normal cost of doing business, added into their standard rates and fares. The Federal Government has solidified the aviation industry's claim to an almost perpetual charge for security expenses—security costs which quite a few victims of terrorist bombings would find very difficult to justify.

Congressional subcommittee figures indicate that the airlines have cumulatively grossed nearly $78 million as of last year in security surcharges alone. However, there is no regulation calling for a separate accounting of such funds, and they are therefore mixed in with general revenues to be expended as needed, be it for security or for other pressing expenses of the carriers. Airlines which have consistently run in the red have therefore applied their "excess" security charge income to other areas of expense, in effect subsidizing other costs of their operations at the expense of sufficient security.

The airlines say they cannot afford the additional expense of new security measures to detect explosives and to protect the lockers and baggage storage areas most vulnerable to attack. The answer, as noted earlier, is that the airlines are not paying for it—the traveling public is, in the form of an additional segment of rates based on a continuing expense. You and I pay about 62 cents for each flight that we make in order to be certain that the aircraft does not explode with us in it, or that the terminal building is not reduced to a pile of rubble while our families wave good by.

Yet bombs continue to be carried aboard aircraft, or to be discovered in a random locker, often with an accompanying publicized threat of detonation if some huge price is not paid. Explosions occur, yet no effective effort has been expended to intercept such devices except a few specious Federal regulations with no enforcement clout at all behind them.

No rational person expects the Federal bureaucracy to move forward under its own power. There is a definite and immediate need for legislation to define precisely what must be done. This bill instructs the Administrator to exercise the power he contends he already has, but has to date not chosen to use in any but a superficial fashion. It brings to bear strong criminal penalties under the United States Code which are unavailable to enforce the simple and ineffective agency regulations proffered by a lax administration.

I do not intend to wait until yet another explosion occurs at a major airport terminal or in a commercial airliner laden with hundreds of travelers before raising the need for increased security measures, particularly when the public is already paying for security which is far from the best available. Current efforts by the FAA can be best described as sluggardly, taking the form of studies and inquiries into risk patterns and probabilities which are almost totally useless against the random criminal.

The bill at hand requires screening of all passengers and property—baggage and cargo—by weapons and explosives detection procedures, both when intended for carriage on the airlines or when intended for storage in lockers or check rooms. In the case of lockers, which are particularly inviting to potential terrorists, they would be moved to a "sterile" area behind screening devices.

I do not believe these to be unreasonable requirements for the protection of the millions of Americans who pass through major airline terminals each day. Each of us here in Congress might notice that we walk no more than 10 feet from dozens of lockers each time we go to National Airport. How many lives are we willing to spend in the false hope that the next bomb might not be in that locker beside your family waiting for your arrival?

Mr. Speaker, I also wish to include in my statement the text of an article from the December 20 New York Post regarding the progress in the investigation of the LaGuardia bombing incident. As the author notes, there are 11 families of the dead from that blast who deserve answers as to its cause. I agree with him. And I believe there are thousands of families who can be saved from a similar fate.

The article referred to follows:

LaGuardia Bomber: No Name

(By Michael Hechtman)

A Seattle teacher. A Brooklyn apartment building superintendent. A radical student from Minnesota. A young Air Force enlisted man.

Each was suspected of being the LaGuardia bomber.

In the weeks and months that followed the Dec. 29, 1975, blast that ripped through the TWA baggage claim area, killing 11 persons and wounding 74, thousands of persons were interviewed and dozens of leads developed.

But the biggest manhunt in the city's history has thus far failed to identify the person or group responsible.

"As of today, we have eliminated a large number of people who had both motive and means," said Deputy Chief Edwin T. Dreher, head of the police Arson Explosion Squad. "But we are no closer to an arrest than we were Dec. 29, 1975."

Investigators focused their search on known bombers, terrorists and those thought to have a grudge against any of the victims—but they did not reject any other possibility.

"We looked in all directions," Dreher said. "We didn't assume it had to be a terrorist. Maybe it was a disgruntled lover or someone who wanted to kill a relative for insurance. We checked everyone—was John Jones seen at the airport? Who's his wife? Was she sleeping with the milkman? Did the milkman fly into LaGuardia that day?"

Although no arrest is imminent, investigators say they currently are pursuing a few live leads. They won't reveal them, but

they were willing to talk about some of the leads that fizzled.

Among these were the teacher, the super, the student and the airman. "They were four of our best suspects," said an investigator. "For a while, after each was identified, we thought we had the case cracked."

Within hours after the blast, investigators from the city and Port Authority police, the Queens District Attorney's office, the Bureau of Alcohol, Tobacco and Firearms and the FBI began checking on the movements of every person known to have passed through the airport that day.

And that's how they came upon the man from Seattle.

The 30-year-old teacher had shunned non-stop flights from Seattle to Kennedy and had made reservations on two LaGuardia-bound planes that stopped en route.

The duplicate reservations, coupled with his desire to arrive at LaGuardia, aroused suspicion and investigators obtained a picture of him. It had been taken several months earlier, before he had grown a beard, and, clean shaven, he resembled a man seen near the baggage area before the blast.

Investigators constructed a theory: The bomb had been built in the Pacific Northwest, the scene of several terrorist bombings, placed in a suitcase and put aboard a Northwest flight. Then the teacher flew to LaGuardia on United in case the bomb exploded in the air.

Further checks showed he had a record of minor arrests and had associated with campus radicals during his student days.

After weeks of surveillance, police approached him. He said he had made two reservations because one airline had been threatened with a strike. And a polygraph test convinced detectives he knew nothing about the bombing.

Finally, a relative produced a picture of him, taken during his New York visit, showing him with a full beard. Police technicians determined the photo had been taken recently and had not been doctored.

The investigation provided one New York detective with a personal glimpse of airline security.

He was flying back from Seattle carrying a box containing a model of a bomb that had been set off on the West Coast.

"What's in the box?" asked the ticket agent.

"Just some wires, pipes and a battery," said the detective, who did not identify himself as a cop.

The agent smiled, checked in the box, and the detective claimed it in New York with no trouble.

The building superintendent was fingered by an informant. "Our tipster described him as a militant Arab and said he had admitted building the bomb," according to an investigator.

The super did carry an Arab passport and "it looked real good.

"We tailed him 24 hours a day for six weeks. We checked the people he associated with. We followed him to Arab bars, restaurants, social clubs. He never did anything incriminating."

The informant balked when police asked him to carry a tape recorder in the hope the suspect would repeat his confession. This left detectives no choice but to confront the super, who came up with a solid alibi.

And a check on the tipster disclosed that he had had an argument with the man he accused.

"We have to assume he made it up," the investigator said. "Our informant painted a picture of an Arab terrorist itching to kill. This guy wouldn't know a bomb if he tripped on one."

The informant was not prosecuted.

The third suspect turned up when police, checking the "grudge" angle, investigated anyone involved in an altercation at LaGuardia in the days before the blast.

On the 28th, harsh words had been exchanged between a young man trying to cash in a ticket and an agent, who suspected it was stolen.

Police took keen interest when they discovered the young man's brother had led a student Black Panther group and was on parole from a Minnesota prison, where he was serving a term for bombing a department store in 1970.

"It was a particularly vicious thing," a police officer here said." One bomb went off in a rubbish bin, seriously injuring a woman. A second—a booby trap—was set to go off while police and rescue workers were on the scene." This second bomb was discovered before it exploded—like the one at LaGuardia, it had been planted in a locker.

The student, who was attending school in Washington, had been seen in New York Christmas Eve.

Investigators said when they tried to speak to him he was "very uncooperative."

"Some conversations were nothing but screaming sessions," a detective said. "He wanted to dictate terms for the interview. He was convinced he was being persecuted."

This only increased suspicion. But finally, the student decided it was in his best interest to cooperate to some extent—and he too managed to account for all of his time and convince police he had not been at LaGuardia.

His mother, it was learned, was involved in politics in her home state and had some contacts in the Ford Administration. Police here were astounded to learn that his record apparently had been overlooked by Secret Service agents and while on parole he had been in the White House, where he had been invited to photograph a meeting in which his mother participated.

The airman was boarding a plane at LaGuardia two days after the bombing, when his attache case sprang open. Before he could scoop up his papers, an alert stewardess got a glimpse of them and saw diagrams of "how to make just about any kind of bomb and all sorts of chemical formulas," a detective said.

She told the captain, who had a terse comment: "Get him the hell off my plane."

Authorities did, and turned him over to police. "We put him under a microscope," said a detective. "He had no prior history of violence and he had an alibi for the time of the bombing. Believe it or not, it was just his hobby. He had been a chemistry major and this was his thing—he liked to sit around drawing diagrams of bombs."

One investigation failed to turn up the bomber, but did produce major arrests. An off-duty cop heard a person he knew to be a member of the Jewish Defense League discuss the LaGuardia blast. He reported it and was pressed into service as an undercover agent.

His information cleared the suspects of the LaGuardia bombing, but turned up enough facts to indict five JDL members for federal firearms violations. Explosives and guns traced to them were linked to attacks on Soviet and Iraqi diplomatic facilities here. The five all pleaded guilty. Four were given prison terms; the fifth cooperated with investigators and drew a suspended sentence.

One person still under active investigation is Zvonco Busic, the Croatian nationalist chargfied with hijacking a TWA jet and planting a bomb in a Grand Central Station locker. Busic, who is awaiting trial on these charges, reportedly has admitted he landed at LaGuardia an hour before the blast, but denied any connection with the bombing.

The explosive used in both the LaGuardia and Grand Central bombs was dynamite.

Investigators continue to be interested in two political groups. "The list of best suspects has to include the FALN and the Palestine Liberation Organization," said assistant Queens DA John Ryan. The FALN, a Puerto Rican militant group, claimed responsibility for several bombings here, including the blast at Fraunces Tavern that killed four persons. The PLO has not been active in this country, but investigators note that several hours before the bombing, former Israeli prime minister Golda Meir, who was visiting the U.S., left from LaGuardia for Ohio.

Among the many persons who contacted investigators, there is at least one, authorities feel, who may have solid information to offer. "I was in contact last September with a person I have reason to believe was in the right place at the right time to provide a clue," said Joan Carey, who, until earlier this month, headed the DA's Investigations Bureau. Miss Carey, who now works for Special State Prosecutor John Keenan, refused to disclose any details, but appealed to the person to reestablish contact.

Anyone who saw or heard anything suspicious or unusual is asked to call 349-5844. The Air Transport Assn. of America has posted a $50,000 reward.

Authorities have turned in many directions for help. Psychologists have tried to come up with a profile of the bomber and Dreher regularly exchanges information on bombings and terrorists with Interpol.

Even clairvoyants were sometimes listened to. "Personally, I have no confidence in psychics," Dreher said. "But no stone could be left unturned." He spoke of a half dozen, one of whom asked to handle some evidence. "He said he'd get vibrations," Dreher said. "I let him hold a piece of the timing device. No vibrations."

Police said it was virtually impossible to trace the source of the dynamite used to make the bomb. "It's ironic to know you can drive one hour from New York and legally buy enough explosives to blow up a building" said Lt. Charles Prestia of the Arson Explosion Squad.

Investigators say they are hopeful they'll solve the LaGuardia case.

"There are 11 families entitled to an answer," Ryan said. "We're not going to stop until we give it to them."

H.R. —

A bill to amend the Federal Aviation Act of 1958 to improve prevention of aircraft and airport violence, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 315(a) (49 U.S.C. 1356(a)) of the Federal Aviation Act of 1958 is amended to read as follows: "The Administrator shall prescribe or continue in effect reasonable regulations requiring that—

"(1) prior to any passenger boarding and any property being placed aboard an aircraft for air transportation or intrastate air transportation, such passenger and property be screened by weapon-detecting and explosive-detecting procedures, facilities, or devices employed or operated by employees or agents of the air carrier, intrastate air carrier, or foreign air carrier; and

"(2) prior to any property being placed in storage in a storage area accessible to the public at an airport serving air carriers certificated by the Civil Aeronautics Board, such property be screened by weapon-detecting and explosive-detecting procedures, facilities, or devices employed or operated by employees or agents of the persons operating such airport; and

"(3) any property placed aboard an aircraft for air transportation or intrastate air transportation, or property placed in storage areas accessible to the public at an airport serving air carriers certificated by the Civil Aeronautics Board, shall bear such identifi-

cation marks, tags, stickers, or other attachments as to positively identify owner or bearer of such property.".

SEC. 2. The second sentence of section 315 (a) of the Federal Aviation Act of 1958 is amended by inserting immediately before the period "or against acts of criminal violence at an airport serving air carriers certificated by the Civil Aeronautics Board.".

SEC. 3. The center heading of section 315 of the Federal Aviation Act of 1958 is amended by adding at the end thereof "AND PROPERTY".

SEC. 4. Item 315 of the table of contents contained in the first section of the Federal Aviation Act of 1958 is amended by striking out "in air transportation" and inserting in lieu thereof "and property".

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. UDALL. Mr. Speaker, the bill I am introducing today—along with a number of my colleagues—is one of the most important pieces of legislation in the conservation annals of our great country. The Alaska National Interest Lands Conservation Act, is one of history's most challenging land conservation opportunities. Today, Alaska is the embodiment of a larger public debate taking place within our society—the debate over the development of a wise and lasting national resource policy. The need for a comprehensive national resource use policy—including carefully addressing the element of resource conservation and preservation—is perhaps more glaringly apparent in the State of Alaska than in any other region of the country. Given the great opportunities that Alaska provides for resource conservation and/or development, it is not surprising that nearly every major environmental and energy issue before the last Congress, in some manner, affected Alaska. It is no accident that today, Alaska—where the most is at stake—has now become the showcase for the effort to resolve this larger issue. A brief history of the Alaskan lands issue may be helpful for my many colleagues to understand some of the provisions of this bill.

HISTORY OF ALASKA NATIVE CLAIMS SETTLEMENT ACT OF 1971

In 1958, Mr. Speaker, the Congress created Alaska—a new State, the largest of all States, over twice the size of Texas. At that time we granted the State of Alaska the right to carve out 104 million acres of Federal land as a "land base." In a year or two Alaskan Natives came forward and argued that they too owned Alaska—that it was theirs by aboriginal right. The battle for Alaska was underway. Subsequently the Secretary of the Interior put a freeze on Alaska lands, claiming the State could not go ahead with its land selections until Justice was done to the Natives. The freeze was a blessing in disguise since it provided us with the opportunity to finally resolve the longstanding question of aboriginal rights of Alaska Natives while at the same time considering the national interests in the Federal lands of Alaska. Thus, in 1971 the Congress enacted the Alaska Native Claims Settlement Act—ANCSA. With passage of that act, Alaska Natives settled for some 43 million acres of land and nearly a billion dollars—the most generous land settlement in history. The State retained its option to select 104 million acres.

And, finally, ANCSA provided the opportunity for other Federal lands to be set aside by the Congress in the national interest. Section 17(d)(2) of that act directed the Secretary of the Interior to transmit his recommendations to the Congress on what the Department of the Interior thought ought to be set aside, by law, as new units of existing national conservation systems. These recommendations were submitted for consideration by the Congress in December 1973. This historic opportunity is the direct result of an amendment I offered on the floor of the House with my late colleague, Representative John Saylor, during the consideration of the Native claims legislation.

In March of 1974, I introduced a bill which contained national interest public land dedications as proposed by various conservation organizations. In January 1975, I again introduced an identical bill. The bill I am introducing today is similar to my previous measures and is intended to establish a framework for legislative consideration on this important matter.

The Secretary of Interior was directed by section 17(d)(2) to submit his recommendations for the national interest lands by December 1973. The Secretary met that deadline, providing us with minimum guidelines for our deliberations. While various legislative proposals have been before the Congress since that time we have failed to seriously consider any of them. Now is the time for the Congress to follow through on—to make good on—its commitment to the American people; to set aside permanently these truly magnificent wildlands and wild rivers—to do it right the first time, for perhaps the last time.

COMPLETE ECOSYSTEMS

Unlike the Department of Interior, citizen conservationists do not have the resources to conduct extensive field studies over an area the size of Alaska. But the proposals in my bill were designed by people with direct knowledge of the land and its particular natural resources. Furthermore, the boundaries have generally been based on the information and range of alternatives contained in the environmental impact statements prepared by Department of the Interior professionals. Accordingly, these proposals avoid the political compromises and bureaucratic infighting amongst agencies that occurred within the past administration.

While this bill is a countermeasure to that proposed by the Secretary of the Interior, it is not to be considered final. It is a comprehensive land preservation package for all Alaska. The final decision is that of the Congress and ultimately of the American people.

The proposals in my legislation are carefully designed to protect complete ecosystems. As examples, a proposal encompasses a complete watershed or the entire range and critical habitat of sensitive wildlife populations. The areas proposed in my bill, while seemingly large when compared with units in the "lower 48" are merely samples of the vast and diverse federally owned landscapes of Alaska.

The proposals are many because Alaska is so vast. They span a region as diverse as the entire lower 48 States—from rainforests to tundra prairies, mountains to marshland.

NATIVE SUBSISTENCE

I have also sought in this legislation to protect the existing way of life of many Alaska Natives. We live in an age of rapid change. Whether the subsistence use patterns, a social order unknown to most Americans, will continue to be the lifestyle of these hardy peoples far into the future is questionable. But we have attempted to design a framework that will insure that those individuals who want to subsist—who depend upon subsistence for survival—can continue to do so.

NATIONAL PRESERVES

We have established national preserves to allow certain areas, managed under the National Park Service as national preserves to be opened to hunting. This classification makes available to sportsmen some of the most unique hunting areas in the world, while at the same time continuing to preserve all values in the remaining national parks and national monuments. The option of permitting hunting in a national preserve is the only deviation from a national park. We continue existing policy permitting hunting in national wildlife refuges, wildlife ranges, and national forests.

WILDERNESS

We are proposing that each unit in this legislation be immediately designated as wilderness and made a component of the National Wilderness Preservation System. The one characteristic most apparent in the bulk of Alaska's lands is wilderness. If the lands proposed for dedication in this bill are not wilderness then surely no wilderness exists anywhere. In this sense, Alaska is truly our last frontier. Here we are talking of wilderness parks, and wilderness wildlife ranges—not the overcommercialized Yosemite or Yellowstone. Here exists an opportunity to fulfill the promise of the Wilderness Act of 1964 "* * * to secure for the American people of present and future generations the benefits of an enduring resource of wilderness" and "in such a manner as will leave them unimpaired for future use and enjoyment as wilderness." Accordingly all units proposed in this bill are to be withdrawn, subject to valid existing rights, from all forms of appropriation under the mining and mineral leasing laws.

Additionally, most of the proposed units have been reviewed for wilderness suitability under section 17(d)(2) of ANSCA or pursuant to Wilderness Act processes. We do not need to go through the wilderness review process again after this initial dedication. To delay consid-

eration would be a waste of considerable time, money and effort. We should do so now.

Because development nodes for access and use purposes have been recommended for many of the areas in the Secretary's proposals I look forward to a full examination, with the assistance of the expert advice of the Department, as to just what these entail including possible impact on wilderness resources.

FOREST SERVICE

The intent of the Congress in the enactment of section 17(d)(2) was to dedicate the bulk of these national interest lands as national parks, national wildlife refuges, and wild and scenic rivers, with minor boundary additions to existing national forests. It was not the intent of Congress to create new national forests in interior Alaska which cannot maintain a sustained yield forestry program. The professional study teams of the Department had initially selected these areas as National Wildlife Refuge System and National Park System units, but were subsequently overruled in the White House. Therefore, the bill does not propose any such forests for interior Alaska, though it does allow for the expansion of the existing national forests into appropriate adjacent lands.

SOUTHEAST ALASKA

One of the most splendid regions of all Alaska is the part known as southeast. It is a superb blend of sea and land, intricate waterways, majestic mountains, and abundant wildlife. Forest is the key word in any discussion of southeast Alaska. The dominant spruce and hemlock form a dense rainforest everywhere that there is soil, from tidewater to timberline.

Nearly all of southeast Alaska is within the jurisdiction of the Tongass National Forest. Last year, during the consideration of the National Forest Timber Management Reform Act, citizens from southeast Alaska came before the Congress to testify on the mindless destruction of the values that make southeast Alaska unique—a destruction taking place under the direction of the Forest Service in the name of "multiple-use." Testimony from various individuals pointed out that priceless natural values as well as economically vital fishery resources were being destroyed daily in order to maintain a steady timber and pulp supply for Japan. The Forest Service has admitted that it has firm plans to cut 98.4 percent of the commercial timber in the Tongass within 50 years. In a region where it takes centuries for the ecosystem to recover from timber harvesting and to renew a mature stand of timber, the Forest Service plans give little hope for land preservation. The Forest Service has repeatedly ignored public support of deserving wilderness areas. They have disregarded the concept of wilderness almost totally. In an effort to save some of the most precious areas of southeast Alaska, and to lay out a comprehensive land preservation program for all Alaska my legislation designates five national forest wilderness areas in the Tongass National Forest. It is important that the Congress examine the land use policies on the Tongass, our Nation's largest national forest, and act quickly, where the Forest Service has failed to do so, to preserve portions of this unique part of America before here again, it is too late.

ALASKA PETROLEUM RESERVE

During the 94th Congress legislation, Public Law 94–258, transferred jurisdiction of the Naval Petroleum Reserve No. 4, from the Secretary of the Navy to the Secretary of the Interior. The intent of this legislation was twofold. First, the Secretary of the Interior is to conduct an exploration program to determine the extent of petroleum resources within the reserve. But, it is to be an exploration program only. Congress reserved the right to authorize production of petroleum resources from the reserve after carefully reviewing the report and recommendations of the Secretary and after determining more precisely the petroleum potentials.

Second, because of its large size and remote location, nationally important surface values and other uses are largely undocumented. Thus Public Law 94–258 directed the Secretary to identify and designate qualified areas containing values and uses which should be protected during the oil and gas exploration period. Once again, the Congress will have the final say on ultimate dedication and use of these areas, with initial recommendations required of the Secretary. In summary, the intent of the bill, as stated by Representative JOHN MELCHER, the floor manager of the bill, during House adoption of the conference report, "is to carefully explore and determine the petroleum potential of the reserve while simultaneously identifying and protecting other important resource values and uses."

The Secretary has assigned the Bureau of Land Management, and the U.S. Geological Survey interim management responsibility for the reserve. And though the transfer to the Interior Department is not yet complete, indications are that there is little interest being shown by the Department in fulfilling the twofold intent of the Congress. There is little indication that the Department of Interior will promote the protection of surface and other values during the exploration phase. Therefore, in furtherance of the commitment to design a national interest lands preservation program for all Alaska and to keep open congressional options for the reserve as intended by Public Law 94–258, this bill proposes to assign the U.S. Fish and Wildlife Service jurisdiction over the reserve during the study phase. This will insure a consideration of the natural values of the reserve while exploration is ongoing and serve to promote specific dedication opportunities for congressional consideration.

COMMITTEE JURISDICTION

The Committee on Interior and Insular Affairs of which I am a member will have primary jurisdiction over this bill as a consequence of our committee's purview over the National Park System, National Wild and Scenic Rivers System, National Wilderness Preservation System, and national forests created from the public domain as well as all unreserved public lands, the Naval Petroleum Reserves Production Act of 1976 and the Alaska Native Claims Settlement Act of 1971. Yet, principal jurisdiction for the National Wildlife Refuge System—both its management policy and the creation of new units—sits with the Merchant Marine and Fisheries Committee.

I invite the chairman and members of the Merchant Marine and Fisheries Committee to join me in supporting the proposals in this bill and to work out a mutually beneficial process for our committees to work together on this most challenging and critical legislative task. In furtherance of this cooperative effort, I have attempted to follow the policy approach as I understand it for additions of the National Wildlife Refuge System as to the designations as provided by the proposed National Wildlife Refuge System Organic Act sponsored by my good friend from the State of Michigan, Representative JOHN DINGELL.

CONCLUSION

Mr. Speaker, when I offered my amendment to the Alaska Native Claims Settlement Act on the floor of the House in 1971, which ultimately resulted in section (d)(2) I told my colleagues:

If you stay here for another ten years—now, mark my words very carefully—you will not cast a more important conservation vote you will be asked to cast on the amendment that I am offering . . .

We lost the vote that day by a narrow margin, but subsequently the conference committee adopted a similar provision. And I was right. The Alaska national interest land issue goes beyond the drawing of boundaries and the totaling up of acreages. It speaks to the heart of public land policy—to how much and what type of land we are willing to protect in return for having demanded so much in terms of resource development. It speaks to our responsibility as stewards of the land to provide future generations with not merely fragmented remants of our natural heritage, but with whole, intact, truly magnificent ecosystems. Today, Alaska is the last great unspoiled piece of America still within man's saving. Each generation has its own rendezvous with the land and we now must press forward with the opportunity to help provide those generations yet unborn the right to this heritage.

I urge each and everyone of my colleagues and the incoming administration, to join with me in support of this legislation, to make it the highest priority for early enactment in this Congress.

CIVILIAN CONSERVATION CORPS

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DUNCAN of Oregon. Mr. Speaker, today I introduced legislation to revive the Civilian Conservation Corps. The bill is similar to legislation which I introduced in the last Congress and is an at-

tempt to alleviate the unemployment problem this country faces.

In the darkest days of the Depression-ridden 1930's, the Roosevelt administration recruited an army of young men from the Nation's troubled cities and sent them to work in the forests of the West. At its height, in 1935, the Civilian Conservation Corps numbered half a million men, scattered in more than 2,500 army-styled camps, under supervision of the old War Department. Inspired by that program and motivated by the severe unemployment problems facing this country, I have introduced a bill to revive the CCC.

There are three principal objectives which this legislation will accomplish. From each of these three, collateral and incidental benefits will follow. Each objective represents an attack on a major problem facing the country today. These three major problems are: First, unemployment; second, a rising crime rate; and third, the poor and deteriorating condition of the great natural resources of this country—the forests, the rangelands, outdoor recreational facilities, timberlands, and water resources.

I. UNEMPLOYMENT

In spite of all that Congress has done, unemployment is still at an unacceptably high rate in this country. Among the youth the unemployment figures skyrocket to over 20 percent, and among the youth of minority groups even higher. My bill is directed to that high unemployed age group, from among which the corpsmen and corpswomen will be recruited. In effect this can be considered a program of Government employment of last resort. Its success will be limited only by the funding that we are able to provide for it, because there is virtually no limit to the amount of productive work that needs to be done. The jobs that we will create by this legislation are not of the type which draw scorn and derision—the paper-shuffling type of work which produces no lasting benefits and does little or nothing for the employee's self-esteem. Furthermore, these jobs are labor-intensive and the money provided will not go for equipment and buildings, but rather predominantly into payroll.

II. CRIME ON THE STREETS

Carl Rowan, the Washington Post columnist, questioned six of the Nation's top police administrators from six of the Nation's largest cities, asking them one simple question, "If you had to recommend one thing, one action, the country could take to combat the rise of crime, what would it be?" None suggested more prisons, or greater law enforcement, or better prison rehabilitation. All six of these officials agreed that efforts to reduce unemployment in the central cities among young men, especially minority young men under the age of 25 years, would be one of the most effective means of reducing the crime rate. The CCC will offer constructive alternatives to these young people.

III. NATURAL RESOURCE IMPROVEMENT

I sit on the Subcommittee of Appropriations dealing with the Department of the Interior and the Forest Service, and including the Bureau of Land Management, the Fish and Wildlife Service, and other resource agencies. For decades the great natural resource agencies have been starved by the Office of Management and Budget, and by its predecessor, the Bureau of the Budget, as they strove to compete with all other Government programs for a share of the Federal tax dollar.

As a result of inadequate capital investment, coupled with excessive use in the past:

First. Our outdoor recreational facilities have deteriorated and many campgrounds and picnic facilities have been closed and abandoned.

Second. Millions of areas lie fallow and unproductive because we have not spent the money and made the effort to replant. This is a time of soaring lumber prices, increasing demand for wood products, and ever-increasing pressures from environmentally oriented groups to diminish the harvesting of trees.

Third. Millions of acres of rangeland are today incapable of carrying the allotments of livestock they should because they have been overgrazed and the waterholes stamped dry. Continued grazing, with no effort to rehabilitate results in further deterioration. Not only do we lose the capacity to convert forage, unpalatable to humans into useful protein to help feed the hungry world, but as the sagebrush and the bitterweed take over from the bunchgrass and the crested wheat they reduce forage for the wildlife, which results in a diminution of their numbers.

Millions of dollars are needed to replant the national forests and rangelands, to build drift fences, to drill wells, to build waterholes, to control grazing patterns, to build trails, picnic facilities, campsites and footbridges. And all this work is labor intensive, requiring many people and only simple tools and equipment readily available. And by so doing, we will not only be rehabilitating those who do the work, but we will be insuring the productivity of the land for those who come after us.

I believe my bill can alleviate a good portion of those three major problems. More important are the benefits to be derived by the Nation from the growth of the individuals who serve in the Civilian Conservation Corps. The values which they will retain long after their service has ended will be of great advantage to the Nation, as those who served in the old CCC have proved time and time again.

I am convinced that this Congress will pass this bill and will affirm its belief in the good sense that the bill provides. In the 94th Congress similar legislation, passed by a substantial margin, and only a technical difficulty with the Budget Act kept it from reaching the Senate floor. There will be no technical conflict this time and I hope and believe that this legislation will receive support from the incoming administration. As I am sure all of you are aware, President-elect Carter made references to a CCC-type program in his debates with President Ford. While my bill does not solve the total problem of unemployment in this country, I think it can alleviate a portion of it, as well as halt the rising crime rate, and focus our attention and energy upon renewing our natural resources.

LEGISLATION TO INSURE THAT AIRLINE PASSENGERS, SHIPPERS, AND TRAVEL AGENTS RECEIVE AT LEAST 15 DAYS NOTICE OF CHANGES IN AIRLINE FARES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. ANDERSON of California. Mr. Speaker, air carriers under the present law, section 403(c) to the Federal Aviation Act of 1958, are required to file proposed rate changes with the Civil Aeronautics Board 30 days prior to the effective date of the proposed change. The CAB is permitted to issue its decision on the proposed change any time prior to the effective date.

Hearings before the Aviation Subcommittee last year revealed that these procedural deadlines are insufficient to insure adequate public notice of changes in fares. All too frequently, the CAB does not issue its decision until the eve of the effective date of a proposed fare change. When this occurs, there is great uncertainty among passengers and shippers as to whether a proposed fare change will take effect. If the CAB disallows a proposed fare change at the last minute, passengers who purchased tickets in advance may have to make extra payments or obtain refunds.

Testimony at the hearings indicated that in most cases the fault for last-minute decisions does not lie with CAB. The economic considerations underlying proposed fare changes are frequently complex and due process requires that interested persons have an opportunity to file comments with the CAB on a proposed change. Thirty days is not an unreasonable period for the CAB to analyze the voluminous pleadings it receives and to prepare and issue its decision. Thus, the solution to the problem is not to shorten the period for CAB action, but to move back the dates for both carrier filing and CAB decision, preserving the 30-day period for CAB action.

PASSENGER TARIFFS

This legislation provides that air carriers must file proposed changes in passenger fares 45 days before the effective date and that the CAB must issue its decision 15 days before the effective date. These changes guarantee the public at least 15 days notice of changes in airline passenger fares.

At the hearing, some witnesses suggested that earlier filing dates would be appropriate so that there would be an even longer period of public notice. However, as was pointed out by other witnesses, the earlier the filing date, the less flexibility carriers have to file new fares in response to changing economic conditions. This lack of flexibility would limit not only fare increases designed to meet rising costs, but also new discount

fares attempting to generate increased traffic.

Balancing these considerations, last year, our committee decided to adhere to a requirement of 15 days' notice of fare changes. This requirement should solve many of the problems which have arisen from 11th-hour CAB decisions.

FREIGHT TARIFFS

Freight tariffs present a special problem because of the interaction of indirect air carriers, particularly air freight forwarders, and direct air carriers. Air freight forwarders do not operate aircraft but serve as middlemen between shippers and airlines. A shipper pays an air freight forwarder for shipment of goods. The forwarder does not act as the shipper's agent but as an independent transportation company charging the shipper a rate which has been approved by the CAB. The forwarder then consolidates the goods of a number of shippers and makes arrangements with a direct air carrier to ship goods at the direct air carrier's rates.

A forwarder's rates must be closely related to direct air carrier rates, and when direct air carrier rates are increased, the forwarders ordinarily increase their rates. If direct air carriers and forwarders are subject to the same tariff filing requirements, the forwarders will lag behind in changing their rates and will lose revenues. For example, if both forwarders and direct air carriers are required to file no later than 30 days before the effective date of a rate change and the direct air carrier waits until the 30th day to file, it will probably take the forwarder a week or more to complete the paperwork necessary for its own filing. This would mean that the forwarder's rate increase could not take effect until at least a week after the direct air carrier's increase. According to testimony, a 2-week lag in matching a 10-percent increase would cost the air freight forwarder industry $1.6 million in revenue.

Under present law, forwarders are ordinarily able to respond to direct air carrier rate change without a lag. Although forwarders and direct air carriers are both legally required to file 30 days before the effective date of a rate change, as a practical matter, the direct air carriers frequently voluntarily file 45 days in advance, in the hopes of getting an early CAB decision.

However, if the law is changed to require 45 days filing, there is some doubt that the direct air carriers would voluntarily file more than 45 days in advance. If they did not, forwarders would be unable to meet air carrier rate increases for a week or more.

To remedy this problem, the measure I am introducing requires direct air carriers to file changes in freight rates 60 days in advance and indirect carriers to file 45 days in advance. The CAB is required to issue its decision 15 days in advance of the effective date. This will insure that the public has at least 15 days' notice of changes in freight rates, and will give the forwarders 15 days to respond to changes in direct air carrier rates.

Mr. Speaker, a bill identical to this proposal passed the House of Representatives on February 17, 1976, and died at the end of the 94th Congress.

ON THE NEED TO REFORM ELECTRIC UTILITY RATE REGULATION

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. DODD. Mr. Speaker, I am introducing today legislation to reform Federal statutes pertaining to electric rate regulation by the Federal Power Commission. Despite dramatic changes in electric energy generation, transmission, distribution, and especially, changes in the needs of the consumer, no major changes have been made in the Federal Power Act since it was enacted in 1935.

The problems in electric ratemaking first came to my attention last year when I became involved—ultimately as an intervenor—in an electric rate increase case which is pending before the Federal Power Commission. I was appalled by the inequities which are allowed and fostered by current rate regulations, and for this reason, I am introducing legislation which is designed to improve ratemaking procedures before the Federal Power Commission to assure that our energy resources, as well as our generating and transmission facilities, are being used in the most efficient manner possible, and to assure that electric energy is being provided to customers at the lowest possible cost.

I would like to include Mr. Speaker, this bill in the RECORD for the consideration of my colleagues, and I would like to take this opportunity to explain the problems as they currently exist, and how this legislation relates to these problems.

Mr. Speaker, at present there are more than 130 electric rate increase cases pending before the Federal Power Commission. This represents over a half a billion dollars annually in electric rates which are in effect, which customers already are paying, but for which a final decision on lawfulness has not been rendered. The legislation I propose is directed at expediting electric rate proceedings, minimizing the possibility of a questionable rate being levied against customers, and assuring that the criteria used in determining the lawfulness of proposed rates reflects the actual costs of generating and transmitting electric power.

Current provisions of the Federal Power Act allow up to a 5-month suspension on new rates, if the Commission so orders, and give the Commission authority to order rebates if and when the decision comes after the rate has gone into effect and the rate is determined to be excessive. I understand that congressional intent underlying this portion of the Federal Power Act, some 41 years ago, was that the 5-month suspension period would allow the Commission to conduct and to complete proceedings on a new rate filing and determine its lawfulness before permitting it to be charged to customers.

At present, however, an average rate proceeding before the Commission consumes well over a year from the date of filing to the date of the final decision by the presiding administrative law judge. Many rate schedule filings require 2, 3, or more years to complete, and during most of that time, even if the full 5-month suspension has been ordered—which is atypical—the rate is in effect and customers are required to pay the questionable charge.

The process whereby rebates may be ordered is a problem, as well. Although a public utility may find it quite easy to keep records on their wholesale buyers and issue refunds on an excessive rate if the Commission so orders, it is often very difficult for the electric company to pass these refunds along to their retail customers—the ultimate consumers—since, because of the lengthy proceedings on the case, many may be deceased, unable to be located, or otherwise unable to be recompensated.

The present ratemaking procedure, by allowing any rate filed to go into effect 5 months or less after filing, also acts as an incentive for the petitioning utility to intentionally file one or more inflated rate proposals, knowing they can collect the excessive rate for years even if it is unlawful. This procedure also provides incentive for the petitioning utility to attempt to delay Commission proceedings on their rate filing if there is any question as to what the final holding will be, in order to keep the high rate in effect for as long as possible. Clearly, it is in the public utility's interest to delay a possible negative decision on one of their rate proposals—they are already collecting the rate—but it is very contrary to the interests of the purchasers.

I am an intervenor in an electric rate increase proposal which was filed by Connecticut Light & Power Co. on December 2, 1975, and which is in its preliminary stages of hearing. This is the most recent of three rate increase proposals by Connecticut Light & Power, all of which are still pending final decision. The first of these was filed on June 16, 1972, and has been charged to customers since January 16, 1973. Despite the more than 3 years of elapsed time—an unconscionable delay for the customers to bear, to my way of thinking—there has been no final decision on the lawfulness of the rate. In addition, Commission regulations have permitted Connecticut Light & Power Co. to file and begin collecting on the two more recent rate increase proposals. I think it is interesting to note that the profit rate enjoyed by Connecticut Light & Power has increased dramatically over this same period.

Section 7 of the bill I have introduced would resolve this problem by eliminating incentive for public utilities to file inflated rate proposals by requiring suspension of new rate proposals until such time as a final decision is rendered, and this decision holds the proposed schedule as being lawful. The provisions of section

8 of this bill complement section 7, by disallowing the filing of a new rate increase proposal while another one, filed by the same company, is still pending final decision. This antipancaking measure would provide incentive for the petitioning utility to dispose of rate filings promptly, and in conjunction with section 7, it would eliminate incentive for the petitioning utility to attempt to delay Commission proceedings. In addition, this measure would enable the Commission to complete action on rate filings more promptly, since each case would be reduced in complexity, and the total number of cases pending before the Commission would, in all probability, be substantially diminished.

Alone, however, these measures will not resolve the problem entirely. These revisions, by themselves, might in fact provide incentive for intervenors to employ delaying tactics in order to prevent a proposed rate from going into effect. To overcome this problem, section 7 of the bill I am offering authorizes the Commission to order interim rate increases or decreases after five months have elapsed since the filing date, if records on file with the Commission demonstrate the need for such a change in the rate schedule. The interim rate could be a portion or the whole of the proposed rate change, and would be in effect until the time of the final decision on the rate filing, but subject to rebates.

Thus, this measure is intended to provide incentive for intervenors who feel the proposed rate to be excessive to attempt to expedite Commission proceedings so that they may be concluded before the five month suspension on interim rates is over. The interim rate provision also allows the Commission, in the event of a lengthy proceeding, to order increases or decreases appropriate to the financial solvency of the petitioning utility.

There are a number of other essential revisions to the Federal Power Act which I have included in this bill, and which I would like to explain briefly:

Sections 4 and 5 of this bill mandate that public utilities utilize energy resources, and generating and transmitting facilities, in the most efficient ways possible, by requiring that they share facilities, and engage in joint and cooperative efforts whenever this will accomplish that goal. Section 13 insures that such cooperative efforts be undertaken in the interest of conserving energy resources and distributing electric power at the lowest possible cost, and that they be in full compliance with the antitrust policies and laws of the United States.

The bill further prohibits selective distribution of electric power, and, in the event of a power shortage, requires a public utility unable to meet the demands of all of its customers to accommodate both wholesale and retail customers in a manner which is proportionate, equitable, and nondiscriminatory.

Sections 6, 9, and 10 assure that the Commission will give adequate notice of new rate filings, and that affected customers will have sufficient time to respond; and limit the use of automatic adjustment clauses, including the fuel adjustment clauses, and the inclusion of construction work in progress—CWIP—in the rate base.

Finally, Mr. Speaker, this legislation would correct another problem which I have become aware of as a result of my involvement in a rate proceeding: That, by filing for an excessive rate proposal before the Commission, a public utility may be able to keep its retail rates lower than its wholesale rates—which are usually charged to relatively small municipal utilities and electric companies—thereby attempting to squeeze the wholesale purchasers out of the market. By requiring the Commission to take into account the financial impact of a proposed rate increase on each wholesale purchaser, as sections 11 and 12 of the bill do, this problem is effectively eliminated.

Mr. Speaker, the reform of electric rate regulation is long overdue. The amendments which I propose in this bill will be very effective, I think, in assuring conservation of energy, reasonable and appropriate regulation of rates, and the provision of electric power to all customers at the lowest possible cost. I am hopeful that the Subcommittee on Energy and Power, which is chaired by my distinguished colleague from Michigan (Mr. DINGELL), will take prompt action on this bill, and the other related bills which are now pending their consideration, and that the reported bill will establish regulations to assure an equitable system of electric rate regulation, consistent with the Nation's present needs—and one which will truly serve the public interest.

H.R. —

A bill to amend the Federal Power Act to provide for the reform of electric utility rate regulation by the Federal Power Commission, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Electric Rate Regulatory Reform Act of 1976".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) the continued generation and transmission of an adequate supply of electrical energy at reasonable rates is critical to the Nation's defense, a sound and stable economy, and the general health and welfare of the people of the United States;

(2) rates for electric energy increased dramatically during each of the years 1971 through 1975;

(3) current ratemaking provisions of the Federal Power Act often place the full burden of unproven rates on wholesale customers and subsequently on the ultimate consumer;

(4) these ratemaking provisions provide incentive for public utilities to file inflated increases and delay Federal Power Commission proceedings on such filings, knowing that these rates may be collected during such proceedings;

(5) the system whereby rebates may be ordered by the Federal Power Commission in the event that, at the decision of the presiding Administrative Law Judge, the rate is determined to be excessive, is imperfect as the delay in proceedings makes it impossible to locate and recompensate all persons who had been paying the excessive rate;

(6) that lengthy delays in Commission electric rate proceedings create a "price squeeze" situation whereby the supplier may be able, simply by filing one or more unproven rates, to keep his retail rates lower than those charged to wholesale purchasers;

(7) the construction of unnecessary generating capacity by the electric utility industry would create burdens on electric consumers;

(8) shortages and unreliable supplies of electric energy would jeopardize the normal flow of interstate and foreign commerce by creating severe economic dislocation, including loss of jobs, closing of factories and businesses, and curtailments of vital public services; and

(9) increased competition among electric utilities for wholesale and industrial sales can complement existing regulation in providing protection for consumers of electric energy.

PURPOSES

SEC. 3. The purposes of this Act are—

(1) to make more equitable the structure of electric utility rate schedules in this Nation, while leaving unaffected the overall rate of return of such utilities;

(2) to promote more efficient use of scarce capital and energy resources by electric utilities;

(3) to institute rate reform, in order to prevent or minimize increases in rates of electric energy, and to assure that these rates are administered in a fair and equitable manner, and based on actual costs of generating and transmitting;

(4) to eliminate any incentive for any party to a rate proceeding before the Federal Power Commission to delay such proceeding;

(5) to encourage maximum efficient and economical use of electric generating and transmission facilities through interconnections, joint planning and ventures, sharing of facilites, and other means;

(6) that any such cooperative efforts be undertaken in the interest of minimizing costs to customers and conserving our scarce energy resources, and that they be undertaken in full compliance with the antitrust policies and laws of the United States;

(7) to increase the period of notice for new filings before the Federal Power Commission, to allow adequate time for the affected customers to be informed and to respond; and

(8) to foster increased use of competition as a complement to existing regulation.

ACCESS TO TRANSMISSION CAPACITY

SEC. 4. (a) Section 202(a) of the Federal Power Act is amended—

(1) by striking out "voluntary" in the first sentence;

(2) by inserting "with the maximum competitive opportunities for the purchase and sale of electric energy at wholesale and" after "United States" in the first sentence; and

(3) by inserting "for the purpose of assuring the goals set forth in this part and to assure maximum competitive opportunities for the purchase and sale of electric energy at wholesale at the lowest possible cost" immediately after "district" in the third sentence.

(b) The portion of the first sentence of section 202(b) of the Federal Power Act prior to the colon preceding the proviso is amended to read as follows: "Whenever the Commission, upon application of any State commission or of any person engaged in the transmission or sale of electric energy, and after notice to each State commission and public utility affected after opportunity for hearing, finds such action necessary or appropriate in the public interest, it may by order direct a public utility (if the Commission finds that no undue burden will be placed upon such public utility thereby) to establish physical connection of its transmission facilities with the facilities of one or more other persons engaged in the transmission or sale of electric energy, to sell energy to, transmit energy for, provide transmission services or wheeling for, ex-

change energy with, provide pooling services for, or coordinate with such persons".

CONTINUANCE OF SERVICE

SEC. 5. Section 202(c) of the Federal Power Act is amended to read as follows:

"(c) During the continuance of any war in which the United States is engaged, or whenever the Commission determines that an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy, or of fuel or water for generating facilities, or other causes, the Commission shall have authority, either upon its own motion or upon complaint, with or without notice, hearing, or report, to require by order such connections of facilities and such generation, delivery, interchange, transmission of electric energy, pooling, coordination, wheeling, or other transmission service as in its judgment will best meet the emergency and serve the public interest. The Commission shall require, in order to insure continuity of service to wholesale customers, each public utility to report promptly any anticipated deficiency of power which would affect the utility's capability of serving its wholesale customers, and may (1) require by order the utility to accommodate such deficiency in a manner which affects the retail customers of the utility and the retail customers of the utility's wholesale customers in a proportionate, equitable, and nondiscriminatory manner, and (2) require by order such connections of facilities and such generation, delivery, interchange, transmission of electric energy, pooling, wheeling, or other transmission service as in its judgment will best serve the public interest. If the parties affected by any such order fail to agree upon the terms of any arrangement between them in carrying out such order, the Commission, after hearing held either before or after such order takes effect, may prescribe by supplemental order such terms as it finds to be just and reasonable, including the compensation or reimbursement which should be paid to or by any such party.".

TIMELY NOTICE OF RATE CHANGES

SEC. 6. Section 205(d) of the Federal Power Act is amended—

(1) by striking out "thirty" and inserting in lieu thereof "sixty"; and

(2) by striking out the last sentence thereof.

INTERIM RATE SCHEDULE

SEC. 7. (a) The first sentence of section 205(e) of the Federal Power Act is amended by striking out "delivering to the public" down through the end of such sentence and inserting in lieu thereof "shall suspend the operation of such schedule and defer the use of such rate, charge, classification, or service until such schedule and any such rate, charge, classification, or service is determined to be lawful.",

(b) The second sentence of section 205(e) of the Federal Power Act is amended by striking out "such five months, the proposed change of rate, charge, classification, or service shall go into effect at the end of such period," and inserting in lieu thereof "five months after the date of filing of such new schedule and the Commission has made a determination, after a preliminary hearing with respect to such new schedule, that all or part of the schedule is likely to be held lawful, the Commission may order an interim rate schedule to take effect,".

PROHIBITION ON PENDENCY OF CUMULATIVE RATE APPLICATIONS

SEC. 8. Section 205(e) of the Federal Power Act is amended by adding at the end thereof the following: "A public utility may not file a schedule which seeks to increase a rate or charge so long as the Commission has pending before it for final determination any schedule previously filed by such public utility.".

FUEL ADJUSTMENT CLAUSE

SEC. 9. Section 205 of the Federal Power Act (16 U.S.C. 824a) is amended by adding thereto the following:

"(f)(1) Except as otherwise provided in subsection (e) or in paragraph (2) of this subsection, the Commission may not allow to go into effect any increase in any rate of any public utility unless opportunity for consideration of such increase in an evidentiary hearing is afforded prior to the date such increase takes effect.

"(2) Paragraph (1) shall not apply to a rate increase made pursuant to an automatic adjustment clause of a rate schedule which has been approved by the Commission in an evidentiary hearing and which provides that rates may be increased by not more than 85 percent of the amount by which (A) the amount of actual covered expenses exceeds (B) 105 percent of the amount of base period covered expenses. The Commission may not approve any automatic adjustment clause which includes, as actual covered expenses, the expenses of goods or services purchased by a public utility from any person who controls, is controlled by, or is under common control with, such utility.

"(3) As used in this subsection—

"(A) The term 'automatic adjustment clause' means a provision of a rate schedule which permits, without affording an opportunity for prior evidentiary hearing, a public utility's rates to increase in order to reflect a change in the actual amount of one or more types of operating expenses.

"(B) The term 'base period covered expenses' means the amount, established for purposes of setting rates after affording an opportunity for evidentiary hearing, of operating expenses to which an automatic adjustment clause applies.

"(C) The term 'actual covered expenses' means the amount of operating expenses which were actually incurred and to which an automatic adjustment clause applies.

"(4) If a rate schedule of a public utility contains an automatic adjustment clause, such schedule shall be reviewed by the Commission in an evidentiary hearing not less often than annually to insure the maximum economies in those operations and purchases which affect such rates. In making such review, the Commission shall review and audit the fuel acquisition practices of such public utility. Each public utility shall provide reports on fuel acquisition practices as required by the Commission, which shall be made available to the public, and shall contain such information as the Commission may require to implement the purposes of this section. On its own motion, or upon complaint, the Commission shall, after affording an opportunity for evidentiary hearing, direct a public utility to cease any fuel acquisition practice which is unreasonably discriminatory or anticompetitive in nature, which does not lead to the use of fuel at the lowest possible cost, or which in any way inhibits or precludes the use or acquisition of the least expensive fuel by such utility.".

CONSTRUCTION WORK IN PROGRESS

SEC. 10. Section 205 of the Federal Power Act (as amended by this Act) is further amended by adding at the end thereof the following:

"(g) The Commission may not, in determining a public utility's rate base for purposes of fixing, approving, or allowing any rate to go into effect, include any portion of construction work in progress (or other similar capital prepayment or accelerated charge provision) in the rate base.".

UNFAIR METHODS OF COMPETITION

SEC. 11. Section 205 of the Federal Power Act (as amended by this Act) is further amended by adding at the end thereof the following:

"(h) Whenever the Commission determines on its own initiative or upon complaint, after affording an opportunity for evidentiary hearing, that a public utility is engaging in any unfair method of competition, or that a public utility has filed any contract, agreement, tariff, or schedule which would result in an unfair method of competition, it shall issue an order prohibiting any such unfair method of competition, or reject such a filing.".

FINANCIAL IMPACT OF RATE INCREASES

SEC. 12. Section 205 of the Federal Power Act (as amended by this Act) is further amended by adding at the end thereof the following:

"(i)(1) The Commission, in making determinations with respect to any new schedule filed with the Commission by a public utility under subsection (d), shall take into account the financial impact of any proposed increased rate or charge of each electric utility which buys electric energy from such public utility for resale to electric consumers.

"(2) As used in this subsection—

"(A) The term 'electric consumer' means any person, State agency, or Federal agency, to which electric energy is sold other than for purposes of resale.

"(B) The term 'electric utility' means any person, State agency, or Federal agency, which sells electric energy.

"(C) The term 'Federal agency' means any agency or instrumentality of the United States, but does not include the District of Columbia.

"(D) The term 'State agency' means a State, political subdivision thereof, or any agency or instrumentality . . ."

APPLICABILITY OF ANTITRUST LAWS

SEC. 13. Nothing contained in this Act or the amendments made thereby shall (1) relieve any person or electric utility from the operation or enforcement of the antitrust laws of the United States, including the Sherman Act (15 U.S.C. 1 et seq.), Clayton Act (15 U.S.C. 12 et seq.), and the Federal Trade Commission Act (15 U.S.C. 31 et seq.), or (2) restrict any authority the Commission may have under the Federal Power Act to regulate unfair methods of competition.

SENATE—*Thursday, January 6, 1977*

The Senate met at 12:30 p.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Spirit, Creator, Redeemer and Judge, we beseech Thee to grant us clean hands and pure hearts that we may fitly serve Thee in this place. Help us ever to remember that the character of this body is determined by the character of all who serve here. Spare us from setting standards for others higher than we dare to set for ourselves. As we shape the agenda of the Nation's

business may we prepare our hearts and minds to live and act in accord with Thy will.

And to Thee shall be praise and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., January 6, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, January 4, 1977, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate will please come to order. The Senate will receive a message from the President of the United States.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

SIXTH PERIODIC REPORT ON THE CYPRUS NEGOTIATIONS—MESSAGE FROM THE PRESIDENT—PM 2

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following message from the President of the United States which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Pursuant to Public Law 94–104, I am submitting my sixth periodic report on the Cyprus negotiations and the actions which this Administration is taking to assist in the search of a lasting solution to the problems still facing the people of the Republic of Cyprus.

In my last report I reviewed recent steps taken by the administration to bring about further progress in the Cyprus talks, and I emphasized the need for the parties to set aside procedural problems and move on to discussions of key substantive issues.

Our efforts during the past sixty days have been directed to encouraging the resumption of such negotiations. We have been in close contact with our major Western allies regarding new ideas which might contribute to progress in the Cyprus talks and have continued to work closely with United Nations Secretary General Waldheim. Secretary of State Kissinger met with Mr. Waldheim in New York in late August to discuss the Cyprus question. Following that meeting Secretary General Waldheim asked the chief Cypriot negotiators from both sides to come to New York for individual consultations with him on how the negotiations might best be resumed. These consultations developed into a series of joint meetings at which both sides discussed the issues which were blocking further progress. After these meetings, the two Cypriot negotiators agreed to continue their consultations in Nicosia, under the chairmanship of the Secretary General's Special Representative for Cyprus. It is my hope these talks will lead to resumption of meaningful discussion on the main issues.

In his meetings with the Foreign Ministers of Greece and Turkey at the United Nations last week, Secretary Kissinger urged their strong support once again for a new round of talks. We will continue to work as closely as possible with the Governments of Greece and Turkey, with the UN Secretary General, with our Western allies, and with the parties themselves, to insure that every opportunity is seized in pursuing a just and lasting settlement on Cyprus.

To focus the world's attention on the need for rapid progress, Secretary Kissinger stated anew the position of my Administration in his speech before the UN General Assembly on September 30 when he emphasized that our overriding objectives remain the well-being of the Cypriot people and peace in the Eastern Mediterranean. Calling upon all concerned to undertake a new commitment to achieve these ends, he underlined once again the position I have repeatedly voiced:

"A settlement must come from the Cypriot communities themselves. It is they who must decide how their island's economy and government shall be reconstructed. It is they who must decide the ultimate relationship of the two communities and the territorial extent of each area."

This Administration believes that in order to restore momentum in the negotiations a set of principles along the following lines might help the parties to resume talks on substantive issues:

—A settlement should preserve the independence, sovereignty and territorial integrity of Cyprus;

—The present dividing lines on Cyprus must be adjusted to reduce the area currently controlled by the Turkish side;

—The territorial arrangement should take into account the economic requirements and humanitarian concerns of the two Cypriot communities, including the plight of those who remain refugees;

—A constitutional arrangement should provide conditions under which the two Cypriot communities can live in freedom and have a large vote in their own affairs; and

—Security arrangements should be agreed that permit the withdrawal of foreign military forces other than those present under international agreement.

It is my strong hope that these ideas may be given careful consideration by all concerned.

In addition to these steps, the United States also continues to provide financial assistance to the people of Cyprus so that they may overcome the burdens imposed on them by the events of 1974. I have just signed into law a bill authorizing $17.5 million in U.S. relief assistance for Cyprus in the coming fiscal year. Our assistance thus far, some $50 million over the past two years, has been a major factor in providing adequate homes for almost all of those unfortunate Cypriots uprooted in 1974, and, in addition, has made a substantial contribution toward the medical needs, emergency food aid and the general welfare of the many displaced from their homes. We will continue to offer our help wherever it is needed.

The United States also continues to be the largest financial contributor to the maintenance of the United Nations Peacekeeping Force on Cyprus, which has done such a highly effective job. We continue actively to support both the work of the UN Peacekeeping Force and the UN resolutions calling for a just and lasting solution to the Cyprus problem, respect for the sovereignty and territorial integrity of that island, and withdrawal of all foreign military forces not authorized by agreements. While I strongly endorse all of these precepts, the last is of special importance since the cause of peace can only be poorly served when men confront each other with arms. I was therefore gratified to hear of the withdrawal last month of a further portion of the Turkish armed forces from Cyprus.

In summary, during the past sixty days we have increased our efforts to bring the two sides together once more for discussions in any area which might contribute to a more secure and normal life for the people of Cyprus. We have reaffirmed our determination to continue direct bilateral assistance on a large scale. We have worked with other members of the international community to bring about the best possible set of conditions for resumption of the Cyprus talks at an early date.

My Administration will further intensify its efforts to bring both sides together again with the hope, based on their meetings in New York last month, that some further significant advances may occur.

The people of the United States remain keenly interested in promoting an equitable and lasting settlement on Cyprus. My Administration has been active at every opportunity in encouraging such a settlement. We believe the people of both the Greek Cypriot and Turkish Cypriot communities share equally a desire for peaceful, productive and secure lives. We will continue to use every opportunity further to encourage the leaders of both sides toward a common solutin which will achieve these goals.

GERALD R. FORD.

THE WHITE HOUSE, *October 4, 1976.*

MESSAGES FROM THE HOUSE

At 12:33 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has agreed, without amendment, to the Senate Concurrent Resolution (S. Con. Res. 1) to provide for the counting on January 6, 1977, of the electoral votes for President and Vice President of the United States.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business limited only to the making of speeches, with a limitation on speeches of not to exceed 3 minutes, such period not to extend beyond the hour of 12:50 p.m. today.

The ACTING PRESIDENT pro tempore. The distinguished majority leader does not seek recognition in his own right?

Mr. ROBERT C. BYRD. I do not seek further recognition.

The ACTING PRESIDENT pro tempore. Does the Republican leader seek recognition?

Mr. BAKER. Mr. President, I do not seek recognition.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered. Is there morning business?

HOUSE CONCURRENT RESOLUTION 1—JOINT SESSION TO HEAR THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a concurrent resolution, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate a concurrent resolution (H. Con. Res. 1) to provide for the joint session to hear the President.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was considered and agreed to.

HOUSE CONCURRENT RESOLUTION 2—COMMITTEE ON INAUGURAL ARRANGEMENTS

Mr. ROBERT C. BYRD. I ask that the Chair lay before the Senate House Concurrent Resolution 2.

The PRESIDING OFFICER laid before the Senate a concurrent resolution (H. Con. Res. 2) to provide for a Committee on Inaugural Arrangements.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was considered and agreed to.

AMENDMENT OF THE SENATE RULES

Mr. ALLEN. Mr. President, will the Senator from West Virginia yield to me?

Mr. ROBERT C. BYRD. I yield.

Mr. ALLEN. The distinguished Senator from West Virginia, the majority leader, on yesterday introduced by unanimous consent a resolution having to do with amending certain rules of the Senate. By unanimous consent, the resolution went to the Rules Committee under a directive that it be reported back not later than 90 days and not earlier than 60 days from yesterday.

I noted also that at the close of business on yesterday, the distinguished majority leader——

Mr. ROBERT C. BYRD. I believe the Senator refers to Tuesday.

Mr. ALLEN. Tuesday, yes, the last legislative day. On the last legislative day, the distinguished majority leader inserted a notice that thereafter he would make a motion to amend the Senate rules along certain lines, as contained in the resolution that he had theretofore introduced.

I would like to inquire of the distinguished majority leader if he plans to wait until the Senate has acted on this resolution under the unanimous-consent agreement, or if he plans to proceed prior to the time that the resolution comes back from the Rules Committee, under the notice that he has given.

Mr. ROBERT C. BYRD. The distinguished Senator asks two questions. I will answer the second question first.

It is not my plan to proceed to attempt to get any action in connection with the changes that I embodied in that resolution prior to such time as it has been reported back and placed on the calendar.

The first part of the question was a little different. As I understood the distinguished Senator, he asked whether or not it was my plan to seek any such action prior to Senate action on the resolution.

Mr. ALLEN. No, the Senate Rules Committee action.

Mr. ROBERT C. BYRD. No. In that case, the answer is "No."

Mr. ALLEN. There was only the one question.

Mr. ROBERT C. BYRD. Then I misunderstood the Senator.

Mr. ALLEN. I thank the distinguished Senator.

Mr. ROBERT C. BYRD. I think I should say by way of explanation that I passed the notice and the motion to amend the rules to the Committee on Rules and Administration unstapled. If there had been an objection, then I intended to send my notice to the desk separately, but it was stapled and it was all to be printed together.

Mr. ALLEN. I thank the Senator for that explanation. I noted that several pages of the CONGRESSIONAL RECORD intervened between the resolution and the notice. That is what alerted the Senator from Alabama to the possibility that the Senator might proceed under the notice.

Mr. ROBERT C. BYRD. No.

Mr. ALLEN. I thank the majority leader.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate will be in order.

ORDER FOR RECOGNITION OF SENATOR SCOTT ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the Senator from Virginia (Mr. SCOTT) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT OF THE SENATE FOLLOWING THE COUNTING OF THE ELECTORAL VOTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 12:50 p.m. today, the Senate recess to go in a body to the Hall of the House of Representatives, and that upon the completion of the counting of the electoral votes in the other body, the Senate then stand adjourned under the previous order until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unani-

mous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

FINANCIAL STATEMENT OF SENATOR ALLEN

Mr. ALLEN. Mr. President, each year at the start of the session of Congress, the first day of the session if possible, I file for the RECORD my financial statement as of the end of the preceding year. I have been doing this each year that I have been in the Senate, and expect to continue to do so.

The statement contains a statement of my assets and liabilities and of my income, of the fact that while I am a licensed attorney I do not practice law in any form, and that I do not now and never have accepted honoraria or expense payments of any sort.

I ask unanimous consent that I be permitted to offer that statement, and that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

FINANCIAL STATEMENT

I, James B. Allen, Gadsden, Alabama, do hereby certify that the following is a true and correct statement of my financial condition as of December 31, 1976.

Assets:	
Home at 1321 Bellevue Drive, Gadsden, Ala.—cost 1959	$32,500.00
Furniture, furnishing, books	5,000.00
Automobile	2,500.00
State of Alabama: City of Huntsville, Ala. bonds, $30,000 face amount (carried in past statements but sold 1976)	None
U.S. Savings bonds, at cost	600.00
Residence at 7405 Hallcrest Dr., McLean, Va.—1970 cost	47,700.00
Certificate of Deposit in First Bank of Altoona, Ala	19,000.00
Bank Accounts (exact):	
Personal	1,319.65
Reserve account for medical bills	1,171.11
Household	(33.07 o.d.)
Office (100% personal funds)	1,573.28
Accumulated rent collections on rental of Alabama home	748.25
Property tax and insurance account on Alabama and Virginia residences	359.26
Total	5,138.48
Payments into Civil Service Retirement account (exact)	27,029.36
Life insurance surrender value—all term insurance	None
U.S. Government Bonds—cost	50,395.00
One-half interest (other one-half owned by Jack L. Ray, Gadsden, Ala.) in furnished condominium in Gulf Shores, Ala.	22,500.00
Total assets	212,362.84
Liabilities:	
Indebtedness on residence at 7405 Hallcrest Dr., McLean, Va. to First State Bank of Altoona, Alabama and Exchange Bank of Attalla, Alabama, monthly payment loan (exact)	35,581.10
Mortgage—First State Bank of Altoona, Ala. on home at 1321 Bellevue Drive, Gadsden, Alabama, monthly payment loan (exact)	31,100.68
Note—First State Bank of Altoona, Alabama secured by U.S. Government Bonds	49,711.10
Note—First State Bank of Altoona, Alabama	22,472.10
Total Liabilities	138,864.98
Net Worth	73,497.86

I am not an officer, director, stockholder, employee of or attorney for any person, firm, company or corporation. Though I am a licensed attorney I have not engaged in the private practice of law since coming to the Senate, and I am not a member of any law firm, nor am I engaged in the practice of law in any form. My only business, vocation or profession is that of representing the people of Alabama and the Nation in the United States Senate.

My income is limited to my Senate salary, rent on our Alabama home and interest on certificates of deposit and U.S. Government Bonds listed herein. During 1976 I received no honoraria or expense payments or reimbursements of any sort, nor did I receive nor did any person or committee for me receive any contributions, political or otherwise during such year. I have never during my service in the Senate, or at any time prior thereto, accepted any honoraria or expense payments or reimbursements of any sort. I do not now nor have I ever maintained a so-called "office account" to receive and disburse funds other than those which I myself contribute to such account from my own personal funds. These policies will continue during the time I serve in the Senate.

This statement is made pursuant to a declared policy of filing annually with the Secretary of the U.S. Senate, the Secretary of State of the State of Alabama, the Probate Judge of Etowah County, Alabama (my home county), a statement of my assets and liabilities, and income. A similar statement will be filed each year during my service in the Senate, this being the ninth such annual statement I have filed since coming to the Senate in January 1969.

The purpose of this statement is twofold:

1. To show the absence of any conflict of interest between my ownership of assets and my service in the Senate in the public interest.

2. To keep the public advised as to my financial status, and to disclose the extent to which I have benefited financially during my public service.

I believe the public is entitled to this information from me as a United States Senator in the discharge of this public trust.

Recapitulation of past years' net worth as shown by year-end statements filed by me each year since I came to the Senate:

End of 1968, as I came to the Senate	92,984.81
End of 1969	87,750.00
End of 1970	87,243.34
End of 1971	85,939.09
End of 1972	85,265.70
End of 1973	79,443.92
End of 1974	78,758.77
End of 1974	78,081.27
End of 1976	73,497.86

"WHAT'S RIGHT WITH AMERICA" ESSAY CONTEST WINNERS

Mr. ALLEN. Mr. President, each year I have a contest among high school seniors in Alabama——

[Disturbance in the galleries.]

The PRESIDING OFFICER. The Senator will suspend until the Sergeant at Arms restores order in the galleries.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries?

The PRESIDING OFFICER. The Sergeant at Arms is restoring order.

Mr. ALLEN. Mr. President, in 1975 I sponsored an essay contest on the subject of "What's Right With America," for all 12th grade students in Alabama public and private high schools. Four winners were selected from the hundreds of essays entered in the contest, and those winning essays and the six runners-up were printed in the CONGRESSIONAL RECORD of November 19, 1975.

The quality of all of the entries in that contest so impressed me that I decided to make the contest an annual event and the 1976 contest ended on November 1 and winners and runners-up were selected and awarded before Thanksgiving.

One of the few rules established for the contest limited the essays to 200 words. I felt that this would be a challenge to the students, because some of the world's greatest thoughts have been expressed in fewer than 300 words: The Lord's Prayer contains 66 words, the 23d Psalm has 118 words, and the Gettysburg Address was expressed in 267 words.

In sponsoring this contest, it is my hope to offer a forum for Alabama's junior citizens, who I think are quite representative of other young people in America, to express themselves on what they feel to be the strengths and virtues of our system of representative Government and the state of affairs in our Nation as we begin our third century of existence.

The hundreds of essays which poured into my office in the 1976 contest confirm my belief that the vast majority of our young people feel a great sense of optimism and faith in the future of our country. America's youth has always been its most valuable resource and I strongly believe that today's young men and women have the potential to cure many of today's problems and that they will lead our Nation to greater heights in the years ahead.

Mr. President, we have read of polls which show a supposed credibility gap between the American people and their Government and of a lack of confidence by the American people. Well, the polls evidently failed to take into consideration the views of American young people as expressed by these hundreds of Alabama high school seniors. I believe that my enthusiasm will be shared by anyone who reads these essays, and in order to give at least a sample of the views they contain, I ask unanimous consent that the four winning essays and the six runners-up in the 1976 "What's Right With America" contest be printed in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

1976 "WHAT'S RIGHT WITH AMERICA" ESSAY CONTEST SPONSORED BY SENATOR JAMES B. ALLEN

WINNERS

First Place: $100 U.S. Savings Bond—Jill Lolley, Enterprise High School, 205 Gilbert Street, Enterprise, Ala. 36330.

Second Place: $75 U.S. Savings Bond—Jim Reynolds, Gadsden High School, 1503 Litchfield, E. Gadsden, Ala. 35903.

Third Place: $50 U.S. Savings Bond—Lynn Grimes, Goshen High School, Route 2, Troy, Ala. 36081.

Fourth Place: $25 U.S. Savings Bond—Carol Sisson, Haleyville High School, P.O. Box 51, Haleyville, Ala. 35565.

RUNNER-UP

Karen Clements, Huffman High School, 704 Sherwood Forest Circle, Birmingham, Ala. 35235.

Debbie Crawford, Plainview High School, Route 3, Box 88, Fort Payne, Ala. 35967.

Jeff Davidson, W.W. Davidson High School, 4136 Burma Hills Drive, Mobile, Ala. 36609.

Ronda Killingsworth, Central High School, Route 5, Box 926 Auburn Road, Phenix City, Ala. 36867.

Joe Turnham, Lee Academy, 606 Moores Mill Road, Auburn, Ala. 36830.

Eric D. Waller, Bradshaw High School, 414 Nottingham Road, Florence, Ala. 35630.

WHAT'S RIGHT WITH AMERICA

(Jill Lolley, Enterprise High School, Enterprise, Ala.)

FIRST PLACE

John Foster Dulles, former Secretary of State said, "If we are faithful to our past, we shall not have to fear our future." Our heritage was founded on the principles of personal and political freedoms. The pilgrims settled at Plymouth Rock in search for freedom to worship as they pleased—not as the king dictated. The colonists fought the British in order to obtain the right to self-government—the right to choose who should lead them and how they should be taxed. These freedoms have enabled a Republic of thirteen small colonies to grow into a major world power. Our heritage of freedom of speech, freedom of press, freedom of religion, and freedom of free enterprise has enabled our nation to progress in industry, agriculture, science, and culture. We as Americans must be proud of our heritage that has laid the foundation for what is right with America now. If we uphold our heritage based on personal and political freedoms, I have confidence America's future will be one all Americans can be proud of.

WHAT'S RIGHT WITH AMERICA

(Jim Reynolds, Gadsden High School, Gadsden, Ala.

SECOND PLACE

America is a land of promise. Ours is a heritage of greatness, prestige, and hope for the future, keeping in mind the struggles and hardships of our forefathers. Americans possess an inherent sense of pride which consistently promotes individual accomplishment. Each new generation of Americans is encouraged by the defeats and victories of the preceding generation.

Patriotism is not dead. Patriotism lives in the hearts of all Americans who take pride in being themselves. America is the land of the individual, yet all Americans are members of a distinct brotherhood which forms the basis of our nation itself.

We, as Americans, owe a certain debt of responsibility to our country which can be denied by no true American. We should all be thankful for the immense benefits that our citizenship provides and, more importantly, we should do everything within our power, individually and collectively, to promote the growth of our nation. Americans have always taken pride in serving their country and many have given their lives in this service. This is the essense of the spirit of America.

WHAT'S RIGHT WITH AMERICA

(Lynn Grimes, Goshen High School, Troy, Ala.)

THIRD PLACE

America is based on a dream—a dream of purpose, freedom, self-fulfillment and the "inalienable rights of life, liberty, and the pursuit of happiness." These dreams brought millions to American shores and these dreams still exist.

Today men and women have equal opportunities to achieve their goals. They have freedoms to say and do what they choose, and rights that should not be infringed upon. Individualism, success, happiness and involvement are essential elements in every meaningful life.

As these dreams and promises comprise an American profile, these same dreams are coming true. America is becoming more and more what she promised to be. Americans continue to pursue the right.

What is right with America? America is no less than her people, who are unique, moral, optimistic, decent living individuals who take pride in their country, their religions, their families, and their jobs.

What is right with our country? The American dream brought millions to her shores and this dream shines brightly in the hearts of millions, both here and abroad.

WHAT'S RIGHT WITH AMERICA

(Carol Sisson, Haleyville High School, Haleyville, Ala.)

FOURTH PLACE

With so many voices shouting the wrongs in America today, one might believe that this country is on its decline. I say, however, that the very people who make these complaints are proving what is right with America.

Our nation, founded on the principle of freedom for all, protects the very individuals who seek to tear her down. The Constitution of the United States provides freedoms which are basic to all men. Americans are given the opportunity to express themselves in whatever way they choose. The only restriction is that they may not infringe on the rights of others in doing so.

The expression may be in the form of celebrating the Bicentennial, standing up for the National Anthem, or attending a national political convention. If, on the other hand, the expression is marching to protest something, joining the American Communist party, or campaigning for a Communist candidate for President, nothing is done to suppress it.

In America, everyone is free to follow his own conscience, no matter what others may think. This individualism, whether it sets one for or against our nation, is fiercely guarded with the sharp sword of Democracy. With this principle held high, America will endure.

WHAT'S RIGHT WITH AMERICA

(Karen Clements, Huffman High School, Birmingham, Ala.)

"I believe in the supreme worth of the individual. . . ."—John D. Rockefeller, Jr.

The philosophy of individualism is what is right with America. The American individualist has independence and a dedication to freedom. Individualism is the keystone of America's political system and America's economy.

Our government, the servant of a society of individuals, protects the individual rights of "life, liberty, and the pursuit of happiness.'" The Constitution and the Bill of Rights protect the individual freedoms of speech, religion, press, and thought. To preserve their independence, Thomas Jefferson, George Washington, and others conceived a democracy governed by the people, and they rejected a monarchy ruled by tyrants.

Individuals with free minds and free consciences have forged our economic progress. A Staten Island Ferryman with a yen for success became a multi-millionaire called "Commodore" Vanderbilt. A "newsbutcher" for the Grand Trunk Railroad became a geat inventor known as Thomas A. Edison. Individualism has augmented the American economy.

Individuals have written American history with experience. They will illustrate the pages of future histories. They are the achievers, the producers, the men and women with free, independent thoughts. They are what's right with America.

WHAT'S RIGHT WITH AMERICA

(Debbie Crawford, Plainview High School, Fort Payne, Ala.)

Criticisms of America are heard more frequently than praise of her virtues. Now, during our bicentenial year, is the time to concentrate on what is right with America!

America is the "land of opportunity", the land where all who are able and willing to work have a chance to set and achieve their goals in life. America is the land of religious freedom, the land where all may worship as they choose or not worship at all. America is the land of democratic government, the land where representatives are elected to speak out on issues concerning the citizens in their district. America is the land of free enterprise, the land where anyone who wishes to operate a place of business may do so. America is the land of free speech, the land where everyone has the right to express orally his/her opinions. America is all these things and much, much more.

America is a wonderful place to live, offering so much more to her citizens than any other nation in the world. She is truly "America the Beautiful".

WHAT'S RIGHT WITH AMERICA

(Jeff Davidson, W. W. Davidson High School, Mobile, Ala.)

For 200 years America has stood as a beacon of light in a world of darkness emitting freedom, justice, and equality. Her beauty and benevolence have touched virtually every part of the world. Those who were hungry, she fed; those who were naked, she clothed; to those who were persecuted and oppressed, she gave refuge and rest. Time and again when called off to war, many have given their lives that the truth for which she stood might live on. Plagues, earthquakes, war, crises, and disaster upon disaster have come and passed, yet still she stands, victor over tragedy and time.

Today there are those who challenge her and threaten her with destruction. She is continually mocked, ridiculed, misrepresented, and denied. Even some of her own have turned against her. But united she stands, stronger than ever before—battered but not broken, downtrodden but not defeated, hounded but not hopeless. And in spite of all she may be, of this am I sure:

That she is not perfect nor ever shall be,
But because of her birth I was born free.

Yes, I am hers and she is mine,
And together we live, and die side by side.

WHAT'S RIGHT WITH AMERICA

(Joe Turnham, Lee Academy, Auburn, Ala.)

I read it in magazines. I hear it on the news and in political speeches. I get an earful of it from many of our nation's top leaders. They all seem to think America is corrupt and destined for doom. They all deplore the evils of our society. Yet, after 200 majestic years as a free republic a lot is right with America.

We have had trouble since Valley Forge, but unlike then our soldiers now have boots to wear and warm barracks in which to sleep. People laughed at our nation 200 years ago, but today our power and strength are respected all over the world.

Napoleon, Hitler, and Stalin tried to create great empires, but never reached the wealth or enjoyed the benefits we enjoy. The miracle is that all Americans enjoy this greatness in freedom.

America produces more goods, raises more food, and educates the greatest men. Your and my lifestyles are the envy of the world. We have nicer homes, better diets, and more opportunity than any other people.

Can you complain about your condition, your government, your job? Surely you can, because you are free and independent. You can change your government, because you are the government. We, the people, are our government. Our greatness lies, not in our material wealth, but in the freedom of the hearts, minds, and souls of our people. Upon that platform we build. Without that platform of freedom we are not America.

WHAT'S RIGHT WITH AMERICA

(Eric D. Waller, Bradshaw High School, Florence, Ala.)

When writing about the greatest country in the world it is logical to mention its early establishment and great beginning. In those days it was not such a great beginning though, because whatever they earned came from sweat and blood. That included freedom which was prized over all possessions. The founding fathers, because of this high regard for liberty, to live one's own life with regard to others, did an unheard of and risky thing. They turned the government over to the people. The result was not anarchy but the first true form of democracy. Our forefathers reasoned that the people were the best ones to know right from wrong. Faith in the people to exercise government would not be disappointed. So we celebrate two hundred years of decision making by a government of and for the people. We have stood the test of time and are structured therefore to withstand the coming years. "What's right with America?" A list in answer would be long and tedious. No one person could take all the credit because many are the participants of this democracy. The people are responsible for America and they are what's right with America

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WHAT'S RIGHT WITH AMERICA

(Ronda Killingsworth, Central High School, Phenix City, Ala.)

America can best be described by one of her symbols, the bald eagle. An eagle is strong and powerful. An eagle lives in harmony with itself, moving and flowing freely within nature. However, these features of power, strength, and harmony are not the strongest points of comparison one may see between America and an eagle.

The strongest comparison is the free spirit which flows through the eagle's blood, for this free spirit also flows through the blood of America. America's free spirit flows through the minds of other countries causing jealousy and unfounded acts of violence on America. This free spirit gives America its strength and progressive motivation. America's free, peaceful spirit is what gives her the motivation to help countries where hunger, war, and strife abound.

What's right with America can be summed up in three words, "America's free spirit." All of her strengths and services are contained within her free spirit. All of her beauty and peacefulness are also contained within her free spirit. As the eagle so proudly and beautifully soars through the skies, America's beautiful free spirit soars through the hearts of her people, making them proud to be an American.

INSERTION OF STATEMENTS IN THE RECORD TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until the hour of 5 p.m. today to insert statements in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO SENATOR PHILIP A. HART

Mr. BROOKE. Mr. President, death finally came for Philip A. Hart, as he had known for some time that it would. It came the day after Christmas. And in so doing, it took from us one of the most selfless, devoted, and courageous public servants of our time.

It is hard to grasp the loss of this warm, humane man; the unfairness of cancer's awful toll; the quiet courage with which he and his family faced it.

In his 64 years, 18 of which were spent here in this Chamber, Phil Hart left an indelible mark on American politics and American life. The litany of his legislative interests and accomplishments is as long as it is important. Amnesty, antitrust enforcement, drug safety, civil rights, and environmental protection were just a few of the issues he championed.

But they were more than simply issues to be pursued. Keats once wrote:

A man's life of any worth is a continual Allegory.

I think those words apply to Phil, for the issues he involved himself with were but allegories, symbols of his inner beliefs and convictions, concrete expressions of his inner rage against discrimination, against suffering, against deprivation, against growing corporate power that threatened the average citizen.

When Phil retired last fall, I knew—we all knew—that we were losing as fine a man as we are likely to see walk into this Chamber, and as fine a public servant as we are likely to have in this country. His death only magnifies this sense of loss. That American politics will someday elevate itself to Phil's level of distinction is the hope of one who will always consider it the greatest privilege to have served in this body with so wonderful a man.

To his wife Janey, who so eloquently shares her husband's determination to make this a better world, go my prayers that God be with her and her eight children to comfort them in their loss, and that He stand by them in the weeks and months ahead. I deeply regret being out of the country at the time of his funeral; its simplicity seemed yet another symbol of the dignity that was Philip A. Hart.

Mr. President, much has been written about Phil Hart, but few writers have grasped the sheer depth of his heart and soul as has Colman McCarthy of the Washington Post. I ask unanimous consent that his tribute to Phil, which appeared in the Boston Globe on December 31, be printed in the RECORD. It says it all.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

THE TRUSTED MAN OF POLITICS

(By Colman McCarthy)

WASHINGTON.—In late September, in what were to be his last public words, Philip Hart spoke simply before a gathering of the Michigan delegation to Congress: "I close as I began, by thanking all of you for trusting me."

That he was thanking others was characteristic. Yet the debt was clearly and directly the other way. How many owed something to Sen. Hart when he died Sunday can't be known, but it can be said that because of the moral substance of his positions and the depths of his character, it was no accident that he was the trusted man of American politics.

He fronted for no one. His alliances were to timeless ideals, not upstart lobbies. As though he were the wildest of gamblers, he bet that the common vanities of hack politics—images, smiles, calls for brighter days—counted for little. Instead, he wagered that conscience and persistence could matter.

Philip Hart's 18 years in the Senate can be understood, on one level, by examining the positions he took and the causes he backed. He used his political power to help ease the suffering of society's victims, from inner-city children damaged by lead fumes to farmworkers poisoned by pesticides. He sought to reduce the might of corporations and increase their accountability, beginning with the automakers in Michigan who might have expected some coziness from him.

Others in Congress have groped through the darkness with similar lights, yet they have not come close to enjoying the trust that people gave Philip Hart. The difference had less to do with positions or votes than with voice. Sen. Hart spoke, whether in private conversation or public debate, as one who cared little for the spectacle of politics—everything for its potential to elevate policy to the heightened level where people live. Because of that, trusting him required no large leap of faith. Instead, the faith was but a step away, no more than a natural movement from doubt to believability.

Sen. Hart made mistakes, but the public learned of them from him, not the newspapers. In November, 1975, he attended hearings at which abuses by the FBI were detailed. Hart said that prior to those hearings he had "been told for years by, among others, members of my own family that this is what the bureau has been doing all this time. As a result of my superior wisdom and high office, I assured them that they were on pot—it just wasn't true. They (the FBI) just wouldn't do it. I am glad I got back in time

to be persuaded of what my own family had not been able to persuade me of for so long."

That Hart could be sufficiently detached to see his own lapses was one of the reasons for his closeness to Eugene McCarthy. "Gene had an ability to stand back and look at us, including himself," Hart recalled in an interview this year. "In the Senate, where you're busy all the time and tend to think this is where all the action is, amid all the puffery that goes on around here, Gene could periodically sit in the gallery and look at himself and the rest of us, and put it in perspective."

Although Hart understood that "no one gets into elective politics who doesn't have some ego to be fed, and that includes me," he consistently defended politics as "a high vocation." He told the September gathering of his Michigan colleagues, "There are people who fill books describing or vaguely suggesting the evils that occur in these halls. If they could listen to the conversations I've listened to since 1958, if it were evil they were curious about they would have long since left. In my book, politicians maintain a higher level of integrity that most other categories. The temptations are great but hopefully the discipline of the press and others is equally great and even if you would like to pick up an extra $500 million you wouldn't like to read about it. Most people say thank you, but 'no'. I hope that younger people understand that politics is a very dangerous business. But what effective weapon isn't?"

Much of Hart's committee work involved issues that touched people's lives in the neighborhoods and shops and showed how these people were often victimized by the government's value system. Some of these values, he told a reporter in his office, have helped create "the myth that you increase your (national) security by increasing your armaments. I don't know how many billions we've spent for weapons since I've been here but it's at least a trillion dollars . . . And the whole world is doing it, and we're peddling arms to the poor nations. Every dollar spent that way is a dollar deprived the poor, health systems, educational systems. Last year, the world spent—I think it was $240 billion—for its 'security.' If we had taken 10 percent of that —$24 billion—and put it into technology to increase agricultural productivity so the world could better feed itself—a person could argue he would have contributed more toward security than we got from that $24 billion spent on weapons."

Philip Hart was neither a scholar nor an orator and he had little taste for writing. In crowds, he was easily overlooked. He was no shouter and refused to bombard newsrooms with press releases merely to get coverage of his hearings. If any issue was crucial, the pack would be forced to show up sooner or later, while the prescient reporters would have been on hand all along. News coverage ranked lower to him than news analysis: the painstaking laying-out of the connections among economic forces, legislative reforms and what all the confusion meant in the lives of citizens. He valued editors and writers who shared his conviction that citizenship didn't have to be a synonym for bewilderment.

By maintaining fidelity to one wife, one church and one party throughout his adult life, Sen. Hart lived, as it might be said, as a conformist. But the ideas he conformed to—that laws mattered, that public exposure would lead to less victimization of the innocent, that inner rage was compatible with outer gentleness—were less the values of the herd than his own standards of singular excellence.

The last weeks of Philip Hart's life were an agony of cancer's pain. He had known death was coming, had quietly spoken of it and had called a priest to his bedside to make peace with the God with whom he had seldom quarreled. His death on Sunday, in his home on Calvert street with his wife and children offering mercies, came several days after consciousness had become but a flicker. His body, small to begin with, had given out. The visitors to his sickbed could only trust that their dying friend—beyond words but not yet beyond life—knew they were there to offer final testaments of love. It was fitting that they should have this faith at that time, trust having so ofen passed between Sen. Hart and his friends.

TRIBUTE TO SAM RAYBURN

Mr. BENTSEN. Mr. President, as the American people celebrate the beginning of this country's third century, I feel that it would be appropriate at this time to reflect for a few moments not only on our past, but also our future.

Mr. President, last year the people of our great country celebrated the Bicentennial of the founding of our Republic and honored those patriots who were the "architects" of our present freedoms, or in Jefferson's words those who dedicated "their lives, liberty, and sacred honors."

In this the beginning of a new Congress, I feel that it is only appropriate that we pay tribute to the memory of a modern day "architect" whose devotion to the Congress as a whole was unmatched. The man I speak of is the late, former Speaker of the House of Representatives, Sam Rayburn of Texas.

On January 6, 1882, Sam Rayburn was born near Kingtown, Roane County, Tenn.

In 1887, his parents moved to Fannin County, Tex.

After attending several Texas rural schools, Rayburn was graduated from Mayo's East Texas Normal College of Commerce, Texas in 1903.

He studied law at the University of Texas at Austin, and in 1908 he was admitted to the bar and opened practice in Bonham, Fannin County, Tex., his hometown until death.

In 1907, he was elected to the Texas State House of Representatives, serving as that body's speaker in 1912 and 1913.

He was elected as a Democrat to the 63d Congress of the United States, for the term beginning on March 4, 1913, and took office as a Member of the House of Representatives on April 7, 1913, when the Congress was called into extraordinary session by the newly elected President Woodrow Wilson. He served continuously from the 63d Congress until his death in 1961.

In the 75th and 76th Congress—1937 to 1940—he served as majority leader.

On September 16, 1940, he was elected Speaker to fill the vacancy caused by the death of Speaker William B. Bankhead of Alabama.

Rayburn was subsequently reelected Speaker in the 77th, 78th, and 79th Congress and with the exception of the 80th and 83d Congress when he served as minority leader, he served continuously as Speaker until his passing in 1961.

All in all, the late Speaker Rayburn served for 48 years as a Member of the House of Representatives, 16 years of which he served as the presiding officer of that body.

Mr. President, the aforementioned facts which I have related are only biographical statistics.

They do not testify to the accomplishments and the qualities of the man himself.

As a legislator during the New Deal, he was responsible for steering through the House "the Truth in Securities Act," "the Securities and Exchange Act," "the Federal Communications Act," "the Railroad Holding Company Act," "the Public Utilities Holding Company Act," and "the Rural Electrification Act."

Moreover, in addition to these monumental pieces of legislation, he was a driving force behind the farm-to-market road program, the soil conservation and food control acts, and the GI bill of rights.

During his tenure in the Congress and as Speaker, Sam Rayburn sought to represent all the people. He fought with the only weapon he possessed and that was his legislative skills. At the same time, however, he was not arrogant or dictatorial, but rather a man who could bring compromise out of conflict and harmony out of discord.

Sam Rayburn served twice as long as any Speaker and was one of the ablest and most farseeing men in this century. He served with eight Presidents from Wilson to Kennedy, and all valued his advice and counsel. Most importantly, however, he never failed to show his fairness to all regardless of their political persuasion.

Mr. President, today in Bonham, Tex., the home of the late Speaker Rayburn, the residents are celebrating the birth of this great American. The people of Texas as a whole will also celebrate, Mr. President, for the Governor of the State of Texas, the Honorable Dolph Briscoe, has declared this to be "Sam Rayburn Day" in Texas.

There was a time, Mr. President, when many remarked that they could not imagine a Congress without Sam Rayburn. Likewise, today, it is hard to accept the fact that he no longer is present to give advice and counsel. As a young Congressman from Texas, I had the opportunity of knowing Speaker Rayburn.

He was a wise counselor, but most of all he was my friend.

Speaker Rayburn would often say, "You can't be a leader, and ask other people to follow you, unless you know how to follow, too."

Sam Rayburn "followed" the will of the people. He knew their hopes, their disappointments, and their dreams, because he was one of them. A common, everyday man. Even though he rose to great heights, he never chose to forget his heritage.

ANNOUNCEMENT OF OPPOSITION TO PAY INCREASE RECOMMENDATIONS FOR FEDERAL BUREAUCRACY AND CONGRESS

Mr. DOMENICI. Mr. President, I would like to take a moment early in the session to announce my opposition to the recommendations of the Quadrennial Commission to increase the pay of the Federal bureaucracy and Congress. If the President chooses to propose this package of salary increases in his fiscal year 1978 budget message, it is my intention to oppose it vigorously and introduce a resolution of disapproval.

At a time of economic uncertainty when the American people are being called upon to make sacrifices, and when American business and labor are being urged to show restraint in prices and wages, it is imperative that Congress set an example.

Pay increases in the order of the 25 to 50 percent recommended by the Commission can only properly be perceived by the public at large as unwarranted. At a time when public disenchantment is growing with both the Congress and the bureaucracy, salary increases of this magnitude represent an exercise in irresponsibility. At some point the American people have the right to expect some leadership from their elected representatives rather than the spectacle of them voting themselves excessive pay raises. Accordingly, Mr. President, I would urge my colleagues to join in opposition if the President chooses to propose the recommended pay increases in his forthcoming budget message.

OIL, ARMS, AND IRAN

Mr. CULVER. Mr. President, Iran in recent years has been rapidly expanding its defense budget and its military forces. According to the best unclassified source, the International Institute for Strategic Studies in London, Iran's defense budget in 1976 was 11 times its 1970 level. During the same period, the Army expanded by 50 percent in terms of numbers of men; the Navy more than doubled; and the Air Force more than quadrupled in personnel and doubled its number of combat aircraft. Qualitatively, Iran has improved its forces dramatically with the acquisition of the latest and best American equipment such as our F–14 fighters with Phoenix missiles.

U.S. military sales to Iran have totaled $15 billion over the past 6 years, and France and Britain have also sold hundreds of millions of dollars' worth of weaponry.

How can Iran afford and absorb all of this new equipment?

If recent news reports are accurate, the answer to this question is that Iran is depending on higher oil prices to pay for equipment which it probably cannot absorb effectively anyway.

On Wednesday, the New York Times printed a major article questioning whether Iran can absorb the vast purchases of weapons which it has made in recent years. The article cites several examples of problems which have been created by the rapid influx of sophisticated equipment.

Early in December, the Washington Post reported from Teheran that the Iranian military was pushing for a 15-percent increase in the price of oil in order to pay for what the generals claimed were higher prices of U.S. weapons. Although OPEC members eventually split over whether to increase oil prices by 5 or 10 percent, it is significant that one of the major pressures for higher prices was the military's desire for new, more costly equipment.

Mr. President, I believe that we need a comprehensive review of U.S. policy toward Iran, one which takes into account broad security matters, arms sales issues, economic relations, and human rights. Such a review should seek to establish whether there is a dynamic and a momentum, as there appears to be, for ever-rising oil prices and arms sales.

If there is such a linkage, we must break that chain. We must not allow other nations to take vast quantities of our most advanced equipment, often before our own forces are supplied, and then charge us higher oil prices to pay for those weapons.

Mr. President, in order that all Senators may have an opportunity to read the articles which I have mentioned, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 9, 1976]

IRAN'S MILITARY, OIL CHIEFS SPLIT OVER PRICE INCREASE

(By William Branigin)

TEHRAN, IRAN, December 8.—Iran's military leaders and its civilian oil officials are in sharp disagreement over how much of an increase in the world price of oil they want the Organization of Petroleum Exporting Countries to adopt next week.

The Iranian military, with the support of the shah, appears to be urging a 15 per cent increase, contending that inflation in the United States is boosting the cost of American arms and justifies a major oil price rise.

Top specialists of the National Iranian Oil Company say privately, however, that OPEC should limit any increase to 10 per cent to avoid upsetting oil consuming economies and to assure a continued strong market for Iranian oil.

In October, the shah urged a "minimum 15 per cent" increase. In recent statements, he seemed to soften this demand, saying the figure could be a starting point for bargaining purposes. But today his call for a 15 per cent increase was published anew by Iranian newspapers.

In an interview this week, Gen. Hassan Toufanian, Iran's vice minister for war, urged a sharp increase in the price of oil, charging that U.S. inflation in the last 15 months has tacked an additional $2 billion on the price of weapons Iran is buying from the United States.

Toufanian, the chief Iranian arms procurement officer, did not specify what increase he would like to see adopted at the OPEC conference, set for Dec. 15 in Doha, Qatar. But his statements indicated that the military favors a sharper price rise than do specialists in the state oil company, who are more concerned with selling Iran's oil than with what the revenue it brings in can buy.

The oil officials recall that last winter the economic recession in the West reduced oil orders, significantly cutting into Iran's oil income.

Toufanian blamed U.S. inflation and defense contractor profits for what he feels are excessive cost increases on arms orders, especially for spare parts and support services. These, he said, justify an oil price increase.

To illustrate his point, he reached into a cardboard box filled with small aircraft parts and produced some odds and ends. Holding up a helicopter door handle, he said, "This costs us one barrel of oil."

The OPEC price for Iranian light crude, the country's most expensive grade, is presently $11.62 a barrel.

The general said U.S. companies are charging the equivalent of more than 10,000 barrels of oil a year to send a single low-level American warehouseman or mechanic to Iran and support him here for a year.

A U.S. employee officially described as "a logistics representative" but who does the work of "a storekeeper" for an arms company costs $115,000 a year, according to the most recent charges outlined in U.S. support services contracts, Toufanian said.

Toufanian said "imported inflation" would hurt both Iran and the United States.

Defense officials said inflated U.S. arms costs have forced Iran to revise plans to modernize its military, cancel some American orders and seek suppliers apart from the United States. Toufanian recently signed an oil-for-missiles barter deal with the British before traveling to Moscow for a five-day official visit, the purpose of which was not disclosed.

The $2 billion in additional bills presented to Iran recently by the U.S. government covers cost increases on arms orders previously set at $10.4 billion. Iran has trimmed its military programs as a result, officials said.

Orders for two of six Spruance class destroyers were canceled after the cost nearly tripled to $338 million apiece, they said. Plans to buy American M-113 armored personnel carriers were also dropped because of cost increases.

Iran is insisting on renegotiating the F-16 contract after the U.S. government priced 160 of the planes at $3.8 billion, including inflation over the delivery period, just three months after the manufacturer, General Dynamics, had given a figure of $2.1 billion for 300 aircraft based on 1975 dollars.

[From the New York Times, Jan. 5, 1977]

IRAN'S VAST PURCHASES OF WEAPONRY STRAIN ABILITY OF COUNTRY TO ABSORB IT ALL

(By Eric Pace)

TEHERAN, IRAN.—Since early 1972 Iran has spent more than $15 billion on military equipment ranging from sophisticated aircraft to tanks, and concern is growing about the ability of the nation's armed forces to absorb so much new equipment.

The country has already allocated $200 million to have United States experts train ground personnel of the Iranian Air Force, and Iranian officials have recently stressed the importance of preparing for more new arms deliveries. Plans have been made for 1,000 American experts to help with the maintenance of advanced F–16 fighter bombers ordered by Iran.

Foreign critics contend that these heavy arms purchases are excessive and ill advised, and there is also concern about the country's procedures for purchasing arms.

Iranian authorities contend that the coun-

try needs modern armaments to meet threats to its security and that it has formal procedures for deciding what to buy to meet these threats. In practice, however, it by and large just orders new American-made equipment, notably aircraft, as it becomes available.

SHAH HAS THE FINAL WORD

The final say in Iran's arms buying belongs to the country's ruler, Shah Mohammed Riza Pahlevi, who has been defending all the spending against criticism. He denies persistent reports of corruption in foreign arms deals and suggestions that he has empire-building intentions.

"As far as I know, I think we have absorbed these arms so far easily, very easily; whatever we get in the future will also be absorbed," the Shah asserted at a news conference in Iran last summer when questioned about Iran's capacity to operate and maintain all the weaponry it is buying with its oil income, which is expected to be $22 billion or more this year.

Yet the fact that Iran has been having trouble coping with the influx of armaments was underscored by the Government's decision, disclosed recently, to go ahead with the $200 million, three-year program under which up to 400 American civilians are to train thousands of Iranian airmen in supply management, inventory control and other skills necessary to keep Iran's new aircraft serviced and provided with spare parts.

It has also been suggested here that similar training programs may be organized for Iran's navy and ground forces.

AIR FORCE GETS MOST ATTENTION

Attention has been focused on Iran's air force because that is where the bulk of the new sophisticated equipment has been going—and will continue to go. In August, it was announced that the United States had agreed to sell Iran 160 F–16's at a cost of well over $3 billion. Iran has also expressed an interest in buying 140 more of the F–16's.

In addition, Iran expressed interest in September in buying 250 land-based versions of a new United States Navy fighter, the Northrop F–18, although the land-based F–18, known as the F–18L, has not been developed and may never be developed. That possible deal would be worth $4 billion.

What Iran had earlier received or ordered from the United States includes, at rough count, a half-dozen Lockheed P–3 sea reconnaissance aircraft; 80 Grumman F–14 Tomcat fighters; more than 300 McDonnell Douglas F–4 fighter-bombers and Northrop F–5 fighters; two dozen Boeing 747 and 707 military tanker and cargo aircraft; 500 Bell military helicopters; and four Spruance-class advanced destroyers, which are to be delivered to Iran in the 1980's.

The list also includes three Tang-class submarines and the large, supersecret communications monitoring installation known as Project Ibex, along with many other American-made items.

A HALF-ILLITERATE MILITARY POWER

It was impossible for Iran, a country with a population of about 30 million and half of these illiterate, to avoid difficulties in assimilating the military equipment, despite expensive help from United States civilian and military personnel.

At present, there are more than 10,000 American civilians in Iran in connection with defense industry projects—the figure includes employees and their dependents and the total is expected to grow.

In the last five years, numerous signs of problems with military sales to Iran have appeared, especially where training was involved. A shortage of military jet pilots developed and some new ground equipment had to be put into storage for lack of trained operators. A strike by hastily recruited American helicopter instructors in central Iran last year called attention to the problems.

EAGLETON SEES SOME CONFUSION

Senator Thomas F. Eagleton, Democrat of Missouri, said some time ago while visiting Iran that in making his massive arms purchases the Shah "knows what he's getting into in terms of cost, but I doubt if he knows in terms of the cost of the requisite and indispensable manpower to operate, maintain and service such highly complex weaponry."

Yet Iranian officials have been insisting in recent months that necessary preparations for putting and keeping new equipment in effective use are being taken. The Shah's chief military procurement officer, Gen. Hassan Toufanian, in a recent interview, declared that Iran gave careful study to the requirements for skilled manpower that the country's arms purchases entail, along with many other logistical questions.

An example often cited here is the F–16 deal, which is to extend over a period of several years and provides for spare parts, support equipment and the training of Iranian air force personnel.

Yet General Toufanian, interviewed at his office in a military compound in northeastern Teheran, said that though Iran planned years in advance to train Iranians and make other preparations for defense systems, problems nonetheless arose. Sometimes, he said, the equipment arrives "and I don't have the people yet, we have a gap, and we ask your friendly country, the United States, 'please fill the gap for us.'"

Senator Eagleton, interviewed at the United States Embassy compound here, said he had serious doubts whether the Iranian armed forces would ever be able to operate their new weaponry without the assistance of foreign military experts.

AUTHORITY AND NATIONAL PRIDE

The sheer size of the Shah's armaments purchases has also caused unease and negative comment in other nations of this volatile area—as they have on Capitol Hill. A Turkish newspaper recently published a cartoon showing the Shah standing on an ammunition box and pointing to a map where Iran had expanded to include the entire Middle East and the Indian subcontinent.

Yet to a longtime traveler in this area, the Shah's desire to equip his armed forces with modern military equipment—he has long preferred American-made equipment—seems understandable. It was largely through the deployment of military power that his father and predecessor, Riza Shah, worked to establish central authority throughout Iran, which has numerous disparate ethnic groups.

And when the present Shah was a young man, he saw his father humiliated by the movement of British and Soviet forces into Iran in August 1941.

By buying quantities of new arms, which have a prestige as well as a strategic and tactical value, the Shah is presumably helping to deter foreign military challenges from various directions to his dictatorial regime.

He is also maintaining the armed forces as a powerful instrument to contain and forestall separatism, notably in the southeastern region of Iran, Baluchistan. And the indications are that his purchases are helping to keep morale and loyalty high in the armed forces.

Yet the vast scope of the armaments that the Shah has shown interest in acquiring does not seem justified by these considerations. Even foreign military experts who applaud most of the Shah's military policies voice perplexity over his interest in the Northrop F–18L.

General George S. Brown, chairman of the United States Joint Chiefs of Staff, said in an interview in October that one of the main concerns of the United States in the Middle East was Iran "and the puzzling question of why she is building such a tremendous military force."

Later he added more guardly that the Shah "correctly sees a need for Iran to be militarily strong."

WEAPONS FASCINATE THE SHAH

Explanations of why Iran wants all this equipment have been repeatedly forthcoming from Iranian leaders, notably the Shah himself.

Noting that Iran's "defense and the independent national policy" had been officially declared to be "super principles" of his modernization and development policies, the Shah told an interviewer here this fall: "If Iran is strong and independent then we can apply the [other] principles but if there is no Iran there will be nothing else either."

"Fortunately our people fully appreciate the importance of these two inner 'super principles'" he said, adding: "The defense of Iran and its independent national policy are even above history and time."

Behind such generalities lies a more detailed military rationale that a traveler in Iran repeatedly hears in somewhat varying forms. Its essence is that Iran has proven vulnerable in the past and now must reckon with dangers from almost every direction.

A PROBLEM OF OIL SHIPMENTS

One danger is that an enemy, or enemies, might try to impede or cut the flow of Iranian and Arab oil from the Persian Gulf through the narrow Strait of Hormuz. This oil comprises the bulk of Western Europe's supply, more than 80 percent of Japan's supply and part of the 40 percent of the United States' oil requirements now filled by imports.

Elsewhere around Iran's borders, Iranian planners perceive a variety of potential threats, notably from the racial Arab Government of Iran's western neighbor, Iraq—even though relations between Iraq and Iran have been substantially improved since early 1975.

For years now the Shah's supporters here have been citing statistics about Iraq's Soviet-equipped military establishment in partly explaining and justifying Iran's military acquisitions.

Recently, a traveler was told here by circles close to the Shah that though Iran now owns more tanks than Iraq, Iraq has more than 1,400 tanks and more than 1,000 armored personnel carriers formed up in combat units while Iran has only about 1,200 tanks and 750 armored personnel carriers in combat units.

The number of aircraft in the Iraqi Air Force has increased by more than a third since the 1973 Arab-Israeli war, it was said, and Iraq now has roughly 350 advanced fighter planes on hand, including MIG–23's—about a score more aircraft than the equivalent figure for Iran.

Appraisals of the likelihood of an Iraqi-Iranian conflict differ. In Baghdad, the Iraqi Information Minister, Tariq Aziz, told a traveler not long ago: "Iran is our neighbor, and you cannot change your neighbors; it is one hundred times better to have good relations with your neighbor than bad."

Given the climate of controversy surrounding Iran's procurement practices, General Toufanian understandably underscored in the interview the various deliberative processes involved.

Receiving a caller in his large office, the general reported that requirements for Iran's arms purchases were formulated by a group of officers who carry out planning under

Gen. Golamreza Azhari, who is the head of the supreme commander's staff—the supreme commander being the Shah.

General Toufanian said these officers, in their deliberations, took into account threats to Iran and unspecified "political guidance and basic assumptions."

Specific "defense items" are then considered for purchase in the light of these requirements, the general said. His own office provides expertise on procurement and pricing, particularly where new military technology is involved.

In considering new weaponry, General Toufanian, his aides and members of the individual Iranian armed forces involved, undertake various studies, and pay visits to foreign countries and their arms manufacturers to gather information.

The general also gets advice from Eric F. von Marbod, a high official of the United States Defense Department, who is installed in an office down the hall from the general's chambers. Mr. von Marbod is the third highest ranking official of the large American Embassy staff in Teheran. He was sent here last year to oversee and coordinate military programs.

Despite the relative complexity of these various procedures and considerations, all the evidence is that, where major arms purchases are concerned, what matters is simply whether the equipment involved wins the approval of the Shah. He himself observed in an interview here recently: "The arms I choose. All the systems I choose."

In point of fact, the Shah leaves decision making in lesser purchases to his subordinates, but he does make the big decisions himself—as was indicated by the circumstances surrounding Iran's recent official indication of interest in the Northrop F–18L.

CHRONOLOGY OF AN ARMS DEAL

As pieced together from various sources and information, the chronology went as follows:

Thomas V. Jones, the chairman of the board of the Northrop Corporation, which is based in California, arrived this September in Teheran, where he had been making periodic visits over the years. According to informants critical of Mr. Jones here and in Washington, he gave the impression to key Iranians that the United States Defense Department had approved the sale of F–18L's to Iran—which was not the case.

On or before Sept. 12, the Shah granted an audience here to Mr. Jones. What was said at the audience has not been disclosed, but after the audience, General Toufanian was told to send a letter to Secretary of Defense Donald H. Rumsfeld in Washington. Who told him to do so is not clear, but the implication is that he was told by the Shah or a top palace aide.

The letter, dated Sept. 12, was in good English and Mr. Jones either drafted it or helped in its drafting, although it was signed by General Toufanian, who has the title of Deputy Minister of War for Armament. He said Iran intended "to purchase Northrop land-based F–18 aircraft" and asked Washington to prepare a sale document for 250 of the planes.

The letter caused a stir in Washington, largely because of the absence of Defense Department approval for the sale. Asked about it, General Toufanian insisted in the interview that Iran was only studying the feasibility of acquiring the aircraft. Asked why Iran was interested in the aircraft he said merely "We have to have the new," without elaborating.

So far it is not at all clear why the Shah is interested in acquiring the F–18L as well as the F–16; the two planes are basically comparable. But an impression is widespread in the foreign community here that Mr. Jones, knowing that the Shah could make decisions on the spot if he wanted to, went in and did a skillful selling job.

THE COAST GUARD MRS CONTRACT

Mr. PEARSON. Mr. President, the U.S. Coast Guard presently operates a fleet of medium range surveillance—MRS—aircraft, the Albatross HU–16's, which has been used successfully for search and rescue, enforcement of laws and treaties, and marine environmental protection. These planes are rapidly being retired as they approach their limit of 11,000 operating hours.

Consequently, the Coast Guard is on the verge of awarding a $250 million contract for the procurement of 41 new MRS airplanes that will replace the aging Albatross fleet. The 20-year life of this contract could generate nearly 150,000 man-years of work for the U.S. skilled labor force and provide a new stimulus to our economy with the introduction of $500 million.

Yet, Mr. President, if the Coast Guard proceeds to award this contract in the manner they are proposing, the American taxpayer will never realize the full potential of this undertaking. Indeed, the primary benefits of this program will be directed into a foreign economy precisely at a time when the new administration is actively considering a massive Federal spending effort to create jobs and spur our economy.

In fact, Mr. President, the Coast Guard's handling of the MRS replacement program has been inept from the beginning. The MRS procurement dates back to July 1971, when the Coast Guard decided to develop specifications for an aircraft suitable to replace the HU–16 Albatross. For more than 2 years, the Coast Guard created the obvious impression that they expected to purchase a small size jet. For example, the Coast Guard leased an Israeli Westwind and a Cessna Citation for several months in order to evaluate the suitability of these aircraft for MRS missions. They conducted several meetings with various candidate small jet manufacturers as if these planes were being actively considered. The Falcon Jet Corp. flew Coast Guard representatives in a Falcon 10 aircraft in order to demonstrate the performance and interior capacity of this small plane. Notably, the Coast Guard never had any meaningful discussions with the Falcon Jet Corp. representatives concerning the purchase of a larger plane, such as the Falcon 20, which was available at that time. The Coast Guard clearly led the aviation community to believe that they would soon issue a request for technical proposals on their desired MRS replacement, and that the procurement would proceed on an open, competitive basis.

Then, unexplainedly, the Coast Guard surprised the aircraft manufacturing community by announcing their intention to purchase Rockwell International's Sabre 75A aircraft on a sole source basis. The accompanying acquisition papers specified that a cockpit and cabin working space of at least 600 cubic feet was required to accommodate the necessary equipment and to allow crew movement during extended flights. This 600 cubic feet requirement was significantly larger than expected by the aviation industry, representing an increase of 50 percent over the Westwind's 418 cubic feet of cabin space and 100 percent over the Citation's 300 cubic feet. The need for a cabin volume of 600 cubic feet was totally undocumented at that time. As a result of vigorous objections from within the aircraft manufacturing community coupled with congressional interest, the sole source Rockwell contract was never executed and the Coast Guard agreed to proceed with procurement on a competitive basis.

Accordingly, in January 1975, the Coast Guard issued a request for technical proposals. Two bids were submitted. Then, amid congressional allegations that the Coast Guard had tailored their request to the Sabre Liner so as to make it extremely difficult for manufacturers other than Rockwell International to bid successfully, the Coast Guard reissued a modified request for technical proposals in the hope of encouraging broader participation from the aircraft manufacturing community.

A review of this second request reveals that the Coast Guard continues to stand by their commitment to 600 cubic feet. Yet, as I have already mentioned, the 600-cubic-foot requirement has been vigorously criticized since its initial disclosure in 1973. For example, experienced aircraft engineers allege that 65 cubic feet identified to house avionics equipment is totally unnecessary. That is, if the communications and navigation equipment comprising the avionics package were placed in the nose of the aircraft, as is the case with virtually every other airplane, 65 cubic feet could be subtracted from the overall 600 cubic feet cabin space requirement.

The Coast Guard maintains that 100 cubic feet is necessary for the cockpit area. However, the Falcon 20, which the Coast Guard now has selected as an MRS replacement, has only 85 cubic feet of cockpit space. Therefore, the Coast Guard, itself, has acknowledged the fact that 100 cubic feet is excessive by 15 cubic feet.

The Coast Guard has allotted 50 cubic feet for each of three crew members. I understand that this is, more or less, a standard military specification. However, the Coast Guard asserts that an additional 150 cubic feet is necessary for aisle space walkways, and overhead to allow crew movement during extended flights. It is also my understanding that this additional movement area is already included in the standardized 50 cubic feet allotment for each crew member. The extent to which this additional 150 cubic feet is necessary is, therefore highly questionable.

In view of the many issues that had

been raised concerning this procurement on September 9, 1976, Senator MAGNUSON and I requested the General Accounting Office, GAO, to make their own independent analysis of the Coast Guard's decision to purchase a 600-cubic-foot class of aircraft. The GAO report concluded that the 600-cubic-foot requirement appeared reasonable. Yet several areas of judgment were identified. For example, 12 cubic feet which have been allotted to accommodate the forward looking radar could be subtracted from the overall 600-cubic-foot cabin space requirement because this amount of radar equipment will be installed in the unpressurized aircraft nose and, therefore, need not be included in the cabin space allotment.

Similiarly, 14 cubic feet of droppable and crew survival equipment represents excess space since this amount of equipment will be installed outside the cabin area. Further, GAO concluded that the Coast Guard's stated avionics requirement appeared to exceed the necessary amount of space by 14 to 42 cubic feet. Finally, the Coast Guard has required that all 41 MRS planes have 75 cubic feet of cabin space to accept a $5 million sensor surveillance console which will be used primarily for oil spill detection. Yet the Coast Guard has plans to procure only six sensor packages. This means that the remaining 35 MRS planes will have 75 cubic feet of space to accommodate a nonexistent sensing device.

Mr. President, the General Accounting Office has concluded from their data that the Coast Guard acted reasonably in requiring a minimum of 600 cubic feet in the cabin area. Still it seems to me that a number of substantial questions have been raised on this issue, both by the GAO and from within the aviation community. It is by no means clear to me that a plane of this size is necessary to perform the bulk of MRS missions.

Even more critical, Mr. President, and wholly independent of the issue of aircraft size, is the fact that the Coast Guard has recommended to Secretary of Transportation Coleman that this $250 million procurement contract be awarded to the Falcon Jet Corp. Falcon Jet is presently owned by Pan American and Dassault-Breguet, a French corporation, on a 50-to-50 basis. Falcon is the marketing arm of Dassault in the United States. Reportedly, Dassault's ownership interest will increase to 80 percent sometime early this year, and, under their present agreement, Dassault may buy out PanAm at any time.

About 30 percent of the Falcon 20 will be foreign content. Yet this portion represents the airframe itself which requires special tooling, jigs, dies, et cetera, to manufacture.

A point which is central to this issue is that the Coast Guard becomes an agency of the Department of Defense in times of national emergency and is assigned military tasks. It is, therefore, paramount that the Coast Guard be assured of support for their equipment during such operations just as the military must be assured of support. If the MRS contract is awarded to the Falcon Jet Corp., the possibility arises that the Coast Guard will be relying for its airframe support on a company wholly owned by the French.

More disturbing, Mr. President, is the fact that when the Coast Guard began this undertaking several years ago, they were attempting to purchase an off-the-shelf aircraft so as to minimize acquisition costs. Yet, now not only has the cost of the MRS aircraft nearly doubled, but also Dassault-Breguet is on the verge of winning the award with an aircraft that requires recertification and whose engines are not yet fully developed. In fact, I understand that more than $40 million of the Falcon Jet Corp.'s bid reflects nonrecurring costs to modify and certify the airframe and engine. This simply means that the U.S. Government would be helping to upgrade a foreign commercial product into a more favorable competitive position relative to U.S. manufacturers in the world marketplace. I have always believed that in addition to regulating American industry, it is the purpose of the Federal Government to assist our domestic manufacturers in their business ventures whenever possible. It clearly does not serve the interests of the domestic aviation community for the Federal Government to export U.S. dollars, U.S. jobs, and to directly subsidize the development of a foreign aircraft which will present substantial competition to the U.S. aircraft industry.

It is also pertinent to point out that Dassault has received substantial subsidies from the French Government. I do not know how much of these subsidies accrued to the Falcon Jet Corp., or what effect these funds had on Falcon's ability to underbid the next lowest bidder by $25 million and the next lowest American competitor by $32 million. However, it appears that if the MRS contract is awarded as planned, Dassault-Breguet will receive subsidies from both the French and American Governments.

Mr. President, I fail to see the rationale of making the American taxpayer subsidize French payrolls in the face of high unemployment at home. I recognize that this procurement has dragged on for years and that the Coast Guard desperately needs new MRS aircraft to carry out their broadened responsibilities in a competent, professional manner. At the same time, however, I believe that serious questions remain as to the wisdom of proceeding with the Coast Guard's recommended award of this multimillion dollar contract.

Yesterday Secretary Coleman authorized the Coast Guard to award the MRS contract to the Falcon Jet Corp. at any time after January 6 if the Commandant is satisfied that Falcon Jet is a responsible prospective contractor. I must again strongly urge Admiral Siler to consider the major issues involved with this procurement before proceeding further with this contract award.

TECHNOLOGY ASSESSMENT BOARD CHAIRMANSHIP

Mr. CRANSTON. Mr. President, I wish to inform the Senate that the chairmanship of the Office of Technology Assessment—OTA—has reverted to the Senate in accordance with the Technology Assessment Act of 1972 (Public Law 92-484), which stipulates that the OTA chairmanship rotate between the House and the Senate with each new Congress. Pursuant to subsection 4(c) of this act, the Senate members of the Technology Assessment Board (Mr. KENNEDY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. CASE, Mr. SCHWEIKER, and Mr. STEVENS) have unanimously selected the Senator from Massachusetts (Mr. KENNEDY) to serve as Chairman of the Board for the duration of the 95th Congress. Senator KENNEDY previously served as first Chairman of the Board during the 93d Congress.

THE ELECTORAL COLLEGE

Mr. BAYH. Mr. President, today is a historic occasion for two reasons. First, we will, in joint session with the House of Representatives, count the votes of the electoral college affirming the election of Jimmy Carter as President of the United States. Second, this will be, I am confident, the last time that the anachronistic electoral college votes will be counted.

It is my firm conviction, Mr. President, that the Congress will pass and the several States will ratify, prior to the 1980 Presidential election, a constitutional amendment to abolish the electoral college and provide for the direct popular election of the President and Vice President.

Mr. President, last November the American people chose their next President and Vice President by a popular vote plurality of 1.7 million votes. Yet today it is only by sheer luck that we can assemble in a joint session of Congress as required by the Constitution and for the first time officially announce that the people's choice fortunately has been elected by the electoral college.

The American people believe that they have elected their President. Instead, the little understood, undemocratic electoral college has elected the President. The 538 faceless members of the electoral college are not bound to follow the will of the American voters. Indeed, they may elect whomever they choose. Again this year one of the electors has demonstrated that unbridled power to thwart the popular will by casting his vote for a person who was not even on the ballot in the November election.

Not since 1888 has there been a greater risk of the electoral college putting a President in office who did not receive the greatest popular vote. A shift of one-hundredth of 1 percent of the national popular vote—fewer than 10,000 votes—in two key States would have changed the outcome of the electoral college votes that were counted today despite the people's 1.7 million plurality vote for Presi-

dent-elect Carter. That kind of overthrow of the popular will is exactly what happened in 1888 when the electoral college put a President in office who came in second in the popular vote.

Mr. President, the American people today would not tolerate such a thwarting of the popular will as occurred in 1888 and but for the grace of God might have happened this year. Yet Congress has failed since 1888 to correct that potential for electoral disaster.

We must act now to correct the constitutional flaw that every 4 years places our electoral process and the confidence of the American people in such great risk. The American people want us to correct this anachronistic system. The Harris and Gallup polls have shown in past years that between 76 percent and 82 percent of the American people in each of the four geographic regions of the country favor direct popular election. Direct popular election is favored by a broad array of responsible national organizations, including the American Bar Association, the Chamber of Commerce, the AFL–CIO, the United Auto Workers, the League of Women Voters, the National Federation of Independent Business, and the National Small Business Association. It seems almost everyone has expressed support for direct popular election of the President and Vice President except the required two-thirds of both Houses of Congress.

On the first legislative day of this session, Mr. President, I intend to introduce the proposed direct election amendment, which will be numbered Senate Joint Resolution No. 1.

It is indeed rewarding, and a demonstration of the support for this measure, that more than 30 Senators will be cosponsoring Senate Joint Resolution 1 on its introduction. A number of my distinguished colleagues, on both sides of the aisle, have provided valuable leadership in our fight for direct election. At the time of introduction next week, I look forward to acknowledging by name several of my colleagues whose support and guidance have been crucial to this effort.

The Subcommittee on Constitutional Amendments has conducted substantial hearings on this proposal over the past 10 years. We intend to conduct further hearings during the next few months, and I intend to work with a large number of cosponsors and supporters in seeking prompt action on the direct election amendment in the Senate this year. This amendment should wait no longer.

Mr. President, I ask unanimous consent to print in the RECORD the complete text of the proposed amendment and excerpts of a draft committee report prepared for the Judiciary Committee last year, which explains and analyzes the proposed amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION

Proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States

Resolved by the Senate and House of Representatives of the United of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. The people of the several States and the District constituting the seat of government of the United States shall elect the President and Vice President. Each elector shall cast a single vote for two persons who shall have consented to the joining of their names as candidates for the offices of President and Vice President. No candidate shall consent to the joinder of his name with that of more than one other person.

"SEC. 2. The electors of President and Vice President in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature, except that for electors of President and Vice President the legislature of any State may prescribe less restrictive residence qualifications and for electors of President and Vice President the Congress may establish uniform residence qualifications.

"SEC. 3. The persons joined as candidates for President and Vice President having the greatest number of votes shall be elected President and Vice President, if such number be at least 40 per centum of the total number of votes cast.

"If, after any such election, none of the persons joined as candidates for President and Vice President is elected pursuant to the preceding paragraph, a runoff election shall be held in which the choice of President and Vice President shall be made from the two pairs of persons joined as candidates for President and Vice President who received the highest numbers of votes cast in the election. The pair of persons joined as candidates for President and Vice President receiving the greater number of votes in such runoff election shall be elected President and Vice President.

"SEC. 4. The times, places, and manner of holding such elections and entitlement to inclusion on the ballot shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations. The days for such elections shall be determined by Congress and shall be uniform throughout the United States. The Congress shall prescribe by law the times, places and manner in which the results of such elections shall be ascertained and declared. No such election, other than a runoff election, shall be held later than the first Tuesday after the first Monday in November, and the results thereof shall be declared no later than the thirtieth day after the date on which the election occurs.

"SEC. 5. The Congress may by law provide for the case of the death, inability, or withdrawal of any candidate for President or Vice President before a President and Vice President have been elected, and for the case of the death of both the President-elect and Vice President-elect.

"SEC. 6. Sections 1 through 4 of this article shall take effect two years after the ratification of this article.

"SEC. 7. The Congress shall have power to enforce this article by appropriate legislation."

HISTORY OF SENATE JOINT RESOLUTION 1

The Subcommittee on Constitutional Amendments began the first hearings on the election of the President on February 28, 1966. The subcommittee held 18 days of hearings and heard testimony on all of the various plans for reform of the electoral system. More than 50 witnesses appeared before the subcommittee and the hearing record totaled nearly 1,000 pages. ("Election of the President," Hearings before the Subcommittee on Constitutional Amendments, 89th Cong., second sess. and 90th Cong., first sess.).

Following the election of 1968, in which a change of only 42,000 votes in 3 states would have denied Richard Nixon an electoral college majority, though he had won a popular plurality, the subcommittee heard 49 witnesses and compiled a second hearing record of more than 1,000 pages. Once again, the subcommittee heard testimony on all the various plans for reform. ("Electing the President," Hearings before Subcommittee on Constitutional Amendments, 91st Cong., first sess.).

In September 1969, electoral reform became the pending order of business before the full Judiciary Committee. On February 3, 1970, the committee voted 13–4 to consider electoral reform by April 14 and to vote on the pending resolutions no later than April 24. Three additional days of hearings were held by the full Judiciary Committee on April 15, 16, and 17.

The full Judiciary Committee met in executive session on April 23, 1970. In the course of its deliberations, the committee rejected a number of substitute amendments, including the district plan, the proportional plan, the modified present system plan, and a number of other substantive amendments that would have altered the runoff provisions of Senate Joint Resolution 1. The committee then voted 11–6 to report the direct popular election plan embodied in the substitute version of Senate Joint Resolution 1, which had been passed by the House of Representatives in September of 1969 by a vote of 339–70.

Senate Joint Resolution 1, as amended, was made the pending order of business in the Senate on September 2, 1970, and floor debate commenced on September 8. Two attempts to limit debate by invoking cloture failed, on September 17, by a vote of 54 yeas to 36 nays, and on September 29, by a vote of 53 yeas to 34 nays. On October 5, 1970, after further debate, the Senate agreed to a unanimous consent request of Senator Mansfield to return S.J. Res. 1 to the calendar, not to be brought up again before the end of the November election recess. No further action was taken.

Once again in the 93rd Congress the Subcommittee conducted hearings on S.J. Res. 1 on September 26 and 27, 1973. On December 21, 1973 the Subcommittee met in Executive Session and unanimously voted to report S.J. Res. 1 to the full Committee. No consideration was given to the Resolution by the full Committee in the 93rd Congress.

On May 21, 1975 the newly constituted Subcommittee met and voted 5–0 to report S.J. Res. 1 to the full Committee.

* * * * *

Section 5 empowers Congress to provide by legislation for the death, inability, or withdrawal of any candidate for President and Vice President before a President or Vice President has been elected. Once a President and Vice President have been elected, existing constitutional provisions would apply. Thus, the death of the President-elect would be governed by the 20th amendment and the death of the Vice President-elect would be governed by the procedure for filling a Vice Presidential vacancy contained in the 25th amendment. Section 5 also empowers the Congress to provide by legislation for the case of the death of both the President-elect and Vice President-elect.

Section 6 provides that the article shall take effect 2 years after ratification. The committee was of the opinion that since legislation will be necessary to fully implement and effectuate the purposes of the proposed amendment, a reasonable period of time should be provided between the date of ratification and the date on which the amendment is to take effect. The committee believes that this provision affords both the Congress and the States an adequate opportunity to legislate, but does not foreclose the possibility of securing ratification in time for the proposed articles to be in effect before the 1976 Presidential election.

Section 7 confers on Congress the power to enforce this article by appropriate legislation. The power conferred upon Congress by this section parallels the reserve power granted to the Congress by numerous amendments to the Constitution. Any exercise of power under this section must not only be "appropriate" to the effectuation of the article but must also be consistent with the Constitution.

* * * * *

In the absence of an electoral college majority for Vice-President, the choice rests with the Senate from the two candidates with the greatest number of electoral votes. A majority of all of the Senators is required for election.

HISTORICAL DESIGN OF THE FRAMERS OF THE CONSTITUTION

In 1787 James Wilson of Pennsylvania spoke of the difficulty the Constitutional Convention had experienced in agreeing on a plan for choosing the President:

This Convention, Sir, was perplexed with no part of this plan so much as with the mode of choosing the President of the United States. * * * This subject has greatly divided the House, and will also divide people out of doors. It is in truth the most difficult of all on which we had to decide.

There was no shortage of ideas at the Convention on how to elect the President. Among the many plans proposed were direct popular election, election by the Congress, and election by the State legislatures. Direct popular election was opposed mainly because it was felt that the people, lacking knowledge of the candidates, could not make an intelligent choice. An election by Congress was rejected because it was believed that this would undermine the independence of the Executive. Similarly, the idea of election by State legislatures was defeated because of the fear that the President would be so indebted to the States that the exercise of Federal authority would be jeopardized.

Unable to agree upon a plan, the Convention appointed a "Committee of Eleven" to propose a compromise solution. The hybrid electoral college system was that compromise solution. The people would choose electors in the first instance, either by direct popular election or through appointment by popularly elected State legislatures, but the electors they chose would actually vote for President and Vice President. The electors, according to the original design, would vote individually for the candidate they believed best qualified for President. The runner-up became Vice-President. As Alexander Hamilton wrote in *Federalist No. 68*. "A small number of persons selected by their fellow citizens from the general mass, will be most likely to possess the information and discernment requisite to such complicated investigation * * *."

DEFECTS AND DEFICIENCIES IN THE PRESENT SYSTEM

The appearance of political party candidates as early as 1800 meant, in effect, that Hamilton's concept of a "select assembly" of independent electors already had lost its purpose only a decade after its embodiment in the Constitution. A Senate report published in 1826 caustically noted that the free and independent electors had "degenerated into mere agents in a case which requires no agency and where the agent must be useless if he is faithful and dangerous if he is not." More than 145 years later, however, the elector still retains his constitutionally guaranteed independence. In January 1969, Congress confirmed this 18th century prerogative by accepting the vote of a popularly chosen Republican elector from North Carolina who had cast his vote in the Electoral College for George Wallace, the American Independent Party candidate. Again in 1973, a Republican elector from Virginia was allowed to cast his vote for one Dr. John Hospers of the Liberation Party. In neither instance was the vote cast for the candidate receiving the most popular votes in the Elector's state.

How dangerous is the anachronistic elector? Historically, as the late Justice Jackson pointed out, paraphrasing Gilbert and Sullivan's *H.M.S. Pinafore* and its descriptions of partisans: "they always voted at their party's beck and call and never thought of thinking for themselves at all." The prospect of unknown electors auctioning off the Presidency to the highest bidder, nevertheless, is all too real. That is the lesson of 1968, when the present electoral system brought us to the brink of constitutional crisis. A shift from Nixon to Humphrey of only 42,000 popular votes in three states would have denied Nixon an electoral majority and given Wallace, with his 46 electoral votes, the balance of power. As the Alabama Governor explained in an exclusive interview with *U.S. News & World Report* (September 30, 1968):

Question. If none of the three candidates get a majority, is the election going to be decided in the Electoral College or in the House of Representatives?

WALLACE. I think it would be settled in the Electoral College.

Question. Two of the candidates get together or their electors get together and determine who is to be President?

WALLACE. That is right.

The elector is to the body politic what the appendix is to the human body. As Henry Cabot Lodge said, "While it does no good and ordinarily causes no trouble, it continually exposes the body to the danger of political peritonitis." We can avoid this potentially dangerous disease simply by eliminating the elector. But that is not a cure-all for what ails our present electoral machinery. The elector, in fact, is merely a symptom of what the American Bar Association's Special Commission on Electoral Reform aptly described as our "archaic, undemocratic, complex, ambiguous, indirect, and dangerous" method of electing a President.

After a 10 month study, the Commission concluded that the entire electoral system should be replaced, and popular choice substituted for political chance. In February 1974, the American Bar Association reaffirmed their support of the present version of S.J. Res. 1 which provides for the direct election of the President and also provides for a Congressional selection of the President if no candidate receives 40% of the popular vote. Initially, the Bar Association had favored a runoff between the two leading candidates if neither received a 40% plurality.

Among other things, the present system can elect a President who has fewer popular votes than his opponent and thus is not the first choice of the voters; awards all of a State's electoral votes to the winner of the State popular vote, whether his margin is 1 vote or 1 million votes; cancels out all of the popular votes cast for the losing candidate in a State and casts these votes for the winner; assigns to each State a minimum of three electoral votes regardless of population and voter turnout; and provides for a patently undemocratic method for choosing a President in the event no candidate receives an electoral majority.

The major defect of the present electoral system—the unit rule—is not even a constitutional provision. The unit rule or "winner-take-all" formula is the State practice of awarding all of its electoral votes to the statewide popular vote winner. In effect, millions of votes are disfranchised if they vote for the losing candidate in their State because the full voting power of the State—its electoral vote—is awarded to the candidate they opposed. The obvious injustice of this was pointed out by Thomas Hart Benton over a century ago. "To lose their votes is the fate of all minorities," he said, "and it is their duty to submit; but this is not a case of votes lost, but votes taken away, added to those of the majority and given to a person to whom the minority is opposed."

A practical consequence of this disfranchisement is that it discourages the minority party in traditionally one-party States. Simply stated, where there is no hope of carrying the statewide popular vote the size of the voter turnout for the likely loser is meaningless. This necessarily leads to the atrophy of the party structure in many States. By the same token, the prospective winner has little incentive to turn out his vote because the margin of victory likewise is meaningless. In sum, the unit rule has the unhealthy political effect of both discouraging second parties in areas of one-party dominance, and discouraging voting. This is reflected most clearly in the poor voter turnout in U.S. presidential elections in comparison to most other democratic nations.

A by-product of the unit rule is the distortions it produces in the value of individual popular votes. The unit rule tends to inflate the voting power of a small number of well-organized voters in the handful of large, closely contested States where blocs of electoral votes can be won on the basis of narrow popular vote margin. A candidate, for example, could win an electoral majority by capturing statewide pluralities in the 11 largest States and the District of Columbia—even if he did not receive a single popular vote in all of the other States This means, in effect, that under the present system, 25 percent of the popular vote could elect a President.

Some opponents of electoral reform have argued that this inequity is a political necessity and a fair counter-weight to the small State advantage built into the electoral system (each State is entitled to a minimum of three electoral votes). The committee concluded, however, that this "uneasy tension between opposing distortions of the popular will" is not the proper foundation on which to build a sound and democratic electoral process—a process that should ensure every American voter the same opportunity to vote directly and equally for the presidential candidate of his choice and guarantees a popular choice every time.

Largely as a result of the unit rule, the present electoral vote system cannot guarantee that the candidate with the most popular votes will be elected. This dangerous prospect, more than anything else, condemns the present system as an imperfect device for recording the sentiment of American voters. In 1824, 1876, and again in 1888 this system produced Presidents who were not the popular choice of the voters. On numerous other occasions in this century, a shift of less than 1 percent of the popular vote would have produced an electoral majority for the candidate who received fewer popular votes. In 1948, for example, a shift of less than 30,000 popular votes in three States would have given Governor Dewey an electoral vote majority—despite President Truman's 2 million-plus popular vote margin.

Good fortune, not design, has produced Presidents who were the popular choices of the people. A glance at past elections reveals that there have been very few elections where the candidates' percentage of the electoral vote reasonably resembled their percentage of the popular vote.

Year	Percent of popular vote		Percent of electoral vote	
	Democrats	Republicans	Democrats	Republicans
1952	44.4	55.1	16.7	83.2
1956	42.0	57.4	13.7	83.4
1960	49.5	49.3	56.1	40.7
1964	61.1	38.5	90.4	9.6
1968	42.7	43.3	35.5	56.9
1972	37.5	60.7	3.15	96.6

In a runaway election—like that of 1972—any system will produce an electoral victory for the popular vote winner. It is the accuracy of the results produced in closely contested elections, however, that determines the true soundness of an electoral system. Based on this criterion, the committee concluded that the present system is clearly defective. A computer study of presidential elections over the last 50 years revealed, for example, that in elections as close as 1960 the present system offered only a 50–50 chance that the electoral result would agree with the popular vote. For an election as close as 1968, where some 500,000 popular votes separated the candidates, there was one chance in three that the electoral vote winner would not be the popular vote winner as well. According to the evidence, the danger of an electoral backfire is clear and present.

ALTERNATIVE REFORM PLANS CONSIDERED IN COMMITTEE

The District plan

The district plan would retain the electoral vote, with electors chosen from single-member districts within each State and two electors running at large statewide.

The district plan, like the present Electoral system, is based on the "winner-take-all" principle—merely shifting its application from the state level to the district level. As a result, the district plan would continue to produce significant disparities between the popular vote and the electoral vote. To its credit, Presidents Eisenhower, Johnson and Nixon would all have received significantly fewer electoral votes in the elections that they won if the votes actually cast had been aggregated by the rules of the district plan. Hence, the Electoral College votes would be more commensurate with their popular vote margins. A more grave result, on the negative side, is that Nixon would have defeated Kennedy in electoral votes had the district plan been in effect.

By "wasting" large numbers of popular votes, the district system can easily elect a President who is not the popular choice of the voters.

As in the case of the present system, the district plan would discourage the minority party's voters within each electoral district, thus reducing the incentive to vote. This district plan, in fact, would operate even more effectively to discourage voters because a larger number of congressional districts than states are controlled by one party.

PERCENTAGE OF DISTRICTS AND STATES CARRIED BY CANDIDATES AND THEIR POPULAR VOTE MARGINS

	54.9 or less	55 to 59	60 to 64.9	65 to 69.9	70 or more
Districts in 1960	39	29	18	7	7
States in 1960	68	22	10	0	0
Districts in 1964	17	23	21	17	22
States in 1964	16	29	23	22	10
Districts in 1968	66	18	6	4	6
States in 1968	78	14	6	2	0
Districts in 1972	6	18	34	18	24
States in 1972	11	15	25	29	20

In addition, "spoiler" minor party candidacies would be encouraged by the district plan since it is easier to campaign in a few local districts than throughout an entire state or nation. While their hopes of winning the Presidency would still be scant, these parties could reasonably try to win enough local districts to throw the election into Congress more frequently. If the 1968 returns, for example, had been counted by Congressional districts, Wallace would have received 58 electoral votes instead of 46—an improvement of nearly 30%. This would have substantially closed the gap between his popular vote percentage and his electoral vote percentage.

The proportional plan

The proportional plan would retain the electoral vote, but replace the unit rule with a proportional division of a State's electoral vote on the basis of the popular vote in that State.

Had the proportional system been in effect in 1968, it would have produced the following distortions in two States having the identical number of electoral votes:

(1) President Nixon captured 43 percent of the popular vote in Virginia and under the proportional plan this would have produced 5.2 electoral votes. Vice President Humphrey's 43 percent of the popular vote in Missouri, likewise, would have produced 5.2 electoral votes. Nixon, however, only required 590,315 popular votes, whereas Humphrey had to poll 791,444 votes in order to produce 5.2 electoral votes—a startling difference of 201,129 popular votes.

(2) Both Idaho and Utah have 4 electoral votes. In both States, Nixon captured 56 percent of the statewide popular vote and this would have entitled him to 2.2 electoral votes. The interesting point is that it required 238,728 popular votes in Utah to produce the same number of electoral votes as 165,369 popular votes in Idaho.

The practical political consequences of the proportional plan is that it enhances the political influence of the "safe" States, which traditionally have had poor voter turnouts. Simply, a popular vote in a State where the voter turnout is poor is worth more than a vote in a State of equal size with a heavy voter turnout.

States sharing marked sectional interests, moreover, would have a great incentive to maximize their electoral influence by encouraging one-partyism. As a result, regional third party challenges are likely to be encouraged. In 1948, for example, the State Rights Party polled only 2.4 percent of the total popular vote, but under a proportional plan it would have received more than three times that percentage of the electoral vote.

Under certain political conditions, the proportional plan would produce a President who was not the popular choice of the voters. If one candidate won handily in most of the States where the turnout was poor and the results in the remaining States were almost evenly divided, it is likely the electoral winner would have been the popular vote loser. A perfect example of this division occurred in the election of 1896. Bryan captured 46.7 percent of the popular vote and McKinley won 51.1 percent. McKinley's majority of the popular vote under the present system produced 61 percent of the electoral vote. Under a proportional plan, however, Bryan would have won a 6 vote electoral victory—despite being a popular vote loser.

A recent computer study presented to the committee examined the electoral results produced under a proportional system in close popular elections. The random survey, based on several thousand two-candidate races with the popular vote distribution varying from a wide 60–40 split to a 50–50 division, revealed that with a plurality of less than 1 million votes there was a 14 percent chance of an electoral mishap. In an election as close as 1968, moreover, there was a 35 percent chance of electing the popular vote loser.

Although the proportional plan is intended to reflect the popular vote more accurately than does the existing system, it would nevertheless distort the nationwide popular total. Each State would continue to have a minimum of three electoral votes regardless of population. Additional electoral votes would be based on frequently outdated population figures rather than on the actual turnout at the polls. The need to round-off percentages would provide another, though minor, distortion. Thus the outcome of the popular vote across the country would not necessarily be the same as the sum of the State outcomes figured under the proportional plan.

An analysis of past elections suggests how frequently a runner-up President might have been elected under the proportional plan. Samuel J. Tilden would have beaten Rutherford B. Hayes in 1876, Winfield S. Hancock would have defeated James A. Garfield in 1880, Grover Cleveland would have won over Benjamin Harrison in 1888, William Jennings Bryan would have edged William McKinley in 1896, and Richard M. Nixon would have defeated John F. Kennedy in 1960.

These results would have meant the election of one candidate, Tilden, who evidently won a popular majority but lost in electoral votes, and of another, Cleveland, who got a popular plurality but ultimately lost the election. It would have meant victory for three runner-ups—Hancock in 1880, Bryan in 1896 and Nixon in 1960. Thus the proportional plan, while aimed at reflecting the popular vote more accurately, might sometimes do the reverse.

Moreover, the proportional plan would not enhance citizen understanding of and confidence in the vote-counting process for presidential elections. It would introduce a complex and cumbersome system for tallying votes. It would be difficult to follow the counting procedures on election night since the total vote in each State would have to be established before final counts could be made. A complex arithmetic formula would in effect be written into the Constitution, and because of its intricacies an extended period of doubt about the outcome of a close election would be more likely.

THE OPPONENTS' ARGUMENTS AND SOME COUNTERPOINTS

In the ten years the proposal for the direct popular election of the President has been before the Congress, through many weeks of hearings and many days of floor debate, the arguments on this question have been sharpened and refined. It has been, in the Committee's view, an example of the deliberative virtues of the legislative process at its best. The questions raised by the proposed amendment have been reviewed and commented upon by the broadest range of individuals and institutions in our society. The Committee has carefully examined each of the arguments suggested by those who have voiced opposition to direct popular election and has, in each case, found them unconvincing.

ABOLITION OF THE UNIT RULE WILL STRENGTHEN—NOT WEAKEN—THE TWO-PARTY SYSTEM

Opponents of direct election have alleged that abolition of the electoral college would tend to proliferate the party structure and weaken the two major parties. They believe that the winner take all, or unit rule, feature of the present system is the most important institutional guarantee for the two-party system. A well known political scientist has summarized their argument as follows: "Under the present system, the votes cast for a minor party candidate in any state are lost except in the unlikely event he runs ahead of the major party candidate. On the other hand, all of the votes cast for a minor party under a popular vote would count toward the total vote of its candidate. Therefore, the carryover of votes from state to state, which would be possible under direct election, would cause the proliferation of third parties".

However, a careful study of the dynamics of the electoral college reveals that it does

not discourage third parties, and in certain instances actually encourages them. The unit rule in fact has facilitated the growth of the regional "spoiler" type of third parties, as exemplified by the States Rights Party in 1948 and the American Independent Party in 1968. The strength of the two-party system and the deterrence of other types of nationwide third parties are related to factors other than the electoral college—factors which will not be affected by the adoption of direct election.

The electoral college does not discourage third parties:

While opponents of direct election believe that the unit rule discourages third parties, it is this very feature of the electoral college which has facilitated the growth of ideologically oriented regional third parties—third parties not organized for victory but designed to deny either of the major party candidates an electoral majority. The reason for this is that votes cast for a minor party candidate in any state are lost except in the unlikely event he runs ahead of the major party candidate. By concentrating on the South in 1968, Governor Wallace was able to turn this "unlikely event" into a likely event. The unit rule magnified the impact in the electoral college of the Wallace plurality in the South. While Wallace had less than 50% of the popular vote in Louisiana, Georgia and Arkansas in 1968, the unit rule gave him 100% of the electoral votes.

Some political observers in 1972 believed that this is exactly what Governor Wallace had planned to do, but for the tragedy of yet another American political assassination—a fortunately unsuccessful one. A column by two nationally syndicated reporters at the time suggested that:

"Wallace's 1972 plan is a new 'Southern strategy' of his own. Instead of running a national campaign as in 1968, Wallace plans a frankly regional campaign, his name on as many state ballots as possible but his campaigning concentrated in Southern and border states.

"That is intended to maximize Wallace's electoral votes, exceeding the five states and 45 electoral votes won in 1968. By campaigning hard in the North last time, he reduced drastically appearances in North and South Carolina, Florida, Tennessee, and Texas—and lost them all. By concentrating there in 1972, Wallace might collect twice as many electoral votes and hold the balance of power in the electoral college."

As it turned out the 1972 nominee of Wallace's American Independent Party, John G. Schmitz, lacked the sectional appeal that made such a strategy possible.

If the electoral college does not cause the two-party system—what does?

Most authorities agree that the deterrence of third parties is related to factors other than the Electoral College. An excellent case in point is the abortive attempt of the "peace" forces to organize a fourth party after the 1968 Democratic Convention. In 1968, a "Peace Party" probably could not have garnered a plurality in enough states to have a significant impact on the Electoral College, and the unit rule undoubtedly played some role in their ultimate decision not to proceed. However, it is difficult to believe that the organizers of the Peace Party in 1968 were any more deterred by the unit rule than were the organizers of the most successful nationwide third party in our history—the Republican party.

It is much more likely that the Peace Party failed in 1968 for two reasons totally unrelated to the structure of the electoral college—two reasons why nationwide third parties will also be deterred under direct election. First, as Richard Goodwin—one of those who attempted to organize the peace party—himself admitted, the organizers realized that their efforts would take votes from the major party candidate closest to them in conviction and insure the victory of the major party candidate most undesirable to them. The Peace Party would have been more apt to garner a Humphrey vote than a Nixon vote, and thus by entering the field they would have enhanced the prospects of Nixon. Second, nationwide third party movements are discouraged by the fact that they must compete with the major parties for a single office—the Presidency. Planners of a Peace Party in 1968 were discouraged by the realization that they would have little to show for their efforts, for unlike the European coalition governments, the Presidency is held by one man and would be the exclusive prize of one of the major parties. On the other hand, if all the Peace Party wanted was to "spoil" the Democratic Party's chances, then the Electoral College system was best suited to its purposes. For all they needed to do was to run in New York and California, to ensure a Democratic defeat.

Scholars who have studied the two-party system in this country and compared it to similar systems throughout the world have a variety of theories as to its cause; but none suggest the Electoral College. Most political scientists believe that the major institutional influence on the two-party system is the election of almost all officials in the U.S. in single-member districts. This theory stems originally from the writings of Maurice Duverger, who has found that almost every government in the world which elects its officials from single-member districts and by plurality vote has only two major parties, while countries that use multi-member districts and proportional representation have a multitude of parties. Duverger and other scholars have found that the electoral mechanics of the single member district, in terms of its effect on the party system, are such that they tend to force factions to combine in order to be certain of capturing a popular vote plurality and victory.

Direct election will discourage regional and national third parties:

Under direct election, without winner-take-all in the states, regional third party movements would have less impact. In 1968, in states like Louisiana, Georgia and Arkansas where Governor Wallace got approximately half the popular vote, he received all the electoral votes. That type of distortion would no longer be possible under the direct election system. Granted, his votes in the urban states will count for the first time, but in order for any third party or group of third parties to have any impact on the selection of the President by forcing the election into Congress, they must receive more than 20 percent of the vote at the same time that no major party receives 40 percent. Despite his nation-wide effort in 1968, however, Governor Wallace received only 13.5 percent of the popular vote.

National third party movements, like the Peace Party in 1968, would also be discouraged under direct election for the same reason that they are discouraged under the present system. First, they are most likely to take votes from the major party candidate closest to them in conviction and insure the victory of the major party candidate most undesirable to them. Second, the Presidency would still be a single member office. A third party movement that fails gets no reward, and could not sustain itself nationally without these rewards.

But most important of all, direct popular election would work affirmatively to strengthen the two-party system. First, by counting every popular vote regardless of where it is cast, direct election would spread and foster two-party competition on a nationwide scale. The goal of both major parties would be to "get out the vote" in every state. Simply carrying a state, the objective under the present system, would no longer be the ultimate objective. The critical point under direct popular election, in healthy contrast, would be the margin of victory—or, to view it from the opposite end, the margin of defeat. As a consequence, the likely winner would seek to maximize the state's net plus and the probable loser would work to minimize the state margin of defeat. The next result, therefore, would be increased party activity—particularly in what are now one-party states.

Second, the contingent election provision would further strengthen the two-party system since in selecting the President and Vice-President, the Congress would be limited to the two pair of candidates having the greatest number of popular votes. They would almost assuredly be the nominees of the two major parties, and Congress itself is primarily composed of the two major parties.

II. Under Senate Joint Resolution 1, the Probability of a Contingent Election Is Extremely Remote

Direct popular election eliminates the unfair advantage now given a regional candidate by the unit rule. Each candidate's strength would be determined by the absolute number of votes he received. Without the leverage of the unit rule, and in the absence of the requirement of an absolute majority for victory, it would be necessary for a third party or combination of third parties to receive a large number of votes, a minimum of 20 percent of the national total, to prevent one of the major parties from obtaining the 40 percent needed to avoid a contingent election. This would be a very difficult task.

Indeed, it is such a remote possibility that it has happened only twice in our entire history. In the election of 1824 none of the four candidates received a majority of the electoral college, and John Quincy Adams, who had come in second in the popular vote to Andrew Jackson, was elected by the House of Representatives. In the 1860 election of Lincoln he received 39.76 percent of the vote, despite the fact that he was not even on the ballot in 10 states. In 1968, the most significant third party bid since 1924 could produce only 13.5 percent of the vote. And in the four-party races of 1912 and 1948, the winner received well over 40 percent of the vote.

Critics of direct election sometimes cite state primaries or foreign elections as examples where splinter candidates have precluded any candidate from receiving an absolute majority. But examination of these races disproves the point. First, the examples are instances where a 50-percent majority was not attained, but the 40-percent clause in S.J. Res. 1 would eliminate the need for all, or at least the vast preponderance, of contingent elections.

Secondly, it should be pointed out that the State examples are not really relevant to a national election. In State elections it may be possible for candidates to combine local popularity, narrow regional issues, and the support of their personal friends to gain a significant vote without undue expense, organization, or effort. Getting a significant number of votes on a national scale is much more difficult. It takes good issues, a lot of money, and a team of dedicated campaign workers in order to win a number of votes which will have any significance in the context of a national election.

Third, the Presidency is a single member office, unlike the parliamentary system in many foreign countries. There is no reward for those who lose—no coalition government, no seats in the legislature. For this reason, voting for a candidate who cannot possibly

win essentially amounts to throwing a vote away. Therefore, even if no major party candidate perfectly reflects a voter's views on important issues, he will tend to vote for the more acceptable of the two major candidates.

For these reasons—the magnitude of a national campaign, the dominant position of the two major parties, the Presidency as a single member office—contingent elections will be very rare indeed.

The two-party system can only survive as long as both parties are truly responsive to the needs of the electorate. Under direct election, or the present system—or any system—new parties can arise if the old fail to respond. Moreover, no electoral system should seek to entrench the existing party framework, because it would be impossible at the same time to ensure that the entrenched parties would also always be capable of responding to differing needs or changed circumstances. Indeed, it was out of such circumstances that today's Republican party was born. The contingent election provision will not cause or help to bring about the end of the two-party system, any more than the electoral college has. But neither will direct election institutionalize the present two parties at the cost of losing the democratic responsiveness of the system.

III. The New Contingent Election Machinery Would Strengthen—Not Weaken—the Democratic System

In the 91st and earlier Congresses, much of the debate centered on the provision for a "runoff" election that was contained in earlier versions of S.J. Res. 1. As the Committee has indicated, we found that the dangers inherent in the present system could be eliminated while providing for the highly unlikely event of a contingent election by a means which are less of a departure from the existing mechanism.

Both the present electoral college system and the proposed amendment are based on the need to select an individual for the office of the Presidency who has a personal mandate to govern directly from the people. Both the electoral college and the amendment provide for an alternative means of selection if no individual captures sufficient support to have such a mandate. One great problem with the electoral college is that it causes or fails to cause the contingent election machinery (election by States in the House) to be invoked for reasons which may have nothing to do with the actual popular vote of the people. The point at which the present system calls for a contingent election is arbitrary and irrational since the framers did not have the idea of a popular mandate in mind since it was designed.

But the framers idea of a contingent election by Congress without the anacronistic baggage of the electoral college has much to commend it. In theoretical terms, going directly back to the people in a run-off election would be the most democratic solution to the problem of no candidate garnering sufficient support. But here institutional and historical considerations become important. The tradition of a single election for the Presidency is strongly ingrained in American history.

In 1965 this Committee was faced with a somewhat similar issue in connection with its consideration of the 25th Amendment's procedure for filling a vacancy in the Vice-Presidency. At that time we considered but rejected the idea of a special election to fill such a vacancy because of its novel nature historically and its cost. We chose instead a process of surrogate election by the people's representatives in the Congress. In recent months we have seen its first use which in most observers view, was highly successful, despite the fact that the Exective and Legislative branches were in the control of opposing parties. Under the proposed amendment, in the unlikely event that no candidate received 40 percent of the popular vote, the Senators and Representatives who were elected on the same day that the Presidential candidates went to the people would, as with the 25th Amendment, act as surrogate electors. The Committee concluded that direct popular election combined with a contingent election by the Congress was a reasonable balance of institutional concerns and popular government.

IV. Federalism—Will States Lose Power in the Political Parties as a Result of Direct Election?

Opponents of direct election believe that the abolition of the electoral college and the adoption of direct election will lead to a radical restructuring of the nominating conventions and committees within the national parties at the expense of the state parties. Their argument can be summarized as follows: (1) The national political parties, especially the national nominating conventions are essentially "State-based," and this structure of the parties reinforces the power of the States as members of the Union. (2) The power of the States in the political parties results from the peculiar structure of the electoral college and its abolition will destroy state political power in the nominating conventions. (3) Without the electoral college, the national nominating conventions would be composed of delegates representing interest groups, not states, or the major parties would stop nominating by convention and would adopt a national primary.

No responsible political scientist will disagree with the opponents first point that the national political parties are indeed coalitions of state parties. In that sense they are oriented toward the interests of the States. However, the second and third points in the opponent's argument are practically without foundation. The power of the States in the political parties has nothing whatsoever to do with the electoral college. State parties are represented in the national conventions and committees because they are the most powerful and effective political organizations in this country—with or without the electoral college. The power of state parties derives from their control of an immense amount of patronage, their control of the legislatures which enact the laws which regulate elections and political parties, and from their control of the party machinery which turns out the vote on election day. None of these factors will be altered by abolition of the electoral college. Therefore, the states will retain their power in the national party councils under direct election. And since the national party is a coalition of parties, with its continuity derived from on-going State party activities, the States would simply not allow the national parties to nominate candidates in a national primary or to replace state representation with interest group representation.

The national political parties are indeed state-oriented:

Even a very cursory examination of the formal structure of the national parties reveals that the real source of power is the state party. For example, the two major representative bodies within the major parties—the national committee and the national convention—are oriented toward the state parties. And, national nominating conventions are organized around delegations from the individual states and the whole delegate selection process is up to the discretion of the individual state parties.

The late V. O. Key, an expert on political parties, expresses this thought most succinctly:

"The center of gravity or of power in each party is farther down the hierarchy (from the national party apparatus) and is vested in state and city committees, leaders, and bosses. The party nationally, tends to be a loose alliance of state and city leaders who work together most faithfully during a presidential campaign. The national committee is more a gathering of sovereigns to negotiate and treat with each other than a gathering of subordinates of the national chairman. Its members convene as equals to agree upon a course of action acceptable to the majority; the national chairman resembles more a moderator than a boss."

State political power is not due to the electoral college:

No serious student of party politics has concluded that the role of the states as the center of power in the national party results from the electoral college. Other factors explain this State centered power: (1) The state parties control nominations to most of the elected offices in the country; (2) Through control of these offices, the state party controls patronage and influences the enactment of laws which regulate political behavior in their states; and (3) State parties are the most effective organizations in turning out the vote on election day.

Let us examine these three points carefully:

(1) The presidency is the only office in the United States for which the nomination is not made by a state political party or one of its constituent parties (congressional district, county or municipal committees). Candidates for the United States Senate, House of Representatives, State legislature, Governor, etc. all must seek a state or local party nomination. Since each of these persons owe their election to and must seek reelection through his state or local committee, each is sensitive to the state party's interests.

(2) Through control of the state house and the Governor's mansion, a state party can determine the state laws that regulate its very existence. The state legislatures, which are composed of members of the state party, enact the laws relating to organization of the state committee, the residency requirements for candidates, the election of delegates to state and national conventions, the general election laws, and the nominating procedures for all offices, including U.S. Senator and Congressman. With the power to decide these questions comes the power to actually control political behavior in the State. Direct election will not alter the authority of the states to decide these questions.

By way of its members in the state legislature, a state party is able not only to control the nomination and election process in its state, but also to control the nomination and election of the President. The procedures by which delegates are selected to the national nominating conventions of both parties are controlled by the states—within broad national guidelines. And the power to control the process by which delegates are selected to the national convention is the best possible guarantee of state political power within the national party. Many observers believe that in 1972 the Democratic Party suffered greatly by attempting to place too much restraint on the state parties' right to control the delegate selection process.

Another consequence of control of the state and local offices, plus the Senators and Congressmen, is the control of patronage. As a result of the Hatch Act, Civil Service reform, and recent executive reforms in the Post Office, the patronage available to the party that controls the White House has become extremely limited. However, such reforms have not taken place on the state level. State parties still control the dispersal of patronage and through patronage they have been able to entrench their power.

(3) Since state or local parties conduct the

elections of thousands of officials within their state each election year, they have developed effective grass roots organizations. As a result, state parties are the most reliable organizations in the country for turning out votes on election day.

HEARINGS ON NOMINATION OF THOMAS BERTRAM LANCE TO BE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET

Mr. RIBICOFF. Mr. President, I wish to announce that the Committee on Government Operations will hold 1 day of hearings on Monday, January 17, 1977, on the nomination of Thomas Bertram Lance to be Director of the Office of Management and Budget. The hearing will be held in room 3302 in the Dirksen Senate Office Building beginning at 10 a.m.

Any interested party should advise the committee of his interest in appearing or filing a statement. The committee's office number is 224–4751.

NOTICE OF HEARINGS

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing, and Urban Affairs has scheduled hearings on January 10 and 11 on the following prospective nominations:

Patricia R. Harris to be Secretary of Housing and Urban Development;

Charles Schultze to be Chairman of the Council of Economic Advisers.

Ms. Harris' hearings are scheduled for Monday, January 10 at 10 a.m. in room 318, Russell Senate Office Building;

Mr. Schultze's hearings will be held on Tuesday, January 11 at 10 a.m. in room 5302, Dirksen Senate Office Building.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—ELECTORAL VOTE COUNT

The PRESIDING OFFICER. Under the previous order, the hour of 12:50 p.m. having arrived, the Senate will now stand in recess and proceed in body to the Hall of the House of Representatives for the purpose of counting the electoral votes with respect to the last Presidential election, and when the joint session is concluded the Senate will stand in adjournment until 12 noon, Monday, January 10, 1977.

Thereupon, at 12:40 p.m., the Senate, preceded by the Sergeant at Arms, Frank N. Hoffmann, and the Assistant Secretary of the Senate, Darrell St. Claire, proceeded to the Hall of the House of Representatives for the purpose of counting the electoral votes.

ADJOURNMENT UNTIL MONDAY, JANUARY 10, 1977

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered, at 1:34 p.m., the Senate adjourned until Monday, January 10, 1977, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 6, 1977:

DEPARTMET OF STATE

Lowell Bruce Laingen, of Minnesota, a Foregin Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta, to which office he was appointed during the last recess of the Senate.

Donald R. Norland, of Iowa, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana, to which office he was appointed during the last recess of the Senate.

Donald R. Norland, of Iowa, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho, to which office he was appointed during the last recess of the Senate.

Donald R. Norland, of Iowa, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland, to which office he was appointed during the last recess of the Senate.

Jack B. Olson, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas, to which office he was appointed during the last recess of the Senate.

Malcolm Toon, of Maryland, a Foreign Service Officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics, to which office he was appointed during the last recess of the Senate.

James M. Wilson, Jr., of Maryland, a Foreign Service Officer of class 1, to be Coordinator for Human Rights and Humanitarian Affairs, to which office he was appointed during the last recess of the Senate.

The following-named Foreign Service officers for promotion from class 1 to the class of Career Minister:

Harry G. Barnes, Jr., of Maryland.
Robert A. Hurwitch, of Illinois.
Richard B. Parker, of Kansas.
Thomas R. Pickering, of New Jersey.
Harry W. Shlaudeman, of California.
Ronald I. Spiers, of Vermont.
Christopher Van Hollen, of Virginia.

CONSUMER PRODUCT SAFETY COMMISSION

Thaddeus A. Garrett, Jr., of Ohio, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1975, vice Richard O. Simpson, term expired, to which office he was appointed during the last recess of the Senate.

SECURITIES AND EXCHANGE COMMISSION

Patrick J. Delaney, of New York, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1981, vice A. A. Sommer, Jr.

NATIONAL LIBRARY OF MEDICINE

The following-named persons to be members of the Board of Regents of the National Library of Medicine, Public Health Service, for the terms indicated:

For a term expiring August 3, 1978:

Julio E. Figueroa, of Louisiana, vice John Phillip McGovern, term expired.

Francis X. Scannell, of Michigan, vice J. Stanley Marshall, term expired.

For a term expiring August 3, 1979:

Neva Martin Abelson, of the District of Columbia, vice Susan N. Crawford, term expired.

Charles Huggins, of Illinois, vice Bernice M. Hetzner, term expired.

For a term expiring August 3, 1980:

Clara M. Ambrus, of New York, vice Ethel Weinberg, term expired.

John A. Hill, of Connecticut, vice William N. Hubbard, Jr., term expired.

U.S. METRIC BOARD

The following-named persons to the positions indicated:

Louis F. Polk, of Ohio, to be Chairman of the U.S. Metric Board for a term of 6 years. (New position)

To be members of the U.S. Metric Board for the terms indicated: (New positions)

For a term of 2 years:
Harold M. Agnew, of New Mexico.
Sydney D. Andrews, of Florida.
Andrew H. Kenopensky, of New Jersey.
Adrian G. Weaver, of Connecticut.
Virginia H. Knauer, of Pennsylvania.

For a term of 4 years:
Valerie Antoine, of California.
Carl A. Beck, of Pennsylvania.
Ralph V. Durham, Sr., of North Carolina.
W. E. Hamilton, of Illinois.
Harry E. Kinney, of New Mexico.

For a term of 6 years:
Francis R. Dugan, of Ohio.
Frank Hartman, of Michigan.
James D. McKevitt, of Colorado.
Jerry J. McReal, of Oregon.
Satenig S. St. Marie, of Connecticut.
Kenyon Y. Taylor, of Illinois.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

1. For permanent promotion:

To be medical director

David L. Aronson	Kurt W. Kohn
John C. Ballar III	Gerald D. Laveck
Jacob A. Brody	Robert E. Markush
Peter G. Contacos	Philip R. B. McMaster
H. Bruce Dull	Robert E. G. Morton
Arvo B. Ederma	Joseph P. O'Malley
John R. Gill, Jr.	Harold E. Ramsey
Robert I. Gregerman	James A. Richardson
Ferdinand R. Hassler, Jr.	Saul W. Rosen
	Bernard Rosenbaum
Jimmie D. Hawthorne	Norman C. Telles
Edward J. Hinman	Fred E. Tosh
Axel W. Hoke	James D. Tovey
Isao Hoshiwara	James R. Warbasse
Albert Z. Kapikian	

To be senior surgeon

Lewellys F. Barker	Ward B. Hurlburt
Kenneth S. Brown	James D. MacLowry
Donald W. Dippe	Robert G. Martin
J. William Flynt, Jr.	John A. Vaillancourt
Robert G. Godersky	John J. Witte
Kenneth L. Herrmann	

To be surgeon

Mitchell H. Gail	John A. Knight, Jr.
Roger H. Halterman	Oliver M. Korshin
Charles I. Hostetter	David L. Levin
William H. King	Osamu H. Matsutani

To be dental director

Ray W. Alcox	Thomas E. McClellan
George L. Crocker	Richard B. McDowell
Clair L. Gardner	James W. Miller
Stanley B. Heifetz	Jerry D. Niswander
Wayne R. Jameson	Roald J. Shern
Christopher E. Kennemer	John W. Vitamvas

To be senior dental surgeon

Richard R. Baker	Robert C. Faine
Robert C. Birch	Ralph A. Frew
Merwyn C. Crump	Karl J. Hettwer
Richard Q. Dunn	John H. Holt

Richard D. Lowe
Horace E. Lyon
Albert J. Munk
Regis M. Nairn
Richard P. Ribisl, Jr.
Wayne E. Stroud
John W. Topping, Jr.
John O. Wilson

To be dental surgeon

Donald P. Butler
Gary A. Kellam
Conrad A. Schwalm
William D. Straube

To be nurse director

Alice E. Duncan
Alice M. Haggerty
Alice R. Harmon
Margaret E. Lamson
Carol M. Larson
Margaret M. Resnick
Billee Vonfumetti

To be senior nurse officer

Kathryn G. Ames
Jennifer Boondas
Virginia B. Brown
Celeste B. Evans
Janet L. Lunceford
Jean A. McCollum
Ellen I. McDonald
Annette McLemore
June G. Michalski
M. Ethel Payne

To be sanitary engineer director

Perry C. Brackett.

To be senior sanitary engineer

James K. Channell
James H. Eagen
Santo A. Furfari
Lawrence P. Gazda
Joseph M. Hans, Jr.
John J. Henderson
H. Lanier Hickman, Jr.
Francis G. Mattern
Anton J. Muhich

To be sanitary engineer

George E. Anderson
Ronald K. Anderson
Charles R. Bowman
Keith E. Enders
Kenneth W. Grimley, Jr.
John L. Hankinson
William A. Mullen III
John R. O'Connor
Charles W. Whitmore

To be senior assistant sanitary engineer

Paul S. Arell
Stanley M. Blacker
Robert A. Dangel

To be scientist director

Kenneth A. Borchardt
Frank L. Bryan
Malcolm D. Hoggan
Robert Sullivan

To be senior scientist

Robert K. Bergman
Daniel F. Cahill
Robert G. Patzer
Harley G. Sheffield

To be scientist

William A. Betts
James M. Everts
Bobby J. Gunter
James F. McTigue
Michael Weisberg

To be sanitarian director

G. J. Brittain, Jr.
Robert A. Kay
Arthur L. Kenney
Richard A. Moats
Roger O. Olmsted
James L. Shoemake
Lee W. Smith
Richard E. Stedman
Dale H. Treusdell
Calvin C. Vaughn

To be senior sanitarian

Gene P. Burke
Norman G. Edmisten
Harry Haverland
Sidney D. Heidersdorf
Dale J. Johnson
Alfred B. Kline, Jr.
Joseph Lovett
Michael B. Musachio
James W. Pees
Charles R. Porter
Philip J. Robbins
Donald R. Smith
Geswaldo A. Verrone
William P. Wollschlager
Litsey L. Zellner

To be sanitarian

Raymond D. Beaulieu
Lee A. Bland, Jr.
Walter L. McPartlin
Michael A. Randolph
John C. Yashuk

To be veterinary officer director

Fritz P. Gluckstein
Gerald A. Jacobson
William T. London
Gordon D. Wallace

To be senior veterinary officer

George M. Baer
David L. Madden
Donald D. Smith

To be pharmacist director

Mark H. Barnett
Thomas H. Hodges
Paul J. Lesage
M. Thomas Wagner, Jr
Gene G. Knapp

To be senior pharmacist

Clarence I. Fortner
Ronald D. Gilbert
Philip R. Hugill
James L. Snowden
Edward S. Thompson

To be pharmacist

Edgar H. Adams
James V. Anderson
Richard J. Bertin
Norman C. Dittman
Robert A. Epstein
Bobby L. Golden
Ronald W. Horloff
John F. Mays
Jimmy R. Mitchell
Timothy F. Svoboda

To be senior assistant pharmacist

David Barash
John A. Boren
Robert DeChristoforo
James E. Edge
Steven C. Garrett
Rolley E. Johnson
James A. May
Merle E. Milburn, Jr.
Paul F. Nelson
Edward D. Westmoreland

To be dietitian director

Louise L. Boyer
Jane A. Davidsaver
Molette M. Jacobson

To be senior dietitian

Mary R. Emerson.

To be therapist director

Vincent J. Barbato
William E. Cox
Mario L. Salvanelli
Lawrence Sidel
Lennes A. Talbot

To be senior therapist

Richard S. Mazzacone
Gordon S. Pocock
Robert D. Skinner
Ronnie E. Townsend
William D. Wallis

To be senior assistant therapist

Francis W. Levy, Jr.
Roy R. Taylor

To be health services director

Gloria S. Burich
Charles P. Froom
Clifton R. Gravelle
Paul E. Jones
Robert J. Mahon
Kenneth R. Nelson, Jr.
Peggy S. Pentz

To be senior health services officer

Owen L. Ellingson
Arthur N. Jarvis
Robert J. Lyon
Reginald A. Spindler
William K. Young, Jr.

To be health services officer

Roger L. Anderson
Reuben A. Baybars
Norman E. Childs
Kenneth R. Envall
Gerald L. Geis
James T. Kelly
James W. Rolofson

To be senior assistant health services officer

William M. Chapin, Jr.
Bryan D. Hardin
Johnny R. Rainey

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

1. For appointment:

To be senior surgeon

Edward F. Blasser
Warren O. Coleman, Jr.
William R. Decesare
John C. Duffy
Wallace W. Harvey, Jr.
John T. Hogan
William H. James
Frederick A. Jordan
Leonard R. Kilmer
Richard M. Krause
Ephraim Y. Levin
Raymond B. Mabrey
Rolfe W. Salin
Jack C. Siebe
William R. Thomas

To be surgeon

Gerald L. Brown
Won Suk Cho
Ronald J. Elin
Robert H. Gelber
James Gilliam, Jr.
Harold L. Kennedy
Donald O. Lyman
John P. Manges, Jr.
Lawrence W. Osborn
Steve R. Pieczenik
William W. Richards, Jr.
Michael Roe
Peter C. Scheidt
Joseph F. Tangredi
Sheridan L. Weinstein
David L. Wright

To be senior assistant surgeon

James R. Allen
Robert S. Blumberg
James R. Cooper
Richard E. Dixon
Jeffrey R. Fisher
Charles F. Horn
Elaine S. Jaffe
Demetrios A. Julius
Michael S. Katz
James C. MacMillan
James M. Raveret
Roger A. Rosenblatt
Drew H. Sterling
Robert Wayne

To be senior dental surgeon

Norman L. Clark.

To be dental surgeon

Merle C. Drew
Jack A. Shannon

To be senior assistant dental surgeon

Jay A. Balzer
William R. Burns
Edward S. Colyer
Melvin D. Cooper
Richard J. DeFilippo
John G. Devine
David M. Gabelman
Jan R. Goldsmith
Michael E. Grijalvo
Henry W. Guy
Norbert H. Hertl
Benjamin F. Howard
Jay J. Jones
Peter S. Katz
Melvin L. Lerner
Michael D. Lund
John R. Lythgoe
Timothy C. Moore
Eric D. Rehorst
Paul S. Rogers
Gary W. Starbuck
Gerald S. Summerhays

To be nurse officer

Vincent G. DeFazio
Taye G. Emori
Beverly A. Fraser
Joan A. Hartwell
O. Marie Henry
Marian M. Langley
Donna G. Roehl
Anita P. Satterly
Ernest D. Walker

To be senior assistant nurse officer

Laura J. Andersen
Rolland W. Arnold
Suzanne Dahlman
Helen D. Dymon
Clarence P. Graether
Doris C. Haak
Sandra J. Longnecker
Marie A. Moses
Eileen J. Philbin

To be assistant nurse officer

Jewel L. Boykin
Christine M. Brownholtz
Judy R. Gaalswyk
Larry R. Tripp
Diane K. Wysowski
Linda M. Zwiaska

To be sanitary engineer

William F. Holcomb
Robert R. Williams

To be senior assistant sanitary engineer

William M. Burch
Patrick A. Crotty
Ronald D. Dobbin
Clarence H. Emmett, Jr.
William E. Engle
John R. Hamilton
Wallace Hampton
Gary C. Hawthorn
Alan J. Hoffman
David S. Kircher
Paul J. Liebendorfer
Jerry H. Nunogawa
E. Albert Rachal III
Steven H. Rubin
Andrew T. Sumner
Richard F. White

To be assistant sanitary engineer

James J. Cherniack
Terrence L. Whitington, Jr.
Gordon H. Wilcox
Wayne E. Wruble

To be senior scientist

Joseph Greenberg

To be scientist

James C. Hill
Arthur E. Lagace, Jr.

To be senior assistant scientist

Douglas L. Archer
Keneth W. Boyer
Donald L. Campbell
Richard P. Chiacchierini
Robert M. Gagne
Carl J. Gates
Robert H. Hill, Jr.
William A. Kachadorian
Kenneth Krell
John P. Lucas

To be sanitarian

Webster Young, Jr.

To be senior assistant sanitarian

Mala L. Beard
Bruce R. Chelikowsky

To be veterinary officer

Ernest F. McConnell

To be pharmacist

Carles A. Branagan, Jr.
Donald G. Weinand

To be senior assistant pharmacist

Mark D. Anderson
Michael G. Beatrice
James J. Carder
Everett B. Cox, Jr.
Nicholas M. Fleischer
Arthur L. Gurtel
James C. Hayes
Karl W. Hohengarten
Ina J. Holley
Alfred P. Jenkins
John P. Juergens
James E. Knoben
James R. Minor
Barry W. Nishikawa
Steven L. Pettitt
Raleigh J. Putnam II
Steven R. Robinson
Lawrence C. Rosenthal
Michael R. Schallock
Gary P. Trosclair
Richard S. Walling
Michael R. Weaver
Edwin C. Wilkerson, Jr.
John T. Winniford
Alan M. Yamashita

To be assistant pharmacist

Robert C. Adams
Steven C. Bowman
James P. Cobb
Gary P. Copeland
Thomas E. Dorworth
David P. Elder
Paul W. Erickson
Marcia R. Gerstenzang
Patrick J. Halton
Raymond W. Hammond
Gary L. Henderson
Neumon D. Johnson, Jr.
Alexander P. Jones
Richard W. Killpack
Ezequiel Mendieta, Jr.
James F. Neighbors
Walter J. H. Hess
Thomas G. Phillips
Michael A. Rempfer
Glenn H. Rex
William P. Tyler, Jr.
Dorothy S. Vershure
William B. Welch

To be senior assistant dietitian

Alberta C. Bourn
Pamela L. Brye
Carolyn K. Scalise

To be assistant dietitian

Mary P. Bruchac

To be therapist

Carol A. Wood

To be senior assistant therapist

William M. Brown
Gary C. Hunt
Ronald E. Leppanen
Ronald W. Sweitzer

To be assistant therapist

Michael R. Huylebroeck
James C. Pryce

To be health services officer

John W. Biendekapp
Mark E. Huffman
Gary D. Knott
Robert J. Landry
Nathan E. Seldin
Reiko H. True

To be senior assistant health services officer

Michael B. Beckerman
Dale M. Botwin
Daniel J. Gouvea
John E. Hickey
Michael J. Kennedy
Lawrence E. Kucken
Richard E. Lippman
Lee H. Loomis
Edward F. Manny
Frederick J. Miller
James L. Morrison
Melvin E. Segal
David R. Selby
Libby B. Smith
Penni I. St. Hilaire
David R. Weir

To be assistant health services officer

Ronald E. Basil
Beverly A. Bogner
Constance M. Burtoff
Kenneth C. Diepold
Ronald G. Jans
George S. Komada
Llewellyn H. Mason, Jr.
Peter P. Mazzella
Tim L. Pay
James J. Vucich
Joseph R. Williams

IN THE COAST GUARD

The following regular officers in the U.S. Coast Guard for promotion to the grade of captain:

John H. Guest
Lawrence J. Opezio
James J. Rooney, III
Brinton R. Shannon
Roger P. Hartgen
Joseph F. Smith
Alan C. Dempsey
John E. Decarteret
Gilbert E. Brown, Jr.
Gilbert L. Aumon
Ernest C. Allen
Robert E. McKew
Paul D. Henneberry
Benjamin K. Schaeffer
Axel J. Hagstrom
Billy C. Read
Thomas L. Wedgewood
John O. Leatherwood, Jr.
John N. MacDonald
Thomas C. Volkle
Bobby C. Wilks
Donald E. Hand
Albert L. Olsen, Jr.
Delmar F. Smith
Bruce S. Little
Bobby G. Burns
David W. Irons
Mathew Woods
Gerald C. Hinson
Melvin J. Hartman
Royce R. Garrett
Benjamin R. Sheaffer
Kearney L. Yancey, Jr.
Roger V. Millett
Richard A. Decorps, Jr.
John B. Lynn
Richard J. Green
James E. Brown, Jr.
George D. Passmore, Jr.
Richard J. Collins
Alexander R. Larzelere

The following Regular officers in the U.S. Coast Guard for promotion to the grade of commander:

James T. Leigh
Kenneth C. Cutler
Joseph F. Carilli
Harold G. Fletcher, Jr.
Cecil W. Gray
Edward R. Pusey
Donald C. Addison
Thomas W. Boerger
Joseph L. Valenti
Arthur E. Henn
Nils Linfors
Leon Z. Katcharian
John G. Denninger
David H. Whitten
Lance A. Eagan
Hugh L. Thomas
William J. Wallace, Jr.
Harold L. Bonnet
Elmer Sorensen
Frederick A. Kelley
Raymond D. Bland
James F. Greene, Jr.
Joseph J. Smith
Peter C. Hennings
Walter M. Coburn
Wade M. Moncrief, Jr.
David S. Gemmell
Carl H. Burkhart
Neal Mahan
Glenn E. Haines
Peter T. Muth
Michael O. Murtagh
Anthony J. Soltys
Kwang P. Hsu
Albert F. Baker
William S. Murray
George E. Mason
Norman H. Huff
Don M. Keehn
Thomas D. Smith
Raymond J. Houttekier
David K. Carey
Louis M. Casale
Wayne P. Stevens
Harry N. Hutchins III
Joseph R. Finelli
Richmond D. Greenough, Jr.
Hugh W. Nabors
Scott D. McCowen
David V. Wood
Gary L. Rowe
Branson E. Epler, Jr.
Stephen L. Richmond
Hugh Huleatt
Walter R. Granstra
Howard R. Ledbetter
Theodore H. Hofer
John K. Andrews
Cyrus E. Potts
John E. Streetep
Billy G. Cunningham
Alfred T. Miles
Harold T. Sherman
Gary R. Hall
David Corson
Edward G. O'keefe
Michael J. Schiro
Richard V. Consigle
Clifford E. Banner
Thomas F. McGrath III
Phillip J. Bull
Michael H. Dennis
Alvin Cattalini
Gary F. Vannevel
Clinton H. Smoke, Jr.
James F. Brodie, Jr.
Frank A. Boersma
Richard S. Bizar
Roger W. Bing
Joseph B. Coyle
William R. Wilkins
William W. Barker III
George J. Thompson
Arder B. Chittick
Gerald F. Wollever
Nelson H. Keeler, Jr.
Harry T. Suzuki
Warren D. Snider
Robert L. Vence, Jr.
Gill R. Goodman
Howard B. Gehring
Robert L. Armacost
John R. Harrald
John R. Carlile

The following Regular officers in the United States Coast Guard for promotion to the grade of lieutenant commander:

Michael W. Olivo
Ronald D. Lapp
Richard D. Wescott
Michael D. Rems
George T. Jones
William J. Smith, Jr.
William M. Jacobs
Gordon O. Tooley
Andrew J. Sedlock
French H. McElrath
Michael S. Macie
Dallas G. Schmidt, Jr.
Peter R. Hoffman
Jerald B. Rainey
Robert A. Byers
Rob R. Hathaway
Donald D. Stansell
Willis E. Sanders
Keith King
Leonard M. Strong
Christopher D. Willis
William R. Knight III
Ronald R. Crooker
Robert V. Renaud
Francis R. Tardiff
John A. Buzga
Stewart C. Sutherland
Eric J. Williams III
James R. Comerford, Jr.
Francis J. Aube
William B. Clow
William S. Shaffer
Donald E. Bodron
Ronnie R. Elliott
James J. Keller
James L. Hassall
David J. Kantor
Kent W. Mathews
Larry S. Craig
Thomas B. McCarthy
Robert C. Herold
Arthur R. Whittum
Malcolm W. Gray
James H. Oliver
John H. Powers III
Frank C. Lewis
Dennis W. Mahar
John F. Weseman
Karl Kaufman
Ernest R. Smith, Jr.
Michael W. Wade
Brian W. Mills
Donald L. Dobbs
Frank K. Cole
Brian Pickhover
Carl D. Fry
Robert L. Melville
Paul C. Monette
Gerald F. Arens
Kenneth A. Parkin
Ernest P. Joyce
James C. Tanner
John D. Klemm
Alvin K. Johnson
Jack L. Elam
Charles L. Kidd, Jr.
Fletcher W. Brown III
David A. Potter
Fred L. Ames
William R. Hodges, Jr.
Norman V. Scurria, Jr.
Thomas H. Jenkins
Larry V. Grant
Richard W. Schneider
James T. Ingham
Larry J. Olson
Richard J. Asaro
Norman C. Edwards, Jr.
Nicholas Stramandi
Victor P. Primeaux
Joseph F. Olivo, Jr.
John T. Tozzi
Joseph E. Casaday
John H. Legwin III
Dennis P. Purves
Arthur W. McGarth, Jr.
Alexander T. Polasky
Kenneth B. Allen
Richard B. Meyer
James G. Soland
Michael G. Cavett
Richard F. Mattingly, Jr.
Herman F. Hirsh III
Robert J. Parsons
Thomas E. Ross III
Douglas D. Lundberg
Paul M. Regan
Robert P. Dick
Jack E. Call
Craig M. Nicholson
Vernon K. Carlson
James B. Morris
Michael F. McCormack
Richard G. Jones
Douglas A. Smith
Alan J. Cross
Robert F. Powers
Quintin K. Quinn
John K. Colvin
James M. Sherman
John Rice
Steven R. Sipes
William C. Thompson
Charles E. Hughes
Duane R. Jefts
Paul D. Bridges
Dennis C. Foresman
Richard A. Kirkman
Phillip B. Arnold
Augusta L. Duncan
Frederick V. Minson
John A. Bastek
Leighton T. Anderson
Peter A. Poerschke
William C. Hain III
James M. MacDonald
John R. Taylor
Larry E. Parkin
Brian P. Kelly
Dennis L. Bryant
Thomas S. Johnson III
Clifton K. Vogelsberg
James T. Paskewich
William T. Johanek
David L. Powell
Steven J. Delaney
Daniel B. McKinley
John R. Ryland
Theodore J. Sampson
Thomas H. Collins
Richard W. Hauschildt
George R. Perrault
Ronald S. Matthew
Ernest R. Riutta
Edmund I. Kiley
John A. Magiera
Peter M. Tennis
John T. Okron, Jr.
James T. Doherty
John F. Stumpff

The following named officer to be a permanent commissioned officer in the Coast Guard in the grade of chief warrant officer, W2, having been found fit for duty while on the temporary disability list:

Robert V. Kassela

The following Regular officers in the United States Coast Guard for promotion to the grade of lieutenant (junior grade):

Robert N. Conkling, Jr.
Richard H. Berry

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be captains

Donald R. Tibbit
Gerald C. Saladin
Ray E. Moses
James G. Grunwell
Robert L. Sandquist
James S. Midgley
Melvin J. Umbach
Charles H. Nixon
J. Austin Yeager
John D. Bossler
Raymond L. Speer

To be commanders

John C. Albright
Hugh B. Milburn
Yeager A. Bush
William L. Stubblefield
Melvyn C. Grunthal
Michael Kawka
Clarence W. Tignor

To be lieutenant commanders

Thomas W. Ruszala
Frank B. Arbusto, Jr.
Stephen D. Whitaker
James A. Wexler
Patrick L. Wehling, Jr.
David W. Yeager
Kent P. Dolan
Craig S. Nelson
Stephen H. Manzo
Michael C. Meyer
George W. Jamerson
Jeffrey P. Calebaugh
Burl L. Wescott
Robert K. Norris
James D. Servais
William J. Lounsbery
Alan J. Pickrell
Gerald W. Stanley
Ronald W. Jones
Theodore C. Kaiser
Richard W. Permenter
Wayne L. Perryman
Daniel S. Eilers

To be lieutenants

Dennis M. Kuhl
Michael E. Ziolko
Terrance D. Jackson
Edward D. Gullekson
Christine S. Carty
Karen L. Pasciuti
James D. Sarb
David H. Peterson
Richard W. Ellis
Cheryl A. Cavin
James H. Bennett, Jr.
Deborah A. Astle

Constantine E. Mericas
Gary M. Albertson
Evelyn J. Fields
Howard T. Langeveld
Edward B. Christman
Gary S. E. Lagerloef
David A. Waltz
Lee R. Doering
John A. Withrow

To be lieutenants (junior grade)

Kathryn A. Andreen
David J. Tennesen
Peter W. deWitt
James W. O'Clock
Richard E. Marriner II
Roger A. Norris
Hans E. Ramm
Dale E. Bretschneider
Lawrence D. Parsons
Stanley R. Iwamoto
Roddy J. Swope
Gregory P. Kosinski
Bruce W. Dearbaugh
Lewis W. Walker
Mark V. Losleben
Mary C. Wencker
Ronald W. Kimball
Pirkko K. Uusitalo
Robert D. Haught
Lars A. G. Pardo
Todd A. Baxter
Stephen L. Poole
Thomas L. Renninger
Thomas G. Clark
F. Ronald Philippsborn
Marcella J. Bradley
James E. Talton, Jr.
George J. Munkenbeck, Jr.
Michael A. Coulman
George M. Doggett

To be ensigns

Douglas G. Brockhouse
William L. Hiscox
Marianne Molchan
Kirsten E. Olson
Joseph C. Rhett
Donald B. Stanley
James H. Thomson
John D. Wilder
Paul M. Daugherty
John T. Moakley
Michael McCluskey
Judith E. Barnett
John W. Blackwell
Samuel P. DeBow, Jr.
James G. Fausone
Lyle B. Fox, Jr.
Deborah A. Hussey
Steven K. Knight
Robert M. Mandzi
Michael F. Matta
John P. Szczesniak
Timothy D. Rulon
John D. Friend

IN THE AIR FORCE

Lt. Gen. William G. Moore, Jr., [redacted], U.S. Air Force, for confirmation of recess appointment as senior U.S. Air Force member of the Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711.

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. James H. Ahmann, [redacted], Regular Air Force.
Brig. Gen. Melvin G. Bowling, [redacted], Regular Air Force.
Brig. Gen. Kelly H. Burke, [redacted], Regular Air Force.
Brig. Gen. Edgar A. Chavarrie, [redacted], Regular Air Force.
Brig. Gen. Thomas E. Clifford, [redacted], Regular Air Force.
Brig. Gen. Gerald E. Cooke, [redacted], Regular Air Force.
Brig. Gen. Edwin A. Coy, [redacted], Regular Air Force.
Brig. Gen. James B. Currie, [redacted], Regular Air Force.
Brig. Gen. Garth B. Dettinger, [redacted], Regular Air Force, Medical.
Brig. Gen. Charles L. Donnelly, Jr., [redacted], Regular Air Force.
Brig. Gen. Hans H. Driessnack, [redacted], Regular Air Force.
Brig. Gen. Philip C. Gast, [redacted], Regular Air Force.
Brig. Gen. William D. Gilbert, [redacted], Regular Air Force.
Brig. Gen. David L. Gray, [redacted], Regular Air Force.
Brig. Gen. Fred A. Haeffner, [redacted], Regular Air Force.
Brig. Gen. Gerald K. Hendricks, [redacted], Regular Air Force.
Brig. Gen. John W. Hepfer, [redacted], Regular Air Force.
Brig. Gen. James R. Hildreth, [redacted], Regular Air Force.
Brig. Gen. John H. Jacobsmeyer, Jr., [redacted], Regular Air Force.
Brig. Gen. Charles F. G. Kuyk, Jr., [redacted], Regular Air Force.
Brig. Gen. Doyle E. Larson, [redacted], Regular Air Force.
Brig. Gen. George D. Miller, [redacted], Regular Air Force.
Brig. Gen. Billy M. Minter, [redacted], Regular Air Force.
Brig. Gen. Warren C. Moore, [redacted], Regular Air Force.
Brig. Gen. Edward J. Nash, [redacted], Regular Air Force.
Brig. Gen. William L. Nicholson, III, [redacted], Regular Air Force.
Brig. Gen. Jerome F. O'Malley, [redacted], Regular Air Force.
Brig. Gen. Earl G. Peck, [redacted], Regular Air Force.
Brig. Gen. Bobby W. Presley, [redacted], Regular Air Force.
Brig. Gen. Len C. Russell, [redacted], Regular Air Force.
Brig. Gen. Robert Scurlock, [redacted], Regular Air Force.
Brig. Gen. James W. Stansberry, [redacted], Regular Air Force.
Brig. Gen. LeRoy W. Svendsen, Jr., [redacted], Regular Air Force.
Brig. Gen. Robert C. Taylor, [redacted], Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of Chapter 835, Title 10 of the United States Code:

To be major general

Maj. Gen. Arnold W. Braswell, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Lt. Gen. Wilbur L. Creech, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Brig. Gen. James B. Currie, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Cecil E. Fox, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Lt. Gen. Raymond B. Furlong, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Abbott C. Greenleaf, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Lt. Gen. James V. Hartinger, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Richard C. Henry, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Lt. Gen. Robert T. Marsh, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Abner B. Martin, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Otis C. Moore, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Edwin W. Robertson, II, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Maj. Gen. Evan W. Rosencrans, [redacted], (brigadier general, Regular Air Force) U.S. Air Force.
Lt. Gen. George E. Schafer, [redacted], (brigadier general, Regular Air Force, Medical) U.S. Air Force.

To be brigadier general

Brig. Gen. Walter H. Baxter, III, [redacted], (colonel, Regular Air Force) U.S. Air Force.
Brig. Gen. Thomas G. Bee, [redacted], (colonel, Regular Air Force) U.S. Air Force.
Brig. Gen. Rufus L. Billups, [redacted], (colonel, regular Air Force) U.S. Air Force.
Brig. Gen. William E. Carson, [redacted], (colonel, Regular Air Force) U.S. Air Force.
Brig. Gen. Edgar A. Chavarrie, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Robert W. Clement, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Thomas E. Clifford, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Philip J. Conley, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Edwin A. Coy, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Theodore P. Crichton, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Michael E. DeArmond, [redacted], (colonel, Regular Air Force) U.S. Air Force.
Brig. Gen. Garth B. Dettinger, [redacted], (colonel, Regular Air Force, medical), U.S. Air Force.
Brig. Gen. Richard T. Drury, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Howard M. Estes, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Harry Falls, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Don M. Hartung, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. John W. Hepfer, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Francis A. Humphreys, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Elwood A. Kees, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Charles B. Knudson, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Benton K. Partin, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Earl G. Peck, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Andrew Pringle, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Walter D. Reed, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Robert Scurlock, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. James W. Stansberry, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. LeRoy W. Svendsen, Jr., [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Daryle E. Tripp, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Everett L. True, [redacted], (colonel, Regular Air Force), U.S. Air Force.
Brig. Gen. Charles E. Woods, [redacted], (colonel, Regular Air Force), U.S. Air Force.

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. Walter J. Bacon, II, [redacted], Regular Air Force.
Col. James I. Baginski, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Merton W. Baker, [redacted], Regular Air Force.
Col. Jerome R. Barnes, Jr., [redacted], Regular Air Force.
Col. Tommy I. Bell, [redacted], Regular Air Force.
Col. Theodore D. Broadwater, [redacted], Regular Air Force.
Col. Norma E. Brown, [redacted], Regular Air Force.
Col. John R. Budner, [redacted], Regular Air Force.
Col. Richard A. Burpee, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. William J. Campbell, [redacted], Regular Air Force.
Col. Melvin F. Chubb, Jr., [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Cecil D. Crabb, [redacted], Regular Air Force.
Col. Edward L. Ellis, [redacted], Regular Air Force.
Col. Alonzo L. Ferguson, [redacted], Regular Air Force.
Col. Paul E. Gardner, [redacted], Regular Air Force.
Col. Allison G. Glover, [redacted], Regular Air Force.
Col. Irwin P. Graham, [redacted], Regular Air Force.
Col. Patrick J. Halloran, [redacted], Regular Air Force.
Col. Paul H. Hodges, [redacted], Regular Air Force.
Col. Charles B. Jiggetts, [redacted], Regular Air Force.
Col. Robert W. Kennedy, [redacted], Regular Air Force.
Col. Frederick C. Kyler, [redacted], Regular Air Force.
Col. Charles W. Lamb, [redacted], Regular Air Force.
Col. Joseph R. Lowry, [redacted], Regular Air Force.
Col. John B. Marks, Jr., [redacted], Regular Air Force.
Col. William E. Masterson, [redacted], Regular Air Force.
Col. Robert F. McCarthy, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Forrest S. McCartney, [redacted], Regular Air Force.
Col. Robert G. McIver, [redacted], Regular Air Force, Medical.
Col. Edward Mendel, [redacted], Regular Air Force.
Col. Kenneth R. Milam, Jr., [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Alfred M. Miller, Jr., [redacted], Regular Air Force.
Col. Russell E. Mohney, [redacted], Regular Air Force.
Col. William H. L. Mullins, [redacted], (major, Regular Air Force) U.S. Air Force.
Col. Kenneth L. Peek, Jr., [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. James C. Pfautz, [redacted], Regular Air Force.
Col. Robert D. Russ, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Vernon H. Sandrock, [redacted], Regular Air Force.
Col. Richard K. Saxer, [redacted], Regular Air Force.
Col. Casper T. Spangrud, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.
Col. Dennis B. Sullivan, [redacted], Regular Air Force.
Col. James Taylor, Jr., [redacted], Regular Air Force.
Col. Mele Vojvodich, Jr., [redacted], Regular Air Force.
Col. Larry D. Welch, [redacted], (lieutenant colonel, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert Gibbins Gard, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

1. The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

*Maj. Gen. Edward Charles Meyer, [redacted], Army of the United States (colonel, U.S. Army).
*Maj. Gen. Marvin Don Fuller, [redacted] Army of the United States (colonel, U.S. Army).
*2. Maj. Gen. Edward Charles Meyer, [redacted] Army of the United States (colonel, U.S. Army), for appointment as Senior United States Army Member of the Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Cecil W. Hospelhorn, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Lawrence M. Jones, Jr., [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Gordon J. Duquemin, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. William R. Wray, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Robert J. Malley, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Richard A. Bresnahan, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. George E. Turnmeyer, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. James A. Johnson, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. James B. Vaught, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Otis C. Lynn, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. William L. Mundie, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Willard W. Scott, Jr., [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. John W. McEnery, [redacted], Army of the United States, (brigadier general, U.S. Army).
Lt. Gen. Don A. Starry, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. William B. Caldwell III, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Kenneth E. Dohleman, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Oren E. DeHaven, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Joseph K. Bratton, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Lee E. Surut, [redacted], Army of the United States, (brigadier general, U.S Army).
Maj. Gen. Jerry B. Lauer, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Donald R. Keith, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. John F. Forrest, [redacted], Army of the United States, (brigadier general, U.S. Army).
Maj. Gen. Marion C. Ross, [redacted], Army of the United States, (brigadier general, U.S. Army).

To be brigadier general

Maj. Gen. William B. Steele, [redacted], Army of the United States, (colonel, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. Charles K. Heiden, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. John C. Faith, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Hillman Dickinson, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Emmett W. Bowers, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Charles P. Graham, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. James H. Merryman, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Louis C. Menetrey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. Paul S. Williams, Jr., [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Guy S. Meloy, III, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. Maxwell R. Thurman, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. William J. Livsey, Jr., [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. William I. Rolya, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Jack V. Mackmull, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Emil L. Konopnicki, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Sampson H. Bass, Jr., [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Joseph N. Jaggers, Jr., [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Robert L. Bergquist, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. William J. Hilsman, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. John W. Seigle, [redacted], Army of the United States (lieutenant colonel, U.S. Army).
Brig. Gen. Donald E. Rosenblum, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. James F. Cochran III, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Louis W. Prentiss, Jr., [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. John B. Blount, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Benjamin L. Harrison, [redacted], Army of the United States (colonel, U.S. Army).
Brig. Gen. Phillip Kaplan, [redacted], Army of the United States (colonel, U.S. Army).

*Indicates ad interim appointment issued.

Brig. Gen. Edward A. Partam, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jack N. Merritt, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald M. Babers, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas P. Lynch, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul M. Timmerberg, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Tom H. Brain, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Lucien E. Bolduc, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Sinclair L. Melner, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Alan A. Nord, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Albert B. Akers, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jere W. Sharp, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James G. Boatner, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Story C. Stevens, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edmund R. Thompson, [redacted], Army of the United States (colonel, U.S. Army).

The following officers for appointment in the Adjutant General's Corps, Army National Guard of the United States under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Thomas Craft Armstrong, [redacted].

Brig. Gen. James Compton Clem, [redacted].

Brig. Gen. James LeRoy Spence, [redacted].

Brig. Gen. William David Weller, [redacted].

The following-named officers for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. Frederic J. Brown III, [redacted], Army of the United States (major, U.S. Army).

Col. John L. Ballantyne III, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. John W. Woodmansee, Jr., [redacted], Army of the United States (major, U.S. Army).

Col. Jack A. Walker, [redacted], Army of the United States (major, U.S. Army).

Col. Edward A. Dinges, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas F. Healy, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Patrick M. Roddy, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles J. Fiala, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert M. Elton, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Ames S. Albro, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William S. deCamp, [redacted], Army of the United States (major, U.S. Army).

Col. Carl E. Vuono, [redacted], Army of the United States (major, U.S. Army).

Col. Grail L. Brookshire, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Neal Creighton, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. John S. Crosby, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Philip L. Bolte, [redacted], U.S. Army.

Col. William W. Maurer, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William R. Sarber, Jr., [redacted], U.S. Army.

Col. Niles J. Fulwyler, [redacted], U.S. Army.

Col. John W. Hudachek, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. David C. Martin, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Stephen E. Nichols, [redacted], U.S. Army.

Col. Edward C. O'Connor, [redacted], U.S. Army.

Col. Henry H. Harper, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Duard D. Ball, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Leonard J. Riley, [redacted], Army of the United States (major, U.S. Army).

Col. John D. Granger, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Alton H. Harvey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James E. Armstrong, [redacted], U.S. Army.

Col. Donald G. Weinert, [redacted], U.S. Army.

Col. Allen H. Light, Jr., [redacted], Army of the United States (lieutenant colonel, United States Army).

Col. Howard G. Crowell, Jr., [redacted], Army of the United States (lieutenant colonel, United States Army).

Col. James P. Maloney, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Dwight L. Wilson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Henry Doctor, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Andrew H. Anderson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Albert N. Stubblebine III, [redacted], U.S. Army.

Col. Vincent E. Falter, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Harvey D. Williams, [redacted], U.S. Army.

Col. Duane H. Stubbs, [redacted], U.S. Army.

Col. Walter J. Mehl, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Max W. Noah, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert A. Sullivan, [redacted], U.S. Army.

Col. Harold I. Small, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Francis J. Toner, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Edward M. Browne, [redacted], U.S. Army.

Col. James A. Williams, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Clarence E. McKnight, Jr., [redacted], U.S. Army.

Col. Donald R. Lasher, [redacted], U.S. Army.

Col. Harry L. Dukes, Jr., [redacted], U.S. Army.

IN THE AIR FORCE

The following-named officers for promotion as a Reserve of the Air Force, under the appropriate provisions of chapter 35, and 837, title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Adler, Philip, Jr., [redacted].
Allen, Preston H., [redacted].
Aten, Donald G., [redacted].
Baltz, Richard B., [redacted].
Bargman, Phillip E., [redacted].
Barron, Clarence R., [redacted].
Basnett, William W., [redacted].
Bauer, Fred L., [redacted].
Beck, Joseph C., [redacted].
Bell, John H., [redacted].
Bender, John H., Jr., [redacted].
Black, Donald H., [redacted].
Bottom, Raymond B., Jr., [redacted].
Bowling, Melvin C., [redacted].
Boyce, Ronald N., [redacted].
Brashear, Eugene, [redacted].
Bright, Carl E., [redacted].
Brodie, Thomas A., Jr., [redacted].
Brown, Clarence Z., [redacted].
Brown, Jimmy C., [redacted].
Bruckner, Carl J., Jr., [redacted].
Brusell, Harry E., Jr., [redacted].
Buchanan, Earl, [redacted].
Buchanan, William H., [redacted].
Burke, Edward F., [redacted].
Bussey, Henry M., II, [redacted].
Butler, Walter J., [redacted].
Cannon, Ross W., [redacted].
Caporale, Patrick R., [redacted].
Carlson, Ralph T., [redacted].
Carpenter, Herman J., [redacted].
Carroll, Richard M., [redacted].
Cassedy, John C., Jr., [redacted].
Chrysokos, James S., [redacted].
Cole, Melvin S., [redacted].
Conley, William M., Jr., [redacted].
Copeland, Jones E., [redacted].
Cotten, Richard E., [redacted].
Cotton, Bruce C., [redacted].
Cox, Barry C., [redacted].
Cox, Darrell J., [redacted].
Coyne, Martin P., [redacted].
Creswell, Walter, Jr., [redacted].
Dallas, Gerald C., [redacted].
Davey, Walter T., Jr., [redacted].
Dean, Robert A., [redacted].
Deback, Norman J., Jr., [redacted].
Dimanno, Gerald T., [redacted].
Dinwiddie, Thomas H., [redacted].
Dixon, Harold F., [redacted].
Doherty, Mary L., [redacted].
Dorn, Kenneth W., [redacted].
Dotson, Robert E., [redacted].
Downey, James C., [redacted].
Dreessen, Amos R., [redacted].
Duncan, James H., [redacted].
Dworshak, Louis R., [redacted].
Eckart, John F., [redacted].
Erickson, Donn W., [redacted].
Eriksen, Hans J., [redacted].
Ferguson, Jack P., [redacted].
Fisher, Donald E., [redacted].
Ford, Paul M., [redacted].
Foster, Daniel M., [redacted].
Fowlkes, John R., [redacted].
Franke, Milton E., [redacted].
Furukawa, Paul M., [redacted].
Gardner, Jonathan, [redacted].
Germany, James C., Jr., [redacted].
Gilbert, William G., [redacted].

Gilchrist, James, Jr., [redacted].
Gilman, Richard D., [redacted].
Glass, Fredrick A., [redacted].
Gordon, Aubrey G., [redacted].
Gorton, Thomas S., III, [redacted].
Grab, Harry A., Jr., [redacted].
Griffith, Eugene R., [redacted].
Hall, Richard L., Jr., [redacted].
Hamilton, Leslie C., [redacted].
Haney, William F., Jr., [redacted].
Hardy, Herbert L., [redacted].
Hartman, Carlton F., [redacted].
Hatfield, Hollis A., [redacted].
Hathaway, James B., [redacted].
Henderson, Billy R., [redacted].
Hermsen, Richard J., [redacted].
Heurlin, Victor H., Jr., [redacted].
Heuss, Herman A., [redacted].
Hill, Jerry G., [redacted].
Hill, Robert B., [redacted].
Hill, Samuel C., Jr., [redacted].
Hitchcock, Donald A., [redacted].
Hixson, Jean F., [redacted].
Holau, Joel K., Jr., [redacted].
Holway, Warren A., [redacted].
Hope, Helen T., [redacted].
Huber, Roscoe R., [redacted].
Hull, Howard L., Jr., [redacted].
Humphrey, Leonard C., [redacted].
Humphrey, Robert L., [redacted].
Ingram, Reginald K., [redacted].
Irwin, George L., Jr., [redacted].
Jefferson, William J., Jr., [redacted].
Jeter, James P., [redacted].
Johnson, Lloyd H. T., [redacted].
Johnston, Chester I., [redacted].
Kaiser, Herbert H., Jr., [redacted].
Kamchi, Jerome S., [redacted].
Kruger, Ellen M., [redacted].
Kuehner, Alton C., [redacted].
Ledbetter, Heustice L., [redacted].
Lee, John L., Jr , [redacted].
Lemme, Donald P., [redacted].
Londerholm, Robert C., [redacted].
Looper, Vernon L., [redacted].
Lucas, James T., Jr., [redacted].
Lundquist, Darrel W., [redacted].
Mangini, John J., [redacted].
Marsden, Brinton G., [redacted].
Masuoka, Noboru, [redacted].
Maxson, Frederick G., [redacted].
McArdle, Richard C., [redacted].
McArthur, Robert D., [redacted].
McClelland, Marc M., [redacted].
McElwain, Daniel B., [redacted].
McEwen, John E., [redacted].
McLaren, John J., [redacted].
McMahon, John F., Jr., [redacted].
Miller, Vernon I., [redacted].
Milligan, James R., [redacted].
Mills, William B., [redacted].
Moore, J. Frank, [redacted].
Morgan, John B., [redacted].
Mortenson, Robert G., [redacted].
Muller, Charles W., [redacted].
Murphy, John A., [redacted].
Myska, Frank B., [redacted].
Neilly, William C., Jr., [redacted].
Nicholls, George C., [redacted].
Panosian, Stephen, [redacted].
Parry, Lloyd H., [redacted].
Partridge, Gordon L., [redacted].
Peraro, Donald S., [redacted].
Phillips, Donald L., [redacted].
Phillips, Robert C., [redacted].
Pierson, David A., [redacted].
Pierson, Peter S., [redacted].
Pitts, Wilson H., [redacted].
Porter, Harold W., [redacted].
Price, Robert E., [redacted].
Ragle, Eugene N., [redacted].
Rardin, Jack W., [redacted].
Ratchen, Rollin L., [redacted].
Raymondo, Charles S., [redacted].
Redman, William A., [redacted].
Reed, Lyman S., [redacted].
Reeves, Garey M., [redacted].
Reynolds, Madell B., [redacted].
Rizor, James M., [redacted].
Robb, Jon M., [redacted].
Roberts, Leonard F., [redacted].
Rochford, James T., [redacted].
Rogers, Preston C., Jr., [redacted].
Rollins, Joseph G., [redacted].
Rubin, Renee, [redacted].
Sageser, Floyd E., [redacted].
Salem, Rose H., [redacted].
Salvato, Rudolph M., [redacted].
Saxe, Walter A., Jr., [redacted].
Scott, Richard H., [redacted].
Scott, Robert E., [redacted].
Shapiro, David A., [redacted].
Six, Forrest C., Jr., [redacted].
Skinner, Francis J., [redacted].
Smith, Billy F., [redacted].
Smith, James R., [redacted].
Smith, Ramon G., [redacted].
Solberg, Herbert S., [redacted].
Solomonic, Robert J., [redacted].
Spangler, Clinton R., [redacted].
Sparkman, James S., [redacted].
Sparn, Theodore R., [redacted].
Spaulding, Richard L., [redacted].
Spolyar, Ludwig J., [redacted].
Stevens, Richard P., [redacted].
Stodder, Joseph H., [redacted].
Storm, Francis F., III, [redacted].
Stroube, Edward W., [redacted].
Suits, Herschel L., [redacted].
Sullivan, John G., [redacted].
Talbot, Thomas F., [redacted].
Thiele, Robert E., [redacted].
Trueswell, Richard W., [redacted].
Tucker, Tilford E., [redacted].
Vaccaro, Michael J., [redacted].
Vandyke, Robert P., [redacted].
Vanhoorebeke, Jackie L., [redacted].
Verrengia, Augustine A., [redacted].
Vogt, Cecil K., [redacted].
Wahleithner, James C., [redacted].
Walker, Kenneth R., [redacted].
Walsh, Arthur J., Jr., [redacted].
Walz, John D., [redacted].
Ward, Nairne F., Jr., [redacted].
Weaver, Donald D., [redacted].
Webber, David L., [redacted].
Welch, Robert J., [redacted].
Wenzelberger, John P., [redacted].
Whatley, William M., [redacted].
Wheasler, Robert A., [redacted].
Whistler, Ross, [redacted].
White, Byron E., [redacted].
Widdows, William D., [redacted].
Wilkins, Billy H., [redacted].
Wilson, Jonathan W., [redacted].
Woltman, Nile E., [redacted].
Wooddell, Edward E., [redacted].
Woollett, Paul R., [redacted].
Wrye, Blair C., [redacted].
Wyatt, Charles E., [redacted].
Young, William W., [redacted].
Zimmermann, Harry E., [redacted].
Zucker, Eugene M., [redacted].

CHAPLAIN CORPS

Blaha, Wesley E., [redacted].
Ebner, Frank H., [redacted].
Fallon, Donald J., [redacted].
Gard, Grant G., [redacted].
Klandrud, Wallace O., [redacted].
Laplante, Joseph A., [redacted].
Meyer, Arthur W., [redacted].
Morgan, Guy, [redacted].
Pullen, Paul T., [redacted].
Reiter, Carl C., [redacted].
Wolf, Dean H., [redacted].

DENTAL CORPS

Bachand, Donald E., [redacted].
Brown, Leo M., [redacted].
Croce, Raymond A., [redacted].
Idema, William A., [redacted].
Perez, Richard S., [redacted].
Rogers, Charles L., [redacted].

MEDICAL CORPS

Alexander, David G., [redacted].
Almand, James R., Jr., [redacted].
Ashby, Richard H., [redacted].
Bickel, Rudolf G., [redacted].
Brown, Robert C., [redacted].
Coolidge, Thomas T., [redacted].
Corpening, William S., Jr., [redacted].
Coseglia, Patrick R., [redacted].
Costanzi, John J., [redacted].
Dehnel, Luther L., [redacted].
Goss, Kelly E., [redacted].
Hodgson, Corrin J., [redacted].
James, Louis F., [redacted].
Judson, Jack L., [redacted].
Kachinski, Frank E., [redacted].
Larkin, Charles B., [redacted].
Lawrence, Walter R., [redacted].
Magnuson, Arthur W., [redacted].
Marshall, Angus, [redacted].
Miller, Dwight F., [redacted].
Quaife, Merton A., [redacted].
Reed, Josiah F., Jr., [redacted].
Roberts, Perry T., [redacted].
Rueve, William W., [redacted].
Shapiro, Allen, [redacted].
Stoebner, Darrold A., [redacted].
Tamura, Raymond M., [redacted].
Thistlewaite, Edward A., [redacted].
Wegienka, Laurence C., [redacted].
Young, Duane A., [redacted].

NURSE CORPS

Belt, Virginia T., [redacted].
Black, Barbara A., [redacted].
Childs, Dixie K., [redacted].
Curtis, Jeanne L., [redacted].
Flagg, Jane L., [redacted].
Haritos, Dolores J., [redacted].
Harrison, Fannie M., [redacted].
Hilty, Winifred J., [redacted].
Kirkpatrick, Margaret R., [redacted].
Kopczynski, Helen D., [redacted].
Mulligan, Veronica E., [redacted].
O'Donnell, Georgia M., [redacted].
Regan, Grace C., [redacted].
Whitfield, Gloria M., [redacted].
Zumwalt, Richard I., [redacted].

MEDICAL SERVICE CORPS

Boyd, Raymond F., [redacted].
Burwell, Richard H., [redacted].
Gardner, Raymond A., [redacted].
Graves, James A., [redacted].
Joublanc, Eugene M., [redacted].
Nixon, Lester D., [redacted].
Vogel, William O., [redacted].

VETERINARY CORPS

Sis, Raymond F., [redacted].
Still, Edwin T., [redacted].
Vansickle, David C., [redacted].

BIOMEDICAL SCIENCE

Brown, Eric R., [redacted].
Ekberg, Donald R., [redacted].
Hooten, Exa F., [redacted].
Manders, William W., [redacted].

IN THE AIR FORCE

The following named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Aars, Rallin J., [redacted].
Acheson, Densel K., [redacted].
Ackerman, Charles T., [redacted].
Adams, William W., Jr., [redacted].
Aehnlich, Paul C., [redacted].
Ahart, Richard A., [redacted].
Ahmann, James N., [redacted].
Aiken, Gerald G., [redacted].
Albritton, Edward C., [redacted].
Albro, William A., [redacted].
Alenius, John T., [redacted].
Alexander, Richard A., [redacted].
Alexander, Robb R., [redacted].
Alie, Jean R., [redacted].
Alleger, Arthur, II, [redacted].
Allen, Byron E., [redacted].
Allen, David A., Jr., [redacted].
Allen, Lawrence W., [redacted].
Allen, Maxie W., [redacted].
Allen, Robert J., [redacted].
Allsbrook, John W., Jr., [redacted].
Alsobrook, James E., Jr., [redacted].

Alspaugh, James D., [redacted].
Alston, Harold R., [redacted].
Alvarez, Humberto H., [redacted].
Aman, Earl D., [redacted].
Amann, Richard W., [redacted].
Andersen, Jack T., [redacted].
Andersen, William C., [redacted].
Anderson, Bobby D., [redacted].
Anderson, Charles A., [redacted].
Anderson, David K., [redacted].
Anderson, Gary L., [redacted].
Anderson, Gordon L., [redacted].
Anderson, Jerry C., [redacted].
Anderson, Kenneth A., [redacted].
Anderson, Paul C., [redacted].
Anderson, Paul V., [redacted].
Anderson, Robert F., [redacted].
Anderson, Stokes W., Jr., [redacted].
Anderson, Wendell L., [redacted].
Anderson, William F., [redacted].
Andrus, James G., [redacted].
Angus, William E., [redacted].
Ankley, Donald C., [redacted].
Anzivino, Angelo L., [redacted].
Arent, William L., [redacted].
Armstrong, Malcolm B., [redacted].
Arneson, Dwynne C., [redacted].
Arnold, Gary D., [redacted].
Arnold, Richard W., [redacted].
Arnold, William E., [redacted].
Arnold, Wilson T., [redacted].
Arter, Gerald R., [redacted].
Asbill, Morris W., Jr., [redacted].
Atteberry, Glen A. T. U., [redacted].
Atwater, Robert S., [redacted].
Atwood, Daryl G., [redacted].
Aube, Albert E., [redacted].
Aultman, Fred C., [redacted].
Austin, James L., [redacted].
Baber, Gary P., [redacted].
Badalamente, Richard V., [redacted].
Badgett, Lee D. [redacted].
Bailey, Glenn B., [redacted].
Bailey, Henri L., [redacted].
Baines, Donald D., [redacted].
Bainter, Hugh T., [redacted].
Baker, Donald R., [redacted].
Baker, Doyle D., [redacted].
Baker, Earl D., [redacted].
Baker, Guy F., [redacted].
Baker, John A., [redacted].
Baker, Robert W., [redacted].
Baker, Roy T., [redacted].
Bakunas, Darius V., [redacted].
Baldassano, Robert S., [redacted].
Balent, John D., [redacted].
Balko, Andrew I., [redacted].
Ballard, Willie C., [redacted].
Balthazar, Lantz A., [redacted].
Banks, Gustave R., [redacted].
Banks, Ronald W., [redacted].
Bankus, Gerald K., [redacted].
Baran, Michael F., [redacted].
Barber, Hugh W., Jr., [redacted].
Barefoot, Joseph A., [redacted].
Barnett, David R., [redacted].
Barney, John R., [redacted].
Barney, Joseph P., [redacted].
Barnhill, Charles C., Jr., [redacted].
Barnhill, Howard M., [redacted].
Barrett. Melvin R., [redacted].
Barrett, Norman L., [redacted].
Bartholomew, Rodney A., [redacted].
Barton, John B., [redacted].
Bassett, Louis C., Jr., [redacted].
Basten, Leo M., Jr., [redacted].
Baten, Jimmie R., [redacted].
Bates, David B., [redacted].
Batte, George A., [redacted].
Baun, Raymond J., [redacted].
Bawcum, Robert W., [redacted].
Bayer, Roger T., [redacted].
Bear, Sherman W., [redacted].
Beardemphl, Thomas W., [redacted].
Beatty, James F., Jr., [redacted].
Beaulieu, Leo J., [redacted].
Beauvais, Maurice F., Jr., [redacted].
Beaver, Robert E., [redacted].
Beck, Jack E., [redacted].
Becker, Edward L., Jr., [redacted].
Bedingfield, Jerry R., [redacted].
Begansky, Paul R., [redacted].
Behler, Joseph A., [redacted].
Bell, Robert L., [redacted].
Beller, Gerald R., [redacted].
Benfield, Garland W., [redacted].
Benjamin, Warren E., [redacted].
Benner, John D., [redacted].
Bennett, Joe E., [redacted].
Berg, Henry F., [redacted].
Berger, James R., [redacted].
Beringson, Richard J., [redacted].
Berkshire, John H., [redacted].
Berry, John S., [redacted].
Bertino, William L., [redacted].
Betsill, Sammy F., [redacted].
Betts, Richard A., [redacted].
Betz, Ernst J., [redacted].
Beverly, Edward J., Jr., [redacted].
Bevis, James N., [redacted].
Bielinski, Henry E., Jr., [redacted].
Biesiadecki, Richard J., [redacted].
Binder, Donald H., [redacted].
Bingham, Clifford W., [redacted].
Birchard, Carl E., [redacted].
Birgerson, Alexander O., Jr., [redacted].
Birk, Peter K., [redacted].
Bisgrove, Donald G., [redacted].
Black, Maurice, [redacted].
Blackwood, Gordon B., [redacted].
Blakney, Kenneth L., [redacted].
Blanchfield, Robert J., [redacted].
Bland, Julian F., [redacted].
Bledsoe, Adolphus H., Jr., [redacted].
Blevins, Bedford C., [redacted].
Blevins, John C., [redacted].
Bloom, Michael I., [redacted].
Blose, John N., [redacted].
Boedeker, Robert F. C., [redacted].
Boese, Lawrence E., [redacted].
Boette, August E., [redacted].
Bogaert, James R., [redacted].
Bogart, Bruce C., [redacted].
Bogner, Harry W., [redacted].
Bohan, Thomas M., [redacted].
Bolen, Edward S., [redacted].
Boles, Jimmie K., [redacted].
Bollwerk, John J., Jr., [redacted].
Bolton, Ben W., [redacted].
Bond, Jack C., [redacted].
Bond, Ronald M., [redacted].
Booker, Sylvester, Jr., [redacted].
Boone, Thomas S., [redacted].
Boortz, Eugene H., [redacted].
Boright, Arthur L., [redacted].
Bott, Don C., [redacted].
Bouchard, David F., [redacted].
Bouchoux, Gerald E., [redacted].
Bounds, Gordon S., [redacted].
Boursaw, Jon E., [redacted].
Bousman, Richard L., [redacted].
Bousquet, Thomas R., [redacted].
Bowen, Ronald A., [redacted].
Bowling, Gene D., [redacted].
Bowman, Gary H., [redacted].
Bowser, Gary F., [redacted].
Boyce, James W., Jr., [redacted].
Boyer, Robert E., [redacted].
Bozzuto, Charles D., [redacted].
Bradley, George E., Jr., [redacted].
Bradley, James E., [redacted].
Bradley, Terry E., [redacted].
Bradwell, John J., [redacted].
Brady, James C., Jr., [redacted].
Bragdon, Paul B., [redacted].
Brandt, David A., [redacted].
Brandy, Rand, [redacted].
Brannelly, John J., [redacted].
Brass, William L., [redacted].
Bratton, David C., [redacted].
Bredenkamp, Barton C., [redacted].
Breen, Joseph A., [redacted].
Brennan, John L., III, [redacted].
Brewer, Jay R., [redacted].
Bridley, Charles A., [redacted].
Bright, Harry W., [redacted].
Bright, Jack W., [redacted].
Brinson, James E., [redacted].
Bristol, William E., [redacted].
Brittain, Claire E., Jr., [redacted].
Broach, William R., [redacted].
Brookie, James H., [redacted].
Brooks, David M., [redacted].
Brooks, Wiley S., Jr., [redacted].
Brooks, William E., [redacted].
Brophy, Thomas F., [redacted].
Broussard, Harvey C., [redacted].
Brown, Donald R., [redacted].
Brown, Jerry D., [redacted].
Brown, Jerry V., [redacted].
Brown, Joseph B., Jr., [redacted].
Brown, Lloyd A., [redacted].
Brown, Michael B., [redacted].
Brown, Robert C., [redacted].
Brown, Roger A., [redacted].
Brown, Wallace E., [redacted].
Brown, William A., Jr., [redacted].
Brownfield, Orlen L., [redacted].
Browning, William A., [redacted].
Brugger, Walter I., [redacted].
Brundage, John A., [redacted].
Bruno, Donald J., [redacted].
Brya, Edward N., [redacted].
Bryars, Frank K., [redacted].
Brzozowski, Thomas S., [redacted].
Buckey, Robert G., [redacted].
Buckley, Patrick J., [redacted].
Bucksbee, John D., [redacted].
Buick, John R., [redacted].
Bull, David E., [redacted].
Bullock, Lawrence J., [redacted].
Bullock, Thomas L., Jr., [redacted].
Burchfield, Joseph P., III, [redacted].
Burgess, George D., [redacted].
Buriff, Donald S., [redacted].
Burke, Edward J., [redacted].
Burke, John F., [redacted].
Burnett, Terrell E., [redacted].
Burnett, Thomas E., [redacted].
Burns, John L., [redacted].
Burns, Melvin W., [redacted].
Burns, Ronald A., [redacted].
Burns, William C., Jr., [redacted].
Burnside, Belvin R., Jr., [redacted].
Burrows, Bruce T., [redacted].
Burton, James R., [redacted].
Buschmann, John R., [redacted].
Bussman, William F., [redacted].
Bustamante, Elizabeth L., [redacted].
Butler, Leonard A., [redacted].
Butler, Wiliam C., Jr., [redacted].
Butterworth, Raymond J., [redacted].
Byrne, Richard L., [redacted].
Cabuk, Joe G., Jr., [redacted].
Cain, David E., [redacted].
Cain, James E., [redacted].
Cain, James E., [redacted].
Calahan, Wray D., [redacted].
Calder, David M., [redacted].
Calderon, Jose G., [redacted].
Calhoun, John H., III, [redacted].
Calhoun, Joseph S., [redacted].
Campassi, Charles C., [redacted].
Campbell, Clarence N., [redacted].
Campbell, Donald F., [redacted].
Campbell, Harvey C., [redacted].
Campbell, John F., [redacted].
Campbell, John J., [redacted].
Campbell, Joseph M., Jr., [redacted].
Campbell, Richard S., [redacted].
Campbell, Roger R., [redacted].
Cann, Donald J., [redacted].
Cantergiani, Joseph C., [redacted].
Carder, James R., Jr., [redacted].
Cardwell, Thomas A., III, [redacted].
Care, Francis J., [redacted].
Carey, Nelson F., [redacted].
Carleton, William A., Jr., [redacted].
Carlin, Gerard A., [redacted].
Carlson, Aulay P., [redacted].
Carlson, David R., [redacted].
Carlson, Donald T., [redacted].
Carlstrom, David L., [redacted].
Carlton, Gerald R., [redacted].
Carpenter, William H., Jr., [redacted].
Carroll, Jo R., Jr., [redacted].
Carroll, John M., Jr., [redacted].
Carroll, Richard A., [redacted].
Carroll, William R., [redacted].

Carruth, James R., xxx-xx-xxxx.
Carstensen, Darwin R., xxx-xx-xxxx.
Casali, Gary, xxx-xx-xxxx.
Case, Carl T., xxx-xx-xxxx.
Casey, Richard M., xxx-xx-xxxx.
Caskey, Jerry L., xxx-xx-xxxx.
Casteel, Elaine Y., xxx-xx-xxxx.
Castillo, Richard, xxx-xx-xxxx.
Catalfamo, Philip J., xxx-xx-xxxx.
Ceruti, Franklin D., xxx-xx-xxxx.
Ceruti, Robert E., xxx-xx-xxxx.
Chaloult, Michael P., xxx-xx-xxxx.
Chambers, John A., xxx-xx-xxxx.
Champion, Joel T., xxx-xx-xxxx.
Charlton, John E., xxx-xx-xxxx.
Chartier, Paul F., xxx-xx-xxxx.
Chase, Gary R., xxx-xx-xxxx.
Cheveres, Robert, xxx-xx-xxxx.
Choate, Robert A., xxx-xx-xxxx.
Christian, Robert E., III, xxx-xx-xxxx.
Christianer, Doyle C., xxx-xx-xxxx.
Chutek, Anthony B., xxx-xx-xxxx.
Cihoski, Edward R., xxx-xx-xxxx.
Cioffi, William P., xxx-xx-xxxx.
Clanton, Norman G., xxx-xx-xxxx.
Clapsaddle, Ronald E., xxx-xx-xxxx.
Clark, Frank B., Jr., xxx-xx-xxxx.
Clark, John E., xxx-xx-xxxx.
Clark, Robert D., xxx-xx-xxxx.
Clark, Robert C., xxx-xx-xxxx.
Clarke, George R., xxx-xx-xxxx.
Clem, Harold A., xxx-xx-xxxx.
Clements, William H., III, xxx-xx-xxxx.
Clemons, Gerald L., xxx-xx-xxxx.
Clemons, Larry C., xxx-xx-xxxx.
Clingman, Billy G., xxx-xx-xxxx.
Cloud, Rex E., xxx-xx-xxxx.
Cloutier, Frank L., xxx-xx-xxxx.
Clyde, John R., xxx-xx-xxxx.
Cocciolo, Harry F., xxx-xx-xxxx.
Cochran, Robert J., xxx-xx-xxxx.
Cockerham, Lorris G., xxx-xx-xxxx.
Cody, John C., xxx-xx-xxxx.
Coe, Larry J., xxx-xx-xxxx.
Coffin, Fred J., xxx-xx-xxxx.
Cole, James L., Jr., xxx-xx-xxxx.
Collier, Clifton E., xxx-xx-xxxx.
Collman, Ronald G., xxx-xx-xxxx.
Combest, William D., xxx-xx-xxxx.
Combs, Donald R., xxx-xx-xxxx.
Compton, Phil V., xxx-xx-xxxx.
Conley, Emil R., xxx-xx-xxxx.
Conley, Thomas M., xxx-xx-xxxx.
Connors, Ronald E., xxx-xx-xxxx.
Conover, Charles D., xxx-xx-xxxx.
Constant, Dennis L., xxx-xx-xxxx.
Coody, Marcus F., xxx-xx-xxxx.
Cook, Barbara K., xxx-xx-xxxx.
Cook, Loyal S., xxx-xx-xxxx.
Cook, Warren W., xxx-xx-xxxx.
Cooke, Paul M. T., Jr., xxx-xx-xxxx.
Coon, Charles R., xxx-xx-xxxx.
Cooper, Dale J., xxx-xx-xxxx.
Cooper, Frank B., xxx-xx-xxxx.
Cooper, John M., xxx-xx-xxxx.
Cooper, Marcus F., Jr., xxx-xx-xxxx.
Cope, Larry G., xxx-xx-xxxx.
Cope, Lawrence L., xxx-xx-xxxx.
Coppock, Richard M., xxx-xx-xxxx.
Coprivnicar, Frank J., xxx-xx-xxxx.
Cordier, Kenneth W., xxx-xx-xxxx.
Cornell, Gerald E., xxx-xx-xxxx.
Correll, Monte R., xxx-xx-xxxx.
Corrick, Blaine, S., Jr., xxx-xx-xxxx.
Cors, Theodore C., xxx-xx-xxxx.
Costantino, James D., xxx-xx-xxxx.
Cotter, Edward J., xxx-xx-xxxx.
Cotton, Charles E., xxx-xx-xxxx.
Coughlin, Francis J., xxx-xx-xxxx.
Coulter, Arthur C., xxx-xx-xxxx.
Coupland, James W., xxx-xx-xxxx.
Cox, Claude D., xxx-xx-xxxx.
Cox, Gary E., xxx-xx-xxxx.
Cox, Jerry, xxx-xx-xxxx.
Cox, Joseph J., Jr., xxx-xx-xxxx.
Cox, Lawrence C., xxx-xx-xxxx.
Coyne, Thomas M., xxx-xx-xxxx.
Crabb, William T., xxx-xx-xxxx.
Crabtree, Albert L., xxx-xx-xxxx.
Craig, Harold D., xxx-xx-xxxx.
Cranston, James R., xxx-xx-xxxx.
Crawford, Thomas J., xxx-xx-xxxx.
Crenshaw, Jerry R., xxx-xx-xxxx.
Cress, Larry E., xxx-xx-xxxx.
Crew, Gary F., xxx-xx-xxxx.
Crooks, Richard W., xxx-xx-xxxx.
Crosby, Francis C., xxx-xx-xxxx.
Cross, Frank A. III, xxx-xx-xxxx.
Crossley, Robert W., xxx-xx-xxxx.
Crotwell, George P., Jr., xxx-xx-xxxx.
Crouch, Robert J., xxx-xx-xxxx.
Crow, Ralph R., Jr., xxx-xx-xxxx.
Crummey, Donald M., xxx-xx-xxxx.
Cubero, Ruben A., xxx-xx-xxxx.
Cudlipp, Richard R., xxx-xx-xxxx.
Culberson, Bryant P., xxx-xx-xxxx.
Culp, Aubrey M., xxx-xx-xxxx.
Culp, Larry F., xxx-xx-xxxx.
Culver, William C., xxx-xx-xxxx.
Cumella, Joseph T., Jr., xxx-xx-xxxx.
Cummings, Peter, xxx-xx-xxxx.
Cuneo, William J., Jr., xxx-xx-xxxx.
Cunningham, Charles E., Jr., xxx-xx-xxxx.
Curtis, Stanley G., Jr., xxx-xx-xxxx.
Cushing, Emery G., xxx-xx-xxxx.
Cutney, John M., xxx-xx-xxxx.
Cyganek, Roger L., xxx-xx-xxxx.
Dahlman, James G., xxx-xx-xxxx.
Dailey, Fred D., Jr., xxx-xx-xxxx.
Dana, Joseph B., xxx-xx-xxxx.
Danborn, Donald R., xxx-xx-xxxx.
Daniel, Marshall E., Jr., xxx-xx-xxxx.
Daniels, John F., xxx-xx-xxxx.
Danigole, Simon A., Jr., xxx-xx-xxxx.
Danner, James E., xxx-xx-xxxx.
Dapra, Lawrence G., Jr., xxx-xx-xxxx.
Davey, Jack N., xxx-xx-xxxx.
Davis, A. D., Jr., xxx-xx-xxxx.
Davis, Gene H., xxx-xx-xxxx.
Davis, Glenn L., xxx-xx-xxxx.
Davis, Harold E., xxx-xx-xxxx.
Davis, Philip B., xxx-xx-xxxx.
Davis, Robert E., xxx-xx-xxxx.
Dawson, David S., Jr., xxx-xx-xxxx.
Deal, James E., xxx-x...
Dearrigunaga, Ramon E., xxx-xx-xxxx.
Debellis, Leonard M., xxx-xx-xxxx.
Dechant, William A., xxx-xx-xxxx.
Deem, Larry A., xxx-xx-xxxx.
Defreese, William C., xxx-xx-xxxx.
Degroot, John P., Jr., xxx-xx-xxxx.
Delaney, Walter J., Jr., xxx-xx-xxxx.
Delar, Robert J., xxx-xx-xxxx.
Delzingaro, Frank J., xxx-xx-xxxx.
Demott, Lucian K., xxx-xx-xxxx.
Denard, James M., Jr., xxx-xx-xxxx.
Denhardt, Thomas J., xxx-xx-xxxx.
Denning, James E., xxx-xx-xxxx.
Denton, David L., xxx-xx-xxxx.
Deruiter, David H., xxx-xx-xxxx.
Deslucamatteoni, Daniele, xxx-xx-xxxx.
Dettling, Robert E., xxx-xx-xxxx.
Devan, Byron G., xxx-xx-xxxx.
Devilbiss, Jere A., xxx-xx-xxxx.
Deville, Edsel J., xxx-xx-xxxx.
Devries, Edward J., xxx-xx-xxxx.
Dewitt, William E., xxx-xx-xxxx.
Dibiase, James A., xxx-xx-xxxx.
Dicks, Gary R., xxx-xx-xxxx.
Diercks, John W., xxx-xx-xxxx.
Dietz, Frederic H., xxx-xx-xxxx.
Diferdinondo, Anthony F., xxx-xx-xxxx.
Dilda, Stancil L., Jr., xxx-xx-xxxx.
Dillon, Dan V., xxx-xx-xxxx.
Dingle, Robert J., Jr., xxx-xx-xxxx.
Ditch, Oliver P., xxx-xx-xxxx.
Dixon, Clifford C., xxx-xx-xxxx.
Dixon, Ruben T., Jr., xxx-xx-xxxx.
Dobkowski, Edwin C., xxx-xx-xxxx.
Dockum, Robert R., xxx-xx-xxxx.
Doherty, Daniel J., xxx-xx-xxxx.
Dohrse, Michael E., xxx-xx-xxxx.
Domuret, Allan J., xxx-xx-xxxx.
Donahoe, James B., xxx-xx-xxxx.
Dondero, Richard W., xxx-xx-xxxx.
Donnellan, James L., xxx-xx-xxxx.
Doran, Donald A., xxx-xx-xxxx.
Dorman, Robert K., xxx-xx-xxxx.
Doten, Eric S., xxx-xx-xxxx.
Doubek, Thomas J., xxx-xx-xxxx.
Dougherty, Richard P., xxx-xx-xxxx.
Dowden, Robert D., xxx-xx-xxxx.
Downs, James J., xxx-xx-xxxx.
Doyle, Bruford L., xxx-xx-xxxx.
Dozier, James C., xxx-xx-xxxx.
Drake, Richard F., xxx-xx-xxxx.
Dreesbach, Donald A., xxx-xx-xxxx.
Drittler, John A., xxx-xx-xxxx.
Druva, Karlis J., xxx-xx-xxxx.
Dubose, Wesley G., xxx-xx-xxxx.
Duckworth, Johnny D., xxx-xx-xxxx.
Dudenhoeffer, Jon R., xxx-xx-xxxx.
Dudley, John D., xxx-xx-xxxx.
Duemmel, John W., xxx-xx-xxxx.
Duffie, Boyd T., III, xxx-xx-xxxx.
Duffy, James E., xxx-xx-xxxx.
Dugan, Thomas J., Jr., xxx-xx-xxxx.
Duganne, Robert A., xxx-xx-xxxx.
Duncan, Alan C., xxx-xx-xxxx.
Dunkelberger, Robert J., xxx-xx-xxxx.
Dunlap, Richard D., xxx-xx-xxxx.
Dunn, Prince H., II, xxx-xx-xxxx.
Dunne, Gilbert F., xxx-xx-xxxx.
Dunning, John E., xxx-xx-xxxx.
Dupre, James J., xxx-xx-xxxx.
Durham, Louis D., xxx-xx-xxxx.
Durnbaugh, Ralph E., xxx-xx-xxxx.
Duto, Michael D., xxx-xx-xxxx.
Dwelle, Stephen B., xxx-xx-xxxx.
Dwyer, Roy F., Jr., xxx-xx-xxxx.
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Lewis, Richard J. A., xxx-xx-xxxx.
Mallory, Melvin A., Jr., xxx-xx-xxxx.
May, Frank J., Jr., xxx-xx-xxxx.
Morrison, Charles W. B., xxx-xx-xxxx.
Rohrbough, Frank G., xxx-xx-xxxx.
Rutledge, Philip E., xxx-xx-xxxx.
Stephenson, John R., xxx-xx-xxxx.
Tadano, Ben, xxx-xx-xxxx.
Tibbetts, Thomas, xxx-xx-xxxx.
Treat, Thomas F., xxx-xx-xxxx.
Vervena, Anthony H., xxx-xx-xxxx.
Williams, Richard C., xxx-xx-xxxx.

VETERINARY CORPS

Brewer, George L., Jr., xxx-xx-xxxx.
Davis, Jerry W., xxx-xx-xxxx.
Mohri, William F., xxx-xx-xxxx.
Olson, Carl I., xxx-xx-xxxx.
Simmonds, Richard C., xxx-xx-xxxx.
Vandyke, Don, xxx-xx-xxxx.

BIOMEDICAL SCIENCE

Beatty, David C., xxx-xx-xxxx.
Brooks, Joseph G., xxx-xx-xxxx.
Brumlow, William B., xxx-xx-xxxx.
Brunner, George D., xxx-xx-xxxx.
Burnett, Ronald D., xxx-xx-xxxx.
Daniel, Thomas N., Jr., xxx-xx-xxxx.
Desjardins, Robert J., xxx-xx-xxxx.
Deutch, James A., xxx-xx-xxxx.
Fallon, Alexander E., xxx-xx-xxxx.
Fitch, Roger C., xxx-xx-xxxx.
Fortune, Miriam W., xxx-xx-xxxx.
Gibbons, William D., xxx-xx-xxxx.
Hayden, Andrew T., xxx-xx-xxxx.
Holub, Frank J., xxx-xx-xxxx.
Kopp, David T., xxx-xx-xxxx.
Mobley, Howard R., Jr., xxx-xx-xxxx.
Myers, Stuart S., xxx-xx-xxxx.
Patterson, Lucille G., xxx-xx-xxxx.
Perry, Alan H., xxx-xx-xxxx.
Pickett, Wiliam E., Jr., xxx-xx-xxxx.
Russell, Harry C., xxx-xx-xxxx.
Sadovsky, Edward M., xxx-xx-xxxx.
Winans, Lawrence F., xxx-xx-xxxx.
Wolcott, John H., xxx-xx-xxxx.
Wrenn, Hubert E., xxx-xx-xxxx.

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, Title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be major

Barney, John R., xxx-xx-xxxx.
Beck, Jack E., xxx-xx-xxxx.
Funke, Ferdinand J., xxx-xx-xxxx.
Kuhn, Harold W., Jr., xxx-xx-xxxx.
McColl, William D., xxx-xx-xxxx.
Prinster, Richard R., xxx-xx-xxxx.

To be captain

Allen, David A., Jr., xxx-xx-xxxx.

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

CHAPLAIN

To be captain

Bauer, Jack A., xxx-xx-xxxx.
Carboy, Daniel J., xxx-xx-xxxx.
Cusick, Larence R., xxx-xx-xxxx.
Golden, Joseph E., Jr., xxx-xx-xxxx.
Leeds, Robert S., xxx-xx-xxxx.
Parkinson, Richard R., xxx-xx-xxxx.
Quandt, Walter H., xxx-xx-xxxx.
Ramsey, Kenneth C., xxx-xx-xxxx.
Ryan, Timothy K., xxx-xx-xxxx.
Simmons, Harold W., xxx-xx-xxxx.
Talcott, Brian D., xxx-xx-xxxx.
Troik, Raymond A., xxx-xx-xxxx.
Zyskind, Howard B., xxx-xx-xxxx.

To be first lieutenant

Hernandez, Ricardo A., xxx-xx-xxxx

JUDGE ADVOCATE

To be captain

Byassee, William D., xxx-xx-xxxx.
Gresham, Charles B., Jr., xxx-xx-xxxx.
Jaynes, Barry S., xxx-xx-xxxx.
Lyons, Douglas W., Jr., xxx-xx-xxxx.
Martin, Terrence J., xxx-xx-xxxx.
Smith, Billy, Jr., xxx-xx-xxxx.
Strong, John F., xxx-xx-xxxx.
Vassey, Bradford C., xxx-xx-xxxx.

To be first lieutenant

Burroughs, Philip D., xxx-xx-xxxx.
Carroll, Joseph E., xxx-xx-xxxx.
Cavallucci, Eugene S., xxx-xx-xxxx.
Donaldson, Howard L., xxx-xx-xxxx.
Payne, Ronald D., xxx-xx-xxxx.
Sticka, Ronald R., xxx-xx-xxxx.
Tucker, Patrick A., xxx-xx-xxxx.

NURSE CORPS

To be captain

Berkheiser, Jean L., xxx-xx-xxxx.
Cleghorn, Prudence A., xxx-xx-xxxx.
Erickson, Georgia G., xxx-xx-xxxx.
Schenk, Jacquelyn P., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be major

Kitchen, Howard T., xxx-xx-xxxx.

VETERINARY CORPS

To be major

Olson, Carl T., xxx-xx-xxxx.

BIOMEDICAL SCIENCES CORPS

To be major

Russell, Harry C., xxx-xx-xxxx.
Winans, Lawrence F., xxx-xx-xxxx.

IN THE AIR FORCE

The following-named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

DENTAL CORPS

Major to lieutenant colonel

Aarestad, Jack C., xxx-xx-xxxx.
Alexander, Glen W., xxx-xx-xxxx.
Appeldoorn, Ronald E., xxx-xx-xxxx.
Birdman, Murray J., xxx-xx-xxxx.
Cohen, Robert B., xxx-xx-xxxx.
Couvillion, Charles R., xxx-xx-xxxx.
Daehlin, Douglas R., xxx-xx-xxxx.
Ewing, Evan Y., xxx-xx-xxxx.
Lowery, Huey P., xxx-xx-xxxx.
MacDonald, Gerald B., xxx-xx-xxxx.
Noren, Gaylord D., xxx-xx-xxxx.
Paetz, Bill L., xxx-xx-xxxx.
Ray, Daniel W., xxx-xx-xxxx.
Rossmeisl, Roman W., xxx-xx-xxxx.
Schad, George W., xxx-xx-xxxx.
Shannon, John W., xxx-xx-xxxx.
Spray, John R., xxx-xx-xxxx.
Stormo, Gary C., xxx-xx-xxxx.

MEDICAL CORPS

Alexander, Johnny B., xxx-xx-xxxx.
Arnold, Colin B., xxx-xx-xxxx.
Bates, Gaylon M., xxx-xx-xxxx.
Blumberg, Lawrence B., xxx-xx-xxxx.
Bullock, Jerry L., xxx-xx-xxxx.
Copek, Arthur P., xxx-xx-xxxx.
Couch, Ellis P., xxx-xx-xxxx.
Cox, William A., xxx-xx-xxxx.
Davis, William M., xxx-xx-xxxx.
Day, Ralph W., xxx-xx-xxxx.
Dematte, Eugene M., xxx-xx-xxxx.
Garza, Orlando T., xxx-xx-xxxx.
Gauvin, Lloyd D., xxx-xx-xxxx.
Gensler, Thomas D., xxx-xx-xxxx.
Hampton, John R., III, xxx-xx-xxxx.
Hand, Stanley I., Jr., xxx-xx-xxxx.
Harmon, Lloyd C., xxx-xx-xxxx.
Hoogerland, David L., xxx-xx-xxxx.

Janco, Robert L., xxx-xx-xxxx.
Kane, Daniel D., xxx-xx-xxxx.
Kendall, Wayne F., Jr., xxx-xx-xxxx.
Kennedy, Denis T., xxx-xx-xxxx.
Kharod, Upendrakumar, J., xxx-xx-xxxx.
Kindley, Robert T., xxx-xx-xxxx.
Klarich, John D., xxx-xx-xxxx.
Knauf, Daniel G., xxx-xx-xxxx.
Lehmiller, David J., xxx-xx-xxxx.
Lentz, Carl W., III, xxx-xx-xxxx.
Lichtenstein, Joel E., xxx-xx-xxxx.
Lindley, Ancil L., III, xxx-xx-xxxx.
Lundquist, Jon E., xxx-xx-xxxx.
Maffet, Charles K., xxx-xx-xxxx.
Mays, Garrett M., xxx-xx-xxxx.
Millett, David P., xxx-xx-xxxx.
Morgan, Howard W., Jr., xxx-xx-xxxx.
Nelson, Wilhma B., xxx-xx-xxxx.
Null, Donald M., Jr., xxx-xx-xxxx.
Oostburg, Egbert P., xxx-xx-xxxx.
Orrison, William G., xxx-xx-xxxx.
Patel, Bharat Z., xxx-xx-xxxx.
Perezfigaredo, Rafael A., xxx-xx-xxxx.
Pischinger, Russell J., xxx-xx-xxxx.
Randall, Eugene H., xxx-xx-xxxx.
Rice, Philip L., xxx-xx-xxxx.
Roberts, Thomas H., xxx-xx-xxxx.
Rohrer, James F., xxx-xx-xxxx.
Rutland, Andrew, xxx-xx-xxxx.
Sanderson, John N., xxx-xx-xxxx.
Siegel, Donald C., xxx-xx-xxxx.
Sostre, Samuel, xxx-xx-xxxx.
Spadoni, James R., xxx-xx-xxxx.
Stuteville, Joseph E., xxx-xx-xxxx.
Thornton, William V. S., xxx-xx-xxxx.
Vandersarl, Jules V., xxx-xx-xxxx.
Wardinsky, Terrance D., xxx-xx-xxxx.
Wilson, Ralph S., xxx-xx-xxxx.
Wong, William K., xxx-xx-xxxx.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a), title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Walter A. Baker, xxx-xx-xxxx.
Maj. Gordon M. Campbell, xxx-xx-xxxx.
Maj. Rene V. Cormier, xxx-xx-xxxx.
Maj. Clifford D. Crane, xxx-xx-xxxx.
Maj. William H. Hubbard, xxx-xx-xxxx.
Maj. Roy L. Huber, xxx-xx-xxxx.
Maj. Allan R. Laquey, xxx-xx-xxxx.
Maj. Boyd R. Leake, xxx-xx-xxxx.
Maj. Perry E. Maples, xxx-xx-xxxx.
Maj. John E. McKay, xxx-xx-xxxx.
Maj. John F. McMerty, xxx-xx-xxxx.
Maj. Hugh A. Morrison, xxx-xx-xxxx.
Maj. Norman A. Osborne, xxx-xx-xxxx.
Maj. William R. Ouellette, xxx-xx-xxxx.
Maj. John H. Pauley, xxx-xx-xxxx.
Maj. Robert G. Rich, xxx-xx-xxxx.
Maj. Ronald A. Schnurr, xxx-xx-xxxx.
Maj. James E. Stiles, xxx-xx-xxxx.
Maj. Joseph A. Tabacek, xxx-xx-xxxx.
Maj. Ralph D. Townsend, xxx-xx-xxxx.
Maj. Herbert Wilkinson, xxx-xx-xxxx.

MEDICAL CORPS

Maj. Robert L. England, xxx-xx-xxxx.
Maj. Charles Filippini, xxx-xx-xxxx.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Captain to major

Aars, Rallin J., xxx-xx-xxxx.
Abbott, Douglas A., xxx-xx-xxxx.
Abbott, James E., xxx-xx-xxxx.
Abbott, John G., Jr., xxx-xx-xxxx.
Abbott, Robert L., Jr., xxx-xx-xxxx.
Abernathy, Albert L., xxx-xx-xxxx.
Abt, Peter F., xxx-xx-xxxx.
Achter, Gilbert J., Jr., xxx-xx-xxxx.
Adams, Thomas R., xxx-xx-xxxx.
Adkins, Ben F., xxx-xx-xxxx.
Ahern, Donald E., xxx-xx-xxxx.
Ahlstrom, Frank C., xxx-xx-xxxx.
Ahrens, Darrell J., xxx-xx-xxxx.
Aitkens, Douglas C., xxx-xx-xxxx.
Akers, James C., xxx-xx-xxxx.
Alberts, Donald J., xxx-xx-xxxx.
Albrecht, Jerry E., xxx-xx-xxxx.
Alderman, Jerald R., xxx-xx-xxxx.
Aldrich, Robert M., xxx-xx-xxxx.
Alenduff, Joseph R., xxx-xx-xxxx.
Alexander, William R., III, xxx-xx-xxxx.
Alexandrakos, Peter, xxx-xx-xxxx.
Alford, Lester D., xxx-xx-xxxx.
Alfred, Gerald O., Jr., xxx-xx-xxxx.
Allee, William S., xxx-xx-xxxx.
Allen, Charles W., xxx-xx-xxxx.
Allen, James S., xxx-xx-xxxx.
Allen, John R., xxx-xx-xxxx.
Allen, Robert D., xxx-xx-xxxx.
Alley, Ronald G., xxx-xx-xxxx.
Allison, Jeffrey B., xxx-xx-xxxx.
Almassy, Robert J., xxx-xx-xxxx.
Alpers, John H., Jr., xxx-xx-xxxx.
Alt, William E., xxx-xx-xxxx.
Altenhof, Bruce D., xxx-xx-xxxx.
Aman, Alroy A., xxx-xx-xxxx.
Anders, William H., xxx-xx-xxxx.
Anderson, Carl E., xxx-xx-xxxx.
Anderson, Carson E., xxx-xx-xxxx.
Anderson, Gary L., xxx-xx-xxxx.
Anderson, George W., xxx-xx-xxxx.
Anderson, James S., xxx-xx-xxxx.
Anderson, James D., xxx-xx-xxxx.
Anderson, James N., xxx-xx-xxxx.
Anderson, Kenneth A., xxx-xx-xxxx.
Anderson, Norman E., Jr., xxx-xx-xxxx.
Anderson, Reed M., xxx-xx-xxxx.
Anderson, Richard D., xxx-xx-xxxx.
Anderson, Robert J., xxx-xx-xxxx.
Anderson, Wayne R., xxx-xx-xxxx.
Andreski, Philip J., xxx-xx-xxxx.
Andress, Robert S., xxx-xx-xxxx.
Andrews, Adolphus, xxx-xx-xxxx.
Andrews, Francis J., Jr., xxx-xx-xxxx.
Andrews, Melville M., Jr., xxx-xx-xxxx.
Andrews, Roland D., xxx-xx-xxxx.
Anker, Peter B., xxx-xx-xxxx.
Anthony, John T., xxx-xx-xxxx.
Apel, Charles L., xxx-xx-xxxx.
Aplin, Charles C., xxx-xx-xxxx.
Arbuckle, James H., xxx-xx-xxxx.
Arey, Laird C., xxx-xx-xxxx.
Armistead, Jack D., xxx-xx-xxxx.
Armstrong, Malcolm B., xxx-xx-xxxx.
Armstrong, Robert M., xxx-xx-xxxx.
Arnestad, James A., xxx-xx-xxxx.
Arrington, Robert E., xxx-xx-xxxx.
Asboth, Julius, Jr., xxx-xx-xxxx.
Ashdown, Floyd A., xxx-xx-xxxx.
Aspenson, Donald L., Jr., xxx-xx-xxxx.
Atkinson, Larry B., xxx-xx-xxxx.
Auer, George A., xxx-xx-xxxx.
Aulwurm, Henry C., xxx-xx-xxxx.
Austin, Edward G., xxx-xx-xxxx.
Bablo, Charles A., xxx-xx-xxxx.
Bacchieri, Roger G., xxx-xx-xxxx.
Badger, Jimmy L., xxx-xx-xxxx.
Baer, Lester H., xxx-xx-xxxx.
Bailey, John C., xxx-xx-xxxx.
Bailey, Richard C., xxx-xx-xxxx.
Bailey, William F., xxx-xx-xxxx.
Bainter, Billy D., xxx-xx-xxxx.
Bainter, Jimmy R., xxx-xx-xxxx.
Bair, William K., xxx-xx-xxxx.
Baker, Dan S., xxx-xx-xxxx.
Baker, Jeffrey D., xxx-xx-xxxx.
Baker, Kennieth W., xxx-xx-xxxx.
Baker, Norman D., xxx-xx-xxxx.
Baker, Richard A., xxx-xx-xxxx.
Bakke, Karlton I., xxx-xx-xxxx.
Balazs, Arthur J., xxx-xx-xxxx.
Ball, Henry A., Jr., xxx-xx-xxxx.
Ballas, Andrew W., Jr., xxx-xx-xxxx.
Balsamo, Salvatore R., xxx-xx-xxxx.
Bangs, Stephen J., xxx-xx-xxxx.
Banks, Tommie L., xxx-xx-xxxx.
Bankus, Gerald K., xxx-xx-xxxx.
Barber, John E., xxx-xx-xxxx.
Barbin, Albert R., Jr., xxx-xx-xxxx.
Bargmeyer, Robert W., xxx-xx-xxxx.
Barich, Dewey J., xxx-xx-xxxx.
Barker, Edward R., xxx-xx-xxxx.
Barkley, William H., xxx-xx-xxxx.
Barlow, Frederick J., xxx-xx-xxxx.
Barnes, Barry L., xxx-xx-xxxx.
Barnett, Glenn R., xxx-xx-xxxx.
Barnett, Miles T., Jr., xxx-xx-xxxx.
Barnhill, Billie G., xxx-xx-xxxx.
Barrett, Billy A., xxx-xx-xxxx.
Barrett, Robert P., xxx-xx-xxxx.
Barrineau, William E., Jr., xxx-xx-xxxx.
Barrios, Florencio P., Jr., xxx-xx-xxxx.
Barroqueiro, Silverio A., xxx-xx-xxxx.
Bart, Richard L., xxx-xx-xxxx.
Bartlett, Frank R., xxx-xx-xxxx.
Bartlett, Michael W., xxx-xx-xxxx.
Bartlett, William E., Jr., xxx-xx-xxxx.
Bartlow, Gene S., xxx-xx-xxxx.
Barton, Robert A., xxx-xx-xxxx.
Barwick, Leon S., Jr., xxx-xx-xxxx.
Basden, Bruce K., xxx-xx-xxxx.
Basler, Edward W., xxx-xx-xxxx.
Bass, David, xxx-xx-xxxx.
Bassetti, Robert O., xxx-xx-xxxx.
Bateman, Wilbur W., Jr., xxx-xx-xxxx.
Batterson, Paul N., xxx-xx-xxxx.
Battista, William G., xxx-xx-xxxx.
Battle, Bobby E., xxx-xx-xxxx.
Bavaria, Joseph A., xxx-xx-xxxx.
Bayer, Curtis K., xxx-xx-xxxx.
Bayless, William D., Jr., xxx-xx-xxxx.
Beadle, Leonard C., III, xxx-xx-xxxx.
Beard, Preston S., xxx-xx-xxxx.
Bearden, David A., xxx-xx-xxxx.
Beardslee, Stephen A., xxx-xx-xxxx.
Beatty, Frederick M., xxx-xx-xxxx.
Bechtol, Joseph J., xxx-xx-xxxx.
Beck, Louis R., xxx-xx-xxxx.
Beck, Paul A., xxx-xx-xxxx.
Beck, Roger A., xxx-xx-xxxx.
Becker, Henry R., xxx-xx-xxxx.
Becker, Larry L., xxx-xx-xxxx.
Becker, Leo E., xxx-xx-xxxx.
Becker, Walter A., xxx-xx-xxxx.
Beckman, Richard H., xxx-xx-xxxx.
Bedarf, Richard A., xxx-xx-xxxx.
Beebe, David A., xxx-xx-xxxx.
Begg, Ronald B., xxx-xx-xxxx.
Belardo, Dominick S., Jr., xxx-xx-xxxx.
Belden, Kenneth R., xxx-xx-xxxx.
Belisle, Charles A., xxx-xx-xxxx.
Bell, Jackie D., xxx-xx-xxxx.
Bell, Jeffrey, xxx-xx-xxxx.
Bell, Kenneth B., xxx-xx-xxxx.
Bell, Larry A., xxx-xx-xxxx.
Bell, Robert C., xxx-xx-xxxx.
Belmont, Paul A., xxx-xx-xxxx.
Benedict, Calvert A., xxx-xx-xxxx.
Benedict, Rettig J., Jr., xxx-xx-xxxx.
Bennett, Barry D., xxx-xx-xxxx.
Bennett, Richard B., xxx-xx-xxxx.
Bennett, Richard J., xxx-xx-xxxx.
Benson, Karl T., xxx-xx-xxxx.
Bentley, Stewart W., Sr., xxx-xx-xxxx.
Benzinger, Richard, Jr., xxx-xx-xxxx.
Berard, Robert D., xxx-xx-xxxx.
Berger, Charlie T., xxx-xx-xxxx.
Berry, Leonard E., xxx-xx-xxxx.
Besch, Lawrence E., xxx-xx-xxxx.
Bethea, Philip P., III, xxx-xx-xxxx.
Bevelhymer, Herbert L., xxx-xx-xxxx.
Bevens, Stanley W., xxx-xx-xxxx.
Beverly, Bobby, Jr., xxx-xx-xxxx.
Biebel, William J., xxx-xx-xxxx.
Billesbach, Robert L., xxx-xx-xxxx.
Billingsley, Roy C., xxx-xx-xxxx.
Bingham, Billy J., xxx-xx-xxxx.
Bingham, Wendell R., xxx-xx-xxxx.
Biniewski, Daniel J., xxx-xx-xxxx.
Bishop, Douglas C., xxx-xx-xxxx.
Bittenbinder, David M., xxx-xx-xxxx.
Bixler, Christie, E., II, xxx-xx-xxxx.
Black, Clarence, xxx-xx-xxxx.
Blackledge, Ronald G., xxx-xx-xxxx.
Blackwell, Reginald T., xxx-xx-xxxx.
Blair, John D., Jr., xxx-xx-xxxx.
Blair, William L., xxx-xx-xxxx.
Blakeley, William B., xxx-xx-xxxx.
Blanchard, Paul D., xxx-xx-xxxx.

Blankenship, Norman R., xxx-xx-xxxx.
Blassingame, Arthur A., xxx-xx-xxxx.
Blila, Terry A., xxx-xx-xxxx.
Block, David M., xxx-xx-xxxx.
Bloemker, Carl F., xxx-xx-xxxx.
Blomberg, Dale R., xxx-xx-xxxx.
Blomme, Francis M., xxx-xx-xxxx.
Blume, Jay D., Jr., xxx-xx-xxxx.
Bocook, Charles R., Jr., xxx-xx-xxxx.
Boergert, John R., xxx-xx-xxxx.
Boesen, Dennis L., xxx-xx-xxxx.
Bogart, William M., xxx-xx-xxxx.
Bohn, Bruce J., xxx-xx-xxxx.
Boles, John L. Jr., xxx-xx-xxxx.
Bolliger, Ronald E., xxx-xx-xxxx.
Bollman, James R., xxx-xx-xxxx.
Bonck, Lionel N., xxx-xx-xxxx.
Bonner, Walter B., xxx-xx-xxxx.
Bookman, Thaddeus A., xxx-xx-xxxx.
Boone, Jimmie A., xxx-xx-xxxx.
Bornmann, Edgar L., xxx-xx-xxxx.
Boscia, Michael J., xxx-xx-xxxx.
Boulware, John H., xxx-xx-xxxx.
Bourgeois, Warren H., Jr., xxx-xx-xxxx.
Bourne, Alan M., xxx-xx-xxxx.
Bourne, Robert B., xxx-xx-xxxx.
Bowen, Paul B., xxx-xx-xxxx.
Bowen, Robert L., III, xxx-xx-xxxx.
Bowen, Ronald S., xxx-xx-xxxx.
Bower, Frank H., xxx-xx-xxxx.
Bowersox, Terry L., xxx-xx-xxxx.
Box, David M., xxx-xx-xxxx.
Boyd, Billy M., xxx-xx-xxxx.
Boyle, James, xxx-xx-xxxx.
Bradfield, William R., xxx-xx-xxxx.
Bradham, John H., xxx-xx-xxxx.
Bradley, Charles W., xxx-xx-xxxx.
Braguglia, Raymond J., Jr., xxx-xx-xxxx.
Brailey, William E., xxx-xx-xxxx.
Brande, Wendell S., xxx-xx-xxxx.
Brandl, Jimmie R., xxx-xx-xxxx.
Brandon, Eric H., xxx-xx-xxxx.
Brandt, Ronald L., xxx-xx-xxxx.
Brannan, Timothy J., xxx-xx-xxxx.
Brannon, Roger P., xxx-xx-xxxx.
Brant, Donald R., xxx-xx-xxxx.
Bray, Richard A., xxx-xx-xxxx.
Brazelton, Michael L., xxx-xx-xxxx.
Breeding, John C., xxx-xx-xxxx.
Brekke, Ronald H., xxx-xx-xxxx.
Brian, Elton L., xxx-xx-xxxx.
Brice, Richard L., xxx-xx-xxxx.
Bright, Harry W., xxx-xx-xxxx.
Brigman, James L., xxx-xx-xxxx.
Briley, Wilson D., Jr., xxx-xx-xxxx.
Brisby, Johnny M., xxx-xx-xxxx.
Briscoe, Jerald D., xxx-xx-xxxx.
Britt, Wayne I., xxx-xx-xxxx.
Brogdon, James E., xxx-xx-xxxx.
Broglie, James R., xxx-xx-xxxx.
Bron, Robert P., xxx-xx-xxxx.
Bronowski, James P., xxx-xx-xxxx.
Bronson, Thomas E., xxx-xx-xxxx.
Bronstein, Abraham, xxx-xx-xxxx.
Brooks, David H., xxx-xx-xxxx.
Brooks, Harry W., xxx-xx-xxxx.
Brooks, Joseph P., Sr., xxx-xx-xxxx.
Brooks, Neil R., xxx-xx-xxxx.
Broom, Thomas F., xxx-xx-xxxx.
Brothers, Alfred S., Jr., xxx-xx-xxxx.
Brown, Alan E., xxx-xx-xxxx.
Brown, David E., xxx-xx-xxxx.
Brown, Gerald R., xxx-xx-xxxx.
Brown, James D., xxx-xx-xxxx.
Brown, James H., xxx-xx-xxxx.
Brown, John D., xxx-xx-xxxx.
Brown, Mervin R., Jr., xxx-xx-xxxx.
Brown, Richard A., xxx-xx-xxxx.
Brown, Richard J., xxx-xx-xxxx.
Brown, Robert N., xxx-xx-xxxx.
Brown, Ronald R., xxx-xx-xxxx.
Brown, Thomas P., xxx-xx-xxxx.
Browning, Ralph T., xxx-xx-xxxx.
Browning, Richard A., xxx-xx-xxxx.
Bruce, Robert W., xxx-xx-xxxx.
Brunello, Lawrence F., xxx-xx-xxxx.
Brunson, Leslie S., xxx-xx-xxxx.
Bryan, Dale K., xxx-xx-xxxx.
Bryant, Lucious E., Jr., xxx-xx-xxxx.
Bryant, William L., xxx-xx-xxxx.
Bryant, William L., xxx-xx-xxxx.
Buchanan, Ellis G., xxx-xx-xxxx.
Buckey, Jerome V., xxx-xx-xxxx.
Buckingham, Fredric N., xxx-xx-xxxx.
Buckner, Dean T., xxx-xx-xxxx.
Buczak, Stanley J., xxx-xx-xxxx.
Budd, Phillip R., xxx-xx-xxxx.
Buhl, Paul C., xxx-xx-xxxx.
Bunch, Ronald L., xxx-xx-xxxx.
Burger, Douglas A., xxx-xx-xxxx.
Burgess, Floyd K., xxx-xx-xxxx.
Burgett, James S., xxx-xx-xxxx.
Burkard, Dick J., xxx-xx-xxxx.
Burkhardt, John T., xxx-xx-xxxx.
Burks, William N., xxx-xx-xxxx.
Burleson, Glynn W., xxx-xx-xxxx.
Burnette, Herman C., Jr., xxx-xx-xxxx.
Burnette, William R., xxx-xx-xxxx.
Burnham, Robert F., Jr., xxx-xx-xxxx.
Burns, William A., xxx-xx-xxxx.
Burr, Alan L., xxx-xx-xxxx.
Burrell, Stephen F., xxx-xx-xxxx.
Burrill, Lanny L., xxx-xx-xxxx.
Burroughs, Mark M., xxx-xx-xxxx.
Burton, Larry D., xxx-xx-xxxx.
Buser, Lamdyne G., xxx-xx-xxxx.
Bush, Dennis K., xxx-xx-xxxx.
Bush, Don G., xxx-xx-xxxx.
Bush, Howard J., xxx-xx-xxxx.
Bushnell, Mart H., xxx-xx-xxxx.
Busse, Daniel E., xxx-xx-xxxx.
Butler, Jerome J., III, xxx-xx-xxxx.
Butterly, Glenn M., Jr., xxx-xx-xxxx.
Buttimer, Neil J., xxx-xx-xxxx.
Buys, Richard E., xxx-xx-xxxx.
Byars, Henry W., xxx-xx-xxxx.
Byers, Arden L., xxx-xx-xxxx.
Byrnside, Nicholas C., xxx-xx-xxxx.
Cachuela, Jose M., Jr., xxx-xx-xxxx.
Cadle, Larry D., xxx-xx-xxxx.
Caffrey, Dennis F., xxx-xx-xxxx.
Cage, Allan L., xxx-xx-xxxx.
Calcote, James D., xxx-xx-xxxx.
Caldarelli, Peter D., xxx-xx-xxxx.
Caldwell, Robert O., xxx-xx-xxxx.
Callanan, Anthony P., xxx-xx-xxxx.
Cameron, Charles R., xxx-xx-xxxx.
Cameron, John R., xxx-xx-xxxx.
Campbell, Alfred Q., III, xxx-xx-xxxx.
Campbell, Burton W., xxx-xx-xxxx.
Campbell, William P., xxx-xx-xxxx.
Canavan, Thomas E., xxx-xx-xxxx.
Cannella, Salvatore T., xxx-xx-xxxx.
Cannon, Wilbert W., xxx-xx-xxxx.
Capan, David R., xxx-xx-xxxx.
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The following-named officer for promotion in the Regular Air Force, under the appropriate provision of chapter 835, title 10, United States Code, as amended. Officer is subject to physical examination required by law:

LINE OF THE AIR FORCE

First lieutenant to captain

Kelly, John W., Jr., xxx-xx-xxxx

The following officer for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be captain

Mastin, Ronald L., xxx-xx-xxxx

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be captain

Anderson, John R., xxx-xx-xxxx
Beckner, William E., xxx-xx-xxxx
Boyer, Terry L., xxx-xx-xxxx
Bunnell, Robert J., xxx-xx-xxxx
Collins, Thomas G., xxx-xx-xxxx
Czaja, Dennis W., xxx-xx-xxxx
Deignan, Francis X., xxx-xx-xxxx
Estrada, Robert W., xxx-xx-xxxx
Gunderson, Robert, xxx-xx-xxxx
Hannes, Rodney G., xxx-xx-xxxx
Herd, Barbara A., xxx-xx-xxxx
Jonson, Edward C., xxx-xx-xxxx
Lawrence, William L., xxx-xx-xxxx
Mears, Dwight J., xxx-xx-xxxx
Muhn, Van R., xxx-xx-xxxx
Runner, Thomas A., xxx-xx-xxxx
Shriber, Jack R., xxx-xx-xxxx
Smith, Ardie K., xxx-xx-xxxx
Wegner, Kermit J., xxx-xx-xxxx

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

CHAPLAIN

To be captain

Coen, William E., xxx-xx-xxxx
Farrugia, William C., xxx-xx-xxxx
Harnett, James R., xxx-xx-xxxx

JUDGE ADVOCATE

To be captain

Bristol, Matt C. C., III, xxx-xx-xxxx

NURSE CORPS

To be captain

Black, Gloria A., xxx-xx-xxxx
Brown, Sally J., xxx-xx-xxxx
Cramer, Ladonn B., xxx-xx-xxxx
Foley, Elizabeth M., xxx-xx-xxxx
Knight, Annamarie, xxx-xx-xxxx
List, Sara F., xxx-xx-xxxx
Upchurch, Anna M., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be captain

Armstrong, Robert C., xxx-xx-xxxx
Hardy, Charles R., xxx-xx-xxxx
Holtz, Daniel D., xxx-xx-xxxx
Kana, Joe M., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

To be captain

Case, David R., xxx-xx-xxxx
Chavella, Joyce D., xxx-xx-xxxx
Erwin, Charles S., xxx-xx-xxxx
Feist, Bernadette, xxx-xx-xxxx
Fishburn, Gary A., xxx-xx-xxxx
Hilyard, Gary R., xxx-xx-xxxx
Marines, Archibald R., III xxx-xx-xxxx
Norton, Francis E., Jr., xxx-xx-xxxx
Pauls, Chester F., xxx-xx-xxxx
Schendel, Thomas L., xxx-xx-xxxx
Steele, John I., Jr., xxx-xx-xxxx
Straayer, James A., xxx-xx-xxxx
Taylor, Boyce A., xxx-xx-xxxx

To be first lieutenant

Garner, Kathy D., xxx-xx-xxxx
Runyan, Daniel L., xxx-xx-xxxx

The following named officer for promotion in the United States Air Force, under the appropriate provisions of chapter 839, Title 10, United States Code, as amended.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Schruefer, Robert J., xxx-xx-xxxx

The following Air Force officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated, with dates of rank to be determined by the Secretary of the Air Force:

To be captain (nurse)

Alexander, Elizabeth A., xxx-xx-xxxx
Allard, Sharon P., xxx-xx-xxxx
Baker, Ernestine, xxx-xx-xxxx
Barrow, Joyce M., xxx-xx-xxxx
Belville, Brenda L., xxx-xx-xxxx
Betschart, Karen K., xxx-xx-xxxx
Boone, Carolyn H., xxx-xx-xxxx
Ciebien, Carol A., xxx-xx-xxxx
Clauser, Mary J., xxx-xx-xxxx
Cox, Catherine G., xxx-xx-xxxx
Elliott, Nancy A., xxx-xx-xxxx
Elliott, Warren H., xxx-xx-xxxx
Faison, Barbara A., xxx-xx-xxxx
Fritch, Nancy E., xxx-xx-xxxx
Garcia, Charles, xxx-xx-xxxx
Gatewood, Joann L., xxx-xx-xxxx
Goering, Susan E., xxx-xx-xxxx
Goodrich, Helen L., xxx-xx-xxxx
Gray, Pamela L., xxx-xx-xxxx
Hartwell, Sandra J., xxx-xx-xxxx
Herman, Paulette, xxx-xx-xxxx
Hester, Sarah J., xxx-xx-xxxx
Huens, Susan C., xxx-xx-xxxx
Israel, Carroll G., xxx-xx-xxxx
Israel, Nyland R., xxx-xx-xxxx
Israel, Robert L., xxx-xx-xxxx
Johengen, Carl M., xxx-xx-xxxx
Jones, Ralph W., xxx-xx-xxxx
Kizak, Marianne L., xxx-xx-xxxx
Ledbetter, Evelyn A., xxx-xx-xxxx
Lueschow, Lana K., xxx-xx-xxxx
Luetgens, Constance L., xxx-xx-xxxx
Marlin, Carolyn E., xxx-xx-xxxx
Mohler, Wanda R., xxx-xx-xxxx
Moore, Margaret A., xxx-xx-xxxx
Ohhata, Eileen M., xxx-xx-xxxx
Pullen, Linda L., xxx-xx-xxxx
Queen, Linda L., xxx-xx-xxxx
Raines, Kathryn M., xxx-xx-xxxx
Roberts, Mary C., xxx-xx-xxxx
Seiz, Joanne T., xxx-xx-xxxx
Shimko, Rose M., xxx-xx-xxxx
Shpiar, Lana A., xxx-xx-xxxx
Shuttleworth, Janet K., xxx-xx-xxxx
Spruch, Adelaide E., xxx-xx-xxxx
Vokes, Rita A., xxx-xx-xxxx
Walker, Jack R., xxx-xx-xxxx

To be first lieutenant

Ackerman, Janet C., xxx-xx-xxxx
Annie, Mary V., xxx-xx-xxxx
Armijogan, Dolores A., xxx-xx-xxxx
Ash, Leslie P., xxx-xx-xxxx
Bammert, Susan E., xxx-xx-xxxx
Behl, Donna F., xxx-xx-xxxx
Billings, Merrie J., xxx-xx-xxxx
Bostock, Ruth A., xxx-xx-xxxx
Brosche, Linda T., xxx-xx-xxxx
Brown, Carolyn M., xxx-xx-xxxx
Brylant, Marcia M., xxx-xx-xxxx
Burke, Karen J., xxx-xx-xxxx
Burleson, Kiska, J. G., xxx-xx-xxxx
Bush, Marian A., xxx-xx-xxxx
Cappadocia, Frances J., xxx-xx-xxxx
Carden, Florence J., xxx-xx-xxxx
Cerha, Mary K., xxx-xx-xxxx
Craig, Barbara K., xxx-xx-xxxx
Crawley, Robert W., Jr., xxx-xx-xxxx
Depaola, Maryanne, xxx-xx-xxxx
Devers, Joseph, xxx-xx-xxxx
Dralnick, Barbara A., xxx-xx-xxxx
Duncan, Cecelia A., xxx-xx-xxxx
Dunovant, Mary K., xxx-xx-xxxx
Eros, Janice K., xxx-xx-xxxx
Estes, Carole A., xxx-xx-xxxx
Evans, Wayne E., xxx-xx-xxxx
Farrell, Sharyn K., xxx-xx-xxxx

Flory, Joellen S., [redacted]
Gaberel, Carol A., [redacted]
Gausche, Kathern R., [redacted]
Gillyard, Nancy J., [redacted]
Gombert, Deborah E., [redacted]
Gomes, Christine A., [redacted]
Grenchik, Therese R., [redacted]
Hair, Barbara M., [redacted]
Harrington, Karen K., [redacted]
Henderson, Joan C., [redacted]
Henson, William J., [redacted]
Herrick, Julia C., [redacted]
Hosking, Cherryl M., [redacted]
Houlihan, Timothy J., [redacted]
Hughes, Maureen F., [redacted]
Kaehne, Sherry R., [redacted]
Katz, Venita K., [redacted]
Kempton, Elizabeth A., [redacted]
Kish, Joyce A., [redacted]
Kosikowski, Frances C., [redacted]
Lane, Marjel J., [redacted]
Learned, Wanda M., [redacted]
Lipovac, Kathryn S., [redacted]
Lowe, Julie, [redacted]
Malane, Susan L., [redacted]
Marousky, Robert T., [redacted]
Marquette, Roger O., [redacted]
McConnell, Sharon L., [redacted]
McCrossin, Marsha D., [redacted]
Minkow, Florence J., [redacted]
Moore, Mary E., [redacted]
Moore, Patricia H., [redacted]
Moose, Paula K., [redacted]
Murphy, Diane F., [redacted]
Ness, Bonita K., [redacted]
Nordan, David T., [redacted]
Ogonowski, Dolores C., [redacted]
Powers, Mary D., [redacted]
Reese, Mary A., [redacted]
Repaal, Lorena J., [redacted]
Repp, Susan J., [redacted]
Rhoades, Jerry W., Sr., [redacted]
Rightmyer, Margaret A., [redacted]
Robinson, Linda M., [redacted]
Rotton, Joy L., [redacted]
Roubian, Cynthia L., [redacted]
Rowland, Terri S., [redacted]
Salter, Barbara B., [redacted]
Sandrock, Lynnette C., [redacted]
Sbardella, Jane L., [redacted]
Schaub, Christine B., [redacted]
Schermerhorn, Linda C., [redacted]
Selle, Helen L., [redacted]
Sirianni, Elizabeth E., [redacted]
Slater, Janet L., [redacted]
Smith, Cheryl A., [redacted]
Smyers, Richard S., [redacted]
Steimel, Eloise L., [redacted]
Stephens, Kenneth W., [redacted]
Stickler, Charles M., [redacted]
Stiely, Vivian J., [redacted]
Striler, Marsha L., [redacted]
Thomas, Janice E., [redacted]
Toms, Carol A., [redacted]
Trail, Marilyn L., [redacted]
Walsh, Kathryn A., [redacted]
Washington, Barbara J., [redacted]
Weckerle, Lynnette C., [redacted]
Widmer, Ann K., [redacted]
Williams, Sarah J., [redacted]
Woehr, Elsie L., [redacted]
Woods, Doreen C., [redacted]
Wyatt, Sarah L., [redacted]
Yingling, Sue E., [redacted]

MEDICAL SERVICE CORPS

To be captain

Beezer, Frederick J., [redacted]
Daves, Laurence M., [redacted]
Knoop, David M., [redacted]
Mirick, Steven C., [redacted]
Schafer, Jeffery C., [redacted]

To be first lieutenant

Bezanson, Robert H., [redacted]
Ferguson, Gary B., [redacted]
Flynn, Barry J., [redacted]
Ford Philip L., [redacted]
Garner, Scott H., [redacted]
Havel, Glenn E., [redacted]
Lorenzen, Peter R., [redacted]
McKee, Timothy C., [redacted]
Phillips, Roger D., [redacted]
Rupp, Thomas A., [redacted]
Weltzin, Richard F., Jr., [redacted]

VETERINARY CORPS

To be captain

Brown, Larry D., [redacted]
Furness, Robert T., [redacted]
Golden, John G., [redacted]
Harvey, James E., [redacted]
Johnson, Philip D., [redacted]
Severance, Carlton S., II, [redacted]
Smith, Harold M., Jr., [redacted]
Wilber, Russell H., [redacted]

To be first lieutenant

Bakarich, Alexandra C., [redacted]
Denoon, Daniel A., Jr., [redacted]
Farr, Robert M., [redacted]
Woods, Robington, J. O., [redacted]

BIOMEDICAL SCIENCES CORPS

To be captain

Capell, Robert A., [redacted]
Hayes, Charles P., [redacted]
Johnson, Judith C., [redacted]
Tatum, Larry A., [redacted]

To be first lieutenant

Brooks, Robert N., [redacted]
Burchfield, Brian A., [redacted]
Caldwell, Michael H., [redacted]
Dennis, Richard J., [redacted]
Duhon, Roland E., [redacted]
Duncan, Bernard J., [redacted]
Goldstein, Frank L., [redacted]
Grant, Thomas M., [redacted]
Hartgraves, Stanley L., [redacted]
Ishmael, Suzanne J., [redacted]
Jenkins, Leslie G., [redacted]
Kitaoka, Rosemary K., [redacted]
Krym, Robert M., [redacted]
Laub, Elaine F., [redacted]
Maloney, David W., [redacted]
Markham, John R., [redacted]
Marshall, Franklin L., III, [redacted]
Miller, Robert E., II, [redacted]
Moser, Arthur P., [redacted]
Ottinger, William E., [redacted]
Ritter, Robert W., [redacted]
Seyfang, Harvey C., [redacted]
Shirtz, John J., [redacted]
Smith, George H., Jr., [redacted]
Taylor, Wiley, [redacted]
Turner, Robert H., [redacted]
Valentine, Walter W., [redacted]

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be colonel

Smith, Milton T., [redacted]
Vinson, William M., [redacted]

To be lieutenant colonel

Ditmore, Harry B., Jr., [redacted]
Cloud, Robert S., [redacted]

To be major

Blount, Forest N., [redacted]
D'Arcy, Richard L., [redacted]
Hales, James P., [redacted]
Hull, Jan K., [redacted]
Nevarez, Leonard J., [redacted]
Piernick, Stanley L., [redacted]
Ranadive, Manmohan V., [redacted]
Rohr, Paula, [redacted]
Strachan, Richard J., [redacted]

To be captain

Adams, Richard L., [redacted]
Baker, Thomas J., Jr., [redacted]
Bell, Patrick J., [redacted]
Brewer, Gary L., [redacted]
Bruestle, Larry W., [redacted]
Burke, Robert J., [redacted]
Cooper, James S., [redacted]
Corcoran, Kevin, [redacted]
Damn, James E., [redacted]
Davis, Robert M., [redacted]
Davis, Sharon K., [redacted]
Elwell, Michael R., [redacted]
Floyd, Robert L., III, [redacted]
Gasperini, Richard H., [redacted]
Gee, Terry E., [redacted]
Gibson, Kim R., [redacted]
Gibson, Richard P., [redacted]
Gravelle, James F., [redacted]
Godz, George W., [redacted]
Goellen, Richard M., [redacted]
Harmon, Thomas D., [redacted]
Hitt, Johnnie B., [redacted]
Kelly, Thomas R., [redacted]
Lonergan, James B., [redacted]
Manzak, Joseph M., [redacted]
McAninch, William G., [redacted]
McKenzie, Robert, Jr., [redacted]
Nebel, Jo Ellen, [redacted]
Paris, Joseph A., [redacted]
Pavlik, Paul J., [redacted]
Poche, Paulette L., [redacted]
Privitera, Charles R., Jr., [redacted]
Simms, Earl M., [redacted]
Slone, Theodore W., Jr., [redacted]
Stolarski, Alexander C., [redacted]
Stonerock, Robert L., [redacted]
Stump, Donald E., [redacted]
Thomas, Mariette B., [redacted]
Thomas, Patrick V., [redacted]
Thompson, Needham J., Jr., [redacted]
Thrift, Thomas H., [redacted]
Turlington, John E., [redacted]
Walker, John D., [redacted]
White, Carolyn M., [redacted]
Whitlock, Norris W., [redacted]
Ziperman, Don B., [redacted]

To be first lieutenant

Allen, Mary A., [redacted]
Bradley, Donald J., [redacted]
Carleton, Stephanie, [redacted]
Carroll, Mark S., [redacted]
Carroll, Raoul L., [redacted]
Edwards, Lorretta F., [redacted]
Faupel, Mary F., [redacted]
Hendricks, Thomas F., [redacted]
Mathieu, Eldred L., [redacted]
McCormack, Claire M., [redacted]
Nelson, Paul B., [redacted]
Richling, William A., [redacted]
Smith, John H., [redacted]
Stipetich, Patricia A., [redacted]
Ward, Mary H., [redacted]
Wood, Lawrence L., [redacted]

To be second lieutenant

Baish, Kathleen M., [redacted]
Kutz, Stephen H., [redacted]
Petrik, Lesley A., [redacted]
Pfohl, Christine E., [redacted]
Shandersky, Michael T., [redacted]
Voelmeck, Wayne F., [redacted]
Zahm, Deborah J., [redacted]

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of Title 10, United States Code, sections 3283 through 3294:

To be captain

Alvarey, Joel R., [redacted]
Fowler, Joseph C., Jr., [redacted]
Leonardi, Kenneth J., [redacted]
Morgan, Michael P., [redacted]
Riggs, Ronald M., [redacted]
Smith, Jack M., [redacted]
Strom, Larry J., [redacted]
Vernon, Albert E., III, [redacted]

To be first lieutenant

Lederer, Calvin M., [redacted]
Musson, John R., [redacted]

IN THE ARMY

The following-named persons for reappointment in the active list of the Regular Army of the United States, from the Temporary Disability Retired List, under the provisions of title 10, United States Code, section 1211:

To be colonel, Regular Army and colonel, Army of the United States

Bennett, Edward E., [redacted]
Durand, William H., [redacted]

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of

title 10, United States Code, sections 3283 through 3294:

To be major

Kieffer, Joseph S., III, xxx-xx-xxxx

To be captain

Durkin, Denis L., xxx-xx-xxxx
Tomes, Jonathan P., xxx-xx-xxxx

The following-named persons for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be major

Crumpler, Lyle E., xxx-xx-xxxx
Goodwin, Robert A., xxx-xx-xxxx
Kahn, Robert C., xxx-xx-xxxx
Pinomarina, Nestor G., xxx-xx-xxxx
Westry, Oliver B., xxx-xx-xxxx

To be captain

Adkins, James M., xxx-xx-xxxx
Allen, Mark V., xxx-xx-xxxx
Anderson, Charles J., xxx-xx-xxxx
Anderson, Tully J., xxx-xx-xxxx
Appling, Linward, xxx-xx-xxxx
Bardsley, Richard W., Jr., xxx-xx-xxxx
Barton, Jay W., xxx-xx-xxxx
Blose, Michael D., xxx-xx-xxxx
Bostley, Arch D., xxx-xx-xxxx
Briggs, Kenneth G., Jr., xxx-xx-xxxx
Buckley, Dennis F., xxx-xx-xxxx
Busch, Garold W., xxx-xx-xxxx
Burch, John C., xxx-xx-xxxx
Butler, Thomas R., Jr., xxx-xx-xxxx
Carrithers, David A., xxx-xx-xxxx
Chastine, Robert T., xxx-xx-xxxx
Childers, Charles R., xxx-xx-xxxx
Close, George F., Jr., xxx-xx-xxxx
Cosgrove, Colin P., xxx-xx-xxxx
Digrazia, Robert E., xxx-xx-xxxx
Dodge, Steven P., xxx-xx-xxxx
Drosos, George M., xxx-xx-xxxx
Eyster, David K., xxx-xx-xxxx
Fisher, Howard K., Jr., xxx-xx-xxxx
Fitzgerald, Dennis M., xxx-xx-xxxx
Freedman, Albert, xxx-xx-xxxx
Glisan, Steven M., xxx-xx-xxxx
Grace, Horace R., xxx-xx-xxxx
Graf, Robert B., xxx-xx-xxxx
Grant, Thomas A., xxx-xx-xxxx
Gray, Maston L., xxx-xx-xxxx
Hassinger, Richard C., xxx-xx-xxxx
Hayward, Lucille B., xxx-xx-xxxx
Heckle, Eugene K., Jr., xxx-xx-xxxx
Hoffman, Leonard A., xxx-xx-xxxx
Huested, Gary C., xxx-xx-xxxx
John, Roger M., xxx-xx-xxxx
Keck, Michael S., xxx-xx-xxxx
Keeler, Robert L., xxx-xx-xxxx
King, John E., xxx-xx-xxxx
Kirk, Harry L., III, xxx-xx-xxxx
Lacey, Joseph M., Jr., xxx-xx-xxxx
Lash, Walter J., xxx-xx-xxxx
Leonard, Hugh R., Jr., xxx-xx-xxxx
Litchfield, John T., xxx-xx-xxxx
Loesekann, Michael, xxx-xx-xxxx
Martinous, William P., xxx-xx-xxxx
Mathews, William E., xxx-xx-xxxx
Maughan, Allan M., xxx-xx-xxxx
Mazza, Meredith, xxx-xx-xxxx
McDonnell, James J., II, xxx-xx-xxxx
McGinley, Edward W., III, xxx-xx-xxxx
McLaughlin, John P., xxx-xx-xxxx
McGarry, Dale B., xxx-xx-xxxx
McWilliams, Harry H., II, xxx-xx-xxxx
Melton, Clayton E., xxx-xx-xxxx
Menjivar, Milton R., xxx-xx-xxxx
Mobley, Ronald W., xxx-xx-xxxx
Newbury, Kirsten R., xxx-xx-xxxx
Nowlin, Charles F., xxx-xx-xxxx
O'Meara, Richard M., xxx-xx-xxxx
Oney, Hobert L., xxx-xx-xxxx
Patrick, John L., Jr., xxx-xx-xxxx
Patterson, Robert J., Jr., xxx-xx-xxxx
Pearson, Robert F., xxx-xx-xxxx
Percy, Kent H., xxx-xx-xxxx
Pesano, Teddy J., xxx-xx-xxxx
Phillips, Dwight E., xxx-xx-xxxx
Placek, John S., xxx-xx-xxxx
Proctor, Hawthorne L., xxx-xx-xxxx
Rightmyer, Robert L., xxx-xx-xxxx
Rogalski, Robert W., xxx-xx-xxxx
Schillereff, John L., xxx-xx-xxxx
Schmidt, Stanley, xxx-xx-xxxx
Schottel, David K., xxx-xx-xxxx
Scott, Tommy L., xxx-xx-xxxx
Sharbo, Paul W., xxx-xx-xxxx
Sines, Paul W., xxx-xx-xxxx
Smith, Eddy, xxx-xx-xxxx
Sparks, John E., xxx-xx-xxxx
Stanley, Philip J. B., xxx-xx-xxxx
Stiver, Donald L., xxx-xx-xxxx
Stuff, Charles P., xxx-xx-xxxx
Thomson, Donald F., xxx-xx-xxxx
Trimble, Joe W., xxx-xx-xxxx
Van Tilburg, Mary E., xxx-xx-xxxx
Watts, Charles P., xxx-xx-xxxx
Weller, Rodger N., xxx-xx-xxxx
Workman, Don K., xxx-xx-xxxx
Yarger, Harry R., xxx-xx-xxxx
Zislis, Theodore, xxx-xx-xxxx

To be first lieutenant

Anchondo, Robert L., xxx-xx-xxxx
Bargewell, Eldon A., xxx-xx-xxxx
Bell, Donald C., xxx-xx-xxxx
Bell, Walter, xxx-xx-xxxx
Bell, William F., xxx-xx-xxxx
Bosner, Gregory A., xxx-xx-xxxx
Browning, Susan A., xxx-xx-xxxx
Bryant, William O., xxx-xx-xxxx
Burchett, Paul J., Jr., xxx-xx-xxxx
Callahan, James D., xxx-xx-xxxx
Cargill, Kenneth W., xxx-xx-xxxx
Chadwick, Richard W., xxx-xx-xxxx
Champagne, Gerard J., xxx-xx-xxxx
Charles, John R., Jr., xxx-xx-xxxx
Christianson Jeffrey N., xxx-xx-xxxx
Clarkson, Charles J., xxx-xx-xxxx
Cockrell, William S., xxx-xx-xxxx
Conrad, Charles G., xxx-xx-xxxx
Crossen, Thomas L., xxx-xx-xxxx
Dean, Julia A., xxx-xx-xxxx
Denny, Morgan F., xxx-xx-xxxx
Downs, Roger H., xxx-xx-xxxx
Duffield, Carolyn A., xxx-xx-xxxx
Ellinger, Albert E., xxx-xx-xxxx
Elmore, Joe R., xxx-xx-xxxx
Enck, Rebecca S., xxx-xx-xxxx
Evans, Richard E., xxx-xx-xxxx
Fernekes, Robert W., xxx-xx-xxxx
Ferraro, Vincent, xxx-xx-xxxx
Fitzgerald, Billie, xxx-xx-xxxx
Gibson, Joseph R., xxx-xx-xxxx
Hartley, Thomas A., xxx-xx-xxxx
Hasbrouck, Allen P., xxx-xx-xxxx
Hollister, Shelley, xxx-xx-xxxx
Holloway, Randy A., xxx-xx-xxxx
Howard, Thomas W., xxx-xx-xxxx
Howell, Phillip C., xxx-xx-xxxx
Huffam, Jefferson D., xxx-xx-xxxx
Hughes, Leon H., xxx-xx-xxxx
Hydock, Thomas R., xxx-xx-xxxx
Izzo, Leonard A., xxx-xx-xxxx
James, Martha G., xxx-xx-xxxx
Jones, Mark S., xxx-xx-xxxx
Kaye, Richard A., xxx-xx-xxxx
Keirsey, Jim D., xxx-xx-xxxx
Kent, Barbara A., xxx-xx-xxxx
Knapp, Vincent E., Jr., xxx-xx-xxxx
Kruger, Mary C. xxx-xx-xxxx
Kucha, Diane J., xxx-xx-xxxx
Lamendola, Conrad J., xxx-xx-xxxx
Larson, Scott R., xxx-xx-xxxx
Lewis, James E., xxx-xx-xxxx
Lovejoy, Edward, xxx-xx-xxxx
Lynch, Patrick E., xxx-xx-xxxx
Lynch, Robert C., xxx-xx-xxxx
Maciog, Henry J., xxx-xx-xxxx
Maney, Rhoi M., xxx-xx-xxxx
Mayfield, Richard A., xxx-xx-xxxx
McBride, Doris E., xxx-xx-xxxx
McGill, Bernard J., xxx-xx-xxxx
Miley, Raymond L., xxx-xx-xxxx
Moore, Edward, xxx-xx-xxxx
Mortenson, Robert H., xxx-xx-xxxx
Nicholson, Gareth J., xxx-xx-xxxx
Nunes, Mary R., xxx-xx-xxxx
Nye, Gerald P., xxx-xx-xxxx
Nyere, John E., Jr., xxx-xx-xxxx
Ohlinger, Brian J., xxx-xx-xxxx
Packett, Virgil L., xxx-xx-xxxx
Patterson, James S., xxx-xx-xxxx
Perez, Carlos A., xxx-xx-xxxx
Peterson, Andrew M., xxx-xx-xxxx
Plummer, Clifford J., xxx-xx-xxxx
Priem, Richard G., xxx-xx-xxxx
Read, Richard G., Jr., xxx-xx-xxxx
Rech, Gerald A., xxx-xx-xxxx
Roberson, Tommy H., xxx-xx-xxxx
Rupp, John R., xxx-xx-xxxx
Russell, Marilyn A., xxx-xx-xxxx
Shaw, Gary D., xxx-xx-xxxx
Shepard, Vicki L., xxx-xx-xxxx
Smith, Gaylon L., xxx-xx-xxxx
Smith, Reinaldo A., xxx-xx-xxxx
Stone, Edward L., xxx-xx-xxxx
Stoneburner, Gary R., xxx-xx-xxxx
Strickland, Craig A., xxx-xx-xxxx
Sutherland, William B., xxx-xx-xxxx
Tatum, Darcey T., xxx-xx-xxxx
Terrell, Forrest A., xxx-xx-xxxx
Van Epps, Byron A., xxx-xx-xxxx
Violette, Paul E., xxx-xx-xxxx
Wallace, Michael C., xxx-xx-xxxx
Walsh, Walter V., xxx-xx-xxxx
Whitehurst, Moses, Jr., xxx-xx-xxxx
Whitley, Samuel H., xxx-xx-xxxx
Williams, Gary A., xxx-xx-xxxx
Wright, Napoleon, xxx-xx-xxxx
Wyland, Stewart W., xxx-xx-xxxx
Zilka, David J., xxx-xx-xxxx
Zorn, William G., Jr., xxx-xx-xxxx

To be second lieutenant

Burch, James R., III, xxx-xx-xxxx
Carlson, Richard E., xxx-xx-xxxx
Cokley, Johnny L., xxx-xx-xxxx
Hart, Joe P., Jr. xxx-xx-xxxx
Hiler, Roy, xxx-xx-xxxx
Hudson, Rodney D., xxx-xx-xxxx
Lester, Byron R., xxx-xx-xxxx
Millar, Ann M., xxx-xx-xxxx
Parker, James W., xxx-xx-xxxx
Phillips, Donna L., xxx-xx-xxxx
Randall, Alex T., xxx-xx-xxxx
Russum, Stephen A., xxx-xx-xxxx
Taylor, Glenn D., xxx-xx-xxxx
Taylor, Joyce L., xxx-xx-xxxx
Thurman, Scott E., xxx-xx-xxxx
Wallace Catherine I., xxx-xx-xxxx
Zeigler, David, xxx-xx-xxxx

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3303 and 3305:

To be colonel

Baskin, Ronald R., xxx-xx-xxxx
Prout, William L., xxx-xx-xxxx
Thompson, Edmund A., xxx-xx-xxxx

CHAPLAIN CORPS

To be colonel

Beasley, Joseph H., xxx-xx-xxxx

The following-named officers for promotion in the Army of the United States, under the provisions of title 10, United States Code, section 3447:

DENTAL CORPS

To be lieutenant colonel

Bell, Lester J., xxx-xx-xxxx
Brokaw, William C., xxx-xx-xxxx
Burston, William A., xxx-xx-xxxx
Cruse, William P., xxx-xx-xxxx
Culver, David G., xxx-xx-xxxx
Edmister, James R., xxx-xx-xxxx
Fowler, William H., xxx-xx-xxxx
Frey, William E., xxx-xx-xxxx
Grower, Marvin F., xxx-xx-xxxx
Hake, Terry H., xxx-xx-xxxx
Hanley, Joseph B., xxx-xx-xxxx
Hartwell, Gary R., xxx-xx-xxxx
Hecht, Robert C., xxx-xx-xxxx
Herman, Wayne W., xxx-xx-xxxx
Kokos, Ross D., xxx-xx-xxxx
Lucidi, Richard N., xxx-xx-xxxx
Mader, Carson L., xxx-xx-xxxx
McBride, Richard F., xxx-xx-xxxx
McKeever, Peter J., xxx-xx-xxxx
Nespeca, John A., xxx-xx-xxxx
Nurnberg, Richard A., xxx-xx-xxxx
Parkinson, Thomas D., xxx-xx-xxxx
Payne, Thomas F., xxx-xx-xxxx
Pirk, Frederick W., xxx-xx-xxxx

Seng, George F., xxx-xx-xxxx.
Soehren, Stephen E., xxx-xx-xxxx.
Stephens, James L., xxx-xx-xxxx.
St. Onge, Roland J., xxx-xx-xxxx.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, Sections 3284 and 3299:

ARMY PROMOTION LIST

To be lieutenant colonel

Baggett, Ronald L., xxx-xx-xxxx.
Dister, Arthur C., Jr., xxx-xx-xxxx.
Herlik, Querin E., xxx-xx-xxxx.
Meserve, Edward N., xxx-xx-xxxx.
Milburn, Lloyd E., xxx-xx-xxxx.
Ragsdale, Billy B., xxx-xx-xxxx.
Rider, Archie A., xxx-xx-xxxx.

VETERINARY CORPS

To be lieutenant colonel

Hildebrandt, Paul K., xxx-xx-xxxx.

ARMY NURSE CORPS

To be major

Beam, Ida M., xxx-xx-xxxx.
Massimino, Joseph J., xxx-xx-xxxx.
Wonpat, Jacqueline M., xxx-xx-xxxx.

DENTAL CORPS

To be major

Fowler, William H., Jr., xxx-xx-xxxx.
Herrmann, John W., xxx-xx-xxxx.
Mitchell, Wayne H., xxx-xx-xxxx.
Parkinson, Thomas D., xxx-xx-xxxx.
Vincent, Jack W., xxx-xx-xxxx.

MEDICAL CORPS

To be major

Sanders, Harold L., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be major

Billingsley, Herchel O., xxx-xx-xxxx.
Davis, Charles T., xxx-xx-xxxx.
Hood, Ronald N., xxx-xx-xxxx.
Mahoney, James V., Jr., xxx-xx-xxxx.
Ricks, Robert E., Jr., xxx-xx-xxxx.
Rooney, Christopher J., xxx-xx-xxxx.

VETERINARY CORPS

To be major

Johnson, Anthony J., xxx-xx-xxxx.

ARMY PROMOTION LIST

To be captain

Page, Thomas F., xxx-xx-xxxx.

ARMY MEDICAL SPECIALIST CORPS

To be captain

Bruns, Robert D., xxx-xx-xxxx.
Guinn, Elena W., xxx-xx-xxxx.

ARMY NURSE CORPS

To be captain

Deane, Lawrence J., xxx-xx-xxxx.
Gardner, Jane T., xxx-xx-xxxx.
Mika, Walter V., Jr, xxx-xx-xxxx.
Potter, Joseph C., xxx-xx-xxxx.
Rehm, Adele L., xxx-xx-xxxx.
Stewart, Patricia L., xxx-xx-xxxx.

DENTAL CORPS

To be captain

Jordon, John R., Jr., xxx-xx-xxxx.
Plack, William F., III, xxx-xx-xxxx.
Sheppard, Paul R., xxx-xx-xxxx.

MEDICAL CORPS

To be captain

Dunnington, Glenn W., xxx-xx-xxxx.
Stanfield, Bernard M., III, xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be captain

Aldridge, Ronald G., xxx-xx-xxxx.
Gans, David N., xxx-xx-xxxx.
Gonzales, Joseph P., xxx-xx-xxxx.
Peach, Michael J., III, xxx-xx-xxxx.

VETERINARY CORPS

To be captain

Alexander, Leslie L., Jr., xxx-xx-xxxx.
Smith, Thomas M., xxx-xx-xxxx.
Swinger, Gary L., xxx-xx-xxxx.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, Sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Davis, Leon D. II, xxx-xx-xxxx
Hall, Douglas T., xxx-xx-xxxx
Harrison, Harold D., xxx-xx-xxxx
McCauley, Ronald J., xxx-xx-xxxx
Mills, Jonathan W., xxx-xx-xxxx
Williams, Gilbert F., xxx-xx-xxxx
Williams, Harold D., xxx-xx-xxxx

ARMY NURSE CORPS

To be first lieutenant

Corbin, Kathleen C., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be first lieutenant

Smith, Forrest H., xxx-xx-xxxx

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of lieutenant colonel:

Nicholas J. Adamo
Ronald J. Anthony
Carroll G. Baumgardner
Gregory S. Bean
Thomas G. Beers
John C. Boston, Jr.
Fred R. Brown
William V. Bunker, Jr.
Ciro A. Buttacavoli
Angelo V. Candelori
John H. Carew T.
James P. Carman
Joseph H. Carpenter
Jacques W. Carter, Jr.
Edward L. Collymore
Charles W. Couch
Ronald W. Crawford
Vincent L. Crudele
Daniel H. Donegan
Francis L. Donnelly
Edward T. Donohoe
John F. Dwan
Wallace N. Dyer, Jr.
John C. Eisenhammer
Peter D. Everill
Andrew J. Fang
Richard J. Fitzgerald
Robert G. Flynn
Coleman J. Foley
Richard H. Forrester, Jr.
Jere C. Fowlkes
John L. Gaddis
Gary L. Gillespie
James D. Gilliard
Harold C. Gosnell, Jr.
Dennis W. Harvison
David L. Hilton
Nicholas R. Hirsch
Richard N. Hoehn
Donald E. Holt
Ansley S. Horton
William G. Hyndman
Philip S. Inglee
Donald F. Joganic
William M. Keal
Gerard M. Kincade III
Ronald D. Lince
William L. Lohman, Jr.
Timothy D. Lundy
Myron B. Margolis
Robert D. Marshall
Theodore F. Martinez
Joseph W. Massenburg, Jr.
Miles C. Mays
John E. McDermott
Richard J. McGill
James C. McGuinness, Jr.
Wilbur C. McMinn, Jr.
John F. McNamara
Michael E. McPherson
James C. McRoberts
Robert Miller
Allan R. Millett
Stanley R. Nelson
Roos E. Nippard
John J. Norton
John D. Oakey
Darrell L. Parkin
Christopher Peet
Daniel J. Hampton
Christopher Pennewill
Frank Piccola
James H. Pope
Donald A. Posluszny
Walter M. Schramm
Anthony F. Schuster, Jr.
James R. Shea
William O. Sheetz
Donald H. Smith
Richard N. Smith
Ronald L. Sowers
Joe W. Steele
Milton C. Stewart
Anthony R. Strickland
Robert C. Summe
Charles M. Temple
Henry E. Thomas IV
Lew E. Tingley
Rudolph G. Tschida
Hugh B. Vergara
Michael J. Wade
Rodney Walton
Edward B. Williams
Tren A. Williamson
Francis T. Wolfe
Charles H. Wood
Frank D. Yusup, Jr.
Carl E. Zachary

The following named woman officer of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Agnes M. Kennedy

The following named officers of the Marine Corps for appointment to the grade of chief warrant officer W–4:

Sam R. Baker II
Dennis T. Dinota
Neil W. Goddard
Robert N. McGuire
Kenneth W. Young

The following named officers of the Marine Corps for appointment to the grade of chief warrant officer W–3:

James F. Allwein
Meyler R. Anderson
John Bartusevics
Michael B. Bennett
Marion W. Brookshier
William C. Boughton, Jr.
John A. Bryant
James R. Bullock, Jr.
Stuart F. Carmichael
Thomas E. Cartier
Tilden U. Click
Pat M. Curd
David A. Davis
Herbert L. Day
Joseph L. Deguise
James F. Doner, Jr.
Melvyn A. Douglas
Richard E. Ehrler
Jerry L. Ellis
Timothy J. Euman
Dallas D. Furman
Emil A. Gillberg, Jr.
John D. Hess
Ralph W. Hickman
Calvin M. Hoar
Jack N. Hurley
Kenneth D. Lewis
Lawrence G. Lowry
Wayne W. Macey
Gerald H. Massey
James H. McGee
Edward R. Miller
James L. Morton
Frank W. Mott
Joseph O. Ortiz
Angelo S. Parise
Ronald L. Phillips
William T. Pope
Joseph Ribeiro
Clifford Robinson, Jr.
James L. Rodak
Arnoldo T. Serrata
Stephen L. Shivers
Theodore F. Singley
James A. Sorley
Frederick H. Trout
Albert L. Wade
Leonard R. Webb
Richard L. Wheeler
Richard H. White
Warren W. Winter
Anthony P. Witek
Billy W. Woodard

The following named officers of the Marine Corps for appointment to the grade of chief warrant officer W–2:

Rudy K. Abrams
Jimmy D. Adkins
Winston E. Anding
Michael J. Atcheson
Charles J. Avery, Jr.
Ralph T. Bates
Richard F. Beatty
Romero W. Belanger, Jr.
Ronald L. Belvill
Howard W. Benjamin
Walter F. Benner, Jr.
Richard L. Bernarde
Robert W. Bishop
Clinton A. Bittick, Jr.
Alvin L. Blackburn, Jr.
John C. Bradford
Terry W. Bradley
Kenneth L. Bridgeman
Phillip L. Brocker
Marlin A. Bromley
Gary W. Brown
George L. Brown
Jackie D. Brown
Robert M. Brown
Donald R. Butler
Daniel L. Calise
William E. Claussen
Peter H. Clements, Jr.
Michael D. Coffey
Ray J. Coffman
Timothy J. Connolly, Jr.
Michael J. Cooper
Charles L. Crabill
Truman W. Crawford
Francis E. Croucher
Charles R. Davis
Charles H. Dawson III
Richard B. Dawson
Daniel R. Dearman
Steven S. Demers
Francis J. Demoss
William N. Dischinger
Jerry L. Dobogai
Robert P. Donohoo
Arthur C. Downey
Charles R. Dyer
Richard M. Frazier
Richard E. Ekerberg, Jr.
Roy D. Erickson
Charles P. Erwin
Woodrow G. Franklin
Richard M. Frazier
Peter G. Frederiksen
Arthur G. Friend
Robert E. Fugate
Thomas E. Fultz
Wayne J. Gammel
Michael E. George
Ernie L. Gillespie
Ernest T. Gonzales
Lance J. Goss, Jr.
Wilbur L. Graves III
Lawrence R. Green
William F. Green
Benjamin S. Guerrero
David C. Gummere
Robert L. Hairston
Richard E. Harrell
Earl W. Heister
Martin W. Hendrix
David C. Hering
Steven B. Hockensmith
James F. Hopkins
Joseph M. Husick
Warren W. Irvine
George L. Joiner, Jr.
Frederick T. Jura
Michael L. Kernan
Kenneth K. Kim
John Konicki
Charles W. Kossick, Jr.
Leamond F. Lacy, Jr.
Louis W. Laflash
Ronald O. Larson
Thomas E. Laursen
Elbert Laymance, Jr.
Daniel C. Leutner
Richard W. Levan
Roderic H. Light, Jr.
Leonard C. Long III
Charles A. Lundy
Joseph R. Lyon, Jr.
Daniel J. Macsay
William E. Manginen
Richard B. Markle
George R. Martin
Linda R. Mason
John C. Matejov
Alex R. Mattheus
Gary W. Maxam
Leonard L. Maxwell
Douglas J. McGinley
Christobol H. Mendez
Frank S. Merrifield, Jr.
Sandra K. Messall
Roy C. Miller, Jr.
William R. Mimiaga
Scott J. Minturn
Richard A. Montgomery
John K. Neel

Carlos Negron, Jr.
Catherine M. Nymeyer
Daniel P. O'Sullivan
Lyman G. Otley
Benjamin Palacios, Jr.
Joseph J. Palacpac
Raymond M. Peavy
Arturo Perez
Gary N. Peters
Thomas E. Phillips
Sanford P. Pike
William E. Porter, Jr.
Evelyn M. Potts
Thomas E. Price
John E. Pritchard
Donald Pritt, Jr.
Bobby E. Purnell
Phillip E. Pyle, Jr.
Robert S. Pyle
Edgar F. Quigley, Jr.
Stephen A. Rand
Emmette H. Reeves
Teryl L. Reiman
Arthur H. Richardson, Jr.
Edwin R. Ring
William D. Rivers
Melvin Rogers
Charles W. Ross, Jr.
Richard F. Sands
Donald Schwartz, Jr.
Tommy L. Sellers
Gordon A. Shaw
Stanley D. Sheats
Frederick L. Sherwood
Thomas L. Shirk
Antonio B. Silva
Johnny A. Simonowich
Gary A. Sloan
John R. Sloan
Wilbur M. Smith, Jr.
Pedro E. Souza
Ernest B. Stark
Gary D. Stewart
Danny W. Sullenger
Richard M. Summers
James C. Taylor
Richard F. Tedeschi
James C. Templin, Jr.
Robert A. Tessman
James G. Thorpe
Richard A. Urquhart
Thomas Uselding
Graydon S. Uyeda
Mark A. Vogler
Alexander W. Walmsley
William L. Walsh
Mark Wells
David M. White
Walter W. Whitington III
Jerry E. Wicks
Kenneth R. Williams, Jr.
Richard P. Williams
Winifred Winn
Johnny M. Withrow
David L. Wittenhagen
Eugene E. Wolbert
Ronald D. Wright
Wayne E. Wrighting
Richard D. Young
Bernard W. Ziobro, Jr.

IN THE MARINE CORPS

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Allen, Andrew M.
Allen, Gregory T.
Arquiette, Ralph B.
Barnes, Bruce M.
Beard, Alex W.
Bennett, Drew A.
Bonadonna, Reed R.
Booth, Robert A., Jr.
Borchers, Blaise C.
Boulet, James L.
Bradunas, John J.
Breakfield, Wayne E.
Britton, Richard W.
Browder, Donald S.
Brown, Jonathan M.
Brown, William N., Jr.
Bucher, William R.
Bungay, Henry R., IV
Candelaria, Guy F. M.
Carey, Randall C.
Catoe, Ralph D.
Celvi, George P.
Coates, Robert J.
Collins, Terry M.
Commerford, Joseph B.
Coonrod, Patrick F.
Croley, John M.
Cunningham, Walter D.
Davey, Derek M.
Devine, Charles E.
Difalco, Frank J.
Drake, Jason A.
Dunlap, Richard C.
Eck, Christian J.
Ehrich, Donald W.
Elich, Scott C.
Engel, Thomas L.
Esposito, Frank W.
Fails, David E.
Farrar, Jay C.
Febuary, William S.
Fenstermacher, Steven M.
Fox, Timothy J.
Ganzer, Donna A.
Gascoigne, Kenneth W.
Goodson, Brian G.
Gordon, Kenneth R.
Graff, Joseph W.
Gubachy, James M.
Haeusler, David P.
Hanneman, Otto L.
Harrison, Steven R.
Harvey, Robert E.
Heinking, Robert C.
Horgan, Michael O.
Hornback, Paul M.
Hubert, Lawrence L.
Hunt, Stephen A.
Hunter, Robert D.
Jeffcoat, Michael L.
Jennings, Gordon B.
Jernigan, James P.
Johnson, Jeffrey P.
Karwowski, Richard A.
Kelley, Christopher C.
Kelley, George M.
King, Brian A.
Koenig, Jeffrey W.
Koontz, Thomas F.
Lacik, Joseph Y., Jr.
Lake, Richard M.
Lane, Lawrence B.
Lhuillier, Thomas P.
Lloyd, Wanda E.
Loose, Michael A.
Lund, Eric W.
Lyons, Gerard J.
Manley, Richard S.
Martin, William L., Jr.
Mastroianni, Robert D.
Mayo, Colin F.
McGinn, George P.
McGowan, James F.
McGuire, Peter A.
McPheeters, John M.
Merrill, Michael A.
Miller, Guy E., III
Moore, Harold, Jr.
Morris, Thomas E.
Murray, John A.
Myers, Matt A.
Myhre, Steven W.
Norden, David R.
Pajares, Jerome M.
Powell, John W.
Powers, Jeffrey A.
Reiman, Thomas J.
Requa, Bruce A.
Requarth, John W.
Romans, Charles A.
Ross, James G.
Sagerian, Steven M.
Salley, Lourie A.
Salmon, Walter M.
Scott, Jerry D.
Scott, Joseph W.
Secrest, Lloyd D.
Seng, Jeffrey M.
Sharp, John C.
Simpson, Rocky D.
Simpson, Thomas H., Jr.
Spear, Stephen C.
Steele, Michael L.
Steffanetta, Gene A.
Stelly, John W., Jr.
Sward, Thomas B.
Tanner, Ned W.
Teigeler, Patricia E.
Theilmann, Robert J.
Thomas, Christopher E.
Thompson, Michael F.
Tillotson, Joseph, Jr.
Tressler, Timothy M.
Turner, John A.
Vanderberry, Cary L.
Walker, Susan G.
Walsh, Frank E.
Walston, William H.
Webb, John R.
Whitefield, William H.
Winston, David P.
Woods, Billy F.

HOUSE OF REPRESENTATIVES—*Thursday, January 6, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He has showed you, O Man, what is good; and what does the Lord require of you but to do justly, and to love mercy, and to walk humbly with your God.—Micah 6: 8.

Almighty God, whose will it is that we do justly, love mercy, and walk humbly with Thee, grant unto us the fortitude to do what we ought to do, the faith not to do what we ought not to do, the wisdom to see our way clearly and the courage to walk worthy in that way.

Deliver us and our Nation from discord and disunity, give to us the continual strength of Thy presence and the constant awareness of our duty to lead our people in the ways of truth and love, faith and freedom, justice and peace.

We cannot do everything we would like to do but, please God, help us to do what we can to keep our Nation great, our Government strong, and our citizens good; for Thy names sake. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed the following resolution:

S. RES. 15

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Honorable Philip A. Hart, late a Senator from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate, at the conclusion of its business today, do adjourn.

SWEARING IN OF MEMBER-ELECT

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) was not present on Tuesday, January 4, 1977, to take the oath of office.

Will the gentleman come to the well of the House and take the oath of office at this time?

Mr. MURPHY of Illinois appeared at the bar of the House and took the oath of office.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is unavoidably detained and is unable to serve as a teller of the electoral college.

The Chair designates the gentleman from Pennsylvania (Mr. DENT) to act as teller in his stead.

APPOINTMENT AS MEMBERS OF HOUSE OFFICE BUILDING COMMISSION

The SPEAKER. Pursuant to the provisions of title 40, United States Code, sections 175 and 176, the Chair appoints as members of the House Office Building Commission to serve with himself: the gentleman from Texas, Mr. WRIGHT, and the gentleman from Arizona, Mr. RHODES.

SAM RAYBURN DAY IN TEXAS

(Mr. MAHON asked and was given permission to address the House for 1 minute to revise and extend his remarks, and to include extraneous material.)

Mr. MAHON. Mr. Speaker, January 6 is an important day in the State of Texas and in fact in the Nation. It is the birthdate of the late Sam Rayburn who served in this House for 49 years and who served as Speaker for 19 years. Sam Rayburn's record, in my opinion, will never be equalled or surpassed.

Mr. Rayburn measured up to the very high standards of conduct as a Member of the House of Representatives. Nobody ever questioned his total integrity, honesty, and virtue. He left a great heritage.

We honor ourselves in taking a moment today to recall the life and work of this great American.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I thank

the distinguished dean of the House for yielding to me.

This day should not pass without our observing that 95 years ago the incontestably greatest legislator of our century, Sam Rayburn, was born.

When Mr. Rayburn was born those 95 years ago, the world was a much different place. It was about 8 miles from Windom, near where the Rayburn family lived, to Flag Springs, a nearby community.

On many occasions, Mr. Rayburn later observed that in his childhood he labored under the impression that the people of Flag Springs were inherently different from those of Windom. He sometimes remarked that the greatest education of his life had been that people everywhere are neighbors and are much the same, dreaming the same dreams, hoping the same hopes, fearing the same fears. In his maiden speech in the House, he spoke of his vision of a nation in which there would be "no north, no south, no east, no west."

It was this perhaps that made Mr. Rayburn the most incisive, the most comprehending and most effective of all legislators, his name attached to more great legislation than any other in our century.

He was to many of us exemplar, friend, leader, counselor, and father confessor. It is appropriate that we pause for these few moments in commemoration of the birth of this truly great American.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Texas, who represents what was once the hometown for so many years of Sam Rayburn (Mr. HALL).

Mr. HALL. I thank the gentleman for yielding.

Mr. SPEAKER. Sam Rayburn of Texas is one of that select few of whom it can be said he was the most and the best—in his case—Speaker of the House of Representatives longer than any other man in history. The quality of his leadership is a legend that will be spoken of in the Halls of Congress when the most prestigious of our newer buildings—the Sam Rayburn House Office Building—itself becomes an old and respected historic landmark. It was Sam Rayburn who gave Franklin D. Roosevelt the legislative muscle to invigorate the economy during the onset of the great depression, and it was Sam Rayburn who helped keep the Nation productive during the crucial years of war. The memory of Sam Rayburn is revered here in Washington and I am proud to represent his town, his county, and his host of friends in the Nation's Capital. It is right and proper that we recognize "Sam Rayburn's Birthday" with humility, affection, and respect for one of the very greatest of American patriots.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Missouri (Mr. BOLLING).

Mr. BOLLING. I thank the gentleman from Texas for yielding to me.

Mr. Speaker, I can add nothing to what has already been said, except one point. It was mentioned that Sam Rayburn was the greatest legislator of this century. I think his career is entirely unparalleled in any legislative body in the world. Certainly in this institution, the U.S. Congress, he held great power for 30 years. He was a committee chairman before he became the majority leader and then the Speaker, and he had great legislative power for longer than anybody else who ever served in this institution. His skill as a legislator was entirely unmatched in his time and, in my judgment, before and since.

Mr. Speaker, I am delighted to join the Texas delegation and others in honoring his memory.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, I wish to also join in the words that have been said earlier. Having had the privilege of serving many years under the late Speaker Sam Rayburn, I would like to say that I have never known a man in my life who had the ability not only to get the attention of the Members but to hold that attention, who could put into concise words his thoughts. He never wasted a word. He never wasted a moment. He was always to the point. He always made sense.

Mr. Speaker, for that reason, and for many others, I agree with the statement that never in our history have we had a more effective Member, a man who better used the power that was his and who served as a Member of the House in the same spirit in which he served as its leader. I am glad to have this opportunity to pay my respects to his memory and to give credit to the greatest legislator it has been my privilege to serve.

Mr. BURLESON of Texas. Mr. Speaker will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas (Mr. BURLESON).

Mr. BURLESON of Texas. Mr. Speaker, those of us who served with Sam Rayburn and under him as majority leader and Speaker, really need no reminder or special occasion to remember him. Even those Members not privileged to have had the experience of his association, must feel an affinity with him by reason of the rich legacy and legend which he left.

It is not necessary to walk by his statue in the rotunda of the Rayburn Building or look at his portrait in the Speaker's lobby, to feel his ever-presence in this House of Representatives. It was his dedication: his pride, his joy, his life. He took pride in its operation and its accomplishments. He saw to its business and jealously guarded its reputation as an institution. He was devoted to its Members, always concerned with the problems and interests of every individual.

We in Texas are extremely proud of the Sam Rayburn Library in Bonham which houses his papers and memorabilia. I hope it might be possible for many of you to visit that institution at some time, with confidence that you would gain an ever greater appreciation of this man whose influence lives on and whose memory remains constant in the hearts of thousands.

On this, his birthday, we especially honor his memory and pay homage.

Mr. KAZEN. Mr. Speaker, on this 95th anniversary of the birth of Sam Rayburn, I am pleased to join my colleagues in honoring one of the greatest Congressmen, the greatest Texans and the greatest Americans of all time. The world knew him, as we did, as Mr. Sam. It is fitting today to recall the dignity, the diligence, and the dedication that marked his service in this House.

Mr. Sam began his public service in our Texas Legislature, winning his first election before he was admitted to the bar. He was elected speaker of the Texas House in his third term, and then in 1913 left Austin to come to the Congress. He managed always to blend his interests in Texas and our Nation to write his name indelibly into the history of the United States.

He served in 25 Congresses, became the Speaker on September 16, 1940, and served 17 years, more time than any other Speaker, before his death November 16, 1961. His spirit lives on, just as it was displayed when he was asked under how many Presidents he had served. His oft-quoted reply was "None, but I served with seven." In that single sentence, he spoke of the importance of the Congress and its role as a coequal branch of our Government. I suggest that his message should be heard today, as we approach a change in administrations. All of us, on either side of our center aisle, will do well to serve with the new President.

It is fitting that we today honor the anniversary of the birth of Mr. Sam.

Mrs. BOGGS. Mr. Speaker, today, January 6, is the 95th anniversary of the birth of one of the great figures in the history of this House and this Nation—the late Speaker Sam Rayburn.

Gov. Dolph Briscoe, of Texas, has officially designated January 6 as "Sam Rayburn Day" so that Texans can reflect upon the magnificent public service rendered to them by this man for nearly 55 years. Twenty-eight times he ran for office; 28 times he was elected. What confidence his constituents had in him!

Today, as we begin the third century in the life of our Nation, I want to take a few minutes to recall this remarkable human being.

First, his memorable, simple language in such sayings as:

The House of Representatives—it is my life and my love.

Common sense is all the sense there is.

You never have to explain something you didn't say.

One of the wisest things anybody ever said was—"Wait a minute."

I don't care what you call me—progressive conservative or conservative progressive—just as long as you keep that word progressive in there.

The greatest goal every human being can have is to be a just person—to realize that every other human being has just as much right to be on this earth as you have.

If Mr. Sam could visit his beloved House today, I think he would find several things that would make him happy.

First and foremost, he would be very proud of the manner in which his be-

loved country, the Constitution which he so revered, and particularly the Congress, survived the raging storms of the last decade, and emerged the stronger for it.

Particularly would he be proud of the dignity and the sense of anguished justice with which this House and its Committee on the Judiciary met the awful duty of the impeachment process.

I think he would be very appreciative of the countless ways in which we are attempting to strengthen and modernize our internal procedures in order better to meet tomorrow's challenges.

Without question he would be proud of the majestic strides taken since his death to minimize, and hopefully, to end, discrimination among our citizens.

Since he himself paid a lifelong penalty from this particular discrimination, he would have derived great joy from the fact that this Nation at last turned its back upon the rule that no one from the Old South could occupy the Presidency.

The efforts we are making to improve the quality of life and the environment in which we live are a reflection of his own lifelong interests and efforts.

Particularly, I think, he would be happy to see so many young people in this Congress. How he loved the young—how he liked to be with them—how he never missed an opportunity to help them develop and make progress. Perhaps that is why to many of us he never seemed to grow old.

In conclusion, as we start our third century as Americans, when we become weary and discouraged, let us take heart from one of Sam Rayburn's favorite sayings:

Service is the most beautiful word in the language.

Mr. ROBERTS. Mr. Speaker, today marks the 95th birthday of the late Speaker Sam Rayburn. In honor of this occasion, I would like to share with my colleagues some reflections on the life and career of this giant of a man I proudly called my friend and for whom I was privileged to work:

SAM RAYBURN—THE MAN

To have a hope of winning any public office a man must establish himself in a community and over a period of years acquire a circle of friends who, if they believe he has the qualifications for the office he seeks, will actively back him and help him to gain the support of the majority of the voters in his district.—The Honorable SAM RAYBURN.

Sam Rayburn belonged to a rare category of human beings—he became a legend in his own lifetime.

For a whole generation national writers told the story of his record as a public official and the many laws he fathered to improve the daily lives of the plain people of America in whom he had a passionate, almost religious, faith.

Many people know that he was the Speaker of the U.S. House of Representatives 17½ years—longer than any man in history—and served as a Member of the Congress almost 49 years, and that he helped to guide the United States through its two greatest wars, its greatest prosperity and its greatest depression.

A lot of people know some of his legislative achievements. The REA, which brought electricity to almost all the farms of America; the farm-to-market road program which is lifting the farmer out of the mud; the regulation of Wall Street which protected the savings of millions of people who invest in stocks and bonds; GI insurance and the veterans disability payments which have helped every American soldier and his family since 1917; soil conservation and flood control measures to help save the priceless heritage of the soil so that unborn generations of Americans may continue to eat abundantly—these are a few of the Rayburn accomplishments in the Halls of Congress which affect the daily welfare of all Americans.

But in spite of this knowledge of his records and his accomplishments, many people have only a hazy idea of what kind of a human being this man was.

For this Mr. Rayburn himself was largely responsible. Most men in public life seek—even crave—every bit of publicity they can manage.

Not so with Sam Rayburn.

He never had a "publicity man" on his staff.

He steadfastly refused to write the story of his life.

He seldom made a speech in Congress. Once he complimented an associate by saying:

He doesn't run around getting his name in the newspaper.

Well, what kind of a human being was Sam Rayburn?

In Washington he lived in the same small, comfortable apartment for more than 30 years.

He preferred to couch his conversation in the simple, homespun, Anglo-Saxon words he learned around his father's fireside south of Windom. He intensely disliked what he calls "those five-cylinder words." When he spoke, everyone understood exactly what he meant.

He was one man who never had any desire to go abroad. When Congress adjourned, there was only one place he wanted to go—and that was home.

He said once:

When I get away from Washington, I don't want to go anywhere in the world except home, and to see my lovely country, to see what little possessions I have and to associate with my brothers and sisters and old friends. Home looks better to me than any place in the world.

To many people, much of Mr. Rayburn's success came from his universal reputation for candor and telling the truth. On one occasion Mr. Rayburn said:

Always tell the truth. You often have to say "no" in politics. If you tell the truth to people and the reasons for your action, you will retain their respect and, almost invariably, their friendship.

But those who knew the man will remember him longest, not for his achievements nor his commonsense, but for his kindness.

A former Washington correspondent told how, some years ago, the depths of Sam Rayburn's kindness were revealed to him:

One of our daughters died. The next morning the Speaker was at our front door. He said he had just come to help out in any way he could. Understand, I was fairly new in the bureau and I wasn't very important to my paper, and I certainly wasn't important to Mr. Rayburn in any political way. But there he was. He helped me make coffee and told our other two little girls stories about Texas. I knew he was supposed to go to have breakfast with the President at the White House that morning and at one point I asked him about it. He said, "Yes, but I called the President and told him I had a friend in trouble."

Mr. Rayburn was a deeply religious man although it was late in life when he joined the church. In a letter to a friend, he said:

In my own life faith has been the greatest moving factor, and I have always tried to live and follow the principles expressed in those wonderful words, "For what doth the Lord require of Thee, but to do justice, to love mercy and to walk humbly before thy God".

From a boy I have been a Christian. Every day of my life God becomes more personal to me. Every time I look Him in the face and call on Him, He responds.

It is great to live and to know that such a power exists, for the good, of course.

Mr. BROOKS. Mr. Speaker, on January 6, 1882, the late Speaker of the House, Sam Rayburn, was born and it is my honor to remember him on this 95th anniversary of his birth.

Speaker Rayburn serves as an inspiration to all of us who had the privilege to serve in this body with him and his legacy—a man of compassion, determination, and diligence—remains as an example to follow for every Member of Congress.

Mr. Speaker, as the 95th Congress begins another chapter in our Nation's history, it seems to me that this is a fitting occasion to recall the qualities of Speaker Rayburn and to keep them fresh in our minds as we go about our work to restore the trust of the American people in our country's public servants.

Speaker Rayburn was a man whom I was proud to know and to call my friend and it is with deep humility that I pay tribute to his memory today.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of Sam Rayburn Day and of the life, character, and public service of the late Hon. Sam Rayburn, former Representative and Speaker of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING PAYMENTS FROM CONTINGENT FUND

Mr. DENT. Mr. Speaker, I offer a privileged resolution (H. Res. 84) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 84

Resolved, That, notwithstanding any other provision of law or of the Rules of the House of Representatives, during the period beginning on the date of the adoption of this resolution and ending on the date of the elec-

tion of the chairman of the committee involved in the Ninety-fifth Congress—

(1) the Member of the House who was chairman of a committee of the House established in Rule X of the Rules of the House of Representatives at the close of the Ninety-fourth Congress (if such Member is a Member of the House in the Ninety-fifth Congress); or

(2) in any other case, the ranking majority party member of such committee who was serving on such committee at the close of the Ninety-fourth Congress (and is a Member of the House in the Ninety-fifth Congress); may authorize payments from the contingent fund of the House for the payment or reimbursement of any continuing or recurring expense incurred on behalf of such committee in the exercise of its functions or jurisdiction following sine die adjournment of the Ninety-fourth Congress and upon the re-establishment of such committee in the Ninety-fifth Congress, under regulations promulgated by the Committee on House Administration in existence at the conclusion of the Ninety-fourth Congress.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICHEL. Mr. Speaker, reserving the right to object, this resolution is, as I understand it, necessary because of a number of persons having had their pay status fouled up and haven't as yet received their December checks as no one could formally authorize their issuance.

All I want is the assurance of the gentleman from Pennsylvania (Mr. DENT) that we are not talking about additional new people being added beyond what normally would be the complement of staff of the standing committees which we are discussing.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, the resolution that is pending before the House is quite simple. It provides the authority for the Member who was the chairman of each of the standing committees in the last Congress to authorize payment for routine, recurring expenses from today until the House has an opportunity to elect a new chairman. In those cases where the chairman is not a Member of the 95th Congress, the ranking majority party member is granted this limited authority.

There is one main reason why this is essential. There are in excess of 100 staff people spread over approximately 16 different committees who have not been paid for the month of December. These individuals are entitled to promptly receive their December paycheck.

The approach taken in this resolution further allows those routine expenditures like the paying of telephone bills, copying costs, et cetera, to continue in an orderly and business-like fashion.

I urge the adoption of this resolution.

Mr. MICHEL. This in no way establishes the permanent staff or changes the makeup of any of the new committees which we are discussing?

Mr. DENT. Mr. Speaker, it does not authorize anything except routine matters, and there will not be any new staff authorized by this resolution.

Mr. MICHEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GAMMAGE-PAUL ELECTION CONTEST IN TEXAS

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Speaker, I should like to engage in a colloquy with the distinguished gentleman from Pennsylvania (Mr. DENT) concerning persons who have now become Members as a result of the swearing in which occurred the other day and who are also contestees. I refer specifically to the distinguished member from the 22d District of Texas, Mr. GAMMAGE, who defeated incumbent Ron Paul in the general election of November 2, 1976. Under provisions of the Texas Election Code, Article 9.38 of Vernon's Annotated Texas Statutes, a recount was conducted under the general observation of counsel from the Privileges and Elections Subcommittee of the House Administration Committee. The result of this recount was to show GAMMAGE the winner by approximately 268 votes. Consequently, he was certified as having won by the secretary of state of the State of Texas.

Texas has provisions for election contests purporting to be applicable to congressional elections, and Dr. Ron Paul filed notice of a contest under them. Thus, this case is presently before the district court in Harris County, Tex.

Of course, Congress has provided by law, procedures for contesting elections in title 2, United States Code, section 381, et seq., and notice of contest has been filed by Dr. Paul under this statute with the Clerk of the House of Representatives.

Now there may be some questions arising in the State court relating to the procedures that took place here the other day and which will normally follow in the House Administration Committee.

The SPEAKER. The time of the gentleman from Texas (Mr. ECKHARDT) has expired.

(Mr. DENT asked and was given permission to address the House for 1 minute.)

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Speaker, I should like to have the views of the gentleman from Pennsylvania (Mr. DENT) as to the posture that that committee is likely to take. Of course, it will not be constituted for this term of Congress until after the middle of the month, but I know the gentleman from Pennsylvania to be very knowledgeable about the processes of the committee, and I shall ask this question:

What is the authority of the House of Representatives in judging an election contest of this type?

Mr. DENT. Of course, article I of the Constitution empowers each House of Congress to be the judge of the elections, returns, and qualifications of its own Members. While *Roudebush* v. *Hartke*, 405 U.S. 16, 25 (1972) held an exercise of a State's article I, section 4 powers, a vote recount, did not usurp the authority of the Congress, the House, in previous election contests, has deemed its authority to judge the elections, returns, and qualifications to be "infinite."

Mr. ECKHARDT. Now, since the full processes under Texas law for a recount have been completed, and since Mr. GAMMAGE has been certified as having been duly elected by the secretary of state of the State of Texas, would there, in your opinion, be any further action under State authority which would not be altogether duplicative of the procedures before the House Administration Committee since Dr. Paul has filed his notice of contest before that committee?

Mr. DENT. No, there is nothing that can be done under State processes, as, for instance, in a State court, that could not be duplicated. As I see it, it is the House's right and duty to act fully, completely, and exclusively in the final instance as the judge of the elections, returns, and qualifications of Members of the House, and the Committee on House Administration, as the agent of the House, would, I think, proceed properly to hear all contests referred to it, sending for persons and papers and examining witnesses and taking all other evidence relative and material to any proceeding.

The SPEAKER. The time of the gentleman from Pennsylvania (Mr. DENT) has expired.

(Mr. DANIELSON asked and was given permission to address the House for 1 minute.)

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, this is not only my view, but it has been the view of Congress and of high State courts. For instance, the Supreme Court of Michigan in *McLeod* v. *Kelly*, 304 Mich. 120, (1942) said:

> Assuming that the State board might be directed to take testimony, or that this court should (as suggested by oral argument and supplemental brief) take testimony as to the result of the election. The final decision rests with the House of Representatives in Congress.

And the court recognized that the U.S. statutes provide an adequate method for contesting an election in the House of Representatives and for taking testimony before a congressional committee. Such committee would, of course, be the Committee on House Administration under our customs and procedures.

Mr. ECKHARDT. Mr. Speaker, since the distinguished gentleman from California is placing in the RECORD what constitutes, in effect, a brief in behalf of the contestant, Dr. Ron Paul, in the case of the seating of the contestee, the gentleman from Texas (Mr. GAMMAGE) and since, in the opinion of this Member, the brief comes to wrong conclusions, it seems necessary to point out these errors. They involve, indeed, questions of law, and my previous colloquy with the gentleman from Pennsylvania (Mr. DENT) attempted to avoid extensive and detailed legal conclusions—rather to deal with the

facts: the House's broad jurisdiction in this matter and its intent to occupy the field and exercise such full jurisdiction. The gentleman from New Jersey (Mr. THOMPSON) has also placed in the RECORD of today a statement of his intent to proceed to deal with the seven contests which have now been filed with the Clerk.

But since it becomes necessary to correct certain erroneous conclusions, the following observations on the effect of article I, sections 4 and 5 of the Constitution, are respectfully submitted.

The power of the Congress and of the States with regard to Federal elections is prescribed in the Constitution in two separate clauses:

Article I, section 4 states that—

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each state by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Article I, section 5 provides that each House of the Congress is empowered to "* * * be the judge of the elections, returns, and qualifications of its own members."

It is, of course, patent and explicit in the Constitution that the House, by article I, section 5, possesses the ultimate power to be the final judge of elections of its own Members. On this point there can be no serious dispute.

However, it has been suggested that judicial precedents recognize the propriety of State proceedings incidental to an election contest of a Member of Congress, and that such judicial recognition comes by virtue of the power of the States under article I, section 4.

It has even been suggested by the distinguished gentleman from California (Mr. WIGGINS) that the Supreme Court has recognized the power of a State court to try an election contest in any case. Mr. WIGGINS seems so to interpret *Smiley* v. *Holm*, 285 U.S. 355, 76 L. Ed. 795.

Though that case does not give support to the proposal advanced by Mr. WIGGINS, its facts afford an excellent example of the reach and appropriate application of article I, section 4, of the Constitution—relating to the "times, places, and manner of holding elections"—as opposed to article I, section 5, of the Constitution—governing the judging of "elections, returns, and qualifications" of contestees.

That 1931 Supreme Court case raised the question of whether or not districting by the Legislature of Minnesota was valid though it had not been done by statute. The petitioners sought mandamus to restrain the holding of elections in the congressional districts thus established. Respondents contended that article I, section 4, confers directly to the legislature of a State authority to control elections, returns, and qualifications. Consequently—so runs the argument—the ordinary processes for the passage of a law under the constitution of the State need not be adhered to. In this case the Governor had vetoed the bill. Respondents pressed upon the Court a literal interpretation of the language of article I, section 4, providing that—

The Times, Places, and Manner of holding Elections for Senators and Represenatives, shall be prescribed in each State by the Legislature thereof . . .

Since such power appears to be delegated directly to the "Legislature" and not to the "State," it was argued that the legislature had special and direct Federal constitutional authority to engage in the function of controlling times, places, and manner of holding elections, including districting.

The Supreme Court rejected this argument resting the case on the question of whether the function contemplated by article I, section 4, is that of making laws. The Court held it was such a function and that the manner of making laws is governed in a State by that State's constitution.

It can be seen, then, that the Court did not touch the question of the extent of the State's power to deal with the other and separate matter governed by article I, section 5, of the Constitution, the judging of elections, returns, and qualifications of Members.

The quotation in Mr. WIGGINS' statement is altogether dictum respecting the point that he seeks to urge, but the dictum, considered in light of the facts dealt with in the case, cuts the other way. Smiley against Holm dealt with procedure and the Court made it clear that article I, section 4, was a procedural article dealing with times, places, and manner of elections embracing such things as notices, registration, supervision of voting, protection of voters, prevention of fraud and corrupt practices, counting of votes, duties of inspectors and canvassers, and making and publication of election returns; it was—

. . . in short, [authority] to enact the numerous requirements as to *procedure* and safeguards which experience shows are necessary in order to enforce the fundamental right involved. [Emphasis added.]

There is no question about the State's authority to set up procedures and to provide means of enforcing them. Thus, persons conducting the election or attempting to tamper with returns are clearly subject to scrutiny and possible punishment under State authority. A part of the election procedure is the process of recounts, and provision for this is clearly within the constitutional authority granted under article I, section 4. *Roudebush* v. *Hartke et al.*, 405 U.S. 15 (1972).[1]

But when the matter to be dealt with is directed at the qualifications of a person to serve as a Member of Congress and when it involves the judging of the election, the election returns and their effect upon such qualifications, such matter is, under the Constitution, governed wholly by article I, section 5, not by section 4. There is no extension of constitutional authority to the States to conduct this process. Thus, if a State court purports to enter this field, it is acting without constitutional authority, and the appropriate House of Congress duty and authority to determine the election contest is altogether untrammeled by the State's gratuitous action in this field.

II

The divide between procedure—"times, places, and manner"—and the merits—"election, returns, and qualifications"—is clearly delineated in Roudebush against Hartke, supra. Hartke successfully sought an injunction against a recount which had been granted under a timely recount petition in State court. He urged that the basic issue was:

Which candidate is entitled to be seated in the Senate.

The Supreme Court held that the actual question was not that at all.

It is whether an Indiana recount of the votes in the 1970 election is a valid exercise of the State's power, under Article I, Section 4, to prescribe the times, places, and manner of holding elections, or is a forbidden infringement upon the Senate's power under Article I, Section 5. (405 U.S. 19)

The Court said that the—

State courts' duties in connection with a recount may be characterized as ministerial, or perhaps administrative, but they clearly do not fall within . . . [the] definition of a "judicial inquiry."

Indeed, the Court held that the limited responsibilities involved in such a recount did not even constitute a "court proceeding" under the terms of 28 U.S.C., section 2283, which prohibits a Federal court from enjoining State court proceedings except in a few specific instances.

Thus, the Court did not agree with the lower court that in making judgments as to which ballots to count, the recount commission would be judging the qualifications of a Member of the Senate. It said:

Indiana has found, along with many other States, that one procedure necessary to guard against irregularity and error in the tabulation of votes is the availability of a recount . . . A recount is an integral part of the Indiana electoral process and is within the ambit of the broad powers delegated to the States by Article I, Section 4.

Had the case involved the question of which candidate is entitled to be seated in the Senate, the court said "to be sure, a nonjusticiable political question—a question that would not have been the business of this Court even before the Senate acted" would have been involved.

III

Contrast the subject matter in Smiley against Holm and Roudebush against Hartke with that of the earlier cases of *Barry* v. *Cunningham*, 279 U.S. 597, and *Reed* v. *County Commissioners*, 277 U.S. 376. These cases arose out of the disputed 1926 senatorial election in Pennsylvania in which William Vare appeared to have

[1] As in the Supreme Court cases, the cases before state courts have also decided in favor of the constitutionality of recount procedures in congressional elections. One such case held that if the state has a statutory recount procedure, the election process is not over until the recount is completed. *Blackburn* v. *Hall*, 115 Ga. App. 235, 154 S.E. 2d 392 (1967).

A significant case suggesting the limit of a state's power under Art. 1, sec. 4, is *Wickersham* v. *State Election Board*, 357 P. 2d 421 (Okla. 1960). In that opinion, the Oklahoma Supreme Court stated that the Congress would not refuse to accept the results of a statutory recount, and granted a writ of mandamus for such a recount. The court went on, however, to state that if a state lacked a recount provision, a petition for a recount would constitute a contest. In such a case, only Congress could grant appropriate relief.

defeated William Wilson. In 1926 the Senate committee was authorized to inquire into the means used to influence the nomination of candidates in that election. Vare was given the certificate of election and Wilson initiated a contest. The Court in Reed recognized that the case arose under article I, section 5, of the Constitution and stated that the Senate—

. . . is the judge of the elections, returns and qualifications of its members . . . It is fully empowered, and may determine such matters without the aid of the House of Representatives or the Executive or Judicial Department. 277 U.S., at 388.

In Barry against Cunningham, the Court also recognized the nature of the case as an article I, section 5, matter and said:

It is enough to say . . . that upon the face of the returns [Vare] had been elected and had received a certificate from the Governor of the State to that effect. Upon these returns and with this certificate, he presented himself to the Senate, claiming all the rights of membership. Thereby the jurisdiction of the Senate to determine the rightfulness of the claim was invoked and its power to adjudicate such right immediately attached by virtue of Section 5 of Article I of the Constitution. 279 U.S., at 614.

The Court further said:

The Senate having *sole authority* under the Constitution to judge of the elections, returns and qualifications of its members, may exercise in its own right the incidental power of compelling the attendance of witnesses without the aid of a statute. [Emphasis added]

Note the term "sole authority." When one of the Houses of Congress has sole authority, the matter is not a justiciable controversy for a court.

IV

State court decisions accord with the principles established in the Supreme Court cases discussed. In *Laxalt* v. *Cannon*, 80 Nev. 588, 397 p. 2d 466 (1964), the petitioner argued that an election contest pursuant to a State statute is part of the total election process contemplated by article I, section 4. He conceded that the ultimate power to judge and determine the winner of a senatorial race rests with the Senate, but he saw no dilution of that power by permitting a State court first to decide the controversy as an aid to the final decision of the Senate. The Supreme Court of Nevada found the weight of authority overwhelmingly supporting the opposite view, submitted by the respondent, that only the Senate has the power to judge the elections and returns of a senatorial election, and that a State court is a fortiori precluded from doing so. The court, in fact, stated that it found no contrary holding, and the contest was denied.

The authority of each House of Congress to be the judge of the ". . . elections, returns, and qualifications of its own members" has been construed by State courts in sweeping terms. Some courts have stated that the power is "supreme." In one, a Federal court declined to enjoin a State Governor from issuing certificates of election to those who ostensibly won, pending outcome of a proceeding concerning redistricting. *Keogh* v. *Horner*, 8 F. Supp. 933, 935 (S.D. Ill. 1934). In another, the Supreme Court of Nevada granted a motion to dismiss a contest of election for U.S. Senator. *Laxalt* v. *Cannon*, 80 Nev. 588, 397 P. 2d 466, 467 (1964). Other courts have stated that the power is "exclusive." For example, in *Odegard* v. *Olson*, 264 Minn. 439, 119 N.W. 2d 717, 720 (1963), the Supreme Court of Minnesota cited Congress' "exclusive" authority as its reason for refusing to enjoin the issuance by the Minnesota secretary of state of a certificate of election to the apparent winner of a congressional seat pending the outcome of a contest. *Richardson* v. *Hare*, 381 Mich. 304, 160 N.W. 2d 883 (1968).

It may be concluded generally that whatever action a State may take under its own statutes when a congressional election is contested is "meaningless," *Richardson* v. *Hare, Supra.*, 160 N.W. 2d at 888, or "officious and nugatory." *State ex rel 25 Voters* v. *Selvig*, 179 Minn. 406 212 N.W. 604 (1927). Thus, in an overwhelming number of reported cases, state courts have refused jurisdiction, either to decide the outcome of an election contest for a congressional seat, *Burchell* v. *State Bd. of Election Comm're*, 252 Ky. 82, 68 S.W. 2d 427 (1934); *Smith* v. *Polk*, 135 Ohio St. 70, 19 N.E. 2d 281 (1939); *State ex Rel 25 Voters* v. *Selvig, Supra.*: *McLeod* v. *Kelly*, 304 Mich. 120, 7 N.W. 2d 240 (1942), or to enjoin the issuance of a certificate of election to the apparent winner during pendency of the contest. *McLeod* v. *Kelly, Supra* is typical:

This Court cannot decide any contest over a congressional seat so as to bind the House of Representatives to accept the result. *Id.*, 7 N.W. 2d at 242.

That court particularly could not see the need even for the State to continue with proceedings in furtherance of a contest:

Assuming that the State board might be directed to take testimony, or that this court should (as suggested by oral argument and supplemental brief) take testimony as to the disptued facts, to do so would not determine the result of the election. The final decision rests with the House of Representatives in Congress. We see no desirable result to be accomplished by taking testimony, comparable to the delay in representation in Congress from the 13th District, for an indefinite period of time. United States statutes provide an adequate method for contesting an election to the House of Representatives, and for taking testimony before a congressional committee. *Id.*, at 243.

V

Federal courts have not frequently considered questions concerning the validity of election contests in State forums for congressional elections. But in a proceeding in which the petitioner claimed a congressional election to be void for failure of the State legislature to redistrict in compliance with Federal law, a district court found no authority which would support its restraining the State Governor from issuing certificates of election to those elected as Congressmen. *Keogh* v. *Horner, supra.* Another district court refused to enjoin county auditors from unlocking ballot boxes and voting machines prior to the State canvassing board finally determining the winner of a congressional seat. *Peterson* v. *Sears*, 238 F. Supp. 12 (N.D. Iowa 1964). The Court cited lack of jurisdiction to take any action, such jurisdiction being vested exclusively in Congress. *Id.* Other Federal court cases have cited the exclusive jurisdiction of the Congress to determine the elections and qualifications of its Members in refusing to entertain actions in quo warranto to determine the right of an elected representative to his seat. *Application of James*, 241 F. Supp. 858 (S.D.N.Y. 1965), or to enjoin the canvass of returns in a congressional election. *Manion* v. *Holtzman*, 379 F. 2d 843 (7th Cir. 1967), certiorari denied, 389 U.S. 976.

The foregoing reluctance of Federal courts to take any action with regard to a Federal election, once ballots have been cast, suggests that the more expeditious procedure to quash a contest of an election for a congressional seat in a State forum is a motion in the State court to dismiss, rather than a petition in Federal court for an injunction.

Furthermore, in the usual case in State court involving a judicial issue a Federal court is confronted with the prohibition of 28 U.S.C. 2281 prohibiting a Federal court from enjoining State court processing except in a few specific instances. This also is one explanation for the fact that some cases invalidly invoking State court jurisdiction in election contest situations have been permitted to run on. The other explanation is that Congress is reluctant to invoke court powers in matters in which it is the exclusive judge—as in impeachment, explusion, and qualification cases. The State court action is a nullity anyway.

VI

If a State possesses a statutory recount procedure in congressional elections, and that procedure has been completed, no further proceedings incidental to an election contest in a congressional election may proceed in State court.

Regarding further the power of the States under article I, section 4, to regulate the times, places, and manner of holding congressional elections, it is significant that, though the Congress retains the power to make or alter such regulations, it has not enacted recount procedures. But it has enacted a statute providing for procedures for contests of elections for the House of Representatives. This is consonant with the constitutional interpretation that though Congress has left to the State all election procedures, including the recount—under article I, section 4—it has jealously protected its sole authority under article I, section 5, to deal exclusively in the field of election contests. Thus, the Constitution has given to each House the exclusive and final authority to deal with election contests and Congress has entered and fully occupied the field by its own election contest procedure. Correspondingly the States are totally preempted in the area covered by article I, section 5.

GAMMAGE-PAUL ELECTION CONTEST IN TEXAS

(Mr. WIGGINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIGGINS. Mr. Speaker and Members of the House, the colloquy which just

occurred relates to the election contest pending before the Committee on House Administration involving our colleague, the gentleman from Texas (Mr. GAMMAGE) and our former colleague, the gentleman from Texas, Mr. Paul.

The gentleman from Pennsylvania (Mr. DENT), who just spoke, is the former chairman of the Subcommittee on Elections and his views with respect to policy and law are important and are to be respected. I am the ranking Republican member of that subcommittee, and I would like to think that my views also are entitled to some weight.

Mr. Speaker, let there be no mistake that the views expressed by the gentleman from Pennsylvania (Mr. DENT) are his own and do not reflect the considered views of the subcommittee, of the full committee, or of the House of Representatives. On the contrary, they are the personal opinions of Mr. DENT with which I expressly and specifically disagree. Let me explain the reasons for my disagreement in greater detail.

Mr. Speaker, on Tuesday, all Members-elect for whom a certificate of election had been received by the Clerk were administered the oath of office. The oath was, in each case, administered without condition; however, under the precedents of the House, the seating of a Member unconditionally does not defeat the jurisdiction of either the House or other appropriate bodies to consider pending election contests.

I

Pursuant to the Federal Election Contest Act, 2 U.S.C. 381 et seq., election contests have been duly filed and are pending with respect to the gentleman from Florida (Mr. KELLY), the gentleman from Michigan (Mr. PURSELL), the gentleman from Illinois (Mr. MIKVA), the gentleman from Texas (Mr. GAMMAGE), and the gentleman from California (Mr. LEGGETT). In addition, two petitions in the nature of election contests have been filed with respect to the gentleman from Missouri (Mr. CLAY) and the gentleman from Louisiana (Mr. TONRY). The seating of each such Member, although unconditional in form, is in fact subject to the condition that the contest filed against him be resolved in his favor. Under the precedents, the certificate of election in proper form is treated only as a prima facie showing of a right to be seated. The seating of a Member pursuant to that prima facie showing may later be rejected, and the seated Member denied his seat, if the challenge to his election or qualifications is sustained by a majority vote.

The conditional nature of the seating of a Member against whom a contest has been properly lodged is unaffected by the lack of objection to the seating of such a Member at the time the oath is administered. Under the precedents, any member-elect may object to the seating of another. Customarily, the person challenged stands aside temporarily. The challenge serves no purpose other than to alert the House that a question exists with respect to the elections, returns, or qualifications of a Member-elect. The unconditional and immediate seating of a Member, following a request that he stand aside, has no effect upon the ultimate resolution by the House of the challenge to his seating.

We have provided by law that the process of contesting an election is commenced by the filing of a formal contest pursuant to the contest statute and is terminated upon the final resolution of that contest by the House. Intervening requests that a Member stand aside, or the seating of a Member based upon the prima facie sufficiency of his election certificate, are not a part of that process.

All of the foregoing is unquestionably established by our precedents.

In the 75th Congress, a certificate of election was filed with respect to the Member-elect from New Hampshire, Mr. Jenks. Mr. Jenks was requested to stand aside and the oath was administered to all other Members-elect. Immediately thereafter, a resolution was offered permitting Mr. Jenks to take the oath of office. It was unconditional in form. The resolution was agreed to without debate, and Mr. Jenks was seated. The House thereupon authorized an investigation of Mr. Jenks' election. The investigating committee ultimately recommended that Mr. Jenks be denied his seat and that his election opponent, Mr. Roy, be seated in his stead. The House accepted the recommendations of its committee by a majority vote.

The Jenks precedent unquestionably stands for the proposition that the unconditional seating of a Member does not bar the resolution of a challenge to his election, and, if appropriate, the awarding of his seat to the challenger.

II

Judicial precedents recognize the propriety of State proceedings incidental to an election contest of a Member of Congress.

Article I, section 5 of the Constitution is clear that—

> Each House shall be the judge of the elections, returns, and qualifications of its own Members.

It is equally clear that unless Congress acts, article I, section 4 grants to the States the power to regulate the "times, places, and manner" of holding elections for Representatives.

In speaking of the breadth of this State power to regulate congressional elections, the Supreme Court has said that—

> It cannot be doubted that these comprehensive words embrace authority to provide a complete code for congressional elections, not only as to time and places, but in relation to notices, registration, supervision of voting, protection of voters, prevention of fraud and corrupt practice, counting of votes, duties of inspectors, canvassers, and making and publication of election returns; in short, to enact the numerous requirements as to procedure and safeguards which experience has shown are necessary in order to enforce the fundamental right involved. *Smiley* v. *Holm*, 285 US 355, 366 (1932).

More recently, the Court spoke to the relationship between section 4 and section 5 of article I in an opinion holding that Indiana recount procedures did not interfere with the ultimate authority of the Senate to be the judge of its Members.

> It is true that a State's verification of the accuracy of election results pursuant to its Article I, Section 4 powers is not totally separable from the Senate power to judge elections and returns. But a recount can be said to "usurp" the Senate's function only if it frustrates the Senate's ability to make an independent final judgment. *Roudebush* v. *Hartke*, 405 US 16, 25 (1972).

The House, of course, possesses the ultimate power under the Constitution to be the final judge of the elections, returns, and qualifications of its own Members. But it has traditionally yielded to the States the right to enact procedures for the election of its Members, and to make preliminary factual and legal determinations as to whether those procedures have been met. This is a rule of comity, based on practical necessity.

This House is ill-equipped to recount ballots or to determine the sufficiency of thousands of challenged voters or the ballots cast by them. The role of the House is not usurped or frustrated by such State proceedings. Quite to the contrary, they assist us in the discharge of our ultimate responsibility. Thus, so long as State procedures exist for doing so, it has been the policy of this House to permit such challenges to be initiated and processed at the State level, subject always, of course, to the ultimate power of this body to make an independent final judgment as to the challenged election.

Since such preliminary State proceedings are unquestionably proper, it follows that the unconditional seating of a Member based upon the prima facie force of his election certificate in no way ousts a State of its jurisdiction in such proceedings. The seating of a Member who is the subject of a challenge is not a final act. Those procedures incidental and preliminary to a final resolution of the controversy, including State proceedings where appropriate, must necessarily proceed unabated if the policy of comity and the reasons for it are to be respected.

It is because of the settled posture of the law and the House precedents, and because of my unwillingness to mar the ceremonial nature of the occasion, that no request to stand aside was made with respect to any Member-elect against whom a contest is pending.

III

Moments ago, the gentleman from Texas (Mr. ECKHARDT) and the gentleman from Pennsylvania (Mr. DENT) engaged in a colloquy with respect to the Paul-Gammage contest in Texas. The purpose of that exchange was to influence proceedings now pending before a Texas State court. Quite apart from the propriety of the colloquy, or the weight to be given expressions of opinion by those whose partisan interests are manifest, it must be observed that the views expressed are simply wrong.

Let me restate the law so as to correct any misconceptions which may exist:

The House has jurisdiction to resolve contests concerning the election of its Members. That jurisdiction is not exclusive, but it may be characterized as "ultimate and final." States also have concurrent jurisdiction to hear and resolve disputes concerning the election of House Members which may be exercised in a manner compatible with the ultimate jurisdiction of the House. Since the jurisdiction of the House is superior to that of a State, the House may, if it wishes,

assert its superior jurisdiction to the exclusion of a State's claim of jurisdiction. It seldom does so, however, for those policy reasons stated earlier. Because of the historic reluctance to interfere with ongoing State proceedings in this area, Federal preemption should only be found when it is expressly asserted or can be implied unmistakably from the affirmative acts of the House.

Without question, the Texas court in the Paul-Gammage case has jurisdiction. Whether it should retain that jurisdiction is for the Texas court to decide.

Also, without question, the House has jurisdiction of the election contest. It has not yet asserted the primacy of its jurisdiction and I suggest to my House colleagues that it would be especially inappropriate in this case to do so. The matters of fact in dispute will require extensive discovery proceedings. The legal issues involve questions of State law. Both the factual and legal questions should be resolved in an atmosphere of due process, free of partisan influences. The State court of Texas is a far better forum for the resolution of these questions than the House of Representatives.

RECESS

The SPEAKER. The Chair wishes to make a statement.

The Chair desires deferment of unanimous-consent requests and also 1-minute speeches until after the formal ceremony of the day, which is the counting of the electoral votes for President and Vice President. Therefore, pursuant to the order adopted on Tuesday, January 4, 1976, the Chair declares the House in recess until approximately 12:55 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 55 minutes p.m.

COUNTING ELECTORAL VOTES—JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF SENATE CONCURRENT RESOLUTION 1

At 12 o'clock and 55 minutes p.m., the Doorkeeper, the Honorable James T. Molloy, announced the Vice President and the Senate of the United States.

The Senate entered the Hall of the House of Representatives, headed by the Vice President and the Secretary of the Senate, the Members and officers of the House rising to receive them.

The Vice President took his seat as the Presiding Officer of the joint convention of the two Houses, the Speaker of the House occupying the chair on his left.

The joint session was called to order by the Vice President.

The VICE PRESIDENT. Mr. Speaker, Members of the Congress, the Senate and the House of Representatives, pursuant to the requirements of the Constitution and the laws of the United States, have met in joint session for the purpose of opening the certificates and ascertaining and counting the votes of the electors of the several States for President and Vice President.

Under well-established precedents, unless a motion shall be made in any case, the reading of the formal portions of the certificates will be dispensed with. After ascertainment has been made that the certificates are authentic and correct in form, the tellers will count and make a list of the votes cast by the electors of the several States.

The tellers on the part of the two Houses will take their respective places at the Clerk's desk.

The tellers, Mr. CANNON and Mr. HATFIELD on the part of the Senate, and Mr. DENT and Mr. DICKINSON on the part of the House, took their places at the desk.

The VICE PRESIDENT. The Chair will now hand to the tellers the certificates of the electors for President and Vice President of the State of Alabama, and they will count and make a list of the votes cast by that State.

Mr. DICKINSON (one of the tellers). Mr. President, the certificate of the electoral vote of the State of Alabama seems to be regular in form and authentic, and it appears therefrom that Jimmy Carter of the State of Georgia received nine votes for President, and WALTER F. MONDALE of the State of Minnesota received nine votes for Vice President.

The VICE PRESIDENT. There being no objection, the Chair will omit in further procedure the formal statement just made for the State of Alabama, and we will open the certificates in alphabetical order and pass to the tellers the certificates showing the vote of the electors in each State; and the tellers will then read, count, and announce the result in each State as was done in the case of the State of Alabama.

Is there objection?

The Chair hears no objection.

There was no objection.

The tellers then proceeded to read, count, and announce, as was done in the case of the State of Alabama, the electoral votes of the several States in alphabetical order.

The VICE PRESIDENT. Gentlemen and gentlewomen of the Congress, the certificates of all of the States have now been opened and read, and the tellers will make the final ascertainment of the results and deliver the same to the Vice President.

The tellers delivered to the Vice President the following statement of the results:

The undersigned, Howard W. Cannon and Mark O. Hatfield, tellers on the part of the Senate, John H. Dent and William L. Dickinson, tellers on the part of the House of Representatives, report the following as the result of the ascertainment and counting of the electoral vote for President and Vice President of the United States for the term beginning on the twentieth day of January, nineteen hundred and seventy-seven.

States	Electoral votes of each State	For President: Jimmy Carter	For President: Gerald R. Ford	For President: Ronald Reagan	For Vice President: Walter F. Mondale	For Vice President: Robert Dole
Alabama	9	9			9	
Alaska	3		3			3
Arizona	6		6			6
Arkansas	6	6			6	
California	45		45			45
Colorado	7		7			7
Connecticut	8		8			8
Delaware	3	3			3	
District of Columbia	3	3			3	
Florida	17	17			17	
Georgia	12	12			12	
Hawaii	4	4			4	
Idaho	4		4			4
Illinois	26		26			26
Indiana	13		13			13
Iowa	8		8			8
Kansas	7		7			7
Kentucky	9	9			9	
Louisiana	10	10			10	
Maine	4		4			4
Maryland	10	10			10	
Massachusetts	14	14			14	
Michigan	21		21			21
Minnesota	10	10			10	
Mississippi	7	7			7	
Missouri	12	12			12	
Montana	4		4			4
Nebraska	5		5			5
Nevada	3		3			3
New Hampshire	4		4			4
New Jersey	17		17			17
New Mexico	4		4			4
New York	41	41			41	
North Carolina	13	13			13	
North Dakota	3		3			3
Ohio	25	25			25	
Oklahoma	8		8			8
Oregon	6		6			6
Pennsylvania	27	27			27	
Rhode Island	4	4			4	
South Carolina	8	8			8	
South Dakota	4		4			4
Tennessee	10	10			10	
Texas	26	26			26	
Utah	4		4			4
Vermont	3		3			3
Virginia	12		12			12
Washington	9		8	1		9
West Virginia	6	6			6	
Wisconsin	11	11			11	
Wyoming	3		3			3
Total	538	297	240	1	297	241

HOWARD W. CANNON,
MARK O. HATFIELD,
Tellers on the part of the Senate.
JOHN H. DENT,
WILLIAM L. DICKINSON,
Tellers on the part of the House of Representatives.

The state of the vote for President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for President of the United States is 538, of which a majority is 270.

Jimmy Carter, of the State of Georgia, has received for President of the United States 297 votes;

Gerald R. Ford, of the State of Michigan, has received 240 votes;

Ronald Reagan, of the State of California, has received 1 vote.

The state of the vote for Vice President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for Vice President of the United States is 538, of which a majority is 270.

Walter F. Mondale, of the State of Minnesota, has received for Vice President of the United States 297 votes;

Robert Dole, of the State of Kansas, has received 241 votes;

This announcement of the state of the vote by the President of the Senate shall be deemed a sufficient declaration of the persons elected President and Vice President of the United States, each for the term beginning on the twentieth day of January, nineteen hundred and seventy-seven, and shall be entered, together with a list of the votes, on the Journals of the Senate and House of Representatives.

The VICE PRESIDENT. The state of the vote for President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for President of the United States is 538, of which a majority is 270.

Gov. Jimmy Carter, of the State of Georgia, has received for the Presidency of the United States 297 votes;

President Gerald R. Ford, of the State of Michigan, has received 240 votes; and

Gov. Ronald Reagan, of the State of California, has received 1 vote.

The state of the vote for the Vice Presidency of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for Vice President of the United States is 538, of which a majority is 270.

Senator WALTER F. MONDALE, of the State of Minnesota, has received for Vice President of the United States 297 votes; and

Senator ROBERT DOLE, of the State of Kansas, has received 241 votes.

This announcement of the state of the vote by the President of the Senate shall be deemed a sufficient declaration of the persons elected President and Vice President of the United States, each for the term beginning on the 20th day of January, 1977, and shall be entered, together with a list of the votes, on the Journals of the Senate and the House of Representatives.

Members of the Congress, the purpose for which the joint session of the two Houses of Congress has been called, pursuant to Senate Concurrent Resolution 1, 95th Congress, having been accomplished, the Chair declares the joint session dissolved.

(Thereupon, at 1 o'clock and 34 minutes p.m., the joint session of the two Houses of Congress was dissolved.)

The House was called to order by the Speaker.

The SPEAKER. Pursuant to Senate Concurrent Resolution 1, the Chair directs that the electoral votes be spread at large upon the Journal.

LEGISLATIVE PROGRAM FOR BALANCE OF THIS WEEK AND FOR NEXT WEEK

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the balance of this week.

Mr. WRIGHT. Mr. Speaker, if the gentleman will yield, there is no further legislative business for today or for the balance of this week.

The program of the House of Representatives for next week is as follows:

On Monday the House will meet at noon. It would be a day for suspensions, but there are no bills.

On Tuesday the House will meet at noon. We have one suspension scheduled, House Resolution 9, Reestablishing the Committee on Assassinations, and a second resolution of the House, heretofore unnumbered, which would call for the election of the members of the Committee on the Budget.

On Wednesday, the House again will meet, but not until 8 p.m.

The purpose of that being a joint session of the two Houses to hear the state of the Union address by President Ford.

Thursday and the balance of the week, the House would meet at 11 a.m. There is no legislative business of which I personally have notice, except that I should advise the gentleman from Arizona and the other Members that if the question of gasoline decontrol should be prime for consideration, it would be scheduled; but all Members would be notified in sufficient time.

Beyond that, Mr. Speaker, any further program will be announced later.

Mr. RHODES. Mr. Speaker, I thank the gentleman.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO MONDAY, JANUARY 10, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OF HOUSE ON TUESDAY UNTIL 8 P.M. WEDNESDAY, JANUARY 12, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, January 11, 1977, that it adjourn to meet at 8 p.m. on Wednesday, January 12, 1977, to hear the state of the Union address by President Ford.

THE SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUSE WORK SCHEDULE FOR 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that I may be permitted to insert in the RECORD at this point the House schedule for 1977.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The House schedule for 1977 is as follows:

HOUSE SCHEDULE FOR 1977

January 5–February 9: Washington work period: organize House, organize committees, begin hearings on authorization and appropriations bills.

January 17: Receive President's budget.

January 20: Inauguration.

February 10–15: District work period.

(February 12—Lincoln's Birthday.)

February 16–April 6: Washington work period: continue hearings and action on legislation.

March 15: Report by all committees to Budget Committee on projections for fiscal year 1978.

April 1: Congressional Budget Office reports to Budget Committee.

April 7–17: District work period.

(April 10: Easter Sunday.)

April 15: Deadline for Budget Committee report of first budget resolution.

April 18–May 26: Washington work period: finish hearings and mark-ups in authorizing committees for fiscal year 1978 and in appropriations subcommittees, report all new authorizations by May 15.

May 15: Complete action on first budget resolution.

May 16–26: Consider authorizations on the Floor and begin full committee markup for appropriations bills.

May 27–May 31: District work period.

(May 30: Memorial Day.)

June 1–June 30: Washington work period: consider appropriations, bills and authorizations.

July 1–July 9: District work period.

(July 4: Independence Day.)

July 10–August 5: Washington work period: complete appropriations and authorizations as well as other legislation.

August 6–September 6: August recess as provided for in Legislative Reorganization Act of 1970. District business; travel, domestic and foreign; member and family vacation.

(September 5: Labor Day.)

September 7–October 7: Washington work period.

September 12: All spending measures finalized.

September 15: Complete action on second budget resolution.

September 23: Reconciliation resolution completed.

October 1: Fiscal year 1978 begins.

October 8–14: District work period.

(October 10: Columbus Day.)

October 15–November 18: Washington work period.

(October 24: Veterans Day holiday.)

November 19–28: District work period.
(November 24: Thanksgiving Day.)
November 29–December 10: Washington work period.

FLOOR PRIVILEGES OF FORMER MEMBERS AND OFFICERS OF THE HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair will insert at this point in the RECORD a statement covering the floor privileges of former Members and officers of the House of Representatives, in order that former Members and officers of the House of Representatives will be aware of the floor privileges accorded to them:

FLOOR PRIVILEGES OF FORMER MEMBERS AND OFFICERS OF THE HOUSE OF REPRESENTATIVES

1. Former Members and Officers of the House shall be entitled to the privilege of admission to the floor of the House only if they do not have a direct personal or pecuniary interest, as determined by the Speaker, in any legislative measure pending before the House or reported by any committee of the House and only if they are not in the employ of, or do not represent, as determined by the Speaker, any party or organization for the purpose of influencing, directly or indirectly, the passage, defeat, or amendment of any legislative measure pending before the House, reported by any committee of the House or under consideration in any of its committees or subcommittees.

2. Former Members and Officers of the House shall enter the Chamber through the Lobby Doors and shall furnish adequate identification to the doormen. Each former Member and Officer shall be furnished with a copy of these regulations, and with a copy of the proposed House schedule for that day. It is the responsibility of the former Member or Officer to personally ascertain that there is no measure pending in a committee or subcommittee that would prevent his access to the floor under this rule.

3. For the purposes of clause 3 of Rule XXXII, legislative measures under consideration in committees and subcommittees shall be those bills and resolutions which either (1) have been called up for consideration in a proper meeting of the full committee or of a subcommittee thereof, or (2) have been the subject of a proper hearing of the full committee or of a subcommittee thereof, whichever first occurs. A measure shall not be deemed under consideration if the committee or subcommittee has finally disposed of the bill or resolution adversely.

4. The provisions of (a) above shall not apply to former Members who are entitled to the privilege of the floor in another capacity under Rule XXXII.

ELECTORAL COLLEGE REFORM

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, today has been set aside as the day on which the Congress complies with the requirements of the 12th amendment to the Constitution. Earlier, during the session—as we do every 4 years—the President of the Senate, in the presence of the Senate and the House of Representatives, opens and counts the votes cast by the members of the electoral college.

After witnessing this process once again, it seems to me most appropriate to introduce an amendment to our Constitution which would reform once and for all an outdated and unpopular system of electing a President and Vice President of the United States.

During the first session of the 91st Congress, my colleagues and I on the Judiciary Committee participated in an extensive series of hearings which examined over 50 joint resolutions proposing some alteration in the current method of electing a President and Vice President. With only six members dissenting, the Judiciary Committee reported a joint resolution to the House which was passed in September 1969, by a vote of 339 to 70. Unfortunately, the Senate failed to act on the House-passed constitutional amendment during that Congress. Since that time, the only interest in electoral college reform in Congress was exhibited by the Senate Subcommittee on Constitutional Amendments. During the 94th Congress, this subcommittee, by unanimous vote, reported Senate Joint Resolution 1 to the full Senate Judiciary Committee. No further action on the proposed amendment was taken during the last Congress.

In no less than 14 Presidential elections, we have failed to elect a President who received 50 percent of the popular vote. In 11 of these instances, the candidate who received a plurality of the popular vote did, in fact, obtain a majority of the electoral college vote. More significant, however, are the remaining three cases which resulted in the election of a "minority" President—a candidate who received a smaller number of the popular votes than his closest opponent.

In 1824, the House of Representatives elected John Quincy Adams although Andrew Jackson received more electoral and more popular votes.

In 1876, Rutherford B. Hayes received 250,000 less popular votes than Samuel J. Tilden. After a Congressional Electoral Commission settled several contested returns, Hayes emerged the victor by one electoral vote.

The third example of the election of a minority President occurred during the 1888 Presidential election. Although the incumbent, Grover Cleveland, recorded a 100,000 vote plurality over his closest opponent, Benjamin Harrison, Harrison was elected President with 65 more electoral votes.

There are three primary goals which have prompted me to submit to the House of Representatives this joint resolution. First, the proposed joint resolution will eliminate the problem of the "faithless elector"—a member of the electoral college who does not cast his vote in accord with the results of popular vote in his particular State. Both in 1960 and in 1968, one elector cast his ballot in this manner. Indeed, here today we have found that one elector has proven to be unfaithful to the people he was chosen to represent and has cast his ballot for a candidate who did not receive a majority of the votes in his State.

The evidence is clear that when the Founding Fathers framed our Constitution the intent was that the Presidential electors be selected from a group of the Nation's leaders. By 1826, however, the Congress noted that the electors "have degenerated into mere agents, in a case which requires no agency, and where the agent must be useless, if he is faithful, and dangerous, if he is not." In any event, I suspect that very few people could name the Presidential electors selected by their respective States.

Second, this proposed constitutional amendment provides that 35 per centum of the popular vote will be sufficient for election of the President and Vice President if this figure constitutes a plurality of the total votes cast. If no ticket receives 35 percent of the total votes cast, a runoff election between the two sets of candidates with the most popular votes will result. During the 91st Congress, I supported this 35-percent figure; however, the House adopted 40 percent. My reasons for support of the lower figure are the same today as they were at that time. A general runoff election subsequent to a general popular election of a President should be avoided if possible. Those who have studied this issue report that the 35-percent figure in lieu of the 40 percent of the popular vote could reduce the possibility of a runoff election from 1 in 100 to 1 in 1,000. In addition to the added expense and delay, a runoff election could easily promote to victory the candidate who finished second in the general election.

Finally, it is the intent of this joint resolution to reform the system to insure that the electoral outcome more closely reflects the results of the popular vote. The results of a direct election, as provided for in the resolution, would reflect more accurately the preference of the voters. For example, Franklin Roosevelt in 1936 won 60 percent of the popular vote, but recorded 98 percent of the electoral votes by winning all the States except Vermont and Maine. While this procedure would certainly eliminate the appearance of a landslide victory, the problem of "minority" Presidents would be alleviated as well. In addition to the cases cited above, it should be pointed out that if in the recent Presidential election—or any future such elections—one of the candidates should receive a plurality of 5 million or more votes—and yet should lose to another candidate who receives a majority of the votes in the electoral college—I fear that the Nation would face a grave crisis. The evidence shows that both the people and the Congress support reform. I urge my colleagues and the new administration to think seriously about acting to erase the grave possibility that these concerns will be with us again during the 1980 election. The time to act is now—with decisiveness—and finality.

SHOULD WE CONTINUE THE ASSASSINATION COMMITTEE?

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMANN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, on last Tuesday, January 4, 1977, I objected to a unanimous-consent request to consider a resolution which would have extended for 3 months the powers and life of the Select Committee on Assassinations. This

select committee was created by the House on September 17, 1975, by a vote of 280 in favor to 84 against. I was one of those who supported the creation of the select committee at that time.

I am well aware that most polls show that a majority of Americans do not believe all the findings of the Warren Commission. I know, as most Members do, that substantial questions remain about the Kennedy assassination, and about the assassination of Dr. Martin Luther King. These questions should be properly resolved.

It was my impression that the Select Committee on Assassinations as described in debate on September 17 was to conduct a full and fair investigation into these two tragic deaths. The end result was to be a definitive report or series of reports which would lay to rest the many questions that remain. Obviously such an undertaking requires a very careful and judicious approach because of the highly controversial nature of the subject matter.

Since the time the committee was created and its chief counsel, Richard A. Sprague, was appointed, I have become increasingly apprehensive about the direction this group is taking.

First of all, Mr. Sprague, in a series of public statements, television appearances, interviews and newspaper articles, has virtually assumed the role of chairman of the committee. It is customary in the House for Members of Congress to speak for legislative or select committees, but Mr. Sprague has arrogated this role unto himself even to the point of apparently announcing policy decisions such as the direction of the investigation and the ground rules which will govern it.

At the same time, he has been constructing what I am sure he considers to be a good case for his proposal to spend more than $13 million over a 2-year period and to hire more than 170 staff members to conduct this investigation.

Mr. Speaker, I was under the impression that this investigation was going to tie up loose ends, resolve questions still remaining, and fill in the gaps of previous investigations. Now we are told by Mr. Sprague as he stated before the Republican conference last Monday, that the investigation will probably go so far as to place on trial the CIA and the FBI, and each agency's role in investigating these two deaths. In so doing, Mr. Sprague seems to assume that both of these agencies have committed wrongs and are not to be trusted in regard to this new investigation. Over the past several weeks, the public has been treated in the press to numerous sensational statements and charges from Mr. Sprague and a few members of the committee, many of them highly interesting, but most of them unsupported by any evidence. All of them seem designed to justify the continued existence of the committee.

Mr. Speaker, it is my belief that the House should know precisely what the scope of the investigation to be conducted by the Select Committee on Assassinations is to be. We should know who the new chairman is going to be, and who the members will be once the committee is reconstituted in this Congress if indeed it is. We should certainly question seriously the enormous amount of money and the size of the staff proposed. This staff and the money involved exceeds almost every other committee in the House today. It is more than was spent for the Watergate investigation or on the impeachment inquiry. And the question inevitably arises whether an investigation of such scope and magnitude is truly necessary. I have my serious doubts that it is necessary especially in view of the manner in which it has been conducted so far.

Mr. Speaker, other Members of the House have also expressed concern about the proposals that Mr. Sprague has made for the procedures which will be used in this investigation. At this point, I insert in the RECORD a letter from our colleague, the Honorable DON EDWARDS, chairman of the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary which points out some shocking statements made by Mr. Sprague in an interview in the Los Angeles Times on December 15, 1976. I urge my colleagues to read the gentleman from California's letter carefully and consider whether this is what they wish to endorse by their votes.

The letter follows:

WASHINGTON, *D.C.*,
December 16, 1976.

Hon. THOMAS N. DOWNING,
Chairman, Select Committee on Assassinations, Rayburn House Office Building, Washington, D.C.

DEAR TOM: Recent statements to the press by staff director Richard A. Sprague raise some grave questions as to the procedures he has announced for the Select Committee's investigations. I would most respectfully like to call some of my concerns to your attention so that you might share them with your Members.

I am sure, there will be strenuous Congressional and public objection to Mr. Sprague's plans. One statement is that the Committee will, as outlined in an article in the December 15, 1976 *Los Angeles Times*, "purchase two tiny transmitters that can be hidden in the clothing of an investigator during the questioning of a potential witness. When combined with the stress evaluator, this device will permit the Committee to subject individuals to secret lie detector tests". Such procedures are, to say the least, totally inappropriate for use by a Congressional Committee. This would constitute intentional invasions of the most fundamental rights of American citizens. I believe the use of these techniques by a Committee of Congress to be wrong, immoral, and very likely illegal.

Most courts do not admit polygraph or other "truth testing" evidence. I don't believe Congress can or should adopt a lower standard than employed by the Courts to arrive at the truth.

The FBI employs polygraphs on a very limited scale, only with the subject's written consent and never for employment purposes. The CIA and NSA use the polygraph for employment screening on a completely voluntary basis. Legislation is pending in my Subcommittee to prohibit such use both in and out of government, and I am sure similar legislation will be introduced in the next session. We are currently gathering information, both legal and technical, on this unproven technique and hope to have some valid recommendations in the coming year.

For all of the above reasons, I request that very serious consideration be given by you and the Full Committee to each investigative technique to be employed by your staff. To have your work tainted by disreputable methods would be unfortunate. Can you imagine the public and Congressional outcry if the FBI were to use the investigative techniques outlined in the cited article? If your Committee cannot resolve all the issues by traditional legal and court tested methods, then so be it. The impeachment proceedings showed that our system, employing institutional safeguards and traditions, can thwart those who decide to employ unorthodox approaches to their own goals.

One other area of deep concern for me appearing in the same article is Mr. Sprague's statement that "the Committee would make public—chiefly through public hearings—the information that it develops, even if the disclosures might affect individuals or government agencies only indirectly connected to the murders."

If the above procedure is actually to be employed, it seems to me that you run the risk that innocent persons might well be subjected to criticism or worse, when they have no reasonable connection with, or involvement in, the tragedies. Further, such persons would not have those rights to relief which exist for a citizen subjected to such unwarranted vilification from other than a Committee of Congress. A Congressional Committee must set much higher standards in protecting the rights of privacy of citizens, since the protections afforded in our civil and criminal justice systems do not exist in a Congressional hearing room.

It was the intention of the House of Representatives to have the Select Committee conduct a responsible, thorough investigation of the two assassinations. And, when the investigations are completed, thoroughly documented reports should be published, informing the American people and indeed the world, of the conclusions of the Members of the Subcommittee.

It is not appropriate for staff (Mr. Sprague), to state that "his staff has discovered withheld information from the (Warren) Commission in addition to the previously disclosed situations." If the Committee has such information, it should be made available to the public by the Chairman of the Committee after Full Committee debate and approval. Veiled staff warnings that sensational disclosures are forthcoming serve only to disturb and confuse the public.

Lastly, I must respectfully suggest that from an institutional point of view, it is customary in the House of Representatives that the spokesperson for any Committee should be its Chairman or an elected Member and not one of the staff.

I am sure that with its distinguished Chairman, and Members, the Select Committee will do its important work in accordance with the highest standards of Congressional Committee conduct. I appreciate your consideration of the serious problems outlined in this letter and in the friendly, yet concerned, spirit with which they are transmitted. I hope you can provide me with the necessary assurances as soon as your schedule allows.

Kind personal regards,

Sincerely,

DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights.

Mr. Speaker, we also should have full information regarding the scope of the investigation, and those who will conduct it. For those of you who did not read it, I am inserting in the RECORD at close of my remarks an article by Mr. David Burnham of the New York Times which appeared last Sunday, January 2, 1977. It details the past record of the

chief counsel of the select committee, Mr. Sprague, giving both charges made against him in a number of instances and his response to those charges. Certainly, it is not my duty to pass judgment on the charges, but it is the duty of each of us to have a full understanding of Mr. Sprague's background prior to our vote.

Mr. Speaker, next Tuesday, January 11, the majority leadership will bring up under suspension a resolution continuing the life of the Select Committee on Assassinations for 3 months. I do not believe that an issue of this seriousness should be treated under suspension where no amendments are allowed and only 20 minutes debate is permitted on each side. We were told that the new suspension procedure permitted by the amended rules would not be used for controversial matters. Certainly this is a controversial matter. The House should be allowed full debate on this matter. I know that I am receiving many complaints from taxpayers about the scope and cost of this investigation.

Last, Mr. Speaker, we should be able to consider the continuation of this committee in a more deliberate manner so that we can write restrictions on its jurisdiction and procedures, and so that we can be sure that its staff is properly selected and equipped to conduct this investigation.

I hope that my colleagues will consider these facts prior to casting their vote on this matter.

The article follows:

COUNSEL IN ASSASSINATION INQUIRY OFTEN TARGET OF CRITICISM

(By David Burnham)

WASHINGTON, January 1.—The chief counsel and director of the House committee investigating the assassinations of President Kennedy and the Rev. Dr. Martin Luther King Jr. is a former prosecutor whose judgment and actions have been subject to formal criticism on a number of occasions.

According to Representative Thomas N. Downing, chairman of the House Select Committee on Assassinations, the controversial background of Richard A. Sprague, the committee's chief counsel, was unknown to Congress when he was selected for the politically sensitive job of re-examining the conclusions of the previous investigations of the two killings.

The committee was established on Sept. 17 and Mr. Sprague's selection was announced two weeks later. Functioning for the last three months on a $150,000 budget, the committee now has a staff of 68 lawyers, investigators and technicians.

With the release yesterday of an interim reoprt describing what it called important new possible leads, Mr. Sprague and the members of the committee hope to persuade the House to provide at least $13 million for a two-year investigation by a staff of 170.

OPPOSITION TO INQUIRY

However, there is some opposition in the House of Representatives to the committee and some doubt about the need for the reinvestigation and the size of the proposed budget. Mr. Sprague's controversial record could affect the House debate over the committee's future.

Mr. Sprague won wide acclaim for his successful prosecution of the killers of Joseph A. Yablonski, the United Mine Workers insurgent leader, and his family, and for the conviction of scores of other murderers in his 18-year career in the office of the Philadelphia District Attorney.

In a two-and-a-half-hour interview in the committee's office this week, Mr. Sprague described himself as a dedicated public servant and said that most of the criticisms of him were a result of the highly tumultous nature of Pennsylvania politics.

But an examination of official reports and records and interviews with a number of Philadelphians has uncovered at least five situations in which Mr. Sprague's official and unofficial actions have been faulted by the Pennsylvania Supreme Court, the Attorney General of Pennsylvania, the Pennsylvania Crime Commission and elected officials.

Three years ago, for example, the Pennsylvania Attorney General issued a two-inch thick report on Mr. Sprague's handling of a homicide case in which the son of a good friend was involved in a dispute leading to the death of a man named John Russell Applegate.

PROBLEMS ARE CITED

"It is unfortunate that various matters were not properly pursued in 1963 immediately after the death of Applegate," the 1973 report concluded, citing unresolved conflicts in the testimony of key participants, additional witnesses who were not interviewed, an incomplete fingerprint search at the death scene and faulty lie-detector and blood tests.

A second controversial case involved a Philadelphia detective who worked as Mr. Sprague's chief investigator and who once trailed the husband of Mr. Sprague's girlfriend to what was alleged to be a motel rendezvous with another woman. The detective testified under oath in a divorce proceeding that he had undertaken the clandestine spying on his own time and without pay but at the request of Mr. Sprague.

Two years later, the Supreme Court issued a decision involving the same domestic squabble in which Mr. Sprague was said to have done in his office much of the legal work that led to the arrest for contempt of court of the same man who had been followed by the detective.

The court's 1969 decision characterized the contempt of court action that led to the arrest of this man as a "gross injustice" and said that the legal proceedings "were sorely lacking in due process."

U.S. AGENCY CRITICISM

Concerning Mr. Sprague's administrative abilities, the Citizens Crime Commission of Philadelphia made public two years ago a 60-page report on the Philadelphia prosecutors office that had been compiled by Charles Rogovin, a criminal justice consultant, under a grant from the United States Law Enforcement Assistance Administration.

"The principal impressions received during the initial review of this office were an inordinate concentration of authority in the first assistant district attorney, Mr. Sprague, a lack of necessary delegations of authority to division chiefs and very serious deficiencies in administration throughout the entire organization," Mr. Rogovin concluded.

Representative Downing, the head of the select committee, said in response to a detailed inquiry that he tended "to think that Mr. Sprague's overall qualifications minimized any indiscretions he may have made during his career."

NO BACKGROUND INVESTIGATION

Mr. Downing, a Virginia Democrat who will retire from Congress next week, acknowledged that he had never heard of the various official criticisms concerning Mr. Sprague and that Mr. Sprague had been selected as chief counsel without a background investigation.

Mr. Downing said that, based on his experience in working with Mr. Sprague over the last three months, he was convinced the former prosecutor would make "a great contribution to the committee's effort."

He said he had selected Mr. Sprague from a list of about six candidates after an interview. A number of members of the committee apparently helped in the preparation of the final list, but neither Mr. Downing nor Representative Henry B. Gonzalez, the Texas Democrat who is expected to be named the next chairman, could remember who specifically recommended Mr. Sprague.

Mark Lane, one of the leading critics of the official explanation of President Kennedy's assassination, has said that he recommended Mr. Sprague. One committee source, however, said that the Philadelphia prosecutor had been suggested by several Congressmen.

In addition to Mr. Sprague's general defense of his reputation, the former prosecutor offered detailed explanations of each of the criticisms of his actions that he contended showed the criticisms were groundless.

Concerning the criticism of his handling of the murder case involving the son of a friend, for example, Mr. Sprague argued that the alleged failure to make an adequate investigation should have been directed by the Attorney General's report at the Philadelphia police and not himself, even though he was in charge of both the individual case and the District Attorney's homicide squad.

According to the Attorney's General's report on the affair Mr. Sprague personally recommended that no charges be brought against Rocco Urella Jr. and Donald F. Scallessa, then students at LaSalle College, in the death of Mr. Applegate.

The report quoted Mr. Sprague as saying that he had handled the case at the request of Mr. Urella's father, a close friend who at that time was a captain in the Pennsylvania state police.

Louis Vignola, at the time a district magistrate, said that because he was not a lawyer he had relied on Mr. Sprague's recommendation that there was insufficient evidence to bring a murder charge in the case.

Mr. Sprague, according to the report, said that he did not believe it was improper for him to have handled this case because what the State Attorney General's report now describes as a faulty police investigation had not found any evidence that the son of his friend had contributed to Mr. Applegate's death.

DOMESTIC CASE EXPLAINED

Concerning his actions regarding the former husband of his girlfriend, Mr. Sprague said that he now understands how the use of a county detective, even if voluntary, might be subject to misunderstanding.

"Thinking of it subsequently, I don't think there was anything wrong with my action but it would have been wiser perhaps to have hired a private investigator," he said.

But Mr. Sprague defended his role in helping his friend obtain a contempt of court citation and criticized the Pennsylvania Supreme Court on the grounds that it had issued its opinion in the case without giving either him or the judge who signed the contempt citation an opportunity to make their case.

As for the report by the Citizens Crime Commission of Philadelphia, Mr. Sprague dismissed it as a substantively weak and politically motivated document whose publication had been arranged by the present Philadelphia District Attorney F. Emmett Fitzpatrick, with whom he had many disputes.

OTHER CASES IN DISPUTE

A number of other actions of Mr. Sprague have been questioned or criticized. On May 25, 1972, for example, the Philadelphia District Attorney's office charged Gregory P. Walter, one of that city's leading investigative reporters, with recording his own telephone conversations without informing the persons to whom he was talking.

Mr. Sprague, then the busy first assistant district attorney, personally handled the prosecution of Mr. Walter in the misdemeanor court. It resulted in a conviction and

a $350 file. Mr. Walter's lawyer, Gregory M. Harvey, argued that because the Philadelphia police and fire departments routinely recorded all incoming calls without informing the callers, the case appeared to represent selective enforcement of an unusual Pennsylvania law.

The case against Mr. Walter was "terminated" by agreement between his lawyer and the district attorney after it was appealed to the next court.

In an unusual disposition, the misdemeanor conviction and associated fine were "terminated" by the district attorney after Mr. Walter appealed his case.

Mr. Sprague said the decision to prosecute Mr. Walter, who was working on a major story about police corruption, was made by Arlen Specter, then the District Attorney, and that he had personally handled the prosecution in the lower court at the specific request of Mr. Specter.

Several months later, on April 19, 1973, Mr. Sprague brought a $2 million libel suit against The Philadelphia Inquirer, Mr. Walter and several other reporters and editors, for a series of articles about his handling of the Applegate murder. This action is still pending.

CRIME COMMISSION CRITICISM

During the summer of 1971, the Pennsylvania Crime Commission, controlled by the Democratic administration of Gov. Milton J. Shapp, issued a report charging widespread political corruption in Delaware County, a Republican stronghold. On Sept. 24, 1971, Stephen McEwen Jr., the Delaware County District Attorney, announced the appointment of Mr. Sprague as a special prosecutor to look into the allegations of corruption.

On June 30, 1974, the crime commission issued another report charging that "despite possessing extensive records of what appears to be systematic forced political contributions by county officials, Mr. Sprague has issued no criminal charges and has not yet even reported on the results of his investigation despite the passage of nearly three years."

Four months later, on Oct. 18, Mr. Sprague issued his own 36-page report, denouncing the crime commission for denouncing him and accusing the commission of refusing to cooperate with his investigation of Delaware County, done with the assistance of two detectives and two assistant district attorneys from Philadelphia and volunteer law students.

During his interview, Mr. Sprague said that his investigation and report on Delaware County had been delayed because he at the same time was serving as special prosecutor in the Yablonski killing and as first assistant district attorney in Philadelphia.

On Feb. 24, 1967, Paul Delahanty was found not guilty of homicide in a Philadelphia courtroom. The principal reason for the decision: a Police Department evidence expert named Agnes Bell Malatratt, who had repeatedly testified as a professional witness for the Philadelphia District Attorney's office, had been discovered to have lied about her qualifications and training.

Both Mr. Sprague and Arlen Specter, then the Philadelphia District Attorney, unsuccessfully argued that the misstatements by Mrs. Malatratt were of no importance because she was in fact an expert witness.

Even Mr. Sprague's string of convictions in the Yablonski murders has not been free from criticism. Although the special prosecutor is widely praised for dogged detective work and brilliant courtroom tactics in the long series of state and Federal trials, their expense did become an issue.

According to Frank Mascara, the newly elected comptroller in Washington County, Pa., one reason he won the Democratic primary earlier this year was his criticism of his opponent—who had held the position for 20 years—for approving the $440,000 expense of the trials.

"Sprague wasn't very careful with the money during the first trial and I raised hell about it," said Mr. Mascara in a recent interview. "They would say you can't put a price tag on justice and I would say baloney, you can have justice in a frugal manner."

Mr. Sprague, in his interview, denied that the cost of the trials was in any way extravagant and pointed out that the state ultimately had refunded most of the county's expenditure for the prosecution. He also noted that the county prosecutor who had asked him to be special prosecutor, unlike the comptroller, was re-elected. But the select committee's estimate that its investigation will cost at least $13 million has already been criticized as extravagant by several members of Congress.

"There is a price to being a public official, to being in the goldfish bowl, but it doesn't mean you have to be subject to smears and distortions," Mr. Sprague said at the end of the interview.

"I do feel the public in general does not have dedicated people serving in the public interest. But I happen to think I have been a good public servant," he said.

RECENT DISTRICT COURT DECISIONS INVOLVING THE CONSTITUTIONALITY OF OSHA SECTON 8(a) UNDER THE FOURTH AMENDMENT

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 15 minutes.

Mr. STEIGER. Mr. Speaker, on the last business day of 1976 a three-judge Federal district court in Boise, Idaho, issued a decision purporting to declare the inspection provision of the Occupational Safety and Health Act of 1970 "unconstitutional and void in that it directly offends against the prohibitions of the Fourth Amendment" and to enjoin the Secretary of Labor "forever and permanently * * * from acting or attempting to act pursuant to or in furtherance of Section 8(a) of OSHA * * * and from conducting or attempting to conduct any general * * * inspections of the nonpublic portions of the premises of the plaintiff herein pursuant to Section 8(a)."

That decision is Barlow's against Usery; it came about when Barlow's refused to obey a previous court order to permit reasonably limited OSHA inspections "without delay" under the statute; and it appears to go far beyond other decisions on this OSHA issue. In two of those decisions, Buckeye Industries and Able Contractors, district courts in Georgia and Montana flatly rejected identical fourth amendment arguments, finding warrantless civil workplace inspections for job safety and health purposes constitutional. In two others, Gibson's Products and Hertzler, district courts in Texas and New Mexico indicated their belief that OSHA inspections without warrants based on grounds to believe safety violations were present raised fourth amendment problems, but avoided those problems by interpreting the act to require a flexible showing of "administrative probable cause" where inspection was not permitted by the employer.

Unlike Gibson's and Hertzler—which clearly permitted OSHA to continue to inspect workplaces, though creating their own difficulties—the Barlow's order appears to halt all inspections, with or without warrants or even clear proof that severe violations have occurred. In light of claims from some quarters that this decision has "repealed OSHA" or put it "out of business," I think it important to set the record straight by noting its limited effect, avoiding irresponsible actions by employers tempted by those claims.

First, it is of course true that any order restricting OSHA's ability to inspect harms safety and health enforcement, since the right to make unannounced inspections is the cornerstone of the act. But Barlow's is simply a district court order like any other. It is not the final word on the subject; it is not a pronouncement of the Supreme Court. That it came from a district court of three judges rather than a single judge does not change this fact, for it is the law that apart from their narrowly-drawn power to issue constitutional injunctions, three-judge courts have no more authority than ordinary ones. In particular, there is precedent to the effect that injunctions issued by district courts may not run beyond the geographical boundaries of their districts. And while the law is not free from doubt, that result seems supported by powerful logic where a private party seeks injunctions against the Government which might run head-on against contrary results reached by other courts of equal stature if applied beyond the issuing court's district. Without such a limit, any district court could simply nullify rulings of numerous other district or circuit courts which had passed on the same issue, merely by issuing its own order. That is the function of the Supreme Court rather than a district court; and that is precisely what the three-judge court statute was passed to prevent. Thus, it is doubtful that Barlow's affects any inspections beyond Idaho, even if it affects other Idaho employers for whom no relief was ever sought.

Second, and more importantly, because the Idaho court issued an injunction against the act on pure constitutional grounds, the Government is entitled to a direct appeal to the Supreme Court which will bypass the court of appeals and permit swift authoritative resolution of this issue. The Government may also move to suspend the Barlow's order pending Supreme Court decision, since the normal rule is that the status quo created by Congress must be preserved until the High Court decides whether the district court's order should stand. It is my understanding that the Secretary has already asked the Idaho court for such a suspension, which is normally granted in a routine manner in these types of cases. It is also my understanding that the Secretary intends, pending the Solicitor General's approval, to file an immediate appeal and expedite it for possible Supreme Court resolution this term. That appeal will suspend indefinitely the circuit court proceedings in Gibson's and Hertzler, since those courts will not decide an issue which is

before the Supreme Court. And if, as is likely, the district court's order is suspended until the High Court decides, it will have no practical effect before then. Inspections to protect employees exposed to unsafe or unhealthy working conditions will proceed, in Idaho as well as elsewhere, exactly as they have always proceeded.

In short, this decision is simply the first step in the constitutional decision process, just as on OSHA administrative law judge's decision is the first step in the act's decision process. It is equally tentative, equally subject to reversal; and it has neither erased section 8(a) nor "repealed" the statute. Practically speaking, nothing will have been decided until the Supreme Court decides. The Idaho order is merely a vehicle for Supreme Court decision; and employers would be ill-advised to act on the assumption that their obligations to afford employees safe work and workplaces have somehow been diluted or removed.

Third, it is important to note that warrantless civil inspections are both absolutely essential to this act's enforcement and a longstanding Federal practice. OSHA inspections do not depart in any degree from American custom. Identical provisions for warrantless civil inspections of business premises have been commonplace for at least the 70 years since passage of the Railroad Safety Appliance Act of 1908, and have been consistently upheld by the courts as applied to almost every aspect of American industry, including manufacture and sale of foods, pesticides, drugs and cosmetics, railroads, mining, taxation, atomic power, pollution and gun control, marine operations, use of hazardous substances, and labor standards.

When we passed this act we not only acknowledged that similar inspection authority was essential by proscribing advance notice of inspections and stating that such warnings had virtually nullified enforcement of other safety statutes. We admitted as much by unanimous action as well as words, for no bill was introduced, reported, or passed in either House which did not include such authority. The eighth circuit court of appeals has most recently summarized the legislative history, concluding that "prompt, unannounced inspections without delay" are central to OSHA's success, both to "prevent subversion of the program and encourage consistent compliance." *Usery* v. *Godfrey Brake & Supply Service* (Nov. 19, 1976). And the fact remains that any requirement which would permit employers to turn inspectors away during lengthy warrant proceedings, thus securing time to temporarily conceal or "clean up" safety and health hazards, would make this carefully-considered scheme virtually powerless to reach many injurious working conditions.

This is especially true because the effect of any employer's insistence on a warrant would rapidly multiply, since his competitors would also be forced to refuse to permit inspections. Otherwise they would be saddled with safety costs their competition could easily evade.

Thus, as one court has noted, requiring search warrants under OSHA "would serve to destroy the objects of the legislation." If Congress cannot regulate safety and health without such restrictions, it cannot really regulate at all. Given the controlling fourth amendment test of whether the means chosen by Congress are "reasonable"; the urgent Federal human and economic interest in preventing the enormous drain on this society caused by the $8 billion annual cost of workplace deaths, injuries and illnesses to nearly 3 million employees each year; and the relatively low privacy interests of employers whose workplaces are open every day to all their employees, I cannot believe the fourth amendment mandates that result.

Finally, a brief word about the quality of the Barlow's and Gibson's decisions themselves is appropriate. I do not speak to the correctness of those courts' results, which is for the Supreme Court to determine. But the reasoning, or lack of reasoning, by which those results were reached is a cause for legitimate concern. To mention just two examples, of dubious analysis, the Supreme Court cases on which the district courts chiefly relied, Camara against Municipal Court and See against Seattle, involved only municipal ordinances and expressly refused to decide whether similar fourth amendment requirements would be imposed on nationwide Federal statutes whose enforcement might be hampered by such restrictions.

Yet the district courts briefly assumed those Supreme Court cases were controlling, in the very situation the High Court said they were not. The district courts also relied on two other Supreme Court decisions, Western Alfalfa and Almeida-Sanchez, which respectively refused to extend the fourth amendment in any way to certain federally approved administrative inspections, and involved unlimited semicriminal searches very different from those under OSHA. Yet those courts neither acknowledged these significant differences nor deigned, except in the most summary way, to mention other cases restricting Almeida-Sanchez, indicating that business premises are entitled to much less fourth amendment protection than private homes, and approving identical inspections under other Federal statutes. Since especially in constitutional matters the courts' duties are to reconcile such decisions within the bounds set by existing precedent, I would hope that regardless of the eventual result, more reasoned reflection will be given this important issue when the Barlow's order is evaluated on appeal.

It is worth repeating that the Barlow's court would apparently have found section 8(a) acceptable if it required warrants based on probable cause where permission to inspect was denied by employers. But if the fourth amendment requires such restrictions despite the act's existing limitation of civil OSHA inspections to reasonable times, places, and manners directly connected to job-related hazards, it has stripped Congress of all power to effectively regulate dangers which are necessarily transient and in the main easily concealed or made order proof if a foreman is aware an inspector is about to arrive. The Constitution created a Federal Government of limited powers, but not no powers where the important right to work without being killed, maimed, or otherwise disabled is involved.

GENERAL LEAVE

Mr. STEIGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today, the Occupational Safety and Health Act of 1970 and the court decisions.

The SPEAKER pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SERIOUS QUESTIONS ABOUT ELECTORAL COLLEGE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. PRITCHARD) is recognized for 5 minutes.

Mr. PRITCHARD. Mr. Speaker, I would like to take this opportunity to single out a misguided action by one of the Washington State electors that highlights one of the weaknesses of the electoral college system.

This elector chose not to cast his vote for the candidate nominated by the Republican Party for President and favored by a majority of the Washington State voters in the November election. Rather, he cast his ballot for Governor Reagan. I believe this action violated the trust of the people of Washington State who cast their vote for President on November 2, and is a perversion of the electoral college system.

This action is not unprecedented in the history of the electoral college, but it again raises serious questions about the dangers and potential for abuse in the electoral college as currently constituted. At the very least, steps should be taken before the next Presidential election to bind electors to cast their ballots in accordance with the majority of the voters in each respective State.

THE FUTURE OF THE AMERICAN CITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, today I gave a talk to the National Women's Democratic Club here in Washington entitled "Does the City of the Future Have a Future?"

The text follows:

DOES THE CITY OF THE FUTURE HAVE A FUTURE?

For the American city, it may turn out to have been darkest just before the dawn.

In-migration of the rural poor to the central city is tapering off, and cities are becoming increasingly attractive to the more affluent. Financial institutions and citizen groups in many communities are working together to prevent older neighborhoods from falling into decay.

More important, the cities can expect to receive heightened attention from the fed-

eral government. President-elect Carter and the new Democratic Congress owe their mandate largely to a constituency concerned about urban joblessness and decay.

Still, all is not well. Jobs continue to move to the suburbs and beyond. Service needs of city residents and the cost of government operation increase, while the tax base erodes. Many cities face severe financial difficulties as a consequence. The fragmentation and proliferation of jurisdictions within a metropolitan area artificially separate the functional city—the entire metropolitan area—from the legal city. As a result, the substantial wealth which exists in the suburbs surrounding central cities remains unavailable and untapped.

Last September the House Banking Committee held two weeks of hearings on the future of our cities. I am personally convinced that the future of the American city is not as bleak and dreary as many have prophesied. It is within our own power—if we have the wit and the will—to see to it that the American city survives and flourishes as a viable economic enity, as a livable residential community, and as the cultural center of our civilization.

A coherent national urban policy which provides the framework for federal approaches to city problems, and for the coordination of federal, state, local, and private sector activities, ought to be a starting point for our efforts. Only with a national urban policy in place can the federal government determine how its programs in housing, transportation, regional planning, open space, public works, manpower, state/local budget support, welfare, health, education, public safety can best complement what the rest of the country is doing.

Unfortunately, such a policy does not now exist. This month the House Banking Committee will establish a new Subcommittee on the City to help develop such a naional urban policy, and to provide a focus within the House of Representatives for the consideration of overall urban concerns.

I shall discuss today the outlines of what such an urban policy might be.

If the cities do recover—and as I have noted, there are reasons for optimism—it is not likely to be because of a massive Washington-centered Marshall Plan. Instead, one can hope for a more modest urban policy representing a realistic division of labor between Washington on the one hand, and state and local governments, private citizens and institutions on the other.

Washington *will* have to assume primary responsibility for the first two goals of an urban policy—achieving full employment, and restructuring and expanding the major federal urban aid programs in health, welfare, housing, transportation, and general governmental support. But the other two goals—conserving neighborhoods, land, and energy, and creating equitable metropolitan burden-sharing—must be primarily addressed outside of Washington, though Washington can provide needed encouragement and incentives to move in the right direction.

1. JOBS

The most straightforward way to help the cities is to provide jobs. Jobless citizens not only make no contribution to a community's revenues. They add greatly to its costs for welfare, crime, and associated bills.

As a starter, we need to get rid of the dominant economic idea of the last eight years that more joblessness is the way to fight inflation. Fortunately, there is now in place a Congressional budget procedure which safeguards against fiscal recklessness. There is now also in place a Congressional monetary procedure which looks to quarterly dialogue with the Federal Reserve as a means of assuring that money and credit policy will harmonize with fiscal policy. Thus there is no longer any excuse, if there ever was, for "fighting inflation" by adding to the cities' unemployed.

Overall fiscal and monetary policy, by itself, can reduce unemployment generally. But it cannot be asked to bring full employment into central city pockets. Long before, the more prosperous parts of the country would have become overheated. Therefore, a macroeconomic overall policy must be accompanied by a microeconomic structural policy, designed to bring jobs to people where *they* are, and people to jobs where the *jobs* are.

Millions of jobless are trapped in the central cities by poverty, race, or under-education, with only bootleg economic activities available—robbery, drug-pushing, prostitution, gambling. A three-grip handle on structural unemployment is needed:

a. Bring jobs to where the people are

Blue-collar jobs have been disappearing from the central city. Convincing employers to locate in the city—or even persuading existing ones not to leave—will not be an easy task. Nonetheless, the economic importance of providing jobs for central city residents, and the social desirability of encouraging smaller, human-scale plants within walking or easy commuting distance of workers' residences, suggests that every avenue be explored.

Let me suggest some.

Recent widespread abandonment in many central cities has created acres of rubble or empty buildings. To attract plants to these areas, state and local governments could assemble the land through tax foreclosures or eminent domain, and offer local tax concessions. They could then, with federal assistance, clear the land and provide utilities and transport. The result could be a form of urban renewal without the widespread and lamentable people removal which plagued that program in the past.

Washington could help by refocusing its Economic Development Administration grants and loans on high-unemployment central cities.

Federal tax policy could help, too. At present, the investment tax credit and tax-free municipal industrial revenue bonds encourage a firm to build costly new plant and equipment in an area with no unemployment problems rather than in a central city that may have a 20 percent jobless rate. Restricting the federal tax exemption for municipal industrial revenue bonds to areas of high unemployment, and allowing a greater investment tax credit for investment in such areas, would be helpful.

White-collar jobs, as well as blue-collar, ought to be hooked up to the central city unemployed. Many of these jobs—in education, government, finance, commerce, health—will continue to be located downtown, within range of the unemployed area. Central city high schools, vocational schools, and urban colleges ought to reorient their teaching, particularly of the 3 R's, to prepare young people for these jobs. Downtown service industries should be encouraged to provide employment opportunities for their graduates, thereby providing the pot of gold at the end of the educational rainbow. Cities must have adequate and regular revenues to provide the police, sanitation workers, school-teachers, health and recreation personnel needed to improve the quality of urban life.

The federal government, too, ought to have a well-thoughtout policy of decentralizing its operations so as to provide white-collar jobs in areas of central city joblessness. After many years of trying, I finally got a Federal Reserve office for my Milwaukee district, the last big city in the country without one, and today a large part of its paper-clearing operations are conducted by people who live in the central city neighborhood. In fact, the federal government should cease building new administrative headquarters in suburban Washington and instead build them where jobs are needed, just as Paris is decentralizing its once-central bureaucracy to the provinces.

b. Bring people to where the jobs are

Jobs have been moving to suburban locations within metropolitan areas, to outlying cities, and out of the colder regions of the Northeast and Midwest states to the South and Southwest. Even if the proposals I have suggested for bringing more jobs back to central cities are successful, the eventual out-movement of jobs is likely only to be moderated, not arrested. We must devise ways to bring people to where the jobs are.

For those so-near-and-yet-so-far suburban jobs, we can attempt to improve transportation networks. Most of our public transportation systems are presently focused on moving suburban and outlying city workers inward from their homes to the downtown city areas. Greater emphasis ought to be placed on moving central city residents outward towards job concentrations in suburban industrial parks, major shopping centers, and large institutions such as hospitals and schools.

Secondly, low- and moderate-income city residents must be given increased opportunities to *live* in suburban areas close to available jobs. Obviously, the success of such an outward movement depends on a hospitable outlook by the places of destination, without discrimination in jobs or housing. This means an end to suburban zoning and land development practices which exclude working families that cannot afford expensive homes. It means more effective administration of open housing and fair employment legislation. The federal government can improve suburban behavior by more effectively conditioning community development and other grant programs on equality of access to employment and homes.

A different set of solutions will be necessary to assist those who wish to move from job-shortage central cities to far-off job-surplus regions of the country.

At present there is no national employment placement system worthy of the name. The U.S. Employment Service, by operating mainly on a state-by-state basis rather than as a national service, does little to encourage inter-regional labor mobility. In any case, it functions more as a job listing than as a job matching service. Development of an effective national computerized service, matching job openings with the skills and interests of available and interested workers, ought not to be beyond our technological and administrative capabilities.

Beyond this, the federal government can assist by providing personalized retraining programs keyed to available jobs. It can also make available relocation aid, a device which many European countries have used with great success. An obvious starting point would be to provide a direct grant for moving expenses. The federal government has properly focused a great deal of attention and effort on the relocation of Cuban and Vietnamese refugees. It should do as much for our own citizens.

c. Provide interim national service jobs

The sad truth is that it will take time for overall macroeconomic policies and structural match-people-to-jobs microeconomic policies to produce much of a dent in the 40 percent central city youth unemployment rate. The nation cannot wait.

For those unable to obtain jobs through the approaches above, there should be an interim bridge of national service jobs. This means going well beyond the present Comprehensive Employment and Training Act, and avoiding today's bureaucratic limitations of state and local governments. These national service jobs could be out in the country, like FDR's Civilian Conservation Corps, or in the city itself—rehabilitating

homes, recycling waste, renewing neighborhoods, staffing day care centers and food programs. National service jobs could offer a decent job at a living wage, train enrollees for permanent private-sector employment down the line, accomplish much needed work which would otherwise go undone, and give young people a sense of cooperative purpose. It is a far superior approach to the payment of unemployment insurance and welfare benefits.

2. RESTRUCTURING FEDERAL AIDS

Fuller employment would by itself help our cities by substituting tax-paying citizens for tax-supported citizens. But Washington, as a part of a new national urban policy, must also restructure its aid programs:

Assume the costs of welfare, Medicaid, and other programs for those unable to work, thereby relieving states—and some cities as well—of fiscal burdens they can ill afford to bear. The nation's poor should be the responsibility of the nation, not of the cities and states where they happen to be concentrated.

Equalize the real value of federal cash transfer payments, such as social security and veteran's benefits. Our present system pays the same benefits everywhere, disregarding the 10–20 percent higher cost of living in the older and colder cities. It thus both short-changes the recipient and further complicates the older cities' fiscal problems. Cash transfers ought to be equalized by upping benefits where the cost of living is higher.

Re-examine federal grants, including general revenue-sharing and block grants for community development, mass transit, and social services, to eliminate present inequities toward central cities. Too much program money now goes to communities that do not require assistance, particularly wealthy suburbs. Formulas should be changed, or perhaps subsidiary block grants adopted, to favor the neediest areas. For instance, a current criterion for general revenue-sharing grants is average per capita income. Under this, a community with many poor people is short-changed if it also has many wealthy people.

The present counter-cyclical grant program, to recompense high-unemployment communities for temporary revenue losses, should be extended.

While Washington is at it, it should greatly simplify the red tape that it now imposes on localities, relying more on post-audits than on detailed preliminary clearances.

Beyond Washington, other entities—states, counties, cities, individual citizens, neighborhood associations, profit and non-profit enterprises—have the major role to play in the third and fourth goals of a national urban policy:

3. CONSERVING NEIGHBORHOODS, LAND AND ENERGY

We must focus on a human-scale neighborhood as the basic unit in urban revival. This is what Jane Jacobs was saying in "The Death and Life of Great American Cities" 15 years ago, and her advice should at last be heeded.

With the neighborhood as the new focus of attention, low-income groups should be encouraged to develop their own economic institutions, such as neighborhood credit unions, consumer cooperatives and development corporations. And local financial institutions, always so fearful of "credit allocation", must themselves do a better job to see that a reasonable share of the nation's capital is available to these neighborhood institutions.

The cities themselves must provide the level of services—police, street lighting, trash collection, and so on—needed to sustain the neighborhood as a viable community. They also ought to re-examine their property tax burden and its deadening effect on rehabilitation. For example, raising the tax on vacant central city land, and lowering the tax on improvements, could make rehabilitation of homes and commercial establishments more attractive to owners and investors, and reduce the misuse of scarce land. Another tax device deserving wider use is the property tax circuit-breaker, now in effect in some 25 states, which shields low-income homeowners from part of the property tax burden.

Too often in the past federal programs, particularly urban renewal and construction of the interstate highway system, have destroyed existing neighborhoods. Other federal programs—FHA and water and sewer grants—have in effect encouraged movements out of viable existing urban neighborhoods to the suburbs. Washington must change its emphasis to neighborhood conservation and rehabilitation.

The new emphasis on neighborhood conservation should encourage a cooperative spirit that is beginning to show itself, here and there, on the part of the country's financial institutions. Redlining is on the run, because of the disclosure act of 1975 that requires that banks and thrift institutions disclose the neighborhoods in which they do and do not make housing loans.

But this is purely negative. On the positive side, many banks and thrift institutions are lending skilled personnel toward neighborhood conservation activities, and are forming financial pools designed to spread the risk of rehabilitating declining neighborhoods. Much of this is in response to the insistent prodding of a variety of grassroots neighborhood groups which have sprung up in cities throughout the country.

Projects like Community Organizations Acting Together (COACT) in Philadelphia, Bedford Stuyvesant Corporation and Lincoln Savings Bank in Brooklyn, Community Development Revolving Loan Fund in Cincinnati, the Baltimore Department of Housing and Community Development's rehabilitation programs in southeast Baltimore, and the Federal Home Loan Bank Board's Neighborhood Housing Services in some 25 cities, are encouraging examples of recent public-private partnerships. They should multiply, perhaps with some very light-handed federal partial coinsurance.

Conserving existing neighborhoods also conserves scarce land. So does emphasis for future housing on multi-family homes, rowhouses, garden apartments, cluster dwellings, rather than single-family detached dwellings.

Above all, we ought to be conserving energy. Thus, to reduce wasted transportation, future urban policy should encourage people to live close to their work, shopping, and cultural activities. Urban freeways have about run their course. And innovative mass transit systems like San Francisco's BART and Washington's METRO are ferociously expensive. As a starter toward a more human-scale urban design, localities ought to consider modifying single-use local zoning ordinances which now artificially separate housing from work and shopping.

4. CREATING EQUITABLE METROPOLITAN BURDEN-SHARING

A fourth goal of a new urban policy is the more efficient and equitable management of large metropolitan areas. Good examples of desirable burden-sharing are the Toronto experience in two-tier metropolitan government (a large metropolitan government for fiscal equalization, with smaller units for close-to-home administration); the Greater Twin Cities experiment (with a share of metropolitan tax revenues channeled back to localities on an equalized basis); the metropolitan-area governments of Jacksonville and Indianapolis; the city-county consolidations of Miami-Dade County, Florida, and Nashville-Davidson County, Tennessee.

This is mainly a job for the states, which are sovereign over their metropoles. Washington, however, could give a nudge toward greater equity in metropolitan fiscal arrangements. It could tailor its educational assistance programs so as to encourage states to pay a larger share of local school costs. It could condition federal general revenue-sharing with the states by requiring them to develop their own plans for equitable metropolitan burden-sharing. The governors, who have heard Jimmy Carter pronounce his opposition to general revenue-sharing with the states, might find that preparing such plans was better than losing out entirely.

Such a new urban policy is not one to be handed down by Washington; nor, for that matter, to be developed solely by the locals. The new Administration, in conjunction with the new Congress, would do well to convene soon representatives of state and local government, individual citizens, financial institutions, the unions, businesses generally, to hammer out a tentative national urban policy. For this purpose, the President should have at his side a Coordinator of Cities to make congruent what goes on in the name of cities at HUD, DOT, HEW, Labor, Treasury, Commerce, Justice. For this purpose, the Senate and House Banking Committees should transcend their traditional housing jurisdiction to become truly the city committees.

How much will such a national urban policy cost? In fact, a great deal of what needs to be done is not to do expensive new things but simply to cease doing expensive old and wrong things. If the federal government would kindly stop helping to create the unemployment and inflation which have dogged our cities; if it would forget about urban renewal programs and urban expressways which chew up neighborhoods without compensating gains; if it would revise its tax laws so as to terminate incentives for plants to move out of central cities; if it would think of job-hungry central cities as the site for some of the decentralizable federal establishment; if it would concentrate its aid programs on the needy instead of scattering largess almost everywhere—we could be off to a good start.

And whatever the amount of federal outlay involved, I am confident that it will be less than if we wait until our older and colder cities are near death before we try to revive them.

CREDIT UNION MODERNIZATION ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, today Chairman HENRY S. REUSS and I are jointly introducing the Credit Union Modernization Act of 1977. This legislation is introduced at the request of Credit Union National Association, a major spokesman for the more than 23,000 nonprofit cooperatives. By so doing, we reaffirm our strong support for legislation which will enable the more than 32 million Americans who belong to credit unions to take advantage of the basic tools in today's consumer financial marketplace.

Chairman REUSS and I are in virtual agreement with the central thrust of this legislation, which is to enable credit unionism to continue to grow in this increasingly competitive economic environment. It should be strongly emphasized, however, that we both share similar reservations with certain aspects of this legislation which bear upon the relation-

ship to the powers and responsibilities of other types of financial institutions, both thrift and commercial. Such matters will be thoroughly discussed when this legislation is considered by the Subcommittee on Financial Institutions Supervision, Regulation and Insurance.

We would be remiss, indeed, if we failed to mention that such legislation as the Credit Union Modernization Act of 1977, and its predecessor legislation in the 94th Congress, were the result of years of hard work by our former beloved chairman, Wright Patman. Wright Patman's efforts on behalf of credit unions were an inspiration to all of us who served with him and who joined with him in the introduction of H.R. 6074 and H.R. 7020 of the 94th Congress.

By jointly introducing the Credit Union Modernization Act of 1977, Chairman REUSS and I pay tribute to Wright Patman, "The Father of American Credit Unionism," and pledge our support to carry on his untiring efforts on behalf of more than 32 million Americans whose consumer financial needs are provided on a nonprofit basis by their credit union.

The credit union modernization package has four main goals directed to enhancing the role of the credit union in the economic life of its members, their families and the community.

First. Modernization of credit union organizational and managerial structures;

Second. Improvement of credit union abilities to meet the increasing competition in the consumer credit and savings market by authorizing powers to fully serve the contemporary financial needs of members and their families;

Third. Establishment within the National Credit Union Administration of a multitiered liquidity system for State and federally chartered credit unions; and

Fourth. Reorganization of the NCUA to increase its efficiency and effectiveness.

Modernization of the Federal Credit Union Act is long overdue. Chairman REUSS and I urge our colleagues to join us in this effort to provide credit unions with the tools to meet the consumer financial needs of today and in the future.

VOTERS SPEAK OUT STRONGLY FOR FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, on November 2, 1976, the voters of two States had the opportunity to express their views on the issue of financial disclosure.

The citizens of Washington State overwhelmingly voted, 822,360 to 370,461, to require statements of financial disclosure for public officials running for or appointed to State office.

In Florida, the campaign for financial disclosure was somewhat more complex. A recalcitrant State legislature thwarted Governor Askew's efforts to strengthen the State's financial disclosure requirements. Governor Askew took his case directly to the people. He led a petition drive, which gathered 219,686 signatures, to add a Sunshine amendment to the Florida Constitution requiring full and public disclosure of financial interests for public officials and candidates. On election day, Florida voters emphatically passed, 1,534,960 to 427,779, the financial disclosure proposal, thus marking the first time in Florida history that its constitution was changed directly through the citizen initiative process.

Mr. Speaker, if the question of financial disclosure was left to the citizens to decide, we surely would have such a law. In previous Congresses, the House has refused to consider financial disclosure legislation. The time has come for the House to pay attention to the wishes of the public on this issue and to pass H.R. 1, the Financial Disclosure Act.

INTERNAL REVENUE SERVICE ESTABLISHING OMBUDSMEN "HOT LINE" OFFICES THROUGHOUT THE NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, during 1976, the Internal Revenue Service experimented with ombudsmen "Hot Line" offices in 4 of its 58 district offices—Austin, Dallas, Milwaukee, and Detroit. The Ways and Means Oversight Subcommittee staff and members visited these offices during the year and observed that they were generally able to provide improved service and taxpayer satisfaction in "difficult" cases. The IRS is now extending this "Hot Line" program to all of its 58 district offices. There will be different startup dates and different staffing characteristics among the various offices, but most of them will be operational in the very near future.

These Hot Line offices will serve taxpayers who have a particularly difficult problem—that is, they have contacted the IRS once or twice previously about a lost refund check, an improper levy, an incorrect assessment, et cetera, and have received no response. The offices will seek to cut through the red tape and delays which can occur in a large organization such as the IRS to provide quick assistance to the taxpayer who has a legitimate problem.

A group of Senators and House Members, including myself, have introduced legislation, H.R. 9599, incorporating the idea of a Hot Line office within the IRS. I am extremely pleased that the IRS is administratively taking this action to implement this major improvement in consumer services. Commissioner Donald Alexander, Assistant Commissioner Robert Terry, Acting Assistant Commissioner James Owens, Taxpayer Service Director Stan Goldberg and his staff, are all to be commended for what I believe will be a major improvement in taxpayer service.

I must add that because of the extremely tight budget situation facing the IRS in the current fiscal year, it will be very difficult for the IRS to staff adequately these new offices. The first year of this program may be a bit difficult—but the program is beginning and I believe that it will improve as the IRS budget situation improves.

The need for an ombudsmen-type office is unquestionable. In November 1976, I wrote to the various House of Representatives offices' caseworkers asking how many substantive letters they received per month complaining about problems with the IRS. Some 205 of the 435 House offices have responded. On the average, these offices appear to receive seven complaints or cases a month. Extrapolating this figure to the full House, it appears that congressional offices—not counting Senate—receive some 37,000 constituent cases per year relating to taxpayer problems with the IRS.

Some of the caseworkers provided examples of their problems with the IRS—and others complimented the IRS employees for their courtesy and cooperation. I would like to add that while my subcommittee has found many cases where taxpayers were justifiably infuriated by the nonservice they received from the IRS, on the whole, we have found the IRS and its employees to be outstanding in their dedication and public service in what is one of the most difficult jobs in the Federal Government.

It is my hope that the new ombudsmen system will help reduce drastically the need for taxpayers to turn to their Congressman for what should be the routine resolution of case problems by the IRS. The new system should help eliminate the problems described by the congressional caseworkers in some of the following quotes:

We only receive one or two a month but the comments from the constituents reveal that IRS officials are uncooperative and the most grateful letters received from constituents are from those that we helped on IRS matters. They feel that there is finally someone who can help clear the maze IRS creates unnecessarily.

We deal mainly with the Greensboro and the Memphis IRS offices, and have found that our letters are answered quickly, efficiently and promptly. About 10 IRS problems come in each month, a large part of which are audits on old accounts resulting in additional liability, or refund checks which never arrive.

The main problem I have found in dealing with the IRS is that there is no one source to go to for information, or how to locate the information. The Congressional Affairs office does not seem to be as knowledgeable as some of the other agency offices. And, after three years of dealing with the agency, I have yet to find a good source for publications. The service given by the toll-free lines does not seem to be satisfactory at all.

So, from our experience, I really don't think a consumer ombudsman would be needed, although an improved information referral system would be ideal. (I guess the consumer person could do that, though).

We really don't have any cases that have dragged out—the IRS has been very helpful in replying as quickly as possible.

In our dealings with the IRS in San Francisco, we have had a lot of difficulty with IRS personnel in their not being helpful and not returning phone calls, and in giving the taxpayers a general "run-around". However, once we contacted Mr. Francis Browitt, District Director of the IRS in San Francisco, we were finally able to get some assistance in investigating taxpayers' complaints. Ms. Betty Colby of Mr. Browitt's staff

has also been helpful in investigating complaints and responding directly to the taxpayer.

We feel that a consumer ombudsmen within the IRS would be very helpful, if they really function to aid the concerned taxpayer, and not the bureaucratic organization of the IRS itself. We would appreciate your keeping us informed of any action in this regard.

Local IRS officials refuse to give any information regarding constituent difficulty unless permission is given to them in writing. Therefore, caseworker has found it to be more expedient in resolving constituent problems by contacting the technicians in the Ogden, Utah service center. They respond as quickly as possible and always are extremely courteous. Principal complaints from constituents is that they never speak to the same individual each time they call and when they ask for the name of that individual, they are treated most rudely.

I worked on a case where a company which had filed its quarterly estimated tax, was billed an additional $.04 (*four cents*), plus penalty and interest which netted $2.67. It was incredible what the company had already gone through before contacting our office. For a principle, the constituent had protested being billed an additional 4¢, pointing out that postage and labor alone was not warranted. However, he never was able to speak to the same person twice, and only received computer print-out replies.

In reference to your letter concerning casework and complaints directed toward the Internal Revenue Service, the I.R.S. bureaucracy here in Washington certainly leaves something to be desired. I have talked to as many as fourteen different people within the I.R.S. on one particular case, without receiving a specific answer.

However, we have had great success by directing all inquiries and casework to Mr. Claude A. Kyle, Director of the Southeast Regional Office, in Memphis, Tenn. Mr. Kyle always supplies prompt and explicit replies.

The main difficulty in trying to assist constituents who are having difficulties with IRS is in getting feedback from IRS. They have taken a very strict interpretation of the Privacy Act, and supply absolutely NO information to a Congressional office in response to an inquiry.

For example, a constituent may write stating dates and amounts of payments which he has made to IRS. We write to IRS asking that they check to see which payments haven't been received. They write back to us stating that they are unable to respond to the Congressman because of the Privacy Act, but that they will respond directly to the constituent. The constituent then writes to us saying that IRS has never answered the question. We again contact IRS which informs us that the requested information has been provided to the constituent.

The need for confidentiality is indeed understandable, but IRS has carried it a bit too far! When a constituent writes, supplying figures, dates, copies of tax returns, etc., there is no reason why IRS should not be able to respond. The present procedures make it impossible for a Congressman to do anything to help a constituent who is having problems with the IRS.

WASHINGTON, D.C., *December 17, 1976.*

Hon. CHARLES VANIK,
Chairman, Oversight Subcommittee, Committee on Ways and Means, Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I'm pleased you are investigating the need for some kind of consumer ombudsman within the Internal Revenue Service. As indicated on the form enclosed, my office received slightly more than three cases a month of individuals who have not been able to get satisfactory assistance from IRS and asked me to intercede on their behalf.

Many of these problems relate to missing refund checks. In most cases, IRS won't reissue the check until the original is located, which sometimes takes months. I would like to see a procedure developed whereby a replacement check could be issued more quickly to regular taxpayers. If it was determined later that the taxpayer had cashed both checks, appropriate steps could be taken to collect the overpayment.

I am also concerned by the number of taxpayers required to pay a penalty for not paying income taxes quarterly when they were not aware of this requirement. I think better publicity of this provision of the tax code would be helpful.

One of the most difficult problems called to my attention is repeated auditing. Some taxpayers are selected for audit year after year. If a taxpayer is called in for the third, fourth, or fifth year straight after no problems have been found in previous audits, he or she should be able to ask to be excused from the audit unless some new question is raised by the return different from the reasons for audit in the previous years.

I think the idea of a consumer ombudsman is good. One of the problems with the taxpayer service system is that taxpayers go to the same office to pay taxes as well as to try to solve problems. They believe IRS is more concerned about collection than locating lost checks—"Once they have my money, they just ignore me. If I don't pay them on time, they come after me immediately; if they don't pay me, it takes months to get any action and I can't do anything about it."

An office devoted solely to solving problems might change that image somewhat. It could also be more responsive to questions like "Why have I been audited four years in a row?" There is usually an answer to that question, if IRS would only take the time to find out and answer it. They could also answer questions about the law and its requirements, and I would emphasize—offer to put the answer in writing, even if the question is posed over the telephone. Too many times I've heard "I did it that way because somebody at IRS told me to over the phone, and now I'm being penalized for it. No, I didn't get the name."

I'm pleased to have the opportunity to express my concerns and make suggestions. If you have any questions or need additional information, please call my chief caseworker, Barbara Mathews, in my Portland office at FTS 423-2901.

With kind regards,
Sincerely,

LES AUCOIN,
Member of Congress.

THE ELECTORAL COLLEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today, the President of the Senate will, in the presence of the Senate and House of Representatives, open all certificates cast by the electors of the electoral college and the votes will be counted. The person with the greatest number of votes is elected President. This is in accordance with the 12th amendment to our Constitution.

To most people this seems like a harmless ceremonial function carried out every 4 years to fulfill the requirements of our Constitution, but if we examine the situation more closely we will see that on a number of occasions in our Nation's 200-year history Congress has placed its seal of approval on what amounts to a fraudulent election.

Today we will be asked to approve the votes cast for President by electors from the 50 States, but among these electors we have a man from the State of Washington, who chose to ignore the pledge and promise he had made the Republican Party to vote for Gerald Ford and ROBERT DOLE. He instead voted for Ronald Reagan and ROBERT DOLE and violated a good part of the Washington election.

Why he chose to cast such a vote is not important. Maybe he was seeking a footnote in history or perhaps it was his way of demonstrating the weakness of the electoral college system. The fact remains that he violated the trust placed in him by those who chose him as an elector.

Mr. Speaker, the responsibility of Congress to see that our elections are free from any form of criminal behavior does not begin and end with the laws protecting the ballot box; it goes beyond that to the election itself. And when a "faithless" elector chooses to cast his vote for someone other than the person to whom he is pledged, does he not go against the will of the people?

There have been several court cases on this very matter, but the issue still remains unsettled. In Burroughs and Cannon against U.S., the Supreme Court held that Congress has a right to protect the choice of electors from fraud or corruption. But then in Ray against Blair, the Court reasserted the conception of electors as State officers. And while the matter is still in limbo, we are again confronted with a situation where the people of the State of Washington are being deprived of a vote for President which they were led to believe existed.

How long will it be before we put on end to this fraud? Fortunately none of the self-willed electors who have broken their pledges have been able to change the outcome of a Presidential election, and statistically the chances of this happening are not great. But the question remains, is an elector not chosen by the people of his State because his judgment is known, and not because the people have confidence in his judgment?

According to many constitutional scholars, the Constitution supports the independence of these electors, but the Constitution also contemplates an honest election.

It seems to me that our present system places a serious limitation on the public will in a Presidential election and I am sure that the majority of Americans do not realize this and would certainly not support such a system if they had a choice.

I hope that this Congress will take a serious look at the present method of voting by those chosen as electors in our electoral college system and enact the reforms necessary to insure our citizens that the candidates of their choice receive the electoral votes they rightfully deserve. Let us eliminate the "faithless elector" once and for all.

RETIREMENT OF MSGR. DANIEL B. O'ROURKE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on Sunday, October 24, I was privileged to attend a Mass in honor of Msgr. Daniel B. O'Rourke, pastor of St. Mary of the Woods parish, who retired after 45 years of compassionate service to the people of our community.

Monsignor O'Rourke is an outstanding example in our Northwest Side Chicago community of resourceful dedication to high principle for he has been the spiritual guiding light and the driving force in the growth of St. Mary of the Woods parish.

During his 45-year career of service to the people of Chicago, Monsignor Dan took a strong interest in the young people of our community and provided the leadership in organizing sports activities and other programs to provide wholesome outlets for youthful energy. Ordained into the priesthood in 1931, his first assignment was St. Agatha's Parish, where he was supervisor of the parish athletic program.

It was at this time that I first met Msgr. Dan O'Rourke and out of this meeting grew a lifelong friendship which has lasted for over 40 years. He has remained a good friend of my family over all of these years, administering to our personal needs. My wife and I were married in 1935 at St. Agatha's where he performed the marriage ceremony.

I was delighted that on October 24 a special room was set aside for his old parishioners from St. Agatha's, and I had occasion to meet a few of them. It was a tremendously impressive evening with a great turnout of people who manifested their admiration, respect, and love for Monsignor Dan.

He was also the founder of St. Bartholomew's first social club for teenagers, and as the founding pastor of the new St. Mary of the Woods Parish, he devoted his creative energy and resourceful talent over the years to the education of the parish children.

Monsignor O'Rourke was recognized by the Pope in 1963, when he was elevated to membership in the official papal household with the rank of domestic prelate, and title of right reverend monsignor.

Not only has Daniel B. O'Rourke ministered to the material needs of his flock through the building of a new church, convent, and school in the St. Mary of the Woods parish, he has ministered to his parishioners' spiritual needs as well—through his attention to their joys and to their sorrows and through his untiring efforts to lift their spirits and enthusiasm for both personal and spiritual achievement.

Indeed, the retirement tribute to him is most appropriate and I was delighted to have a part in the occasion. I congratulate Father O'Rourke on his splendid record of achievement and I extend my warmest best wishes for many more years of good health and success in his life of service.

Mr. Speaker, a priestly chronology of the career of the Right Reverend Monsignor Daniel B. O'Rourke follows:

THE RIGHT REVEREND MONSIGNOR DANIEL B. O'ROURKE, PRIESTLY CHRONOLOGY

April 11, 1931: Ordained to the Holy Priesthood by His Eminence, George Cardinal Mundelein at St. Mary of the Lake Seminary.

April 12, 1931: Offered First Mass at St. Sabina, 78th and Throop, under founding pastor, Rt. Rev. Msgr. Thomas F. Egan.

June, 1931: Appointed Curate at St. Agatha parish, Douglas Boulevard and Kedzie. Pastors were Fr. William J. Mockenhaupt and Rt. Rev. Msgr. John B. Sprengel.

January, 1933: Named Regional Director of the Catholic Youth Organization by His Excellency, Archbishop Bernard J. Sheil.

July, 1937: Appointed Curate at St. Odilo parish, Berwyn, under pastor Fr. William Roberts.

July, 1938: Appointed Curate at St. Bartholomew parish, Patterson and Lavergne, under pastor Rt. Rev. Msgr. Jeremiah P. Holley.

June, 1943: Appointed Curate at St. James parish, Maywood, under pastor Fr. James O'Shea.

June, 1944: Appointed Curate at Resurrection parish, Jackson Boulevard and Leamington. Pastors were Rt. Rev. Msgr. Michael J. Sullivan and Rt. Rev. Msgr. William J. Gorman.

July, 1952: Named founding pastor of St. Mary of the Woods; celebrated first parish Mass in temporary store-front church at 6141 Touhy Avenue.

September, 1953: Opening of parish school in present location.

December, 1953: First Mass offered in original "new" church at Midnight on Christmas Eve.

September, 1954: Solemn Dedication of parish buildings by His Eminence, Samuel Cardinal Stritch.

February, 1956: Appointed Moderator, District No. 3, Archdiocesan Council of Catholic Women.

October, 1957: Added three classrooms, music room and gymnasium to parish school.

December, 1963: Named a Domestic Prelate with title of Right Reverend Monsignor by His Holiness, Paul VI.

October, 1965: Newly remodeled St. Mary of the Woods Church opened.

October, 1966: Solemn Dedication of church by His Eminence, John Cardinal Cody.

January, 1967: Named Deputy Vicar, Vicariate No. 2, Archdiocese of Chicago.

August, 1967: Appointed Chairman, Priests' Advisory Council and Moderator of Vicariate No. 2, Archdiocesan Council of Catholic Women.

April, 1971: Parish celebration of Monsignor's 40th anniversary of ordination.

July, 1976: Named by community civic organizations as Grand Marshall of area Bicentennial Parade and festivities on July 4.

FINANCIAL DISCLOSURE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, earlier this week. I reintroduced legislation to require financial disclosure by candidates for Federal office, Members of Congress, the President, Vice President, and other employees and officers of the Federal Government.

This bill, H.R. 9, would be a positive step toward renewing public confidence and trust in the institutions of Government and those who administer them. It is not the events of recent years that have made this bill necessary, nor even the current allegations about public officials. Rather, it is the fact that those who elect and employ us—and in whose name we serve—have every right to expect of us the fullest financial disclosure possible.

In September 1975, when I introduced similar legislation for the first time I said:

It is essential that we eliminate the possibility of conflicts of interest and establish procedures to assure our citizens that the public interest is being properly and honestly served by their elected officials and Government employees.

That statement is as applicable today as it was then, and I believe that this measure is needed to safeguard the vital public trust.

Under this bill, elected Federal officials and certain key employees of the legislative, judicial, and executive branches would be required to file financial disclosure statements with the Comptroller General. The same requirements would apply to all candidates for Federal office, both in primary and general elections.

The information filed would include the amount and source of each item of income exceeding $100; the identity of assets and liabilities of more than $1,000; any dealings in securities and commodities in excess of $1,000; any real estate transactions of more than $1,000. The income and assets of immediate family members would be subject to the same reporting requirements.

Violators of the act could be punished by prison terms and substantial fines.

BARBARA JEAN DOWNEY BAYLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, it is with great sadness that I speak about the death early this morning of a member of my staff, Barbara Jean Downey Bayly. Barbara worked for me since I came to Congress 8 years ago. She set a high standard for my office and I know that many on Capitol Hill who worked with Barbara will remember her for her warmth, friendship, and abilities.

Barbara grew up in New York City, living at Stuyvesant Town in my district, and graduated from Marymount College.

Both in health and in illness, Barbara was remarkable. She was soft spoken, but underneath had a strength and tenacity that made her unique as an individual and effective as a legislative assistant. In looking back, one has to give Barbara much credit for her very significant contribution to the enactment of the Federal Privacy Act of 1974. Barbara's fairness, patience, and persistence were invaluable in weighing all the considerations associated with the privacy legislation and in working with me and others until the last details were agreed to.

Barbara also affected the lives of many young children—although they do not know it—in her work with the children and youth and infant and maternal care legislation. Here again her persever-

ance and patience was very important in enacting legislation that enabled maternal and family health clinics across the country to continue to provide millions of infants with quality medical care.

These are just two areas in which Barbara made a significant contribution. There are many more. But, what I and others will remember most was Barbara's good humor, the twinkle in her eye, and her never-failing fairness and good judgment. We will remember her as a friend.

During the past year as Barbara's health waned because of her illness, her friends grieved. But Barbara's remarkable courage and strength that prevailed until this morning also left us marveling at how courageous and strong a human being can be.

Barbara had a commitment to the highest principles of life and religion.

I share the grief of her loss with her husband, John, her parents, William and Marion Downey, and her brother, Morgan Downey. And my heart goes out to her daughter, Anne Louise, who just celebrated her first birthday on Christmas and now has lost her mother. But Anne Louise has a remarkable mother to be remembered and to be proud of in the years to come.

Considering Barbara's exemplary life, if anyone goes to heaven, she is surely there now. We will miss Barbara, while remembering her with warmth, affection, and admiration.

TRIBUTE TO ROBERT P. WILLIAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. MAHON) is recognized for 5 minutes.

Mr. MAHON. Mr. Speaker, we were saddened to learn yesterday of the passing of Bob Williams, a former member of the staff of the Committee on Appropriations. Bob served on the staff from 1933 until his retirement in 1965. A graduate of the University of Notre Dame, the National Law School, and a captain in the Navy during World War II, Bob was the editor for the committee at the time of his retirement.

During his 30 years of faithful service, Bob became one of the most accomplished students of this institution that it has been my honor to encounter. He was proud of this House and our country which he loved and we are proud of his lasting contribution to the work of the Committee on Appropriations. He spent many long hours on the job, and it was not uncommon to see him carrying home his briefcase full of transcript to work on late in the evening. Bob continued his work after retirement, publishing two books, one a historical volume entitled "The First Congress" and the second "The Bulls that Redeemed Me," a historical novel centered in his native Tennessee. He was indeed a scholar.

Mr. Speaker, on behalf of the members and staff of the Committee on Appropriations, I extend heartfelt sympathy to Bob's lovely wife Helen, his son Bob, Jr., and his daughter Kate. We on the committee will always cherish the memory of his sparkling wit and intellect.

TRIBUTE TO LATE HON. LINDSAY C. WARREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, on December 28, 1976, the Honorable Lindsay C. Warren departed this Earth. Born in December 1889, he became a political leader and power in the State of North Carolina and later assumed the same position at the national level.

Not too many Members of this House assembled here today remember Lindsay Warren, but the few that might will never forget his dedication to principle and a man of uncompromising convictions. He was elected to the U.S. House of Representatives in 1924 where he served with distinction for 16 years, and was soon recognized as a prominent Member of the House leadership. In 1940, and for 14 additional years he served as Comptroller General of the United States, and became known as the "Watchdog of the Treasury," and according to one newspaper account, forced nearly $1 billion of illegal or erroneous Federal payments back into the public till.

By any criteria he was a giant among those in the political arena of this Nation. Those of us who were fortunate enough to know him personally could not help being influenced by this association. It has been said that few men in public life have been as colorful and as exemplary in their devotion to the public's interest as was Lindsay Warren.

It would be to the lasting benefit of this Nation if each generation could produce a man with the qualities of the late Lindsay Warren.

THE HEALTH SECURITY ACT OF 1977

(Mr. CORMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CORMAN. Mr. Speaker, on January 4 I introduced the Health Security Act of 1977, H.R. 21, along with 69 Members of the House of Representatives. A companion bill, S. 3, will be introduced in the Senate by Senator EDWARD KENNEDY.

Cosponsoring the Health Security Act of 1977, at this crucial juncture in the enactment of a comprehensive national health insurance program, are the following Members to date: Mr. PEPPER, Mr. RANGEL, Mr. STARK, Mr. MIKVA, Mr. ADDABBO, Mr. ANDERSON of California, Mr. ANNUNZIO, Mr. BALDUS, Mr. BEARD of Rhode Island, Mr. BIAGGI, Mr. BINGHAM, Mr. BLANCHARD, Mr. BRADEMAS, Mr. BRODHEAD, Mr. PHILLIP BURTON, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. CORNELL, Mr. DIGGS, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. EILBERG, Mr. FASCELL, Mr. FORD of Michigan, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. HOWARD, Mr. KILDEE, Mr. KOCH, Mr. LEHMAN, Mr. MCCORMACK, Mr. MCFALL, Mr. MEEDS, Mr. METCALFE, Mrs. MEYNER, Mr. MINISH, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOSS, Mr. MURPHY of New York, Mr. NIX, Mr. NOLAN, Mr. NOWAK, Mr. OBERSTAR, Mr. OTTINGER, Mr. PRICE, Mr. REUSS, Mr. RICHMOND, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. ST GERMAIN, Mr. SCHEUER, Mr. SEIBERLING, Mr. SOLARZ, Mr. STOKES, Mr. STUDDS, Mr. THOMPSON, Mr. TSONGAS, Mr. UDALL, Mr. VAN DEERLIN, Mr. WEAVER, Mr. WOLFF, and Mr. ZEFERETTI.

The Health Security Act is the product of 8 years of intensive study and development by the Committee for National Health Insurance. The committee is composed of more than 100 leaders from many fields, including representatives of labor, senior citizens, church and consumer organizations, health professionals, and public officials.

The bill is based on the principle that health care should be available according to an individual's needs, not rationed according to personal finances or delivered differently according to source of payment.

To secure health care as a right, the health security program has two basic principles. One is to establish universal and comprehensive insurance coverage which provides barrier-free access to needed health services. The second is to go beyond this traditional insurance approach and make serious improvements in the availability, quality, and cost of care.

The Health Security Act was first introduced in the 91st Congress as S. 4297. The act has been introduced with refinements in both the House and Senate during each of the succeeding Congresses.

The Health Security Act of 1977 is virtually unaltered from H.R. 21 of the 94th Congress. Only one perfecting change has been made in regard to the reimbursement determination process for hospitals.

Since the Committee for National Health Insurance began in 1969, the public and congressional support for this landmark legislation has increased steadily.

This expanding support has occurred despite the lack of leadership and regressive policies of the last two administrations. When the Health Security Act was first introduced, it was foreseen that enactment might be delayed until there was a cooperative administration.

This opposition has continued almost to the present moment with the patently absurd reasoning by President Ford's Council on Wage and Price Stability that national health insurance would necessarily worsen the inflation of health costs. The Council's blanket categorization disregards the cost controls and system improvements which must be included in a program if it is to succeed.

President-elect Carter's position on national health insurance is very encouraging. The House sponsors look forward to working closely with the new administration on this issue during the 95th Congress.

It is becoming increasingly clear that bold and forceful actions must be taken to bring about a reform of our health care system. This is especially true in regard to the way we, as families or a nation, pay for health care.

Support for comprehensive national health insurance arises out of the increasing need to spend health care dollars more effectively and efficiently.

The rapid and uncontrollable increases in costs under the existing methods of delivering and paying for care have become too burdensome.

Concern about the need for cost controls has increased in proportion to the skyrocketing of health costs. This concern will become more intense since there appears to be no cause for optimism that cost increases will moderate.

The total national health expenditure in fiscal year 1976 was $139 billion. This 1976 amount is more dramatic when viewed as more than three times the expenditure level of 10 years before, yet almost one-half the amount projected to be spent just 5 years later in 1981.

In recent memory, increases in the price of medical care services have consistently outpaced the cost of living as measured by the Consumer Price Index. The difference between these two indices has widened since the end of wage-price controls in 1974. In fact, the medical care services are currently increasing almost twice as fast as the overall CPI. Even in comparison to nonmedical services, medical care services increase faster.

There was a public outcry several weeks ago when the major steel producers announced 6-percent price hikes on some of their products. Much of the concern focused on possible consumer resistance when the hikes are reflected soon in the price of major durable goods, notably automobiles.

It is ironic that similar attention and analysis did not accompany the 21-percent increase for General Motor's health insurance premiums. This increase was noteworthy because General Motors pays more to Blue Cross-Blue Shield than it does to United States Steel, its major metal supplier.

The national insurance deliberations have been sidetracked for too long by a sham argument about program cost. Instead of a serious and forthright discussion about the merits of the various legislative proposals, the American people have suffered the deceit of partial cost estimates.

A start was made during the last year to expose the myths about the cost of national health insurance. Cost comparisons among national health insurance proposals are made now on the basis of estimated total national health costs under each of the proposals. In short, better data is available than just the first year Federal budget impact of the proposals.

This modest start at valid cost estimates was made by a Congressional Budget Office analysis and an actuarial study funded by the Department of Health, Education, and Welfare.

A brief description of relevant findings from the two works is interesting.

The Congressional Budget Office prepared an analysis of fiscal year 1977 health budget options, including first and fifth year cost estimates for three major national health insurance proposals.

Three findings from the analysis are of note. First, substantial increases in health expenditures will continue with or without a national insurance program. Second, the expansion of benefits under each of the proposals would increase expenditures initially as opposed to a simple continuation of current policy. Third, the only proposal which can control costs in the long term substantially below what would be spent under current policy is the "comprehensive tax financed" approach—that is, health security.

A recent report conducted for HEW, the Trapnell study, provides the most detailed cost data available to date on six major national health insurance proposals.

The Trapnell study disputes the criticism of health security opponents that the costs of the program would be exorbitant. Instead, the health security cost is estimated to be comparable to the proposals of the American Hospital Association and the American Medical Association. Specifically, the AHA bill is rated the most expensive and the AMA proposal slightly less than health security.

Furthermore, the range of cost estimates is narrow. The cheapest proposal, "Long-Ribicoff catastrophic," is only 6 percent less than health security. Considering the breadth of health security benefits, the health security program is apparently very cost-effective.

The most interesting finding is that of the increased expenditures projected under each of the proposals, health security would use the largest share for the provision of additional services, 85 percent, and the lowest share needed for higher administrative expenses, 9 percent. In contrast, under former President Nixon's comprehensive health insurance program—CHIP—only 53 percent of the increased expenditure would be for additional services and 40 percent would be consumed by administration.

The health security proposal also fares best in terms of saving from cost controls and fiscal relief to State and local governments.

Hopefully, a comprehensive national health insurance program can be enacted which reflects the lessons of medicare and medicaid.

These programs were designed to be mechanisms for paying bills, not necessarily for securing adequate health care. As a result, these programs cannot be expected, as presently constituted, to prevent a drastic increase in the costs of medical services and to improve substantially the quality and availability of comprehensive health services.

Efforts will be made in the coming months to strengthen medicare and medicaid against fraudulent and abusive practices. Although it is important to enact fraud and abuse safeguards, such legislation will not affect the basic problems in the health care system.

The public demand for an improved system of delivering and paying for comprehensive health services is mounting. With medical costs soaring, unnecessary delays in enacting such a program only speeds the erosion of the health care dollar.

With an active Congress and a supportive President we can make the dream of Franklin Delano Roosevelt—comprehensive health insurance for all Americans—a reality in this decade.

I include the following:

SECTION-BY-SECTION ANALYSIS OF THE HEALTH SECURITY ACT

TITLE I—HEALTH SECURITY BENEFITS

Part A—Eligibility for benefits

(Sections 11–12.) Every resident of the U.S. (and every non-resident citizen when in the U.S.) will be eligible for covered services. Reciprocal and "buy in" agreements will permit the coverage of groups of non-resident aliens, and in some cases benefits to U.S. residents when visiting in other countries.

Part B—Nature and scope of benefits: covered services

(Section 21.) Every eligible person is entitled to have payments made by the Board for covered services provided within the United States by a participating provider.

(Section 22.) All necessary professional services of physicians (including preventive care) are covered wherever furnished, with one quantitative limitation. Psychiatric services to an ambulatory patient are covered without limit if the patient seeks care in the organized setting of a group practice organization, a hospital out-patient clinic, or other comprehensive mental health clinic. In these kinds of organized settings, peer review and budgetary controls can be expected to curtail unnecessary utilization.

If the patient is consulting a solo practitioner, however, there is a limit of 20 consultations per benefit period. In communities where psychiatric services are in especially short supply, the Board may prescribe referral or other nonfinancial conditions to give persons most in need of services a priority of access to solo practitioners.

(Section 23.) Comprehensive dental services (exclusive of most orthodontial) are covered for children under age 15, with the covered age group increasing by two years each year until all those under age 25 are covered. (Persons once covered remain covered for the rest of their lives). This benefit is limited initially because, even with full use of dental auxiliaries, there is insufficient manpower to provide dental benefits to the entire population. However, the Board is authorized to expand the benefits more rapidly if availability of resources warrants, and the Board is required within seven years of the effective date of the legislation to establish a timetable for phasing in benefits for the entire population. To encourage the development of groups which provide comprehensive medical and dental services or comprehensive dental services, the Board is authorized to phase in full dental benefits more rapidly for the enrollees of those groups than for the general population.

(Section 24.) In-patient and out-patient hospital services and services of a home health agency are covered for the duration of the services, and skilled nursing home services are covered for limited periods. Pathology and radiology services are specifically included as parts of institutional services, thus reversing the practice of Medicare. Domiciliary or custodial care is specifically excluded in any institution, thus necessitating the two important restrictions on payments for institutional care:

(1) Payment for skilled nursing home care is limited to 120 days per benefit period, except that this limit may be increased either when the nursing home is owned or managed by a hospital and payment for care is made through the hospital's budget or for all nursing homes affiliated with hospitals. It is not practical to assume that the majority of nursing homes and extended care facilities in the country will be able to implement effective utilization review and control plans in the first years of Health Security. The demand for essentially domiciliary or custodial care in nursing homes is so overwhelming that an initial arbitrary

limit on days of coverage is necessary. Extension of the benefit is authorized when this becomes feasible.

(2) Many state hospitals do not provide optimal active treatment to their psychiatric patients but rather maintain them in a custodial setting. If Health Security provides unlimited coverage for patients in these hospitals, it might tend to freeze the level of care instead of stimulating these institutions to upgrade their medical care performance. Therefore, the psychiatric hospital benefit is limited to 45 days of *active treatment* during a benefit period.

(Section 25.) The bill provides coverage for two categories of drug use: prescribed medicines administered to in-patients or out-patients within participating hospitals or to enrollees of comprehensive health service organizations, and drugs necessary for the treatment of specified chronic illnesses or conditions requiring long or expensive drug therapy. This will provide coverage of most drug costs for individuals who require costly drug therapy.

The bill requires the Board and the Secretary of HEW to establish two lists of approved drugs. There will be a broad list of approved medicines available for use in institutions and by comprehensive health service organizations and a more restricted list which is available for use outside such organized settings. The restricted list shall stipulate which drugs on it shall be available for treatment of each of the specified chronic diseases. No such restrictions shall be placed upon drug therapy within an institutional setting.

Use of the restricted list will meet the most costly needs for drug therapy while restraining unnecessary utilization. The benefit is more liberal where adequate control mechanisms exist.

(Section 26.) The appliances benefit is similar in concept and operation to the drug benefit, subject to a limitation on aggregate cost. The Board shall prepare lists of approved devices, appliances or equipment which it finds are important for the maintenance or restoration of health, employability or self-management (taking into consideration the reliability and cost of each item). The Board will also specify the circumstances or the frequency with which the item may be prescribed at the cost of the Health Security program.

(Section 27.) The professional services of optometrists and podiatrists are covered, subject to regulations, as are diagnostic or therapeutic services furnished by independent pathology laboratories and radiology services. The care of a psychiatric patient in a mental health day care service is covered for up to 60 days (day care benefits are unlimited if furnished by a group practice organization, by a comprehensive mental health center, or by an approved mental health day care service). Ambulance and other emergency transportation services are covered, as well as non-emergency services where (as in some sparsely settled areas) transportation is essential to overcome special difficulty of access to covered services.

Supporting services such as psychological, physiotherapy, nutrition, social work and health education are covered if they are part of institutional services or are furnished by a group practice organization, individual practice association or certain public or non-profit organizations. This establishes the important principle that these and other supporting services should be provided as part of a coordinated program of health maintenance and care. Psychologists, physical therapists, social workers, etc. will not be permitted to establish independent practices and bill the program on a fee-for-service basis. This is intended to assure that whenever services of this nature are provided they are part of an organized plan of treatment and are germane to the overall care of the patient.

In addition to services available from hospitals, mental health centers or other providers, free-standing alcohol, drug abuse, family planning and rehabilitation centers would be recognized as providers if such centers have an agreement with the Board under section 49(a), (5), (6) and (7).

(Section 28.) Health services furnished or paid for under a workmen's compensation law are not covered. Reimbursement for loss of earnings is so closely interlocked with the health services aspects of workmen's compensation that absorption of the health services portion of workmen's compensation by Health Security could have the effect of delaying findings of eligibility for income payments.

School health services are covered only to the extent provided in regulations.

The Board may exclude from coverage medical or surgical procedures which are essentially experimental in nature. Individuals who enroll in a comprehensive health service organization or enroll themselves with a primary practitioner accepting capitation payments are not entitled to seek covered services from other providers of services (except as specified in regulations). Surgery primarily for cosmetic purposes is excluded from coverage.

The services of a professional practitioner are not covered if they are furnished in a hospital which is not a participating provider. This is intended to discourage physicians from admitting patients to hospitals which cannot or will not meet standards for participation in the program.

Part C—Participating providers of services

(Section 41(a).) Participating providers are required to meet standards established in this title or by the Board under Part H relating to quality of care. In addition, they must agree to comply with such requirements as the Board finds necessary, to assure to their employees, employment rights and working conditions similar to the guarantees of other workers. In addition, they must agree to provide services without discrimination, to make no charge to the patient for any covered service, and to furnish data necessary for utilization review by professional peers, statistical studies by the Board and by the Commission on the quality of the care and verification of information for payments.

(b) A provider's participation may be terminated under procedures described in part G of the bill.

(c) If a provider is merged, consolidated or reorganized, pre-existing employment rights shall be subject to reasonable requirements by the Board for protection of employees' rights.

(Section 42 (a).) Professional practitioners licensed when the program begins are eligible to practice in the State where they are licensed. All newly licensed applicants for participation must meet national standards established by the Board in addition to those required by his State. While stopping short of creating a Federal licensure system for health professionals, this will guarantee minimum national standards. A state-licensed practitioner who meets national standards will be qualified to provide Health Security covered services in any other state. (See also Section 56(a)(1)).

(b) For purposes of this title a doctor of osteopathy is a physician, as is a dentist when performing procedures which, in generally accepted medical practice, may be performed by either a physician or a dentist.

A doctor of optometry or podiatry qualified in accordance with subsection (a) is a physician when furnishing services which are covered services in accordance with regulations issued under Section 27(a) and which he is legally qualified to furnish in the state in which he furnished them.

(Section 43.) This section establishes conditions of participation for general hospitals similar to those required by Medicare. Two requirements not found in the Medicare program are: (1) that the hospital must not discriminate in granting staff privileges on any grounds unrelated to professional qualifications; (2) that the hospital establish a pharmacy and drug therapeutics committee for supervision of hospital drug therapy. Medicare allows any hospital accredited by the Joint Commission on the Accreditation of Hospitals (if it provides utilization review) to participate in the program, thus in effect delegating to the Commission the determination whether the standards are met. This title requires all participating hospitals to meet standards established by the Board.

(Section 44.) Psychiatric hospitals will be eligible to participate only if the Board finds that the hospital (or a distinct part of the hospital) is engaged in furnishing active diagnostic, therapeutic and rehabilitative services to mentally ill patients. Psychiatric hospitals are required to meet the same standards as those prescribed for general hospitals in Section 43, and such other conditions as the Board finds necessary to demonstrate that the institution is providing active treatment to its patients. These standards will exclude costs incurred by state mental institutions to the extent they serve domiciliary or custodial functions.

(Sections 45 and 46.) Section 45 establishes conditions of participation for skilled nursing homes similar to those established for extended care facilities under Medicare. Important differences, however, are the requirement for affiliation with a participating hospital or group practice organization (see Section 51(b)) and changes in the requirements for utilization review (see Section 50). Under Section 46 participation by home health agencies will be limited to public agencies and non-profit private organizations—proprietary home health agencies are specifically excluded.

(Section 47.) Subsection (a) describes a group practice organization (one type of health maintenance organization) which undertakes to provide an enrolled population either with complete health care or, at the least, with complete Health Security services (other than mental health or dental services) for the maintenance of health and the care of ambulatory patients. The bill, in its aim to improve the methods of delivery of health services, places much emphasis on the development of new organizations of this kind and the enlargement of old ones.

Other requirements are spelled out in this section: The organization must furnish medical services (and dental services if they are included) through prepaid group practice. Other services must be furnished by staff of the organization or by contractors for whom the organization assumes responsibility, except that institutional services may be provided by arrangements with other participating providers at the expense of the group practice organization. The organization must be non-profit, but it may utilize proprietary providers in fulfilling its responsibilities.

All persons living in or near a specified service area will be eligible to enroll during an annual open enrollment period, subject to the capacity of the organization to furnish care. Services must be reasonably accessible to persons living within the specified service area. Periodic consultation with representatives of enrollees is required, and they must be given opportunity to participate in policy formulation and in evaluation of operation. Professional policies and their effectuation, including monitoring the quality of services and their utilization, are to

be the responsibility of a committee or committees of physicians (and other health professionals where appropriate). Health education and the use of preventive services must be stressed, and lay persons are to be employed so far as is consistent with good medical practice. Charges for any services not covered by Health Security must be reasonable. Finally, the organization must agree to pay for services furnished by other providers in emergencies, either within the service area of the organization or elsewhere, but may meet this requirement to the extent feasible through reciprocal service arrangements with other organizations of like kind.

Subsection (b) makes clear that the organization, or professionals furnishing services for it, may also serve non-enrollees, with payment to be made to the organization, or, at its request, to such professionals.

(Section 48.) An individual practice association (another type of health maintenance organization) must be a non-profit organization, sponsored by a county or other local medical society, which meets all the conditions for participation by a group practice organization other than the requirement of group practice. All physicians practicing in the area (and all dentists if dental services are furnished) must be permitted to become professional members, subject only to criteria, approved by the Board, relating to professional qualifications. For professional services to enrollees, professional members may be compensated by the foundation by whatever method, including fee-for-service, may be agreed upon by it and its members.

Subsection (b) provides that a professional member may furnish services to persons not enrolled in the association and receive payment from the Board on the same basis as independent practitioners, except that if he is paid by capitation, salary, or stipend by the association, the payment for services to non-enrollees is to be made to the association.

(Section 49.) This section deals with several classes of health organizations that vary widely, even within a single class, in their structure and in the scope of the services which they offer. Because statutory specifications cannot well be tailored to so many variables, the section sets forth only a general statement of the kinds of organizations to which it relates and leaves participation of each organization to a case-by-case decision of the Board on such terms as the Board deems proper.

Subsection 49(a)(1) permits the participation of community health centers or the like which, though furnishing a broad range of ambulatory services, do not serve an enrolled or otherwise predetermined population and may not meet some other requirements of section 47(a). Subsection (a)(2) authorizes the Board to deal separately with the primary care portion of a system of comprehensive care where it is necessary to rely on arrangements with other providers, rather than on a unified structure, to round out the other elements of the system. Where organizations meeting the extensive requirements of section 47(a) or 48(a) are not available, these two paragraphs of section 49(a) will give the Board flexibility in furthering one of the bill's prime objectives, the development and broad availability of comprehensive services furnished on a coordinated basis.

Because of the extent to which mental health services are separated from other health care, subsection (a)(3) permits the Board to contract directly with public or other non-profit mental health centers and mental health and day care services.

If a state or local public health agency is providing preventive or diagnostic services, such as immunization or laboratory tests, the Board may under subsection (a)(4) contract with it for the continuance of these services.

In accordance with regulations, the Board may contract with free standing ambulatory treatment centers for alcoholism and/or drug abuse; for family planning services; and for rehabilitation services.

In the field of private practice, physicians or dentists or other practitioners may group themselves in a clinic, non-profit or proprietary, or in any number of other ways, and it may be more convenient both to them and to the Board to regard them as an entity than to deal with each practitioner separately. Subsection (a)(8) permits this. The Board will have wide discretion in contracting with such entities subject only to the limitation that, like other organizations described in section 49(a), the entity may not (under section 88(a)) be paid on a fee-for-service basis. Practitioners who elect that method of payment may of course pool their bills for submission to the Board, but there is no reason to contract with a unit for the payment of fees to it.

Subsection (b) makes clear that agreements with the Board under this section shall not (unless expressly so stipulated) preclude practitioners furnishing services under the agreements from furnishing other services as independent providers.

(Section 50.) This section specifies the broad and general conditions under which independent pathology laboratories, independent radiological services, providers of drugs, devices, appliances, equipment, or ambulance services may qualify as providers under Health Security. As under Medicare, a Christian Science Sanatorium qualifies if operated, or listed and certified, by the First Church of Christ, Scientist, Boston.

(Section 51.) The requirements of utilization review in hospitals and skilled nursing homes are in the main similar to those which Medicare has, since 1966, imposed with respect to services to aged patients. In Health Security the requirements will of course apply to the entire population. As in Medicare, the review is designed to serve a dual purpose: identification of certain specific misuses of the institutional services with a view to their termination, and a focusing of continuing attention and concern of the medical staff on the necessity for efficient utilization of institutional resources. Section 51(a) strengthens the educational aspect of the process by requiring specifically that records of reviews be maintained and statistical summaries of them be reported periodically to the institution and its medical staff (and, on request, to the Board). As under Medicare, the review committee will consist of two or more physicians, with or without other professional participation; and in the case of hospitals, will normally be drawn from the medical staff unless for some reason an outside group is required. For skilled nursing homes, on the other hand, section 51(c) departs from Medicare by permitting as an alternative that the Committee be established by the State or local public health agency under contract with the Board, or failing that, by the Board. If the nursing home operates under a consolidated budget with a hospital, the review will be made by the hospital committee. Like Medicare, Section 51(d) and (e) call for review of specific long-stay cases as required by regulations, and notification to the institution, the attending physician, and the patient when a decision adverse to further institutional services is made.

(Section 52.) Subsection (a) of Section 52 is also like Medicare in requiring a participating skilled nursing home to have in effect an agreement with at least one participating hospital for the transfer of patients and medical and other information as medically appropriate. Subsection (b) introduces a requirement, applicable two years after the effective date of health benefits to both skilled nursing homes and home health service agencies, of affiliation with a participating hospital or group practice organization. Unless the medical staff of the hospital or organization undertakes to furnish the professional services in the nursing home or the professional services of the home health service agency, that medical staff or a committee of it must assume responsibility for these services. Subsection (c) allows the Board to waive the application of either of these requirements to a skilled nursing home or a home health agency which the Board finds essential to the provision of adequate services, if (but only for as long as) lack of a suitable hospital or organization within a reasonable distance makes a transfer or an affiliation agreement impracticable.

(Section 53.) If the construction or substantial enlargement of a hospital, skilled nursing home, or ambulatory care facility has been undertaken after December 31 of the year of enactment, without either a State certificate of need or a prior approval by a planning agency designated by the governor of the State or the Board, section 53 precludes the institution from participating in the Health Security program, except that in case of enlargement, the Board may permit participation subject to reduction in reimbursement for services. This should greatly strengthen state and local planning authorities.

(Section 54.) This section prohibits double recovery in malpractice litigation by stipulating that no damages will be awarded to the injured party for remedial services which are available without cost under the Health Security program.

(Section 55.) Institutions of the Department of Defense and the Veterans' Administration, and institutions of the Department of Health, Education, and Welfare serving merchant seamen or Indians or Alaskan natives, are excluded by section 55 from serving as participating providers, as is also any employee of these institutions when he is acting as an employee. The Board will, however, provide reimbursement for any services furnished (in emergencies, for example) by these institutions or agencies to eligible persons who are not a part of their normal clientele. It will also provide reimbursement for services furnished by the Public Health Service under the Emergency Health Personnel Act of 1970.

(Section 56.) This section overrides, for purposes of the Health Security Program, State laws of several kinds which inhibit the utilization or the mobility of health personnel, cloud the legality of so-called "corporate practice" of health professions, or restrict the creation of group practice organizations. The authority of Congress to do this, in conjunction with a program of Federal expenditure to provide for the general welfare, flows from the Supremacy Clause of the Constitution and seems now to be clearly established. *Ivanhoe Irrigation District v. McCracken*, 357 U.S. 275 (1958); *King v. Smith*, 392 U.S. 309 (1968).

The first three paragraphs of subsection (a), while stopping short of creating a system of Federal licensure for health personnel, will greatly facilitate both the interstate mobility of State licensees and the effective use of ancillary personnel in the furnishing of health care. The dispensations contained in these paragraphs will be available to persons who meet national standards established by the Board.

Paragraph (1) permits a physician, dentist, optometrist, or podiatrist, licensed in one State and meeting the national standards, to furnish Health Security benefits in any other state, the scope of his permissible practice being governed by the law of the State in which he is practicing. This paragraph obviates the difficulty and cost which a practitioner may encounter, especially where reciprocity of licensure is not available, in taking up practice in a State in which he has not been licensed.

Paragraph (2) grants a similar authority to other health professional and non-professional personnel. For occupations such as pharmacy and professional nursing, which are subject to licensure in all States, a person can avail himself of this paragraph only if he is licensed in one State and meets the national standards; in other cases, where licensure is not universally required, compliance with national standards is sufficient. Here again, impediments to mobility created by existing licensure laws will be removed.

The restrictions which many professional practice acts impose on the use of lay assistants, and the legal uncertainties which often deter such use, discourage practices that can increase greatly, without sacrifice of safety, the volume of services which professionals can render. Accordingly, paragraph (3) of subsection (a) enables the Board to permit physicians and dentists, participating in public or non-profit hospitals and group practice organizations, to use ancillary health personnel, acting under professional supervision and responsibility, to assist in furnishing Health Security benefits. Such assistants may do only things which the Board has specified, and may be used only in the context of an organized medical staff or medical group. Persons employed as assistants must not only meet national standards for their respective occupations, but must also satisfy special qualifications that the Board may set for particular acts or procedures.

In the interest of encouraging salaried practice and the integration of professional practitioners into well-structured organizations for the delivery of health services, paragraph (4) of subsection (a) does away with the "corporate practice" rule insofar as it concerns participating public or other non-profit hospitals and group practice organizations. These institutions may employ physicians or make other arrangements for their services, unless in the unlikely event that the lay interference with professional acts or judgments should be threatened. No conflict of interest results from such arrangements; in the non-profit setting loyalty to employer and loyalty to patient run parallel.

Some state laws place restrictions of one kind or another on the incorporation of group practice organizations. When these restrictions prevent the State incorporation of an organization meeting the strict requirements of the Health Security Act, section 56(b) empowers the Secretary to incorporate it for purposes of the Act. Except for the special restrictions, State law will govern the corporation.

Part D—Trust Fund; Allocation of Funds for Services

(Section 61.) By section 406(a) of the present bill, section 1817 of the Social Security Act, creating the Federal Hospital Insurance Trust Fund, is amended and transferred to become section 61 of the Health Security Act. The fund will thus become the Health Security Trust Fund, succeeding to the assets and liabilities of both Medicare trust funds, and receiving the proceeds of the health security taxes imposed by title II of the Health Security Act and the authorized appropriations from general revenues equal to 100 percent of those tax receipts.

The Fund will also receive recoveries of overpayments, and receipts from loans and other agreements. To implement the role of the Trust Fund, the Managing Trustee (the Secretary of the Treasury) will make payments from the Trust Fund provided for under Title I, as the Board certifies, and with respect to administrative expenses as authorized annually by the Congress.

(Section 62.) The Health Security program is intended to operate on a budget basis overall. Accordingly, subsection (a) requires the Board to determine for each fiscal year the maximum amount which may be available for obligation from the Trust Fund. The amount so determined in advance (by March 1 preceding each fiscal year) shall not exceed the smaller of two stated limitations. The first limit is fixed on 200% of the expected net receipts from all the Health Security taxes (i.e., the tax receipts augmented by 100% thereof, to be appropriated into the Fund from general revenues of the Government.) The second limit, applicable to each fiscal year after the first full fiscal year of benefit operation (i.e., after fifteen months' availability of covered services), is an amount equal to the estimated obligations of the current year (within which the estimate is being made), subject to certain adjustments. Such adjustments will reflect change expected in: (A) the price of goods and services; (B) the number of eligible persons; (C) the number of participating professional providers, or the number or capacity of institutional or other participating providers so far as such changes are not already adequately reflected; and (D) the expected cost of program administration.

In the interest of prudent fiscal management, subsection (b) requires the Board to restrict its estimate of the amount available for obligation in the next fiscal year (in accordance with subsection (a)) if the Board estimates that the amount in the Trust Fund at the beginning of the next fiscal year will be less than one-quarter of the total obligations to be incurred for the current year, and that such restriction will not impair the adequacy or quality of the services to be provided. Also, the Board is required to reduce its alternative estimate of the maximum amount to be available if it finds that the aggregate cost to be expected has been reduced (or an expected increase has been lessened) through improvement in organization and delivery of service or through utilization control.

Subsection (c) provides against various other contingencies which may result in increase or decrease in the estimate of the maximum amount to be available for obligation in a next fiscal year. The amount may be modified before or during the fiscal year: if the Secretary of the Treasury finds that the expected Health Security tax receipts will differ by 1 percent or more from the estimate used under subsection (a); or if the Board finds that either its factors of expected change or the cost of administration is expected to differ from the estimate by 5 percent or more; or if an epidemic, disaster or other occurrence compels higher expenditure than had been expected. If, as a result, the maximum estimate has to be increased (rather than being decreased), the Board (through the Secretary) shall promptly report its action to the Congress with its reasons.

(Section 63.) Subsection (a) provides that separate accounts shall be established in the Health Security Trust Fund—a Health Services Account, a Health Resources Development Account, and an Administration Account, as well as a residual General Account. Subsection (b) provides that in each of the first two years of program operation, 2 percent of the Trust Fund shall be set aside for the Health Resources Development Fund; and the allocation shall increase by 1 percent at two-year intervals to 5 percent within the next 6 years. The money in this account will be used exclusively for the planning and system improvement purposes described in part F.

(c)(d) After deducting the amount approved by Congress and transferred to the Administration Account, the remainder of the monies shall be allocated to the Health Services Account, and shall be used exclusively for making payment for services in accordance with part E.

(Section 64.) This section provides for allocation of the Health Services Account among the regions of the country. (a) The allocation to each region shall be based on the aggregate sum expended during the most recent 12-month period for covered services (with appropriate modification for estimated changes in the price of goods and services, the expected number of eligible beneficiaries, and the number of participating providers). (b) In allocating funds to the regions the Board shall seek to reduce, and over the years gradually eliminate, existing differences among the regions in the average per capita amount expended upon covered health services (except when these reflect differences in the price of goods and services). To accomplish this, the Board will curtail increases in allocations to high expenditure regions and stimulate an increase in the availability and utilization of services in regions in which the per capita cost is lower than the national average. (c) A contingency reserve of up to 5% may be withheld from allocation. If the remaining funds available are inadequate, allocations will be reduced pro rata. (d) Allocations may be modified before or during a fiscal year if the Board finds this is necessary.

(Section 65.) The Board will divide the allocation to each region into funds available to pay for: institutional services; physician services; dental services; furnishing of drugs; furnishing of devices, appliances and equipment; and other professional and supporting services, including sub-funds for optometrists, podiatrists, independent pathology laboratories, independent radiology services, and other items. The percent allocated to each category of service may vary from region to region. In determining allocation to these funds they will be guided by the previous years' expenditures for each category of service but also take into account trends in the utilization of services and the desirability of stimulating improved utilization of preventive and ambulatory services.

(Section 66.) These regional funds will be sub-divided among the health service areas in each region, primarily upon the basis of the previous years' expenditure for each kind of service. Again, the Board will gradually attempt to achieve the equalization of services within each region by restraining the increase of expenditures in high cost areas and channeling funds into health service areas with a low level of expenditures.

(Section 67.) Before or during a fiscal year, the division of regional funds by classes of service or the allotments to health service areas may be modified if necessary or if indicated by newly acquired information.

(Section 68.) By the time Health Security benefits become available, the Government will be operating on a fiscal year beginning on October 1. This section accordingly allows the Board to make the initial determinations and allocations under this part either for the three-month period from the effective date of benefits on July 1 until the beginning of the next fiscal year or for the fifteen-month period which includes the next fiscal year.

Part E—Payment to providers of services

(Section 81.) Payments for covered services provided to eligible persons by participating providers will be made from the Health Services Account in the Trust Fund.

(Section 82.) This section delineates methods of paying professional practitioners. Every independent practitioner (physician, dentist, podiatrist, or optometrist) shall be entitled to be paid by the fee-for-service method (subsection (a)), the amounts paid being in accordance with relative value scales prescribed after consultation with the professions (subsection (g)). Each physician engaged in general or family practice of medicine in independent practice may elect to be paid by the capitation method if he agrees to furnish individuals enrolled on his list with all necessary and appropriate primary services, make arrangements for referral of

patients to specialists or institutions when necessary, and maintain records required for medical audit; and independent dentist practitioners may elect the capitation method of payment similarly (subsection (b)).

These requirements in connection with capitation payments are intended to assure that the physician (or dentist) provides to his patients all professional services within the range of his undertaking and secures other needed services by referral. Through regular medical audits, the Board will monitor the level and quality of care provided.

When necessary to assure the availability of services in a given area, subsection (c) permits paying an independent practitioner a full-time or part-time stipend in lieu of or as a supplement to other methods of compensation. This method of payment will be used selectively by the Board, mainly to encourage the location of practitioners in remote or deprived areas. Practitioners may also be reimbursed for the special costs of continuing education required by the Board and for maintaining linkages with other providers—for example, communication costs. Incentives operative under this provision will encourage physicians to improve the quality and continuity of patient care, even if the physician does not participate in a group practice. The Board may pay for specialized medical services on a per session or per case basis, or may use a combination of methods authorized by this section.

Subsection (d) defines the capitation method of payment.

Subsections (e), (f), (g). These subsections describe the method to be used in applying, as between practitioners electing the various methods of payments, the monies available in each health service area for payment to each category of professional providers. From the amount allocated to each service area, the Board will earmark funds sufficient to pay practitioners receiving stipends and for the professional services component of institutional budgets, such as hospitals. The remainder of the money will be divided to compute the per capita amount available for each category of service (i.e., physicians, dentists, podiatrists, optometrists) to the residents of the area. This per capita amount in each category will fix the capitation payments to organizations that undertake to provide the full range of services in that category to enrolled individuals. Lesser amounts will be fixed for more limited services. For example, if the per capita amounts available for physician and dental services are $65 and $25, respectively, primary physicians accepting capitation payments will receive the percentage of that $65 which is allocated for primary services, a medical society-sponsored individual practice association would receive the entire $65 for physician services, dentists furnishing all covered services would receive the $25 allocated for dental services, and organizations which undertake to provide all physician and dental services to enrolled individuals will receive $90 for each enrolled individual.

The budget per capita amount for each type of covered service (physician, dental, etc.) will be divided between the categories of providers of service according to the number of individuals who elect to receive care from those providers. For example, in a city of 100,000 people, 25,000 may enroll in a group practice organization. Using the figures cited in the example above, the Board will pay the group practice organization $1,625,000 ($65×25,000) for physician services. The other 75,000 individuals elect to receive their physician services from solo, fee-for-service practitioners. The Board will create a fund of $4,875,000 ($65×75,000) to pay all fee-for-service bills submitted by physicians in that community, in accordance with relative value scales and unit values fixed by the Board. The fund for fee payments will be augmented to the extent that some capitation payments have been lowered because they cover only primary services, and may be augmented further where a substantial volume of services is furnished, on a fee basis, to non-residents of the area.

Subsection (h) authorizes the Board to experiment with other methods of reimbursement so long as the experimental method does not increase the cost of service or lead to overutilization or underutilization of services.

(Section 83.) Hospitals will be paid on the basis of a predetermined annual budget covering their approved costs. To facilitate review of these budgets, the Board will institute a national uniform accounting system. Subsection (b) stipulates that the costs recognized for purposes of the budget will be those incurred in furnishing the normal services of the institution except as changed by agreement, or by order of the Board under section 134. This will enable the Board, on the basis of State and local planning, to eliminate, gradually, wasteful or duplicative services, and also to provide for an orderly expansion of hospital services where needed.

Physicians and other professional practitioners whose services are held out as available to patients generally (such as pathologists and radiologists) will be compensated through the institutional budget, whatever the method of compensation of such practitioners and whether or not they are employees of the hospital. This departs from the practice in Medicare which allows independent billing by such physicians. The institution's budget may also be increased to reflect the cost of owning or operating an affiliated skilled nursing home, or home health service agency. Hospital budgets will be reviewed by the Board, locally or regionally, which may permit participation by representatives of the hospitals in each region. Budgets may be modified before, during, or after the fiscal year if changes occur which make modification necessary.

(Section 84.) If an entire psychiatric hospital is found by the Board to be providing active treatment to its patients, and the institution is therefore primarily engaged in providing covered services to eligible beneficiaries, it will be paid on the same basis as a general hospital (on the basis of an approved annual budget). Otherwise the Board will negotiate a patient-day rate to be paid for each day of covered service provided to an eligible beneficiary.

(Section 85.) This section provides that skilled nursing homes and home health agencies will be paid in the same manner as a general hospital (on an approved annual budget basis). The Board may specify use of nationally uniform systems of accounting and may prescribe by regulation the items to be used in determining approved costs and the services which will be recognized in budgets.

(Section 86.) Reimbursement for drugs will be made to the dispensing agent on the basis of an official "product price" for each drug on the approved list, plus a dispensing fee in the case of an independent pharmacist. The official product price will be set at a level which will encourage the pharmacy to purchase substantial quantities of the drug (this should result in significant reductions in the unit cost of each drug). The official price may be modified regionally to reflect differences in cost of acquiring drugs. The Board will establish dispensing fee schedules for reimbursing independent pharmacies. These schedules will take into account regional differences in costs of operation, differences in volume, level of services provided and other factors.

(Section 87.) Subsections (a) and (b) provide that a group practice organization or individual practice association will be paid a basic capitation rate multiplied by the number of eligible enrollees. The amount of the capitation rate will be determined by the per capita amounts available for the several professional services in the area, and a rate fixed by the Board as the average reasonable and necessary cost per enrollee for other covered services.

Subsection (c) fixes capitation amounts for institutional services based on per diem rates derived from the budgets of participating institutional providers or institutions with which the organization or association may have a contractual agreement. The organization or association will be entitled to share in up to 75% of any savings which are achieved by lesser utilization of institutional services by its enrollees. Entitlement to such savings is conditional upon a finding by the Board that the services of the organization or association have been of high quality and adequate to the needs of its enrollees, and that the average utilization of hospital or skilled nursing services by the enrollees of the organization or association is less than the use of such services by comparable population groups not so enrolled but under otherwise comparable circumstances. This money may be used by the organization or association for any of its purposes, including the provision of services which are not covered under the Health Security program.

Subsection (e) directs the Board to allow organizations and associations to reinsure with the Board against catastrophic costs incurred on behalf of any one enrollee, against some or all of the costs of institutional care which it contracts out, and against some or all of the costs of out-of-area services.

Subsection (f) permits the Board to make an additional payment to a group practice organization for the cost of clinical education or training provided by the organization.

(Section 88.) Subsection (a) provides that an organization or agency with which the Board has entered into an agreement under section 49 (such as a neighborhood health center, a non-profit mental health center, or local public health agency furnishing preventive or diagnostic services) may be paid by any method agreed upon other than fee-for-service.

Subsection (b) provides that independent pathology or radiology services may be paid on the basis of an approved budget or such other methods as may be specified in regulations.

Subsection (c) leaves the method of payment for other types of supporting services to be specified in regulations.

(Section 89.) This section provides that the Board will reduce payments to institutional providers in accordance with findings by the Secretary that a facility or any part of a facility has not been built in compliance with the area health plan.

(Section 90.) All participating providers will be paid from the Health Services Account in the Trust Fund at such time or times as the Board finds appropriate (but not less often than monthly). The Board may make advance payment to supply providers with working funds when it deems advisable.

Part I—Development fund

Subpart 1—Planning: Funds to improve services and to alleviate shortage of facilities and personnel.

(Section 101.) This section sets forth the general purposes of subpart 1 of Part F. The subpart enables the Board, through selective financial assistance, to stimulate and assist in the development of comprehensive services, the education and training of health personnel who are in especially short supply, and the betterment of the organization and efficiency of the health delivery system. In carrying out these functions, the Board is to be guided by the planning with respect to health facilities and the organization of services which will be conducted under the

recently enacted title XV of the Public Health Services Act, when and as the new processes become operative. In the meantime it will be guided by such planning as is conducted by the Secretary under section 102. With respect to the supply and distribution of health personnel, the Board will also rely on planning conducted by the Secretary.

(Section 102.) Subsection (a) directs the Secretary, in effect, to fill in the gap in facility and services planning until the new processes can begin to produce results, addressing himself immediately to the most acute shortages and maldistributions of facilities and the most serious deficiencies in organization. He is directed to consult with, and utilize the experience and recommendations of, both existing State and local health planning agencies and the new agencies as they emerge.

Subsection (b) places on the Secretary a continuing duty to plan for improvement of the supply and distribution of health personnel, and to do this in consultation both with the health planning agencies and with appropriate professional organizations.

Thus, the bill takes advantage of the new legislation strengthening State planning agencies, focusing in them eventually the responsibility, visualized in the "Partnership-for-Health" legislation but in many States not realized as an operating reality, for pulling together all health planning efforts within their territories. Recognizing, however, that it will take time to make the new arrangements effective, the bill charges the Secretary with bringing all available experience and skills to bear on the immediate need to identify the most pressing requirements in preparation for the availability of Health Security benefits. These tasks will not be easy, but they are lent new urgency by the Health Security Program.

(Section 103.) In administering subpart 1, this section stipulates, the Board will give priority to improving comprehensive health services for ambulatory patients through the development or expansion of group practice organizations and community health centers, and primary care centers (where full service organizations are impractical), the recruitment and training of personnel, and the strengthening of coordination among providers of services. Funds will not be used to replace other Federal financial assistance, and may supplement other assistance only to meet specific needs of the Health Security program. Other Federal assistance programs are to be administered when possible to further the objectives of Part F, and the Board may provide loans or interest subsidies to help the beneficiaries of other programs to meet the requirements for non-Federal funds.

(Section 104.) Help of several kinds will be available under this section for the creation or the enlargement of group practice organizations to serve an enrolled population on a capitation basis, agencies such as neighborhood health centers which need not require enrollment in advance, primary care centers, or organizations furnishing comprehensive dental services. Grants may be made to any public or other non-profit organization (which need not be a health organization) to help meet the cost, other than construction cost, of establishing such organizations, and to existing organizations to help meet the cost of expansion: the maximum grants being, in the former case 90 percent of the cost, in the latter 80 percent. The Board may also provide technical assistance for these purposes. Loans may be made for the cost of necessary construction, subject to the same 90 and 80 percent limitations on amount. Finally, start-up costs of operation of these organizations may be underwritten, for five years in the case of organizations which must build up an enrollment to assure operating income, and in other cases until the Health Security program begins payment for services in the first year of entitlement to benefits. The effect of these several provisions is to reduce sharply, if not eliminate, the financial obstacles which have heretofore impeded the growth of group practice and similar organizations.

(Section 105.) This section contains a series of provisions to assist in the recruitment, education, and training of health personnel. The Board will establish priorities to meet the most urgent needs of the Health Security system, but the priorities will be flexible both as between different regions and from time to time. Professional practitioners will be recruited for service in shortage areas, both urban and rural, and in group practice organizations, and such practitioners may be given income guarantees. Other Federal assistance for health education and training will be availed of, but the Board may supplement the other assistance if the Board believes it inadequate to the needs, until Congress has had opportunity to review its adequacy. The training authorized includes retraining. It also includes the development of new kinds of health personnel to assist in furnishing comprehensive services, and the training of area residents to participate in personal health education and to serve liaison functions and serve as representatives of the community in dealing with health organizations. Grants may be made to test the utility of such personnel, and to assist in their employment before the effective date of health benefits. Education and training are to be carried out through contracts with appropriate institutions and agencies, and suitable stipends to students and trainees are authorized. Physicians will be recruited and trained to serve as hospital medical directors. Finally, special assistance may be given, both to institutions and to students, to meet the additional costs of training persons disadvantaged by poverty, membership in minority groups, or other cause.

(Section 106.) This section authorizes special improvement grants: first, to any public or other nonprofit health agency or institution to establish improved coordination and linkages with other providers of services; and, second, to the organizations described in section 104 to improve their utilization review, budget, statistical, or records and information retrieval systems, to acquire equipment needed for those purposes, or to acquire equipment useful for mass screening or for other diagnostic or therapeutic purposes.

(Section 107.) This section provides that loans under part F are to bear 3 percent interest and to be repayable in not more than 20 years. Other terms and conditions are discretionary with the Board, except for required compliance with the Davis-Bacon Act. Repayment of loans made from general appropriations will go to the general fund of the Treasury; repayment of later loans will revert to the Health Resources Development Account in the Trust Fund.

(Section 108.) This section specifies that payments under part F shall be in addition to, and not in lieu of, payments to providers under part E.

Subpart 2—Programs of Personal Care Services

(Section 111.) The purpose of this subpart is stated in this section, to encourage and assist in the development of community programs of maintaining in their own homes, by means of comprehensive health and personal care services, disabled or chronically ill persons who otherwise require or are likely to require institutional care. It is intended that a grant be made in any community that can develop a satisfactory program and such non-Federal financing as the Board finds appropriate.

(Section 112.) This section authorizes grants to public or nonprofit agencies for this purpose, each program being designed to serve a substantial urban or rural population. Grants may be made for up to four years, and shall be irrevocable except for cause.

(Section 113.) The services to be provided include, in addition to covered health services, combinations of personal care services (such as homemaker and home maintenance services, laundry, meals-on-wheels and other dietary services, help with transportation and shopping, and other appropriate services). Different services may be provided in different programs. Full coordination with existing community health or personal care programs is required. Committees are to be established, consisting of professionals and representatives of users of the services, to screen applications for assistance and monitor utilization.

(Section 114.) Grantees must evaluate their programs with respect both to benefits to users of the services and to the fiscal impact on the Health Security system. The Board is also to evaluate each program and summarize its conclusions in its annual reports to Congress.

(Section 115.) Within three years the Board is to make a comprehensive report to Congress on this program with an evaluation of its operation. The Board is to submit also its recommendations of methods of developing, as widely and rapidly as practicable, personal care services where they are then lacking, with a view to making such services generally available throughout the United States; its recommendations with respect to the continuing financial support of such programs; and its recommendations on the proper role of the Health Security program in providing long-term institutional care and in providing personal care services in lieu thereof.

Subpart 3—Availability of Funds

(Section 120.) For the two-year "tooling-up" period, appropriations of $200 and $400 million are authorized for financial assistance. Beginning with the effective date of health benefits, percentages of the Trust Fund expenditures will be earmarked for such assistance (section 63). From that date on, the leverage of these expanding funds will supplement and reinforce the incentives, which are built into the normal operation of the Health Security program, for improvement of the organization and methods of delivery of health services.

Part G—Administration

This part of the bill creates an administrative structure within the Department of Health, Education and Welfare with responsibility for administration of the Health Security program. Program policy will be made by a five-member Board, under the supervision of the Secretary of HEW. The Board will be assisted by a National Health Security Advisory Council which will recommend policy and evaluate operation of the program, and an Executive Director who will serve as Secretary to the Board and chief administrative officer for the program. Administration of the program will be greatly decentralized among the HEW Regional Offices. Regional and local health services advisory councils will advise on all aspects of the program in their regions and local areas. The Board may also appoint such professional or technical committees as it may deem necessary.

(Section 121.) This section establishes a five-member full-time Health Security Board serving under the Secretary of Health, Education, and Welfare. Board members will be appointed by the President with the advice and consent of the Senate, for five-year overlapping terms. Not more than three of the five appointees may be members of the same political party. A member who has served two consecutive terms will not be eligible for reappointment until two years after the expiration of his second term. One member of

the Board shall serve as chairman at the pleasure of the President.

(Section 122.) This section charges the Secretary of HEW and the Board with responsibility for performing the duties imposed by this title. The Board shall issue regulations with the approval of the Secretary. It is required to engage in the continuous study of operation of the Health Security program; and, with the approval of the Secretary, to make recommendations on legislation and matters of administrative policy, and to report to the Congress annually on administration and operations of the program. The report will include an evaluation of adequacy and quality of services, costs of services and the effectiveness of measures to restrain the costs. The Secretary of HEW is instructed to coordinate the administration of other health-related programs under his jurisdiction with the administration of Health Security, and to include in his annual report to the Congress a report on his discharge of this responsibility.

The Civil Service Commission is instructed to make every effort to facilitate recruitment and employment, to work in the Health Security Administration, of persons experienced in private health insurance administration and other pertinent fields.

Subsection (g) authorizes the Board to establish fifty positions, carrying salaries in the GS–16 to GS–18 range, in the professional, scientific, and executive service, to meet the need for highly qualified personnel both in research and development activities and in administration. It is expected that about half of these positions would be used for high-level administrative assignments, and the other half for the most responible professional and scientific work of the Board.

(Section 123.) This section creates the position of an Executive Director, appointed by the Board with the approval of the Secretary. The Executive Director will serve as secretary to the Board and shall perform such duties in administration of the program as the Board assigns to him. The Board is authorized to delegate to the Executive Director or other employees of HEW any of its functions or duties except the issuance of regulations and the determination of the availability of funds and their allocations to the regions.

(Section. 124.) This section provides that the program will be administered through the regional offices of the Health Security Board. It also directs the Board to establish local health service areas which shall be the same as the health service areas under the new title XV of the Public Health Service Act, except that with the approval of the Secretary the Board may divide such an area into two or more areas for the purposes of the health security program. These areas are to serve as local administrative units, with a local office in each, and perhaps suboffices. One of the responsibilities of these offices will be to investigate complaints about the administration of the program.

(Section 125.) Subsection (a) establishes a National Health Security Advisory Council, with the Chairman of the Board serving as the Council's Chairman and 20 additional members not in the employ of the Federal Government. A majority of the appointed members will be consumers who are not engaged in providing and have no financial interest in the provision of health services. Members of the Council representing providers of care will be persons who are outstanding in fields related to medical, hospital or other health activities or who are representatives of organizations or professional associations. Members will be appointed to four-year over-lapping terms by the Secretary upon recommendation by the Board.

Subsection (b) authorizes the Advisory Council to appoint professional or technical committees to assist in its functions. The Board will make available to the Council all necesary secretarial and clerical assistance. The Council will meet as frequently as the Board deems necessary, or whenever requested by seven or more members, but not less than four times each year.

Subsection (c) provides that the Advisory Council will advise the Board on matters of general policy in the administration of the program, the formulation of regulations and the allocation of funds for services. The Council is charged with responsibility for studying the operation of the program, and utilization of services under it, with a view to recommending changes in administration or in statutory provisions. They are to report annually to the Board on the performance of their functions. The Board, through the Secretary, will transmit the Council's report to the Congress together with a report by the Board on any administrative recommendations of the Council which have not been followed, and a report by the Secretary of his views with respect to any legislative recommendations of the Council.

(Section 126.) To further provide for participation of the community, the Board will appoint an advisory council for each region and local area. Each such Council would have a composition parallel to that of the National Council; and each will have the function of advising the regional or local representative of the Board on all matters directly relating to the administration of the program.

(Section 127.) The Board is authorized to appoint standing committees to advise on the professional and technical aspects of administration with respect to service, payments, evaluations, etc. These committees will consist of experts drawn from the health professions, medical schools or other health educational institutions, providers of services, etc. The Board is also authorized to appoint temporary committees to advise on special problems. The committees will report to the Board, and copies of their reports are to be made available to the National Advisory Council.

(Section 128.) Subsection (a) requires the Board to consult with appropriate State health and other agencies to assure the coordination of the Health Security program with State and local activities in the fields of environmental health, licensure and inspection, health education, etc.

Subsection (b) requires the Board, whenever possible, to contract with States to survey and certify providers (other than professional practitioners) for participation in the program. This is similar to Medicare except that the Board is given authority to establish the qualifications required of persons making the inspections.

Subsection (c) authorizes the Board to contract with State agencies to undertake health education activities, supervision of utilization review programs, and programs to improve the quality and coordination of available services in that State.

Subsection (d) requires the Board to reimburse States for the reasonable cost of performing such contract activities and authorizes the Board to pay all or part of the cost of training State inspectors to meet the qualifications established by the Board.

Subsection (e) directs the Board to make inspections if a State is unable or unwilling to do so.

Subsection (f) calls for the publication of the results of the inspections.

(Section 129). The Board is authorized to provide technical assistance either directly or through contract with a State to skilled nursing home and home health service agencies to supplement the skills of their permanent staff in regard to social services, dietetics, etc.

(Section 130.) Subsection (a) charges the Board with responsibility for informing the public and providers about the administration and operation of the Health Security program. This will include informing the public about entitlement to benefits and the nature, scope, and availability of services. Providers would be informed of the conditions of participation, methods and amounts of compensation, and administrative policies. In support of the program's effort to improve drug therapy, the Board is authorized with the approval of the Secretary, to furnish all professional practitioners with information concerning the safety and efficacy of drugs appearing on either of the approved lists (Section 25) indications for their use and contraindications. Information of this nature is not now always available to practitioners.

Subsection (b) requires the Board to make a continuing study and evaluation of the program, including adequacy, quality and costs of services. Subsection (c) authorizes the Board directly or by contract to make detailed statistical and other studies on a national, regional, or local basis of any aspect of the title, to develop and test incentive systems for improving quality of care, methods of peer review of drug utilization and of other service performances, systems of information retrieval, budget programs, instrumentation for multiphasic screening or patient services, reimbursement systems for drugs, and other studies which it considers would improve the quality of services or administration of the program.

Subsection (d) authorizes the Board to enter into agreements with providers to experiment with alternative methods of reimbursement which offer promises of improving the coordination of services, their quality or accessibility.

(Section 131.) Severe discrepancies exist today between the natonal need for various kinds of health manpower and the availability of clinical facilities to train such personnel. Certain specialties (such as surgery), in which there is a surplus of manpower, monopolize clinical training facilities to the disadvantage of specialties in short supply (such as primary or family practice), thus perpetuating the imbalance between supply and demand. This section gives the Board authority to bring the availability of clinical training facilities into balance with national or regional manpower needs by issuing training priorities for institutional providers participating in the program.

(Section 132.) This section grants authority to the Board, in accordance with regulations, to make determinations of who are participating providers of service, determinations of eligibility, of whether services are covered, and the amount to be paid to providers. The Board is granted authority to terminate participation of a provider who is not in compliance with qualifying requirements, agreements, or regulations. But unless the safety of eligible individuals is endangered, the provider shall be entitled to a hearing before the termination becomes effective.

(Section 133.) This section establishes procedures for hearings and for judicial review, similar to those under the Social Security Act.

(Section 134). This section has one of the bills most important provisions with respect to achieving improvement in coordination, availability, and quality of services. It greatly strengthens state and local planning agencies and gives the Board authority to curtail inefficient administration of participating institutional providers.

The Board is authorized to issue a direction to any participating provider (other than an individual professional practitioner) that, as a condition of participation, the provider add or discontinue one or more covered services. For example, if two community hospitals are operating maternity wards at low occupancy rates, the Board may require that one hospital cease to provide such service. A provider may be required to provide services in a new location, enter into arrangements for the

transfer of patients and medical records, or establish such other coordination or linkages of covered services as the Board finds appropriate.

In addition, if the Board finds that services furnished by a provider are not necessary to the availability of adequate services under this title and that their continuance is unreasonably costly, or that the services are furnished inefficiently (and that efforts to correct such inefficiency have proved unavailing) the Board may terminate participation of the provider.

No direction shall be issued under this section except upon the recommendation of, or after consultation with, the appropriate state health planning agency. And no direction shall be issued under this section unless the Board finds that it can be practicably carried out by the provider to whom it is addressed. The Board is required to give due notice and to establish and observe appropriate procedures for hearings and appeals, and judicial review is provided.

Part H—Quality of care

This part authorizes the Board, and charges it with the duty, to maintain and enhance the quality of care furnished under the Act. Section 141(a) sets forth this authority and this duty, to be discharged with the advice and assistance of, and in close collaboration with, the Commission on the Quality of Health Care created by an amendment of the Public Health Service Act contained in title III of the present bill.

Regulations under the part are to be issued before health security benefits become effective, and thereafter to be upgraded as rapidly as is practicable. Subsection (b) states as the objective the highest quality of care attainable throughout the nation, with exceptions to quality requirements only when, and as long as, they are necessary to avoid acute shortages of services. Subsection (c) calls for collaboration with the Commission, and stipulates that any failure to follow its recommendations shall be submitted to the Secretary and that, unless he directs the Board to adopt the recommended regulations, the reasons for not doing so must be published by the Board.

(Section 142.) The Board is to issue regulations requiring continuing professional education for physicians, dentists, optometrists, podiatrists. Reports of compliance with the regulations will be required and, after warning, practitioners may be disciplined for failure to comply.

(Section 143.) Subsection (a) provides that major surgery, and other procedures specified in regulations, are not covered services unless they are performed by a specialist, and (except in emergencies) are, to the extent prescribed in regulations, performed on referral by a physician engaged in general practice. Specialists, according to subsection (b) are those certified by the appropriate national specialty boards, with a five-year period allowed board-eligible physicians to obtain certification, and with a "grandfather" exception for certain physicians practicing when health security benefits go into effect.

Subsection (c) authorizes the Board to require, except in acute emergencies, consultation with an appropriate specialist, as a prerequisite to specified surgical procedures; in such cases subsection (d) enables the Board to require pathology reports and clinical abstracts or discharge reports.

(Section 144.) Subsection (a) requires that practitioners furnishing services on behalf of institutional or other providers meet the same qualifications that are demanded of independent practitioners. Subsection (b) authorizes the Board to make additional requirements, in the interest of the quality care and of safety of patients, for all providers other than professional practitioners. This is like the authority given the Secretary under the Medicare law, but with the notable difference that standards of the Joint Commission on the Accreditation of Hospitals constitute a minimum for Board requirements, rather than a maximum as under Medicare. Exceptions are permitted only, as stated in section 141, to avoid acute shortages of services.

(Section 145.) Although the provisions relating to professional standard review organizations, recently added to the Social Security Act, are repealed by section 405 of the bill, the Board is authorized, on recommendation of the Commission on the Quality of Health Care, to use organizations previously designated by the Secretary for the purposes of monitoring the quality of services, either institutional or noninstitutional. The Board may also use for this purpose similar organizations approved by it in the future.

(Section 146.) In exercising its authority under part H the Board is directed to take into account the findings of the Secretary's Commission on Medical Malpractice, and to seek to reduce the incidence of malpractice and to improve the availability of malpractice insurance.

Part I—Miscellaneous provisions

(Section 161.) This section contains definitions of certain terms used in the title.

(Section 162.) This section creates the offices of Deputy Secretary of Health, Education and Welfare and an Under Secretary for Health and Science in the Department of Health, Education and Welfare, and abolishes the office of Under Secretary of Health, Education and Welfare.

(Section 163.) This section stipulates that the effective date for entitlement for benefits will be July 1, of the second calendar year following enactment.

(Section 164.) Subsection (a) provides that an employer will not be relieved, by the enactment of the Health Security Act, of any existing contractual or other nonstatutory obligation to provide or pay for health services to his present or former employees and their families. An employer whose cost under such a contract, immediately before health security taxes go into effect, exceeds the cost to him of paying those taxes is required by subsection (b) to apply the excess, during the remaining life of the contract, first to the payment of health security taxes on behalf of his employees. If an excess still remains after meeting this obligation, and after an allowance for the cost of any continuing obligation to pay for health services not covered by Health Security, subsection (c) requires the employer to pay the amount of this remaining excess to those employees, former employees, and survivors who are beneficiaries of the pre-existing contract; but by agreement with the employees or their representatives, these funds may be applied to other employee benefits. Computations of the amounts involved are to be made on a per capita basis, as defined in subsection (d).

TITLE II—HEALTH SECURITY TAXES

Part A—Employment taxes

(Section 201.) Effective on January 1 of the second year after enactment, subsections (a) and (b) convert the existing Medicare hospital insurance payroll taxes into Health Security taxes and raise the rates to 1 percent on employees and 3.5 percent on employers. Subsection (c) sets the wage base for the employment tax at 150 percent of the Social Security wage base (or a tax base at present of $21,150 in conformity with the recent automatic increase of the Social Security tax base). This subsection also defines covered employment to include all substantial groups now excluded from social security tax coverage, except that State and local governments are excluded from the tax on employers.

(Section 202.) This section makes a number of conforming and technical amendments. Chief among these are provision for refund of excess taxes collected from an employee, who has held two or more jobs, on wages aggregating in a year more than the amount of the new wage base; exclusion of Health Security contributions from agreements with State governments for the social security coverage of State and Municipal employees (since these employees will contribute to Health Security through payroll taxes); and exclusion of Health Security contributions from agreements for the coverage of United States citizens employed by foreign subsidiaries of United States corporations (since these employees will not benefit materially from Health Security in its present form).

(Section 203.) This section excludes from the gross income of employees, for income tax purposes, payment by their employers of part or all of the Health Security taxes on the employees.

(Section 204.) This section spells out the effective dates of the new payroll tax provisions.

Part B—Taxes on self-employment income and unearned income

(Section 211.) Effective at the beginning of the second calendar year after enactment, this section converts the existing Medicare self-employment tax into a Health Security self-employment tax, sets the rate at 2.5 percent, and sets the maximum taxable self-employment income at $21,150 (with the same upward adjustment as in the employee tax for subsequent rises in average wage levels).

(Section 212.) Effective on the same date, this section adds a new 2½ percent Health Security tax on unearned income (unless such income is less than $400 a year), subject to the same maximum on taxable income as is applicable to the employee and self-employment taxes. Taxable unearned income is adjusted gross income up to the stated maximum, minus wages and self-employment income already taxed for Health Security purposes (excluding certain items of income (notably social security benefits) specifically excluded from the other taxes and excluding $5,000 in unearned income for persons over age 60.)

(Section 213.) This section makes appropriate changes in nomenclature and in the requirements of tax returns, including reports of estimated tax liability under the new tax on unearned income.

(Section 214.) This section details the specific effective dates of the taxes imposed by this part.

Part C—Income tax deductions for medical care

(Section 221.) This section amends the Internal Revenue Code so that no medical deductions shall be allowed for the cost of medical care which is covered by the Health Security Act on or after the effective date of health security benefits.

TITLE III—COMMISSION ON THE QUALITY OF HEALTH CARE

(Section 302.) The purpose of Title III is to create a Commission on the Quality of Health Care in order to improve health care in the United States. The Commission's function is:

To develop methods of measuring health care;

To develop standards for promoting health care of high quality;

To encourage the use of such measurements and standards under the provision of the Health Security Act.

(Section 302.) This section adds to the Public Health Service Act a new Title XVII, entitled "Commission on the Quality of Health Care."

(Section 1701, Public Health Service Act.) Subsection (a) establishes a Commission on the Quality of Health Care within the Department of Health, Education and Welfare.

The Commission will consist of eleven members who are to be appointed by the Secretary after consultation with the Health Security Board. The Commission is required to carry out the functions set forth under new sections 1702 and 1703.

Subsection (b) describes the requirements for the membership of the Commission. Seven of the members appointed must be repretatives of health service providers or representatives of non-governmental organizations that are engaged in the process of developing standards relating to the quality of health care. Four members must be representatives of consumers who are not engaged in and have no financial interest in the delivery of health care services. Commission members will be appointed to serve five year overlapping terms. Subsection (c) requires the Secretary to designate the Chairman of the Commission, who serves at the pleasure of the Secretary. Subsection (d) authorizes the Commission to employ needed personnel and appoint advisory committees. It also stipulates the conditions of employment and rates and terms of compensation.

(Section 1702, Public Health Service Act.) Subsection (a) defines the primary responsibilities of the Commission. The Commission is directed to initiate and continuously develop methods to assess the quality of health care delivered under the provisions of the Health Security Act; and to initiate and develop ways to use such assessments in order to maintain and improve the quality of health care delivered under the Act. The Commission is required to submit its findings and recommendations to the Secretary and the Health Security Board.

Specifically, the Commission is required to:

(1) collect data on a systematic and nationwide basis that will provide information on the (A) qualifications of health personnel and the adequacy and ability of health care facilities to provide quality health care; (B) the patterns of health care practices in actual episodes of care; (C) the utilization patterns for components of the health care system; and (D) the health of patients during and at the end of actual episodes of care and the relationship of the various factors outlined above to the health of such patients;

(2) use the data it collects to develop statistical norms and ranges to describe the factors outlined in paragraph (1). Such norms and ranges may be developed on a national or regional basis, for particular population groups, or on any other basis deemed most useful by the Commission;

(3) use such statistical norms and ranges as a basis for developing standards (and acceptable deviation from such standards) that will be useful in measuring, controlling, and improving the quality of health care; and

(4) make recommendations to the Secretary and the Health Security Board on the proper use of standards developed under the provisions of paragraph (3) in connection with the Board's continuing responsibility for the maintenance and improvement of the quality of the health care delivered under the Health Security Act. Such recommendations may also be used by the Secretary or the Board when developing proposals to amend the Health Security Act.

When carrying out its duties under the provisions of this subsection, the Commission is directed to give first priority to the quality of care delivered for those illnesses or conditions which have high incidence of occurrence within the population and which are responsive to medical or other treatment.

Subsection (b) requires the Commission to conduct a broad health care research program. Specifically, the objectives of the program are to:

(1) improve technologies for assessing health care quality;

(2) compare the quality of health care under alternative health delivery systems and methods of payment;

(3) analyze the effects of consumer health education and preventive health services:

(4) continue the studies made by the Secretary's Commission on Medical Malpractice. In this respect, the Commission is also required to evaluate any of the recommendations of the Secretary's Commission which the Health Security Board has put into effect or any other measures that the Board has established, which pertain to the incidence of malpractice, malpractice insurance, or malpractice claims;

(5) obtain other information that will be useful in order to accomplish the purposes of this new title of the Public Health Service Act and title I, part H, of the Health Security Act (concerning the maintenance and improvement of the quality of health care delivered under the Health Security Act).

Subsection (c) authorizes the Commission to provide technical assistance to enable participating providers to furnish the Board with information required by it for purposes of the Commission. The Commission is also authorized to provide technical assistance to participating providers who are developing and carrying out quality control programs.

(Section 1703, Public Health Service Act.) This section directs the Commission, even before it has developed standards under the preceding provisions, to give advice and recommendations to the Health Security Board concerning quality health care regulations.

(Section 1704, Public Health Service Act.) This section authorizes the Secretary to establish twenty-five positions on the staff of the Commission, carrying salaries in the GS–16 to GS–18 range, in the professional, scientific, and executive service, to meet the need for highly qualified personnel in the research and development activities of the Commission.

TITLE IV—REPEAL OR AMENDMENT OF OTHER ACTS

(Section 401.) This section repeals the Medicare and Federal Employee Health Benefit statutes on the date Health Security benefits become effective, but stipulates that this shall not affect any right or obligation incurred prior to that date.

(Section 402.) This section requires that after the effective date of benefits, no State shall be required to furnish any service covered under Health Security as a part of its State plan for participation under Medicaid, and that the Federal government will have no responsibility to reimburse any State for the cost of providing a service which is covered under Health Security. After the effective date of benefits, the Secretary of HEW shall prescribe by regulation the new minimum scope of services required as a condition of State participation under Title XIX. To the extent the Secretary finds practicable, the new minimum benefits will be designed to supplement Health Security—especially with respect to skilled nursing home services, dental services and the furnishing of drugs.

(Section 403.) This section provides that funds available under the Vocational Rehabilitation Act or the Maternal and Child Health title of the Social Security Act shall not be used to pay for personal health services after the effective date of benefits, except (to the extent prescribed in regulations by the Secretary of HEW) to pay for services which are more extensive than those covered under Health Security.

(Section 404.) This section makes applicable to Health Security the provisions recently added to the Social Security Act requiring reduction in reimbursement for care in facilities which have made substantial capital expenditures found by a State planning agency to be inconsistent with standards developed pursuant to the Public Health Service Act. Because the provision will continue to apply to the residual programs under titles V and XIX of the Social Security Act, the reductions will continue to be determined by the Secretary and his determinations are made binding on the board, as provided in section 89 of the bill.

(Section 405.) This section repeals the provisions recently added to the Social Security Act relating to professional standards review organizations. Section 145 of the bill permits the use of such organizations already designated by the Secretary, and approved by the Board and use of similar organizations in the future.

(Section 406.) Subsection (a) amends section 1817 of the Social Security Act, creating the Federal Hospital Insurance Trust Fund, and transfers it to become section 61 of the Health Security Act under the title "Health Security Trust Fund". The effect of this transfer is summarized in the description of title I, part D, of the present bill. Subsection (b) extends to the Health Security system the provisions of section 201(g) of the Social Security Act, authorizing annual Congressional determination of amounts to be available from the respective trust funds for the administration of the several national systems of social insurance. Subsections (c) and (d) contain conforming and technical provisions.

(Section 407.) This section makes a number of changes in title XV of the Public Health Service Act, which is the planning portion of the recently passed National Health Planning and Resources Development Act of 1974. Subsections (a) and (b) provide that the Secretary's guidelines on national health planning policy should be issued in twelve, rather than eighteen, months, and that they must emphasize the need for prompt action to meet the demands of the health security program. Under subsection (c), the DHEW Under Secretary for health and science replaces the Assistant Secretary on the National Council on Health Planning and Development, and the Chairman of the Health Security Board is added to the Council. Subsection (d) strikes out a requirement of coordination with Professional Standards Review Organizations, in view of the repeal of the PSRO provisions of the Social Security Act. Review and approval or disapproval of Federal grants and contracts by health systems agencies (subject to final decision by the Secretary) is extended, by subsection (e), to include Health Security Board grants and contracts under Part F of title I. Finally, section 1526 providing for grants for State demonstrations in rate regulation is repealed, since the Health Security Board will be fixing the amount of payments to participating providers of services.

(Section 408.) This section establishes the salary levels for the Deputy Secretary and the Under Secretary for Health and Science, Department of Health, Education, and Welfare, the Chairman of the Health Security Board, members of the Health Security Board and members of the Commission on the Quality of Health Care, and the Executive Director of the Health Security Board.

(Section 409.) This section removes the operations of the Health Security Trust Fund from the administrative budget of the United States, and directs that these operations be reported and projected in a separate statement, as was done with the Social Security trust funds until recently. The Government contribution to the Health Security system will continue to be shown as an expenditure in the administrative budget.

TITLE V—STUDIES RELATED TO HEALTH SECURITY

(Section 501.) This section directs the Secretary of Health, Education and Welfare in consultation with the Secretary of State and the Secretary of the Treasury to study

the coverage of health services for United States residents in other countries.

(Section 502.) Subsection (a) directs the Secretary of HEW to study means of coordinating the federal health care programs for merchant seamen, and for Indians and Alaskan natives, with the Health Security benefits program. The Secretary and the Administrator of Veterans' Affairs shall conduct a similar joint study of the means of coordinating veterans health care programs with the Health Security benefits program. A similar study is to be conducted, jointly with the Secretary of Defense, relating to the program of care, in civilian facilities, of the dependents of military personnel. Reports to the Congress and any legislative recommendations arising from the studies are required within three years after the enactment of the Health Security Act.

Subsection (b) requires the respective Secretaries and the Administrator to consult with representatives of the affected beneficiary groups, and to include a summary of their views in the reports to Congress.

With respect to the joint study to determine the most effective method of coordinating the Veterans' Administration Health Program with the Health Security program established under this bill, it is important to understand that there is no intention to require either the integration of the VA program into the Health Security Program, or even the consideration of such integration. Rather, the section recognizes that any national health security or health insurance program would be so pervasive as to require other federal health programs such as those of the Veterans' Administration to be effectively coordinated with them. Through such coordination, needless duplication and expenditures should be avoided.

(Section 503.) This section authorizes the appropriation of money needed for conducting the studies authorized in this title, and the use of experts and consultants and advisory committees, and of contracts for the collection of information or the conduct of research.

LEGISLATION AUTHORIZING METALLURGY RESEARCH CENTER IN SALT LAKE CITY, UTAH

(Mr. McKAY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McKAY. Mr. Speaker, I am today introducing legislation to increase the authorization for the construction of a metallurgy research center in Salt Lake City, Utah. Had the administration followed the intent of Congress in this matter, there would be no need for this legislation. The administration has systematically delayed the implementation of Public Law 92–287 since its enactment in 1972. The result has been an inflation of costs beyond the limit of the original authorizing legislation.

Public Law 92–287 provided authorization not to exceed $6 million for the establishment of a metallurgy research center to replace the facility now located in the middle of the University of Utah campus. The existing laboratory space is desperately needed for expanded energy research, and the university will obtain the existing facility at fair market value upon completion of the replacement facility.

Utah is located in the center of the West's reservoir of energy and mineral resources. Within its boundaries are large quantities of oil, natural gas, oil shale, tar sands, coal, and sizable geothermal resources. Development of these resources is crucial for reducing our dependence on oil imports. In addition, the programs carried on at the Metallurgy Research Center promise resource and energy conservation as well as environmental protection. Current research projects include the control of sulfur dioxide emissions, the recovery of plastic from automobile scrap, and the recovery of silver and copper from mill tailings.

When the administration failed to request funds for the facility in either the fiscal year 1974 or fiscal year 1975 budgets, Congress added $700,000 to the fiscal year 1975 Interior appropriation to complete an architecture and engineering study for the Metallurgy Research Center in Salt Lake City. The administration refused to obligate the funds during fiscal year 1975. When the House Interior Appropriations Subcommittee adopted report language in May 1976, directing the Bureau of Mines to complete the architecture and engineering study by January 1, 1977, the administration promptly sent a deferral notice to Congress refusing to spend the $700,000 for design of the facility.

The House passed House Resolution 1428 on August 24, 1976, disallowing the administration's deferral of design funds for the replacement facility. The administration continued to refuse to obligate funds for the Salt Lake Metallurgy Research Center until the House Interior Appropriations Committee initiated an impoundment investigation through GSA. After GSA served the Department of Interior with a notice of intent to sue for impoundment, the administration agreed to obligate the design funds. Despite this agreement, continued bureaucratic delays have prevented GSA from entering into a contract with the architects for the new facility.

The record of the administration in this matter is one of obstruction and impoundment. The will of Congress has been repeatedly thwarted by a recalcitrant administration. If the Salt Lake Metallurgy Research Center had proceeded to construction in an orderly fashion in 1972, it would have cost less than the $6 million authorized. Current estimates place the cost of the replacement facility at $9 million, but if the administration continues its foot-dragging the cost will undoubtedly rise again.

I ask my colleagues to join with me in requiring the administration to execute the will of Congress and build the Salt Lake Metallurgy Research Center. I am convinced that Congress will pass this bill to correct a situation created by administrative delay.

HUMANE SLAUGHTER ACT OF 1977

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I am introducing a bill today which is entitled the "Humane Methods of Slaughter Act of 1977." It strengthens the Humane Slaughter Act of 1958, which applied only to those slaughterhouses selling meat to the Federal Government, by providing that Federal meat inspectors must include humane handling and slaughter methods as a requisite for approving domestic meat or the meat exported to the United States from foreign slaughterhouses.

Though there are very few slaughterhouses which will have to change their methods due to this bill—276 in the United States and about 2 percent of Australia and New Zealand's slaughterhouses—because most of them have voluntarily done so due to the economic benefits of the less-bruising methods provided in the 1958 law, I still feel that humane methods of slaughter should be nationalized.

With the constant invention of new technological marvels which have revolutionized our system for raising, killing, packing, and distributing meat, we, at least, should be able to insure all possible elimination of pain, discomfort, and terror that these animals undergo in the slaughtering process. This legislation would achieve such a purpose and I ask my colleagues to join me in supporting its rapid passage.

ACTIVE FORCE MILITARY MANPOWER STRENGTH ASSESSMENT AND RECRUITING RESULTS FOR THE TRANSITION QUARTER

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, during the period following adjournment of the 94th Congess the Department of Defense released its figures on the total active strength of the four military services as of the end of September 1976. In a continuing effort to keep the Members of the House apprised of the most recent information on the Department of Defense's recruiting results, I wish to supply the following statistics for the RECORD.

The total active strength of the four military services at the end of September 1976 was 2,084,000. This was more than 99 percent of the service' September objective of 2,102,000. All of the military services except the Marine Corps came within 1 percent of meeting their strength objective:

ACTIVE MILITARY STRENGTH—END OF SEPTEMBER 1976
[In thousands]

Service	Objective	Actual	Percent of objective
Army	790	783	99
Navy	532	528	99
Marine Corps	196	190	97
Air Force	584	583	99
DoD total	2,102	2,084	99

The Department of Defense announced that the Air Force exceeded its enlisted recruiting objective during the quarter ending September 30, 1976, but the other three services experienced 4 to 5 percent shortfalls. These recruiting shortfalls are due in part to the services' continued emphasis on recruiting high school diploma graduates. The 126,400 men and

women recruited during July–September 1976—the transition quarter—TQ—was 96.4 percent of the total objective of 131,000, but was about 9,200 above the number of men and women recruited during the corresponding quarter 1 year ago. Recruiting results for the first quarter of fiscal year 1976 and for the transition quarter are shown below:

ENLISTED ACCESSIONS
[All sources]

Service	July to September 1976			July to September 1975, actual
	Objective	Actual	Percent	
Army	59,400	57,100	96	47,600
Navy	35,200	33,400	95	32,200
Marine Corps	15,400	14,700	96	16,400
Air Force	21,100	21,300	101	21,100
DOD total [1]	131,000	126,400	96	117,200

[1] Numbers may not add due to rounding.

Each of the services, except the Marine Corps, registered a decrease in the proportion of high school diploma graduates during the transition quarter—TQ—as compared to the first quarter of fiscal year 1976. The services recruited 70.9 percent diploma graduates during the transition quarter compared to 77.6 percent during the first quarter of fiscal year 1976. An additional 4.3 percent of the current quarters' recruits held high school equivalency certificates. There were approximately 3,100 less diploma graduate enlistments during the transition quarter than for the corresponding quarter of fiscal year 1976. High school diploma graduate enlistments are shown below:

HIGH SCHOOL DIPLOMA GRADUATE ENLISTMENTS—NON PRIOR SERVICE, MEN AND WOMEN

Service	July to September			
	Number		Percent of total	
	Fiscal year 1976	Fiscal year 19TQ	Fiscal year 1976	Fiscal year 19TQ
Army	33,700	31,900	73	60
Navy	24,600	23,800	83	77
Marine Corps	10,800	10,800	68	76
Air Force	19,000	18,300	92	87
DOD total [1]	88,000	84,900	78	71

[1] Numbers may not add due to rounding.

The proportion of enlistees with average and above average mental ability—mental category I–III—enlisted during the transition quarter—TQ—was 95 percent. This was equal to the proportion attained during the first quarter of fiscal year 1976. The following table shows that the total number of enlistees in these mental categories in the transition quarter exceeded that of the first quarter of fiscal year 1976 by 5,800:

MENTAL CATEGORY I–III ENLISTMENTS—NON-PRIOR SERVICE, MEN AND WOMEN

Service	July to September			
	Number		Percent of total	
	Fiscal year 1976	Fiscal year 19TQ	Fiscal year 1976	Fiscal year 19TQ
Army	43,300	48,500	93	91
Navy	28,100	30,000	94	97
Marine Corps	15,500	13,700	98	96
Air Force	10,500	21,100	99+	99+
DOD total [1]	107,400	113,200	95	95

[1] Numbers may not add due to rounding.

It was also announced that the proportion of black enlistees in the transition quarter—TQ—was higher than the proportion of black enlistees in the first quarter of fiscal year 1976, while the proportion of women enlistees declined from 8 to 7 percent. Each service registered an increase in both the number and proportion of black enlistees during the transition quarter as compared to the first quarter of fiscal year 1976. The table below shows black and women accessions:

BLACKS AND WOMEN NONPRIOR SERVICE ACCESSIONS
[Fiscal years]

Service	Blacks (July to September)				Women (July to September)			
	Number		Percent of total		Number		Percent of total	
	1976	19TQ	1976	19TQ	1976	19TQ	1976	19TQ
Army	11,000	15,700	24	29	4,180	4,320	9	8
Navy	2,300	3,000	8	10	1,390	1,160	5	4
Marine Corps	2,500	2,600	16	18	360	340	2	2
Air Force	2,200	2,400	11	12	2,450	2,810	12	13
DOD total [1]	18,100	23,700	16	20	8,380	8,620	8	7

[1] Numbers may not add due to rounding.

RESERVE STRENGTH
[In thousands]

	End strength, August 1976 (preliminary)	Average strength	
		Actual, July to August 1976	Transition quarter authorized
Army National Guard	364.9	363.4	400.0
Army Reserve	193.1	193.3	219.0
Navy Reserve	96.8	96.9	106.0
Marine Corps Reserve	29.3	29.4	32.5
Air National Guard	91.0	90.8	94.9
Air Force Reserve	48.5	48.4	51.8
DOD total	823.5	822.2	904.1

PRESIDENT'S BUDGET TO IGNORE FORESTRY INCENTIVES PROGRAM

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it is very disappointing that advance indications are the budget to be submitted by President Ford contains no funds for a highly important program of national interest, the forestry incentives program.

Congress approved the forestry incentives program more than 3 years ago to help assure an adequate supply of timber for future generations. The program authorizes the Federal Government to share in the cost of planting seedlings or stand improvement practices in the small forestry holdings of private, nonindustrial owners. This involves a tremendous acreage, but many of the owners lack experience in forestry management.

Contrary to what many may believe, private landowners hold 59 percent of the timberland in this country. State and Federal holdings comprise about 28 percent and the remainder, about 13 percent, are in the hands of the forest products industry.

Holdings of less than 500 acres are eligible for assistance in the forestry incentives program. The total acreage is estimated to be 198,801,000. It is this large acreage that the President's budget seems to ignore. Further, the new budget also overlooks the fact that forestry work provides badly needed jobs in hard-pressed rural areas. FIP is not a make-work program. It is a means of providing meaningful employment to thousands who need work and at the same time it assures America of a future supply of an essential resource.

Last year the President proposed no funding for this program, but the Congress provided $18.75 million for forestry incentives. This stop-and-go policy is very damaging to an important program. The President's budget should reflect the desires of Congress and of the Nation's forest industry.

The individual forest landowner is starting to have second thoughts about the commitment of the Federal Government to carry through on a program approved time and again by the Congress. I agree with their concern when they see what appears to be indifference on the part of the administration to the future requirements for timber in this country. The requirements for wood and wood products are growing by leaps and bounds. Timber is a source of energy as well as a source of products—from homes to paper—required by a growing economy. We can add significantly to the timber supply through programs such as forestry incentives.

I have today forwarded a letter to the Director of the Office of Management

and Budget designate, Mr. Bert Lance, asking his support for this program which will benefit the entire Nation, provide badly needed jobs, and result in the continued production of an essential commodity.

The text of my letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 6, 1967.

Hon. THOMAS BERT LANCE,
Carter-Mondale Transition Planning Group, Washington, D.C.

DEAR MR. LANCE: The Forestry Incentives Program, one of the most successful forestry programs in existence, is in peril unless at least $25 million is included in the Fiscal Year 1978 budget for its continuation.

The Forestry Incentives Program was enacted by the Congress more than three years ago and since that time the Congress has had to fight to keep it alive. Budget after budget has proposed zero funding. Even when funds were provided at the insistence of Congress, the Administration delayed release of the funds, thus limiting the effectiveness of the program.

This program is designed to assist the private, non-industry forest landowner in planting seedlings and in management of his lands. It is worth noting that about 60 percent of all land dedicated to the production of timber is in private hands. Of this large percentage, it is estimated that 198,801,000 acres is eligible for assistance under the Forestry Incentives Program. The United States cannot afford to have such a high percentage of its timber-producing land ignored by the federal government. It need not be. Congress has expressed its concern repeatedly by providing authority and funding. The first year of the program saw all available funds—$14.4 million—applied for within six months by 20,000 forest owners who wanted to plant or improve 400,000 acres of forest land.

Forests provide jobs. Forests provide us all with an essential commodity. We should not allow a substantial acreage to be ineffectively utilized. It would be a serious mistake to rely on state and federal holdings and industrial interests alone to meet the nation's timber demands.

If nothing else, we should have gained insight into the policy of American non-production of critical commodities by reviewing the history of our dependence on foreign oil. We can grow trees sufficient to meet all our requirements if only we will plant them and care for them.

The Forestry Incentives Program will help to meet our future timber requirements, but we must begin now to demonstrate effective backing for forestry incentives so that private forest landowners will know they can depend on needed assistance for planting and stand improvement.

I urge your support for the inclusion of at least $25 million in the FY1978 budget for this program, and I pledge my full support for the Forestry Incentives Program.

With best wishes, I am

Sincerely,

BOB SIKES.

NATIONAL HEALTH CARE ACT OF 1977

(Mr. BURLESON of Texas asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURLESON of Texas. Mr. Speaker, better health care is an objective all Americans share. It is a goal that we can attain now if we enlist all our resources, private and public, in a meaningful and workable partnership to frame solutions that are both realistic and effective.

In these days of grave and unsettling economic conditions, it is easy to delay or postpone solutions to problems that confront our society. Solution of our economic problems is the Nation's No. 1 priority. This is no time to enact a program of nationalized compulsory health insurance that would greatly increase Federal health care costs and place an excessive new strain on the Federal budget.

However, these realities do not mean that the Nation's health care problems need to be placed on the back burner in this Congress. I believe there is a workable solution that we in Congress can frame to bring our citizens better health care without the burden of excessive new taxes or federalization of our national health care system. That program is contained in a bill I introduced January 4, 1977—the National Health Care Act of 1977. I commend this legislation to my colleagues' thoughtful attention.

Mr. Speaker, I believe this legislation offers us the most effective, efficient and economical way to improve health care and extend its availability to all Americans. My bill would build on the present health delivery and insurance system with improved Federal standards and guidelines. It would not only improve protection for all Americans, but it would also help control the cost of health care. This bill would achieve these goals without destroying the present health care system which has served our Nation well. It would not create a burdensome and expensive Federal bureaucracy and it would not impose unconscionably higher taxes on our already overtaxed citizenry. It is time to improve our present health delivery and insurance system, not destroy it.

The National Health Care Act addresses the most complex problems—rising medical costs, lack of ambulatory health facilities, inadequate cost and quality controls, diffused leadership patterns, fear of catastrophic illness, and uneven benefit levels. It does so by the most efficient, least expensive methods, while blending the expertise and strengths of the major elements of the private sector with the unique capacities of Federal and State governments.

The National Health Care Act has important advantages over any Government-administered and financed program. For one thing, it would cost far less in Federal taxes and divert far fewer tax dollars from other high-priority social needs. I note, for comparison, that the Health Security Act, which was proposed in the last session of Congress, would require an increase in new Federal tax dollars of $130 billion by 1980, according to a cost study done for HEW in September 1976. The Nation cannot afford such a new expenditure. The legislation which I am introducing today would not create these excessive new taxes.

My bill would preserve freedom of choice for the consumer and encourage experimentation and innovation in the delivery of health care by avoiding any tampering with the workable procedures in the present system. It would thus not lead to the development of an inflexible health care system.

In addition, Mr. Speaker, the approach in this proposal will work to reduce the costs of present health care under medicare, medicaid, and other programs. In the long run it promises better health care for all people at lesser costs.

The National Health Care Act is realistic. It does not squander tax dollars but puts them only where they have to be spent. It phases in comprehensive benefits so that medical costs will not be pressured to new and higher levels. It balances a need for greater benefits for the poor and for those who are uninsurable with a realistic use of public funds.

The National Health Care Act uses the present tax system to encourage compliance with Federal health benefit standards. It uses private insurers for what they can do best—provide the marketing, actuarial, claims, and service know-how. It uses Government for what it can do best—to set standards and to provide for orderly improvement in the system.

Mr. Speaker, no health bill is more at the midpoint of desirable political compromise than my bill. No bill is more responsive to the essentiality of balancing fiscal restraint and social need.

The National Health Care Act contains several major provisions. First, it establishes cost and quality controls. All payments for health care under federally supported programs would be tied to prevailing fees and to peer review of those professional services that fall outside of professionally established guidelines, assuring appropriateness of treatment, quality of care, and reasonableness of physician fees.

The act would also help contain costs by encouraging comprehensive ambulatory health care centers, which are less costly than in-hospital care. This encouragement comes through the awarding of grants and loans for the construction and modernization of these centers.

This legislation sets minimum standards for health insurance policies. There are three types of plans: Those purchased by employers and employees, those purchased by individuals, and those offered through a State plan. Minimum standards for all these plans are the same and they would be phased in over a period of time. There would be a broad range of benefits for everyone regardless of income or physical condition.

Medical costs for the expenses of a catastrophic illness are fully covered. There is a limit of $1,000 on total copayment and deductible charges per family in any benefit year. This is adjusted downward according to ability to pay under the State plans.

The unemployed would be covered. These individuals would be covered for at least 2 months after they have been laid off. If they are still without income after that period, they would be enrolled in a State plan with the same minimum benefits that are established for employer-employee plans.

The poor and the near poor would be

enrolled in a State health care plan, which would be subsidized by State and Federal Government and managed by private insurance carriers. The risk for solvent individuals who are uninsurable solely for health reasons would be borne entirely by the health insurance industry.

The National Health Care Act is the one approach that provides for orderly, yet determined change with minimum dislocation and distortion and a maximum redirection of the system's proven vitality and talent. I invite my colleagues in the House to join me in sponsoring this bill and working for its enactment.

There follows a summary of the National Health Care Act of 1977:

THE NATIONAL HEALTH CARE ACT OF 1977

The National Health Care Act has five Titles.

Title I contains Findings and Declaration of Purpose.

Title II contains provisions to strengthen the health planning and health resource development process. It provides, among other things, for the establishment of health data consortiums, strengthens certificate-of-need programs, provides funds for the closing of surplus health facilities, and increased funding for health systems agencies.

Title III contains provisions to encourage comprehensive ambulatory health care centers. This encouragement comes through the awarding of grants and loans for the construction and modernization of ambulatory health care centers, which concentrate on ambulatory services and which meet certain other criteria. It also provides for the training of personnel for comprehensive ambulatory health care centers and professional standards review organizations.

Title IV establishes a Health Policy Board in the executive branch. The board will be made up of three members, appointed by the President with the advice and consent of the Senate. The board will be authorized to employ such staff as necessary to carry out its functions. Among those functions is the preparation for an annual health report of the President. The Title outlines the additional functions of the board as well as the issues to be examined in the President's report.

Title V. Provisions to make comprehensive health care insurance available to all. This title outlines a plan for the delivery of comprehensive health care insurance.

The bill sets minimum standards to be met by health insurance policies and provides incentives for compliance with these standards. There are three types of plans: those purchased by Employers and Employees, those purchased by individuals, and those offered through a State plan. Minimum standards for all these plans are the same and are phased in in two stages as follows:

PHASE I—1979

1. Unlimited hospital in and out-patient services for physical care.

2. All professional services for the diagnosis or treatment of injuries, illnesses or conditions other than dental and mental, by or at the direction of a physician.

3. The first 20 out-patient mental health visits.

4. 90 days hospitalization for mental conditions.

5. Drugs and contraceptive devices that require a prescription.

6. 180 days of skilled nursing care.

7. 270 days of home health care.

8. Use of radium or radioactive materials, oxygen, anesthetics, prostheses, and medical equipment.

9. Oral surgery on impacted teeth, and for a tooth root.

10. Diagnostic X-rays and laboratory tests performed other than while an inpatient in a hospital or skilled nursing facility.

11. Well child care, including immunizations for children under age five.

12. One oral examination per year, including prophylaxis, dental X-rays, topical application of fluoride and insertion of space maintainers, by a dentist or, at his direction, a dental hygienist, for children under age thirteen.

13. One eye refraction per year for children under age 13.

14. One pre-natal examination by a physician during each trimester of a pregnancy.

PHASE II—1987

15. Dental care for fillings and extractions.

16. Other dental services and prostheses, except orthodontia.

17. Services of a Physical Therapist.

18. Services of a Speech Therapist.

19. One eye refraction every three years.

20. Eye glasses, one per year for under 19, one every three years for over 19.

21. One hearing exam every three years.

22. Hearing aids, one per three years under 19, one per lifetime for over 19.

23. One physical every 5 years for individuals 5 years old or older.

24. Counseling on family planning and fitting of contraceptive device.

25. One PAP smear every 2 years for women 19 and over.

LIMITATION ON DEDUCTIBLES AND CO-PAYMENTS

The maximum allowable deductible is $100 and the maximum co-payment is 20 percent with the exception of items 3 and 16 in which the maximum is 50 percent.

To encourage out-patient treatment and diagnosis, a separate hospital deductible equal to the hospital's first day room and board charge is allowed.

Conversely, no co-payments or deductibles are allowed with regard to out-patient diagnostic x-rays and tests, well child care, oral and vision exams for children, and pre-natal care. A qualified plan must pay 100 percent of these benefits.

There is a limit of $1,000 on total co-payment and deductible charges per family in any benefit year. All these payments (deductible, co-payment, and total) are adjusted according to ability to pay under the state plan.

QUALIFIED EMPLOYEE HEALTH CARE PLANS

This plan would be purchased by the employer for the employees and their families. The maximum allowable employee contribution would be 50 percent of the cost of the plan, with a special income related limit on contributions by low income employees.

Provided that the plant at least met minimum standards, it would be deemed a Qualified Employee Plan (QEP), and the employee's share, if any, would be an allowable tax deduction.

Any employer whose health benefit plan does not meet the minimum standards in 1979 would lose 50 percent of his allowable income tax deduction attributable to his plan. After 1980 his deduction would be totally eliminated unless the minimum standards were met.

Further the plan must include the following:

Provisions to continue coverage of an employee who is laid off or terminated to the end of the second calendar month following the calendar month in which employment terminated. At the end of that period, the individual could be enrolled in the State plan, thus providing continuing health care coverage while unemployed.

Provisions to continue coverage of the dependents of an employee who dies to the end of the second calendar month following the calendar month in which death occurred.

Provisions to continue coverage a minimum of 30 months for an employee absent due to illness or injury.

Provisions to allow dependent children to be covered beyond the child's 19th birthday.

Provisions must be allowed for continuity of coverage during employment changes.

QUALIFIED INDIVIDUAL HEALTH CARE PLANS

A 100 percent income tax deduction would be allowed on any plan purchased by an individual from a third party carrier or health maintenance organization which meets the minimum standards. This would take effect upon passage of the Act which changes the current IRS deduction provision.

STATE HEALTH CARE PLANS FOR POOR AND NEAR POOR

Benefits: In order to be a qualified plan, the Qualified State Health Care Plan would have to provide exactly the same benefits as the Qualified Employee Health Care Plan and the Qualified Individual Health Care Plan. Deductibles and co-payments would be restricted and scaled to income.

Eligibility: Any individual or family (1) on welfare or (2) who has income of less than $5,000 as an individual, $7,500 as a family of two, or $10,000 as a family of three or more and is not eligible to join a qualified employee plan is eligible to join the State plan on a subsidized basis. The poor would pay no premium; others would pay a partial premium scaled to income. Laid-off employees who meet the income test for two consecutive months would also be eligible.

Administration: The plan would be administered by an administering carrier designated by the State and approved by the Secretary of HEW. The premium rates for the plan would be set by the carrier and reviewed by the State Insurance Commissioner and the Chief Actuary of the Social Security Administration.

Funding: The plan would be financed by the State, less the partial premiums paid by the insureds. The State, in return for having a qualified plan, would be reimbursed by the Federal government for from 70 to 90 percent of its cost, depending on the income level of the state. After July 1, 1979, no state would be reimbursed under Medicaid for any service included in health care benefits.

Cost Control: All payments for health care under Federally-supported programs would be tied to prevailing fees and to peer review of those professional services that fall outside of professionally established guidelines, assuring appropriateness of treatment, quality of care, and reasonableness of physician fees. Review and approval would come from an appropriate health services review organization or, in its absence, by the organizations administering Federal programs.

Benefits could be assigned physicians only if the physician agrees to accept assignments all of the time for all of his patients. Such physicians would be known as Particiapting Physicians, and their names would be made known to the public.

Payment to hospitals or other health care institutions under Federal programs would be subject to approval by a State Healthcare Institutions Cost Commission appointed by the Governor. All such institutions would be required to:

A. Have an active review committee to check appropriateness and quality of services.

B. Utilize a standard system of accounts and cost finding.

C. Use "prospective approved charges" for all patients. Such a system would involve review and approval in advance by the State Commission of the proposed charges, assuring charges reasonably related to the cost of effectively providing necessary services.

BENEFITS FOR THE PREVIOUSLY UNINSURABLE

The risk for those previously uninsurable for health reasons would be borne entirely by the health insurance industry.

HEALTH CARE PROGRAM COST

A cost study done for HEW by Gordon Trapnell Associates in September 1976 estimates that passage of the National Health Care Act would result in increased Federal expenditures of $7.7 billion by 1980.

CONGRESSIONAL PAY RAISE DEFERRAL ACT

(Mr. PEASE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEASE. Mr. Speaker, on Tuesday, January 4, I was one of the four original sponsors of the Congressional Pay Raise Deferral Act. I am therefore pleased to note that Mr. WHALEN today reintroduced that legislation with 21 new cosponsors.

Of course, we expect many more Members to join us in supporting this important legislation—indeed, the bill attracted 85 cosponsors in the last Congress. However, I do think that you can get some measure of the breadth of support by looking at the fact that in just 2 days this proposal has already been sponsored by 25 Members who represent a complete ideological and geographic cross-section of the Congress.

In the very near future we will be circulating a "Dear Colleague" letter on this legislation, and I hope that many more Members will take that opportunity to join us as cosponsors of the Congressional Pay Raise Deferral Act.

RANKING MINORITY MEMBER IS CORRECT IN HIS OPPOSITION TO CHAIRMAN'S STATEMENT

(Mr. FRENZEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, earlier the House was addressed by the distinguished gentleman from Pennsylvania (Mr. DENT) who was in the past several Congresses, the chairman of the Elections Subcommittee of the House Administration Committee. Immediately following, the distinguished gentleman from California (Mr. WIGGINS) who has been the ranking minority member of the Elections Subcommittee, expressed his opposition to the Dent statement and noted, correctly, that the individual opinion of a Member of Congress is of interest, but it does not necessarily represent a judgment of this body or any of its committees.

I should like to add my own personal judgment that, despite attempts by individual Members of Congress to give their statements some special standing by inserting them in the CONGRESSIONAL RECORD, such statements are always interesting, sometimes informative, and occasionally correct. But, they have neither the force of law, nor any special standing whatsoever.

While the only way we can write law in this body is to pass bills, all of us can express opinions. My own is that the gentleman from California is correct in his opposition to the statement of the gentleman from Pennsylvania.

States do have jurisdiction in these matters. The Roudebush case cited by the gentleman from California is a recent and vivid example. So are the cases of our colleague from Louisiana, Mr. MOORE, and our ex-colleague from New Hampshire, Mr. Wyman.

The House may exercise its ultimate jurisdiction later, but there is no question that the Texas court has its own jurisdiction in the Gammage-Paul case.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EMERY) and to revise and extend their remarks and include extraneous matter:)

Mr. BAUMAN, for 15 minutes, today.
Mr. STEIGER, for 15 minutes, today.
Mr. HANSEN, for 60 minutes, on Tuesday, January 11.
Mr. PRITCHARD, for 5 minutes, today.

(The following Members (at the request of Mr. CAVANAUGH) to revise and extend their remarks and include extraneous matter:)

Mr. REUSS, for 30 minutes, today.
Mr. ST GERMAIN, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. KASTENMEIER, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. MAHON, for 5 minutes, today.
Mr. JONES of North Carolina, for 5 minutes, today.
Mr. DAN DANIEL, for 60 minutes, on January 11.
Mr. KOCH, for 60 minutes, on January 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CORMAN, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,645.50.

(The following Members (at the request of Mr. EMERY), and to include extraneous material:)

Mr. COLLINS of Texas, in five instances.
Mr. COHEN in three instances.
Mr. RUPPE.
Mr. WIGGINS.
Mr. HORTON.
Mr. DERWINSKI in three instances.
Mr. MCCLORY in two instances.
Mr. RUDD in five instances.
Mr. HANSEN in four instances.
Mr. GILMAN.
Mr. MICHEL.
Mr. BOB WILSON.
Mr. ASHBROOK in two instances.

(The following Members (at the request of Mr. CAVANAUGH), and to include extraneous material:)

Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. KOCH in three instances.
Mr. DE LA GARZA in 10 instances.
Mr. ALEXANDER in 10 instances.
Mr. ROSENTHAL in 10 instances.
Ms. HOLTZMAN in 10 instances.
Mr. OTTINGER.
Mr. BLANCHARD.
Mr. BRINKLEY.
Mr. CONYERS in five instances.
Mr. JONES of North Carolina.
Mr. WAXMAN in two instances.
Mr. MIKVA in two instances.
Mr. MCDONALD in three instances.

ADJOURNMENT

Mr. CAVANAUGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 51 minutes p.m.) under its previous order, the House adjourned until Monday, January 10, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[*Omitted from the Record of January 4, 1977*]

347. A letter from the Secretary of Transportation, transmitting the fifth annual report on the regulation of vessels carrying certain cargoes in bulk, pursuant to section 203 of the Ports and Waterways Safety Act of 1972; to the Committee on Merchant Marine and Fisheries.

348. A letter from the director, National Legislative Commission, The American Legion, transmitting the proceedings of the 58th annual national convention of The American Legion, the annual report, and the financial statement and independent audit of the organization (H. Doc. No. 95–30); to the Committee on Veterans' Affairs and ordered to be printed with illustrations.

349. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting the fifth report on abnormal occurrences at licensed nuclear facilities, covering the period April–June 1976, pursuant to section 208 of Public Law 93–438; jointly, to the Committee on Interior and Insular Affairs, and Interstate and Foreign Commerce.

350. A letter from the Under Secretary of Health, Education, and Welfare, transmitting the second annual report and analysis of the findings of medicare validation sample surveys of hospitals accredited by the Joint Commission on Accreditation of Hospitals, pursuant to section 1875(b) of the Social Security Act; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

351. A letter from the Comptroller General of the United States, transmitting his review of the proposed rescissions and revised deferral of budget authority contained in the message from the President dated September 22, 1976 (House Document No. 94–620), pursuant to section 1014(b) and (c) of Public Law 93–344 (H. Doc. No. 95–31); to the Committee on Appropriations and ordered to be printed.

352. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the Federal Communications Commission's financial disclosure system; jointly, to the Com-

mittees on Government Operations, the Judiciary, and Post Office and Civil Service.

353. A letter from the Comptroller General of the United States, transmitting a report on an evaluation of the status of the Fast Flux Test Facility, Energy Research and Development Administration; jointly, to the Committees on Government Operations, and Science and Technology.

[*Submitted January 6, 1977*]

354. A letter from the Secretary of the Treasury, transmitting the fifth annual report of the Emergency Loan Guarantee Board, covering the period August 1, 1975, through September 30, 1976, pursuant to section 12 of Public Law 92–70; to the Committee on Banking, Finance and Urban Affairs.

355. A letter from the Secretary of the Treasury, transmitting a report on the state of the United States coinage; to the Committee on Banking, Finance and Urban Affairs.

356. A letter from the Attorney General, transmitting notice of three proposed new systems of records for the Department of Justice, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

357. A letter from the Chairman, Federal Power Commission, transmitting notice of the Commission's intention to adopt new or intended uses of information in certain of its existing records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

358. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed license for the export of major defense equipment sold commercially (Transmittal No. MC–19–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

359. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed license for the export of major defense equipment sold commercially (Transmittal No. MC–20–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

360. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed license for the export of defense articles or services sold commercially (Transmittal No. MC–22–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

361. A letter from the General Counsel, Federal Energy Administration, transmitting notice of a meeting related to the International Energy Program; to the Committee on Interstate and Foreign Commerce.

362. A letter from the Chairman, Federal Power Commission, transmitting a report on the requirements of the Federal Power Act and the Natural Gas Act which require, permit or induce the inefficient use of energy, pursuant to section 382(a)(3) of Public Law 94–163; to the Committee on Interstate and Foreign Commerce.

363. A letter from the Clerk, U.S. Court of Claims, transmitting a report on all judgments rendered by the Court of Claims during the year ended September 30, 1976, pursuant to 28 U.S.C. 791(c); to the Committee on the Judiciary.

364. A letter from the national executive director, American Veterans of World War II, Korea and Vietnam, transmitting the audit report of AMVETS for the year ended August 31, 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

365. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 2000 M Street, N.W., Washington, D.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

366. A letter from the Comptroller General of the United States, transmitting a report on problems in supporting weapons systems produced by other countries; jointly, to the Committees on Government Operations, and Armed Services.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[*Introduced Jan. 4, 1977*]

By Mr. ABDNOR:

H.R. 122. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 123. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 124. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ABDNOR (for himself and Mr. PRESSLER):

H.R. 125. A bill to amend the act entitled "An Act authorizing the Secretary of the Interior to arrange with States or territories for the education, medical attention, relief of distress, and social welfare of Indians, and for other purposes", approved April 16, 1934 (48 Stat. 596; 25 U.S.C. 452 et seq.); to the Committee on Education and Labor.

By Mr. AMBRO:

H.R. 126. A bill to amend the Housing and Community Development Act of 1974 with regard to the definition of the term "city" as it is used in that act; to the Committee on Banking, Finance and Urban Affairs.

H.R. 127. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for expenses paid by a taxpayer in connection with his education or the education of his spouse or any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

H.R. 128. A bill to amend the Internal Revenue Code of 1954 to allow individuals who have attained age 65 a nonrefundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. ANDREWS of North Carolina:

H.R. 129. A bill to amend the Budget and Accounting Act, 1921, to emphasize the fact that the President's annual budget is a proposal or recommendation only, requiring action by the Congress (with or without modification) for its effectuation, and to require that Federal agencies make this fact clear in all of their budgetary statements and publications; to the Committee on Government Operations.

By Mr. DINGELL:

H.R. 130. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; and to prevent deterioration of competition in gasoline marketing; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Carolina:

H.R. 131. A bill to grant a Federal charter to the National Humanities Center; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.R. 132. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 with respect to the terms of office of officers of local labor organizations; to the Committee on Education and Labor.

H.R. 133. A bill to amend the act of March 2, 1931, to provide that certain proceedings of the Italian American War Veterans of the United States, Inc., shall be printed as a House document, and for other purposes; to the Committee on House Administration.

H.R. 134. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

H.R. 135. A bill to amend the Immigration and Nationality Act to facilitate the entry of foreign tourists into the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 136. A bill to grant a Federal charter to the Italian American War Veterans of the United States; to the Committee on the Judiciary.

H.R. 137. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 138. A bill to amend chapter 59 of title 38, United States Code, to provide for the recognition of representatives of the Italian American War Veterans of the United States, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 139. A bill to increase for a 5-year period the duty on certain hand tools, and for other purposes; to the Committee on Ways and Means.

H.R. 140. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 141. A bill to amend the Internal Revenue Code of 1954 to allow a deduction, for income tax purposes, based on expenses incurred by the taxpayer for the higher education of his children; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 142. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 143. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GRASSLEY:

H.R. 144. A bill to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or grave national emergency declared by the Congress, and to provide for systematic reduction of the public debt; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 145. A bill restricting funds used to aid India; to the Committee on International Relations.

H.R. 146. A bill to prohibit Soviet energy investments; to the Committee on International Relations.

H.R. 147. A bill to reduce payments to the

United Nations and its affiliated agencies; to the Committee on International Relations.

H.R. 148. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

H.R. 149. A bill to protect the safety and welfare of American workers by providing for a uniform system of identification for all receptacles containing compressed gas; to the Committee on Interstate and Foreign Commerce.

H.R. 150. A bill to expand the medical freedom of choice of consumers by amending the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under that act solely to assure their safety; to the Committee on Interstate and Foreign Commerce.

H.R. 151. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering service in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 152. A bill to amend the Internal Security Act of 1950 to control and penalize terrorists, and for other purposes; to the Committee on the Judiciary.

H.R. 153. A bill to extinguish Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed, or sex; to the Committee on the Judiciary.

H.R. 154. A bill to limit the jurisdiction of the Supreme Court of the United States and of the district courts to enter any judgment, decree, or order, denying or restricting, as unconstitutional, voluntary prayer in any public school; to the Committee on the Judiciary.

H.R. 155. A bill to amend section 4 of the Internal Security Act of 1950; to the Committee on the Judiciary.

H.R. 156. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 157. A bill to amend chapter 44 of title 18, United States Code, to exempt ammunition from Federal regulations under the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 158. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purposes; to the Committee on the Judiciary.

H.R. 159. A bill to provide additional penalties for the use of firearms or destructive devices in the commission of certain crimes of violence; to the Committee on the Judiciary.

H.R. 160. A bill to amend the Marine Mammal Protection Act of 1972 to deny aid, credit, loans, or loan guarantees to nations under certain circumstances; to the Committee on Merchant Marine and Fisheries.

H.R. 161. A bill to provide that certain criminal penalties imposed as a result of the failure of an individual to answer to questions submitted in connection with a census or survey conducted under title 13, United States Code, shall not be applicable to any census taken under section 142 of such title; to the Committee on Post Office and Civil Service.

H.R. 162. A bill to remove certain criminal penalties imposed as a result of the failure of an individual to answer questions submitted in connection with a census or survey conducted under title 13, United States Code; to the Committee on Post Office and Civil Service.

H.R. 163. A bill to guarantee that every employee of the Federal Government shall have the right to refrain from union activity; to the Committee on Post Office and Civil Service.

H.R. 164. A bill to require that estimates of the average cost for each taxpaying family be included in all bills and resolutions of a public character introduced and reported in the Senate and the House of Representatives; to the Committee on Rules.

H.R. 165. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit for tuition expenses of the taxpayer or his spouse or a dependent at an institution of higher education, and an additional credit for gifts or contributions made to any institution of higher education; to the Committee on Ways and Means.

H.R. 166. A bill to amend title II of the Social Security Act to increase to $5,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 167. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pension, or other retirement benefits; to the Committee on Ways and Means.

H.R. 168. A bill to amend the Internal Revenue Code of 1954 to allow certain individuals a deduction for the expenses of operating a motor vehicle to transport their children to public school; to the Committee on Ways and Means.

H.R. 169. A bill to amend the Tariff Act of 1930 in regard to iron pipe fittings; to the Committee on Ways and Means.

H.R. 170. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 171. A bill entitled the "Economic Recovery and Sustained Growth Act of 1977"; jointly, to the Committee on Ways and Means, Rules, Banking, Finance and Urban Affairs, and Education and Labor.

By Mr. BAFALIS:

H.R. 172. A bill to amend section 5(a) of the Wild and Scenic Rivers Act by designating the Loxahatchee River in Florida as a potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

H.R. 173. A bill to amend section 5(a) of the Wild and Scenic Rivers Act by designating the Myakka River in Florida as a potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.R. 174. A bill to amend title 10, United States Code, to regulate the discharge of members of the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 175. A bill to amend the Strategic and Critical Materials Stock Piling Act, and for other purposes; to the Committee on Armed Services.

H.R. 176. A bill to permit the National Park Service to accept privately donated funds and to expend such funds on property on the National Register of Historic Places; to the Committee on Interior and Insular Affairs.

H.R. 177. A bill to amend the Federal Aviation Act of 1958 to require regulations prohibiting air carriers from dispensing alcoholic beverages and tobacco without charge to passengers aboard air carrier aircraft; to the Committee on Public Works and Transportation.

H.R. 178. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 179. A bill to amend title II of the Social Security Act to remove the earnings limitation and to permit benefit payments to a widower, parent, or child despite his or her marriage if such marriage is annulled; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 180. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out school security plans to reduce crime against children, employees, and facilities of their schools, to provide for the reporting of crimes committed in schools, and for other purposes; to the Committee on Education and Labor.

H.R. 181. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

H.R. 182. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide assistance to prevent police layoffs caused by budgetary problems; to the Committee on the Judiciary.

H.R. 183. A bill to amend section 924 of title 18 to increase the penalties for certain offenses relating to firearms, and to provide mandatory minimum penalties in certain circumstances; to the Committee on the Judiciary.

H.R. 184. A bill to simplify the tonnage measurement of certain vessels; to the Committee on Merchant Marine and Fisheries.

H.R. 185. A bill to amend section 2632 of title 10, United States Code, to provide the Secretary of the department in which the Coast Guard is operating with the authority to transport Coast Guard employees to and from certain places of employment; to the Committee on Merchant Marine and Fisheries.

H.R. 186. A bill to implement the Convention on the International Regulations for Preventing Collisions at Sea, 1972; to the Committee on Merchant Marine and Fisheries.

H.R. 187. A bill to revise and improve the laws relating to the documentation of vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 188. A bill to amend the Intervention on the High Seas Act to implement the Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by Substances Other Than Oil, 1973; to the Committee on Merchant Marine and Fisheries.

H.R. 189. A bill to amend the Federal Boat Safety Act of 1971 in order to provide for an annual "National Safe Boating Week", and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 190. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

H.R. 191. A bill to amend title II of the Social Security Act to reduce from 60 to 45 the age at which a woman otherwise qualified may become entitled to widow's insurance benefits; to the Committee on Ways and Means.

H.R. 192. A bill to amend title IV of the Social Security Act to eliminate the present 10-percent limitation on the propor-

tion of the total number of recipients of aid to families with dependent children in any State who may receive such aid in the form of restricted or protective payments; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 193. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees, and facilities of their schools; to the Committee on Education and Labor.

H.R. 194. A bill to make requirements with respect to the disclosure of marital status the same for men and women in matters relating to voting qualifications in Federal elections; to the Committee on House Administration.

H.R. 195. A bill to designate a segment of the Delaware River flowing between the State of New York and the State of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 196. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of tear gas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 197. A bill to amend the Immigration and Nationality Act, to make it unlawful to knowingly hire an alien not lawfully admitted into the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 198. A bill for the relief of certain residents of Northern Ireland; to the Committee on the Judiciary.

H.R. 199. A bill to amend the Urban Mass Transportation Act of 1964 to insure that transportation facilities built and rolling stock purchased with Federal funds are designed and constructed to be accessible to the physically handicapped and the elderly; to the Committee on Public Works and Transportation.

H.R. 200. A bill to provide for judicial review of administrative determinations made by the Board of Veterans' Appeals; to the Committee on Veterans' Affairs.

H.R. 201. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 202. A bill to amend the Internal Revenue Code of 1954 to provide, in the case of an individual, a credit (not to exceed $200) or a deduction (not to exceed $800) for public transit fare expenditures incurred in traveling to and from work; and in the case of a handicapped individual unable to use public transportation, a credit (not to exceed $750) or a deduction (not to exceed $3,000) for reasonable transportation expenses incurred in traveling to and from work; to the Committee on Ways and Means.

H.R. 203. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 204. A bill to provide for the monthly publication of a Consumer Price Index for the Elderly which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 205. A bill to facilitate the economic adjustment of communities, industries, and workers who may be substantially and seriously affected by reductions in defense contracts and facilities which are undertaken to realine defense expenditures with changed national security requirements and to prevent the ensuing dislocations from contributing to or exacerbating recessionary effects on the aforementioned groups; jointly, to the Committees on Banking, Finance and Urban Affairs, Armed Services, Education and Labor, Government Operations, and Ways and Means.

H.R. 206. A bill to provide that all petroleum imported into the United States after September 1, 1977 shall not be available for purchase other than by the Government of the United States; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. BOLAND:

H.R. 207. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns, and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 208. A bill to increase for a 5-year period the duty on certain hand tools, and for other purposes; to the Committee on Ways and Means.

H.R. 209. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. BRINKLEY:

H.R. 210. A bill to establish the Federal Housing Administration as an independent Federal agency and to provide a statutory basis for the administration by such agency of standard risk programs under the National Housing Act; to the Committee on Banking, Finance and Urban Affairs.

H.R. 211. A bill to amend the Public Health Service Act to improve the national cancer program and to authorize increased appropriations for such program for the next 4 fiscal years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 212. A bill to provide that the park referred to as the East Lake Park located within the West Point Lake project on the Chattahoochee River, Ga., shall hereafter be known and designated as the "R. Shaefer Heard Park"; to the Committee on Public Works and Transportation.

H.R. 213. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 214. A bill to require a subpena or other judicial order prior to the inspection of bank, credit or telephone toll records by an officer, employee, or agent of the United States, to regulate the use of mail covers, and to regulate the interception of wire or oral communications by communications common carriers, and for other purposes; jointly to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. WHALEN:

H.R. 215. A bill to protect citizens' privacy rights, establishing guidelines for access to third party records, regulating the use of mail covers, liimting telephone service monitoring, and protecting nonaural wire communications; jointly to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. BRINKLEY:

H.R. 216. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. BRINKLEY (for himself, Mr. FLYNT, Mr. MATHIS, Mr. GINN, Mr. YOUNG of Georgia, Mr. LEVITAS, Mr. MCDONALD, Mr. BARNARD, Mr. EVANS of Georgia, and Mr. JENKINS):

H.R. 217. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. BRINKLEY (for himself, Mr. FLYNT, Mr. MATHIS, Mr. GINN, Mr. YOUNG of Georgia, Mr. LEVITAS, Mr. MCDONALD, Mr. BARNARD, Mr. EVANS of Georgia, and Mr. JENKINS):

H.R. 218. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

H.R. 219. A bill to designate the new general medical and surgical Veterans' Administration hospital to be located adjacent to the Medical College of Georgia in Augusta, Ga., as the "Robert G. Stephens, Jr., Veterans' Administration Hospital"; to the Committee on Veterans' Affairs.

By Mr. BRINKLEY (for himself, Mr. NICHOLS, and Mr. DANIELSON):

H.R. 220. A bill to provide for the establishment within the National Cemetery System of the Fort Mitchell Regional Veterans' Cemetery in Russell County, Ala.; to the Committee on Veterans' Affairs.

By Mr. BRODHEAD:

H.R. 221. A bill to amend the Clean Air Act to provide a postponement of certain motor vehicle emission standards through model year 1979; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAPPELL:

H.R. 222. A bill to amend title 10, United States Code, to provide a new Assistant Secretary of Defense for Reserve Affairs and to change the existing position of Assistant Secretary of Defense for Manpower and Reserve Affairs to Assistant Secretary of Defense for Manpower; to the Committee on Armed Services.

H.R. 223. A bill to amend the Export-Import Bank Act of 1945 to authorize the President to suspend credit for exports to certain countries; to the Committee on Banking, Finance and Urban Affairs.

H.R. 224. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

H.R. 225. A bill to provide Federal assistance to States to enable them to provide day care services for children from needy families where the parents are working, training, or incapable of self-support; to the Committee on Education and Labor.

H.R. 226. A bill to amend the Freedom of Information Act to exempt naval nuclear propulsion information from disclosure in the absence of a finding that such disclosure will not be inimical to the interests of the United States; to the Committee on Government Operations.

H.R. 227. A bill to provide for a study of a certain segment of the Oklawaha River for potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

H.R. 228. A bill to amend title XVIII of the Social Security Act to provide for the administrative and judicial review of claims (involving the amount of benefits payable) which arise under the supplementary medical insurance program; to the Committee on Interstate and Foreign Commerce.

H.R. 229. A bill to amend title XIX of the Social Security Act to impose certain requirements relating to the discharge or transfer of medicaid patients from skilled nursing or intermediate care facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 230. A bill to authorize the Attorney General to exchange criminal record information with certain State and local agencies; to the Committee on the Judiciary.

H.R. 231. A bill to establish an Antitrust Revision Commission; to the Committee on the Judiciary.

H.R. 232 A bill to assist in combating crime by reducing the incidence of recidivism, providing improved Federal, State, and local correctional facilities and services,

strengthening control over probationers, parolees, and persons found not guilty by reason of insanity, and for other purposes; to the Committee on the Judiciary.

H.R. 233. A bill to authorize the Secretary of the Interior to classify and inventory wetland resources, to measure wetlands degradation, to evaluate the environmental contribution of natural wetlands, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 234. A bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor; to the Committee on Post Office and Civil Service.

H.R. 235. A bill to amend the Act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works and Transportation.

H.R. 236. A bill to establish the Mineral Conservation Research and Development Commission within the National Science Foundation, and to provide for the inventory of major nonfuel raw materials and the development of substitute materials; to the Committee on Science and Technology.

H.R. 237. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

H.R. 238. A bill to provide for a Veterans' Administration hospital in the Halifax area of Volusia County, Fla.; to the Committee on Veterans' Affairs.

H.R. 239. A bill to provide for the establishment of a national cemetery in Florida; to the Committee on Veterans' Affairs.

H.R. 240. A bill to amend title 38 of the United States Code so as to treat certain expeditionary campaigns as periods of war for the purposes of such title; to the Committee on Veterans' Affairs.

H.R. 241. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period which is presently a prerequisite of eligibility for disability insurance benefits or the disability freeze; to the Committee on Ways and Means.

By Mr. CHAPPELL (for himself, Mr. LOTT, and Mr. ROBINSON):

H.R. 242. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 243. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 244. A bill to amend the Clean Air Act and to the Federal Water Pollution Control Act to provide that compliance orders shall include cost-benefit analyses; jointly to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

H.R. 245. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; jointly, to the Committees on the Judiciary, Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. CHAPPELL (for himself, Mr. BEVILL, and Mr. MOORHEAD of California):

H.R. 246. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois:

H.R. 247. A bill to amend the Truth in Lending Act to require lenders to post current interest rates charged for various categories of loans to consumers; to the Committee on Banking, Finance and Urban Affairs.

H.R. 248. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking, Finance and Urban Affairs

H.R. 249. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 250. A bill to amend the Elementary and Secondary Education Act of 1965 to preserve the eligibility of certain children for assistance through grade three, notwithstanding improvements in their reading aptitude; to the Committee on Education and Labor.

H.R. 251. A bill to provide that certain services under the Older Americans Act of 1965 be delivered by personnel trained in the field of aging and to encourage the development of training programs in the field of aging under the Higher Education Act of 1965; to the Committee on Education and Labor.

H.R. 252. A bill to make it an unfair practice for any retailer to increase the price of certain consumer commodities once he marks the price on any such consumer commodity, and to permit the Federal Trade Commission to order any such retailer to refund any amounts of money obtained by so increasing the price of such consumer commodity; to the Committee on Interstate and Foreign Commerce.

H.R. 253. A bill to amend title 5, United States Code, to require certain Federal agencies to provide to certain employees notice of procedures through which such employees may challenge actions taken against them by such agencies; to the Committee on Post Office and Civil Service.

H.R. 254. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption for certain elderly individuals whose spouses have died; to the Committee on Ways and Means.

H.R. 255. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou test for the diagnosis of uterine cancer; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CONTE:

H.R. 256. A bill to establish a bureau of agricultural statistics for the purpose of monitoring the changes in prices which occur in the price of agricultural commodities from the time they are sold by the farmer until the time when the consumer purchases such commodities or products thereof, and for the purpose of making recommendations to the Congress with respect to correcting situations in which the retail price of an agricultural commodity, or product thereof, rises while the price received by the farmer for the same commodity decreases; to the Committee on Agriculture.

H.R. 257. A bill to authorize the disposal of silver from the national stockpile; to the Committee on Armed Services.

H.R. 258. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 259. A bill to prohibit State and local law from permitting construction which interferes with sunlight necessary for solar heating and cooling equipment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 260. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

H.R. 261. A bill to amend the Higher Education Act of 1965 to require the Commissioner of Education to make payments of interest for eligible students within thirty days of receipt of a proper voucher, and for other purposes; to the Committee on Education and Labor.

H.R. 262. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems; to the Committee on Education and Labor.

H.R. 263. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

H.R. 264. A bill to prohibit discriminatory employment practices with respect to physically handicapped persons; to the Committee on Education and Labor.

H.R. 265. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

H.R. 266. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit or combination of units of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor, and for other purposes; to the Committee on Education and Labor.

H.R. 267. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes; to the Committee on Education and Labor.

H.R. 268. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

H.R. 269. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 270. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the St. John River in Maine as a potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

H.R. 271. A bill to amend the National Trails System Act to authorize a feasibility study for the establishment of certain bicycle trails; to the Committee on Interior and Insular Affairs.

H.R. 272. A bill to direct the President to halt all exports of gasoline, distillate fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States; to the Committee on International Relations.

H.R. 273. A bill to amend the Interstate Commerce Act to provide assistance in rebuilding the Nation's railroad rights-of-way, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 274. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to prevent deterioration of competition in gasoline retailing; and to encourage conservation by requiring that infor-

mation regarding the octane rating of automotive gasoline be disclosed to consumers; to the Committee on Interstate and Foreign Commerce.

H.R. 275. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 276. A bill to give consumers the right of choice over automotive parts and service for their vehicles and to prevent a monopoly in the sale of aftermarket parts and service, amend the Clean Air Act to provide that the manufacturer's performance warranty with respect to the motor vehicle emission system shall be for 12,000 miles or 12 months, whichever first occurs; to the Committee on Interstate and Foreign Affairs.

H.R. 277. A bill to amend the Public Health Service Act to promote the health and welfare of children in need of adoption by facilitating their placement, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 278. A bill to provide for accelerated research and development in the care and treatment of autistic children, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 279. A bill to amend the Public Health Service Act to provide assistance for the planning and development of schools of veterinary medicine; to the Committee on Interstate and Foreign Commerce.

H.R. 280. A bill to improve existing tertiary eye centers, to examine the delivery of eye care to the general public, and to study the feasibility of implementing a system of tertiary eye care centers throughout the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 281. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 282. A bill to amend title XVIII of the Social Security Act to provide for the administrative and judicial review of claims (involving the amount of benefits payable) which arise under the supplementary medical insurance program; to the Committee on Interstate and Foreign Commerce.

H.R. 283. A bill to amend section 204 of the War Claims Act of 1948 to permit adjudication of the claims of additional persons for certain World War II losses, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 284. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

H.R. 285. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, and XIV of amendments to the U.S. Constitution; to the Committee on the Judiciary.

H.R. 286. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

H.R. 287. A bill to amend title 5 of the United States Code in order to extend cost-of-living increases in benefits under chapter 81 of such title (relating to compensation for work injuries) to certain widows, children, and parents of members of the military reserves; to the Committee on Post Office and Civil Services.

H.R. 288. A bill to amend title 5, United States Code to provide that law enforcement service performed while in the Coast Guard shall be included in determining whether an individual qualifies for immediate retirement as a law enforcement officer or firefighter under section 8336 (c) of such title; to the Committee on Post Office and Civil Service.

H.R. 289. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 290. A bill to amend the Local Public Works Capital Development and Investment Act of 1976 to change the priority the Secretary of Commerce gives to certain factors for purposes of approving applications submitted pursuant to the act, and to increase the authorization; to the Committee on Public Works and Transportation.

H.R. 291. A bill to create a Joint Committee on Intelligence Operations; to the Committee on Rules.

H.R. 292. A bill to direct the Administrator of Energy Research and Development to establish a system of research and development of energy-conserving industrial technologies with due regard for the need to operate such a system in a manner which will stimulate depressed sectors of the American economy; to the Committee on Science and Technology.

H.R. 293. A bill to amend title 38 of the United States Code to promote the care and treatment of veterans in State veterans' homes; to the Committee on Veterans' Affairs.

H.R. 294. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 295. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 296. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 297. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

H.R. 298. A bill to amend section 167 of the Internal Revenue Code of 1954 to encourage landlords to meet minimal housing standards by disallowing the depreciation deduction to a landlord who has been convicted of violating a housing code; to the Committee on Ways and Means.

H.R. 299. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

H.R. 300. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to housing senior citizens in the principal residence of the taxpayer; to the Committee on Ways and Means.

H.R. 301. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the first $5,000 of interest received on certain savings deposits in the case of individuals over 65 years of age; to the Committee on Ways and Means.

H.R. 302. A bill to provide an income tax credit for savings for the payment of post-secondary educational expenses; to the Committee on Ways and Means.

H.R. 303. A bill to provide for the conservation of energy by amending the Internal Revenue Code of 1954 to allow a refundable tax credit for certain building insulation and heating improvements; to the Committee on Ways and Means.

H.R. 304. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the modification of certain facilities and vehicles so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

H.R. 305. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

H.R. 306. A bill to amend the Internal Revenue Code of 1954 to require the establishment of formal procedures and criteria for the selection of individual income tax returns for audit, to inform individuals of the reasons why their returns were selected for audit, and for other purposes; to the Committee on Ways and Means.

H.R. 307. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 308. A bill to amend title II of the Social Security Act to provide that any individual may qualify for disability insurance benefits and the disability freeze if he has 20 quarters of coverage (and meets the other conditions of eligibility therefor), regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 309. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 310. A bill to amend title II of the Social Security Act to provide for the entitlement of disabled widows and widowers to unreduced widow's and widower's insurance benefits without regard to age; to the Committee on Ways and Means.

H.R. 311. A bill to amend title XVIII of the Social Security Act to provide that the periodic adjustments made in the inpatient hospital deductible shall hereafter reflect increases in social security cash benefits rather than increases in the cost of inpatient hospital services; to the Committee on Ways and Means.

H.R. 312. A bill to amend the Mineral Leasing Act of 1920 and the Trans-Alaska Pipeline Authorization Act to require the development of a plan to assure the equitable allocation of available crude oil and petroleum products, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and International Relations.

H.R. 313. A bill to amend the Small Business Act, as amended, and the Concessions Policy Act of 1965, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Small Business.

By Mr. THOMPSON (for himself and Mr. CORMAN):

H.R. 314. A bill to amend the Service Contract Act of 1965 to extend its coverage to professional employees; to the Committee on Education and Labor.

By Mr. CONTE:

H.R. 315. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities, jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 316. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORNELL:

H.R. 317. A bill to amend the Internal Revenue Code of 1954, the Social Security Act, and other laws to provide effective welfare reform by replacing public assistance and food stamps with a system of allowances and refundable credits, and for other purposes; to the Committee on Ways and Means.

By Mr. ROBERT W. DANIEL, JR.:

H.R. 318. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 319. A bill to amend the Housing Act of 1949 to provide that certain places within standard metropolitan statistical areas be considered rural areas for purposes of title V of that act; to the Committee on Banking, Finance and Urban Affairs.

H.R. 320. A bill to authorize the Secretary of the Interior to establish the Palo Alto Battlefield National Historic Site in the State of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 321. A bill to authorize the Secretary of the Interior to establish the Resaca de la Palma Battlefield National Historic Site in the State of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 322. A bill to require the submission, prior to publication in the Federal Register, to the appropriate committees of the Congress, of all regulations proposed to be promulgated by Federal departments and agencies; to the Committee on the Judiciary.

H.R. 323. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 324. A bill to prohibit the relocation of the Border Patrol Academy maintained by the U.S. Immigration and Naturalization Service at Los Fresnos, Tex., to the Federal Law Enforcement Training Center at Glynco, Ga.; to the Committee on the Judiciary.

H.R. 325. A bill to amend the Tariff Schedules of the United States to raise the value limit for personal articles which may be imported duty free by returning residents, and for other purposes; to the Committee on Ways and Means.

Mr. DELANEY:

H.R. 326. A bill to amend the Export Administration Act of 1969 to provide for the regulation of the export of agricultural commodities; to the Committee on International Relations.

H.R. 327. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients; to the Committee on Interstate and Foreign Commerce.

H.R. 328. A bill to prohibit the expenditure of Federal funds by the Secretary of Health, Education, and Welfare to promote the fluoridation of public water supplies; to the Committee on Interstate and Foreign Commerce.

H.R. 329. A bill to amend the Federal Food, Drug, and Cosmetic Act to ban the usage of diethylstilbestrol (DES) as a growth stimulant; to the Committee on Interstate and Foreign Commerce.

H.R. 330. A bill to prohibit the use of appropriated funds to carry out or assist research on living human fetuses; to the Committee on Interstate and Foreign Commerce.

H.R. 331. A bill to eliminate racketeering in the sale and distribution of cigarettes and to assist State and local governments in the enforcement of cigarette taxes; to the Committee on the Judiciary.

H.R. 332. A bill to amend title 18 of the United States Code to make it a Federal crime to carry out any research activity on a human fetus or to intentionally take any action to kill or hasten the death of a human fetus in any federally supported facility or activity; to the Committee on the Judiciary.

H.R. 333. A bill to amend title II of the Social Security Act to increase to $5,000 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 334. A bill to amend the Internal Revenue Code of 1954 to increase for taxable years beginning after December 31, 1978, the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

H.R. 335. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 336. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 337. A bill to amend titles IV, XI, and XIX of the Social Security Act to increase the Federal matching rate for purposes of reimbursement to States under the programs of aid to needy families with children and medical assistance; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. DELLUMS:

H.R. 338. A bill to amend title 10, United States Code, to provide for identification of positions in the Department of Defense which can be filled by civilian employees and to prohibit assignment of active-duty military personnel to such positions unless such personnel meet the civilian qualifications for such positions, and for other purposes; to the Committee on Armed Services.

H.R. 339. A bill to require educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers; to the Committee on Education and Labor.

H.R. 340. A bill to provide the protection of the safety and health standards under the Occupational Safety and Health Act of 1970 for individuals participating in athletic contests between secondary schools or between institutions of higher education; to the Committee on Education and Labor.

H.R. 341. A bill to establish minimum prison and parole standards in the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 342. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 343. A bill to establish the office of Assistant Secretary of Defense for Equal Opportunity, and for other purposes; to the Committee on Armed Services.

H.R. 344. A bill to amend the Civil Rights Act of 1964 to eliminate employment discrimination on the basis of military discharge status; to the Committee on Education and Labor.

H.R. 345. A bill to amend the Age Discrimination in Employment Act of 1967 to extend the protection of that act to employees of States and their political subdivisions; to the Committee on Education and Labor.

H.R. 346. A bill to amend the Budget and Accounting Act of 1921 to provide for investigations and expenditures analyses of the use of public funds; to the Committee on Government Operations.

H.R. 347. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements; jointly to the Committees on International Relations, and Rules.

H.R. 348. A bill to provide for the receipt of testimony and information from executive agencies and bodies; to the Committee on the Judiciary.

H.R. 349. A bill to exonerate and to provide for a general and unconditional amnesty for certain persons who have violated or are alleged to have violated laws in the course of protest against the involvement of the United States in Indochina, and for other purposes; to the Committee on the Judiciary.

H.R. 350. A bill to prevent lawless and irresponsible use of firearms, by requiring national registration of firearms, by establishing minimum standards for licensing possession of firearms, and to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns; to the Committee on the Judiciary.

By Mr. DEVINE:

H.R. 351. A bill to establish national policies to promote the adoption of Government programs which can be expected to provide the greatest net public benefit and to prevent Government programs from having unreasonable public costs, to establish a system requiring regulatory cost benefit assessments to be prepared for any proposed legislation or regulation which may have a significant economic impact, and for other purposes; to the Committee on Government Operations.

By Mr. DUNCAN of Oregon:

H.R. 352. A bill to amend section 19 of the National Labor Relations Act to provide that all employees covered by that act who are members of a bona fide religion which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or so support any such organization as a condition of employment; to the Committee on Education and Labor.

By Mr. DUNCAN of Oregon (for himself, Mr. ROE, Mr. SEIBERLING, Mr. SIMON, Mr. SLACK, Ms. SPELLMAN, Mr. ULLMAN, Mr. VAN DEERLIN, Mr. VENTO, Mr. WEAVER, Mr. CHARLES WILSON of Texas, Mr. WHITLEY, Mr. WINN, and Mr. WOLFF):

H.R. 353. A bill to establish a conservation corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

By Mr. DUNCAN of Oregon (for himself, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. BROWN of California, Mr. CARNEY, Mr. DINGELL, Mr. EILBERG, Ms. FENWICK, Mr. GILMAN, Mr. HUGHES, Mr. JOHNSON of California, Mr. KOCH, Mr. LAGOMARSINO, Mr. LEGGETT, Mr. MCCORMACK, Mr. MCKAY, Mr. MAZZOLI, Mr. MEEDS, Mrs. MEYNER, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. OTTINGER, Mr. PRITCHARD, and Mr. ROBERTS):

H.R. 354. A bill to establish a conservation corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

By Mr. DUNCAN of Oregon (for himself, Mr. PRITCHARD, Mr. FOLEY, Mr. BONKER, Mr. MCCORMACK, Mr. MEEDS, Mr. ULLMAN, Mr. WEAVER, Mr. AUCOIN, Mr. SYMMS, and Mr. HANSEN):

H.R. 355. A bill to amend the Colorado River Basin Project Act to extend the period during which the Secretary of the Interior shall not undertake reconnaissance studies of any plan for the importation of water into the Colorado River Basin; to the Committee on Interior and Insular Affairs.

By Mr. EILBERG:

H.R. 356. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 357. A bill to amend chapter 83 of title 5, United States Code, to authorize the

retirement of employees after 30 years of service; to the Committee on Post Office and Civil Service.

H.R. 358. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

H.R. 359. A bill to amend the Internal Revenue Code of 1954 to remove the dollar limitation on the exclusion for certain disability payments and to allow such exclusion in the case of public safety officers who are partially disabled as the result of injuries sustained in the line of duty; to the Committee on Ways and Means.

H.R. 360. A bill to amend the Internal Revenue Code of 1954 to remove the dollar limitation on the exclusion for certain disability payments; to the Committee on Ways and Means.

H.R. 361. A bill to amend the Internal Revenue Code of 1954 to eliminate the withholding of tax from proceeds from wagers placed in State lotteries; to the Committee on Ways and Means.

By Mr. EILBERG (for himself and Mr. BIAGGI):

H.R. 362. A bill to amend the Ports and Waterways Safety Act of 1972 to provide for the award of grants to port authorities in the United States to enable such authorities to protect public ports and land areas adjacent to such ports from fires and other accidents or casualties occurring in such ports, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. EILBERG (for himself and Mr. DE LUGO):

H.R. 363. A bill to establish a Select Commission on Territorial Immigration Policy; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 364. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

By Mr. FRENZEL:

H.R. 365. A bill to provide for the issuance of $2 bills bearing the portrait of Susan B. Anthony; to the Committee on Banking, Finance and Urban Affairs.

H.R. 366. A bill to require the Secretary of the Interior to compile and keep current a mineral fuel reserves inventory; to the Committee on Interior and Insular Affairs.

H.R. 367. A bill to declare Lake Minnetonka, Minn., as a nonnavigable water body of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 368. A bill to amend the Immigration and Nationality Act to permit adoption of more than two children; to the Committee on the Judiciary.

H.R. 369. A bill to authorize the Secretary of the Army to determine that certain waters are not being used for commercial navigation; to the Committee on Public Works and Transportation.

H.R. 370. A bill to establish a Joint Committee on Intelligence Oversight; to the Committee on Rules.

By Mr. GOLDWATER:

H.R. 371. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 372. A bill to establish an independent Federal Aviation Agency, and for other purposes; to the Committee on Public Works and Transportation

H.R. 373. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 374. A bill to amend the Airport and Airway Development Act of 1970 to make privately owned public use airports eligible for funding under the act; to the Committee on Public Works and Transportation.

H.R. 375. A bill to amend the Internal Revenue Code of 1954 to allow a deduction of intangible drilling and development costs in the case of geothermal resources; to the Committee on Ways and Means.

H.R. 376. A bill to amend the Internal Revenue Code of 1954 in order to encourage small corporate employers to establish retirement pension plans for their employees and to provide worthwhile benefits for them under such plans; to the Committee on Ways and Means.

H.R. 377. A bill to amend the Internal Revenue Code of 1954 to allow a deduction with respect to the exhaustion of geothermal steam and geothermal resources; to the Committee on Ways and Means.

H.R. 378. A bill to amend the Internal Revenue Code of 1954 to allow a deduction with respect to the exhaustion of geothermal steam and geothermal resources; to the Committee on Ways and Means.

H.R. 379. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator with the consent of the farmer, and other purposes; to the Committee on Ways and Means.

By Mr. GOLDWATER (for himself and Mr. LAGOMARSINO):

H.R. 380. A bill to provide for the establishment of the Santa Monica Urban Park in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 381. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. HANSEN (for himself and Mr. MOORHEAD of California):

H.R. 382. A bill to provide tax relief to persons whose property was destroyed or damaged as a result of the collapse of the Teton Dam; to the Committee on Ways and Means.

By Mr. HARRIS (for himself, Mr. ALLEN, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. JOHN L. BURTON, Ms. CHISHOLM, Mr. COUGHLIN, Mr. DELLUMS, Mr. DRINAN, Mr. FASCELL, Ms. HOLT, Ms. HOLTZMAN, Mr. KASTENMEIER, Mr. LAFALCE, Mr. PATTEN, Mr. RANGEL, Mr. TSONGAS, Mr. WAXMAN, and Mr. YOUNG of Georgia):

H.R. 383. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit on houses or apartments for a portion of the real estate taxes paid or incurred by their landlords; to the Committee on Ways and Means.

By Mr. HILLIS:

H.R. 384. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 385. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions, to lower certain age limits from 21 years to 18, and to eliminate recordkeeping provisions with respect to ammunition; to the Committee on the Judiciary.

H.R. 386. A bill to amend title 38 of the United States Code in order to authorize the Administrator of Veterans' Affairs to make scholarship grants to individuals attending medical schools on the condition that such individuals will serve in Veterans' Administration facilities for a certain period of time upon completion of professional training, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. HOLT:

H.R. 387. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

H.R. 388. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 389. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 390. A bill to provide a remedy for sex discrimination by the insurance business with respect to the availability and scope of insurance coverage for women; to the Committee on Interstate and Foreign Commerce.

H.R. 391. A bill to limit the jurisdiction of the Supreme Court of the United States and of the district courts to enter any judgment, decree, or order, denying or restricting, as unconstitutional, voluntary prayer in any public school; to the Committeee on the Judiciary.

H.R. 392. A bill to amend title IV of the Civil Rights Act of 1964 to prohibit federally ordered assignment of teachers or students on racial and other similar grounds; to the Committee on the Judiciary.

H.R. 393. A bill to amend title 5, United States Code, to reduce from 60 to 55 the age after which the remarriage of a surviving spouse will not cause the loss of such spouse's civil service survivors annuity, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 394. A bill to repeal section 3108 of title 5, United States Code, which prohibits the employment by the United States and the District of Columbia of individuals employed by detective agencies; to the Committee on Post Office and Civil Service.

H.R. 395. A bill to amend chapter 10 of title 36, United States Code, to define the "Star-Spangled Banner," and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 396. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of certain increases in monthly social security or railroad retirement benefits; to the Committee on Veterans' Affairs.

H.R. 397. A bill to amend title 38 of the United States Code so as to entitle veterans of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

H.R. 398. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses paid by him for the education of any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

H.R. 399. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

H.R. 400. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in banks and certain other savings institutions; to the Committee on Ways and Means.

H.R. 401. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

H.R. 402. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mrs. HOLT (for herself, Mr. MARTIN, and Mr. MOORHEAD of California):

H.R. 403. A bill to amend the Congressional Budget Act of 1974 to establish in the Congress a zero-base budgeting process, with full congressional review of each Federal program at least once every 6 years; to the Committee on Rules.

By Ms. HOLTZMAN:

H.R. 404. A bill to provide a remedy for sex discrimination by the insurance business with respect to the availability and scope of insurance coverage for women; to the Committee on Interstate and Foreign Commerce.

H.R. 405. A bill to amend the Clean Air Act to prohibit the use of tolls on New York City bridges for purposes of the applicable air quality implementation plan; to the Committee on Interstate and Foreign Commerce.

H.R. 406. A bill to amend titles 18 and 28 of the United States Code to provide that an individual appearing before certain grand juries can be imprisoned for contempt for no more than 6 months and for other purposes; to the Committee on the Judiciary.

H.R. 407. A bill to amend title VI of the Civil Rights Act of 1964 to prohibit sex discrimination in programs and activities receving Federal financal assistance; to the Committee on the Judiciary.

H.R. 408. A bill to amend the Federal Rules of Evidence to protect the privacy of rape victims and for other purposes; to the Committee on the Judiciary.

H.R. 409. A bill to amend section 101(b) of the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 410. A bill to amend the Immigration and Nationality Act to exclude from admission into and to deport from the United States all aliens who persecuted others on the basis of religion, race, national origin, or political opinion; to the Committee on the Judiciary.

H.R. 411. A bill to restore citizenship to persons who renounced or otherwise lost American nationality because of opposition to American military action in Indochina, and for other purposes; to the Committee on the Judiciary.

H.R. 412. A bill to amend the Immigration and Nationality Act to exclude from admission into and to deport from the United States all aliens who persecuted others on the basis of religion, race, or national origin under the direction of the Nazi government of Germany; to the Committee on the Judiciary.

H.R. 413. A bill to amend the Urban Mass Transportation Act of 1964 to require public hearings before any increase in fares and for other purposes; to the Committee on Public Works and Transportation.

H.R. 414. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 415. A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid to families with dependent children, and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or assistance reduced because of post-1974 increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 416. A bill to amend title II of the Social Security Act to provide that an individual may simultaneously receive (without any reduction or offset) both an old-age or disability insurance benefit and a widow's or widower's insurance benefit; to the Committee on Ways and Means.

H.R. 417. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

Ms. HOLTZMAN (for herself, Mr. RODINO, and Mr. ROSENTHAL):

H.R. 418. A bill to amend title 18 of the United States Code to prohibit certain forms of economic coercion based on religion, race, national origin, sex, or certain other factors; to the Committee on the Judiciary.

Mr. HORTON:

H.R. 419. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 420. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories and possessions, to include privately owned property; to the Committee on Public Works and Transportation.

By Mr. HORTON (for himself and Mr. STEED):

H.R. 421. A bill to amend the Tariff Act of 1930 and the Tariff Schedules of the United States to reduce the burden of paperwork involved in the customs entry process for travelers and goods entering the United States; to the Committee on Ways and Means.

By Mr. HUGHES:

H.R. 422. A bill to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation; to the Committee on Ways and Means.

H.R. 423. A bill to amend the Tariff Schedules of the United States by repealing item 807 of schedule 8, part 1, subpart B; to the Committee on Ways and Means.

By Mr. KAZEN:

H.R. 424. A bill to authorize the establishment of the San Antonio Missions National Historical Park in the State of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KELLY:

H.R. 425. A bill to establish the death penalty for the commission of certain Federal offenses, and for other purposes; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 426. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. KEMP (for himself) Mr. ABDNOR, Mr. ARMSTRONG, Mr. BAUMAN, Mr. BROYHILL, Mr. LOTT, Mr. MARTIN, Mr. MOORHEAD of California, Mr. JOHN T. MYERS, and Mr. SYMMS):

H.R. 427. A bill to provide for permanent tax reductions for individuals and businesses in order to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. KETCHUM:

H.R. 428. A bill to amend the Voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 429. A bill to provide Federal grants to be awarded by the Commissioner of Education for the purpose of paying operating expenses of public libraries, in amounts which match the amount of certain private contributions; to the Committee on Education and Labor.

H.R. 430. A bill to amend the Civil Rights Act of 1964 to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for an employer to request that an employee or an applicant for employment provide military discharge papers or other service-connected records; to the Committee on Education and Labor.

H.R. 431. A bill to amend the Public Health Service Act to provide for the protection of the public health from unnecessary medical exposure to ionizing radiation; to the Committee on Interstate and Foreign Commerce.

H.R. 432. A bill to amend certain provisions of the Controlled Substances Act relating to marihuana; to the Committee on Interstate and Foreign Commerce.

H.R. 433. A bill to restrict the disclosure of information in the possession of telephone companies or telegraph companies concerning members of the news media; to the Committee on Interstate and Foreign Commerce.

H.R. 434. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of the polygraph for certain purposes; to the Committee on the Judiciary.

H.R. 435. A bill to amend the Internal Revenue Code of 1954 to increase to $1,500 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

H.R. 436. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

H.R. 437. A bill to amend the Internal Revenue Code of 1954 to disallow the business expense tax deduction for first-class air and rail travel in excess of the coach fare for such travel and for other expenses; to the Committee on Ways and Means.

H.R. 438. A bill to amend the Internal Revenue Code of 1954 to provide that the 4-percent excise tax on the net investment income of a private foundation shall not apply to a private foundation organized and operated exclusively as a library, museum, or similar educational institution; to the Committee on Ways and Means.

H.R. 439. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit for certain contributions of literary, musical or artistic compositions; to the Committee on Ways and Means.

H.R. 440. A bill to amend the Internal Revenue Code of 1954 to provide that landlords using an accrual method of accounting may not deduct real property taxes on their rental property until such taxes are paid; to the Committee on Ways and Means.

H.R. 441. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for tenants of houses or apartments for their proportionate share of the real property taxes and interest paid or incurred by their landlords; to the Committee on Ways and Means.

H.R. 442. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record; to the Committee on Ways and Means.

H.R. 443. A bill to amend part B of title IV of the Social Security Act to provide, as the primary form in which services are to be furnished under the child-welfare services program, for supportive day treatment and in-home services to children and families; to the Committee on Ways and Means.

H.R. 444. A bill to amend title XVI of the Social Security Act to provide that support and maintenance (in cash or kind) furnished to an eligible individual by members of his or her immediate family shall be disregarded (and shall not serve to reduce his or her supplemental security income benefits) to the extent that it does not exceed $200 a month; to the Committee on Ways and Means.

H.R. 445. A bill to establish a commission to study the results of racial integration of public schools, the use of busing to achieve racial integration of the public schools, and other questions relating to the quality of public schools; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. KOCH (for himself, Mr. PATTISON of New York, Mr. AMBRO, Mr. BINGHAM, Mr. HOWARD, Mr. BRODHEAD, Mr. DELLUMS, Mr. DOWNEY, Mr. DRINAN, Mr. EDGAR, Mr. HANLEY, Mr. HUGHES, Ms. KEYS, and Mr. MAZZOLI):

H.R. 446. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

By Mr. KOCH (for himself, Mr. PATTISON of New York, Mrs. MEYNER, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. PEPPER, Mr. RICHMOND, Mr. RODINO, Mr. ROSENTHAL, Mr. SOLARZ, Mr. WAXMAN, Mr. CHARLES WILSON of Texas, Mr. WIRTH, and Mr. WOLFF):

H.R. 447. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

By Mr. KOCH (for himself and Mr. BIAGGI):

H.R. 448. A bill to amend the Rehabilitation Act of 1973, and for other purposes; to the Committee on Education and Labor.

By Mr. KOCH (for himself and Mr. ZEFERETTI):

H.R. 449. A bill to amend the Fair Labor Standards Act of 1938 to require that the operation of a schoolbus be treated under that act as oppressive child labor for employees under the age of 18; to the Committee on Education and Labor.

By Mr. KOCH (for himself, Mr. HARRINGTON, Mrs. MEYNER, Mr. ROSENTHAL, and Mr. WOLFF):

H.R. 450. A bill to eliminate maintenance of internal security as a purpose for which foreign military sales may be made and military assistance may be furnished; to the Committee on International Relations.

By Mr. KOCH (for himself, Mr. BINGHAM, Mr. JOHN L. BURTON, Mr. DELLUMS, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. MCCLOSKEY, Mr. MILLER of California, Mr. STUDDS, and Mr. WEISS:

H.R. 451. A bill to prohibit discrimination on the basis of affectional or sexual preference, and for other purposes; to the Committee on the Judiciary.

By Mr. KOCH (for himself and Mr. PEPPER):

H.R. 452. A bill to amend the Social Security Act to improve the survey and certification process, ratesetting and fiscal audit methods, and general regulation of nursing homes and intermediate care facilities under the medicaid program, and to provide for medical, psychological, and social assessment of long-term care patients under both the medicare and medicaid programs; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. PEPPER):

H.R. 453. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, and to eliminate the requirement that an individual need skilled nursing care in order to qualify for such services, to amend part A of such title to liberalize the coverage of posthospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. LAGOMARSINO:

H.R. 454. A bill to require the payment of interest by Federal agencies on overdue contract payments, to amend the Office of Federal Procurement Policy Act, and for other purposes; to the Committee on Government Operations.

H.R. 455. A bill to amend title 39, United States Code, to provide for the mailing of correspondence to Members of the Congress free of postage, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 456. A bill to amend the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative and Judicial Salaries; to the Committee on Post Office and Civil Service.

H.R. 457. A bill to require that the President suspend air transportation rights of any foreign nation which assists air terrorists, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 458. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

H.R. 459. A bill to amend the Internal Revenue Code of 1954 to allow individuals who have attained age 65 a nonrefundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

H.R. 460. A bill to establish a method whereby the Congress (acting in accordance with specified procedures) may prevent the adoption by the executive branch of rules or regulations which are contrary to law or inconsistent with congressional intent or which go beyond the mandate of the legislation which they are designed to implement; jointly, to the Committees on the Judiciary and Rules.

By Mr. LE FANTE:

H.R. 461. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically disabled because of such disability; to the Committee on Education and Labor.

By Mr. LEHMAN:

H.R. 462. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

H.R. 463. A bill to authorize equalization of the retired pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

H.R. 464. A bill to amend the National Housing Act to prohibit Federal Housing Administration insurance of blanket mortgages on condominium projects, and Federal National Mortgage Association purchases of conventional condominium mortgages, where the developer retains or will retain a leasehold interest in the common areas and facilities of the project involved; to the Committee on Banking, Finance and Urban Affairs.

H.R. 465. A bill to amend the Age Discrimination in Employment Act of 1967 to increase coverage under that act, and for other purposes; to the Committee on Education and Labor.

H.R. 466. A bill to amend the Older Americans Act of 1965 to provide nutrition programs for handicapped dependents of older Americans; to the Committee on Education and Labor.

H.R. 467. A bill to amend the Federal Reports Act, and for other purposes; to the Committee on Government Operations.

H.R. 468. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to the Committee on Interstate and Foreign Commerce.

H.R. 469. A bill to reform residential electric utility rates; to the Committee on Interstate and Foreign Commerce.

H.R. 470. A bill to amend title 18, United States Code, so as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

H.R. 471. A bill to discourage the use of painful devices in the trapping of animals and birds; to the Committee on Merchant Marine and Fisheries.

H.R. 472. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

H.R. 473. A bill to amend the Federal Water Pollution Control Act to increase the penalties for discharging oil and hazardous substances; to the Committee on Public Works and Transportation.

H.R. 474. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 475. A bill to provide for a national cemetery in the area of Broward County or Dade County, Fla., to the Committee on Veterans' Affairs.

H.R. 476. A bill to amend title 38, United States Code, to eliminate the time period in which a veteran has to use his educational benefits and to extend the months of eligibility from 36 to 45 months; to the Committee on Veterans' Affairs.

H.R. 477. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

H.R. 478. A bill to amend the Internal Revenue Code of 1954 to require that charitable

organizations which solicit contributions from the public pay out at least half of their gross revenues in charitable activities, and for other purposes; to the Committee on Ways and Means.

H.R. 479. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 480. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 481. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 482. A bill to amend title II of the Social Security Act to provide that an insured individual otherwise qualified may retire and receive full old-age insurance benefits, at any time after attaining age 60, if he has been forced to retire at that age by a Federal law, regulation, or order; to the Committee on Ways and Means.

H.R. 483. A bill to amend the Tariff Schedules of the United States; to the Committee on Ways and Means.

H.R. 484. A bill to amend title 18, United States Code, and title 23, District of Columbia Code, to grant to courts power to deny pretrial release to persons charged with the commission of certain crimes of violence; jointly, to the Committee on the Judiciary, and the District of Columbia.

H.R. 485. A bill to amend the Small Business Act to establish within the Small Business Administration a new direct low-interest loan program to assist homeowners and builders in purchasing and installing solar energy equipment; jointly, to the Committees on Small Business, and Banking, Finance and Urban Affairs.

By Mr. LEHMAN (for himself and Mr. SIMON):

H.R. 486. A bill to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.R. 487. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient alternate uses, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 488. A bill to prohibit commercial flights by supersonic aircraft into or over the United States; to the Committee on Public Works and Transportation.

H.R. 489. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 490. A bill to provide a deduction for income tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled; to the Committee on Ways and Means.

H.R. 491. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 492. A bill to suspend until the close of January 3, 1979, the rate of duty on menadione dimethylpyrimidinol bisulphite (MPB); to the Committee on Ways and Means.

By Mr. LLOYD of California:

H.R. 493. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 494. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 495. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly, to the Committees on the Judiciary, and Rules.

By Mrs. LLOYD of Tennessee:

H.R. 496. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

H.R. 497. A bill to establish a Bureau of Agricultural Statistics for the purpose of monitoring the changes in prices which occur in the price of agricultural commodities from the time they are sold by the farmer until the time when the consumer purchases such commodities or products thereof, and for the purpose of making recommendations to the Congress with respect to correcting situations in which the retail price of an agricultural commodity, or product thereof, rises while the price received by the farmer for the same commodity decreases; to the Committee on Agriculture.

H.R. 498. A bill to foster and continue the family farm in the United States by providing young farmers with the necessary assistance to purchase family farm units, and for other purposes; to the Committee on Agriculture.

H.R. 499. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

H.R. 500. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

H.R. 501. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking, Finance and Urban Affairs.

H.R. 502. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 503. A bill to amend the National Labor Relations Act to make it an unfair labor practice to discharge an employee because he testifies before any committee of the Congress, and for other purposes; to the Committee on Education and Labor.

H.R. 504. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

H.R. 505. A bill to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant type universities in agriculturally developing nations; to the Committee on International Relations.

H.R. 506. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 507. A bill to authorize interest subsidy payments to assist nursing homes in repair and renovation in order to comply with Federal standards; to the Committee on Interstate and Foreign Commerce.

H.R. 508. A bill to amend title VI of the Public Health Service Act to provide for the making of direct loans for the construction and rehabilitation of nursing homes owned and operated by churches and other nonprofit organizations; to the Committee on Interstate and Foreign Commerce.

H.R. 509. A bill to provide 100 percent Federal funding of financial audits of facilities participating in medicare and medicaid conducted by State personnel; to the Commttee on Interstate and Foreign Commerce.

H.R. 510. A bill to amend title 19 of the Social Security Act to require States to establish ombudsman programs to investigate nursing home compliants and represent consumer interests; to the Committee on Interstate and Foreign Commerce.

H.R. 511. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 512. A bill to amend title VII of the Public Health Service Act to provide for the making of grants to appropriate colleges and universities to assist them in establishing graduate programs for nurses in geriatrics and gerontology; to the Committee on Interstate and Foreign Commerce.

H.R. 513. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 514. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of retail unit prices of consumer commodities, and for other purpses; to the Committee on Interstate and Foreign Commerce.

H.R. 515. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

H.R. 516. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 517. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

H.R. 518. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

H.R. 519. A bill to amend title 39, United

States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

H.R. 520. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; to the Committee on Public Works and Transportation.

H.R. 521. A bill to amend the Congressional Budget Act of 1974 to require full congressional review of each Federal program once every 2 years under zero-base budgeting procedures; to the Committee on Rules.

H.R. 522. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Technology.

H.R. 523. A bill to allow the States to use supplementary security income payments plus a State supplement of not less than $100 per resident per month to provide care for residents in nonmedical shelter care facilities; to the Committee on Ways and Means.

H.R. 524. A bill to provide for the modification of the medicare reimbursement formula to allow small hospitals in rural areas with low occupancy to provide long-term care but only in those areas where there are no appropriate nursing home beds available; to the Committee on Ways and Means.

H.R. 525. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

H.R. 526. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit or an income tax deduction for certain expenditures of a taxpayer relating to the thermal design of the residence of such taxpayer; to the Committee on Ways and Means.

H.R. 527. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate x inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 528. A bill to amend title II of the Social Security Act that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 529. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

H.R. 530. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

H.R. 531. A bill to extend from 1 year to 2 years the maximum period which may elapse between the sale of a residence and the purchase of another in order that gain from such sale will not be recognized for Federal income tax purposes; to the Committee on Ways and Means.

H.R. 532. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly, to the Committees on the Judiciary, and Rules.

H.R. 533. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 534. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, to amend part A of such title to liberalize the coverage of posthospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such a program for elderly persons who would otherwise require nursing home care, to require contibutions by adult children toward their parents' nursing and home health care expenses under the medicaid program, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 535. A bill to amend the Social Security Act to provide for a system of inspections of State inspection and enforcement mechanisms with regard to facilities receiving payments under titles XVIII and XIX; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 536. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 537. A bill to amend the Social Security Act to provide for placing responsibility for medical care provided by skilled nursing facilities under titles XVIII and XIX in a medical director; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 538. A bill to require admissions contracts between nursing homes participating in Federal programs and the patients they serve; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 539. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 540. A bill to amend titles 18 and 19 of the Social Security Act to require that only licensed personnel may set up or distribute medications in skilled nursing facilities; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 541. A bill to require physician visits to patients in skilled nursing facilities at least once every 30 days; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 542. A bill to require the immediate reporting of epidemic diseases or accidents in nursing homes participating in Federal programs; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 543. A bill to amend title XVIII of the Social Security Act to authorize the provision of intermediate care services under medicare, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 544. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. McCORMACK:

H.R. 545. A bill to provide for the alleviation of high ground-water conditions in and adjacent to the town of Moses Lake, Wash., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 546. A bill to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, dredging, or fills in or on certain navigable and other waters of the United States; to the Committee on Public Works and Transportation.

By Mr. MANN (for himself and Mr. MAZZOLI):

H.R. 547. A bill to amend title 23 of the District of Columbia Code with respect to the release or detention prior to trial of persons charged with certain violent or dangerous criminal offenses; to the Committee on District of Columbia.

By Mr. METCALFE:

H.R. 548. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, in any manner affecting interstate or foreign commerce, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

H.R. 549. A bill to amend section 1979 of the Revised Statutes (42 U.S.C. 1983) to permit suits agaist bodies politic and the District of Columbia with respect to certain violations of civil rights; to the Committee on the Judiciary.

H.R. 550. A bill to amend title 18 of the United States Code to establish an Office of the U.S. Correctional Ombudsman; to the Committee on the Judiciary.

H.R. 551. A bill to prohibit the discharging of fuel at sea, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries, Public Works and Transportation, International Relations, and Science and Technology.

H.R. 552. A bill to amend the International Code of 1954 to provide that the Federal Government will reimburse taxpayers who prevail in court actions under the internal revenue laws for their litigation expenses and to require the return of certain records or documents obtained by the Federal Government in tax cases; jointly to the Committees on Ways and Means, and the Judiciary.

By Mr. MILLER of Ohio:

H.R. 553. A bill to amend section 901(a) (relating to prohibition of sex discrimination) of the Education Amendments of 1972 to exempt sex segregated gymnastics classes from the prohibition of such section; to the Committee on Education and Labor.

H.R. 554. A bill to amend section 901(a) (relating to prohibition of sex discrimination) of the Education Amendments of 1972 to exempt from the prohibition of such section musical programs or activities, and programs or activities designed for parents and

students; to the Committee on Education and Labor.

By Mr. MINISH:

H.R. 555. A bill to provide national standards of protection for purchasers of dwelling units in condominium or planned unit developments, and for tenants of rental housing being converted to dwelling units in condominum developments; to the Committee on Banking, Finance and Urban Affairs.

H.R. 556. A bill to provide for the regular review of certain Federal agencies and for the abolition of such agencies after such review unless Congress specifically provides for their continued existence; to the Committee on Government Operations.

H.R. 557. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

H.R. 558. A bill to grant a Federal charter to the National Opportunity Camps; to the Committee on the Judiciary.

H.R. 559. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 560. A bill relating to collective bargaining representation of postal employees; to the Committee on Post Office and Civil Service.

H.R. 561. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 562. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 563. A bill to amend the Internal Revenue Code of 1954 to increase to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for dependents, and the additional exemptions for old age and blindness; to the Committee on Ways and Means.

H.R. 564. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 565. A bill to amend title II of the Social Security Act to permit a State, under its section 218 agreement, to terminate social security coverage for State or local policemen or firemen without affecting the coverage of other public employees who may be members of the same coverage group (and to permit the reinstatement of coverage for such other employees in certain cases where the group's coverage has previously been terminated); to the Committee on Ways and Means.

H.R. 566. A bill to amend section 218 of the Social Security Act to include New Jersey in the list of States which may establish a divided retirement system for purposes of providing social security coverage of State and local employees under Federal-State agreements; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland:

H.R. 567. A bill to amend the Small Business Act to expand assistance under such act to minority small business concerns, to provide statutory standards for contracting and subcontracting by the United States with respect to such concerns, and to create a Commission on Federal Assistance to Minority Enterprise, and for other purposes; jointly to the Committees on Small Business, Government Operations, and Banking, Finance and Urban Affairs.

By Mr. NATCHER:

H.R. 568. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 569. A bill to extend veteran benefits to persons serving in the Armed Forces between November 12, 1918, and July 2, 1921; to the Committee on Veterans' Affairs.

By Mr. NEAL:

H.R. 570. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mr. NICHOLS:

H.R. 571. A bill to amend section 1124(c) of title 10, United States Code, to remove the restriction that a member of the Armed Forces must be on active duty to be eligible for the payment of a cash award for a suggestion, invention, or scientific achievement; to the Committee on Armed Services.

H.R. 572. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 573. A bill to amend Public Law 874, 81st Congress, to provide that children of parents employed on Federal property who attend school in a State contiguous to the State in which such property is situated may be counted for purposes of determining the aid entitlement of the local educational agency having jurisdiction over such school, and for other purposes; to the Committee on Education and Labor.

H.R. 574. A bill to provide a pension for veterans of World War I and their widows; to the Committee on Veterans' Affairs.

H.R. 575. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 576. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H.R. 577. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. NICHOLS (for himself and Mr. DICKINSON):

H.R. 578. A bill to amend section 709 of title 32, United States Code, to allow civilian National Guard technicians to hold their positions and to be promoted without regard to their military grade in the National Guard; to the Committee on Armed Services.

By Mr. NOWAK:

H.R. 579. A bill to regulate interstate and foreign commerce in order to provide early warning of plant closings and relocations of those locally affected; to the Committee on Education and Labor.

H.R. 580. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

H.R. 581. A bill to amend the Internal Revenue Code of 1954 to encourage investments in certain economically depressed areas by providing an increased tax credit for investments in certain depreciable property used in such areas and by providing 10-year amortization of certain depreciable real property used in such areas; to the Committee on Ways and Means.

By Mr. OBERSTAR (for himself and Mr. AuCOIN):

H.R. 582. A bill to amend the Fish and Wildlife Coordination Act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PRICE (for himself and Mr. BOB WILSON):

H.R. 583. A bill to amend chapter 5 of title 37, United States Code, to extend the special pay provisions for reenlistment and enlistment bonuses; to the Committee on Armed Services.

By Mr. QUIE:

H.R. 584. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 585. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct certain expenses paid by him for special education furnished to a child or other minor dependent who is physically or mentally handicapped; to the Committee on Ways and Means.

H.R. 586. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled, and for other purposes; to the Committee on Ways and Means.

H.R. 587. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of certain expenditures for food and lodging primarily for medical care; to the Committee on Ways and Means.

H.R. 588. A bill to repeal section 933 of the Internal Revenue Code of 1954 which provides an income tax exclusion for income received by residents of Puerto Rico from sources within Puerto Rico; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 589. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 590. A bill to amend title 10 of the United States Code to permit Senior Reserve Officers' training programs to be established at public community colleges; to the Committee on Armed Services.

H.R. 591. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 592. A bill to create a commission to grant exclusive franchises for the exploration for and the commercial development of geothermal energy and for the right to market any such energy in its natural state, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 593. A bill to amend the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to provide epileptics medicine for the treatment of epilepsy; to the Committee on Interstate and Foreign Commerce.

H.R. 594. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 595. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

H.R. 596. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

H.R. 597. A bill to amend title 38 of the United States Code, to provide veterans' benefits in the case of any veteran who during the period beginning on June 1, 1914, and ending on May 8, 1916, served in Mexico, on the borders thereof, or in the water adjacent thereto; to the Committee on Veterans' Affairs.

H.R. 598. A bill to amend the Internal Revenue Code of 1954 to increase to $1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

H.R. 599. A bill to amend the Internal Revenue Code of 1954 to provide that an individual may deduct amounts paid for his higher education, or for the higher education of any of his dependents; to the Committee on Ways and Means.

H.R. 600. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

H.R. 601. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

H.R. 602. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts paid by an individual for dependent care services to enable him to perform volunteer services for certain organizations; to the Committee on Ways and Means.

H.R. 603. A bill to amend title II of the Social Security Act to provide for the computation of benefits thereunder on the basis of the worker's 3 years of highest earnings; to the Committee on Ways and Means.

H.R. 604. A bill to provide incentives and otherwise to encourage the utilization of home-dialysis and to encourage early kidney transportation under the renal disease program authorized under section 226 of the Social Security Act; to the Committee on Ways and Means.

H.R. 605. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals; jointly; to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 606. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by professional registered nurses in the peer review, and related activities authorized thereunder; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 607. A bill to amend the Social Security Act to provide for inclusion of the services of licensed practical nurses under medicare and medicaid; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 608. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 609. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient and nursing care for purposes of reimbursement to providers under the medicare program; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. RAILSBACK:

H.R. 610. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

H.R. 611. A bill to provide reduced retirement benefits for Members of Congress who remain in office after attaining 70 years of age; jointly, to the Committees on Post Office and Civil Service, and House Administration.

By Mr. REGULA:

H.R. 612. A bill to amend the Congressional Budget Act of 1974 to establish in the Congress a zero-base budgeting process, with full congressional review of each Federal program at least once every 6 years; to the Committee on Rules.

By Mr. RINALDO:

H.R. 613. A bill to amend the Older Americans Act of 1965 to provide relief for older Americans who own or rent their homes; to the Committee on Education and Labor.

H.R. 614. A bill to amend the Internal Revenue Code of 1954 and title II of the Social Security Act to provide a full exemption (through credit or refund) from the employees' tax under the Federal Insurance Contributions Act, and an equivalent reduction in the self-employment tax, in the case of individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 615. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

H.R. 616. A bill to establishh the National Diabetes Advisory Board and to take other actions to insure the implementation of the long-range plan to combat diabetes; to the Committee on Interstate and Foreign Commerce.

H.R. 617. A bill to increase and extend the authorization for the Federal-aid primary system, to increase the Federal share for Federal-aid primary system projects, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 618. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to plan and establish wetland areas in association with water resources development projects; to the Committee on Public Works and Transportation.

H.R. 619. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

H.R. 620. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. ROBINSON:

H.R. 621. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

H.R. 622. A bill to amend the Food Stamp Act of 1964, to exclude from coverage under the act households which have members who are on strike, and for other purposes; to the Committee on Agriculture.

H.R. 623. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

H.R. 624. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 625. A bill to amend the Truth in Lending Act to eliminate the inclusion of agricultural credit; to the Committee on Banking, Finance and Urban Affairs.

H.R. 626. A bill to provide for the striking of a medal to commemorate the 200th anniversary of the drafting of the Virginia Statute for Religious Freedom; to the Committee on Banking, Finance and Urban Affairs.

H.R. 627. A bill to amend the Occupational Safety and Health Act of 1970 to improved the administration of such act and to establish more efficient regulatory procedures for carrying out such act, and for other purposes; to the Committee on Education and Labor.

H.R. 628. A bill to amend the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty shall be awarded a reasonable attorney's fee and other reasonable litigation costs; to the Committee on Education and Labor.

H.R. 629. A bill to amend the National Labor Relations Act to provide for a freedom of choice in labor relations for full-time and part-time secondary and college students by exempting them from compulsory union membership, and for other purposes; to the Committee on Education and Labor.

H.R. 630. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

H.R. 631. A bill to require that the U.S. Government prepare and make public annual consolidated financial statements utilizing the accrual method of accounting, and for other purposes; to the Committee on Government Operations.

H.R. 632. A bill to prohibit travel at Government expense outside the United States by Members of Congress who after the adjournment sine die of the last session of a Congress are not candidates for reelection in the next Congress; to the Committee on House Administration.

H.R. 633. A bill to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of Virginia; to the Committee on Interior and Insular Affairs.

H.R. 634. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 635. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

H.R. 636. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 637. A bill to amend the Communications Act of 1934 to authorize interstate toll service connection between small telephone companies without a certificate of public convenience and necessity; to the Committee on Interstate and Foreign Commerce.

H.R. 638. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act

of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 639. A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 640. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

H.R. 641. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 642. A bill to amend section 1951, title 18, United States Code, Act of July 3, 1946; to the Committee on the Judiciary.

H.R. 643. A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

H.R. 644. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 645. A bill to provide that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

H.R. 646. A bill to amend title 39, United States Code, to require the Postal Service to consult with agencies of State and local governments with respect to the construction of certain Postal Service facilities, to establish hearing procedures with respect to proposals for such construction, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 647. A bill to amend title 39, United States Code, to prohibit certain franked mailings by Members of the Congress and certain officers of the United States, other than mailings related to the closing of their official business, after such Members or officers have left office; to the Committee on Post Office and Civil Service.

H.R. 648. A bill relating to collective-bargaining representation of postal employees; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON (for himself and Mr. MOORHEAD of California):

H.R. 649. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON (for himself and Mr. MOORHEAD of California) (by request):

H.R. 650. A bill to provide further for uniform annual observances of certain legal public holidays on Monday, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON:

H.R. 651. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

H.R. 652. A bill to reestablish the fiscal integrity of the Government of the United States, through the establishment of controls with respect to the levels of its revenues and budget outlays, and the preparation of the budget, and for other purposes; to the Committee on Rules.

H.R. 653. A bill to require that estimates of the average cost for each taxpaying family be included in all bills and resolutions of a public character introduced and reported in the Senate and the House of Representatives; to the Committee on Rules.

H.R. 654. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

H.R. 655. A bill to amend the Small Business Emergency Relief Act to provide for emergency relief for small business concerns in connection with fixed-price Government contracts for the lease of real property; to the Committee on Small Business.

H.R. 656. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

H.R. 657. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for State and local public utility taxes; to the Committee on Ways and Means.

H.R. 658. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

H.R. 659. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 660. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 661. A bill to amend title II of the Social Security Act to reduce the 5-month waiting period for disability benefits to 1 month and provide for retroactive payments; to the Committee on Ways and Means.

H.R. 662. A bill to amend title II of the Social Security Act to provide that attorneys' fees allowed in administrative or judicial proceedings under that title (or under title XVIII of such act), in cases where the claimants are successful, shall be paid by the Secretary of Health, Education, and Welfare rather than deducted from the amounts awarded claimants; to the Committee on Ways and Means.

H.R. 663. A bill to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 664. A bill to provide for the resolution of claims and disputes relating to the Government contracts awarded by executive agencies; to the Committee on the Judiciary.

H.R. 665. A bill to amend section 319 of the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 666. A bill to amend the Speedy Trial Act of 1974; to the Committee on the Judiciary.

H.R. 667. A bill to amend section 312 of the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 668. A bill to amend sections 320 and 321 of the Immigration and Nationality Act; to the Committee on the Judiciary.

H.R. 669. A bill to regulate and foster commerce among the States by providing a system for the taxation of interstate commerce; to the Committee on the Judiciary.

By Mr. ROGERS:

H.R. 670. A bill to amend title 18 of the United States Code to provide criteria for the imposition of the death penalty for certain explosives related offenses; to the Committee on the Judiciary.

H.R. 671. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 672. A bill to amend the Congressional Budget Act of 1974 to require a balanced budget within 5 years, in accordance with a schedule gradually reducing the maximum amount of the deficit which is permitted under the congressional budget process; to the Committee on Rules.

H.R. 673. A bill to amend title 28, United States Code, to change the number of district judges authorized for the southern district of Florida; to the Committee on the Judiciary.

By Mr. ROUSSELOT:

H.R. 674. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. ROUSSELOT (for himself, Mr. SYMMS, Mr. LEVITAS and Mr. MOORHEAD of California:

H.R. 675. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. ROUSSELOT (for himself, Mr. SYMMS, and Mr. HANSEN):

H.R. 676. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

By Mr. ROUSSELOT (for himself and Mr. SYMMS):

H.R. 677. A bill to repeal the Emergency Petroleum Allocation Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT (for himself and Mr. MOORHEAD of California):

H.R. 678. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $1,000 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 679. A bill to amend title 39, United States Code, to provide that the appointment of the Postmaster General and the Deputy Postmaster General of the United States shall be subject to confirmation by the Senate; to the Committee on Post Office and Civil Service.

H.R. 680. A bill to amend title 39, United States Code, to abolish the use of franked mail, to establish a system for the distribution of mail transmitted by Members of the Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 681. A bill to amend title 13, United States Code, to provide for the review or termination of Federal authority for the collection of statistical information, to require certain information in committee reports accompanying legislation in which there is provided Federal authority for the collection of information, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER (for herself, Mr. SIMON, Mr. ROSE, and Mr. LONG of Louisiana):

H.R. 682. A bill to provide for a 50-percent reduction of the burden on respondents in the censuses of agriculture, drainage, and irrigation taken in 1979 and thereafter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING (for himself, Mr. UDALL, Mr. BINGHAM, Mr. CONYERS, Mr. DRINAN, Mr. HARRINGTON, Mr. HARRIS, Ms. HOLTZMAN, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. OTTINGER, and Mr. ROSENTHAL):

H.R. 683. A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, and for other purposes; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 684. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. SMITH of Iowa:

H.R. 685. A bill to amend the Commodity Exchange Act to require public disclosure of certain information relating to sales of commodities for export, and for other purposes; to the Committee on Agriculture.

H.R. 686. A bill to authorize loans for study at nonprofit institutions of higher education; to the Committee on Education and Labor.

H.R. 687. A bill to assure the availability of adequate supplies of natural gas at a fair and reasonable price; to the Committee on Interstate and Foreign Commerce.

H.R. 688. A bill to assure more timely and accurate distribution of census data to small businesses and other agribusiness organizations; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Iowa (for himself and Mr. QUIE):

H.R. 689. A bill to authorize the construction of a lock and dam project on the Mississippi River near Alton, Ill., to revoke authority for 12-foot channel studies on the upper Mississippi River and its tributaries, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SMITH of Iowa:

H.R. 690. A bill to amend the Internal Revenue Code to regulate and prevent multiple taxation of certain kinds of income; jointly, to the Committees on the Judiciary and Ways and Means.

H.R. 691. A bill to require the consideration of environmental and other factors, and the stockpiling and replacement of soil on all public works projects and highway and other projects which are federally assisted, on federally held land, and on projects which affect commerce among the States, or the general welfare and quality of life of the Nation; jointly, to the Committees on Public Works and Transportation, and Agriculture.

By Mr. SMITH of Iowa (for himself, Mr. STANTON, Mr. CONTE, Mr. GONZALEZ, Mrs. FENWICK, Mr. CORMAN, Mr. HANLEY, Mr. GOODLING, Mr. YATRON, Mr. BRECKINRIDGE, Mr. MCFALL, Mr. ADDABBO, Mr. DON H. CLAUSEN, Mr. LEHMAN, Mr. DOWNEY, Mr. LAFALCE, Mrs. BOGGS, and Mr. FISH):

H.R. 692. A bill to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and small business set-aside programs; to the Committee on Small Business.

By Mr. SPENCE:

H.R. 693. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. STRATTON (for himself and Mr. BOB WILSON):

H.R. 694. A bill to amend title 10, United States Code, to make certain changes in the retired serviceman's family protection plan and the survivor benefit plan as authorized by chapter 73 of that title, and for other purposes; to the Committee on Armed Services.

By Mr. TEAGUE:

H.R. 695. A bill to repeal titles XV and XVI of the Public Health Services Act; to the Committee on Interstate and Foreign Commerce.

H.R. 696. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 697. A bill to direct the Secretary of the Army to issue permanent easements for certain docks constructed on propery under his jurisdicion; to the Committee on Public Works and Transportation.

H.R. 698. A bill to authorize appropriations for environmental research, development, and demonstration; to the Committee on Science and Technology.

H.R. 699. A bill to amend the Internal Revenue Code of 1954 to provide that no reduction will be made in the amount of the charitable deduction in the case of certain contributions of appreciated capital assets which do not meet the holding period requirement for long-term capital gains; to the Committee on Ways and Means.

H.R. 700. A bill to amend section 459 of the Social Security Act to provide for consent by the United States to certain additional garnishment proceedings; to the Committee on Ways and Means.

By Mr. THONE (for himself and Mr. HORTON):

H.R. 701. A bill to establish national policies to promote the adoption of Government programs which can be expected to provide the greatest net public benefit and to prevent Government programs from having unreasonable public costs, to establish a system requiring regulatory cost/benefit assessments to be prepared for any proposed legislation or regulation which may have a significant economic impact, and for other purposes; to the Committee on Government Operations.

By Mr. THORNTON:

H.R. 702. A bill to establish an office of consumer protection which shall be independent of the executive departments, headed by the Consumer Counsel of the United States, in order to secure within the Federal Government effective protection and representation of the interests of consumers, obtaining and disseminating information useful to consumers, cooperation and assistance to other agencies and State and local governments, and for other purposes; to the Committee on Government Operations.

By Mr. WHITE:

H.R. 703. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 704. A bill to provide for the establishment of a national historic park on the island of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 705. A bill to amend section 106 of title 4 of the United States Code relating to State taxation of the income of residents of another State; to the Commttiee on the Judiciary.

H.R. 706. A bill to extend from 8 to 24 months the period in which domesticated animals may pasture in foreign countries and be accorded duty-free status upon reentry into the United States; to the Committee on Ways and Means.

H.R. 707. A bill to amend the Communications act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 708. A bill to establish a method whereby the Congress (acting in accordance with specified procedures) may prevent the adoption by the executive branch of rules or regulations which are contrary to law or inconsistent with congressional intent or which go beyond the mandate of the legislation which they are designed to implement; to the Committee on Rules.

By Mr. WHITEHURST:

H.R. 709. A bill to amend the Randolph-Sheppard Act Amendments (title II of Public Law 93-516); to the Committee on Education and Labor.

H.R. 710. A bill to authorize a career education program for elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

H.R. 711. A bill to amend the Ports and Waterways Safety Act of 1972, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 712. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BOB WILSON:

H.R. 713. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

H.R. 714. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

H.R. 715. A bill to amend title 37, United States Code, to provide that warrant officers of a uniformed service who accept appointments as commissioned officers shall not receive less than the pay and allowances to which they were previously entitled as warrant officers; to the Committee on Armed Services.

H.R. 716. A bill to amend title 10, United States Code, to repeal sections which impose certain restrictions on enlisted members of the Armed Forces and on members of military bands; to the Committee on Armed Services.

H.R. 717. A bill to amend title 10 of the United States Code so as to permit members of the Reserves and the National Guard to receive retired pay at age 55 for nonregular service under chapter 67 of that title; to the Committee on Armed Services.

H.R. 718. A bill to provide retirement annuities for certain widows of members of the uniformed services who died before the effective date of the survivor benefit plan; to the Committee on Armed Services.

H.R. 719. A bill to provide retirement annuities for certain widows of members of the uniformed services who died before the effective date of the survivor benefit plan; to the Committee on Armed Services.

H.R. 720. A bill to repeal section 5532 of title 5, United States Code, relating to reductions in the retired or retirement pay of retired officers of regular components of the uniformed services who are employed in civilian offices or positions in the Government of the United States; to the Committee on Post Office and Civil Service.

H.R. 721. A bill to amend title 38 of the United States Code to provide an alternative method for computing dependency and indemnity compensation in order to insure that in certain instances the survivors of deceased veterans receive an amount of compensation equal to that to which they would have been entitled if such veterans had been civil service employees killed while performing job-related functions; to the Committee on Veterans' Affairs.

H.R. 722. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who

are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

By Mr. BOB WILSON (for himself, Mr. LOTT, and Mr. YOUNG of Florida):

H.R. 723. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. ABDNOR:

H.R. 724. A bill to amend the Federal Salary Act of 1967, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mr. ALEXANDER:

H.R. 725. A bill to amend title 10, United States Code, to restore the system of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

H.R. 726. A bill to provide for a 50 percent reduction of the burden on respondents in the censuses of agriculture, drainage, and irrigation taken in 1979 and thereafter, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 727. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 728. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 729. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependent; to the Committee on Ways and Means.

H.R. 730. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 731. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 732. A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid or assistance under the various Federal-State public assistance and medicaid programs, and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or assistance reduced because of post-1973 increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 733. A bill to amend the Federal Trade Commission Act to provide that exclusive territorial arrangements used in the distribution or sale of a trademarked soft drink product or a trademarked private label food product shall not be deemed unlawful per se; jointly, to the Committees on Interstate and Foreign Commerce and the Judiciary.

By Mr. ANDERSON of California (for himself, Mrs. BURKE of California, Mr. DELLUMS, Mr. EDWARDS of California, Mr. HANNAFORD, Mr. JOHNSON of California, Mr. KREBS, Mr. MOSS, and Mr. STARK):

H.R. 734. A bill to authorize a study of the feasibility and desirability of establishing a national recreation area to be known as the Santa Margarita National Recreation Area in the area in San Diego County, Calif., which presently constitutes Camp Pendleton; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON of California (for himself, Mr. SNYDER, Mr. RONCALIO, Mr. HAMMERSCHMIDT, Mr. GINN, Mr. COCHRAN, Mr. MINETA, Mr. ABDNOR, Mrs. LLOYD of Tennessee, Mr. TAYLOR, Mr. FARY, Mr. GOLDWATER, and Mr. HAGEDORN):

H.R. 735. A bill to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration; to the Committee on Public Works and Transportation.

By Mr. ANDERSON of California (for himself, Mr. SNYDER, Mr. JOHNSON of California, Mr. HAMMERSCHMIDT, Mr. RONCALIO, Mr. COCHRAN, Mr. GINN, Mr. ABDNOR, Mr. MINETA, Mr. TAYLOR of Missouri, Mrs. LLOYD of Tennessee, Mr. GOLDWATER, Mr. FARY, and Mr. HAGEDORN):

H.R. 736. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ANDREWS of North Carolina:

H.R. 737. A bill to provide for the establishment of the Deacon Jacob Estey National Monument; to the Committee on Interior and Insular Affairs.

By Mr. ARCHER:

H.R. 738. A bill to repeal the Davis-Bacon Act; to the Committee on Education and Labor.

H.R. 739. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the U.S. Government by requiring financial disclosure by Members of Congress, candidates for Congress, and certain employees of the legislative branch; to the Committee on the Judiciary.

H.R. 740. A bill to amend the Internal Revenue Code of 1954 to increase the percentage limitation on the amount of the deduction allowable for charitable contributions made by corporations; to the Committee on Ways and Means.

H.R. 741. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 742. A bill to amend the National Labor Relations Act to provide for strike votes, direct court appeals in election cases, and to guarantee the right to challenge a union's majority status; to the Committee on Education and Labor.

H.R. 743. A bill to provide direct aid to to the States and territories for educational purposes only for the benefit of the taxpayers and local governments; to the Committee on Ways and Means.

By Mr. BAFALIS:

H.R. 744. A bill to amend section 8e of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to subject imported tomatoes to restrictions comparable to those applicable to domestic tomatoes; to the Committee on Agriculture.

By Mr. BALDUS:

H.R. 745. A bill to amend the Internal Revenue Code of 1954 to allow the investment tax credit for certain farm property purchased by an individual from an ancestor of the individual; to the Committee on Ways and Means.

H.R. 746. A bill to amend the Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 747. A bill to amend the National Security Act of 1947 to define more specifically the jurisdiction of the Central Intelligence Agency, and for other purposes; to the Committee on Armed Services.

H.R. 748. A bill to amend title 10 of the United States Code in order to eliminate or reduce certain deductible payments by patients for treatment under the uniformed services health benefits program, and to repeal the provision of law prohibiting CHAMPUS benefits to persons entitled to medicare benefits; to the Committee on Armed Services.

H.R. 749. A bill to make eligible for annuities payable under section 4 of Public Law 92-425 (relating to the Armed Forces Survivor Benefit Plan) persons who became widows during the eighteen-month period following the effective date of such law; to the Committee on Armed Services.

H.R. 750. A bill to provide an incentive plan for participation in the Ready Reserves; to the Committee on Armed Services.

H.R. 751. A bill to amend chapter 67 of title 10, United States Code, to grant eligibility for retired pay to certain reservists who did not perform active duty before August 16, 1945, and for other purposes; to the Committee on Armed Services.

H.R. 752. A bill to amend titles 10 and 37, United States Code, to include foster children within the definition of dependent and for other purposes; to the Committee on Armed Services.

H.R. 753. A bill to amend the Bank Holding Company Act of 1956 to eliminate the existing exemption for labor, agricultural, and horticultural organizations; to the Committee on Banking, Finance and Urban Affairs.

H.R. 754. A bill to provide Federal grants to assist elementary and secondary schools to carry on programs to teach the principles of citizenship and ethics; to the Committee on Education and Labor.

H.R. 755. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes; to the Committee on Education and Labor.

H.R. 756. A bill to provide for competitive bidding on Federal contracts and federally funded contracts; to the Committee on Government Operations.

H.R. 757. A bill to etablish a series of six regional Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States; to the Committee on House Administration.

H.R. 758. A bill to authorize the establishment of the Revolution's Southernmost Battlefields National Park; to the Committee on Interior and Insular Affairs.

H.R. 759. A bill to establish the U.S. Agency for World Peace within the Department of State; to the Committee on International Relations.

H.R. 760. A bill to amend the Social Security Act to provide for medical and hospital care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups and in part for others through the issuance of redeemable certificates; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 761. A bill to abolish diversity of citizenship as a basis of jurisdiction of Federal district courts, and for other purposes; to the Committee on the Judiciary.

H.R. 762. A bill to amend title 18, United States Code, to provide that any parent who kidnaps his minor child shall be fined not more than $1,000, or imprisoned for not more than 1 year, or both; to the Committee on the Judiciary.

H.R. 763. A bill to subject certain nationals or citizens of the United States to the jurisdiction of the U.S. district courts for their crimes committed outside the United States and to provide for the apprehension, restraint, removal, and delivery of such persons; to the Committee on the Judiciary.

H.R. 764. A bill to amend section 207 of title 18, United States Code, in order to prohibit formers Federal employees who participated in a contract formulation from being employed, for a period of 2 years, by anyone who has a direct interest in the contract; to the Committee on the Judiciary.

H.R. 765. A bill to amend chapter 313 of title 18 of the United States Code to improve the system dealing with mental defectives charged with offenses against the United States; to the Committee on the Judiciary.

H.R. 766. A bill to provide for disclosures by lobbyists, and for other purposes; to the Committee on the Judiciary.

H.R. 767. A bill to amend title 5, United States Code, to permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such individual is eligible for social security benefits, but requiring the civil service annuity to be offset by the amount of his social security benefit that is attributable to his military service; to the Committee on Post Office and Civil Service.

H.R. 768. A bill to require the submission to Congress of research proposals prior to the expenditure of Federal fund; to the Committee on Science and Technology.

H.R. 769. A bill to provide for a national cemetery in Duval County, Fla.; to the Committee on Veterans' Affairs.

H.R. 770. A bill to provide for a Veterans' Administration general medical and surgical hospital at Jacksonville, Fla., and to achieve cooperation with the University of Florida College of Medicine in its activities in Jacksonville; to the Committee on Veterans' Affairs.

H.R. 771. A bill to amend the Internal Revenue Code of 1954 to provide that no individual shall pay an income tax of less than 10 percent of his net income which exceeds $30,000 for any taxable year; to the Committee on Ways and Means.

H.R. 772. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 773. A bill to provide scholarships for the dependent children of public safety officers who are the victims of homicide while performing their official duties, and for other purposes; to the Committee on Education and Labor.

H.R. 774. A bill to limit the export of certain nuclear technology and materials so as to prevent the proliferation of nuclear weapons; to the Committee on International Relations.

H.R. 775. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 776. A bill to provide a comprehensive system of liability and compensation for oil-spill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. THOMPSON:

H.R. 777. A bill to extend the benefits of Federal labor relations acts to public employees and their employers; to the Committee on Education and Labor.

By Mr. BLOUIN (for himself, Mr. ANDREWS of North Dakota, Mr. BINGHAM, Mr. CORNELL, Mrs. FENWICK, Mr. GLICKMAN, Mr. HOWARD, Mrs. LLOYD of Tennessee, Mrs. MEYNER, Mr. MURPHY of Pennsylvania, Mr. PRICE, Mr. PRITCHARD, Mr. RAHALL, Mr. WAXMAN, and Mr. WEISS):

H.R. 778. A bill to provide for the regular review of certain Federal agencies and for the abolition of such agencies after such review unless Congress specifically provides for their continued existence; to the Committee on Government Operations.

By Mr. BLOUIN (for himself, Mr. BAUCUS, Mr. BEDELL, Mr. BENNETT, Mr. BROWN of Ohio, Ms. CHISHOLM, Mr. DERWINSKI, Mr. DOWNEY, Mr. EDGAR, Mr. FITHIAN, Mr. FRENZEL, Mr. HARRIS, Mr. JENRETTE, Mr. KREBS, Mr. MANN, Mr. MOAKLEY, Mr. OTTINGER, Mr. PATTEN, Mr. QUIE, Ms. SPELLMAN, Mr. STARK, Mr. WEAVER, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, and Mr. WIRTH):

H.R. 779. A bill to provide for the regular review of certain Federal agencies and for the abolition of such agencies after such review unless Congress specifically provides for their continued existence; to the Committee on Government Operations.

By Mr. BRINKLEY:

H.R. 780. A bill to amend title 10 of the United States Code to provide essential medical and dental care to members or former members of a uniformed service and their dependents where the member or former member is entitled to retired or retainer pay or equivalent pay; to the Committee on Armed Services.

H.R. 781. A bill to amend the Internal Revenue Code of 1954 to provide that canceled checks shall be treated as prima facie evidence of any payment for which an income tax deduction is claimed; to the Committee on Ways and Means.

H.R. 782. A bill to amend the Internal Revenue Code of 1954 to exclude from the gross estate the amount of any life insurance on the decedent which is payable to a beneficiary other than the decedent's estate to the extent that such insurance is attributable to premiums paid by the beneficiary; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 783. A bill to authorize and direct the establishment of a coordinated national program relating to climate and for other purposes; to the Committee on Science and Technology.

By Mr. BROWN of California (for himself, Mr. MCCORMACK, Mr. TEAGUE, Mr. FUQUA, Mr. MILFORD, Mr. THORNTON, Mr. OTTINGER, Mr. WAXMAN, Mr. HARKIN, Mr. AMBRO, Mr. DODD, Mrs. LLOYD of Tennessee, Mr. WIRTH, Mr. EMERY, Mr. MYERS of Pennsylvania, Mr. CARNEY, Mr. JEFFORDS, Mr. CONYERS, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. FLOOD, Mr. LEHMAN, Mr. STUDDS, Mr. HUGHES, Mr. MAZZOLI, and Mr. MCCLOSKEY):

H.R. 784. A bill to establish a 5-year research and development program leading to advanced automobile propulsion systems, and for other purposes; to the Committee on Science and Technology.

By Mr. BROWN of California (for himself, Mr. MCCORMACK, Mr. TEAGUE, Mr. BRECKINRIDGE, Mr. MURPHY of New York, Mr. RICHMOND, Mrs. MEYNER, Mr. MOAKLEY, Mr. CHARLES H. WILSON of California, Mr. HOWARD, Mr. SIMON, Mr. EDGAR, Mr. MURPHY of Pennsylvania, and Mr. HOLLENBECK):

H.R. 785. A bill to establish a 5-year research and development program leading to advanced automobile propulsion systems, and for other purposes; to the Committee on Science and Technology.

By Mr. BROWN of California (for himself, Mr. ANDERSON of California, Mr. BEDELL, Mr. DIGGS, Mr. CORMAN, Mr. DRINAN, Mr. HARKIN, Mr. HEFNER, Ms. HOLTZMAN, Mr. KELLY, Mr. LAFALCE, Mr. MCCLORY, Mr. MCKAY, Mr. MAGUIRE, Mr. MOORHEAD of California, Mr. MOSS, Mr. GARY A. MYERS, Mr. PEPPER, Mr. PRITCHARD, Mr. QUIE, Mr. RICHMOND, Mr. SEBELIUS, Mr. STARK, Mr. WEAVER, and Mr. WHITEHURST):

H.R. 786. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BROYHILL:

H.R. 787. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

H.R. 788. A bill to amend section 1402(a) of title 10, United States Code, to revise the rule for computation of retired or retainer pay to reflect later active duty; to the Committee on Armed Services.

H.R. 789. A bill to amend section 1402(a) of title 10, United States Code, to revise the rule for computation of retired or retainer pay to reflect later active duty; to the Committee on Armed Services.

H.R. 790. A bill to amend the Natural Gas Act to permit curtailed pipelines to fulfill the needs of consumers of natural gas; to the Committee on Interstate and Foreign Commerce.

H.R. 791. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. BURKE of Florida:

H.R. 792. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pension of not less than $200 per month to World War I veterans, and to provide that retirement income such as social security shall not be counted against any pension and to provide that such pension shall be increased by a further 10 percent where the veteran served overseas during World War I; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. JOHN L. BURTON:

H.R. 793. A bill to amend title II of the Social Security Act to provide monthly insurance benefits for certain dependent relatives of insured individuals; to the Committee on Ways and Means.

By Mr. CARNEY:

H.R. 794. A bill to regulate interstate and foreign commerce in order to provide early warning of plant closings and relocations of those locally affected; to the Committee on Education and Labor.

H.R. 795. A bill to amend the Buy American Act to provide that the price of domestic goods shall not be deemed unreasonable unless it exceeds the price of foreign goods by more than 50 percent; to the Committee on Government Operations.

H.R. 796. A bill to amend the Local Public Works Capital Development and Investment Act of 1976 to authorize additional moneys to fund certain projects for which applications were submitted under the act; to the Committee on Public Works and Transportation.

H.R. 797. A bill to amend the Internal Reve-

nue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 798. A bill to apply social security benefit cost-of-living adjustments and general benefit increases to monthly benefits payable under the veterans' laws and to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits or railroad retirement annuities; to the Committee on Veterans' Affairs.

H.R. 799. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increase in benefits thereunder; to the Committee on Ways and Means.

H.R. 800. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deduction from benefits thereunder; to the Committee on Ways and Means.

H.R. 801. A bill to amend the Social Security Act to establish a program of food allowance for older Americans; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. CARR:

H.R. 802. A bill to amend the Employee Retirement Income Security Act of 1974 to require the Pension Benefit Guarantee Corporation to insure certain nonbasic benefits; to the Committee on Education and Labor.

H.R. 803. A bill to amend the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council; to the Committee on Armed Services.

By Mr. CHAPPELL:

H.R. 804. A bill to amend titles II and XVIII of the Social Security Act to eliminate the requirement that an individual must have been entitled to disability benefits for at least 24 consecutive months in order to qualify for medicare on the basis of disability; to the Committee on Ways and Means.

By Mr. COCHRAN:

H.R. 805. A bill appropriating funds for construction of the Natchez Trace Parkway; to the Committee on Appropriations.

H.R. 806. A bill appropriating funds for completion of the Mission 66 Bypass Road at Vicksburg, Miss.; to the Committee on Appropriations.

By Mr. COHEN:

H.R. 807. A bill to impose conditions upon the right of certain institutions and organizations to require transfers of property or cash payments from aged individuals in return for the provision of continuing care to such individuals; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Ms. COLLINS of Illinois:

H.R. 808. A bill to amend the Public Works and Economic Development Act of 1965, as amended. to establish an emergency Federal economic assistance program. to authorize the President to declare communities of the Nation which meet certain economic and employment criteria to be economic disaster communities, and for other purposes; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

By Mr. CONABLE:

H.R. 809. A bill to amend section 104 of the Federal Water Pollution Control Act relating to training grants and projects; to the Committee on Public Works and Transportation.

H.R. 810. A bill to amend section 4941(d)(2)(G) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 811. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; jointly, to the Committees on the Judiciary Merchant Marine and Fisheries, and Government Operations.

H.R. 812. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly, to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

H.R. 813. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. COUGHLIN:

H.R. 814. A bill to amend the Federal Energy Administration Act of 1974 in order to provide for the prohibition of certain discriminatory practices in the pricing of fuels and other forms of energy, including electricity; to the Committee on Interstate and Foreign Commerce.

H.R. 815. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 816. A bill to amend to Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 817. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 818. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

H.R. 819. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for State and local public utility taxes; to the Committee on Ways and Means.

H.R. 820. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on passenger automobiles based on fuel consumption rates and to allow a credit for the purchase on passenger automobiles which meet certain standards of fuel consumption, and for other purposes; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 821. A bill to provide an employment training program for middle-aged and older workers, and for other purposes; to the Committee on Education and Labor.

By Mr. DICKINSON (for himself and Mr. DEVINE):

H.R. 822. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. DODD:

H.R. 823. A bill to amend the Federal Power Act to provide for the reform of electric utility rate regulation by the Federal Power Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DRINAN:

H.R. 824. A bill to repeal the Military Selective Service Act; to the Committee on Armed Services.

H.R. 825. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 826. A bill to improve the service which is provided to consumers in connection with escrow accounts on real estate mortgages, to prevent abuses of the escrow system, to require that interest be paid on escrow deposits, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 827. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums, to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 828. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income home buyers; to the Committee on Banking, Finance and Urban Affairs.

H.R. 829. A bill to establish a consumer savings disclosure act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits; to the Committee on Banking, Finance and Urban Affairs.

H.R. 830. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials, and for other related educational purposes; to the Committee on Education and Labor.

H.R. 831. A bill to establish a consumer education program in the Office of Education and for other purposes; to the Committee on Education and Labor.

H.R. 832. A bill to require the Secretary of Labor to establish a pilot program for the provision of guaranteed employment opportunities in selected counties of the United States; to the Committee on Education and Labor.

H.R. 833. A bill to amend the Wagner-Peyser Act to provide more effective job placement services, improved administration and management planning, review of policy alternatives, innovative employment services, and for other purposes; to the Committee on Education and Labor.

H.R. 834. A bill to provide for the monthly publication of a consumer price index for the elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

H.R. 835. A bill to authorize the Comptroller General of the United States to audit

financial transactions and accounts of Members and committees of the House, and for other purposes; to the Committee on House Administration.

H.R. 836. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar Bahrain the United Arab Emigrates the Sultanate of Oman and Kuwait; to the Committee on International Relations.

H.R. 837. A bill to amend the Communication Act of 1934 in order to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment to radio and television broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 838. A bill to provide for an annual report to Congress on the effect of cigarette smoke upon nonsmokers; to the Committee on Interstate and Foreign Commerce.

H.R. 839. A bill to strengthen the warning label required on cigarette packages, extend such warning to cigarette advertisements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 840. A bill to require the President to take all necessary action to strictly enforce the regulation promulgated under section 4 of the Emergency Petroleum Allocation Act of 1973 and all orders issued under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 841. A bill to prescribe certain rules for Federal, State, and local agencies regulating electric rates; to the Committee on Interstate and Foreign Commerce.

H.R. 842. A bill to enhance the personal safety of U.S. citizens and to reduce crime by providing for a Federal system of registration and licensing of all firearms, and for a ban on the sale, manufacture, or importation of certain handguns; to the Committee on the Judiciary.

H.R. 843. A bill to amend certain sections (authorizing wiretapping and electronic surveillance) of title 18 of the United States Code; to the Committee on the Judiciary.

H.R. 844. A bill to amend part V of title 18 of the United States Code to provide transactional immunity in certain cases in which the privilege against self-incrimination is asserted, and for other purposes; to the Committee on the Judiciary.

H.R. 845. A bill to amend title 28 of the United States Code to regulate the use of informers by the Justice Department and the Federal Bureau of Investigation; to the Committee on the Judiciary.

H.R. 846. A bill to amend title 28 of the United States Code to provide that positions in the Federal Bureau of Investigation shall be in the competitive service; to the Committee on the Judiciary.

H.R. 847. A bill to substantially reduce the personal dangers and fatalities caused by the criminal and violent behavior of those persons who lawlessly misuse handguns by restricting the availability of such handguns for law enforcement, military purposes, and for certain approved purposes including sporting and recreational uses; to the Committee on the Judiciary.

H.R. 848. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 849. A bill to increase to 90 days the period before an election during which a Member of, or Member-elect to, the Congress may not make a mass mailing as franked mail if such Member or Member-elect is a candidate in such election; to the Committee on Post Office and Civil Service.

By Mr. KOCH:

H.R. 850. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. DRINAN:

H.R. 851. A bill to provide for certain research and demonstration respecting the disposal of sludge, the reclamation of waters damaged by sludge and sewage, assistance to State and local governments for the removal of sludge and other solid waste from waters and shoreline areas, and to provide that grants for waste treatment works shall be made only if such works provide for environmentally sound sludge management; to the Committee on Public Works and Transportation.

H.R. 852. A bill to amend the Impoundment Control Act of 1974 to provide that no rescission of budget authority proposed by the President shall take effect unless and until the Congress has passed a bill incorporating such rescission; to the Committee on Rules.

H.R. 853. A bill to direct the Administrator of Energy Research and Development to establish a system of research and development of energy-conserving industrial technologies with due regard for the need to operate such a system in a manner which will stimulate depressed sectors of the American economy; to the Committee on Science and Technology.

H.R. 854. A bill to amend the Small Business Act to provide for loans to small business concerns affected by the energy shortage; to the Committee on Small Business.

H.R. 855. A bill to amend title II of the Social Security Act to reduce from 20 to 5 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record; to the Committee on Ways and Means.

H.R. 856. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parents shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 857. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has enough quarters of coverage to be fully insured for old-age benefit purposes, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 858. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living incresaes in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 859. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

H.R. 860. A bill to establish an independent agency to administer the internal revenue laws; to the Committee on Ways and Means.

H.R. 861. A bill to amend the Internal Revenue Code of 1954 to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services; to the Committee on Ways and Means.

H.R. 862. A bill to regulate smoking in Federal facilities and in facilities serving interstate common carrier passengers and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce and Public Works and Transportation.

H.R. 863. A bill to amend the Small Business Act to establish within the Small Business Administration a new direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; jointly, to the Committees on Small Business and Banking, Finance and Urban Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 864. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 865. A bill to amend title 5 of the United States Code to change the title of hearing examiners to administrative law judge, to provide that the salary of each such official shall be 90 percent of the salary of U.S. district court judges, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 866. A bill to amend title 38 of the United States Code in order to require the Administrator of Veterans' Affairs to pay a $150 allowance to any State or any agency or political subdivision of a State in reimbursement for expenses incurred in the burial of each veteran in any cemetery owned by such State or agency or political subdivision of a State, if the cemetery or section thereof is used solely for the interment of veterans; to the Committee on Veterans' Affairs.

H.R. 867. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

H.R. 868. A bill to amend the Social Security Act to provide for inclusion of the services of licensed practical nurses under medicare and medicaid; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. EDGAR:

H.R. 869. A bill to authorize appropriations for ridesharing programs, to consolidate existing Federal ridesharing programs, to foster ridesharing programs in States and localities, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. FENWICK:

H.R. 870. A bill to amend the Bankruptcy Act to provide a priority for certain debts to consumers; to the Committee on the Judiciary.

H.R. 871. A bill to amend the Immigration and Nationality Act to facilitate the adoption of more than two children; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 872. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 873. A bill to reduce pollution which is caused by litter composed of soft drink and beer containers, and eliminate the threat to the Nation's health, safety, and welfare which is caused by such litter by banning such containers when they are sold in interstate commerce on a no-deposit, no-return basis; to the Committee on Interstate and Foreign Commerce.

H.R. 874. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 875. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

H.R. 876. A bill to amend title II of the

Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 877. A bill to provide for the monthly publication of a consumer price index for the aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 878. A bill to amend title II of the Social Security Act to eliminate the duration-of-marriage requirements (and other special requirements) which are presently applicable in determining whether a person is the widow of an insured individual for benefit purposes; to the Committee on Ways and Means.

H.R. 879. A bill to amend the Social Security Act to provide for a minimum annual income (subject to subsequent increases to reflect the cost of living) of $3,850 in the case of elderly individuals and $5,200 in the case of elderly couples; to the Committee on Ways and Means.

H.R. 880. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. FISH (for himself and Mr. PATTISON of New York):

H.R. 881. A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Interstate and Foreign Commerce, and International Relations.

By Mr. FISH (for himself, Mr. PATTISON of New York, Mr. OTTINGER, Mr. RICHMOND, Mr. CONYERS, Mr. BADILLO, Mr. WOLFF, Mr. HARRINGTON, Mr. RODINO, Mr. SIMON, Mr. DELLUMS, Mr. BEDELL, Mr. WEAVER, Mr. ZEFERETTI, Mr. SEIBERLING, Ms. HOLTZMAN, Mr. ROSENTHAL, and Mr. BLOUIN):

H.R. 882. A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment, and for other purposes; jointly, to the Committee on Interior and Insular Affairs, Interstate and Foreign Commerce, and International Relations.

By Mr. FISH (for himself, Mr. MOORHEAD of California, and Mr. HORTON):

H.R. 883. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FLYNT:

H.R. 884. A bill to direct the Secretary of Housing and Urban Development to convey certain lands to the city of Fayetteville, Ga.; to the Committee on Banking, Finance and Urban Affairs.

H.R. 885. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

H.R. 886. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

H.R. 887. A bill to establish a department of education; to the Committee on Government Operations.

H.R. 888. A bill to require that the U.S. Government prepare and make public annual consolidated financial statements utilizing the accrual method of accounting, and for other purposes; to the Committee on Government Operations.

H.R. 889. A bill requiring that each Member of Congress be notified of the intended disposition of federally owned real property in the district he represents; to the Committee on Government Operations.

H.R. 890. A bill to amend title 44, United States Code, to provide for 98 copies of the daily edition of the Congressional Record to be furnished to each Representative, Delegate, and Resident Commissioner in Congress; to the Committee on House Administration.

H.R. 891. A bill to reduce payments to the United Nations and its affiliated agencies; to the Committee on International Relations.

H.R. 892. A bill to amend the Uniform Time Act; to the Committee on Interstate and Foreign Commerce.

H.R. 893. A bill to make more uniform with the general requirements of the Federal Food, Drug, and Cosmetic Act certain provisions relating to the labeling and notification of colored margarine and colored oleomargarine; and to provide for uniform standards and specifications for colored margarine and colored oleomargarine; to the Committee on Interstate and Foreign Commerce.

H.R. 894. A bill to amend title 18 of the United States Code to prohibit the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost, or stolen transportation tickets; to the Committee on the Judiciary.

H.R. 895. A bill to amend title 18 and title 28 of the United States Code with respect to the trial and review of criminal actions involving obscenity, and for other purposes; to the Committee on the Judiciary.

H.R. 896. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalities in certain related existing provisions; to the Committee on the Judiciary.

H.R. 897. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries; to the Committee on Post Office and Civil Service.

H.R. 898. A bill to amend title 38, United States Code; to the Committee on Veterans' Affairs.

H.R. 899. A bill to amend title 38 of the United States Code with respect to the payment of certain benefits under that title; to the Committee on Veterans' Affairs.

H.R. 900. A bill to amend title II of the Social Security Act to provide that a beneficiary who dies shall (if otherwise qualified) be entitled to a prorated benefit for the month of his death; to the Committee on Ways and Means.

H.R. 901. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. FORD of Tennessee:

H.R. 902. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

H.R. 903. A bill to amend the Federal Aviation Act of 1958, as amended to broaden the power of the Civil Aeronautics Board to grant relief by exemption in certain cases, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 904. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 905. A bill to amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for a certain portion of the wages paid to such individuals; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 906. A bill to prohibit fuel adjustment clauses in utility rate schedules; to the Committee on Interstate and Foreign Commerce.

H.R. 907. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. GRADISON:

H.R. 908. A bill to provide improved and expedited procedures for foreclosure of multifamily mortgages owned or held by the United States pursuant to the National Housing Act and other Federal laws; to the Committee on Banking, Finance and Urban Affairs.

H.R. 909. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 910. A bill to amend title 39, United States Code, to prohibit certain franked mailings by Members of the Congress during certain periods before elections; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:

H.R. 911. A bill to amend the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty shall be awarded a reasonable attorney's fee and other reasonable litigation costs; to the Committee on Education and Labor.

H.R. 912. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals; to the Committee on Interstate and Foreign Commerce.

H.R. 913. A bill to provide that in civil actions where the United States is a plaintiff, a prevailing defendant may recover a reasonable attorney's fee and other reasonable litigation costs; to the Committee on the Judiciary.

H.R. 914. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 915. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 916. A bill to amend title 38, United States Code, to provide supplemental pension payments to a surviving spouse of a war veteran if such spouse has attained age 78 years; to the Committee on Veterans' Affairs.

H.R. 917. A bill to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligi-

ble veterans and persons, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 918. A bill to amend title 38 of the United States Code in order to extend the preference accorded Veterans' Administration medical and health personnel for attendance at regional medical education centers, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 919. A bill to amend title 38 of the United States Code in order to expand the authority of the Administrator of Veterans' Affairs to extend medical services to veterans of World War I, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 920. A bill to amend title 38, United States Code, in order to revise the provisions therein relating to the construction, alteration, and acquisition of medical facilities under the jurisdiction of Veterans' Affairs; to the Committee on Veterans' Affairs.

H.R. 921. A bill to amend title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

H.R. 922. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

H.R. 923. A bill to establish a method whereby the Congress (acting in accordance with specified procedures) may prevent the adoption by the executive branch of rules or regulations which are contrary to law or inconsistent with congressional intent or which go beyond the mandate of the legislation which they are designed to implement; jointly, to the Committees on the Judiciary and Rules.

H.R. 924. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 925. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. HANSEN (for himself, Mr. ABDNOR, Mr. GRASSLEY, Mr. THONE, Mr. BROYHILL, Mr. FRENZEL, Mr. FREY, and Mr. MOORHEAD of California):

H.R. 926. A bill; Government Executive Analysis and Reform (GEAR) Commission Act of 1977; to the Committee on Government Operations.

By Mr. HARRINGTON:

H.R. 927. A bill to establish a program of full employment, vocational training, and employment placement for all young Americans willing and able to work, and for other purposes; to the Committee on Education and Labor.

H.R. 928. A bill to amend the Local Public Works Capital Development and Investment Act of 1976 to increase the authorization, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HARRINGTON (for himself, Mr. DELLUMS, Mr. DODD, Mr. EDWARDS of California, Mr. EILBERG, Mr. FORD of Tennessee, Mr. HARRIS, Mr. HAWKINS, Ms. KEYS, Mr. MIKVA, Mr. MOAKLEY, Mr. PATTISON of New York, Mr. ROSENTHAL, Mr. WAXMAN, and Mr. ZEFERETTI):

H.R. 929. A bill to prohibit the control of alternative energy sources by integrated oil companies; to the Committee on the Judiciary.

By Mr. HIGHTOWER:

H.R. 930. A bill to require a periodic review and justification of the continued existence of certain Federal regulatory agencies and to provide for the elimination of such agencies or their successor agencies after a specified period of time, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mrs. HOLT:

H.R. 931. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Government Operations.

H.R. 932. A bill to assure the continued dedication of the United States to quality education and the neighborhood school concept; jointly, to the Committees on the Judiciary and Education and Labor.

H.R. 933. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. BINGHAM, Mr. JOHN L. BURTON, Mrs. CHISHOLM, Mr. CONYERS, Mr. LAFALCE, Mr. LUNDINE, Mrs. MEYNER, Mr. MOAKLEY, Mr. MURPHY of New York, Mr. NOWAK, Mr. OTTINGER, Mr. ROSENTHAL, Mr. SCHEUER, Mr. WEISS, Mr. WOLFF, and Mr. ZEFERETTI):

H.R. 934. A bill to amend titles IV, XI, and XIX of the Social Security Act to increase the Federal matching rate for purposes of reimbursement to States under the programs of aid to needy families with children and medical assistance; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. HUGHES:

H.R. 935. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly, to the Committees on Interior and Insular Affairs, the Judiciary, and Merchant Marine and Fisheries.

By Mr. JEFFORDS (for himself, Mr. FISHER, Mr. UDALL, Mr. BINGHAM, Mr. EMERY, Mr. KREBS, Mrs. CHISHOLM, Mr. DELLUMS, Mr. BEDELL, Mr. SEIBERLING, Mr. AUCOIN, Mr. MOFFETT, Mr. SCHEUER, Mr. HARRINGTON, Mr. TSONGAS, Mr. FRASER, Mr. KOCH, Mr. OTTINGER, Mr. WEAVER, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. RICHMOND, Mr. CHARLES H. WILSON of California, Mr. STUDDS, and Mr. MOAKLEY):

H.R. 936. A bill to require a refund value for certain beverage containers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS (for himself, Mr. BADILLO, Mr. WEISS, and Mr. KILDEE):

H.R. 937. A bill to require a refund value for certain beverage containers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 938. A bill to protect the public health and welfare by providing certain minimum standards of sanitation for imported dairy products; to the Committee on Agriculture.

H.R. 939. A bill to provide price support for milk at not less than 90 percent of parity with quarterly adjustments for the period beginning April 1, 1977 and ending on March 31, 1979; to the Committee on Agriculture.

H.R. 940. A bill to amend title 18 of the United States Code to provide a code of accountability and liability for Government officials engaged in making and implementing national security policy; to the Committee on the Judiciary.

H.R. 941. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agricultural industry; to the Committee on the Judiciary.

H.R. 942. A bill to amend title 39, United States Code, to establish procedures to regulate the manner in which the U.S. Postal Service may close post offices serving rural areas and small communities and towns; to the Committee on Post Office and Civil Service.

H.R. 943. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

H.R. 944. A bill to establish a Federal Oil and Gas Corporation; jointly, to the Committees on Interior and Insular Affairs, Interstate and Foreign Commerce, and Science and Technology.

By Mr. KASTENMEIER (for himself and Mr. RAILSBACK):

H.R. 945. A bill to amend the Consolidated Farm and Rural Development Act, to provide an alternate method of making loans for acquisition and improvements of the farm, needed by farm families, including young farmers, and to provide the borrower family with adequate standards of living and the consumer with reasonable prices for dairy and other agricultural products, as well as to maintain and improve national health, and for other purposes; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself, Mr. RAILSBACK, Mr. ASHLEY, Mr. AU COIN, Mr. BADILLO, Mr. BALDUS, Mr. BAUCUS, Mr. BONKER, Mr. BRODHEAD, Mr. JOHN L. BURTON, Mr. PHILLIP BURTON, Mr. CARR, Mrs. CHISHOLM, Mr. EDGAR, Mr. EMERY, Mr. FORD of Tennessee, Mr. FRASER, Mr. GILMAN, Mr. GRADISON, Mr. HANNAFORD, Mr. HARKIN, Mr. HARRINGTON, Mr. HILLIS, Mr. HUGHES, and Mr. JENRETTE):

H.R. 946. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. RAILSBACK, Ms. KEYS, Mr. KOCH, Mr. KREBS, Mr. LEHMAN, Mr. LENT, Mr. MCHUGH, Mr. MADIGAN, Mr. MAGUIRE, Mr. MEEDS, Mrs. MEYNER, Mr. MOAKLEY, Mr. MOTTL, Mr. NOLAN, Mr. OBERSTAR, Mr. OTTINGER, Mr. PATTISON of New York, Mr. PRITCHARD, Mr. REUSS, Mr. RICHMOND, Mr. ROSENTHAL, Mr. SANTINI, Mrs. SPELLMAN, and Mr. STARK):

H.R. 947. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. RAILSBACK, Mr. STUDDS, Mr. THONE, Mr. TRAXLER, Mr. VANIK, Mr. WAXMAN, Mr. WEAVER, Mr. WIRTH, Mr. WOLFF, Mr. ZABLOCKI, Mr. LLOYD of California, Mr. ROE, and Mr. JEFFORDS):

H.R. 948. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 949. A bill to amend the Museum Services Act to increase the authorization of appropriations for the purpose of making grants under such act; to the Committee on Education and Labor.

H.R. 950. A bill to provide that the place of birth of an individual issued a U.S. passport shall not be disclosed in the passport and to eliminate the requirement that the passport of an individual seeking entry into the United States disclose such individual's place of birth; to the Committee on International Relations.

H.R. 951. A bill to amend the Public Health Service Act to establish a program of Federal financial assistance for research programs and specialized treatment centers for the study and treatment of problems respecting human fertility and sterility and the human reproductive process, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 952. A bill to amend the Social Security Act to replace existing Federal public assistance and welfare programs with a single program under which all residents of the United States are guaranteed an adequate minimum income, with incentives to work for those who are able to do so, and for other purposes; to the Committee on Ways and Means.

H.R. 953. A bill to authorize the Secretary of the Treasury to provide loan guarantees for the debts of municipalities; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

H.R. 954. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. WIRTH):

H.R. 955. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways; to the Committee on Public Works and Transportation.

By Mr. LAGOMARSINO:

H.R. 956. A bill to amend the Export Administration Act of 1969; to the Committee on International Relations.

H.R. 957. A bill to provide for the establishment of a National Voluntary Medical and Hospital Services Insurance Act; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHMAN:

H.R. 958. A bill to amend title XVIII of the Social Security Act to eliminate all the deductibles, coinsurance, and time limitations presently applicable to benefits thereunder; to eliminate medicare taxes as the method of financing hospital insurance benefits and premium payments as the method of financing supplementary medical insurance benefits (so that all benefits under such title will be financed from general revenues); to provide payment for eye care, dental care, hearing aids, prescription drugs, prosthetics, one physical checkup a year, preventive care, diagnosis of breast cancer, services of certain psychologists, services of registered nurses, and certain other items not now covered; and to provide for the administrative and judicial review of claims (involving the amount of benefits payable) which arise under the supplementary medical insurance program; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. LEVITAS:

H.R. 959. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

H.R. 960. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of future agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

H.R. 961. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules imposing certain sanctions, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. LLOYD of California:

H.R. 962. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

H.R. 963. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. MINISH:

H.R. 964. A bill to prohibit the use of dogs by the Department of Defense in connection with the research, testing, development, or evaluation of radioactive, chemical, or biological warfare agents, and to require the Department of Defense to develop and use, where feasible, alternative, nonanimal methods of experimentation; to the Committee on Armed Services.

H.R. 965. A bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and the Federal Reserve banks and their branches; to the Committee on Banking, Finance and Urban Affairs.

H.R. 966. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record, to provide that remarriage shall not affect entitlement to widow's, widower's, or parent's benefits, to liberalize the earnings test, and to extend an individual's benefit entitlement through the month of his or her death, and to amend title XVIII of such act to provide coverage under the supplementary medical insurance program for clinical psychologist's services and for certain tests and examinations given for the detection of breast cancer; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. MOAKLEY:

H.R. 967. A bill to amend title 49, United States Code, relating to the payment of the cost of any inspection or quarantine service required to be performed by the Federal Government or any agency thereof at airports of entry or other places of inspection as a consequence of the operation of aircraft during regularly established hours of service on Sundays or holidays; to the Committee on Public Works and Transportation.

H.R. 968. A bill to amend the Internal Revenue Code of 1954 to remove certain restrictions which prevent recent graduates from educational institutions from using income averaging; to the Committee on Ways and Means.

By Mr. MOORHEAD of California:

H.R. 969. A bill to transfer jurisdiction over the food stamp program to the Secretary of Health, Education, and Welfare; to the Committee on Agriculture.

H.R. 970. A bill to amend the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty shall be awarded a reasonable attorney's fee and other reasonable litigation costs; to the Committee on Education and Labor.

H.R. 971. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 972. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

H.R. 973. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 974. A bill to amend the Uniform Time Act of 1966 to provide that daylight savings time shall begin on the last Sunday in February of each year; to the Committee on Interstate and Foreign Commerce.

H.R. 975. A bill to provide that in civil actions where the United States is a plaintiff, a prevailing defendant may recover a reasonable attorney's fee and other reasonable litigation costs; to the Committee on the Judiciary.

H.R. 976. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

H.R. 977. A bill to amend title 5, United States Code, to exclude individuals who are not citizens of the United States from appointment in the competitive service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 978. A bill to amend the Congressional Budget Act of 1974 to establish in the Congress a zero-base budgeting process, with full congressional review of each Federal program at least once every 6 years; to the Committee on Rules.

H.R. 979. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 980. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

H.R. 981. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; to the Committee on Ways and Means.

H.R. 982. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 983. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

H.R. 984. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

H.R. 985. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record where that method of computation produces a higher combined

benefit; to the Committee on Ways and Means.

H.R. 986. A bill to provide that certain employers contracting with the Federal Government may compute wages on the basis of a 4-day workweek consisting of 10-hour workdays; jointly, to the Committees on Education and Labor and the Judiciary.

H.R. 987. A bill to amend XVIII of the Social Security Act to include hearing aids and dentures among the items and services for which payment may be made under the supplementary medical insurance program; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Mr. EDWARDS of California, Mr. CHARLES WILSON of Texas, Mr. CARNEY, Mr. LEFANTE, Mr. HANNAFORD, Mr. JEFFORDS, Mr. HARRIS, Mr. KREBS, Mr. BUCHANAN, Mr. RUNNELS, Mr. GONZALEZ, Mr. DUNCAN of Oregon, Mr. BINGHAM, and Mr. WIRTH):

H.R. 988. A bill to exercise the power of the Congress under article IV of the Constitution to declare the effect of certain State judicial proceedings respecting the custody of children; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. EDWARDS of California, Mr. NEDZI, Mr. OTTINGER, Mr. BUTLER, Mr. BEDELL, Mr. ROSE, Mr. STEIGER, Mr. DELLUMS, Mr. LAGOMARSINO, Mr. DOWNEY, Mr. MINETA, Mrs. SPELLMAN, and Mr. SISK):

H.R. 989. A bill to exercise the power of the Congress under article IV of the Constitution to declare the effect of certain State judicial proceedings respecting the custody of children; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 990. A bill to authorize research, development, and demonstration projects relating to new techniques to protein production, fertilizer production, and processing vegetable protein, and an education program to encourage market acceptance of products produced by such methods; to the Committee on Agriculture.

H.R. 991. A bill to provide that the sons and daughters of recipients of the Distinguished Service Cross, the Navy Cross, or the Air Force Cross may be admitted to the service academies on the same basis as sons and daughters of recipients of the Congressional Medal of Honor; to the Committee on Armed Services.

H.R. 992. A bill to amend title 10 of the United States Code in order to provide former members and their dependents medical and dental care in uniformed services facilities during the 60-day period after discharge or separation, and to make such persons eligible for post exchange and commissary privileges during such 60-day period; to the Committee on Armed Services.

H.R. 993. A bill to amend title 10 of the United States Code to prohibit contracting for the construction of vessels for the U.S. Navy at places outside of the United States; to the Committee on Armed Services.

H.R. 994. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking, Finance and Urban Affairs.

H.R. 995. A bill to establish a National Bank for Cooperative Housing to aid in financing the purchase and construction of low- and middle-income cooperative housing; to the Committee on Banking, Finance and Urban Affairs.

H.R. 996. A bill to create a National Landlord and Tenant Commission, to establish housing courts, and to define or to provide therefor the rights, obligations, and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on Banking, Finance and Urban Affairs.

H.R. 997. A bill to authorize a White House Conference on Education; to the Committee on Education and Labor.

H.R. 998. A bill to provide that local educational agencies shall not receive Federal financial assistance unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children; to the Committee on Education and Labor.

H.R. 999. A bill to authorize grants to States for the establishment of vision screening programs for public school students; to the Committee on Education and Labor.

H.R. 1000. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

H.R. 1001. A bill to authorize the Secretary of Labor to provide for the development and implementation of programs of units of local government to provide comprehensive year-round recreational opportunities for the Nation's underprivileged youth, and for other purposes; to the Committee on Education and Labor.

H.R. 1002. A bill to provide for the monthly publication of a Consumer Price Index for the Elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

H.R. 1003. A bill to establish a Department of Health; to the Committee on Government Operations.

H.R. 1004. A bill to require the President to include in the budget transmitted to Congress additional information showing the regional impact of the budget proposals by State and congressional districts, and for other purposes; to the Committee on Government Operations.

H.R. 1005. A bill to provide that the Secretary of State shall make certain compensatory payments to States and political subdivisions with respect to United Nations property tax exemptions; to the Committee on Government Operations.

H.R. 1006. A bill requiring that each Member of Congress be notified of the intended disposition of federally owned real property in the district he represents; to the Committee on Government Operations.

H.R. 1007. A bill to provide that the library of New York Law School shall be considered a designated depository for Federal Government publications; to the Committee on House Administration.

H.R. 1008. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

H.R. 1009. A bill to authorize the construction and maintenance of the General Draza Mihailovich Monument in Washington, D.C., in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

H.R. 1010. A bill to establish the National Trust for the Preservation of Historic Ships; to the Committee on House Administration.

H.R. 1011. A bill to amend the Foreign Assistance Act of 1961 so as to provide for reductions in aid to countries in which property of the United States is damaged or destroyed by mob action; to the Committee on International Relations.

H.R. 1012. A bill to amend the Communications Act of 1934 that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1013. A bill to amend the Communications Act of 1934 to provide that certain television broadcasting stations must include foreign language subtitles in programs of local origin; to the Committee on Interstate and Foreign Commerce.

H.R. 1014. A bill to amend section 223 of the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts, and to inform the public of their right to be free from harassing, coercive, abusive, and obscene telephone calls; to the Committee on Interstate and Foreign Commerce.

H.R. 1015. A bill to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on Interstate and Foreign Commerce.

H.R. 1016. A bill to amend the Flammable Fabrics Act to extend the provisions of that act to construction materials used in the interiors of homes, offices, and other places of assembly or accommodation, and to authorize the establishment of toxicity standards; to the Committee on Interstate and Foreign Commerce.

H.R. 1017. A bill to establish a program to facilitate the purchase of life insurance by cancer victims; to the Committee on Interstate and Foreign Commerce.

H.R. 1018. A bill to establish a Health Action Corps; to the Committee on Interstate and Foreign Commerce.

H.R. 1019. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for the installation of passive restraints for occupant crash protection in new passenger cars, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1020. A bill to establish a grant-in-aid program to encourage the licensing by the States of motor vehicle mechanics; to the Committee on Interstate and Foreign Commerce.

H.R. 1021. A bill to provide for the establishment of the Electric Power Production Authority in the Department of Commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1022. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 1023. A bill to amend the Public Health Service Act to provide for a National Center for Clinical Pharmacology, to provide support for the study of clinical pharmacology and clinical pharmacy, and to provide for review of drug prescribing; and to amend the Federal Food, Drug, and Cosmetic Act to provide for additional regulation of drug promotions, to provide for recordkeeping and reporting for all drugs, to provide for certification of programs respecting manufacturers' representatives, to provide for the submission of data relating to therapeutic equivalence of drugs, to provide for the certification of certain drugs, to provide for a national drug compendium, to provide additional drug information to consumers, to establish a code system for the identification of all drugs, to provide for the recall of adulterated or misbranded foods, drugs, and cosmetics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1024. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

H.R. 1025. A bill to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from

certain foreign countries, and for other purposes; to the Committee on the Judiciary.

H.R. 1026. A bill to amend title 18 of the United States Code to prohibit bribery of State and local law enforcement officers and other elected or appointed officials; to the Committee on the Judiciary.

H.R. 1027. A bill to amend title 18 of the United States Code to establish an Office of the U.S. Correctional Ombudsman; to the Committee on the Judiciary.

H.R. 1028. A bill to amend title 18 of the United States Code to prohibit the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost, or stolen airline tickets; to the Committee on the Judiciary.

H.R. 1029. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

H.R. 1030. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a system for the redress of law enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

H.R. 1031. A bill to eliminate racketeering in the sale and distribution of cigarettes and to assist State and local governments in the enforcement of cigarette taxes; to the Committee on the Judiciary.

H.R. 1032. A bill to authorize the Federal Bureau of Investigation to exchange fingerprint information with registered national security exchanges and related agencies; to the Committee on the Judiciary.

H.R. 1033. A bill to provide for the redistribution of unused quota numbers; to the Committee on the Judiciary.

H.R. 1034. A bill to protect the constitutional rights of professional athletes; to the Committee on the Judiciary.

H.R. 1035. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

H.R. 1036. A bill to amend the act of December 27, 1950, to require public notice of request to waive certain navigation laws requirements; to the Committee on Merchant Marine and Fisheries.

H.R. 1037. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

H.R. 1038. A bill to amend section 27 of the Merchant Marine Act of 1920, to provide a monetary penalty for the transportation of merchandise in violation of the coastwise laws; to the Committee on Merchant Marine and Fisheries.

H.R. 1039. A bill to amend the Merchant Marine Act of 1920, in order to provide that the coastwise laws shall extend to the Virgin Islands with respect to the transportation of crude oil, residual fuel oil, and refined petroleum products; to the Committee on Merchant Marine and Fisheries.

By Mr. CORMAN (for himself, Mr. ANDERSON of California, Mr. BOLLING, Mr. CARNEY, Mr. CLAY, Mr. CONYERS, Mr. DANIELSON, Mr. DIGGS, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. JOHNSON of California, Mr. KOCH, Mr. MAGUIRE, Mr. MITCHELL of Maryland, Mr. MOSS, Mr. NIX, Mr. PRICE, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, and Mr. STUDDS):

H.R. 1040. A bill to broaden the income tax base, provide equity among taxpayers, and to otherwise reform the income, estate, and gift tax provisions; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. DELLUMS, Mr. HAWKINS, Mr. MEEDS, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 1041. A bill to broaden the income tax base, provide equity among taxpayers, and to otherwise reform the income, estate, and gift tax provisions; to the Committee on Ways and Means.

By Mr. RICHMOND:

H.R. 1042. A bill to provide an opportunity to individuals to make financial contributions, in connection with the payment of their Federal income tax, for the advancement of the arts and the humanities; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 1043. A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1044. A bill to provide partial reimbursement for losses incurred by commercial fishermen as a result of restriction imposed on domestic commercial fishing by a State or the Federal Government; to the Committee on Merchant Marine and Fisheries.

H.R. 1045. A bill to clarify the shipping laws with respect to the certification and inspection requirements which apply to articulated tug-barge systems; to the Committee on Merchant Marine and Fisheries.

H.R. 1046. A bill to amend title 5, United States Code, to permit Federal, State, and local officers and employees to take an active part in political management and in political campaigns; to the Committee on Post Office and Civil Service.

H.R. 1047. A bill to protect the civilian employees of the exective branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy; to the Committee on Post Office and Civil Service.

H.R. 1048. A bill to prohibit the furnishing of mailing lists and other lists of names or addresses by Government agencies to the public in connection with the use of the U.S. mails, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1049. A bill to provide for posting information in post offices with respect to registration, voting, and communicating with lawmakers; to the Committee on Post Office and Civil Service.

H.R. 1050. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 1051. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 1052. A bill to amend section 401(j) of the Federal Aviation Act of 1958, to provide that no air carrier shall discontinue service, in whole or in part, unless such discontinuance is found to be in the public interest by the Civil Aeronautics Board after public hearings; to the Committee on Public Works and Transportation.

H.R. 1053. A bill to amend the Federal Aviation Act of 1958 to safeguard American citizens from racial and religious discrimination by foreign nations while traveling abroad; to the Committee on Public Works and Transportation.

H.R. 1054. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for young people on a space-available basis; to the Committee on Public Works and Transportation.

H.R. 1055. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced-rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

H.R. 1056. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for elderly people on a space-available basis; to the Committee on Public Works and Transportation.

H.R. 1057. A bill to amend the Federal Aviation Act of 1958 to protect airline ticket agents from liability for the usage of stolen airline tickets; to the Committee on Public Works and Transportation.

H.R. 1058. A bill to amend the Federal Aviation Act of 1958 to improve prevention of aircraft and airport violence, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1059. A bill to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce; to the Committee on Public Works and Transportation.

H.R. 1060. A bill to provide for a national educational campaign to improve safety on the highways by improving driver skill, driver attitudes, and driver knowledge of highway regulations; to the Committee on Public Works and Transportation.

H.R. 1061. A bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment; to the Committee on Science and Technology.

H.R. 1062. A bill to provide financial aid for local fire departments in the purchase of firefighting suits and self-contained breathing apparatus; to the Committee on Science and Technology.

H.R. 1063. A bill to amend the Small Business Act to make loans available for small businesses suffering economic injuries as the result of the disruption of operations and services of public utilities; to the Committee on Small Business.

H.R. 1064. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record where that method of computation produces a higher combined benefit; to the Committee on Ways and Means.

H.R. 1065. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 1066. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 1067. A bill to amend title II of the Social Security Act to provide a 50-percent across-the-board increase in benefits thereunder, with the resulting benefit costs being borne equally by employers, employees, and the Federal Government; to the Committee on Ways and Means.

H.R. 1068. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in State supplementary payments as well as in such benefits, to prevent reductions in such benefits because of social security benefit increases, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making sup-

plemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

H.R. 1069. A bill to amend section 103 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H.R. 1070. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for donations of blood to nonprofit blood banks and other nonprofit organizations; to the Committee on Ways and Means.

H.R. 1071. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of compensation paid to law enforcement officers shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 1072. A bill to amend the Internal Revenue Code of 1954 to treat a portion of tuition paid to certain educational institutions as a charitable contribution; to the Committee on Ways and Means.

H.R. 1073. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

H.R. 1074. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

H.R. 1075. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

H.R. 1076. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

H.R. 1077. A bill to amend the Internal Revenue Code of 1954 to provide reasonable and necessary income tax incentives to encourage the utilization of recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; to the Committee on Ways and Means.

H.R. 1078. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled; to the Committee on Ways and Means.

H.R. 1079. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 1080. A bill to promote the employment of unemployed Vietnam veterans in employment reflecting experience or providing training; to the Committee on Ways and Means.

H.R. 1081. A bill to promote the employment of unemployed Vietnam veterans; to the Committee on Ways and Means.

H.R. 1082. A bill to promote the employment of unemployed handicapped Vietnam veterans; to the Committee on Ways and Means.

H.R. 1083. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

H.R. 1084. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 1085. A bill to promote the employment of unemployed Vietnam veterans; to the Committee on Ways and Means.

H.R. 1086. A bill to promote the employment of unemployed prisoners of war and missing in action Vietnam veterans; to the Committee on Ways and Means.

H.R. 1087. A bill to provide for a national educational campaign to combat the lack of consciousness of the public as to the danger of improper uses of motor vehicles on the highways, and to impose an additional tax of one-tenth of a cent per gallon on gasoline and other motor fuels to pay for the costs of such campaign; to the Committee on Ways and Means.

H.R. 1088. A bill to amend titles 10 and 37 of the United States Code in order to provide to members of the Armed Forces who were in a missing status for any period during the Vietnam conflict double credit for such period for retirement purposes and certain additional benefits and to provide such members certain medical benefits, to provide double retirement credit to Federal employees in such status during such conflict, and for other purposes; jointly, to the Committees on Armed Services and Post Office and Civil Service.

H.R. 1089. A bill to create a national system of health security; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

H.R. 1090. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

H.R. 1091. A bill to amend the Maritime Academy Act of 1958 in order to authorize the Secretary of the Navy to appoint students at State maritime academies and colleges as reserve midshipmen in the U.S. Navy, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

H.R. 1092. A bill to amend the National Environmental Policy Act of 1969 to provide for class actions in the U.S. district courts against persons responsible for creating certain environmental hazards; jointly, to the Committees on Merchant Marine and Fisheries and the Judiciary.

H.R. 1093. A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. MURTHA:

H.R. 1094. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the Armed forces of the United States during the Vietnam conflict; to the Committee on Veterans' Affairs.

By Mr. GARY A. MYERS:

H.R. 1095. A bill to allow fire departments to transmit nonemergency communications relating to official fire department business over fire department radiofrequencies; to the Committee on Interstate and Foreign Commerce.

H.R. 1096. A bill to amend the Atomic Energy Act of 1954 to provide criminal penalties for offenses committed under the act with the intent to convert nuclear material or facilities; to the Committee on the Judiciary.

H.R. 1097. A bill to require Members of the Congress and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

H.R. 1098. A bill to amend title 39, United States Code, to increase to 60 days the period before an election during which a Member of, or Member-elect to, the Congress may not make a mass mailing as franked mail if such Member or Member-elect is a candidate in such election; to the Committee on Post Office and Civil Service.

H.R. 1099. A bill to create a joint committee on intelligence operations; to the Committee on Rules.

H.R. 1100. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for certain employment-related expenses paid or incurred by a handicapped individual; to the Committee on Ways and Means.

H.R. 1101. A bill to amend the Internal Revenue Code of 1954 to provide that the special expenses incurred in maintaining a retarded or handicapped individual shall be allowable as a medical deduction without regard to the 3-percent floor; to the Committee on Ways and Means.

H.R. 1102. A bill to provide an opportunity to individuals to contribute $1, in connection with the payment of their Federal income tax, to the U.S. Olympic Fund, and for other purposes; to the Committee on Ways and Means.

H.R. 1103. A bill to provide for the Federal payment of State unemployment compensation benefits which are paid to individuals who are unemployed because of the natural gas shortage; to the Committee on Ways and Means.

H.R. 1104. A bill to strengthen Federal nepotism laws as they pertain to Members and employees of the Congress, and for other purposes; jointly, to the Committees on Post Office and Civil Service and House Administrations.

By Mr. NICHOLS (for himself and Mr. DAN DANIEL):

H.R. 1105. A bill to amend chapter 49 of title 10, United States Code, to prohibit unionization of the Armed Forces; to the Committee on Armed Services.

By Mr. NICHOLS (for himself and Mr. BRINKLEY):

H.R. 1106. A bill to provide for the establishment within the National Cemetery System of the Fort Mitchell Regional Veterans' Cemetery in Russell County, Ala.; to the Committee on Veterans' Affairs.

By Mr. O'BRIEN:

H.R. 1107. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically handicapped because of such handicap; to the Committee on Education and Labor.

H.R. 1108. A bill to amend section 404(b) of the Federal Aviation Act of 1958 to provide that no physically handicapped individual shall be denied air transportation solely because of such physical handicap, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1109. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1110. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 1111. A bill to assure the continued dedication of the United States to quality education and the neighborhood concept; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. PATTEN:

H.R. 1112. A bill to amend the Tariff Schedules of the United States by repealing item

807.00 of schedule 8, part 1, subpart B; to the Committee on Ways and Means.

H.R. 1113. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. PEPPER (for himself and Mr. KOCH):

H.R. 1114. A bill to amend the Public Health Service Act to provide additional programs of assistance for health personnel training programs and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 1115. A bill to amend the Age Discrimination in Employment Act of 1967 to provide that all Federal employees described in section 15 of such act shall be covered under the provisions of such act regardless of their age; to the Committee on Education and Labor.

H.R. 1116. A bill to amend title XVIII of the Social Security Act to remove all limits on the number of home health visits for which payment may be made under both part A and part B (eliminating the requirement of prior hospitalization in the case of home health care under part A), to include additional types of services as home health care, to provide coverage for preventive care under part B, to provide coverage for services furnished in outpatient rehabilitation facilities and elderly day care centers, to improve the administration of the medicare program, and for other purposes; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1117. A bill to establish within the Department of Health, Education, and Welfare a Home Health Clearinghouse to provide elderly persons with a single place where they can obtain complete information on the Federal health programs available to them, and to create within the Department an Assistant Secretary for Elderly Health with responsibility for all health and health-related matters involving the elderly; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

H.R. 1118. A bill to amend the Older Americans Act and the Public Health Service Act to provide expanded counseling assistance for the elderly sick and disabled; to the Committee on Education and Labor.

H.R. 1119. A bill to amend the Older Americans Act of 1965 to provide grants to organizations for providing legal assistance to poor, elderly individuals in connection with their entitlement to home health services under titles XVIII, XIX, and XX of the Social Security Act; jointly, to the Committees on Education and Labor and the Judiciary.

H.R. 1120. A bill to amend title XX of the Social Security Act to provide for the reallotment of unused social services funds, in any fiscal year, to States which will use such funds during the succeeding year in furnishing services aimed at preventing or reducing inappropriate institutional care by making home or community care available; to provide additional Federal matching for multipurpose senior center programs; and to provide for the standardization of eligibility requirements for the funding of senior centers; to the Committee on Ways and Means.

H.R. 1121. A bill to amend the National Housing Act and other acts for the purpose of providing assistance for outpatient geriatric clinics and for multipurpose senior centers, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1122. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to taxpayers who contribute the right to use certain real property to charitable organizations for outpatient geriatric clinics or for multipurpose senior centers; to the Committee on Ways and Means.

H.R. 1123. A bill to amend the Older Americans Act of 1965 to authorize funds for the establishment and operation of multipurpose senior centers, and for other purposes; jointly, to the Committees on Education and Labor, Interstate and Foreign Commerce, and Ways and Means.

H.R. 1124. A bill making a supplemental appropriation for payments under home health service grants and making an appropriation for payments under multipurpose senior center grants; to the Committee on Appropriations.

H.R. 1125. A bill to amend the Social Security Act to provide that any patient of a long-term care institution participating in the medicare or medicaid program, or otherwise receiving funds under that act, shall have the right to terminate his or her contract with such institution upon giving reasonable advance notice, and to expressly prohibit such an institution from requiring any patient to turn over to it any income received by him or her after such notice is given; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1126. A bill to promote the provision and availability of necessary health services for the elderly by expanding existing programs of grants for home health services, requiring the inclusion of specified preventive and home health services under the medicaid program and making various improvements in the administration of such program, providing assistance to demonstration and pilot projects for home health and supportive services (including demonstration grants for community care), and authorizing grants for annual health fairs and mobile geriatric health units, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1127. A bill to amend title XVIII of the Social Security Act to include dental care, eye care, hearing aids, physical checkups, and foot care among the items and services for which payment may be made under the supplementary medical insurance program, and to provide safeguards against consumer abuse in the provision of these items and services; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1128. A bill to amend title XIX of the Social Security Act to provide that medicaid is a payor of last resort and to permit recovery by States from certain estates of medicaid expenses incurred by individuals before reaching the age of 65; to the Committee on Interstate and Foreign Commerce.

H.R. 1129. A bill to amend the Social Security Act to require automatic sprinkler systems in all nursing facilities and intermediate care facilities certified for participation in the medicare or medicaid program, and to provide for direct low-interest Federal loans to assist such facilities in constructing or purchasing and installing automatic sprinkler systems; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1130. A bill to amend title XVIII of the Social Security Act to provide long-term care services as a part of the hospital insurance program, to encourage the creation of community long-term care centers to assist in providing such services, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

H.R. 1131. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Public Works and Transportation.

H.R. 1132. A bill to amend the Internal Revenue Code of 1954 to exempt from excise tax certain buses purchased by nonprofit organizations or by other persons for exclusive use in furnishing transportation for State or local governments or nonprofit organizations; to the Committee on Ways and Means.

H.R. 1133. A bill to amend the Interal Revenue Code of 1954 to provide that the amount of the charitable deduction allowable for expenses incurred in the operation of a highway vehicle will be determined in the same manner as the business deduction for such expenses; to the Committee on Ways and Means.

H.R. 1134. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1135. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

H.R. 1136. A bill to amend the Social Security Act to revise and expand various provisions relating to home health and other long-term care services under the medicare program, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Interstate and Foreign Commerce, and Ways and Means.

H.R. 1137. A bill to direct the Coordinating Council on Juvenile Justice and Delinquency Prevention to organize and convene a national conference on learning disabilities and juvenile delinquency and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 1138. A bill to assist the States and local educational agencies in providing educational programs of high quality in elementary and secondary schools and to assist the States in equalizing educational opportunity, and for other purposes; to the Committee on Education and Labor.

H.R. 1139. A bill to extend through fiscal year 1982 certain child nutrition programs under the National School Lunch Act and the Child Nutrition Act of 1966; to the Committee on Education and Labor.

H.R. 1140. A bill to establish an executive department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

H.R. 1141. A bill to amend the Railroad Retirement Act of 1974 to provide that any railroad employee may retire on full annuity at age 55 with 30 years' service, and to provide for payment of full spouse's annuities at age 55 (or reduced spouse's annuities at age 52); to the Committee on Interstate and Foreign Commerce.

H.R. 1142. A bill to provide additional assistance to the Energy Research and Development Administration for the advancement of nonnuclear energy research, development, and demonstration; to the Committee on Science and Technology.

H.R. 1143. A bill to amend title 38 of the United States Code to provide that monthly social security benefit payments shall not be considered to be income for the purpose of determining eligibility for a pension under that title; to the Committee on Veterans' Affairs.

H.R. 1144. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 1145. A bill to amend title II of the Social Security Act to eliminate the reduction in disability insurance benefits which is presently required in the case of an individual receiving workmen's compensation benefits; to the Committee on Ways and Means.

H.R. 1146. A bill to amend title II of the Social Security Act so as to liberalize the

conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 1147. A bill to amend title II of the Social Security Act to make it clear that an individual who loses his or her entitlement to child's insurance benefits by reason of marriage may again become entitled to such benefits if divorced (while still otherwise entitled) before attaining age 22; to the Committee on Ways and Means.

H.R. 1148. A bill to amend title II of the Social Security Act to make it clear that entitlement of an employee's survivor to an annuity under the Railroad Retirement Act of 1937, without any entitlement to a death payment under such act on account of such employee's death, will not prevent a lump-sum death payment from being made on such employee's wage record under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

H.R. 1149. A bill to amend title II of the Social Security Act to reduce from 60 to 45 the age at which a woman otherwise qualified may become entitled to widow's insurance benefits; to the Committee on Ways and Means.

H.R. 1150. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 1151. A bill to amend titles II and XVIII of the Social Security Act to provide medicare coverage for disabled individuals under age 65 from the first month of their entitlement to benefits based on disability, in cases where the individuals involved are becoming reentitled to such coverage after a previous coverage period which ended during the preceding 5 years; to the Committee on Ways and Means.

H.R. 1152. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. PICKLE:

H.R. 1153. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

H.R. 1154. A bill to amend Public Law 88-482; to the Committee on Ways and Means.

H.R. 1155. A bill to amend the Federal Trade Commission Act to provide that exclusive territorial arrangements used in the distribution or sale of a trademarked soft drink product or a trademarked private label food product shall not be deemed unlawful per se; jointly, to the Committees on Interstate and Foreign Commerce and the Judiciary.

H.R. 1156. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under such part; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. PICKLE (for himself and Mr. RISENHOOVER):

H.R. 1157. A bill to provide a comprehensive program to improve cargo security for property being transported in interstate and foreign commerce; jointly, to the Committees on Interstate and Foreign Commerce, Public Works and Transportation, Ways and Means, and Merchant Marine and Fisheries.

By Mr. QUILLEN:

H.R. 1158. A bill to amend the Railroad Retirement Act of 1974 to change benefit eligibility requirements so that individuals who have completed 30 years of service as an employee and have attained the age of 55 years are eligible and so that certain other individuals who have attained the age of 55 years and are related to employees are also eligible; to the Committee on Interstate and Foreign Commerce.

H.R. 1159. A bill to remove from the Supreme Court of the United States and the district courts of the United States any jurisdiction over cases relating to voluntary prayer in any public school or public building; to the Committee on the Judiciary.

H.R. 1160. A bill to require that burials be permitted in national cemeteries on weekends and holidays; to the Committee on Veterans' Affairs.

H.R. 1161. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1162. A bill to amend title II of the Social Security Act to provide that widow's insurance benefits shall be payable at age 50, without actuarial reduction and without regard to disability; to the Committee on Ways and Means.

By Mr. REGULA (for himself, Mr. BLOUIN, Mr. COUGHLIN, Mr. DEVINE, Mr. EDGAR, Mrs. FENWICK, Mr. HAMMERSCHMIDT, Mr. KINDNESS, Mr. KOCH, Mrs. LLOYD of Tennessee, Mr. MCHUGH, Mr. RINALDO, Mr. SEIBERLING, and Mr. WHITEHURST):

H.R. 1163. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. RICHMOND:

H.R. 1164. A bill to amend section 2 of the National Housing Act with regard to a guaranteed loan program designed to encourage the acquisition and installation of solar energy thermal conversion systems in dwelling units; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1165. A bill to amend the Solar Heating and Cooling Demonstration Act of 1974 to provide for a demonstration program with specified goals, schedules, and funding with respect to the application of solar heating in greenhouses, crop-drying structures, livestock shelters, and other nonresidential agricultural structures, and for other purposes; jointly, to the Committees on Science and Technology and Agriculture.

H.R. 1166. A bill to amend the Consolidated Farm and Rural Development Act with regard to a program designed to encourage the acquisition and installation of solar energy thermal conversion systems in residential structures located on a family farm; to the Committee on Agriculture.

H.R. 1167. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to amortize over a 60-month period solar heating and cooling equipment which is placed in service for nonresidential structures, and to allow an investment tax credit with respect to such equipment; to the Committee on Ways and Means.

H.R. 1168. A bill to establish within the Federal Energy Administration a program of Federal matching grants to assist States and localities in providing solar energy systems for public buildings and facilities; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1169. A bill providing for a study of anaerobic digesters and a demonstration project for their use on family farms; to the Committee on Agriculture.

H.R. 1170. A bill to amend the U.S. Housing Act of 1937 to enable local public housing agencies to enter into security arrangements designed to prevent crimes and otherwise insure the safety and well-being of public housing tenants; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1171. A bill to provide a comprehensive program of employment services and opportunities for middle-aged and older Americans; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

H.R. 1172. A bill to amend title II of the Social Security Act to reduce from 20 to 5 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 1173. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 1174. A bill to amend the Urban Mass Transportation Act of 1964 to increase the amount of the Federal grant which may be made for certain mass transportation projects from 80 to 90 percent of the costs of such projects; to the Committee on Public Works and Transportation.

H.R. 1175. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 1176. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 1177. A bill to increase the production, transportation, and conversion of coal as a source of energy; to the Committee on Interstate and Foreign Commerce.

H.R. 1178. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 1179. A bill to amend title IV of the Social Security Act to improve and make more realistic various provisions relating to eligibility for aid to families with dependent children and the administration of the aid to families with dependent children program, and for other purposes; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 1180. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

H.R. 1181. A bill to provide for the appointment of additional district court judges and for other purposes; to the Committee on the Judiciary.

H.R. 1182. A bill to amend title 18, United States Code, so as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

H.R. 1183. A bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 1184. A bill to establish grants for research endeavors for the purpose of assisting in the development and utilization of new and improved methods of food and fertilizer production; to the Committee on Agriculture.

H.R. 1185. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

H.R. 1186. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 1187. A bill to require that any person holding a federally related home mortgage shall provide certain services and follow

certain procedures before instituting foreclosure proceedings with respect to such mortgage; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1188. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient, alternate uses, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1189. A bill to amend the National Housing Act and other acts for the purpose of providing assistance for outpatient geriatric clinics and for multipurpose senior centers, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1190. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1191. A bill to authorize the Administrator of the National Fire Prevention and Control Administration to make grants to volunteer fire departments which are unable to purchase necessary firefighting equipment because of the increased cost of such equipment as the result of inflation; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1192. A bill to amend the Elementary and Secondary Education Act of 1965 to provide emergency financial assistance to local education agencies in order to maintain essential elementary and secondary education services at a quality level; to the Committee on Education and Labor.

H.R. 1193. A bill to amend the Higher Education Act of 1965 to establish a student internship program to offer students practical involvement with elected officials on local and State levels of government and with Members of Congress; to the Committee on Education and Labor.

H.R. 1194. A bill to amend title IV of the Higher Education Act of 1965 to provide for a national student financial assistance data bank; to the Committee on Education and Labor.

H.R. 1195. A bill to require recipients of Federal aid to higher education to provide senior citizens with access, on a space-available basis, to already scheduled courses and programs; to the Committee on Education and Labor.

H.R. 1196. A bill to amend the Older Americans Act and the Public Health Service Act to provide expanded counseling assistance for the elderly sick and disabled; to the Committee on Education and Labor.

H.R. 1197. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

H.R. 1198. A bill to amend the National Labor Relations Act to make it an unfair labor practice to discharge an employee because he testifies before any committee of the Congress, and for other purposes; to the Committee on Education and Labor.

H.R. 1199. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor; to the Committee on Education and Labor.

H.R. 1200. A bill to prohibit discriminatory employment practices with respect to physically handicapped persons; to the Committee on Education and Labor.

H.R. 1201. A bill to establish a commission to develop measures for improving the method of collecting and analyzing national employment and unemployment information and statistics; to the Committee on Education and Labor.

H.R. 1202. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off public safety officers; to the Committee on Education and Labor.

H.R. 1203. A bill to establish an Executive Department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

H.R. 1204. A bill to establish a department of senior citizens affairs, and for other purposes; to the Committee on Government Operations.

H.R. 1205. A bill to amend the Budget and Accounting Act, 1921, to require that all departmental budget requests made to the Office of Management and Budget with respect to any fiscal year be submitted to the Congress along with the President's budget for such year, and that officials of the Office of Management and Budget, when requested to do so by the appropriate committees of the Congress, testify before such committees on the President's budget and on such departmental budget requests; to the Committee on Government Operations.

H.R. 1206. A bill to establish an office within the Congress with a toll-free telephone number to be known as the congressional advisory legislative line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

H.R. 1207. A bill to designate certain endangered public lands for preservation as wilderness, to provide for the study of additional endangered public lands for such designation, to further the purposes of the Wilderness Act of 1964, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1208. A bill to prohibit certain incompatible activities within any area of the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1209. A bill to establish a Hudson River Compact Commission composed of the Secretary of the Interior and representatives from the States of New York, New Jersey, Vermont, Massachusetts, and Connecticut so that the Commission may negotiate a compact to develop, preserve, and restore the resources of the Hudson River Basin and its shores, and to authorize certain necessary steps to be taken to protect those resources from adverse Federal actions until the States concerned and the Congress have the opportunity to act on that compact; to the Committee on Interior and Insular Affairs.

H.R. 1210. A bill to authorize the Secretary of the Interior to establish a National Law Enforcement Heroes Memorial within the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1211. A bill to reduce the payments by the United States to the United Nations, and for other purposes; to the Committee on International Relations.

H.R. 1212. A bill to require the submission of reports to the Congress prior to the issuance of a license for the export of certain arms, ammunition, or implements of war; to the Committee on International Relations.

H.R. 1213. A bill to establish a National Foreign Investment Control Commission to prohibit or restrict foreign ownership control or management control, through direct purchase, in whole or part; from acquiring securities or certain domestic issuers of securities, by merger, tender offer, or any other means; control of certain domestic corporations or industries, real estate, or other natural resources deemed to be vital to the economic security and national defense of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 1214. A bill to provide technical and financial assistance for the development of management plans and facilities for the recovery of energy and other resources from discarded materials and for the safe disposal of discarded materials, to regulate the management of hazardous waste, and to reclaim waters damaged by sludge and sewage; to the Committee on Interstate and Foreign Commerce.

H.R. 1215. A bill to reform residential electric utility rates; to the Committee on Interstate and Foreign Commerce.

H.R. 1216. A bill to amend the Flammable Fabrics Act to extend the provisions of that act to construction materials used in the interiors of homes, offices, and other places of assembly or accommodation, and to authorize the establishment of toxicity standards; to the Committee on Interstate and Foreign Commerce.

H.R. 1217. A bill to assist the construction and operation of burn facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 1218. A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice; to the Committee on Interstate and Foreign Commerce.

H.R. 1219. A bill to amend title VII of the Public Health Service Act to provide for the making of grants to appropriate colleges and universities to assist them in the establishment and operation of programs for the training of physicians' assistants; to the Committee on Interstate and Foreign Commerce.

H.R. 1220. A bill to amend title VII of the Public Health Service Act to train certain veterans, with appropriate experience as paramedical personnel, to serve as medical assistants in long-term health care facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 1221. A bill to establish the National Diabetes Advisory Board and to take other actions to insure the implementation of the long-range plan to combat diabetes; to the Committee on Interstate and Foreign Commerce.

H.R. 1222. A bill to amend the Community Mental Health Centers Act to require States which receive assistance under that act to establish and maintain mental health advocacy services; to the Committee on Interstate and Foreign Commerce.

H.R. 1223. A bill to establish the Federal right of every unemancipated child to be supported by such child's parent or parents and, therefore, to confer upon certain local courts of the District of Columbia and every State and territory of the United States jurisdiction to enforce such right regardless of such child's residence; to the Committee on the Judiciary.

H.R. 1224. A bill to amend the Omnibus Crime Control and Safe Streets Acts of 1968 to add a requirement that the comprehensive State plan include provisions for attention to the special problems of prevention, treatment, and other aspects of crimes against the elderly; to the Committee on the Judiciary.

H.R. 1225. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

H.R. 1226. A bill to provide a penalty for unlawful assault upon policemen, firemen, and other law enforcement personnel, and for other purposes; to the Committee on the Judiciary.

H.R. 1227. A bill to amend title 18 of the United States Code to provide the death penalty for certain destructive acts to airports, airplanes, and related things and places; to the Committee on the Judiciary.

H.R. 1228. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 1229. A bill to amend the Legal Services Corporation Act to provide legal assistance to older persons in connection with their participation in certain health insurance and medical assistance programs under the Social Security Act; to the Committee on the Judiciary.

H.R. 1230. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

H.R. 1231. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

H.R. 1232. A bill to incorporate the Italian American War Veterans of the United States, Inc.; to the Committee on the Judiciary.

H.R. 1233. A bill to grant a Federal charter to the Athenia Veterans Post, Inc.; to the Committee on the Judiciary.

H.R. 1234. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements; to the Committee on Merchant Marine and Fisheries.

H.R. 1235. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services; to the Committee on Post Office and Civil Service.

By Mr. ROBERTS:

H.R. 1236. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.R. 1237. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

H.R. 1238. A bill to amend title 39, United States Code, to extend the period during which preferential mail rates shall apply with respect to certain publications mailed by veterans' organizations; to the Committee on Post Office and Civil Service.

H.R. 1239. A bill to amend title 39, United States Code, as enacted by the Postal Reorganization Act, to facilitate direct communication between officers and employees of the U.S. Postal Service and Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1240. A bill to amend the Urban Mass Transportation Act of 1964 to increase the amount of the Federal grant which may be made for certain mass transportation projects from 80 to 90 percent of the costs of such projects; to the Committee on Public Works and Transportation.

H.R. 1241. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the Highway Trust Fund; to the Committee on Public Works and Transportation.

H.R. 1242. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for young people on a space-available basis; to the Committee on Public Works and Transportation.

H.R. 1243. A bill to provide Federal loan guarantee for certain common carriers of express; to the Committee on Public Works and Transportation.

H.R. 1244. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced-rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

H.R. 1245. A bill to provide that all federally assisted public mass transportation facilities, equipment, and services be adapted to accommodate the needs of elderly and handicapped persons; to the Committee on Public Works and Transportation.

H.R. 1246. A bill to provide for certain research and demonstration respecting the disposal of sludge, the reclamation of waters damaged by sludge and sewage, the regulation of hazardous sludge, assistance to State and local governments for the removal of sludge and other solid waste from waters and shoreline areas, and to provide that grants for waste treatment works shall be made only if such works provide for environmentally sound sludge management; to the Committee on Public Works and Transportation.

H.R. 1247. A bill to provide for grants and technical assistance for the construction or acquisition by certain State and local authorities of facilities for the use or disposal of sewage sludge; to the Committee on Public Works and Transportation.

H.R. 1248. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

H.R. 1249. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

H.R. 1250. A bill to create a joint congressional committee on foreign investment control in the United States; to the Committee on Rules.

H.R. 1251. A bill to amend the Small Business Act and Small Business Investment Act of 1958 to provide additional assistance under such acts, to create a pollution control financing program for small business, and for other purposes; to the Committee on Small Business.

H.R. 1252. A bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment; to the Committee on Science and Technology.

H.R. 1253. A bill to provide financial aid for local fire departments in the purchase of firefighting suits and self-contained breathing apparatus; to the Committee on Science and Technology.

H.R. 1254. A bill to amend title 38, United States Code, to authorize expenditures by the Administrator of Veterans' Affairs for repair of certain dwellings; to the Committee on Veterans' Affairs.

H.R. 1255. A bill to amend title 38 of the United States Code in order to extend specially adapted housing benefits to certain disabled veterans; to the Committee on Veterans' Affairs.

H.R. 1256. A bill to amend title 38 of the United States Code in order to authorize the Administrator of Veterans' Affairs to make scholarship grants to individuals attending medical schools on the condition that such individuals will serve in Veterans' Administration facilities for a certain period of time upon completion of professional training, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1257. A bill to amend section 618 of title 38, United States Code, in order to authorize the Administrator to expand the current program providing therapeutic and rehabilitation activities for certain veterans, and for other purposes; to the Commitee on Veterans' Affairs.

H.R. 1258. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

H.R. 1259. A bill to amend the Internal Revenue Code of 1954 to provide for the payment of interest at a rate of 5 percent on excess amounts withheld from individuals' wages; to the Committee on Ways and Means.

H.R. 1260. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

H.R. 1261. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit of $250 to an individual for expenditures for health insurance premiums; to the Committee on Ways and Means.

H.R. 1262. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $7,500 of income received by a taxpayer who is 65 years of age or older; to the Committee on Ways and Means.

H.R. 1263. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 1264. A bill to amend the Internal Revenue Code in 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

H.R. 1265. A bill to amend the Internal Revenue Code of 1954 to provide for individual supplemental retirement savings; to the Committee on Ways and Means.

H.R. 1266. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for amounts paid or incurred for repairs or improvements of, or additions to, their principal residences; to the Committee on Ways and Means.

H.R. 1267. A bill to amend the Internal Revenue Code of 1954 to encourage businesses to purchase surplus school or hospital buildings from governmenal and nonprofit entities by providing rapid amortization for such buildings; to the Committee on Ways and Means.

H.R. 1268. A bill to amend the Internal Revenue Code of 1954 to provide for adjustment in the dollar limitations for purposes of the retirement income credit in order to make the tax benefits accorded to retirement income comparable to those accorded to social security income; to the Committee on Ways and Means.

H.R. 1269. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for depreciation on capital expenditures incurred in connecting residential sewer lines to municipal sewage systems; to the Committee on Ways and Means.

H.R. 1270. A bill to amend the Internal Revenue Code of 1954 to allow certain indi-

viduals who have attained age 65 or who are disabled a refundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

H.R. 1271. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction in the case of an individual who rents his principal residence (or who rents a site for a mobile home used as his principal residence; to the Committee on Ways and Means.

H.R. 1272. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

H.R. 1273. A bill to amend the Internal Revenue Code of 1954 to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services; to the Committee on Ways and Means.

H.R. 1274. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

H.R. 1275. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

H.R. 1276. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

H.R. 1277. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to taxpayers who contribute the right to use certain real property to charitable organizations for outpatient geriatric clinics or for multipurpose senior centers; to the Committee on Ways and Means.

H.R. 1278. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 1279. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

H.R. 1280. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

H.R. 1281. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

H.R. 1282. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption of $750 for certain volunteer firemen; to the Committee on Ways and Means.

H.R. 1283. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for clothing purchased and used by taxpayers serving in volunteer firefighting organizations; to the Committee on Ways and Means.

H.R. 1284. A bill to provide that State and local sales taxes paid by individuals shall be allowed as a credit against their liability for Federal income tax instead of being allowed as a deduction from their gross income; to the Committee on Ways and Means.

H.R. 1285. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for State and local public utility taxes; to the Committee on Ways and Means.

H.R. 1286. A bill to provide that service charges paid by property owners to independent sewerage authorities shall be tax deductible as part of the real property tax paid on said properties; to the Committee on Ways and Means.

H.R. 1287. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

H.R. 1288. A bill to provide for an immediate 15 percent cost-of-living increase in social security benefits; to the Committee on Ways and Means.

H.R. 1289. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

H.R. 1290. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 1291. A bill to amend title II of the Social Security Act to provide that all benefits based upon the attainment of age will be payable at age 60, subject to actuarial reduction; to the Committee on Ways and Means.

H.R. 1292. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1293. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 1294. A bill to amend title II of the Social Security Act to provide in certain cases for an exchange of credits between the old-age, survivors, and disability insurance system and the civil service retirement system so as to enable individuals who have coverage under both systems to obtain maximum benefits based on their combined service; to the Committee on Ways and Means.

H.R. 1295. A bill to amend title II of the Social Security Act to permit a State, under its section 218 agreement, to terminate social security coverage for State or local policemen or firemen without affecting the coverage of other public employees who may be members of the same coverage group (and to permit the reinstatement of coverage for such other employees in certain cases where the group's coverage has previously been terminated); to the Committee on Ways and Means.

H.R. 1296. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 1297. A bill to amend title II of the Social Security Act so as to prohibit any reduction in the monthly benefits of a fully insured individual, who is otherwise entitled to old-age insurance benefits, by reason of any outside earnings which may be received by such insured individual; to the Committee on Ways and Means.

H.R. 1298. A bill to amend title XVI of the Social Security Act to direct the Secretary, in determining the extent to which the value of an individual's home is excludable for purposes of establishing his or her eligibility for supplemental security income benefits, to take into account regional variations in the market prices of homes and to make periodic adjustments reflecting changes in land and home values; to the Committee on Ways and Means.

H.R. 1299. A bill to amend part A of title XVIII of the Social Security Act to authorize payment for emergency inpatient hospital service furnished outside the United States, to a qualified individual whose principal residence is within the United States, without regard to where the emergency occurred; to the Committee on Ways and Means.

H.R. 1300. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

H.R. 1301. A bill to amend the Tariff Schedules of the United States by repealing item 807 of schedule 8, part 1, subpart B; to the Committee on Ways and Means.

H.R. 1302. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly, to the Committees on Education and Labor and Banking, Finance and Urban Affairs.

H.R. 1303. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly, to the Committees on Education and Labor and Ways and Means.

H.R. 1304. A bill to amend the Outer Continental Shelf Lands Act to provide a procedure for congressional disapproval of offshore oil and gas leases; jointly, to the Committees on Interior and Insular Affairs and Rules.

H.R. 1305. A bill to establish a National Energy and Conservation Corporation (AM POWER), and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Science and Technology.

H.R. 1306. A bill to establish a National Resource Information System, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce and Interior and Insular Affairs.

H.R. 1307. A bill to establish within the Department of Health, Education, and Welfare a Home Health Clearinghouse to provide elderly persons with a single place where they can obtain complete information on the Federal health programs available to them, and to create within the Department an Assistant Secretary for Elderly Health with responsibility for all health and health-related matters involving the elderly; jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means.

H.R. 1308. A bill to amend the Civil Rights Act of 1968 and title 5 of the National Housing Act to prevent discrimination based on marital status; jointly, to the Committees on the Judiciary and Banking, Finance and Urban Affairs.

H.R. 1309. A bill to amend the Public Buildings Act of 1959 in order to preserve buildings of historical or architectural significance through their use for Federal public building purposes, and to amend the act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped; jointly, to the Committees on Public Works and Transportation and Government Operations.

H.R. 1310. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain

medical facilities; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1311. A bill to amend XVIII of the Social Security Act to provide for the coverage of certain psychologists' services under the supplementary medical insurance benefits program established by part B of such title; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1312. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1313. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1314. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaon tests for the diagnosis of uterine cancer; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1315. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1316. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1317. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1318. A bill to amend the Social Security Act to provide for the updating of safety provisions in skilled nursing facilities; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 1319. A bill to amend the Social Security Act to require automatic sprinkler systems in all nursing facilities and intermediate care facilities certified for participation in the medicare or medicaid program, and to provide for direct low-interest Federal loans to assist such facilities in constructing or purchasing and installing automatic sprinkler systems; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. ROE (for himself and Mr. NOWAK):

H.R. 1320. A bill to amend title III of the act of March 3, 1933, commonly referred to as the "Buy American Act", with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes; to the Committee on Government Operations.

By Mr. ROGERS:

H.R. 1321. A bill to amend the Tax Reform Act of 1976 to extend for 1 year the effective date of the provision relating to changes in exclusions for sick pay; to the Committee on Ways and Means.

By Mr. ROGERS (for himself and Mr. BAFALIS):

H.R. 1322. A bill to provide for the transfer of the Mar-A-Lago National Historic Site from the United States to the Marjorie Merriweather Post Foundation of the District of Columbia; to the Committee on Interior and Insular Affairs.

By Mr. ROONEY:

H.R. 1323. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the promulgation of minimum safety standards for schoolbus external warning devices; to the Committee on Interstate and Foreign Commerce.

H.R. 1324. A bill to amend the Interstate Commerce Act to provide for the regulation of common carriers of coal by pipeline, to grant certain powers to such common carriers, to prohibit such common carriers from using the power of eminent domain to acquire lands owned by railroads or other common carriers, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROONEY (for himself and Mr. ECKHARDT):

H.R. 1325. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide improved enforcement of motor carrier safety regulations by the Secretary of Transportation; to protect motor carrier employees against discrimination for reporting violations of such regulations; and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SARASIN:

H.R. 1326. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. SARASIN (for himself and Mr. STEIGER):

H.R. 1327. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes; to the Committee on Education and Labor.

By Mr. SEBELIUS:

H.R. 1328. A bill to remove the food allocation requirements of title I of the Agricultural Trade Development and Assistance Act of 1954; to the Committee on International Relations.

By Mr. SKUBITZ:

H.R. 1329. A bill to amend the Occupational Safety and Health Act of 1970 to bar the issuance of citations to employers of less than 10 persons and to bar the assessment of penalties where fewer than 10 nonserious violations are cited; to the Committee on Education and Labor.

By Mrs. SPELLMAN:

H.R. 1330. A bill to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth; to the Committee on Interstate and Foreign Commerce.

H.R. 1331. A bill to amend title 5, United States Code, to provide for the review of agency reorganization plans by the Comptroller General and the Congress, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mr. STEERS:

H.R. 1332. A bill to amend the Internal Revenue Code of 1954 to provide that amounts received under certain tuition-remission programs of institutions of higher education will be treated as scholarships; to the Committee on Ways and Means.

By Mr. STEIGER:

H.R. 1333. A bill to amend the Flood Disaster Protection Act of 1973 to make compliance with its provisions voluntary; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1334. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

H.R. 1335. A bill to amend the Occupational Safety and Health Act of 1970 by providing for Federal authority to assure safe and healthful working conditions of State and local employees where a pattern or practice of unsafe or unhealthful working conditions or imminent dangers exists; to the Committee on Education and Labor.

H.R. 1336. A bill to grant a Federal charter to the American Political Items Collectors, Inc.; to the Committee on the Judiciary.

H.R. 1337. A bill to amend the Internal Revenue Code of 1954 with respect to excise tax on certain trucks, buses, tractors, et cetera; to the Committee on Ways and Means.

H.R. 1338. A bill to amend the Internal Revenue Code of 1954 to exempt from industrial development bond treatment certain bond issues the proceeds of which are used for drydock facilities the primary use of which is to be for repairing, inspecting, or servicing vessels; to the Committee on Ways and Means.

H.R. 1339. A bill to amend title II of the Social Security Act to permit the payment of child's insurance benefits to a minor child legally adopted by an individual entitled to old-age or disability insurance benefits (whether the adoption occurred before or after such individual became so entitled) if such child was living with and being supported by such individual for a year immediately before filing application for such child's insurance benefits; to the Committee on Ways and Means.

By Mr. STEIGER (for himself and Mr. FRENZEL):

H.R. 1340. A bill to amend the Internal Revenue Code of 1954 to require that an annual report on the effects of inflation (or deflation) on the Federal income tax be transmitted to the Congress; to the Committee on Ways and Means.

By Mr. STEIGER (for himself and Mr. GINN):

H.R. 1341. A bill to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of the locality; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. STRATTON:

H.R. 1342. A bill to amend the Federal Election Campaign Act of 1971, to provide free radio and television time to candidates for election to Federal office; to the Committee on House Administration.

H.R. 1343. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

H.R. 1344. A bill to amend the Internal Revenue Code of 1954 to provide a 30-percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education; to the Committee on Ways and Means.

H.R. 1345. A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid or assistance under the various Federal-State public assistance and medicaid programs, and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or assistance reduced because of post-1973 increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 1346. A bill limiting the power of the

Army Corps of Engineers to determine the navigability of certain waters located wholly within the limits of one State; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. SYMMS (for himself, Mr. HANSEN, and Mr. McDONALD):

H.R. 1347. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. SYMMS (for himself, Mr. HANSEN, Mr. MOORHEAD of California, and Mr. McDONALD):

H.R. 1348. A bill to repeal the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. TAYLOR:

H.R. 1349. A bill to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported," to provide for the inspection of imported dairy products, to require that imported dairy products comply with certain minimum standards of sanitation, and to require that imported dairy products be labeled "imported," and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE:

H.R. 1350. A bill to extinguish Federal court jurisdiction over school attendance; to the Committee on the Judiciary.

H.R. 1351. A bill to further the achievement of equal educational opportunities; jointly, to the Committees on Education and Labor, and Judiciary.

H.R. 1352. A bill to assure the continued dedication of the United States to quality education and the neighborhood school concept; jointly, to the Committees on the Judiciary and Education and Labor.

H.R. 1353. A bill to prohibit the Federal courts from issuing busing orders based on race, and for other purposes; jointly, to the Committee on the Judiciary, Education and Labor.

H.R. 1354. A bill to impose a moratorium on new and additional student transportation; jointly, to the Committees on the Judiciary, and Education and Labor.

By Mr. THOMPSON:

H.R. 1355. A bill to amend the Service Contract Act of 1965 to extend its geographical coverage to contracts performed in the Canal Zone; to the Committee on Education and Labor.

H.R. 1356. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965 to further cultural activities by making unused railroad passenger depots available to communities for such activities; to the Committee on Education and Labor.

By Mr. THONE:

H.R. 1357. A bill to prevent the unauthorized manufacture and use of the name and symbol "Tree City USA", and for other purposes; to the Committee on the Judiciary.

By Mr. THORNTON (for himself, Mr. McCORMACK, Mr. TEAGUE, Mr. FUQUA, Mr. WINN, Mr. FLOWERS, Mr. FREY, Mr. ROE, Mr. GOLDWATER, Mr. BROWN of California, Mr. MILFORD, Mr. SCHEUER, Mr. GARY A. MYERS, Mr. OTTINGER, Mr. HARKIN, Mr. AMBRO, Mr. DODD, Mr. BLOUIN, Mr. KRUEGER, Mrs. LLOYD of Tennessee, Mr. BLANCHARD, and Mr. WIRTH):

H.R. 1358. A bill to establish in the Energy Research and Development Administration an Energy Extension Service to oversee the development and administration of State plans for the development, demonstration, and analysis of energy conservation opportunities, and the development of programs to encourage the acceptance and adoption of energy conservation opportunities by energy consumers; to the Committee on Science and Technology.

By Mr. WALKER:

H.R. 1359. A bill to improve the level of nutrition of people who participate in the food stamp program by authorizing the use of food stamps only with respect to food which the Secretary determines to be nutritious and which is labeled accordingly, and to eliminate any requirement of purchasing a minimal amount of food stamps in order to participate in such program; to the Committee on Agriculture.

By Mr. WALSH:

H.R. 1360. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 1361. A bill to insure that recipents of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 1362. A bill to provide that the Federal Government shall assume 100 percent of all Federal, State and local welfare costs; to the Committee on Ways and Means.

H.R. 1363. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for volunteer services performed in Veterans' Administration hospitals; to the Committee on Ways and Means.

H.R. 1364. A bill to amend the Internal Revenue Code of 1954 to allow individuals who have attained age 65 a deduction for volunteer services performed for certain charitable organizations; to the Committee on Ways and Means.

By Mr. WHALEN (for himself, Mr. PATTISON of New York, Mr. STEERS, and Mr. PEASE):

H.R. 1365. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. WOLFF:

H.R. 1366. A bill to provide that elderly persons residing in dwelling units receiving Federal assistance shall be provided with certain rights in the lease agreements between the elderly persons and the owners of the units; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1367. A bill to amend the Outer Continental Shelf Lands Act to insure that leases of the Outer Continental Shelf for the recovery of oil and gas are issued only to citizens of the United States; to the Committee on Interior and Insular Affairs.

H.R. 1368. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 1369. A bill to amend title 38, United States Code, to provide counseling for certain veterans; to permit acceleration of monthly educational assistance payments to veterans; to revise the criteria for approval of nonaccredited courses; and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1370. A bill to amend title 38 of the United States Code to provide for the payment of supplemental tuition allowances for certain veterans pursuing educational programs; to the Committee on Veterans' Affairs.

H.R. 1371. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 1372. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

H.R. 1373. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 1374. A bill to amend the Internal Revenue Code of 1954 to allow a deduction in computing gross income for theft losses sustained by individuals, for certain amounts paid to protect against theft, for medical expenses caused by criminal conduct, and for funeral expenses of victims of crime; to the Committee on Ways and Means.

H.R. 1375. A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities; to the Committee on Ways and Means.

H.R. 1376. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for taxicab fares paid by disabled individuals; to the Committee on Ways and Means.

H.R. 1377. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 1378. A bill to amend the Airport and Airways Development Act of 1970; to the Committee on Ways and Means.

H.R. 1379. A bill to provide payments to States for public elementary and secondary education and to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. WYDLER:

H.R. 1380. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 1381. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 1382. A bill to amend section 1951, title 18, United States Code, Act of July 3, 1946; to the Committee on the Judiciary.

H.R. 1383. A bill to amend the Marine Mammal Protection Act of 1972 in order to prohibit the issuance of general permits thereunder which authorize the taking of marine mammals in connection with commerical fishing operations, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1384. A bill to provide that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

H.R. 1385. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 1386. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and their widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1387. A bill to amend title 38 of the United States Code so as to entitle veterans of the Mexican border period and of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

H.R. 1388. A bill to provide for national cemeteries in the central west coast area of the State of Florida; to the Committee on Veterans' Affairs.

H.R. 1389. A bill to amend title II of the Social Security Act to increase to $4,800 the

amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 1390. A bill to amend title II of the Social Security Act to provide that a beneficiary shall (if otherwise qualified) be entitled to a prorated benefit for the month in which he (or the insured individual) dies; to the Committee on Ways and Means.

H.R. 1391. A bill to amend part A of title XVIII of the Social Security Act to reduce the inpatient hospital deductible under the medicare program to its 1976 level; to the Committee on Ways and Means.

[*Introduced Jan. 4, 1977*]

By Mr. ANDERSON of California (for himself, Mr. PHILLIP BURTON, Mr. BURGENER, Mrs. BURKE of California, Mr. DON H. CLAWSON, Mr. CORMAN, Mr. COTTER, Mr. HAMMERSCHMIDT, Mr. HAWKINS, Mr. HOWARD, Mr. JOHNSON of California, Mr. KETCHUM, Mr. LOTT, Mr. MCFALL, Mr. PEPPER, Mr. PERKINS, Mr. RODINO, Mr. ROYBAL, Mr. SISK, Mr. SLACK, Mr. STAGGERS, Mr. STOKES, Mr. ULLMAN, Mr. WAGGONNER, and Mr. YATES):

H.J. Res. 24. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of California (for himself, Mr. BROWN of California, Mr. DANIELSON, Mr. DELLUMS, Mr. GOLDWATER, Mr. KREBS, Mr. LAGOMARSINO, Mr. LLOYD of California, Mr. MINETA, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, Mr. HANNAFORD, Mr. MOORHEAD of California, Mr. NOLAN, Mr. LEDERER, Mr. PATTERSON of California, Mr. NEAL, Mr. DE LA GARZA, Mrs. LLOYD of Tennessee, Mr. RAHALL, Mr. COLEMAN, Mr. MOLLOHAN, Mr. BOWEN, Mr. DE LUGO, and Mr. MAZZOLI):

H.J. Res. 25. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of California (for himself, Mr. DRINAN, Mr. HALL, Mr. MOORHEAD of Pennsylvania, Mrs. SPELLMAN, Mr. MCHUGH, Mr. HUGHES, Mr. SIMON, Mr. WON PAT, Mr. RICHMOND, Mr. WIGGINS, Mr. MOFFETT, Mr. OBERSTAR, Mr. TRAXLER, Mr. OTTINGER, Mr. VENTO, Mr. FORD of Michigan, Mr. DAVIS, Mr. BRADEMAS, Mr. BRECKINRIDGE, Mr. MURPHY of New York, Mr. ROE, Mr. MURPHY of Pennsylvania, Mr. ZEFERETTI, and Mr. EDWARDS of Oklahoma):

H.J. Res. 26. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. ANNUNZIO (for himself and Mr. MCCLORY):

H.J. Res. 27. Joint resolution recognizing the State of Illinois and the city of Chicago as hosts in 1992 of the official quincentennial celebration of the discovery of America; to the Committee on Post Office and Civil Service.

By Mr. ARCHER:

H.J. Res. 28. Joint resolution proposing an amendment to the Constitution of the United States requiring the submission of balanced Federal funds budgets by the President and action by the Congress to provide revenues to offset Federal funds deficits; to the Committee on the Judiciary.

By Mr. ASHBROOK:

H.J. Res. 29. Joint resolution proposing an amendment to the Constitution of the United States relative to freedom from forced assignment to schools or jobs because of race, creed, or color; to the Committee on the Judiciary.

H.J. Res. 30. Joint resolution proposing an amendment to the Constitution to permit the imposition and carrying out of the death penalty in certain cases; to the Committee on the Judiciary.

H.J. Res. 31. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

H.J. Res. 32. Joint resolution proposing an amendment to the Constitution of the United States relative to force and effect of treaties; to the Committee on the Judiciary.

By Mr. BENNETT:

H.J. Res. 33. Joint resolution proposing an amendment to the Constitution to provide for the direct election of the President and the Vice President and to authorize Congress to establish procedures relating to the nomination of Presidential and Vice-Presidential candidates; to the Committee on the Judiciary.

H.J. Res. 34. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations; to the Committee on the Judiciary.

H.J. Res. 35. Joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

H.J. Res. 36. Joint resolution to establish a court of ethics to hear complaints of unethical conduct to Government service; to the Committee on the Judiciary.

H.J. Res. 37. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling attendance in schools other than the one nearest the residence and to insure equal educational opportunities for all students wherever located; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.J. Res. 38. Joint resolution proposing an amendment to the Constitution of the United States relating to the eligibility of a citizen to hold the Office of President; to the Committee on the Judiciary.

By Mr. BURLISON of Missouri:

H.J. Res. 39. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. CARNEY:

H.J. Res. 40. Joint resolution proposing an amendment to the Constitution of the United States to abolish the electoral college and to provide for the popular election of the President and Vice President; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.J. Res. 41. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H.J. Res. 42. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; to the Committee on the Judiciary.

By Mr. CONTE:

H.J. Res. 43. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

H.J. Res. 44. Joint resolution calling for an immediate moratorium on the killing of the eastern timber wolf; to the Committee on International Relations.

H.J. Res. 45. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

H.J. Res. 46. Joint resolution proposing an amendment to the Constitution of the United States to vest the Congress with the power to disapprove reprieves and pardons granted by the President; to the Committee on the Judiciary.

H.J. Res. 47. Joint resolution designating "National Coaches' Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 48. Joint resolution to authorize the President of the United States to designate "National Ski Week"; to the Committee on Post Office and Civil Service.

H.J. Res. 49. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on Post Office and Civil Service.

By Mr. DE LA GARZA:

H.J. Res. 50. Joint resolution proposing an amendment to the Constitution of the United States to provide an age limit and a single 6-year term for the President; to the Committee on the Judiciary.

H.J. Res. 51. Joint resolution proposing an amendment to the Constitution of the United States, to provide that appropriations shall not exceed revenues of the United States, except in time of war or national emergency; to the Committee on the Judiciary.

H.J. Res. 52. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

H.J. Res. 53. Joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day"; to the Committee on Post Office and Civil Service.

By Mr. DELLUMS:

H.J. Res. 54. Joint resolution to provide independence for Puerto Rico; to the Committee on Interior and Insular Affairs.

By Mr. DERWINSKI:

H.J. Res. 55. Joint resolution calling upon the President to reduce drastically the amount of bureaucratic redtape which currently exists in the executive branch of the Federal Government; to the Committee on Government Operations.

H.J. Res. 56. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

By Mr. DEVINE:

H.J. Res. 57. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. DRINAN:

H.J. Res. 58. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. EILBERG:

H.J. Res. 59. Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries; to the Committee on the Judiciary.

H.J. Res. 60. Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries; to the Committee on the Judiciary.

H.J. Res. 61. Joint resolution proposing an amendment to the Constitution of the United

States with respect to grand juries; to the Committee on the Judiciary.

H.J. Res. 62. Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries; to the Committee on the Judiciary.

By Mr. FLYNT:

H.J. Res. 63. Joint resolution proposing an amendment to the Constitution of the United States to permit voluntary participation in prayer in public schools; to the Committee on the Judiciary.

H.J. Res. 64. Joint resolution proposing an amendment to the Constitution to provide that except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.J. Res. 65. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.J. Res. 66. Joint resolution proposing an amendment to the Constitution of the United State with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. HILLIS:

H.J. Res. 67. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mrs. HOLT:

H.J. Res. 68. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mrs. HOLT (for herself, Mr. DICKINSON, Mr. MARTIN, and Mr. ROUSSELOT):

H.J. Res. 69. Joint resolution to amend the Constitution of the United States to require a balanced Federal budget; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.J. Res. 70. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.J. Res. 71. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:

H.J. Res. 72. Joint resolution proposing an amendment to the Constitution of the United States to provide for a single 6-year term for the President; to the Committee on the Judiciary.

H.J. Res. 73. Joint resolution proposing an amendment to the Constitution of the United States to limit the number of consecutive Congresses in which Senators and Representatives may serve; to the Committee on the Judiciary.

H.J. Res. 74. Joint resolution designating the period March 1, 1977, through March 7, 1977, as "National Weights and Measures Week"; to the Committee on Post Office and Civil Services.

H.J. Res. 75. Joint resolution proposing an amendment to the Constitution of the United States relating to the compensation of Senators and Representatives; to the Committee on the Judiciary.

H.J. Res. 76. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. LAGOMARSINO (for himself, Mr. BURGENER, and Mrs. KEYS):

H.J. Res. 77. Joint resolution proposing an amendment to the Constitution of the United States to provide for a single 6-year term for the President, and to limit the number of consecutive Congresses in which Senators and Representatives may serve; to the Committee on the Judiciary.

By Mr. LEHMAN:

H.J. Res. 78. Joint resolution recognizing the contributions of school volunteers; to the Committee on Education and Labor.

H.J. Res. 79. Joint resolution to save the great whales from extinction by amending the Fishermen's Protective Act of 1967 to impose an embargo on the products of all foreign enterprises engaged in commercial whaling; jointly to the Committees on Merchant Marine and Fisheries, and Ways and Means.

By Mrs. LLOYD of Tennessee:

H.J. Res. 80. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week"; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.J. Res. 81. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mr. MINISH:

H.J. Res. 82. Joint resolution to authorize the president to proclaim the last Friday of April each year as "National Arbor Day"; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of California:

H.J. Res. 83. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.J. Res. 84. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

H.J. Res. 85. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

H.J. Res. 86. Joint resolution to authorize and request the President to issue annually a proclamation designating the fourth Sunday of November of each year as "National Grandparents' Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 87. Joint resolution to provide for the designation of February 20 of each year as "Postal Employees Day"; to the Committee on Post Office and Civil Service.

By Mr. GARY A. MYERS:

H.J. Res. 88. Joint resolution proposing an amendment to the Constitution of the United States with respect to the rights of unborn individuals; to the Committee on the Judiciary.

By Mr. O'BRIEN:

H.J. Res. 89. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing to the States the power to enact laws respecting the life of an unborn child from the time of conception; to the Committee on the Judiciary.

H.J. Res. 90. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling attendance in schools other than the one nearest the residence and to insure equal educational opportunities for all students wherever located; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H.J. Res. 91. Joint resolution designating the composition known as "The Stars and Strips Forever" as the national march of the United States; to the Committee on Post Office and Civil Service.

H.J. Res. 92. Joint resolution to designate the fourth Monday in March of each year as "National Agriculture Day"; to the Committee on Post Office and Civil Service.

By Mr. ROBERTS:

H.J. Res. 93. Joint resolution designating the Amercan rose as the national floral emblem of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON:

H.J. Res. 94. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

H.J. Res. 95. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. ROE:

H.J. Res. 96. Joint resolution to provide for a study by the Secretary of Transportation of the feasibility of Government acquisition, operation, and maintenance of railroad tracks, rights-of-way, signal systems, and other fixed facilities (as a separate activity or as a part of a coordinated Federal transportation program); to the Committee on Interstate and Foreign Commerce.

H.J. Res. 97. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

H.J. Res. 98. Joint resolution designating the period March 1, 1977, through March 7, 1977, as "National Weights and Measures Week"; to the Committee on Post Office and Civil Service.

H.J. Res. 99. Joint resolution providing for the designation of the week beginning October 3, 1977, and ending October 9, 1977, as "National Gifted Children Week"; to the Committee on Post Office and Civil Service.

H.J. Res. 100. Joint resolution to designate February 22, May 30, and October 12 as Washington's Birthday, Memorial Day, and Columbus Day, respectively, and to make such days legal public holidays; to the Committee on Post Office and Civil Service.

H.J. Res. 101. Joint resolution to provide that it be the sense of Congress that a White House conference on long-term care be called by the President of the United States in 1978, to be planned and conducted by the Secretary of Health, Education, and Welfare; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROGERS:

H.J. Res. 102. Joint resolution to authorize and request the President to proclaim the second week in April of each year as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

By Mr. SPENCE:

H.J. Res. 103. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.J. Res. 104. Joint resolution to request the Advisory Commission on Intergovernmental Relations to prepare a proposal for a major study of the proper roles of the Federal, State and local levels of government in performing domestic functions of

government; to the Committee on Government Operations.

By Mr. STRATTON:

H.J. Res. 105. Joint resolution authorizing the President to proclaim September 18 of each year as National Jogging Day; to the Committee on Post Office and Civil Service.

H.J. Res. 106. Joint resolution authorizing the President to designate the 29th day in May of each year as John Fitzgerald Kennedy Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. SYMMS:

H.J. Res. 107. Joint resolution proposing the Briker amendment to the Constitution of the United States relative to force and effect of treaties and executive agreements; to the Committee on the Judiciary.

By Mr. TEAGUE:

H.J. Res. 108. Joint resolution to authorize the erection of a memorial on public grounds in the District of Columbia, or its environs, in honor and commemoration of members of the Armed Forces of the United States who served in the Vietnam war; to the Committee on House Administration.

By Mr. TREEN (for himself, Mr. DEVINE, Mrs. HOLT, Mr. WALSH, Mr. ANDREWS of North Dakota, Mr. MARTIN, Mr. MOORE, Mr. ROUSSELOT, Mr. MOORHEAD of California, and Mr. BURGENER):

H.J. Res. 109. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.J. Res. 110. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

[*Introduced Jan. 4, 1977*]

By Mr. STEED:

H. Con. Res. 3. Concurrent resolution expressing the continuing commitment of Congress to eliminate unnecessary Federal paperwork; to the Committee on Government Operations.

By Mr. ANNUNZIO:

H. Con. Res. 4. Concurrent resolution expressing the sense of the Congress that the President, acting through the U.S. Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of human rights violations in the Soviet-occupied Ukraine on the agenda of the United Nations Organization; to the Committee on International Relations.

H. Con. Res. 5. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into Union of Soviet Socialist Republics; to the Committee on International Relations.

H. Con. Res. 6. Concurrent resolution expressing the sense of the Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H. Con. Res. 7. Concurrent resolution to reiterate that the Congress has not delegated to the Federal Trade Commission any authority to preempt the laws of the States and their political subdivisions; to the Committee on Interstate and Foreign Commerce.

H. Con. Res. 8. Concurrent resolution to declare the sense of the Congress that no individual whose social security or railroad retirement benefits are increased should suffer thereby a loss or reduction in any Veterans' Administration pension; to the Committee on Veterans' Affairs.

By Mr. BOLAND:

H. Con. Res. 9. Concurrent resolution to establish a Joint Committee on Information and Intelligence; to the Committee on Rules.

H. Con. Res. 10. Concurrent resolution to establish a Committee on Information and Intelligence; to the Committee on Rules.

By Mr. CORMAN:

H. Con. Res. 11. Concurrent resolution expressing the sense of the Congress that experience in volunteer work should be taken into account by public and private employers in the consideration of applicants for employment; jointly to the Committees on Post Office and Civil Service, and Education and Labor.

By Mr. DELANEY:

H. Con. Res. 12. Concurrent resolution requesting release of Ukrainian intellectual Valentyn Moroz; to the Committee on International Relations.

H. Con. Res. 13. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on International Relations.

By Mr. DERWINSKI:

H. Con. Res. 14. Concurrent resolution expressing the sense of Congress with respect to the complexity of Federal income tax forms; to the Committee on Ways and Means.

By Mr. DRINAN:

H. Con. Res. 15. Concurrent resolution expressing the sense of Congress that the contingent of U.S. troops stationed in Europe be substantially reduced; to the Committee on International Relations.

H. Con. Res. 16. Concurrent resolution relating to peace throughout the world; to the Committee on International Relations.

H. Con. Res. 17. Concurrent resolution urging the participation of the United States in the review of the United Nations Charter and for other purposes; to the Committee on International Relations.

H. Con. Res. 18. Concurrent resolution condemning the killing of whales; to the Committee on International Relations.

By Mr. HAMMERSCHMIDT:

H. Con. Res. 19. Concurrent resolution expressing the sense of Congress in opposition to the grant of blanket amnesty or pardon for Vietnam related draft or military absence offenses; to the Committee on the Judiciary.

By Mrs. HOLT:

H. Con. Res. 20. Concurrent resolution to collect overdue debts; to the Committee on International Relations.

By Mr. HORTON:

H. Con. Res. 21. Concurrent resolution expressing the sense of Congress that the Holy Crown of Saint Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice; to the Committee on International Relations.

By Mr. KOCH (for himself, Mrs. FENWICK, and Mr. DODD):

H. Con. Res. 22. Concurrent resolution expressing the request of the U.S. Government that the Government of the Union of Soviet Socialist Republics provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University; to the Committee on International Relations.

By Mr. KOCH (for himself, Mr. BROWN of California, Mr. JOHN L. BURTON, Mrs. CHISHOLM, Mr. CONYERS, Mr. DELLUMS, Mr. DOWNEY, Mr. DRINAN, Mr. EDWARDS of California, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. MCCLOSKEY, Mr. MAGUIRE, and Mr. METCALFE):

H. Con. Res. 23. Concurrent resolution endorsing the publicly declared Vietnam-era reconciliation program of the President-elect and urging the President-elect to extend that program to include all Vietnam-era selective service offenders and all Vietnam-era veterans who received less than honorable discharges or who deserted or were absent without leave during such era; jointly to the Committees on the Judiciary and Armed Services.

By Mr. KOCH (for himself, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. PATTISON of New York, Mr. RANGEL, Mr. RICHMOND, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SCHEUER, Mr. SOLARZ, Mr. STARK, Mr. WAXMAN, Mr. WEISS, and Mr. YOUNG of Georgia):

H. Con. Res. 24. Concurrent resolution endorsing the publicly declared Vietnam-era reconciliation program of the President-elect and urging the President-elect to extend that program to include all Vietnam-era selective service offenders and all Vietnam-era veterans who received less than honorable discharges or who deserted or were absent without leave during such era; jointly to the Committees on the Judiciary, and Armed Services.

By Mr. LEHMAN:

H. Con. Res. 25. Concurrent resolution expressing the sense of the Congress in favor of eliminating the reduction in other Federal benefits which results when cost-of-living increases in social security benefits occur; to the Committee on Ways and Means.

By Mr. LLOYD of California:

H. Con. Res. 26. Concurrent resolution expressing the sense of the Congress that buildings should be accessible to the handicapped; to the Committee on Education and Labor.

By Mr. MINISH:

H. Con. Res. 27. Concurrent resolution expressing the request of the U.S. Government that the Government of the United Soviet Socialist Republics provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University; to the Committee on International Relations.

By Mr. MURPHY of New York:

H. Con. Res. 28. Concurrent resolution to provide for the printing of copies of the Constitution of the United States in Spanish; to the Committee on House Administration.

H. Con. Res. 29. Concurrent resolution authorizing a bust or statue of Martin Luther King, Junior, to be placed in the Capitol; to the Committee on House Administration.

H. Con. Res. 30. Concurrent resolution providing recognition for Columbus; to the Committee on House Administration.

H. Con. Res. 31. Concurrent resolution expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union; to the Committee on International Relations.

H. Con. Res. 32. Concurrent resolution providing for continued close relations with the Republic of China; to the Committee on International Relations.

H. Con. Res. 33. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mr. NICHOLS:

H. Con. Res. 34. Concurrent resolution directing interment of an Unknown Soldier from the Vietnam War in Arlington National Cemetery; to the Committee on Veterans' Affairs.

By Mr. PRESSLER:

H. Con. Res. 35. Concurrent resolution to declare the need to establish and rehabilitate shelterbelts for the preservation of our soil, water and wildlife resources; and to take the necessary steps to provide incentives for the establishment, cultivation and maintenance of shelterbelts; to the Committee on Agriculture.

By Mr. PRICE:

H. Con. Res. 36. Concurrent resolution relating to awarding the Purple Heart to mem-

bers interred in the Tomb of the Unknown; to the Committee on Armed Services.

By Mr. RAILSBACK:

H. Con. Res. 37. Concurrent resolution to establish a Joint Committee on Energy; to the Committee on Rules.

By Mr. ROBERTS:

H. Con. Res. 38. Concurrent resolution to collect overdue debts; to the Committee on International Relations.

By Mr. ROE:

H. Con. Res. 39. Concurrent resolution urging the review of the United Nations Charter; to the Committee on International Relations.

H. Con. Res. 40. Concurrent resolution with respect to an international treaty banning lethal chemical weapons; to the Committee on International Relations.

H. Con. Res. 41. Concurrent resolution urging the telephone and hearing aid industries to provide full access to telephone communications for hearing aid users; to the Committee on Interstate and Foreign Commerce.

H. Con. Res. 42. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

H. Con. Res. 43. Concurrent resolution directing interment of an Unknown Soldier from the Vietnam war in Arlington National Cemetery; to the Committee on Veterans' Affairs.

H. Con. Res. 44. Concurrent resolution indicating the sense of Congress that every person throughout the world has the right to a nutritionally adequate diet; and that this country increase its assistance for self-help development among the world's poorest people until such assistance has reached the target of 1 percent of our total national production (GNP); jointly, to the Committees on Agriculture and International Relations.

By Mr. WOLFF:

H. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that the President call a White House Conference on The American Family; to the Committee on Education and Labor.

H. Con. Res. 46. Concurrent resolution expressing the sense of the Congress that the President actively seek an international convention which has as its goal a multilateral treaty to deny sanctuary to international terrorists; to the Committee on International Relations.

By Mr. WYLIE:

H. Con. Res. 47. Concurrent resolution expressing the sense of Congress with respect to the impact of State and local property taxes on the utilization of solar energy equipment; to the Committee on Science and Technology.

[*Introduced Jan. 4, 1977*]

By Mr. ANDERSON of Illinois (for himself and Mr. FISHER):

H. Res. 12. Resolution to permit all employees of the House of Representatives to contribute, through payroll withholdings, to charitable organizations in coordination with the Combined Federal Campaign and other fundraising in the executive branch of the Federal Government; to the Committee on House Administration.

By Mr. ANNUNZIO:

H. Res. 13. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

By Mr. ASHBROOK:

H. Res. 14. Resolution to maintain U.S. sovereign rights and jurisdiction over the Panama Canal and Zone; to the Committee on International Relations.

H. Res. 15. Resolution to amend the Rules of the House of Representatives to reestablish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

H. Res. 16. Resolution to create a select committee to conduct an investigation and study of denials of basic human rights in Southeast Asia by Communist forces; to the Committee on Rules.

By Mr. BENNETT:

H. Res. 17. Resolution to amend the Rules of the House of Representatives to provide that no rollcall or quorum call shall be conducted by electronic device after the House has entered into special orders after the conclusion of the legislative program and business on any day; to the Committee on Rules.

By Mr. CHAPPELL:

H. Res. 18. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. CONTE:

H. Res. 19. Resolution to require the adoption of a resolution by the House of Representatives to carry out the establishment or adjustment of certain allowances to Members, officers, and standing committees of the House of Representatives; to the Committee on House Administration.

H. Res. 20. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

H. Res. 21. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

H. Res. 22. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

H. Res. 23. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

H. Res. 24. Resolution to amend rule XXVIII of the Rules of the House of Representatives to require that all House-Senate conferences shall be open to the public and that no conference report shall be in order for consideration unless all conference sessions were open; to the Committee on Rules.

H. Res. 25. Resolution to amend rule XXXII of the Rules of the House of Representatives to specify conditions for the admission of ex-Members and certain other persons to the Hall of the House and rooms leading thereto; to the Committee on Rules.

H. Res. 26. Resolution creating a select committee to study the impact and ramifications of the Supreme Court decisions on abortion; to the Committee on Rules.

H. Res. 27. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mr. DELANEY:

H. Res. 28. Resolution expressing the sense of the House of Representatives with respect to oppression of minorities in Rumania and requesting the President and appropriate committees of Congress to take this situation into consideration before again taking action on most-favored-nation tariff treatment for Romania; jointly to the Committees on International Relations and Ways and Means.

By Mr. DUNCAN of Tennessee:

H. Res. 29. Resolution to amend the Rules of the House of Representatives to require committee approval of certain travel proposals, and for other purposes; to the Committee on Rules.

By Mr. FASCELL:

H. Res. 30. Resolution to amend the Rules of the House of Representatives to provide that foreign travel reports shall be promptly transmitted by the Member or employee taking the trip to the chairman of the committee authorizing the trip, who shall transmit a copy of the report to the Congressional Record; to the Committee on Rules.

By Mr. FLYNT:

H. Res. 31. Resolution to express the sense of the House of Representatives that the United States maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on International Relations.

By Mr. FRENZEL:

H. Res. 32. Resolution to amend rule XI of the Rules of the House of Representatives to prohibit voting by proxy in any committee or subcommittee; to the Committee on Rules.

H. Res. 33. Resolution to amend the Rules of the House of Representatives to provide that House conferees may conduct business only at conference meetings open to the public; to the Committee on Rules.

By Mrs. HOLT:

H. Res. 34. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

H. Res. 35. Resolution amending rule XIII of the Rules of the House to require reports accompanying each bill or joint resolution of a public character (except revenue measures) reported by a committee to contain estimates of the costs, to both public and nonpublic sectors, of carrying out the measures reported; to the Committee on Rules.

By Mr. KOCH (for himself, Mr. BINGHAM, Mr. RANGEL, Mr. ROSENTHAL, Mr. WOLFF, Mrs. CHISHOLM, Mr. MCHUGH, Mr. OTTINGER, Ms. HOLTZMAN, Mr. ZEFERETTI, Mr. BIAGGI, Mr. DELANEY, Mr. LENT, and Mr. LAFALCE):

H. Res. 36. Resolution expressing support for Solidarity Sunday; to the Committee on Post Office and Civil Service.

By KOCH (for himself, Mr. DRINAN, and Mr. DODD):

H. Res. 37. Resolution relative to the freedom of the citizens of Romania, and for other purposes; jointly to the Committees on International Relations, and Ways and Means.

By Mr. LAGOMARSINO:

H. Res. 38. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

H. Res. 39. Resolution to establish a select committee to review the accounts of all committees of the House; to the Committee on Rules.

H. Res. 40. Resolution to amend rule XI of the Rules on the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

H. Res. 41. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

H. Res. 42. Resolution amending clause 6 of rule X of the Rules of the House Representatives with respect to the election of the chairmen of standing committees of the House; to the Committee on Rules.

H. Res. 43. Resolution to amend rule XI of the Rules of the House of Representatives to require that the record of committee action be made available for public inspection, with certain exceptions; to the Committee on Rules.

H. Res. 44. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mrs. LLOYD of Tennessee:

H. Res. 45. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on International Relations.

H. Res. 46. Resolution expressing the sense of the House of Representatives that the President should submit an action plan to correct abuses in nursing homes; to the Committee on Interstate and Foreign Commerce.

H. Res. 47. Resolution to authorize the President to issue a proclamation designating the week beginning April 4, 1977, as "National Rural Health Week"; to the Committee on Post Office and Civil Service.

By Mr. McDONALD:

H. Res. 48. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. MOORHEAD of California:

H. Res. 49. Resolution to amend rule X of the Rules of the House of Representatives establish a permanent Select Committee on Energy; to the Committee on Rules.

By Mr. GARY A. MYERS:

H. Res. 50. Resolution to amend the Rules of the House of Representatives to provide that the House may not consider any bill or other similar measure unless copies of the bill or other measure are available to Members at least 4 hours before such consideration; to the Committee on Rules.

By Mr. MURPHY of New York:

H. Res. 51. Resolution expressing the sense of the House of Representatives concerning the need for immediate and substantial public investments in agriculture research and technology for the express purpose of increasing food production; to the Committee on Agriculture.

H. Res. 52. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. PEPPER:

H. Res. 53. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on Health; to the Committee on Rules.

By Mr. RAILSBACK:

H. Res. 54. Resolution expressing the sense of the House of Representatives that the effect on our society of the level of violence depicted on television requires more consideration and study; to the Committee on Interstate and Foreign Commerce.

H. Res. 55. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. ROBERTS:

H. Res. 56. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone of the Isthmus of Panama; to the Committee on International Relations.

By Mr. ROBINSON:

H. Res. 57. Resolution to provide that the House restaurant and the cafeteria and other food service facilities of the House of Representatives shall be privately operated on a self-sustaining basis by persons under contract with the House; to the Committee on House Administration.

H. Res. 58. Resolution to express the sense of the House of Representatives that the United States should maintain and protect its sovereign rights over the Panama Canal Zone; to the Committee on International Relations.

H. Res. 59. Resolution to amend the Rules of the House of Representatives to transfer jurisdiction over Federal impact aid programs from the Committee on Education and Labor to the Committee on Ways and Means; to the Committee on Rules.

H. Res. 60. Resolution to amend rule X of the Rules of the House of Representatives to permit a House majority to direct the Committee on Standards of Official Conduct to conduct an investigation into alleged misconduct and to require a report on all investigations; to the Committee on Rules.

H. Res. 61. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ROE:

H. Res. 62. Resolution to establish the Vietnam veteran congressional intern program in the House of Representatives; to the Committee on House Administration.

H. Res. 63. Resolution expressing the sense of the House of Representatives that the President should submit an action plan to correct abuses in nursing homes; to the Committee on Interstate and Foreign Commerce.

H. Res. 64. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

H. Res. 65. Resolution amending rule XIII of the rules of the House to require reports accompanying each bill or joint resolution a public character (except revenue measures) reported by a committee to contain estimates of the costs, to both public and nonpublic sectors, of carrying out the measure reported; to the Committee on Rules.

H. Res. 66. Resolution creating a select committee to study the impact and ramifications of the Supreme Court decisions on abortion; to the Committee on Rules.

H. Res. 67. Resolution to create a Select Committee on the Fiscal Problems of Cities; to the Committee on Rules.

H. Res. 68. Resolution expressing the sense of the House that optometric services be included in medical assistance programs; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROGERS:

H. Res. 69. Resolution to amend the rules of the House of Representatives to provide that it is not in order to consider any bill, resolution, or amendment thereto, which provides an appropriation, or an authorization for an appropriation, for security assistance for a specified country in an aggregate amount of $100,000,000 or more for any fiscal year, if such bill or resolution also provides an appropriation, or an authorization for an appropriation, or an authorization for an appropriation, for security assistance for any other country for such fiscal year; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. FISHER, Mr. DODD, Mr. FRASER, Mr. RICHMOND, Mr. ROSENTHAL, Mr. ASPIN, Mr. CHARLES WILSON of Texas, Mrs. COLLINS of Illinois, Mrs. KEYS, Mr. BEDELL, Mr. BLANCHARD, Mrs. MEYNER, Mrs. CHISHOLM, Mr. NOLAN, Ms. HOLTZMAN, Mr. OTTINGER, Mrs. SPELLMAN, Mr. LEHMAN, Mr. SHARP, Mr. PIKE, Mr. MINETA, Mr. CONYERS, Mr. CORMAN, and Mr. BIAGGI):

H. Res. 70. Resolution to establish a Select Committee on Population; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. MCCLOSKEY, Mr. FISH, Mr. QUIE, Mr. BUCHANAN, Mrs. FENWICK, Mr. LENT, Mr. KEMP, Mr. COHEN, Mr. FINDLEY, Mr. HORTON, Mr. MITCHELL of New York, Mr. MOORE, Mr. PRITCHARD, Mr. ZEFERETTI, Mr. MCKINNEY, Mr. JEFFORDS, Mr. DICKS, Mr. BROWN of Ohio, Mr. EMERY, Mr. BROWN of Michigan, Mr. LLOYD of California, Mr. MARTIN, Mr. MCHUGH, and Mr. PATTERSON of California):

H. Res. 71. Resolution to establish a Select Committee on Population; to the Committee on Rules.

Mr. SCHEUER (for himself, Mr. WRIGHT, Mr. LONG of Maryland, Mr. PRICE, Mr. UDALL, Mr. MOSS, Mr. KOCH, Mrs. BURKE of California, Mr. PHILLIP BURTON, Mr. BOLLING, Miss JORDAN, Mr. RHODES, Mr. ANDERSON of Illinois, Mr. ASHBROOK, Mr. MICHEL, Mr. CONTE, Mr. MCEWEN, Mr. ROGERS, Mr. HAWKINS, Mr. BAUCUS, Mr. GIAIMO, Mr. RANGEL, Mr. PREYER, Mr. WON PAT, and Mr. BENNETT):

H. Res. 72. Resolution to establish a Select Committee on Population; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. ADDABBO, Mr. KREBS, Mr. DELLUMS, Mr. KRUEGER, Mr. HANNAFORD, Mr. BADILLO, Mr. METCALFE, Mr. MOFFETT, Mr. LEVITAS, Mr. GORE, Mr. PANETTA, Mr. MURPHY of Pennsylvania, Mr. GLICKMAN, Mr. DOWNEY, Mr. LUNDINE, Mr. VENTO, Mr. BONIOR, Mr. APPLEGATE, Mr. NOWAK, Mr. WEISS, Mr. BEILENSON, Mr. AKAKA, Mr. BOB WILSON, and Mr. CONABLE):

H. Res. 73. Resolution to establish a Select Committee on Population; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. BROWN of California, Mr. Gilman, and Mr. LEDERER):

H. Res. 74. Resolution to establish a Select Committee on Population; to the Committee on Rules.

By Mr. SISK (for himself, Mr. PEPPER, and Mr. MURPHY of Illinois):

H. Res. 75. Resolution amending the Rules of the House of Representatives to provide for television and radio coverage of the proceedings of the House; to the Committee on Rules.

By Mr. SISK (for himself, Mr. DON H. CLAUSEN, Mr. CONTE, Mr. DERWINSKI, Mr. FISHER, Mr. HORTON, Mr. LONG of Louisiana, Mr. MOTTL, Mr. ROONEY, Mr. PRICE, Mr. WYDLER and Mr. ZEFERETTI):

H. Res. 76. Resolution creating a Select Committee on Professional Sports; to the Committee on Rules.

By Mr. WOLFF:

H. Res. 77. Resolution providing for the establishment of a Select Committee on Narcotics Abuse and Control; to the Committee on Rules.

By Mr. BALDUS:

H. Res. 78. Resolution expressing the sense of the House of Representatives concerning an assessment by the Secretary of Agriculture of our whey supply situation; to the Committee on Agriculture.

By Mr. BROYHILL:

H. Res. 79. Resolution to create a Select Committee on Energy in the House of Representatives; to the Committee on Rules.

By Mr. DODD (for himself, Mr. KOCH, and Ms. FENWICK):

H. Res. 80. Resolution designating January 22 as Ukranian Independence Day; to the Committee on Post Office and Civil Service.

By Mr. PICKLE (for himself, Mr. OTTINGER, and Mr. ROSE):

H. Res. 81. Resolution directing the Architect of the Capitol to study the feasibility of using solar energy in certain House office buildings, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BENNETT:
H. Res. 82. A resolution to establish a Select Committee on Intelligence in the House of Representatives, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[*Introduced Jan. 4, 1977*]

By Mr. ANDERSON of California:
H.R. 1392. A bill for the relief of Maria Miraflor Carabbacan; to the Committee on the Judiciary.
H.R. 1393. A bill for the relief of William R. Rawlings; to the Committee on the Judiciary.

By Mr. ANDERSON of California (by request):
H.R. 1394. A bill for the relief of certain former flight engineers of Western Airlines; to the Committee on the Judiciary.

By Mr. ANNUNZIO:
H.R. 1395. A bill for the relief of Continental Chemiste Corp.; to the Committee on the Judiciary.
H.R. 1396. A bill for the relief of Mrs. Sun Pok Winer; to the Committee on the Judiciary.
H.R. 1397. A bill for the relief of Frank Cappuccio; to the Committee on the Judiciary.
H.R. 1398. A bill for the relief of Modern Life and Accident Insurance Co. of Chicago; to the Committee on the Judiciary.

By Mr. BINGHAM:
H.R. 1399. A bill for the relief of Kenneth and Jacqueline Traylar; to the Committee on the Judiciary.

By Mr. BOLAND:
H.R. 1400. A bill for the relief of Stefan Kowalik; to the Committee on the Judiciary.

By Mr. CHAPPELL:
H.R. 1401. A bill for the relief of Lillian June Demers; to the Committee on the Judiciary.
H.R. 1402. A bill for the relief of Rosario A. Calvin; to the Committee on the Judiciary.

By Mr. COCHRAN:
H.R. 1403. A bill to authorize the Secretary of the Interior to convey the interest of the United States in certain lands in Adams County, Miss., notwithstanding a limitation in the Color-of-Title Act (45 Stat. 1069, as amended; 43 U.S.C. 1068); to the Committee on Interior and Insular Affairs.

By Mr. CONTE:
H.R. 1404. A bill for the relief of Smith College, Northampton, Mass.; to the Committee on Ways and Means.

By Mr. DELLUMS:
H.R. 1405. A bill for the relief of Jennet Juanita Miller; to the Committee on the Judiciary.
H.R. 1406. A bill for the relief of Lilia Araujo; to the Committee on the Judiciary.
H.R. 1407. A bill for the relief of Mrs. Dorothy S. Eaton; to the Committee on the Judiciary.

By Mr. DODD:
H.R. 1408. A bill for the relief of Robert Allain; to the Committee on the Judiciary.

By Mr. DOWNEY:
H.R. 1409. A bill for the relief of Marilyn Ina Williams; to the Committee on the Judiciary.

By Mr. DRINAN:
H.R. 1410. A bill for the relief of Benjamin R. Lucardie; to the Committee on the Judiciary.
H.R. 1411. A bill for the relief of Daniela Wittman; to the Committee on the Judiciary.
H.R. 1412. A bill for the relief of Jesse Epstein; to the Committee on the Judiciary.

By Mr. EDGAR:
H.R. 1413. A bill for the relief of Robert H. Glazier; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:
H.R. 1414. A bill for the relief of Camilla A. Hester; to the Committee on the Judiciary.

By Mr. EILBERG:
H.R. 1415. A bill for the relief of Ball State University and the American Association of Colleges for Teacher Education; to the Committee on the Judiciary.

By Mrs. HOLT:
H.R. 1416. A bill for the relief of Bruce M. Davidson; to the Committee on Armed Services.

By Mr. HORTON:
H.R. 1417. A bill for the relief of Dr. Ming Derek Chan, Belle May Chan, Evelyn Chan, and Jeannie Chan; to the Committee on the Judiciary.

By Mr. HUBBARD:
H.R. 1418. A bill for the relief of Dr. Emmanuel Najera Macaraeg; to the Committee on the Judiciary.
H.R. 1419. A bill for the relief of Dr. Kok Liong Tan and his wife, Gloria Siao Tan; to the Committee on the Judiciary.

By Mr. HYDE:
H.R. 1420. A bill for the relief of Umberto Ruffolo; to the Committee on the Judiciary.

By Mr. KASTENMEIER:
H.R. 1421. A bill for the relief of Felipe B. Manalo and Maria Monita A. Manalo; to the Committee on the Judiciary.

By Mr. KAZEN:
H.R. 1422. A bill for the relief of Julio Ortiz-Medina; to the Committee on the Judiciary.

By Mr. KETCHUM:
H.R. 1423. A bill for the relief of Marcial Caceres Ortiz; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:
H.R. 1424. A bill for the relief of Jusus Reveles y Rivera; to the Committee on the Judiciary.

By Mr. LENT:
H.R. 1425. A bill for the relief of Norman Shubinsky; to the Committee on the Judiciary.

By Mr. MEEDS:
H.R. 1426. A bill for the relief of Markku Tuomas MXX Niemela; to the Committee on the Judiciary.

By Mr. METCALFE:
H.R. 1427. A bill for the relief of Marie Grant; to the Committee on the Judiciary.
H.R. 1428. A bill for the relief of Mrs. Angelita Short; to the Committee on the Judiciary.

By Mr. MICHEL:
H.R. 1429. A bill for the relief of Cecilia L. P. Thieman; to the Committee on the Judiciary.
H.R. 1430. A bill for the relief of Jonathon Juco and Jonard Juco; to the Committee on the Judiciary.

By Mr. MOORHEAD of California:
H.R. 1431. A bill for the relief of Blase A. Bonpane; to the Committee on the Judiciary.

By Mr. MOORHEAD of Pennsylvania:
H.R. 1432. A bill for the relief of Mrs. Desoline Sciulli; to the Committee on the Judiciary.

By Mr. MURPHY of New York:
H.R. 1433. A bill for the relief of Col. George Benson, U.S. Army, retired; to the Committee on the Judiciary.

By Mr. NATCHER:
H.R. 1434. A bill for the relief of Dr. Orlando Fusilero Bravo; to the Committee on the Judiciary.

By Mr. PATTEN:
H.R. 1435. A bill for the relief of the Zena Co.; to the Committee on the Judiciary.

By Mr. PICKLE:
H.R. 1436. A bill for the relief of William H. Klusmeier, publisher of the Austin Citizen, of Austin, Tex.; to the Committee on the Judiciary.

By Mr. QUIE:
H.R. 1437. A bill for the relief of Soo Jin Lee; to the Committee on the Judiciary.

By Mr. RAILSBACK:
H.R. 1438. A bill for the relief of Philip H. Ward; to the Committee on the Judiciary.

By Mr. ROBINSON (by request):
H.R. 1439. A bill for the relief of Beulah C. Shifflett; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:
H.R. 1440. A bill for the relief of Eun Kyung Park and Sang Hyuk Park; to the Committee on the Judiciary.
H.R. 1441. A bill for the relief of Neil R. Fairbanks; to the Committee on the Judiciary.
H.R. 1442. A bill for the relief of Col. Paul M. Thompson, U.S. Air Force; to the Committee on the Judiciary.

By Mrs. SMITH of Nebraska:
H.R. 1443. A bill for the relief of Leung, Tak-Ming; to the Committee on the Judiciary.
H.R. 1444. A bill for the relief of Cabigon, Enrico Froilan; to the Committee on the Judiciary.

By Mr. STEERS:
H.R. 1445. A bill for the relief of Comdr. Edward White Rawlins, U.S. Navy (retired); to the Committee on the Judiciary.

By Mr. STEIGER:
H.R. 1446. A bill for the relief of Lester Bruce Priday; to the Committee on the Judiciary.
H.R. 1447. A bill for the relief of Fred L. Timm and Leona M. Timm; to the Committee on the Judiciary.

By Mr. TEAGUE:
H.R. 1448. A bill for the relief of C. L. Adkins and Son Construction Co.; to the Committee on the Judiciary.

By Mr. BOB WILSON:
H.R. 1449. A bill for the relief of Geoffrey Parnham; to the Committee on the Judiciary.
H.R. 1450. A bill for the relief of Hildegard G. Blakeley; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:
H.R. 1451. A bill for the relief of Suzanne Lee Esper; to the Committee on the Judiciary.

By Mr. ANDERSON of California:
H. Res. 83. Resolution to refer H.R. 1394, a bill for the relief of certain former employees of Western Airlines, to the Chief Commissioner of the U.S. Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

24. By the SPEAKER: Petition of the Fourth Northern Mariana Islands Legislature, Susupe, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to approval of the Constitution of the Commonwealth of the Northern Mariana Islands; to the Committee on Interior and Insular Affairs.

25. Also, petition of Emitt S. Bleeker, Atwater, Calif., relative to redress of grievances; to the Committee on the Judiciary.

26. Also, petition of R. Keith Higginson, Director, State of Idaho Department of Water Resources, Boise, relative to the proposed national dam safety program; jointly, to the Committees on Public Works and Transportation, Interior and Insular Affairs, and Agriculture.

27. Also, petition of L. Napoleon Cooper, Washington, D.C., relative to granting a congressional charter to "Project 76 An-American Affair, Inc."; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE APPROVAL OF WESTWAY IS AN ENVIRONMENTAL AND FINANCIAL FIASCO THAT THE CARTER ADMINISTRATION SHOULD TRY TO CORRECT

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 4, 1977

Mr. KOCH. Mr. Speaker, today Secretary of Transportation William T. Coleman announced his approval of the interstate highway segment proposed to be built on the West Side of New York in landfill in the Hudson River. This project is estimated to cost $1.2 billion at the present time, but will only provide 4.2 miles of roadway from the Battery in Lower Manhattan to 42d Street in New York City. Along with a number of my colleagues from New York City I signed a statement today that summarizes our views on the situation. Briefly we believe that the authority which exists in the Highway Act to substitute mass transit projects for this interstate segment should be employed. Even if the predominate share of the $1.2 billion were to be spent for mass transit improvements, there would still be money available for providing a suitable and small highway on New York's West Side.

I am appending a copy of the statement, together with a copy of a most heartening letter I recently received from the Secretary of Transportation-designate, Brock Adams, and a kind note from a busy man, President-elect Jimmy Carter:

HOUSE OF REPRESENTATIVES,
Tuesday, January 4, 1977.

As Members of the New York City Congressional delegation, concerned with the transportation needs of the entire City of New York, we are opposed to the expenditure of $1.2 billion on a four mile highway on the West Side of Manhattan. We believe that instead the money should be used on upgrading and expanding the City's mass transit system, and providing a small arterial roadway on the West Side.

Secretary of Transportation William T. Coleman's step in advancing the approval of the Westway project must be criticized. Basically, the EIS does not justify the expenditure of $1.2 billion on this highway. Further, with the Ford Administration's defeat at the polls last November, a decision of this magnitude should have been deferred to the new Administration.

Notwithstanding the Secretary's actions today, we, as Members of the Congressional delegation, will continue to fight Westway through the authorization and appropriation processes of Congress. The project has a long way to go before construction actually gets underway.

There has been much talk in recent weeks of $5–$8 billion in private development associated with Westway. But, this is merely window dressing. It relates to private investment in the City in the next ten years throughout the five boroughs, not just what is directly associated with Westway. Furthermore, there's no list of specific projects nor commitments by private developers—just an index of broad categories in which investment is expected.

But, there is a silver lining in every cloud. This year we can expect the Congress to approve a revised cost estimate for the highway of between $800 million and $1.2 billion. This will secure the estimate for transfer later to a mass transit project which would provide the same, if not more, job opportunities for the construction industry as Westway.

What is significant is that soon the City of New York will have allocated to it approximately $1 billion in transportation funds. We should look at the Westway proposal from this point of view and determine how $1 billion can best serve the City's needs: on a 4.2 mile highway or in upgrading and expanding our mass transit system that carries 85% of our City's workers and employees. We believe that a transit investment will better serve the City's economy and transportation requirements.

Edward I. Koch, Ben Rosenthal, Ted Weiss, Elizabeth Holtzman, Charles Rangel, Jonathan Bingham, and Shirley Chisholm.

JIMMY CARTER,
December 17, 1976.

To Congressman Ed Koch:

I appreciate your sharing your concerns with me. I am forwarding your letter to Brock Adams, Secretary of Transportation Designate.

Keep me posted on any new developments.

Sincerely,

JIMMY CARTER.

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 27, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives
Washington, D.C.

DEAR ED: President-elect Carter has sent me your letter concerning the up-coming Department of Transportation decision on the West Side Highway project in New York.

It is my understanding that Secretary Coleman had not, as of the date of my most recent meeting with him, made a decision on this project. It is possible that he will make such a decision before January 20th. However, under the law, the environmental impact statement must remain at the Council on Environmental Quality for 30 days, a period which will run into the tenure of the new Administration. Thus, I will have the opportunity to review this major project, and I intend to discuss it fully with Mayor Beame and Governor Carey.

I agree that this project has very significant transportation, financial, and land use policy implications. I would hope that we can approach it on the basis of what makes the best long-term sense for the future of New York City within the constraints of the Federal highway and transit programs. The final decision on selecting a highway or a transit alternative rests with the States and local officials, and I would hope to contribute to that decision through a careful examination of the facts and the Federal options.

With best regards,

BROCK ADAMS, M.C.

THE POLITICAL COSTS OF A TV WASTELAND

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HUGHES. Mr. Speaker, New Jersey is one of only two States in the country not to have its own major television station. The other is Delaware.

On Sunday, January 2, 1977, the Washington Post featured on its editorial page an article by Mr. Frank Mankiewicz which describes in some depth the adverse impact this had had on a geographical area that is the eighth most populous in the country.

The author makes a convincing case for having a VHF station located in New Jersey. As he points out, "70 percent of the people in New Jersey rely on television for most of their news; 50 percent say they get all their news from the tube."

The enormity of this fact is most evident by the fact that local, State, and Federal elected officials have a very difficult time discussing issues and options with the people of New Jersey since television coverage is, to put it mildly, skimpy.

I earnestly solicit the support of my colleagues in this Chamber for the efforts of the Coalition for Fair Broadcasting, which is continuing to press this matter before the Federal Communications Commission—FCC—and other forums.

Mr. Speaker, I would like to share the substance of that Washington Post article with my colleagues.

The article follows:

THE POLITICAL COSTS OF A TV WASTELAND

(By Frank Mankiewicz)

Can it be that the people of New Jersey, responding perhaps to some emerging national stereotype, care less and are less informed about public affairs in their state than citizens elsewhere? Why is it that comedians, game show panelists and late-night celebrity interviewers can get the same laugh now from just saying "New Jersey" as their counterparts on radio a generation ago got from the magic syllables, "Brooklyn?" Is it something in the Jersey air, in addition to the noxious fumes the rest of us Eastern corridor people breathe?

In spite of the laughter from our television screens, New Jersey is not some rural backwater. It is the eighth most populous state in the union, the most densely populated, the most industrialized and the third highest in per capita income. In addition, it also ranks high in average level of education.

Given all these facts, the level of political awareness is astonishingly low. Now political awareness, to begin with, is almost always a function both of education and of income. Voting statistics, for example, demonstrate that people vote more often the better educated they are and the more money they have. (Those two factors are related, of course; people with a lot of education make more money than people who do not.) In addition, whenever public opinion samples are taken to find out if citizens can identify their public officials (a favorite pastime of pollsters in non-election years, when the pickings are slim), it is the better educated and those from the higher socio-economic levels who score the highest.

But New Jersey citizens—despite their education and their affluence—rank very low—indeed last—in these political awareness tests. In a Harris poll in 1973, 59 per cent of all Americans could name one U.S. Senator from their state, and 39 per cent could name both. But in the Garden State, even though both senators have considerable seniority, only 32 per cent could name either one, and only 25 per cent could name both.

Even worse were the results of a 1972 sampling by the New Jersey Poll. In that year—an election year—only 19 per cent could identify Clifford Case as a candidate for the Senate, even though he was then seeking (successfully, as it turned out) his fourth six-year term. Only 5 per cent could identify his Democratic opponent. In northern New Jersey, more people know about Mayor Abe Beame of New York than about Mayor Kenneth Gibson of Newark, and in the south, the major political figures are Frank Rizzo and Hugh Scott, both Pennsylvanians. No polls have been taken recently, but any astute New Jersey political observer would venture the opinion that Pat Moynihan, the senator-elect from New York, is better-known in the state than either Sen. Case, now in his 23d year in the Senate, or Sen. Harrison Williams, a senator since 1964 and a major committee chairman.

NO HOME BASE

The answer, of course, is that there is something in the air. And what is in the air over New Jersey consists of signals from seven New York television stations and four from Philadelphia—and none from New Jersey. None, count 'em, none. New Jersey is one of only two states without a television channel in the VHF (2 to 13) band, the only one which really counts so far. Delaware is the other, although the Philadelphia educational channel is actually located in Wilmington.

And since television is not—at the bottom line—a public trust by which news and entertainment is given to the public, and certainly not a great educational machine mirroring our society and increasing our understanding of it, but only the cheapest device yet discovered by which large audiences can be delivered to advertisers who will pay substantial sums for the delivery, New Jerseyans are simply part of two of those audiences—in this case the New York and Philadelphia "media markets."

As such, the fact that they are in another state is ignored, along with the imperatives that fact is thought—outside of television—to include. If the governor of New Jersey has a message for his fellow citizens, for example, he must leave the state in order to deliver it through the medium most of them use for news. Like Americans elsewhere, 70 per cent of the people in New Jersey rely on television for most of their news; 50 per cent say they get *all* their news from the tube.

The audience for New York and Philadelphia television stations includes, in each case, somewhere between 25 and 30 per cent New Jersey viewers. No station maintains studio facilities in New Jersey, and reporting is sporadic. For a New York station, getting news from New Jersey requires sending a crew: a correspondent, an electrician, a sound man, a cameraman and at least one producer/director type. It requires them to shoot their story, get back to New York (probably fighting the traffic), edit and develop the film, and get it on the air by 5 or 6 p.m.

Barring all that, the New York station can do one of the following things: get the story early in the morning (afternoon events are skimpily covered almost everywhere; in New Jersey they are almost never covered at all) and hope it will stand up; take it over the wire and read it in front of a still photograph, if you have one; or—better yet—scrub the whole thing and do something in midtown Manhattan. Needless to say, the last of these is almost always the most appealing alternative.

In addition, advertisers are affected by the relatively low share of the audience to be found in New Jersey. Many New Jersey advertisers—including, most of all, political candidates—simply cannot afford to pay for an audience three-fourths of whose members are geographically unable to buy the product. Thus, the New Jersey voter makes up his mind on local and state-wide elections and issues with little or no assistance from television—either from the news or from commercials.

GRESHAM'S TV LAW

Some results are clear, others subject to some informed speculation. The nature of television news is that the exciting and the controversial, the "visual" and, above all, the quick will survive the editorial process; the complex, difficult and abstract will wind up on the cutting room floor. It is this Gresham's Law of television news that will put a night-time fire in your living room any evening that film of one is available, that will (and did) show you a presidential candidate every evening carrying his garment bag off an airplane but rarely if ever tell you what he believes, and that denies Americans any cognizance through their most-used news medium of the tough economic issues which increasingly dominate our lives.

And it is that Law—In a Medium in Which a News Piece Takes a Minute and an "In-Depth" Piece Takes Two Minutes, the Simple Will Drive Out the Complex—which gives the people of New Jersey a picture of their state as one in which there is a lot of violent crime and frequent natural disasters, and damn little else.

The director of the New Jersey Poll, Stephen Salmore, has been quoted as suggesting that. major New Jersey economic problems continue to fester as a direct result of the absence of television, and he makes a persuasive case. According to Salmore, as well as most serious analysts of New Jersey's economy, much of the state's problem is due to the fact that it is the only industrial state without a real income tax, and property taxes are at their realistic limits. (A recent compromise regressive income tax is regarded as a start, but a weak one.)

Both Republican and Democratic governors tried for years to get an income tax, says Salmore, but failed even though a steady majority of the voters favored it in the form it was offered. The explanation, he says, is that television provides the indispensable link between politicians and the public, and in New Jersey this link is missing. The result is that special interests can apply pressure on individual legislators without having to worry about countervailing public pressures. A governor can't "go over the heads" of the legislators or the lobbyists; there's nowhere overhead to go—at least not in New Jersey.

THE MAKING OF A WASTELAND

How did all this happen? The history is instructive. By 1952, the Federal Communications Commission, operating under rules which require all major population areas to be served by some television, but anxious to award more channels to the larger cities where competition could better thrive, ended a four-year freeze on television licenses and began assignments to the major "markets." New York got channels 2, 4, 5, 7, 9 and 11 (in that signal area), Philadelphia got 3, 6 and 10, New Haven got 8, and channel 13 was assigned to Newark.

The management of the Newark channel ran up sizeable losses in those early years and in 1961, under considerable pressure from FCC Chairman Newton Minow, the commission approved its sale to a New York-based educational group. Today, it operates as WNET, one of the few public channels on the VHF spectrum, but it is still licensed technically to Newark.

It was that vestigial tie to Newark which led to an out-of-court "settlement" at the time the channel went across the river. Then-Gov. Robert Meyner extracted from the new owners a pledge that the station would provide a "substantial amount" of New Jersey programming and would maintain a studio in Newark.

All New Jersey public officials, now allied in a Coalition for Fair Broadcasting, agree that WNET has not fulfilled its end of the bargain. The Coalition went so far as to bring an action before the FCC in 1974 asking a review of the situation in which New Jersey has become in fact the "vast wasteland" Minow once chose as a metaphoric description for all of television. The Commission record on the matter is a classic example of marching up the hill and then, in response to what the New Jersey Coalition says is industry pressure, marching right back down again.

The FCC issued, in effect, three orders this year before it finally disposed of the whole thing. First, in March, it found a need for improved VHF service in New Jersey (there is some UHF service, but no one seriously argues that it begins to meet the state's needs, the signals are scattered, weak and under-financed), and ruled that it could be met by increased VHF "presence." It was "presence" New Jersey has always sought—either by the transfer of a station to the state or at least a requirement that one of the New York and Philadelphia stations maintain a full equipped studio in New Jersey.

In the March statement, the FCC asked for guidance and comment on how to define "presence" and whether "programming standards" sohuld be imposed. "Imposing" program standards is one of those phrases like "forced busing"; it's easy to tell what side of the argument is held by the speaker. The FCC, of course, imposes standards all the time—like Equal Time or Fairness or Public Service programs—and the broadcasters accept this "imposition" as a condition of their valuable licenses, but no one likes to admit it. It weakens, some say destroys, the arguments against "censorship."

The response to the March request was predictable. The New Jersey Coalition gave it as its opinion that "presence" meant just that—a studio, just like a real television station. The New York and Philadelphia licensees, including all three networks (they all own New York stations, and CBS owns one in Philly, too), said *they* thought they were doing just fine in New Jersey, and "presence" could be satisfied by stringers and a "New Jersey desk" in the New York newsroom. Since New Jersey news makes up around 10 per cent of all news broadcast in the markets, and since one station said it would satisfy the FCC standard, at least in part, by encouraging its executives to give speeches at New Jersey civic clubs, one can imagine the reaction from the Coalition.

In July, the FCC issued its second report, watering down the earlier conclusion of need for greater coverage and seeming almost to apologize to the New York and Philadelphia licensees for causing so much trouble. It asked for voluntary plans and issued some weak minimum "presence" guidelines. In September, the stations submitted their proposals (only one of the 10 proposed meeting even the weak "presence" guidelines). In October, the New Jersey Coalition objected; in November, the FCC approved the voluntary plans. There will be no studio in New Jersey, and the Coalition will doubtless appeal to the federal courts.

The question of "presence" is an interesting one. The Coalition for Fair Broadcasting—characterized in the industry as "do-gooders" and politicians—is on pretty firm economic ground when it asks for a commitment to a broadcasting studio. The do-gooders understand that, if there is a fully equipped studio, complete with cameras, lights, sets, an art department and production people, including well-paid union technicians, then the company's accountants will demand, even if no one else does, that they be used. And the only way to use them

would be to get something of New Jersey on the air—in New Jersey. But even if the Court of Appeals, or a reconstituted FCC, sees it that way, it's still a long way off. In the meantime, New Jersey television audiences can take comfort in the fact that even 200 years ago Ben Franklin called the state "a keg tapped at both ends."

* * * * *

Defenders of television's status quo sometimes point to Washington as an area where a bi-state (in this case, tri-state) market is adequately served. If the citizens of Montgomery and Prince Georges counties and of Northern Virginia can do without a VHF television station and be content with what they get from four District of Columbia channels, they ask, why does New Jersey complain so?

The answer, of course, is that the Washington "market" happens to coincide, almost exactly, with the metropolitan area—which is not the case, let us say, with New York City and New Jersey north of Trenton. In the Washington market, roughly one-third of the audience lives in the District, one-third in Maryland and one-third in Virginia. More important, most of Maryland and most of Virginia *are* covered by local VHF stations—in Baltimore, Salisbury, Richmond and Norfolk, for instance.

Finally, because the audience is not divided as lopsidedly as it is in New Jersey, Washington's stations give a considerable amount of coverage to Maryland and Virginia *vis-a-vis* the District. I don't have the monitoring statistics, but it looked to me as though Marvin Mandel had as much coverage as Joseph Yeldell.

And the true difference, when you get right down to it, is that the Maryland and Virginia suburbs which depend for television on Washington are truly suburbs, much of whose life and activity is involved with what happens in the District. We work here, we shop here, we are affected by its traffic, its government—we are even taxed by it. That is true of *some* of New Jersey, but only some.

FRANK MANKIEWICZ.

THE FEDERAL GRANT AND COOPERATIVE AGREEMENT OF 1977

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HORTON. Mr. Speaker, the 94th Congress passed, in the closing days of its session, S. 1437, a bill "to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes." The President withheld approval of the bill, in a memorandum of disapproval dated October 22, 1976. This legislative action was the final one taken by the President.

The bill, originally introduced as H.R. 15499, the Federal Grants and Agreement Act of 1976, was strongly supported by State and local governments and their public interest groups, the American Bar Association, the Chamber of Commerce, the Commission on Federal Paperwork, of which I am chairman, and many voluntary and charitable organizations. The proposal was developed directly from recommendations made by the Commission on Government Procurement.

In my testimony supporting last year's bill, I pointed out that the bill would "provide uniform guidelines to distinguish control and the use of grants, procurement contracts and cooperative agreements by Federal agencies based on the fundamental purpose of the transaction and what kind of relationship is expected between the Government and a recipient."

Second, it mandates a study that should lead to the development of a comprehensive system of guidance for Federal assistance programs.

The problems which this legislation is designed to correct continue to exist. Clarification of Federal-recipient relationships through standardization of legal instruments offers an opportunity for changing the causes of the redtape, paperwork problems. It is one weapon in an arsenal of many, including reorganization of Federal program and fiscal relationships, opening up Government to broader citizen input, and more thoughtful consideration by Members of Congress of the potential redtape implications of bills which they pass.

Support for the legislation continues to exist. I am introducing it today, therefore, in hope that this Congress will quickly consider and pass it, and that the President will affirm his commitment to more responsive and efficient Government through his approval.

HUNTINGTON WOODS RHODES SCHOLAR

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. BLANCHARD. Mr. Speaker, too often the accomplishments of women have not been matched by recognition of their abilities and talents. I would like to note that the Rhodes Scholarship awards this year reflect some changes in this situation. This year, for the first time, women were allowed to compete, and 12 American women were chosen as Rhodes Scholars.

I am very pleased that one of my constituents, Denise Thal of Huntington Woods, Mich., was named to be among this group, and I would like to take this opportunity to applaud Ms. Thal's achievements. The following article from the Royal Oak Daily Tribune describes her fine accomplishments:

HUNTINGTON WOODS WOMAN BREAKS BARRIERS FROM TENNIS TO RHODES SCHOLAR

(By John Basch)

Breaking the male-only barrier is nothing new to Denise Thal, a 21-year-old Huntington Woods resident.

She is one of 12 women who Sunday were awarded Rhodes scholarships for study at Oxford University, England. Women were not permitted to compete for the scholarship until this year.

A National merit scholar at Berkley High School where she was graduated in 1973, Miss Thal first gained headlines as a 16-year-old tennis player on Berkley's boys' high school team.

In April 1972, she became the first girl in South Oakland to compete against boys in interscholastic competition after Federal Judge Damon Keith issued an injunction permitting girls to play on boys' teams.

Miss Thal made her prep debut on the boys' team with a 6–4, 6–3 victory over a Southfield boy. She played third singles on the boys' team and was ranked second among girls 16 and under by the Southeastern Michigan Tennis Association. She played No. 1 singles on the boys' team during her senior year.

Daughter of Mr. and Mrs. Bruce E. Thal, 13300 Victory, she is the only Michigan resident to be awarded the prestigious scholarship.

She majored in economics and was captain of the women's tennis team at Radcliffe. She will receive her degree in economics from Harvard and plans to study a program of economics, philosophy and political science at Oxford.

The scholarship, financed by money left in the will of British philanthropist and colonialist Cecil Rhodes, was initiated in 1903, one year after Rhodes' death.

Rhodes Scholars are appointed for two years of study in the University of Oxford. Costs of tuition, expenses and travel are paid by Rhodes Trustees.

ELECTION CONTESTS

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. THOMPSON. Mr. Speaker, I feel that it would be appropriate, at this time, to advise the Members of the House with regard to election contests arising out of the 1976 congressional elections.

Article 1, section 5, of the U.S. Constitution provides that—

Each house shall be the Judge of the Elections Returns and Qualifications of its own members. . . .

Under this constitutional authority the House has over the years resolved election contests dealing with congressional primary elections as well as general election contests. In fact, in 1969, the House enacted a Contested Elections Act (2 U.S.C., section 381, et seq). Under the Rules of the House of Representatives, these contested election matters are within the jurisdiction of the Committee on House Administration.

There are currently pending before the Committee on House Administration, seven election contests, five dealing with general elections and two dealing with primaries. I am confident that the committee will proceed to deal with these contested election cases as expeditiously as possible.

Contests, in order of filing with the House of Representatives, are as follows:

First. Dr. Edward Pierce against Carl Pursell, Second Congressional District, Michigan; filed November 29, 1976.

Second. James A. Moreau against Richard Tonry, First Congressional District, Louisiana; filed December 3, 1976.

Third. Elsa Hill against William Clay, First Congressional District, Missouri; filed December 8, 1976.

Fourth. Joann Saunders against Richard Kelly, Fifth Congressional District, Florida; filed December 10, 1976.

Fifth. Samuel Young against Abner Mikva, 10th Congressional District, Illinois; filed December 20, 1976.

Sixth. Ron Paul against Bob Gammage, 22d Congressional District, Texas, filed December 20, 1976.

Seventh. Albert Dehr against Robert Leggett, Fourth Congressional District, California; filed January 3, 1977.

CONTINUING CARE CONSUMER PROTECTION ACT

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COHEN. Mr. Speaker, earlier this week I introduced legislation known as the Continuing Care Consumer Protection Act. The continuing care contract is an arrangement whereby a resident in a home for the aging makes a lump sum payment for continuing housing, social, and medical services. In most cases, this care is promised for life.

Continuing care was originally charitable in nature. Groups sponsoring homes for the aging would accept total assignment of assets by the poor for care, supplementing such payments with their own resources. With the advent of social security and, subsequently, medicare, medicaid, and SSI, however, this situation changed. Continuing care arrangements ceased to be purely a benevolent means to care for the destitute, but now are a means to acquire capital to build or renovate a physical structure and finance operating expenses.

This new construction is needed. Upward of 3 million elderly Americans lack adequate care and housing. The Federal Government, however, is not providing sufficient permanent financing to meet this need. The primary Federal source of funds for nonprofit sponsors of homes for the aging is section 202 of the 1959 Housing Act, through which direct loans are made to nonprofit sponsors for constructing and renovating housing for the elderly and handicapped. In fiscal year 1976, $750 million was made available for all section 202 applicants. However, there was a demand for between $5 and $9 billion in aid. Moreover, section 202 provides funds for brick and mortar only, not for support services.

Commercial money markets are reluctant to loan money to nonprofit sponsors of homes for the aging because the nonprofit sponsors do not have an equitable interest in the project in need of financing. This equity can be provided by selling continuing care to residents. The residents, of necessity, are required to provide the capital by which the home is built, renovated, and operated. If nonprofit sponsors were able to obtain adequate financing other than through the use of these contracts, the continuing care contract probably would not be as common.

Many criticisms have been leveled at these contracts by both providers and consumers of care. Some homes are currently in receivership or threatened with bankruptcy, because adequate reserves have not been maintained to provide the kinds of services promised consumers in original contracts. Contracts are sometimes confusing as far as what services are to be provided. High entrance fees prevent the poor, as well as minorities, from having access to some homes. The resident is deprived of substantially all future bargaining power over the quality of care he receives. The facility receives compensation which is inversely proportional to the patient's longevity. And some types of continuing care policies may be inequitable in that they force the wealthy and middle class to subsidize the poor.

Providers also face problems in accepting continuing-care residents. A home may find it difficult to live up to its promises to deliver service because of unforseen expenditures or inflation. Life expectancy figures, upon which payment is computed, may be unreliable. The tax exempt status of homes is jeopardized if they discharge the indigent. And homes may be prevented from or restricted in their applications for Federal or State funds for their residents who have willingly surrendered their assets for care.

Despite these limitations, the fact that contracts continue to be written indicates that continuing care has many advantages. It offers one the independence of having his or her own place in a community without the chores of maintaining a house. It provides security, companionship, and care without the threat of a future financial drain on relatives when properly drawn and executed.

My bill seeks to curb the potential abuses of the consumer, while at the same time protecting an alternative financing mechanism which serves the interests of the elderly. Of most importance, the legislation requires a written contract containing a financial disclosure statement on the institutions' ownership, income sources, projected costs, and debts; a complete description of services included in the contract and those services of the home which are not a part of the contract, but which may be secured for additional cost; a complete outline of the financial arrangements agreed upon by both parties; conditions for termination of the contract; the period of time for which the contract is in effect; and a refund policy. With reference to the last requirement, a GAO report in March 1976, was critical of the fact that Federal regulations are silent as to the disposition of personal funds of transferred or deceased residents in long-term care facilities. Certainly, the proper disposal of resident funds should be extended to those lump-sump payments which often represent a lifetime of saving.

Furthermore, the participating institution must be audited annually, and maintain a reserve of those lump-sum payments it receives which are necessary to meet its obligations as determined by the Secretary of Health, Education, and Welfare.

Failure to comply with those requirements would make the home guilty of a misdemeanor and subject to fines. The home would be barred from issuing any more contracts until the deficiency was corrected. Finally, any resident holding a contract who was injured as a result of noncompliance would be guaranteed access to Federal court.

Some State governments have already recognized the importance and need to regulate these contracts for the protection of the consumer. My bill would not disturb these arrangements, as long as the State does not ban such contracts and existing State regulations are at least as stringent as those imposed by this measure. In fact, the Continuing Care Consumer Protection Act not only acknowledges but encourages the States to assume an active role in this important area.

We have the opportunity to protect these financial arrangements to the benefit of all concerned. I commend this legislation to my colleagues.

NORTH CHICAGO VA HOSPITAL DIRECTOR QUANDT SHOWS SKILL IN EMERGENCY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. McCLORY. Mr. Speaker, whether Americans today live in large urban clusters or in rural communities, they still venerate those earliest traditions of our pioneer days: Neighborliness and courage and innovation in the face of crisis. Let me cite this example:

Shortly before noon on a cold November 29, 1976, fire knocked out the heating plant at the Great Lakes Naval Training Center in my 13th Congressional District. That plant also provides heat for the North Chicago Veterans' Administration Hospital, the Nation's largest.

Within hours, a fleet of buses, ambulances, and other emergency vehicles began the orderly evacuation of more than 800 patients to nearby military and private hospitals and to VA hospitals in the Chicago and Wisconsin areas, because temperatures that night were expected to drop below zero.

Marjorie R. Quandt, director of the North Chicago VA Hospital, bought 300 space heaters to keep comfortable those patients awaiting transfer and to care for the 477 others who would remain that night at the hospital, because they were too seriously ill or too handicapped to be moved. She also rented three emergency boilers from commercial businesses for standby use should they be needed.

And the community reached out. As Director Quandt wrote in a thank-you letter published in the Waukegan, Ill., News-Sun, offers of housing, transportation, food, and "most of all themselves" from individuals, businesses, industries, hospitals, and military bases poured in:

> We here at North Chicago VA Hospital are very thankful that we have neighbors who are so generous and responsive.

An 87-year-old patient at North Chicago put it more graphically in an interview with a News-Sun reporter:

> I'll tell you, those doctors and nurses here did a hell of a job. I haven't seen one of those hundreds of dollars a day hospitals that would do as much for you.

And the newspaper itself, in an editorial of commendation, said this:

Much of the success of the operation, which went so smoothly, can be credited to Marjorie R. Quandt, Director of the institution, and members of her staff who remained at their posts until the last ambulance left the hospital.

Mr. Speaker, within about 24 hours, the patients had returned in a reverse cavalcade of vehicles. The heating plant had returned to operation. The crisis was over. Women and men had reacted quickly, wisely, and well, and they had reached out as neighbors and friends to help those in need.

Mr. Speaker, I would like to take this opportunity to express my personal thanks to Director Quandt, the staff at the North Chicago VA Hospital, and all the hundreds and hundreds of others in Lake County and elsewhere who turned a day of possible tragedy into a day to remember with thanks.

OSHA INSPECTIONS STOPPED

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HANSEN. Mr. Speaker, the Occupational Safety and Health Administration has stopped all inspections in Idaho pending legal appeal. Now such inspections should be stopped in all other areas under OSHA's jurisdiction as well in the sense of equal justice for all Americans which is guaranteed every citizen by the U.S. Constitution.

It was in this spirit of equal justice and protection for all citizens that yesterday I sent letters to Secretary of Labor Usery, to U.S. Attorney General Levi, and to OSHA Administrator Corn asking for an abatement of all OSHA inspections across the Nation.

Mr. Speaker, I deem it my responsibility to advise my colleagues and their constituents that further inspections of a nonuniform nature violate the equal protection of the laws guaranteed by the Constitution. It is in this respect which I submit the contents of my letter to Secretary Usery as well as an article from the Idaho Statesman newspaper of January 6, 1977:

JANUARY 4, 1977.

Hon. W. J. USERY,
Secretary of Labor,
Washington, D.C.

DEAR SECRETARY USERY: Regarding the decision of a Federal Three Judge Court in Idaho declaring inspection authority, Section 8(a) of the OSHA Act, unconstitutional and void, I commend administrative actions of yesterday causing OSHA inspections in Idaho to cease pending appeal.

However, under the concept of equal justice for all citizens such OSHA inspections should also immediately be terminated for all other areas under OSHA's jurisdiction. Not only is this a matter of equal justice but it is a matter of legal reality since necessary precedent exists for individual rejection of warrantless searches or inspections by any citizen in the Nation.

Certainly government activities of this nature should not be enforced only against the acquiescing citizen who is either not informed of his basic rights or who is without the means or determination to protect such rights. I urge you to take this request for equal justice into early and serious consideration and act swiftly to grant proper relief.

I am hopeful of a reply at your earliest convenience.

Sincerely,

GEORGE HANSEN,
Member of Congress.

OSHA INSPECTIONS STOPPED IN IDAHO

WASHINGTON.—The Occupational Safety and Health Administration (OSHA) has temporarily halted safety inspections in Idaho after a court ruling that inspections of businesses without the owners' permission are unconstitutional, the Department of Labor announced Wednesday.

OSHA announced it will appeal last week's court ruling to the U.S. Supreme Court, and meanwhile will seek a stay in the ruling. The agency said it will halt inspections until the motion for the stay can be heard.

On Dec. 30, a three-man constitutional court in Idaho agreed with Pocatello businessman Bill Barlow that OSHA inspections without his permission violated the Constitution's Fourth Amendment prohibition against unreasonable searches. Congress had given the agency no power to force inspections, the court said.

OSHA administrator Morton Corn, an assistant secretary of Labor, said he is "deeply concerned about the implications of the court's decision. OSHA will actively pursue all legal avenues of recourse open to us."

Rep. George Hansen, R-Idaho, chairman of a national campaign to abolish the safety-inspection law, called the halt in inspections "entirely proper. . . . Until the Supreme Court rules on this matter. OSHA should cease and desist in all inspections."

Even if the court ruling is immediately stayed, Hansen said, businessmen should refuse OSHA inspectors entry, citing the Barlow case. "That stay won't help them if citizens are brave enough to stand up to OSHA," Hansen said. "But for any timid person not willing to stand up to the government, it could be a problem."

He said the Dec. 30 decision "is the first time a federal court has put an agency out of business," and said it will have national impact.

Hansen maintains that state and local governments are adequate to regulate industrial safety, and said a ballooning federal bureaucracy under OSHA has performed in a high-handed and arbitrary manner.

The agency, created in 1970 to cut down the number of worker accidents, has been engulfed in controversy and is held up by some congressmen as the prime example of an insensitive government bureaucracy.

Hansen and Rep. Steve Symms, R-Idaho, jointly introduced bills in Congress Wednesday proposing repeal of the Occupational Safety and Health Act and the 1968 Gun Control Act.

Hansen and Symms said in a joint statement: "OSHA has been ruled unconstitutional and this should give added support to our bill to repeal the act."

The representatives said the gun-control act requires, among other things, that records of the purchase of firearms be provided to the U.S. Treasury Department.

"This type of control has proven ineffective as a crime control measure because in ever increasing numbers individual citizens are rejecting all such controls," they said.

Hansen and Symms said "the trend is obviously clear and Congress simply must represent the people—these bills do just that."

TELEPHONES IN THE UNITED STATES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COLLINS of Texas. Mr. Speaker, most of the time we Americans do not pause and realize how many good things we have in the United States. I use and appreciate my telephone. I guess a kind word will come as a surprise to the telephone company, but you will be interested in some telephone research that I just completed.

Presently in the United States we have 657 telephones per 1,000 inhabitants. That is more than one phone for every two individuals. This figure compares with 594 per 1,000 in Sweden, 350 per 1,000 in Britain, 217 per 1,000 in France and 200 per 1,000 in Greece. A city-to-city comparison is also interesting. The town of Richardson, Tex., has 69,000 inhabitants. Richardson boasts 65,716 telephones or a 95-percent rate of phone distribution. Compare this figure to that of Frankfurt, Germany, a modern, Western European city of almost identical size. Frankfurt has 70,000 inhabitants but only 11,727 phones. Its rate of distribution is only 16 percent.

Installation waiting period is also a factor in measuring the quality of telephone service. The average time it takes to have a phone installed in the United States is less than a week and often less than 2 days. It takes a minimum of 1 month in Greece, 2 years in Norway, and from 18 months to 5 years in France.

Rising phone costs have caused users to grumble, but let us compare. In the United States, with established credit, there is no deposit on residential telephones. Costs vary, but the average monthly rate is $9 to $10. In Greece and Italy, it costs $140 to have a phone installed. In Japan, a $500 bond must be purchased plus the installment fee of $167. In France, it is $182 for installation, $8.50 a month and 9 cents a call. In Guatemala, obtaining one of rare new phone lines costs $1,000.

But beyond all these measures of phone quality, the ultimate test is telephone reliability. In this country, the phone system is regarded internationally as giving excellent service. In Britain about half of all phones are out of order during any one period. In France, due to obsolete circuitry, it frequently is necessary to try the same number 20 times before the correct party is reached. In Guatemala and Spain, you can barely hear your party.

Thought-provoking stories have been told by American travelers abroad about misadventures with foreign telephone systems:

Then there's the matter of the telephone coin return boxes in England. I learned about them the hard way. I made a long-distance call from a London airport putting countless large British coins into the box at the operator's directions. The called party wasn't home.

I hung up and waited for the money to return. Nothing. I groped for a return box, found none, and in panic tried to locate my operator again. I got another, instead, who explained to me that British phones have no return coin mechanism.

"So what," I asked, "happens to my money?"

"You can place the call later or we'll mail you a check."

I asked them to try the call later. The operator took the pay phone number and told me to stand by there in an hour.

The airport was crowded, and when I returned to the phone at the appointed time, seven people were lined up to use it. It took me 25 minutes to work my way to the phone and another 10 to locate the right operator who told me cheerfully that my line had been busy. He put through my call again, the people still weren't home, and we set another rendezvous.

Once past customs, there was another delay so I explained to the uniformed man in charge that I was expecting a phone call Out There and would he mind if . . . Yes, he would mind. Once through customs, nobody (he stressed the word twice, frowning) gets back.

That is English telephones, and I am proud that I have the American telephone system.

THE CONSTITUTIONAL CRISIS IN STATE ELECTION LAWS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. McDONALD. Mr. Speaker, many of the Presidential electors, whose votes were just counted to elect the next President of the United States, were chosen under State election laws which have serious constitutional defects. I discussed with some of my colleagues whether a challenge should have been made to the receipt of those electoral college votes by the Congress today.

The decision was made that there was too little time and procedural difficulties in making the challenge for it to be effectively brought before Congress.

I emphasize, however, that the constitutional issues are important, and must be resolved for the political health of the Nation.

Since 1888, the States of the Union have increasingly adopted in their election codes provisions which give undue advantages to representatives of the existing political party structures, and place serious handicaps on independent candidates and party candidates whose views differ from the then current leadership of their parties. Especially in the 20th century, millions of Americans feel they are not truly represented by those who have been elected as their "representatives."

I believe this is part of the reason that the voter turnout, in terms of percentage of eligible voters, for President in 1976 was the lowest in 50 years, and also why all national polls describe a massive dissatisfaction by tens of millions of voters with the current "major" parties.

More important, I believe that many of the restrictions on candidates and their potential voters who seek to present new or different ideas are flatly contrary to the U.S. Constitution.

For example, George Washington, Thomas Jefferson, John Quincy Adams, Woodrow Wilson, and Abraham Lincoln, among other Presidents, would have been prevented from running in many of the States, or would have lost their election, had the current laws applied in their years.

Aside from the constitutional issues, unless changes are made in our election laws we will see a continuation and acceleration in the trend toward a monopoly by the traditional Republican and Democratic parties—not only in terms of access to the ballot, but access to the media and access to public funds—although there should be no public funds for political candidates—as well.

Listed below are the most important constitutional defects in the State election laws which applied to the Presidential election of 1976 which my initial research has brought to light. Most of these constitutional points have been favorably decided by the Supreme Court of the United States or by the highest courts in Massachusetts, Oklahoma, and other States.

The constitutional crisis which almost arose this year will probably confront us all in 1980 unless States conform their election laws to the Constitution, preferably by choice rather than court compulsion.

The list follows:

ARKANSAS

Arkansas Code 3–105(c) is unconstitutional for requiring excessive petition signatures. 3–113(a) has been declared unconstitutional in federal court for excessively early deadline.

CALIFORNIA

California petition law was declared unconstitutional by state courts in 1976, but the strongest challenging candidate was not permitted on the ballot.

CONNECTICUT

Connecticut General Statutes § S9–453a to 9–453s 1976 Supp. unconstitutionally require every petition-gatherer to go personally to the town clerk of every signer (up to 169 of them) to swear he gathered the signatures, a geographically impossible task.

DELAWARE

The Delaware Code unconstitutionally provided *no* method by which a candidate not belonging to a political party, could run for President.

DISTRICT OF COLUMBIA

D.C. Code 1–1101, et seq., did not allow a candidate who is not a member of a political party to run for President. It still requires a petition candidate to file before the time required of non-petition candidates. The major challenger was excluded from the ballot.

FLORIDA

Florida statutes §§ 99.152 and 99.153 provided *no* method for a candidate, not belonging to a political party, to appear on the ballot for President.

GEORGIA

Georgia Election Code requires an unconstitutionally-high number of petition signatures. The major challenger was excluded.

HAWAII

Hawaii election law unconstitutionally forbids voters from casting write-in votes for President.

IDAHO

Idaho Code 34–711 does *not* permit a candidate for President who is not a member of a political party. The state conceded the unconstitutionality of its law *after* the election. The major challenger was excluded.

ILLINOIS

Illinois Revised Statutes, chap. 46, §§ 21–1 and 21–2, did not provide a method for a candidate, not belonging to a political party, to run for President.

INDIANA

Indiana Election Law is unconstitutional in having no state control over the accuracy of local board petition counting, in its verification of signatures, and in its failure to permit voters to write-in for President. The major challenger was excluded from the ballot.

KANSAS

Kansas Statutes Annotated, 25–301, were unconstitutional for preventing a candidate, not a member of any political party, from running for President.

KENTUCKY

Kentucky Revised Statutes Annotated 119.310(f) was unconstitutional for allowing nomination for President only by political parties.

MARYLAND

Annotated Code of Maryland, Article 33, Section 7-a is unconstitutional for requiring petition candidates for President to file months before major party candidates must file. The major challenger was excluded from the ballot.

MASSACHUSETTS

General Laws of Mass., Chap. 53, Sections 7, 11 and 12, and Chapter 6, Sections 29–32 are unconstitutional for failure to provide for state control over the accuracy of local board petition counts.

MICHIGAN

Mich. Codified Laws Annotated § 168.685 was unconstitutional for failure to permit a candidate, not a member of a political party, to run for President.

MISSOURI

Revised Statutes of Missouri § 120.240.1 and 120.340.1 were unconstitutional for their excessively early deadline for filing petition signatures. § 111.351 was unconstitutional for preventing a candidate, not a member of a political party, from running for President.

NEBRASKA

Nebraska Revised Statutes 32–504, 32–556, 32–561 and 32–4.108 were unconstitutional for failure to allow a candidate, not belonging to a political party, to run for President.

NEVADA

Nevada Revised statutes 293.063, 293.177(4) and 293.195 are unconstitutional for failure to permit a candidate, not belonging to a political party, to run for President. They further unconstitutionally bar write-in votes. The major challenger was excluded from the ballot.

NEW YORK

Section 138(8) of the New York Election Law is unconstitutional for preventing a candidate from appearing on the ballot even though he had admittedly filed sufficient signatures, state-wide, and distributed in congressional districts. The major challenger was excluded from the ballot.

OKLAHOMA

Oklahoma Statutes, Article X, § 10–101, et seq., were unconstitutional for failure to permit a candidate, not belonging to a political party, to run for President.

RHODE ISLAND

Rhode Island General Laws, Title 17, Chapter 16, § 12 and 17–16–8(a) are unconstitutional for excessively early deadline, and for a distribution requirement that permitted one signature in the least populous county to outweigh 112 signatures state-wide. The

major challenger was excluded from the ballot.

TENNESSEE

Tennessee Code Annotated § 2–514(g) was unconstitutional for preventing the name of the Presidential Candidate to be printed with those of his electors, on the ballot.

TEXAS

Texas Election Code, Article 11.01 to 11.05, and 13.50, are unconstitutional for failure to permit a candidate, not belonging to a political party, to run for President, or to run for Presidential elector.

UTAH

Utah Code Annotated, § 20–4–3, is unconstitutional for failure to permit a candidate, not belonging to a political party, from running for President, or for Presidential Elector.

VIRGINIA

The Virginia Election Code is unconstitutional for failure to permit write-in votes for President.

WASHINGTON

The Annotated Code of Washington 29.71. 020 was unconstitutional for permitting selection of Presidential Electors by political parties only, excluding non-party members.

WEST VIRGINIA

W. Va. Code Annotated, Chap. 3, Art. 5, § 23–24, are unconstitutional for excessively early petition filing deadline, collection by magisterial district, with collectors residing in each district. The major challenger was excluded from the ballot.

SURVIVOR BENEFIT PLAN

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. BOB WILSON. Mr. Speaker, I was pleased to join Tuesday with my distinguished House Armed Services Committee colleague from New York (Mr. STRATTON) in introducing legislation to complete the improvements we initiated last year to the survivor benefit plan for military retirees.

In mid-September the House passed H.R. 14773, a comprehensive series of amendments to bring the survivor benefit plan into conformity with its original intent: a plan based closely, in terms of both costs and benefits, on the survivor annuity plan available to civil service annuitants. Due to the shortness of time, the Senate approved only part of the House bill and deferred action on the remainder, which we have reintroduced.

First, this bill would authorize cost-of-living raises for widows covered by the retired serviceman's family protection plan. This plan, also known as RSFPP, was established in the early 1950's as an actuarial-equivalent plan, that is, the deductions from the retired pay of the participants, plus interest, would pay for the survivor benefits authorized. Unfortunately, the cost of the RSFPP annuity in relation to the benefit provided was quite high, and the majority of retirees did not elect to join. RSFPP provides no cost-of-living raises whatsoever. As a result, RSFPP widows have received no change in their annuities since the husband's deaths 5, 10, or even 20 years ago. According to Defense Department figures, the average RSFPP annuity is $1,600 annually; but many widows receive less than $100 monthly.

We made a serious omission by failing to provide cost-of-living raises for RSFPP widows when we established the new survivor benefit plan in 1972. The legislation we have introduced would correct this by providing future cost-of-living raises for RSFPP widows. Additionally, although no retroactive benefits would be paid, the first raise would be equal to the amount that the Consumer Price Index has increased since 1972, more than 40 percent. Retirees who participate in the retired serviceman's family protection plan paid dearly for that coverage. Inflation has eroded many of these annuities to a pittance, and we have an obligation to act quickly to rectify this situation.

The second part of this legislation deals with the social security offset portion of the military survivor benefit plan. When the full House considers this bill, I will go into the details of the offset at greater length. However, in the interest of brevity so early in the session, I will summarize the thrust of this section of the legislation.

Under the military survivor benefit plan, at age 62 the widow's survivor annuity, for which her husband paid with reductions in retired pay during his lifetime, is reduced dollar-for-dollar by social security benefits attributable to the late husband's military service. The principle of a 100-percent offset is intrinsically highly questionable; the myriad complexities of figuring social security entitlement make it much more so. In practical application, the 100-percent offset makes the survivor benefit plan a bad investment for many retirees. As those retiring in the future have an increasing amount of social security coverage, the problem will be magnified.

Our intention in establishing the survivor benefit plan in 1972 was to provide an attractive, equitable survivor annuity plan at a fair price. We anticipated participation of up to 85 percent of retirees. According to Defense Department testimony, the percentage of new retirees who elected to participate in SBP dropped from 61 percent in fiscal year 1974 to 55 percent in fiscal year 1975. The social security offset is the reason most frequently cited by retiring servicemen for opting out of the survivor benefit plan. I am confident that a reduction in the offset will have a substantial impact on future enrollment trends.

The legislation we have introduced would reduce the social security offset from 100 percent to 50 percent. Additionally, it would eliminate the offset entirely for a widow who is receiving no social security benefits from the late husband's military service. Although there are several situations where this may occur, the most common is the widow who has worked for many years and earned her own social security benefits. In such a case, even though she receives no social security benefits from her late husband's account, her SBP annuity is reduced dollar-for-dollar for those nonexistent benefits. Also removed are the offset for a widow under age 62 with one child, since widows with two or more children are already subject to no offset, and the offset for Reserve retirees whose only active service after 1956 consisted of short periods of training. It is important to emphasize that these changes merely seek equity with other Federal retirement programs.

Since House passage of H.R. 14773 last September, one additional problem has come to the fore. It was the intent of the House Armed Services Committee that the costs of providing survivor coverage be the same as the civil service survivor annuity program, namely 2½ percent of the first $300 of retired pay base designated for survivor coverage and 10 percent of the remainder. Retired pay and the survivor annuity are both subject to the periodic cost-of-living raises authorized by law for Federal retirees, civilian and military.

In order to keep pace with the increased value of the survivor annuity, and the added cost to the Government, the amount of the reduction from retired pay is also increased with each Consumer Price Index raise for retirees.

Due to the wording of the law, the military retiree is paying more for this coverage than his civil service counterpart. To illustrate, let us take a hypothetical 5 percent cost-of-living raise for Federal retirees. In the case of the civil service retiree, his retired pay is increased by 5 percent, the amount of his designated survivor benefit is increased by 5 percent, and the reduction from his retired pay to provide the survivor benefit is also increased by 5 percent. The system works differently for the military retiree. Like the civil servant, his retired pay and the designated survivor annuity are both increased by 5 percent. The cost of providing the survivor annuity is recalculated, however, at 10 percent. It is easy to see that in the course of a few years the military retiree will be paying considerably more for the same survivor coverage afforded his civil service counterpart.

As a result, we are including a technical amendment to title 10 to assure that cost-of-living increases for military survivor benefits are computed in the same manner as that used for civil service retirees. This was our original intent when the survivor benefit plan was enacted in 1972 and I am confident we can clarify the situation by the language incorporated in this bill.

To recap, the legislation we have introduced is the portion of H.R. 14773 deleted by the Senate in the final, hectic preadjournment days and a technical amendment to clarify the method for calculating cost-of-living increases. We are not breaking new ground legislatively, but rather tying up the loose ends. Those Members who were here in the last session will recall the long series of suspension bills which we considered on September 20 and 21 and the massive number which went down to defeat, as the House critically eyed each suspension. H.R. 14773 was overwhelmingly affirmed by a 379 to 6 vote. Part of the bill was subsequently agreed to by the Senate and enacted as Public Law 94–496. The facts have not changed since last September.

In fact, the need for action becomes more critical with each new military retiree who does not elect survivor benefit plan coverage because of the full offset of social security benefits. I am hopeful that we will be able to get Armed Services Committee and full House approval in the early days of the 95th Congress. The costs of this legislation are small, but the benefits to the individual, military family and to the morale of our Armed Forces are great indeed.

There are several other survivor benefit plan issues to which I hope the Armed Services Committee will devote considerable time and attention later this year, specifically the reopening of participation in the survivor benefit plan to those who declined to elect coverage initially because of its serious shortcomings and the provision of more adequate benefits to widows whose husbands died before the survivor benefit plan went into operation. Initially, I urge the House to reaffirm its nearly unanimous passage of H.R. 14773 last September 20 by approving the remaining sections of the bill, as introduced Tuesday, expeditiously. This will complete the work we began with H.R. 14773 by bringing the military survivor benefit plan into conformity with the civil service system, as Congress originally intended.

NATALIE "TONI" KIMMEL

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. WAXMAN. Mr. Speaker, an extraordinary person, Natalie "Toni" Kimmel, will be honored on the occasion of her installation for a sixth term as president of the Studio City Democratic Club. The occasion coincides with the 25th anniversary of this club, which is and has been since its inception, a strong link in the Democratic Party structure in California. Toni's arrival in California 25 years ago was fortunate for the newly formed Democratic Club, her energetic activities through the years have involved her in many club offices.

Toni and her husband, Jess Kimmel, were involved with the theatre. Before the arrival of her three children, Tina, Peter and Kathy, Toni was a singer and actress. Jess, a producer and director on Broadway, became a pioneer in TV. With the death of her husband, Toni became an agent and casting director—but, even with the necessity of working and raising her family, she found time and energy to support the causes she believes in. Her contributions to her community, her State, and to the Democratic Party, have never been sufficiently acknowledged. Toni is a mover and a shaker who becomes totally involved in the organizations and people she helps with her strength, she is creative and imaginative and it is an honor to have a woman of her caliber in our midst. Always involved, totally committed, Toni Kimmel richly deserves the recognition which I ask the Members to join me in offering her, and to note the occasion of Toni's accession to the presidency of the Studio City Democratic Club for the sixth time, at a banquet to be held on January 15, 1977, celebrating that club's silver jubilee.

PLAIN TALK ON FARM RESERVES

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. MICHEL. Mr. Speaker, the Princeton, Ill., Bureau County Record recently published remarks made by former Secretary of Agriculture Earl Butz on the subject of farm reserves. As the Record points out:

Secretary Butz' plain truths are worthy of a hearing by all policy makers in government. . . .

As one who has long favored reliance on private enterprise in agriculture, instead of what Secretary Butz calls "Big Daddy" Government intervention, I want to take this opportunity to bring his refreshing remarks to your attention.

At this time I therefore request permission to insert into the RECORD "Our Opinion: Plain Talk on Farm Reserves" from the Bureau County Record, December 14, 1976:

OUR OPINION: PLAIN TALK ON FARM RESERVES

Dr. Earl L. Butz, former secretary of agriculture, spoke at the recent American Bankers association Agriculture Credit conference in New Orleans.

Dr. Butz' analysis of the current farm policy, along with his criticisms of policies of the past and his warning to those who would direct agricultural policy toward the conditions that existed prior to encouragement of full production appears to us an accurate picture. We endorse the philosophy expressed in the following excerpts from the former secretary's address to the banking group at New Orleans. He said:

With the government no longer competing against farmers, production records of U.S. farmers during the past few years have been phenomenal.

There is a great deal of agitation these days to get government back into the "strategic reserve" position. Some people just have short memories. We were in that position for 40 years, except for war-time intervals. But, in those days we didn't call them reserves. We called them surpluses. Regardless of what we call them government-owned commodities have the same negative impact on farm prices—and on incentives to increase production.

Once we quit trying to have "Big Daddy" run American agriculture from Washington, farmers moved quickly to demonstrate their superior managerial capacity and initiative.

In 1966, 1967, and 1968, farmers harvested an average annual wheat crop of 1.4 billion bushels. The three-year average for corn was 4.5 billion bushels. For cotton, the average annual productions was 9.3 million bales.

For the three-year period 1974, 1975, and 1976, the average annual production of wheat was 2.0 billion bushels, for corn 5.4 billion bushels, and for cotton 10.0 million bales. And bear in mind that this includes the drouth year of 1974.

This policy of abundant production means reasonably-priced food for American consumers. Any production plant, whether it is a farm, or a factory, or a foundry, has a higher unit cost of production when operated at only a fractional part of capacity. The American farm is no exception. The farm's lowest unit cost comes when the farm is producing fully. This opportunity is available under farm policy.

All-out American agricultural production requires export markets to help utilize the abundance. Otherwise, U.S. production would have to be cut back, which would lead to higher production costs and higher food prices. The average American family today gets food for 17 per cent of take-home pay. This compares with 22 per cent 25 years ago—a time when take-home pay was at a much lower level than now. Our positive food policy allows Americans to eat better than any other people in the world.

Our food policy of plenty makes it possible to expand federal assistance to low income persons throughout the United States.

The cost of child nutrition programs, including the National School Lunch and School Breakfast programs, now runs more than $2 billion each year. Over 25 million youngsters receive subsidized meals or milk under USDA child nutrition programs.

Shipments of food overseas under concessional terms continue at a lofty level. On top of this, our agricultural exports have risen from $5.7 billion in the late 1960's to over $22 billion this year.

The point is that none of these achievements would have been possible under a system of curtailment.

Now, let's take a hard look headon at this erroneous notion that the United States has a weak reserve system. We have the strongest reserve system we've ever had. Our reserves are in the hands of farmers—they're owned by country elevators—they're controlled by the trade—they're not piled up in government-owned steel bins somewhere in the Midwest.

Let's put to rest, once and for all, the mistaken idea that consumers are threatened because farmers won't sell their commodities. Farmers didn't produce wheat and corn and soybeans just to store and look at them. They're for sale. I've seen no bread shelf empty because farmers wouldn't sell wheat. I've seen no ships idle in ports because wheat, or other grain, was not available to be loaded.

We have a wonderful mechanism in America that allows us to get wheat when we need it. It's called price, and if wheat does not seem to be coming to market fast enough, just put another quarter-a-bushel on the price and watch it come out of the bins.

A lot of our U.S. grain is fed to livestock to make more desirable steaks and roasts for America's dinner table. Large numbers of cattle are in the nation's feedlots right now being finished for the market. We have an estimated year's food reserve for America on the hoof—in barnyards and feedlots, in pastures, and on the range.

As for international reserves, it's quite true that the world doesn't need a better system of international grain reserves. For decades, nations of the world let the United States and Canada carry most of the grain reserves. However, these two countries didn't carry these reserves as the result of any carefully thought out plan or agreement. We did it as the embarrassing result of an ill-conceived farm policy. We did our dead level best not to hold farm commodities as a reserve.

Two years ago, at the World Wheat council in London, the United States proposed international guidelines on food reserves, whereby each country would predetermine its own method of reserve accumulation and management.

Other nations have been slow to adopt these recommendations. Many still expect the United States and Canada will continue to bear the lion's share of reserves.

Such an attitude is unrealistic and completely behind the times. It's high time that

major food purchasing nations assume some responsibility for their own needs, including reserves. The best and most efficient way to do this is through the market system. But, of course, as long as other nations believe American taxpayers will provide the reserves they need, there is no incentive for them to assume the responsibility for themselves.

The market system is based on a philosophy of free enterprise profit. Only as farmers see a chance for profit will they continue to produce the abundance which has made American agriculture the envy of the world. This lesson has not yet been learned by agriculture in some social and economic and political systems.

Too many people seem to believe that world food conferences produce food, or that the Department of Agriculture produces food, or even that political platforms or national conventions produce food.

The plain truth is that only farmers produce food, and they do it only when they have the incentive and the managerial freedom to achieve their individual economic goals.

Secretary Butz' plain truths are worthy of a hearing by all policy makers in government and private enterprise and even by individual citizens who have been reading and hearing myths about agricultural production and the price of food for so long they have become completely misled.

TENTH CONGRESSIONAL DISTRICT NEWSLETTER AND OFFICE FUNDS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. MIKVA. Mr. Speaker, the following is a report of the receipts and expenditures of the 10th Congressional District newsletter fund:

Tenth Congressional District newsletter fund report, July 1, 1976, to December 31, 1976

Balance: July 1, 1976	$266.67
Receipts:	
Contribution from Citizens for Mikva	13,750.00
Total receipts	13,750.00
Expenditures:	
Printing and production	14,003.69
Total expenditures	14,003.69
Balance Dec. 31, 1976	12.98

Mr. Speaker, the following is a report of the receipts and expenditures of the 10th District office fund, a fund used exclusively to cover nonpolitical expenses in connection with my congressional office:

The Congressional District office fund report, July 1, 1976, to December 31, 1976

Balance: July 1, 1976	$78.74
Receipts:	
Contribution from Citizens for Mikva	600.00
Total receipts	600.00
Expenditures:	
Petty cash	60.00
Subscriptions	398.96
Memberships	53.50
Office supplies	49.10
Miscellaneous	59.75
Total expenditures	621.31
Balance Dec. 31, 1976	57.43

A TASK FORCE TO STUDY REAL PROPERTY TAXES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. GILMAN. Mr. Speaker, near the conclusion of the 94th Congress, I introduced for study purposes, H.R. 15694, proposing the creation of a task force on the taxation of real property by State and local governments, to study and evaluate ways to help State and local governments reduce their dependence on real property taxation and to find alternative revenues to support schools, social service programs, public works projects, fire and police protection, and other costly governmental programs demanded by the public.

Mr. Speaker, to help alleviate the crushing real property tax burdens on low- middle- and fixed-income taxpayers, who are paying more than their fair share of taxes for these services, I am today reintroducing this legislation, cosponsored by 19 of my colleagues. No longer can our taxpayers absorb the crushing real property taxes imposed by the plethora of government programs and services.

Real estate taxes for the support of school and local government services have reached alarming proportions. In the last 6 years, these taxes, in my congressional district in Orange County, N.Y., have soared from nearly $50 million to well over $90 million. Moreover, it is not uncommon for a taxpayer in my district to pay real estate taxes of $2,600 on a $5,200 home of which approximately $1,500 is allocated to the local school district. For fiscal year 1975, the national average per capita real estate tax was $241.60, while the per capita real property tax paid by New York State taxpayers was $368.72, establishing New York as the fourth most expensive State for real property taxpayers—exceeded only by Massachusetts, New Jersey, and California. In many communities, particularly in the States of New York, New Jersey, Ohio, and Oregon, taxpayers have refused to vote tax-rate increases to meet operational costs of local schools. Some of my hard pressed constituents have advised me that they plan to sell their homes rather than pay exorbitant real estate taxes; others have resorted to seeking "mail-order ministries" in order to achieve a tax exempt status for their alleged "parish house," thereby imposing unfair tax burdens on the nonordained citizens.

Mr. Speaker, the message is clear and urgent. Our Nation's taxpayers have reached the limits of their ability to absorb astronomical real State taxes, runaway welfare expenditures, the costs of escalating social service programs, soaring utility bills, growing Federal and State income taxes, and substantial State and municipal sales taxes. They are being crushed by the high costs of living in an economy already strained by the high rate of inflation and unemployment. For more background, I refer my colleagues to my detailed CONGRESSIONAL RECORD statements of September 23 and 27, 1976, pages 32276–32277 and 32794–32795.

Under my proposal, a 24-member task force appointed by the President and the congressional leadership, composed of Federal, State, and local governmental officials, members of the academic community and groups concerned with real property taxation would study and evaluate, but not be limited to, the following critical areas:

Waiver of the Federal Government's immunity to State and local taxation;

Federal grant-in-aid and loan programs to State and local governments;

Utilization of alternative forms of revenues;

Redistribution of State and local government taxation;

Consolidation of political subdivisions and other taxing districts in order to more equitably distribute the tax burdens;

The tax burdens of persons and organizations with regard to the income produced by their real property; and

Reduction of real property taxes through Federal tax relief, real property tax exemptions, and the taxation of property owned by tax-exempt persons and organizations.

The Real Property Task Force would be required to submit its report, findings, and recommendations within 1 year after appointment to the President and to the Congress.

Mr. Speaker, in the interest of alleviating the onerous tax burden on our homeowners and in order to reduce the dependence of State and local governments on real property taxation, I am inserting at this point in the RECORD the complete text of my bill and would welcome my colleagues support of this legislation which so vitally affects all of our congressional districts:

H.R. —

A bill to establish a task force to study and evaluate the taxation of real property by State and local governments, the effects of such taxation on certain taxpayers, and the feasibility of Federal taxation and other policies designed to reduce the dependence of State and local governments on such taxation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TASK FORCE ON THE TAXATION OF REAL PROPERTY BY STATE AND LOCAL GOVERNMENTS

SECTION 1. (a) There is established a Task Force on the Taxation of Real Property by State and Local Governments (hereinafter in this Act referred to as the "Task Force") which shall consist of twenty-four members who shall be appointed in accordance with this section.

(b)(1) The President shall appoint as members of the Task Force four individuals who are officials of the executive branch of the Federal Government.

(2) The majority leader of the Senate, after consultation with the minority leader of the Senate, shall appoint four Senators as members of the Task Force. No more than two of such four Senators shall be affiliated with the same political party.

(3) The Speaker of the House of Representatives, after consultation with the minority leader of the House of Representatives, shall appoint four Representatives as members of the Task Force. No more than

two of such four Representatives shall be affiliated with the political party.

(c)(1) The President, the majority leader of the Senate, and the Speaker of the House of Representatives, after consultation among themselves, shall each appoint as members of the Task Force four individuals not officers or employees of the United States who, because of their knowledge, expertise, diversity of experience, and disinguished service in their professions, are particularly qualified for service on the Task Force.

(2) In making appointments under this subsection, the President, majority leader of the Senate, and the Speaker of the House of Representatives shall take care that the following interested parties are adequately represented by the members so appointed:

(A) State and local governments.

(B) Members of the academic community concerned with the taxation of real property.

(C) Citizens groups and associations concerned with the taxation of real property.

(3) Appointments shall be made pursuant to this subsection without regard to political affiliation.

(d) The members of the Task Force—

(1) shall be appointed within ninety days after the date of enactment of this Act; and

(2) shall be appointed for the life of the Task Force.

(e) One of the individuals appointed to the Task Force by the President shall be designated by the President as Chairperson of the Task Force. Such individual shall serve as Chairperson for the life of the Task Force.

(f) A vacancy on the Task Force shall be filled in the manner in which the original appointment was made.

(g) Thirteen members of the Task Force shall constitute a quorum, but a lesser number may hold hearings.

(h) The Task Force shall meet at the call of the Chairperson or whenever thirteen members present a petition to the Chairperson asking for a meeting of the Task Force.

DUTIES OF THE TASK FORCE

SEC. 2. (a) The Task Force shall study and evaluate—

(1) the taxation of real property by State and local governments;

(2) the effects of such taxation on middle income and fixed income taxpayers; and

(3) the feasibility of Federal taxation and other policies designed to reduce the dependence of State and local governments on such taxation.

(b) The study and evaluation described in subsection (a) shall include, but not be limited to, the following:

(1) An examination of means which would allow State and local governments to reduce real property taxes—

(A) through the waiver by the United States of the immunity of Federal instrumentalities to such taxes;

(B) through Federal grants-in-aid and loans to State and local governments to assist such governments in providing services which otherwise would be supported by real property taxes;

(C) through the utilization of other forms of taxation in place of real property taxation;

(D) through an analysis by State and local governments of their overall taxation policies and of ways to redistribute tax burdens; and

(E) through the consolidation of local political subdivisions and other taxing districts so that tax burdens may be equitably distributed.

(2) An analysis of the tax burdens of persons and organizations with respect to income produced by the real property owned by any such person or organization.

(3) An examination of means to reduce the real property taxes of fixed and middle income taxpayers and other individuals subject to heavy real property tax burdens—

(A) through the granting of Federal tax relief to such taxpayers;

(B) through the granting of exemptions from real property taxes to such taxpayers; and

(C) through the taxation of real property owned by persons and organizations presently exempt from such taxation, including State and local governments and charitable, nonprofit, educational, religious, humanitarian, and philanthropic organizations.

POWERS OF THE TASK FORCE

SEC. 3. (a) The Task Force, or, on the authorization of the Task Force, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, issue such subpenas requiring the attendance and testimony of witnesses, hold such hearings, take such testimony, receive such evidence, take such oaths, and sit and act at such times and places as the Task Force may deem appropriate and may administer oaths or affirmations to witnesses appearing before the Task Force or any subcommittee or members thereof.

(b) Subject to such rules and regulations as may be adopted by the Task Force, the Chairperson shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional personnel as he deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the executive director may not receive pay in excess of the maximum annual rate of basic pay in effect for grade GS–18 of the General Schedule under section 5332 of such title and any additional personnel may not receive pay in excess of the maximum annual rate of basic pay in effect for grade GS–15 of such General Schedule, and

(2) obtain temporary and intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(c) The Task Force is authorized to negotiate and enter into contracts with organizations, institutions, and individuals to carry out such studies, surveys, or research and prepare such reports as the Task Force determines are necessary in order to carry out its duties.

COOPERATION OF OTHER FEDERAL AGENCIES

SEC. 4. (a) Each department, agency, and instrumentality of the Federal Government is authorized and directed to furnish to the Task Force, upon request made by the Chairperson, and to the extent permitted by law, such data, reports, and other information as the Task Force deems necessary to carry out its functions under this Act. All such requests shall be made by the Chairperson of the Task Force.

(b) The head of each department or agency of the Federal Government is authorized to provide to the Task Force such services as the Task Force requests on such basis, reimbursable and otherwise, as may be agreed between the department or agency and the Chairperson of the Task Force.

(c) The Task Force may accept, use, and dispose of any gift or donation of services or property.

(d) The Task Force may use the United States mails in the same manner and upon the same conditions as any other Federal agency.

(e) The Administrator of General Services shall provide to the Task Force on a reimbursable basis such administrative support services as the Task Force may request.

PAY AND TRAVEL EXPENSES

SEC. 5. (a) Except as provided in subsection (b), members of the Task Force shall serve without pay.

(b) While away from their homes or regular places of business in the performance of services for the Task Force, members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under subchapter I of chapter 57 of the United tates Code.

FINAL REPORT

SEC. 6. The Task Force shall transmit to the President and the Congress not later than the date one year after the first day on which all members of the Task Force have been appointed, a final report containing a detailed statement of the findings and conclusions of the Task Force, together with such recommendations as it deems advisable (including recommendations for legislation).

TERMINATION

SEC. 7. On the ninetieth day after the date of submission of its final report to the President, the Task Force shall cease to exist.

CIA SAYS REDS SEEK MILITARY SUPERIORITY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. McDONALD. Mr. Speaker, the Central Intelligence Agency has finally discovered what has been apparent to many people for some time—namely, that the Soviet Union seeks superiority over the United States in military matters—not parity as Mr. McNamara used to wish us to believe. Of course, the usual pundits in the press are saying that this is just a gambit of the outgoing Ford administration and the Department of Defense to keep the defense budget high, but the facts have been there for anyone to see for years. All studies confirm that except in one or two categories, we are behind the Soviet Union in any type of calculation that can be made. The story reporting the CIA's findings as it appeared in the Washington Star for December 26, 1976, follows:

CIA SAYS REDS SEEK MILITARY SUPERIORITY: ANNUAL INTELLIGENCE ESTIMATE CALLED VERY GRIM

(By David Binder)

President-elect Jimmy Carter will receive an intelligence estimate of long-range Soviet strategic intentions next month that raises the question whether the Russians are shifting their objectives from rough parity with United States military forces to superiority.

In reporting this, high-ranking officials of the Central Intelligence Agency said their annual so-called national estimate of Soviet strategic objectives over the next 10 years, just completed, was more somber than any in more than a decade.

A top-level military intelligence officer who has seen the estimate commented: "It was more than somber—it was very grim. It flatly states the judgment that the Soviet Union is seeking superiority over United States forces. The flat judgment that that is the aim of the Soviet Union is a majority view in the estimate. The questions begin on when they will achieve it."

Previous national estimates of Soviet aims—the supreme products of the intelligence community since 1950—had concluded that the objective was rough parity with United States strategic capabilities.

"There are some worrisome signs," George

Bush, director of Central Intelligence, said in an interview in characterizing the latest estimate, "and the viewpoints, interpretations and comments on these will be adequately reflected in the estimate."

He said the shift in assessment developed from evidence gathered in the past year and from new interpretations of older evidence that had resulted from "a competitive analysis" in which, for the first time, a team of outsiders analyzed and challenged estimates prepared by the regular intelligence community. As a result some of the governmental analysts changed their asssesments.

While Bush declined to discuss the substance of the estimate, it can be authoritatively reported that the worrisome signs included newly developed guided missiles, a vast program of underground shelters and a continuing buildup of air defenses.

He acknowledged that the 1976 estimate had been prepared amid controversy in the intelligence community, partly induced by the deliberate introduction of the team of outsiders, who were supplied with the same raw material as the estimate team headed by Howard Stoertz, the CIA's national intelligence officer on the Soviet Union.

Bush, who said the final estimate contained "a full expostulation of the views of the principals," asserted that he had promised to uphold the right of dissent at the outset of his tenure 11 months ago. "I feel I have made good on that," he said.

There have always been officials in the intelligence community who took a grim view of Soviet strategic objectives, but until this year, according to insiders, they constituted a small minority. In the interview Bush spoke of changed perceptions. Another high-ranking CIA official who participated in the latest estimate asserted that pessimistic assessments were being heard even from analysts who have taken a rosier attitude toward Soviet goals.

"The consensus is breaking up," the source continued. "Maybe it will be a different consensus next year. A great many analysts are disturbed increasingly by what they see on the Soviet side—more and more Soviet weapons programs. The Soviets are developing across the board. That is bothering people. ICBMs everywhere you look, a continual steady program."

The long-range estimate provides guidance for the size and shape of the U.S. defense budget, the government's policy approach to East-West relations, including strategic arms negotiations, civil defense planning and, ultimately, the entire concept of strategic deterrence, based for two decades on nuclear-tipped intercontinental missiles and antimissile defenses.

The estimate also influences the annual "secret posture statement" sent to Congress by the secretary of defense as guidance for the protection of the United States.

Months of research, collation of photo-reconnaissance and monitoring of signals and of Soviet documents underlie the estimate. It is summarized, dissented against and reviewed at ever-higher levels and is finally argued out before the President's Foreign Intelligence Advisory Board, comprising the heads of the intelligence agencies and intelligence-oriented departments.

The more somber view represented—"more somber" being the phraseology of the CIA—developed in an unusual fashion, according to a number of participants. They said it came about primarily through continuing dissents by a long-term maverick in the intelligence community, Maj. Gen. George J. Keegan Jr., whose voice was strengthened this year by like-minded outsiders.

Keegan, who will retire Saturday as Air Force chief of intelligence, describes himself as "the eye of controversy" in the intelligence community and has been contesting the estimates of Soviet intentions for 22 years.

On the basis of photo-reconnaissance of construction of underground shelters for protection against nuclear attack and new missile systems, Keegan became convinced that the Soviet Union was preparing for offensive war against the United States. This prompted him to oppose a 1972 treaty with the Russians restricting antiballistic-missile programs and another 1972 treaty curbing offensive nuclear weapons.

In 1974 his dissents to the national estimate relating to the significance of the Soviet civil defense program and new guided missiles provoked such a storm that he was called to the White House to make his case before the advisory board. Out of those dissents and others a belief grew among members of the board that the annual estimates of Soviet capacities and aims might be too soft.

Normally the president is screened from debates on intelligence estimates, which often develop into impassioned and even furious exchanges.

The dissents of Keegan and like-minded officials raised doubts about such critical questions as the level of Soviet defense spending, so that the 16-member presidential board began suggesting several years ago that the estimate of Soviet intentions include the views of outsiders. This year President Ford accepted the proposal by the board, which is empowered to review and evaluate foreign intelligence.

Last June Bush and William G. Hyland, Ford's deputy assistant for national security, selected a panel of seven outsiders to join, experimentally, in drafting the next long-range estimate. The conditions were that the outsiders be mutually agreeable to the advisory board and to Bush and that they hold more pessimistic views of Soviet plans than those entertained by the advocates of the rough parity thesis.

There is a prospect that the Carter administration might look further into the somber side of the estimates because Zbigniew Brzezinski, the president-elect's designated national security adviser, recently received a briefing on Soviet military programs from Keegan.

The outsiders' team is expected to submit a separate proposal to the Foreign Intelligence Advisory Board late this month recommending that the estimates procedure be revised and that outsiders be brought into the process.

Bush was said to feel that the exercise had been useful, although he regretted publicity about it.

PROF. HAROLD NORRIS: LAWYER, CITIZEN ACTIVIST, POET

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. CONYERS. Mr. Speaker, wherever people's rights have been in danger Prof. Harold Norris of the Detroit College of Law has been present in his triple role of lawyer, citizen activist, and poet. The pages of his recently published volume of poems, "You Are This Nation", Harlo Press, Detroit, 1976, record his public involvements since his days at the University of Michigan and Columbia University Law School. Poems about labor organizing in the 1930's and World War II are mingled with ones concerning the civil rights movement and urban affairs.

Throughout his distinguished career Professor Norris has remained an apostle of the democratic credo, and nowhere in the book is his sentiment better echoed than in a passage from his poem, "Rosa Parks," dedicted to the great woman who inspired the Montgomery Bus Boycott:

I will walk.
My will
is Responsible.
I am this nation.
This nation is what I do.

Professor Norris has taught and written on constitutional and criminal law, and has been a leading citizen in our Detroit community. Past chairman of the Detroit chapter of the American Civil Liberties Union, an elected delegate to the Michigan Constitutional Convention, he helped draft its bill of rights and a provision barring racial discrimination. I wish to commend to my colleagues both Professor Norris' volume of poetry and his forthcoming book of essays, "Law, Lawyers and the Constitution."

FARRELL ON GOLDEN CALVES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COLLINS of Texas. Mr. Speaker, Congressmen would learn more and Congress would thereby legislate better if we spent more time in our home districts. And a good place to listen is in the church house.

One of America's greatest preachers is Dr. Leighton Farrell of the Highland Park Methodist Church of Dallas, Tex.

Recently, Dr. Farrell preached on the Old Testament's story of the golden calf, and his message reminded me of how this calf is in America today. And I think he is so right. Many folks think Washington, D.C., is the golden calf, and they can get everything for nothing.

Let me quote you some key sections from this inspiring sermon by Dr. Farrell:

To give you a brief background to the story, Moses has rescued the children of Israel from the land of Egypt, and he is now leading them to the Promised Land, and while he is on the way, he has stopped to go to the mountain to receive the Ten Commandments from the Lord. While he is gone, he has left his brother Aaron in charge of the children of Israel. And Aaron said unto them: Break off the golden earrings which are in the ears of your wives, of your sons, and of your daughters, and bring them unto me. And he received them at their hand, and fashioned it with a graving tool, after had made it a molten calf; and they said; These by thy gods, O Israel.

The story is really quite simple. Moses has gone to the mountain to receive the Commandments as to how his people shall live. The people become restless because their leader, in whom they had placed their trust, is now out of their sight. And so they said to Aaron, the second in command: "Let us make a god we can see; let us make a god that shall lead us on, because this man Moses, who has led us thus far, isn't here anymore." And so they made an idol, a Golden Calf, if you will. They built an altar

before it, and they bowed down and they worshipped that which they had made. Moses had led them thus far by God's promise out of the land of Egypt on toward the Promised Land, but once out of sight, out of mind—and now they made and worshipped the Golden Calf.

And so the question I would like to raise this morning in regard to this Old Testament story is a simple question without an answer. The question is: Why did the Israelites make and worship the Golden Calf? Perhaps, in seeing that question, and trying to answer it, we can better understand ourselves in our contemporary society, and our religious beliefs and understandings.

The first answer that I see in the Scriptures as to why the Israelites worshipped the Golden Calf is this: I believe they worshipped the Golden Calf because they wanted to worship a god they could see.

I had an acquaintance of many years who expressed verbally that which many of us express silently. On one occasion we were having a conversation and he said: "I really don't understand what you folk in religion are saying about God. I can't see God, I can't hear God, I can't touch God. Nobody can prove to me that there is a God." Yet, he said, the things I believe in I can see, and hear, and touch and taste: my house, and my car, and my money.

You know, we're an interesting people. We point our fingers at the heathens. We laugh at their superstitions as they worship the idols they have carved for themselves. But it seems to me that about the only difference in their idols and our graven images is that graven images are made out of chrome, and steel, and iron.

And instead of gold, our idols are made of paper and are called stocks, bonds, and money—but we worship them just the same and we feel that we cannot live without them. We have made our Golden Image, and we have made our Golden Calf, but we refuse to see this.

Why did the Israelites worship the Golden Calf? Secondly, I would say that they wanted a God whose standards were their standards. Now if I make my own God, reason tells me that the God that I make cannot possibly have any higher standards than my standards. I cannot conceive of higher standards than those which I myself have known.

The children of Israel didn't want the Ten Commandments any more than you and I want the Ten Commandments today. We don't want the Ten Commandments. We don't want somebody else telling us how to live. So therefore we have thrown out the Ten Commandments of God and we have decided that we are competent to set the standards of the generation in which we live.

We are a nation which has chosen to set its own standards; that Golden Calf doesn't make standards for you; you set the standards for the Golden Calf.

You see, we live by what is expedient. Much has been said about our age needing a new morality. Someone said that we need not live under the old laws of God and that we should build ourselves some new idols, some new morality, some new Golden Calves. Somehow, I'm a little suspicious about the claim that our needs have changed so dramatically in this generation that an entirely new ethic is needed every time a new group of folk comes along.

Do we feel that God demands more from us than we are willing to give? Do we not feel that God demands too much time and too much talent and too much money from us?

I would say that we are a people who would like a God who demands no repentance and who troubles no hearts.

Despite our higher standard of living, we have more suicides, more crime, and more unhappiness today than at any other time in the history of our nation. Now, if the Golden Calf could make us happy, if the Golden Calf could give life meaning, if the Golden Calf could lift us out of self-centeredness and give us a love for others, it looks like we already would have been well on the way to Utopia.

And the truth of the matter is, we don't yet have a brave new world and we don't yet have a heaven on earth. What we have is the same old selfish, person-centered world we've always had—with its problems multiplied geometrically.

These are just a few highlights of the inspiring sermon of Dr. Leighton Farrell. Read Exodus, 32d chapter. The gold images of Washington cannot provide the heart for America.

HOME HEALTH CARE STANDARDS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COHEN. Mr. Speaker, earlier this week I reintroduced legislation developed last session which will insure quality care in and effective utilization of the home health programs of the Federal Government.

Few would now dispute the necessity or the desirability of home health services. However, Congress and the administration have been reluctant to make these services available without assurance that the public dollars needed to support such care would be well spent. My bill, unlike other home health legislation, proposed last session, addresses this problem from a comprehensive and positive approach—one that sets standards for quality care before these services are liberalized and the Government is forced to intervene in the crisis situations characterized by recent instances of fraud and abuse within the nursing home industry and other Federal health care programs.

Home health care, as an alternative to institutional care, is necessary if we are to provide for the full range of the elderly's health care needs. With the dramatic rise in medical care prices over the last few years, alternative mechanisms of health care delivery have been investigated. GAO recently completed a review of 20 studies dealing with the cost of home care, and 19 of those studies presented data which supports the proposition that home health care is less expensive at lower levels of impairment than institutionalization. Yet, institutionalization continues to monopolize nearly 100 percent of the Federal long-term-care dollar.

The cost of this unnecessary care for our elderly citizens is not only enormous in dollars and cents, but it is even more devastating to the dignity and mental well-being of the patients themselves. As a member of the House Select Committee on Aging, I have participated in hearings where elderly citizens have made it quite clear that they would prefer to remain in their own homes.

The need for this legislation is best illustrated by reviewing the home health market as it now exists. Studies by experts indicate that between 15 and 40 percent of the Nation's 1 million nursing home patients remain institutionalized, because of the lack of alternative forms of care.

In addition, one out of six older Americans who are not in institutions need direct social and health services to manage their own affairs within their own homes and communities. In short, the provision of medical/social services designed to help elderly patients remain independent in their own homes fulfills the regent wishes of older people themselves and is less expensive than nursing home care.

In response to the growing demand for home health services, much has transpired in this area since I first introduced the Home Health Standards Act last summer. Certificate-of-need regulations, complete except for the signature of the Secretary of Health, Education, and Welfare, recommend that home health agencies be included with other health facilities. HEW's own hearings this fall revealed the need for a more coherent Federal policy on home health care, and less concern over the issue of agency sponsorship if quality standards and appropriate cost controls were in force. In the interim, regulations were implemented which, on the one hand, advanced the cause of home health care by removing some of the more restrictive criteria for patient participation, but on the other hand, hindered this progress, because the liberalization applied only to the medicaid home health program, and by not including all Federal home health programs, further fragments and confuses these benefits.

In my judgment, recent efforts by the administration do not go far enough toward changing current policies, which continue to restrict the availability of Federal home health care. For example, the number of home health visits allowed a patient is still arbitrarily limited with no effort to make that determination on the basis of individual need. Likewise, many providers of these services are arbitrarily prevented from even participating in Federal home health programs on the basis of provider sponsorship rather than the quality of service they offer. These barriers encourage the overuse of institutional care. Clearly, present controls are misdirected both in terms of patient need and suitable care.

In order to assure access to home health care, it is necessary to provide appropriate incentives to encourage its growth and development. As I have indicated, many bills were introduced last session, and I suspect will soon be reintroduced, which would remove the present restrictions on the availability of home health benefits. Nevertheless, greater stimulation of the home health industry will not necessarily provide better care if we fail to provide a standard to identify agencies with programs that warrant public and professional confidence and to encourage those agencies to seek higher levels of excellence.

My bill accomplishes this task by creating a special Commission on Quality Assurance and Utilization Control in

Home Health Care. The Commission would be composed of individuals familiar with home health programs, both as providers and consumers; individuals familiar with the processes of accreditation; and State and Federal representatives. It would also be free to call upon other experts in the home health field for advice and recommendations to assure that all interested parties are represented.

The committee would have 1 year to conduct a full study of the present issues relating to quality care, including training requirements of providers, methods of peer review, establishment of ombudsmen, proficiency testing of providers, the need for onsite review and certificates of need, eligibility requirements for recipients, Federal and State roles as a part of the broader home health care delivery system, the scope of benefits, and enforcement. The legislation further provides a procedure whereby the recommendations to the Commission will speedily come into force unless they are disapproved by either House of Congress.

This legislation, as a forerunner to the sorely needed legislation to expand these necessary services, is an essential step in the evolution of a more uniform coordinated, and rational approach to the Federal financing of home health care. If the Government uses tax funds to encourage a system of home health care, it clearly has the responsibility to provide adequate regulation of the delivery system according to a set of stated, enforceable standards.

At this point, I am inserting a section-by-section analysis of my bill prepared by the Congressional Research Service and a recent article on home health care appearing in the U.S. News & World Report citing the need for national standards for the benefit of my colleagues:

ANALYSIS

Section 1: This section would amend the Medicare program (Title 18 of the Social Security Act), the Medicaid program (Title 19 of the Social Security Act), and the program of Grants to States for Social Services (Title 20 of the Social Security Act) to make all home health agencies participating under these programs and all home health services provided under these programs subject to any new and additional regulations issued by the Secretary of Health, Education, and Welfare which result from the plan and recommendations of the Commission on Quality Assurance and Utilization Control in Home Health Care established by H.R. 15257.

Section 2(a). This section amends Part C of Title 18 of the Social Security Act by adding a new section 1880, entitled "Special Commission on Quality Assurance and Utilization Control in Home Health Care."

Section 2(a)—new subsection 1880(a). This subsection establishes a new commission which is to be known as the "Special Commission on Quality Assurance and Utilization Control in Home Health Care," under the Medicare program.

Section 2(a)—new subsection 1880(b). This subsection sets forth the membership of the Commission. The Commission is to consist of 17 members appointed by the Secretary of Health, Education, and Welfare. Five members are to be representatives of professional groups with expertise in accreditation; while three must be recipients of benefits under Title 18, 19, or 20 of the Social Security Act. The remaining nine must include a representative of the Federal Council on Aging, a physician with home health care experience, a third-part payor participating in the Medicare program, a nurse practitioner with home health care experience, a homemaker-home health aide, a physician therapist with home health care experience, a representative of a State survey agency, a nutritionist, and a social worker with experience in home health care. One member of the Commission will be designated as chairman by the Secretary of Health, Education, and Welfare with the advice and consent of the Senate.

This subsection also sets forth procedural rules for the Commission and provides for compensation and travel expenses for Commission members.

Section 2(a)—new subsection 1880(c). This subsection sets forth the functions and duties of the Commission. The Commission is required to study, investigate and review home health care and services provided in the United States by those home health agencies qualified to participate in the programs authorized under Titles 18, 19, or 20 of the Social Security Act, as well as those home health agencies not qualified to participate in these programs. The Commission's study, investigation, and review is to determine:

(A) the need for additional quality assurance and utilization control for home health care and services, and

(B) the manner in which current standards, conditions, and requirements of home health care programs under Titles 18, 19, and 20 of the Social Security Act should be modified in order to provide such additional quality assurance and control, including (but not limited to) those standards, conditions and requirements for (i) training home health providers, (ii) methods of peer review, (iii) methods of utilization control, (iv) methods for evaluation of care by recipients, (v) proficiency testing of home health providers, (vi) on-site review of home health agencies, (vii) certificates of need, (viii) Federal and State arrangements regarding certification, licensure, and enforcement, (ix) recipient eligibility requirements, and (x) scope of benefits.

This subsection also requires the Commission to develop a detailed plan for home health care quality assurance and utilization control based on the results of its study, investigation, and review.

Section 2(a)—new subsection 1880(d). This subsection requires the Commission to submit a report to the Secretary of Health, Education, and Welfare and the Congress within one year after the majority of the members of the Commission are appointed. The report is to contain the plan developed by the Commission under subsection 1880 (c), as well as any related recommendations the Commission might have. The plan must incorporate the modifications to be made with respect to current home health care standards, conditions, and requirements under Titles 18, 19, and 20 of the Social Security Act, and cannot include any limitation based on sponsorship.

This subsection also requires the Secretary of Health, Education, and Welfare, within 90 days after he has received the Commission's plan, to:

(A) issue regulations, as may be necessary, implementing the Commission's plan and carrying out the Commission's recommendations, as long as the plan and recommendations are not in conflict with existing law, and

(B) submit to the appropriate Congressional Committees any of the Commission's recommendations which would require changes in existing law.

Any such regulations issued must be submitted to Congress on the day they are issued. Such regulations will take effect 90 days from that day, unless the House of Representatives or the Senate states objection.

This subsection also specifies that any regulations issued by the Secretary under subsection 1880(d) will apply to Titles 18, 19, and 20 of the Social Security Act and will supersede any existing inconsistent regulations on home health care services and agencies. Once such regulations are in effect, all agencies, organizations, and persons qualifying under the regulations as home health agencies will be considered providers of services under Titles 18, 19, and 20 of the Social Security Act and will be eligible for reimbursement under the Medicare program, the Medicaid program, and the program of Grants to States for Social Services.

This subsection also specifies that any regulations issued under subsection 1880(d) will not take effect if either the House of Representatives or Senate passes a resolution objecting to such regulations within 90 days after they are issued. Revised regulations issued by the Secretary must take into account the objections of the House of Representatives or the Senate and may, therefore, disagree with the Commission's plan and recommendations previously submitted.

Section 2(a)—new subsection 1880(e): This subsection requires the Secretary of Health, Education, and Welfare to furnish the Commission with an executive secretary and with secretarial, clerical, and consultant services as necessary for the Commission to carry out its duties and functions.

This subsection also authorizes the detail of Federal personnel to the Commission to assist the Commission in carrying out its duties. The Secretary of Health, Education, and Welfare is required to approve any Commission request for such personnel.

Section 2(a)—new subsection 1880(f). This section authorizes the Commission and its individual members, to hold hearings, take testimony, and receive evidence.

This subsection also authorizes the Commission to secure information, in connection with its duties and functions, from departments and agencies of the United States and requires heads of such departments and agencies to furnish the Commission with such information.

This subsection also requires the Administrator of General Services to provide the Commission with support services on a reimbursable basis.

Section 2(a)—new subsection 1880(g). This subsection specifies that the Commission will cease to exist on the date that regulations issued under subsection 1880(d) go into effect.

Section 2(a)—new subsection 1880(h). This section authorizes to be appropriated such sums as may be necessary to carry out the purposes of new section 1880 of the Social Security Act.

TREATING PATIENTS IN THEIR HOMES—OFTEN CHEAPER, OFTEN BETTER

In an era of constantly rising medical costs, more and more physicians are turning to this money-saving idea—intensive care at home for many patients rather than long periods of expensive hospitalization.

It isn't a new idea, but in the past few years a growing number of patients and doctors are finding that there are benefits in home care beyond the mere savings in cost.

Take the case of Thomas DiFillippo, 56, a Pennsylvania farmer. Mr. DiFillippo had a heart-valve operation, then developed a severe inflammation of the heart muscle. He faced three months of intensive intravenous drug therapy.

At one time this treatment would have required hospitalization. Instead, Mr. DiFillippo was sent home. For two weeks, a visiting nurse administered the drugs. Then he learned to do it himself.

The total cost for a month was $1,664, compared with $5,000 in a hospital.

WIDESPREAD SERVICES

The National League for Nursing estimates that health workers made 2,640,000 home visits last year. Roughly 2,000 home-care agencies are accredited for Government programs, and more than 450 of the country's 6,000 hospitals now offer home cure to their patients.

Such care in the past five years has been expanded to include intravenous and intramuscular drug therapy, wound dressings, blood counts, chemotherapy, EKG's and kidney dialysis.

The major advantage is cost. Most home-care programs range from $15 to $25 a day. The average hospital rate for a semiprivate room is $152 a day. Studies by the Genesee Region Home Care Association in Rochester, N.Y., and the Blue Cross program in Philadelphia show an average saving of $1,000 per patient.

While most of the health-insurance plans give more complete coverage to hospitalization, home-care benefits are available under medicare, medicaid, workmen's compensation and most Blue Cross plans.

In general, home care includes the regular services of a visiting nurse as well as physical, speech and occupational therapists. Medical supplies, such as drugs, hospital beds, wheel chairs—even a breathing monitor for a baby suspected of having Sudden Infant Death Syndrome—are provided.

Home health aides are also available to walk and bathe the patient, prepare and serve meals, change bed linens and do some laundry and shopping.

PATIENTS WHO BENEFIT

Physicians point out that not all medical problems can be treated at home. However, patients who normally would face long periods of hospitalization, such as those with heart diseases, stroke victims, orthopedic cases and cancer patients, seem to respond well to home care.

In fact, several British studies suggest that heart-attack patients recover better at home than in a hospital.

Cancer patients, more and more, are also turning to home care—in part, a reflection of the growing "death with dignity" movement.

For the elderly, a program such as the Minneapolis Age and Opportunity Center, Inc.—which combines medical treatment with social services including meals, transportation and household help—can mean the difference between living at home or going to a nursing home.

In addition to cost savings, doctors say the psychological advantages are significant. As cardiologist Dr. Frank S. Harrison of the Bryn Mawr Hospital in Bryn Mawr, Pa., puts it: "The patient has a greater sense of well-being, and he learns to take responsibility for his care."

A survey of home-care patients in Milwaukee showed that 84 per cent preferred home care to hospitalization, and 73 per cent of the physicians thought the medical care was as good as that available in the hospital and that the psychological aspects were superior.

Doctors also found that wounds tended to heal faster at home. Food looked and tasted better so that patients got back to their normal eating habits quicker. Home-care patients also tended to move around more—important after surgery—and some physicians believe that fewer sleeping pills are needed at home than in hospitals.

ON THE OTHER HAND

Medical authorities point out, however, that home care is not a panacea and it should not be as substitute for hospitalization when that is needed. Several factors must be considered:

Will the patient's medical condition and personality respond to home care?

Is the home situation adequate for such care and safe for the patient? What about other members of the family?

In a particular community, what kind of home care is available? Is there medical supervision?

Does a person's health insurance adequately cover home care?

In spite of its recent growth, the home-care movement faces serious problems. According to the American Public Health Association, at least 10 to 25 per cent of persons in institutions could live at home if services were available. But a 1975 Government survey found that only half of the communities in the country have appropriate home health agencies. Recent changes in medicare benefits have even caused a decline in the number of home-care patients during the last year.

Another major problem is that there are no national standards for home care and no way to regulate the quality of care given at home, so that the potential for abuse is a serious concern. The Department of Health, Education, and Welfare has conducted hearings into this problem.

Nevertheless, many health officials see home care as one of the most promising ways to reduce soaring medical costs and return to a more humanistic approach to medicine.

DEDICATION OF ETZ JACOB TORAH CENTER AND BANQUET HALL

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. WAXMAN. Mr. Speaker, the Etz Jacob Congregation in Los Angeles, Calif., dedicated its Etz Jacob Torah Center and Banquet Hall on November 20, 1976, as the most recent facility of this oldest Jewish house of worship and center of community activity in the Beverly-Fairfax area.

Etz Jacob Congregation has served the Jewish community fully and well by providing a source for religious, social, and cultural activity, by maintaining a Hebrew school, and by sponsoring many youth groups. The first Boy Scout troop composed of Jewish youngsters in this area is located at the Etz Jacob center. Over a period of years, the congregation has added to its facilities in order to accommodate the rapidly growing Jewish population, providing a new sanctuary in 1958, and now the new Torah center and banquet facility. As a result, the congregation provides even more services, including a federally funded lunch program for the elderly, jointly with the Fairfax Adult School education program.

It is fitting for Members to join with me in memorializing the expansion of the facilities of the Etz Jacob Congregation, which have proved of great value to the community which it serves.

BALANCED ECONOMIC DEVELOPMENT BILL

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. RUPPE. Mr. Speaker, today I am introducing legislation designed to provide a system of tax credits to encourage private industry to locate or expand in high unemployment areas of the United States. In my view, this measure is a key ingredient to expanding the job force in northern Michigan as well as other above-average areas of unemployment throughout the Nation.

As I am sure many of my colleagues must realize, many rural and inner city areas of the country have fallen far behind more fortunate regions in terms of total economic development. Furthermore, many of the Federal programs designed to deal with unemployment, economic expansion, and business investment have been particularly targeted toward our large population centers regardless of their economic health.

The recently enacted local public works and capital development program is a case in point. It seems clear to the people of northern Michigan that the LPW program was geared primarily to meeting the immediate needs of large metropolitan areas. In northern Michigan, even though we have several counties with unemployment rates in excess of 12 percent, EDA awarded only 8 grants amounting to $6 million out of a total of more than $150 million allocated to the State of Michigan in the LPW program.

The result is that rural areas like northern Michigan tend to fall behind other regions in terms of reducing unemployment, increasing total business and commercial investment, increasing property values as a basis for local government revenue, and maintaining or increasing population growth.

The simple fact is that private business and industry must be given meaningful incentives to locate new industry and expand jobs in rural areas. This is as true in northern Michigan as I am sure it is in other economically deprived regions.

Mr. Speaker, my proposal would provide that incentive and thereby introduce a new measure of balance to economic development on a nationwide basis. First, my bill would designate various development areas throughout the Nation as eligible for assistance under the legislation. These deprived regions, called "development areas," are political subdivisions outside standard metropolitan statistical areas with total populations under 300,000. The areas in question are further defined by reference to past statutes, such as the Public Works and Economic Development Act of 1965.

The legislation gives private business and industry the needed incentive to locate and expand jobs in these regions by providing a 20-percent tax credit for such investments. Such a percentage, far above that accorded investments in

other areas is, in my view, absolutely essential to lure business and industrial investment into economically deprived regions.

Finally, the proposal defines the types of property and business enterprises which would normally qualify for the 20-percent tax credit envisioned in the plan. In this regard, particular attention is given to manufacturing, recreation and tourism, mineral processing, and pulp and paper processing because of their historic importance in providing lasting jobs to rural areas of the Nation.

There is also a provision in the bill which requires certification by the Secretary of Commerce, according to specifically prescribed guidelines, before a business or industrial investment can qualify for the 20-percent tax credit.

Mr. Speaker, this is legislation which is essential to rescue rural America from the economic doldrums. The fact that its time has come is evidenced by the recent support for a tax credit plan announced by the leadership of the House Ways and Means Committee and President Ford in separate statements dealing with the issue of economic recovery.

The people of northern Michigan and rural America have lived with economic deprivation for decades. The opportunity is now before us to move forward with legislation to correct this deplorable situation and I welcome the support of my colleagues in an effort to secure swift enactment of this important measure.

IN MEMORY OF WILLIAM L. BUTCHER, WESTCHESTER'S FIRST CITIZEN

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. OTTINGER. Mr. Speaker, William L. Butcher was, indeed, Westchester County, N.Y.'s first citizen, not only for his great contributions to the county, but to the State and Nation as well. We will miss him greatly. As the tributes which follow amply relate, he made unique contributions in the fields of banking and transportation on a national level, established the county trust organization—now a region of the Bank of New York, and guided the formation and direction of the Metropolitan Transportation Commission in New York. He was a "one-man chamber of commerce," who did more to attract and keep industry in Westchester than any other person or organization. He was active in virtually every good and charitable cause in his community.

For most people in Westchester, however, Bill Butcher will be remembered for much more than his outstanding achievements. Bill Butcher was a wonderful human being. He cared—about his country, about his State and community, about his family, and about people. Despite an enormous workload, he always had time for the other person's problems. He was genuinely interested and he cared; when you talked with him, it seemed as if he had nothing else to do that day but address himself to your concerns.

Bill was a leading Westchester Republican, but he was greatly above partisanship. When I was first elected to Congress as Westchester's Democratic Representative and went on the Banking and Currency Committee, Bill took me under his wing. He introduced me proudly to all his banking associates—national, State, and local—arranged speaking appearances for me, and helped me appraise banking legislation with totally unbiased view, even bending over backward to point out political pitfalls I might encounter in taking certain positions. His first concerns were always how legislation would affect people—particularly the people of Westchester.

Bill was also my banker of last resort. When a constituent who had a meritorious case needed a loan or a mortgage and had been turned down everywhere else, I would turn to Bill. He would see to it that the problem was resolved, either by himself or through his friends. This was so not just in the banking world, but with community problems as well. I was honored to have worked together with him on so many of these issues of local concern.

As I circulated among the many who gathered to pay their last respects to Bill, it was no surprise to hear them say the same of him—that he took them under his wing, too. It was Bill to whom they turned when they wanted to accomplish something for the community or help someone in trouble and need.

Bill was a friend to all. That, I think, was his most important achievement.

Bill leaves a wonderful family and a remarkable wife, Jane, who is as warm and concerned a friend to the community and myself as Bill was. We all were so greatly enriched by Bill's friendship, but she most of all. I am grateful to have shared his love with them and wish them the very best.

There follow the articles and editorials that appeared upon Bill's death which I share with my colleagues so that they, too, can benefit a bit from the life and wisdom of Westchester's first citizen:

[From the New York Times, Nov. 30, 1976]

WILLIAM L. BUTCHER, BANKER, DEAD; AIDED WESTCHESTER INDUSTRIAL ROLE

(By James Feron)

WHITE PLAINS, November 29.—William L. Butcher, retired chairman of the board of the County Trust Company and a major figure in the postwar industrial and corporate development of Westchester County, died today at White Plains Hospital after a short illness. He was 69 years old.

Mr. Butcher, who lived in White Plains after many years in Scarsdale, retired as board chairman in 1972. At that time Nelson A. Rockefeller, then Governor, and 700 others gathered to acknowledge the banker who had helped build County Trust into a state bank. It merged earlier this year with the bank of New York Company.

Mr. Rockefeller praised Mr. Butcher in 1972 as a "practical idealist" who linked his bank's achievements with those of the community.

"The genius of Bill Butcher," Mr. Rockefeller said, "is that he always understood this interdependence."

Dwight Townsend, vice president of County Trust, described Mr. Butcher as a "one-man chamber of commerce who, through contacts, watched for companies considering a move and approached them with his Westchester sales story."

Companies that relocated under Mr. Butcher's urging included the Nestle Company, the General Foods Corporation, Pepsico and Texaco, according to Herbert Grant, executive vice president of County Trust.

A BALANCE OF COMMUTERS

The movement of industry to Westchester transformed the county from a collection of suburban communities to an area of substantial economic development where commuters arriving in the county each morning roughly equal those leaving.

Mr. Butcher, who was the county's most prominent banker, also had major roles in civic, educational and business organizations in the postwar period. He was a trustee of Pace College, which has a campus in Westchester, and a member of the Council of the State University of New York campus at Purchase.

He was appointed in 1965 to the Metropolitan Transportation Authority, served for a short while as chairman of the state's Urban Development Corporation and was a director of the Westchester Medical Development Board, which helped establish the medical center now nearing completion under county control.

Born in Newark, Mr. Butcher spent part of his childhood in lower Manhattan, where his father, a social worker, was director of a newsboys' lodging house. There young Butcher became an enthusiastic checkers player, occasionally stopping in later years at a Times Square checkers place to play with experts.

BEGAN CAREER IN CINCINNATI

He attended Poly Prep in Brooklyn, graduated from Williams College in 1928, studied at the University of Cincinnati and began a banking career in that city by joining the Central Trust Company in 1935. He was named vice president of the bank after completing a three-year course at the Stonier Graduate School of Banking at Rutgers University.

One of Mr. Butcher's classmates at Rutgers was Dr. Joseph E. Hughes, later chairman of the board of the County Trust Company, a Westchester bank with eight branches in 1946. Dr. Hughes persuaded Mr. Butcher to join County Trust, where he became president in 1957 and chairman in 1960.

Mr. Butcher's role as a banker extended to the publication of booklets for businessmen considering relocation, most of whom came from New York City. The booklets focused on such factors as the supply of white-collar labor in the county and the availability of transportation, matters that Mr. Butcher had learned would be crucial in moving corporate facilities.

"He made it his business to know how county government worked and of the likelihood of achieving zoning changes, for example," Mr. Grant said.

EXPERT AT CHOOSING AIDES

Mr. Butcher, described by his colleagues as thoughtful and expert at selecting able assistants, was noted for his sense of humor. The night he was honored by Governor Rockefeller, the banker said, "The only gesture I prize more highly than his presence tonight is the privilege of having a joint banking account with him."

Mr. Butcher married Aimee Ruth Tweedy of Brooklyn in 1929. They had three daughters, Gayle (Mrs. Foster Nichols) of Glen Head, L.I.; Lynn (Mrs. Merrell Mays Clark) of Scarsdale and Tweedy (Mrs. Derek L. Tattersall) of North Carolina. Mr. Butcher's first wife died in 1967 and he later married Jane Cox, who, along with his daughters, survives.

In addition, he is survived by three stepchildren, Abigail Ives, Coletta Cox and Thomas H. Cox, as well as a sister, Ruth Reel, and eight grandchildren.

A funeral service will be held at 11 A.M. on Wednesday at St. Bartholomew's Church, at Sterling and Prospect Streets in White Plains.

[From the Reporter Dispatch, Nov. 30, 1976]

BUTCHER LEAVES VOID

One of the most fortunate events for Westchester County was the friendship between two students at Rutgers in the Twenties—Joseph E. Hughes and William L. Butcher. It was Hughes, as chairman of the County Trust Co., who brought about Butcher's transfer to Westchester from a strong banking and civic career in Cincinnati.

Since then, few notable areas of progress in Westchester have failed to benefit from William L. Butcher's presence, his interest and his involvement. As a protean force for achievement, he leaves a void for many to strive to fill.

In his central role as banker, his monument is the County Trust organization, now a region of the Bank of New York, which expanded under his direction into a strong countywide institution.

In his civic role he made contributions from his vast store of energy to the MTA, the UDC, the Red Cross, Burke Foundation, the New York School for the Deaf, the Scarsdale Town Club, the county Parks Board and the Missionary Society of the Protestant Episcopal Church.

But it was in his amorphous role as adviser, go-between and salesman for Westchester, dealing with large corporations which needed and searched out persons of stature and dependability for advice, that Butcher made his most lasting contribution for the future of Westchester. That role extended to the very end of his life.

From his paneled office at County Trust headquarters in White Plains, and later from his own quarters on Westchester Avenue, Butcher was ever going forth to insure that new corporations got the right information and advice, the proper introduction to Westchester, and the feeling that they were entering into a partnership with a group of unique, concerned communities.

In that sense, William L. Butcher truly helped hold Westchester together as he helped it gain the resources to grow and to prosper. In that capacity he will be hard to replace. And with his added empathy not only for his beloved Westchester but for so many of its people, there will be many people who will say we may never see his equal.

[From the Scarsdale Inquirer]

ENERGY, DEDICATION RECALLED

Two of the men in Scarsdale closest to William Butcher were former Mayors Malcolm MacIntyre and Theodore Sander Jr. MacIntyre, who preceded Butcher as president of the Town Club and who also worked with him in Republican Party endeavors, remembered his "tremendous energy" and his "great sense of humor." He added, "He was very dedicated to public service. (His death) is going to be a loss to the whole Westchester Community."

Sander and Butcher, who spoke at each other's Scarsdale Bowl presentation, worked together in both civic and political organizations. Sander, in a statement to The Inquirer, spoke of his predecessor as Town Club president:

"Bill Butcher's outstanding characteristic was boundless energy and a willingness to take on difficult tasks. In working closely with him while he was president of the Town Club I discovered that he liked hard work and expected it from his associates.

"A few years later as his district co-leader on the Republican Town Club, the same quality stood out sharply. But, Bill always took the early morning session on Election Day.

"His death is a real loss to the community in which he lived and served so well for many years."

[From the Reporter Dispatch, Dec. 6, 1976]

A MAN FOR ALL SEASONS HAS LEFT US ALL

(By Warren Jackson)

In one of life's real ironies last Thursday, the announcement of the death of Bill Butcher, architect for the economic greatness Westchester has achieved, broke across the headlines in these and other newspapers. On that same day, County Executive Alfred De Bello went before the county legislators to present the administration's 1977 legislative program, eliciting satisfaction of the basic needs of the county, if it is to assure a continuance of the quality of life.

Bill Butcher was the kind of man that if you knew him at all, he was "Bill" . . . no matter if you were just you, or the chairman of a bank, corporation, or even a governor.

I didn't know Bill Butcher as well as most; I guess I talked with him all of one half dozen times. But what he did in a lifetime, I believe, needs to be presented as a challenge and a legacy for those left behind in positions of equal peerage, to attempt to emulate, to be a little of what Bill Butcher was to the development and sustenance of this county.

Al De Bello clearly defined that we of Westchester have a problem in housing that could force our middle class families to seek housing and employment outside Westchester. The County Executive clearly indicated that if the housing issue isn't addressed, we will face the possibility of "a polarization between the extremes", or in current jargon, between the haves and have nots.

It is Al De Bello's hope to gain the cooperation of the county's State legislators, congressmen and the state's two Senators, in pushing bills to implement this proposal, and other needs.

The immediate social obligations which we face in our county, point up the urgent need for someone, or a consortium of corporate executives of Bill Butcher's stature, to show that the Bill Butcher type man was not just one of a kind, but that there are others who give the same damn about Westchester as he did.

The achievements of Bill Butcher was in the development of the County. He worked with Ed Michalien, and together they were partners in developing our growth and our greatness.

Michalien said it all in eulogizing his friend; ". . . he gave unsparingly of himself and his time. Through his tireless efforts and objective imagination, Westchester became the hallmark of suburbia."

So here we are in 1976, looking at the problems of housing, utilities, environment, health. The county has an alternative to deteriorate quickly . . . sickingly fast; or, if the former bank Chairman and civic leader really was admired for his achievements, if all the nice things that were printed, spoken and related to his lovely wife Jane and his family, really meant something . . . a lot of big, key people can really be effective in working with Al Del Bello and everyone concerned, in assuring the Butcher "monument to prosperity".

As one man, Butcher accomplished the relocation of major corporations such as: General Foods, Texaco, Pepsico, Nestle, to name a few. Hopefully, there is another man, or group of men, in this county who can, in his name or his spirit, now unite to assure our continuance as a solid community. An assurance, that if you live in Westchester, there are decent places to live, places to work and a real concern about health, day care, energy and environment.

Bill Butcher, during his lifetime, was a legend. It is up to us, now that he's gone, to make sure Westchester will be viewed in centuries to come, as a suburban legend.

When one thinks of his achievements, one likens it to the words that Martin Luther King wanted to be remembered for by his fellowmen; an attempt to make this a better world.

"Yes, Jesus, I want to be on your right or your left side, not for some selfish reason. I want to be on your right or left side not in times of some political kingdom or ambition. But, I just want to be there in love, and in justice, and in truth, and in commitment to others, so that we can make of this world . . . a new and better world."

[A WVOX Editorial of the Air, broadcast Nov. 29, 1976]

THE ESCAPE CLUB LOSES A MEMBER

(By William O'Shaughnessy, President)

I really want to be there on Wednesday morning at Saint Bartholomew's Church on Prospect Avenue in the City of White Plains to hear some clergyman get up in a pulpit and try to tell us what a great man Bill Butcher was.

No one among us, obviously, is equal to that task and I do not want to see anyone, regardless of his oratorical gifts, try to stand up there and tell the assembled sages and leaders and mandarins and elders of Westchester something about this William Butcher that they don't already know.

William Butcher was a banker as you have heard. He was an ambassador of good will for our county. He was also a great giving, generous man. He was my friend. And he was a patron of this radio station and we shall miss him.

It was bad enough yesterday, being a Monday and all after a long holiday weekend. And then Edwin Gilbert Michaelian, the former county executive called from Pace University to say that Bill Butcher had died.

It is not a pleasant task, ladies and gentlemen, to get on your local radio station like this and have to tell you about the death of any man. And its even tougher when he happened to be a truly great man like Mr. Butcher.

This county is changing. Bill Butcher and men like him saw to that. Change, as they say, is all for the better. Or most of it is, I guess.

And you can read all about it in today's paper, all those wonderful and extraordinary things William Butcher did for Westchester.

He persuaded great companies to invest in our region. He talked the language of the banker and the investor and the builder and his credentials among the Establishment were impeccable.

But he was also a pushover for young Irishmen trying to start up radio stations. And as long as you pledged the enterprise to the service of Westchester, it was good enough for him.

I probably shouldn't be so personal about this because Bill Butcher helped lots of young men with lots of crazy, way-out ideas. But of all WVOX's patrons and champions, he was among the very first to help us when we were getting started.

I liked everything about him. He was a man's man and a windmill tilter and a story teller and a deal maker. And he handled lots

of what the gangsters and politicians call contracts. Only a "contract" to Bill Butcher was to get on his telephone as he did so often and try to help somebody. It came naturally to this natural man.

He was suffering from cancer in recent months and he could hardly talk. And last week he slipped out of the hospital—literally—to attend a meeting at the Dictaphone Company. And the nurses and doctors still don't know where he was during that "unexplained absence".

It is one more story which will be told about this marvelous man. Our newscasters and the papers told you about all the organizations to which he belonged. But they all forgot to mention The Escape Club. It is a group of about 15 so-called Establishment types that meets at the Scarsdale Golf Club for lunch and drinks and for some stories and good natured fun. You have to be the president of General Foods or National Bank of Westchester or Nestles to get an invitation to the Escape Club. Bill Butcher loved these meetings and he loved to kid these high rollers and knock them around. They will miss him. And so will thousands of ordinary people who live a better life here in Westchester because of his efforts on their behalf.

Forget the Escape Club, we've all lost a member in good standing.

And in this day of fast food places and phoniness and conglomerates and tinsel and bigness we can ill afford to lose a Bill Butcher who conducted himself and his business in very personal ways.

First Eddie Hughes and then Fred Powers. And now Bill Butcher.

This is a WVOX Editorial of the Air.

This is William O'Shaughnessy.

CALIFORNIA NAZIS EXPAND CONTACTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. McDONALD. Mr. Speaker, at a time when local and Federal intelligence-gathering programs have been ended or severely cut, we are witnessing a resurgence of activities by a wide range of totalitarian groups. These range from the supporters of Marxism-Leninism in its Maoist, Trotskyist, Castroite and Soviet varieties to the fascist national socialists who emphasize racial and religious hatred in addition to class warfare.

One such group is the National Socialist Liberation Front—NSLF—which operates from Post Office Box 4168, Panorama City, Calif. 91402. Since the shooting death of NSLF founder Joseph Tommasi in June 1975 during a dispute with members of a rival extremist group, the NSLF has been led by "Captain" David Rust. Its closely associated prisoner group, the American National Socialist Brotherhood—ANS, is said to be led by "Captain" John Butler, Post Office Box 53, San Dimas, Calif.

The National Socialist Liberation Front describes itself in the following terms:

The NSLF is the legitimate successor to George Lincoln Rockwell's American Nazi Party and as such will continue his struggle through ALL avenues of politics or prisons until VICTORY OR DEATH! The NSLF maintains friendly ties with any and all organizations that support our struggle for the liberation of America from Zionism and the liberation of THE WORLD from Marxism. ALL our prison business is handled by The American National Socialist Brotherhood.

The ANS membership is concentrated in the California State correctional system as a splinter from the Aryan Brotherhood—AB, which was one of the militant prisoner organizations which worked with the Maoist Communist Venceremos Organization—VO in 1972. The VO, the parent group of the Symbionese Liberation Army—SLA, broke with the AB when it could not persuade the Brotherhood to abandon its racism for more traditional Marxist-Leninist class hatred. However, NSLF literature retains a strong Marxist-Leninist and Maoist coloration.

The NSLF now claims chapters, support groups or organizing contacts in Newport, Delaware; Chicago; Omaha; Louisville; Cincinnati; Los Angeles and San Francisco. NSLF lists among its organizers the following:

Allen Vincent and John Stewart, P.O. Box 1345, Inglewood, CA 90308.

Dyle Bitner, San Quentin, CA.

John Duffy, P.O. Box 3129, Newport, DE 19804.

Frank Collin, National Socialist Party of America, Chicago, IL.

Ray Chaney and John Younger, P.O. Box 58342, Louisville, KY 40258.

James N. Mason, P.O. Box 41503, Cincinatti, OH 45241.

In some areas there are indications that the NSLF may be working with the relatively new Klan Beret paramilitary groups which have been set up among young activist members of some Klan-type organizations during the past 2 years.

NSLF members and supporters have been involved in considerable violence and public disorder. The NSLF first attracted attention with founder Tommasi's claims of having harassed rival Trotskyist and Maoist organizations with smoke, stink and firebombs. His own death resulted from an armed confrontation with members of a rival extremist group. And it will be recalled that Frank Collin was involved in some of the racial disturbances in Chicago's Marquette Park this past summer: disturbances which are being exploited by both Nazi-type groups and by Marxist revolutionaries.

In addition to the potential for public disorder posed by the NSLF and its allied groups, there is another point to consider. Over the past 2 years several U.S. anti-Semitic extremist groups have sharply increased their activities, exhibiting in their literature apparent ample funding, an increase in writing skill and organizational ability, and a new interest in foreign affairs and in the activities of European fascist organizations. Leaders of the National States Rights Party, for example, have undertaken European travels during which meetings were held with neo-fascist English, Belgian and Italian organizations, some of which have been involved in violence in their own countries.

It is also noted that a number of these organizations, including the NSLF, have aligned themselves strongly with Palestinian and some Arab interests in denouncing U.S. policies in the Middle East including U.S. support for Israel. For example, a recent NSLF publication stated:

Congress * * * votes BILLIONS yearly so that Israel can make war on her Arab neighbors * * * We must demand an OPEN PUBLIC hearing * * * concerning, 1. The Israeli attempt to bomb the American embassy in Cairo in 1954, * * * 2. The unprovoked act of war committed by Israel against the U.S.S. Liberty, 3. The existence of Israeli intelligence agents within the very highest American security agencies, 4. The exposure of the rich Zionist lobby and its successful efforts in preventing the formation of friendly ties within pro-Western, anti-Communist Arab states such as Egypt, Jordan, Saudi Arabia, etc.

Aside from its inaccuracies and propagandistic bias, the NSLF statement is traditional U.S. Nazi literature.

Clearly this body needs to reconstitute a House Committee on Internal Security to investigate this new totalitarian threat and to investigate its funding and any ties it may have to foreign entities.

OSHA'S INSPECTIONS SHOULD NOW CEASE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HANSEN. Mr. Speaker, the Occupational Safety and Health Administration has run into a legal buzzsaw. Inspection procedures of the 1970 act have been declared unconstitutional and void. I have been very much involved in bringing this long overdue relief for the rights of American citizens and am today introducing a resolution for consideration by this body:

Expressing the sense of the Congress that inspections pursuant to section 8(a) of the Occupational Safety and Health Act of 1970 shall cease pending a determination by the Supreme Court of the United States of the constitutionality of such inspections.

Mr. Speaker, I submit the following news releases for the RECORD and for the interest of my colleagues in this vital matter:

STOP ALL OSHA INSPECTIONS

(News release of Congressman GEORGE HANSEN)

WASHINGTON.—OSHA has stopped inspections in Idaho. Now they should be stopped in the other areas under OSHA jurisdiction. I have written the Secretary of Labor, OSHA Administrator Morton Corn, and the U.S. Attorney General asking that this should be done.

Not only is this a matter of equal justice but it is a matter of legal reality since necessary precedent exists for individual rejection of warrantless searches or inspections by any citizen in the nation.

Certainly government activities of this nature should not be enforced only against the acquiescing citizen who is either not informed of his basic rights or who is without the means or determination to protect such rights.

If such OSHA inspections are not discontinued, I will deem it my responsibility to advise my colleagues and their constituents that further inspections violate the equal

protection of the laws guaranteed by the Constitution.

OSHA INSPECTIONS UNCONSTITUTIONAL

(News Release of Congressman GEORGE HANSEN)

BOISE, IDAHO.—Provisions of OSHA, authorizing warrantless inspections of business establishments, were ruled unconstitutional and a violation of the Fourth Amendment of the U.S. Constitution in a three judge court summary judgement filed here late Friday.

The decision, growing out of a case filed by Barlow's Inc., a small Pocatello business, against W. J. Usery, Secretary of Labor of the United States in his official capacity, is termed a landmark case. In the decision, filed in U.S. District Court, District of Idaho, the judges ruled that "The Secretary of Labor . . . and all other defendants, and their successors in office, and all other persons acting by, through or under them, are hereby forever and permanently restrained and enjoined from acting or attempting to act . . . or attempting to conduct any general searches or inspections of the non-public portions of the premises . . . pursuant to Section 8(a) of the Occupational Safety and Health Act of 1970.

"We therefore hold that the inspection provisions of OSHA which have attempted to authorize warrantless inspections of those business establishments covered by the Act, are unconstitutional as being violative of the Fourth Amendment," the ruling said.

In Washington, U.S. Rep. George Hansen, long a foe of OSHA regulations, welcomed the decision as a great New Year's present to the businessmen and farmers of the United States.

"I have nothing but praise for the courage of F. G. (Bill) Barlow, the president and manager of Barlow's Inc., which caused him to take on the Federal government in this case," Hansen said. "He is just a small businessman with limited means, but his strong feelings about our rights as American citizens and his willingness to spearhead such an effort marks him as a patriot in the tradition of our founding fathers whom we hail in this bicentennial era. Barlow's victory shows that the Constitution is still a bulwark for human rights in this nation and we do not have to bow down to oppressive rulings and acts of government no matter how well intended they may be."

Hansen was instrumental in urging Barlow to take his case to court after he (Barlow) had refused an OSHA inspection of his business location without a warrant. The Idaho Congressman has also provided a legislative and legal clearing house for information to assist those willing to stand up against OSHA and is heading fund-raising drives to give Barlow and others a "war chest" to press their cases. Hansen is Chairman of a Congressional task force working to limit regulatory agencies and reduce the size of government. He also heads a national "STOP OSHA" campaign for the American Conservative Union.

Barlow's case was handled by the Runft and Longeteig law firm of Boise. It was argued in the U.S. District Court before the three judge panel. The decision that the law was unconstitutional was signed by M. Oliver Koelsch, Senior Circuit Judge; J. Blaine Anderson, Circuit Judge, and Ray McNichols, Chief District Judge.

Hansen commended the court for its clear support of basic constitutional rights and the Barlow attorneys for their outstanding and successful presentation.

The effect of the decision, the Boise law firm said, is to declare the OSHA section involving inspections as "void and unconstitutionally repugnant to the Fourth Amendment."

With this latest decision, the Hansen-backed fight against OSHA has been successful in Texas, New Mexico, Ohio and other states but the broad and sweeping decision handed down in Idaho "is a real landmark case," Hansen said. "It not only gives immediate relief from an oppressive law, but it deals the Department of Labor and the Congress a big set-back in their incredible support of the big government steamroller running roughshod over individual rights."

OSHA DECLARED UNCONSTITUTIONAL

(News release of Congressman GEORGE HANSEN)

"OSHA is out of business!" delared Congressman George Hansen today.

A December 30th decision for Idaho businessman Bill Barlow by a Federal Three Judge Constitutional Court declared the inspection provisions of the Occupational Safety and Health Act unconstitutional and void.

"For all intents and purposes," Hansen stated, "This unpopular, oppressive and unproductive Act has been repealed unless an appeal to the United States Supreme Court should alter the situation."

"This means that businessmen and farmers no longer need to allow an OSHA inspection," Hansen pointed out.

Hansen, whose office has served as a coordinator and clearing house for legal and legislative efforts to stop OSHA emphasized that, "This latest decision is the most significant of a series of Fourth Amendment victories over OSHA." Gibson's Products of Texas scored the first big Court win over OSHA less than a year ago when a Three Judge Panel barred OSHA inspections without a search warrant properly secured from a magistrate based on probable cause. Other Court victories over OSHA's warrantless inspections followed.

"Based on the precedent of these cases," Hansen said, "The Barlow decision recognized that the inspection provisions of OSHA violate the Fourth Amendment but, unlike prior cases, it refused to judicially rewrite the law in order to salvage it. Instead the Barlow Court declared the inspection provisions unconstitutional and void thus depriving the Department of Labor of any authority to conduct OSHA inspections of private business premises with or without a warrant."

"The Court observed that Congress could have properly provided acceptable inspection guidelines but it failed to do so," Hansen continued. "In fact, the Court seems to recognize an intentional end-run around the Constitution by the Congress to authorize warrantless searches and met it head-on in a landmark decision in support of our basic rights as American citizens."

"A reckless Congress caught trying to steal a Constitutional base in the game of bureaucracy-building has thankfully been called 'out' resoundingly by the umpires in the Court," Hansen concluded.

H. CON. RES. —

Resolved by the House of Representatives (the Senate concurring), That in view of the fact that a recent decision of a Federal three-judge court has declared that the inspection authority contained in section 8(a) of the Occupational Safety and Health Act of 1970 is unconstitutional and that inspections under such section within the jurisdiction of that court have been caused to cease pending appeal of such decision, and in view of the principle of equal justice and the dictates of legal reality, it is the sense of the Congress that all inspections under such section in all areas of the Nation should immediately cease until the Supreme Court of the United States has determined the question of whether or not any inspections under such section are constitutional.

RESULTS OF COLUMBUS COLLEGE STRAW POLL

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. BRINKLEY. Mr. Speaker, the perspective of youth is important, as we all are aware of the growing involvement of this segment of the Nation's population. Thus, it is important that we recognize their views on political and social questions.

In order to share with my colleagues an idea of how young people feel about certain key issues, I am inserting into the RECORD the results of a poll conducted in late 1976 at Columbus College, in Columbus, Ga., one of the institutions of the university system of Georgia, which has approximately 5,500 students.

I commend Mr. James W. Dean of the college's department of political science, who supervised the poll, and the students for emphasis on current events, and for sound judgment in determining attitudes on important questions. I urge you to analyze the results as an excellent reflection of the soundness and awareness of today's youth:

COLUMBUS COLLEGE,
Columbus, Ga., October 26, 1976.

Hon. JACK BRINKLEY,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. BRINKLEY: Attached you will find the results of a straw vote conducted at Columbus College on October 20, 1976. The college has approximately 5,500 students of which the majority live and work full time in Muscogee County as the college does not have dormitories. Thus, the sample is reasonably representative of the citizens of this community.

I thought the results might be of interest to you.

Respectfully,

JAMES W. DEAN,
Department of Political Science.

NOVEMBER 3, 1976.

Mr. JAMES W. DEAN,
Department of Political Science, Columbus College, Columbus, Ga.

DEAR JAMES: I genuinely appreciate your passing along to me the results of the straw vote conducted at Columbus College on October 20th. The input and views of constituents are always very helpful and I am especially pleased to have the feeling of the Political Science students on the four timely questions covered by your poll.

With thanks, and best wishes,

Sincerely,

JACK BRINKLEY,
Member of Congress.

RESULTS OF COLUMBUS COLLEGE STRAW POLL, OCT. 20, 1976

	Night students	Percent	Day students	Percent	Total	Percent
1. Ford	15	34	117	31	132	31
Carter	29	66	239	62	268	63
McCarthy	0	----	8	2	8	2
Other	0	----	18	5	18	4
Total	44	100	382	100	426	100
2. Do you support or oppose busing as a means to achieve racial integration in public schools?						
Support	17	36	152	38	169	38
Oppose	25	53	157	40	182	41
No opinion	5	11	86	22	91	21
Total	47	100	395	100	442	100
3. Do you favor or are you against the equal rights amendment insuring women equal rights with men?						
Favor	40	83	241	61	281	64
Against	7	15	95	24	102	23
No Opinion	1	2	58	15	59	13
Total	48	100	394	100	442	100
4. In regards to defense spending what do you think should be done?						
Increase spending	17	35	155	39	172	39
Decrease spending	8	17	70	18	78	18
Leave at current level	19	40	105	27	124	28
No opinion	4	8	63	16	67	15
Total	48	100	393	100	441	100
5. Do you support or oppose the Supreme Court's decision giving women the right to an abortion if they want one?						
Support	38	80	246	62	284	64
Oppose	5	10	78	20	83	19
No opinion	5	10	72	18	77	17
Total	48	100	396	100	444	100

THE NEED TO REDUCE REAL PROPERTY TAX EXEMPTIONS IN NEW YORK CITY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. KOCH. Mr. Speaker, yesterday in New York City, the question of whether Reverend Moon's Unification Church qualifies for a real property tax exemption was reviewed by the city tax commission. The hearing before the New York City Tax Commission also lent itself to considering more broadly the city and State's regulations affecting property tax exemptions. These are significant policies, because 40 percent of the assessed value of real estate in the city of New York is now exempt from real estate taxes.

One large category of untaxed property is that owned by the Federal Government: Its assessed valuation is some $576 million. Just as the Congress now considers Federal tax exemptions and deductions as "tax expenditures" in our Federal budget process, we must make the same acknowledgment with respect to the tax-free status of State and Federal property in our Nation's municipalities. In looking at New York City, one finds that the city of New York is effectively subsidizing the Federal Government by some $52 million annually. The city can ill afford to do this. I am proposing that the Federal Government make voluntary payments to municipalities in the amount that they would otherwise pay in local real estate taxes on its properties. Likewise, the Federal Government should reimburse the municipalities for property taxes not paid by foreign missions and consulates which, in the case of New York City, amounts to $8 million annually.

Beyond this, I believe that the city of New York must be empowered, through a change in State law, to review with greater scrutiny and selectivity applications of tax-exempt status, so that the categories of institutions exempt from paying real property taxes can be reduced and the present erosion of our city tax base can be stopped. For the benefit of my colleagues, I am appending a copy of my statement before the New York City Tax Commission:

STATEMENT OF REPRESENTATIVE EDWARD I. KOCH BEFORE NEW YORK CITY TAX COMMISSION, JANUARY 5, 1977

This hearing on whether the Unification Church meets the requirements for real property tax exemption is just a small example of a much larger problem of—

1. Whether once given, any effort is made to determine whether an organization continues to qualify for exemption. In the case of a religious organization, for example, the mere fact that an organization is formed under the Religious Corporation Law is not and should not be determinative of exempt status.

2. Whether the City is too liberal in the exemptions it gives from real estate taxes and whether changes are needed to reduce the number of organizations qualifying for tax exemptions.

With respect to the first point, the City Charter and Administrative Code clearly place the responsibility on the Department of Finance to determine that organizations claiming exemptions are (1) organized and conducted exclusively for religious purposes and (2) that their property is used exclusively for religious purposes. (Sec. 421 Real Property Tax Law.)

An outrageous example of the failure to enforce the law with respect to the granting and continuance of tax exemptions was reported in The New York Times on December 29, 1976, in the case of a massage parlor located at 155 East 55th Street, which being formed under the Religious Corporation Law enjoys exempt status.

The standards to be employed in granting tax exemption to the Rev. Moon's sect or any other body seeking tax exemption or continued tax exemption are clearly set out in the cases. For example:

Crusade for Christ Inc. v. *Town of New Lebanon* (1971) 36 A.D. 2d 247, 290 N.E.S. 2d 440 confirmed the proposition that an organization seeking exemption must "sustain its burden of proof that it was so organized and conducted as to justify the granting of an exemption."

Lower East Side Action Project Inc. v. *Town of Liberty* (1972) 70 Misc. 2d 562, 334 N.Y.S. 2d 333 held that an organization must have more than a thread of religion, charity or education within its activities in order to be entitled to exemption.

In *New York Cardiac Center, Inc.* v. *Kondzialaski* (1974) 46 A.D. 2d 810, 361 N.Y.S. 2d 701 the Court held that in addition to the two tests mentioned above, an organization must meet a third test which is that no pecuniary profits may inure to any of the owner's officers, members or employees nor may the property be used as a guise for profit making operations.

Organization under the Religious Corporations Law is not determinative of exempt status. *Religious Soc. of Families* v. *Assessor of Town of Carroll* (1973) 73 Misc. 2d 923, 343 N.Y.S. 2d 159.

On the basis of the foregoing, the Unification Church should be required to open its books and submit to a thorough examination to prove that it is operated exclusively for religious purposes and indeed that it has more than a thread of religious activity.

Any organization seeking tax exemption should be scrutinized along with its activities to determine whether it meets the statutory tests for tax exemption. In the case of organizations once granted tax exemption, they should be the subject of ongoing monitoring to determine that they continue to qualify. In addition, all organizations enjoying exempt status should be required anually to certify under the penalties of perjury the nature of their activities and their continued entitlement to exempt status. The assessed valuation of tax free property in the City of New York is about $24.8 billion, using 1975 data. This is about 40% of the assessed value of New York City real estate. When this is compared to the total taxable real estate in the city of about $38.8 billion, it is clearly seen that we exist on a razor thin tax base. It is a tax base that without strict scrutiny can continue to decrease.

The cost to the city of exempt property in tax losses is approximately $2.2 billion. Of the $24.8 billion in exempt property, $3.8 billion is non-governmentally held property.

The following is a breakdown of the assessed valuation of some tax exempt properties in the City of New York:

City properties, $9.9 billion.

State Properties, (excluding public authorities), $572 million.

Federal properties, $575 million.

Foreign government, $112 million.

Public Authorities, $3.6 billion.

Port Authorities, $1.016 billion.

TBTA, $752 million.

TA, $1.6 billion.

Commuter RR, $272 million.

Public Housing Authority, $2.15 billion.

Religious Institutions (churches & synagogues), $963 million.

Hospitals, $786 million.

Charitable Institutions (incl. foundations) $303 million.

Railroads, $225 million.

Bar and Medical Associations, $17 million.

Historical sites, $13 million.

My own view is that types of property given a tax exemption should be reduced. What the City must do is view every tax exemption as an expenditure. Traditionally, we have found it onerous to tax the property on which churches and synagogues stand and I subscribe to this position. And, it makes no sense for the City to tax itself and just increase its bookkeeping expenditures in transferring funds from one account to another. Beyond this, however, we should look at each tax exemption as a tax expenditure—as a type of subsidy. The City should determine whether the costs/benefits of an exemption weigh in the interests of the general public. In the case of educational institutions, the tax exemption is a legitimate way of subsidizing education. In the instance of the Museum of Modern Art of the City Center, this is a way for the City to subsidize the operations of important resources to the City—a way of helping a sector that is getting only minimal support from the City and provides much in return.

A few token payments are made by institutions in the above categories. The Port Authority, whose property is tax exempt, pays approximately $6 million in rentals and payments in lieu of taxes. The World Trade Center alone pays $6 million to the City of New York in lieu of taxes. But, this is based on a pre-development, idle property, rate for the land the World Trade Center now occupies. Likewise, the TBTA contributes only $780,000 annually on properties whose assessed valuation exceeds $752 million.

The Ford Foundation, which owns one of the most beautiful buildings in the City pays no real estate taxes, but because it has a guilty conscience the Ford Foundation contributes approximately a million dollars annually to the Fund for the City of New York, another foundation. This Foundation's funds and expenditures are controlled by a private board, who among other things hired Former Deputy Mayor James Cavanagh last year at $35,000 after he was forced out of the City Administration. If the Ford Foundation paid taxes on its property, the City would receive approximately $800,000 annually.

The question has also been raised recently whether the Iranian Foundation, now constructing an office building on Fifth Avenue, will apply and technically be able to qualify for tax exempt status, even though its building will be used for commercial purposes.

While it may be impossible under the Constitution for the City of New York to tax the federal government for its property, I believe that the federal government should on its own authority pay taxes on all its property to the local municipality involved. In New York City this would mean a federal payment of approximately $50 million annually. I am introducing legislation in Congress to effect this. The State should do the same. In addition, the federal government should reimburse municipalities for taxes not paid by foreign governments on their properties—approximately $8 million in New York City annually.

I would also urge that hospitals be required to pay real estate taxes. Some might say this is a bizarre idea. It isn't, because this is an expenditure that can be included in the computation of reimbursable medicaid, medicare and private insurance costs. In short, a good percentage of the hospital sector's taxes would be reimbursed by the federal government and thereby increase the flow of federal funds to the City of New York under existing programs.

Similarly, voluntary nursing homes and mental institutions, greatly subsidized by medicaid and medicare, should pay taxes. Foundations like the Ford Foundation should pay taxes. Their "tax money" should go to the City of New York, not charity.

Railroad property—much of which is leased for commercial purposes—should be taxed.

To achieve a reduction in the list of tax exempt properties, changes will have to be made at all levels of government. Basically, tax exempt principles and procedures should become exclusively a matter of local home rule. Today, most tax exemptions are mandated by the State law, more specifically, the New York Real Property Tax Law. The City should be empowered to make a sector by sector analysis and accounting so that the relative costs of every sector's exemption can be accounted and weighed. Exemptions should be made as an instrument of public policy in which the City has decided that it wants to effectively subsidize a particular sector through the real property tax exemption.

The City should also be empowered to tighten the definition of what qualifies for tax exemption in a particular sector. For instance, while we want to exempt properties used for religious worship, we don't necessarily want to exempt a church owned catering hall.

I would urge that the Tax Commission formulate a legislative program to give the City home rule authority in this area and for expanding the tax base.

THE HOMEOWNER'S ENERGY CONSERVATION ACT OF 1977

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COHEN. Mr. Speaker, perhaps the most alarming and shameful fact to emerge from our national energy dialog is that as a society, we waste at least one-third of the total energy we consume. Some experts have put this figure even higher. Given the fundamental relationship between adequate energy supplies at reasonable prices and the economic, political and social well-being of the Nation, it is imperative that the central focus of any national energy policy be on paring the fat from our bloated and unbalanced energy budget. In doing so, we can achieve economic, environmental and foreign policy goals which might otherwise prove unattainable, should we fail to institute meaningful conservation measures.

The possibilities for achieving a measurable reduction in energy consumption in this country are almost endless, with the greatest opportunities lying in increasing the efficiency of the automobile and the heating and cooling of buildings. Americans have been overheating, overcooling, and overlighting their residences for years, and we are now reaping the legacy of our habit of extravagance. Inefficient residential heating and cooling systems and inadequate insulation practices have played a prominent role in perpetuating these excesses.

As one expert has put it, "most of our homes are heat sieves." Today, a vast amount of heat generated by a home heating plant promptly disappears through the walls, windows, doors and roofs. Although the Federal Housing Administration has stiffened the requirements for insulating new houses, it is nonetheless true that 90 percent of existing homes in this country are seriously deficient with regard to insulation. The average uninsulated house with 1,600 square feet of space wastes about 700 gallons of fuel oil each year; a partially insulated house wastes approximately 200 gallons. In addition, home furnaces today are generally designed so that only 70 to 75 percent of the heat of combustion is actually used in heating the home. In operation, however, many home heating systems drop far below that efficiency level. Along with better maintenance, the installation of equipment such as heat exchangers and improved ducting can do a great deal to restore or even increase the efficiency of the heating plant.

According to a Federal Energy Administration report, residential buildings used about 70 percent of the 18.1 quads of the energy consumed by the household and commercial sector in 1972. About 72 percent of the energy consumed in residential buildings—9 quads—was used for heating, cooling and ventilation. Assuming the number of residential units continues to grow by about 2 percent per year, energy conservation measures aimed solely at improving the thermal efficiency of new housing would not be effective in reducing overall demand for several years. To reduce current demand, existing housing must conserve more energy through the installation of energy saving devices which improve the thermal efficiency of the residences. This installation, or retrofitting, can be effective in saving about 10 to 20 percent of the energy used in residences.

Other studies have estimated that increased home insulation may result in saved fuel costs of 20 to 40 percent. Moreover, investments in home insulation clearly contribute to higher property values.

Given the economic inability of many poor and middle income homeowners to purchase and install insulation devices or improve existing heating systems, it is obvious that the job will only be accomplished if the Federal Government develops incentives to assist these groups. In an attempt to meet this pressing need and, at the same time, implement the recommendation of many energy experts, including FEA Administrator Zarb, I am today introducing legislation to provide the individual homeowner with the incentive and ability to make energy-saving improvements to his or her home.

Specifically, my bill amends the Internal Revenue Code to permit the individual a tax credit for 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures up to $375—$750 in the case of a joint return. The bill would be especially pertinent for relatively minor improvements, such as installing storm windows and doors, which nevertheless can substantially reduce fuel consumption. While the major reward for the homeowner would be a savings in fuel costs, the tax credit would be a limited additional incentive which would also recognize the Nation's interest in and

support for his actions. The importance of establishing some positive efforts to encourage energy conservation in the home cannot be overstated, and the cost of this legislation in the long term would be more than offset by the benefits which would accrue to the Nation as a result of decreased energy demand.

Accordingly, I hope that my colleagues will join with me in helping the low and moderate income homeowner help himself and the country, by lending their strong support to this legislation. As EPA Administrator Train observed in a speech last year:

The abundant resources of this land are not only ours to consume, but ours to conserve—and they will remain ours to consume only as long as we have the good sense to conserve them.

FREE ENTERPRISE IN OUR THIRD CENTURY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. RUDD. Mr. Speaker, citizens in my State of Arizona and throughout the country are most concerned about the power and sometimes unreasonable requirements of Federal regulatory agencies. I have promised voters in my district that I will work to eliminate regulatory abuses and unnecessary Government rules and interference.

I also sincerely hope that the majority in Congress will help fulfill the campaign promise of the incoming administration to reduce the size and power of the Federal bureaucracy.

An excellent analysis of the threat of regulatory abuses to our productive free enterprise system is a recent speech of Gerald H. Trautman, chairman and chief executive officer of the Greyhound Corp., which is headquartered in Phoenix.

I believe this speech will help all Members of Congress and the incoming new Cabinet officers to understand the problems we face and the corrections we must make to protect the success and vitality of our job-producing economic system.

We must especially get Government off the back of small businesses throughout America, and Jerry Trautman's speech eloquently spells out this important need.

I am pleased that this good speech was brought to my attention, and that I now have the opportunity to give it wider attention through the RECORD:

FREE ENTERPRISE IN OUR THIRD CENTURY

(By Gerald H. Trautman)

I welcome the opportunity to share with you my concern over the anti-business attitude of our federal regulators in Washington, and to tell you what we must do to preserve what's left of our free enterprise system as we head into our third century.

I would like to begin by pointing out that in just a few days we will be celebrating . . . if that is the word . . . the 47th anniversary of a calamitous day in financial history. It was on October 29, 1929, that the stock market collapsed on Wall Street, triggering the Great Depression of the 30s.

I realize that is not a very cheerful preamble to my remarks today. But it is, perhaps, fitting to acknowledge that 47 years later, we are teetering on the brink of another kind of financial collapse . . . the demise of our free enterprise system. It will require the most stringent kind of courage, determination, hard work and forthright drum-beating, as we begin this third century of our national existence, to preserve the economic system that so successfully bankrolled our country through its first 200 years.

It was once observed by an important statesman that, "War is much too serious a matter to be entrusted to the military." More and more Americans today feel the same way about the economy . . . that it is entirely too serious a matter to be left to the economists, the bureaucrats and the politicians.

One of the saddest discoveries that Americans are making is that economics is not like influenza. You can't catch it just by hanging around. You have to learn it. And for too many years our economic policies have been dictated by a procession of individuals who are little better than economic illiterates.

The result is that we are paying dearly today for the damage inflicted on our economic system by more than 40 years of increasing government intrusion into the affairs of business. And the most alarming part is that the intrusion is accelerating. When I first took this Greyhound job, I could spend virtually 100 percent of my time managing the business. Today, some ten years later, over a third of my time is devoted to dealing with intrusions, actual and proposed, of the federal government.

The price we are paying for having stood mute while more and more decision-making gravitated to Washington is that today we not only have economic mismanagement, but a federal government that is all pervasive . . . reaching into every corner of human endeavor and slowly, inexorably replacing the sovereignty of the individual with the sovereignty of the government.

Every time in those years when we allowed the federal government to intervene and put controls into effect, we gave up another bit of our freedom. And we are only now beginning to recognize that what we had perceived as the warm, embracing arms of government are more accurately suffocating tentacles . . . regulating and mandating, decreeing and ordering.

No less an authority than Caspar Weinberger, former Secretary of H.E.W., last year ruefully concluded that, "After 5½ years in Washington, my single over-riding observatioi is that an all-pervasive federal government, unless checked, may take away our most precious personal freedoms while shattering the very foundations of our economic system . . . We are creating an edifice of law and regulation that has intruded into the lives of all of us . . ."

By way of perspective, it was inflation that pulled the rug out from under us nearly three years ago and made us wake up to what was happening in this country.

Up until then, modest inflation had come to be regarded as a more or less inevitable consequence of "The American Way of Life" with its built-in tendency to over-consume and under-invest.

What shook us out of our complacency, however, was when inflation suddenly escalated out of the 2 percent and 3 percent range and into double digits. Suddenly we all realized we were not as well off as we had felt. As wage earners, we were "making more now and enjoying it less." And that applied as well to business.

Today, inflation has happily dropped out of the double digits, but as a nation we have unhappily dropped back into our complacent, comfortable mentality with regard to inflation. Recently I read that economists and politicians are "pleased to report" that inflation will probably hold at around 5½ percent or 6 percent through 1976. When a 6 percent inflation rate is cause for jubilation, it becomes painfully obvious that too many Americans, notably our political corps, still do not comprehend the underlying causes of inflation and, worse again, are not yet willing to apply the admittedly painful but necessary correctives.

The fact is that inflation is not an economic problem, but a political one. It is the offspring—the monster child—of government encroachment and government debt

Encroachment because we have a federal government that has phenomenally escalated its role, insinuating itself across the business and financial landscape and then going on to regulate every facet of private life as well.

Government at all levels has expanded in the past 50 years from constituting 10 percent of the economy to going on 50 percent. What we have is a government sector growing faster than the economy that supports it.

Secondly, we have a massive and chronic debt . . . government spending that won't quit, long after tax money has been exhausted. Today the national debt stands at over $500 billion and it is estimated that it will reach $713 billion in fiscal 1977.

Our legislators are so used to spending grandiose sums that they have lost sight of the concept of "a billion."

I recently read a thought-provoking paragraph that puts "a billion" into perspective. Many of you may have read it also, but it is worth repeating:

"One billion seconds ago, the first atomic bomb had not been exploded: one billion minutes ago, Christ was still on earth: one billion hours ago, men were still living in caves: yet one billion dollars ago . . . in terms of government spending . . . was yesterday!"

How? Because we added to our national debt in the 94th Congress at the mind-boggling rate of $1 billion a week by the device of spending at the rate of $1 billion a day.

What has projected . . . and will continue to project . . . this nation into inflationary spirals then is not, as its critics would have us believe, "a failure of the free enterprise system to cope," but the burdening of that system with an explosion of government entities and an explosion of social expectations which outrun its resources.

No one questions the worth and the value of certain social programs, or our responsibility to protect and assist the vulnerable in our society. But that is quite a different thing from dedicating our monetary policy to their solution regardless of the economic consequences. Sweet reason alone dictates that we cannot solve all problems at the same time. If government programs continue to escalate as they have in recent years, more than 50 percent of our gross national product will be required to support social programs by the year 2000.

A meeting of the nation's top economists held last year to investigate the causes of inflation concluded that "the failure of our political system (note . . . our political system, not our economic system) to contain the growth of social demands within limits tolerable to the free society, is the essential first cause of inflation in this society."

In short, we have transformed social aspirations into entitlement. We have created a "spoils system" . . . a nation of special-interest groups, all screaming we-want-what-we-want-when-we-want-it, heedless of the cost, the ability of taxpayers to shoulder the burden, or the fact that the price we pay for more and more public programs is less and less private freedom.

We are, in fact, fast becoming a welfare state, and it is a propensity of welfare states to live beyond their means, to substitute by edict and mandate their will for the will of the individual and to grow, legislate and regulate with a frenzy.

And this latter we are doing with a ven-

geance. Under the guise of "protective law" Congress has created a fourth branch of government . . . a maze of regulatory agencies which are variously estimated to cost the American consumer some $130 billion a year.

More seriously, these agencies are accountable to no one and since they both interpret and administer their own pronouncements, they wield the power to wound or kill whole industries. More often than not, their behavior is irresponsible and erratic, the result of over-regulation, mis-regulation, over-lapping regulation, contradictory regulation.

Federal bureaucracy, like some weird science-fiction monster, has taken on a life of its own and is out of control of Congress.

Let me give you a few examples of what these regulatory agencies have done to Greyhound recently:

Greyhound buses have an excellent safety record . . . in fact, the best in the transportation business. This didn't just happen, it is the result of well considered safety rules and strict training, but this made no difference. The U.S. Labor Department summoned us into federal court claiming that our age qualifications for drivers were discriminatory, that we should hire people to drive no matter how old. We had to go through a full trial with expert witnesses and an appeal before our qualifications were sustained. It took a great deal of our executives' time and cost us a considerable sum of money to repel this intrusion by the federal government. In fact, it sometimes costs so much to be right that it is hardly worth it.

Next we had an attack by the Federal Equal Employment Opportunity Commission on our height requirement for drivers. Obviously you have to be of some height to drive a bus, and our safety people, out of years of experience, had set the height at 5'7", but the EEOC claimed this was discrimination—that we should hire drivers regardless of their height. And while we thought we could successfully defend it in court we decided it was not worth the time and effort.

You might be interested in another facet of this case. Along with the demand from the EEOC that we give up our height requirement was a demand that we pay some $19 million in back pay to unspecified and unknown individuals who might have been employed in the past if we had not had the 5'7" rule. This in itself was ridiculous, but more so—the demand on behalf of the EEOC was signed simply, "Betsy." It seems to me when someone asks you for $19 million you are entitled to have her full name.

Let me give you another example of federal harassment. We are now embroiled in a costly investigation by the Interstate Commerce Commission in which the staff of that commission is advocating among other things that bus carriers be required to provide a terminal in every town of 15,000 population in the U.S. and keep those terminals open night and day whenever a bus schedule goes through town. All this is to be done with the carriers' private funds, since they have no subsidy such as the $1 million a day of our competitor Amtrak. We estimate that if the ICC were to be successful in its efforts, it would increase annual operating expenses by $187 million, and would require at least a 50 percent increase in intercity passenger fares.

Another federal agency that gives our people a considerable amount of "employment" is the Securities and Exchange Commission. Every year our annual report gets longer because, to satisfy the SEC, we have to put in more financial information for our shareholders, most of which is not understood or even read by them. Next year, we are faced with another SEC requriement which will be a real headache for a company such as Greyhound. I am talking about the necessity of including in our reports a section on the replacement cost of our extensive facilities—sometimes called current value accounting. We have a task force working on this now. This section of our reports is going to be a veritable "accounting-in-wonderland" bearing no resemblance to financial facts. In issuing this requirement the SEC said that business had to get used to "imprecision" in accounting. I have always had the old-fashioned idea that any imprecision in figures reported to the SEC or to our shareholders might land me in jail.

One of our subsidiaries, Armour and Company, has the Federal Meat Inspection Service in its packing plants. I don't find any fault with this, but we do have problems from time to time when the meat inspection service disagrees with another federal regulatory agency as to steps to be taken in the plants. Recently the meat inspection service insisted on an opening in a sausage conveyor line so that it could take out samples to test. Another federal agency, OSHA, wanted the opening closed because it claimed it was a safety hazard. Each agency threatened to shut down the plant if we did not comply with its request. Unfortunately this is not an isolated instance of regulatory conflict. In our food plants we have been told by various federal agencies to provide smooth and rough floors in the same area, salt and not salt in the same area, paint and not paint in the same area, and so on.

One of the agencies in Washington that we can count on to take up a considerable amount of management's time is the Food and Drug Administration. It took Armour Pharmaceutical well over a year to get FDA approval for Calcimar, a drug developed by Armour Pharmaceutical, which is effective in controlling Paget's disease and other bone afflictions. And it is effective. I picked out an unsolicited letter—we have had many—from a lady in Wyoming who was bed-ridden and to quote her, "so sick and in so much pain I didn't want to live." She had Paget's disease in both legs, hips, pelvis and up the spine. She says that "thanks to Calcimar I am able to walk again. I can travel and I have no pain. It's like being reborn." The letter itself is much more impressive than my hurried description, but the pathetic point is that this lady was deprived of Calcimar for months and months while the FDA pursued its weary regulatory process. In contrast, the drug was promptly approved in Europe, was written up most favorably in prestigious European medical journals, and was available there to sufferers of Paget's disease a very long time before it was available in the U.S. Unfortunately again, the delay or the denial of the availability of an effective drug is not an uncommon occurrence here.

You are probably thinking by now, "too bad about Greyhound" but what you should be thinking is "too bad about me" because every such intrusion into the free enterprise system is costing you money in taxes, and sooner or later, in the price of goods or services.

In the bicentennial issue of Forbes Magazine, Malcolm Forbes made a simple but telling comparison. Under the heading "1776" he quoted from the Declaration of Independence that liberty is an inalienable right, and that to secure this right governments are instituted among men. He also quoted from the U.S. Constitution the purpose of that document to secure the blessings of liberty to ourselves and our posterity. And then under the heading "1976" he simply listed 136 U.S. regulatory agencies which have made inroads on our liberties.

I find it wryly amusing that 200 years ago, one of the principal complaints our American Colonists voiced against King George was that, "He has erected a multitude of new offices, and sent hither swarms of officers to harass our people and eat out their substance." By present day standards King George was a piker.

What is ironic, of course, about government regulation is that the people who are telling the private sector how to run its business are the same fine folks who brought you deficit spending, rampant unemployment, runaway inflation and the recessionary doldrums.

I would perhaps be less critical of government's regulation of business if government could run its own house in an orderly, efficient manner.

We are all familiar with the federal government's inefficient and deficit-ridden operations of the postal service and the passenger rail service, but a federal fiasco which is not fully appreciated relates to pensions.

Two years ago, Congress voted overwhelmingly to impose costly government regulation on the private pension system (Employees' Retirement Income Security Act of 1974, ERISA). Its own pension system, however, has become a fiscal nightmare which no one wishes to delve into. Federal payments to government retirees (exclusive of social security payments) now exceed $20 billion a year and with one exception, not a single government pension plan is funded by ERISA standards. The unfunded liabilities of the federal government now total more than $350 billion.

The big difference, of course, between a corporation and a government entity is that while we in the private sector may, upon the short-term sufferance of our shareholders, ride out the storm of a bad profit year, we still operate on the basis of accountability. Government, on the other hand, operates willy-nilly . . . spending cash it doesn't have, promising a free lunch to the many to be paid for by the few, and deluding itself that taxes are the cure-all.

In the past, it has been like talking into a void to warn against government expansion and intervention. Legislators, those most in a position to know the acuteness of the problem, have gingerly tiptoed around the issue. It was not considered politically astute to stand up in front of one's constituents and ask them what they were willing to give up or delete from the free lunch menu. Few legislators have been fearless enough to step out and test the climate for rebellion.

Today, however, that climate appears to be improving. We are actually witnessing an encouraging surge of righteous indignation from all quarters as angry people from the political right to the political left are simultaneously concluding that enough is enough. We are witnessing healthy disenchantment with excessive regulation, with the cost and size of government and . . . most pointedly . . . with elected officials who seem unable to grasp the causal relationship between profit and jobs, between jobs and taxes, between investment and growth.

It is refreshing to experience the groundswell of indignation. But we cannot stop now. We must continue to hammer home the point to Congress that it does not "have" anything apart from what we, as taxpayers, give it. And that we demand that their stewardship include fiscal accountability.

The only answer to both inflation and unemployment over the long haul is to recognize that the only real source of jobs and income for the individual, and tax dollars for government, is a healthy *private* sector.

Government can enact programs that stimulate demand. It can tax the employer and the employee. It can transfer funds to help the poor and allocate funds to assist the disadvantaged. But what it *cannot* do is "give" a subsidy to an un-profitable entity unless it is first taken from a profitable one. Profit has to precede allocation and it is useless to argue how profit will be spent in

this country if there isn't any. And that is precisely the prospect we face today . . . the imminent threat of national insolvency brought on by chronic debt, burgeoning bureaucracy and crippling regulation of business and industry . . . the only sector, ironically, with the ability to bail us out.

Let me apply what I have been saying to Greyhound and, as I do this, consider who suffers when companies are regulated out of existence.

Greyhound provides jobs for some 53,000 employees. It is these employees who make the corporate system work and for this they were paid $775 million in 1975.

Greyhound also furnished the livelihood for many of its suppliers, including American farmers to whom it paid $1.4 billion in 1975. There is no way that the farmers could get this vast amount of produce to consumers except with the help of the corporate system . . . and entities like our Armour and Company.

A percentage of our profit goes to our 200,000 shareholders, none of whom owns as much as one percent of our stock. Greyhound is a means by which these shareholders can have an ownership stake in the largest bus company in the world, the very substantial food operations of Armour and our other associated operations. Finally, and perhaps most important because it is essential to the maintenance of our democratic form of government, Greyhound pays a substantial amount annually to local, state and federal governments as taxes. In 1975, the Greyhound Corporation paid approximately $100 million in taxes in the U.S.

If we continue to sand-bag this wealth-generating, job-generating sector long enough and hard enough, it will eventually succumb. And if it does, we will all learn first-hand how democratic adversity can be. To those who think it will strike business . . . but pass over labor; smite the rich . . . but leave the poor unscathed; topple the tax payer . . . but spare the tax spender, be assured you err!

What can we do?

Our first task is to dismantle the huge and unwieldy apparatus of government that we have built over the years. We can do it by supporting legislation that requires every federal program to prove its necessity every three years and then either be re-authorized or terminated.

After that, we can stop slinking around wearing sackcloth and ashes and being intimidated into being ashamed of profit. We have written the most remarkable chapter in the history of mankind with a pen called profit, and the rest of the world stands in awe of that accomplishment.

And finally, we would be wise to turn our hand to the task of taking back the reins of our own personal destiny, for surely freedom is too serious a matter to be entrusted to the whim of government, no matter how benevolent that government may profess to be.

Our present predicament cannot be blamed on any political party. We—you and I—are to blame for our present predicament, and you and I must bring about the change. It won't be easy but it must be done.

STOPPING THE NITPICKING CAREER OF OSHA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HANSEN. Mr. Speaker, since the Occupational Safety and Health Administration has become such a controversy in the past few days I would like to submit an article from the Richmond Times-Dispatch on December 17, 1976, by syndicated columnist John Chamberlain which offers some insight to OSHA and its problems for the benefit of my colleagues:

STOPPING THE NITPICKING CAREER OF OSHA

(By John Chamberlain)

Rep. George Hansen of Idaho is putting his neck on the block. He has accepted the founding chairmanship of something called STOP OSHA, a project of the American Conservative Union.

OSHA, of course, is the Occupational Safety and Health Act, and Representative Hansen risks being tabbed as being in favor of seeing people maimed or killed by accidents or poisoning in the course of their daily work.

OSHA, however, has been an extremely wasteful and ineffective guardian of the safety and health of the American workingman. The law that brought the OSHA administrative bureaucracy into being runs to 31 pages. But the regulations written by OSHA itself total 3,400 and run to 800 pages. It's like the Internal Revenue Code for impenetrability, and what factory boss has time to decipher it?

Hansen figures that compliance with OSHA—or attempted compliance—cost businessmen and consumers $2.5 billion in 1972 and $3.2 billion in 1973. The figures for the past three years are probably more horrendous.

Taxpayers have spent $409.3 million in four years just to maintain the OSHA bureaucrats. And what is there to show for the money? The number of job-related injuries increased by 270,000, or some 5 percent, between 1972 and 1973. Nearly 600,000 people have been killed by their jobs since OSHA started.

The truth is that OSHA attempts to do the impossible in trying to emulate the eyes of Jehovah. Lacking the resources to inspect everything, it stoops to the most petty sort of nitpicking in the breaking and entry that it does undertake. I say breaking and entry advisedly, for OSHA is addicted to working without search warrants; and it acts as prosecutor, judge and jury when it comes to slapping on the fines.

A few employers—in New Mexico, Texas and Ohio—have stood on the Fourth Amendment in refusing to let OSHA inspectors enter without showing "probable cause" for search. And a Maine employer has resisted paying a fine by standing on the Fifth Amendment, the one that supposedly guarantees a man his day in court. But usually employers go docilely. District courts in New Mexico, Texas and Ohio have upheld the Fourth Amendment in OSHA cases; in Montana and Georgia, however, the rulings have gone the other way.

OSHA can't operate with justice and impartiality without a billion-dollar budget, which wouldn't be worth putting up. So it stumbles along by picking its targets arbitrarily. A Cornell economist, Robert Stewart Smith, figures that OSHA has only enough inspectors to check a typical workers' plant once every 10 years. As for inspecting general business establishments, according to Smith, it might be able to look in on each one as often as Halley's comet visits the solar system.

Ironically, more than 300 hazardous conditions were uncovered in OSHA's own building in Washington, D.C. The General Accounting Office says that a quarter of the violations reported in four federal agencies were "of such a severe nature that, had they been found in private business, the employer would have been assessed substantial monetary penalties."

What most employers object to in OSHA is its "traffic cop mentality." Says Charles J. Pilliod Jr., chairman of the Goodyear Tire and Rubber Co., OSHA inspectors "feel they have to make out a certain number of tickets or they won't be doing their jobs."

Since nobody in his right mind wants to maintain a health hazard, employers think OSHA should offer consultative services so that problems can be eliminated without penalty prior to inspection. When equipment has been installed for years without causing any trouble, hard-and-fast rules should be relaxed.

For employers who can't afford legal fees for a Fourth Amendment case, the magazine *Factory* suggests a gimmick. If an OSHA inspector comes unannounced to your door, offer him an Official Public Servants Questionnaire. Designed to head off impostors, it asks such questions as "Has public servant ever read the Constitution of the U.S.?" Or: "What are your qualifications for conducting this investigation?"

A district court in South Dakota has upheld the right of an employer to deny entry to OSHA if it refuses to answer an 18-point list of questions, including proof of identity.

UNIVERSITY TUITION REMISSION PROGRAM

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. MIKVA. Mr. Speaker, I am opposed on several grounds to the proposed regulations under section 117 of the Internal Revenue Code—published in the Federal Register on November 2, 1976—which would require employees of educational institutions to treat as taxable income scholarships given to any members of their families under a tuition remission program. This action is in clear violation of the statute, the intent of Congress, and the longstanding practice of the IRS. Equally important, the regulation seizes on one small piece of the "benefits in kind" problem, and thus aims the ax exclusively at the private liberal arts colleges. With these institutions already on the ropes, the IRS ends up in the role of the "bully."

The legislative history of section 117 of the Code clearly demonstrates the intent of Congress that tuition remission payments be treated as scholarships. The House committee report in 1954 specifically stated that a tuition remission payment constitutes a scholarship under section 117:

. . . If an educational institution (as defined in sec. 151(e)(4)) maintains or participates in a plan whereby the tuition of a child of a faculty member of any such institution is remitted at any other participating educational institution (as defined in sec. 151(e)(4)) attended by such child, the amount of tuition so remitted shall be considered to be an amount received as a scholarship under this section. . . ." H.R. Rep. No. 1337, 83d Cong., 2d Sess. A37 (1954).

In September 1955, when regulations were first proposed under section 117, and in June 1956 when the regulations were finalized, they incorporated the tax exemption of tuition remission payments contained in that House committee report. Since 1954 Congress has considered

section 117 on four different occasions and has never indicated that it has changed its view as enunciated in the 1954 House committee report and in the present regulations section 1.117–3(a).

In its report on the 1976 Tax Reform Act concerning areas for further study, the House Ways and Means Committee, of which I am a member, stated:

> With the assistance of the Internal Revenue Service, the committee also will study the tax treatment of scholarships and fellowships, including student loans that are forgiven, H.R. Rep. No. 94–658, 94th Cong., 1st Sess. 427 (1976).

The unilateral action of IRS in issuing the proposed regulations flies in the face of this congressional statement.

For over 20 years the Treasury Department has consistently interpreted tuition remission payments as nontaxable scholarships. Until November 2, 1976, when it issued its proposed regulations, the IRS apparently was satisfied that legislative intent dictated such a policy.

In addition to the clear inconsistency of the proposed regulations with the congressional committee reports accompanying section 117, a serious legal and equitable question exists as to the Commissioner's authority to reverse his long standing position through rulemaking. Such a change cannot be made by administrative fiat but may be accomplished properly only through legislative action. Indeed, this argument must be given even greater weight where, as here, the exemption of tuition remission payments was left unchanged despite repeated congressional considerations of section 117. As stated in *Helvering* v. *Winmill*, 305 U.S. 79, 83 (1938):

> Treasury regulations and interpretations, long continued without substantial change, applying to unamended or substantially reenacted statutes, are deemed to have received Congressional approval and have the effect of law.

The proposed regulations represent a clear cut attempt by Treasury to reverse unambiguous legislative intent and long accepted administrative interpretation, a reversal that requires congressional action.

The proposed regulations would reverse the present tax treatment of both the direct tuition remission and the exchange tuition remission programs. Direct tuition remission programs were adopted as a way of assuring that dependents of faculty and other employees could be educated at the institution where his or her parent taught. The tuition remission exchange programs were adopted to accommodate the many institutions existing at the time that educated only those of one sex. Since the enactment of the Federal income tax in 1913, grants made under these circumstances have been treated by colleges, universities, and the IRS as scholarships, first under the tax-exempt gift provisions prior to 1954, and subsequently under section 117.

The proposed regulations are ambiguous in their treatment of these two programs. The preamble to the proposed regulations states that the new rules will be applied prospectively to amounts "remitted, paid, or reimbursed by that institution or by any other participating institution" after November 2, 1976. Yet the proposed regulation itself, narrowly construed, would reserve prospective treatment only for exchange tuition remission programs. Equity demands that any change in the tax treatment of these programs be prospective not retroactive. It is clear, however, that much more consideration must be given to the subject of tuition remission. This is a task that Congress should undertake in the first instance.

Second, I believe that it is inappropriate for IRS to focus on private universities as the object of its first attempt to tax certain fringe benefits as compensation. The implications for public policy of the proposed regulations on these institutions are very serious. These regulations have a debilitating effect on the capacity of private universities to compete with public institutions. Many of the private schools are in financially precarious positions. The tuition benefit is an economic asset to financially pressed universities and colleges. Without it, current faculty and staff may be forced to drift away to the better salaried positions in private industry or in tax-supported public institutions, and the ability of these institutions to attract competent and highly qualified individuals to a relatively underpaid profession will be greatly diminished. Many university employees apparently took positions in these private institutions, sometimes at great financial sacrifice, because they knew that their children would be assured of a college education. The retroactive or immediately prospective implementation of these regulations frustrates some very reasonable expectations.

Further, it appears that no careful estimate of the amount of revenue to be derived from taxing tuition remission payments has been determined, even to compare with the great social, educational, and financial costs to individuals, institutions, and the Nation which would result. One estimate indicates that the return to the Treasury would be less than $5 million. Thus, while the return to the Treasury would be minimal, it is likely that the effect of the proposed regulations would be to destroy tuition remission programs, resulting in an increase in enrollment and cost of tax-supported institutions. According to the American Association of University Professors, there are approximately 27,000 students—out of a total enrollment of 11 million—currently enrolled in accredited institutions under tuition remission programs. The regulations, if adopted, would have the effect of making it more difficult for these children to obtain a college education. Since the advantages of tuition remission to the recipients and to society are substantial and since the increase in tax revenues would be insignificant, it seems unwise to enact the proposed regulations.

Finally, I believe that equity demands that tuition remission payments be excluded from gross income. Other substantial fringe benefits enjoyed in industry and business, such as payment of club fees, discounts on merchandise, and provision for company cars, are not considered taxable income to the employee who receives them. The most recent tax bill allowed for legal costs of employees to be funded as a tax-free benefit to such employees. Recently, the Treasury Department abandoned plans to tax certain employee benefits such as free airline passes to airline employees. These actions underline the inconsistency and unfairness of the proposed regulations to tax tuition remission programs, a decision which will impact on a profession which is inappropriate as a first target of the IRS desire to tax fringe benefits and a decision which could severely handicap the private educational institutions in this country.

In conclusion, I believe that IRS's position in this matter is short-sighted and not in the best interests of this country.

STRICT CONTROLS OVER FOREIGN TANKERS NEEDED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. ANDERSON of California. Mr. Speaker, on Friday evening, December 17 of last year, the 32d Congressional District of California was rocked by a tremendous blast in the Port of Los Angeles. The *Sansinena*, a Liberian registered tanker, was ripped apart by a massive explosion that resulted in 8 known deaths, more than 50 reported injuries, and millions in property damage, mainly in the harbor community of San Pedro.

About a week before the *Sansinena* explosion, another Liberian tanker, the *Argo Merchant* ran aground off Massachusetts near the rich Georges Bank fishing grounds; 7.6 million gallons of crude oil has been spilled into the Atlantic.

Shortly after the *Sansinena* blew, two more incidents involving Liberian tankers occurred. The *Daphne* ran aground off Puerto Rico, and closer to home the *Olympic Games* suffered a hull puncture in the Delaware River near Philadelphia, spilling oil into ecologically sensitive and valuable marshes.

Mr. Speaker, these incidents have one thing in common. All of the vessels involved were registered under the Liberian flag—a course followed by many shipowners today to avoid U.S. taxes and safety requirements. The impact any one of these incidents would have had has been multiplied by the short timespan in which they occurred—and it should serve as a warning of more possible incidents to come.

American-flag vessels are considered safe, and their crews highly trained and second to none. Because of the cost involved, however, they are being beaten on the international market by ships sailing under "flags of convenience"—such as Liberia.

Approximately 300 million gallons of oil and petroleum products a day is brought through American ports. That

figure is expected to increase in the future. With that type of volume, we simply cannot afford to allow ships that do not comply with strict safety standards into our harbors. Should we continue to do so, we run the risk of an ecological disaster the size of the *Argo Merchant* occurring closer to shore. Or worse, an even greater explosion than the *Sansinena*, with a disastrous loss of human life.

I strongly feel that the United States should move to tighten safety standards on foreign flag vessels operating in our ports—if necessary on a unilateral basis.

The *Sansinena* and the *Argo Merchant* should show us what can happen on an even greater scale in the future. Should new legislation be necessary to enforce stricter standards on all tankers, it should be a priority item before the 95th Congress.

AMNESTY: PRO-CON DEBATE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. KOCH. Mr. Speaker, I introduced on January 4, 1977, the first day of the a concurrent resolution calling for President-elect Carter to extend his proposed amnesty to Vietnam-era Selective Service offenders and Vietnam veterans who received general and undesirable discharges or who deserted or were absent without leave during that era. I urge those of our colleagues who are interested in cosponsoring that resolution to contact my office.

The dialog on amnesty continues, and with that in mind, I am setting forth an article which appeared in U.S. News & World Report this week entitled "Pro-Con Debate: Pardon All Draft Dodgers?" in which my colleague, SONNY MONTGOMERY, and I summed up our respective views on this subject. The article follows:

[From the U.S. News & World Report, Jan. 10, 1977]

PRO-CON DEBATE: PARDON ALL DRAFT DODGERS?

INTERVIEW WITH REPRESENTATIVE EDWARD I. KOCH, DEMOCRAT, OF NEW YORK

Yes—"End a very divisive period in the life of this country"

Q. Representative Koch, why do you favor a presidential pardon for all draft dodgers—people who admittedly violated the Selective Service law during wartime?

A. Whether one was for the war or opposed to the war—and I fall into the latter category—I believe it's time that we ended a period in the life of this country which is very divisive. And the only way that we can end that divisiveness is to pardon or amnesty these people.

Q. Might not a blanket pardon set a dangerous precedent if the U.S. is again in a war and we need to draft a new Army?

A. It didn't set any great precedent when we provided amnesty and pardoned the Confederate soldiers in our great American Civil War. Somehow or other we survived that humanitarian compassionate response. And I think that we would similarly have a better life for our country coming out of such a response today.

Q. How do you justify pardoning a young man who ducked out of his military obligation when so many others responded and paid the price with their lives?

A. It is not in any way an attack upon those who responded to our country call. And I must say candidly—and I served in World War II—that if I had been called to serve during Vietnam, my makeup is such that I would have gone in and fought, because that's the way I would respond even though I was opposed to the war.

But that doesn't mean that those who refused to serve should not receive a compassionate response from this country. We are now four years past the point where the war was ended, and most people looking back would say: "We never should have been in that war in the first place."

Many people happen to believe in selective CO [conscientious objector] status which would permit alternative civilian service—and we ought to have had that. But, regrettably, we didn't have it at the time.

Q. Would you go further than President-elect Carter, and also pardon all military deserters of the Vietnam conflict?

A. Yes, I would. I know that's tougher for people to accept. Desertion is a very difficult situation for people to ever approve in any way. But those who have looked at the matter will say that in many cases—not all, obviously—there were people who deserted, not out of conscience, but simply to save their own skins, which may be understandable, but not acceptable.

But there are a number of people who deserted as a result of conscience, even though they went into the Army willingly. I've met some of those people who went into the Army, willingly went to Vietnam, and then were conscience-stricken there for a number of reasons. My Lai might be one, but there were other reasons. And rather than having the situation of the middle class, the more educated, who were able to avoid being drafted in the first place, it was often those who were in the lesser socioeconomic classes who didn't have that option, who went in, got conscience-stricken there, and found that their only recourse was to go AWOL—and ultimately that resulted in a charge of desertion.

Q. What about your resolution, now being presented to the House, in support of President-elect Carter's position on a pardon—just what is the purpose of that?

A. My purpose in introducing the resolution is to show that there is support for what he's doing. I don't expect that we're going to get an overwhelming number of members to sign it. I suspect that an overwhelming number of members agree with it, but would prefer not to have to go on record because it raises great emotional controversy.

There are people who simply will not accept any pardoning or amnesty on the grounds that, in some way or other, that sullies the records of those who served and those who died in Vietnam, fighting because they were good Americans following the orders of their country. I don't think that it does sully those records. I think that, of the men who served our country, many agree that it's time we brought this matter to a conclusion.

I have no expectation that it, in fact, would be passed. But what I'm trying to do is to indicate to the President-elect that he has support.

Q. If the draft dodgers ultimately are pardoned, do you expect that this will bring home everybody who is living now in voluntary exile in Canada, Sweden and elsewhere?

A. Everybody, no, but almost everybody.

"When the war is just"

Q. Looking ahead, do you favor some basic change in the laws to be made now in order to provide a legal alternative for youths who might object to fighting in future wars?

A. Yes. I submitted to the Congress, maybe four years ago, a bill which would have created the classification of selective conscientious-objector status. That means that if you can establish that you have the same moral opposition to a particular war required of those opposing all wars, you would be given conscientious-objector status on a selective basis and serve in a civilian role.

You might say, "Oh, isn't that opening doors to fraud?" Well, we have had judges in this country—they were ultimately overruled—who said, "No, that wouldn't open the doors to fraud."

But in Great Britain, for example, even during World War II, the British had—and still have—selective CO status, so that if there were people who were opposed to a particular war, they could serve in a noncombatant way. Few people will avail themselves of that opportunity when the war is just.

Q. How many people do you think should be pardoned?

A. All of those whose lives were in some way blemished as a result of the Vietnam War—including 250,000 who now have a "tarnished military record" and another 250,000 who failed to register, and thus are in violation of the draft law.

INTERVIEW WITH REPRESENTATIVE G. V. ("SONNY") MONTGOMERY, DEMOCRAT OF MISSISSIPPI

No—"It will open up more wounds than it would heal"

Q. Representative Montgomery, why do you oppose pardoning young men who objected to this country's role in Vietnam, years after that war has ended?

A. The years really don't have anything to do with it. These persons broke a federal law. Unless the law is changed retroactively, I think they should have to come back and face the music like everyone else who breaks a federal law.

We would be setting a bad precedent by giving a pardon to draft evaders. I think President-elect Carter is really opening up a can of worms that goes further than the precedent that he will set. The hard feelings that he will cause among the families whose sons have lost their lives, or husbands whose lives have been lost in Vietnam, or the millions of other Americans who went to Vietnam—I think he's going to have to face all that if he goes ahead and gives his pardon.

He's going to have to go back and look at all the discharges, which is a point that has not been brought out—all the discharges that are less than honorable of those who participated in the Vietnam War. And we're talking about over 300,000 such discharges.

Q. Wouldn't a blanket pardon be the best way to heal the wounds left by the war?

A. I believe it will open up more wounds than it would heal. I think Mr. Carter will open up other areas that probably he or others didn't realize might be involved.

Take a man who fought well in Vietnam. He was given commendations and bravery ribbons, he came back to the U.S., he got drunk, he stole the company commander's Jeep and took $20 that was in the Jeep, and he wrecked it and he ended up with a dishonorable discharge. Well, you have to go back and consider this fellow's discharge. In my opinion, he's done far less than the man who fled to Canada and was an evader.

Q. Would you favor lumping together the draft dodgers and the military deserters and making them all pay a price for wiping the slate clean?

A. I have problems trying to follow Governor Carter on what's the difference between an evader and a deserter. In my opinion, they're both in the wrong, but I don't think evading is any less of a violation than deserting.

If he lumps them together, maybe that will slow it down and there would be further opposition to what's he's trying to do.

Q. Draft violators offer a wide spectrum of reasons for their actions. Do you believe all of them should go to prison now?

A. I don't have any set formula that a young man should go and stay 10 years in jail. I'm not advocating that. All I'm saying is that he broke the law, and under the law he should come back and face the judge. I have no problems as to whether he's given a suspended sentence or what happens to him. I'm not for putting them in jail for a long period of time. I think, though, that they do have to come back and stand trial.

Q. If they don't do this, will there be a large number of young Americans who will be in hiding or overseas in exile indefinitely?

A. I don't think so. Eventually these Americans—large numbers of them—will come back to the United States and will go and stand trial.

In the past wars, this has happened. Most of the Americans who deserted or even stayed in parts of Korea and China have come back to the United States. I have no objections to their coming back. But I do think that they have to come back and stand trial.

Mass Amnesty: Dangerous Precedent

Q. A lot of the people who have opposed this pardon say that it would set a dangerous precedent for future wars. Do you hold with that, too?

A. Yes. I do. I think that's definitely true. You can go back—and I've done some research on the situation of past pardons and amnesties—I do think this would be a precedent by President-elect Carter.

No pardon or amnesty, as I understand it, was given for the Korean War. No pardon was given for World War I. Now, if you read closely about President Truman's amnesty for World War II, it was, in effect, handled case by case, and they still had to pay the penalty, and it didn't give them a clean bill of health.

Q. You've mentioned the case-by-case trial of individuals who have violated the law. Is that your solution?

A. I think that this is the way to do it—case by case. And I'm not saying what sentence that these young people should have when they come back. That's up to the judge. I accept his decision on it; I accept the jury's decision on it. But until we change the law, I have no better solution.

Q. President Ford's clemency program seemed to work fairly well for the military deserters, but not at all for the draft dodgers. Do you think something like "earned forgiveness" would be the solution?

A. It would be better than what President-elect Carter has offered.

Q. You circulated a letter to your colleagues seeking to drum up opposition to President-elect Carter's proposal. What has been the reaction?

A. I've been very pleased with the reaction that I have received from members of the House of Representatives—the only ones that I polled. We secured 106 signatures, about evenly divided on a bipartisan basis—I believe 66 Republicans, 40 Democrats of the 106 that I have received in support—asking President-elect Carter to reconsider his position on the draft dodgers.

We are not trying to embarrass President-elect Carter in any way. This is American. This is bipartisan.

PRIME MINISTER CALLAGHAN OF ENGLAND

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. COLLINS of Texas. Mr. Speaker, recently I read in the New York Times of an interesting speech by Prime Minister Callaghan. As the head of the Labor Party he spoke to a labor conference in Blackpool, England on September 28.

His sincerity and frankness merit attention of our Congress. We are all aware of the crisis created by the overspending of the liberal socialists in England.

I was keenly interested in some hard factual statements by Callaghan. It is time that the U.S. Congress started working towards a balanced budget and we need practical legislation in January.

Note his specific comments. Here are some sections from Prime Minister Callaghan's speech.

REMARKS BY PRIME MINISTER CALLAGHAN

For too long this country has trodden the primrose path and borrowed money from abroad to maintain standards of living, instead of grappling with the fundamental problems of British industry.

We are, as you know, still borrowing money. But this time we are not borrowing to pay for yet another short-lived consumer boom of the kind which was once supposed to buy success at the polls—or so we are told—but which never bought success in the world's marketplace or in the work place.

When we reject unemployment as an economic instrument, as we do, and when we reject also superficial remedies, as all socialists must, then we ask ourselves unflinchingly: what is the cause of unemployment? Quite simply and unequivocally, it is caused by paying ourselves more than the value of what we produce.

There are no scapegoats. This is as true in a mixed economy under Democratic Socialism as it is under capitalism or Communism. It is an absolute fact of life which no government, be it left or right, can alter.

We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and raising government spending.

I tell you, in all candor, that that option no longer exists and that it only worked on each occasion since the war by injecting bigger doses of inflation into the economy, followed by higher levels of unemployment as the next step.

Each time we did this, the twin devils of unemployment and inflation have hit hardest those least able to stand them—the poor, the old and the sick—not those with the strongest bargaining power.

We have to get back to fundamentals. First, overcoming unemployment now unambiguously depends on our labor costs being at least comparable with those of our major competitors. Second, we can only become competitive by having the right kind of investment at the right kind of level and by significantly improving the productivity of both labor and capital. Third, we will fail if we think we can buy our way out by printing what the Chancellor has called confetti money to pay ourselves more than we produce.

Let me add one more thing that we are a little shy of saying in conference about industrial regeneration. The willingness of industry to invest in new plant and machinery requires not only that we overcome inflation but that industry is left with sufficient funds and sufficient confidence to make the new investment. When I say they must have sufficient funds I mean that they must be able to earn a surplus, which is a euphemism for saying that they must make a profit.

And whether you call it surplus or profit, it is necessary whether we live in a Socialist economy, a mixed economy or a capitalist economy. If industry cannot generate sufficient funds to buy its new plant and machinery, then you will not get the investment and we shall continue to go downhill. These are elementary facts of life, well-known to every trade unionist.

You know that we have not been creating sufficient new wealth as fast as we have been distributing it. Over the last three years, whilst our domestic product has risen by 2 percent, the increase in our public expenditures, including central and local government, has been 18 percent. We have bridged the gap by higher taxation, by borrowing from abroad and, worst of all, by printing money.

Like everyone in the Labor movement, I myself believe in a high level of public expenditure, but we cannot indefinitely rely on foreign borrowing to provide for greater social expenditure, a better welfare service, better hospitals, better education, the renewal of our inner cities. In the end these things will only be provided by our own efforts.

OSHA COURT CASES

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. HANSEN. Mr. Speaker, OSHA court cases have been in the Nation's headlines for the past few days and the status of the Occupational Safety and Health Administration has become very controversial. I would therefore like to offer the following information for the benefit of my colleagues in order to better help them understand the numerous legal cases presently pending in our court system:

OSHA COURT CASES

To date Occupational Safety and Health Administration (OSHA) court cases can be divided into three categories. They consist of Fourth Amendment challenges, Seventh Amendment challenges, and a case challenging the constitutionality of the entire OSHA enabling legislation. Constitutional challenges presently involve the 4th, 5th, 6th, and 7th Amendments to the Constitution.

FOURTH AMENDMENT CASES

Presently there are four prominent Fourth Amendment cases. They are Gibson's Products, Inc. of Dallas, Texas; Hertzler (Sandia Die & Cartridge Company) of Albuquerque, New Mexico; Rupp Forge Company of Cleveland, Ohio; and Barlow's, Inc. of Pocatello, Idaho. The primary Fourth Amendment case was Gibson's Products, which has been cited as precedent in the other three cases.

Gibson Case

The Dallas case established a court opinion early in 1976 that the OSHA act had attempted "a broad partial repeal of the Fourth Amendment" which is "beyond the powers of Congress." At issue is the government's right to search without a warrant or to have search authority without establishing probable cause as determined by a magistrate. Congressional authorization of such searches would be a violation of fundamental Constitutional principles.

In OSHA, as with many other government agencies, Congress has compounded its follies by allowing them to continually usurp the powers of Congress as well as the Judiciary—a serious violation of the separation of powers doctrine as well as a person's right to due process.

This landmark decision came January 26 before a three-judge federal court in the Eastern District of Texas. The case involved

Gibson's Products, Inc., a discount store in Plano.

The 1970 act creating OSHA says that inspectors are authorized "to enter without delay at reasonable times any factory, plant, establishment, construction site, or other area, workplace, or environment where work is performed by an employee or an employer."

Gibson's took the view that the granted provision violates the Fourth Amendment's prohibition against unwarranted searches. The three Federal judges agreed. In an opinion by Circuit Judge Thomas Gibbs Gee, the court found that the act attempted "a broad partial repeal of the Fourth Amendment," and this is "beyond the powers of Congress."

"In certain limited circumstances," said the court, "federal agents may enter private property without a warrant. By way of example, agents may reasonably inspect such regulated and licensed activities as distilleries and gun dealerships. Agents may enter coal mines; they may inspect a pharmacist's records on drugs. But the Constitution does not permit broad and indiscriminate inroads on Fourth Amendment safeguards, brought in the name of administrative experience." In brief: If an employer chooses not to admit OSHA inspectors voluntarily, the agents will have to get a judicial warrant under the familiar rules of probable cause.

H. R. Gibson, Gibson Products Company, 519 Gibson Street, Seagoville, Tex. 44562.

Robert E. Rader, Jr., Attorney at Law, 1266 East Ledbetter, Dallas, Tex. 75216.

Hertzler Case

Hertzler Enterprises, Inc., a corporation doing business as Sandia Die and Cartridge Company is the defendant in this case against the Secretary of Labor.

This case is especially significant because of its holding on the "probable cause" requirement. The Secretary of Labor has taken the position that if they do have to get a warrant, the only probable cause required is a showing that the employer is covered by the Act and refuses admittance. Hertzler holds otherwise—which is a real blow to the Secretary.

The three-judge panel held that "in this case, the Fourth Amendment protects Hertzler from being required to submit to the inspection proposed by the Administration unless a search warrant is first obtained on a showing of "probable cause."

They further outlined the principles whereby a business could be inspected. "First, the enterprise sought to be inspected must be engaged in a pervasively regulated business. The presence of this factor insures that warrantless inspection will pose only a minimal threat to justifiable expectations of privacy. Second, warrantless inspection must be a crucial part of a regulatory scheme designed to further an urgent federal interest. And third, the inspection must be conducted in accord with a statutory authorized procedure, itself carefully limited as to time, place, and scope."

The court also found that "there is no evidence that 'the thing being sought to be controlled—hazardous working conditions—exists in the area to be searched' in this case. It is presumed that Congress intended to empower the Administration to conduct nonconsensual inspections only pursuant to the authority of a warrant issued upon the satisfaction of standards of probable cause which have been articulated in the area of administrative searches."

R. Thomas Dawe, Houston, Housman, Freeman & Dawe, 2917 Carlisle, N.E., Alburquerque, N. Mex. 87123.

Rupp Forge Case

The judge has held in the case of the Rupp Forge Company of Cleveland, Ohio, the "Court is constrained to conclude that Congress did not intend to enact, nor did it in fact enact, proceedings encouraging or authorizing broad, arbitrary administrative searches, such as that herein suggested by petitioner. Clearly such unbridled authority is not cognizable under the Fourth Amendment to the United States Constitution."

The court did adopt "in toto" the opinions of the three-judge panel of the Gibson case.

Keith A. Ashmus, 1100 National City Bank Building, Cleveland, Ohio 44114.

Barlow Case

Barlow refused admittance to an OSHA inspector to "non-public" areas on the premises because he lacked either a search warrant or probable cause. The District Court ruled that OSHA could conduct the search, but two days later, when the inspection was to occur, Barlow again refused to admit the inspector. A three-judge panel was requested and granted to hear the case. Their decision declared the inspection provisions, Section 8(a), of the OSHA Act unconstitutional and void. This is a landmark decision in the fight for Fourth Amendment freedoms.

A temporary injunction was granted to Barlow at the time his new trial was granted. The terms of the injunction ruled that there was a danger of irreparable damage or harm to Barlow's interest, a greater risk to the corporation than to the defendant in complying with the order, society's interests would not be defeated by granting it, and the plaintiff was likely to succeed in his challenge.

This legal challenge has been taken on by Mr. Barlow without any outside financial help and with the deep conviction that OSHA is illegal in that it violates the personal freedoms guaranteed by the Constitution. The cost of compliance and fine were far less than what the estimated $50–60,000 legal battle will cost him.

Ferrol B. "Bill" Barlow, Barlow's, Inc., 225 West Pine Street, Pocatello, Idaho 83201.

John L. Punft, Attorney at Law, P.O. Box 953, Boise, Idaho 83701.

OTHER FOURTH AMENDMENT CASES

Jamco International is another Fourth Amendment case which is presently pending in Oklahoma City. In Jamco the Secretary has taken the same approach as in Joe Summers & Co., and stayed the entire proceeding pending resolution of Gibson by the appellate courts.

SEVENTH AMENDMENT CASES

Two other significant cases against OSHA under the Bill of Rights—Atlas Roofing Company, Inc., and Frank Irey, Jr., Inc.—involve attorney McNeill Stokes of Atlanta, Georgia. These have been received by the Supreme Court (to be heard in late October or November, 1976) and contend OSHA violates the right to trial by jury as guaranteed by the Seventh Amendment to the Constitution.

The issues in these cases are very grave and far reaching, involving a head-on collision with the power of the Executive Branch of government to impose impartial, self-executing fines on citizens without affording the fundamental requirements of procedural due process of law, the right to confront his accusers, and the right to be tried by a jury in the courts, not by administrative officials of the Executive Branch of government.

Atlas Roofing was inspected after an employee had died after falling through a hole in the roof. The inspector found a "serious" violation for failing to "provide and maintain a cover or standard railing on all exposed sides for the opening on the roof through which the employee fell." Atlas moved for a jury trial, claiming their rights under the Constitution and the Bill of Rights. The Court ruled that it lacked jurisdiction to hear the case.

Atlas was ordered to comply by the Occupational Safety and Health Review Commission. He then applied for a review by the Court of Appeals. The Court ruled that OSHA did not contravene Article III, or the Fifth, Sixth or Seventh Amendments to the Constitution, because "the Seventh Amendment requires that Congress provide a system of enforcement that gives employers the opportunity to put their case before a jury in a de novo proceeding in the District Court."

In the Irey case, the side of a trench where a man was working gave in and killed him. This case is very similar to the Atlas case, with one distinction, and that is that the Court of Appeals questioned OSHA's ability to "provide any more than limited judicial review" as violation of the Seventh Amendment. It was on this note that Irey appealed to the Supreme Court, and along with the Atlas case, was granted hearing to possibly test OSHA's constitutionality.

McNeill Stokes, Stokes and Shapiro, 3920 First National Bank Tower, Atlanta, Ga. 30303.

OTHER OSHA CASES

Godfrey Case

Another case against OSHA of note was won by Rapid City, South Dakota businessman Ray Godfrey, in a U.S. District Court which made it possible to give the Federal Government a taste of its own medicine—red-tape. The judge ruled that a business does have a right to protect itself against phony inspectors and a written record of answers to questions "reasonably related" to the identification is permissible.

Godfrey won his skirmish on February 19, 1976 before U.S. District Judge Andrew Bogue. "It is the feeling of this court," said Judge Bogue, "that it might be possible, but not easy, to compress into the total lines contained in the OSHA law more fertile opportunities for doubt, error, and abuse of individual liberties. The execution of this law, as opposed to the intent of it, leaves much to be desired."

Godfrey Brake and Supply Service, Inc., Ray Godfrey, P.O. Box 799, Rapid City, S. Dak. 57701.

Fitzwater Furniture Company

An extremely interesting case is the Fitzwater Furniture Company case coming out of the state court in Maryland. Fitzwater holds that the Maryland boiler inspector must get a warrant before he can enforce an inspection—and questions the validity of the entire administrative inspection scheme in the state of Maryland.

Mr. Edward Fitzwater, Fitzwater Furniture Company, Route #135, Mountain Lake Park, Md.

Blockson and Company Case

This case is relatively new; however, it may prove extremely interesting in that it is challenging the constitutionality of the entire OSHA Act.

James F. VanNamee, 1600 South Eads Street, No. 808 South, Arlington, Va. 22202.

John Paikos, 120 East Market Street, Indianapolis, Ind. 46204.

Mr. Dean Sassaman, Blockson and Company, 406 Center Street, Michigan City, Ind.

SUMMARY

There are a dozen or so cases against OSHA, with the number steadily rising. The very basis of the 1970 OSHA act is under attack—and might not survive. In all likelihood, OSHA will not continue to exist in its present state.

A change in the laws so adversely affecting so many American businessmen is in the air. The final blow to the illegality of OSHA rests with Congress, the forum that created the law. With an effective challenge on both fronts—in the Courts and in Congress—we may finally be able to remove that thorn that has so long been nagging at the sides of the free enterprise system.

OSCEOLAN CLOSES THE BOOKS ON LONG BANKING CAREER

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. ALEXANDER. Mr. Speaker, a stalwart citizen of my home town, Osceola, Ark., recently closed the books on a long banking career. The Osceola Times tribute to this fine woman was most deserved and I would like to share it with my colleagues and add that I am fortunate and proud to call Marjorie Doyle my friend:

[From the Osceola (Ark.) Times, Dec. 9, 1976]

MARJORIE DOYLE CLOSING THE BOOKS ON LONG BANKING CAREER; RECEPTION

(By Richard Milton)

Marjorie Doyle will close-out the ledger sheet on a long career in banking on December 15.

For her it will mark only the second change in a professional career that has spanned almost half of a century.

But, this time she is not changing her line of work, she is retiring.

Actually, the official date for retirement is December 31. But, she said "I am going to take a vacation starting December 15 and then just forget to come back to work."

Marjorie is a vice-president and manager of The Planters Bank branch office located in Gateway Shopping Center.

The directors, officers and fellow employees are planning a reception to be held in her honor at that banking office on December 15, during the hours of 1 to 4 p.m. Friends and patrons are being invited to make a special call at the bank on that day to visit with Marjorie.

She has been with The Planters Bank for as many years as there has been The Planters Bank. That would be since 1944.

But, her entry into the field of banking started on August 15, 1937. She remembers the exact date because of the circumstances surrounding her move from the teaching profession to banking.

She began with the Mississippi County Bank, now known as The First National Bank, and at that time located on the corner where the main office of The Planters Bank now stands.

As she explained "when The Planters Bank opened I left the Mississippi County Bank to go back to the old corner."

She went to work as an assistant cashier.

And, by her definition the title encompassed working as a teller, bookkeeper and oftentimes "stoking the furnace."

She will be the last of the original members of the staff to leave The Planters Bank.

She worked "on the old corner" for 23 years.

Then, in 1967 when an expansion took place with the opening of the Gateway branch Marjorie moved "west" to assume the position of manager. She has been the only manager the bank has known in its 9 years of operations at Osceola.

MANY CHANGES

Marjorie could fill a large book covering her experiences and observations of the banking business in this community. She knows just about everybody in the area, and has made friends with many, many folks.

There have been changes in the community, in the business of banking.

A few dramatic examples, that tell a lot in a few words:

In those days a dollar was difficult to come by but it was worth 100 cents;

The parking lots were filled with mules and wagons;

No one knew what a computer was, maybe the word hadn't been invented; and

The only industry was farming with the main industry being cotton chopping, picking and ginning.

NOT ALWAYS A BANKER

While the business of banking has occupied much of the 39 years of her adult life, a shorter six years career as a school teacher has proven the source of many happy, some sad, memories.

She began teaching in this area in a one room school at Sans Souci. At that time rural schools held classes for six grades all in the same room.

She held fort at the school for one year then moved into the Osceola System as a teacher at Osceola's only school. The building, now Middle School, housed all twelve grades, with two classes to each room.

She can recite an endless list of names of former pupils. And, many of them are still Osceolans.

She didn't make mention of specific individuals because she said she was afraid she couldn't remember them all.

But, we do know some of those names such as Ralph Wilson, Billy Beall, Henry James Swift, Harry Jones, Pearl Fergus, Frank Edrington, Billy Joe Edrington, and R. E. "Dick" Prewitt as a few who came under her tutelage.

She has kept up a close association with these former students over the years and they were the ones primarily responsible for "The Depression Days Reunion" which took place here in 1973.

At that time they adopted the motto: "stay alive until '75", and that because of the City's 100th birthday celebration of that year and when they had planned to get together for more reminiscing.

Marjorie has kept tabs on many of "my students" over the years.

She has a big scrap book with pictures and articles of the adventures of the Osceola men who marched off to World War II.

She kept busy during the war years writing letters to those servicemen.

Anyway, in 1935 she moved to Piggott for a one year stint as a school teacher; then to Armorel for one more year before coming back home to Osceola in 1937, and "I have been here ever since."

The reason she remembers the specific date she went into the banking world was because it was also the date she gave her notice she was resigning as a teacher and "they wanted to skin me alive." By "they" she means certain school officials.

HER FAMILY

Marjorie is not "legally" a native Osceolan. But, her heart and roots go deep into this delta soil.

She moved here as a little girl in the third grade.

Her parents are Mrs. Blanche Doyle and the late George Doyle. She and her mother, "91 years young," live in the homeplace on Johnson Avenue.

Mr. Doyle was superintendent of schools here for many years, and took in the years when Marjorie was a student and then later a teacher.

She said her brother, George, Jr., had a tough time with a sister as a teacher and a father as superintendent of schools. He now lives in Sikeston, Mo.

She has two sisters, Lib (Mrs. Raymond Cotner), who died an untimely death just a few days ago; and Ella Margaret (Mrs. Frank McDonald) now residing in West Helena.

Marjorie graduated from Osceola High School with the Class of 1928.

She received her further education at William Wood College in Fulton, Mo., where she received a teaching certificate to "teach in all the subjects."

And, that is the way it was in the schoolrooms of rural towns America.

INVOLVED

Over the years Marjorie has donated time and talent to most of the worthwhile and charitable fund raising drives within the City of Osceola.

She worked with the Tuberculosis, Red Cross, Easter Seals, Heart Fund, or name it and chances are she has helped out with the work involved.

She said she was going to limit her activities in this area now, but will continue to serve as chairman of the Memorial Fund Drive of the Heart Fund.

She is a member of the First Presbyterian Church and for something like 30 years was a youth advisor.

What are her plans for the future now that the call of regular hours will no longer be sounded?

She said she just "don't know."

First, she is going to rest up a bit, get the figures out of her mind, then worry about "having something to do."

UNUSUAL PRAYER

Marjorie holds membership in the National Association of Banking Women, she will become an associate member following retirement.

We happened upon a copy of a prayer she recited at the closing of a meeting of the banking group at Blytheville not so long ago.

Kind of unusual wording, making liberal use of banking terminology, but full of good thoughts for exemplifying Christianity through the art of banking.

And, a good way to bring an end to this article:

Holy Father . . . As Bankers, we are to serve the public every day in a way unchartered as we enter the door each morning. There will be many ways for us to witness for You in the statements we make to customers as they come before us in the course of the day. Make us worthy of their trust because their business is of great value, be the account great or small. May we be an asset instead of a liability as we check our tempers with our fellow employees and reconcile our complaints and show a common interest and dedication to our Banks. We do thank You for the unlimited credit of Your love and all the good things of life You have loaned us without interest or collateral, renewing this loan to us each morning and covering overdrafts of sin and pride. We ask that when the Book of Life is called for a final balance and audit, that it will be an asset for Thy glory. May God bless all of you—in Christ's name, Amen.

BICENTENNIAL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 6, 1977

Mr. DERWINSKI. Mr. Speaker, the Bicentennial has been a tremendous national success. From time to time, I will be inserting into the RECORD a few reminders of this eventful year in our Nation's history.

A constituent directed my attention to an article, which appeared in the Monroe County News of Albia, Iowa, on July 5, 1976. A number of suburban Chicago-

ans shared this Iowa Bicentennial weekend with the newspaper's publisher.

However, the story the article tells is typical of the spirit and the appreciation of our history that developed in our Bicentennial Year:

BICENTENNIAL

(By Robert W. Larson)

Recipe for a Bicentennial weekend:

Take a heaping portion of history, season well with a pinch of nostalgia, toss in a strong dish of patriotism, add a cup of possessiveness, stir with religious fervor and put out to bake in a sun-filled three-day Iowa holiday weekend.

That's really what it was.

I've had a strong feeling that celebrating a nation's Bicentennial should be an emotional experience, a welling up of a sense of patriotism, a bit of pride, an appreciation of those things which have faded into history.

Perhaps because the Bicentennial weekend was just that for Dorothy and me, it will be one long remembered.

Much maligned Herbert Hoover belongs to the ages and as the years fade and the historical perspective becomes more real and our evaluations a bit more perceptive, Herbert Hoover becomes one of the great humanitarians of the past century. So a visit to West Branch and dinner at Hoover House, the restored hotel in the city, seemed a fitting way to begin a Bicentennial weekend.

Saturday there was only one place to be—in Iowa City drinking in the beauty of the Iowa's Old Capitol, painstakingly and lovingly restored in a six-year project.

The ceremony itself was rich in symbolism with an invocation by Sister Irene Munoz of the Muscatine Migrant Committee who gently reminded us that if we are to be a free nation the principles of "life, liberty, and justice" must be cherished by all of us.

Native Americans were represented by Donald Wanatee, a Mesquakie Indian and a University of Iowa graduate, while his father, Frank Wanatee of Tama, delivered the benediction in his native tongue.

In another touch of symbolism, descendants of Robert Lucas, the first Governor of the Territory of Iowa and the holder of that office when the cornerstone of Old Capitol was laid in 1840, led in a pledge of allegiance to the flag.

It was Simon Estes, a native of Centerville and a University of Iowa graduate, who provided the most thrilling moment of the afternoon as the powerful and deeply resonant voice of the Metropolitan Opera star, gave new meaning to the national anthem.

Had he been on his usual concert stage, the black opera star would have been called back for an encore and one sensed in the crowd almost an insistence that he sing the national anthem again.

And as Governor Ray took the old brass key and opened the door the crowds suregd up the steps, eager to make, or for some to renew, their acquaintance wtih this phase of their state's history.

Such were the crowds that we waited until 9 a.m. Monday morning for a leisurely examination of a masterful restoration of our state's beginnings.

And a Bicentennial weekend would have been incomplete without expressing in worship a "Thanks be to God". But no ordinary worship service could have given us much meaning to the day as that which we attended as invited guests of a good friend and member of the Amana Church Society.

Remembering the religious-communal way of life in the seven villages of Amana and the history of the Community of True Inspiration under Christian Metz and Barbara Heinemann Landmann, a worship service in that setting took on a new dimension on the 200th anniversary of the signing of the Declaration of Independence.

A deep appreciation of the history of Amana had added to the uniqueness of the service for us as the seven colonies combined in Bicentennial services in English and in German. In such a setting it seemed only natural that our hostess and the ladies in the group went in their entranceway and the host and the men entered the unadorned sanctuary from another entrance.

Nor was it at all strange to have the blackbonnets, shawls and aprons of the women in row-on-row benches on the right while the men in their suits (and some occasional colorful sports jackets) in their seats on the left.

With the elders in their place facing the congregation and the non-accompanied singing of a hymn in English and later a hymn in German, one felt a strong thread of history woven into the service. It seemed to connect the guarantee of religious freedom in the constitution with the inspiration of Christian Metz and the members of the Society whom we had joined in worship. Even the singing of "America the Beautiful" by the song leaders added a new dimension to the day.

But the tie with the past was not yet broken. Because we had been invited to share with same good Amana friends a Fourth of July picnic dinner in their home. From the quarries close to the colonies had come the stone for the house and the date on the front tells us the building was built just 16 years after the arrival of the first settlers in West Amana.

The house itself was mute testimony to the work-ethic of these early settlers who had moved westward from the six villages in the vicinity of Buffalo, N.Y. The craftsmanship of the 104-year-old home was everywhere evident.

It was truly a Bicentennial weekend—a blend of history, an appreciation of the past, an imperative for the present, and a prayer of thanksgiving. More one could not ask.

HOUSE OF REPRESENTATIVES—*Monday, January 10, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,
Washington, D.C., January 10, 1977.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Edward G. Latch, D.D., offered the following prayer:

The hour cometh and now is when the true worshippers shall worship the Father in spirit and in truth.—John 4:23.

We thank Thee, our Father, for the renewing worship of yesterday and for the coming of a new day in which we pray that we may follow Thee more fully and serve our Nation more faithfully. Direct us, O Lord, in all our doings, with Thy most gracious favor and further us with Thy continual help, that in all our works, begun, continued, and ended in Thee, we may glorify Thy holy name and make Thy kingdom more real in our time; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 1. Concurrent resolution to provide for the joint session to hear the President; and

H. Con. Res. 2. Concurrent resolution to provide for a Committee on Inaugural Arrangements.

KORRY CHARGES

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I hope some of my distinquished colleagues managed to stay awake after watching the Super Bowl, or "Super Bore." If they switched channels, as I did, they heard and saw sensational charges made against the Kennedy administration by former U.S. Ambassador to Chile, Edward Korry, on CBS's "Sixty Minutes."

Korry charged that the late Robert F. Kennedy, while Attorney General of the United States, "integrated" members of an American group of multinational corporations into "the covert operations of the United States." Thus, said Korry, Kennedy "legitimized the multinationals' passing money to foreign politicians, to bribing foreigners. * * * This is long before the Lockheed scandal."

Korry also charged that the Kennedy administration improperly used money from the Agency for International Development to stop the election of Salvador Allende and that the Vice-President-elect WALTER MONDALE has been "less than honest" about his knowledge of events in Chile.

Mr. Speaker, these are serious charges. Korry will seek to testify at Senate hear-

ings on the nomination of Theodore C. Sorensen to be head of the Central Intelligence Agency, to tell what be knows.

I sincerely hope Mr. Korry gets his chance. His charges are most serious and deserve the closest scrutiny, for the reputation of a former President and Attorney General of the United States are at stake.

One thing puzzles me, however: I have yet to hear any of my distinguished Democratic colleagues discuss Korry's charges. Perhaps they are still drowsy from the after-effects of the Super Bowl. When they recover they will, I hope, join with me, in calling for full open investigation of Korry's charges.

SETTING THE RECORD STRAIGHT

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Is it the implication of our good friend in the well that such activity did not take place under the Eisenhower administration, prior to Attorney General Kennedy?

Mr. MICHEL. I am not saying that at all.

Mr. RONCALIO. I just want to make sure what the gentleman said.

Mr. MICHEL. This ought not to be confined to the present.

Mr. RONCALIO. We just want to make sure what the gentleman said, Mr. Speaker.

COMMUNICATION FROM THE CLERK OF THE HOUSE

Mr. SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
January 7, 1977.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:00 P.M. on Friday, January 7, 1977, and said to contain a message from the President wherein he transmits the sixth special message under the Impoundment Control Act of 1974 for fiscal year 1977.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

REPORT OF FOUR ROUTINE DEFERRALS UNDER IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–32)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new routine deferrals of funds totalling $685.0 million. The deferred funds were provided for the U.S. Railway Association and the U.S. Information Agency.

In addition, I am reporting routine revisions to five deferrals previously transmitted. They relate to programs of the Departments of Commerce and Health, Education, and Welfare, the General Services Administration, and the American Revolution Bicentennial Administration. The combined effect of the revisions is to increase the amount deferred by $130,000.

The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *January 7, 1977.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
January 7, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:00 P.M. on Friday, January 7, 1977, and said to contain a message from the President on energy.

With kind regards, I am,

Sincerely.

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

REPORT ON ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–33)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

Three years have now passed since the Arab oil embargo demonstrated that the Nation had become overly dependent on other countries for our energy supplies. We have made progress in dealing with our energy problems but much more must be done if we are to achieve our objective of assuring an adequate and secure supply of energy at reasonable prices.

Action by the Congress is vitally important in the coming year on a number of matters affecting energy supply and demand. The outcome of that action will affect the Nation's security, economic strength and role in world affairs. Decisions made during this critical period will affect the health, welfare, quality of life and freedom of choice of our people for years to come.

A new Congress and change in Administration provide an appropriate occasion to review our energy situation, to summarize and share the knowledge that has been gained from analysis and debate over the past two years, and to outline the remaining need for action.

I am pleased that we have made a good start towards a comprehensive national energy policy; that we have taken major steps forward on programs to conserve energy, increase domestic energy production, develop strategic petroleum reserves, and develop new technology; and that our imports are less today than they would have been had we not begun taking the steps I outlined in my State of the Union address two years ago.

But our imports are higher today than they were three years ago, and we have not yet as a Nation faced up to many of the hard decisions and choices that are necessary before we can achieve our energy objectives.

The lack of better progress is regrettable but I believe the reasons for it are quite clear:

—First, the real nature of the Nation's energy problem and the implications of leaving it unresolved are not fully understood or appreciated by many people.

—Second, many of those who recognize the problem and the implications of not solving it have looked for easy solutions. This has led often to proposals which:

—promise far more than can be delivered; or

—expand significantly the role of the Federal Government.

We are now beginning to recognize more clearly the dangers of a greatly expanded Federal role in energy. We also now realize that other "easy" answers are turning out to be impractical, ineffective, or oversold.

FUNDAMENTAL ISSUES AND CHOICES

The decisions which must be made are difficult and the implications of the choices are far reaching. Thus, the Congress and the public should have the best possible understanding of the fundamental issues and choices that are involved in my proposals and in the proposals that will be forthcoming from the new Administration and Congress. There are five matters that deserve special attention:

—The high cost to the Nation of delay in solving our energy problem.

—The illusions and false hopes that are involved in some of the "easy" answers that have been proposed.

—The dangers of expanding the Federal role in energy.

—The need to recognize the interdependence of the U.S. and other consumer nations in energy matters.

—The necessity of facing up to the hard choices that must be made in order to achieve a balance among our Nation's security, energy, economic, consumer price, and environmental objectives.

HIGH COST OF DELAY IN SOLVING OUR ENERGY PROBLEM

A better understanding of our energy problem and the high cost of delay in solving it should help restore the sense of urgency that was lost when the em-

bargo ended, the gasoline lines disappeared, and an adequate supply of most forms of energy became available—though at higher prices.

OUR ENERGY PROBLEM

The principal energy problem now facing the United States is our excessive and growing dependence on imported oil from a relatively few foreign nations that own the majority of world oil reserves and have the ability to control world oil prices and production. We are also faced with a problem of shortages of natural gas in some areas. This problem will become more serious this winter if unusually cold weather continues and will grow each year as production and interstate sales decline—resulting in job losses and economic dislocation.

Our situation is the result of several factors. For example, our economy and style of life—neither of which can be altered quickly—have been built upon cheap and abundant energy. Low prices, resulting from government regulations and policies, and heightened environmental concerns encouraged excessive reliance on oil and natural gas, rather than coal which we have in plentiful supply. This led to wasteful and inefficient uses of oil and gas.

Our domestic production of oil and natural gas peaked in the early 1970's and has been declining steadily as cheap, easily developed reserves have dwindled. In the early 1980's, oil and natural gas from Alaska and the Outer Continental Shelf—our last frontiers—will help offset the decline in production from onshore areas. But, overall, domestic oil and gas production will again decline precipitously unless higher prices are available to cover the costs of developing resources which are not now economically feasible to produce.

Meanwhile, our energy demands are increasing to meet the needs of a growing economy. We are not expanding the use of coal and nuclear energy fast enough as substitutes for oil and gas, where this is possible, or to meet growing energy requirements. Instead we have turned to imports, and imports will continue to grow as we face declining production and depletion of oil and gas reserves.

THE COSTS OF DEPENDENCE

The real price paid for our growing dependence on imported oil is our vulnerability to significant economic and social disruption from the interruption of oil imports. Apart from the inconvenience experienced by millions of people, the 1973–74 embargo and the resulting higher prices caused a loss of about 500,000 jobs and approximately $20 billion in our Gross National Product. The sudden four-fold increase in OPEC oil prices contributed significantly to inflation. Since 1974 our dependence on imports, particularly from Arab nations, has grown by a million barrels per day, so that an interruption of supply today would be even more disruptive of our economy than the 1973–74 embargo.

Another cost of energy dependence is the outflow of U.S. dollars to pay for imported oil, totalling about $34 billion in 1976 or $160 for each American, eleven times that in 1972.

Still another cost is the limitation on our freedom of action in international affairs due to our vulnerability to the threat of another interruption.

REALISTIC ENERGY GOALS

In my first State of the Union Message two years ago, I outlined a comprehensive energy program for the Nation with goals of:

—Halting our growing dependence on imported oil.

—Attaining energy independence by 1985 by achieving invulnerability to disruptions caused by oil embargoes, by reducing oil imports to between 3 and 5 million barrels per day with an accompanying ability to offset any supply interruption with stored petroleum reserves and emergency standby measures.

—Mobilizing our technological capability and resources to supply a significant share of the free world's energy needs beyond 1985.

These goals do *not* mean that we should seek to eliminate all energy imports, because generally it will be in the Nation's best interest to continue importing energy when it can be obtained at lower cost—as long as we have the ability to withstand interruptions of supply from insecure sources.

The goals *do* mean that we should reduce and then eliminate our vulnerability. In the longer term, we should better use our resources and technological capability to regain our ability to assure the reasonableness of energy prices.

Whether the date I set for achieving energy independence and the level of imports I proposed are realistic has been the subject of considerable debate. I believe the goals could be attained if the Congress approved the critical legislation I proposed, but that is not the major point. The essential point now is that we recognize that our excessive dependence and vulnerability are costly and that it is in the Nation's best interest to solve the problem as soon as possible.

AVOIDING ILLUSIONS

A number of well-intentioned proposals have been advanced for dealing with our energy problems which, when evaluated, are found to have far less potential or merit than is claimed by their proponents. Four such proposals warrant special attention: advanced energy technologies, energy conservation in lieu of increased production, abandoning nuclear fission energy or coal, and oil company divestiture. All four are likely to receive congressional consideration this year.

CONTRIBUTION OF ADVANCED TECHNOLOGIES

There are repeated claims that fusion, solar or geothermal energy, or some other advanced technology, will soon provide a virtually risk-free answer to our energy needs. Such claims warrant and have been given very careful consideration because new technological developments have helped us solve many problems in the past.

There are three common myths about fusion, solar and geothermal energy:

—That major contributions to our energy supplies can be expected soon from these sources.

—That there are no serious economic, safety, technological or environmental problems to be overcome before these technologies are available for widespread use.

—That the remaining problems can be quickly resolved by greatly increasing Federal funding for R&D.

The facts are that major economic, safety and environmental problems must be solved and major technological breakthroughs are needed before these emerging technologies will be available for widespread commercial use.

Practical and economic applications are already available in the case of energy from geothermal steam. However, geothermal steam resources are geographically limited, and major technical, environmental and economic hurdles must be overcome before other sources of geothermal energy will be available for practical application.

Heating with solar energy is expected to become economically competitive soon in some areas with electrical heating by electricity—but not by oil and gas. Costs will have to be reduced substantially before solar heating and cooling systems will be competitive for widespread use. Major breakthroughs are needed before fusion and solar energy will produce economical electric power. Costs must be reduced and problems of safety and environmental impact must be solved.

Advanced technologies cannot contribute significantly to our energy supply in the near or mid-term. Even with intensive efforts to achieve necessary breakthroughs, solar, geothermal and fusion energy are expected to provide no more than one percent of our total energy supplies by 1985 and no more than five-seven percent by the year 2000. Until these advanced technologies are available and are acceptable from the standpoint of cost, safety and environmental impact, we must rely on resources and technologies which are available.

Federal funding for the development of advanced technologies has been increased substantially over the past two years in my budgets—to the point where Congressional add-ons above my requests generally cannot be used productively. When major breakthroughs are required, the necessary ingredients are ideas and time. Large funding increases are likely to be wasteful and often merely contribute to overly optimistic expectations.

ENERGY CONSERVATION IN LIEU OF PRODUCTION

There are some who believe that our energy needs for a growing population and expanding economy and workforce can be satisfied by eliminating wasteful and inefficient uses of energy. They point out correctly that the ready availability of cheap energy in the past tended to encourage uses of energy which now are wasteful.

There is no question but that energy conservation can and must contribute to the solution of our energy problems. In many cases it will be cheaper, more efficient, and involve less environmental impact, to reduce energy waste than it will be to produce a comparable amount of new energy. We have begun major efforts in energy conservation, and progress is being made in reducing growth

in energy consumption. However, it takes time to achieve results from energy conservation because energy-intensive plants and equipment and consumer products (such as automobiles and appliances) will only be replaced gradually as they wear out.

Growth in our energy demands simply cannot be eliminated without severe economic impact. We must have *both* energy conservation and sharply increased energy production if we are to meet the needs for energy in a growing economy. To rely solely on energy conservation would soon mean a lower standard of living for all, and insufficient energy to keep people employed in productive and meaningful work.

ABANDONING COAL ENERGY OR NUCLEAR FISSION

Some believe that we should not continue or expand the use of coal and others have the same view about nuclear energy. But a careful look indicates that we do not have a *choice* between increasing the use of coal or nuclear energy. Instead, we must increase the use of *both* coal and nuclear energy until more acceptable alternate energy sources are available. Even with strong efforts to conserve energy, and increased efforts to produce domestic oil and natural gas, we must increase the use of both coal and nuclear energy if we are to meet the demands for energy for a growing economy. The only alternative is to increase our growing dependence on imported oil.

One example will illustrate the point: Nuclear energy now provides about nine percent of our electrical requirements. If this nuclear energy were not available and we substituted imported oil, our imports would increase by about one million barrels of oil per day. If we were to substitute coal for existing nuclear energy, additional annual production of 100 million tons would be required.

DIVESTITURE

Some suggest that our energy problem would be relieved by divestiture of the major oil companies—either by barring investments in other energy sources (horizontal divestiture) or by barring integrated operations whereby one company engages in production, refining, and marketing activities (vertical divestiture). They claim that divestiture would increase competition and thereby reduce petroleum prices and lead to a more intensive pursuit of alternative domestic energy resources and alternative energy technologies.

Experience has demonstrated important advantages from vertical integration in commercial and industrial activities in terms of efficiency and operation. Vertical divestiture may merely mean that petroleum products pass through the hands of more middle men—resulting in higher consumer costs. Horizontal integration has helped make private capital and managerial talent available to develop other alternative energy resources which will be used to supplement our declining oil and natural gas resources.

Proponents of divestiture have yet to present concerete evidence that divestiture would either increase domestic energy production or provide cheaper and more secure energy supplies. Such evidence should be required and weighed carefully along with the evidence against divestiture before the Congress acts.

DANGERS OF EXPANDING THE FEDERAL ROLE IN ENERGY

Much of the dispuite over energy legislation has resulted from differing views as to the appropriate role of the Federal Government.

The primary responsibility for providing the Nation's energy needs has been and should continue to rest with the private sector. The amount and forms of energy that are produced and used depend upon literally millions of decisions reached daily by individuals and organizations throughout the country. Since energy is such a pervasive component of our economy and our daily lives, special care must be taken to assure that Federal actions affecting energy—including changes in the Federal role—will help solve the problem rather than make it worse or cause new problems.

The Congress should give particular attention to the growing concern throughout the country about the size and cost of Government, the extent of Government intrusion in individuals' activities, and the burden of regulations which restrict freedom of choice. Unfortunately, the people who develop Government rules and regulations often do not understand adequately the conditions they are regulating nor appreciate fully the impact of their decisions on the millions of people who are affected.

The question of the proper role of the Federal Government in energy has become important in the case of:

—Controls over decisions that would normally be made in the marketplace.
—Mandatory conservation measures.
—Resource exploration and energy production.
—Energy research, development and demonstration.

GOVERNMENT CONTROLS OR MARKETPLACE DECISIONS

Many legislative proposals will involve the question of whether there should be greater reliance on decisions made in the marketplace or upon regulations, standards and controls developed by the Federal Government.

Recent experience has again demonstrated that Federal price and allocation controls on energy ultimately work against the best interests of consumers because they reduce incentives to produce new supplies, they reduce competition and they reduce freedom of choice. For example, Federal price controls on natural gas have been a major factor leading to declining production and to wasteful and inefficient use of this resource. Also, controls on crude oil have contributed to a decline in production.

Federal price and allocation controls inevitably mean that the Government must employ people to develop, issue and revise regulations; to sit in judgment on requests for exceptions when the regulations do not fit real world circumstances; and to enforce the regulations. Federal controls mean that millions of decisions by producers, distributors, wholesalers, retailers *and* consumers must conform with Government-developed regulations—even when the people directly involved know that another course of action makes more sense and would still be in the national interest.

The principal alternative to Federal regulation and controls is to allow prices and allocation of energy supplies to be determined in the marketplace—with decisions made by individuals most directly affected. In some cases, avoiding or eliminating price controls can mean somewhat higher consumer prices in the short run. But the higher prices help stimulate new production and cut down on wastefulness. Market decisions are also made faster and more efficiently, and often result in cheaper prices than if the Government made the decision. For example, the higher prices that will result from removing price controls from new natural gas would be less costly for consumers than the expense of switching to higher priced alternative fuels.

MANDATORY CONSERVATION MEASURES

Most of the problems resulting from Federal price controls also result from Federal attempts to dictate specific actions by individuals to conserve energy. The prospect of higher energy prices already is stimulating major efforts by individuals and organizations throughout the country to use existing products and develop new means to reduce wasteful and inefficient uses of energy. Such voluntary action by consumers is far preferable to mandatory measures selected and enforced by a larger and more obtrusive Government.

RESOURCE EXPLORATION AND ENERGY PRODUCTION

The Congress will again be faced with the question of whether the Federal Government should be directly involved in energy resources exploration, development, production and refining activities.

Some argue that such activities can be performed better by the Federal Government, that it is necessary to have a Government "standard" to evaluate private industry performance and prices, or that subsidized Government performance is necessary to hold down consumer prices. Others argue that the Government should itself explore Federal lands to better ascertain the value of lands that it leases for the production of energy resources.

In fact, the Federal Government can seldom perform these functions faster, more efficiently or at lower cost than private industry. There is no convincing evidence that the competitive leasing system now used does not provide a fair return and adequately protect the public interest.

Despite this, proposals undoubtedly will continue to surface which would expand the size and role of the Federal Government to include exploration, production and related activities. Accordingly, the best course of action will be to insist upon hard facts to support the proposal and close scrutiny of each measure to see whether the advantages outweigh the disadvantages.

ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION

Still other questions before the Congress involve the Federal role and funding for developing, demonstrating and promoting the use of new technologies for energy production and conservation.

I believe that Federal funding is necessary and appropriate for the development of new energy technologies which show promise of providing a significant and economical way of producing or conserving energy—but only when such technologies would not be developed by the private sector. During the past two years, I have requested major increases in funding for energy R. & D. to carry out this policy.

However, continued vigilance is needed to prevent the use of Federal funds to duplicate or displace funds which industry would otherwise spend, and to insure that the Federal Government does not fund efforts which industry has rejected for lack of merit.

In addition, new energy technologies must find acceptance and application in the private sector—unlike the situation in military and space exploration programs where the Federal Government is the only customer. This presents a special challenge because those responsible for managing Federal funds for energy R&D often are not in a good position to determine which technologies are likely to meet success in the private sector.

The Federal Government is not well equipped to carry out commercialization, marketing, promotional and technical assistance for particular energy technologies, products and services. Such activities should be left to private industry.

At present, the Federal activities that would contribute most to the resolution of our energy problem are:

—Adopting changes in laws, policies and programs that will lead to a framework within which individuals and organizations outside the Federal Government can make efficient, effective and equitable decisions about energy. Laws and policies which discourage energy production or energy conservation should be modified.

—Providing carefully targeted support for energy R&D.

—Providing incentives and assistance where necessary—such as tax relief—in order to encourage energy conservation and aid low-income people in adjusting to higher energy prices which are necessary to generate new, adequate supplies.

INDEPENDENCE OF THE U.S. AND OTHER CONSUMER NATIONS

The 1973–74 embargo, and the impact of sharply increased prices for OPEC oil, demonstrated clearly that the interests of the United States are tied closely to those of other nations which are net importers of energy. Events in the last three years have demonstrated further that the economies of all nations are interrelated and that no nation can be truly economically independent in the world today. Many of our allies, and particularly the developing countries, do not have major undeveloped energy resources and therefore are even more dependent upon imported energy than is the United States.

Much progress has been made in strengthening energy cooperation among the industrialized nations through the International Energy Agency. Together we have coordinated efforts to reduce our collective vulnerability by establishing a long-term program for conservation and development of new energy sources, and an energy-sharing program to safeguard against supply interruptions. It is in the best interests of the United States to continue to work with and assist other energy-consuming countries in meeting their energy needs—by reinforcing their conservation efforts, accelerating development of conventional and new energy sources, and encouraging the application of practical new energy technologies.

Such efforts will help to achieve our objective over the long term of a better equilibrium between energy supply and demand in the world, so that no one group of nations will be able to impose its will on others. Unless we are willing to cooperate with others, and provide adequate assistance in this area, continued dependence by many nations on a few countries for energy supplies will remain a major source of world political instability, uncertainty, and economic hardship.

At the same time, of course, we must continue our efforts to strengthen relations between oil-importing and exporting nations, recognizing that cooperation is important to the future well-being of both.

ACHIEVING BALANCE AMONG CONFLICTING OBJECTIVES

In recent years, we have been faced more and more with the dilemma that actions taken to achieve one important objective conflict with efforts to achieve other objectives. For example, we learned that tough standards and deadlines applied in the early 1970's to reduce pollution from automobiles and improve air quality resulted in lower gasoline mileage and higher gasoline consumption, poorer vehicle performance and higher consumer costs.

Conflicting objectives are becoming more and more apparent as we recognize that the easy solutions are illusions and that there are major dangers in expanding the Federal role. The Nation must, therefore, face up to the task of achieving a balance among conflicting objectives involving energy.

LOW CONSUMER PRICES VERSUS ADEQUATE AND SECURE ENERGY SUPPLIES

The reality that must be faced which appears to cause the most difficulty for elected officials is the inevitability of higher energy prices. Energy prices, particularly for consumers, will increase in the future principally because prices in the past have been held artificially low through Government controls, because cheaper domestic energy resources are being depleted, because past energy prices have not reflected the costs of environmental protection, and because foreign nations are charging more for the energy that they export. There simply are no cheap energy alternatives. Higher prices will continue to be a major factor in obtaining adequate and secure energy supplies.

This difficulty is compounded for elected officials because it takes a long time in energy matters for our actions to show results—a condition that is not readily accepted in a Nation that prefers quick results. The prospect of higher prices will provide the incentive for increased energy production but it then takes up to 5 years, for example, to bring a new off-shore oil well into production and up to 10 years to bring a new nuclear electric generating plant on line.

ENVIRONMENT VS. ENERGY

An equally difficult problem is that of finding the best possible balance between our energy and environmental objectives. Our environmental objectives are also important in protecting health and welfare, improving our quality of life, and preserving natural resources for future generations. On the other hand, an adequate energy supply is essential to our objectives for a strong economy, national defense and role in world affairs, and in achieving a better life for all.

The conflict between energy and environmental objectives will require attention when the Congress considers amendments to the Clean Air Act, changes in laws governing the development of Federally-owned energy resources, improvements in the processes for siting and approving energy facilities, and controls on domestic energy production activities such as the surface mining of coal.

More specifically, air quality requirements forced shifts away from the use of domestic coal to the use of oil and natural gas which are now in short supply. Some air quality requirements—particularly emission standards set by States—are far tighter than necessary to meet standards which have been set to protect human health.

Efforts are now underway to reverse this trend but it is clear that increased production and utilization of domestic coal in the short term requires either billion dollar investments in controversial control equipment or some relaxation of existing air quality requirements. Most such requirements were set before we were aware of our energy problems, and often without sufficient regard to energy or consumer price impact. They often prevent substitution of coal resources for oil and gas and prevent construction of new coal producing and burning facilities.

As another example, concerns about environmental protection and reclamation requirements for surface mining activities led to legislation—twice vetoed—which would have imposed unnecessarily rigid requirements, cut domestic coal production and employment and led to even great reliance on imported oil. Under these bills, Federal regulations and enforcement activities—which would contribute to a larger more cumbersome Federal Government—would have supplanted State laws and enforcement activities which are now in place and which require reclamation as a condition of mining.

LIMITING GROWTH

The concept of limiting growth and development is an important ingredient in some efforts to halt increased domestic energy production or to develop and use newer energy technologies. Limits on growth and development may be necessary in particular areas, but I oppose strongly the concept of limiting growth as an objective in itself. For the Nation, I continue to believe that our best hope for increasing the standard of living and quality of life for all our people is to expand and strengthen our economy and, in this way, create meaningful and productive jobs for all who are willing and able to work. The energy policies and goals that I have advocated do not require limiting our economic growth below historic rates.

ELIMINATING RISK

In some cases, attempts to increase domestic energy production—particularly from nuclear energy and coal and oil and gas resources from Outer Continental Shelf—are met with demands that virtually all safety and environmental risks be eliminated.

There should be no disagreement that major efforts are necessary to protect human health and the environment. For example, strong efforts have already been made in the case of nuclear energy and an excellent record of safety and minimum environmental impact has been achieved. However, it must be recognized that there is no practical way of completely eliminating all risks. Further, each additional precaution adds cost in terms of reduced supplies or higher prices. Risk levels that have already been achieved in many energy producing activities are often far lower than those readily accepted in other human activities.

Because different Committees of Congress have responsibility for competing objective, it is especially difficult to achieve a satisfactory balance among our national objectives in new legislation. This will be a continuing problem in the new Congress and I can only urge that each measure affecting energy supply and demand, which also involves other objectives, be evaluated carefully to assure that the resulting costs, risks and benefits are truly in the national interest.

THE NEED FOR SUBSTANTIVE LEGISLATION AFFECTING ENERGY

We have made significant progress over the past two years toward establishing the framework of law and policies that are needed to permit decisions and actions that will help solve our energy problem.

Nine of the proposals that I submitted have been enacted into law. However, there remains a long list of requirements for early Congressional action.

HIGHEST PRIORITY

Because of the large number of legislative proposals that need action, I want to make clear that I believe highest priority should be given to measures which:

—Remove Federal price regulation from new natural gas supplies. This action is crucial to increasing domestic production and reducing wasteful and inefficient uses.

—Revise domestic crude oil price controls to allow greater flexibility in establishing a pricing formula that will encourage increased domestic production and assist in phasing out controls. This action is needed to overcome problems in the current law and to reduce market distortions that have resulted.

—Make clear our determination to expand capacity in the United States, principally through the efforts of private industry, to enrich uranium needed to provide fuel for nuclear power plants. This action is necessary to permit increased use of nuclear power in the U.S. and to assure other nations that we will be a reliable supplier of uranium enrichment services—a step that is critical to our nuclear non-proliferation objectives.

—Amend the Clean Air Act to:

—Change the statutory requirements for meeting auto emission standards so that there can be a better balance among our environmental quality, energy, economic and consumer price objectives.

—Provide flexibility in meeting national air quality standards applicable to power plants and major industrial facilities so that the use of coal can be continued and expanded, and so that new energy-producing facilities can be constructed in selected areas that have not yet attained national air quality standards.

—Remove the requirement imposed by the courts for preventing significant deterioration of air quality in areas already meeting air quality standards—until information is available on the impact of such actions and informed decisions can be made.

OTHER IMPORTANT PROPOSALS

In addition to the above select list, favorable action is needed from the Congress on legislation in all the following areas:

NATURAL GAS

—Temporary emergency legislation to allow pipelines and high priority users to obtain intrastate gas at unregulated prices for limited periods—to help cope with shortages and curtailments.

OIL

—Authorization for the President to impose fees and taxes as standby emergency measures to reduce energy consumption in the event of another embargo—to avoid the inefficiencies and burdens of mandatory conservation measures in such emergencies.

—An Oil Spill Liability Act—to establish a comprehensive system of liability and compensation for oil spill damage and removal costs.

—Authorization for private competitive exploration and development of the National Petroleum Reserve in Alaska.

COAL

—Extension of the authority to require utilities and other major fuel-burning installations to convert from oil and gas to coal.

—Changes in provisions of the Coal Leasing Amendments Act of 1976 which unnecessarily delay or restrict leasing and development of coal on Federal lands.

—Authority for the use of eminent domain in the construction of coal slurry pipelines and authority for the Secretary of the Interior to issue certificates of public convenience and necessary to expedite slurry pipeline construction.

NUCLEAR ENERGY

—Authority for the Energy Research and Development Administration to enter into cooperative agreements with firms wishing to finance, build, own and operate uranium enrichment plants—to assure the availability of required capacity and avoid the need for billions of dollars in Federal outlays when the private sector can provide the financing.

—Authority to increase the price for uranium enrichment services performed in Government-owned plants—to assure a fair return to the taxpayers for their investment, to price services more nearly comparable to their private sector value, and to end the unjustified subsidy by taxpayers to both foreign and domestic customers.

—Criteria for the control of nuclear exports which is necessary to round out the comprehensive nonproliferation, export control, reprocessing evaluation and waste management program I outlined in my October 28, 1976, statement on nuclear policy.

—Reform the nuclear facilities licensing process by providing for early site review and approval and encouraging standardization of nuclear facility design.

BUILDING ENERGY FACILITIES

—Establishment of an Energy Independence Authority (EIA), a new government corporation, to assist private sector financing of new energy facilities.

—Legislation to encourage states to develop comprehensive and coordinated processes to expedite review and approval of energy facilities siting applications, and to assure the availability of sites.

ENERGY CONSERVATION

—Tax credit for homeowners to provide up to $150 for purchasing and installing insulation in existing residences.

—Reform of rate setting practices applicable to public utilities—to expedite consideration of proposed rate changes and assure that rates reflect full costs of generating and transmitting power.

1978 BUDGET REQUESTS

My 1978 Budget which will soon be forwarded to the Congress will include major new funding to:

—Continue and expand our extensive program of energy research and development in cooperation with private industry which is directed toward new technologies for conserving energy and for producing energy from fossil, nuclear, solar and geothermal sources.

—Implement the Early Storage Program as part of the Strategic Petroleum reserves which will provide up to 500 million barrels of oil for use in emergency situations such as an embargo.

—Implement my conprehensive nuclear policy statement issued on October 28, 1976.

—Continue ERDA's development program on the liquid metal fast breeder reactor—to resolve any remaining environmental, safety and safeguards questions—so that this technology will be available to bridge the gap until advanced technologies can make their contribution to our energy needs.

—Provide increased operating funds for other Federal energy activities.

I urge the Congress to approve these funding requests.

REORGANIZATION OF FEDERAL ENERGY ACTIVITIES

Under the provisions of the Energy Conservation and Production Act of August 1976, I am called upon to make recommendations to the Congress with respect to the reorganization of Federal energy and natural resource activities. At my direction, a major study of alternatives had already been undertaken in May 1976 under the leadership of the Energy Resources Council and the Office of Management and Budget.

I have reviewed the findings and recommendations from the study. Within the next few days, I will forward my recommendations to the Congress.

TIME TO ACT

The Nation has waited far too long for completion of a sound and effective national energy policy. In many cases, the issues are complex and controversial, the decisions are tough to make—particularly because the right decisions will be unpopular in the short run. The costs of continued energy dependence are far too great for further delay.

The Congress *can* act. It is a matter of organizing itself to make the tough decisions and choices and moving ahead with the task. I urge the Congress to weigh the alternatives carefully and proceed promptly.

GERALD R. FORD.

THE WHITE HOUSE, *January 7, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE SOCIALIST REPUBLIC OF ROMANIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–34)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Socialist Republic of Romania, signed at Bucharest on November 23, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Senate consider issuance of a joint resolution with the House of Representatives in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE GERMAN DEMOCRATIC REPUBLIC — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–35)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the German Democratic Republic, signed at Washington on October 5, 1976.

This Agreement is significant because it is one of the first to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF SOVIET SOCIALIST REPUBLICS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–36)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, signed at Washington on November 26, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Senate consider issuance of a joint resolution with the House of Representatives in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–37)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of China, signed at Washington on September 15, 1976.

This Agreement is significant because it is one of the first to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

ADMINISTRATION'S EFFORTS TO ENCOURAGE PROGRESS TOWARD RESOLUTION OF PROBLEMS OF CYPRUS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–38)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on In-

ternational Relations and ordered to be printed:

To the Congress of the United States:

This report is the seventh in a series of messages pursuant to Public Law 94–104 through which I have informed the Congress of my Administration's efforts to encourage progress toward a resolution of the problems of Cyprus. In addition to reviewing those efforts, this report will offer several conclusions with regard to the role the United States can and should play in settlement of the Cyprus dispute.

I know the Congress shares my views that a just and early settlement of the Cyprus issue is essential both for humanitarian reasons and to preserve peace in an area of great importance to the United States. For more than two years my Administration has actively sought to help the Cypriot communities find the basis for substantive and sustained negotions. We have given the UN Secretary General our full and active support in the negotiations conducted under his auspices, negotiations which I believe continue to offer the best possible forum for progress.

I also know the Congress shares my deep regret that progress in the negotiations has been extremely slow. Inconclusive procedural disputes have diverted the parties from pressing issues of substance. Domestic pressures and international rivalries have detracted from the will and commitment that are essential to progress.

In an effort to break this impasse, my Administration has sought over the past several months to develop a set of basic principles that might provide a framework for continued and fruitful intercommunal negotiation. These principles are based on the concepts which I set forth in my sixth report to the Congress and which Secretary of State Kissinger expressed in his September 1976 UN General Assembly address. These concepts rest on a fundamental premise which I believe all concerned parties continue to share—that any settlement must preserve the independence, sovereignty, and the territorial integrity of Cyprus. These concepts emphasize the importance of territorial adjustments to reduce the area controlled by the Turkish side, while taking into account the economic requirements and humanitarian concerns of the two Cypriot communities, including the plight of those who remain refugees. Constitutional arrangements are of equal importance in providing conditions under which the two communities can live in freedom and have a large voice in their own affairs. Finally, security arrangements which would permit the withdrawal of foreign military forces other than those present under international agreement are essential for a lasting settlement.

Based upon these concepts, the United States has engaged over the past several months in extensive consultations on the Cyprus issue with the nine-member states of the European Community, seeking their support for a new and accelerated approach. Through these consultations we are jointly developing the basic principles which we hope will stimulate the negotiations. We have been greatly impressed and encouraged by the extent to which there is a consensus in these consultations on both the principles and the urgent need to reopen substantive intercommunal negotiations.

I remain convinced, however, that neither the United States nor any other outside country or group of countries should seek to impose a settlement on Cyprus. The principles we are developing should serve only as a basis for negotiation. It is the Cypriot communities themselves who must ultimately decide their relationship and final territorial arrangements.

In addition it is clear that a final solution must also have the support of the Greek and Turkish governments. It is my firm conviction that we must seek to maintain the trust and friendship of both these NATO allies. Thus my Administration has sought to strengthen through negotiation our security ties with both Greece and Turkey. We have consistently sought to follow a balanced course in strengthening our relations throughout the area. We therefore welcomed the steps taken by the Congress to relax the arms embargo on Turkey so that Turkey can better meet its NATO obligations. We have demonstrated through tangible assistance our support for Greece. We have worked actively, both directly and through the United Nations Security Council, to defuse recent tensions between Greece and Turkey over the Aegean. These two countries have now agreed to a negotiating process called for in the U.S. sponsored Security Council Resolution which I hope will lead to a settlement of their dispute.

It is essential to the success of an equitable and lasting Cyprus settlement that the United States maintain a balanced relationship among all concerned parties. It would be a mistake to place undue pressure on any one party for the sake of what appears to be a quick settlement. I believe the Congress would agree that such a path would neither promote lasting progress on Cyprus nor serve the cause of stability in the Mediterranean.

I am not pessimistic about the future of the Cyprus negotiations. I continue to believe that a way can and will be found to achieve a just and equitable settlement which will enable all of the people of Cyprus to shape a harmonious and prosperous future.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

REPORT OF SECRETARY OF AGRICULTURE IN ACCORDANCE WITH OREGON DUNES NATIONAL RECREATION ACT OF 1972—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

I transmit herewith the report of the Secretary of Agriculture which was prepared in accordance with the Oregon Dunes National Recreation Act of 1972, P.L. 92–260.

The Secretary of Agriculture has concluded that the Oregon Dunes National Recreation Area is not suitable for inclusion in the Wilderness System and I concur with his recommendation.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

READ BEFORE YOU VOTE

The SPEAKER pro tempore (Mr. WRIGHT). Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, tomorrow the House will vote on House Resolution 9 which would extend the life and powers of the Select Committee on Assassinations for another 2 years. While the resolution does not provide funds for the committee, it does, if passed, commit the House to an investigation far greater in scope or jurisdiction than was ever contemplated last September when this group was originally created.

Last Thursday I placed in the RECORD materials pertaining to the conduct of the general counsel of this select committee, Mr. Sprague, which every Member should read before casting their vote. But I also want to call to the attention of the House that the resolution on which we will be asked to vote tomorrow is very different than that which the House approved last September. For those who will take the time to read the actual language of the resolution you will find that it greatly expands the jurisdiction of this select committee far beyond an investigation of the assassinations of John F. Kennedy and Martin Luther King. In my judgment it calls for an open-ended inquiry into the operations of the CIA and the FBI, as well as possibly usurping the jurisdiction of the Committee on the Judiciary over civil rights legislation.

Mr. Speaker, the reason that I have come to this conclusion lies in the language of the resolution itself. Here is what House Resolution 1540, which was passed on September 17, 1976, said as to committee jurisdiction:

> The select committee is authorized and directed to conduct a full and complete investigation and study of the circumstances surrounding the death of John F. Kennedy and the death of Martin Luther King, Junior, and of any others the select committee shall determine.

Compare this with the new and much broader jurisdiction being granted in House Resolution 9:

> The select committee or a subcommittee thereof is authorized and directed to conduct a full and complete investigation and study of the circumstances surrounding the assassination, murder, homicide, and death of President John F. Kennedy and the assassination, murder, homicide, and death of Martin Luther King, Junior, and of any other persons the select committee shall determine in order to ascertain whether the existing laws of the United States, including but not limited to laws relating to the safety

and protection of the President of the United States, assassinations of the President of the United States, deprivation of civil rights, and conspiracies related thereto, as well as the investigatory jurisdiction and capability of agencies and departments of the United States Government, are adequate, either in their provisions or in the manner of their enforcement; and shall make recommendations to the House, if the select committee deems it appropriate, for the amendment of existing legislation or the enactment of new legislation.

Mr. Speaker, it is easy to see that this is no simple extension of existing powers of a select committee of the House. Taken together with the grandiose plans for a massive staff of more than 170 people and spending of more than $13 million over 2 years, this jurisdiction could easily be turned into the biggest circus Capitol Hill has seen in years. It is little wonder that Walter Pincus, writing in Sunday's Washington Post pointed to this select committee in the following highly critical manner:

Perhaps the worst example of congressional inquiry run amuck is the present House investigation into the Kennedy and King assassinations. Pushed by publicity and pressure from a narrow but vocal contituency, what amounts to a multi-million-dollar criminal investigation is going to be conducted in the name of the House.

Mr. Speaker, I urge all Members to vote against House Resolution 9 under suspension tomorrow. At the very least we should be able to consider this matter with full and free debate and an opportunity to amend and place restrictions on this costly operation. By rejecting this resolution under suspension we will be able to consider this matter fully and thoughtfully instead of squandering the taxpayers' money on what may well turn into a witch hunt which creates more questions than it solves.

MILLER OFFERS ARC HIGHWAY FUNDING FORMULA CHANGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, with the convening of the 95th Congress, I am again introducing my legislation to permit financing the construction of the important Appalachian Highway System with 90 percent Federal, and 10 percent State, matching funds.

We first introduced this bill last year and we were later joined by several House colleagues as cosponsors of the legislation. Equally important to congressional support for this formula alteration is support from the States in the impacted Appalachian region.

The current Federal share is limited to 70 percent and covers only ARC funds allocated to Appalachian States. Our bill represents a major step toward making funds for completion of the 3,289-mile Appalachian Highway System competitive with Interstate Highway projects.

The bill would allow the total Federal share of funds for Appalachian Highway projects to rise to a maximum of 90 percent when an appropriate amount of regular—non-Interstate—Federal aid highway funds are combined by Appalachian States with ARC highway funds.

Under the proposed amendment to the Appalachian Regional Development Act, Federal-aid highway funds to take advantage of the higher Federal ceiling would be optional with the Governors of each of the region's 13 States. Under the option, a State's share of a highway project's cost could range from the current 30-percent level to as low as 10 percent.

The maximum amount of Federal-aid—title 23—highway trust—funds that could be used would be 45 percent of the project's total cost while the maximum amount of ARC funds would be 60 percent. Any combination of these two Federal funds would be permitted as long as they don't exceed each's percent of the project's total cost. Federal-aid funds are allocated to each State to be invested at the discretion of the States. The Highway Trust Fund includes revenues from user taxes on gasoline and automotive parts and accessories.

This bill provides—at a time when State matching funds are scarce—a way to stretch State funds by lowering the State matching burden to 10 percent. This increases the ability to continue highway construction.

The new 90–10 percent funding option is offered to stimulate construction of Appalachian Highway projects by providing each State more flexibility in its funding options and by lessening the States' matching burden.

Mr. Speaker, completion of the Appalachian Highway network is essential to the continued growth of the entire region. If this Congress is committed to the broadening of job opportunities, the expansion of industry and business and the expeditious movement of goods and services to and from the marketplace, then this bill should, indeed, be welcomed with enthusiasm. This legislation offers us a constructive, realistic opportunity to move forth with completion of the ARC Highway system and, consequently, open up areas of economic expansion and growth which have been dormant as a result of poor Appalachian access roads.

I encourage my colleagues in the Congress to give this legislation the priority attention it needs and deserves.

CONSUMERS GET NEW PROTECTION AGAINST SELLER/LENDER KICKBACKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, consumers who find is necessary to finance more expensive household items or cars in 1977 will be protected from high dealer/lender kickbacks if a new Federal Reserve Board proposal becomes effective.

Financial lenders often give sellers back a percentage of the financing costs for steering business their way. In the past, that sweetheart relationship was rarely disclosed to the customer and, therefore, he or she never knew if a better deal could have been found by going directly to the bank or by checking with other dealers first. Although car dealers have been criticized most for this practice, most all areas of consumer financing are potential areas of abuse.

Last August, the Federal Reserve Board issued a proposed interpretation of the Truth in Lending Act—regulation Z—which would have allowed these kickback arrangements without any notification to the consumer. When I saw this proposal I immediately expressed my concern to the Federal Reserve Board. Its new stand on the disclosure of kickbacks—just published—is a total departure from the earlier position and I am delighted to see that the Board now agrees with me that consumers would benefit from knowing about these arrangements between bank and dealer, or between seller and finance company.

The Fed is in charge of enacting and enforcing the Truth in Lending Act which was passed by Congress so that consumers would have all of the information necessary to comparatively shop among different financing options. As I said in September, the Board's earlier position was actually permitting a cover-up to the consumer of a potentially abusive situation. Sometimes in these kickback schemes the dealer receives only a portion of the interest rate charged the consumer. But in far too many cases, the bank sets an interest rate and tells the dealer that he can keep anything over that amount.

The enactment of the new Fed interpretation will also make it easier to enforce the Federal Trade Commission's new rule of preservation of consumers' claims and defenses—the so-called, Holder in Due Course Rule. This ruling makes financial institutions responsible for goods they are financing should those goods prove inferior. Unless it can be proven that the dealer and the lender had a business arrangement it would be virtually impossible to provide consumers with the protection against shoddy products bought on time that the FTC felt was necessary when it enacted this rule.

In my opinion, under-the-table kickbacks have cost consumers millions in the past few years without their ever knowing about it and should be totally outlawed. But if consumers continue to pay the dealers for their service to loan institutions for bringing new customers in, then at least those customers ought to know about it. Should the new Federal Reserve Board interpretation of the Truth in Lending Act become effective, as I have every reason to believe it will, consumers will have a chance to know.

CONDUCT OF INVESTIGATION BY SELECT COMMITTEE ON ASSASSINATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, there appeared in the CONGRESSIONAL RECORD for January 6, 1977, a copy of a letter from my distinguished colleague Chairman DON EDWARDS to former Chairman Tom Downing of the Select Committee

on Assassinations. I had responded to Chairman EDWARDS' letter on December 28, 1976. Unfortunately only Chairman EDWARDS' letter was presented, but my response which was also available, was not.

Fundamental fairness to the Members of this House dictates that all correspondence between Chairman EDWARDS and myself be presented so each Member may properly evaluate the issues raised in the complete context. The letters follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 28, 1976.

Hon. DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights, Committee on the Judiciary, Rayburn House Office Building, Washington, D.C.

DEAR DON: Thank you for sending me a copy of your letter to Chairman Downing dated December 16, 1976, with respect to the conduct of the investigation by the Select Committee on Assassinations.

I don't know if Chairman Downing has replied. I hope he has. I certainly agree with you that the Select Committee in its investigation must proceed under the highest ethical and professional standards. Indeed, we have never set lower standards, nor do we intend to. One of the major characteristics of this project is the preservation of the integrity of the Congress. If we should do anything in an unprofessional manner, our credibility as well as that of this House would be diminished.

I have not had an opportunity to see the December 15, 1976, Los Angeles Times article to which you referred. However, you are, of course, aware that matters stated in the press sometimes are taken out of context, and sometimes are inaccurately phrased. Rather than indulge in fruitless discussion over the content of what may have been reported in the media, it is preferable just to discuss the matters raised by you in your letter.

The transmitters to which you refer are not for the purpose of secretly recording interviews of witnesses. Rather they are to be used by investigators during surveillance activity when safety considerations dictate that investigators transmit their own comments. I am sure you are aware that in some situations it is imperative to have this type of equipment for the protection of investigators. In fact, we are seeking only two (2) such devices.

Mr. Sprague clearly stated that no person would be taped unless he both knew and consented to having the conversation or interview taped. Indeed, the transcripts and tapes of interviews of witnesses who already have been interviewed show conclusively that in each case the individual knew the conversation was being taped and consented to the taping. The record of one of our subcommittee executive sessions will further show that the witness knew that the interview was being taped, that he consented to the taping and that he further knew that the tape might be played before the Select Committee. I will be happy to make that or any transcript or tape available for your review should you so desire.

Second, as to the polygraph, it has been stated at our public hearing as well as in our press conferences, and in executive session, that our use of the polygraph would, of course, only be with the consent of the witness. Our position has remained the same from the beginning.

We do not intend to use the polygraph or stress evaluators in any way as evidence to be produced at any hearings. The use of these devices is identical to that employed by other investigative agencies, i.e., to aid the investigation but not to establish conclusions. It also should be pointed out that from the commencement of this investigation we have rejected the concept of using the polygraph or stress evaluators for employment purposes in any fashion.

It should be noted that we have never attempted to hide the fact of our use of the polygraph and stress evaluators. As with most of our decisions they are made openly and are always subject to review by the House. Thus you will find both items, and all other hardware requests, clearly specified in our proposal budget.

Third, with respect to your concern for the protection of the civil and constitutional rights of witnesses, the Committee is most aware of the problem. This consideration was an important factor which contributed to our decision to hold executive sessions. We have determined to utilize public hearings only where the evidence to be elicited has been clearly established and verified.

As a matter of fact, the decision to hold public hearings was in accord with the rules of the House and on the occasions when we didn't, it was only after a rollcall. One such resulted in a 6–6 tie. In this manner, we can avoid the potential danger of exposing an individual or governmental agency to unwarranted ridicule or the airing of unproved allegations. We feel strongly that the vehicle of public hearings to prove or disprove allegations when the appropriate evidence has been accumulated and corroborated is very important to this process. Developing our findings with full knowledge at each stage of our proceedings will, we believe, foster the support of the American public for our ultimate conclusions. We feel that holding public hearings distinguishes our process from that of the Warren Commission which as you know, held their proceedings in closed sessions until the final report was filed. In our judgment, that secrecy reduced the effectiveness of the Commission work and subjected its conclusions to skepticism and speculation which would have been avoided by public disclosure.

Incidentally, the situations where Mr. Sprague has spoken publicly have been at the public sessions and at various press conferences, sometimes under the express instruction of Chairman Downing; unfortunately, the Committee, under Mr. Downing did not establish guidelines. But, Don, I cannot say that Mr. Sprague has been anything but prudent and restrained, even in the absence of this needed Committee guidance. Let me assure you of the fact that if I should become Chairman, this will be provided in a manner similar to the handling of your Committee during impeachment hearings.

Again, I appreciate your concern and assure you that the Select Committee will conduct this investigation in accordance with the highest ethical and professional standards. I hope you will always share your concern with me and the members of the Committee.

With kindest personal regards, I am

Sincerely,

HENRY B. GONZALEZ,
Member of Congress.

COMMITTEE ON THE JUDICIARY,
HOUSE OF REPRESENTATIVE,
Washington, D.C. 95th Congress,
January 6, 1977.

Hon. HENRY B. GONZALES,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR HENRY: Thank you for your letter of December 28, 1976. I appreciate your timely comments on my letter to Chairman Downing regarding the investigative methods of the Select Committee on Assassinations. Your letter certainly showed that, should you become Chairman, you intend to approach your responsibility in a serious and professional manner.

But while I found your letter partly reassuring, it raised some additional questions in my mind that I believe need to be answered. It is important to all of us to have a clear understanding of the Select Committee's policies and procedures before any informed decisions can be made on the wisdom of its continued existence or on the amount of its budget requests.

As a preliminary matter, I am enclosing a copy of the Los Angeles Times article I referred to in my letter to Chairman Downing. It will enable you to understand the specific context in which I wrote that initial letter. I am certainly aware that media accounts of various events are not always entirely accurate, or are often taken out of context. But in this case I am disturbed by the fact that the remarks that prompted my letter to Chairman Downing were direct quotations from Mr. Sprague.

In your letter you discuss the use of the small transmitters referred to in the article. I am very relieved to hear that the transmitters will not be used to secretly record interviews of witnesses. However, your statement that they will be used during "surveillance activity," leaves me no less concerned than Mr. Sprague's earlier statements as reported in the Times. I am absolutely unable to comprehend a situation which would require "surveillance activity" of any kind. Who and under what authority will the Select Committee's investigators be surveilling? If you could describe more fully what you have in mind and indicate whether American citizens would be the subject of such surveillance and if so, under what circumstances, I would appreciate that information.

You also state that the transmitters are "imperative . . . for the protection of investigators" in some situations, and that I must certainly be aware of this necessity. I assure you I am not aware of any such need. What kind of activity is contemplated that would require such protection? From whom? And more importantly, by whom? The scenes that come to mind when I ask myself such questions are, as you can imagine, extremely disturbing. A Congressional investigation is not, and should never be, a game of cops and robbers.

I am relieved to know that polygraphs will be used only with the consent of the witness. Does the Committee also intend to obtain such consent for the use of the stress evaluator as well? Moreover, you state that the Select Committee's use of the polygraph and the stress evaluator would be identical to that of other investigative agencies. It is my understanding, however, that the FBI does not use stress evaluators at all, because the Bureau is not yet persuaded of its reliability even as an investigative device.

House Resolution 9, introduced on January 4, 1977, differs from the Resolution last year creating the Select Committee on Assassinations. The new resolution now contains a stated Legislative purpose. I cannot express too vigorously my hope that public hearings will be directed strictly at the Legislative purpose. Periodic hearings while you are gathering information and evidence flies in the face of every constitutional safeguard attendant to criminal investigations. Spilling out bits and pieces of information before the investigation is complete will obviously present a distorted picture and cannot avoid, in my view, causing serious harm to potential witnesses.

I do not believe that the American people or the Congress wish to indulge in a temporary suspension of the Bill of Rights, however laudable the ultimate purpose may be. I believe the House of Representatives commissioned a thorough, serious study of the problem. The argument that one of the purposes of this investigation will or should cause the public to hold Congress in higher esteem is only valid if the task is completed

in a dedicated manner which respects all traditional safeguards.

Frankly, I am not persuaded at this point that either the Committee or the staff has given adequate thought to its basic role, its own procedures, and the myriad problems which confront it in the proper discharge of the authorizing resolution. I would like to be able to fully support the activities of the Select Committee. I cannot, however, approve any tactics or techniques which I have personally fought against when employed by the Executive Branch or by other Congressional committees.

Since we all will be called upon to support your work I believe these questions must be dealt with in a most precise manner as soon as possible.

My staff and I will be happy to meet with you, your members and your staff at any time to discuss this matter of common concern.

With kind personal regards.

Sincerely,

DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 7, 1977.

Hon. DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights, Committee on the Judiciary, Rayburn House Office Building, Washington, D.C.

DEAR DON: Thank you for your letter of January 6, 1977, in response to my letter of December 28, 1976, with respect to the conduct of the investigations into the assassinations of President John F. Kennedy and Dr. Martin Luther King, Jr.

At the very beginning of that letter I stated: "I certainly agree with you that the Select Committee in its investigation must proceed under the highest ethical and professional standards. Indeed, we have never set lower standards, nor do we intend to. One of the major characteristics of this project is the preservation of the integrity of the Congress. If we should do anything in an unprofessional manner, our credibility as well as that of this House would be diminished."

The statement relating to the use of transmitters and polygraphs must be read in the context of the foregoing assurance. Similarly, it must also be read in the context of my statement on page 2, paragraph 4 that all such requests are subject to review by the House.

Somehow, Don, in my haste to respond to the letter you wrote to Former Chairman Downing, I apparently did not make clear that each investigative technique must be approved by the full committee after careful consideration, debate and deliberation.

Each of us has taken an oath to uphold and preserve the Constitution. We intend to do no less in the course of this investigation and most emphatically not to, "indulge in a temporary suspension of the Bill of Rights."

I welcome the opportunity to discuss this with you and your staff at the earliest possible time to avoid further misunderstandings as to our intent and purpose.

With kindest personal regards, I am

Sincerely,

HENRY B. GONZALEZ,
Member of Congress.

P.S.—I am so grateful to you to have had an opportunity to speak to you on the telephone today. I had dictated the above before I spoke to you and am most grateful to have a chance to meet with you Monday as you consented to and will see you then.

Second, Mr. Speaker, the gentleman from Maryland [Mr. BAUMAN] introduced into the record of this House a personal attack on the committee's chief counsel, Richard Sprague. He suggests, among other things, that Mr. Sprague has "virtually assumed the role of chairman of the committee." It is implicit in that unfounded accusation that the members of the committee have abrogated their constitutional duties. The conclusion has no basis in fact. Indeed, I can state quite unequivocally that my colleagues on the committee from both sides of the aisle have worked diligently to insure a credible, professional, ethical, independent investigation. There is no reason to believe that we will continue to do less. One must bear in mind that when the House created the select committee last year, it had nothing, not even a place to meet, much less a staff. It had a total life span of 2½ months.

Next, Mr. Speaker, the gentleman introduced an article which appeared in the New York Times on January 1, 1977, written by David Burnham. I do not often dignify unfounded accusations in the press by responding to them, but where, as here, a journalistic vendetta dredged from the turgid and murky waters of big city politics more than a decade ago has been introduced into the record of this House, I am constrained to conclude that justice and fair play require a response. Failure to respond to accusations of this nature would work a fraud upon the House.

Mr. Burnham in his article suggests that the committee did not do a background investigation of Mr. Sprague prior to his selection as chief counsel. What Mr. Burnham did not write was that Mr. Sprague was appointed Special Assistant to the Attorney General of the United States in charge of the Boyle prosecution. A fact which was known and considered by members of the committee when they unanimously confirmed Sprague as chief counsel. I think it only fair to conclude that if the U.S. Department of Justice found Mr. Sprague to be of questional integrity or ability the appointment would never have been made.

Finally, Mr. Speaker, I think it is clear that any person who has spent as many years in public service and who has prosecuted as many cases as has Richard Sprague will be the target for criticisms. Where those criticisms are politically motivated they command no credence.

GILLIS LONG SPEAKS OUT ON LATIN-AMERICAN RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, Representative GILLIS LONG, chairman of the Joint Economic Committee's Subcommittee on Inter-American Economic Relationships, has been called by the press "an emerging voice on Latin American policy in the Congress." From my association with him on the Joint Economic Committee, I know his long interest in promoting greater understanding between the United States and our South American neighbors.

In a speech to the International Trade Mart in New Orleans, Louisiana on November 5, 1976, and printed in the December 15 issue of "Vital Speeches," Mr. LONG has produced a thoughtful analysis of concerns about development assistance and United States-Latin American Relations. The text of the article follows:

UNITED STATES/LATIN AMERICAN RELATIONS
TOWARD A POLICY OF MUTUAL RESPECT AND MUTUAL ADVANTAGE

(By GILLIS W. LONG, U.S. Representative from Louisiana)

It seems to me there couldn't be a better time to discuss the road ahead in inter-American relations than right after a Presidential election. I hope you'll excuse my partisanship, but Governor Carter's Victory will provide, I feel, a much-needed change in many of our policies both domestic and foreign. Certainly in no area is there a more urgent need for reassessment than in our policies toward the Third World, and particularly those that affect Latin America. That need is recognized in the title of this Seminar.

When I took over the Inter-American Economic Relationships Subcommittee of the Joint Economic Committee last spring, the first thing I discovered was that many people perceived the United States lacking clearly-enunciated policy—economic or otherwise—toward Latin America and the Caribbean. Over the past decade, I was told, relations between the United States and Latin America had suffered because of the more pressing problems we had in other parts of the world. We had resorted to using slogans to describe our Latin American policy. The Democratic "Alliance for Progress," the Republican "Mature Partnership," and the "New Dialog" all came and went. But, an effective policy cannot be based upon catchy words and a passing pat on the head. More recently, a policy appears to be formulating that, I believe, offers real promise. I give a great deal of this credit to our friend Assistant Secretary Shlaudeman. Also, with the cessation of hostilities in Vietnam and lessening of tensions in the Middle East Secretary Kissinger has had more time to give his attention to a number of complaints of Latin American and other Third World countries.

The long list of initiatives that the Administration has offered in response to these complaints does not yet add up to a policy. However, they can serve as a starting place from which the United States can move in a decisive and positive manner.

Congress has often been accused of being the stumbling block for enhanced relations with those countries by not coming forward with appropriations or approving various Administration proposals. I am not trying to absolve Congress—certainly there is much my colleagues and I can do—and some things done were wrong—but to blame Congress alone is a cop-out. It seems to me that for a long time we have been lacking clearly-defined goals.

I am very hopeful that the Carter Administration will develop these clearly-defined goals. I have been impressed by the quality of people who have counseled President-Elect Carter on foreign policy. Within the next few days, I will recommend to him that he look for in his appointee as Secretary of State a person with a broad general knowledge of economics and that the other people that he places in key foreign policy-making positions have a background in international economics.

I am dong this because I am convinced that the entire spectrum of our foreign policy has at its roots fundamental questions of economics. These questions permeate all other facets of international affairs.

Last summer, my Subcommittee reviewed a number of issues relating to U.S.-Latin American economic relationships. In fact,

two of the hearings were held in this very building, generously hosted by the International Trade Mart. In the course of these hearings we heard expert testimony from representatives of both the public and private sectors. These hearings were only the beginning of the Subcommittee's work in reexamining the whole range of economic relationships between the U.S. and Latin America.

Although we have just begun our in-depth exploration of these vital economic issues, one very important message has come across loud and clear; It's time to shed the myths we have about the relationship between the U.S. and Latin America, and deal with economic—and political—realities. For example, we do not have a preferential economic relationship with Latin America. In fact, we rejected it specifically when we presented a generalized system of preferences. As another illustration, the United States' share of trade with Latin America has actually decreased proportionately for both—Latin countries and for the United States. This is not all bad because it demonstrates our mutual willingness to seek out many trade partners. Latin America, certainly is still an important trading partner as a purchaser of high-technology exports and as a supplier of raw materials. It is also important because of the leadership it has provided in negotiations between rich and poor countries.

As the economies of the Latin American countries have become more open and diversified, the interrelationships between their economies and ours have become more complex. A new and mature assessment of these interrelationships is necessary with a foundation of mutual respect and mutual advantage as our guide.

We know that the Latin countries have many important ties among themselves, with us, and increasingly with other areas of the world. We share common difficulties in reconciling independence with interdependence. But all the countries—or nearly all—share with us a belief that an expanding international economy is essential to domestic prosperity and growth. And this is the optimistic thrust of the report on "The Future of the World Economy" recently issued by the United Nations, under the direction of the Nobel Laureate Economist Wassily Leontief.

What is our role in ensuring this prosperity? Beyond question, a healthy domestic economy in the United States is the most important contribution we can make to the economic prosperity of our neighbors. I believe that President Carter will provide a plan for our national economic recovery. I believe that for the first time in eight years Congress and the President can begin to work together to build the kind of effective domestic economic policy that will revitalize our economy. I believe that a growing economy at home will expand trade and ease the inevitable strains of adjustment needed to accommodate it both within the United States and abroad. This is the reason that I am gratified by Governor Carter's victory. Our economy should once again be showing the kind of growth that will generate capital and technology for export. We all know that it is the poorest countries that are hardest hit by erosion of economic growth.

I cannot overstress the importance of a strong U.S. economy. In our hearings, I have frequently been told that a key problem now affecting many Latin American countries is in servicing their foreign debts. Well, debt service is fundamentally tied to the foreign exchange earnings these countries receive and in turn will reflect most importantly the degree to which our economy—and certainly the economies of other developed countries—is healthy and vital. In fact, one of the very few things on which economists agree is that a prosperous international economy will make the debt burden manageable. Clearly, I feel that the first priority—in fact the basis—of our international policy must be a revitalized U.S. economy.

It is obvious that there are many pathways to development, and we respect the right of our neighbors to steer their own course. I hope that the days are gone when the United States takes a role in secretly "destabilizing" any foreign government by covert means. But the United States can take a lead in trying to facilitate trade expansion.

The outstanding economic success stories of the Post-War World—for example Taiwan and South Korea, among the LDC's—have relied upon a strategy of export-led expansion. Latin America, certainly, has not ignored these examples.

At the beginning of 1976, the United States introduced its generalized trade preferences to aid the exports of developing countries. As a region, Latin America stands to benefit most from these preferences, as the economies there have the capability of producing many of the exports which receive benefits under GSP. During the coming year we need to undertake an assessment of how this program is working. For example, many of the smaller Latin countries recognize the need for economic integration with their neighbors and our policy should favor this. However, the way our GSP program works, with its arbitrary and uniform country limits, there may be disincentives, however inadvertent, to integration among developing countries. At the very minimum we need to know.

Another aspect of GSP that needs our immediate attention—and here is one of the areas where Congress made a mistake and must act—is the exclusion of all OPEC countries from the GSP's benefits. This was a move that came on the heels of the Arab oil embargo and wrongly excluded Venezuela and Ecuador from GSP status. To add insult to injury, these two countries actually increased their shipments of crude oil to the United States during the embargo.

Late in the 94th Congress, I introduced legislation which will extend to Venezuela and Ecuador the GSP status they deserve. There is no doubt of the importance these two countries place on this issue. Venezuelan President Perez, in a recent interview with the "New York Times," said one of the two major objectives of his administration is getting the GSP status. Ambassador Cardenas of Ecuador and I have discussed the issue, as well. Their exclusion is a thorn in their sides, make no mistake. Work is underway right now to coordinate our legislative strategy to have my bill passed in the next session of Congress. I am confident that we can be successful.

Another initiative I feel we must take to foster this second priority of trade expansion, is to get on with the GATT trade negotiations which are taking place in Geneva. These negotiations, among more than 100 countries, seem to have been at a standstill during the last year for want of effective leadership. I would make this a high priority and set a timetable with deadlines for concluding them in 1977. Latin American interest in widening export markets and reducing adverse trade discrimination, particularly in Europe, should be important topics in the negotiations.

Let's talk about commodities trade for a moment. The developing countries have made the commodities issue central to their demands for restructuring the world economy. This was done at the recent UNCTAD meeting in Nairobi and in other forums like the CIEC in Paris which Venezuela co-chairs. I feel that in the long run a return to full employment growth in the industrialized economics—and further liberalization of trade—will benefit the Third World as a whole more than commodity price stabilization agreements.

Nevertheless, we cannot ignore the problems which countries highly dependent on export receipts from primary products face. Their development hopes can be devastated by sharp drops in the price for just one commodity.

But let me divert and go from the theoretical to the coldly practical. I want to give you an idea of some of the considerations a member of Congress involved in foreign relations faces. While I just mentioned how a developing country can have its hopes dashed by sharp drops in the price for a given commodity, let me tell you about what happens when that given commodity happens to be one that's produced in a Congressman's district or a Senator's state. And I'll be very, very candid.

What happens is that an elected official, generally disposed toward a world economy based on free-flowing trade, is suddenly hit squarely between the eyes with the needs of his individual constituents. This is the case in the ongoing sugar debacle.

In the last few months many of us in Congress have seen petitions signed by thousands of citizens who are asking us, as their elected representatives in Washington, to get the President to take protectionist actions against the influx of less expensive foreign sugar. At the same time, that Member of Congress knows that the lower sugar prices should and just might reduce the prices the housewife pays for sugar and the schoolchild pays for a candy bar.

And from hearings that I held as Chairman of the Subcommittee, I know the extent to which sugar plays a major role in the economies of some of the Latin American countries, particularly the Dominican Republic and Honduras.

And do you know what a Member of Congress does if his district happens to have many sugar cane or sugar beet farmers? He urges the President to take the protectionist actions!

At stake is a devil of a lot more than votes, my friends, although many think that is a Congressman's sole motivation. At stake is the well-being of people—the well-being of their large investments, the well-being of their families, their entire future, and often an entire industry.

But, I believe we may be successful in dampening some of the booms and busts in commodity prices, if we keep with our policy of supporting individual commodity agreements that stabilize the price around a long-term trend. Recently we have moved forward in this direction by signing the tin agreement and a new coffee agreement. Commodities differ widely in the characteristics of the market, the kinds of production arrangements—small individual producers as opposed to large integrated foreign firms—and in the long-term prospects of the export price. Different solutions are necessary for each commodity.

When several of these agreements have been signed, we should consider the possibility of joint financing of several buffer stocks. I do not think, however, that a common fund appropriated in advance for the undesignated buffer stocks makes sense for us or the rest of the world. I do not think, either, that the Congress views such a proposal with much favor. Sometimes members of Congress say that Secretary Kissinger has not been following through on our commitments to aid. But in the commodity area I do not think that a rapid leap into the arena of fixed prices is in the interest of the world.

Inappropriate agreements that fix prices at artificially high levels, or that seek to transfer resources, would not be successful over the long run in providing the develop-

ment benefits sought by the poor countries. Instead, such agreements would lead to substitution of alternative products, uneconomic investments, and threats of politically-motivated disruption of trade. In effect, they could do more harm than good.

We should, however, make it clear that we do wish to help those countries with commodity problems, particularly as they affect their development, but that we are unwilling to approve massive agreements just to gain their approval.

Countries like Brazil, Mexico, Venezuela, Peru, and Chile will benefit most by their expanding trade as they are well on their way toward industrialization. But what of the poorest countries of Latin America,

In addition to the two priorities of restoring the strength of our national economy and facilitating trade, we must continue our commitment to provide economic assistance to those countries that need it most—particularly some of those in the Caribbean and Central America. Such aid is essential to build the basic infrastructure in these countries that will enable economic development to take hold.

Our direct bilateral assistance to Latin America has been declining for a number of years and I think this trend should continue. Bilateral aid inevitably involves us in a donor-client relationship which is incompatible with the more mature policy of mutual respect and partnership. The economic progress which Latin America has made in recent years makes our bilateral assistance less necessary and probably less welcome. I would aim for reducing our bilateral assistance. Humanitarian and disaster relief programs would obviously continue. Other worthy objectives such as increasing food production and dealing with the population explosion are better handled through the multilateral agencies—those like the Intramerican Development Bank and the World Bank through which the great majority of public money already flows. It is not surprising that advice and assistance on sensitive internal issues are better received when they come from a multilateral agency in which the developing countries themselves participate.

In recent years there has been some lag in our commitments to the IDB and some of the other multilateral lending institutions. The Carter Administration should provide renewed leadership for these programs in contrast to some of the indifference to them that we've seen in the last eight years.

While the new administration will provide strong support for an integrated and balanced economic assistance effort, President Carter and Congress, I feel, will be less willing to ignore the issue of human rights. I do not think, though, that we should use our aid or the voice of the multilateral lending institutions to put leverage on countries to support a particular economic or political philosophy. Instead, we must use the moral force of our leadership to insure the respect for individual rights and freedom.

Another basic priority under a policy of mutual respect and mutual advantage should deal with promoting that kind of investment that serves the interest of both the capital-importing Latin American countries and ourselves. Mobilizing private and public savings for investment is a key element in the developing process. While the overwhelming share of this must come from domestic sources in each country, foreign capital can play an important supplemental role.

Not surprisingly, in light of recent revelations, the Latin countries are increasingly sensitive to the role of foreign private investments and the operations of large U.S. corporations. Taking as a cue a policy of mutual respect and a more equal partnership, I believe we can accept these concerns and work out better arrangements for this still very necessary part of the development process.

To my mind, even more valuable than the direct capital they bring, U.S. corporations can offer technology and access to established marketing channels for new exports from the developing countries.

But, we need to encourage our direct investors to consider new forms of participation. For example, in many countries a joint venture or a management contract is more acceptable than a wholly-owned subsidiary. It may be that our tax laws discourage joint ventures and if this is so we should consider some changes. Investment pay-back in the form of exports of products or materials is a useful technique that has been tried a few times. This may be one way to ease the foreign exchange availability problems that have bedeviled so many LDC's.

I am not overly concerned that investment expansion would add to the debt burden of Latin countries. We must recall that a significant portion of American development was financed this way and we must assume that our neighbors will invest wisely in productive enterprises that can pay their own way and eventually pay back the lenders. Once again, this harks back to our first priority—the need to keep the U.S. economy strong so that there will be an expanding base on which to finance needed transfers.

To sum up, our economic policy toward Latin America must contribute to the kind of hemispheric relations we desire as well as be consistent with our policy toward other developing areas and our general economic outlook.

A satisfactory basis for relations with Latin America, I suggest, is one based on mutual respect and the pursuit of mutual advantage.

The first priority must be to bring our economy to new heights of productivity and to encourage other developed countries in the same direction. If our markets are healthy, the international prospects of Latin America will be bright. Since the beginning of the 1960's, and particularly in the present decade, the growth of Latin American economies has been satisfactory—at up to 6 percent a year. That is, it was satisfactory until our recent recession. Our policy must be to sustain, widen, and deepen this growth trend.

Thus, the second priority recognizes that we can best smooth the path of development through an outward-looking trade policy that recognizes the special problems developing countries face. We need to perfect the program of trade preferences we offer, and do our best to steer the international trade system toward one which will encourage and reward full participation.

We must realize, as a third priority, that aid should be structured so as to destroy any donor-client relationship whenever possible, while recognizing the pressing humanitarian needs of some of the poorest countries. And this may best be accomplished by multilateral lending agencies, in which developing countries are involved in policymaking.

Acknowledging that the greatest share of foreign capital transfer to Latin America comes from private hands, our fourth priority must be to encourage and facilitate these transfers in a manner consistent with the dignity and sovereign rights of each country.

I am optimistic about the future of United States-Latin American relations. With a new administration. I am confident that the 95th Congress will be ready to sit down and work with President Carter and the new Secretary of State toward a coordinated program based on mutual respect and mutual advantage.

TRADING WITH THE ENEMY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 15 minutes.

Mr. BINGHAM. Mr. Speaker, I am today introducing a bill to repeal section 5(b) of the Trading With the Enemy Act.

The Trading With the Enemy Act was passed in 1917 "to define, regulate, and punish trading with the enemy." However, in 1933 section 5(b) of the act was amended to give the President vast powers to regulate international transactions during periods of declared national emergency. This was done on the first day of the 73d Congress, without hearings with virtually no debate, and before the bill was even in print. In order that my colleagues may better grasp the astounding latitude granted to the President by section 5(b), I have appended the current language of that section to my statement.

Since the Nation has been in a declared state of emergency since 1933, the "emergency" authorities provided in section 5(b) have in effect become routine authorities used to conduct the day-to-day business of Government. For years 5(b) has provided a major statutory basis for U.S. trade embargos currently in effect against North Korea, Vietnam, Cambodia, and Cuba. On three occasions since 1972 the President has by Executive order used section 5(b) to extend routine export controls when the Export Administration Act has temporarily lapsed. The most recent such Executive order was issued last September 30 and is still in effect. Section 5(b) has also been construed over the years as providing authority for actions as diverse as the "bank holiday" of 1933, and alien property freeze and consumer credit controls during World War II, and foreign direct investment controls in 1968.

Pursuant to the National Emergencies Act—Public Law 94-412, September 14, 1976—it is the responsibility of the Committee on International Relations to conduct a thorough review of section 5(b) and to report and make recommendations to the House by June 12 of this year. In preparation for that investigation the Subcommittee on International Trade and Commerce, which I chair, has already taken the following actions.

First, the subcommittee has published a complete legislative and administrative history of section 5(b) going back to 1917. The volume is entitled "Trading With the Enemy: Legislative and Executive Documents Concerning Regulation of International Transactions in Time of Declared National Emergency," and is available from the Committee on International Relations and the Government Printing Office.

Second, the subcommittee has sent out announcements of the impending investigation to over a dozen professional societies, trade associations, think tanks, and other interested groups, soliciting views on emergency trade controls. An-

nouncements have gone to such diverse groups as the National Association of Manufacturers, the American Bankers Association, the Emergency Committee for American Trade, the Council on Foreign Relations, the American Society for International Law, the Institute for Policy Studies, and the Coalition for a New Foreign and Military Policy.

Against this background, the subcommittee plans early and extensive hearings on my bill repealing section 5(b). My bill is designed to place the burden of proof on those who would retain emergency trade controls. We cannot permit these broad, open-ended grants of power, with no provision for congressional review, to remain on the books. If we need emergency trade controls, then we have to go back to square one and reconstruct them from the ground up, carefully defining, justifying, and limiting each grant of power to the President. I hope to be able soon to announce to my colleagues a schedule of hearings which will allow for the indepth exploration of these issues, and I look forward to an extensive input from the Government and the public.

I include the following:

TEXT OF SECTION 5(b) OF THE TRADING WITH THE ENEMY ACT

(b)(1) During the time of war or during any other period of national emergency declared by the President, the President may, through any agency that he may designate, or otherwise, and under such rules and regulations as he may prescribe, by means of instructions, licenses or otherwise—

(A) investigate, regulate, or prohibit, any transactions in foreign exchange, transfers of credit or payments between, by, through, or to any banking institution, and the importing, exporting, hoarding, melting, or earmarking of gold or silver coin or bullion, currency or securities, and

(B) investigate, regulate, direct and compel, nullify, void, prevent or prohibit, any acquisition holding, withholding, use, transfer, withdrawal, transportation, importation or exportation of, or dealing in, or exercising any right, power, or privilege with respect to, or transactions involving, any property in which any foreign country or a national thereof has any interest.

by any person, or with respect to any property, subject to the jurisdiction of the United States; and any property or interest of any foreign country or national thereof shall vest, when, as, and upon the terms, directed by the President, in such agency or person as may be designated from time to time by the President, and upon such terms and conditions as the President may prescribe such interest or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment of furtherance of these purposes; and the President shall, in the manner hereinabove provided, require any person to keep a full record of, and to furnish under oath, in the form of reports or otherwise, complete information relative to any act or transaction referred to in this subdivision either before, during, or after the completion thereof, or relative to any interest in foreign property, or relative to any property in which any foreign country or any national thereof has or has had any interest, or as may be otherwise necessary to enforce the provisions of this subdivision, and in any case in which a report could be required, the President may, in the manner hereinabove provided, require the production, or if necessary to the national security or defense, the seizure, of any books of account, records, contracts, letters, memoranda, or other papers, in the custody or control of such person; and the President may, in the manner hereinabove provided, take other and further measures not inconsistent herewith for the enforcement of this subdivision.

(2) Any payment, conveyance, transfer, assignment, or delivery of property or interest therein, made to or for the account of the United States, or as otherwise directed, pursuant to this subdivision or any rule, regulation, instruction, or direction issued hereunder shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect to anything done or omitted in good faith in connection with the administration of, or in pursuance of and in reliance on, this subdivision, or any rule, regulation, instruction, or direction issued hereunder.

(3) As used in this subdivision the term "United States" means the United States and any place subject to the jurisdiction thereof: *Provided, however,* That the foregoing shall not be construed as a limitation upon the power of the President, which is hereby conferred, to prescribe from time to time, definitions, not inconsistent with the purposes of this subdivision, for any or all of the terms used in this subdivision. Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than $10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this subdivision the term "person" means an individual, partnership, association, or corporation.

U.S. CANAL ZONE: WILL CARTER LET PANAMA CANAL GO?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, in addition to public opinion polls, petitions, and an extensive correspondence from all parts of the Nation and abroad, all are in strong opposition to any surrender of U.S. sovereign rights, power or authority over the U.S. canal territory, it has been gratifying to see an increasing number of thoughtful articles in the mass media.

A recent one by John J. O'Malley of the Copley News Service, published in the Times-Leader, Evening News, and Record of Wilkes-Barre, Pa., deals with the canal question in realistic manner, exposing major fallacies in current prosurrender propaganda and calling upon President-elect Carter to inspire confidence among the American people by leveling with them on this critical issue.

As the article reflects accurate knowledge, keen perception as well as strategic insight, it is recommended for reading by all Members of the Congress and their staffs working on the canal question.

The indicated article follows as part of my remarks:

[From the Wilkes-Barre (Pa.) Times-Leader, Evening News, Record, Dec. 1976]

WILL CARTER LET PANAMA CANAL GO?

(By John J. O'Malley)

On Jan. 20 President-elect Jimmy Carter will face the unhappy fact that our diplomatic representatives have committed the United States—and in pretty formal terms—to a progressive program of major concessions of both authority and responsibility over the Panama Canal.

The new administration will inherit a position, expressed by our negotiators, that a gradual relinquishment of our posture in the Canal Zone is inevitable for three reasons:

First, that if we do not back off from our position in Panama our relations with other Latin American countries will suffer. Second, that our case is weak, in any event, because we really do not own the Canal Zone.

And third, that not much is at stake because the strategic position of the canal in the world scheme of things is less important than it used to be.

Pursuing his determination to inspire confidence among the American people Mr. Carter will do well to level with them on this critical issue. If he will address the above topics squarely, he will burnish his own image and do the country a service as well, because there is not one shred of validity in any one of the three points made to justify a Panama Canal give-away.

First off, Latin America knows that our position in Panama is not in any sense oppressive. They know that the Panamanians have benefited massively from the $7 billion investment that the United States has made in the canal. They know that the canal accounts for about a quarter of Panama's gross national product.

They know that the unrest in Panama over the past 15 years has had its origin primarily with Soviet and Cuban agents operating with a very small number of Panamanian extremists. The Panamanian people at large have no part in the agitation, and are well aware of the benefits they derive from the canal.

The attitude of 13 Western Hemisphere nations on the subject of canal control was clearly expressed in the Inter-American Conference on Freedom and Security in September of 1975 where it was affirmed unquestionably that the conference opposed any conveyance of American authority in the Canal Zone to Panama.

The trade, and thus the economic health, of many Latin American countries pivots on safe and certain use of the canal. Those countries have no illusions as to the unsubstantial nature of Panama dictator Torrijos and those around him.

In short, a strong stand on our part will be seen by every reasonable Latin American government as a move toward stability.

As to the second point respecting our ownership, it would be hard to find a less equivocal legal position than we enjoy in the Canal Zone. It has been tested all the way to the U.S. Supreme Court, not once but twice, and the invariable posture of the court is that the zone is U.S. territory in every sense of the word. In its most recent declaration the Canal Zone is described as "unincorporated territory of the United States" over which Congress has complete and plenary authority."

Despite this fact, in February of 1974, the U.S. secretary of state and a representative of Panama signed "Principles of Agreement" which signify our readiness progressively to turn over the Canal Zone to Panama and, subsequently, to convey title to the canal itself to the Panamanians.

Just how a secretary of state could take such action in the face of the Supreme Court's assertion that "Congress has complete and plenary authority over the Canal Zone" is not clear. Nevertheless, it happened, and the American people should know about it.

Finally on the matter of the strategic significance of the Canal Zone, a good way to appraise the issue is through the eyes of the Soviet Union.

The Russians have declared—as far back as the days of Lenin—that their long-range

aim was to possess themselves of the critical sea bottlenecks on the globe—the Suez Canal, the Strait of Gibraltar, the Malacca Strait and the Panama Canal.

Where Panama is concerned the Soviet main strategic purpose is to make it impossible for the United States to shuttle naval units and naval logistic support freely from the Pacific to Atlantic and vice versa, through Panama. To advance this program they have established a substantial naval presence in Cuba. They have exercised their Cuban satellite at offensive operations overseas—in Angola—and there is no doubt now that they are quite capable of attempting the same thing in Panama.

Viewed from the American side, there is the fact that most of the 15,000 ships which transit the canal every year are involved in commerce that affects the United States. Our economic welfare is massively dependent on sure and secure use of the canal, not just by our men-of-war but by merchant shipping of all flags.

A lot of Americans have sensed all these things instinctively. Large segments of our society have expressed themselves vigorously—38 senators, the American Legion and the Veterans of Foreign Wars all have made clear their determination that there shall be no reduction in our authority or control of the Canal Zone and the canal. The people at large, as reflected in a public opinion poll by Opinion Research, held in favor of no change in sovereignty over the canal by a margin of 76–16 per cent.

The truth of it all is that the United States at the grass roots wants no concessions whatever in this matter.

It would be nice if Mr. Carter were spared major strategic and geopolitical decisions for a time.

DANGEROUS CUTS IN PROSPECT FOR MILITARY CONSTRUCTION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there are reports that a huge cut in the military construction program—a cut of possibly $1 billion below the budget level requested by the Department of Defense—has been ordered by the Office of Management and Budget. This would be a very unfortunate and ill-conceived action. It is difficult to understand in view of the high rate of unemployment experienced by the construction industries in many parts of the Nation, and it conflicts directly with the oft-stated goal by the administration to reduce unemployment.

There is more involved. Military construction is one of the best ways to quickly increase employment. It provides jobs for projects which are needed by the military services and are not make work programs. They involve modernization or repairs, or new requirements which must be built sooner or later. The program can be put into operation quicker than any of the make work programs which are under consideration in the Congress.

It has been estimated that for each expenditure of $1 million in military construction in the United States, as many as 2,000 workers are affected either directly or indirectly for the time of actual construction. If reports of a $1 billion cut in the program for 1978 are accurate, this means a loss of all or some work to about 2 million workers in this country while the program is in progress.

We know that unemployment is one of the greatest problems our economy faces. Elaborate programs are being discussed to provide Federal funds for programs, some of which result in nothing more useful than keeping people busy. A military construction project, on the other hand, provides projects which are national assets available for long term use.

I respectfully urge that administration officials take a new look at the proposed cuts. It would be much more meaningful if the military construction program were substantially increased. The military services actually are still using many World War II facilities. They were built only for the duration of that conflict. While they may have been modernized they still are costly to maintain and use. There is a very substantial backlog of maintenance which has been deferred from year to year. Every building must be maintained and repaired or it falls down. A step up of maintenance could be made immediately to employ many persons in nearly every part of the Nation. Deferment of needed construction and needed maintenance contribute to less than an adequate military posture for our Nation.

We cannot maintain an adequate defense without adequate facilities. We should not encourage men and women to join the military without providing them and their families with decent living and working conditions, and we cannot cure the ills of the economy by putting people out of work.

The military construction bill touches almost every State in the Union. It means jobs in construction and construction and supports businesses nationwide. A cut of the magnitude discussed, one-third to one-half of the total construction immediately needed, is not only dangerous, but is economically unsound as well. Congress should question closely any such decision. Hopefully, it will be reversed and an adequate military construction program forwarded to the Congress.

CUT REDTAPE AND PAPERWORK

(Mr. STEED asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STEED. Mr. Speaker, the latest Harris survey is out; 63 percent to 28 percent of Americans feel that "the people in Washington are out of touch with the rest of the country. A 55 to 38 percent majority of the public feels that "people running the country really don't care what happens to you."

These expressions of public alienation from Government are a sign that we must do much more to make Government again the servant of the people. But they are also a sign that the Congress is on the right track in having established the Commission on Federal Paperwork.

Survey after survey indicate the American people are being drowned in a flood of paperwork and redtape. Over $40 billions of our gross national product goes into making, printing, sending, receiving, processing and storing paperwork and information. That is the equivalent of the total 1974 net profits of the Fortune 500. And what value do you place on the rage, frustration and despair resulting when citizens try to cope with this flood of paperwork from Washington? Some of the comments I have heard personally are right on the mark but, unfortunately, they are also unprintable. Every Member of this body, I am sure, has heard horror stories from constituents.

Establishing the Commission on Federal Paperwork by special statute—Public Law 93–556—is a sure sign that Congress is determined to get the Government off the backs of the American people. We recognize our responsible to act.

But that responsibility is a dual one—we in Congress are duty-bound to exercise oversight in keeping paperwork requirements to a minimum in programs we authorize and fund. We also bear the responsibility to cut paperwork and red tape at the source—namely, in writing the laws which causes excessive paperwork in the first place.

These excessive paperwork burdens result from Government program and timing efficiencies, lack of care in drafting both legislation and regulation, failure to balance the benefits of certain information with the costs of gathering it. In short, these burdens and costs result from Government not being sufficiently aware of its role of serving the people—not hassling them.

Mr. Speaker, over the next several months, I shall take the floor frequently to discuss the issue of cutting redtape and paperwork. I shall endeavor to raise the awareness of the Congress on this issue—to make each of us realize that what we do here in Congress in requiring reports, questionnaires, forms, surveys, is not merely an exercise. If we legislate without being acutely aware of what magnitude of paperwork burden we may be creating, we indulge in an act of legislative irresponsibility.

The Commission on Federal Paperwork has already produced numerous victories in the paperwork war. Our dealings with the executive branch in reducing paperwork burdens have been amiable, determined and largely successful. I shall discuss these paperwork reduction efforts and how the Commission and Federal agencies cooperate in cutting redtape and paperwork. Short term victories already achieved represent savings in excess of $100 million. Long-term regulatory and statutory reforms should result in savings in excess of $6 billions.

Mr. Speaker, I serve on the Commission. One of the reasons I am continuing to serve in this body is my determination to see the work of the Commission well and fully completed—to see regulatory and legislative changes implemented which will significantly ease the paperwork burdens now being borne by the American people.

When I do leave these halls, I want to see the percentage of Americans who feel their Government is uncaring significantly reduced. I want to see this disaffection with Government reduced as we reduce the unreasonable paperwork and redtape burdens we have placed on those we exist solely to serve.

THE COAL PIPELINE ACT OF 1977

(Mr. ECKHARDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, the development and utilization of this Nation's abundant coal resources are essential to decrease our dependence on diminishing domestic supplies of oil and natural gas. In recognition of this fact, utility companies throughout the country have made commitments to purchase increasing amounts of coal to reduce their reliance on traditional energy sources. However, the availability of coal is heavily dependent upon the U.S. transportation infrastructure which is presently inadequate to support projected coal shipments.

Therefore, I have introduced the Coal Pipeline Act. This act will facilitate the development of coal slurry pipelines which represent an important additional mode of transportation for large quantities of coal.

The Coal Pipeline Act authorizes the Secretary of the Interior to issue certificates of public convenience and necessity with respect to coal pipeline projects. A company which has received such a certificate may acquire a coal pipeline right-of-way by the power of eminent domain. Such authority is necessary to overcome major obstacles in assembling continuous rights-of-way for the construction and operation of coal pipelines and ancillary facilities. The Coal Pipeline Act merely extends the power of eminent domain already enjoyed by natural gas pipelines to coal slurry pipelines.

The Coal Pipeline Act also provides several essential protective provisions. Environmental impacts, alternative transportation modes, and regional water and energy needs must all be considered before a certificate of public convenience and necessity can be issued. A certificate may only be issued after public hearings, and the pipeline must be operated as a common carrier. Moreover, the act does not alter any existing laws governing water rights nor does it permit the acquisition of water rights through the power of eminent domain.

A copy of the Coal Pipeline Act follows:

H.R. —

A bill to amend the Mineral Leasing Act of 1920, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coal Pipeline Act of 1977".

DEFINITIONS

SEC. 2. As used in this Act—

(a) "carrier" means any carrier of coal by coal pipeline that is subject to any of the provisions of this Act;

(b) "Department" means the Department of the Interior;

(c) "Secretary" means the Secretary of the Department of the Interior;

(d) "right-of-way" includes necessary land or other property for the location of pipelines, pumping stations, pressure apparatus, tanks, or other stations, equipment, or appurtenances required for the proper operation of a coal pipeline or pipelines; and

(e) "control" means the power to exercise control by whatever means: any person who (1) is a director of a carrier or of any other person, or (2) owns in excess of 5 per centum of the voting stock (or any like evidence of participation) of a carrier of any other person shall be deemed to have the power to exercise control of such carrier or other person, as the case may be.

RIGHTS-OF-WAY ON FEDERAL LANDS

SEC. 3. Subsection 28(a) of the Mineral Leasing Act of February 25, 1920, as amended by the Act of November 16, 1973 (87 Stat. 576), is further amended by inserting the word "coal" between "natural gas", and "synthetic".

EMINENT DOMAIN

SEC. 4. (a) Except as provided in subsection (b), when any carrier cannot acquire by negotiation the right-of-way required to construct, operate, and maintain any proposed coal pipeline or pipelines, such carrier may acquire the same by the exercise of the power of eminent domain in the district court of the United States for the district in which such property is located or in the courts of the State in which such property is located.

(b) The power of eminent domain shall not be exercised to acquire (1) lands owned by the United States or by any State, or (2) lands held in trust by the United States for an Indian or Indian tribe.

(c) Nothing in this section shall be construed to permit acquisition of any right to use or develop water through the exercise of the right of eminent domain.

CERTIFICATION OF PUBLIC CONVENIENCE AND NECESSITY

SEC. 5. (a) The power of eminent domain granted pursuant to this Act may be exercised only by a carrier holding a certificate of public convenience and necessity issued by the Department of the Interior. The Secretary is authorized to issue such a certificate if the Secretary finds with respect to the particular project of the carrier as to which said power is sought, that the project is in the national interest and provides the capacity necessary to fulfill the requirement of a common carrier of coal, as determined by the Secretary. In addition to other factors customarily considered in determining common carrier status in the case of pipeline common carriers, the Secretary shall consider contracts for the carriage of coal which are in existence or proposed as of the date of the application for certification and may also consider such contracts for such carriage as may reasonably be anticipated, at the time of issuance of the certificate, to be entered into after such date. In determining the size of the pipeline to be certificated, the Secretary shall take into account the resultant cost to ultimate consumers of services or products affected by such transportation.

(b) In making the findings required in (a) of this section the Secretary shall consider and make independent findings on the extent to which the project—

(1) would help meet national needs for coal utilization, considering, among other matters, alternate routes or means of transportation of coal and the relative cost of such alternative routes or means;

(2) may be impeded or delayed unless granted the power of eminent domain;

(3) involves disruption to the environment, as compared with disruption from other routes or modes of transportation or other methods of utilization of the coal resources involved; and

(4) considers the balance between the energy needs of the area to be benefited by the project and the water requirements and other impacts on the area from which the coal is to be transported.

The Secretary's findings as to whether a project is in the national interest shall be based on the record as a whole taking into consideration each of the criteria set forth in this subsection.

(c) The Secretary shall require as a condition of issuance of a certificate of convenience and necessity under this Act that any pipeline for which such certificate is issued be constructed, operated, and maintained as a common carrier as provided in the Interstate Commerce Act. Any violation of such condition shall be enforced as provided in such Act, and nothing in this paragraph shall be construed to limit, impair, or otherwise affect any provision of such Act.

(d)(1) No carrier granted the power of eminent domain under this Act shall transport any coal mined by it or under its authority or which it may own in whole or in part, or over which it may have any control, direct or indirect.

(2) The prohibition contained in subsection (d)(1) shall not apply to the construction, ownership, and operation of a feeder line for the purpose of gaining access to a coal pipeline by any person who would otherwise be ineligible if—

(A) the carrier has declined a formal request to construct, own, and operate the feeder line;

(B) the owner of the feeder line will operate the line as a common carrier for any excess capacity in the feeder line; and

(C) the Secretary has determined that an exemption from subsection (d)(1) is in the public interest

(3)(A) No certificate of public convenience and necessity may be issued to any carrier which controls, is controlled by, or is under common control with any person which uses or will use coal transported by the carrier or which supplies coal to the pipeline and (B) no carrier granted the power of eminent domain under this Act may control, be controlled by, or be under common control with any such person.

(4) The penalties and enforcement provisions of section 8 shall not apply to this subsection, but whenever, on the basis of any information available to it, the Interstate Commerce Commission finds that any carrier or other person is in violation of paragraph (1) or (3)(B), it shall notify such carrier or other person. If such violation extends beyond the thirtieth day after the date of such notice, the Commission shall, after notice and opportunity for hearing, issue an order requiring such carrier or other person to comply. Failure to obey any such order shall be subject to the same penalty as provided for in section 16(8) of the Interstate Commerce Act (49 U.S.C. 16(8)).

(e) No certificate of public convenience and necessity may be issued to any person engaged as a common carrier in interstate transportation of coal by any mode unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby right-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

(f) If the Secretary determines, in the course of the consultations and findings required by subsection (b) or the hearings required by section 6 that the project right-of-way may be utilized for additional uses compatible with operations of the project line, the Secretary may, in his discretion, re-

quire as a condition to the grant of a certificate of public convenience and necessity that the particular project right-of-way be subject to such compatible uses.

(g) The Secretary shall require the additional use described in subsection (e) only if he by rule (1) finds—

(A) the additional use is a compatible use, and

(B) conditioning the issuance of the certificate upon the availability of the right-of-way for the additional use is in the public interest, and

(2) establishes reasonable provisions for the payment of compensation for the additional use to the person otherwise entitled to the exclusive use.

PROCEDURE

SEC. 6. (a) Applications for a certificate of public convenience and necessity under this Act shall be filed with the Department pursuant to such regulations as it may prescribe. Each carrier applying for a certificate shall reimburse the Department for administrative and other costs incurred in processing the application as the Secretary shall prescribe.

(b) A certificate authorized by section 5 may be issued only after public notice and public hearings in accordance with this section.

(c) The carrier shall publish, in accordance with regulations promulgated by the Secretary, a notice that it has filed an application for a certificate of public convenience and necessity under this Act in a newspaper of general circulation in each county in which the project will be located. The notice shall, among other things, specify to the greatest extent practicable the land which would be subject to the power of eminent domain.

(d) The Secretary shall publish in the Federal Register a notice of the receipt of each application under this Act.

(e) The Secretary shall hold at least one public hearing in each State in which the project involved will be located. Any interested person may present relevant material at any hearing. After all hearings in each State are concluded, the Secretary shall hold at least one public, formal adjudicatory hearing in accordance with the provisions of section 554 of title 5, United States Code, in the District of Columbia at which the Federal Energy Administration and the Environmental Protection Agency shall, and other Federal, State and local agencies may, participate.

ANTITRUST REVIEW

SEC. 7. (a) The Department shall not issue any certificate pursuant to section 5 of this Act unless it has received the advice of the Attorney General of the United States and the Federal Trade Commission that such action would not restrain trade, further monopolization, substantially adversely affect competition, or otherwise create or maintain a situation in contravention of the antitrust laws. The issuance of a license under this Act shall not be admissible in any way as a defense to any civil or criminal action for violation of the antitrust laws of the United States, nor shall it in any way modify or abridge any private right of action under such laws.

(b)(1) Nothing in this section shall be construed to bar the Attorney General or the Federal Trade Commission from challenging any anticompetitive situation involved in the operation of a coal slurry pipeline.

(2) Nothing contained in this section shall, impair, amend, broaden, or modify any of the antitrust laws.

(3) As used in this section, the term "antitrust laws" includes, but is not limited to, the Act of July 2, 1890, as amended; the Act of October 15, 1914, as amended; the Federal Trade Commission Act (15 U.S.C. 41, et seq.); and sections 73 and 74 of the Act of August 27, 1894, as amended.

ENFORCEMENT AND PENALTIES AND JUDICIAL REVIEW

SEC. 8. (a) At the request of the Secretary the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any provision of this Act or any regulation or order issued under the authority of this Act.

(b) If any carrier shall fail to comply with any provision of this Act, or any regulation or order issued under the authority of this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $5,000 for each and every day of the continuance of such failure. The Secretary may assess and collect any such penalty.

(c) Any person who knowingly and willfully violates any provision of this Act, or any regulation or order issued under the authority of this Act, or makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or both.

(d) Whenever a carrier violates any provision of this Act, or any regulation or order issued under the authority of this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (c) of this section.

(e) Petitions for judicial review shall be filed in the court of appeals of the United States for the circuit in which the pipeline's originating point of coal transportation is located.

CONSTRUCTION OF LAW

SEC. 9. Nothing in this Act shall be construed—

(1) as affecting in any way any existing law governing appropriation use, or diversion of water, or any Federal, State, or private right to water;

(2) as expanding or diminishing Federal or State jurisdiction, responsibility, or interests in water resources development or control;

(3) as displacing, superseding, limiting, or modifying any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States or of two or more States and the Federal Government; or

(4) as superseding, modifying, or repealing, except as specifically set forth in this Act, existing laws applicable to the various Federal agencies which are authorized to develop or participate in the development of water resources or to exercise licensing or regulatory functions in relation thereto.

REGULATIONS

SEC. 10. The Secretary is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of this Act.

UNDERGROUND CONSTRUCTION

SEC. 11. All coal pipelines subject to this Act shall, to the maximum extent practicable, consistent with environmental protection, safety, and good engineering and technological practices, be buried underground.

RELATIONSHIP TO INTERSTATE COMMERCE ACT

SEC. 12. Except where otherwise provided by this Act, the provisions of part I of the Interstate Commerce Act (24 Stat. 379) as amended (49 U.S.C. 1–40) shall be applicable to coal pipelines subject to this Act.

SEC. 13. Subsequent to the passage of this Act, no person shall engage in the transportation of coal by slurry pipeline without first obtaining a certificate of public convenience and necessity under Sections 5 and 6 of this Act unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby rights-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any Federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

THE TAX EQUITY ACT OF 1977

(Mr. CORMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CORMAN. Mr. Speaker, on January 4, I introduced H.R. 1040, the Tax Equity Act of 1977. Twenty-nine Members of the House expressed their wish to cosponsor the bill with me. They are: Mr. STARK, Mr. ANDERSON of California, Mr. BOLLING, Mr. CARNEY, Mr. CLAY, Mr. CONYERS, Mr. DANIELSON, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. HAWKINS, Mr. JOHNSON of California, Mr. KOCH, Mr. MAGUIRE, Mr. MEEDS, Mr. MITCHELL of Maryland, Mr. MOSS, Mr. NIX, Mr. PRICE, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STUDDS, Mr. CHARLES H. WILSON of California, and Mr. WON PAT.

The 94th Congress made real strides in the quest for tax reform with the enactment of the Tax Reform Act of 1976. The massive piece of legislation was drafted totally by Congress without the cooperation of the Republican administration. Its intricately worded provisions begin the job of bringing equity to the Internal Revenue Code, but much remains to be done.

We must not let the momentum die. With the cooperation of a new administration already pledged to tax reform, the 95th Congress can continue the task of stripping the tax code of its bewildering complexity and distributing the costs of Government fairly among taxpayers.

H.R. 1040, the Tax Equity Act of 1977, in the pattern of its predecessors of the past three Congresses, provides a workable model for reform. I am pleased that ten provisions of the 1975 Tax Equity Act were enacted by the 94th Congress. Four more provisions were enacted in a somewhat modified form and an additional 13 were considered and, in some cases, approved by congressional committees.

The bill I am offering today has been changed to reflect the actions taken in the preceding Congress and several important new provisions have been added in the race to keep up with aggressive tax lawyers in their search for previously undiscovered loopholes in the law.

H.R. 1040 encompasses all of the objectives sought by tax reformers: Equity for all taxpayers through the elimination of loopholes, simplification of the law, and a means of raising new revenue without increased rates.

One of the most compelling arguments

for a more equitable tax code is the list of estimated Federal tax expenditures for 1977 which will amount to $106 billion, over 25 percent of the amount of direct Federal expenditures estimated for that year.

A tax expenditure results from an exclusion, a deduction or a credit, preferential tax rates or a deferral of tax liability written into the law to encourage certain kinds of economic behavior. Tax expenditures represent taxes not collected—revenues lost that must be made up by other taxpayers. They were created with good intentions, but unfortunately many have outlived their usefulness and unlike a direct Government appropriation are not subject to periodic review. In addition, since they are granted across the board, they tend to be heavyhanded and almost impossible to fine-tune as the needs of the economy shift.

H.R. 1040 would repeal some of the most costly and misused of these indirect Government expenditures. The most notorious loophole of all, percentage depletion for oil and gas, was partially curtailed by the 94th Congress, but the Tax Equity Act would completely eliminate it. By continuing to allow a 22-percent depletion allowance to producers of less than 2,000 barrels of oil or gas a day, we are losing $2 million in revenue for the dubious purposes of encouraging the extraction of oil and gas by independent producers.

The enactment of H.R. 1040 would complete another job begun in the 1976 act. The much criticized domestic international sales corporation—DISC—provision that allows exporters to defer the taxes on half of their export income was limited. An incremental approach was adopted in which exporters will be able to qualify for DISC treatment only on profits that exceed 67 percent of their average for past years, rather than on all of their export income as in the past. This modest reform was all that was achieved although attempts were made to repeal DISC entirely.

Since that congressional action, DISC has been declared an export subsidy in violation of the General Agreement of Tariffs and Trade. This declaration by a panel of experts commissioned by GATT should provide the impetus for Congress to end this $1.4 billion tax preference that even the Office of Management and Budget under a Republican administration found to be of questionable value. H.R. 1040 calls for its repeal.

The 1976 act does take steps to increase the effectiveness of the minimum tax. The purpose of this tax is to insure that every taxpayer, even those with access to a wealth of loopholes, manages to pay some tax. However, the most glaring loophole in the computation of this tax on loophole income was only limited. This is the so-called executive suite loophole that allows a taxpayer to deduct regular income taxes paid from his items of tax preference before computing his minimum tax. The 1976 legislation will limit this deduction to one-half of taxes paid, but H.R. 1040 would eliminate the deduction entirely to insure that the taxpayer would at least pay a minimum tax on his preference income.

Other loopholes left untouched by the 1976 legislation that would be repealed by H.R. 1040 are the capital gains exclusion, the investment tax credit, the asset depreciation range system—ADR—and tax-exempt State and municipal bonds. These four preference items alone amount to an annual revenue loss of $23.4 billion. Their elimination would broaden the tax base and could allow for lower tax rates for all. In fact, H.R. 1040 would extend the 50-percent maximum tax to unearned income as a balancing factor to those provisions that would eliminate tax preferences.

A major goal of all tax reformers is the elusive one of simplification. While the Tax Reform Act of 1976 will increase Federal revenues by $1.6 billion annually, no one would argue that its 1,000 pages will simplify the Tax Code. One important way the enactment of H.R. 1040 would achieve simplification is through the elimination of all those pages of the code devoted to the taxation of capital gains, since preferential treatment of capital gains income would be ended.

A simplification move even more important to the average taxpayer is the provision of H.R. 1040 calling for a 24-percent tax credit for personal deductions and exemptions including the standard deduction.

The drafters of the 1976 act took a first step toward substituting credits for deductions with the new 20-percent child care credit. The Tax Equity Act would complete the process by allowing a credit to be taken on the aggregate amount of other personal deductions and exemptions. The personal deductions involved include interest and taxes on nonbusiness indebtedness—such as home mortgages—charitable contributions, and medical expenses.

The substitution of one credit for itemized deductions and personal exemptions would eliminate a number of lines from our ever-growing tax return. A recent Treasury study has revealed that 70 percent of itemized returns contain errors. There is something drastically wrong with a form that confounds 70 percent of the taxpayers.

In addition to providing simplification, the use of the credit also represents a step toward equity. The benefit of a deduction is tilted toward those in the higher tax brackets, while a credit is taken directly from tax liability in equal amounts for all taxpayers.

Under present law, the personal exemption of $750 is worth $525 to the taxpayer in the highest bracket, but only $105 to a taxpayer in the lowest bracket. If each taxpayer took a 24-percent credit on the same $750 exemption, each would deduct a uniform $180 directly from his tax liability. This would reverse the existing bias in our tax system that rewards high-income taxpayers, and return us to one of its original tenets of taxing each according to his ability to pay.

As tax reformers, our task is clear. We must work to lighten the burden of the average taxpayer by lowering the amount of taxes he pays and by simplifying the process of paying them. This can be accomplished only through the comprehensive kind of reform contained in the Tax Equity Act of 1977. I urge my colleagues to give it their serious consideration. A summary of the bill follows:

SUMMARY OF CONTENTS OF H.R. 1040

Section 1—Short title, etc.

This section provides that the Act may be cited as the Tax Equity Act of 1977, and the sections contains a table of contents of the bill.

Section 2—Technical and conforming changes

This section provides that the Secretary of the Treasury shall, within 90 days after the date of the enactment of the Act, submit to the Committee on Ways and Means a draft of any technical and conforming changes in the Internal Revenue Code which should be made to reflect the substantive amendments made by the bill.

Section 3—Treaties

This section provides that every amendment made by the Act shall apply notwithstanding that its application may be contrary to the provisions of some treaty in effect on the date of the enactment of the Act.

TITLE I—CAPITAL GAINS AND LOSSES

Section 101—Repeal of alternative tax on capital gains

This section repeals the alternative tax on capital gains for both individuals and corporations. As a result of this section and other amendments made by title I of the bill, capital gain income (for taxable years beginning after 1977) will not receive preferential treatment and will be taxed as ordinary income. (Section 301 of the bill reduces the maximum rate of tax on individuals from 70% to 50%.)

Section 102—Tax treatment of capital gains

While capital gain income will be taxed as ordinary income under the amendments made by the bill, this section provides for a limited exemption from tax depending on the length of time the property has been held before it is sold. The exemption is granted in deference to the fact that if an asset has been held a long time, the gain measured by dollars is attributable to some extent to the declining value of the dollar and does not represent increased purchasing power for the taxpayer.

This section allows an adjustment for inflation by providing, in effect, that in computing the gain on a sale of property, the taxpayer can add to the tax basis of the property 6 percent of the tax basis of the property (at the time of the sale) for each year the property was held after it was held for one year. More precisely, it is provided that the addition to the tax basis shall be one-half of 1 percent of the tax basis for each full month the property was held after it had been held for one year. Thus, if the property is held for less than 13 full months, nothing is added to the tax basis in computing gain. If the property is sold after being held 64 full months (5 years and 4 months) 26% of the tax cost (51 months at one-half of 1 percent) would be added to the basis in computing gain. Since there is no compounding of the 6 percent annual adjustment for inflation, if an asset has been held for 11 years prior to its sale, the 6 percent adjustment merely offsets a compounded inflation rate of 4½ percent.

Under present law, an individual is taxed on only one-half of his capital gain if he holds the property for one day over 6 months. Under the bill, no one day can make a difference of more than one-half of 1 percent, and that percent is of the cost of the property—not the gain on its sale.

This provision for not taxing the gain to the extent attributable to inflation applies not only to capital assets but also to prop-

erty used in a trade or business, such as a plant, machinery, or other depreciable equipment. It does not apply, of course, to property held for sale to customers in the ordinary course of business.

This section of the bill repeals a number of provisions in the Internal Revenue Code which become deadwood when capital gains are treated as ordinary income. Complicated provisions, such as those dealing with collapsible corporations and the recapture of depreciation deductions on sale of property at a gain, are not needed when preferential treatment of capital gains is eliminated. No greater blow can be struck for the cause of simplification of the income tax laws than to repeal, as the bill does, the preferential income tax treatment of capital gains.

Section 103—Limitation on deduction of capital losses

Under existing law, capital losses are deductible only against capital gains plus, in the case of an individual, $3,000 of other income. This section of the bill provides that capital losses of a corporation are deductible only against gains from the sale of capital assets and property used in a trade or business. In the case of an individual, capital losses will be deductible only against such gains plus $3,000 of other income. Under present law, a long-term capital loss of $2 will offset only $1 of an individual's ordinary income. Under the bill, a capital loss of $1 will offset $1 of ordinary income (subject to the $3,000 limitation). Gains from the sale of property used in a trade or business do not include gains from the sale of property held primarily for sale to customers or gain from the sale of animals.

Section 104—Capital loss carrybacks and carryovers

This provision grants relief to an individual who has an unused capital loss of at least $10,000 by allowing him to carry it back to the 3 preceding taxable years. Cases have arisen where a large capital gain in 1 taxable year is followed by a large capital loss in the following year which may never be deducted even with the unlimited carryforward.

Under present law, if a corporation has an unused capital loss of only a few hundred dollars, this unused loss must be carried back to the 3 preceding taxable years, with resulting refunds if there are net capital gains in any of the 3 years. It cannot be carried forward if it can be used up on a carryback. This section of the bill changes existing law by providing that a corporation (like an individual) cannot carry back an unused capital loss unless it exceeds $10,000.

The bill provides that the carryback is elective with the taxpayer, whether an individual or a corporation. This will make the carryback provision less of an administrative burden on the Internal Revenue Service for in many cases the taxpayer would rather not file a claim for refund of taxes paid in a prior year if the loss can be used on a carryover.

In the case of an individual, the carryover can be used to offset ordinary income up to $3,000 a year, but on a carryback the capital loss can be used only to offset capital gains. In the case of the death of an individual the bill provides that the net capital loss for the year of his death can be carried back even though the loss is less than $10,000.

Under present law, a capital loss of a corporation can be carried over only to 5 taxable years following the year of the loss. Under the bill, a corporation (like an individual) will have an unlimited carryover of a capital loss.

Section 105—Capital gain and capital loss defined

This section amends the Code by striking out the definitions of short-term and long-term capital gains and losses since under the bill no distinction is made between short-term and long-term gains and losses. However, the bill defines the terms "capital gain" and "capital loss" since the deduction of capital losses is limited as explained above. The bill retains the definition in existing law of the term "capital asset".

Section 106—Election to include certain unrealized gains in gross income

Under present law if a decedent dies with unused capital losses, the losses cannot be carried over and used by his estate or heirs. However, in the case of unrealized gains from appreciated property, the Tax Reform Act of 1976 provides for a carryover of the decedent's tax basis so that the unrealized gain may subsequently be taxed when the estate or heirs sell the appreciated property.

This section of the bill provides that if a decedent has unused capital losses at his death (including capital losses carried over to his last taxable year), and the decendent also had unrealized capital gains, the executor or administrator of his estate can elect to include in gross income in the decendent's last taxable year the gain the decedent would have realized if he had sold the appreciated property on the date of his death for its fair market value. The gain so included, however, cannot exceed the amount of the unused capital losses. Thus, if unrealized gain on a capital asset is included in income for the decedent's last taxable year, no income tax will be incurred because the gain will be offset by the unused losses. But the decedent's estate or heirs will benefit because the bill provides that the decedent's tax basis in the capital asset—in determining the tax basis to be carried over to his estate or heirs—will be increased by the amount of the unrealized gain included in the decedent's last taxable year.

Section 107—Tax treatment of gain on certain sales of patents

Since capital losses will continue to be deductible only against capital gains (plus an additional $3,000 in the case of an individual), it is important that ordinary income is not classified as capital gain income. Under existing law, gain on the sale by an individual of a patent is treated as capital gain even though the taxpayer is a professional inventor. This section of the bill repeals this provision, so that the sale of a patent by the person whose personal efforts created the patent will be treated as ordinary income and not capital gain income, just as the sale of a copyright produces ordinary income under existing law.

In addition, this section provides that capital gain treatment will not be granted in any case where the owner (whether a corporation or an individual) of a patent enters into an agreement (whether or not it constitutes a sale, license, or assignment) under which the seller or assignor of the patent receives payment measured by a percentage of the selling price of articles produced by the buyer or transferee of the patent or where the amounts received by the seller or transferor are measured by production, sale, or use by the assignee of licensee. Periodic receipts of this kind with respect to the sale or transfer of a patent are properly treated as royalty income rather than capital gain income.

TITLE II—INCOME DERIVED FROM EXTRACTION OF MINERALS

Section 201—Repeal of percentage depletion

This section of the bill repeals percentage depletion for all minerals, including the limited allowance under existing law for oil and gas, effective with taxable years beginning after December 31, 1977.

Section 202—Deduction of intangible drilling costs and other exploration and development expenditures

This section of the bill liberalizes the deduction of exploration expenditures for oil and gas. Under present law, intangible drilling and development costs are deductibles as incurred, but geological and geophysical costs are capital expenditures to be recovered through the depletion allowance (or as a loss upon abandonment). This section provides that all expenses incurred for the exploration and development of all minerals, including oil and gas, are deductible at the election of the taxpayer, so long as the expenditures do not have the effect of sheltering from tax income from nonmineral sources.

To deal with the problem of the tax shelter, this section provides that the aggregate deduction for exploration and development of mineral properties during the taxable year cannot exceed the taxpayer's aggregate taxable income for the year from mineral properties (computed without regard to the deduction for exploration and development). Losses on drilling a dry hole, however, will continue to be deductible without regard to the limitation. Any amount disallowed as a deduction under this limitation will be treated as an amount expended in the following year for the exploration and development of mineral properties. In the normal situation, this limitation will not limit the deduction in the case of the taxpayer who is in the business of operating mineral properties, but it will put a stop to the current practice of peddling drilling funds as tax shelters to taxpayers who are not in the business of operating mineral properties.

Section 203—Income from mineral properties located outside the United States

Under existing law, if a taxpayer goes into a foreign country to explore for and develop oil and gas wells or a mine, the deductible costs of exploration and development can be applied against income from sources within the United States. If the venture is successful and the mineral properties produce profits, the credit for foreign income taxes imposed upon those profits will, on the basis of past experience, completely offset the U.S. tax on those profits. The net result is that the United States Treasury loses revenue on account of the exploration and development in foreign countries of mineral properties and receives no revenue (because of the foreign tax credit), when the mineral properties produce profits. Moreover, if there is a loss on account of the expropriation of mineral properties by a foreign government, the deductible loss in the usual case has the effect of reducing the income taxes otherwise payable on income from sources within the United States.

To eliminate the losses to the Treasury on account of the exploration, development, and expropriation of foreign mineral properties, this section of the bill provides—

(1) a taxpayer will not include in his tax return amounts derived from the operation of a mineral property located outside the United States.

(2) no deduction shall be allowed for amounts chargeable to income so excluded from the tax return, or for any amount expended for the exploration or development of any mineral property located outside the United States, and

(a) losses on the sale, abandonment of expropriation of mineral properties located outside the United States shall be allowed only to the extent of gains from the sale of mineral properties located outside the United States.

The exclusion from gross income will not apply to profits derived from processing minerals after reaching the so-called cutoff point used in the past for percentage depletion purposes. Thus, profits from transporting minerals or in producing gasoline or refined metals will not be exempt. In addition, the exclusion from gross income will not apply to royalties received on mineral properties located outside the United States or to divi-

dends on stock of any corporation operating mineral properties outside the United States.

TITLE III—REFORM MEASURE AFFECTING PRIMARILY INDIVIDUALS

Section 301—50-percent maximum rate for individuals

Under present law, the maximum rate of tax on individuals is 70 percent. This section of the bill reduces the maximum rate to 50 percent. This reduction is justified in the light of the other provisions of the bill which broaden the income tax base, particularly the taxation of capital gains as ordinary income, and the elmination of the tax shelters allowed under present law.

Section 302—Credit against tax for personal exemptions and nonbusiness deductions

This section of the bill provides a credit against tax for the personal exemptions and other personal deductions of an individual, including the standard deduction, in lieu of the existing deductions from gross income for such items. Under present law, a deduction of $750 against gross income for a personal exemption is worth $525 to the taxpayer in the highest bracket, but only $105 to a taxpayer in the lowest bracket. This section of the bill provides that each taxpayer will receive the same tax benefit for his personal exemption, and that the Treasury will "contribute" the same amount to all taxpayers with respect to deductible expenditures not connected with a trade or business or for the production of income.

A credit of 24 percent of the aggregate amount of the personal deductions is allowed by this section of the bill. The personal deductions include the deductions for personal exemptions, interest and taxes on nonbusiness indebtedness (such as taxes and interest on the taxpayer's home), deductions for charitable contributions, and deductions for medical expenses. If the taxpayer would have used the standard deduction instead of itemizing his deductions, then the 24-percent credit will be applied to the amount of the standard deduction the taxpayer would have received plus the amount of his personal exemptions. The credit will not be allowable with respect to alimony payments which would continue to be deductible from gross income as under existing law.

A credit of 24 percent of the personal deductions, instead of deducting such amounts from gross income, will reduce the income taxes of taxpayers in the lower brackets. For example, a married couple with two children having an adjusted gross income below $15,300 (and assuming nonbusiness deductions of 10 percent of income) will have a reduction in their income taxes.

A limit is provided on the amount of credit which may be taken on account of interest and taxes paid on an individual's personal residence (or residences). Not more than $10,000 of such interest and taxes will qualify for the 24 percent credit. In the ordinary case this limitation will not come into play unless the residence has a value of more than $100,000 and is heavily mortgaged.

This section provides that the President may increase or decrease the 24-percent rate if he decides that it is in the public interest to do so. If he decides that taxes on individuals should be reduced for a temporary period, he could proclaim an increase in the 24-percent rate, and if he believes that the taxes should be increased for a temporary period, he could proclaim that the 24-percent rate be decreased. The increase or decrease, however, cannot exceed 2 percentage points.

Any increase or decrease in the 24-percent rate by the President would not take effect if either House of the Congress, within a 60-day period after announcement of the proposed change in rate, passes a resolution stating in substance that a change in the 24-percent rate is not favored.

This section of the bill also provides that if the taxpayer is claiming a child as a dependent (and thereby receiving a credit of $180 against tax—24 percent of $750), the parent shall include in his gross income any income received by the child during the year from a trust created by the parent, and also any dividends, interest, or royalties received by the child from any property given to him by the parent. Income which is so taxed to the parent would not be taxed to the child. This provision would not apply if the parent does not choose to claim the child as a dependent.

This section also increases the credit against tax for child care from 20 percent to 24 percent.

Section 303—Denial of certain tax preferences to shareholder-employees of closely held corporations

This section of the bill eliminates three kinds of abuses which have arisen when an employee owns the corporation which "employs" him.

A self-employed farmer cannot deduct the cost of maintaining his residence on the farm. Such items as depreciation, repairs, heat, and insurance premiums on his house are not deductible; and he cannot deduct the cost of groceries consumed on the farm by his family. But, apparently all these personal and family expenses can be deducted if he incorporates—even though he elects subchapter S so that the corporation is not subject to tax. The Tax Court recently held that an individual owning all of the stock of a corporation which owned a 35,000-acre ranch in Montana was not taxable on the value of meals and lodging furnished to his family on the ranch by the corporation (and deducted by the corporation) because it was for the convenience of his corporation that he and his wife lived on the ranch and occupied the ranch house. This section of the bill provides that a shareholder-employee of a corporation cannot exclude (under sec. 119 of the Internal Revenue Code) from gross income the value of lodging and meals furnished to him by the corporation. A shareholder-employee is defined as an employee or officer of a corporation who owns 5 percent or more of the stock of the corporation.

If a doctor, lawyer, or other self-employed individual incorporates his business and then adopts a plan for the corporation to pay all medical, dental and hospital bills of any shareholder-employee (including members of his family), under existing law the payments are deductible by the corporation and are excluded from the gross income of the shareholder-employee, even though the plan does not cover employees who own no stock in the corporation. This section of the bill provides that such family expenses paid by the corporation for the benefit of the shareholder-employee will be included in his gross income unless employees who are not shareholder-employees received 75 percent or more of all such payments made by the corporation during the year.

In the case of any self-employed person, his deduction for pension contributions for his own benefit under an H.R. 10 plan is limited to 15 percent of his earned income, with a maximum deduction of $7,500 a year. But, if the doctor, lawyer, dentist, or other self-employed person incorporates his business, the H.R. 10 limitations do not apply unless the corporation elects to be taxed under subchapter S. This section of the bill extends the rule applicable to a shareholder of a subchapter S corporation, and provides that the shareholder-employee of any corporation must include in his gross income any amount contributed by his corporation for his benefit in excess of the H.R. 10 limits. This rule will not apply, however, if more than 75 percent of the contributions made during the year by the corporation under the pension plan are for the benefit of employees who are not shareholder-employees.

Section 334—Repeal of $100 dividend exclusion

This section repeals the provision in present law that allows an individual to exclude from gross income $100 of dividends received on corporate stocks.

Section 305—Deductions for attending foreign conventions

This section disallows expenses of travel (including meals and lodging) of an individual in connection with attending a convention held outside the United States. As a general rule, such expenses are incurred primarily for pleasure rather than business. Thus, expenses of lawyers attending the American Bar Convention in London in 1971 would have been disallowed if the amendment had been in effect.

Section 306—Vacation homes

The Tax Reform Act of 1976 substantially reduced the tax abuse which arose when vacation homes acquired for personal pleasure were rented out for part of the year in order to generate tax deductions to shelter income other than the rents received. The Act, however, still permits a vacation home to be used in some cases as a tax shelter. For example, if the taxpayer uses the vacation home for only 10 days during the year and rents it out for only 20 days, he can deduct without limitation against outside income, two-thirds of the depreciation and other annual expenses for the entire year. This section of the bill in further tightening up on the use of a vacation home as a tax shelter, provides in the case of the above example, that the deduction for depreciation, repairs, and insurance premiums for the year will be reduced from two-thirds to 40/365ths of such expenses (two times the number of days of rental divided by the number of days in the taxable year.)

Section 307—Farm losses

In order to deal more effectively with the problem of farm losses as a tax shelter, this section of the bill provides that farm losses can be deducted against nonfarm income only to the extent of $10,000 a year. Any amount of a farm loss which is disallowed under this provision will be treated as an expense of farming in the following taxable year.

This limitation on the deduction of a farm loss will not apply to a taxpayer whose nonfarm income is less than $20,000.

Section 308—Computation of earnings and profits on a consolidated basis

Some conglomerate companies have been paying dividends which are not fully taxable because the parent company does not have sufficient earnings and profits to cover the distribution although the consolidated group had earnings and profits during the year greater than the amount distributed. This section of the bill provides that the earnings and profits of a parent corporation for a year shall not be less for dividend purposes than the earnings and profits of the consolidated group for the year.

Section 309—Dividend on certain sales of stock

The Tax Court held that if a transaction is described in section 304 of the Code (which can produce dividend income if stock of one controlled corporation is sold to another controlled corporation) and is also described in section 351 (dealing with tax-free exchanges), then section 351 applies and not section 304. This section of the bill changes the rule of the Tax Court case and provides that the tax-free provisions of section 351 do not apply to

the extent the application of section 304 produces an amount taxable as a dividend.

Section 310—Tax treatment of stock options granted by employer

The Tax Reform Act of 1976 achieved a major reform by repealing the special tax treatment previously allowed for stock options granted by corporations to officers and other highly compensated employees. However, the managers of the House and Senate conference on the Tax Reform Act made a disturbing statement in reporting the conference agreement. The conferees requested the I.R.S. to make every reasonable effort to determine a fair market value for a stock option at the time it is granted when an employee elects to report such value in his tax return, "particularly in the case of an option granted for a new business venture." Any adoption of this suggestion would create a major loophole. The repeal of the stock option provision was a reform because it requires an executive to include in gross income, when he exercises the option, the differences between the value of the stock acquired and the option price. The suggestion of the conferees, if adopted, would eliminate any tax at the time of exercise. This section of the bill will insure that an executive will have taxable income when he exercises a stock option by providing that a stock option will not have an ascertainable fair market value at the time it is granted unless the option is traded on a stock exchange or over the counter.

Section 311—Treatment of trust income payable to children of grantor

Under present law, a father can, in effect deduct on his income tax return gifts to his children if he makes a gift out of income from stocks and agrees to do so for at least 10 years. To get that result, the parent need merely transfer stock to himself as trustee and agree to pay out to his children the income from that stock for 10 years, at which time the stock will be returned to him free of the trust. Use of short-term trusts in this manner is commonplace with affluent taxpayers who can afford to give some of their dividend income to their children.

This section of the bill provides that the income of such a trust will be taxed to the grantor (if he has a reversionary interest) so long as the income is payable to a child who is under the age of 21 years or who is attending college and is a dependent of the taxpayer for purposes of the credit for personal exemptions.

Section 312—At risk rule for real estate partnerships

To curb the rise of partnerships as tax shelters, the Tax Reform Act of 1976 provided that a partner cannot deduct partnership losses in excess of the amount he has at risk. The Act, however stated that the at risk rule would not apply in the case of a partnership the principal activity of which is investing in real property. This section of the bill provides that the at risk rule will also apply in the case of real estate partnerships.

Section 313—Repeal of exemption for earned income from foreign sources

Under present law, citizens of the United States can exclude from gross income certain amounts of income they earn in foreign countries if they are present in the foreign country for 17 out of 18 months or if they become a bona fide resident of the foreign country. This section of the bill denies such exclusion from gross income in the case of taxable years beginning after the date of enactment. The foreign tax credit will prevent double taxation of the income if the foreign country also taxes the earned income.

Section 314—Underpayments of estimated tax

This section provides that an individual cannot base his estimated tax payments on the prior year's tax (or at the current year's rates applied to the prior year's facts) if in any one of the 3 preceding taxable years the tax shown on his return was in excess of $100,000.

Section 315—Partnership to be treated as corporation upon filing registration statement with Security and Exchange Commission

A key element in the syndication of tax shelters is that the business venture is treated for tax purposes as a limited partnership, so the tax losses can be passed through and be deducted by the limited partners. In a recent year registered filings with the Securities and Exchange Commission of partnership tax shelter offerings in oil drilling funds, real estate programs, cattle feeding, and the like, were in excess of $3.2 billion. Perhaps any partnership which depends primarily on limited partners for the capital of the venture should be treated as a corporation—the limited partner is like the preferred shareholder of a corporation. But at a minimum, any partnership which is required under the securities laws to register its offerings with the Securities and Exchange Commission should be treated as a corporation, and this section of the bill provides that if a registration statement is filed with the SEC or any comparable State agency, after July 1, 1977, and offers units of participation or other interests in a partnership, the partnership shall be treated as a corporation for taxable years ending after the date of the filing of the registration statement. The enactment of this provision would put an end to the interstate sale of large syndicated tax shelters.

TITLE IV—REFORM MEASURES AFFECTING PRIMARILY CORPORATIONS

Section 401—Repeal of investment credit

The investment credit is a massive subsidy to corporations for their purchase of machinery and equipment, nearly all of which would be purchased in the absence of the subsidy. This section of the bill terminates the investment credit, effective with respect to property placed in service on or after January 1, 1978.

Section 402—Repeal of asset depreciation range system

In 1962, the Treasury issued guidelines specifying the number of years over which different kinds of assets could be depreciated. Through the "reserve ratio test", a direct link was maintained between the depreciation claimed by taxpayers and the actual "wearing out" of equipment. Taxpayers were not allowed to depreciate for tax purposes more rapidly than they were actually replacing the equipment.

In January, 1971, the Treasury announced some major changes. Businessmen were allowed to take guideline lives 20 percent shorter than previously. Thus, an asset which previously had a guideline life of 10 years could now be depreciated over 8 years. In addition, the reserve ratio test was repealed. These changes were given legislative approval in the Revenue Act of 1971.

This section repeals the ADR system and reinstates the reserve ratio test.

Section 403—Depreciation deduction not to exceed book depreciation

Under present law, a corporation cannot use the LIFO method of valuing inventories for income tax purposes unless it uses the same method in reporting its earnings to shareholders. The obvious rationale of this rule is that if LIFO is not considered by a corporation as a correct method for reporting earnings to shareholders, then that corporation is not entitled to use the LIFO method in reporting its earnings on the tax return.

For a similar reason, this section of the bill provides that a corporation cannot take depreciation deductions for a taxable year in an aggregate amount in excess of the depreciation taken into account in reporting earnings for the year to shareholders. Thus, if a corporation on its books computes depreciation for equipment on a straight-line basis with a 30-year life, it cannot have a larger deduction on the tax return by using the double declining balance method or a shorter life. Moreover, in the case of a publicly held company whose annual report to shareholders is certified to by independent certified public accountants, it can generally be presumed that the charge for depreciation recorded on the books is a fair and honest estimate of the actual cost of depreciation for the year. If a larger deduction for depreciation is allowed on the tax return, then the depreciation allowance becomes a subsidy and not a reasonable allowance for the exhaustion of machinery and equipment.

In the case of an affiliated group of corporations, regulations will prescribe whether the report by the common parent corporation to its shareholders, rather than the report of subsidiaries to the parent, will be taken into account for purposes of this amendment.

Section 404—Deduction for repairs limited to amount recorded on books

This section of the bill, for the reasons set forth in the preceding section dealing with depreciation, prohibits the deduction by a corporation of an expenditure for repairs if the corporation capitalizes the expenditure on its books for the purpose of reporting to shareholders its earnings and profits for the year.

Section 405—Limitations on dividends received deductions

Subsection (a) of this section of the bill provides that the dividends received deduction cannot exceed 85 percent of taxable income (computed without regard to the net operating loss carryback). The chief effect of this is to change present law which allows a full deduction for 85 percent of dividends received if this deduction will produce or increase a net operating loss for the taxable year. The amendment also provides that any amount disallowed for the taxable year because of the net income limitation shall be allowed as a deduction for the following taxable year if there is sufficient taxable income in that year. This gives the taxpayer a carryover which he does not have under present law.

Subsection (b) provides that dividends received from an unaffiliated corporation shall be reduced (for purposes of the dividends received deduction) by the amount of any interest on indebtedness incurred or continued to purchase or carry the stock of the unaffiliated corporation. An unaffiliated corporation is any corporation except one that is a component member of a controlled group of corporations which includes the taxpayer.

This section of the bill also provides that if the aggregate amount of dividends received during the year from unaffiliated corporations (after first being reduced by any interest paid as provided in the preceding paragraph) exceeds the amount of dividends paid by the corporation during the taxable year, no dividends received deduction shall be allowed with respect to the excess. Thus, if no dividends are paid by the taxpayer, no dividends received deduction can be claimed for dividends received from unaffiliated corporations. However, the amount which is so disallowed shall be treated as a dividend received in the following year for purposes of the dividends received deduction. Moreover, if dividends paid during a taxable year exceed the dividends received during the year from unaffiliated corporations, the amount of the excess will be treated as a dividend paid in the following year for purposes of the dividends received deduction.

Section 406—Use of appreciated property to redeem stock

Under present law, if a corporation redeems stock with appreciated property, gain is recognized except in certain cases. One of the exceptions is where stock or securities are distributed pursuant to a court proceeding under the antitrust laws. This section provides that the stock or securities must have been acquired before January 1, 1970, in order for the exception to apply. It is not believed corporations which have violated the antitrust laws should have a tax benefit not available to other corporations who distribute appreciated securities.

Section 407—Recognition of gain on sales in connection with certain liquidations

If a corporation adopts a plan of complete liquidation and the liquidation is completed within 12 months, under existing law (section 337 of the Internal Revenue Code) the corporation is not taxed on gains realized on the sale of property during the period of liquidation. Gains on sale of inventory, however, are exempt from tax only if the inventory is sold in bulk to one purchaser.

This section makes three amendments to section 337. First, it is provided that section 337 shall apply only if at the time of the adoption of the plan of liquidation the corporation has less than 11 shareholders.

Second, it is provided that gain on the sale of inventory shall be taxable even though section 337 otherwise applies.

The third change deals with the problem which has been presented in some cases where shareholders of the liquidating corporation transferred, after adoption of the plan to liquidate and before the corporation distributes its tax-free gains, some or all of their stock to tax-exempt charities (usually their private foundations). This amendment of section 337 insures that one tax will be imposed in such cases by providing that if tax-exempt organizations receive X percent of the amounts distributed in liquidation, then the same percent of the gains realized by the corporation during the course of the liquidation will be subject to tax at the corporate level.

Section 408—Certain transactions disqualified as reorganizations

This section of the bill provides that there cannot be a tax-free reorganization if the shareholders of the smaller company involved in the transaction end up with less than 20 percent of the voting stock of the surviving corporation in a merger or of the acquiring corporation in the case of a so-called B reorganization (stock-for-stock) or a so-called C reorganization (stock-for-assets). If a conglomerate company whose stock is listed on the New York Stock Exchange issues less 20 percent of its voting stock to acquire the stock or assets of a company whose stock is not listed, it is more realistic to treat the shareholders of the unlisted company as having sold out for a marketable security rather than having taken part in a reorganization of their company. (A similar provision was contained in the House version of the Internal Revenue Code of 1954.)

Section 409—Repeal of special treatment of bad debt reserve of financial institutions

This section of the bill provides that banks and other financial institutions that now are allowed to take special deductions for reserves for bad debts will, in the case of taxable years beginning after 1977, compute any addition to a reserve for bad debts on the basis of the actual experience of the taxpayer, the rule which is applied to all other corporations.

Section 410—Taxation of undistributed profits of foreign corporations

At the present time, American corporations do not have to pay income taxes to the Federal Government on the earnings of their controlled foreign subsidiaries so long as the earnings are undistributed. These earnings, however, are generally taken into account by the parent company in reporting earnings to its shareholders. This tax deferral constitutes an important incentive for U.S. corporations to set up plants in foreign countries. This section of the bill provides for the taxation on a current basis of the undistributed earnings of controlled foreign corporations.

Section 411—Repeal of the tax exemption for a DISC

A U.S. corporation can now set up a paper corporation (known as a DISC) and escape the corporate income tax on one-half of its profits from exports by channeling the sales through the DISC. This section of the bill would repeal the tax exemption for DISC corporations and thereby increase revenues by approximately $1 billion a year.

Section 412—Involuntary conversions

This section provides that if gain on an involuntary conversion of property is not recognized because the taxpayer purchases stock of a corporation owning property of the kind which was converted, the basis of that property in the hands of the corporation shall be reduced by the amount of gain not recognized on account of the purchase of the stock.

Section 413—Computation of underpayments of estimated tax

This section of the bill provides that a corporation cannot compute its estimated income tax payments on the basis of the prior year's tax (or on the basis of the prior year's facts and the current year's rates) if in any one of the 3 preceding taxable years the tax shown on its return was in excess of $300,000.

TITLE V—REFORMS AFFECTING INDIVIDUALS AND CORPORATIONS

Section 501—Minimum tax

This section makes a number of changes in the minimum tax. First, it repeals the provision of existing law that allows regular income taxes to be deducted from the items of tax preference.

Second, the following items are added to the list of items which constitute tax preferences:

(1) Tax-exempt interest on State and local bonds (issued before January 1, 1978.)

(2) The credit against the United States tax allowed for foreign income taxes.

Finally, this section of the bill strikes from existing law the provisions which treat tax preferences attributable to foreign sources more favorably than preferences attributable to sources within the United States.

Section 502—Shareholder use of corporate property

Considerable uncertainty exists over the tax treatment of interest-free loans from a corporation to its controlling shareholders and the rent-free use by shareholders of corporate property. The Tax Court has held that an interest-free loan produces no taxable income to the shareholder or the corporation, even though the funds loaned by the corporation were producing taxable income prior to the loan. This section of the bill provides that an interest-free loan or a rent-free use of corporate property by a controlling shareholder shall be treated in the same manner as if the shareholder paid to the corporation a reasonable rate of interest on the loan, or a reasonable rent for use of the property, and as if the corporation then made a cash distribution of a like amount to the shareholder.

Section 503—Deduction for depreciation based on equity in rental real estate

This section provides that in the case of a building which the taxpayer rents to others, the deduction for depreciation cannot exceed the taxpayer's equity in the building and the land. That is, no additional deductions for depreciation will be allowed (including existing buildings) to the extent it would reduce the adjusted basis of the building below the unpaid balance of the mortgage on the land and building (minus the tax cost of the land). However, until the depreciation deductions equal the equity, the depreciation would be computed on the entire cost of the building and not on the amount of the equity. This amendment would not apply to a building if the primary use is by the taxpayer and not the tenants. This amendment would reduce the attractiveness of real estate ventures as tax shelters for investors.

Section 504—Charitable gifts of appreciated property

Under existing law, if capital assets which have appreciated in value are given to a private foundation, the charitable deduction is reduced by one-half of the long-term capital gain the individual would have had if he had sold the property at fair market value. However, in the case of gifts of noncapital assets to any charitable organization, the amount of the charitable deduction is reduced by the amount of the ordinary gain the taxpayer would have received if he had sold the property at fair market value. Since Title I of the bill eliminates the preferential treatment of capital gain income, this section of the bill provides that if appreciated property (whether or not a capital asset) is contributed to any charitable organization, the amount of the charitable contribution shall be reduced by the amount of gain which would have been realized if the property contributed had been sold by the taxpayer at its fair market value (determined at the time of such contribution). In computing the amount of such gain, there will be excluded the amount of any gain which is exempt from tax under the provisions of section 1202 of the Code, as amended by section 102 of this bill.

Section 505—Capital expenditures in developing fruit or nut groves or vineyards

Present law requires the capitalization of expenditures incurred during the development stage in planning citrus or almond groves. This section of the bill extends the rule of capitalization of expenses incurred before the time when the productive stage is reached in tne case of any other fruit or nut grove or any vineyard planted after December 31, 1975.

Section 506—Repeal of tax exemption for ships under foreign flag

This section of the bill repeals the provisions of existing law which state that a nonresident alien or a foreign corporation (even though 100 percent owned by a U.S. corporation or an American citizen) is not taxable on income derived within the United States from the operation of ships documented under the laws of a foreign country which grants an equivalent exemption to United States citizens or corporations.

Section 507—Tax litigation to be handled by Internal Revenue Service

Under existing law, the Internal Revenue Service conducts tax litigation in the Tax Court of the United States, but the Justice Department handles all tax litigation in the District Courts, the Court of Claims, Circuit Courts of Appeal, and in the Supreme Court. The Justice Department, rather than the I.R.S., decides whether a refund suit should be defended, whether an appeal from an adverse decision should be taken, and whether a petition for certiorari in a tax case should be filed in the Supreme Court. The charge has been made that Justice Department lawyers often consider their win/loss record rather than the importance of the tax issue involved in deciding whether or not to argue a case. Moreover, the role of the Justice Department over tax litigation deprives the Internal Revenue Service in many cases of

the right to decide when and how a certain tax issue should be presented to the Courts. Since it is believed that a smoother implementation of I.R.S. tax policy will be achieved if attorneys in the Internal Revenue Service are in charge of tax litigation, this section of the bill provides that the Commissioner of Internal Revenue will be in charge of all civil proceedings in any court (including the Supreme Court) involving internal revenue taxes.

TITLE VI—REFORMS AFFECTING PRIVATE FOUNDATIONS AND ESTATE AND GIFT TAXES

Section 601—Private foundations

Under present law the distinction between "public charities" and private foundations is significant because public charities are not subject to the same restrictions on their activities as are private foundations and contributions to public charities receive more favorable treatment in certain circumstances than contributions to private foundations. In addition, a private foundation pays a tax of 4% on its investment income. The term "public charity" includes not only certain types of organizations described by function—such as churches, schools, and hospitals—but also organizations which normally receive as substantial part of their support from governmental units or the general public.

Current regulations of the I.R.S. have been criticized on the ground they allow some charities, which Congress intended to be treated as private foundations, to be classified as public charities. As an example, the I.R.S. recently ruled that under its regulations interpreting 509(a)(3), a certain trust was not a private foundation even though 75 percent of its income could be distributed as the trustees saw fit between six different organizations named in the trust instrument as permissible beneficiaries of the trust.

This section of the bill provides that in no case shall a trust be treated under section 509(a)(3) as a public charity if the trustees have discretion to distribute as they see fit more than 50 percent of the trust income between two or more organizations named in the trust instrument as permissible beneficiaries.

This section of the bill also makes the requirements for being considered "publicly supported" more stringent than present regulations by providing that a person's contributions will be considered as public support only to the extent that they do not exceed one-half of one percent of the organization's support. It also strengthens the rules concerning treatment of contributions by related parties. This change, for example, will require that contributions of brothers and sisters of a contributor be treated as made by the contributor for purposes of the public support tests. Also this section of the bill prevents loosely affiliated trusts or funds from being treated as one organization for purposes of meeting the public support tests by requiring that the trusts of funds be under substantial common control in order to be treated as one organization.

Section 602—Transfers taking effect at death

Before the enactment of the 1954 Code, if a taxpayer transferred property to a trust which provided that the income should be accumulated during the grantor's life and upon his death the trustee should pay the corpus and accumulated income to his children, such a transfer was included in the decedent's gross estate as a transfer taking effect at death. The 1954 Code provided that such a transfer will be included in the gross estate only if the decedent retained a reversionary interest equal to 5 percent of the value of the property. This section of the bill strikes out the 5-percent reversionary interest test since it is completely a nonsequitur in a statute which imposes an estate tax on a lifetime transfer of an interest which can be possessed or enjoyed only by surviving the transferor. This amendment would apply to transfers made after December 31, 1976.

Section 603—Compensation payable after decedent's death

Under existing law, a highly compensated corporate executive can arrange his compensation so that part of what he earns will pass to his family without being included in his gross estate. For example, in order to obtain or retain the services of the corporate executive, the corporation agrees that upon his death it will pay an annuity to his widow for a period of years or so long as she lives. Upon his death the value of the annuity payable to his widow will not be subject to the estate tax if the decedent never had a prospective interest in the annuity payments if he had continued to live. Clearly, in such a case, the annuity payments to the widow were earned by the decedent's services rendered to the corporation, and the exclusion of such payments from the gross estate constitutes a serious loophole available to highly compensated corporate executives. This section of the bill closes that loophole. Under the amendment, there will be included in the gross estate the value of an annuity or other payment (including proceeds of life insurance) receivable by any beneficiary, by reason of surviving the decedent, under an agreement or plan of the decedent's employer which arose out of services rendered by the decedent, whether or not the beneficiary has an enforceable right to receive the annuity or other payment.

In the case of annuities paid out of tax-exempt pension funds, which are now excluded from the gross estate under section 2039(c) to the extent attributable to the employer's contributions, this section of the bill provides that the section 2039(c) exclusion shall apply only if the annuity payments go to the decedent's surviving spouse.

Section 604—Life insurance included in gross estate

No loophole in the estate tax can compare with that offered by life insurance. Under existing law, unlimited amounts of insurance can be passed on at death to the family of the decedent free of estate tax. If the decedent takes out insurance on his own life and gives the insurance policies to members of his own family, he can continue to pay during his lifetime all the premiums on the insurance and no estate tax will be paid at his death. And no gift tax will be paid on the premium so long as the annual premium per donee is not more than $3000 ($6000 in case of married insured.) Thus, a father age 40, for an annual premium of $6000 can acquire and give to his child a 5-year renewable term life insurance policy which will provide more than $1.3 million of insurance. If he dies while the insurance is in force, $1.3 million will go to the child free of any estate or gift tax, even though all the premiums were paid by the insured.

This section of the bill provides that life insurance on the decedent's life will be included in his gross estate in the proportion that the premiums paid by the decedent or his spouse bears to all premiums paid for the insurance. However, premiums paid before 1977 by the insured or his spouse will not be included in the numerator of the fraction, but will be included in the denominator.

This section of the bill also provides that insurance on the decedent's life will be included in his gross estate—without regard to the premium payment test—if his surviving spouse possessed at his death incidents of ownership in the policy. However, if the insurance proceeds pass to the surviving spouse and the insurance would qualify for the marital deduction if the insurance were included in the gross estate, the insurance will not be included in the gross estate by reason of incidents of ownership in, or premiums paid by the surviving spouse.

Section 605—Charitable deductions in the case of estate tax

The first amendment made by this section of the bill places a limitation on the charitable deduction for estate tax purposes, similar to what we have for the income tax. Under present law, a decedent can give his entire estate to a private foundation created by his will, and no Federal estate tax will be imposed. This amendment provides that the aggregate charitable deduction shall not exceed the greater of $1,000,000 or 50 percent of the gross estate reduced by the debts of the decedent and the expenses of administration.

The second amendment deals with the inter-play of the charitable deduction and the marital deduction for estate tax purposes. The marital deduction cannot exceed 50 percent of the adjusted gross estate (gross estate less debts, losses, and expenses of administration). Cases have arisen where executors have claimed, in order to raise the amount of the adjusted gross estate for purposes of the marital deduction, that transfers made to charities during the decedent's lifetime were includable in the gross estate. Increasing the gross estate for such lifetime transfers produced no estate tax for the charitable deduction was increased by the same amount, but a larger maximum deduction was allowed for bequests to the surviving spouse. This amendment provides that in computing the adjusted gross estate there shall be excluded any transfer made by the decedent during his lifetime if an estate tax charitable deduction is allowed for that transfer.

Section 606—Charitable deduction for gift tax purposes

Since the enactment of the Tax Reform Act of 1969, a gift tax is imposed in certain cases if the donor gives an interest in property to charity but retains for himself an interest in the same property. Thus, if a valuable painting is given to the National Gallery of Art subject to the right of the donor to retain possession of the painting for his lifetime, a charitable deduction is not allowed for either the income tax or the gift tax. While a deduction for income tax purposes in such a case is properly disallowed, it is not believed a gift tax should be imposed on the gift to charity, so long as no third party is given an interest in the painting. This section of the bill amends section 2522 (c) of the Internal Revenue Code of 1954 to allow a charitable deduction for gift tax purposes in such a case. The amendment provides, however, that if the donor, after making such a gift to charity, thereafter transfers the interest he retained to a third party (not a charity), the donor shall then be considered as having made the transfer to charity and the third party at the same time, so that a gift tax would be imposed on the interest transferred to charity.

TITLE VII—STATE AND LOCAL OBLIGATIONS

Section 701—Repeal of exemption for interest on new issues of State and local bonds

This section of the bill provides that interest on State and local bonds issued after December 31, 1977, will not be exempt from Federal income taxation. In the case of interest on State and local obligations issued before January 1, 1978, such interest will continue to be exempt from taxation, but section 501 of the bill provides that such in-

terest will be treated as an item of tax preference for purposes of the minimum tax.

Section 702—United States to pay 35 percent of interest yield on State and local obligations

This section provides that the Federal Government will pay 35 percent of the interest yield on State and local obligations issued after December 31, 1977. The payment of interest by the Federal Government will not apply in the case of any industrial development bond (as defined in section 103(c)(2) of the Internal Revenue Code). This section provides that upon the request of the State or local government, the liability of the United States to pay interest to the holders of the bond shall be handled through the assumption by the United States to pay a separate set of interest coupons issued with the bond. Otherwise, the obligation of the United States to pay 35% of the interest yield will be made directly to the issuer of the obligation.

TITLE VIII—WITHHOLDING OF INCOME TAX ON DIVIDENDS AND INTEREST

Section 801—Withholding of income tax at source on dividends and interest

Income taxes are now deducted and withheld on payments of wages and salaries but not on dividends or interest. In 1962, the Ways and Means Committee decided, as a matter of fairness, that recipients of dividends and interest should pay their taxes no less than those who receive wage and salary income and the tax should be paid just as promptly. The Revenue Bill of 1962, as passed by the House, provided for the withholding of tax on dividends and interest, and this section of H.R. 1040 contains provisions substantially identical to the withholding provisions in the 1962 bill. In 1962, the committee estimated that such withholding of tax would increase annual tax collections by about $650 million. With the great increase since then in the amount of dividend and interest payments, it is believed that the withholding of tax on such income would now increase revenues more than $1 billion annually.

STATEMENT OF HON. JOHN M. MURPHY ON INTRODUCTION OF NATIONAL STANDARDS FOR NO-FAULT BENEFITS ACT AND OTHER LEGISLATION

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, today I am introducing legislation to provide comprehensive, equitable and rapid compensation for the victims of automobile accidents. The bill, which is essentially the same as the bill which was reported by the Consumer Protection and Finance Subcommittee in the 94th Congress, would achieve these goals by providing uniform standards for State no-fault benefit plans.

Rarely has a subject been as thoroughly studied and tested as the matter of how best to compensate automobile accident victims. Pursuant to a joint resolution of the Congress, the Department of Transportation studied the fault and liability—or tort—insurance system of compensation which existed in all 50 States in the late 1960's. The result was a devastating 26-volume indictment of that system, which concluded as follows:

In summary, the existing system ill serves the accident victim, the insuring public and society. It is inefficient, overly costly, incomplete and slow. It allocates benefits poorly, discourages rehabilitation and overburdens the courts and the legal system.

The DOT study, which was published in 1971, recommended that the fault and liability insurance system be replaced with a nonfault system. It described what the ultimate configuration of such a system might look like following a suitable period of experimentation and testing:

This system . . . should be based on universal, compulsory first-party insurance for all motor vehicle owners covering all economic losses above voluntarily accepted deductibles. . . . Victims should retain their present right to sue in tort for specific intangible losses, but the right should be restricted to the truly serious cases.

In recommending State experimentation, the study suggested that—

State experience with diverse plans will provide us with that opportunity for pilot project testing which must precede massive reform.

In 1970, Massachusetts adopted the first State no-fault law and in 1972, the National Conference of Commissioners on Uniform State Laws fleshed out the DOT recommendation by drafting a comprehensive model State law. Today, 24 States have revised their motor vehicle reparations laws in one form or another—usually in the other. American trial lawyers—who earn more than $1.5 billion a year from automobile personal injury litigation—have been so successful in resisting State efforts to adopt good no-fault laws that only one law—that of the State of Michigan—even remotely resembles the model law drafted by the commissioners on uniform State laws. That law is working extremely well to achieve the humanitarian objectives of no-fault and to retain fiscal integrity, while all the other compromised laws are failing—or on the brink of failing—to achieve one or the other of those basic objectives. There is little or no prospect that these laws will be improved in the foreseeable future.

The matter of fiscal integrity was addressed in a cost study sponsored by the National Association of Insurance Commissioners and the Department of Transportation in 1973. The study concluded that legislation similar to that which I am introducing today would be fiscally sound and would save the average insured driver about 10 percent on his or her premium.

In the meantime, beginning in 1971, House and Senate committees have held hearings that run to some 7,703 printed pages. These hearings—combined with the State experience—clearly reveal that the only way that the people will become the beneficiaries of the good no-fault law recommended by the commissioners on uniform State laws is for the Congress to pass legislation which provides for uniform standards for State no-fault benefit plans.

In introducing this legislation, as chairman of the Consumer Protection and Finance Subcommittee which has jurisdiction over this subject matter, I think it is important to share with my colleagues a more detailed examination of the failures of the fault and liability insurance system, of the predictable failure of the bad State laws, and of the benefits that can be gained through enactment of this legislation, which very closely parallels the model State law and the highly sucessful Michigan no-fault law.

DEFICIENCIES IN THE AUTOMOBILE TORT LIABILITY INSURANCE SYSTEM

When a person buys automobile liability insurance, he is not buying protection against losses he might sustain in an accident. Rather, he is buying protection of his assets against the claims that someone else injured in an accident might bring against him on the grounds that the accident was his "fault" under the law of torts.

The process of recovering for an injury through this system is time consuming and costly, involving four basic prerequisites.

First, the victim must identify and show that the other driver was at fault. Identification is important because a victim cannot recover if the other driver should leave the scene of the accident without being identified. In single car crashes, obviously, there is no other driver and, therefore, no recovery.

Second, the victim must show that he was without fault or less at fault than the other driver. Twenty-one States and the District of Columbia still maintain the doctrine of contributory negligence, which denies a victim any recovery if he was the least bit at fault. The other 29 States have comparative negligence doctrines which permit recovery on the basis of a weighing of the relative negligence of the parties involved.

Third, the victim frequently must bring and win a lawsuit. In 1967, according to the Department of Transportation study, seriously injured victims or their survivors had to wait an average of 19 months for final payment. In the interim, of course, they had to pay for all of their losses unless they had other insurance coverage; for example, automobile medical payments or health insurance, which pay without regard to fault.

Fourth, the party at fault must have sufficient insurance or other financial resources to pay for the victim's loss. The underinsured person who lacks other financial resources may not have enough money to cover the victim's losses. The uninsured driver who lacks other financial resources can provide no relief, so the victim can recover only through his uninsured motorist coverage, which in many cases is inadequate to pay for serious economic losses.

In addition to being slow and costly—approximately $1.5 billion out of some $8.6 billion of annual premiums for private passenger bodily injury liability insurance goes to attorneys, representing either the plaintiff or the defendant—the tort/insurance system has major compensation gaps where innocent people do not recover a penny. An innocent victim cannot recover if the other driver is also innocent. Such would be the case where two cars, properly driven, collide on a slippery road, resulting in the loss of eyesight by one driver and the loss of a leg by the other. Since both parties op-

erated their vehicles in a nonnegligent fashion, the tort/insurance system would deny them any recovery under their insurance.

Similarly, if a driver swerves to avoid a child who has run out into the road and hits a tree, the driver cannot recover for his injuries in tort because there is no "negligent" driver. If the victim is injured while a passenger in a car, as a consequence of the host-driver's negligence, he would be barred from recovery by the "guest" statute if the accident occurred in one of the 12 States which still have such statutes. The effect of all of these gaps is that 52 percent of seriously or fatally injured persons benefit in no way whatsoever from the tort/insurance system.

At this point, I would like to expand on the DOT's study's conclusion that the tort/insurance system "ill serves the accident victim, the insuring public and society; that it is inefficient, overly costly, incomplete and slow; and that it allocates benefits poorly, discourages rehabilitation and overburdens the courts and the legal system."

The conclusions that the existing system is "inefficient" and "overly costly" were based upon a DOT analysis which indicated that only 44 cents out of every premium dollar collected is used to compensate accident victims. Of this amount, 8 cents is duplicative of payments from other sources and 21½ cents is used to pay for general damages; that is, "pain and suffering" or intangible losses. Only 14½ cents out of the premium dollar goes to compensate victims for economic losses not otherwise compensated—the single most important objective of any insurance system. On the other hand, the DOT study found that attorneys were well compensated from the system. Attorneys' fees amounted to 27.3 percent of total payments to claimants, or about 20 cents out of every premium dollar. The 44-cent return ranks as the lowest return of any major insurance system.

The conclusion that the system "allocates benefits poorly" is supported by the following DOT table, which reveals that many eligible claimants with the smallest economic losses are grossly overcompensated while those with the largest losses are grossly undercompensated:

COMPARISON OF REPARATIONS RECEIVED BY FATALLY OR SERIOUSLY INJURED PERSONS WITH AND WITHOUT TORT RECOVERY BY SIZE OF LOSS

Total economic loss	Percent with tort recovery	Ratio of net recovery to loss	
		With tort	Without tort
$1 to $499	54	4.5	0.8
$500 to $999	63	2.6	.5
$1,000 to $1,499	49	2.4	.7
$1,500 to $2,499	47	2.0	1.0
$2,500 to $4,999	44	1.6	.6
$5,000 to $9,999	44	1.1	.6
$10,000 to $24,999	52	.7	.4
$25,000 and over	42	.3	.3
Total	48	.6	.4

The main reason that people with economic losses of less than $500 recover 450% of their economic loss is the "nuisance value" of their claims to insurance companies. It is cheaper for a company to pay $2,000 on even a questionable claim than it is to go to court to contest that claim. On the other hand, the leverage switches to the company's side as the economic losses mount up. Only the affluent can afford to pay the medical bills and to cover for wages lost because of the accident during the 19 months seriously injured victims must wait until final payment is made on a valid claim.

It is thus not surprising that people with the most severe injuries recover only about 30 percent of their economic losses and that people with limited education and low income recover a lower percentage of their losses than do people with more education and income.

Dr. John Nemiah described very graphically how the system "discourages rehabilitation" in an article which appeared in the March/April 1971 issue of Trial magazine, the official magazine of the trial lawyers:

> It should be appreciated by all concerned that the adversary nature of a tort or compensation action subsequent to injury heightens the patient's sense of grievance, entitlement to redress and revenge—which tends to foster his aggressive drives and to shift his attention from goals of rehabilitation and eventual regained independence.
>
> Finally, it should be recognized that the delays so frequently encountered in settling personal injury litigation tend to keep the patient trapped for months, even years, in a limbo of indecision and idleness in which dependency needs are fostered. During this time, it frequently becomes so pointless to try to work toward rehabilitation that, practically, the patient remains an invalid until legal elements emanating from his injury are resolved.

Further, studies show that the later people begin rehabilitation, the longer it takes to rehabilitate them and that when an individual postpones going for rehabilitation, the level of rehabilitation which is reached is lower than if he had gone for treatment immediately after sustaining an injury.

The final conclusion, that the system "overburdens the court," is supported by the fact that in 1968, 220,000 lawsuits were filed as a result of motor vehicle accidents and motor vehicle litigation accounted for 17 percent of the use of the judicial system's resources, ranging from 3 percent to 46 percent in different States. Of the 220,000 suits filed, more than half required over 2 years to reach determination. On the other hand, a recent study by the Council on Law-Related Studies found that the Massachusetts no-fault law resulted in a significant reduction in litigated claims. Generally, 90 percent of the court filings for small claims disappeared and 50 percent of the court filings on larger claims disappeared.

The DOT study also concluded that the present system has no substantial deterrent effect on driver behavior. It disputes the thesis that the present system deters people from driving recklessly. It indicates that most accidents are caused by environmental or personal factors which are external to the individual's conscious control and that punishment or its threat is ineffective as a deterrent to deviant driving behavior. Existing deterrent measures fail to distinguish between drivers who are unwilling to conform to "normal" driving behavior and those who are willing but unable to conform. For the former group, the threat of punishment will not do the job, and deterrence is obviously ineffective in dealing with the second group—for example the inexperienced driver makes errors and all drivers' minds wander at times, particularly when they are experiencing personal problems. In any event, DOT concluded that even if the tort system acted as a deterrent, liability insurance would surely dilute any deterrent pressures.

In short, the insurance/tort system provides neither good compensation for victims nor good deterrence of bad drivers.

TORT REFORMS

There are several ways the present tort system could be reformed. One such way would be to try to close some of the compensation gaps. For example, all contributory negligence rules could be changed to comparative negligence; the remaining guest statutes could be repealed; State statutory limits on recovery in wrongful death actions could be removed; universal compulsory liability insurance could be mandated; and minimum liability limits could be increased to $50,000/$100,000. These changes approximate the American Bar Association's reform proposals. However, State Farm Insurance Group and Aetna Life & Casualty Group have estimated that such a plan would increase the average driver's bodily injury premium by 58 percent. Moreover, such a reform would still leave major compensation gaps—for example, for the victims of single car and hit-and-run accidents—and do nothing to eliminate court congestion or to assure prompt payment of benefits.

Another possible approach would be to permit an insured to retain all of his rights to sue in tort but also require him to carry "first party" coverage—whereby a victim's own insurance company pays him in the event of an injury, without seeking to determine who "caused" the accident. While some people under such a system might walk away satisfied with their recovery, others clearly would use the payments to "finance" a lawsuit, that is, to enable them to afford to wait for a settlement without suffering severe economic loss.

Victims under such a system would have the same leverage as they do under the tort/insurance system to secure payments from insurance companies for the nuisance value of their claim. This approach, entitled an "add-on" law, merely adds-on a no-fault system to the existing tort system and clearly it is more costly to support two systems than one. It should surprise no one that the trial lawyers are the greatest advocates of add-on laws.

ADVANTAGES OF A NO-FAULT SYSTEM

The Department of Transportation study concluded that the only way to remedy the problems of the tort system is to replace it with a no-fault system which, first, requires direct payment to a victim by his own insurance company

of all of his medical loss and part of his work loss, replacement services loss and death loss; and, second, restricts the right to sue to the most serious cases.

Since the insurer's obligation to pay benefits would not depend upon the uncertain outcome of a lawsuit or settlement agreement, this insurer under no-fault is able to provide for prompt and certain payment of benefits to people when they need them most. The bill I am introducing requires the payment of no-fault benefits within 30 days. In turn, prompt and certain payment would assure the creation of better emergency medical care systems and encourage good hospital and rehabilitation care. Thus, no-fault can reduce the tragic loss of lives and human capacities caused by highway accidents and the tort/insurance system.

No-fault would close the compensation gaps in the tort system. People injured in single car accidents; people injured as passengers in cars driven by a "negligent" driver; people who are only slightly at fault; and people who are injured by hit-and-run drivers or uninsured or underinsured drivers would all recover no-fault benefits—only car thieves and people who seek to injure themselves or others intentionally would be ineligible to receive benefits.

No-fault is an efficient and low-cost system. The limitation on the right to sue for noneconomic damages to the most serious cases would eliminate the need to determine fault in more than 90 percent of the cases, thus drastically reducing claims adjustment expenses—including, obviously, the need to pay for both the plaintiff's and the defendant's attorneys' fees. By compensating victims for their real economic losses, as opposed to their undefinable and often questionable noneconomic losses, no-fault can provide about three times as many dollars for economic losses.

State Farm and Allstate, the two largest auto insurers in the country, prepared cost estimates of the impact of the benefit and tort restriction provisions of this legislation in the 94th Congress. Overall, State Farm estimated an 11 percent decline in the average premium nationwide, while Allstate estimated a 15.8 percent decline. The State-by-State averages appear on the following chart:

EFFECT OF NO-FAULT AUTO INSURANCE AS PROPOSED IN H.R. 9650, 94TH CONG.

State	Absolute dollar figures[1]	Percent of average savings in personal injury premium[2]
Alabama	$44	−20.0
Alaska	74	−8.0
Arizona	69	−19.0
Arkansas	47	−11.0
California	79	−15.0
Colorado	58	−5.0
Connecticut	58	−17.0
Delaware	39	−15.0
District of Columbia	106	−22.0
Florida	64	+6.0
Georgia	54	0
Hawaii	82	−15.0
Idaho	36	−11.0
Illinois	75	−12.0
Indiana	44	−14.0
Iowa	32	−9.0
Kansas	39	−5.0
Kentucky	45	−2.0
Louisiana	81	−20.0
Maine	43	−25.5
Maryland	83	−18.0
Massachusetts	68	−24.0
Michigan	67	−9.0
Minnesota	65	−5.0
Mississippi	47	−9.0
Missouri	53	−8.0
Montana	30	−13.0
Nebraska	30	−13.0
Nevada	73	−3.0
New Hampshire	75	−31.4
New Jersey	77	−15.5
New Mexico	42	−12.0
New York	90	−26.1
North Carolina	49	−2.0
North Dakota	29	−4.0
Ohio	53	−15.0
Oklahoma	46	−15.0
Oregon	56	−16.0
Pennsylvania	63	−6.0
Rhode Island	55	−29.5
South Carolina	51	−8.0
South Dakota	29	−3.0
Tennessee	59	−5.0
Texas	58	−28.0
Utah	51	−4.0
Vermont	40	+2.9
Virginia	63	−5.0
Washington	58	−17.0
West Virginia	39	−10.0
Wisconsin	61	−7.0
Wyoming	28	−11.0

[1] These were the cost figures for State Farm's average rates as of Dec. 31, 1974, in each State for a typical policyholder for bodily injury liability, uninsured motorist, and medical payments coverages (and basic personal injury protection coverage in those States already under a no-fault plan).

[2] The figures in this column are derived from the figures submitted to the Subcommittee on Consumer Protection and Finance by State Farm and Allstate insurance companies for the following benefit and tort restriction features of H.R. 9650: (1) Benefits paid without regard to fault for all medical and rehabilitation loss; up to $15,000 for work loss; up to about $5,500 for replacement services loss; and up to $1,000 for death benefits; and (2) lawsuits are limited to those for economic loss which exceeds no-fault benefit levels and those for noneconomic detriment if the injury results in death, serious and permanent disfigurement, or 90 continuous days of total disability. The figure shown for any particular State represents the projection of the company, State Farm or Allstate, which has the larger share of the market in that State. The only exceptions to this rule are for the States of Georgia, Kentucky, Minnesota, North Dakota, and Pennsylvania, where new statutes went into effect on or after Jan. 1, 1975. The projections for these States were revised as of Dec. 15, 1975, by State Farm, whereas the projections for the other States are as of Dec. 31, 1974.

Not only is a no-fault a more efficient and lower cost system than the tort/insurance system, it allocates benefits more equitably. The limitation on the right to sue to the most serious cases would eliminate the distortions in the prevailing system whereby people with the smallest economic losses often recover five or six times their actual economic loss, while people with the largest economic losses recover only a tiny portion of their loss, whether they can successfully maintain a lawsuit or not.

Since the no-fault bill I am introducing would require the payment of all reasonably needed and priced medical care and $15,000 for work loss, obviously a victim who is disabled would recover 100 percent of his actual economic loss for amounts well over $15,000. Just how much, of course, would depend upon what proportion of his loss is medical and what part is work loss. The DOT study found that on the average more than 40 percent of economic losses of $25,000 are medical; therefore, most people with economic losses of $25,000 would receive 100 percent of their actual loss—$10,000 in medical benefits and $15,000 in work loss benefits.

People with economic losses of more than $25,000 would be guaranteed at least the right to get back on their feet, since the bill would pay for all medical losses. Moreover, the chances of additional recovery for uncompensated economic loss and for noneconomic loss for serious injuries through a lawsuit are better than under the tort/insurance system for the following reasons: One, since all of a victim's medical losses and $15,000 of his work loss would be provided under the bill, he could afford to wait out the lengthy process of suing without suffering catastrophic economic loss; second, since the bill requires $15,000/$30,000 third party liability coverage, a higher mimimum than exists in most States, there would be more funds available to pay the judgment when a victim wins a suit; and third, since the bill mandates a comparative negligence standard for residual tort actions, people injured in States which today maintain contributory negligence rules would have a better chance for recovery.

Finally, it is obvious that the elimination of the right to sue in more than 90 percent of motor vehicle accident cases will have a significant impact on reducing the burden on the courts.

THE NATIONAL STANDARDS FOR NO-FAULT BENEFITS ACT

This bill is designed to extend the benefits of no-fault nationwide. It would accomplish this by incorporating many of the specific no-fault recommendations of both the Department of Transportation and the National Conference of Commissioners on Uniform State Laws.

States would have 3 years to enact no-fault plans that provide for the payment of all reasonably needed and priced medical care; at least $15,000 in wage loss benefits; a reasonable amount for replacement of household services; and a reasonable amount, not less than $1,000, for death benefits. In addition, the bill would restrict the right to sue to the most serious injury cases. If a State failed to adopt a conforming plan, a Federal plan providing more benefits and eliminating almost all tort suits would go into effect.

The comprehensive medical benefits are provided to meet the most important objective of the bill—the restoration of accident victims to health and a productive life as rapidly as possible. Victims would be entitled to payment for all "reasonable charges incurred for * * * reasonably needed and used products, services and accommodations" for professional medical care, emergency medical services, and medical and vocational rehabilitation services.

The insurer would pay the provider of medical benefits directly and the provider could not receive any additional amount from the victim. This arrangement will not only get the victim out of the middle of any controversy over the "reasonableness" of the charges or their necessity but will give the insurer more leverage over health care costs and over-utilization of medical benefits.

The bill contains a mechanism to avoid any problems small insurance companies might have with reinsurance costs—what insurers pay to insure themselves against large losses—if they incur more than their anticipated number of large medical losses from serious accidents. The bill requires a State, if it is necessary to

preserve the competitive position of small insurance companies in the State, to establish a procedure for apportioning catastrophic losses for medical expense in excess of $100,000 among all insurers. This procedure will avoid any possible anticompetitive effects for small companies while permitting the entire population to have unlimited medical expense coverage for approximately $1 a year more than it would cost to have medical coverage for $50,000 of such losses.

The bill requires an approved State plan to provide for a minimum of $15,000 of basic no-fault benefits for work loss, with a monthly internal limit of $1,000—multiplied by a formula which reflects State-by-State differences in wages; or, if a person's income were less than the adjusted $1,000, he could disclose his actual income and reduce both the monthly amount he would recover in the event of an accident and the cost of his insurance—unless a person chose voluntarily to carry more coverage. The monthly limit would prevent the rich victim from being able to sue sooner than the poor victim—for economic loss above $15,000—thus avoiding any possible equal protection problems under the Constitution.

The bill requires an approved State plan to provide for a reasonable amount of basic no-fault benefits for replacement services loss. "Reasonable" is not defined at any specific level, but cost projections on the bill have assumed a benefit level of about $5,500.

The bill requires an approved State plan to provide for a reasonable amount of basic no-fault benefits for loss due to death, but in no event less than $1,000. There are two reasons that the bill would permit States to choose a lower figure for death benefits than for work loss. First, the vast majority of people plan for the contingency of death through life insurance. Some 145 million people in the United States are covered by life insurance, with the average family coverage being $26,500. Second, 90 percent of the workers in the Nation are covered by social security, which provides for better coverage for death than for disability. The survivors of a deceased victim would be eligible for more than $10,000 in social security benefits annually until the children reach 18. While the family of a disabled victim could recover a similar maximum amount, the social security system does not permit any payments to disabled workers unless the disability is so severe that it prevents the worker from doing any substantial gainful work; and the disability must last, or be expected to last, for at least 12 months, or result in death. In addition, disabled workers cannot recover anything for the first 5 months of disability. Since the legislation is designed to fit into the existing structure of all insurance and benefit programs—there is a specific section which provides for the avoidance of unintended duplication of benefits—the bill would permit a State to offer a lower level of benefits for death than for disability. Of course, the legislation does not prohibit a State from exceeding the $1,000 minimum.

In turn, the bill restricts the right to sue for damages for bodily injury sustained in a motor vehicle accident to the most serious injury and death cases. A victim could sue for any economic loss that is not covered by basic no-fault benefits for work loss and replacement service loss; and for noneconomic detriment if the injury results in serious and permanent disfigurement, serious and permanent injury, or 90 or more continuous days of total disability. Any survivors of a victim could sue for both any uncompensated economic loss and for noneconomic loss.

Moreover, to make residual tort rights meaningful, the bill requires application of the doctrine of comparative negligence in residual tort actions thereby improving a victim's right to recover in the States that still have contributory negligence rules. A victim's right to recover in a suit also would be improved by the fact that the bill requires people to carry $15,000/$30,000 of third party liability coverage as well as first party protection.

Finally, the bill provides for a system of civil and administrative tort penalties wherever a State deems such penalties to be appropriate. Thus, individual responsibility would be retained, but outside of the insurance system, where it belongs and where it might be more effective at removing dangerous drivers from the road.

The effect of the legislation would be to restore the insurance system to the function of compensating victims, while providing for a separate tort system to remove dangerous drivers from the road.

THE NEED FOR NATIONAL STANDARDS FOR STATE NO-FAULT BENEFIT PLANS

Since 1946, the Federal Government has expended more than $80 billion to build and improve highways and, since 1946, more than 1,246,596 persons have died as a result of motor vehicle accidents in the United States and at least 10 million more have been seriously injured. It is not surprising that more than 70 percent of accident fatalities and more than 50 percent of motor vehicle injuries occur on highways built with 50 to 90 percent Federal funds.

The Congress has passed legislation several times in this century to compensate the victims of transportation accidents. In 1908, the Congress passed the Federal Employer's Liability Act, which was designed to give the average railroad worker better protection against the unusual dangers to life and limb inherent in railroad work.

In 1927, the Congress passed the Longshoremen and Harbor Workers Compensation Act, again choosing to replace an inadequate State tort remedy for injuries occurring incident to a national transportation system with a better Federal system of compensation. This time the Congress chose to provide a Federal schedule of benefits for injured workers—first party benefits that are paid without regard to fault. A schedule similar to the one in this act appears in the alternative Federal plan of the legislation.

Thus, the bill would not be unique in replacing inadequate State tort laws with a system of greater and surer benefits for injuries arising out of an inherently dangerous mode of transportation.

In fact, the measure would not go as far as its predecessors because it would preserve most of the States' role in regulating these matters. Not only would the States be permitted to set higher benefit standards or more narrowly restrict the right to sue, they would be permitted to devise their own program to make compulsory no-fault coverage available; to devise provisions to assure that there is no unintended consumer duplication of benefits and that the cost savings of no-fault are passed through to insureds; to set rates; to determine whether some form of pooling arrangement is needed to protect small insurance companies from any anticompetitive effects of higher reinsurance rates for unlimited medical expense coverage; and to devise, if they so choose, civil and administrative tort systems to get bad drivers off the road.

Since the rehabilitation and compensation of transportation accident victims is a national problem in which the Federal Government has historically been involved, the only question to examine beyond the efficacy of no-fault is whether the States have been acting so rapidly and wisely as to indicate that there is no need for Federal action.

Unfortunately, the performance of States is a sad record of inaction and ineffective action. All 50 States and the District of Columbia have considered no-fault measures in the 11 years since now-Massachusetts Gov. Michael Dukakis introduced the first no-fault bill in 1966. In 1967, seven State legislatures were already considering no-fault bills. To date, however, only 16 States have adopted no-fault laws that combine first party benefits with a restriction on the right to sue and no others are likely to do so in the foreseeable future (another 8 States have adopted add-on laws that provide first party benefits but do not restrict the right to sue in any way).

Of the 16, only Michigan's law approaches the recommendations of the model State law drafted by the National Conference of Commissioners on Uniform State Laws. Specifically, the model law recognizes the importance of restoring the seriously injured to productive lives and, accordingly, provides for the payment for all reasonably needed and priced medical expenses. Only three States—Michigan, New Jersey, and Pennsylvania—provide unlimited medical benefits while only three others—Colorado, Minnesota, and New York—offer $20,000 or more in such benefits.

It is also essential for a good no-fault law to have fiscal integrity. It must provide greater benefits at a reasonable cost. The key to the integrity of any no-fault law lies in its threshold, the level at which a victim is permitted to sue for so-called pain and suffering. The model State law sets its threshold at "serious and permanent injury," a level which permits only the seriously injured to maintain suits. An attendant benefit to a high threshold is that it relieves the courts of the tremendous burden of auto accident litigation. Of the State no-fault laws, only Michigan and Florida set their

threshold at a similar level. Most States have low dollar thresholds which permit suits after a person's medical expenses exceed some low level, typically $500.

My own State of New York, for example, has a $500 threshold, which is far too low to keep premium costs under control since the law also provides for $50,000 of first party benefits. It would not work even if all people were honest. Unfortunately, the experience in New York and many of the other States with low dollar thresholds is that some doctors, lawyers, and hospitals are colluding to increase medical costs above the threshold so that suits can be maintained. It was just such practices that undercut the Florida dollar threshold and forced the legislature to adopt a serious and permanent injury threshold. Unfortunately, other State legislatures have not learned from Florida's experience.

A no-fault law with a good threshold also can provide far greater benefits to accident victims. The State of Michigan, whose law most closely resembles the model State law and the one in my proposed bill, recently issued a glowing report on its no-fault law. The insurance commissioner reports that—

> No-fault auto insurance has provided Michigan's drivers and passengers with more benefits per premium dollar than the insurance system of any other state and has assured that those benefits are distributed more promptly and equitably.

The report goes on to categorize the benefits of this good no-fault law in greater detail:

> First, and most importantly, no-fault has resulted in more accident victims receiving compensation for their injuries and in the most seriously injured receiving more adequate compensation.
>
> Second, no-fault has eliminated delays in the payment of legitimate claims. Before no-fault, 34% of the families suffering a serious injury or fatality were forced to use their own assets or to borrow funds to pay the costs associated with their accident. Now, that is not necessary.
>
> Third, no-fault has enabled Michigan's citizens to coordinate their auto insurance benefits with other insurance benefits and thereby has created the potential for overall cost-savings in insurance premiums.
>
> Fourth, and finally, no-fault has reduced the administrative and legal costs associated with auto accident insurance claims. Court cases have been significantly reduced, resulting in more premium dollars being available to pay benefits to people.

The balance between benefits and the threshold in the Michigan system has enabled the law to be implemented without increasing premiums, except to compensate for the rampant inflation. The Michigan insurance commissioner reports that rate increases under the no-fault law "are substantially less than States with other no-fault systems and than States which still have the fault system."

In short, State experience with no-fault has shown that the legislatures are more sympathetic to trial lawyers than to consumers. The one State that has adopted the model State law—which was devised by disinterested State individuals—is Michigan and its law has been a tremendous success. The legislation I am introducing today would extend the benefits of that proven system nationwide by providing uniform standards for State no-fault benefit plans to insure that the victims of motor vehicle accidents will be guaranteed the right to recover, rather than merely the right to sue, for their losses.

STATEMENT OF HON. JOHN M. MURPHY ON THE INTRODUCTION OF A BILL TO PROHIBIT THE BRIBERY OF FOREIGN OFFICIALS

Mr. Speaker, today I am introducing a bill to prohibit bribes to foreign officials. While investigating certain contributions to the 1972 reelection campaign, the Watergate Special Prosecutor uncovered a number of corporate political slush funds. These funds had been concealed from normal corporate accounting controls. Since such activities involved matters of possible significance to public investors, the Securities and Exchange Commission initiated its own investigation. Their investigation revealed that a number of U.S. corporations, in connection with their overseas operations, had used such secret slush funds for questionable and illegal foreign payments. As a result, a number of domestic corporations have come forward voluntarily to publicly disclose the amount and nature of these payments. However, in a number of other cases, the Commission has had to resort to injunctive actions to assure public disclosure and cessation of these activities.

Initially, the Securities and Exchange Commission was subject to substantial criticism from many quarters, on the grounds that this was the normal way of doing business abroad and that shareholders had no right to such information. The Commission has steadfastly maintained that such activities reflect on the integrity of management and that shareholders should be aware that their company's profits have been derived from and, in the future, are dependent upon, magnanimity to foreign officials and not upon competitive excellence.

At times it must have appeared to the Commission that it was waging a very lonely battle. However, largely through their efforts and hearings by the Senate Committee on Banking, Housing, and Urban Affairs, the Senate Foreign Relations Subcommittee on Multinational Corporations, and my Subcommittee on Consumer Protection and Finance, we have become acutely aware of the dimensions of the foreign bribery problem and its deleterious effects on U.S. foreign policy, on the business climate abroad for U.S. corporations, and on our own moral expectations.

The revelations concerning Lockheed have been the most conspicuous, but as more and more corporations have come forward we recognize that such foreign payments are not isolated transactions. Over 175 American firms have made disclosures concerning questionable foreign payments or are currently conducting company investigations into such payments. The aggregate amount revealed to date is a startling $300,000,000—much of it paid out since 1970.

In the Lockheed scandal, the company has admitted making $25 million in payments not reflected on the company's books and records to assist the company in obtaining and retaining contracts with foreign governments. However, the SEC has indicated that as much as $200,000,000 in Lockheed fees and commissions need to be investigated. The foreign policy implications for the United States are staggering and, in some cases, perhaps irreversible. Payments by Lockheed alone may well have advanced the Communist cause in Italy. In Japan, a mainstay of our foreign policy in the Far East, the government is reeling as a consequence of such payments. On August 16, 1976, former Prime Minister Tanaka was indicted on charges of accepting $1.7 million from Lockheed. More recently, the monarchy in the Netherlands has been rocked by the Lockheed scandal.

All of this lends substantial credence to the suspicions of extremists that U.S. businesses operating in their country have a corrupting influence on their political systems. Contrary to what some of the oppents of any remedial legislation would have us believe, bribery is not just a way of doing business abroad. No country in the world publicly supports bribery of public officials, and under the laws of most countries, such payments are illegal. As Senator CHURCH stated in introducing his own bill to curb such activities:

> While corporations frequently argued that these are practices common and accepted in other countries, those same corporations have engaged in intricate machinations to conceal the existence of these payments. Double bookkeeping, "off-the-books accounts," Swiss bank accounts, dummy or shell corporations set up in Switzerland or Liechtenstein, numerous agents or intermediaries, whose existence is often kept secret, code names and code books dispute the credibility of the "common and accepted practice" argument.

Many U.S. corporations have never engaged in such practices and most welcome remedial legislation because it would make it easier to resist pressures from foreign officials.

Finally, foreign bribery involves outright unfair business practices. A substantial number of the payments revealed thus far have involved American companies competing with American companies for the same business.

I would emphasize that this bill is not concerned with so-called grease or facilitating payments, such as may be necessary to a low-level nonelected foreign government official to persuade him to perform his required function.

The bill I am introducing today would apply the existing criminal penalties of the Securities Exchange Act of 1934 to persons who bribe foreign officials. There is persuasive evidence that any proposal which does not exact substantial penalties for engaging in these corporate activities is valueless as a deterrent. It may well be because of the foreign nature of the transaction that certain cases will be difficult to enforce. However, the kind of evidence which already has been obtained by the Commission in the form of documentation and witnesses available domestically demonstrates that many of these cases can be successfully prosecuted. Most importantly, however, few

corporate executives, given the real possibility of criminal prosecution, would sanction the kinds of activities which this bill seeks to prevent.

The Commission's experience has shown that these "offbook" transactions have existed largely because appropriate accounting controls were not in place. Accordingly, this bill would mandate the establishment of such controls. In addition, it has become apparent that many of those companies who have engaged in questionable foreign payments only endeavored to do so because they were able to deceive their independent auditors, with the result that the audited financial statements did not accurately reflect these transactions. When an accountant is deceived in connection with his examination of a corporation, the investing public is defrauded. Accordingly, this bill would impose the same kinds of sanctions on persons who deceive accountants as have been traditionally applied to persons who make false and misleading statements to an investor in connection with the offer or sale of a security.

The bill is divided into three sections, which are summarized as follows:

Section 1 requires reporting companies to create and to maintain accurate books and records. Second, it requires internal accounting controls sufficient to assure that transactions will be executed in accordance with management's instructions, that transactions will be accurately recorded, that access to corporate assets is carefully controlled, and that the representations on company books will be compared at reasonable intervals with actual assets, and any discrepancies resolved. This section also makes it a crime for a reporting company to falsify books, records, accounts, or documents, or to deceive an accountant in connection with an examination or audit.

Section 2 applies to corporations subject to the jurisdiction of the SEC by virtue of the reporting requirements of the Securities Exchange Act of 1934. It applies the existing criminal penalties of the securities laws—up to 2 years imprisonment and a fine of up to $10,000—for payments, promises of payment, or authorization of payment of anything of value to any foreign official, political party, candidate for office, or intermediary, where there is a corrupt purpose. The corrupt purpose must be to induce the recipient to use his influence to direct business to any person, to influence legislation or regulations, or to fail to perform an official function in order to influence business decisions, legislation, or regulations of a government.

Section 3 applies the identical prohibitions and penalties provided by section 2 to any domestic business concern other than one subject to the jurisdiction of the SEC pursuant to section 2. Violations of the criminal prohibition under section 3 by persons not subject to SEC jurisdiction would be investigated and prosecuted by the Justice Department. Violations under section 2 would normally be investigated initially by the SEC, but referred for criminal prosecution to the Justice Department.

STATEMENT OF HON. JOHN M. MURPHY ON THE INTRODUCTION OF A BILL TO EXTEND THE TIME PERIOD IN WHICH VETERANS OF THE VIETNAM ERA CAN UTILIZE THE EDUCATIONAL BENEFITS

Mr. Speaker, today I am introducing legislation to extend the time period in which veterans of the Vietnam era can utilize the educational benefits earned by their service. My proposal will extend the deadline which became effective last May by 2 years thereby allowing veterans affected by this cutoff to finish school or prepare suitable alternatives.

The 94th Congress generated many new veterans benefit laws, however, the Veterans' Affairs Committee did not act on this important issue of education. For a number of reasons action should be taken on this issue which was left outstanding.

It must be recognized that each armed conflict of our history represents a unique phase of our political, social, and economic cycles. The Vietnam veteran, unlike the veteran of past decades, was discharged into a society of unemployment, recession, spiraling inflation, and an ever-increasing demand for advanced educational degrees. The Vietnam veteran, like past veterans, was also discharged into a society of obligations and these obligations had to be met under increasingly severe economic conditions. For most young heads of households the task of "breaking even" required all energy leaving little time for the consideration of higher education.

Under normal circumstances, 10 years would be an adequate amount of time in which to finish a college education; however, a veteran's readjustment from years of military service does not always denote normal circumstance. Problems, both economic and social, can make homecoming a difficult experience.

It has become almost a fashion to lament the plight of the Vietnam era veteran, but that merely recognizes the problem without solving it. The Vietnam war had no fixed beginning, nor did it have an established end. The annual rotation of servicemen on 13 month tours of duty took hundreds of thousands through the Southeast Asian war zone between 1960 and 1973 on an individual basis. That policy denied those men and women the opportunity to rejoin society as a group—on an equal footing. The individual soldier, sailor, marine, or airman was left to his own devices in a society which hardly noticed his or her return.

Who can forget the impact of the returning POW's in 1973 as that courageous group of men disembarked from military aircraft after years of imprisonment? They were virtually the only returnees from our longest war to be received and honored as a group. Certainly they would be the first to acknowledge that they would have been devastated had they been overlooked, as so many others were.

Much has been written and televised of late about the new President's program for those who resisted wartime service in Vietnam. The public statements of many have emphasized the compassion and decency of the American people. We are reminded that America uplifted Europe with the Marshall plan; that America resurrected war-ravaged Japan and made it economically whole; that it is America whose moral fiber must imbue her foreign policy with righteousness. In that Tradition, we are told, America must now absolve her expatriate sons of the sixties.

When those young men cross our borders they will be exercising one right denied to thousands of their contempararies: The right to return to their homeland physically whole. And if we are going to treat them with compassion and understanding then let us send a signal to those young soldiers and marines who came home in ones and twos, unnoted and unsung, bent but not broken. Let us tell them that while America will not celebrate their acts of valor and conscience on the televised evening news, she is ready to give them the added recognition they deserve—because they earned it. The hard way.

Being a veteran myself and knowing the sacrifices which are made in any war, I am reintroducing this legislation to allow the veterans of Vietnam 2 additional years to secure a future for themselves and their families.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. TEAGUE (at the request of Mr. ECKHARDT), for January 10 to 17, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GUYER) and to revise and extend their remarks and include extraneous matter:)

Mr. CONABLE, for 1 hour, on January 12.

Mr. BAUMAN, for 15 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. LE FANTE) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. REUSS, for 30 minutes, today.

Mr. YOUNG of Georgia, for 5 minutes, today.

Mr. BINGHAM, for 15 minutes, today.

Mr. FLOOD, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CORMAN, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,787.

Mr. MURPHY of New York, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of

the RECORD and is estimated by the Public Printer to cost $1,072.50.

Mr. MICHEL, in two instances and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. GUYER) and to include extraneous matter:)

Mr. CONABLE.
Mr. MCCLORY.
Mr. DON H. CLAUSEN.
Mr. EMERY.
Mr. MICHEL.

(The following Members (at the request of Mr. LE FANTE), and to include extraneous matter:)

Mr. FLIPPO in two instances.
Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. MOORHEAD of Pennsylvania.
Mr. MCDONALD.
Mr. RONCALIO.
Mr. MILFORD.
Mr. SKELTON.
Mr. RODINO.

ADJOURNMENT

Mr. LE FANTE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 19 minutes p.m.) the House adjourned until tomorrow, Tuesday, January 11, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[*Transmitted November 11, 1976*]

4129. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements pertaining to the insurance operations of the Federal Housing Administration, Department of Housing and Urban Development, for fiscal year 1975, pursuant to the Government Corporation Control Act (H. Doc. No. 94–659); jointly, to the Committees on Government Operations, and Banking, Currency and Housing (Banking, Finance and Urban Affairs) and ordered to be printed.

[*Transmitted January 10, 1977*]

367. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–151, "To amend the District of Columbia Code and Regulations to enact a statute providing for the creation and governance of condominiums and regulating the offering of condominium units," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

368. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–158, "To amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

369. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–159, "To permit commercial advertising on the rear exterior of Metrobuses under certain circumstances," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

370. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–160, "To provide for implementation in the District of Columbia of the paternity and child support programs under part D of title IV of the Social Security Act," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

371. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–162, "To reorganize the youth services programs of the District of Columbia government, and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

372. A letter from the Chairman, Council of the District of Columbia, transmitting, a copy of Council Act No. 1–170, "To amend the provisions of D.C. Law 1–13, relating to the operation of Solid Waste Reduction Center No. 1," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

373. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–174, "To ensure fair and equitable business opportunities for minority-owned firms when contracting with the government of the District of Columbia," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

374. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–178, "To create a Freedom of Information Act; to create rights; and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

375. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–179, "To establish an Office of Business and Economic Development and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

376. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with the University of Minnesota, Minneapolis, Minn., for a research project entitled "Geotechnical Assessment of Potential Methods of Underground Mining of the Copper-Nickel Deposits in Northern Minnesota," pursuant to section 1(d) of Public Law 89–672; to the Committee on Interior and Insular Affairs.

377. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of a proposed license for the export of defense articles and services sold commercially (Transmittal No. MC–21–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

378. A letter from the president, Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting the annual report of the institute and the financial statement for fiscal year 1976, pursuant to section 3 of the act of May 7, 1928, as amended (H. Doc. No. 95–39); to the Committee on International Relations and ordered to be printed.

379. A letter from the Chairman, Federal Power Commission, transmitting a list of the names and compensation of the persons employed by the Commission during fiscal year 1976; to the Committee on Post Office and Civil Service.

380. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Mary E. Switzer Memorial Building, Washington, D.C., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

381. A letter from the Administrator, U.S. Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act to increase the authorization for certain small business loan programs; to the Committee on Small Business.

382. A letter from the Administrator, U.S. Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Investment Act of 1958 to increase the authorization for the surety bond guarantee fund; to the Committee on Small Business.

383. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the statement of liabilities and other financial commitments of the U.S. Government as of September 30, 1976, pursuant to section 402 of Public Law 89–809; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

384. A letter from the Comptroller General of the United States, transmitting a report on the administration of the President's clemency program; jointly, to the Committees on Government Operations, the Judiciary, and Armed Services.

385. A letter from the Comptroller General of the United States, transmitting a report on commercialization of the liquid metal fast breeder reactor; jointly, to the Committees on Government Operations, Science and Technology, Interior and Insular Affairs, and Interstate and Foreign Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[*Introduced January 6, 1977*]

By Mr. ALEXANDER:

H.R. 1452. A bill to provide for improvements in the annual report on rural development submitted to the Congress by the Secretary of Agriculture, and to require the prompt appointment of a new Assistant Secretary of Agriculture for Rural Development in the case of a vacancy in that position; to the Committee on Agriculture.

H.R. 1453. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 1454. A bill to establish the Lake Clark National Park in the State of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON of California:

H.R. 1455. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 1456. A bill to amend the Merchant Marine Act of 1936 in order to establish a national marine firefighting program; to the Committee on Merchant Marine and Fisheries.

H.R. 1457. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Science and Technology.

H.R. 1458. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. ANDREWS of North Dakota, Mr. BAFALIS, Mr. BIAGGI, Mr. BLOUIN, Mr. BURGENER, Mr. GILMAN, Mr. HANNAFORD, Mr. HARSHA, Mr. JONES of North Carolina, Mr. LONG of Louisiana, Mr. LOTT, Mr. LUKEN, Mr. MATHIS, Mr. MCCLOSKEY, Mr. MILLER of Ohio, Mr. MOORHEAD of California, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. OTTINGER, Mr. QUILLEN, Mr. SPENCE, Mr. STAGGERS, Mr. WAXMAN, and Mr. ZEFERETTI):

H.R. 1459. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

By Mr. ARCHER:

H.R. 1460. A bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas; to the Committee on Interstate and Foreign Commerce.

Mr. BIAGGI:

H.R. 1461. A bill to amend title 18 of the United States Code to provide that persons accused of committing Federal felonies who have attained the age of 15 years shall be tried as adults, and to require the several States, the District of Columbia, and the other territories and possessions of the United States to treat all felony offenders alike who have attained the age of 15 years; to the Committee on the Judiciary.

H.R. 1462. A bill to require the fingerprinting of juvenile delinquents upon conviction or adjudication and to forbid the withholding of information from criminal trials on the grounds such information relates to a juvenile proceeding; to the Committee on the Judiciary.

By Mr. BOWEN:

H.R. 1463. A bill to delay for 1 year the effective date of the changes made by the Tax Reform Act of 1976 in the minimum tax on individuals; to the Committee on Ways and Means.

By Mr. BROWN of California (for himself, Mr. MOAKLEY, Mr. OTTINGER, Mr. DRINAN, Mr. RODINO, Mr. SEIBERLING, Mr. WHITEHURST, Mr. CARNEY, and Mr. Moss):

H.R. 1464. A bill to amend the Federal Meat Inspection Act for purposes of requiring that meat inspected and approved under such act be produced only from livestock slaughtered in accordance with humane methods; to the Committee on Agriculture.

By Mr. BURGENER:

H.R. 1465. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 1466. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit of 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 1467. A bill to amend the State Technical Services Act of 1965 to make municipal governments eligible for technical services under the act, to extend the act through fiscal year 1979, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1468. A bill to require that new forms and reports, and revisions of existing forms, resulting from legislation be contained in reports of committees reporting the legislation; to the Committee on Rules.

H.R. 1469. A bill to amend the Internal Revenue Code of 1954 to remove certain age restrictions applicable to individual retirement accounts and retirement plans for the self-employed; to the Committee on Ways and Means.

By Mr. CORRADA (for himself, Mr. DE LUGO, Mr. WON PAT, Mr. BADILLO, Mr. PHILLIP BURTON, and Mr. STARK):

H.R. 1470. A bill to amend title XVI of the Social Security Act and related laws to extend the supplemental security income benefits program to Puerto Rico, the Virgin Islands, and Guam on the same basis as the States; to the Committee on Ways and Means.

By Mr. ROBERT W. DANIEL, JR. (for himself, Mr. BURGENER, Mr. COCHRAN, Mr. DAN DANIEL, Mr. DOWNEY, Mr. DUNCAN of Oregon, Mr. FISH, Mrs. HOLT, Mr. HOWARD, Mr. KINDNESS, Mr. LEGGETT, Mr. LEVITAS, Mrs. LLOYD of Tennessee, Mr. MCCLORY, Mr. MATHIS, Mr. MOORHEAD of California, Mr. QUIE, Mr. ROBINSON, Mr. STRATTON, Mr. THONE, Mr. TRIBLE, Mr. WHALEN, Mr. WHITEHURST, Mr. BOB WILSON, and Mr. WOLFF):

H.R. 1471. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 1472. A bill to direct the Administrator of General Services to provide, after consulting with the Attorney General, for the construction of a correctional center in Los Angeles County, Calif.; to the Committee on Public Works and Transportation.

By Mr. DELANEY:

H.R. 1473. A bill to amend title 18, United States Code, to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on the Judiciary.

H.R. 1474. A bill to make any alien who becomes a public charge within 24 months of his arrival in the United States subject to deportation, and for other purposes; to the Committee on the Judiciary.

H.R. 1475. A bill to amend the Water Resources Development Act of 1974, relating to the New York Harbor collection and removal of drift project; to the Committee on Public Works and Transportation.

H.R. 1476. A bill to extend tax relief benefits to single individuals; to the Committee on Ways and Means.

H.R. 1477. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 1478. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 1479. A bill to amend the Natural Gas Act to permit curtailed pipelines to fulfill the needs of consumers of natural gas; to the Committee on Interstate and Foreign Commerce.

H.R. 1480. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

H.R. 1481. A bill to amend the Immigration and Nationality Act to eliminate the procedures for voluntary departure with respect to certain aliens illegally in the United States and to increase the penalties for the illegal entry of aliens; to require the Attorney General to employ additional personnel to patrol the land borders of the United States; and for other purposes; to the Committee on the Judiciary.

H.R. 1482. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 1483. A bill to amend titles II and XVIII of the Social Security Act to remove the earnings limitation; to the Committee on Ways and Means.

By Mr. FISHER (for himself, Mr. KOCH, and Mr. SOLARZ):

H.R. 1484. A bill to eliminate the complete immunity from criminal, civil, and administrative jurisdiction currently given to all foreign diplomats and their staffs and to establish the Vienna Convention on Diplomatic Relations as the basis for diplomatic privileges and immunities in the United States; to the Committee on International Relations.

By Mr. GILMAN (for himself, Mr. BRECKINRIDGE, Mr. DE LUGO, Mr. DERWINSKI, Mr. DOWNEY, Mr. DUNCAN of Tennessee, Mr. EILBERG, Mr. FISH, Mr. LAGOMARSINO, Mr. LENT, Mr. MATHIS, Mr. MURTHA, Mr. OTTINGER, Mr. RODINO, Mr. SIMON, Mrs. SPELLMAN, Mr. STEERS, Mr. WALSH, Mr. WOLFF, and Mr. ZEFERETTI):

H.R. 1485. A bill to establish a task force to study and evaluate the taxation of real property by State and local governments, the effects of such taxation on certain taxpayers, and the feasibility of Federal taxation and other policies designed to reduce the dependence of State and local governments on such taxation; jointly, to the Committees on Ways and Means, and Government Operations.

By Mr. GINN:

H.R. 1486. A bill to provide for the regular review of certain Federal agencies and for the abolition of such agencies after such review unless Congress specifically provides for their continued existence; to the Committee on Government Operations.

H.R. 1487. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committee on the Judiciary, and Rules.

By Mr. GRASSLEY:

H.R. 1488. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries established by section 225 of the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1489. A bill to encourage the establishment of wind erosion control and wildlife habitat areas which meet standards prescribed by the Secretary of Agriculture; to the Committee on Ways and Means.

By Mr. HAGEDORN:

H.R. 1490. A bill to extend the period during which applications for insurance may be made under the Federal Crop Insurance Act; to the Committee on Agriculture.

H.R. 1491. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for sanitation and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

H.R. 1492. A bill to require the U.S. Government to improve budgeting procedures by preparing annual financial statements utilizing the accrual method of accounting, and by requiring that the average cost for each taxpaying family be included in all bills and resolutions; to the Committee on Rules.

H.R. 1493. A bill to amend the Internal

Revenue Code of 1954 to limit the authority for inspection of tax returns, to provide for cost-of-living adjustments for taxpayers, and to eliminate certain tax inequities based upon marital status; to the Committee on Ways and Means.

H.R. 1494. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

H.R. 1495. A bill to amend title II of the Social Security Act to increase to a minimum of $3,000 the amount of outside earnings which (subject to future cost-of-living adjustments) is permitted any individual each year without deductions from benefits thereunder, and to increase further the amount of the outside earnings so permitted (while decreasing the rate of the deductions made from earnings above such amount) in the case of individuals receiving less than the maximum provided for benefits of the type involved; to the Committee on Ways and Means.

By Mr. HALL:

H.R. 1496. A bill to amend the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty shall be awarded a reasonable attorney's fees and other reasonable litigation costs; to the Committee on Education and Labor.

H.R. 1497. A bill to repeal titles XV and XVI of the Public Health Services Act; to the Committee on Interstate and Foreign Commerce.

H.R. 1498. A bill to authorize construction of the Little Cypress Lake and Reservoir, Texas; to the Committee on Public Works and Transportation.

H.R. 1499. A bill to amend title 38 of the United States Code in order to provide that the fees payable to agents or attorneys who represent veterans in allowed claims under the veterans laws shall be paid by the Administrator rather than deducted from amounts awarded under the claims; to the Committee on Veterans' Affairs.

H.R. 1500. A bill to amend section 2 of the act of August 22, 1964, to prevent circumvention of import restrictions through the production or manufacture of articles from foreign meat in foreign trade zones, territories, and possessions of the United States; to the Committee on Ways and Means.

H.R. 1501. A bill to amend title II of the Social Security Act to provide that attorneys' fees allowed in administrative or judicial proceedings under that title (or under title XVIII of such act), in cases where the claimants are successful, shall be paid by the Secretary of Health, Education, and Welfare rather than deducted from the amounts awarded claimants; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. CARNEY, Ms. CHISHOLM, Mr. CORNELL, Mr. DOWNEY, Mr. DUNCAN of Tennessee, Mr. GIAIMO, Ms. HOLTZMAN, Mr. HOWARD, Ms. KEYS, Mr. MARKEY, Ms. MEYNER, Mr. MOTTL, Mr. MURPHY of Pennsylvania, Mr. MURPHY of New York, Mr. PEPPER, Mr. ROSENTHAL, Mr. WOLFF, and Mr. WON PAT):

H.R. 1502. A bill to establish a Solar Energy Loan Administration to assist homeowners, owners of multifamily housing projects, builders, and small business concerns in purchasing and installing solar heating or combined solar heating and cooling equipment, including solar hot water systems, by providing low-interest, long-term loans; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HORTON (for himself and Mr. STEED):

H.R. 1503. A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes; to the Committee on Government Operations.

By Mr. HUGHES:

H.R. 1504. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain expenses paid or incurred by a taxpayer in providing an education for himself or his spouse at an institution of higher education; to the Committee on Ways and Means.

By Mr. KOCH (for himself and Mr. SCHEUER):

H.R. 1505. A bill to prohibit U.S. companies from participating in the boycott of another U.S. company or a country friendly to the United States, or providing certain information, in response to a foreign country's request; to the Committee on International Relations.

By Mr. LATTA:

H.R. 1506. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1507. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain Services performed by chiropractors; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. LENT:

H.R. 1508. A bill to reaffirm the intent of Congress with respect to the structure of the commmon carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEVITAS (for himself, Mr. PEPPER, Mr. MAZZOLI, Mr. MOAKLEY, Mr. BLANCHARD, Mr. KETCHUM, Mr. ALEXANDER, Mr. NEDZI, Mr. ROE, Mr. MARTIN, Mr. MATHIS, Mr. BRECKINRIDGE, Mr. HUBBARD, Mr. ZEFERETTI, Mr. DERWINSKI, Mr. WHITEHURST, Mr. BROWN of Ohio, Mr. KINDNESS, Mrs. HOLT, Mr. BURGENER, Mr. HANNAFORD, Mr. WYDLER, Mr. CLEVELAND, Mr. KREBS, and Mrs. LLOYD of Tennessee):

H.R. 1509. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. LEVITAS (for himself, Mr. PEPPER, Mr. MAZZOLI, Mr. BLANCHARD, Mr. KETCHUM, Mr. ALEXANDER, Mr. NEDZI, Mr. ROE, Mr. MARTIN, Mr. MATHIS, Mr. BRECKINRIDGE, Mr. HUBBARD, Mr. ZEFERETTI, Mr. DERWINSKI, Mr. WHITEHURST, Mr. BROWN of Ohio, Mr. KINDNESS, Mrs. HOLT, Mr. BURGENER, Mr. HANNAFORD, Mr. WYDLER, Mr. CLEVELAND, Mr. SANTINI, Mrs. LLOYD of Tennessee, and Mr. WIRTH):

H.R. 1510. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of future agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. LEVITAS (for himself, Mr. PEPPER, Mr. MAZZOLI, Mr. BLANCHARD, Mr. KETCHUM, Mr. ALEXANDER, Mr. NEDZI, Mr. ROE, Mr. MARTIN, Mr. MATHIS, Mr. BRECKINRIDGE, Mr. HUBBARD, Mr. ZEFERETTI, Mr. DERWINSKI, Mr. WHITEHURST, Mr. BROWN of Ohio, Mr. KINDNESS, Mrs. HOLT, Mr. BURGENER, Mr. HANNAFORD, Mr. WYDLER, Mr. CLEVELAND, Mr. KREBS, Mr. STUDDS, and Mrs. MEYNER):

H.R. 1511. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules imposing certain sanctions, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. LOTT:

H.R. 1512. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 5 years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1513. A bill to incorporate the U.S. Submarine Veterans of World War II; to the Committee on the Judiciary.

H.R. 1514. A bill to authorize a project for channel deepening for navigation at Gulfport Harbor, Harrison County, Miss.; to the Committee on Public Works and Transportation.

H.R. 1515. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

H.R. 1516. A bill to amend the Internal Revenue Code of 1954 to avoid duplication of tax imposed under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act in the case of employers of the same employee; to the Committee on Ways and Means.

H.R. 1517. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Commttee on Ways and Means.

H.R. 1518. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period for disability benefits, to liberalize the earnings test, to permit adopted children to qualify for benefits without regard to time of adoption, to eliminate the reconsideration stage in benefit determinations, to provide for the issuance of duplicate benefit checks where the initial checks are lost or delayed, and to provide for expedited benefit payments to disability beneficaries; to the Committee on Ways and Means.

H.R. 1519. A bill to amend the Public Health Services Act to provide special allowances to certain physicians employed by the United States in order to enhance the recruitment and retention of such physicians; jointly, to the Committees on Interstate and Foreign Commerce, and Post Office and Civil Service.

By Mr. McFALL:

H.R. 1520. A bill to amend the Small Business Act to extend the disaster loans provision of the act to allow the Small Business Administration to provide disaster loans to small businesses in areas which its Administrator declares to be impacted disasters; to the Committee on Small Business.

By Mr. McKAY:

H.R. 1521. A bill to increase the amount which is authorized by Public Law 92-287 to be appropriated for the establishment of a metallurgy research center on the Fort Douglas Military Reservation, Utah, in replacement of the facility now located on the

campus of the University of Utah; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H.R. 1522. A bill to amend title I of the Housing and Community Development Act of 1974 for the purpose of providing that units of general local government receiving grants under the hold-harmless provisions of such title shall be entitled, after fiscal year 1977, to continue to receive at least the amount to which they are presently entitled under such provisions; to the Committee on Banking, Finance, and Urban Affairs.

H.R. 1523. A bill to extend title II of the Public Works Employment Act of 1976 for five additional quarters; to the Committee on Public Works and Transportation.

H.R. 1524. A bill to amend the Internal Revenue Code of 1954 to provide that the tax-exempt treatment allowed to certain industrial development bonds be restricted to bonds the proceeds of which are to be used within economic development areas, and to allow national banks to underwrite these bonds; to the Committee on Ways and Means.

H.R. 1525. A bill to amend title II of the Social Security Act to provide special cost-of-living increases in benefits thereunder based on local differentials in the cost of food and other necessities (over and above the regular annual cost-of-living increases in such benefits which are provided under present law on a national basis) for individuals residing in high cost cities and other high cost areas; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. SEIBERLING, Mr. MOTTL, and Mr. NEAL):

H.R. 1526. A bill to authorize the Secretary of the Treasury to invest public moneys and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. RUPPE:

H.R. 1527. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for investments in certain economically lagging regions; to the Committee on Ways and Means.

By Mr. ST GERMAIN (for himself, and Mr. REUSS):

H.R. 1528. A bill to amend the Federal Credit Union Act in order to improve the efficiency and flexibility of the financial system of the United States by permitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members; by reorganizing the National Credit Union Administration; by establishing a central liquidity fund for Federal and State credit unions; and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SEBELIUS:

H.R. 1529. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Glen Elder unit of the Pick-Sloan Missouri Basin program, Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1530. A bill to amend the Uniform Time Act of 1966 to provide that daylight saving time shall begin on Memorial Day and end on Labor Day of each year; to the Committee on Interstate and Foreign Commerce.

H.R. 1531. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the committee on the Judiciary.

By Mr. SIMON (for himself and Mr. PERKINS):

H.R. 1532. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 to revise the black lung benefits program established under such act in order to transfer the residual liability for the payment of benefits under such program from the Federal Government to the coal industry, and for other purposes; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. SOLARZ:

H.R. 1533. A bill to amend the Arms Export Control Act to require the President to provide certain information to the Congress with respect to any proposed major arms sales to a country which is not a member of the North Atlantic Treaty Organization and to provide the Congress with 30 days of continuous session in which to disapprove proposed arms sales; to the Committee on International Relations.

H.R. 1534. A bill to amend the Arms Export Control Act to provide the Congress with an opportunity to disapprove proposed transfers from the recipient country to another country of defense articles or related training or other defense services supplied by the United States; to the Committee on International Relations.

By Mr. SOLARZ (for himself, Mr. FISHER, and Mr. KOCH):

H.R. 1535. A bill providing that the United States shall be deemed liable in the case of any judgment levied by any court against any diplomat against whom a recovery of damages is statutorily not allowed; to the Committee on the Judiciary.

H.R. 1536. A bill to establish within the Department of State an Assistant Secretary for Claims Against Foreign Ministers and Diplomats; to award just compensation for such claims; and for other purposes; to the Committee on International Relations.

By Mr. TRAXLER:

H.R. 1537. A bill to amend the National Housing Act to authorize expenditures by the Secretary of Housing and Urban Development for repairs of certain dwellings; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1538. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the equitable distribution of rail service continuation assistance in the region; to the Committee on Interstate and Foreign Commerce.

H.R. 1539. A bill to provide for the monthly publication of a Consumer Price Index for the Aged and Other Social Security Beneficiaries, which shall be used in the provision of the cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 1540. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 1541. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 1542. A bill to amend title II of the Social Security Act to provide that an individual otherwise eligible may be paid full widow's or widower's insurance benefits at age 55, or reduced widow's or widower's insurance benefits at age 50 (age 45 in case of disability); to the Committee on Ways and Means.

H.R. 1543. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 1544. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

H.R. 1545. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit for the elderly, and for other purposes; to the Committee on Ways and Means.

H.R. 1546. A bill to establish a program for repairing and replacing unsafe highway bridges; jointly, to the Committees on Public Works and Transportation and Ways and Means.

H.R. 1547. A bill to amend title XVIII of the Social Security Act to include drugs requiring a doctor's prescription among the medical expenses with respect to which payment may be made under the voluntary program of supplementary medical insurance benefits for the aged; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. WHALEN (for himself, Mr. BLOUIN, Mr. BROWN of Ohio, Mr. COHEN, Mr. CONABLE, Mr. EDGAR, Mr. FRENZEL, Mr. GRADISON, Mr. GUYER, Mrs. HOLT, Mr. HUGHES, Mr. JEFFORDS, Mr. KASTENMEIER, Mr. KINDNESS, Mr. LEVITAS, Mrs. MEYNER, Mr. MILLER of Ohio, Mr. MONTGOMERY, Mr. MOTTL, Mr. REGULA, Mr. STANTON, and Mr. STEIGER):

H.R. 1548. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. CHARLES WILSON of Texas:

H.R. 1549. A bill to provide for the induction of individuals, during the period beginning July 1, 1977, and ending June 30, 1979, for training and service in the Armed Forces; to the Committee on Armed Services.

H.R. 1550. A bill to reduce the rate of duty on ceramic insulators used in spark plugs; to the Committee on Ways and Means.

By Mr. CHARLES WILSON of Texas (for himself and Mr. WAGGONNER):

H.R. 1551. A bill granting the consent of Congress to an amendment to the Sabine River compact entered into by the States of Texas and Louisiana; to the Committee on the Judiciary.

[*Introduced January 10, 1977*]

By Mr. ANDERSON of California:

H.R. 1558. A bill to amend the Older Americans Act of 1965 to provide relief for older Americans who own or rent their homes; to the Committee on Education and Labor.

By Mr. ANDERSON of California (for himself, Mr. KRUEGER, Mr. MINETA, Mr. DUNCAN of Tennessee, Mr. MCHUGH, Mr. PATTERSON of California, Mr. ANDREWS of North Carolina, Mr. KREBS, Mr. LENT, Mr. HAWKINS, Mr. NEAL, Mr. CHARLES H. WILSON of California, Mrs. MEYNER, Mr. MITCHELL of New York, Mr. MATHIS, Mr. LEHMAN, Mr. COUGHLIN, Mr. WON PAT, Mr. EDGAR, Mr. SIMON, Mr. ROBINSON, Mr. JACOBS, Mr. ZEFERETTI and Mr. BREAUX):

H.R. 1559. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain relating existing provision; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 1560. A bill to repeal section 5(b) of the Trading With the Enemy Act of 1917; to the Committee on International Relations.

By Mr. BINGHAM (for himself, Mr. ROSENTHAL, Mr. ZABLOCKI, Mr. FINDLEY, Mr. FASCELL, Mr. NIX, Mr. FRASER, Mr. WOLFF, Mr. SOLARZ, Mr. WINN, Mr. STUDDS, Mr. LAGOMARSINO, Mr. GILMAN, and Mr. WHALEN):

H.R. 1561. A bill to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, to strengthen the antiboycott provisions of that act, and to provide for stricter controls over exports of nuclear material and

technology, and for other purposes; to the Committee on International Relations.

By Mr. COLLINS of Texas:

H.R. 1562. A bill to amend the Natural Gas Act to assure adequate supplies of natural gas in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 1563. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 1564. A bill to preserve and promote competition among corporations in the production of oil, natural gas, coal, oil shale, uranium, geothermal steam, and solar energy; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 1565. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 1566. A bill to prohibit, except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which does not make reasonable and productive efforts, especially with regard to family planning, designed to alleviate the causes of the need for assistance provided under such act; to the Committee on International Relations.

H.R. 1567. A bill to temporarily suspend required emissions controls on automobiles registered in certain parts of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1568. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works and Transportation.

H.R. 1569. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the Veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 1570. A bill to extend commissary and exchange privileges to certain disabled veterans and the widows of certain deceased veterans; to the Committee on Armed Services.

H.R. 1571. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

H.R. 1572. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide financial assistance for alternative educational and security plans to reduce delinquency and crime in and against the public schools of the Nation and for other purposes; to the Committee on Education and Labor.

H.R. 1573. A bill to establish in the State of New Jersey the Treasure Island National Historical Site; to the Committee on Interior and Insular Affairs.

H.R. 1574. A bill to amend the Public Health Service Act to promote the health and welfare of children in need of adoption by facilitating their placement, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1575. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

H.R. 1576. A bill to clarify the provisions of Federal law prohibiting the transmission in interstate commerce of threats to injure an individual; to the Committee on the Judiciary.

H.R. 1577. A bill to assist States in collecting sales and use taxes on cigarettes by controlling all types of illegal transportation of cigarettes; to the Committee on the Judiciary.

H.R. 1578. A bill to provide a penalty for the robbery or attempted robbery of any narcotic drug from any pharmacy; to the Committee on the Judiciary.

H.R. 1579. A bill to amend the Omnibus Crime Control and Safe Streets Acts of 1968 to add a requirement that the comprehensive State plan include provisions for attention to the special problems of prevention, treatment and other aspects of crimes against the elderly; to the Committee on the Judiciary.

H.R. 1580. A bill to amend title 38 of the United States Code in order to provide a yearly clothing allowance of $150 to veterans with service-connected blindness; to the Committee on Veterans' Affairs.

H.R. 1581. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 1582. A bill to establish a national lottery in the Department of the Treasury and to provide that revenues from such lottery be used to provide assistance to low-income senior citizens in paying their electric and telephone bills; to the Committee on Ways and Means.

H.R. 1583. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual who has attained age 65 may elect to treat any employment or self-employment performed by him as not covered for social security benefit purposes and exempt from social security taxes; to the Committee on Ways and Means.

H.R. 1584. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

Mr. FISH:

H.R. 1585. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. FLOOD:

H.R. 1586. A bill to provide for construction of certain bridges, approaches, and roads in the Panama Canal Zone, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1587. A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal after the President terminates negotiations by the United States with the Republic of Panama to surrender the Panama Canal and the Canal Zone to the Republic of Panama, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1588. A bill to provide that the U.S. Canal Zone shall be represented by a Delegate to the House of Representative; to the Committee on Merchant Marine and Fisheries.

By Mr. FORD of Michigan (for himself, Mr. SOLARZ, Mrs. SCHROEDER, and Mr. EILBERG):

H.R. 1589. A bill to establish a Federal Employee Labor Relations Board to regulate Federal labor-management relations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GRASSLEY:

H.R. 1590. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 1591. A bill to amend the Older Americans Act of 1965 to require the Commissioner on Aging to establish a special supplemental food program and medical examination and referral program for older Americans, and for other purposes; to the Committee on Education and Labor.

H.R. 1592. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation the pay received by members of the National Guard or of Reserve components of the Armed Forces to the extent that such pay does not exceed $5,000; to the Committee on Ways and Means.

By Mr. HARSHA:

H.R. 1593. A bill to amend the Trade Reform Act of 1974 to extend by 26 weeks the period for which workers may receive trade readjustment allowances, and for other purposes; to the Committee on Ways and Means.

By Mr. McDONALD:

H.R. 1594. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. MILLER of Ohio:

H.R. 1595. A bill to amend section 201 of the Appalachian Regional Development Act of 1965; to the Committee on Public Works and Transportation.

By Mr. MURPHY of New York:

H.R. 1596. A bill to amend the Federal Power Act with respect to the jurisdiction of the Federal Power Commission over streams and other bodies of water the navigable portions of which lie within a single State; to the Committee on Interstate and Foreign Commerce.

H.R. 1597. A bill to provide for the rehabilitation and compensation of victims of transportation accidents involving motor vehicles by establishing national standards for State no-fault benefit plans, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1598. A bill to amend title 38, United States Code, to provide for a 12-year delimiting period for a veteran to complete a program of education; to the Committee on Veterans' affairs.

H.R. 1599. A bill to provide that veterans be provided employment opportunities after discharge at certain minimum salary rates; to the Committee on Veterans' Affairs.

H.R. 1600. A bill to amend title 38 of the United States Code in order to provide financial assistance for the establishment and maintenance of State veterans' cemeteries; to the Committee on Veterans' Affairs.

H.R. 1601. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. MURPHY of New York (for himself, and Mr. SOLARZ):

H.R. 1602. A bill to amend the Securities Exchange Act of 1934 to require issuers of

securities registered pursuant to section 12 of such act to maintain accurate records, to prohibit certain bribes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS:

H.R. 1603. A bill to amend the Federal Food, Drug, and Cosmetic Act and related provisions of law to improve the protection of the public health and safety with respect to drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO (for himself, Mr. BAUCUS, Mr. JOHNSON of California, Mr. HANSEN, Mr. ABDNOR, Mr. JOHNSON of Colorado, Mr. SYMMS, Mr. EVANS of Colorado, and Mr. SEBELIUS):

H.R. 1604. A bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreage under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. STEED (by request):

H.R. 1605. A bill to amend the Indian Claims Commission Act of August 13, 1946, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VENTO:

H.R. 1606. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. WON PAT:

H.R. 1607. A bill to amend the Consolidated Farm and Rural Development Act for the purpose of making Guam eligible for assistance under the act; to the Committee on Agriculture.

H.R. 1608. A bill to provide for the establishment of a national historic park on the island of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ECKHARDT (for himself, Mr. WRIGHT, Mr. WON PAT, Mr. SEBELIUS, Mr. YOUNG of Alaska, Mr. LAGOMARSINO, Mr. FOUNTAIN, Mr. SCHEUER, Mr. ROUSSELOT, Mr. FISH, Mr. CHARLES WILSON of Texas, Mr. JONES of Oklahoma, Mr. BOWEN, Mr. KETCHUM, Mr. MARTIN, Mr. MOORHEAD of California, Mr. MOORE, Mr. SCHULZE, Mr. MURPHY of Pennsylvania, and Mr. HUCKABY):

H.R. 1609. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Public Works and Transportation.

[*Introduced Jan. 6, 1977*]

By Mr. BLANCHARD:

H.J. Res. 111. Joint resolution proposing an amendment to the Constitution of the United States relative to the maintenance of neighborhood public schools; to the Committee on the Judiciary.

By Mr. GINN:

H.J. Res. 112. Joint resolution proposing an amendment to the Constitution relating to school busing; to the Committee on the Judiciary.

H.J. Res. 113. Joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

By Mr. HUGHES:

H.J. Res. 114. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. HYDE:

H.J. Res. 115. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

By Mr. LATTA:

H.J. Res. 116. Joint resolution designating the composition known as The Stars and Stripes Forever as the national march of the United States; to the Committee on Post Office and Civil Service.

By Mr. LOTT:

H.J. Res. 117. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. McCLORY:

H.J. Res. 118. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

Mr. RHODES:

H.J. Res. 119. Joint resolution to designate the week commencing with the third Monday in February of each year as National Patriotism Week; to the Committee on Post Office and Civil Service.

[*Introduced Jan. 10, 1977*]

By Mr. ANDERSON of California:

H.J. Res. 120. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama (for himself and Mr. ROBINSON):

H.J. Res. 121. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. EILBERG:

H.J. Res. 122. Joint resolution to designate January 4, 1978, as Haym Salomon Day; to the Committee on Post Office and Civil Service.

[*Introduced Jan. 6, 1977*]

By Mr. HANSEN:

H. Con. Res. 48. Concurrent resolution expressing the sense of the Congress that inspections pursuant to section 8(a) of the Occupational Safety and Health Act of 1970 shall cease pending a determination by the Supreme Court of the United States of the constitutionality of such inspections; to the Committee on Education and Labor.

By Mr. LOTT:

H. Con. Res. 49. Concurrent resolution providing for continued close relations with the Republic of China; to the Committee on International Relations.

By Mr. MITCHELL of New York:

H. Con. Res. 50. Concurrent resolution to provide for the procurement and display in the Capitol of a facsimile of the Constitution of the United States; to the Committee on House Administration.

[*Introduced Jan. 10, 1977*]

By Mr. EILBERG:

H. Con. Res. 51. Concurrent resolution urging the President to take certain measures against countries supporting international terrorism and persons engaging in international terrorism and to seek stronger international sanctions against such countries and persons; jointly, to the Committees on International Relations, and Public Works and Transportation.

By Mr. MURPHY of New York:

H. Con. Res. 52. Concurrent resolution expressing the sense of Congress with respect to a bill of rights for Vietnam veterans; to the Committee on Veterans' Affairs.

By Mr. WINN:

H. Con. Res. 53. Concurrent resolution relative to establishing a Presidential Task Force on Prisoners of War and Missing in Action; to the Committee on Armed Services.

[*Introduced Jan. 6, 1977*]

By Mr. ALEXANDER:

H. Res. 85. Resolution to recommend that the Board on Geographic Names approve a proposal to name two mountains in Alaska after the late Congressmen Hale Boggs and Nick Begich; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON (for himself, Mr. ZEFERETTI, Mr. DRINAN, Mr. RAHALL, Mr. HANNAFORD, Mr. BRODHEAD, Mr. BLOUIN, Mr. OBERSTAR, Mr. WHITLEY, Mr. MOSS, Mr. MOAKLEY, Mr. SANTINI, Mr. DAN DANIEL, Mr. KINDNESS, Mr. PEPPER, Mr. RISENHOOVER, Mr. CONYERS, Mr. RUSSO, Mr. MEEDS, Mr. BUTLER, Mr. MCFALL, Mr. HUGHES, Mr. NOWAK, Mr. PATTEN, and Mr. DUNCAN of Oregon):

H. Res. 86. Resolution amending rule XXII of the Rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution, and to provide for the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial, or resolution; to the Committee on Rules.

By Mr. JOHN L. BURTON (for himself, Mrs. SPELLMAN, Mr. ROYBAL, Mr. LLOYD of California, and Mr. HARRIS):

H. Res. 87. Resolution amending rule XXII of the Rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution, and to provide for the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial, or resolution; to the Committee on Rules.

By Mr. CONTE:

H. Res. 88. Resolution directing the Committee on International Relations to conduct hearings to determine the nature and extent of any U.S. involvement in the hostilities in Northern Ireland; to the Committee on Rules.

By Mr. RHODES (for himself, Mr. DEVINE, Mr. FRENZEL, Mr. CEDERBERG, Mr. HORTON, Mr. SKUBITZ, Mr. LATTA, Mr. JEFFORDS, Mr. HYDE, Mr. GRADISON, Mr. SCHULZE, Mr. MITCHELL of New York, Mr. THONE, Mr. MYERS of Indiana, Mrs. PETTIS, Mr. FORSYTHE, Mr. ANDREWS of North Dakota, Mr. CARTER, Mr. CLEVELAND, and Mr. MOORHEAD of California):

H. Res. 89. Resolution to create a Select Committee on Energy; to the Committee on Rules.

By Mr. RINALDO:

H. Res. 90. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone and the Isthmus of Panama; to the Committee on International Relations.

By Mr. SEBELIUS:

H. Res. 91. Resolution to express the sense of the House of Representatives that the President of the United States should direct the Secretary of the Interior to conserve the helium which is now being extracted from natural gas and then wasted into the atmosphere; to the Committee on Interior and Insular Affairs.

[*Introduced Jan. 10, 1977*]

By Mr. FLOOD:

H. Res. 92. Resolution insisting upon retention of undiluted U.S. sovereignty over the Canal Zone and the Panama Canal; to the Committee on International Relations.

By Mr. GRASSLEY:

H. Res. 93. Resolution to make certain records of the House Committee on Agricul-

ture available to the public; to the Committee on Rules.

By Mr. GUYER (for himself, Mr. MICHEL, Mr. MOORHEAD of California, Mr. HARSHA, Mrs. FENWICK, Mr. EDWARDS of Alabama, Mr. FISH, Mr. KAZEN, Mr. FINDLEY, Mr. HAMMERSCHMIDT, Mr. BURKE of Florida, Mr. SEBELIUS, Mr. MYERS of Indiana, Mr. O'BRIEN, Mr. DRINAN, Mr. GRASSLEY, Mr. POAGE, Mr. MILLER of Ohio, Mr. STRATTON, and Mr. HAMILTON):

H. Res. 94. Resolution providing for the establishment of a Select Committee on Narcotics Abuse and Control; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[*Introduced January 6, 1977*]

By Mr. HARRINGTON:

H.R. 1552. A bill for the relief of Oh Soon Hee; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 1553. A bill for the relief of Maria Magdalena Pena Rich; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 1554. A bill for the relief of Clara Riccomini; to the Committee on the Judiciary.

By Mr. TRAXLER:

H.R. 1555. A bill for the relief of Jesus Aguilera-Enriquez; to the Committee on the Judiciary.

By Mr. CHARLES WILSON of Texas:

H.R. 1556. A bill for the relief of Ed J. Damuth; to the Committee on the Judiciary.

H.R. 1557. A bill for the relief of Franklin R. Helt; to the Committee on the Judiciary.

[*Introduced January 10, 1977*]

By Mr. CHAPPELL:

H.R. 1610. A bill to direct the Administrator of General Services to release a covenant contained in a deed conveying certain real property to Argyle Southern Co., a Delaware corporation; to the Committee on Government Operations.

H.R. 1611. A bill for the relief of Ramona Castro Flores Vda. de Guzman; to the Committee on the Judiciary.

By Mr. JOHN T. MYERS:

H.R. 1612. A bill for the relief of certain employees of the Naval Ordnance Systems Command; to the Committee on the Judiciary.

H.R. 1613. A bill for the relief of certain postmasters charged with postal deficiencies; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

28. The SPEAKER presented a petition of Mrs. Everett Arendts, Stanhope, Iowa, relative to disability insurance for the blind, which was referred to the Committee on Ways and Means.

SENATE—*Monday, January 10, 1977*

The Senate met at 12 o'clock meridian and was called to order by Hon. PATRICK J. LEAHY, a Senator from the State of Vermont.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal and Ever-Living God, as we pause to pray at the beginning of another week, we thank Thee for the legislative adventure of a new Congress. While we settle into offices, may we settle a few things in our own lives. Draw us close to Thee, hold us in Thy love and guide us by Thy spirit. May we be kept humble by the awareness of working under Thy transcendent and eternal sovereignty, and by the knowledge that in the processes of history Thy judgment matters most.

Help us, O Lord, to live by our affirmations and not by our negations, by our faith and not by our doubts. Save us from losing our direction, from compromising our ideals or forsaking our standards. Spare us from squandering time on the wrong things, from saying things we later regret, and from putting our own welfare above that of the Nation.

Give us grace and wisdom so to consecrate our talents, our energies, and our time that our efforts may set forward Thy kingdom. May a radiant joy transfigure our relations with one another. And as the days pass wilt Thou endow us with something of the spirit of the Man of Nazareth who went about doing good.

In His name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., January 10, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. PATRICK J. LEAHY, a Senator from the State of Vermont, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. LEAHY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, January 6, 1977, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, for the moment, I reserve the remainder of my time.

Mr. McCLELLAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The distinguished minority leader (Mr. BAKER) is recognized.

Mr. BAKER. Mr. President, I intend to yield part of my time to the distinguished Senator from Virginia, Senator SCOTT, in a moment.

I wish to reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Virginia is recognized for not to exceed 15 minutes.

The Senator from Arkansas has also asked the Chair for recognition for purposes of introducing a bill.

Mr. ROBERT C. BYRD. Mr. President, without objection, how much time does the Senator need?

Mr. McCLELLAN. Three or four minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Arkansas (Mr. McCLELLAN) 4 minutes or such time as he may desire out of the time allotted to the majority leader.

Mr. SCOTT. Mr. President, if the Senator will yield briefly, if there is any Senator who wishes to make a brief statement, without the time being charged against my time, as I am not in any hurry, I am glad to yield to him.

Mr. ROBERT C. BYRD. The Senator is very kind in making that suggestion.

The ACTING PRESIDENT pro tempore. The Chair appreciates the offer of the distinguished Senator from Virginia, and the Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. McCLELLAN. Is the introduction of bills now in order?

The ACTING PRESIDENT pro tempore. It will be at the time of the period for transaction of routine morning business. It is not in order at this time.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have this time out of order to proceed to introduce a bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

[Mr. McCLELLAN's remarks made at this point in connection with the introduction of the bill relating to new district judgeships are printed in today's RECORD under Statements on Bills during routine morning business.]

Mr. McCLELLAN. I thank my distinguished leader for yielding.

Mr. ROBERT C. BYRD. The Senator is very welcome.

Mr. STENNIS addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, in accordance with the suggestion made by the distinguished Senator from Virginia (Mr. SCOTT), if it is still agreeable with him, Mr. STENNIS and other Senators may wish to obtain recognition under the time allotted earlier; they may do so without prejudice to the distinguished Senator from Virginia (Mr. SCOTT) and at any point, of course, he may ask to be recognized for the time allotted to him under the order.

Mr. SCOTT. Mr. President, I am ready to proceed, but certainly I yield to my chairman of the Committee on Armed Services and to other Senators but do not go to the end of the line.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, will the Senator withhold just for a second?

Mr. STENNIS. Yes.

Mr. BAKER. Mr. President, I yield 5 minutes of the time allotted to the minority leader under the standing order to the distinguished Senator from Virginia in addition to the time allotted him under the previous order.

Mr. STENNIS. Mr. President, I especially appreciate the thoughtfulness and generosity of the Senator from Virginia, who is always observant, very generous and gentlemanly, also.

MILITARY UNIONS

Mr. STENNIS. Mr. President, I have brief remarks today on what I think is a very important subject.

Mr. President, I have given mature thought to the matter I shall briefly discuss today.

Labor unions of course have their place. In my opinion, there is no place in our military units, the Army, Navy, Air Force, and Marines, for labor unions or similar unions of any kind.

This is certainly not an antiunion position. This is no reflection on labor unions nor on military units. We can have labor unions and we can have military units, but we cannot have both in the same group of people at the same time. Military units and labor unions just do not mix.

The military man or woman owes absolute and total allegiance to his military obligation. He must be disciplined to obey, and he must obey military orders. The military man cannot be given a divided allegiance to the commands, rules or policies of some other organization, as, for instance, an order to strike or some similar action, or to withhold work or obedience. The military man cannot be allowed to threaten to do these things.

Under our present law, no person is required to join a military service. If he does join, he has voluntarily given up certain privileges he might otherwise enjoy as a citizen, and has made the choice to give undivided allegiance to his military organization, which is based on discipline, training, and loyalty.

Fundamentally, it is clear to all that we cannot have a group of men obeying two sources of authority, as, for instance, a military commander and a union leader. We cannot have a military unit with some members in a union and some not. A divided house cannot stand.

To have military security, we must have a military organization from top to bottom with men properly trained to the extent that we know they will fully respond to a duty and a command, both as individuals and as a unit.

It is clear that if there must be bargaining and choices as to military services, it must all be done before signing up as a member of a military organization. After signing up, total allegiance to the military command is the only course of action.

The members of the military services have, in fact, representation through the entire congressional membership, including, with emphasis, the members of the Armed Service Committees of both the House of Representatives and the Senate.

This problem has been gradually growing in the services for some time. I had hoped that a solution would come from the Department of Defense, or the military services, but they have been unable to bring forth a remedy. We must have legislation that will put a ban on these activities within the military services.

I am going to propose that our committee hold open hearings on this entire problem soon, and fully develop all the relevant facts. I believe that we can then write a meaningful bill that will fully cover this grave and growing problem, and do it with justice to all. I believe we can do this and thus relieve, to this extent, one of the many burdens now confronting the volunteer forces concept.

The Senator from South Carolina [Mr. THURMOND] has been interested in this subject and introduced a bill during the last session which I assume he will introduce at this session. I invite all who are interested to introduce a bill if they desire. I am not wedded to any particular bill but believe the committee, with the help of every member, can develop and write a firm bill that will meet the situation fully. Just as soon as is reasonably possible, our committee will get these hearings started.

I believe the Congress can and will readily pass such a bill, fair on its face and in fact, once the facts are developed.

At least one statement has been made by an outstanding union leader that he does not favor the attempt to in any way unionize the military services. This statement was quoted in the press. This shows a sentiment within the unions in opposition to efforts to have union operations within the military units. I firmly believe a bill of the type I mention will also serve the best interest of unions.

Mr. President, I again expressly thank the Senator from Virginia for yielding to me.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. SCOTT) is recognized for not to exceed 15 minutes.

Mr. BAKER. Plus 5.

The ACTING PRESIDENT pro tempore. Plus 5 minutes yielded by the minority leader.

Mr. SCOTT. I thank the Chair.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining under the order?

The ACTING PRESIDENT pro tempore. The Senator has 8 minutes.

Mr. ROBERT C. BYRD. I thank the Chair. I will yield 3 minutes of my time to the Senator from Virginia, if he will allow me at this time to use up some of my time.

Mr. SCOTT. Certainly. I appreciate the Senator's yielding his time.

Mr. ROBERT C. BYRD. I thank the Senator.

NONLEGISLATIVE PERIODS—CALENDAR YEAR 1977

Mr. ROBERT C. BYRD. Mr. President, there has been general agreement on the desirability of announcing, as early as possible in the session, a schedule of nonlegislative days during which Senators can visit their respective States and constituencies, conduct public hearings in and away from Washington, and fulfill speaking engagements for high school commencements, Fourth of July audiences, and so on. This practice has enabled Members to schedule a time when they can be assured of no Senate floor sessions, thus permitting the Members to be out of the city without concern for rollcall votes, and I believe this practice has enhanced the attendance of Senators during sessions.

I have discussed this matter with the distinguished Republican leader, and have taken it up during the caucus this morning, and it has been agreed to there. So I make the following statement of nonlegislative periods extending through August:

The Senate will not be in session on Monday, February 14, Tuesday, February 15, Wednesday, February 16, Thursday, February 17, and Friday, February 18.

In April, the Senate will not be in session on Friday, April 8, Monday, April 11, Tuesday, April 12, Wednesday, April 13, Thursday, April 14, and Friday, April 15.

The Senate will not be in session on Monday, May 30, Tuesday, May 31, Wednesday, June 1, Thursday, June 2, and Friday, June 3.

The Senate will not be in session on Monday, July 4, Tuesday, July 5, Wednesday, July 6, Thursday, July 7, and Friday, July 8.

The August "recess," which is set by law, will begin on Monday, August 8, with reconvening on Wednesday, September 7.

In July, in accordance with the agreement with the distinguished Republican leader and other Senators on both sides of the aisle, we will take another look at the situation and design appropriate periods for later in the year if that should become necessary.

I yield to the distinguished Republican leader.

Mr. BAKER. Mr. President, I am delighted with the schedule of nonlegislative days. I agree with the distinguished majority leader that knowing that these days will be nonlegislative days does have the effect of improving attendance in the Senate, and providing an opportunity for everyone to schedule matters with their constituencies. I thank the majority leader for consulting with and honoring certain requests by the minority in this respect. I think this is a good beginning for what I hope will continue to be harmonious cooperation to expedite the interests of the Senate.

I also agree with the majority leader that I hope we can do this without going too much beyond the August recess, and conclude the business of Congress as soon as possible.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

Mr. President, whatever time I have not consumed I yield to the distinguished Senator from Virginia from my time, and I thank the distinguished Senator from Virginia for yielding.

HOW WOULD YOU VOTE?

Mr. SCOTT. Mr. President, the majority and minority leaders have been very generous, and I appreciate it.

Mr. President, last month our office included an opinion poll as part of a regular newsletter to constituents. The mailing list is a general one going throughout Virginia to members of both political parties and people of varying philosophies. Their views were solicited on measures that could be considered this year by the Congress.

We attempted to provide a short synopsis of major proposals and left room for such comment as they cared to make. More than 400,000 of these newsletters were distributed throughout Virginia's 10 Congressional Districts. The Library of Congress had advised me that a response of 5 to 7 percent would have been good, so we were pleased to obtain a 9- to 10-percent return.

The newsletter posed the question: How would you vote? and the percentage favoring and opposing the proposals has been inserted after each question. I ask unanimous consent that a copy of the newsletter, with the percentages dubbed in, be printed at this point in the RECORD for the information of my colleagues.

There being no objection, the newsletter was ordered to be printed in the RECORD, as follows:

[From: Your Senator BILL SCOTT Reports, December, 1976]

HOW WOULD YOU VOTE?

You probably know of my decision not to seek reelection when the present Senate term ends on January 3, 1979. During the more than two years remaining, however, I do want to represent Virginia in the best way possible and it would be helpful to know your views and those of other constituents on various proposals that may come before the Congress convening next month.

There will be differences regarding the part the private sector of the economy should play and the part to be played by the Federal government. There will probably also be differences between the portions of the tax dollar to be spent for social programs and for national defense, as well as whether a given service should be provided by the Federal, state or local government. I have attempted to prepare short factual statements regarding some of the measures likely to come before the Senate next year and hope you will indicate the position you would favor on each of them were you voting in the Senate. Of course many of the proposals are complex and the statements may well be oversimplifications, but the collective responses will help materially in knowing the general views of the people of Virginia.

HUMPHREY-HAWKINS BILL

Legislation which mandates a goal of full employment of most adult Americans within four years and makes the government the employer of last resort is expected to be considered next year by the Congress. It has been argued that large-scale economic planning by the Federal government is necessary to stimulate the economy and provide additional jobs to reduce unemployment. Some believe such an approach may tend to reduce opportunities for business expansion and creation of private sector employment. Opponents say it would interfere with business decisionmaking, siphon off skilled workers from the private sector if government-financed jobs were higher paying than those in industry, and significantly increase the Federal budget and overall consumer costs.

Question: Would you tend to support such a measure? Yes, 11 percent; No, 89 percent.

TAX CUT

We hear that there will be a proposal to further reduce taxes without any corresponding reduction in government spending. Proponents believe this would stimulate the economy by causing people who have less money withheld from their paychecks to immediately spend it and provide additional jobs. Others feel that reducing government income when expenditures will probably increase would add to inflationary pressures and be against the best interests of citizens generally.

Question: Would you favor a cut in taxes at this time without a reduction in government spending? Yes, 13 percent; No, 87 percent.

NATIONAL HEALTH INSURANCE

Everyone is interested in having adequate medical care. There is a difference of opinion, however, as to the proper role of the Federal government. Some feel that adequate protection can be obtained for those who can afford it by participating in private insurance plans with the government providing for those unable to pay. Others would have the Federal government provide for catastrophic or the most costly and lingering illnesses. Still others would have the Federal government provide funds to meet all hospital and medical expenses of all our citizens.

Question: Do you favor the Federal government: (a) staying out of the medical field entirely, (b) participating insofar as catastrophic illnesses only are concerned, or (c) providing for full national health insurance for all illness? Circle a, b, or c. A., 38 percent; b., 54 percent; c., 8 percent.

ENVIRONMENT VS. ENERGY

Everyone seems to want a clean wholesome environment, to have an adequate supply of energy, and to maintain the standard of living to which we have become accustomed. Yet, problems arise when we attempt to have a maximum of all three. Various individuals and environmental groups believe it is desirable to have stricter Government control of air and water pollution, Federal control of land use, and a general strengthening of environmental constraints. On the other hand, others see a need for national energy sufficiency with greater utilization of coal, our most abundant fossil fuel, elimination of restrictions on drilling and price control for oil and gas, further use of nuclear energy and more research into the possibilities of using exotic sources of energy such as the sun, the wind and the tides.

Question: Would you favor a reasonable compromise between the nation's need for an adequate supply of energy and environmental protection, so long as the air and water quality are high enough to maintain the health and welfare of citizens on a nationwide basis? Yes, 94 percent; No. 6 percent.

DEFENSE BUDGET

This year Congress provided for a defense force of two million military and one million civilians. Critics argue that such a large number of military personnel and expenditures involved are not needed and would like to see some of the defense funds spent on social programs. Advocates of increased military spending believe that growing Soviet military power justifies further increases in the defense budget and that national defense should be our first priority.

Question: Do you favor a reduction in defense spending? Yes, 20 percent; No, 80 percent.

PANAMA CANAL

In 1903, after becoming an independent nation, with American aid, the government of Panama signed a treaty which permitted the United States to build a canal between the Atlantic and Pacific Oceans. As consideration, Panama received an initial payment and still receives a yearly annuity. The United States was granted rights of sovereignty in perpetuity and was given responsibility for defending the Canal. However, later Panamanian governments have sought to renegotiate the treaty to obtain jurisdiction over the Canal and a greater share of the proceeds.

Question: Should the United States negotiate a new treaty with Panama which limits American rights? Yes, 12 percent; No, 88 percent.

RIGHT TO WORK

There may be an effort made in the new Congress to push legislation that would eliminate state right-to-work laws. At present, a number of states, including Virginia, have laws permitting individuals to work at their jobs without being forced to join or support a union. Right-to-work laws, proponents say, are designed to protect the worker from compulsory membership in unions as a condition of employment; but those advocating repeal of Section 14(b) of the Taft-Hartley Act, thereby invalidating state right-to-work laws, believe such laws frustrate and endanger collective bargaining and the rights of labor.

Question: Should the Congress pass Federal legislation to abolish state right-to-work laws? Yes, 5 percent; No, 95 percent.

OVERSEAS TROOPS

Since the end of World War II, the United States has maintained a large overseas military force to help protect the free world. There are more than 450,000 American troops stationed in foreign lands, primarily in West Germany. Such forces result in annual overseas defense expenditures of several billion dollars, adversely affecting our balance of payments, and opponents say increase the risks of our involvement in a foreign war.

Question: Should we reduce the number of U.S. troops overseas? Yes, 58 percent; No, 42 percent.

POSTCARD VOTER REGISTRATION

A bill to allow voters to register by mail may again be considered in the Senate next year. The bill would create a new bureau within the Federal Elections Commission. Traditionally, voter registration has been a responsibility of state and local governments. Proponents believe the measure would encourage more people to vote but opponents fear widespread fraud if the bill is passed.

Question: Is postcard voter registration a good idea? Yes, 7 percent; No, 93 percent.

CONSUMER ADVOCACY AGENCY

Efforts have been made over the past several years to establish an independent Consumer Protection Agency staffed with lawyers to represent the interests of consumers before existing Federal administrative agencies and courts. Proponents believe the new agency is necessary because of their opinions that existing ones are controlled by business interests and that the general public is not properly protected. Opponents state, however, that if officials of existing agencies are not properly performing their duties, they should be removed from office rather than to have another agency created which would stir up strife, impede the work of existing government offices and add to the cost of operation. They add that since every citizen is a consumer and we have differences of opinion, it would be impossible to find anyone who would know the views of the general public on every issue coming before every government regulatory agency and such a super agency could not function as effectively as existing administrative bodies with employees selected with expertise in their special field of operation.

Question: In your opinion, should a new Consumer Advocacy Agency be established? Yes, 15 percent; No, 85 percent.

SURFACE MINING

As you may know, coal is this country's most abundant energy resource; and more than half of the nation's overall coal production comes from surface mining. In the 94th Congress, unsuccessful efforts were made to enact additional Federal controls and standards in this field. Some believe surface mining in certain areas lacks adequate safeguards to protect the environment, and the Federal government should therefore regulate mining on both privately owned and Federal lands. Others oppose such legislation as a deterrent to expanded coal production. They believe there can be a surface mining of coal in a manner not detrimental to the environment and that the passage of the proposed legislation would materially add to the cost and tend to prevent the nation from obtaining a self-sufficient supply of energy.

Question: Do you believe stricter Federal legislation on this subject should be passed? Yes, 35 percent; No, 65 percent.

SOUTHERN AFRICA

Since the end of Portuguese rule in Angola and Mozambique, the governments of nearby Rhodesia and the Republic of South Africa have faced guerrilla warfare on their borders as well as economic and diplomatic sanctions imposed earlier by the United Nations. Recently, our government was instrumental in promoting negotiations designed to replace the present government of Rhodesia. Advocates of this policy believe that delay in making changes will only result in a war which would be won by radical governments. Opponents argue that the United States should not interfere in the domestic affairs of other nations and that present American policy encourages internal conflict.

Question: Do you favor American intervention in the affairs of the southern African nations? Yes, 19 percent; No, 81 percent.

OIL COMPANY BREAKUP

There are differences of opinion within the Congress on the size of oil companies. Some feel that the major companies which produce oil should be prevented from also refining, transporting or marketing it. Others consider that a more efficient operation exists and the public benefits by permitting even the largest companies to drill, transport, refine and market. Legislation to separate companies who produce oil from those that will refine, transport, or market it was considered this year and may be brought up again in the next Congress.

Question: Do you tend to favor legislation to break up the larger oil companies? Yes, 26 percent; No, 74 percent.

ILLEGAL ALIENS

An estimated 8 million illegal aliens live in the United States, and during 1976 about 3.5 million of them held jobs in this country, according to the Department of Justice. Legislation has been proposed that would subject employers who knowingly hire illegal aliens to fines and imprisonment.

Question: Do you favor such legislation? Yes, 88 percent; No, 12 percent.

"SUNSET" BILL

Legislation calling for the periodic review of government spending programs may gain increased attention in Congress next year. Referred to as "sunset" legislation, it would provide that all government programs, with few exceptions, would come before Congress for review every four or five years, when they would either be reauthorized or terminated. Proponents believe this would eliminate outmoded or unnecessary and costly programs.

Question: Would you tend to favor such a measure? Yes, 97 percent; No, 3 percent.

YOUR COMMENTS ON LEGISLATION

When completed, return your response to Senator William L. Scott, 3109 Dirksen Senate Office Building, Washington, D.C. 20510.

SENATE OFFICE ALLOWANCES

You may be interested in knowing that the Senate Disbursing Office has furnished a factual statement of the funds authorized to be expended by our office during the four years since my election to the Senate through October 31 of this year, together with the amounts actually spent and the unexpended balance. The funds cover the salaries of staff assistants, stationery, and other office supplies, local and long distance telephones, expenses of the Richmond office, as well as Washington, telegraph, transportation and miscellaneous expenditures.

For all purposes over the four-year period, our office was authorized to spend $1,933,-557.36. We actually spent $1,055,284.43, and returned $878,272.93, or 45.4 percent, to the Treasury. Of course, these expenditures were made in serving the approximately 5 million citizens of Virginia, but it is your money and I thought you ought to know.

MAILING LIST

In order to maintain as nearly a correct mailing list as possible, it will be appreciated if you will advise us of any errors in your name or address or duplication in newsletters received. Changes can be indicated on the mailing label of this 11th annual opinion poll.

SOMETHING TO PONDER

"Men are never so likely to settle a question rightly as when they discuss it freely."—Lord MacAulay.

WILLIAM L. SCOTT,
U.S.S.

Mr. SCOTT. The responses were tabulated by a fairly large group of volunteers from northern Virginia who came to the Hill and worked together for a period of somewhat more than 2 weeks to tabulate the results. This indicates one of the advantages of representing a State adjoining the seat of government, and I am most grateful to these fine people who worked in cooperation with one or more members of our staff in tabulating the results by congressional districts, as well as the responses of the State as a whole.

Mr. President, as Members of the Senate know, Virginia is a fairly conservative State, and, yet, some of our more urban areas are said to be liberal. Nevertheless, the percentages by which they showed their approval or disapproval of specific issues confronting the Nation will be of considerable value to me and hopefully to other Members of the Senate. Perhaps the results will be of sufficient interest to cause others, even those inclined to a different point of view, to talk with their own constituents to determine whether the people represented by individual Senators in fact support the measures that may be brought before this body for consideration.

Being the first Republican ever elected to the Senate from Virginia, I was surprised by a constituent from just across the river writing, "I can't stand you big spending Democrats." Now, of course, this also indicates a lack of knowledge of the philosophy of at least one of his Senators. But other responses were something like the one who wrote:

The fact that you are interested enough to poll your constituents is refreshing. Thank you for a chance to express my views.

I also appreciated the remarks of a gentleman who wrote:

I like your ideas. I am 94 years old, can hardly write at all, but like your ways of doing things.

Now, Mr. President, I believe that all of our constituents like to be consulted. They appreciate an opportunity to be heard on the issues and, in my opinion, the collective views of the people of the country should be reflected in the legislation we enact in the Congress. This has to be true if we believe with Hamilton, "In America the people govern"; that the ultimate will or sovereignty resides in the people collectively. Of course, we are elected to exercise our best judgment on the issues but as the people's representatives we should be interested in their opinions, that is why I take the time to share with you the views of the people of my State with the thought that citizens from other States may well have similar views.

Let me review the proposals in the order they are listed in the newsletter that has been made a part of the record. The first question relates to the Humphrey-Hawkins bill. I hope my summary of the proposal was a fair one, and realize, of course, that it was an oversimplification. But when the question was posed, "would you support such a measure," only 11 percent responded in the affirmative, while 89 percent were in the negative. Among the comments accompanying the responses was one from a gentleman in central Virginia stating,

Some very much needed public service projects might be undertaken. At least working for the government and doing useful work is better than getting paid by the government for doing nothing.

A Danville man, however, noted:

There are too many unnecessary programs that don't amount to a hoot. Thanks for keeping me up-to-date on the affairs of the country.

Regarding the concept of guaranteeing a job, an Orange, Va., woman said:

Our people keep their hands out because Congress keeps doling out the money—money that doesn't exist.

A Sumerduck constituent—and I might add parenthetically, Sumerduck is a small community in Fauquier County, Va., stated:

Any legislation that can help the taxpayer and reduce welfare rolls is a step in the right direction to retain our strength as a country.

Again, Mr. President, the tabulation showed that the people of Virginia rejected the Humphrey-Hawkins bill by a ratio of 89 to 11 percent.

The next question was, "Would you favor a cut in taxes at this time without a reduction in overall Government spending?" It was surprising to me that taxpayers were opposed to a cut in taxes without a corresponding reduction in

Federal spending by the lopsided majority of 87 to 13 percent. A couple from McDowell made this comment:

There is entirely too much Federal control of State and local government, as well as the lives of the citizens of this Nation. Our taxes are already unbearable.

A Purcellville constituent stated:

A tax cut is not what our economy needs. Instead we should balance our budget and take the money we would cut from taxes and apply it to debt reduction. If this were done you would see employment soar in our Nation. Inflation, fired by crushing debt, is what is stifling our economy, not taxes per se.

A gentleman from the Northern Neck states his views in this manner:

To cut income taxes without cutting spending would be the height of irresponsibility, and, in my opinion, is responsible for our present condition—bankrupt!

Now, Mr. President, I believe we sometimes underestimate the intelligence and the commonsense of the American people. If the views of the people of Virginia are any criteria for the views of the people of the Nation as a whole, they do not want a tax cut without a corresponding reduction in Government spending. This view being expressed by a ratio of 87 percent against, compared with 13 percent in favor, should give us pause before acting upon the reduction of taxes whether such action is recommended by a retiring Republican President or an incoming Democratic one. If, in fact, "in America the people rule," any reduction in taxes should be accompanied by a reduction in expenditures.

The next question related to national health insurance and you may want to refer back to what I hope was a fair, general statement of the various proposals that have been before us over the past several years in the field of Government-financed insurance. Thirty-eight percent indicated they would favor the Federal Government staying out of the medical field entirely. Fifty-four percent indicated they favored the Federal Government participating only insofar as it related to catastrophic illnesses, while only 8 percent expressed a desire for the Federal Government to provide full national health insurance for all illnesses. I am advised that total spending for health has increased by more than 300 percent since 1965 and we would generally agree that the cost of medical care is continuing to increase. Most Virginians, however, appear to favor retention of private health care unless it relates to a federally operated insurance program for catastrophic illnesses.

A southwest Virginian suggested:

If Government gets further into health insurance protection, I hope it at least does not do it as a full-blown program. History indicates that private enterprise invariably has done such things more efficiently and less expensively.

A constituent from Alexandria made this comment:

The cost of medical care reflects much mismanagement, waste and too many wealthy doctors.

We hear considerable criticism of the concept of socialized medicine adopted in England and, yet, people in this country are concerned about the cost of health care. I recall some years ago the House Committee on Post Office and Civil Service conducted hearings on the cost of Government-sponsored health care programs for Federal workers and it was brought out in testimony that the cost could be lowered by reducing the number of bed patients in hospitals and increasing the services provided in a physician's office, in a clinic, or even in the hospital to nonbed patients with the patient returning to his home after receiving the necessary attention. We all realize this is a field that requires considerable study before committing the Nation to a costly program that might not be easily eliminated. In any event, the results of the survey of the people of Virginia may be useful to you in determining your own point of view, bearing in mind that only 8 percent of the people desire full national health insurance to cover all illnesses.

Our next question, Mr. President, we entitled, "Environment vs. Energy" and I was somewhat surprised by the strong feeling of Virginians regarding an adequate supply of energy. While you may want to review the summary of the issue presented in the newsletter, the question asked was:

Would you favor a reasonable compromise between the Nation's need for an adequate supply of energy and environmental protection so long as the air and water quality are high enough to maintain the health and welfare of citizens on a nationwide basis?

Ninety-four percent of those responding answered in the affirmative, while only 6 percent were opposed. This response indicates strong support for the nondegradation amendments I have offered to clean air bills in the past and, again, I hope Senators will attempt to obtain the views of the people of their own States on this most important matter, especially those who represent States with large underdeveloped rural areas which may need additional industry to maintain a high standard of living for their people.

Some persons responding to our questionnaire suggested that there be economic impact statements on any future regulation of the environment. This, of course, adds a new twist to present requirements for environmental impact statements before construction on any major scale is permitted. In fact, the Army Corps of Engineers routinely supplies me with statements which include, among other things, proposed construction of bridges for roads over small streams and creeks and whether or not an environmental impact statement has been made or waived by the necessary governmental authorities. I sometimes recall the statement made by a retiring head of an agency within the Department of Transportation who said that present laws and regulations now make it impossible to construct Federal highways. He was speaking partly in jest but partly seriously, and this from a man who had spent more than 40 years as a Federal employee in charge of construction of highways throughout the country.

I believe we need to remember, Mr. President, that man does not live by clean air alone. He should have food, clothes, housing, and the other necessities and luxuries the American free enterprise system has enabled its citizens to have over the years. If we are to maintain our standard of living, we must not impose regulations which, for whatever purpose, are so severe that our economy cannot continue to grow. Stagnation could well result in a major depression.

Our next question relates to the defense budget and I feel sure that the vast majority of the people of Virginia do not want waste in any agency of the Government. Most Virginians are conservative of fiscal matters, yet only 20 percent favored a reduction of defense spending, with 80 percent voting against a reduction in the defense budget. They may have read, as I have, reports that the Soviet Union is now dedicated to military superiority over the United States rather than equality and this is a matter I believe should concern all of us. Many constituents voiced concerns over the Soviet arms buildup. They also referred to the expansion of the Russian navy. However, a number mentioned the high cost of military manpower. Some felt there needed to be a revision of the retirement system for the military and some complained of the large number of civilians employed by the Department of Defense.

A Virginia Beach man wrote:

We believe our misguided foreign policy has allowed our defenses to lag far behind Russia. However, there is much waste that should be eliminated. Too many generals and admirals.

A northern Virginia constituent said this:

We need to spend more on new weapons such as the B–1 bomber. National Defense should be the first priority of the Federal Government. Too much of our defense dollar goes to wages for an increasingly poor Army. We should consider returning to the draft.

Regardless of their reasons, however, there is no doubt that the people of Virginia want to maintain an adequate national defense.

On the Panama Canal question, 12 percent expressed the opinion that we should negotiate a new treaty with Panama which would limit American rights, while 88 percent were opposed to it. The future of the Panama Canal was kicked about a bit during the primaries of both of our political parties and to a lesser extent discussed during the general election campaign. I wonder, however, Mr. President, if all of the Members of the Senate have read the text of this 1903 treaty. It refers to American sovereignty in perpetuity at several places and I believe we should remember how the present country of Panama came into existence. Without the Panama Canal there probably would not have been a country called Panama but it would have remained as a part of Colombia.

During the last Congress, more than one-third of the Senators cosponsored a resolution urging retention of our sovereignty over the Canal Zone which indicates that a change in the present treaty restricting our sovereignty would not be ratified by the Senate. A Richmond man stated:

Panama should keep its agreement with the United States. It would be dangerous for us to lose control of the canal.

I believe this sums up the position of the people of Virginia.

When the question was asked, "Should the Congress pass Federal legislation to abolish State right-to-work laws?" only 5 percent of the respondents answered "yes" while 95 percent of the Virginians responding answered "no." I feel reasonably sure that if this matter was brought to the floor of the Senate, we would witness the greatest filibuster of the decade. Since 19 or 20 States have right-to-work laws, it is doubtful that cloture could be imposed on eliminating section 14B of the Taft-Hartley Act which permits States to enact such legislation. I know that organized labor carries considerable weight in both Houses of the Congress but we have so much important legislation that can be considered and acted upon by the Congress that it would seem foolhardy for the leadership to permit legislation to repeal 14B to be brought to the floor for consideration.

The response of a Waynesboro couple may be representative of the people of Virginia. They said:

We believe doing away with the right-to-work laws would give too much power to labor leaders and destroy competition in the labor sector.

In any event, 95 percent opposition from Virginia leaves no doubt where our State stands on this question.

The answers to the next question presented, however, resulted in a more evenly divided response when we asked, "Should we reduce the number of U.S. troops overseas?" 58 percent said "yes," and 42 percent said "no." Perhaps this mixed feeling is because many Virginians feel a closeness with the countries of Western Europe where most of our foreign based troops are located, or believe that our Nation needs to fulfill its global responsibilities. This is illustrated by a note from a sailor from Norfolk who responded:

I hate to spend so much time away from home, but I believe what I am doing is important.

An Arlington man, however, wrote:

We have got to learn to mind our own business; let's leave the rest of the world alone!

I personally believe, Mr. President, that we have to assume our fair share of the burden of protecting the free world and perhaps a little bit more than our fair share, but that we should give up the idea often expressed that our Nation alone can protect the free world. To continue to attempt to do so, in my opinion, is too much of a burden upon the American people and one they are not willing to assume. Therefore, I hope that in negotiations with other nations of the free world, the new administration will express a willingness to cooperate with other nations for mutual defense but consider joint commitments to be on a global rather than a regional basis.

There still remains a question in my mind as to whether the American presence is a deterrent to Soviet aggression as General Eisenhower is reported to have said or the number of American troops within a given country, whether it be West Germany, Korea, or somewhere else.

On the question relating to postcard voter registration, only 7 percent of the people of Virginia thought it was a good idea, while 93 percent voted against it. We even had some constituents, perhaps facetiously, suggest that the next step would be everyone voting by mail. If a measure such as the postcard registration bill was adopted. I believe the proposal is fraught with the potential for fraud and have no difficulty in agreeing with the views of constituents.

The question of a Consumer Protection Agency, or Consumer Advocacy Agency, has been before us on several occasions and I refer to it as the common law barratry bill, a measure that would stir up strife and litigation within the existing Government offices, add to the cost of operation and be of little, if any, benefit to the individual consumer. We asked the question: "In your opinion, should a new consumer advocacy agency be established?" and the response from Virginia was 15 percent "yes" and 85 percent "no." A Culpeper woman stated:

I am opposed to any new Federal agency except in dire necessity; and some other agency should be shut down to maintain a balance.

A Bristol resident added:

I am extremely opposed to any more tentacles from Washington creeping further and further into our lives.

Regardless of the views expressed by the people of Virginia, I am fearful that this matter will again be brought before the Senate but would only urge that the individual Senators check with their own constituents before they put their views in concrete on this very controversial proposal.

Strip mining brought a somewhat different response from the portion of Virginia in the metropolitan Washington area from that of the remainder of the State. Northern Virginians, by a slight majority, favored stricter Federal legislation on strip mining but it was overwhelmingly reversed by the votes of the people from the remainder of the State. The statewide results to the question: "Do you believe stricter Federal legislation on this subject should be passed?" was 35 percent "yes" and 65 percent "no."

I am glad to have read that President-elect Carter wants greater use to be made of coal, our most abundant fossil fuel, although I am aware that he wants most of this coal to come from deep mines rather than strip mining. Yet, I believe we should remember that more than 50 percent of the coal produced in this country is from strip mining. A lady from Ewing, Va., made this point:

The coal business is the main source of livelihood in this part of the country; and if more regulations are enacted, the cost of producing a ton of coal will be so high that many producers will have to close down and many of our neighbors will no longer be employed.

Certainly I am no expert on coal mining, but it would seem reasonable to assume that less people will contact blacklung disease or lose their lives in surface mining as from deep coal mining.

Southern Africa was very much in the news during the past year and we posed the question: "Do you favor American intervention in the affairs of the Southern African nations?", and received a 19-percent favorable and 81-percent unfavorable response.

Virginians apparently do not believe our country should intervene in Southern Africa either on behalf of governments now in power or in aid of those seeking control. A number of constituents expressed a fear that developments in Angola and Mozambique might ultimately lead to pro-Soviet governments controlling the strategic southern tip of Africa, and very few favored direct military or economic aid. A southside Virginian wrote:

Other countries should not be led to expect that the United States is the sole defender of peace and freedom in the world. Every nation should be encouraged to upgrade its own defenses. If the people of other nations are not willing to sacrifice to protect their freedom, I do not believe it is possible for the people of the United States to preserve their freedom for them.

Our Committee on the Judiciary considered a measure to prevent major oil companies from producing, refining, transporting, and marketing their product. They were urging a vertical breakup of the oil companies last year, but this proposal was not considered on the Senate floor and apparently is not favored by the people of my State. In response to the question: "Do you tend to favor legislation to break up the larger oil companies?", 26 percent said "yes" and 74 percent said "no." Of course, there is a wide difference of views when we get into the field of the proper use of our fossil fuel resources, but general agreement that the national interest demands energy development be made through the private enterprise system and that the breakup proposals would hamper efficient development and use of our oil resources.

Strong opposition was expressed to permitting 8 million illegal aliens to live in the United States with 3½ million of them holding jobs in the country. Eighty-eight percent of Virginians responding indicated their approval of legislation that would subject employers who knowingly hired illegal aliens to fines and imprisonments with only 12 percent opposing such legislation. Apparently the people of the country are concerned about our immigration laws and the estimate that only one-third of those who enter the country illegally are apprehended. I cosponsored Chairman EASTLAND's bill brought before the Judiciary Committee last year, but suggested that it limit the authority of the Attorney General to parole foreign nationalists into this country without limitation. The subcommittee included a provision in the clean bill providing that all aliens brought into the country under the Attorney General's parole authority be included in immigration quotas.

An Arlington woman made this emphatic statement:

Control of illegal aliens is a must. Please help!

A Danville man stated:

They add to the welfare rolls, underemployment rolls, crime and other problems. It seems to me one of the first and most

important things we need to do is to get these people out of the United States. There must be some way to do this.

In view of the 88 percent of the people of my State favoring such legislation, I hope that the Judiciary Committee will hold such additional hearings as may be necessary and report this bill early in the session.

The final question contained in our opinion poll related to so-called sunset legislation. That is, providing for the periodic review of Government programs with few exceptions every 4 or 5 years so that they would either be reauthorized or terminated. Virginians favored such a proposal by a 97- to 3-percent margin. In view of this overwhelming vote of those responding to the questionnaire, I, of course, intend to support such legislation. However, there may well be a danger of reshaping the laws of the country so that the people who serve in the Congress, over a short period of 4 or 5 years, may have more of an impact on legislation than that of the accumulated wisdom of a century or more. My only suggestion is that we exercise prudence and weigh very carefully the conclusions reached by those who preceded us in past Congresses before we discard the laws they adopted and substitute new ones in their stead. While we certainly want to eliminate obsolete or undesirable laws, we should exercise extreme care in this overall review of Federal programs so that our Government priorities or emphasis will not be changed without thorough consideration of the results of such changes.

Mr. President, in bringing the views of Virginians to the attention of the Senate, I certainly do not suggest that my State has any monopoly in the decision-making field. I merely wanted to share with the full Senate a comprehensive public opinion poll of more than 400,000 families throughout our State. The fact that in most instances their opinions, one way or the other, approach unanimity and often were different from the positions of the leadership of the outgoing Ford or the incoming Carter administration might cause us to reflect on the subject matters and hopefully to discuss these issues in the various communities throughout our Nation.

As stated by the English historian and statesman quoted at the end of our newsletter:

Men are never so likely to settle a question rightly as when they discuss it freely.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to the provisions of title 20, United States Code, sections 42 and 43, appoints the Senator from Arizona (Mr. GOLDWATER) as a member of the Board of Regents of the Smithsonian Institution, in lieu of the Senator from Pennsylvania, Mr. Hugh Scott, resigned.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, appoints the Senator from Kansas (Mr. DOLE) to the Commission on Security and Cooperation in Europe, in lieu of the Senator from New York, Mr. Buckley, resigned.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 1 hour, with statements therein limited to 10 minutes each.

NO BLANKET PARDON FOR DRAFT EVADERS

Mr. ALLEN. Mr. President, on Tuesday, the Senator from Alabama delivered remarks with respect to the matter of a possible granting by the President-elect, when he becomes President, of a blanket pardon to Vietnam-era draft evaders and deserters from military service. At that time, the Senator from Alabama inserted in the RECORD a copy of the resolution which he proposed to introduce today.

President Ford has indicated that he has under study the matter of acting further in this area, in addition to the setting up of the clemency board which he set up sometime ago and under which some 15,500 individuals did obtain some form of clemency in return for a period of humanitarian service by such individual.

Mr. President, it is not my intention or my contention that the Senate is able to prevent the President, or any President, from taking this action if he so wishes, because he does have that power under the Constitution. However, I feel that it is incumbent upon the Senate not to allow this action to go unchallenged, because I believe it is the duty of the Senate to express its views on this subject.

I believe it is unwise and is against the national interests for the President to take this action. I believe it is an action that he will have cause to regret in time to come.

In the first place, Mr. President, it is an affront to the 3 million men and women who served honorably in the Vietnam war. It is an affront to the more than 300,000 men and women who were wounded in the Vietnam war. Certainly, it is an affront to the families of the more than 50,000 who were killed in that war.

Further, Mr. President, in the matter of discipline and future action in our Armed Forces, would it be wise to give a blanket pardon or amnesty to draft evaders and deserters when others have served bravely and honorably, some having been wounded and some having been killed? In the future, if a person feels that his violation of the law is going to be pardoned after the war, would it not encourage desertions and evasions of military service if they should realize and feel that in time they would be forgiven?

So it would encourage men and women not to serve their country, to violate the law, to evade the draft, to desert, if you please; and I believe that we cannot operate a military service if this idea goes abroad.

I believe we need to take action in the Senate to advise with the President. This resolution could be directed alike to President Ford, who says he has this matter under consideration. I do not believe he is going to take any action. But inasmuch as the Senate has, in general, the right to advise and consent in matters of appointment by the President, and since we are operating in a spirit of cooperation in Congress with the incoming President, it is only fair that we give him the benefit of the views of the Senate. Then, too, it would give each Senator the opportunity to say yea or nay as to the wisdom of this action on the part of the President.

Mr. President, I received a letter this morning from the national commander of the American Legion, William J. Rogers, in which he strongly supports this resolution. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Washington, D.C., January 10, 1977.

Hon. JAMES B. ALLEN,
U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR ALLEN: The American Legion strongly supports your sense of Senate resolution which urges that no general pardon or amnesty be granted to draft evaders, military deserters or those receiving less than honorable discharges during the Vietnam period. We continue to urge that each case be tried and/or reviewed on an individual basis by existing judicial and administrative authority.

Our views are firmly founded upon the demonstrated compassion and fairness of the American judicial system and the responsibilities of citizenship. Moreover, any unconditional amnesty or pardon may seriously impair our already lagging recruiting efforts and will bring into serious question our ability to require military service of our citizens in a future national emergency.

Again, The American Legion supports your prompt and responsible action on this issue.

Sincerely yours,

WILLIAM J. ROGERS,
National Commander.

Mr. ALLEN. Mr. President, I am offering today a sense of the Senate resolution which would express the disapproval of the Senate of the President-elect's proposal to proclaim an unconditional blanket pardon of all Vietnam era draft evaders and possibly of deserters and military law violators.

The Constitution, in article II, section 2, vests in the President "the power to grant reprieves and pardons of offenses against the United States." The power to grant pardons given to the Chief Executive is unlimited and unqualified, not subject to any action of either the Senate

or the House of Representatives. The authors of the Constitution after debate and deliberation placed no limits on the power of the President to grant pardons in order to allow him the fullest possible discretion and freedom of action in dealing with situations demanding immediate or plenary action.

The President's right to grant an unconditional pardon to Vietnam draft violators or even to military deserters is thus fundamental to our system of government, and in offering my resolution I do not wish in any way to imply a challenge to the President's authority to grant pardons as he sees fit wholly within his own discretion. However, Mr. President, an even more fundamental right—or, perhaps, duty—is ours as Representatives of the 50 States; that duty is to offer to the President in appropriate instances our considered judgment as to the effect of actions he contemplates.

Senators should, therefore, clearly understand that my resolution does not question the constitutional authority of a President to proclaim a general amnesty or blanket pardon; it merely expresses the considered judgment of the Senate that in these circumstances an unconditional blanket pardon would be a grave mistake.

This resolution affords each of us the opportunity to go on record against the contemplated action of the President-elect that we might thereby convince him that his proposal, if carried out, would be a grievous error without historical precedent and dangerous to the future security of the Nation. Conversely, if any Senator favors the contemplated pardon, his vote against the resolution will put his stand on record.

Mr. President, having just completed our Bicentennial Year, we are all even more mindful than in other times that American freedom and our constitutional system of law were purchased 200 years ago at very high cost in the War for Independence. Since that initial victory, Americans have been required to make periodic payments for the continuation of our freedom in numerous and bloody wars. But, Mr. President, unlike the laws of virtually any other nation in the world, in every conflict, our Constitution and laws have allowed for debate and lawful opposition and have even permitted lawful alternatives to combat for those deemed to be morally motivated in their opposition to it. Vietnam was no different. The men drafted into our Armed Forces and those who volunteered for service were no more willing or anxious to see and suffer the horrors of combat or to die than had been any of their predecessors in past conflicts—but they obeyed the law.

Three million young men served honorably in Vietnam; 300,000 were wounded in action; and more than 50,000 died there—the majority in each category having been drafted into service. Many hundreds, as prisoners of a criminal enemy, suffered because they, too, preserving their honor inviolate, obeyed the laws of the United States.

Who here can now say how many countless times the sickening fear of violent death was confronted and overcome by those steadfast Americans who did serve faithfully in this unpopular and cruel conflict? Mr. President, I do not think I am being too dramatic in reminding Senators that the hazards of war are faced best by those motivated in high patriotism, confident that their countrymen approve, support, and admire their conduct. Such was the case at Bunker Hill, such was certainly the case on the beaches of Salerno, such has been the case on countless fields of carnage over the long two centuries of our existence as a free people.

Mr. President, in past wars and during the Vietnam conflict there have also been those who have opposed combat and genuinely motivated by high moral purpose have refused to fight, but, Mr. President, they were willing to accept full responsibility for their actions within the framework of our laws and to perform alternate service or to accept punishment in accordance with their own conscience and as proof of their convictions. Thus, too, following almost every conflict, American Presidents, consistent with the generous spirit and popular will of the people of the United States, have when appropriate offered pardons to such individuals. The United States, at the insistence of her people, when at war pursues victory and when at peace plays fair with those who for reasons of conscience would not fight.

Our history proves us to be fundamentally a moral and forgiving nation. However, never once—let me repeat, never once—in our history has an unconditional pardon been given as is now proposed by the President-elect. In every case, American Presidents have required certain actions of those to whom pardons were granted and have also limited in some fashion every general amnesty extended to those who were thought to deserve it. Thus, President Washington demanded an oath of loyalty from the whisky rebels; President Lincoln sent Union deserters back to their units to serve out their time; and President Truman pardoned 1 in 10 draft violators after the Second World War only after they had served jail sentences. The Korean war is the only major conflict in our country's history after which no pardons were offered. But, Mr. President, the point is that all of the precedents taken alone or considered collectively, imply that a President in a postwar period ought to exercise the Nation's mercy and forgiveness within limits and with conditions placed upon those who receive it.

At the conclusion of the Vietnam conflict, President Ford apparently felt that there was, indeed, a need for just such a conditional grant of pardon. He did, therefore, on September 16, 1974, proclaim a limited amnesty program and signed Executive Orders 11803 and 11804 establishing the Clemency Review Board. Individual draft violators were required to apply for clemency, thereby displaying their intent and desire to become again citizens in good standing. Each case was reviewed on its merits, and 94 percent of the cases reviewed resulted in recommendations of leniency or full pardon.

Mr. President, many of the draft evaders, who had been convicted and who were at the time of the proclamation serving out their prison terms, were immediately set free. A good number were given the chance to serve their country in the areas of public health or the environment in order to, as the President put it, "earn their reentry" into American society; 15,000 draft evaders and deserters participated. When the program was about to lapse, it was extended twice—once on January 31, 1975, and again on February 28, 1975—so that more could apply and have the opportunity to right the wrong they had committed. The Clemency Board dispensed the Nation's forgiveness to those who sincerely desired it and who by their actions had manifested their wish to make good in a lawful way the wrong they had committed against their country.

Mr. President, by complying with the rules and determinations of the Clemency Review Board, the individuals who participated in its program will ironically also, in my judgment, along with the millions who served honorably, be aggrieved by a totally unconditional pardon extended now to those who not only disobeyed the law in the first place but who were unwilling later to take any action whatsoever to reclaim their citizenship and to assume its responsibilities. They deserted their country in a time of need; they refused her forgiveness; they deserve nothing more.

At present an all-volunteer military force defends our Nation. We are also, thankfully, at peace. However, the reality of the present world order should make evident to us all that the latter condition could change in an instant. A major national crisis could require the reinstitution of the draft. In that unhappy event, it might well prove impossible to implement an effective national mobilization if an unconditional blanket pardon is now granted to those who violated with apparent impunity the very same draft statutes, or who were drafted and subsequently deserted. And let us be frank about this matter, the draft has served to compel millions of Americans to do their duty in a prompt and efficient manner, and it has saved the democracies in this world twice in this century. Without the ability to reimplement it if needed, the peace and security of the world are in certain jeopardy.

When the Selective Service Act was written, it included penalties for its violation. The Uniform Code of Military Justice contains penalties for desertion. Our predecessors in this Chamber felt those penalties necessary, and if the draft were in a crisis to be reimplemented, those penalties would be necessary again today. Those penalties make effective our Selective Service System, which in itself even when lying dormant acts as a deterrence to potential enemies of the United States. But, Mr. President, if an unconditional blanket pardon is given to draft dodgers now, or to military deserters, that deterrent effect of a reimplemented draft will be undermined, and our enemies—present or future—ought to rejoice at the prospect.

Thomas Jefferson, in his first inaugural address, in which he set forth the standards by which government should be judged, stressed repeatedly the need for equal and exact justice under law. An unconditional pardon would mock that standard, would break the precedent of

two centuries of our history, and would aggrieve the millions who have served honorably in past wars, the tens of thousands who have died, and the thousands who still bear the scars of conflict as reward for obeying the laws of their Nation. Furthermore, it would undermine and possibly nullify the ability of the United States to take decisive military action, if necessary, on any scale and for whatever cause.

Mr. President, my resolution does not seek vengeance. To so judge it would require the conclusion that our entire history as a nation has been immoral and unforgiving. Senators who stand with this resolution will by their vote offer good advice to a new President and hopefully thereby prevent a serious initial error which might forever blemish his Presidency, even notwithstanding the many future great accomplishments he may achieve and which we all sincerely hope for him. The action I propose would not, therefore, be taken out of any wish for vengeance against lawbreakers or from any desire to embarrass a statesman for whom we all have the deepest respect but would be done rather to reaffirm our commitment to equal and exact justice under law, to insure our future security and peace within the framework of law, and to honor as is justly due those who served lawfully.

SENATE RESOLUTION 18—PARDON OF VIETNAM ERA DRAFT EVADERS

Mr. ALLEN. Mr. President, on behalf of myself, the distinguished Senator from North Carolina (Mr. HELMS), and the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), I send to the desk a sense of the Senate resolution and ask consent for its immediate consideration.

The PRESIDING OFFICER (Mr. GLENN). The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation of Executive order of Vietnam era draft evaders, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

Mr. CRANSTON. Yes, there is.

The PRESIDING OFFICER. Objection is heard.

Mr. ALLEN. Would there be any objection to the resolution being read in full?

Mr. CRANSTON. No; of course not.

The assistant legislative clerk read as follows:

S. RES. 18

Whereas President-elect Jimmy Carter has indicated that he will, as one of his first official acts as President, issue some form of blanket Presidential pardon for all Vietnam era draft evaders and may extend such pardon to military deserters or violators of military law;

Whereas the grant of a blanket Presidental pardon for all Vietnam era draft evaders, deserters, or military law violators would be a disservice to the more than 3 million men and women who served honorably in the Armed Forces during the Vietnam era and to the families whose sons died in battle or captivity or remain missing in action;

Whereas the grant now of a blanket Presidential pardon for all Vietnam era draft evaders, deserters, or military law violators would ignore the purpose and work of the Presidential Clemency Board and make meaningless the alternate service performed by those who elected to apply for clemency;

Whereas a blanket Presidential pardon for Vietnam era draft evaders, deserters, or military law violators could have dire effect on military morale and discipline and might tend to hamper future defense efforts; and

Whereas the issue of blanket pardons for draft dodgers, deserters, or military law violators is of such importance to the United States and the people of the United States that the Senate feels that President-elect Carter and the people should be advised of the Sense of the Senate on this issue;

Now therefore, the Sense of the Senate is that the President of the United States would be ill-advised to pardon, and he is hereby urged not to pardon, by any general or blanket decree, proclamation, order, or amnesty draft evaders, deserters, or military law violators who chose to break the laws of the United States rather than to serve honorably in our Armed Forces during the period August 4, 1964, through March 28, 1973, and it is further the sense of the Senate that each application for pardon for draft evasion, desertion, or violation of military law should be handled compassionately but on the basis of its own merit or demerit.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

Mr. CRANSTON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The resolution will go over under the rule.

Mr. CRANSTON. Mr. President, I wish simply to explain to the Senator from Alabama that my objection was procedural and not substantive. I was not aware of the nature of the resolution except I had heard what the Senator had stated, and I am not now fully cognizant of the contents because I did not hear the full reading, but most Senators have been under the impression that there would be no business in the Chamber at this particular time that would require their attention, and in fairness to them I felt it necessary to object to immediate consideration of the resolution.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield.

Mr. ALLEN. I do not take exception to the remarks of the distinguished Senator from California, but I did announce on Tuesday that this resolution would be introduced and I put in a copy of the resolution. It is in the RECORD. I assume Senators who are not present in the Chamber have occasion to read the RECORD, and I think it is well known that the Senator from Alabama was going to introduce this resolution. He so advised the distinguished majority leader who is usually in the Chamber.

I might state, further, that over in the House of Representatives tomorrow they have 3 hours set aside for the consideration of some subject such as this. I do not know whether it is a sense of the Congress resolution, but they are going to debate this subject.

I am sorry that the distinguished Senator has made this objection, and I am hopeful that he will use his good offices with the majority leader to see that we do adjourn at the close of business today rather than recess so that this matter will in fact come over under the rule so that we may have an opportunity to discuss it on the next legislative day.

Mr. STEVENS. Mr. President, will the Senator from California yield?

Mr. CRANSTON. I yield.

Mr. STEVENS. I join my Democratic counterpart in urging that the matter not be considered today because of the understanding that we had. But so far as I know on this side of the aisle we would be most willing to accommodate the Senator in order that the matter will come before the Senate an an early date

Mr. ALLEN. That is fine. As I say, I do hope we will adjourn today rather than recess because if we only recess it will not come upon the next legislative day.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The assistant majority leader has the floor.

Mr. CRANSTON. I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

SENATE CONCURRENT RESOLUTION 2—ACCOUNTING OF MIA'S

Mr. HELMS. Mr. President, I do wish that it were possible to have immediate consideration of this resolution, which I wholeheartedly endorse and which in fact I am cosponsoring with the able Senator from Alabama.

This question is very much on the minds of the American people and, as the Senator from Alabama has indicated, I feel that the Members of the Senate ought to take a position yea or nay on this question. One of our responsibilities, after all, is to advise and consent in matters of consequence to the American people.

Certainly the question of amnesty and pardon for those who cut and ran to avoid their country's call to duty is understandably on the minds of the American people.

I commend the Senator from Alabama on his resolution which as I have indicated I am honored to cosponsor.

Mr. President, in tandem with the resolution just submitted by the Senator from Alabama, I send to the desk a concurrent resolution for which I shall in a moment ask immediate consideration. I ask that it be stated.

The PRESIDING OFFICER. The concurrent resolution will be stated.

S. CON. RES. 2

Whereas, Article II, Section 2, of the Constitution of the United States designates the President of the United States Commander in Chief of the Army and Navy (Military Forces), and

Whereas, on August 10, 1964, the Senate and House of Representatives of the United States Congress passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the Maintenance of International Peace and Security in Southeast Asia, and

Whereas, over 800 members of the Armed Forces authorized by the Congress and dispatched by the President to Southeast Asia are still categorized as *Prisoner of War or*

Missing in Action and are still unaccounted for, and

Whereas, Article II, Section 2 of the Constitution of the United States grants to the President of the United States further power, by and with the Advice and Consent of the United States Senate to make treaties, and

Whereas, on January 27, 1973, the Paris Agreement on Ending the War and Restoring Peace in Vietnam (Designated the Paris Agreement), which, by its terms became effective on that date, was executed by duly authorized representatives of the United States, the Republic of Viet-Nam (South Viet-Nam), the Democratic Republic of Viet-Nam (North Viet-Nam) and the Provisional Revolutionary Government of the Republic of South Viet-Nam (the Vietcong), and

Whereas, Article 8(b) of the Paris Agreement provides:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about *those still considered missing in action.*" (Emphasis supplied)

which Article establishes an obligation under International Law upon the parties to the Agreement in favor of members of the United States Armed Forces who are categorized as Missing in Action and a further obligation to, if possible, exhumate and repatriate the remains of those categorized as Killed In Action. This obligation runs to the United States as a party to the Agreement, and

Whereas, the State Department as the responsible agency of the Executive Branch of the United States Government has exhibited no positive direction or leadership in meeting its responsibility of enforcing Article 8(b) of the Paris Agreement or seeking alternatives that might otherwise resolve the Prisoner of War/Missing in Action problem, and

Whereas, on September 11, 1975, the U.S. House of Representatives formed the Select Committee on Missing Persons in Southeast Asia, to report within one year on the status of persons held as prisoners or missing in action and unaccounted for in North and South Viet-Nam, Laos and Cambodia, which committee has been responsible for identifying or accounting for *less than one-tenth of one percent* of Americans unaccounted for in those areas, and

Whereas, the Joint Casualty Resolution Center's recent withdrawal from Thailand leaves no United States Agency in Asia to locate Americans still prisoner or missing and unaccounted for in Indochina, and

Whereas, knowledge that some unaccounted for military and civilian personnel, fifty-seven of whom were known to be alive and who have not been returned, were at one time prisoners of war and alive was manifested through enemy propaganda broadcasts, foreign media reports, photographs and other sources, personnel who may be presumed to be living and retained for purposes of bargaining or blackmail by the Vietnamese, Cambodians or Laotians now in power. Now therefore be it

Resolved:

1. That the President of the United States recognize his duty and responsibility as Commander in Chief of the Armed Forces of the United States and require an accounting for the person or remains of all military personnel responding to the Orders of the Office of the President and who are presently categorized as Prisoner of War, Missing in Action or Killed in Action (body not recovered) in Southeast Asia on the personnel rosters of the United States Army, United States Navy, United States Marine Corps or United States Air Force.

2. That the President of the United States, by executive fiat, require the Secretary of State to pursue, with diligence and tenacity, enforcement of the Paris Agreement of January 27, 1973, with emphasis on enforcement of Article 8(b) of that Agreement.

3. That the Congress of the United States, having passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the maintenance of international peace and security in Southeast Asia, recognize a corresponding continuing duty and obligation to determine the fate of Americans missing or unaccounted for consequent from enforcement of that law.

4. That the President of the United States, through and by the Secretary of State, hold the Democratic Republic of Viet-Nam (North Viet-Nam) and the Provisional Revolutionary Government of the Republic of South Viet-Nam (the Vietcong) responsible to account for and provide essential information not otherwise available to satisfactorily dispose of the Prisoner of War/Missing in Action problem in accordance with the Paris Agreement or seek alternatives that might otherwise resolve the question of those Americans unaccounted for in Southeast Asia.

5. That responsible officeholders in the Executive and Legislative branches of the Government of the United States, both elected and appointed, should immediately address the authority of their office, individually and collectively, toward a satisfactory resolution of the Prisoner of War/Missing in Action problem, make a public accounting, and remove any question as to the integrity of their function.

Mr. HELMS. Mr. President, it is the duty of both the Congress and the President of the United States to secure an accounting of all prisoners of war and military men missing in action. There are some who seem to feel that it would tidy up our national affairs simply to declare that these men will never be seen again and need not be accounted for; that what is really needed is an official declaration of presumed death in action so that the books can be closed and we can get on with other things.

If all avenues had been exhausted, that certainly might be the case. But we, as a nation, have never exhausted even the steps provided for in the Paris agreement. North and South Vietnam and the Provisional Revolutionary Government—Vietcong—all were signatories to the Paris agreement. Article 8(b) provides that:

> The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

All the parties to the agreement are obliged under international law to help find, and, if possible, to exhumate and repatriate those categorized as missing in action. Needless to say, if the United States prematurely reclassifies those now in the status of MIA, all pressure will be off Communist Vietnam to fulfill its obligations.

Last December, the Select Committee on Missing Persons in Southeast Asia of the House of Representatives issued its final report. To say that the conclusions of the House select committee were controversial is to make an understatement. Indeed, four of the nine members of the select committee disagreed strongly with some of the key conclusions. The select committee is entitled to its own conclusions, but the Congress of the United States must now allow those conclusions to stand without debate.

Of course, it would be convenient for the Defense Department to close the books, and it would make it easier for the State Department to pursue new and different policy goals in Asia if the nagging problem of Southeast Asia were glossed over. But the fact is that the Nation owes an obligation to its citizens, and especially to those citizens who accepted the obligation of military service from the Nation. We must hold Vietnam to its obligations or we have failed our people. I have prepared a resolution for this purpose.

The President-elect in his public speeches has vigorously supported the need to receive an accounting from Vietnam of our MIA's, even to the point of withholding diplomatic recognition and membership in the United Nations until such an accounting has been given. He has also proposed that a Presidential commission be set up to go to Vietnam, to go to Laos, to go to Cambodia to seek information. Such a commission would be one way of accomplishing the purpose. Vietnam is seeking international respectability; all that we are seeking is an accounting of MIA's. The resolution does not specifically mention such a commission, so as to leave reasonable flexibility to the President depending upon forthcoming events. But certainly the commission could do good work if it were properly constituted and assigned a hardnosed mission.

Moreover, there are other steps that the President can take. For example, by executive order, he could stop the review of cases of MIA's until the commission has completed its work; for, logically, such a review could result in the rapid removal of most, if not all, cases from MIA status, thereby making the work of the commission moot, and relieving Vietnam of its international obligations.

Therefore, I am submitting a concurrent resolution reviewing these matters and urging that all responsible officeholders of the executive and legislative branches seek as satisfactory resolution of the MIA's situation.

Mr. President, I ask unanimous consent that the name of the junior Senator from Alabama (Mr. ALLEN) be added as a cosponsor of the resolution.

Mr. President, the bottom line of this resolution is that this Senate should take a stand, that Senators should vote, one way or another, on the proposition that our Government should do its duty on behalf of the families of American fighting men listed as missing in action. For too long this matter has been allowed to float in limbo, contributing to the increased agony of wives, mothers and fathers, and children of men whom we sent to the other side of the world to fight in what turned out to be a no-win war. The least that we can do now is to pursue, with every bit of effectiveness and dedication we can muster, a resolution of the MIA problem.

Mr. President, I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there

objection to the immediate consideration of the resolution?

Mr. STEVENS. Mr. President, in keeping with the actions taken by the majority whip, I object at this time.

The PRESIDING OFFICER. Objection is heard. The resolution will go over under the rule.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. HELMS. Yes.

Mr. STEVENS. I want him to understand that I have objected in the same vein that the Senator from California objected to the other resolution. I certainly am very sympathetic with this issue, but I think we had an understanding that there would be no business of this type conducted today, and, therefore, it should go over under the rule.

Mr. HELMS. Mr. President, I do hope the leadership of the Senate on both sides of the aisle will agree to a date soon for consideration of the resolution by the able Senator from Alabama and the resolution of the Senator from North Carolina.

JACK SPAIN'S DEATH SADDENS HIS MANY FRIENDS IN THE SENATE

Mr. HELMS. Mr. President, it is with sadness that I report to the Senate the death of Jack Spain, who was without question one of the most capable and dedicated men ever to serve on Capitol Hill. Jack passed away over the weekend in his hometown of Greenville, N.C., which he served as mayor many years ago.

Jack retired a little over 4 years ago as administrative assistant to our distinguished former colleague, Sam J. Ervin, Jr. Senator Ervin spoke on this floor at that time about his personal relationship with Jack Spain.

When Senator Ervin's predecessor, Clyde R. Hoey, died in 1954, Jack was serving as administrative assistant to Senator Hoey. Gov. William B. Umstead, himself a former Member of the Senate, offered to Sam Ervin the appointment to the Senate to succeed Senator Hoey. Senator Ervin was then associate justice of North Carolina; and he had to make up his mind whether to leave our State's highest court. Before doing so, he called Jack Spain, and asked if he could count on Jack to help him.

Jack agreed without hesitation, and then began a relationship which was meaningful to both Jack Spain and Senator Ervin.

Jack had come to Washington many years earlier to serve as administrative assistant to Representative Herbert C. Bonner. When Senator Hoey was elected to this body, Jack came over from the House side to serve as Senator Hoey's right-hand man.

And how well he served. I came to Washington, Mr. President, in late 1951 as administrative assistant to North Carolina's junior U.S. Senator, Willis Smith. I was the greenest of the green. I knew scarcely anything about the Senate, let alone the sometimes complicated and always demanding duties of an administrative assistant. But Jack Spain took me by the hand. He taught me how to handle the affairs of a Senator's office. He was completely unselfish with his time, and I shall always remember his patience with me.

Jack Spain was one of the dearest friends I ever had, Mr. President. He was a man of great ability. He was dedicated. He was a completely honest, forthright man. But he had a lightheartedness about him that always managed to bring cheer to those around him.

To Jack's dear wife, Marie, and their children, Mrs. Helms and I extend our deepest sympathy. Their loss of a wonderful husband and father means that I have lost a splendid friend. Jack Spain was a remarkable human being, and I shall miss him.

(Remarks made at this point by Mr. HARRY F. BYRD, Jr., in connection with the introduction of a bill relating to tax funds to aid Vietnam, are printed in today's RECORD under Statements on Bills during routine morning business.)

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHMENT OF THE OFFICE OF DEPUTY PRESIDENT PRO TEMPORE OF THE SENATE, AND FOR OTHER PURPOSES

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Baker and myself, I send a resolution to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 17) to establish an office of Deputy President Pro Tempore of the Senate, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 17) was agreed to, as follows:

S. RES. 17

Resolved, That, effective January 5 1977, there is hereby established in the United States Senate the Office of Deputy President Pro Tempore.

SEC. 2. Any Member of the Senate who has held the Office of President of the United States or Vice President of the United States shall be a Deputy President pro tempore.

SEC. 3. Each Deputy President pro tempore is authorized to appoint and fix the compensation of an Administrative Assistant at not to exceed $40,748 per annum; a Legislative Assistant at not to exceed $38,577 per annum, and an Executive Secretary at not to exceed $23,380 per annum.

SEC. 4. The Sergeant at Arms and Doorkeeper is authorized (a) to provide, by lease or purchase, and maintain an automobile for each Deputy President pro tempore, and (b) to employ and fix the compensation of a Driver-Messenger for each Deputy President pro tempore at not to exceed $15,364 per annum.

SEC. 5. The President pro tempore is authorized to appoint and fix the compensation of an Administrative Assistant at not to exceed $40,748 per annum; a Legislative Assistant at not to exceed $38,577 per annum, and an Executive Secretary at not to exceed $23,380 per annum.

SEC. 6. The Secretary of the Conference of the Majority and the Secretary of the Conference of the Minority may each appoint not to exceed two staff assistants in each office and fix the compensation at a total of not to exceed $32 732 per annum.

SEC. 7. Until otherwise provided by law, the Secretary of the Senate is authorized to pay from the Contingent Fund of the Senate such amounts as may be necessary, for salaries and expenses, to carry out the provisions of this resolution. Expenses incurred under section 4(a) of this resolution shall be paid upon vouchers approved by the Sergeant at Arms and Doorkeeper. Vouchers shall not be required for the disbursement of salaries of employees paid under authority of this resolution.

TEMPORARY COMMITTEE APPOINTMENTS

Mr. ROBERT C. BYRD. As will be remembered, last Thursday, the Steering Committee met and made recommendations to the caucus on the temporary assignments to committees for our new Members. During the discussions, it was apparent that committee chairmen should be designated for those committees whose chairmen have not returned to the Senate. This was necessary so that vouchers could be signed, committee business could be conducted, and necessary personnel actions could be effected.

The conference on Thursday evening ratified the Steering Committee actions. It was emphasized, however, that these assignments of new Members to committees and the designation of chairmen were temporary and, in fact, unalterably temporary, pending the Steering Committee meeting again following the resolution of Senate Resolution 4, which is under consideration in the Rules Committee. It was specifically stated that these assignments are in no way establishing a precedent, and nothing would be done to interfere with the process of selecting committee chairmen which was agreed to last year. Every member of the caucus will have an opportunity at the appropriate time to indicate whether he wishes a ballot on committee chairmen. However, this will occur when the final organization of the Senate takes place, hopefully by early February. As a result, all chairmen have been designated as temporary at this time.

AMENDING RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution making temporary—and I stress the words unalterably temporary—certain assignments of new Members on the Democratic side of the aisle to committees, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 19) amending paragraph 2 of rule XXV of the Standing Rules of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. ALLEN. Just a minute.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, the amendment to the rule merely allows the assigning of new Members on a temporary basis to the various committees.

Mr. ALLEN. That is what I understood. I lost track of it when it was at the desk. It is merely an assignment of the incoming Senators on a temporary basis to the committees as they presently exist.

Mr. ROBERT C. BYRD. Yes, and this resolution establishes the sizes of those committees to accommodate such temporary assignments.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 19) was agreed to as follows:

S. RES. 19

Resolved, That paragraph 2 of Rule XXV of the Standing Rules of the Senate is modified to read as follows:

"2. Except as otherwise provided by paragraph 6 of this rule, each of the following standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

"Committee	*Members*
"Aeronautical and Space Sciences	8
"Agriculture and Forestry	16
"Appropriations	24
"Armed Services	16
"Banking, Housing and Urban Affairs	15
"Budget	14
"Commerce	17
"Finance	16
"Foreign Relations	15
"Government Operations	16
"Interior and Insular Affairs	17
"Judiciary	14
"Labor and Public Welfare	15
"Public Works	14."

Resolved, That paragraph 3 of Rule XXV of the Standing Rules of the Senate is modified to read as follows:

"3. Except as otherwise provided by paragraph 6 of this rule, each of the following standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

"Committee	*Members*
"District of Columbia	7
"Post Office and Civil Service	6
"Rules and Administration	9
"Veterans Affairs	8."

TEMPORARY MAJORITY APPOINTMENTS TO COMMITTEES

The PRESIDING OFFICER. The next resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 20) making temporary majority appointments to committees.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 20) was agreed to, as follows:

S. RES. 20

Resolved, That the following shall constitute the majority party's membership on the standing committees and the Select Committee on Small Business of the Senate for the Ninety-fifth Congress (Temporary):

Committee on Aeronautical and Space Sciences: Mr. Ford (Temporary Chairman), Mr. Stennis, Mr. Cannon, Mr. Bumpers.

Committee on Agriculture and Forestry: Mr. Talmadge (Temporary Chairman), Mr. Eastland, Mr. McGovern, Mr. Allen, Mr. Humphrey, Mr. Huddleston, Mr. Clark, Mr. Stone, Mr. Leahy, Mr. Anderson (Temporary).

Committee on Appropriations: Mr. McClellan (Temporary Chairman), Mr. Magnuson, Mr. Stennis, Mr. Byrd of West Virginia, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Bayh, Mr. Eagleton, Mr. Chiles, Mr. Johnston, Mr. Huddleston, Mr. Riegle (Temporary), Mr. Melcher (Temporary), Mr. Sarbanes (Temporary), Mr. DeConcini (Temporary).

Committee on Armed Services: Mr. Stennis (Temporary Chairman), Mr. Jackson, Mr. Cannon, Mr. McIntyre, Mr. Byrd of Virginia, Mr. Nunn, Mr. Culver, Mr. Hart, Mr. Leahy, Mr. Metzenbaum (Temporary).

Committee on Banking, Housing, and Urban Affairs: Mr. Proxmire (Temporary Chairman), Mr. Sparkman, Mr. Williams, Mr. McIntyre, Mr. Cranston, Mr. Stevenson, Mr. Biden, Mr. Morgan, Mr. Metzenbaum (Temporary).

Committee on the Budget: Mr. Muskie (Temporary Chairman), Mr. Magnuson, Mr. Hollings, Mr. Cranston, Mr. Chiles, Mr. Abourezk, Mr. Biden, Mr. Nunn.

Committee on Commerce: Mr. Magnuson (Temporary Chairman), Mr. Cannon, Mr. Long, Mr. Hollings, Mr. Inouye, Mr. Stevenson, Mr. Ford, Mr. Durkin, Mr. Anderson (Temporary), Mr. Matsunaga (Temporary), Mr. Moynihan (Temporary).

Committee on Finance: Mr. Long (Temporary Chairman), Mr. Talmadge, Mr. Ribicoff, Mr. Byrd of Virginia, Mr. Nelson, Mr. Gravel, Mr. Bentsen, Mr. Hathaway, Mr. Haskell, Mr. Zorinsky (Temporary).

Committee on Foreign Relations: Mr. Sparkman (Temporary Chairman), Mr. Church, Mr. Pell, Mr. McGovern, Mr. Humphrey, Mr. Clark, Mr. Biden, Mr. Zorinsky (Temporary), Mr. Matsunaga (Temporary).

Committee on Government Operations: Mr. Ribicoff (Temporary Chairman), Mr. McClellan, Mr. Jackson, Mr. Muskie, Mr. Metcalf, Mr. Allen, Mr. Chiles, Mr. Nunn, Mr. Glenn, Mr. Sasser (Temporary).

Committee on Interior and Insular Affairs: Mr. Jackson (Temporary Chairman), Mr. Church, Mr. Metcalf, Mr. Johnston, Mr. Abourezk, Mr. Haskell, Mr. Glenn, Mr. Stone, Mr. Bumpers, Mr. Sarbanes (Temporary), Mr. Moynihan (Temporary).

Committee on the Judiciary: Mr. Eastland (Temporary Chairman), Mr. McClellan, Mr. Kennedy, Mr. Bayh, Mr. Burdick, Mr. Byrd of West Virginia, Mr. Abourezk, Mr. Riegle (Temporary), Mr. Sasser (Temporary).

Committee on Labor and Public Welfare: Mr. Williams (Temporary Chairman), Mr. Randolph, Mr. Pell, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hathaway, Mr. Durkin, Mr. Melcher (Temporary).

Committee on Public Works: Mr. Randolph (Temporary Chairman), Mr. Muskie, Mr. Gravel, Mr. Bentsen, Mr. Burdick, Mr. Culver, Mr. Morgan, Mr. Hart, Mr. DeConcini (Temporary).

Committee on Rules and Administration: Mr. Cannon (Temporary Chairman), Mr. Pell, Mr. Byrd of West Virginia, Mr. Allen, Mr. Williams, Mr. Clark.

Committee on Post Office and Civil Service: Mr. Burdick (Temporary Chairman), Mr. Randolph, Mr. Hollings, Mr. Leahy.

Committee on the District of Columbia: Mr. Eagleton (Temporary Chairman), Mr. Inouye, Mr. Stevenson, Mr. Glenn.

Committee on Veterans' Affairs: Mr. Cranston (Temporary Chairman), Mr. Talmadge, Mr. Randolph, Mr. Stone, Mr. Durkin.

Select Committee on Small Business: Mr. Nelson (Temporary Chairman), Mr. Sparkman, Mr. McIntyre, Mr. Nunn, Mr. Johnston, Mr. Hathaway, Mr. Abourezk, Mr. Haskell, Mr. Culver.

TEMPORARY MINORITY APPOINTMENTS TO COMMITTEES

Mr. BAKER. Mr. President, I send to the desk a resolution and ask for its immediate consideration. This is the resolution to make the temporary appointments of the minority Members to committees pursuant to the resolution allotting those seats previously adopted by the Senate.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 21) making temporary minority appointments to committees.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 21) was agreed to, as follows:

S. RES. 21

Resolved, That the following shall constitute the minority party's membership on the standing committees and the Select Committee on Small Business of the Senate for the Ninety-fifth Congress (Temporary):

Committee on Aeronautical and Space Sciences: Mr. Goldwater, Mr. Domenici, Mr. Laxalt, Mr. Garn.

Committee on Agriculture and Forestry: Mr. Dole, Mr. Young, Mr. Curtis, Mr. Bellmon, Mr. Helms, Mr. Hayakawa (Temporary).

Committee on Appropriations: Mr. Young, Mr. Case, Mr. Brooke, Mr. Hatfield, Mr. Stevens, Mr. Mathias, Mr. Schweiker, Mr. Bellmon.

Committee on Armed Services: Mr. Thurmond, Mr. Tower, Mr. Goldwater, Mr. Scott, Mr. Bartlett, Mr. Wallop (Temporary).

Committee on Banking, Housing, and Urban Affairs: Mr. Tower, Mr. Brooke, Mr. Packwood, Mr. Helms, Mr. Garn, Mr. Wallop (Temporary).

Committee on the Budget: Mr. Bellmon, Mr. Dole, Mr. McClure, Mr. Domenici, Mr. Chafee (Temporary), Mr. Lugar (Temporary).

Committee on Commerce: Mr. Pearson, Mr. Griffin, Mr. Baker, Mr. Stevens, Mr. Weicker, Mr. Schmitt (Temporary).

Committee on Finance: Mr. Curtis, Mr. Hansen, Mr. Dole, Mr. Packwood, Mr. Roth, Mr. Schmitt (Temporary).

Committee on Foreign Relations: Mr. Case, Mr. Javits, Mr. Pearson, Mr. Percy, Mr. Griffin, Mr. Danforth (Temporary).

Committee on Government Operations: Mr. Percy, Mr. Javits, Mr. Roth, Mr. Weicker, Mr. Lugar (Temporary), Mr. Hatch (Temporary).

Committee on Interior and Insular Affairs: Mr. Hansen, Mr. Hatfield, Mr. McClure, Mr. Bartlett, Mr. Hatch (Temporary), Mr. Hayakawa (Temporary).

Committee on the Judiciary: Mr. Thurmond, Mr. Mathias, Mr. Scott, Mr. Chafee (Temporary), Mr. Heinz (Temporary).

Committee on Labor and Public Welfare: Mr. Javits, Mr. Schweiker, Mr. Stafford, Mr. Laxalt, Mr. Danforth (Temporary).

Committee on Public Works: Mr. Stafford, Mr. Baker, Mr. McClure, Mr. Domenici, Mr. Heinz (Temporary).

Committee on Rules and Administration: Mr. Hatfield, Mr. Griffin, Mr. Tower (Temporary).

Committee on Post Office and Civil Service: Mr. Stevens, Mr. Bellmon.

Committee on the District of Columbia: Mr. Mathias, Mr. Bartlett, Mr. Garn.

Committee on Veterans' Affairs: Mr. Hansen, Mr. Thurmond, Mr. Stafford.

Select Committee on Small Business: Mr. Javits, Mr. Weicker, Mr. Bartlett, Mr. Laxalt, Mr. Packwood.

STATEMENT ON TEMPORARY COMMITTEE ASSIGNMENTS

Mr. ROBERT C. BYRD. For the record, Mr. President, I wish to state that those committees that are not mentioned in the various resolutions which have been submitted just now are continuing bodies under the precedents of the Senate and may continue to do business as such continuing bodies although not mentioned in the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. CRANSTON. Would it not be advisable also to state clearly for the record that this does not constitute formal organization of the committees and, therefore, grandfathering and all other precedents are not affected by this action.

Mr. ROBERT C. BYRD. Precisely. I am glad the Senator made that statement.

Mr. CRANSTON. I thank the Senator.

COMMENDING PRESIDENT AND MRS. FORD

Mr. ALLEN. Mr. President, I am offering today to the Senate an opportunity to acknowledge the exemplary conduct of Gerald R. Ford and Betty Ford during the time they have occupied the White House. Certainly President and Mrs. Ford merit that acknowledgment and deserve our commendation for their dedicated public service to the Nation. Certainly they have maintained the highest standards of honor and honesty throughout their entire career of public service and especially as President and First Lady.

The President came into office as the first President in our history who first became Vice President in accordance with the 25th amendment to the Constitution of the United States. He came into office under circumstances which demanded consistent good judgment, patience, and courage. He was not found wanting and carried out the duties of his new office in a manner which rapidly restored confidence in the executive branch of our Government and brought the country from crisis to stability.

President Ford was defeated in the general election, but none of us doubt that he and Mrs. Ford leave the White House with the sincere esteem of the American people and with tremendous popularity.

Gracious in defeat, President Ford has been extremely cooperative with representatives of the incoming administration in implementing an orderly transition. Mrs. Ford, too, has given good counsel and assistance during the transition and has consistently shown herself to be a lady inbred with the best qualities of compassion, understanding, and good humor.

Mr. President, I believe that President and Mrs. Ford have in all things served our country well and, therefore, that we ought now on behalf of the people of the United States to congratulate them and to thank them for a job well done.

Mr. President, on behalf of Mr. HELMS and myself, I send to the desk a Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 22) commending the President and Mrs. Ford on their exemplary conduct and dedication to public service.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 22) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 22

Resolved, That, Whereas Gerald R. Ford President of the United States, is the first President in our history who first became Vice-President in accordance with the terms of the 25th Amendment to the Constitution of the United States;

Whereas President Ford assumed the duties of his office under difficult and trying conditions which demanded the exercise of good judgment, patience, and courage;

Whereas President Ford in the conduct of the Presidency has done much to restore confidence in government and has carried out the responsibilities of his office in a manner meriting the thanks and appreciation of the people of the United States and of their representatives in Congress;

Whereas President and Mrs. Ford leave the White House with the high regard of the American people and with tremendous popularity with them; and

Whereas President and Mrs. Ford were gracious in the President's defeat in the Presidential election and extremely cooperative with the incoming administration in the transition period;

Now therefore, the Senate of the United States congratulates and commends President and Mrs. Ford on their exemplary conduct as President and First Lady and for their dedicated public service to the Nation during their entire career of public service.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to President Ford.

WISHING THE NEW ADMINISTRATION WELL

Mr. ALLEN. Mr. President, we have just begun the third century of our country's existence and in a matter of a few days a new President will be inaugurated to assume the heavy responsibility of directing the executive branch of our Government. He will face abroad a troubled world racked by political uncertainty and periodic war. He will face at home significant economic and social dislocation, the prospect of continued unemployment and inflation, and a worsening shortage of energy resources. His tasks are unenviable and will demand great foresight, courage, and—to some extent—forbearance. His decisions, always difficult will in their outcome be critical in directing the affairs of the Nation and in guiding Americans toward desirable national goals.

Mr. President, I believe that we are all mindful of the ability and qualities of leadership of the President-elect of the United States, Gov. Jimmy Carter, and that we have faith that as President he will always seek to preserve the freedoms now enjoyed by Americans and consistently put foremost in his decisions the national interest.

Mr. President, at the beginning of our third century the time is certainly appropriate to express our confidence in the incoming President and to extend to him our sincere best wishes for his Presidency and our hope that his administration will set standards of good government by which in the next one hundred years future Chief Executives will be judged.

Mr. President, on behalf of Mr. HELMS and myself, I send another resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 23) to extend to the President-Elect of the United States, and to all who will serve in authority in his administration, the best wishes of the Senate, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of theresolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 23) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 23

Resolved, That whereas Governor Jimmy Carter will be inaugurated on January 20, 1977, as the first President of the United States inaugurated in the third century of our country's existence;

Whereas upon his inauguration the new President and his Administration will face difficult decisions of critical importance in directing the affairs of the Nation and in guiding our people toward desirable national goals; and

Whereas the Senate is mindful of the ability and qualities of leadership of the President-elect of the United States and has faith that as President he will seek to preserve to the people their freedoms in a

troubled world and will always put foremost the interest of our Republic;

Now therefore, the Senate hereby extends its sincerest best wishes to Governor Jimmy Carter, the incoming President of the United States, and to all those who will serve in his Administration.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to Governor Jimmy Carter.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER EXTENDING PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 2 p.m. today there be an extension of the period for the transaction of routine morning business, with statements limited therein to 10 minutes, such period not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECEIPT OF BILLS, RESOLUTIONS, AND STATEMENTS UNTIL 5 P.M. TODAY

Mr. CRANSTON. Mr. President, I ask unanimous consent that all Senators may have until 5 p.m. today to introduce bills, resolutions, and comments thereon, and any other statements they wish to put in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. The time will be extended until 5 p.m.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. LEAHY) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 3

Under authority of the order of the Senate of October 1, 1976, the Secretary of the Senate, on November 5, 1976, received a message from the President of the United States, which was referred to the Committee on Public Works, the Committee on Armed Services, the Committee on Labor and Public Welfare, the Committee on Finance, and the Committee on the District of Columbia, jointly, pursuant to the order of January 30, 1975, as follows:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I am withdrawing one previously proposed rescission and reporting three new deferrals. In addition, I am reporting revisions to two deferrals previously transmitted.

The withdrawal is for the highway crossing federal projects program of the Federal Highway Administration. The three new deferrals, totaling $980.8 million affect programs of the Departments of Defense, Health, Education, and Welfare, and the Treasury. The revised deferrals are for programs in the Department of Health, Education, and Welfare and reflect routine increases in the amounts previously deferred.

The details of the rescission withdrawal and each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *November 5, 1976.*

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 4

Under authority of the order of the Senate of October 1, 1976, the Secretary of the Senate, on December 3, 1976, received a message from the President of the United States, which was referred to the Committee on Appropriations, the Committee on the Budget, the Committee on Armed Services, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Labor and Public Welfare, jointly, pursuant to the order of January 30, 1976, as follows:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of funds totalling $3.7 billion. Funds deferred were appropriated for the Department of Labor, two International Security Assistance programs, and ACTION.

In addition, I am reporting revisions to two deferrals previously transmitted. The Department of Defense military construction deferral is increased by $259.4 million and a General Revenue Sharing deferral in the Department of the Treasury is increased by $11.1 million.

The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *December 3, 1976.*

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 5

Under authority of the order of the Senate, the Secretary of the Senate, on January 7, 1977, received a message from the President of the United States, which was referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Commerce, the Committee on Labor and Public Welfare, the Committee on Government Operations, the Committee on Banking, Housing and Urban Affairs, the Committee on Foreign Relations, and the Committee on Interior and Insular Affairs, pursuant to the order of January 30, 1975, as follows:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new routine deferrals of funds totalling $685.0 million. The deferred funds were provided for the U.S. Railway Association and the U.S. Information Agency.

In addition, I am reporting routine revisions to five deferrals previously transmitted. They relate to programs of the Departments of Commerce and Health, Education, and Welfare, the General Services Administration, and the American Revolution Bicentennial Administration. The combined effect of the revisions is to increase the amount deferred by $130,000.

The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *January 7, 1977.*

THE UNITED STATES ENERGY PROBLEM—MESSAGE FROM THE PRESIDENT—PM 6

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on Interior and Insular Affairs, the Joint Committee on Atomic Energy, and the Committee on Public Works, jointly, by unanimous consent:

To the Congress of the United States:

Three years have now passed since the Arab oil embargo demonstrated that the Nation had become overly dependent on other countries for our energy supplies. We have made progress in dealing with our energy problems but much more must be done if we are to achieve our objective of assuring an adequate and secure supply of energy at reasonable prices.

Action by the Congress is vitally important in the coming year on a number of matters affecting energy supply and demand. The outcome of that action will affect the Nation's security, economic strength and role in world affairs. Decisions made during this critical period will affect the health, welfare, quality of life and freedom of choice of our people for years to come.

A new Congress and change in Administration provide an appropriate occasion to review our energy situation, to summarize and share the knowledge that has been gained from analysis and debate over the past two years, and to outline the remaining need for action.

I am pleased that we have made a good start towards a comprehensive national energy policy; that we have taken major steps forward on programs to conserve energy, increase domestic energy production, develop strategic petroleum reserves, and develop new technology; and that our imports are less today than they would have been had we not begun

taking the steps I outlined in my State of the Union address two years ago.

But our imports are higher today than they were three years ago, and we have not yet as a Nation faced up to many of the hard decisions and choices that are necessary before we can achieve our energy objectives.

The lack of better progress is regrettable but I believe the reasons for it are quite clear:

—First, the real nature of the Nation's energy problem and the implications of leaving it unresolved are not fully understood or appreciated by many people.

—Second, many of those who recognize the problem and the implications of not solving it have looked for easy solutions. This has led often to proposals which:

Promise far more than can be delivered; or

Expand significantly the role of the Federal Government.

We are now beginning to recognize more clearly the dangers of a greatly expanded Federal role in energy. We also now realize that other "easy" answers are turning out to be impractical, ineffective, or oversold.

FUNDAMENTAL ISSUES AND CHOICES

The decisions which must be made are difficult and the implications of the choices are far reaching. Thus, the Congress and the public should have the best possible understanding of the fundamental issues and choices that are involved in my proposals and in the proposals that will be forthcoming from the new Administration and Congress. There are five matters that deserve special attention:

—The high cost to the Nation of delay in solving our energy problem.

—The illusions and false hopes that are involved in some of the "easy" answers that have been proposed.

—The dangers of expanding the Federal role in energy.

—The need to recognize the interdependence of the U.S. and other consumer nations in energy matters.

—The necessity of facing up to the hard choices that must be made in order to achieve a balance among our Nation's security, energy, economic, consumer price, and environmental objectives.

HIGH COST OF DELAY IN SOLVING OUR ENERGY PROBLEM

A better understanding of our energy problem and the high cost of delay in solving it should help restore the sense of urgency that was lost when the embargo ended, the gasoline lines disappeared, and an adequate supply of most forms of energy became available—though at higher prices.

OUR ENERGY PROBLEM

The principal energy problem now facing the United States is our excessive and growing dependence on imported oil from a relatively few foreign nations that own the majority of world oil reserves and have the ability to control world oil prices and production. We are also faced with a problem of shortages of natural gas in some areas. This problem will become more serious this winter if unusually cold weather continues and will grow each year as production and interstate sales decline—resulting in job losses and economic dislocation.

Our situation is the result of several factors. For example, our economy and style of life—neither of which can be altered quickly—have been built upon cheap and abundant energy. Low prices, resulting from government regulations and policies, and heightened environmental concerns encouraged excessive reliance on oil and natural gas, rather than coal which we have in plentiful supply. This led to wasteful and inefficient uses of oil and gas.

Our domestic production of oil and natural gas peaked in the early 1970's and has been declining steadily as cheap, easily developed reserves have dwindled. In the early 1980's, oil and natural gas from Alaska and the Outer Continental Shelf—our last frontiers—will help offset the decline in production from on-shore areas. But, overall, domestic oil and gas production will again decline precipitously unless higher prices are available to cover the costs of developing resources which are not now economically feasible to produce.

Meanwhile, our energy demands are increasing to meet the needs of a growing economy. We are not expanding the use of coal and nuclear energy fast enough as substitutes for oil and gas, where this is possible, or to meet growing energy requirements. Instead we have turned to imports, and imports will continue to grow as we face declining production and depletion of oil and gas reserves.

THE COSTS OF DEPENDENCE

The real price paid for our growing dependence on imported oil is our vulnerability to significant economic and social disruption from the interruption of oil imports. Apart from the inconvenience experienced by millions of people, the 1973–74 embargo and the resulting higher prices caused a loss of about 500,000 jobs and approximately $20 billion in our Gross National Product. The sudden four-fold increase in OPEC oil prices contributed significantly to inflation. Since 1974 our dependence on imports, particularly from Arab nations, has grown by a million barrels per day, so that an interruption of supply today would be even more disruptive of our economy than the 1973–74 embargo.

Another cost of energy dependence is the outflow of U.S. dollars to pay for imported oil, totalling about $34 billion in 1976 or $160 for each American, eleven times that in 1972.

Still another cost is the limitation on our freedom of action in international affairs due to our vulnerability to the threat of another interruption.

REALISTIC ENERGY GOALS

In my first State of the Union Message two years ago, I outlined a comprehensive energy program for the Nation with goals of:

—Halting our growing dependence on imported oil.

—Attaining energy independence by 1985 by achieving invulnerability to disruptions caused by oil embargoes, by reducing oil imports to between 3 and 5 million barrels per day with an accompanying ability to offset any supply interruption with stored petroleum reserves and emergency standby measures.

—Mobilizing our technological capability and resources to supply a significant share of the free world's energy needs beyond 1985.

These goals do *not* mean that we should seek to eliminate all energy imports, because generally it will be in the Nation's best interest to continue importing energy when it can be obtained at lower cost—as long as we have the ability to withstand interruptions of supply from insecure sources.

The goals *do* mean that we should reduce and then eliminate our vulnerability. In the longer term, we should better use our resources and technological capability to regain our ability to assure the reasonableness of energy prices.

Whether the date I set for achieving energy independence and the level of imports I proposed are realistic has been the subject of considerable debate. I believe the goals could be attained if the Congress approved the critical legislation I proposed, but that is not the major point. The essential point now is that we recognize that our excessive dependence and vulnerability are costly and that it is in the Nation's best interest to solve the problem as soon as possible.

AVOIDING ILLUSIONS

A number of well-intentioned proposals have been advanced for dealing with our energy problems which, when evaluated, are found to have far less potential or merit than is claimed by their proponents. Four such proposals warrant special attention: advanced energy technologies, energy conservation in lieu of increased production, abandoning nuclear fission energy or coal, and oil company divestiture. All four are likely to receive Congressional consideration this year.

CONTRIBUTION OF ADVANCED TECHNOLOGIES

There are repeated claims that fusion, solar or geothermal energy, or some other advanced technology, will soon provide a virtually risk-free answer to our energy needs. Such claims warrant and have been given very careful consideration because new technological developments have helped us solve many problems in the past.

There are three common myths about fusion, solar and geothermal energy:

—That major contributions to our energy supplies can be expected soon from these sources.

—That there are no serious economic, safety, technological or environmental problems to be overcome before these technologies are available for widespread use.

—That the remaining problems can be quickly resolved by greatly increasing Federal funding for R&D.

The facts are that major economic, safety and environmental problems must be solved and major technological breakthroughs are needed before these emerging technologies will be available for widespread commercial use.

Practical and economic applications are already available in the case of en-

ergy from geothermal steam. However, geothermal steam resources are geographically limited, and major technical, environmental and economic hurdles must be overcome before other sources of geothermal energy will be available for practical application.

Heating with solar energy is expected to become economically competitive soon in some areas with electrical heating by electricity—but not by oil and gas. Costs will have to be reduced substantially before solar heating and cooling systems will be competitive for widespread use. Major breakthroughs are needed before fusion and solar energy will produce economical electric power. Costs must be reduced and problems of safety and environmental impact must be solved.

Advanced technologies cannot contribute significantly to our energy supply in the near or mid-term. Even with intensive efforts to achieve necessary breakthroughs, solar, geothermal and fusion energy are expected to provide no more than one percent of our total energy supplies by 1985 and no more than five-seven percent by the year 2000. Until these advanced technologies are available and are acceptable from the standpoint of cost, safety and environmental impact, we must rely on resources and technologies which are available.

Federal funding for the development of advanced technologies has been increased substantially over the past two years in my budgets—to the point where Congressional add-ons above my requests generally cannot be used productively. When major breakthroughs are required, the necessary ingredients are ideas and time. Large funding increases are likely to be wasteful and often merely contribute to overly optimistic expectations.

ENERGY CONSERVATION IN LIEU OF PRODUCTION

There are some who believe that our energy needs for a growing population and expanding economy and workforce can be satisfied by eliminating wasteful and inefficient uses of energy. They point out correctly that the ready availability of cheap energy in the past tended to encourage uses of energy which now are wasteful.

There is no question but that energy conservation can and must contribute to the solution of our energy problems. In many cases it will be cheaper, more efficient, and involve less environmental impact, to reduce energy waste than it will be to produce a comparable amount of new energy. We have begun major efforts in energy conservation, and progress is being made in reducing growth in energy consumption. However, it takes time to achieve results from energy conservation because energy-intensive plants and equipment and consumer products (such as automobiles and appliances) will only be replaced gradually as they wear out.

Growth in our energy demands simply cannot be eliminated without severe economic impact. We must have *both* energy conservation and sharply increased energy production if we are to meet the needs for energy in a growing economy. To rely solely on energy conservation would soon mean a lower standard of living for all, and insufficient energy to keep people employed in productive and meaningful work.

ABANDONING COAL ENERGY OR NUCLEAR FISSION

Some believe that we should not continue or expand the use of coal and others have the same view about nuclear energy. But a careful look indicates that we do not have a *choice* between increasing the use of coal or nuclear energy. Instead, we must increase the use of *both* coal and nuclear energy until more acceptable alternate energy sources are available. Even with strong efforts to conserve energy, and increased efforts to produce domestic oil and natural gas, we must increase the use of both coal and nuclear energy if we are to meet the demands for energy for a growing economy. The only alternative is to increase our growing dependence on imported oil.

One example will illustrate the point: Nuclear energy now provides about nine percent of our electrical requirements. If this nuclear energy were not available and we substituted imported oil, our imports would increase by about one million barrels of oil per day. If we were to substitute coal for existing nuclear energy, additional annual production of 100 million tons would be required.

DIVESTITURE

Some suggest that our energy problem would be relieved by divestiture of the major oil companies—either by barring investments in other energy sources (horizontal divestiture) or by barring integrated operations whereby one company engages in production, refining, and marketing activities (vertical divestiture). They claim that divestiture would increase competition and thereby reduce petroleum prices and lead to a more intensive pursuit of alternative domestic energy resources and alternative energy technologies.

Experience has demonstrated important advantages from vertical integration in commercial and industrial activities in terms of efficiency of operation. Vertical divestiture may merely mean that petroleum products pass through the hands of more middle men—resulting in higher consumer costs. Horizontal integration has helped make private capital and managerial talent available to develop other alternative energy resources which will be used to supplement our declining oil and natural gas resources.

Proponents of divestiture have yet to present concrete evidence that divestiture would either increase domestic energy production or provide cheaper and more secure energy supplies. Such evidence should be required and weighed carefully along with the evidence against divestiture before the Congress acts.

DANGERS OF EXPANDING THE FEDERAL ROLE IN ENERGY

Much of the dispute over energy legislation has resulted from differing views as to the appropriate role of the Federal Government.

The primary responsibility for providing the Nation's energy needs has been and should continue to rest with the private sector. The amount and forms of energy that are produced and used depend upon literally millions of decisions reached daily by individuals and organizations throughout the country. Since energy is such a pervasive component of our economy and our daily lives, special care must be taken to assure that Federal actions affecting energy—including changes in the Federal role—will help solve the problem rather than make it worse or cause new problems.

The Congress should give particular attention to the growing concern throughout the country about the size and cost of Government, the extent of Government intrusion in individuals' activities, and the burden of regulations which restrict freedom of choice. Unfortunately, the people who develop Government rules and regulations often do not understand adequately the conditions they are regulating nor appreciate fully the impact of their decisions on the millions of people who are affected.

The question of the proper role of the Federal Government in energy has become important in the case of:

—Controls over decisions that would normally be made in the marketplace.
—Mandatory conservation measures.
—Resource exploration and energy production.
—Energy research, development, and demonstration.

GOVERNMENT CONTROLS OR MARKETPLACE DECISIONS

Many legislative proposals will involve the question of whether there should be greater reliance on decisions made in the marketplace or upon regulations, standards, and controls developed by the Federal Government.

Recent experience has again demonstrated that Federal price and allocation controls on energy ultimately work against the best interests of consumers because they reduce incentives to produce new supplies, they reduce competition and they reduce freedom of choice. For example, Federal price controls on natural gas have been a major factor leading to declining production and to wasteful and inefficient use of this resource. Also, controls on crude oil have contributed to a decline in production.

Federal price and allocation controls inevitably mean that the Government must employ people to develop, issue, and revise regulations; to sit in judgment on requests for exceptions when the regulations do not fit real world circumstances; and to enforce the regulations. Federal controls mean that millions of decisions by producers, distributors, wholesalers, retailers, *and* consumers must conform with Government-developed regulations—even when the people directly involved know that another course of action makes more sense and would still be in the national interest.

The principal alternative to Federal regulation and controls is to allow prices and allocation of energy supplies to be determined in the marketplace—with decisions made by individuals most directly affected. In some cases, avoiding or eliminating price controls can mean somewhat higher consumer prices in the short run. But the higher prices help

stimulate new production and cut down on wastefulness. Market decisions are also made faster and more efficiently, and often result in cheaper prices than if the government made the decision. For example, the higher prices that will be sult from removing price controls from new natural gas would be less costly for consumers than the expense of switching to higher priced alternative fuels.

MANDATORY CONSERVATION MEASURES

Most of the problems resulting from Federal price controls also result from Federal attempts to dictate specific actions by individuals to conserve energy. The prospect of higher energy prices already is stimulating major efforts by individuals and organizations throughout the country to use existing products and develop new means to reduce wasteful and inefficient uses of energy. Such voluntary action by consumers is far preferable to mandatory measures selected and enforced by a larger and more obtrusive Government.

RESOURCE EXPLORATION AND ENERGY PRODUCTION

The Congress will again be faced with the question of whether the Federal Government should be directly involved in energy resources exploration, development, production and refining activities.

Some argue that such activities can be performed better by the Federal Government, that it is necessary to have a Government "standard" to evaluate private industry performance and prices, or that subsidized Government performance is necessary to hold down consumer prices. Others argue that the Government should itself explore Federal lands to better ascertain the value of lands that it leases for the production of energy resources.

In fact, the Federal Government can seldom perform these functions faster, more efficiently or at lower cost than private industry. There is no convincing evidence that the competitive leasing system now used does not provide a fair return and adequately protect the public interest.

Despite this, proposals undoubtedly will continue to surface which would expand the size and role of the Federal Government to include exploration, production and related activities. Accordingly, the best course of action will be to insist upon hard facts to support the proposal and close scrutiny of each measure to see whether the advantages outweigh the disadvantages.

ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION

Still other questions before the Congress involve the Federal role and funding for developing, demonstrating and promoting the use of new technologies for energy production and conservation.

I believe that Federal funding is necessary and appropriate for the development of new energy technologies which show promise of providing a significant and economical way of producing or conserving energy—but only when such technologies would not be developed by the private sector. During the past two years, I have requested major increases in funding for energy R&D to carry out this policy.

However, continued vigilance is needed to prevent the use of Federal funds to duplicate or displace funds which industry would otherwise spend, and to insure that the Federal Government does not fund efforts which industry has rejected for lack of merit.

In addition, new energy technologies must find acceptance and application in the private sector—unlike the situation in military and space exploration programs where the Federal Government is the only customer. This presents a special challenge because those responsible for managing Federal funds for energy R. & D. often are not in a good position to determine which technologies are likely to meet success in the private sector.

The Federal Government is not well equipped to carry out commercialization, marketing, promotional, and technical assistance for particular energy technologies, products, and services. Such activities should be left to private industry.

At present, the Federal activities that would contribute most to the resolution of our energy problem are:

—Adopting changes in laws, policies, and programs that will lead to a framework within which individuals and organizations outside the Federal Government can make efficient, effective, and equitable decisions about energy. Laws and policies which discourage energy production or energy conservation should be modified.

—Providing carefully targeted support for energy R. & D.

—Providing incentives and assistance where necessary—such as tax relief—in order to encourage energy conservation and aid low-income people in adjusting to higher energy prices which are necessary to generate new, adequate supplies.

INTERDEPENDENCE OF THE U.S. AND OTHER CONSUMER NATIONS

The 1973–74 embargo, and the impact of sharply increased prices for OPEC oil, demonstrated clearly that the interests of the United States are tied closely to those of other nations which are net importers of energy. Events in the last three years have demonstrated further that the economies of all nations are interrelated and that no nation can be truly economically independent in the world today. Many of our allies, and particularly the developing countries, do not have major undeveloped energy resources and therefore are even more dependent upon imported energy than is the United States.

Much progress has been made in strengthening energy cooperation among the industrialized nations through the International Energy Agency. Together we have coordinated efforts to reduce our collective vulnerability by establishing a long-term program for conservation and development of new energy sources, and an energy-sharing program to safeguard against supply interruptions. It is in the best interests of the United States to continue to work with and assist other energy-consuming countries in meeting their energy needs—by reinforcing their conservation efforts, accelerating development of conventional and new energy sources, and encouraging the application of practical new energy technologies.

Such efforts will help to achieve our objective over the long term of a better equilibrium between energy supply and demand in the world, so that no one group of nations will be able to impose its will on others. Unless we are willing to cooperate with others, and provide adequate assistance in this area, continued dependence by many nations on a few countries for energy supplies will remain a major source of world political instability, uncertainty, and economic hardship.

At the same time, of course, we must continue our efforts to strengthen relations between oil-importing and exporting nations, recognizing that cooperation is important to the future well-being of both.

ACHIEVING BALANCE AMONG CONFLICTING OBJECTIVES

In recent years, we have been faced more and more with the dilemma that actions taken to achieve one important objective conflict with efforts to achieve other objectives. For example, we learned that tough standards and deadlines applied in the early 1970's to reduce pollution from automobiles and improve air quality resulted in lower gasoline mileage and higher gasoline consumption, poorer vehicle performance and higher consumer costs.

Conflicting objectives are becomng more and more apparent as we recognize that the easy solutions are illusions and that there are major dangers in expanding the Federal role. The Nation must, therefore, face up to the task of achieving a balance among conflicting objectives involving energy.

LOW CONSUMER PRICES VS. ADEQUATE AND SECURE ENERGY SUPPLIES

The reality that must be faced which appears to cause the most difficulty for elected officials is the inevitability of higher energy prices. Energy prices, particularly for consumers, will increase in the future principally because prices in the past have been held artificially low through Government controls, because cheaper domestic energy resources are beng depleted, because past energy prices have not reflected the cost of environmental protection, and because foreign nations are charging more for the energy that they export. There simply are no cheap energy alternatives. Higher prices will continue to be a major factor in obtaining adequate and secure energy supplies.

This difficulty is compounded for elected officials because it takes a long time in energy matters for our actions to show results—a condition that is not readily accepted in a Nation that prefers quick results. The prospect of higher prices will provide the incentive for increased energy production but it then takes up to five years, for example, to bring a new off-shore oil well into production and up to ten years to bring a new nuclear electric generating plant on line.

ENVIRONMENT VS. ENERGY

An equally difficult problem is that of finding the best possible balance between

our energy and environmental objectives. Our environmental objectives are also important in protecting health and welfare, improving our quality of life, and preserving natural resources for future generations. On the other hand, an adequate energy supply is essential to our objectives for a strong economy, national defense and role in world affairs, and in achieving a better life for all.

The conflict between energy and environmental objectives will require attention when the Congress considers amendments to the Clean Air Act, changes in laws governing the development of Federally-owned energy resources, improvements in the processes for siting and approving energy facilities, and controls on domestic energy production activities such as the surface mining of coal.

More specifically, air quality requirements forced shifts away from the use of domestic coal to the use of oil and natural gas which are now in short supply. Some air quality requirements—particularly emission standards set by states—are far tighter than necessary to meet standards which have been set to protect human health.

Efforts are now underway to reverse this trend but it is clear that increased production and utilization of domestic coal in the short term requires either billion dollar investments in controversial control equipment or some relaxation of existing air quality requirements. Most such requirements were set before we were aware of our energy problems, and often without sufficient regard to energy or consumer price impact. They often prevent substitution of coal resources for oil and gas and prevent construction of new coal producing and burning facilities.

As another example, concerns about environmental protection and reclamation requirements for surface mining activities led to legislation—twice vetoed—which would have imposed unnecessarily rigid requirements, cut domestic coal production and employment and led to even greater reliance on imported oil. Under these bills, Federal regulations and enforcement activities—which would contribute to a larger more cumbersome Federal Government—would have supplanted State laws and enforcement activities which are now in place and which require reclamation as a condition of mining.

LIMITING GROWTH

The concept of limiting growth and development is an important ingredient in some efforts to halt increased domestic energy production or to develop and use newer energy technologies. Limits on growth and development may be necessary in particular areas, but I oppose strongly the concept of limiting growth as an objective in itself. For the Nation, I continue to believe that our best hope for increasing the standard of living and quality of life for all our people is to expand and strengthen our economy and, in this way, create meaningful and productive jobs for all who are willing and able to work. The energy policies and goals that I have advocated do not require limiting our economic growth below historic rates.

ELIMINATING RISK

In some cases, attempts to increase domestic energy production—particularly from nuclear energy and coal and oil and gas resources from Outer Continental Shelf—are met with demands that virtually all safety and environmental risks be eliminated.

There should be no disagreement that major efforts are necessary to protect human health and the environment. For example, strong efforts have already been made in the case of nuclear energy and an excellent record of safety and minimum environmental impact has been achieved. However, it must be recognized that there is no practical way of completely eliminating all risks. Further, each additional precaution adds cost in terms of reduced supplies or higher prices. Risk levels that have already been achieved in many energy producing activities are often far lower than those readily accepted in other human activities.

Because different Committees of Congress have responsibility for competing objectives, it is especially difficult to achieve a satisfactory balance among our national objectives in new legislation. This will be a continuing problem in the new Congress and I can only urge that each measure affecting energy supply and demand, which also involves other objectives, be evaluated carefully to assure that the resulting costs, risks and benefits are truly in the national interest.

THE NEED FOR SUBSTANTIVE LEGISLATION AFFECTING ENERGY

We have made significant progress over the past two years toward establishing the framework of law and policies that are needed to permit decisions and actions that will help solve our energy problem.

Nine of the proposals that I submitted have been enacted into law. However, there remains a long list of requirements for early Congressional action.

HIGHEST PRIORITY

Because of the large number of legislative proposals that need action, I want to make clear that I believe highest priority should be given to measures which:

—Remove Federal price regulation from new natural gas supplies. This action is crucial to increasing domestic production and reducing wasteful and inefficient uses.

—Revise domestic crude oil price controls to allow greater flexibility in establishing a pricing formula that will encourage increased domestic production and assist in phasing out controls. This action is needed to overcome problems in the current law and to reduce market distortions that have resulted.

—Make clear our determination to expand capacity in the United States, principally through the efforts of private industry, to enrich uranium needed to provide fuel for nuclear power plants. This action is necessary to permit increased use of nuclear power in the U.S. and to assure other nations that we will be a reliable supplier of uranium enrichment services—a step that is critical to our nuclear non-proliferation objectives.

—Amend the Clean Air Act to:

Change the statutory requirements for meeting auto emission standards so that there can be a better balance among our environmental quality, energy, economic and consumer price objectives.

Provide flexibility in meeting national air quality standards applicable to power plants and major industrial facilities so that the use of coal can be continued and expanded, and so that new energy-producing facilities can be constructed in selected areas that have not yet attained national air quality standards.

Remove the requirement imposed by the courts for preventing significant deterioration of air quality in areas already meeting air quality standards—until information is available on the impact of such actions and informed decisions can be made.

OTHER IMPORTANT PROPOSALS

In addition to the above select list, favorable action is needed from the Congress on legislation in all the following areas:

NATURAL GAS

Temporary emergency legislation to allow pipelines and high priority users to obtain intrastate gas at unregulated prices for limited periods—to help cope with shortages and curtailments.

OIL

Authorization for the President to impose fees and taxes as standby emergency measures to reduce energy consumption in the event of another embargo—to avoid the inefficiencies and burdens of mandatory conservation measures in such emergencies.

An Oil Spill Liability Act—to establish a comprehensive system of liability and compensation for oil spill damage and removal costs.

Authorization for private competitive exploration and development of the National Petroleum Reserve in Alaska.

COAL

Extension of the authority to require utilities and other major fuel-burning installations to convert from oil and gas to coal.

Changes in provisions of the Coal Leasing Amendments Act of 1976 which unnecessarily delay or restrict leasing and development of coal on Federal lands.

Authority for the use of eminent domain in the construction of coal slurry pipelines and authority for the Secretary of the Interior to issue certificates of public convenience and necessity to expedite slurry pipeline construction.

NUCLEAR ENERGY

Authority for the Energy Research and Development Administration to enter into cooperative agreements with firms wishing to finance, build, own and operate uranium enrichment plants—to assure the availability of required capacity and avoid the need for billions of dollars in Federal outlays when the private sector can provide the financing.

Authority to increase the price for uranium enrichment services performed in Government-owned plants—to assure a fair return to the taxpayers for their investment, to price services more nearly

comparable to their private sector value, and to end the unjustified subsidy by taxpayers to both foreign and domestic customers.

Criteria for the control of nuclear exports which is necessary to round out the comprehensive nonproliferation, export control, reprocessing evaluation and waste management program I outlined in my October 28, 1976, statement on nuclear policy.

Reform the nuclear facilities licensing process by providing for early site review and approval and encouraging standardization of nuclear facility design.

BUILDING ENERGY FACILITIES

Establishment of an Energy Independence Authority (EIA), a new Government corporation, to assist private sector financing of new energy facilities.

Legislation to encourage states to develop comprehensive and coordinated processes to expedite review and approval of energy facilities siting applications, and to assure the availability of sites.

ENERGY CONSERVATION

Tax credit for homeowners to provide up to $150 for purchasing and installing insulation in existing residences.

Reform of rate setting practices applicable to public utilities—to expedite consideration of proposed rate changes and assure that rates reflect full costs of generating and transmitting power.

1978 BUDGET REQUESTS

My 1978 Budget which will soon be forwarded to the Congress will include major new funding to:

—Continue and expand our extensive program of energy research and development in cooperation with private industry which is directed toward new technologies for conserving energy and for producing energy from fossil, nuclear, solar and geothermal sources.

—Implement the Early Storage Program as part of the Strategic Petroleum reserves which will provide up to 500 million barrels of oil for use in emergency situations such as an embargo.

—Implement my comprehensive nuclear policy statement issued on October 28, 1976.

—Continue ERDA's development program on the liquid metal fast breeder reactor—to resolve any remaining environmental, safety and safeguards questions—so that this technology will be available to bridge the gap until advanced technologies can make their contribution to our energy needs.

—Provide increased operating funds for other Federal energy activities.

I urge the Congress to approve these funding requests.

REORGANIZATION OF FEDERAL ENERGY ACTIVITIES

Under the provisions of the Energy Conservation and Production Act of August 1976, I am called upon to make recommendations to the Congress with respect to the reorganization of Federal energy and natural resource activities. At my direction, a major study of alternatives had already been undertaken in May 1976 under the leadership of the Energy Resources Council and the Office of Management and Budget.

I have reviewed the findings and recommendations from the study. Within the next few days, I will forward my recommendations to the Congress.

TIME TO ACT

The Nation has waited far too long for completion of a sound and effective national energy policy. In many cases, the issues are complex and controversial, the decisions are tough to make—particularly because the right decisions will be unpopular in the short run. The costs of continued energy dependence are far too great for further delay.

The Congress *can* act. It is a matter of organizing itself to make the tough decisions and choices and moving ahead with the task. I urge the Congress to weigh the alternatives carefully and proceed promptly.

GERALD R. FORD.

THE WHITE HOUSE, *January 7, 1977.*

Mr. ROBERT C. BYRD. I ask unanimous consent that a message from the President, received today, relative to energy, be jointly referred to Banking, Housing and Urban Affairs; Commerce; Finance; Interior and Insular Affairs; the Joint Committee on Atomic Energy; and Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND ROMANIA—MESSAGE FROM THE PRESIDENT—PM 7

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce, the Committee on Foreign Relations, and the Committee on Armed Services, by unanimous consent:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Socialist Republic of Romania, signed at Bucharest on November 23, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Senate consider issuance of a joint resolution with the House of Representatives in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF SOVIET SOCIALIST REPUBLICS—MESSAGE FROM THE PRESIDENT—PM 8

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce, the Committee on Foreign Relations, and the Committee on Armed Services, by unanimous consent:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, signed at Washington on November 26, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Senate consider issuance of a joint resolution with the House of Representatives in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE GERMAN DEMOCRATIC REPUBLIC—MESSAGE FROM THE PRESIDENT—PM 9

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce, the Committee on Foreign Relations, and the Committee on Armed Services, by unanimous consent:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the German Democratic Republic, signed at Washington on October 5, 1976.

This Agreement is significant because it is one of the first to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT—PM 10

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Com-

merce, the Committee on Foreign Relations, and the Committee on Armed Services, by unanimous consent:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of China, signed at Washington on September 15, 1976.

This Agreement is significant because it is one of the first to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that four messages from the President, in accordance with the Fishery Conservation and Management Act of 1976, transmitting four fishery agreements between the United States and Romania, the U.S.S.R., the German Democratic Republic, and the Republic of China, be jointly referred to the Committees on Commerce, Foreign Relations, and Armed Services.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT ON THE OREGON DUNES NATIONAL RECREATION AREA—MESSAGE FROM THE PRESIDENT—PM 11

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

I transmit herewith the report of the Secretary of Agriculture which was prepared in accordance with the Oregon Dunes National Recreation Act of 1972, P.L. 92–260.

The Secretary of Agriculture has concluded that the Oregon Dunes National Recreation Area is not suitable for inclusion in the Wilderness System and I concur with his recommendation.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

REPORT ON THE PROBLEMS OF CYPRUS—MESSAGE FROM THE PRESIDENT—PM 12

The ACTING PRESIDENT pro tempore (Mr. LEAHY) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

This report is the seventh in a series of messages pursuant to Public Law 94–104 through which I have informed the Congress of my Administration's efforts to encourage progress toward a resolution of the problems of Cyprus. In addition to reviewing those efforts, this report will offer several conclusions with regard to the role the United States can and should play in settlement of the Cyprus dispute.

I know the Congress shares my views that a just and early settlement of the Cyprus issue is essential both for humanitarian reasons and to preserve peace in an area of great importance to the United States. For more than two years my Administration has actively sought to help the Cypriot communities find the basis for substantive and sustained negotiations. We have given the UN Secretary General our full and active support in the negotiations conducted under his auspices, negotiations which I believe continue to offer the best possible forum for progress.

I also know the Congress shares my deep regret that progress in the negotiations has been extremely slow. Inconclusive procedural disputes have diverted the parties from pressing issues of substance. Domestic pressures and international rivalries have detracted from the will and commitment that are essential to progress.

In an effort to break this impasse, my Administration has sought over the past several months to develop a set of basic principles that might provide a framework for continued and fruitful intercommunal negotiation. These principles are based on the concepts which I set forth in my sixth report to the Congress and which Secretary of State Kissinger expressed in his September 1976 UN General Assembly address. These concepts rest on a fundamental premise which I believe all concerned parties continue to share—that any settlement must preserve the independence, sovereignty, and the territorial integrity of Cyprus. These concepts emphasize the importance of territorial adjustments to reduce the area controlled by the Turkish side, while taking into account the economic requirements and humanitarian concerns of the two Cypriot communities, including the plight of those who remain refugees. Constitutional arrangements are of equal importance in providing conditions under which the two communities can live in freedom and have a large voice in their own affairs. Finally, security arrangements which would permit the withdrawal of foreign military forces other than those present under international agreement are essential for a lasting settlement.

Based upon these concepts, the United States has engaged over the past several months in extensive consultations on the Cyprus issue with the nine-member states of the European Community, seeking their support for a new and accelerated approach. Through these consultations we are jointly developing the basic principles which we hope will stimulate the negotiations. We have been greatly impressed and encouraged by the extent to which there is a consensus in these consultations on both the principles and the urgent need to reopen substantive intercommunal negotiations.

I remain convinced, however, that neither the United States nor any other outside country or group of countries should seek to impose a settlement on Cyprus. The principles we are developing should serve only as a basis for negotiation. It is the Cypriot communities themselves who must ultimately decide their relationship and final territorial arrangements.

In addition it is clear that a final solution must also have the support of the Greek and Turkish governments. It is my firm conviction that we must seek to maintain the trust and friendship of both these NATO allies. Thus my Administration has sought to strengthen through negotiation our security ties with both Greece and Turkey. We have consistently sought to follow a balanced course in strengthening our relations throughout the area. We therefore welcomed the steps taken by the Congress to relax the arms embargo on Turkey so that Turkey can better meet its NATO obligations. We have demonstrated through tangible assistance our support for Greece. We have worked actively, both directly and through the United Nations Security Council, to defuse recent tensions between Greece and Turkey over the Aegean. These two countries have now agreed to a negotiating process called for in the U.S. sponsored Security Council Resolution which I hope will lead to a settlement of their dispute.

It is essential to the success of an equitable and lasting Cyprus settlement that the United States maintain a balanced relationship among all concerned parties. It would be a mistake to place undue pressure on any one party for the sake of what appears to be a quick settlement. I believe the Congress would agree that such a path would neither promote lasting progress on Cyprus nor serve the cause of stability in the Mediterranean.

I am not pessimistic about the future of the Cyprus negotiations. I continue to believe that a way can and will be found to achieve a just and equitable settlement which will enable all of the people of Cyprus to shape a harmonious and prosperous future.

GERALD R. FORD.

THE WHITE HOUSE, *January 10, 1977.*

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

EC 1. A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals for November 1976 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Public Works, Interior and Insular Affairs, the Judiciary, Foreign Relations, Agriculture and Forestry, Commerce, Armed Services, Labor and Public Welfare, Finance, Government Operations, and Banking, Housing and Urban Affairs.

EC 2. A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals for October 1976 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Public Works, Interior and Insular Affairs, Commerce, Labor and Public Welfare, the Judiciary, Foreign Relations, Agriculture and Forestry, Armed Services, Finance, and Government Operations.

EC 3. A letter from the Acting Director of the Office of Management and Budget trans-

mitting, pursuant to law, the current services estimates for fiscal year 1978 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations and the Budget.

EC 4. A letter from the Comptroller General of the United States transmitting, pursuant to law, comments on three rescissions proposals and one supplementary message to a previously proposed deferral contained in the President's second special message for Fiscal Year 1977 (with accompanying papers); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Public Works, Interior and Insular Affairs, and Commerce, and ordered to be printed.

EC 5. A letter from the Comptroller General of the United States transmitting, pursuant to law, comments on two supplementary reports contained in the President's 22nd special message for Fiscal Year 1976; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Armed Services, and Labor and Public Welfare, and ordered to be printed.

EC 6. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, comments on 33 deferral proposals contained in the President's third special message for Fiscal Year 1977 (with accompanying papers); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Labor and Public Welfare, Interior and Insular Affairs, the Judiciary, and Commerce, and ordered to be printed.

EC 7. A letter from the General Counsel of the United States General Accounting Office transmitting a report on the status of budget authority involved in three rescissions that were proposed to, but rejected by, the Congress; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Labor and Public Welfare, and Banking, Housing and Urban Affairs, and ordered to be printed.

EC 8. A letter from the General Counsel of the United States General Accounting Office transmitting a report on the status of budget authority that was proposed, but rejected, for rescission in the President's 18th special message for Fiscal Year 1976; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture and Forestry, and Labor and Public Welfare, and ordered to be printed.

EC 9. A letter from the General Counsel of the United States General Accounting Office transmitting, pursuant to law, a report on the release of budget authority for the Legal Services Corporation; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, and Labor and Public Welfare, and ordered to be printed.

EC 10. A letter from the Administrator of the National Aeronautics and Space Administration transmitting a list showing the number of individuals in each General Schedule (GS) grade employed on June 30, 1975, and on September 30, 1976; jointly pursuant to law, to the Committees on the Post Office and Civil Service and Appropriations.

EC 11. A letter from the Assistant Secretary of the Department of Agriculture transmitting notice of the extension for the reporting of their study of cost accounting requirements under the National School Lunch Act and Child Nutrition Act; to the Committee on Agriculture and Forestry.

EC 12. A letter from the Assistant Secretary of the Department of Agriculture transmitting notice of the establishment of the National Advisory Council on Maternal, Infant and Fetal Nutrition; to the Committee on Agriculture and Forestry.

EC 13. A letter from the Chairman of the Commodity Futures Trading Commission transmitting, pursuant to law, the final report to Congress concerning Commodity Futures Account Insurance (with an accompanying report); to the Committee on Agriculture and Forestry.

EC 14. A letter from the Acting Assistant Secretary for Congressional Relations transmitting, pursuant to law, Presidential Determination No. TQ–6 (with accompanying papers); to the Committee on Agriculture and Forestry.

EC 15. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report showing that appropriations to HEW for "Public Assistance" and "Special Benefits for Disabled Coal Miners" have been appropriated; to the Committee on Appropriations.

EC 16. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, notice that the appropriation to the Department of Agriculture for the fiscal year 1977 has been reapportioned; to the Committee on Appropriations.

EC 17. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, the apportionment of the appropriation to the Department of Labor for "Special Benefits, Employment Standards Administration" for fiscal year 1977; to the Committee on Appropriations.

EC 18. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the transfers of amounts appropriated to the Department of Defense; to the Committee on Appropriations.

EC 19. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, the fourth quarter fiscal year 1976 report of receipts and disbursements pertaining to the disposal of surplus military supplies (with accompanying papers); to the Committee on Appropriations.

EC 20. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate; to the Committee on Appropriations.

EC 21. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the non-use of appropriated funds during 1976; to the Committee on Appropriations.

EC 22. A letter from the Acting Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to Colorado-Ute Electric Association, Inc., of Montrose, Colo. (with an accompanying report); to the Committee on Appropriations.

EC 23. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to San Isabel Electric Association, Inc., of Pueblo, Colo. (with an accompanying report); to the Committee on Appropriations.

EC 24. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to Oglethorpe Electric Membership Corporation of Decatur, Ga. (with an accompanying report); to the Committee on Appropriations.

EC 25. A letter from the Administrator of the General Services Administration transmitting information concerning a violation of section 3679 of the Revised Statutes (with an accompanying report); to the Committee on Appropriations.

EC 26. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to East Kentucky Power Cooperative, Inc., of Winchester, Ky. (with an accompanying report); to the Committee on Appropriations.

EC 27. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to KAMO Electric Cooperative,, Inc., of Vinita, Okla. (with an accompanying report); to the Committee on Appropriations.

EC 28. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to Central Electric Power Cooperative, Inc., of Cayce, S.C. (with an accompanying report); to the Committee on Appropriations.

EC 29. A letter from the Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to Tri-County Electric Association, Inc., of Sundance, Wyo. (with an accompanying report); to the Committee on Appropriations.

EC 30. A letter from the Senior Adviser and Coordinator for International Narcotics Matters of the Department of State transmitting, pursuant to law, planned changes in allocations of Fiscal Year 1977 funds authorized and appropriated for the International Narcotics Control Program (with an accompanying report); to the Committee on Appropriations.

EC 31. A letter from the Chairman of the United States Railway Association transmitting an appropriation request for the U.S. Railway Association in the amount of $10,100,000 (with an accompanying report); to the Committee on Appropriations.

EC 32. A letter from the Acting Administrator of the Rural Electrification Administration transmitting a report on the approval of an REA insured loan to Tri-State Generation and Transmission Association, Inc., of Denver, Colo. (with an accompanying report); to the Committee on Appropriations.

EC 33. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, the "Stockpile report to the Congress" for January-June 1976 (with an accompanying report); to the Committee on Armed Services.

EC 34. A letter from the Assistant Secretary of the Army (R. & D.) transmitting, pursuant to law, reports on Department of the Army Research and Development Contracts (with accompanying reports); to the Committee on Armed Services.

EC 35. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of two construction projects to be undertaken by the Navy and Marine Corps Reserve (with accompanying papers); to the Committee on Armed Services.

EC 36. A letter from the Acting Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, the fiscal year 1976 listings of Department of Defense contracts (with accompanying reports); to the Committee on Armed Services.

EC 37. A letter from the Deputy Secretary of Defense transmitting, pursuant to law, the report on funds obligated in the chemical warfare and biological research programs during fiscal year 1976 and the transition quarter (with accompanying papers); to the Committee on Armed Services.

EC 38. A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, notice regarding certain candidate base realignment actions proposed by the Department of Defense; to the Committee on Armed Services.

EC 39. A letter from the Secretary of Defense transmitting, pursuant to law, the annual report of the Reserve Forces Policy Board (with an accompanying report); to the Committee on Armed Services.

EC 40. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of 16 construction projects to be undertaken by the Air Force Reserve (with accompanying

papers); to the Committee on Armed Services.

EC 41. A letter from the Secretary of the Army transmitting pursuant to law, the annual report of Department of the Army contracts for military construction awarded without formal advertisement (with an accompanying report); to the Committee on Armed Services.

EC 42. A letter from the Secretary of the Army transmitting, pursuant to law, the Annual Report of the U.S. Soldiers' and Airmen's Home for fiscal year 1975 and a copy of the report of the Annual General Inspection of the Home, 1976, by the Inspector General of the Army (with accompanying reports); to the Committee on Armed Services.

EC 43. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of nine construction projects to be undertaken by the Naval and Marine Corps Reserve (with accompanying papers); to the Committee on Armed Services.

EC 44. A letter from the Assistant Secretary of the Army, Installations and Logistics, transmitting, pursuant to law, notice of commencement of a portion of disposal at Rocky Mountain Arsenal; to the Committee on Armed Services.

EC 45. A letter from the Acting Assistant Secretary of the Army, Installations and Logistics, transmitting, pursuant to law, the annual report of Department of the Army architect-engineer contracts awarded to 10 A–E firms (with an accompanying report); to the Committee on Armed Services.

EC 46. A letter from the Deputy for Installations Management for the Department of the Air Force transmitting, pursuant to law, a report on the 10 firms awarded the highest amounts of Architect-Engineer contracts by the Air Force in Fiscal Year 1976 (with an accompanying report); to the Committee on Armed Services.

EC 47. A letter from the Director of the Defense Civil Preparedness Agency transmitting, pursuant to law, the report on property acquisitions of emergency supplies and equipment; to the Committee on Armed Services.

EC 48. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, the Statistical Supplement, Stockpile Report to the Congress, for the period ending June 30, 1976 (with an accompanying report); to the Committee on Armed Services.

EC 49. A letter from the Secretary of Transportation transmitting, pursuant to law, a report of contracts negotiated during the period April 1 through September 30, 1976 (with an accompanying report); to the Committee on Armed Services.

EC 50. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, the Eighth Report to the Congress on the Emergency Homeowners' Relief Act (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 51. A letter from the Chairman of the Export-Import Bank transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during August 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 52. A letter from the Chairman of the Export-Import Bank transmitting, pursuant to law, a report of the actions taken by the Export-Import Bank during the quarter ended September 30, 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 53. A letter from the Acting Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, the report of Department of Defense Procurement From Small and Other Business Firms for July 1975–June 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 54. A letter from the Chairman of the Export-Import Bank transmitting, pursuant to law, the Report to Congress on the operations of the Export-Import Bank for the Fiscal Year 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 55. A letter from the Attorney General of the United States transmitting, pursuant to law, a report on voluntary agreements and programs (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 56. A letter from the Acting Comptroller of Currency, Administrator of National Banks transmitting, pursuant to law, the 1975 Annual Report of the Comptroller of the Currency (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 57. A letter from the Chairman of the National Commission on Electronic Fund Transfers transmitting, pursuant to law, an interim report on Electronic Fund Transfers (with an accompanying report); to the Committee on Banking, Housing and Urban Development.

EC 58. A letter from the Secretary of Commerce transmitting, pursuant to law, the fourth report on Title III of the Marine Protection, Research and Sanctuaries Act of 1972 (with an accompanying report); to the Committee on Commerce.

EC 59. A letter from the Chairman of the United States Consumer Product Safety Commission transmitting, pursuant to law, a report on the Commission's study and investigation of the deaths, injuries, and economic losses resulting from accidental burning of products, fabrics or related materials (with an accompanying report); to the Committee on Commerce.

EC 60. A letter from the Administrator of the National Highway Traffic Safety Administration transmitting, pursuant to law, notice that the effective date established for implementation of the Federal bumper standard is more than 18 months after the date on which the final rule was promulgated; to the Committee on Commerce.

EC 61. A letter from the Chairman of the United States Railway Association transmitting, pursuant to law, the third annual report of the United States Railway Association (with an accompanying report); to the Committee on Commerce.

EC 62. A letter from the Vice President of Government Affairs for Amtrak transmitting, pursuant to law, a report covering revenues and expenses for the month of July, 1976 (with an accompanying report); to the Committee on Commerce.

EC 63. A letter from the Vice President of Government Affairs for Amtrak transmitting, pursuant to law, a report on the number of passengers and on-time performance for the month of August, 1976 (with an accompanying report); to the Committee on Commerce.

EC 64. A letter from the Vice President of Government Affairs for Amtrak transmitting, pursuant to law, a report on the number of passengers and on-time performance for the month of September, 1976 (with an accompanying report); to the Committee on Commerce.

EC 65. A letter from the President of Amtrak transmitting, pursuant to law, the National Railroad Passenger Corporation (Amtrak) Five Year Corporate Plan, fiscal year 1977–fiscal year 1981 (with an accompanying report); to the Committee on Commerce.

EC 66. A letter from the Chairman of the Federal Power Commission transmitting a copy of the publication "Typical Electric Bills, 1976" (with an accompanying report); to the Committee on Commerce.

EC 67. A letter from the Auditor for the District of Columbia transmitting, pursuant to law, a copy of the City's booklet "For Your Information" (with an accompanying report); to the Committee on the District of Columbia.

EC 68. A letter from the Acting General Manager for the Washington Metropolitan Area Transit Authority transmitting the Authority's semiannual report of the Office of Program Control (with an accompanying report); to the Committee on the District of Columbia.

EC 69. A letter from the chairman of the East-West Foreign Trade Board transmitting, pursuant to law, the Board's sixth quarterly report (with an accompanying report); to the Committee on Finance.

EC 70. A letter from the Undersecretary of the Department of Health, Education, and Welfare transmitting a draft of a bill to amend the Social Security Act (with accompanying papers); to the Committee on Finance.

EC 71. A letter from the Undersecretary of the Department of Health, Education, and Welfare transmitting, pursuant to law, the second annual report and analysis of the findings of medicare validation sample surveys of hospitals (with an accompanying report); to the Committee on Finance.

EC 72. A letter from the chairman of the U.S. International Trade Commission transmitting the 1975 Annual Report of the U.S. International Trade Commission (with an accompanying report); to the Committee on Finance.

EC 73. A letter from the Acting Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, notice that the Department of the Army has increased the amount of conventional ground ammunition in the War Reserve for Allies stockpile located in the Republic of Korea; to the Committee on Foreign Relations.

EC 74. A leter dated October 7, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 75. A letter dated October 15, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 76. A letter dated October 21, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 77. A letter dated October 29, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 78. A letter dated November 4, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 79. A letter dated November 11, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 80. A letter dated November 19, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties

entered into by the United States within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

EC 81. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Federal Aviation Administration Should Do More To Detect Civilian Pilots Having Medical Problems" (with an accompanying report); to the Committee on Government Operations.

EC 82. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Challenge of World Population Explosion: To Slow Growth Rates While Improving Quality of Life" (with an accompanying report); to the Committee on Government Operations.

EC 83. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Reduced Government Facsimile Communications Costs Possible Through Better Management" (with an accompanying report); to the Committee on Government Operations.

EC 84. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Greater Assurances Are Needed That Emotionally Disturbed and Handicapped Children Are Properly Cared For In Department of Defense Approved Facilities" (with an accompanying report); to the Committee on Government Operations.

EC 85. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Civil Service Disability Retirement: Needed Improvements" (with an accompanying report); to the Committee on Government Operations.

EC 86. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Adoption of Commercial Standards For Seat Spacing And In-Flight Food Service Would Reduce Contract Airlift Costs and Conserve Fuel" (with an accompanying report); to the Committee on Government Operations.

EC 87. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Little Accomplished in Insuring That Proper Rents Are Charged Under The Section 236 Rental Assistance Housing Program" (with an accompanying report); to the Committee on Government Operations.

EC 88. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "27 Years' Experience With Defense Industrial Funds (with an accompanying report); to the Committee on Government Operations.

EC 89. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Federal Short Takeoff And Landing Transport Programs—Status and Needs" (with an accompanying report); to the Committee on Government Operations.

EC 90. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Immigration—Need to Reassess U.S. Policy" (with an accompanying report); to the Committee on Government Operations.

EC 91. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Management of Department of Defense Industrial Plant Equipment Can Be Improved" (with an accompanying report); to the Committee on Government Operations.

EC 92. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Health Monitoring Needed For Laboratory Employees' (with an accompanying report); to the Committee on Government Operations.

EC 93. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Hungry Nations Need To Reduce Food Losses Caused By Storage, Spillage, and Spoilage" (with an accompanying report); to the Committee on Government Operations.

EC 94. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The National Defense Reserve Fleet—Can It Respond to Future Contingencies?" (with an accompanying report); to the Committee on Government Operations.

EC 95. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Lessons To Be Learned From The Management Of Commodities Remaining From Terminated Indochina Economic Assistance Programs" (with an accompanying report); to the Committee on Government Operations.

EC 96. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "National Science Foundation-Supported Science Education Materials: Problems In Evaluation, Distribution, And Monitoring" (with an accompanying report); to the Committee on Government Operations.

EC 97. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Operation Breakthrough—Lessons Learned About Demonstrating New Technology" (with an accompanying report); to the Committee on Government Operations.

EC 98. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Management Actions Needed To Improve Federal Highway Safety Programs" (with an accompanying report); to the Committee on Government Operations.

EC 99. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Evaluation Of The Status Of The Fast Flux Test Facility Program" (with an accompanying report); to the Committee on Government Operations.

EC 100. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Supplemental Security Income Payment Errors Can Be Reduced" (with an accompanying report); to the Committee on Government Operations.

EC 101. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Alternatives in Controlling Department of Defense Manpower Costs" (with an accompanying report); to the Committee on Government Operations.

EC 102. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Management Action Needed In The Department of Defense To Realize Benefits From A New System of Aircraft Maintenance" (with an accompanying report); to the Committee on Government Operations.

EC 103. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Examination Of Financial Statements Pertaining To Insurance Operations of the Federal Housing Administration Fiscal Year 1975" (with an accompanying report); to the Committee on Government Operations.

EC 104. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Appalachian Development Highway System in West Virginia: Too Little Funding Too Late?" (with an accompanying report); to the Committee on Government Operations.

EC 105. A letter from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on the disposal of foreign excess property for the period July 1, 1975, through June 30, 1976 (with an accompanying report); to the Committee on Government Operations.

EC 106. A letter from the Assistant Secretary for Administration and Management for the Department of Health, Education, and Welfare transmitting, pursuant to law, six reports on new systems in accordance with the Privacy Act (with accompanying reports); to the Committee on Government Operations.

EC 107. A letter from the Assistant Secretary of the Department of Agriculture transmitting, pursuant to law, four reports for 10 new Privacy Act systems of records (with accompanying reports); to the Committee on Government Operations.

EC 108. A letter from the Acting Secretary of the Department of Agriculture transmitting, pursuant to law, notice of a change in the computer facilities at the Kansas City Computer Center and the St. Louis Computer Center (with accompanying papers); to the Committee on Government Operations.

EC 109. A letter from the Acting Secretary of the Department of Agriculture transmitting, pursuant to law, notice of a change in the computer facilities at the New Orleans Computer Center (with accompanying papers); to the Committee on Government Operations.

EC 110. A letter from the Associate Administrator for the Administration of the National Highway Traffic Safety Administration transmitting, pursuant to law, a report of two new systems of records in accordance with the Privacy Act (with accompanying reports); to the Committee on Government Operations.

EC 111. A letter from the Attorney General of the United States transmitting, pursuant to law, copies of 13 existing systems of records in accordance with the Privacy Act (with accompanying papers); to the Committee on Government Operations.

EC 112. A letter from Rear Admiral, U.S. Coast Guard Chief of Staff transmitting, pursuant to law, notice of one new system of records in accordance with the Privacy Act (with accompanying papers); to the Committee on Government Operations.

EC 113. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report of the Department's intention to establish a new system of personal records in accordance with the Privacy Act (with accompanying reports); to the Committee on Government Operations.

EC 114. A letter from the Administrator of the Veterans Administration transmitting, pursuant to law, a revised new system for voluntary service records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 115. A letter from the Director of Administrative Services and Procurement for the Department of Commerce transmitting, pursuant to law, the annual report on the disposal of foreign excess property; to the Committee on Government Operations.

EC 116. A letter from the Secretary from the United States Railroad Retirement Board transmitting, pursuant to law, a report of proposed new system of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 117. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report of the Department's intention to establish a new system of personal records in accordance with the Private Act (with an accompanying report); to the Committee on Government Operations.

EC 118. A letter from the Deputy Assistant Secretary of Administration and Management for the Department of the Interior transmitting, pursuant to law, reporting the existence of five systems of records in accordance with the Privacy Act (with accom-

panying papers); to the Committee on Government Operations.

EC 119. A letter from the Associate Administrator for Administration for the Federal Highway Administration transmitting, pursuant to law, one new system of record in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 120. A letter from the United States Postal Service Records Officer transmitting, pursuant to law, a proposed change to an existing system of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 121. A letter from the Executive Director of the Committee for Purchase from the Blind and Other Severely Handicapped transmitting, pursuant to law, a previously published proposed change in the Committee's system of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 122. A letter from the Assistant Secretary for Administration and Management for the Department of Health, Education, and Welfare transmitting, pursuant to law, three reports on new systems of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 123. A letter from the Comptroller General of the United States transmitting, pursuant to law, monthly list of GAO Reports issued during September (with an accompanying report); to the Committee on Government Operations.

EC 124. A letter from the Acting Secretary of Commerce transmitting, pursuant to law, a report on Export Administration covering the fourth quarter 1975 and the first quarter 1976 (with an accompanying report); to the Committee on Government Operations.

EC 125. A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals for December 1976 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Public Works, Interior and Insular Affairs, Commerce, Judiciary, Foreign Relations, Agriculture and Forestry, Armed Service, Labor and Public Welfare, Finance, Banking, Housing and Urban Affairs, and Government Operations, and ordered to be printed.

EC 126. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, the final version of "The Integrating Model of the Project Independence Evaluation System", along with three other PIES volumes (with accompanying reports); to the Committee on Interior and Insular Affairs.

EC 127. A letter from the Assistant General Counsel for International, Conservation and Resource Development Programs for the Federal Energy Administration transmitting, pursuant to law, notice of certain meetings related to the International Energy Program (with accompanying papers); to the Committee on Interior and Insular Affairs.

EC 128. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, the receipts and expenditures of the Department in connection with the administration of the Outer Continental Shelf Lands Act for the fiscal year 1976; to the Committee on Interior and Insular Affairs.

EC 129. A letter from the Attorney General of the United States transmitting, pursuant to law, a report on the voluntary agreement and plan of action to implement the International Energy Program (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 130. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a monthly report on changes in market shares of the statutory categories of retail gasoline marketers for July 1976 and June 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 131. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on changes in the refiner distribution and market shares of the statutory categories of refined petroleum products (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 132. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a monthly report on changes in market shares of the statutory categories of retail gasoline marketers for June 1976 and May 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 133. A letter from the General Counsel of the Federal Energy Administration transmitting, pursuant to law, notice of certain meetings related to the International Energy Program (with accompanying papers); to the Committee on Interior and Insular Affairs.

EC 134. A letter from the Secretary of the Interior transmitting, pursuant to law, a report on matters contained in the Helium Act (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 135. A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, notice of an application for a loan from the Hidalgo County Water Control and Improvement District No. 1, Edinburg, Texas, and the Pond-Poso Improvement District of Wasco, California; to the Committee on Interior and Insular Affairs.

EC 136. A letter from the Undersecretary of the Interior transmitting, pursuant to law, the fiscal year 1976 Annual Report on the activities of the Guam Development Fund Act of 1968 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 137. A letter from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the fifth report on abnormal occurrences at licensed nuclear facilities (with an accompanying report); to the Joint Committee on Atomic Energy.

EC 138. A letter from the Attorney General of the United States transmitting, pursuant to law, the awarding of the Young American Medals for Bravery and Service for calendar year 1974; to the Committee on the Judiciary.

EC 139. A letter from the Assistant to the Secretary and Director of Public Affairs for the Department of Transportation transmitting, pursuant to law, the amended report of the U.S. Department of Transportation for 1975 (with an accompanying report); to the Committee on the Judiciary.

EC 140. A letter from the Executive Director of the National Commission on New Technological Uses of Copyrighted Works transmitting, pursuant to law, a preliminary report on its activities (with an accompanying report); to the Committee on the Judiciary.

EC 141. A letter from the Chairman of the Commission on the Review of the National Policy Toward Gambling transmitting, pursuant to law, the final report on the Commission's findings and recommendations (with an accompanying report); to the Committee on the Judiciary.

EC 142. A letter from the President of the National Safety Council transmitting, pursuant to law, a report of the audit of the financial transactions of the National Safety Council for the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC 143. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, 1,634 reports, covering the period September 16 through October 29, 1976, concerning visa petitions which this Service has approved (with accompanying papers); to the Committee on the Judiciary.

EC 144. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, 470 reports, covering the period November 1 through November 15, 1976, concerning visa petitions which this Service has approved (with accompanying papers); to the Committee on the Judiciary.

EC 145. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 1,629 cases in which authority was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

EC 146. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 739 cases in which authority was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

EC 147. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a copy of the order suspending deportation in the case of the Filemon Perez-Padilla (with accompanying papers); to the Committee on the Judiciary.

EC 148. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders suspending deportation (with accompanying papers); to the Committee on the Judiciary.

EC 149. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, an order in the case of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC 150. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of two orders in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC 151. A letter from the Acting Director for the Office of Regulatory Review of the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register for publication covering the Guaranteed Student Loan Program (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 152. A letter from the Acting U.S. Commissioner of Education transmitting, pursuant to law, the First Annual Report on the Womens Educational Equity Act Program (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 153. A letter from the Acting Assistant Secretary for Congressional Relations of the Department of State transmitting texts of the International Labor Organization Convention No. 141 and Recommendation No. 149, concerning Organizations of Rural Workers and their Role in Economic and Social Development (with accompanying reports); to the Committee on Labor and Public Welfare.

EC 154. A letter from the Acting Assistant Secretary for Congressional Relations of the Department of State transmitting texts of the International Labor Organization Convention No. 142 and Recommendation No. 150, concerning Vocational Guidance and

Vocational Training in the Development of Human Resources (with accompanying reports); to the Committee on Labor and Public Welfare.

EC 155. A letter from the Acting Assistant Secretary for Congressional Relations of the Department of State transmitting texts of the International Labor Organization Convention No. 143 and Recommendation No. 151, concerning Migrations in Abusive Conditions and the Promotion of Equality of Opportunity and Treatment of Migrant Workers (with accompanying reports); to the Committee on Labor and Public Welfare.

EC 156. A letter from the Secretary of Health, Education, and Welfare transmitting notice of a delay in filing of the report on the Department's activities carried out under the Rehabilitation Act of 1973; to the Committee on Labor and Public Welfare.

EC 157. A letter from the Acting Director of the Office of Regulatory Review for the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register for publication covering final funding criteria for the Vocational Education Curriculum program (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 158. A letter from the Acting Director of the Office of Regulatory Review for the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register for publication covering final regulations for the National Alcohol and Drug Prevention Program (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 159. A letter from the Acting Director of the Office of Regulatory Review for the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register for publication covering national direct Student Loan Program interim regulations (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 160. A letter from the Acting Director of the Office of Regulatory Review for the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register for publication covering final regulations implementing amendments for the pinpoint disaster programs (with accompanying reports); to the Committee on Labor and Public Welfare.

EC 161. A letter from the Under Secretary of Health, Education, and Welfare transmitting, pursuant to law, the report on the administration of certain sections of the Public Health Service Act for fiscal year 1976 (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 162. A letter from the Under Secretary of Health, Education, and Welfare transmitting, pursuant to law, the Report on Agency Reports (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 163. A letter from the Chairman of National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research transmitting, pursuant to law, their Report and Recommendations: Research Involving Prisoners (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 164. A letter from the Chairman of the United States Commission on Civil Rights transmitting, pursuant to law, a report entitled "Puerto Ricans in the Continental United States: An Uncertain Future" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 165. A letter from the Chairman of the National Commission for Manpower Policy transmitting, pursuant to law, a copy of "Employability, Employment, Income: A Reassessment of Manpower Policy" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 166. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, a report and recommendation concerning the claims for relief from liability to the United States of Mr. William J. Elder and Mr. Stephen M. Owen (with an accompanying report); to the Committee on the Judiciary.

EC 167. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a report of Building Project Survey for Texarkana, Texas (with an accompanying report); to the Committee on Public Works.

EC 168. A letter from the Assistant Secretary of the Army, Civil Works, transmitting, pursuant to law, a report of the Chief of Engineers, Department of the Army, together with accompanying papers, on the National Program of Inspection of Dams (with accompanying papers); to the Committee on Public Works.

EC 169. A letter from the Acting Project Manager of the Government Printing Office Project for General Services Administration, transmitting, pursuant to law, supporting the data presented in both the Draft and Final Environmental Impact Statement for the Government Printing Office Relocation (with an accompanying report); to the Committee on Public Works.

EC 170. A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the initial findings of the Department of Transportation regarding the impact of trans-Alaska pipeline construction traffic on the Alaska highway system (with an accompanying report); to the Committee on Public Works.

EC 171. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Orange County, California, Federal Building, Laguna Nigel (with an accompanying report); to the Committee on Public Works.

EC 172. A letter from Senator Adlai E. Stevenson, Chairman of the Senate Temporary Select Committee To Study the Senate Committee system transmitting the first report of the Temporary Select Committee (with an accompanying report); to the Committee on Rules and Administration.

EC 173. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report listing required information with respect to contracts negotiated by NASA for the period January 1, 1976 through June 30, 1976 (with an accompanying report); to the Committee on Aeronautics and Space Sciences.

EC 174. A letter from the Acting Assistant Secretary for Congressional Relations for the Department of State transmitting, pursuant to law, Presidential Determinations Numbers 77–1 and 77–2 (with accompanying reports); to the Committee on Agriculture and Forestry.

EC 175. A letter from Deputy Director of the Office of Management and Budget transmitting, pursuant to law, notice that the appropriations to the Veterans Administration for "Compensation and Pensions," Medical Care," and "General Operating Expenses" for the fiscal year 1977 have been reapportioned; to the Committee on Appropriations.

EC 176. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, notice of the intent to obligate those funds appropriated to the various Department of Defense stock funds for the procurement of war reserve material inventory to the Committee on Appropriations.

EC 177. A letter from the Deputy Comptroller General of the United States transmitting, pursuant to law, comments on three new deferral proposals and two supplementary reports to previously proposed deferrals; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Commerce, Armed Services, Labor and Public Welfare, Finance, the District of Columbia, and Public Works, and ordered to be printed.

EC 178. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a listing of contract award dates for the period November 15, 1976 to February 15, 1977 (with accompanying papers); to the Committee on Armed Services.

EC 179. A letter from the Acting Deputy Chief of Naval Material, Procurement and Production, transmitting, pursuant to law, a report of research and development procurement actions of $50,000 and over covering the period July 1, 1976 through September 1976 (with accompanying reports); to the Committee on Armed Services.

EC 180. A letter from the Director of the Defense Civil Preparedness Agency transmitting, pursuant to law, the report of Federal Contributions to the States, Personnel and Administration for the transition quarter (with an accompanying report); to the Committee on Armed Services.

EC 181. A letter from the Director of the Defense Civil Preparedness Agency transmitting, pursuant to law, the report of Federal Contributions Program, Equipment and Facilities for the transition quarter; to the Committee on Armed Services.

EC 182. A letter from the Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during September and October 1976 to Communist countries (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 183. A letter from the Acting Principal Deputy Assistant Secretary of Defense (I & L) transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms for July–August 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 184. A letter from the Acting Assistant Administrator for Advocacy and Public Communications for the U.S. Small Business Administration transmitting, pursuant to law, the preliminary report by the Office of Advocacy on the small business study (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 185. A letter from the Administrator of the U.S. Small Business Administration transmitting, pursuant to law, the 1976 Annual Report on the activities and accomplishments of the Small Business Administration from July 1975 through June 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 186. A letter from the Chairman of the Federal Deposit Insurance Corporation transmitting, pursuant to law, the annual report for the calendar year 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 187. A letter from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the Final Report of the Securities and Exchange Commission transmitting, pursuant to law, the Final Report of the Securities and Exchange Commission (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 188. A letter from the Secretary of Commerce transmitting, pursuant to law, the Fifth Annual Report of the National Advisory Committee on Oceans and Atmosphere (with an accompanying report); to the Committee on Commerce.

EC 189. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The

Coastal Zone Management Program: An Uncertain Future"; to the Committee on Commerce.

EC 190. A letter from the Vice President for Government Affairs of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the number of passengers and on-time performance for the month of October 1976 (with an accompanying report); to the Committee on Commerce.

EC 191. A letter from the Administrator of the United States Environmental Protection Agency transmitting, pursuant to law, the fourth annual report of the ocean dumping permit program (with an accompanying report); to the Committee on Commerce.

EC 192. A letter from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a copy of a letter appealing the dollar levels provided the Safety Board for fiscal year 1977 and fiscal year 1978 (with accompanying papers); to the Committee on Commerce.

EC 193. A letter from the Vice President for Government Affairs of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on revenues and expenses for the month of August 1976 (with an accompanying report); to the Committee on Commerce.

EC 194. A letter from the District of Columbia Auditor transmitting, pursuant to law, a copy of a letter concerning "Bank Processing of Tax Payments" (with accompanying papers); to the Committee on the District of Columbia.

EC 195. A letter from the Mayor of Washington, D.C. transmitting pursuant to law, a copy of the response to the Comptroller General's report "Administrative and Financial Management Weakness in the Office of Youth Opportunity Services", with accompanying papers); to the Committee on the District of Columbia.

EC 196. A letter from the District of Columbia Auditor transmitting, pursuant to law, a copy of a letter concerning "Annual Financial Report FY 1976" (with accompanying papers); to the Committee on the District of Columbia.

EC 197. A letter from the Director of the Joint Commission on the Accreditation of Hospitals transmitting a rebuttal to HEW's second annual report on Medicare validation surveys of Hospitals accredited by the Joint Commission on Accreditation of Hospitals (with an accompanying report); to the Committee on Finance.

EC 198. A letter from the Secretary of Labor transmitting, pursuant to law, the Seventh Annual Report on the Work Incentive Program (with an accompanying report); to the Committee on Finance.

EC 199. A letter from the Under Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report concerning grants approved by the Department which are financed wholly with Federal funds (with accompanying papers); to the Committee on Finance.

EC 200. A letter from the Chairman of the United States International Trade Commission transmitting, pursuant to law, the 27th report of the United States International Trade Commission on the operation of the trade agreements program (with an accompanying report); to the Committee on Finance.

EC 201. A letter from the Legal Adviser for the Department of State transmitting a revised version of their report concerning the International Court of Justice (with an accompanying report); to the Committee on Foreign Relations.

EC 202. A letter from the Secretary of the Treasury transmitting, pursuant to law, a copy of a draft resolution on the utilization of light capital or intermediate technologies (with accompanying papers); to the Committee on Foreign Relations.

EC 203. A letter from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC 204. A letter dated December 10, 1976, from the Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC 205. A letter dated November 24, 1976, from the Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC 206. A letter dated December 16, 1976, from the Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC 207. A letter from the Deputy Administrator of the Veterans Administration transmitting, pursuant to law, a report on activities in the disposal of foreign excess property (with an accompanying report); to the Committee on Government Operations.

EC 208. A letter from the Chairman of Federal Elections Commission transmitting, pursuant to law, a report on new systems of records and changes in systems already published in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 209. A letter from the Associate Administrator for Administration for the National Highway Traffic Safety Administration transmitting, pursuant to law, a report of a new system of record in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 210. A letter from the Controller of the Energy Research and Development Administration transmitting, pursuant to law, a report on systems of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 211. A letter from the Secretary of Transportation transmitting, pursuant to law, Fiscal Year 1976 and Transition Quarter Reports of Disposal of Foreign Excess Property (with accompanying reports); to the Committee on Government Operations.

EC 212. A letter from the Acting Director of the United States Information Agency transmitting, pursuant to law, a report on systems of records in accordance with the Privacy Act (with accompanying papers); to the Committee on Government Operations.

EC 213. A letter from the Assistant Secretary for Administration for the Department of Transportation transmitting, pursuant to law, a report for a new system of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 214. A letter from the Administrative Officer of the Privacy Protection Study Commission transmitting, pursuant to law, a report on two new systems of records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 215. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a report of an amended systems notice in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 216. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on the Department's intention to establish one system and alter another system of personal records in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 217. A letter from the Assistant Secretary for Administration and Management for the Department of Health, Education, and Welfare transmitting, pursuant to law, two reports on new systems of records in accordance with the Privacy Act (with accompanying reports); to the Committee on Government Operations.

EC 218. A letter from the Comptroller General of the United States transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of October, 1976 (with an accompanying report); to the Committee on Government Operations.

EC 219. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "An Overview of Federal Internal Audit" (with an accompanying report); to the Committee on Government Operations.

EC 220. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "A Proposed Automated Tax Administration System for Internal Revenue Service—An Evaluation of Costs and Benefits" (with an accompanying report); to the Committee on Government Operations.

EC 221. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Issues and Management Problems in Developing an Improved Air-Traffic-Control System" (with an accompanying report); to the Committee on Government Operations.

EC 222. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Considerations for Commercializing the Liquid Metal Fast Breeder Reactor" (with an accompanying report); to the Committee on Government Operations.

EC 223. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Audit of the United States Capitol Historical Society for the Year Ended January 31, 1976" (with an accompanying report); to the Committee on Government Operations.

EC 224. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Private Companies Should Receive More Consideration in Federal Mass Transit Programs" (with an accompanying report); to the Committee on Government Operations.

EC 225. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Contracting for Navy Ship Repairs and Overhaul—Need for Change" (with an accompanying report); to the Committee on Government Operations.

EC 226. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "U.S. Import Restrictions: Alternatives to Present Dairy Programs" (with an accompanying report); to the Committee on Government Operations.

EC 227. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Needs of the U.S. Coast Guard in Developing an Effective Recreational Boating Safety Program" (with an accompanying report); to the Committee on Government Operations.

EC 228. A letter from he Comptroller General of the United States transmitting, pursuant to law, a report entitled "Long-Range Analysis Activities in Seven Federal Agencies" (with an accompanying report); to the Committee on Government Operations.

EC 229. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Why the Formula for Allocating Community Development Block Grant Funds Should Be Improved" (with an accompanying report); to the Committee on Government Operations.

EC 230. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Millions of Dollars of Costs Incurred in Training Foreign Military Students Have Not Been Recovered" (with an accompanying report); to the Committee on Government Operations.

EC 231. A letter from the General Counsel of the Federal Energy Administration transmitting, pursuant to law, notice of a meeting related to the International Energy Program (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 232. A letter from the Chief Commissioner of the United States Court of Claims transmitting, pursuant to law, a report concerning the allowance of attorney expense claims in proceedings conducted pursuant to the Alaska Native Claims Settlement Act (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 233. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on changes in the refiner distribution and market shares of the statutory categories of refined petroleum products for the month of July 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 234. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a report covering all cancellations and adjustments for the fiscal year 1976 for debts against individual Indians or tribes of Indians (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 235. A letter from the Under Secretary of the Interior transmitting, pursuant to law, notice of entitlement to a refund for the Sun Oil Company for transportation costs and royalty overpayment; to the Committee on Interior and Insular Affairs.

EC 236. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a plan entitled "Strategic Petroleum Reserve Plan" for the development and implementation of the Strategic Petroleum Reserve (with accompanying reports); to the Committee on Interior and Insular Affairs.

EC 237. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, information concerning entry applications from aliens from various countries for the period December 31, 1975 to September 30, 1976 (with accompanying papers); to the Committee on the Judiciary.

EC 238. A letter from the Chief Commissioner of the United States Court of Claims, transmitting, pursuant to law, copies of (1) a letter from claimants by their attorney, Donald D. Lusk, Esq., advising that the claimants do not wish to proceed with the filing of a petition, and (2) an order of the Chief Commissioner striking the case from the docket and providing for advice to the U.S. Senate (with accompanying papers); to the Committee on the Judiciary.

EC 239. A letter from the Attorney General of the United States transmitting, pursuant to law, the Report of the Attorney General on the Administration of the Foreign Agents Registration Act covering the calendar year 1975 (with an accompanying report); to the Committee on the Judiciary.

EC 240. A letter from the Administrator of the U.S. Law Enforcement Assistance Administration transmitting, pursuant to law, the Report of the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice (with an accompanying report); to the Committee on the Judiciary.

EC 241. A letter from the Attorney General of the United States transmitting, pursuant to law, a report on identical bidding in advertised public procurement (with an accompanying report); to the Committee on the Judiciary.

EC 242. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, two orders of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC 243. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 993 cases in which the authority contained in the Immigration and Nationality Act was exercised (with accompanying papers); to the Committee on the Judiciary.

EC 244. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a follow-up report to the interim report from the National Advisory Council on the Education of Disadvantaged Children (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 245. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a follow-up report to the First Annual Report, 1976 from the Advisory Council on Women's Educational Programs (changed to National Advisory Council by Education Amendments of 1976) (wtih an accompanying report); to the Committee on Labor and Public Welfare.

EC 246. A letter from the Director of the Office of Regulatory Review for the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of a document sent to the Federal Register for publication concerning the Guaranteed Student Loan Program (with accompanying papers); to the Committee on Labor and Public Welfare.

EC 247. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the Research Plan on Aging developed by the National Institute on Aging (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 248. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the Annual Report of the National Institute on Alcohol Abuse and Alcoholism for the fiscal year 1975 (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 249. A letter from the Chairman of the National Labor Relations Board transmitting, pursuant to law, the 41st Annual Report of the National Labor Relations Board (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 250. A letter from the Chairman of the National Commission on Diabetes transmitting, pursuant to law, the 1976 Update of the Long-Range Plan to Combat Diabetes (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 251. A letter from the Chairman of the National Commission For Manpower Policy transmitting, pursuant to law, a report entitled "An Employment Strategy for the United States—Next Steps" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 252. A letter from the Secretary of the Treasury transmitting, pursuant to law, a report on the experience of Federal agencies under the program for self-insuring fidelity losses of Federal personnel, for the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on Post Office and Civil Service.

EC 253. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the positions which NASA has established as of September 30, 1976 (with an accompanying report); to the Committee on Post Office and Civil Service.

EC 254. A letter from the Secretary of Commerce transmitting, pursuant to law, the fourth annual report dealing with the effects of pollution abatement on international trade (with an accompanying report); to the Committee on Public Works.

EC 255. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a report of a building project survey for Rock Springs, Wyoming (with an accompanying report); to the Committee on Public Works.

EC 256. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Newark, New Jersey, Federal Office Building, 20 Washington Place (with an accompanying report); to the Committee on Public Works.

EC 257. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus which proposes a succeeding lease for space presently occupied in the Hill Building at 6th and G Streets, Anchorage, Alaska (with an accompanying report); to the Committee on Public Works.

EC 258. A letter from the Chairman of the Federal Elections Commission transmitting, pursuant to law, a copy of correspondence which it has sent to the Office of Management and Budget (with accompanying papers); to the Committee on Rules and Administration.

EC 259. A letter from the Secretary of the United States Senate transmitting, pursuant to law, a report of the receipts and expenditures of the Senate from January 1, 1976 through September 30, 1976 (with an accompanying report); ordered to lie on the table.

EC 260. A secret communication from the Office of the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, a report on Selected Acquisition Reports (with an accompanying report); to the Committee on Armed Services.

EC 261. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the proposed transfer of $4,700,000 of "Construction of facilities" (with an accompanying report); to the Committee on Aeronautics and Space Sciences.

EC 262. A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, a report on a guaranteed non-REA loan to Tri-State Generation and Transmission Association, Inc., of Denver, Colorado (with an accompanying report); to the Committee on Appropriations.

EC 263. A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law a report on a guaranteed non-REA loan to Basin Electric Power Cooperative of Bismarck,, North Dakota (with an accompanying report); to the Committee on Appropriations.

EC 264. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing) transmitting, pursuant to law reports of military construction projects placed under contract in Fiscal Year 1976 in which it was necessary to exceed the amount authorized for the project by more than 25% (with accompanying reports); to the Committee on Armed Services.

EC 265. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing) transmitting, pursuant to law, notice of six construction projects to be undertaken by the United States Army Reserve (with an accompanying report); to the Committee on Armed Services.

EC 266. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, the Second Annual Report of the Housing Community Development Act of 1974 (with an accompanying report) to the Committee on Banking, Housing and Urban Affairs.

EC 267. A letter from the Secretary of Transportation transmitting, pursuant to law, a report relating to Title II of the Ports and Waterways Safety Act of 1972 (with an accompanying report); to the Committee on Commerce.

EC 268. A letter from the Chairman of the United States International Trade Commission transmitting, pursuant to law, the eighth quarterly report on trade between the United States and the non-market economy countries (with an accompanying report); to the Committee on Finance.

EC 269. A letter from the Acting Fiscal Assistant Secretary of the Department of the Treasury transmitting, pursuant to law, the report on Inventory of Nonpurchased Foreign Currencies as of June 30, 1976, with an accompanying report); to the Committee on Foreign Relations.

EC 270. A letter from the Associate Deputy Administrator of the Veterans Administration transmitting, pursuant to law, a report of a new system of record in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC 271. A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the disposal of certain foreign excess property (with an accompanying report); to the Committee on Government Operations.

EC 272. A letter from the Assistant Attorney General for Administration for the United States Department of Justice transmitting, pursuant to law, the Department of Justice Annual Report—Disposal of Foreign Excess Property for Fiscal Year 1976 (with an accompanying report); to the Committee on Government Operations.

EC 273. A letter from the Assistant Secretary for Administration of the Department of Agriculture transmitting, pursuant to law, a report of the activities of the Department for the fiscal year ending September 30, 1976, with regard to the disposal of foreign excess property (with an accompanying report); to the Committee on Government Operations.

EC 274. A letter from the Comptroller General of the United States transmitting, pursuant to law, reports of the General Accounting Office for the month of November, 1976), with an accompanying report); to the Committee on Government Operations.

EC 275. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report on how the Interstate Commerce Commission can improve service to small shippers (with an accompanying report); to the Committee on Government Operations.

EC 276. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Actions Needed to Improve the Federal Communications Commission's Financial Disclosure System" (with an accompanying report); to the Committee on Government Operations.

EC 277. A letter from the Comptroller General of the Unted States transmitting, pursuant to law, a report entitled "Better Data Collection and Planning is Needed to Justify Advanced Waste Treatment Construction" (with an accompanying report); to the Committee on Government Operations.

EC 278. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on the changes of retail gasoline marketers for the period August 1976 through July 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 279. A letter from the Administrator of the Federal Aviation Administration transmitting, pursuant to law, a report examining the utilization of energy in operations governed by regulations administered by the Federal Aviation Administration (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 280. A letter from the Chairman of the Federal Power Commission transmitting, pursuant to law, a report on the requirements of the Federal Power Act and Natural Gas Act (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC 281. A letter from the General Counsel of the Federal Energy Administration transmitting, pursuant to law, notice of a meeting related to the International Energy Program (with accompanying papers); to the Committee on Interior and Insular Affairs.

EC 282. A letter from the Administrator of the Law Enforcement Assistance Administration transmitting, pursuant to law, an advance copy of the Eighth Annual Report of the Law Enforcement Assistance Administration (with an accompanying report); to the Committee on the Judiciary.

EC 283. A letter from the Chief Justice of the Supreme Court of the United States transmitting, pursuant to law, the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on September 23–24, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC 284. A letter from the Director of the National Institute of Education transmitting, pursuant to law, an interim report on the National Institute of Education's study of compensatory education (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 285. A letter from the Secretary of Labor and the United States Commissioner of Education transmitting, pursuant to law, a report entitled "The Status of Bilingual Vocational Training" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 286. A letter from the Chairman of the National Commission for Manpower Policy transmitting, pursuant to law, a copy of the Special Report No. 11, "Employment Impacts of Health Policy Developments" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 287. A letter from the Chairman of the Board of Governors of the United States Postal Service transmitting, pursuant to law, the Annual Report of the Postmaster General for fiscal year 1976 (with an accompanying report); to the Committee on Post Office and Civil Service.

EC 288. A letter from the District Engineer of the Mobile District of the Corps of Engineers transmitting, pursuant to law, copies of the Final Environmental Statement and the Statement of Findings for maintenance dredging of the existing navigation channel for the Gulf Intracoastal Waterway project in Alabama, Florida, Mississippi, and Louisiana (with accompanying reports); to the Committee on Public Works.

EC 289. A letter from the Chairman of the National Commission on Supplies and Shortages transmitting, pursuant to law, the report of the National Commission on Supplies and Shortages (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 290. A letter from the Chairman of the National Commission on Supplies and Shortages transmitting, pursuant to law, the Commission document, "Additional Views of Commissioner Weinberg on Indicative Planning" (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 291. A letter from the Secretary of the Treasury transmitting, pursuant to law, the Fifth Annual Report of the Emergency Loan Guarantee Board, covering the period August 1, 1975, through September 30, 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 292. A letter from the Chairman on National Commission on Supplies and Shortages transmitting, pursuant to law, the final report of the Advisory Committee on National Growth Policy Processes (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 293. A letter from the Chairman of the Federal Power Commission transmitting, pursuant to law, a report showing information on the permits and licenses for hydroelectric projects issued by the Federal Power Commission during the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on Commerce.

EC 294. A letter from the Acting Assistant Secretary of the Interior transmitting, pursuant to law, the report of the Fish and Wildlife Service on the administration of the Marine Mammal Protection Act of 1972 (with an accompanying report); to the Committee on Commerce.

EC 295. A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, notice of a change in the use of water for the San Juan-Chama Project as a participating project of the Colorado River Storage Project; to the Committee on Interior and Insular Affairs.

EC 296. A letter from the Chairman of the Architectural and Transportation Barriers Compliance Board transmitting, pursuant to law, a report on its activities during the preceding fiscal year (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 297. A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, a report on recruitment and retention of federally employed physicians and dentists (with an accompanying report); to the Committee on Veterans Affairs.

EC 298. A letter from the Secretary of the Department of Agriculture transmitting, pursuant to law the Annual Report on the Location of New Federal Offices and Other Facilities (with an accompanying report); to the Committee on Agriculture and Forestry.

EC 299. A letter from Comptroller General of the United States transmitting, pursuant to law, remarks concerning the deferral proposals and supplementary reports contained in the President's fifth special message for Fiscal Year 1977; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Armed Services, Foreign Relations, Labor and Public Welfare and Finance, and ordered to be printed.

EC 300. A letter from the Comptroller General of the United States transmitting, pursuant to law, notice of the plan not to file suit concerning a recession proposal of HUD not reported by the President to the Congress; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, and Banking, Housing and Urban Affairs, and ordered to be printed.

EC 301. A letter from the Acting Chairman of the Cost Accounting Standards Board transmitting, pursuant to law, a proposal of Standards, rules, and regulations promulgated by the Cost Accounting Standards Board (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC 302. A letter from the Secretary of the Securities and Exchange Commission transmitting, pursuant to law, the initial report on the bank sponsored securities services (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 303. A letter from the Vice Chairman

of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the eighth Annual Report of the Board of Governors of the Federal Reserve System on Truth in Lending (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 304. A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law the Ninth Report on the Emergency Homeowners' Relief Act (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 305. A letter from the Chairman of the State of New York Municipal Assistance Corporation for the City of New York transmitting, pursuant to law, the First Annual Report of the Municipal Assistance Corporation for the city of New York (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC 306. A letter from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, the 90th Annual Report of the Interstate Commerce Commission for the 1976 fiscal year (with an accompanying report); to the Committee on Commerce.

EC 307. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Administration of Repair Contracts Needs Improvement" (with an accompanying report); to the Committee on Government Operations.

EC 308. A letter from the Chief Commissioner of the United States Court of Claims transmitting, pursuant to law, a report of the Review Panel, adopting (as modified) the report and findings of the Trial Commissioner (with an accompanying report); to the Committee on the Judiciary.

EC 309. A letter from the U.S. Commissioner of Education transmitting, pursuant to law, the First Report on the Condition of Bilingual Education in the Nation (with an accompanying report); to the Committee on Labor and Public Welfare.

EC 310. A letter from the Chairman of the Federal Power Commission transmitting, pursuant to law, a computer printout of the names and compensation of the persons employed by the Federal Power Commission during the fiscal year ended June 30, 1976 (with accompanying papers); to the Committee on Post Office and Civil Service.

EC 311. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a negative Annual Report on Disposal of Foreign Excess Property for the Department of the Interior for Fiscal Year ending September 30, 1976 (with an accompanying report); to the Committee on Government Operations.

EC 312. A letter from the Acting Assistant Secretary for Congressional Relations transmitting, pursuant to law, a report on excess defense articles delivered to foreign governments in the transition quarter, July 1, 1976 through September 30, 1976 (with an accompanying report); to the Committee on Foreign Relations.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a communication, transmitted by the Administrator of the Agency for International Development, relative to section 213 of the International Development and Food Assistance Act of 1975, be referred jointly to the Committees on Agriculture and Forestry, and Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

EC 313. A letter from the Administrator of the Agency for International Development for the Department of State transmitting, pursuant to law, a report regarding implementation of recommendations of the World Food Conference (with an accompanying report).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that two communications—one from the Secretary of Commerce, relative to international sharing of marine technology, and the second from the U.S. Consumer Products Safety Commission, transmitting its fourth annual report—be referred jointly to the Committee on Commerce, and Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

EC 314. A letter from the Secretary of Commerce transmitting, pursuant to law, the executive summary of the fourth and final volume and the executive summary of the first three volumes of the study concerning marine technology with other nations (with accompanying reports).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Annual Report, submitted by the Secretary of Labor, on the Administration of the Employee Retirement Income Security Act for 1975, be referred jointly to the Committees on Finance, and Labor and Public Welfare.

The PRESIDING OFFICER. Without objection is is so ordered.

EC 315. A letter from the Secretary of Labor transmitting, pursuant to law, the Annual Report of the Secretary of Labor on the Administration of the Employee Retirement Income Security Act for 1975 (with an accompanying report).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MATHIAS:

S. 1. A bill to establish improved policies and programs for the immediate reduction of unemployment and to provide for the improvement of employment opportunities for youth in America, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. MUSKIE (for himself, Mr. ROTH, Mr. GLENN, Mr. RIBICOFF, Mr. PERCY, Mr. ALLEN, Mr. ANDERSON, Mr. BELLMON, Mr. BENTSEN, Mr. BURDICK, Mr. HARRY F. BYRD, JR., Mr. CANNON, Mr. CHAFEE, Mr. CHILES, Mr. CHURCH, Mr. CULVER, Mr. CURTIS, Mr. DECONCINI, Mr. DOMENICI, Mr. EASTLAND, Mr. GARN, Mr. GOLDWATER, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HELMS, Mr. LUGAR, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. KENNEDY, Mr. LAXALT, Mr. LEAHY, Mr. MCCLURE, Mr. MCINTYRE, Mr. MATHIAS, Mr. NUNN, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENS, Mr. WEICKER, Mr. DURKIN, and Mr. MCGOVERN):

S. 2. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes; to the Committee on Government Operations.

By Mr. KENNEDY:

S. 3. A bill to create a national system of health security; jointly, by unanimous consent, to the Committee on Finance and the Committee on Labor and Public Welfare.

By Mr. DOLE (for himself, Mr. RIBICOFF, Mr. MCCLURE, Mr. BROOKE, Mr. RANDOLPH, Mr. SCOTT, Mr. WILLIAMS, and Mr. EAGLETON):

S. 4. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Finance.

By Mr. MCINTYRE:

S. 5. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. HUMPHREY, and Mr. STAFFORD):

S. 6. A bill to provide for the price support of milk at 85 percent of the parity price thereof, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. METCALF (for himself, Mr. JACKSON, Mr. BAKER, Mr. HASKELL, and Mr. BUMPERS):

S. 7. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOLE (for himself and Mr. CURTIS):

S. 8. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture and Forestry.

By Mr. JACKSON (for himself and Mr. METCALF):

S. 9. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf, to protect the marine and coastal environment, to amend the Outer Continental Shelf Lands Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 10. A bill to amend title 39 of the United States Code to provide that Federal income tax returns may be mailed free of postage; to the Committee on Post Office and Civil Service.

By Mr. MCCLELLAN (for himself, Mr. BURDICK, Mr. BAYH, Mr. ROBERT C. BYRD, Mr. EASTLAND, Mr. KENNEDY, Mr. SCOTT, Mr. THURMOND, and Mr. ABOUREZK):

S. 11. A bill to provide for the appointment of additional district court judges and for other purposes; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. HUDDLESTON):

S. 12. A bill to extend the rural community fire protection program, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. INOUYE (for himself and Mr. WILLIAMS):

S. 13. A bill to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of non-service-connected causes but who were at the time of death totally disabled as the result of one or more service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. MATHIAS:

S. 14. A bill to protect citizens' privacy rights, establishing guidelines for access to third party records, regulating the use of mail covers, limiting telephone service monitoring, and protecting nonaural wire communications; to the Committee on the Judiciary.

By Mr. JOHNSTON (for himself and Mr. ANDERSON):

S. 15. A bill to amend the Federal Election Campaign Act of 1971 to make certain limitations on contributions inapplicable in elections to Federal office (other than the office of President or Vice President) when any candidate for such office declares an in-

tention to make more than $35,000 in personal expenditures with respect to his campaign for nomination for election, or election, to such office; to the Committee on Rules and Administration.

By Mr. WEICKER:

S. 16. A bill to provide for a nationwide Presidential primary for the nomination of candidates for election to the Office of President, to terminate public financing of Presidential primaries and general elections, and to limit Federal campaign contributions and expenditures to the year in which a Federal election is held; to the Committee on Rules and Administration.

By Mr. McINTYRE (for himself and Mr. BROOKE):

S. 17. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the conservation of energy used to heat or cool residences and commercial buildings and for the utilization of renewable fuel energy sources; to the Committee on Finance.

By Mr. McINTYRE (for himself and Mr. HATHAWAY):

S. 18. A bill to require that certain information about gasoline be disclosed to consumers; to the Committee on Commerce.

By Mr. McINTYRE:

S. 19. A bill to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes; to the Committee on Commerce.

By Mr. CRANSTON (for himself and Mr. KENNEDY):

S. 20. A bill to provide employment opportunities for youth in the public and private sectors of the economy, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. DOMENICI:

S. 21. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. PROXMIRE (for himself, Mr. MATSUNAGA and Mr. METCALF):

S. 22. A bill to amend the Communications Act of 1934 in order to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment to radio and television broadcasting stations; to the Committee on Commerce.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 23. A bill to provide for the normal flow of maritime interstate commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruptions thereof; to the Committee on Labor and Public Welfare.

By Mr. INOUYE:

S. 24. A bill to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries; to the Committees on Veterans' Affairs and Armed Services jointly, by unanimous consent.

By Mr. LEAHY (for himself, Mr. PELL, Mr. STAFFORD, Mr. HUDDLESTON, and Mr. ANDERSON):

S. 25. A bill to amend the Emergency Petroleum Allocation Act of 1973, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUMPERS:

S. 26. A bill to provide for payment of losses by the Small Business Administration directly to the obligee of a bid bond, performance bond, or payment bond in the event of insolvency or bankruptcy of the surety company; to the Committee on Small Business.

By: Mr. INOUYE:

S. 27. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for a non-service-connected disability to any war veteran who has a service-connected disability of 80 percent or more; to the Committee on Veterans' Affairs.

By Mr. MATHIAS:

S. 28. A bill to provide for financial assistance to improve the capabilities of units of local government to deal with career criminals, to establish the Office of Repeat Offenders Prosecution Projects within the Law Enforcement Assistance Administration, and for other purposes; to the Committee on the Judiciary.

By Mr. McINTYRE:

S. 29. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Commerce.

By Mr. CHURCH:

S. 30. A bill to amend the Internal Revenue Code of 1954 with respect to .22 caliber ammunition recordkeeping requirements; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mr. CURTIS, Mr. STEVENS, and Mr. THURMOND):

S. 31. A bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in felonies involving the use of a firearm; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, Mr. BROOKE, Mr. JAVITS, Mr. PELL, Mr. RANDOLPH, and Mr. STAFFORD):

S. 32. A bill to authorize the National Science Foundation to conduct a continuing education program in science and engineering, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. CLARK:

S. 33. A bill for the relief of Raphael Yum Cheung Ko; and

S. 34. A bill for the relief of Eun Kyung Park and Sang Hyuk Park; to the Committee on the Judiciary.

By Mr. MATHIAS (for himself and Mr. BROOKE):

S. 35. A bill to amend section 1979 of the Revised Statutes to provide that States, municipalities, and agencies or units of government thereof, may be sued under the provisions of such section; to establish rules of liability with respect to such State, municipalities, and agencies or units of government thereof; and for other purposes; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 36. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; and

S. 37. A bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCLURE (for himself and Mr. GOLDWATER):

S. 38. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. WEICKER:

S. 39. A bill to terminate public financing of Presidential elections; to the Committee on Finance.

By Mr. HELMS:

S. 40. A bill to provide for high levels of employment, stable prices and economic growth by reform of Federal economic policy, revision of congressional spending practices, stabilization of the U.S. monetary system, the limitation of artificial barriers to employment, and for other purposes; to the Committee on the Budget, the Committee on Banking, Housing and Urban Affairs, and the Committee on Labor and Public Welfare jointly, by unanimous consent.

By Mr. HARRY F. BYRD, JR.:

S. 41. A bill to require specific congressional authorization of any expenditure for the purpose of providing direct or indirect assistance of any kind to or for the Socialist Republic of Vietnam; to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 42. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education; to the Committee on Finance.

By Mr. HUMPHREY:

S. 43. A bill for the relief of Mrs. Else Berit Andresen; and

S. 44. A bill for the relief of Dr. Abraham Horowitz; to the Committee on the Judiciary.

By Mr. McCLURE (for himself and Mr. GOLDWATER):

S. 45. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any crime of violence and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 46. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas; to the Committee on Banking, Housing and Urban Affairs.

By Mr. STAFFORD (for himself and Mr. HEINZ):

S. 47. A bill to amend title XVIII and title XIX of the Social Security Act to include community mental health centers among the entities which may be qualified providers of services for medicare purposes, to require each State having an approved medicaid plan to provide community mental health center services under such plan, and for other purposes; to the Committee on Finance.

By Mr. STAFFORD (for himself, Mr. KENNEDY, and Mr. JAVITS):

S. 48. A bill to provide for minimum standards for public health programs directed at identifiable populations; to the Committee on Labor and Public Welfare.

By Mr. MATHIAS:

S. 49. A bill to establish a Small Business Administrative Review Court; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. JACKSON, Mr. McGOVERN, Mr. KENNEDY, Mr. CASE, Mr. WILLIAMS, Mr. ANDERSON, Mr. MATSUNAGA, and Mr. SARBANES):

S. 50. A bill to establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production, and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs, and for other purposes; to the Committee on Labor and Public Welfare, by unanimous consent, and if and when reported from that committee to the Committee on Banking, Housing and Urban Affairs for not to exceed 60 days.

By Mr. ANDERSON:

S. 51. A bill for the relief of Martha Franco;

S. 52. A bill for the relief of Joseph Bernard Kelly, wife, Shirley Joan, and children Reobert, David and Karen;

S. 53. A bill for the relief of Il Keun Kim;

S. 54. A bill for the relief of Dae Sung Ra; and

S. 55. A bill for the relief of Miss Aurora B. Munar; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 56. A bill to protect the U.S. from dependence upon foreign petroleum refineries by amending the Tariff Schedules of the United States to impose higher rates of duty on products derived from petroleum, by distributing the revenue from such increased rates of duty to States which consume such products, and for other purposes; to the Committee on Finance.

By Mr. MUSKIE:

S. 57. A bill to amend the Federal Water Pollution Control Act, as amended, and for other purposes; to the Committee on Public Works.

By Mr. BAYH:

S. 58. A bill for the relief of Dora Alicia Adan; to the Committee on the Judiciary.

By Mr. HELMS (for himself and Mr. McCLURE):

S. 59. A bill to amend the Internal Revenue Code of 1954 to permit employers to withhold payroll taxes from the wages of employees who are paid on a weekly, biweekly, or semimonthly basis from a single payment of wages each month; to the Committee on Finance.

By Mr. INOUYE:

S. 60. A bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children, and to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers; to the Committee on Finance.

By Mr. HOLLINGS:

S. 61. A bill entitled the Energy Transportation Security Act of 1977; to the Committee on Commerce.

By Mr. MATHIAS:

S. 62. A bill to amend the Tax Reform Act of 1976 to extend for 1 year the effective date of the provision relating to changes in exclusions for sick pay; to the Committee on Finance.

By Mr. MATHIAS (for himself and Mr. PEARSON):

S. 63. A bill to provide for a program of nuclear waste management; to the Joint Committee on Atomic Energy.

By Mr. CRANSTON:

S. 64. A bill to designate certain lands in the Yosemite National Park in California as wilderness;

S. 65. A bill to designate certain lands in San Luis Obispo County, Calif., as the "Santa Lucia Wilderness";

S. 66. A bill to designate certain lands in the Sequoia and Inyo National Forests, Calif., as the Golden Trout Wilderness; and

S. 67. A bill to add certain lands in the Los Padres National Forest, Calif., to the Ventana Wilderness; to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON:

S. 68. A bill to amend the Immigration and Nationality Act to establish a different numerical limitation for immigrants born in foreign contiguous territories, and for other purposes; to the Committee on the Judiciary.

By Mr. STEVENSON (for himself and Mr. MOYNIHAN):

S. 69. A bill to amend and extend the Export Administration Act; to the Committee on Banking, Housing and Urban Affairs.

By Mr. MATHIAS:

S. 70. A bill to broaden homeownership opportunities by providing alternative types of mortgage loans in order to better match the ability of families to meet monthly payments, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. PROXMIRE:

S. 71. A bill to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates; to the Committee on Banking, Housing and Urban Affairs.

By Mr. PROXMIRE:

S. 72. A bill to amend the Bank Holding Company Act and the Bank Merger Act to restrict the activities in which registered bank holding companies may engage and to control the acquisition of banks by bank holding companies and other banks; to the Committee on Banking, Housing and Urban Affairs.

By Mr. PROXMIRE:

S. 73. A bill to prohibit interlocking management and director relationships between depository institutions; to the Committee on Banking, Housing and Urban Affairs.

By Mr. BUMPERS:

S. 74. A bill to amend the act of October 20, 1976, relating to payments to local governments based upon certain public lands within the boundaries of the jurisdiction of such governments, to include payments for lands on which certain semiactive or inactive military installations are located; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 75. A bill to authorize reduced postage rates for certain mail matter sent to Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. STONE (for himself, Mr. INOUYE, Mr. WILLIAMS, Mr. HUMPHREY, Mr. CASE, Mr. GRAVEL, Mr. METCALF, Mr. GOLDWATER, Mr. McINTYRE, and Mr. ABOUREZK):

S. 76. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Finance.

By Mr. MATHIAS:

S. 77. A bill to amend title II of the Social Security Act to increase the annual amount which individuals may earn without suffering deductions from their social security benefits, and to provide a graduated reduction in benefits for widows and widowers who remarry; to the Committee on Finance.

By Mr. STONE:

S. 78. A bill to amend title II of the Social Security Act to provide that the provisions thereof requiring deductions from benefits on account of excess earnings shall not be applied to any individual, if and to the extent that the application of such provisions would reduce the individual's annual income, in the form of earnings and social security benefits, to less than $7,800 (which amount shall be annually adjusted to reflect increases in the cost of living); to the Committee on Finance.

By Mr. HELMS for himself, Mr. McCLURE, Mr. DOMENICI, Mr. STONE, Mr. CANNON, and Mr. LAXALT):

S. 79. A bill to restore the freedom to use gold clauses in contracts; to the Committee on Banking, Housing and Urban Affairs.

By Mr. BURDICK:

S. 80. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 81. A bill to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid; to the Committee on Finance.

By Mr. BUMPERS (for himself and Mr. McCLELLAN):

S. 82. A bill to amend title 18, United States Code, to authorize courts, upon the completion of any juvenile proceeding to release to any victim of such juvenile delinquency information on the final disposition of the juvenile who has been adjudicated delinquent; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 83. A bill to simplify the appellate jurisdiction of the Supreme Court of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 84. A bill to amend chapter 31 of title 10, United States Code, to prohibit the requirement for furnishing certain information as a condition to enlisting in the armed forces; to the Committee on Armed Services.

By Mr. BUMPERS:

S. 85. A bill for the relief of Raul Arriaza, his wife, Maria Marquart Schubert Arriaza, and their children, Andres Arriaza and Daniel Aivouich Arraiza; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 86. A bill to improve the administrative process by making Federal agencies more responsive to the will of the people as expressed by their elected representatives in Congress; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 87. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Finance.

By Mr. CRANSTON:

S. 88. A bill to enlarge the Sequoia National Park in the State of California by adding to such park the Mineral King Valley area, to provide for certain planning respecting the management of such addition, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STONE:

S. 89. A bill to amend the Older Americans Act of 1965 to provide nutrition programs for handicapped dependents of older Americans; to the Committee on Labor and Public Welfare.

By Mr. NELSON (for himself, Mr. HUMPHREY, and Mr. LEAHY):

S. 90. A bill to provide price support for milk at not less than 90 percent of the parity price therefor, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. CHILES (for himself and Mr. STONE):

S. 91. A bill to amend section 8e of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to subject imported tomatoes to restrictions comparable to those applicable to domestic tomatoes; to the Committee on Agriculture and Forestry.

By Mr. WILLIAMS (for himself and Mr. PROXMIRE):

S. 92. A bill to amend and extend the Export Administration Act of 1969 to improve the administration of export controls pursuant to such act, to strengthen the antiboycott provisions of such act, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. HOLLINGS:

S. 93. A bill to establish an Energy Mobilization Board; to the Committee on Interior and Insular Affairs.

By Mr. HOLLINGS:

S. 94. A bill to improve the operation and efficiency of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. HOLLINGS:

S. 95, a bill to amend the Internal Revenue Code of 1954 to permit the deduction without limitations of medical expenses paid for certain dependents suffering from physical or mental impairment or defect; to the Committee on Finance.

By Mr. HOLLINGS:

S. 96. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Finance.

By Mr. BROOKE (for himself and Mr. McINTYRE):

S. 97. A bill to amend the Internal Revenue Code; to the Committee on Finance.

By Mr. CANNON:

S. 98. A bill to amend the Internal Revenue Code of 1954 to increase the limitation on the credit for certain State-imposed gaming taxes under section 4464; to the Committee on Finance.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 99. A bill to provide for the construction of a Veterans' Administration Hospital in the State of Nevada; to the Committee on Veterans' Affairs.

By Mr. INOUYE:

S. 100. A bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified, or were nonrecoverable; to the Committee on Veterans' Affairs.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 101. A bill to provide for the establishment of a national cemetery in the State of Nevada; to the Committee on Veterans' Affairs.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 102. A bill directing the Secretary of Agriculture to convey the property comprising the Lee Canyon Youth Camp, Toiyabe National Forest, Nev., to Clark County, Nev.; to the Committee on Agriculture and Forestry.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 103. A bill to convey to the Ely Indian Colony the beneficial interest in certain Federal land; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE (for himself, Mr. BAYH, Mr. CLARK, Mr. HATFIELD, Mr. HUMPHREY, Mr. LEAHY, Mr. McINTYRE, and Mr. MATSUNAGA):

S. 104. A bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid; to the Committee on Finance.

By Mr. BROOKE (for himself, Mr. ALLEN, Mr. CASE, Mr. HEINZ, Mr. CLARK, Mr. DANFORTH, Mr. LEAHY, Mr. JOHNSTON, Mr. MATHIAS, and Mr. WALLOP):

S. 105. A bill to restore the applicability of the general statute of limitations for the prosecution of violations of Federal criminal law to the prosecution of violations of the Federal Election Campaign Act of 1971; to the Committee on Rules and Administration.

By Mr. HUDDLESTON (for himself, Mr. EASTLAND, Mr. TALMADGE, Mr. DOLE, Mr. McGOVERN, Mr. HUMPHREY, and Mr. CLARK):

S. 106. A bill to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. PEARSON:

S. 107. A bill to reform veterans' pensions, to avoid a reduction in veterans' pensions, concomitant with increases in social security benefits; to the Committee on Veterans' Affairs.

By Mr. BARTLETT:

S. 108. A bill to allow incremental crude oil production from new secondary and tertiary recovery projects to receive free market prices; to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S. 109. A bill to assure the availability of natural gas in interstate commerce to essential agricultural uses; to the Committee on Commerce.

By Mr. BARTLETT:

S. 110. A bill to amend the Natural Gas Act to assure adequate supplies of natural gas in interstate commerce; to the Committee on Commerce.

By Mr. HOLLINGS:

S. 111. A bill for the relief of Dr. Jesus King Tan, his wife, Margaret Pearl Liyao Tan, and their son, Jesse William Liyao Tan; to the Committee on the Judiciary.

S. 112. A bill to promote commerce and establish a Council on Energy Policy, and for other purposes; to the Committee on Commerce.

By Mr. CASE (for himself, Mr. PROXMIRE, Mr. WEICKER, Mr. JAVITS, Mr. BROOKE, Mr. ALLEN, Mr. LEAHY, Mr. STAFFORD, Mr. CHURCH, Mr. ABOUREZK, and Mr. DOLE):

S. 113. A bill to promote public confidence in the legislative, executive and judicial branches of the Government of the United States; to the Committee on Government Operations.

By Mr. HOLLINGS:

S. 114. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols; to the Committee on Public Works.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 115. A bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians; to the Committee on Interior and Insular Affairs.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 116. A bill to authorize the Director of the Bureau of Mines to extend certain assistance to certain individuals engaged in mineral exploration and development; to the Committee on Interior and Insular Affairs.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 117. A bill to provide that four publications detailing the history of the Indian tribes of Nevada shall be subject to copyright by the Inter-Tribal Council of Nevada; to the Committee on the Judiciary.

By Mr. CANNON:

S. 118. A bill to provide for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 119. A bill to incorporate the Pearl Harbor Survivors Association; to the Committee on the Judiciary.

By Mr. ABOUREZK (for himself and Mr. TOWER):

S. 120. A bill to amend the Disaster Relief Act of 1974, and for other purposes; to the Committee on Public Works.

By Mr. BIDEN (for himself, Mr. BROOKE, Mr. CASE, Mr. KENNEDY, Mr. MUSKIE, Mr. HART, Mr. LEAHY, Mr. HATFIELD, Mr. HEINZ, Mr. RIBICOFF, Mr. MATHIAS, Mr. HATHAWAY, and Mr. HUDDLESTON):

S. 121. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes; to the Committees on Commerce, Interior and Insular Affairs, and Public Works, by unanimous consent.

By Mr. BROOKE:

S. 122. A bill to reform electric utility rate regulation, to strengthen State electric utility regulatory agencies, and for other purposes; to the Committee on Commerce, by unanimous consent.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 123. A bill to amend the Social Security Act to provide for the payment of services by psychologists, and for other purposes; to the Committee on Finance.

By Mr. GLENN:

S. 124. A bill to amend the Internal Revenue Code of 1954 to provide a national energy conservation incentives program; to the Committee on Finance.

By Mr. GLENN (for himself, Mr. MUSKIE, Mr. GRAVEL, Mr. HASKELL, Mr. HATHAWAY, Mr. KENNEDY, Mr. LEAHY, Mr. MATHIAS, Mr. McINTYRE, and Mr. PROXMIRE):

S. 125. A bill to provide for review and reauthorization of tax expenditure provisions every 5 years, and for other purposes; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. HAYAKAWA, and Mr. HOLLINGS):

S. 126. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Commerce.

By Mr. INOUYE:

S. 127. A bill to amend chapter 55 of title 10, United States Code, to require the armed forces to continue to provide certain special educational services to handicapped dependents; to the Committee on Armed Services.

By Mr. INOUYE:

S. 128. A bill to amend section 1002 of title 38, United States Code, to authorize the burial in a national cemetery of the parents of certain members of the Armed Forces who die in active service; to the Committee on Veterans' Affairs.

By Mr. INOUYE:

S. 129. A bill to restore the wartime recognition of certain Filipino veterans of World War II and to entitle them to those benefits, rights, and privileges which result from such recognition; to the Committee on Veterans' Affairs.

By Mr. INOUYE:

S. 130. A bill to allow an additional income exemption for a taxpayer or his spouse who is deaf or deaf-blind; to the Committee on Finance.

By Mr. INOUYE:

S. 131. A bill to amend the Internal Revenue Code of 1954 to provide credit against income tax for an employer who employs older persons in his trade or business; to the Committee on Finance.

By Mr. INOUYE:

S. 132. A bill to authorize the Secretary of the Army to make available to the State of Hawaii through it to the Queen's Medical Center physical facilities not needed by the Army at Fort DeRussy, Hawaii, for the purpose of establishing a mental health clinic in such facilities; to the Committee on Armed Services.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 133. A bill to amend the Public Health Services Act to provide for financial grants to States in order to insure the delivery of high quality health services for persons who have recently immigrated to the United States: to the Committee on Labor and Public Welfare.

By Mr. CURTIS:

S. 134. A bill for the relief of Herta Schleifer and her daughter, Renate Schleifer; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 135. A bill for the relief of Leung, Tak-Ming; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 136. A bill for the relief of Masumi Danzuka; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 137. A bill for the relief of Thi Lung Wang; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 138. A bill for the relief of Sin Thi Liu; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 139. A bill for the relief of Huai Yao Hsaio; to the Committee on the Judiciary.

By Mr. BAYH (for himself, Mr. ABOUREZK, Mr. ANDERSON, Mr. BAKER, Mr. BELLMON, Mr. BROOKE Mr. CHAFEE, Mr. CHURCH, Mr. CLARK, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DOLE, Mr. FORD, Mr. GLENN, Mr. GRAVEL, Mr. HART, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY, Mr. MAGNUSON, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MCINTYRE, Mr. METZENBAUM, Mr. PACKWOOD, Mr. PELL, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RIBICOFF, Mr. RIEGLE, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENSON, Mr. WILLIAMS, and Mr. ZORINSKY):

S.J. Res. 1. A joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. BUMPERS (for himself and Mr. MORGAN):

S.J. Res. 2. A joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

By Mr. CRANSTON:

S.J. Res. 3. A joint resolution relating to the withdrawal of all minerals in certain areas of the Los Padres National Forest, Calif., from all forms of appropriation under the mining law and from disposition under all laws pertaining to mineral leasing; to the Committee on Interior and Insular Affairs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S.J. Res. 4. A joint resolution establishing the Hawaiian Aboriginal Claims Settlement Study Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MATHIAS:

S. 1. A bill to establish improved policies and programs for the immediate reduction of unemployment and to provide for the improvement of employment opportunities for youth in America, and for other purposes; to the Committee on Labor and Public Welfare.

EMPLOYMENT RESOURCES ACT OF 1977

Mr. MATHIAS. Mr. President, I send to the desk, as the first bill of the 95th Congress, the Employment Resources Act of 1977. S. 1 constitutes a comprehensive approach to the problems of unemployment, inflation and economic growth. S. 1 is designed to enable our free enterprise system to offer job opportunities for every American willing and able to work.

I. THE ECONOMIC BACKGROUND

The severe recession of 1974–75 has left this Nation with unacceptably high levels of unemployment. Indeed, the figures for November 1976 show the unemployment level to have reached 8.1 percent, a 0.2 increase in the unemployment rate over the October figures—7.9 percent. More seriously, among the unemployed there was a shift toward those out of work for longer periods of time. Long-term unemployment—15 weeks or more—rose by 220,000 with most of this in the group unemployed from 15 to 26 weeks.

Unemployment is particularly high among young people, especially minority youth. In the second quarter of 1976, according to official Bureau of Labor Statistics' figures, the unemployment rate for white teenagers was 16.5 percent while black teenage unemployment stood at 40 percent. A National Urban League report showed black teenage unemployment at 63.8 percent for the second quarter.

The slide or pause in the recovery has now persisted 6 months. While employment has risen, it has not been sufficient to absorb the growing labor force as well as those displaced in the weaker segments of the economy.

Unemployment diminishes the lives and aspirations not only of the unemployed and their families, but of all Americans. The Nation is poorer by virtue of the lack of goods and services which the unemployed could have produced; and by the social problems, including crime, which accompany high unemployment.

Statistics tend to be cold, and sometime defy understanding, but the jobless numbers are harshly real. They are men and women who want to work, who are looking for work, and who need an income to put food on the table for their families. They are also disillusioned young people, many of minority groups, unable to find a job, and thus denied an opportunity to show they can contribute to this country.

We should look at unemployment for its harmful effect on individuals and our society. It is a waste of energy, a waste of creativity, and a waste of our most precious national resource—our people.

One possibility is to tolerate the human, economic, and social waste of unemployment. The second course is to adopt policies aimed at the sound expansion of our economy so as to provide a productive job for every person able and willing to work while, at the same time, we constantly monitor and review these policies to avoid overheating the economy and precipitating a new round of inflation. I choose the second course.

II. THE COMMITMENT TO JOBS

On September 6, 1976—Labor Day—I renewed my pledge to fight against unemployment. This bill represents a major step on the road to fulfillment of that pledge.

In my Labor Day statement, I said:

Labor Day in this Bicentennial Year 1976 should be a time for pride and rejoicing. In the 20 years of our history as a nation, we Americans have added unprecedented new dimensions to the dignity of man. We have explored avenues of freedom undreamed of before and we have proved, by our example, that there are virtually no limits to what determination and hard work can achieve.

We have tamed a continent and a wilderness. We have opened up the world and the universe. We walked on the moon and we landed a space craft on Mars. We have built cities more fabulous than Xanadu and we have nurtured a people with the vision and the vigor to transform the world.

All this we have done on our own, by the sweat of our brow, in a free society that is the envy of the world.

We should feel proud this Labor Day 1976. But do we?

I, for one, do not feel very proud when, on our Bicentennial Labor Day, more than 7 million Americans—close to 8 per cent of our work force—are jobless. I cannot feel proud when I know that the unemployment figures for black Americans are three or four times higher than this figure. And I feel desperate in the face of the Urban League estimate that 64 per cent of the nation's black teenagers could not find work during the second quarter of 1976.

This is an outrage.

Our Bicentennial celebration of freedom is disfigured by the stark facts of unemployment. Not until we are able to produce jobs for all those who seek them can we, in good conscience, celebrate our Bicentennial full-heartedly and joyously.

This Labor Day 1976 we must dedicate ourselves to bringing one final basic freedom to this "land of the free." Let us determine here and now for all time that freedom in America will not be complete until this nation is free from unemployment.

I intend to dedicate myself in the months ahead to achieving this ultimate indispensable freedom for all Americans. I urge other Americans to do the same. If we are to be truly worthy of our heritage and of the future, we can do no less.

I believe that the United States should not continue to condemn many millions of its citizens to enforced idleness, poverty, and isolation. The commitment to provide a useful and productive job for every American who wants to work carries the obligation of broadening access to educational, training, and advancement opportunities to all individuals, irrespective of sex, race, age, or ethnic origin. It is imperative that the inequities in the opportunities available to different groups to compete for jobs and income be eradicated. Equal opportunity for minorities and women is a necessary element in the Nation's employment policies. Equal opportunity will encourage people to put forward their best efforts to acquire, develop, and utilize their skills.

The achievement of a full employment economy requires coordination among economic, manpower, welfare, and education policies, and improved cooperation between the private and public sectors. Talk of full employment is not enough. I believe we must make a commitment to a policy of jobs for all Americans. I recognize this commitment entails costs and difficulties; it requires that we cope successfully with possible renewed inflationary pressures; and it involves Government action at a time when many suspect Government.

But it is my conviction that these costs are overshadowed by the human and economic costs of continued high unemployment. No worthy goal is ever attained with ease, and the overriding challenge to the United States today is to establish a system whereby free men and women, through their own efforts, can improve their lives and their society. To do otherwise is to diminish the lives and aspirations of all our people—and to default on the Constitution's promise "to establish Justice" and "promote the general Welfare."

III. THE POLICIES REQUIRED

To attain full employment we must develop a set of coordinated policies. These include stimulating the growth of the economy; increasing capital investment; special efforts to facilitate the entry of young people into productive work; enhancing the employability of the hard-to-employ; strengthening work incentives; improving the manpower system so that it can be more responsive to the challenges of a dynamic economy; and enlarging the options that people have with respect to the uses of time for work, education, family life, and leisure.

The bill I submit today is designed to begin to deal with this needed mix of policies.

One policy deserves particular emphasis. Our economic policies must include provisions for long term capital investment. As Prof. Paul McCracken of the University of Michigan, and a former Chairman of the Council of Economic Advisers, wrote recently:

If we do not set in motion forces that will expand our stock of capital more rapidly, we face chronically some combination of reduced gains in real incomes and high unemployment. For the fact is that no economy can deliver gains in real incomes that exceed gains in productivity. And though the forces giving us gains in productivity are complex, more capital backing up the labors of each worker is a major factor.

Without such long term capital investment, the rapidly expanding labor force that we have today, and will continue to have in the future, cannot be fully employed.

IV. THE PROVISIONS OF S. 1

MAIN FEATURES

The two titles of S. 1 are designed to provide a balanced set of policies and programs to reach the goals of economic growth and full employment, without costly inflation.

Title I establishes a process by which Congress, the President, and the Federal Reserve can fashion the fiscal and monetary policies that will enable our free enterprise system to offer full employment without overheating the economy. Title II is designed to cut the particularly high unemployment rate among young people. Title II establishes a new National Youth Service program to give young people, 16–24 years of age, the opportunity to work on neighborhood restoration and other vitally needed projects in their own communities. In addition, title II expands the Youth Conservation Corps from a summer to a year-round program to employ young people in environmental improvement projects on Federal and State lands.

Under the bill, the national youth service program and the Youth Conservation Corps would each employ 100,000 youths during their first year of operation, 200,000 during their second year, and 300,000 during their third year. Thus, by the end of the third year, the total capacity of both programs would be 600,000 young people. The bill authorizes approximately $2.8 billion for each program, for a total of $5.6 billion over 2 years.

We must work toward full employment in a sound way. S. 1 does not create an elaborate central planning system. Rather, through title I, the bill focuses on goals and mechanisms for developing the economy and restraining inflation. In large part, title I is based on the proposals and final report of a distinguished group of 75 Americans participating in the American Assembly on Manpower Goals for American Democracy, held at Arden House, Harriman, N.Y., May 20–23, 1976.

In summary, title I calls for a full employment economy. Title I sets forth as Federal policy a reduction of the unemployment rate by 1.5 percent per year, with the short-range goal of a 5-percent unemployment rate by 1978. In addition, S. 1:

Declares that inflation is a major national problem and requires the President to develop anti-inflationary techniques on a standby basis.

Requires the President to design and carry out fiscal and monetary policies to assure that the unemployment rate does not exceed 5 percent by the end of 1978. The bill requires the President to set forth in his annual economic report the fiscal, tax and monetary policies necessary to reach his goal.

Requires the Federal Reserve Board to report annually to the President and the Congress its intended policies and the extent to which they support the employment and anti-inflationary policies of the act. The Board must justify any substantial variation from the policies in the President's economic report.

Creates a National Occupational Assessment Center to identify new employment opportunities created by technology and production trends. With more and more Americans entering the job market, particularly women and young people, imaginative approaches are needed to insure that enough jobs are available. The Center will help us to identify new ways to match people with jobs and to see if new approaches, such as job sharing and flexible work weeks, can increase the number of jobs. In addition, the Act creates the post of Assistant Secretary of Labor for Veterans' Affairs to manage employment and training programs for veterans.

In brief, title II would employ youths to do productive work on urban and environmental projects. Title II:

First. Create a national youth service program under which public and private organizations, under contract with the Department of Labor, will employ youths from low-income families in local community projects to meet the need for housing and neighborhood rehabilitation, health care, crime prevention, and park and street maintenance;

Second. Expands the Young Adult Conservation Corps from a summer to a year-round program to employ youths from low-income families in environmental projects on Federal and State lands.

Third. To improve the long-term job prospects of youth in the national youth service program, title II also provides, on a trial basis, for an innovative approach to job training. Title II authorizes the Secretary of Labor to make payments to employers in the program who train youths in skills that will lead to permanent employment. Similar mechanisms are used in Western European countries and have been highly successful. In some Common Market countries the government pays employers $100 for every month they employ a youth in the first 6 months after school, and give approved training in skills beyond the initial job. Without undermining the minimum wage, the bill thus gives employers an incentive to hire young workers and give them the skills they need for permanent jobs.

B. SUMMARY OF PROVISIONS

TITLE I

FISCAL AND MONETARY POLICIES

S. 1 provides that fiscal and monetary policies be adapted to promote economic expansion at a pace that would reduce the overall unemployment rate by 1.5 percentage points a year until the general unemployment rate reaches 5 percent early in 1978. During this period, there should be continuing and systematic reassessment of employment and unemployment, and the behavior of wages and prices, so that the pace of further progress can be geared to the Nation's unused human and capital resources. The economic expansion can be partially stimulated by a tax cut, perhaps in the form of a rebate. This would provide productive influx of money into purchases when sustained consumer spending is needed at a significant time. This should be done early in 1977.

The bill requires that the President, in his economic report required to be transmitted to the Congress under the Employment Act of 1946, set forth the level and composition of Federal expenditure measures with respect to estimated capabilities of full employment and production, necessary to support the policy set forth in section 101 of S. 1, taking into account the role of the private sector and State and local governments.

The bill also requires the economic report to set forth a Federal tax policy that alines expenditure levels with revenue so as to balance the budget under conditions of full employment and production, restrain inflation, avoid fiscal drag during periods of slack, and contribute to the necessary level and distribution of purchasing power.

The report must also set forth a monetary policy designed to assure a rate of growth in the Nation's money supply, interest rate levels and such credit availability and international capital flows as are conducive to achieving and maintaining the full employment, production, and purchasing power of policies specified in section 101 of S. 1.

Title I further provides that the Board of Governors of the Federal Reserve Board must transmit to the President and the Congress within 15 days after the transmission of the economic report mentioned above, an independent statement setting forth its intended policies for the current and subsequent fiscal year, the extent to which such policies will support the achievement of the policies set forth in the report, and a full justification for any substantial

variation from the policies and recommendations of the President. If the President determines that the policies of the Board are inconsistent with the achievement of the policies proposed under this act, the President shall make recommendations to the Board and to the Congress to insure closer conformity to the policies set forth in the act.

ANTI-INFLATION STANDBY PROGRAMS

As part of the economic report submitted to Congress, the President must submit a comprehensive set of anti-inflation programs. Inflation is a critical problem for all Americans. As Richard J. Whalen noted recently:

> The cause of stagflation is not unemployment. It is inflation—remembered, present and anticipated. Inflation is a hidden tax, an extremely regressive levy that falls heavily on those low-income households with only a thin cushion in their budgets. The rising cost of necessities taxes away the low-income households' discretionary income and removes them from the marketplace—as is the case today.

The anti-inflation mechanisms that will be on standby under the bill will enable us to cope with inflation. These mechanisms include but are not limited to: First, a comprehensive information system to monitor and analyze inflationary trends in individual economic sectors, designed to assure that the President and the Congress can be altered to developing inflation problems and bottlenecks, after utilizing fully the services of the National Occupational Assessment Center established under S. 1; second, the use of monetary and fiscal policies geared to the capabilities of the economy operating at full employment; third, programs designed to increase the supply of goods, services, labor, and capital in structurally tight markets, with particular emphasis on increasing the supply of food and energy; fourth, provision for an export licensing mechanism for food and other critical materials when the national well-being is threatened because projected supplies are inadequate to meet domestic needs without drastically increasing prices, and the establishment of stockpile of reserves of food and other critical materials in order to meet emergencies and to maintain reasonable price stability and adequate farm income; fifth, encouragement to labor and management to increase productivity within the framework of full employment through voluntary arrangements in industries and economic sectors; sixth, recommendations to strengthen and enforce the antitrust laws, and such other recommendations as are necessary to increase competition in the private sector.

SPECIAL EMPLOYMENT NEEDS
PUBLIC SERVICE JOBS

Title I provides that the President shall develop proposals to expand the public service employment program enacted during the close of the 94th Congress with particular emphasis on jobs for the long-term unemployed—over 15 weeks. Many of these people have exhausted their unemployment insurance benefits. The expansion would include the following major features: First, eligibility would be limited to persons whose family income is below the Bureau of Labor Statistics low family income standard; second, employment under this program would not exceed 2 years; third, wages would be set at a level of about 50 percent above the national average unemployment insurance benefit; and, fourth, large families would receive income supplementation.

This program is, of course, supplementary to the jobs which need to be created in the private sector and which should result from the economic expansion pursuant to the fiscal and monetary policies provided for in title I.

SUPPORTED WORK AND OLDER AMERICANS

Title I directs the President to establish experimental programs to provide sheltered or supported work for those with special employment problems, such as ex-offenders, former drug addicts, the severely handicapped, followed by efforts to place as many as possible in regular employment after they have acquired work habits and marketable skills. The bill directs the Secretary of Labor to continue to explore innovative research and development projects such as the "supported work" project of the Department of Labor which has been so successful in New York.

The bill further directs the President and Secretary of Labor to give early attention to the special needs of older persons forced into premature retirement and women at home, many of whom would welcome an opportunity to work part or full time.

VIETNAM VETERANS

Title I directs that early attention be given to the special occupational skill training and employment needs of Vietnam-era veterans. The bill creates the post of Assistant Secretary of Labor for Veterans' Affairs within the Department of Labor to coordinate this effort. Veterans have suffered disproportionate unemployment. For over a year and a half now, Vietnam veterans between 20 and 24 years of age have suffered a jobless rate that persistently exceeds 15 percent, virtually double the national average. This past quarter the rate increased to over 18 percent. We cannot tolerate such neglect of those who fought for us. Though the war was controversial and unpopular, these men and women deserve our respect and gratitude. Vietnam veterans deserve an equal chance at employment.

THE NATIONAL OCCUPATIONAL ASSESSMENT CENTER

The ability of the Nation to meet its manpower goals depends on having in place a comprehensive and flexible manpower study system. The ad hoc nature of many of the responses to the recession of 1974–75 underscores the need for action in this area. Our Nation needs a system which can effectively meet the continually changing challenges which are characteristic of our dynamic economy.

Title I creates a National Occupational Assessment Center to achieve this goal. The Center would function with the visibility and status of the National Science Foundation or the National Academy of Sciences. The Center would use scientific techniques and methods comparable to those that are used to assess and forecast national finance, commerce and business trends. It will develop computer models to assess the impact of new technologies and industrial processes, as well as production trends in major industries in creating new jobs.

TITLE II—YOUTH EMPLOYMENT PROGRAM

The purpose of this title is to address the particular problems and needs of youth in the job market and to assist them in preparing themselves for and in ultimately obtaining meaningful and productive work.

A healthy and expanding economy will, of course, begin to provide the impetus for the employment of youth. But even the most successful economic policy will not reduce to an acceptable level the excessively high unemployment rate, particularly among inner-city youth which has averaged more than 30 percent over the past decade. A continued tolerance of such high unemployment can lead to only more alienation, drug addiction, and crime among many youths who, having no stake in the society, strike out against it.

The youth unemployment statistics I have cited earlier emphasize the urgent need for action. Today there are 3.5 million unemployed Americans under age 25, representing half the total number of jobless Americans. The time for action is now.

THE NATIONAL YOUTH SERVICE

Title II establishes a National Youth Service. The Service's main features are: a substantially enlarged commitment to assist poorly prepared youth to become productively employed in the regular economy; a jobs program for young people that emphasizes the performance of useful work in the community; the inclusion of a broad spectrum of the youth population; and an emphasis on full-time jobs with concurrent job counseling and training.

The Service would be primarily for out-of-school youth. There would also be openings for young people who are in school part time. The job projects would involve productive work aimed at the visible improvement of the local communities where the young people reside.

The Secretary of Labor would be authorized to enter into contracts with public—including Comprehensive Employment and Training Act prime sponsors—nonprofit—including community-based organizations—or private firms with the capability of managing such work projects.

Jobs in the Service may extend for 2 years and will be limited to young people from families with an income less than the lower living standard budget. Provision is also made, with appropriate safeguards, for inclusion of youthful offenders for whom such a program would be appropriate.

JOB TRAINING AND THE PRIVATE SECTOR

To encourage employers in the private and public sector to employ and train underqualified and needy youth, the bill provides for an innovative approach to job training.

Title II authorizes the Secretary of

Labor to make payments to employers in the program who train youths in skills that will lead to permanent employment. Without undermining the minimum wage, the bill gives employers an incentive to hire young workers and give them the skills they need for permanent jobs. A tax credit could also be used to encourage employers to use this apprenticeship approach, and it is my hope that during hearings on this bill this approach will be given full consideration.

I believe this proposal has great promise. Because the training is conducted by the employer who knows which skills he needs, permanent employment in a productive job in the private sector is more likely to result. In addition, the direct costs to the Federal Government can be lower by using the private sector for job training.

The Secretary of Labor is instructed to target these jobs so that funds will be effectively distributed to support jobs that would otherwise not have been created. One way of doing this, of course, is to limit the application of such a proposed wage subsidy—or employment tax credit—to the hiring of individuals with characteristics not normally attractive to private employers; for example, individuals drawn from high-unemployment inner-city areas and lacking adequate education and experience. Another way of increasing the potential effectiveness of such a scheme is to limit participation in the program to firms which have increased employment above the normal trend. This bill authorizes these approaches. In devising programs under this bill, the Secretary of Labor would concentrate on holding down the regulations and paperwork involved so as not to discourage the cooperation of business.

In establishing the National Youth Service, the bill seeks to particularly attack the high unemployment rate among disadvantaged and low-income youths by targeting education and manpower programs on these groups. In this regard, the Secretary of Labor is ordered to establish criteria for eligibility based upon: First, family income and assets; second, residence in areas with especially high unemployment and/or low income; third, duration of current unemployment; fourth, previous history of unemployment frequency and dead-end jobs; and fifth, those working full time, but having grossly deficient skills—frequently the case among high school dropouts.

YOUTH CONSERVATION CORPS AND THE YOUNG ADULT CONSERVATION ACT

Title II also expands the Youth Conservation Corps—YCC. The Corps currently involves only 25,000 youths. The YCC would be expanded to employ 100,000 young people in its first year, 200,000 in the second year, and 300,000 in its third year. Under the bill, the YCC would be a year-round employment program for youth aged 19–24, with individual jobs limited to 12 months.

COMPREHENSIVE EDUCATION AND TRAINING ACT AMENDMENTS

Title II also provides for the expansion of the two youth employment-training programs under CETA: the Job Corps under title IV and the summer job program under title III. The Job Corps currently operates on a scale of approximately 20,000 service-years—annual positions. The bill doubles this amount. The summer job program for youth from low-income families under title III provides funds to local governments to employ youth part-time for a 9-week period. Participants are paid the minimum wage. For the summer of 1976, it was estimated that this existing program would employ approximately 888,000 youths. The bill expands the potential for employment by a third.

Mr. President, I ask unanimous consent that the text of S. 1, The Employment Resources Act, along with various articles from the press detailing the scope and nature of the unemployment problem, be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Employment Resources Act of 1977".

STATEMENT OF FINDINGS AND POLICY

SEC. 2. (a) The Congress finds that—

(1) the severe recession of 1974 and 1975 has left the United States with unacceptably high levels of unemployment;

(2) such high unemployment diminishes the lives, and aspirations not only of unemployed individuals and their families but of all Americans;

(3) that the United States is poorer by virtue of the lack of goods and services which unemployed individuals could otherwise have produced;

(4) that the United States is burdened as a result of the social problems (including increased incidents of crime), accompanying high unemployment.

(b) The Congress further finds—

(1) that to tolerate the human economic and social waste of unemployment in the misplaced hope of avoiding a rekindling of inflation is impossible; and

(2) that the development and implementation of policies to reduce unemployment should be accompanied by the development of policies designed to avoid over heating the economy, increasing inflation and precipitating a new recession.

(c) The Congress finds that the commitment to full employment is not enough, that an implementation of the full employment policy is imperative, and that such a policy should provide for every individual able and willing to work the opportunity of a job.

(d) The Congress declares that it is a continuing policy of the Federal government—

(1) to assure the opportunity of a productive job for every individual able and willing to work and thereby avoid condemning many millions of Americans to enforced idleness, poverty and isolation;

(2) to implement the obligation necessary to carry out the policies set forth in clause (1) by broadening access to educational training and advancement opportunities for all individuals without regard to sex, race, creed, color, ethnic origin or age;

(3) to develop and carry out new, and strengthen existing, programs to eradicate inequities in the opportunities available to different groups to compete for jobs and increased income with special attention to the equal opportunities for minorities and women and the elimination of any policies restricting entry to trades and jobs.

(e) The Congress declares that it is the policy of the United States to strengthen economic manpower, welfare, and education policies and to improve the cooperation between public and private sectors of the economy in order to assure the immediate reduction of unemployment and to stimulate the growth of the economy with special efforts directed at facilitating the entry of young people into productive work, enhancing the employability of the hard to employ, strengthening work incentives, improving manpower systems to make them more responsive, and enlarging the options available to individuals with respect to the use of time for family life, education, work and leisure.

TITLE I—EMPLOYMENT RESOURCES PROGRAM

DECLARATION OF POLICY

SEC. 101. Section 2 of the Employment Act of 1946 (15 U.S.C. 1021) is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. (a) The Congress declares that it is the continuing policy and responsibility of the Federal government to use all practicable means, consistent with its needs and obligations and other essential national policies, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions which promote useful employment opportunities including self employment, for all individuals able, willing, and seeking to work, and to promote full employment, production, and purchasing power.

"(b) The Congress declares that it is the policy of the Federal Government to provide an opportunity for all adult Americans able, willing, and seeking work opportunities for useful paid employment at fair rates of compensation.

"(c) The Congress declares that it is the policy of the Federal Government to promote economic expansion at a rate designed to reduce overall unemployment in the United States by 1.5 per centum each year. In carrying out the policy required by this subsection the President shall design policies consistent with this Act to assure that the unemployment rate does not exceed 5 per centum by the end of calendar year 1978.

"(d) The Congress further declares that inflation is a major national problem requiring strengthened Government programs with particular emphasis upon new anti-inflationary techniques that are developed and available as standby programs."

FISCAL AND MONETARY POLICIES

SEC. 102. (a) The Employment Act of 1946 is amended by inserting after section 3, as amended by this Act, the following new section:

"FISCAL AND MONETARY POLICIES

"SEC. 3A. (a) The Economic Report required to be transmitted by the President under section 3 of this Act shall for each year after the date of enactment of the Employment Resources Act of 1977 set forth the following:

"(1) the level and composition of Federal expenditures, measured with respect to estimated capabilities of full employment and production, necessary to support the policy proposed in section 2, taking into account the role of the private sector and of State and local governments in supporting that policy. The President shall also make a determination of the extent to which the use of aggregate fiscal and monetary policy, without supplementary employment policies provided for in the Employment Resources Act of 1977, will achieve the production, employment, purchasing power, and other policies set forth in such section 2. Whenever the economy is operating at full production and employment or subjected to excessive strain, the President shall propose the set of standby programs having anti-inflationary characteristics which he determines to be appropriate.

"(2) Federal tax policy consistent with expenditure levels in paragraph (1) of this subsection necessary to (A) balance the Federal Budget or create a surplus under conditions of full production, employment, and purchasing power, (B) restrain excessive economic activity and inflation when total demand threatens to exceed the nation's capabilities at full employment, (C) avoid fiscal drag upon the economy during any periods of substantial economic slack, and (D) contribute to the necessary level and distribution of purchasing power to carry out the policies set forth in section 2.

"(3) A monetary policy designed to assure such rate of growth in the nation's money supply, such interest rates and such credit availability, including policies of credit reform allocation, and international capital flows as are conducive to achieving and maintaining the full employment, production, and purchasing power policies specified in section 2.

"(b) The Board of Governors of the Federal Reserve System shall transmit to the President and the Congress within 15 days after the transmission of the economic report required under section 3, an independent statement setting forth its intended policies for the current and subsequent fiscal year with respect to functions of the Federal Reserve System, the extent to which such policies will support the achievement of the policies set forth in section 3, and a full justification for any substantial variation from the policies and recommendations of the President set forth in such economic report. If the President determines that the policies of the Board are inconsistent with the achievement of the policies proposed under this Act, the President shall make recommendations to the Board and to the Congress to insure closer conformity to the policies set forth in this Act."

ANTI-INFLATION POLICIES

SEC. 103. Section 3 of the Employment Act of 1946 is amended by adding at the end thereof the following new subsection:

"(d) The Economic Report required by this section shall each year contain a comprehensive set of anti-inflation programs, including but not limited to—

"(1) a comprehensive information system to monitor and analyze inflationary trends in individual economic sectors, including information on the international sector, designed to assure that the President and the Congress can be alerted to developing inflation problems and bottlenecks, after utilizing fully the services of the National Occupational Assessment Center established under the Employment Resources Act of 1977;

"(2) the use of monetary and fiscal policies geared to the capabilities of the economy operating at full employment as provided in section 3A;

"(3) programs designed to increase the supply of goods, services, labor, and capital in structurally tight markets, with particular emphasis on increasing the supply of food and energy;

"(4) provision for an export licensing mechanism for food and other critical materials when the national well-being is threatened because projected supplies are inadequate to meet domestic needs without drastically increasing prices, and the establishment of stockpile reserves of food and other critical materials in order to meet emergencies and to maintain reasonable price stability and adequate farm income;

"(5) encouragement to labor and management to increase productivity within the framework of full employment through voluntary arrangements in industries and economic sectors;

"(6) recommendations to strengthen and enforce the antitrust laws and such other recommendations as are necessary to increase competition in the private sector; and

"(7) recommendations for administrative and legislative actions to promote reasonable price stability whenever the situation shows that national price stability is seriously threatened."

SPECIAL EMPLOYMENT NEEDS

SEC. 104. (a) The President shall prepare and develop proposals to strengthen the provisions of sections 607, 608, and 609 of the Comprehensive Employment and Training Act of 1973 relating to the public service employment of long term unemployed low income persons.

(b) (1) The President is authorized to establish experimental programs, including innovative research and development projects, to provide sheltered or supported work for individuals with special employment problems, particularly ex-criminal offenders, drug addicts, severely handicapped individuals, school dropouts, and the mentally ill.

(2) Any experimental programs and projects developed under the authority of this section shall be conducted by the Secretary of Labor or such other appropriate Federal officials as the President determines will best carry out the purposes of this Act in cooperation with supported work projects carried out by the Secretary of Labor.

(c) (1) The Secretary of Labor is authorized and directed to develop promptly programs and projects designed to meet the special needs of elderly persons forced to premature retirement, and for women in the home who require part time employment.

(2) The President shall transmit to the Congress not later than 90 days after the enactment of this Act proposals for the programs developed pursuant to paragraph (1) of this subsection.

NATIONAL OCCUPATIONAL ASSSESSMENT CENTER

SEC. 150. (a) There is established in the Executive Office of the President a National Occupational Assessment Center (hereinafter in this section referred to as the "Center").

(b) The Center shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) There shall be in the Center a Deputy Director who shall be appointed by the President by and with the advice and consent of the Senate. The Deputy Director shall perform such functions as the Director may prescribe and shall be Acting Director during the absence or disability of the Director or in the event of a vacancy in the position of the Director.

(d) The Director of the Office is authorized to—

(1) conduct a continuing assessment of employment and the need for new occupations, including the effect of—

(A) new research and development programs, particularly Federally assisted research and development programs,

(B) new technologies, industrial processes, production trends in major industries and commodities,

(C) long term financial developments, and

(D) national and international trade policies;

(2) identify the need for new careers and new occupations utilizing scientific procedures, techniques, and methodologies including the use of appropriate computer models;

(3) supervise, at the request of the President, such projects and activities as will contribute to the identification of new career fields and new occupations; and

(4) report to the President and to the Congress not later than 60 days after the end of each fiscal year on the activities of the Center together with such recommendations, including recommendations for legislation, as the Director deems appropriate.

(e) (1) The Director, subject to the direction of the President, is authorized to—

(A) appoint and fix the compensation of such scientists and other personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title and to appoint and fix the compensation of such additional technical personnel as he deems necessary;

(B) procure temporary and intermittent services to the extent as is authorized by

section 3109 of title 5, United States Code, but at rates not to exceed $125 a day for individuals;

(C) promulgate such rules and regulations as may be required to carry out the provisions of this section;

(D) enter into such contracts, agreements and other arrangements as the Director deems appropriate;

(E) appoint such advisory committees as the Director may determine to be desirable to carry out the functions of the Center under this section; and

(F) use the services, personnel, facilities, and information of Federal executive agencies and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor.

(2) Upon request made by the Director, each Federal executive agency is authorized and directed to make its services, personnel, facilities and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Center in the performance of its functions.

(f)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(105) Director, Center for Occupational Assessment.".

(2) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(137) Deputy Director, Center for Occupational Assessment.".

(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

ASSISTANT SECRETARY OF LABOR FOR VETERANS' AFFAIRS

SEC. 106. (a) Section 2 of the Act of April 17, 1946 (60 Stat. 91), as amended (20 U.S.C. 553) is amended by—

(1) striking out "five" in the first sentence of such section and inserting in lieu thereof "six"; and

(2) adding at the end thereof the following new sentence: "One of such Assistant Secretaries shall be an Assistant Secretary of Labor for Veterans' Affairs."

(b) The Assistant Secretary of Labor for Veterans' Affairs established pursuant to subsection (a) of this section shall under the general supervision and direction of the Secretary be responsible for all employment and training programs relating to veterans, particularly Vietnam era veterans.

(c) Paragraph (20) of section 5315 of title 5, United States Code, is amended by striking out "(5)" and inserting in lieu thereof "(6)".

TITLE II—YOUTH EMPLOYMENT PROGRAM

SEC. 201. This title may be cited as the "Youth Employment Program."

STATEMENT OF PURPOSE

SEC. 202. It is the purpose of this title to use the nation's investment in its youth more effectively by providing an improved program to stimulate job opportunities for youths, by providing youths with opportunities for community service, both in neighborhood restoration and environmental improvement projects, by strengthening manpower and training programs for youth, by establishing a Young Adult Conservation Corps, and by strengthening the Youth Conservation Corps.

DEFINITIONS

SEC. 203. As used in this title, the term—

(1) "eligible applicant" means any public agency including any department or agency of the Federal government and any State or local government agency; any prime sponsor under title VI of the Comprehensive Employment and Training Act of 1973; any private institution or organization, including any labor union, any business enterprise, any volunteer organization, any neighborhood organization, and any community-based organization as defined in section 701(a)(1) of the Comprehensive Employment and Training Act of 1973;

(2) "youth" means any individual who—

(A) has attained age sixteen, but not age twenty-four,

(B) may be in school part-time, or out of school, and

(C) is looking for work and needs employment, guidance and counseling, or job placement services;

(3) "community service" means work in such fields as environment quality, health care, education, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets and other public facilities, solid wastes removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification and other fields of human betterment and community improvement;

(4) "lower-living standard budget" means that income level (adjusted for regional and metropolitan, urban and rural differs in family size) determined annually by the Bureau of Labor Statistics of the Department of Labor and referred to by such Department as the lower living standard budget;

(5) "Agency" means the Youth Employment Agency established in the Department of Labor under section 212;

(6) "Service" means the Youth Employment Service established under section 216 of this title;

(7) "Secretary" means the Secretary of Labor; and

(8) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands.

PART A—NATIONAL YOUTH SERVICE AND JOB PROGRAM ELIGIBLE YOUTHS

SEC. 211. (a) An individual is eligible to participate in any program assisted by the Agency under this part if that individual is a youth who—

(1) is a member of a family with an income less than the lower living standard budget, or

(2) if not residing with his family, has an income less than the lower living standard budget adjusted pursuant to the regulations of the Secretary, and is not attending any educational institution (as defined by the General Education Provisions Act) on more than a half-time basis.

(b) Such youth participants must be citizens or permanent residents of the United States.

ESTABLISHMENT OF THE YOUTH EMPLOYMENT AGENCY

SEC. 212. (a) There is established within the Department of Labor a Youth Employment Agency. The Agency shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate. The Director shall be under the supervision and direction of the Secretary of Labor.

(b) The functions of the Secretary under this part shall be administered through the Agency.

NATIONAL YOUTH SERVICE PROGRAM

SEC. 213. (a) The Secretary, through the Agency, is authorized, in accordance with the provisions of this part, to make grants to, and to enter into contracts with, eligible applicants to pay the costs of community service programs to be carried out by eligible youths employed by such applicants.

(b) No grant may be made and no contract may be entered into under the provisions of this section unless the agreement evidencing such grant or contract provides assurances that—

(1) eligible youths employed in community service jobs under this title shall be paid wages which are not lower than (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(1) of such Act applied to the youth and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(2) all such youths employed in community service jobs under this title will be assured of workmen's compensation, health insurance, employment insurance, and other benefits at the same levels and to the same extent as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(3) the programs or activities subject to such agreement (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of non-overtime or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal or other funds in connection with work that would otherwise be performed and (D) will not substitute jobs assisted under this title for existing Federally-assisted jobs;

(4) in the case of an eligible applicant that is a business enterprise (A) the project for which assistance is sought under this part will be operated at no profit to the applicant, (B) such project will not directly benefit the employees of that business enterprise, and (C) such project will be operated in a field separate from the normal activities of that business enterprise;

(5) the employer, to the extent practicable, will furnish counseling, testing, coaching, program orientation, and other appropriate services for such youth employed by the applicant designed to assure that the youth will obtain employment; and

(6) no person with responsibility in the operation of such an agreement will discriminate with respect to any eligible youth or any applicant for participation because of race, creed, color, national origin, sex, political affiliation, or beliefs.

YOUTH WAGE SUPPLEMENT VOUCHERS

SEC. 214. (a) (1) In order to demonstrate the feasibility of the payment of wage supplements on behalf of eligible youths—

(A) who are employed by an employer which is an eligible applicant, and

(B) who receives guidance, counseling, testing and other appropriate services designed to assure that such youth will maintain or retain gainful employment,

the Secretary is authorized to conduct demonstration projects either directly or by way of grant, contract, or other arrangement with eligibile applicants under which wage supplements are paid on behalf of such youths in accordance with the provisions of this section.

(2) The Secretary shall carry out the program authorized by this section so as to determine the feasibility of the payment of wage supplements for such youths on a nationwide basis and so as to assure that such payments are made in each region throughout the United States.

(b) No wage supplement payment may be made under this section unless an application is made by the eligible applicant. Each such application shall contain provisions to assure—

(1) that the employer will furnish appro-

priate training and other manpower services designed to assist any youth employed by such employer to maintain or retain permanent employment;

(2) that the provisions, except as provided in subsection (c) of this section, of paragraphs (1), (2), (3), (5), and (6) of section 213(b) are met; and

(3) that the employer will furnish to the Secretary such information including the identity of each eligible youth and a description of the manpower services being provided to such youth as the Secretary may reasonably require.

(c) The Secretary may waive any requirements under subsection (b) of this section as he determines is necessary to carry out an effective demonstration project under this section except that the Secretary may not waive the provisions of paragraphs (1), (3) and (6) of section 213(b).

(d) Notwithstanding any other provision of law, the payment of a wage supplement voucher on behalf of an eligible youth under this section shall not affect the eligibility of any youth or of any employer subject to the provisions of this section from receiving any benefit under any other provision of Federal law.

(e) Not later than , the Secretary is authorized to prepare and submit to the Congress a report on the program authorized by this section together with such recommendations, including recommendations for additional legislation as he determines desirable. In preparing such report, the Secretary shall plan for a capacity of the program authorized by this section to employ one hundred thousand young adults under this part during its first fiscal year of operation, three hundred thousand young adults during its second fiscal year of operation, four hundred thousand young adults during its third fiscal year of operation, and five hundred thousand young adults during its fourth fiscal year of operation.

FUNCTIONS OF THE AGENCY

SEC. 215. The Secretary, through the Agency, is authorized to—

(1) develop improved counseling, testing, coaching, program orientation, recruitment and placement services for youth, including necessary follow-up services designed to assist youth to secure and retain employment;

(2) review and recommend necessary changes in the manpower programs being assisted under the Comprehensive Employment and Training Act of 1973 designed to assist youth, especially programs for youth described in section 304(a) of that Act, in order to strengthen and improve such programs;

(3) make grants to and enter into contracts with eligible applicants for the employment of eligible youths in community service programs in accordance with section 213 of this title;

(4) develop, in cooperation with private business concerns, employment opportunities for youth, including the carrying out of experimental projects for the reimbursement of on-the-job training programs, to the extent authorized by any other provision of Federal law; and

(5) develop and carry out an experimental voucher supplemental wage program for youth in accordance with the provisions of section 214 of this title.

YOUTH EMPLOYMENT SERVICE

SEC. 216. (a) There is established in the United States Employment Service of the Department of Labor a Youth Employment Service which shall be responsible for administering section 217 of this title. The Service shall be headed by a Director.

(b) The Service shall be under the direct supervision of the Secretary. The Director shall report to the Secretary through the Assistant Secretary of Labor for Manpower.

YOUTH EMPLOYMENT SERVICE GRANTS

SEC. 217. The Secretary, through the Service, is authorized to make grants to State employment services to establish youth employment guidance and job placement programs designed to—

(1) provide opportunities for youth, particularly improved matching of youth career desires and job opportunities, both locally and regionally;

(2) furnish job counseling and job placement services to youths in secondary and post secondary schools and to youths who are out of school;

(3) furnish pre-employment counseling to youths in intermediate and secondary schools; and

(4) furnish information to youths on educational opportunities, job training, and vocational education programs, manpower development programs, and Federal, State and local assistance available to youths.

AMENDMENTS TO THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

SEC. 218. (a) Section 301(c) of the Comprehensive Employment and Training Act of 1973 is amended by adding at the end thereof the following new sentence: "In order to carry out his responsibilities under this subsection, the Secretary shall enter into whatever arrangements he determines necessary to encourage States and units of general local government to eliminate provisions of law and regulations that are unnecessary and prohibit or inhibit ex-criminal offenders from obtaining gainful employment.".

(b) Section 304 of such Act is amended by adding at the end thereof the following new subsection:

"(c) In addition to amounts authorized by any other provision of this Act there are authorized to be appropriated such sums as may be necessary for the fiscal year 1977 and for the succeeding fiscal year to carry out programs described in paragraphs (1), (2), and (3) of subsection (a) of this section.".

(c) Title IV of such Act is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 1977 AND 1978

"SEC. 420. In addition to amounts authorized by any other provision of this Act, there are authorized to be appropriated such sums as may be necessary for the fiscal year 1977 and for the succeeding fiscal year to carry out the provisions of this title.".

(d) Section 702 of such Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary is authorized to encourage prime sponsors under title I of this Act to maintain the percentage of youths served by each such prime sponsor at a level not less than the percentage of such youths served by such prime sponsor for the fiscal year 1975.".

AMENDMENT TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

SEC. 219. Section 103(b) of the Domestic Volunteer Service Act of 1973 is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) The Director, to the extent feasible, shall encourage the use of youth volunteers and shall take steps to assure that each such youth volunteer is provided with an individual plan designed to furnish an opportunity for job advancement or for transition to a situation leading to gainful employment.".

PART B—YOUNG ADULT CONSERVATION CORPS

SHORT TITLE

SEC. 231. This title may be cited as the "Young Adult Conservation Corps Act".

PROGRAM AUTHORIZED

SEC. 232. The Act entitled "An Act to establish a pilot program in the Departments of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes", enacted August 13, 1970 (84 Stat. 794; 42 U.S.C. prec. 2711 note; 16 U.S.C.A. 1701–06) (hereafter in this Act referred to as the Youth Conservation Corps title), is amended by adding at the end thereof the following new title:

"TITLE II—YOUNG ADULT CONSERVATION CORPS

"POLICY AND PURPOSE

"SEC. 201. The Congress finds—

"(1) that unemployment levels are excessively high among young adults;

"(2) that young adults have minimal or no job experience, and that considering our country's current economic situation, these young adults have a limited opportunity of gaining the necessary job experience, training, and fundamental skills required to enter the labor force at a competitive level;

"(3) that as a result of the high unemployment levels of this age group our country's social service resources are being unnecessarily drained, and the Government is losing tax revenues;

"(4) due to their limited opportunities, crime rates are higher among young adults;

"(5) that there are large inventories of conservation work and other work of a public nature within the national park system, the national forest system, States, municipalities, and other public land and water areas of the United States which require large amounts of labor and relatively small capital investments; and

"(6) that much of the conservation work and other work of a public and environmental nature on the lands and waters of the United States, such as reforestation, timber stand improvement, fighting forest fires, trail and campground improvements, and control of insects, diseases, soil erosion, and floods, can only be accomplished during certain seasons or by a year-round work program.

It is, therefore, the purpose of this title to complement the highly successful Youth Conservation Corps and to provide employment and other benefits to young adults who would not otherwise be currently more productively employed while reducing the inventory of conservation work and completing many other projects of a public nature on the lands and waters of the United States. This title shall in no way limit the requirement set forth in the Employment Act of 1946 (15 U.S.C. 1021 et seq.) that the Federal Government promote maximum production and purchasing power in the Nation's economy. This title supplements and extends the provisions of title I of this Act and does not limit or repeal any existing authority provided by title I of this Act.

"EXTENSION OF YOUTH CONSERVATION CORPS

"SEC. 202. The Secretary of the Interior and the Secretary of Agriculture (hereafter in this title referred to as the 'Secretaries') shall jointly extend the Youth Conservation Corps so as to make possible the year-round employment of young adults. Section 102 of this Act applies to the extended Corps under this title, except that individuals employed as Corps members under this title—

"(1)(A) shall have attained age nineteen but not attained age twenty-four or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(2) shall be physically capable, as determined under regulations established by the

Secretaries, to carry out the work of the Corps;

"(3) shall be given preference for employment if they reside in counties having a rate of unemployment equal to or in excess of 6 per centum for three consecutive months, as determined by the Secretary of Labor; and

"(4) may be employed for a total period of not more than twelve months, with such maximum employment period consisting of one continuous twelve-month period or of two or more periods which together total twelve months.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 203. (a) Section 103 of this Act, relating to the duties and functions of the Secretaries, applies to this title, except that in administering this title the Secretaries shall—

"(1) place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available;

"(2) employ such individuals in such projects as but not limited to—

"(A) tree nursery operations, planting, pruning, thinning, and other cultural measures;

"(B) erosion control and flood damage;

"(C) wildlife habitat improvements;

"(D) range management improvements;

"(E) recreation development, rehabilitation, and maintenance;

"(F) forest insect disease control, road and trail improvements and wildlife preservation; and

"(G) general sanitation, cleanup, and maintenance of State and public lands;

"(3) in determining appropriate work projects for Corps members, give priority to projects that—

"(A) are relatively labor intensive;

"(B) have work plans or for which work plans could be readily developed;

"(C) may be initiated promptly; and

"(D) are productive;

"(4) to the maximum extent practicable employ such individuals in areas where existing residential facilities are available;

"(5) to the maximum extent practicable employ such individuals in activities similar to activities of those employed in seasonal and part-time employment, in the case of the Secretary of the Interior, in the National Park Service, Bureau of Outdoor Recreation, the United States Fish and Wildlife Service, the Bureau of Reclamation, the Bureau of Land Management, and the Bureau of Indian Affairs, and, in the case of the Secretary of Agriculture, in the Forest Service and the Soil Conservation Service, respectively and

"(6) determine rates of pay for Corps members by giving consideration to housing, transportation, food, medical, and other direct benefits of employment (except that supplies and equipment shall not be benefits of employment), but in no event shall the resulting rates be set at less than the current Federal minimum wage, set forth in section 6(a)(1) of the Fair Labor Standards Act of 1938.

"(b) In carrying out this title, the Secretaries shall provide, to the maximum extent practicable, that Corps members under this title shall not, at the same time, share common facilities or work on common projects with Corps members under title I of this Act.

"EXTENSION OF GRANT PROGRAM FOR STATE PROJECTS

"SEC. 204. (a) The Secretaries shall jointly extend the grant program for State projects required by section 104 of this Act so as to provide increased employment to young adults to develop, preserve, and maintain non-Federal public lands and waters within the States, as defined in section 104(a) (and such employment may include employment on projects which assist the selective cutting and thinning of timber on such lands for essential fuel purposes). Sections 104 (a), (b), and (c) of this Act apply to the extended grant program for State projects under this title, except that for the purposes of this title, each grant application shall contain assurances satisfactory to the Secretaries that individuals employed under the project for which the application is submitted—

"(1)(A) shall have attained age nineteen but not attained age twenty-four, or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(2) shall be physically capable, as determined under regulations established by the Secretaries;

"(3) shall be given preference for employment if they reside in counties having a rate of unemployment equal to or in excess of 6 per centum for three consecutive months, as determined by the Secretary of Labor;

"(4) be employed for a total period of not more than twelve months, with such maximum employment consisting of one continuous twelve-month period or of two or more periods which together total twelve months; and

"(5) shall be paid at the rate set under section 203(a)(3).

"(b) Thirty per centum of the sums appropriated to carry out this title for any fiscal year or for the period beginning July 1, 1976, and ending September 30, 1976, shall be made available for grants under this section for such fiscal year or for such period, respectively.

"(c) The States, in employing young adults in the extended grant programs authorized by this section, shall have the same duty, with respect to common facilities and projects, as is imposed on the Secretaries under section 203(b).

"SECRETARIAL REPORTS

"SEC. 205. The Secretaries shall prepare jointly and submit to the President and the Congress reports detailing the activities carried out under this title. The first such report, covering the period from the date of enactment of this title until September 30, 1976, shall be submitted not later than January 1, 1977, and reports covering fiscal years ending on September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, shall be submitted not later than January 1, 1978, January 1, 1979, January 1, 1980, and January 1, 1981, respectively.

"TIME PERIOD FOR PLANNING AND PREPARATION

"SEC. 206. (a) During the period beginning on the date of enactment of this title and ending on March 1, 1977, the Secretaries shall prepare a plan to carry out the activities authorized by this title and prepare the site locations, facilities, and equipment selected in the plan. Such plan shall contain an estimate of the annual costs of carrying out the activities authorized by this title, a procedure for selecting candidates for the extended Corps, a list and description of the work projects initially selected by the Secretaries for the extended Corps to carry out under this title, and a list and description of site locations, facilities, and equipment initially selected by the Secretaries for work camps to be used by the extended Corps under this title. In preparing such plan, the Secretaries shall plan for a capacity of the extended Corps to employ one hundred thousand young adults under this title during its first fiscal year of operation, two hundred thousand young adults during its second fiscal year of operation, and three hundred thousand young adults during its third fiscal year of operation. In selecting work projects for the extended Corps, the Secretaries shall give priority to reforestation, timber stand improvement, fighting forest fires, trail and campground improvements, and control of insects, diseases, soil erosion, and floods. In selecting facilities for Corps work camps, the Secretaries shall utilize existing facilities, including military facilities, whenever possible.

"(b) No young adults shall be employed in the extended Corps under section 202 and no grants shall be made to the States under the extended grant program of section 204(a) until June 1, 1977.

"(c) The Secretaries shall submit to the Congress the plan they prepared pursuant to subsection (a) on March 1, 1977. If neither House of Congress disapproves such plan within sixty days after its submission, such plan shall be deemed approved.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 207. (a) There is authorized to be appropriated to the Secretaries for preparing the plan required under section 206 of this Act, and for preparing the sites, facilities, and equipment selected in such plan, $50,000,000 for the period beginning on the date of enactment of this title and ending on the two hundred and fortieth day after such date.

"(b) There are authorized to be appropriated to the Secretaries for carrying out this title $700,000,000 for the first fiscal year during which young adults are employed under this title, $2,100,000,000 for the second fiscal year during which such young adults are so employed. Notwithstanding any other provision of law, funds appropriated for any fiscal year to carry out this title shall remain available for obligation and expenditure until the end of the fiscal year following the fiscal year for which appropriated.".

INCREASED AUTHORIZATIONS OF APPROPRIATIONS

SEC. 233. Section 6 of the Youth Conservation Corps Act is amended by striking out "60,000,000" and inserting in lieu thereof "$90,000,000".

TECHNICAL AMENDMENTS

SEC. 234. The Youth Conservation Corps Act is further amended by—

(1) inserting immediately after the enacting clause the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) redesignating sections 1 through 6 as sections 101 and 106, respectively;

(3) striking out "section 6" in section 104 (d) (as redesignated by clause 2 of this section) and inserting in lieu thereof "section 106";

(4) striking out "Act" each place it appears in sections 101 through 106 (as redesignated by clause 2 of this section) and inserting in lieu thereof "title"; and

(5) adding after section 106 (as redesignated by clause 2 of this section) the following new section:

"SHORT TITLE

"SEC. 107. This title may be cited as the 'Youth Conservation Corps Act' ".

PART C—GENERAL PROVISIONS

PAYMENTS

SEC. 251. (a) The Secretary is authorized to pay any eligible applicant having an application approved pursuant to this title for that fiscal year the amount necessary to carry out such application as determined by him.

(b) Payments under this title may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATIVE PROVISIONS

SEC. 252. (a) In carrying out his functions under this title the Secretary is authorized to—

(1) prescribe such regulations as he deems necessary;

(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of this title; and to use, sell or otherwise dispose of such property for the purpose of carrying out the purposes of this title;

(3) receive, and use, sell, or otherwise dispose of, in accordance with paragraph (2), money or other property donated, bequeathed, devised to the Department with a conditional restriction, including the condition that the Secretary use other funds available to him for the purposes of the gift;

(4) appoint and fix the compensation of such personnel as may be necessary;

(5) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5;

(6) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expensse, including per diem, as authorized by section 5703 of title 5, United States Code;

(7) enter into contracts, grants, or other arrangements or modifications thereof to carry out the provisions of this Act and such contracts or modifications thereof may be entered into without performance or other bonds and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law relating to competitive bidding; and

(8) make other such expenses as he deems necessary.

(b) The Secretary shall submit to the Congress and to the President as part of the annual report of the Department, a report on his activities under this title, including a detailed statement of the number and types of community service jobs furnished to youths under part A of this title, and such recommendations, together with recommendations for legislation, as the Secretary deems advisable.

COMPENSATION OF THE DIRECTOR

SEC. 253. Section 5316 of title V, United States Code, is amended by adding at the end thereof the following new paragraph:

"(137) Director, the Youth Employment Department of Labor.".

WITHHOLDING OF GRANTS

SEC. 254. The Secretary is authorized to withhold funds otherwise payable under this title, but only in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this title or any term or condition of assistance under this title.

REVIEW AND AUDIT

SEC. 255. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grant or contract entered into under this title that are pertinent to that grant or contract.

AUTHORIZATION OF APPROPRIATIONS

SEC. 256. There are auhorized to be appropriated $700,000,000 for the fiscal year 1978, $2,100,000,000 for the fiscal year 1979 to carry out the provisions of title II of this Act.

[From the Washington Post, Aug. 13, 1976]

TO FIND A JOB

The number of people holding jobs in this country went up last month—and the number of unemployed people also went up. A paradox? On the contrary, it's just another lesson in the way the economy is working. The unemployment statistics count only people who are actively hunting for work. When things are very bad, a lot of people give up looking for jobs altogether. When a recovery gets under way. they start answering ads and filling out applications again. When they do that, they again begin to be counted as unemployed, in the numbers that the U.S. Department of Labor publishes every month.

Last May, the unemployment rate was 7.3 per cent. In July, it was 7.8 per cent. The rise is truly a dismaying one, and not only for an incumbent administration running for election. Two substantial monthly increases in a row are enough to cast a shadow over all of those forecasts of slow but steady decline in unemployment. It's worth taking a closer look at the numbers. In May, 87.7 million Americans held jobs. By July it was up to 87.9 million, an improvement of some 200,000 jobs. But the labor force—the total of all the people who have jobs and all the people who want them—had risen even faster. It had gone from 96.7 million in May to 97.5 million last month. Who were those 800,000 people who suddenly decided to go job-hunting?

Some 240,000 of them were adult men. But the vast majority, more than 600,000, were adult women. In the meantime, some of the teenagers who were looking for summer jobs last May apparently failed to find them and had dropped out of the labor market altogether by last month. The point here is that the labor force does not remain a fixed number of people to be employed. In a society as prosperous as ours, some people have a choice whether to look for work or to stay home. They are typically members of families in which someone else already is earning sufficient income to pay the basic bills. Other people in the family stop asking for jobs when there are obviously none to be had, but when they hear of openings they begin to look and get picked up by the Labor Department's statisticians. These workers who bring the second income into the household are typically women or teenagers. The second wage earner can also usually afford to look longer for a desirable job.

The dramatically peculiar nature of the past two months' pattern illustrate some of the trends that have changed the American labor force over the past 15 years or so. The proportion of adult men who are in the labor force has slowly declined, mainly because of great improvements in pensions and the opportunities for early retirement. At the same time women have poured into the job market, with sharp changes in the prevailing ideas about women's places and women's work. Over the past 15 years, the growth of the American economy has generated a net increase of 22 million jobs. Women hold 13.3 million, or 60 per cent, of those jobs. In 1961, about 38 per cent of the adult women in this country either had jobs or were looking for them. Today the proportion is up to 47 per cent.

At the same time, young people are coming into the job market in greater numbers than ever before in our history. More babies were born in 1960 than in any year before or since. Some of them are already looking for full-time jobs, but the main impact will come over the rest of this decade and the early 1980s. The significance for the unemployment rate lies in the fact that unemployment is always highest among the youngest workers. They are the least experienced and the least skilled. Most of them are still in the process of making up their minds regarding what they want to do. Some of them still live at home and, like the youngsters who vanished from the labor market this summer, they can afford to drop out if they do not find work they consider suitable.

The ominous rise in the monthly rates are a severe embarrassment to the Ford administration. But they also deserve to be read as a caution signal by the Democrats who hope to succeed it next January. Some Democrats hope to push down unemployment in the late 1970s merely by repeating the strategies of the early 1960s. There is an incautious line in the Democratic party platform (under the heading, "What the Democrats Can Achieve") that says: "The unemployment rate dropped from 6.7 per cent in 1961 to 3.6 per cent in 1968, and most segments of the population benefitted." All, you might say, but those who were caught up one way or another in Vietnam. By 1968, of course, the draft was running full blast, more than 3 million men were in the armed forces, and fiscal policies were emplanted here in Washington that had something to do with the subsequent inflation.

Whichever party wins in November, it will be committed to reducing unemployment in a labor force that differs markedly from that of 1961 when President Kennedy took office. It will be a labor force in which the youngest and most volatile age groups will be growing extremely rapidly. It will also be one in which there will be an unprecedented number of two-income households, in which workers can afford to move in and out of the labor force as opportunities arise or disappear. For some time there has been a tendency of employment and unemployment to move up and down together. That tendency is getting stronger. It is an economy in which growing opportunity itself generates a rising demand for new jobs.

[From the Wall Street Journal, Dec. 31, 1976]

NEW PROGRAMS FOR JOBLESS YOUTH

(By James C. Hyatt)

WASHINGTON.—Once again the politicians, scholars and economists are grappling with one of the most perplexing of all social and economic problems: the frustrated young job-seeker.

The statistics have long been distressing. Unemployment among all 16-to-19-year-olds has ranged between 18% and 20% for two years, and the rate for black youths alone approaches twice that level. Almost half of the 7.8 million jobless Americans are between the ages of 16 and 24.

Grim as the present figures may seem, the long-range implications are even more worrisome. Without jobs, skills or access to training, many youth "face enforced idleness, frustration, the temptations of the street, and lifetimes of poverty and dependence," declares Vernon E. Jordan Jr., head of the National Urban League.

So it's no surprise that youth employment is getting priority attention from the Carter transition team. Some advisers are talking of a $650 million national youth corps to provide public jobs and training for minority inner-city youngsters. A group of top corporate executives has proposed a similar urban youth corps, together with $300 million for an expanded Job Corps and another $1 billion for training programs aimed at youth. (Of course, any significant amount of help will be expensive. To employ only 100,000 youths at the minimum wage for a year would cost $460 million, not counting supervisory or training costs.)

Fresh looks at the problem, however, are reminding planners that unemployed youth present a far more complicated challenge than is generally understood. The army of jobless teenagers—1.7 million in November—represents a great variety of circumstances.

Many 16 and 17-year-olds, for instance, are still in school and mainly seeking part-time work, while most 18 and 19-year-olds are hunting full-time jobs. Many teenagers come from economically secure families, are reasonably skilled and aren't particularly in need of special aid so long as work is available. But hundreds of thousands of others

come from poor families where adult joblessness also prevails, and they live in inner cities where jobs are scarce.

WHO TO AID AND HOW?

As they survey this varied scene, policymakers must decide just how many and what kind of youth they plan to aid. The decision on what sort of help to offer is made more difficult by increasing disenchantment with many existing policies aimed at youth. There's considerable debate these days over whether the $2 billion or more the government spends a year on direct training and jobs for youth is truly productive.

One object of criticism is the perennial offering of summer jobs for youth, which pours millions into inner cities in a highly visible fashion. It is frankly viewed as a sort of "riot insurance" designed to cool the ghetto in June, July and August. Last summer's program paid 888,000 youth about $600 each, at a cost of about $528 million.

Wharton School economist Bernard E. Anderson calls the summer jobs "mainly an income transfer program" of limited value. And a Ford administration official grouses that teenagers holding such jobs often "don't feel any sense of accomplishment," because they do little significant work and often don't even put in many hours. That $528 million, the Congressional Budget Office estimates, would pay for about 114,000 year-round jobs at the minimum wage of $2.30 an hour.

Another major current program for youth, the Job Corps, was launched with much Great Society fanfare by Lyndon Johnson. Now almost a teenager itself, the program still operates about 60 centers costing $200 million a year, and training 20,000 youths at a time.

The intensive residential Job Corps experience shows that "the hardest-core youths could be changed," asserts Robert Taggart, executive director of the National Council on Employment Policy. But costs are high and dropout rates continue to be a problem. As recently as October, the Labor Department announced an experimental program of cash bonuses designed to persuade trainees to stay longer.

Moreover, Job Corps training has little value if there is no job to enter once training is completed. Only two-thirds of the 30,000 youths who finished the Job Corps in fiscal 1975 found work.

Cities and states operate still another major youth program of public-service jobs or training and work experience under the Comprehensive Employment and Training Act of 1973. In fiscal 1975, local governments spent about $1 billion on 800,000 youth under 22. But most of that money has gone to help fill public job vacancies; training has been cut back. Critics say that even if young people get a public-service job, they may have difficulty moving to private employment.

The criticism of current programs has led policy-makers to explore a variety of new approaches to unemployment among youth. The subject is certain to get attention early next year from both Congress and the Carter administration, but there's considerable controversy about what course to take.

Among many businessmen, it is an article of faith that thousands of jobs for teenagers could be generated simply by freezing or lowering the federal minimum wage for them. The National Association of Manufacturers calls such a move "a substantial step" toward providing more opportunities for youth. (Ironically, sizable numbers of youths already can work at less than minimum wage rates under present law; the government issued employers certificates permitting special rates for about 500,000 students during fiscal 1975, although many of the certificates went unused.)

However, the AFL–CIO is certain to resist any proposal to lower the wage floor for teenagers, fearing that youngsters would displace older workers. Indeed, the labor federation intends to make a higher minimum wage a top legislative goal in the next Congress.

Carl Madden, a professor at American University here and former chief economist for the U.S. Chamber of Commerce, would like to see the government issue "work scholarships" to young job-seekers. A youth might get a voucher worth $1 an hour for a year or two of work. Armed with that advantage, the youth would seek out attractive work; the employer would still have to pay the minimum wage.

More elaborate proposals are focusing on some form of domestic youth service—a sort of combination Peace Corps and 1930s-like Civilian Conservation Corps. Moves in this direction have already begun. The House last year passed a measure to create a year-round "Young Adult Conservation Corps" but it hasn't won Senate approval. (The government currently operates a small summer conservation program.) More recently, the National Commission for Manpower Policy, a federal panel, called for a year-round conservation corps to employ 50,000 youth, as well as a doubling of the size of the Job Corps.

Going farther, United Auto Workers President Leonard Woodcock has endorsed a larger voluntary youth service program open to all young people. He says it would prove "an opportunity to do meaningful work and to gain some level of training and job experience."

DIFFERING FUTURES

But such a plan has its skeptics. "The concept of a national service corps breaks apart when you try to think through a program to embrace both the college student bent on a year of service and the ghetto school dropout trying to cope with a very unpromising future," declares Bill Spring of Boston University's Regional Institute on Employment Policy.

He and a Boston University colleague, Paul Osterman, argue that government assistance should be designed to reflect the way youths typically enter the job market. The youngest job-seekers start out with casual, low-paying jobs, often while they're still in school. Older teens "begin attempting, seriously, to find a place" in the world, Mr. Spring notes. They often seek work in small businesses where they can learn a skill under close supervision.

Eventually, in their 20s, young workers with modest experience "are able to find jobs that offer advancement and security" at larger companies paying better wages, Mr. Spring says.

But too often, he adds, jobs programs have tried to move untrained youths directly into good, permanent jobs without providing the necessary "bridge" experience between school and work. Or these programs have sought to get youths to accept low-paying secondary jobs without worrying whether they will ever move to stable, attractive work.

Mr. Spring would like to see government attention paid first to minority youths in poverty areas, youngsters who seldom have family connections—fathers, uncles or other relatives—to help them locate jobs. He doubts that a program to aid them needs to be huge; it might aim at several hundred thousand unemployed, poor teenagers. "The numbers are manageable," Mr. Spring says.

He envisions modest part-time jobs for youths still in school. Older teenagers would get jobs in smaller firms where they wouldn't get lost in a mass of workers. Still older youths would get more substantial jobs designed for those who've been exposed to work and are ready to learn to settle down.

Designing an adequate program of assistance "will be an enormous job," Mr. Spring says, but he warns that failure to do so would mean "another generation is lost to the cycle of unemployment, poverty and crime."

[From the Wall Street Journal, Nov. 15, 1976]

TO MANY GHETTO BLACKS A STEADY JOB BECOMES ONLY A DISTANT HOPE: LEO BROWN OF CHICAGO IS AN OPTIMIST, BUT HE TIRES OF HEARING "NO, NO, NO,"—ONE RESULT: SOARING CRIME

(By Frederick C. Klein)

CHICAGO.—A couple of mornings a week Leo Brown fills out job-application forms somewhere or other, but mostly he stays home, watches television and thinks of what things will be like for him when he's working steady.

"Hey, it'll be real nice," says Leo, who is 19 years old and black. "I'll have some money, maybe get a car and my own place to live. Having something to do every day will make me feel good, you know? Like, "I'm a young dude, and I got a lot of pent-up energy. Once I start working, I bet I come up with an idea that'll help me move ahead. At the job, they'll say Leo Brown came up with this good idea."

All that, however, is pure surmise on Leo's part. Except for a nine-month stint in the Army, he has never held a full-time job even though he has been looking for one since he dropped out of high school three years ago. He is optimistic by nature, but he admits that the search for work sometimes gets him down. "I hear 'no,no,no' so much I wonder if I'm ever gonna hear yes," he says wearily.

A DISTANT HOPE

Leo Brown's situation points up the most disturbing aspect of a generally gloomy employment picture: the presence in the nation's big-city black ghettos of a large, growing and restless number of young people for whom a steady, decent-paying job is a distant hope at best.

Unemployment among young blacks long has been the highest of any group of Americans, but lately it has reached proportions not seen since the Depression of the 1930s. U.S. Labor Department statistics show that for most of this year, about 40% of blacks between the ages of 16 and 19 who want to work can't. This is about five times the overall jobless rate and more than twice that of teen-age whites. For blacks between the ages of 20 and 24, unemployment tops 20%, also more than twice the rate of whites of the same age.

Some groups contend that even those figures don't tell the full story. The National Urban League, a Washington-based civil-rights organization, notes that the Labor Department's measures of joblessness don't include people who have given up looking for work. And the department does count as employed those who have only part-time jobs but want or need full-time ones. If these groups are included, black teen-age unemployment could well exceed 65%, the league concludes.

ONE RESULT: CRIME

Thus, tens of thousands of young blacks are left to fend for themselves, and one result has been a level of juvenile crime that law-enforcement officials believe is without precedent in the U.S. These outbursts are mostly directed against other blacks (homicide is the leading cause of death among black men aged 16 to 25), but they occasionally spill out of the ghetto. In both Detroit and New York last summer, roaming gangs of black youths invaded mostly white sections to rob and assault whomever they encountered; it took huge turnouts of police to beat them back.

"What's surprising to me isn't that this sort of thing happens—it's that it happens so seldom," says a police official in one large Midwestern city.

Those who have studied the matter say

that the long-term implications of continuing very high unemployment among young blacks are no less unsettling. They assert that a person's first few years in the labor market are critical; unremitting failure then can cripple self-esteem and lead to a life of all but permanent unemployment, with sustenance obtainable only through public welfare or a mixture of crime, pickup jobs and "loans" from friends with a few dollars to spare.

THE PERMANENTLY DEPENDENT

Ronald Brown, the National Urban League's deputy executive director, says that roughly one million American blacks already fall into this category and that the number is rising fast. "We are creating a huge population of discouraged and permanently dependent people, with consequences we can only guess at," he asserts.

Making the situation all the worse is the growing conviction that the most obvious factors hindering young blacks in their search for jobs—lack of skills and poor academic training—actually may be among the least of their problems.

"The federal job-training programs of the 1960s showed us that given proper public commitment and funding, which, incidentally, I don't see now, fairly sophisticated job skills could be taught to youngsters with the least-promising school records," says Frank Cassell, a professor at Northwestern University's graduate school of management, who headed the U.S. Employment Service between 1966 and 1968. "They also showed us that even with training, a lot of things stand between a job and a black kid who might fill it.

"First, there's employer racism, conscious or not; without it, black unemployment wouldn't be twice that of whites at every level of education. Then there's the matter of companies and jobs moving out of the cities to the suburbs and beyond, where most blacks can't reach them. The importance of this can't be overstressed. Black unemployment is going to be high as long as present housing patterns continue.

"Finally, there's often a basic ignorance of what it takes to get and hold a job. Things like punctuality and the need to look presentable might be second nature to a middle-class kid, but it's altogether different with a kid raised in a ghetto slum."

A black man who works as a job counselor in a Chicago youth agency elaborates on the latter point. "You see black teen-agers on the street and they look tough and hip, but in some ways they're the exact opposite," he says. "It's hard for an outsider to realize how isolated a lot of them are.

"Take whites, for instance. A lot of ghetto kids have never known a white person, except for maybe a cop or a teacher. They see one in a job interview and they don't know how to act, so they clam up or act surly.

"They know their own neighborhoods, all right, but some of them have never been downtown, and the suburbs are another world. I've sent kids downtown for job interviews and later found out they never showed up because they got lost and didn't want to look uncool by asking directions.

"Take friends. To kids in the ghetto—especially the boys—the most important thing in the world is their buddies, and they can't imagine life without them. I've seen kids turn down jobs because they couldn't take their buddies with them. I've seen kids quit jobs because they want to be with their buddies on the street. They feel more important there than an a job with lots of strange whites."

THE WORLD OF LEO BROWN

It is in this milieu that Leo Brown, a young man of medium build who sports a mustache and goatee, hunts for a job. In some ways, he is better off than many unemployed blacks his age. Both his parents have steady jobs—his father in a factory that makes metal containers and his mother in the office of a downtown department store. He continues to live with them, along with a younger brother and sister. "They treat me nice considering I got no job," he says. "Sometimes they even give me a dollar or two to walk around with."

Their home is a neat, single-family dwelling on a street of such houses in an all-black section of this city's South Side. The setting is hardly pastoral; the area is partly industrial, and the street is just a block from a noisy, smoky, eight-lane expressway. What's more, evidence of unemployment is easily seen. At 11 a.m. on a recent sunny weekday, groups of men loitered on the steps of several of the houses, while others played catch with a softball or tinkered with their cars.

But it's a nicer block than some. About a half-mile away stands the Robert Taylor Homes, the very model of the type of stark high-rise, public-housing complex that has become known here and elsewhere as a breeding ground for crime. "That's a good place to go if you want to get beat up," Leo says. "The gangs over there are always fighting. If they don't have another gang to fight with, they fight themselves."

Leo, however, does share a number of important traits with others of his circumstance. For instance, the fact that he is a high-school dropout puts him among the majority of poverty-area blacks here. The dropout rate exceeds 60% at several Chicago ghetto high schools, and some youngsters don't even get that far.

SCHOOL "WAS NO THRILL"

Leo made it as far as grade 10. "School wasn't so bad, but it was no thrill either," he relates. "I was hanging out with some boys, and we started cutting classes. We'd fool around in the parks, shoot dice, rip off freshies (freshmen) for quarters . . . that kind of thing. I got me a big record around that school, and they didn't like me. When I hit 16, I quit." Leo can read adequately, but he says his math is poor.

Leo isn't a gang member, and adults who know him describe him as easygoing—a follower, not a leader. Still, he has had his share of run-ins with the police, something that's not uncommon in his neighborhood. "You hang around doing nothing, they (the police) pick you up for suspicion," he says with a shrug.

He got into more serious trouble when he helped himself to large cardboard container that he says some other boys had tossed off a freight car parked on a siding near his home. "The police came, and everybody ran off, but I got caught," he says. He was arrested, booked and placed under the supervision of a social worker. He stayed out of trouble for a year, so the affair didn't go on his record.

Leo took a stab at vocational training shortly after he left high school by enrolling in a course in auto repair offered by the city school system. He passed it but says it didn't prepare him to be a mechanic. "They taught us a few things, but not much," he says, adding that he didn't have the interest to pursue the subject further.

After about a year of fruitless job hunting, Leo joined the Army. That too, proved to be a disappointment. He wanted to go to Hawaii, where "it's always warm and nice," but was sent to Germany. His initial job as a tank-turret mechanic suited him well enough, but it was short-lived, and he was ordered to begin training to be a tank driver. He rebelled.

ONLY OCCASIONAL WORK

"I like being a mechanic," he says. "I was nothing but a private, but I was telling sergeants to hand me this, hand me that. When they said they wanted me to drive a tank instead, I got mad."

He complained to the judge advocate general's office that the change of assignment violated the terms of his enlistment. The complaint was upheld, and he was honorably discharged from the service in June 1975.

Since then, Leo has had only occasional work. He was a taxi driver for two days but was fired when he was involved in an accident and ticketed for making an illegal turn. Several days a month he does day labor for pocket money but says it's often more trouble than it's worth. "They pay you $18 a day, which is okay, but they take out $2 for taxes and it costs me $2 for carfare and lunch. Some days, you sit all morning, but there's no work so you are just out $2."

And so Leo looks through the want ads for jobs that don't require experience, sticking pretty much to the city. A friend once gave him a ride to a suburban factory, where he filled out an application, but he got lost on the way home and doesn't want to repeat that experience.

If the weather is nice, he might shoot baskets with some friends in a nearby park, but he usually sits around waiting for the telephone to ring. "The worst part is that nobody ever calls you back," he says. "You fill out a form and they say they'll let you know, but they don't. I got one call back, from the Prudential Life Insurance Co. They wanted a stock boy. They called to tell me they found a better-qualified man than me, but, hey, it was a thrill just to hear that phone ring."

[From the New York Times, Dec. 14, 1976]

MOST COUNTRIES SURPASSING U.S. IN PROGRAMS AND INCENTIVES TO INDUSTRY FOR EMPLOYMENT

(By Clyde H. Farnsworth)

PARIS, Dec. 13.—The British have started a crash program in youth work experience. Belgium is hiring more young civil servants. Most European governments are giving subsidies to employers who hire and train teenagers. Many are creating jobs for them in land reclamation, canal cleaning and other public works.

Though jobless rates among youth are rising on both sides of the Atlantic during the faltering economic recovery, the Europeans are ahead of the Americans in programs to deal with what has become a potentially explosive situation.

Most of the measures are still too recent to have had anything more than a marginal effect on figures showing a third of the five million unemployed in the nine-member European Economic Community to be under 25 years of age. But the action—and talk of more action in European capitals and in the international capitals and in the international agencies in which governments exchange ideas—is a sign of growing awareness of the vulnerability of youth during economic distress.

What the Europeans are doing could have some influence on the Carter administration in the United States, where unemployment is more acute and where the rate among teenagers is running two and a half times the national average.

LARGER NATIONAL PROGRAMS URGED

Some American businessmen, among them Irving S. Shapiro, chairman of Du Pont, have proposed greatly enlarged government programs to provide the kinds of financial incentives that the Europeans are already offering business to hire and train the underqualified.

Intervention by the state reflects a widely shared view that European economic growth, at the less hearty rates now forecast, will be incapable of absorbing much of the poten-

tial labor supply at least until the 1980's. As the Common Market's Commissioner for Social Affairs, Patrick J. Hillery of Ireland, put it: "It is illusory to think that growth alone can re-establish equilibrium in the labor market."

The French have the best-endowed incentive plan, under which an employer who recruits those under 25 gets $100 a month for six months. The plan includes safeguards to prevent employers from simply dismissing older workers, hiring younger ones and pocketing the subsidy.

Despite the plan France still has the highest unemployment rate among the young—two of five of the jobless are under 25—in the Common Market. This is an indication of deep structural problems, especially in bridging the gap between work and schools that assign vocational preparedness an unusually low priority.

BRITISH, DUTCH AND SWEDISH PLANS

Britain gives employers $8 a week for 26 weeks as an incentive to hire youths. Dutch employers who take on teen-aged apprentices are paid $25 a week by the state, and there is also a special incentive plan for the placement of 16-year-olds. In Sweden 35 percent of the wage costs of each young worker added to the rolls is paid by the state. West Germany also has an incentive program, but it is based on a tax levied on employers with payrolls of more than $150,000.

Several countries also provide allowances to help young workers leave their home regions. These have had mixed results. In France youths in depressed Britany do not make full use of the allowance, preferring to emigrate to West Germany, where they get no governmental help but where wages are higher. In Sweden there has been a high rate of return to home communities by workers dissatisfied with their moves.

Several countries have devised job programs on the model of the Civilian Conservations Corps of the Depression years in the United States, Britain has spent $60 million creating 30,000 jobs paying $55 a week, but the program has come under criticism as unnecessarily extravagant and excessively bureaucratic. Denmark and the Netherlands have similar programs, while Italy, provided its financial conditions permit, is considering a $500 million effort to generate jobs for those aged 15 to 28, especially in the depressed south.

EFFORT IN SHABBY LONDON AREA

All the programs are directed toward less privileged, less qualified youth and are specially designed to be labor-intensive. In some cases, such as public-works projects in Denmark, the young workers have commented that their tasks could have been more efficiently handled with excavators and dump trucks.

One of the more successful projects is in the shabby Brixton district of South London, where a large population of West Indians live in derelict semidetached homes and attend schools recalling the blackboard jungle. Here Courtney and Hamilton Laws brothers who are leaders of the black community, run community training classes, to help teen-agers find gainful employment.

On a tour of Brixton they show houses that have been restored by teen-aged work gangs, classes in typing for young people who are hoping to get office jobs, and a warehouse where Hamilton Laws is teaching 20 teen-agers the finer points of motor mechanics, electrical installation and home decoration.

"These kids have been hanging around for two years," Courtney Laws said. "We brought them off the streets."

The Brixton project is part of a British work-experience program that has helped 30,000 dropouts to find jobs.

[From the New York Times, Nov. 8, 1976]

DISADVANTAGED YOUTH GIVEN HELP WITH VOCATIONAL TRAINING FOR JOBS

(By Lana Williams)

David is a 19-year-old high school dropout with a police record who spends most of his time on the streets looking for a job or a victim.

He says he would like to tell the New York State Legislature about the frustration faced by youths like him who are poorly educated, out of work, out of money and who turn to street crimes because they say it is the only way to survive.

To meet this need, the Vocational Foundation Inc. is providing a forum through which they can address decision-makers, administrators, businessmen and advocacy groups in a position to respond to their call for help.

The 40-year-old nonprofit agency helps disadvantage youths, age 16 to 19, get jobs and give them vocational guidance.

Fifty teen-agers—many of them high school dropouts, former drug addicts, delinquency-prone and unemployed—are taking part in seminars at the agency's offices at 44 West 23d Street on what they perceive as their six critical problem areas: unemployment, crime, vocational/educational training, employment, adjustment and social development and deteriorating public education.

"We have been saturated by the sociologists' view of what the youths want and what their needs are, especially with minority youths," George W. Carson, executive director and vice president of the agency said yesterday. "So we have decided to let the youths speak. To let them tell us what they want and need. It is perhaps the first time that youths are telling us what their problems are."

KIDS HAVE A LOT TO SAY

Two 60-minute sessions on each of the six subjects have been videotaped, and the results were called "powerful" by the project's director, Leland Stokes Jr.

"These kids have a lot to say about the things that are affecting their lives," said Mr. Stokes.

"At first the kids were uptight. They didn't trust the group leader, and they were more concerned about their appearance than with what they had to say."

With only the first part of the project completed, much of what has been learned about the teen-agers reflects a common thread of disenchantment with the educational and employment system and a yearning for taking by force what cannot be obtained for the asking.

Several of these youths, who come from all parts of the city, have committed crimes for which they were never prosecuted.

"These kids operate alone, rather than in groups," said Joseph Dennis, a media-consultant for the project. "They are more likely to plan their crimes before committing them. And they feel there is nothing wrong in what they are doing.

"A few years ago, most youths had some ties to an adult—a mom, dad, grandmother, aunt, older sister or brother—but these youth are out here on their own, with no one to tell them what is right or wrong."

With funds from governmental agencies, foundations, corporations, individuals, the agency has been able to secure jobs for nearly 3,000 teen-agers a year.

Through the agency's remedial education program, nearly 2,000 youths each year are able to pass the high school equivalency test to obtain their diplomas.

By the end of February, when the project is expected to be completed, the agency hopes to have a better understanding of why so many disadvantaged youths are turning to the streets.

[From the Wall Street Journal]

STATE OF THE ECONOMY: JOBLESS RATE CLIMBS TO 8.1 PERCENT, WHOLESALE PRICE RISE IS LEVEL

WASHINGTON.—With the unemployment rate topping 8% for the first time this year, Jimmy Carter is being prodded to take early steps to stimulate the economy.

It is likely, the President-elect told a news conference, that the economy "will need help." But he said he would wait until after Jan. 1 to decide how much help it will need and what form the help should take.

Mr. Carter's statement Friday came on the heels of a Labor Department report that the unemployment rate in November was 8.1% of the work force, up from 7.9% in October and the highest since last December's 8.3% (see chart on page one). The number of people with jobs rose 357,000 to 88,130,000, but the ranks of unemployed increased at the same time by 200,000, to 7,769,000. The number of women in the labor force swelled 424,000, accounting for most of a 557,000 overall expansion.

Another Labor Department report showed wholesale prices in November rising at the same 7.2% annual rate as in October. Industrial prices increased at a 9.6% rate, marking a slowdown from October's 12% clip, and government analysts saw signs that there will be more abatement in industrial prices in coming months.

UNEMPLOYMENT

At the White House, Press Secretary Ron Nessen said, "Obviously we're unhappy with the rise in unemployment." However, Mr. Nessen said White House economists detected some positive signs in the latest report, notably increases in employment, the average workweek and overtime of factory workers, and hours worked last month.

The press spokesman said the November increase in hours worked by the labor force suggests that industrial production figures for last month will show a rise from October. Mr. Nessen also quoted Alan Greenspan, the President's chief economic adviser, as saying the jobless report's positive signs indicate that the current pause in economic growth "is coming to an end."

The rise in joblessness brought outcries from labor leaders for more economic stimulus. United Auto Workers President Leonard Woodcock said the unemployment figures show "the economy is in serious shape," and he added: "I'm just sorry that Jan. 20 (Inauguration Day) isn't closer than it is." AFL-CIO President George Meany said America "obviously" needs "programs that will encourage balanced growth and full employment"—programs, he noted, that "Mr. Carter discussed during the campaign."

Despite the big increase in the number of women in the labor force, the unemployment rate among adult women rose only slightly—to 7.7% from 7.6%—indicating that many of the female job seekers were successful.

Also relatively stable were the jobless rates for teen-agers and blacks—two groups that, because of their relatively high level of unemployment, are likely to be the object of special federal job programs in the Carter administration. The teen-age jobless rate was unchanged at 19%; the black unemployment rate rose to 13.6% from 13.5%.

The rate for adult men climbed to 6.5% from 6.3%, and for married men the increase was to 4.6% from 4.4%. Joblessness among household heads was unchanged at 5.4%.

Nonfarm payrolls expanded 260,000 to 79,711,000, but more than 100,000 of the increase consisted of Ford Motor Co. employes returning to their jobs after the recent strike.

The increase in employment was termed "good news" by John Kendrick, the Commerce Department's chief economist. Also in the good news category, Mr. Kendrick said, was the lengthening of the average workweek to 36.2 hours from 36.1 hours. The manufacturing workweek was 40.1 hours, up from 39.8 hours in October, and factory overtime

increased to an average 3.1 hours from 2.9 hours the month before.

The bad news in the latest report, aside from the increase in the overall unemployment rate, was that the average duration of unemployment stretched to 15.6 weeks from 15.4 weeks the previous month, Mr. Kendrick said.

Erratic jumps in the labor force continue to confound economic forecasters, the November report indicated. The sharp November upswing followed several months in which the civilian labor force—the number of people employed, plus unemployed job seekers—was unchanged. That, in turn, followed big bulges in the labor force earlier this year.

"This report illustrates the dilemma we're in," Mr. Kendrick said. "Employment and hours worked are expanding, but not fast enough to accommodate the labor force growth."

WHOLESALE PRICES

On the wholesale price front, there were indications that the big increase in natural-gas prices that has been behind much of the last two month's rises in industrial prices has been pretty much absorbed into the wholesale price index, meaning it won't boost wholesale prices in future months.

Of November's 0.8% rise in industrial prices, which translates to a 9.6% annual rate, nearly half was caused by natural gas, the Labor Department said. Overall prices rose 0.6%, or a 7.2% annual clip, adjusted for seasonal variations. Before adjustment, wholesale prices climbed only 0.2%. The Labor Department's wholesale price index for November stood at 185.6% of the 1967 average, up from 185.2% in October and 4.2% higher than in November 1975 (see chart).

Farm and food prices, which had declined in a number of recent months, turned slightly upward in November. Together they rose 0.2% after having fallen 0.9% in October.

Mr. Kendrick said it was "encouraging" that this reversal in direction didn't cause an acceleration of wholesale prices overall. Government analysts foresee modest food price increases in the months ahead, Mr. Kendrick said.

Mr. Kendrick also forecast continued moderation in consumer prices in coming months. Since June, consumer prices have risen no more than 0.5% in any one month despite sharper jumps in wholesale prices, which normally presage consumer price trends.

Government economists, including Mr. Kendrick, have ascribed this discrepancy to fears of price controls. Businesses are raising list prices, but selling at below list so that if prices are frozen, they'll be frozen at a high level, the economists believe. The wholesale price index records list prices.

[From the Wall Street Journal]

EMPLOYMENT SEEN RISING 20 PERCENT IN DECADE AS PROSPECTS AMONG JOBS RANGE WIDELY

WASHINGTON.—Total U.S. employment is expected to rise 20% between 1974 and 1985 with job prospects in particular occupations ranking from bountiful to dismal, new Labor Department projections show.

Rising population and personal income will generate a 35% increase in demand for service workers such as building cleaners, police officers, nurses and health aides, the study says.

But changes in technology and in the age makeup of the population will sharply cut back other needed tasks, including a projected 24% drop in the number of stenographers and a 20% decline in keypunch operators, according to the study. Lower birth rates mean an 8% decline in secondary-school teachers.

The job outlook for the 1974–1985 period, described by Max L. Carey, a Labor Department economist, in the November Monthly Labor Review magazine, contains a variety of good and bad news for prospective job seekers. According to the forecasts:

—About 13.1 million college graduates will enter the civilian job market in the decade, while job openings requiring college graduates will total only 12.1 million.

—Although the department's projection assumes a 4% unemployment by 1985, 69% of the 57.6 million job openings in that decade will come from retirements, deaths and transfers of already employed workers. Only 17.4 million of the new jobs will represent economic growth.

—Of the 103.4 million workers in 1985, more than half, or 53.2 million, will be in white-collar jobs. About 33.7 million will be in blue-collar jobs, 14 million will be service workers, and 1.9 million will be farm workers. (That's 39% fewer farm workers than in 1974.)

GROWTH BY CATEGORIES

The study expects a 29% growth in employment among professional and technical workers, with even stronger demand for civil engineers and geologists, up 35%; actuaries and mathematicians, 45%; surveyors, 59%; dental hygienists, 158% (the largest of any category); computer specialists, 55%; lawyers, 42%; and social workers, 43%. But the department projects a 2% drop in jobs for college and university teachers.

Among managers, officials and proprietors, demand will be particularly strong for bank officers and financial managers, up 47%; health administrators, up 67%, and school administrators, 43%, the study says. However, the number of funeral directors will decline 6% and postmasters and mail superintendents will drop 16%.

In the fast-growing clerical-worker category, the department forecasts a 50% increase in jobs for secretaries, but only a 9% growth for office-machine operators. Billing clerks will be up 46%; file clerks, only 16%. Mail handlers will increase 35% in private concerns, but only 3% at the Postal Service. The number of teachers' aides will increase 88% but the number of telephone operators will drop 1% by 1985, according to the report.

Among craft and industrial workers, where an overall 20% gain is forecast, a 27% increase in construction-trade workers is expected, including 51% more bulldozer operators, 44% more roofers and 33% more cement finishers. But demand for plasterers will drop 4%, and demand for painters will rise only 7%.

MORE MECHANICS NEEDED

"More mechanics will be needed to repair industrial and consumer machinery," the study says, forecasting a 37% increase in demand for air-conditioning and heating mechanics, an 86% increase for data-processing machine repairers, and a 49% boost in office-machine repairers. But printing trades will show only a 5% increase, railroad repairers will drop 20%, bakers will fall 2%, and demand for shoe repairers will decline 10%, the report says.

Jobs for textile workers will fall 15%; clothing ironers and pressers, down 20%; sailors and deckhands, down 12%, and cab drivers, down 18%, according to the report. But the study expects a 26% increase in jobs for welders, a 67% gain for asbestos and insulation workers, a 43% gain for photographic process workers and a 23% gain for bus drivers.

Among service workers, fewer baggage porters, elevator operators and private household workers will be employed. But a 70% boost is forecast for health-service workers, 56% for child-care workers and 46% for police and detectives.

The new survey updates projections previously prepared by the department in 1973, and boosts the former estimate of 1985 employment by about 1.9 million, or 1%.

[From the Washington Post, Nov. 11, 1976]

ITALY PLANS YOUTH JOBS INCENTIVES

(By Sari Gilbert)

ROME, October 31.—Italian firms hiring recent high school or college graduates will receive special financial incentives under a new government plan to cut the socially explosive degree of unemployment among those young people seeking their first jobs.

Despite a continuing and serious recession, Italy's official statistics list only 850,000 persons currently unemployed. But both government and private-sector economists agree that the brunt of the recession has fallen on the young.

According to official projections—which in Italy are generally low—within three or four years, there could be as many as two million unemployed young people with secondary-school diplomas or college degrees.

The government's new proposal, announced on Friday by Tina Anselmi, the minister of labor and the only woman in the Cabinet, would allocate close to $500 million to provide work and training for up to 420,000 young people a year.

Presented after extensive talks with Italian business leaders and representatives of the powerful CGIL–CISL–UIL trade union federation, the new plan would involve the public sector as well as private industry.

The government's draft bill, which will be debated in Parliament later this year, will use incentives to businesses to encourage the employment of 300,000 young people between the ages of 15 and 22, or 28 in the case of college graduates.

Northern firms, which will be allowed to hire two youngsters for every 30 employees, will receive $40 a month from the state for every person hired under the new program. In the south, where the problem is even more acute, the proportion will be greater. Three young employees will be allowed for every 20 normally hired, and firms will receive a monthly state contribution of $80. The payments will be made for periods ranging from 18 months in the north to 2 years in the south.

The young unemployed, who will have to register on special state employment rolls, will be hired for 12-month periods that may be doubled in the case of those with special skills. The unskilled will have shorter working hours and will be required to follow special training courses expected to lead to regular jobs.

The plan also provides for civil service employment for an additional 120,000 young persons who would be given normal salaries and contracts running from four months to two years for work in understaffed government departments such as libraries, museums, archives and registry offices. Another provision reserves 25 per cent of all civil service jobs in the next three years for persons falling into the young-unemployed category.

Economists, sociologists and educational experts agree that the present situation has been created only in part by the recession, which has forced firms to combat rising labor costs by blocking employee turnover.

They say another cause is a total lack of planning in the education field that has allowed thousands of students to pursue studies in fields such as accounting, medicine and law that already are highly oversupplied.

The new plan therefore would use temporary employment and retraining to drain some of the current labor excess.

Queried about their reactions, several business representatives pointed out that the future employment of young graduates cannot be guaranteed without an overall plan for industrial expansion.

Those questioned added that they were particularly worried about the limited-term contracts which in Italy have been used in the courts by employees seeking full-time jobs. "One of the reasons firms are hesitant

to hire is that in Italy it is easier to divorce a wife than fire a worker," a top Milan industrialist told the city's prestigious daily, Corriere Della Sera.

[From the New York Times, Feb. 14, 1976]

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CASTING A LIFEBUOY

(By Mitchell Sviridoff)

Hope dies hard. Even in that grim, disturbing portrait of a welfare mother that appeared in a recent issue of The New Yorker, there are a few barely detectable flashes of aspiration and ambition. Carmen Santana, the subject of the article, surveys the wreckage of her life and murmurs the faintest appeal for help, for some kind of work that will bring purpose and direction to her life.

She has not held a conventional job for more than ten years. Yet when she sees a file clerk working in her son's school, she thinks, "That's the kind of job I could do." But this flickering interest in work is quickly suppressed because "she has no idea what job there may be in New York City that will pay a living wage for a middle-aged Puerto Rican woman with an eighth-grade education who speaks so-so English, possesses no skills and suffers from bronchitis."

Or, it might be added, what jobs are there for an ex-convict who served 20 years, for a teen-ager who dropped out of school in the tenth grade possessing no work credentials aside from a fifth-grade reading level, for an addict who must report every day for his methadone dosage, and for a former mental patient who has been institutionalized for five years?

There are millions of Americans who belong to what might be loosely described as the underclass of this society and whom even an effective full-employment policy would not reach. For they are not counted in the unemployment rate because they have long since dropped out of the job market or, perhaps, never entered it. They are our civilian missing-in-action. Urban and rural, black and white, young and old, men and women, they wring whatever money they can out of the welfare system, are swept up in the dead-end cycle of selling and using drugs, frequently turn to crime and sometimes to violence.

The various employment-related programs of the last ten years were basically designed for people who retained enough self-esteem to believe that given a chance they could function in a job—not for Carmen Santana or millions of others who have lost faith in their ability to work or their chance to get or hold a job.

Today, an effort is under way that is addressed to this population. It is a test of the concept known as "supported work." It is an adaptation of the sheltered-work approach developed in the Netherlands, Sweden and Britain to provide subsidized employment to physically and mentally handicapped persons unable to find work in the job market.

It was introduced by the Vera Institute of Justice in New York in 1972 in cooperation with New York City's Department of Employment, and is run by the nonprofit Wildcat Corporation. Unlike the European model on which it drew, it was developed specifically for former addicts and former offenders. Also unlike previous efforts, it uses primarily existing resources rather than new funds.

The results of the Vera experiment showed enough promise to warrant a national demonstration. In January 1975, supported-work programs were established in thirteen states. In a unique pattern of cooperation on a national level, they are being funded by five Federal agencies (with the Labor Department in the lead), the Ford Foundation and local sources. The group participating in the national demonstration was expanded to include unemployed poor youth, female heads of households receiving public assistance, and the mentally ill. In the first year about 1,500 people have taken part. In the second and third years 3,000 people will work in this program. Like the Vera-Wildcat program, the national demonstration emphasizes sensitive supervision of the participants and peer-group supports.

Their paychecks may consist of social benefit payments, reimbursements by public or private employers for services rendered, and allocations from various government training and demonstration grants. A major feature is conversion of the benefits of participants on welfare into a salary pool. To the extent that the demonstration is successful, this kind of program may provide one way out of-the-welfare trap, with public funds going not to maintain dependency but to pay for useful work.

One key feature of the demonstration is its tight link to a rigorous evaluation, so that three years hence we shall know the cost and the benefits, how many participants can manage the transition into the open labor market, how many can function effectively in the supported-work environment, and how many cannot manage at all. In short, we shall know a lot more about what is possible under a paycheck instead of a welfare-check policy and to that extent be less likely to plunge into large-scale expenditures based on inadequate information.

In the long run it will be necessary to complement supported work with other efforts: The criminal-justice system has to be reformed, drug treatment and prevention programs must be improved and expanded, and the welfare system itself must be overhauled. Meanwhile, supported work is one attempt at a rational response to Carmen Santana's faint plea for help.

[From the New York Sunday News, Sept. 7, 1975]

NEWARK PROJECT TRAINS HARD-CORE JOBLESS

(By Lawrence E. Pratt)

An innovative program designed to train and employ two groups of Newark's hard-core unemployed—welfare recipients and ex-offenders—is betting a million it can do the job without reverting to "sweeping sand" placements.

The program is operated by the Newark Services Corp., a nonprofit organization formed recently with a three-year Ford Foundation demonstration grant plus matching city and state funds.

One of only 13 such Ford-funded pilot projects in the nation (another is operating in Jersey City), the corporation has a $1-million annual budget.

NO FABRICATED JOBS

"We don't put persons into make-work situations," said Lawrence E. Pratt of Plainfield, president of the corporation.

Rather, Pratt explained, his organization enters into contracts with public agencies and private companies to perform what he terms "essential jobs."

The program's participants, or employes, are supervised by skilled consultants to improve their on-the-job performances in areas such as clerical and other office work, as graphics specialists and researchers and as construction workers.

Besides a security force and a clerical crew working in the corporation's executive offices at 215 Central Ave., Pratt said crews are also employed by the city's Department of Engineering and by the Newark Watershed Conservation and Development Corp. at the Pequannock Watershed.

NEGOTIATE OTHER CONTRACTS

Other contracts are being negotiated to provide transportation services, building rehabilitation and building maintenance services, Pratt said.

He said tuition funds are available for employes who wish to improve their academic skills.

The program, which began preparations in May, was funded to train and enhance employability of 80 former convicts and 80 welfare mothers. Participants are referred to the corporation by state and city agencies.

EX-OFFENDERS ELIGIBLE

Pratt, a former social worker, said ex-offenders are referred to the program within six months after their release from prison. Studies show, he noted, that recidivism usually occurs among ex-offenders in that time.

"Somebody is going to have to do something about ex-offenders and welfare mothers," Pratt said, "or the whole damn society is going to fall."

The corporation is directed by an 18-member board composed of Newark residents or persons working in New Jersey's largest city. Donald McCormick, a vice president of Howard Savings Bank, is board chairman.

[From the Jersey Journal, Jan. 30, 1976]

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COMMUNITY HELP IS THE NAME OF THE GAME

(By David Grossman)

At six in the morning, in a small warehouse in the shadow of the Jersey City Medical Center, a group of workers begins loading a truck with packages of breakfast food for delivery to thousands of hungry youngsters in the city's schools.

Unused to rising so early, the six workers hurry to meet the 8 a.m. delivery deadline. None has ever held a steady job. A few weeks before, they were on the street, with no skills, little job experience and backgrounds that made finding work almost impossible.

The warehouse workers are ex-addicts, ex-offenders and out-of-school teenagers.

The company that employs them and another 130 trainees is the Community Help Corporation, an innovative job training program for Jersey City's "hard core" unemployed.

Established last March as an affiliate of the Patrick House drug treatment program, the Community Help Corporation—CHC—is a private, publicly-funded supported work program.

In a closely supervised setting, CHC gives its employees 12 months of paid "transitional" employment, on-the-job training, counseling and health, legal and educational services.

Its goal is to provide the trainees with the skills, responsible work attitudes and job history that will enable them to find permanent, unsubsidized employment outside the corporation.

Funded by a federal grant and the Jersey City Manpower program, CHC develops training jobs—and generates additional income—by acting as a contractor for public and private projects ranging from the delivery of food packages for Jersey City's Board of Education and Department of Human Resources to painting houses and maintaining a parochial school.

The company is also involved directly in the rehabilitation of abandoned or foreclosed houses which it buys and refurbishes for resale. And, in order to keep all its trainees busy and to meet a second goal of community service, CHC performs some free work for city departments, social agencies and Patrick House.

The Community Help Corporation is aimed at three target groups among Jersey City's chronic unemployed—the ex-addict, the ex-offender and the out-of-school youth between the ages of 17 and 20.

The jobless rate for these groups is more than double the 12 per cent rate for the city as a whole, according to CHC. Handicapped

by the stigma attached to their criminal or drug backgrounds or their lack of schooling, they have worked only fitfully, if at all, moving from job to job. Their skills and motivation are poor and the chances are high, CHC says, that they will return or resort to crime or drugs.

The Community Help Corporation is one of 13 supported work programs in major cities across the country—including Philadelphia, Boston, St. Louis and Newark—funded on an experimental, three-year basis by the Manpower Demonstration Research Corporation.

The MRDC is, in turn, funded by six federal agencies, chiefly the Department of Labor, with some aid from the Ford Foundation.

In the year that ends Feb. 29, CHC received $630,000 from MDRC for 89 trainee slots.

The Jersey City Manpower program committed another $402,000 in federal CETA (Comprehensive Employment and Training Act) funds for 36 trainee and 20 staff positions for 17 months ending June 30.

Like the other supported work programs, CHC, at the urging of MDRC, is affiliated with local and state government through the membership of its board of directors.

Like the others, it works closely with and has been promised the support of city government. And like one other program—in Philadelphia—it evolved from and is still closely tied to the local drug program.

The Rev. Francis Schiller is executive director and a trustee of both CHC and Patrick House. Several top CHC employes are also current or former Patrick House employes.

CHC rents office and warehouse space for $49,000 a year in Patrick House's administration building on Cornelison Avenue. One-third of CHC's trainees are Patrick House clients.

The CHC board of directors also includes Wellington Davis, Jersey City personnel director and Board of Education president; Glenn Cunningham, a freeholder and Jersey City police detective; Bernard Hartnett, county Democratic chairman; and William Tracey a former Jersey City employe who now works for the State Labor Department.

CHC was formed when Jersey City Mayor Paul Jordan designated Patrick House as the contractor for an initial federal grant to the city to plan a supported work funding proposal to MDRC.

According to Brian Doherty, a former administrative assistant to Father Schiller, Patrick House since 1973 had been running a small supported work program for some of its clients, assigning them to maintain the drug program's clinics or renovate its alternate school.

Doherty said that when MDRC announced plans to fund pilot job programs, Patrick House contacted the agency and put it in touch with the mayor's office.

If CHC and its sister programs are successful in creating training opportunities, generating outside income and placing trainees in permanent jobs, MDRC will recommend to the federal government that it continue and increase supported work funding, according to MDRC Director William Grinker.

But Father Schiller says that the Jersey City program has already shown its success.

Seven CHC trainees have already found jobs. Although a high absenteeism rate and poor motivation might be expected, attendance is running at 78 per cent and three-quarters of those enrolled are still in the program.

The corporation's contract billings so far total $389,000, according to John Baker, CHC's assistant director in charge of marketing.

About 30 per cent of that amount, Baker said, is "cash flow" that can be turned back into the company to cover overhead, buy equipment, pay salaries or create more training slots.

In competitive bidding with private firms, CHC has won three city contracts that, by June, may total more than $600,000.

A 12-month contract for the supply and delivery of supplemental food items in the federally-funded women, infants and children (WIC) program administered by the city's Department of Human Resources has already generated $103,000 in billings.

If maximum program capacity of 4,000 recipients is reached, the WIC contract could generate as much as $362,000 by the time it runs out in June.

CHC was low bidder for two Board of Education contracts for the daily delivery of cold breakfast foods to some 5,100 school children in 11 schools.

A four-month contract—expiring today—grossed some $110,000 while a second five-month contract, running through June, could generate $145,000, depending on the final number of children enrolled in the breakfast program.

CHC has also drummed up—and its employes have completed—some 130 small, private home repair and renovation contract jobs.

According to Baker, they ranged from $50 to $2,000, from fixing a stoop to re-siding or painting a house.

In the city's Bergen-Lafayette section, CHC crews are also rehabilitating two houses purchased from the Federal Housing Administration and another donated by a local bank.

When the renovations are finished, CHC will sell the three homes to owner-occupants for the cost of labor and materials and look for other houses to fix up, Doherty said.

Baker said that CHC did another $4,600 of work for Jersey City in smaller jobs, including painting the Jones Hall basement and the Seventh Precinct police station and fencing in 30 empty lots.

Trainees also did some free work for the city, cleaning out parking lots, painting, and boarding up a city-owned house.

In addition, CHC performed another $38,000 in contract work for Patrick House including the renovation of its Cornelison Avenue headquarters and the maintenance of its drug clinics. Trainees also did about $26,000 worth of free work for Patrick House, including the refurbishing of a drug free residence and minor repair work.

The Jersey City chapter of the NAACP also received free CHC labor to paint and install partitions in its new offices.

But CHC's success has not gone unquestioned. Its food delivery performance has been criticized and some have questioned whether, with no track record, it should have received the city contract at all.

Others have questioned whether a publicly-funded job program should bid against private enterprise and then receive additional public funds for municipal contracts.

"I don't think our competition is unfair," said Father Schiller. "It's very fair to the guys who work here. Some haven't worked in 10 years, but they're working now.

"If tomorrow private business would take in these trainees, there would be no need for CHC," he said. "But in private enterprise, the moral consciousness and social responsibility is not there."

Father Schiller said that despite government subsidies, the program is not in an especially competitive position because its workers are less productive and require more supervision than those in private industry.

Richard DeCrescenzo, CHC's assistant director of operations, said that trainees are about two or three times slower than skilled craftsmen.

Although the Board of Education reports no problems with CHC's breakfast deliveries, the former director of the WIC program said that before she quit last November she was flooded with recipients' complaints of late deliveries or incomplete or damaged packages.

"CHC didn't do anything right from day one," said Martha Larkins, who directed the WIC program since it began in June.

"Packages were supposed to be delivered within five days after orders were received, but they were never on time," she said. "I got about 30 or 40 complaints a day."

The Human Resources Department's original plans for the WIC program are another example of the close city cooperation with Patrick House.

The Department at first wanted to delegate the contract, potentially worth some $350,000, without competitive bidding to CHC as a nonprofit, social service agency.

William Macchi, Human Resources director, at the time was a CHC trustee as well as a member of the Patrick House board of directors. Patrick House, meanwhile, was negotiating to buy for $7,000 a city-owned warehouse that the redevelopment agency had bought for $65,000.

But after talks with federal and state officials, Macchi decided CHC couldn't qualify as a social service agency and, resigning as a CHC trustee in May, put the WIC contract out to bid.

Baker said the WIC deliveries were "fantastic" until October, when the city suddenly doubled CHC's workload by asking for monthly, rather than the previous bi-monthly, deliveries.

Jack Morris, the city's current WIC director, says the deliveries are now up to date.

CHC now has the appearance of an up-and-coming business with its own uniforms, employe manual, a five-member trainee service unit, marketing division and 23-member management staff earning a total $270,000, and 16 instructors, counselors and supervisors earnings another $156,000.

CHC's trainees who are ex-addicts are referred by Patrick House. Ex-offenders and jobless teenagers are referred by the Vocational Service Center for parolees and probationers and by the Human Resources Department, respectively.

The trainees work a 40-hour week, starting at $2.60 an hour. Deserving workers are eligible for a 14-cent-an-hour raise, a $6 or $12 weekly bonus or promotion to assistant crew supervisor, for an extra $25 per week.

Trainees, DeCrescenzo explained, are organized into two types of work crews.

New trainees are placed in six-man general crews, under a supervisor. The crews are assigned either to the warehouse and delivery work or to simple painting, home repair, moving or maintenance jobs.

After a month, DeCrescenzo said, a trainee's progress is reviewed and he may be promoted to a housing rehabilitation crew supervised by a skilled craftsman.

According to Father Schiller, CHC is negotiating for an increase in MDRC funding to $2.1 million for the program's first two years, enough for 300 trainee slots this year, including 25 for alcoholics.

But MDRC Director Grinker says the $2.1 million figure is high, although CHC's 1976 funding will be "substantially increased."

Although it is questionable whether a supported work program can survive without subsidies—Grinker says it can't—Father Schiller says he hopes to make CHC eventually self-sufficient, in case government funding is reduced or cut off.

Income generated so far, he said, will reduce the program's need this year for CETA funding.

CHC, Father Schiller added, is planning more housing rehabilitation work—a buyer has already been found for one of the first three houses—and is also considering going into the printing business, using equipment owned by Patrick House.

The program is also looking for more food service and maintenance contracts, he said.

According to CHC, there are about 1,900

ex-offenders over 21 in Jersey City. There are some 4,900 jobless teenagers. And there are as many as 10,000 addicts in the Jersey City area.

Patrick House treats only 1,000 ex-addicts and CHC, even with expanded federal funding, will be able to train only a fraction of Jersey City's hard core unemployed in the next two years.

"I've got to make sure the programs survive to treat people and to train them," says Father Schiller in his dual role as director of CHC and of the Patrick House drug and alcoholism programs.

"We have to try and get as much independence as possible and not be dependent on the whims of some politicians.

"When you take someone in for long term treatment, you have to be reasonably assured you won't have to drop him back in the street. We have a tremendous moral responsibility to our clients, especially those on methadone maintenance."

[From the Hartford Courant, Apr. 15, 1976]

FIRM PROVIDES JOBS FOR FELONS

(By Antoinette Marin)

Auto thieves, robbers, muggers: Jobs available, starting immediately. Only unskilled persons with police records need apply.

That's how an advertisement for Maverick Services Corp. might read, if executive director Daniel MacKinnon decided to publicize his job program.

As it is, he relies on "the word getting around the street" about the city-sponsored program and has plenty of felons and ? "unemployable types" clamoring to get in on the project.

MacKinnon, a former executive vice president of the Terry Corp., steam engine manufacturers, said when he turned 50 years old he decided he "didn't need any more money" and wanted to try something different.

He became director of prison industries at Somers State Prison for awhile and then took over development of the Maverick program for the city's "hard core unemployable."

MacKinnon said he only accepts persons who have committed a felony, served time and haven't been out on the street more than six months.

They start at $2.50 an hour, but earn a 17-cent an hour raise the first week just by showing up on time every day.

So far 80 ex-convicts have been employed at Maverick's various tiny industrial plants around the city. The nonprofit corporation runs a gasoline station on Homestead Avenue, a tire recapping business on Windsor Avenue, a concrete business, a printing and refinishing firm and a construction company.

The men on the construction crew probably have the best morale of any of the workers now employed, said MacKinnon, since they get to wear hard hats and boots and look like real workers every day."

"It's a whole different thing than the street scene with tight pants and high heels," said MacKinnon,. "We try to develop a manly, macho kind of person."

The construction workers now are attempting to rehabilitate a six-family apartment building on Elmer Street, MacKinnon said. "We're not saying we're out to save the city or anything," he said, "but we're going to do our best to do a job on Elmer Street."

MacKinnon also invited north Hartford residents interested in the future of the small two-block street to a meeting next week.

MacKinnon is aided by a black businessman, James Hoods, and Frank DeJesus, a Puerto Rican. A black former Army Lt. Col., Bill Dowdy, is the staff "salesman."

Dowdy visits area businesses and tries to encourage them to hire one of the Maverick graduates. So far, 15 persons have been placed with private companies, MacKinnon said.

"You've got to cut your hair and take off your earring or we won't help you," said MacKinnon. "I tell the men I'm sorry, but that's the way it is in this society."

MacKinnon's program is funded by Hartford's federal Comprehensive Employment Training Act (CETA) grant money and by the Ford Foundation. He has been hesitant about publicizing the project because he wanted it to build up a "respectable record" before attracting attention.

He didn't seek an interview Wednesday, but spoke at a Chamber of Commerce Board of Directors meeting, at first unaware that reporters were present.

"I just want to make clear that this is not a premature announcement that we have found a way to save the world," said MacKinnon after the meeting.

[From the Twin City News-Record, Jan. 6, 1976]

REHAB PROJECTS FOR PEOPLE AND HOMES

(By Kathy Walsh Nuffer)

FOND DU LAC.—Advocap's seven-month-old housing rehabilitation project, which aims to benefit the handicapped, elderly and low income families of Fond du Lac and Winnebago counties, as well as persons with a history of mental and emotional problems, is already showing positive results.

Homeowners, participants and staff members are pleased with the project's progress, so far, and its effectiveness has won national acclaim.

The project, part of Advocap's supportive work program, has a "double-edged purpose of rehabilitating both people and homes," explained Doug Pearson, housing director, "and judging from our statistics for the first six months, we're off to a good start."

On June 1, construction supervisors hired by Advocap began training the project's first housing specialists in three major rehabilitation categories—basic home maintenance, energy conservation and structural repair.

The "specialists" had all been referred to the project by social service agencies in both Fond du Lac and Winnebago counties because of their background of mental and emotional problems. All were unemployed before entering the supportive work program.

Slowly, as their training progressed, 35 housing specialists, working in crews of five, were phased into local communities where they could provide home services to the needy.

They raked lawns, shoveled walks, cleaned eaves troughs, washed windows, caulked, weatherstripped and insulated homes for the winter, repaired porches and installed siding and roofs.

The specialists were grouped according to the jobs they could handle, advancing from basic home maintenance to structural repair as their skills and confidence improved.

Winnebago County statistics for the first six months of operation show that the specialists provided a total of 82 services to 73 homes.

Two of the work crews have been stationed in the Neenah-Menasha area.

Pearson noted that the work crews provide the housing rehabilitation services to the elderly, handicapped and low income families free of charge.

He added that the project now has money available for grants for materials to winterize homes and is interested in recruiting more needy homeowners who qualify for the services. "Winterizing can save as much as 40 per cent of the fuel bill," said Pearson.

Local homeowners who qualify for the service can contact Advocap's Neenah-Menasha housing counselor for more information.

Pearson said he has received much positive feedback on the project from the homeowners. "They're very pleased with the work done. This is a service that was badly needed and never before available."

Several homeowners, he said, have written the project letters of appreciation for the services. Some have made lunch for the crews working at their homes or bought them gifts.

The crew members seem to be pleased with the project, too, said Pearson. "They feel their work is contributing to the Community."

James Blakeslee, director of Advocap's supportive work program, has seen considerable improvement in both the participants' work and social habits.

He noted that those who are in the housing project have shown improvement in their attendance, work attitudes, willingness to accept responsibility and ability to work with less supervision. The general state of their mental health has also improved, said Blakeslee.

When a participant has a rough day or has to face a crisis, there are two counselors available to help him solve his problems. There are also three coaches to help the participants rehabilitate themselves socially. The coaches act as advocates for the participants, providing them with a drop-in center after work hours, information on community resources and places to go for psychological services.

In addition to the training the project provides its work crews, individuals can take advantage of courses at local technical schools. Some are taking drivers education and advanced skill courses.

Blakeslee said he has received a number of positive comments on the housing rehabiliation project from the agencies who make the referrals.

In addition, the chief funding agency of the project—Manpower Demonstration Research Corporation—has called the Advocap project one of the best now being operated. There are 13 similar programs now underway in the United States.

The project is also funded by several other agencies, including the National Institute for Mental Health, the Area Agency on Aging, The Cities of Oshkosh and Fond du Lac and the Catholic Campaign for Human Development.

In the next year the project hopes to expand the number of its services and work crews. The work crews will be increased from seven to nine, three of which will operate in the Neenah-Menasha area.

Pearson said he is now working on a funding proposal for the second year of the three year project. What will happen to the project after the term is up, he doesn't know, although interest in this type of program is high. He noted that legislators are looking to establish this type of housing rehabilitation program nationwide on a long-term basis.

[From The Wall Street Journal, Apr. 1, 1976]

JOBS FOR THE "UNEMPLOYABLES"

(By Alan L. Otten)

Some people simply don't know how to work and hold a regular job. They never have, or have only occasionally, and they have all sorts of special problems. They're ex-offenders, drug addicts, welfare mothers, teenage dropouts, alcoholics, the mentally ill. Put them in a regular office, factory or other work setting, and they'll flounder and fail.

But put them in a special "low-stress" work situation—where fellow workers have similar backgrounds and problems, where they're not expected to be too efficient at first, where management initially takes a sympathetic attitude towards absences and tardiness. Then, perhaps, they can gradually learn normal work habits and skills, build self-confidence, and move on to a regular job and hold it—thus breaking out of welfare dependency, addiction and crime.

Such at least is the theory of "supported

work"—a concept developed in Western Europe primarily for the physically and mentally handicapped but now getting an extended test in this country for ex-criminals, addicts and other types of "unemployables." Thirteen projects, from Newark and West Virginia to San Francisco and Washington State, are putting the theory into practice in a variety of urban and rural work situations, with control groups and careful follow-up analysis to measure progress and assess real costs and benefits.

"We think there's value if we can show that people who've been looked on as burdens or dangers to society can produce services and work of social value, and can gradually develop into assets," declares Herbert Sturz, the innovative director of the Vera Institute of Justice, who first brought the supported-work approach to the U.S. "Society is already putting money into these people, through welfare and similar assistance programs, so why not put it into having them do something useful?"

That's one of the unique things about the supported-work experiments. Workers are paid wages out of a wage pool made up from several sources: payments for the work they do for local government agencies or private firms; special government and foundation training and research grants; and, to an important extent, from the diversion into the pool of some of the welfare benefits that these people would otherwise be getting directly. And that's the whole idea: instead of getting a welfare check for doing nothing, they get a paycheck for performing useful work, learning work habits, and developing an employment history.

HELPING THE ELDERLY

Vera's original supported-work experiment, started in 1972, used welfare funds and government grants to set up a nonprofit corporation known as Wildcat Service Corp. in New York City; it now employs some 1,200 people at any one time, and it's still expanding. Former offenders and ex-addicts still in treatment (averaging 8.6 arrests and four convictions,) have worked at providing messenger services, cleaned the New York Public Library, planted trees in parks, done maintenance work and painted police stations and courthouses, driven the elderly to doctors' appointments and delivered meals-on-wheels to them.

Wildcat's experience was encouraging enough to persuade five federal agencies and the Ford Foundation to finance the much broader three-year nationwide experiment that's now nearing the end of its first year. A special non-profit agency called the Manpower Development Research Corp. was set up and is monitoring the 13 individual projects; each is run locally by a special agency, sometimes sponsored by a state or local government, sometimes by a private do-good group.

About 1,600 people have taken part, and this figure is slated to grow to 3,000 over the next two years. Projects vary in size (from 75 to 300), in composition (some, are exclusively ex-offenders or welfare mothers or addicts, some mix various groups together) and in type of work. In general, the men and women work in small crews of five to 10, and crew chiefs and even some supervisors have similar backgrounds.

Mostly they do maintenance work in public buildings and housing projects, repair motor vehicles for local agencies, provide security for government buildings, clean up and landscape parks, demolish abandoned buildings. In Hartford, ex-offenders run a filling station, a small printing operation, a tire recapping project, and a furniture assembly operation. Ex-offenders in Washington State microfilm state records, guard a state office complex, reupholster furniture for state college dormitories. In West Virginia, welfare mothers, ex-offenders, and young dropouts serve as teachers' aides, kitchen helpers in schools and hospitals, day-care workers at housing projects, clerks in senior citizen centers. In Wisconsin, mentally ill persons, deinstitutionalized by last year's Supreme Court ruling, winterize and repair houses for the poor and elderly.

Wages start at about 75% of what the workers might expect to get for entry-level private jobs, but raises and promotions for staying with the project and assuming responsibility come frequently, and workers can earn a small additional bonus any week they meet certain standards of productivity, attendance, and punctuality—standards that are steadily made more difficult as the worker remains in the project. Supervisors, the key people for success or failure in most projects, try to handle their workers with great flexibility: finding the reasons for absenteeism or lateness and suggesting ways to improve, giving workers time off to get Methadone treatment or meet with a parole officer, trying to arrange outside help for the mother who can't get day care for her children or is having trouble with her former husband.

Theoretically at least, workers should move out of the project—into non-supported jobs, it's hoped—by the end of 12 to 18 months, to make way for new people. Each project has an active job-finding service to help line up permanent jobs with government agencies or private employers.

Vera claims a substantial success with Wildcat. Over half of those who started were still working a year later—42% at Wildcat and 12% in non-supported jobs, and of those who moved on to non-supported work, close to 80% had held the job for at least 18 months. Attendance rates are reported just barely below that of bluecollar workers in private industry, and sample surveys indicate productivity at about 98% of commercial standards. Vera figures taxpayers actually get back—in public services, reduced welfare payments, and taxes paid by the workers—$1.03 for each $1 invested in the project.

Most MDRC projects haven't been going long enough to show very meaningful results. Out of some 1,600 people who are in or have been in the project, 850 are still in, and 150 have moved onto non-supported jobs; the rest have quit or been fired (usually for absenteeism or insubordination) or are temporarily suspended.

Naturally, many don't or won't make it. Welfare mothers and the teenagers seem to do best; addicts and former offenders tend to lapse most easily. The recent recession made it harder for supported workers to find private jobs, and state and local budget stringency has limited the opportunities even for supported work. So far, the effort hasn't been extensive enough to draw unfair-competition complaints from private firms or unions, but these could come if the effort expands substantially.

KEEPING TABS ON RESULTS

Most MDRC projects have control groups of non-supported men and women with similar backgrounds, and a Princeton-based research firm, Mathematica Inc., is keeping tabs on all people in the projects and control groups and doing other detailed analysis. It will try to follow what happens to supported workers when they graduate or drop out, how they fare compared to those in control groups, how many go back to welfare or crime or drugs, whether one type of work or one type of worker seems to succeed better than others, and whether total costs outweigh benefits.

"We all want this to succeed," asserts William Grinker, MDRC president, "but we won't know for quite a while whether it does. It's already proven effective in terms of getting people to come into these programs and perform useful work, and in turnover rates that aren't out of line with private industry. By the end of the first year, I think we'll be able to show some pretty good in-program results and positive cost-benefit figures for the people in the program. But the decision will be out for quite a while on the long-term questions: whether these people are employable, can hold on to a job, what sort of recidivism there is, and what the costs and benefits are to society. We're not close to any answers there."

Both Mr. Sturz and Mr. Grinker doubt that the program can work without some continuing government subsidy (these are, after all, by definition low-productivity workers with special problems). But they agree that this subsidy might merely consist of capturing for the wage pool more of the public assistance, home relief, Medicaid and Medicare, veterans benefits, aid to the disabled or other help that these people would otherwise be getting directly from the taxpayers. Vera and MDRC engage in constant effort to persuade federal, state and local bureaucrats to divert more money this way—they encounter resistance even after top-level officials have indicated they want it done—and both men think success in this fight is critical.

A certain percentage of these "unemployables" may never be ready to move on to private jobs, the two men concede, and may need a permanent supported work setting. But that, too, might not be disastrous. "They still would be producing something useful," Mr. Sturz argues, "and would be kept together as human beings"—and probably at less cost than if they were on regular welfare.

"We're not going to change the world with this concept," says Mr. Grinker. "But maybe we can get a substantial number of people to function in a work setting so they can get jobs and hold them and begin to break that cycle of dependency and destructiveness. And that's not such a small accomplishment."

[From the Christian Science Monitor, Aug. 27, 1975]

WORK PROGRAM HELPS YOUTHS: EMPLOYMENT PROJECT AIMS TO REDUCE DELINQUENCY

(By Jo Ann Levine)

What were you doing at this time last summer?

"Hanging out."

"Mugging people for money."

"Walking around with my pieces [guns] and switchblade."

The teen-age boys who answered the question were at the moment raking, digging weeds, and cleaning up a small vacant lot on the Lower East Side.

What they were doing is quite new: It is called work—"supported" work. That means it is the kind of work which at first tolerates certain things, such as lateness. Its purpose is to enable people to move into a regular job. And it is aimed at those in the population who have been counted as superfluous people such as alcoholics, drug addicts, mothers who are receiving welfare, fathers who are chronically unemployed, and in the case of these boys, young people who have been in trouble with the law.

It is this vital, good-looking bunch cleaning up the park who represents the segment of the population of this country which statistics say has the greatest chance of ending up in prison or being chronically unemployed, like most adults they know.

Today they are involved in a $181,000 supported program called the SEA program (Supported Employment for Adolescents). It is funded by the federal Law Enforcement Assistance Administration, and run by the Henry Street Settlement.

But SEA is not the only such program. Since 1972 the Vera Institute of Justice has spent $24.5 million through its Wildcat Service Corporation employing over 3,000 former drug addicts and ex-offenders.

And now, in one of the biggest supported-

work experiments ever, involving $40 million, the Ford Foundation (in a move to help the very hard-to-reach unemployed) has joined in an alliance with five government agencies: Department of Labor; Department of Housing and Urban Development; Department of Health, Education, and Welfare; the National Institute on Drug Abuse; and the Department of Justice (through the Law Enforcement Assistance Administration).

Administered by a central organization called the Manpower Demonstration Research Corporation (MDRC) supported-work programs in 13 cities and areas of the U.S. are attempting to help through work the entry or reentry of the severely disadvantaged into the mainstream of society. They aim to reduce crime and delinquency, and to produce socially useful goods and services. They call it "working their way to work."

Dr. Eli Ginzberg, professor of economics at Columbia University and chairman of MDRC notes that "for once, we are trying to be very modest and careful" about claims of a program.

"But," he says, "the MDRC will be telling the U.S. Congress what they have discovered about supported work. And it can be expected that supported work may become a featured part of any major change in the country's welfare system."

In a film made by the Ford Foundation, Dr. Ginzberg adds, "We do believe that work is the factor that binds human beings together effectively with their society . . . people should have the opportunity to work."

Supported work may have good prospects with taxpayers. Even though it is expensive, it could prove more socially stabilizing and less expensive than the flat-out dependency provided by many welfare programs, or the punitive and demeaning aspects of the forced-work programs.

The SEA program is involved with the youngest group, the 14-to-16-years-olds.

Most young teen-agers who are arrested have a choice of going back to their neighborhoods (with only an occasional meeting with a probation officer), or of being sent to an institution. For most of them, there is nothing in between. The SEA program is a model of "something" in between and in many cases, it's the first "something" they have ever had.

"Something" is a big word for the 26 boys and two girls in the SEA program. All live in the Lower East Side. For most, it sums up their only goal in life: "I want to be something. I don't know what, but I want to be something."

For them work means an immediate something to do—and be. What they do is a service, such as working on parks, gathering clothing for evicted or burned out families, sewing clothes (from simple patterns) for small children, making wooden picture frames, growing vegetables and flowers.

Chris Sprowal, an employee of the SEA program who kept combing his hair (which is 1/32nd of an inch long) while we talked, grinned and said, "I don't have big hopes about the future of the U.S.A., but I have big hopes for my future. And I'm going to make the best of it."

The "something" given to the crew by the SEA program has given rise to some hopes:

"I want to be a cop," said Jose Polanco.

"I want to be a basketball player," said Luis Velasquez.

But almost always as soon as one said he wanted to be something, his voice would trail off with doubt. As one boy said, "I don't know. My old man never was anything and he got by. I guess I could too."

The despair in the 14-, 15-, and 16-year-olds was black, but bouncy. "I'll tell you what I'm going to do," wise cracked Tony Garcia, who carried a radio, "I'm going to be the owner of New York City."

"People who are 'something' are beyond them," explained Anne Rudenstein, the program director of SEA. "They already have a feeling that they don't make anything happen: it is happening to them; that somebody else (the courts, the schools) is in control of their lives. Their parents usually have the same feeling, not only about their children but about themselves. . . . Many of these kids have been labeled since the day they were born and the labels get worse and worse."

The SEA program tries to help its crew members to connect what they do with what they get.

"They are doing a real life thing for which they are getting real money," director Rudenstein continued. "If they are high or drunk, they are sent home. If they don't do their real work, they don't get their real money."

The salary is $95 a week.

"The money helps me with clothes and it helps my mother too," said Reyes Vega. Angel (Chino) Gonzales, the newest member of the crew, said, "The best thing is not the money, but that everybody is working together. . . . My goal now is to get myself together and get a job."

With fall approaching, the biggest gripe heard at a SEA meeting is, "I don't like winter, because then we don't have as much work."

By Mr. MUSKIE (for himself, Mr. ROTH, Mr. GLENN, Mr. RIBICOFF, Mr. PERCY, Mr. ALLEN, Mr. ANDERSON, Mr. BELLMON, Mr. BENTSEN, Mr. BURDICK, Mr. HARRY F. BYRD, JR., Mr. CANNON, Mr. CHAFEE, Mr. CHILES, Mr. CHURCH, Mr. CULVER, Mr. CURTIS, Mr. DECONCINI, Mr. DOMENICI, Mr. EASTLAND, Mr. GARN, Mr. GOLDWATER, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HELMS, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. KENNEDY, Mr. LAXALT, Mr. LEAHY, Mr. MCCLURE, Mr. MCINTYRE, Mr. MATHIAS, Mr. NUNN, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENS, Mr. WEICKER, Mr. DURKIN, Mr. MCGOVERN and Mr. LUGAR:

S. 2. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes; to the Committee on Government Operations.

SUNSET ACT OF 1977

Mr. MUSKIE. Mr. President, it is with a sense of great anticipation this morning that I am reintroducing the sunset bill, along with Senators ROTH, GLENN, RIBICOFF, PERCY, ALLEN, ANDERSON, BELLMON, BENTSEN, BURDICK, HARRY BYRD, CANNON, CHAFEE, CHILES, CHURCH, CULVER, CURTIS, DECONCINI, DOMENICI, EASTLAND, GARN, GOLDWATER, HASKELL, HATFIELD, HATHAWAY, HELMS, HUDDLESTON, HUMPHREY, KENNEDY, LAXALT, LEAHY, MCCLURE, MCINTYRE, MATHIAS, NUNN, SCHMITT, SCHWEIKER, STAFFORD, STEVENS, WEICKER, DURKIN, and MCGOVERN.

I say anticipation because sunset is an extremely important legislative idea. Its enactment by the 95th Congress would be a splendid accomplishment indeed.

I say anticipation also because within a matter of days, we will inaugurate a new President who was elected on a promise to the American people of making Government more effective. What better way to demonstrate our willingness to cooperate with this commitment than to move rapidly ahead to consider the sunset proposal.

Many of us in this Chamber have just come from an election in which perhaps the overriding concern of our constituents was that Government is not working as well as it should be.

And all of us in this Chamber have heard the American people voice time and again—in one public opinion survey after another—their concern that Government is no longer effective nor responsive to their needs.

The sunset bill I introduce today is an imaginative and indeed a revolutionary response to this concern.

In its simplest sense, sunset proposes nothing more than a process through which Congress can begin to exercise greater control over the results of its legislative work—the hundreds of individual programs we have created over the years and which affect the daily lives of all Americans in so many ways.

In its most far-reaching sense, sunset proposes nothing less than to make Government more effective, by improving the quality of services which Government programs are intended to provide.

These are lofty goals indeed. They have concerned many of us for years.

But they have also eluded us at every turn. Not because we have not tried. But I suspect because the solutions we saw required decisions we did not want to make.

As a result, we in Congress have too often satisfied ourselves with the rhetoric of legislation, leaving the hard work of oversight—a fundamental congressional responsibility—to be carried out in a hit-or-miss fashion rather than with the steady diligence it requires.

Sunset proposes one solution to these years of inattention, and a drastic one at that. To implement it seriously will be difficult medicine for us all.

Like budget reform, for example, the mechanics of sunset are not exciting press release material. On the contrary, sunset is concerned with the nuts and bolts budget decisions we in Congress have to make every day.

Moreover, sunset will not allow us to sidestep difficult decisions we may have preferred to avoid in the past. Each and every one of us will have to bite the bullet where our favorite programs and constituencies are concerned.

But as far as I can see, we have no choice.

And, in sunset, we have the best vehicle in my experience for setting about this all important task.

The job will be easier because we have taken the first step in budget reform. That new process, which has worked so well in its first 2 years, is an essential element in regaining control over the Federal budget—the most important statement of national priorities that we have. Budget reform has given us a badly needed method for looking at the picture as a whole.

Sunset will make us take a closer look at all the component parts of that budget, the individual building blocks of national priorities, to insure that we are getting the most for the tax dollars we

spend. As such, sunset is a logical second step.

Why do we need such a second step?

Because in the fiscal year 1977 budget, so-called uncontrollable spending—funds spent with little regular review by Congress—will take up 77 percent of the entire budget?

Because from 1966 to 1976, the fastest growing component of the Federal budget has been in permanent programs, those programs enacted forever, and subject to no regular review by Congress?

Because we have 302 different health programs, 259 community development programs, or 62 separate programs involved in providing social insurance and aid to the needy?

Or because no one really knows how many Federal programs there are altogether?

I suggest that any one of these answers by itself is reason enough for change. Taken together, they constitute an overwhelming case for far-reaching reform. For they tell us that every year we have fewer options open to us in determining the priorities for Federal spending. They suggest that Government in Washington has become so cumbersome and unwieldly that no one is really in charge.

And they underscore the need for a process like sunset to help us regain the balance we have lost.

In principle, the sunset bill is a relatively simple idea.

It assumes that there is no Federal program so important or so holy that it should escape regular and thorough review—to see if it is working, to see if it is still needed, to see if its funding level is justified by its contribution to society.

The principal provisions of the bill are as follows:

First, the bill sets out a 5-year schedule for the mandatory reauthorization of all Federal programs. Where no such reauthorization is provided, no money can be spent to carry out the program. The bill also requires the appropriate committees of the House and Senate to propose a similar schedule for the review and reenactment of tax expenditures.

Second, authorizations for Federal programs are grouped for reauthorization by budget function and subfunction, so that Congress will be forced to look at all programs in a given area at one time, rather than in bits and pieces as is now the case.

Third, no program scheduled for reauthorization can actually be reauthorized unless the authorizing committee with jurisdiction over it has completed a thorough review of the program and provided a substantial justification for the program's continuation. As part of the review, the authorizing committees are required to explore the potential consequences of cutting into the base of a program's funding rather than simply recommending an incremental funding increase.

By applying the sunset concept to all programs, Mr. President, we have tried to insure that the process is neutral to all sides. The only exceptions we have made are for interest on the national debt and a handful of programs like social security, into which people have paid with the expectation of later benefits from the Government.

By requiring the reauthorization of programs according to budget function, we have tried to insure that the potential for program duplication and overlap will be minimized, with the result that tax dollars are used more effectively.

And by encouraging review of programs from the ground up, we have tried to insure something more than a speeded up version of our current reauthorization process, where often it is only the increments that are reviewed, not the core program itself.

With these principal provisions, Mr. President, the legislation I am introducing today is substantially the same as S. 2925 which was considered and approved by the Government Operations Committee last year.

There have been two important modifications, however, which have been made in response to criticisms of the bill made by a number of Senators last year.

The single most controversial section of last year's bill was in title II, which set out the requirements and guidelines for the authorizing committees to follow in conducting their reviews of programs scheduled for reauthorization. These requirements were repeatedly singled out as being too burdensome on the committees.

In response to this criticism we have substantially simplified the title II requirements on the authorizing committees, in effect shortening the review process from four separate steps to one. In so doing, we have eased considerably the potential workload on the authorizing committees.

A second modification we have made, Mr. President, is in the inclusion of a 1-year grace period for programs which terminate unintentionally rather than by design—either through scheduling problems on the Senate floor or through a filibuster where a minority of the House or Senate prevents the majority from voting up or down on the reauthorization of a bill. With this change, we believe we have responded adequately to the concern that there may be contingencies we cannot now foresee when mandatory reauthorization according to the schedule would not be possible.

In making these changes, Mr. President, we have responded to the most oft-cited criticisms of last year's bill. Far and away the bulk of those comments were directed at the review process which many saw as so cumbersome as to be unworkable.

I might note here, Mr. President, that we are fully aware that the schedule set out in the bill can be refined to take into account any changes made in committee structures and jurisdiction as a result of the Stevenson committee recommendations.

We have retained without change the fundamental operative mechanism of this bill, which is the sunset principle itself. Of all provisions of the bill, it was the sunset idea which garnered the broadest political support—because it is totally neutral, and because, I believe, it makes such good sense.

The extent of support for the sunset idea is evidenced by the fact that last year, the legislation had 59 cosponsors in the Senate and well over 100 in the House. The bill was unanimously approved by the Senate Government Operations Committee last summer. And it was only the logjam of legislative activity at the end of the last session that kept the bill from consideration by the Senate as a whole.

In a colloquy on the Senate floor at that time, I and several other Senators expressed our hope that the sunset bill could be given the highest priority by the 95th Congress. In reintroducing the bill at this early date, we mean to underscore our intention to work toward that end.

More than anything else, Mr. President, sunset has opened up a much-needed dialog in the Congress on the important task of making Government more productive. We welcome all who would like to join us in this undertaking because we believe it is one in which liberals and conservatives alike have a vital stake.

Mr. President, I ask unanimous consent that the text of S. 2 be included in the RECORD at this point, as well as a summary of the bill and a sample of newspaper clippings on the sunset bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sunset Act of 1977".

SEC. 2. (a) For purposes of this Act—

(1) The term "budget authority" has the meaning given to it by section 3 (a) (2) of the Congressional Budget Act of 1974.

(2) The term "permanent budget authority" means budget authority provided for an indefinite period of time or an unspecified number of fiscal years, but does not include budget authority provided for a specified fiscal year which is available for obligation or expenditure in one or more succeeding fiscal years.

(3) The term "Comptroller General" means the Comptroller General of the United States.

(4) The term "agency" means an Executive agency as defined in section 105 of title 5, United States Code, except that such term includes the United States Postal Service and the Postal Rate Commission but does not include the General Accounting Office.

(b) For purposes of this Act, functional and subfunctional categories are those set forth in the Budget of the United States Government, Fiscal Year 1977. All off-budget programs shall be assigned to functional and subfunctional categories by the Director of the Office of Management and Budget in consultation with the Committees on Appropriations and the Budget of the Senate and the House of Representatives. Each committee of the Senate or the House of Representatives which reports any bill or resolution which authorizes the enactment of new budget authority for a new program shall include, in the committee report accompanying such bill or resolution, a statement from the Committees on Appropriations and the Budget of its House of the functional and subfunctional category in which such program will be included.

(c) For purposes of titles I and II of this

Act, the first review date applicable to a program is the date specified for such program under section 101(a), and each subsequent review date applicable to a program is the date five years following the preceding review date.

TITLE I—AUTHORIZATIONS OF NEW BUDGET AUTHORITY

SEC. 101. (a) The first review date applicable to a Government program is the date specified in the following table:

Programs included within functional or subfunctional catgeory:	First review date
050 National Defense	
303 Recreational Resources	
351 Farm Income Stabilization	
453 Disaster Relief and Insurance	
552 Health Research and Education	
704 Veterans Housing	September 30, 1979
305 Energy	
306 Other Natural Resources	
450 (except 453) Community and Regional Development	
506 Social Services	
553 Prevention and Control of Health Problems	
702 Veterans Education and Training	
753 Federal Correctional and Rehabilitation	
806 Other General Government	
807 Federal Financing Bank	
850 Revenue Sharing and General Purpose Fiscal Assistance	September 30, 1980
150 (except 151) International Affairs	
404 Ground Transportation	
501 Elementary Education	
503 Research and General Education Aids	
600 Income Security	
705 Other Veterans Benefits	
754 Law Enforcement Assistance	
802 Executive Director and Management	September 30, 1981
250 General Sciences, Space, and Technology	
302 Conservation and Land Management	
304 Pollution Control	
403 Other Advancement and Regulation of Commerce	
502 Higher Education	
504 Manpower Training	
505 Other Manpower Services	
701 Income Security for Veterans	
752 Federal Judicial Activities	
804 General Property and Records Management	
900 Interest	September 30, 1982
151 Foreign Economic and Financial Assistance	
301 Water Resources and Power	
352 Agricultural Research Services	
400 (except 403 & 404) Commerce and Transportation	
551 Health Care Services	
554 Health Planning and Construction	
703 Hospital and Medical Care—Veterans	
751 Federal Law Enforcement	
801 Legislative Function	
803 Central Fiscal Operations	
805 Central Resource Management	September 30, 1983

(b)(1) No new budget authority (including permanent budget authority) which is provided for a program for a fiscal year beginning after the first review date applicable to such program under subsection (a) may be obligated or expended unless (A) the enactment of such new budget authority is authorized by the provisions of a law enacted after the date of the enactment of this Act, or (B) the provisions of this paragraph are deferred for such fiscal year by an extension resolution enacted under the procedure provided for in section 504.

(2) Paragraph (1) shall not apply to programs which are included within functional category 900, or are funded through trust funds and which are included within subfunctional categories 551 (Health care services), 601 (General retirement and disability insurance), or 602 (Federal employee retirement and disability).

(3) Paragraph (1) shall not apply to new budget authority initially provided for a program for a fiscal year beginning before the first review date applicable to such program which is available for obligation or expenditure in a fiscal year beginning after such date.

(c) It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution (or amendment thereto)—

(1) which authorizes the enactment of new budget authority for a program for a fiscal year beginning after the next review date applicable to such program, unless the report required under section 201(b) on the sunset review of such program has been submitted to the Senate or the House of Representatives, as the case may be; or

(2) which changes (or has the effect of changing) budget authority for or outlays under any program which is included within functional category 900, or within subfunctional category 551, 601, or 602 and which is funded through a trust fund, if such change is to take effect after the next review date applicable to such program, unless the report required under section 201(b) on the sunset review of such program has been submitted to the Senate or the House of Representatives, as the case may be.

(d) Nothing contained in this Act shall be construed to require the enactment of authorizations of new budget authority for a program for a period of five fiscal years. In any case in which it is determined necessary or desirable to enact authorizations of new budget authority for a program on an annual basis, or for any period of less than five fiscal years, such new budget authority may, subject to the provisions of subsection (c)(1), be authorized for the period so determined.

SEC. 102. (a) On or before January 1, 1978, the Comptroller General, in cooperation with the Director of the Congressional Budget Office and the Director of the Office of Management and Budget, shall submit to the Committees on Appropriations and the Committees on the Budget of the Senate and the House of Representatives a report setting forth each program new budget authority for which is by law—

(1) authorized for a definite period of time;

(2) authorized without limit of time;

(3) not specifically authorized; and

(4) permanently provided.

(b) The report submitted under subsection (a) shall also set forth—

(1) the law or laws under which each such program is carried on;

(2) in the case of programs to which paragraphs (1), (2), and (3) of subsection (a) apply, the annual appropriation bill which provides new budget authority for each such program;

(3) the amount of new budget authority provided for each such program for each of the last four completed fiscal years ending before January 1, 1978; and

(4) each program for which no outlays have been made during each of the last two completed fiscal years ending before January 1, 1978.

The information required by this section shall be cross-indexed so as to provide information to the committees of the Senate and the House of Representatives with respect to programs under their jurisdiction.

(c) The report submitted by the Comptroller General under subsection (a) shall identify programs in a manner which—

(1) assures that all provisions of law which serve as authorization of new budget authority are included in the identification of programs;

(2) classifies each program in only one functional and only one subfunctional category;

(3) provides, to the maximum extent feasible, that each program is administered by only one department or agency of the Government;

(4) is consistent with the structure of national needs, agency missions, and basic programs developed pursuant to section 201(i) of the Budget and Accounting Act, 1921;

(5) to the maximum extent feasible, is consistent with the appropriation account structure of the United States Government; and

(6) to the extent appropriate, classifies related authorizations within a single program.

SEC. 103. (a) On or before March 1, 1978, the Committees on Appropriations and the Committees on the Budget of the Senate and the House of Representatives, acting jointly, shall review the report submitted under section 102 and submit it to their respective Houses together with a report setting forth, with respect to each program—

(1) the functional or subfunctional category in which such program is included; and

(2) the first review date of each such program.

(b) At the request of the Committee on Appropriations or the Committee on the Budget of the Senate or the House of Representatives, the Comptroller General, the Director of the Congressional Budget Office, and the Director of the Office of Management and Budget shall furnish to such committee such assistance as it may request in carrying out its functions under susbection (a).

SEC. 104. (a) New budget authority shall not be provided for any program for any fiscal year beginning after the first review date applicable to such program under section 101 (a), unless the provision of such new budget authority is specifically authorized by law.

(b) Subsection (a) shall not apply in the Senate or the House of Representatives with respect to new budget authority if the committee report in that House accompanying the bill or resolution which provides such new budget authority states that the provision of such new budget authority is necessary because of an emergency and sets forth the conditions which caused such emergency, and budget authority was not available for the program in the preceding fiscal year.

(c) Subsection (a) shall not apply in the Senate or the House of Representatives with respect to new budget authority for a program for one fiscal year beyond the year in which the program would terminate under section 101 if—

(1) the provision of such new budget authority is authorized by a bill or resolution which has been passed by that House or has been reported in that House; and

(2) new budget authority was available for such program for the preceding fiscal year.

SEC. 105. (a) All proposed legislation, messages, petitions, memorials, and other matters relating to changes in the review dates applicable to programs under this title and title II shall be referred in the Senate to the Committee on the Budget of the Senate, and shall be referred in the House of Representatives to the Committee on the Budget of the House, and each such committee shall have jurisdiction to report to its House, by bill or otherwise, proposed changes in such dates.

(b) Notwithstanding the provisions of subsection (a), any committee of the Senate or the House of Representatives may report

bills and resolutions changing the review date applicable to any program under its legislative jurisdiction. Any such bill or resolution so reported shall then be referred to the Committee on the Budget of its House, which shall report such bill or resolution to its House within fifteen days after such bill or resolution is referred to it (not counting any day on which its House is not in session), beginning with the day following the day on which such bill or resolution is so referred, accompanied by its recommendations. If the Committee on the Budget does not report such bill or resolution to its House within such fifteen-day period, it shall automatically be discharged from further consideration of such bill or resolution and it shall be placed on the appropriate calendar of the Senate or the House of Representatives, as the case may be.

TITLE II—REVIEW OF PROGRAMS

SEC. 201. (a) Each committee of the Senate and the House of Representatives shall conduct a sunset review of each program within its legislative jurisdiction prior to each review date applicable to such program.

(b) For purposes of this title, the term "sunset review" means, with respect to any Government program, a systematic evaluation by the committees of the Senate and the House of Representatives which have legislative jurisdiction over the program, with the assistance of the appropriate agencies and congressional support agencies, to determine if the merits of the program justify its continuation rather than termination, or its continuation at a level less than, equal to, or greater than the existing level. Such review shall be undertaken in the scope and the detail the committee having jurisdiction deems appropriate and shall include, but not be limited to, an assessment of the degree to which the original objectives of the program have been achieved (including a statement of the number and types of beneficiaries or persons served) expressed in terms of the performance, impact, or accomplishments of the program and of the problem it was intended to address, and an analysis of the costs of the program.

(c) Each such committee shall submit a report on each sunset review of a program conducted under subsection (a), together with its recommendations, to the Senate or the House of Representatives, as the case may be, on or before May 15 of the year in which occurs the review date for such program. A committee may submit the results of the sunset reviews of two or more related programs in a single report.

(d) Whenever a committee recommends the authorization of new budget authority for the program under review or the authorization of new budget authority for a new program with objectives similar to the reviewed program, the report accompanying the first bill or resolution reported by such committees which authorizes the enactment of such new budget authority or any portion thereof shall include the report required by subsection (c), and shall include but not be limited to the following—

(1) an identification of the problem or the needs that the program is intended to address;

(2) a statement, to the extent practicable, in quantitative and qualitative terms of the objectives of such program and its anticipated accomplishments;

(3) an identification of any other programs having similar, conflicting, or duplicate objectives, and an explanation of the manner in which the program avoids duplication or conflict with such other programs;

(4) an assessment of the consequences of eliminating the program of consolidating it with another program, or of funding it at a lower level, taking into consideration similar or duplicate programs in the public or private sectors of the economy; and

(5) a projection of the anticipated needs for the program, including an estimate of when, and the conditions under which, the program will have fulfilled the objectives for which it was established.

SEC. 202. (a) To assist in the sunset reviews of a program under section 201, the agency which administers such program, and any other agency when requested, shall provide to each committee of the Senate and the House of Representatives which has legislative jurisdiction over such program such information and assistance as the committee may request.

(b) On or before October 1 of the year preceding the year in which occurs the review date for a program, the Comptroller General shall furnish to each committee of the Senate and the House of Representtaives which has legislative jurisdiction over such program the results of prior audits and reviews of such program.

(c) Consistent with the discharge of the duties and functions imposed by law on them or their respective Offices or Service, the Comptroller General, the Director of the Congressional Budget Office, the Director of the Congressional Research Service shall furnish to each committee of the Senate and the House of Representatives such information, analyses, and reports as the committee may request to assist it in conducting sunset reviews of programs under section 201.

SEC. 203. (a) Section 236 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1176) is amended to read as follows:

"AGENCY REPORTS

"SEC. 236. Whenever the General Accounting Office has made a report which, in the judgment of the Comptroller General, discloses any substantial deficiency in the achievement of the objectives of any agency program, or which contains recommendations to the head of any Federal agency, such agency shall—

"(1) not later than six months and not later than twelve months after the date of such report, submit a written statement to the Committees on Government Operations of the House of Representatives and the Senate, the committees of the House of Representatives and the Senate which have legislative jurisdiction over such agency program, and the Comptroller General of the action taken with respect to such deficiency or recommendations and of the specific progress made toward eliminating such deficiency;

"(2) at such times thereafter as any of such committees may specify, submit a written statement to such committee of further action taken with respect to such deficiency or recommendations and of further specific progress made toward eliminating such deficiency; and

"(3) provide, in connection with all applicable requests for appropriations for that agency submitted to the Congress, a copy of all written statements submitted during the past fiscal year in accordance with paragraphs (1) and (2) to the Committees on Appropriations of the House of Representatives and the Senate.".

(b) The Comptroller General shall furnish to the Committees on Appropriations of the Senate and the House of Representatives, and to the committees of the Senate and the House which have legislative jurisdiction over any Government program, the report of each audit or review conducted by the General Accounting Office involving such program.

TITLE III—CITIZENS' COMMISSION ON THE ORGANIZATION AND OPERATION OF GOVERNMENT

SEC. 301. There is established, as an independent instrumentality of the United States, the Citizens' Commission on the Organization and Operation of Government (hereafter in this title referred to as the "Commission").

SEC. 302. It is hereby declared to be the policy of the Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, agencies, independent instrumentalities, and other authorities of the executive branch of the Government.

SEC. 303. (a) The Commission shall conduct a nonpartisan study and investigation of the organization and methods of operation of all departments, agencies, independent instrumentalities, and other authorities of the executive branch of the Government, and shall make such recommendations as it determines necessary to—

(1) increase the effectiveness of Government services, programs, functions, and activities by changing the structure and execution of administrative responsibilities;

(2) improve delivery of services through elimination of needless duplication or overlap, consolidation of similar services, programs, activities, and functions, and termination of such services, programs, activities, and functions which have outlived their intended purpose;

(3) maintain expenditures at levels consistent with the efficient performance of essential services, programs, activities, and functions;

(4) simplify and eliminate overlaps in agency regulatory functions by review of the laws, regulations, and administrative reports and procedures; and

(5) determine the appropriate responsibilities of each level of government, the manner and alternative means for each level of government to finance such responsibilities, the forms and extent of intergovernmental aid and assistance, and the organization required for proper balance and division of respective Federal, State, and local government roles, responsibilities, and authorities.

(b) The Commission shall submit to the President and to the Congress such interim reports as it deems advisable, and, not later than September 30, 1980, shall submit a final report together with its findings and recommendations.

(c) At least once every year for two years after the submission of the final report, the Comptroller General shall report to the Congress on the status of actions taken on the Commission's final report.

SEC. 304. (a) The Commission shall be composed of eighteen members appointed from among individuals with extensive experience in or knowledge of American Government as follows:

(1) Eight members shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Five members shall be appointed by the President pro tempore of the Senate, three upon recommendation of the majority leader and two upon recommendation of the minority leader of the Senate.

(3) Five members shall be appointed by the Speaker of the House of Representatives, three upon recommendation of the majority leader and two upon recommendation of the minority leader of the House.

(b)(1) Two members appointed under subsection (a)(1) shall be appointed to serve as chairman and vice chairman (as provided in paragraph (2) of this subsection) and shall not engage in any other business, vocation, or employment. Such two members shall not be of the same political affiliation.

(2) The member described in paragraph (1) who is not of the same political affiliation as the President shall serve as Chairman of the Commission and the other member shall serve as Vice Chairman of the Commission.

(c) Of the members appointed under subsection (a)(1) (other than the members to whom subsection (b) applies), not more than three shall be of the same political affiliation.

(d) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Ten members of the Commission shall constitute a quorum, but the Commission may establish a lesser number to constitute a quorum for the purpose of holding hearings.

SEC. 305. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable.

(b) (1) Subpenas shall be issued under the signature of the Chairman or any member of the Commission designated by him and shall be served by any person designated by the Chairman or such member. Any member of the Commission may administer oaths or affirmation to witnesses appearing before the Commission.

(2) The provisions of section 1821 of title 28, United States Code, shall apply to witnesses summoned to appear at any such hearing. The per diem and mileage allowances to witnesses summoned under authority conferred by this section shall be paid from funds appropriated to the Commission.

(3) Any person who willfully neglects or refuses to appear, or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpena duly issued under the authority of this section shall be fined not more than $500, or imprisoned for not more than six months, or both. Upon the certification by the Chairman of the Commission of the facts concerning any such willful disobedience by any person to the United States Attorney for any judicial district in which such person resides or is found, such attorney may proceed by information for the prosecution of such person for such offense.

(c) The Commission is authorized to secure directly from the head of any department, agency, independent instrumentality, or other authority of the executive branch of the Government, available information which the Commission deems useful in the discharge of its duties. All departments, agencies, independent instrumentalities, and other authorities of the executive branch of the Government shall cooperate with the Commission and furnish all information requested by the Commission to the extent not prohibited by law.

SEC. 306. (a) Subject to such rules and regulations as may be adopted by the Commission, the Commission shall have the power—

(1) to appoint and fix the compensation of an Executive Director, and such additional staff personnel as it deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but—

(A) in the case of the Executive Director, at a rate equal to that for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(B) in the case of all other personnel, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

(b) The Commission is authorized to enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Administrator of the General Services Administration.

SEC. 307. (a) The Chairman of the Commission shall receive compensation at a rate equal to the rate prescribed for level III of the Executive Schedule under section 5314 of title 5, United States Code, and the Vice Chairman shall receive compensation at a rate equal to the rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) All other members of the Commission who are not officers or employees of the Federal Government shall receive compensation at the rate of $200 for each day such member is engaged in the performance of the duties vested in the Commission.

(c) Members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with their activities as members of the Commission.

SEC. 308. The Commission shall cease to exist ninety days after the submission of its final report.

SEC. 309. There is authorized to be appropriated, without fiscal year limitations, the sum of $12,000,000 to carry out the provisions of this title.

TITLE IV—TAX EXPENDITURES

PART 1—TERMINATION AND CONTINUATION OF TAX EXPENDITURE PROVISIONS

SEC. 401. (a) For purposes of this title—

(1) The term "tax expenditure provision" means any provision of the Internal Revenue Code of 1954 or any other law, or of any regulation or ruling, which allows a special exclusion, exemption, or deduction in determining liability for any tax or which provides a special credit against any tax, a preferential rate of tax, or a deferral of tax liability.

(2) The term "Committee on Ways and Means" means the Committee on Ways and Means of the House of Representatives.

(3) The term "Committee on Finance" means the Committee on Finance of the Senate.

(4) The term "sunset review" means, with respect to any tax expenditure provision, a systematic evaluation by the Committee on Ways and Means and the Committee on Finance, with the assistance of the Department of the Treasury and other appropriate agencies and congressional support agencies, to determine if the merits of the tax expenditure provision justify its continuation rather than termination, or its continuation at a level less than, equal to, or greater than the existing level. Such review shall be undertaken in the scope and the detail the committees deem appropriate and shall include, but not be limited to, an assessment of the degree to which the original objectives of the tax expenditure provision have been achieved (including a statement of the number and types of beneficiaries or persons served) expressed in terms of the performance impact, or accomplishments of the provision and of the problem it was intended to address, and an analysis of the costs of the provision.

(b) For purposes of this title, the first review date for a tax expenditure provision is the termination date of such provision prescribed by law enacted pursuant to section 402, and each subsequent review date for a tax expenditure provision is the date five years following the preceding review date.

SEC. 402. (a) The Joint Committee on Taxation shall conduct a study for the purpose of identifying and recommending termination dates for all tax expenditure provisions. The termination date for each tax expenditure provision shall be on December 31 of one of the five years beginning with 1979. The Joint Committee, after consultation with the Secretary of the Treasury and the Committees on the Budget of the House of Representatives and the Senate, shall submit its recommendations to the Committee on Ways and Means and the Committee on Finance as soon as practicable, but not later than January 1, 1978.

(b) During the Ninety-fifth Congress, the Congress shall complete action on a bill prescribing termination dates for all tax expenditure provisions in effect on the date of the enactment of the bill. The termination date for each tax expenditure provision shall be on December 31 of one of the five years beginning with 1979, and shall be effective with respect to taxable years beginning after the termination date of such provision.

(c) Any tax expenditure provision which is enacted after the enactment of the bill described in subsection (b), first applies to a taxable year beginning before January 1, 1980, and is to remain in effect (but for this subsection) for taxable years beginning after December 31, 1979, shall have a termination date which shall be effective with respect to taxable years beginning after December 31 of one of the five years beginning with 1979.

(d) Any tax expenditure provision which is enacted after the enactment of the bill described in subsection (b) and first applies to taxable years beginning after December 31, 1979, shall have a termination date which shall be effective with respect to taxable years beginning after December 31 of one of the five years beginning with the first taxable year to which such provision applies.

(e) Insofar as possible, termination dates shall be prescribed under subsections (b), (c), and (d)—

(1) for all tax expenditure provisions so as to provide an even distribution of the work of reviewing tax expenditure provisions during each year, and to take into consideration the economic impact of this process; and

(2) for each tax expenditure provision so as to provide for a review of such provision during the same period as the review under title II of programs having similar objectives.

(f) The Committee on the Budget of the House of Representatives and the Senate shall report to the Joint Committee on Taxation and to the House of Representatives and the Senate on the relationship between the purposes of tax expenditure provisions and those of related programs as both are identified by functional and subfunctional categories, as soon as practicable, but not later than September 1, 1977.

(g) The Joint Committee on Taxation shall assist the Committee on Ways and Means and the Committee on Finance in identifying tax expenditure provisions which become effective or are proposed after the date on which it submits its recommendation under subsection (a). The Committees on the Budget of the House of Representatives and the Senate shall report to such committees on the relationship between the purposes of such new or proposed tax expenditure provisions and those of related programs as both are identified by functional and subfunctional categories.

SEC. 403. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto)—

(1) which contains a tax expenditure provision which does not comply with section 402 (c) or (d); or

(2) which continues any tax expenditure provision (whether or not in a modified form) for any taxable year beginning after the next review date for such provision, unless the report required under section 411(b) on the sunset review of such provisions preceding such review date has been submitted to the House of Representatives or the Senate, as the case may be.

PART 2—REVIEWS OF TAX EXPENDITURES

SEC. 411. (a) The Committee on Ways and Means and the Committee on Finance shall

conduct a sunset review of each tax expenditure provision prior to each review date applicable to such provision.

(b) Each such committee shall submit a report on each sunset review of a tax expenditure provision conducted under subsection (a), together with its recommendations, to the House of Representatives or the Senate, as the case may be, on or before May 15 of the year in which occurs the review date for such provision. A committee may submit the results of the sunset reviews of two or more related tax expenditure provisions in a single report.

(c) Whenever the Committee on Ways and Means or the Committee on Finance recommends the continuation of the tax expenditure provision under review (whether or not in a modified form) or the enactment of a new tax expenditure provision with similar objectives, the report accompanying the first bill or resolution reported by such committee which continues such provision or contains such new tax expenditure provision shall include the report required by subsection (b) and shall include, but not be limited to the following—

(1) an identification of the problem or the needs that the tax expenditure provision is intended to address;

(2) a statement, to the extent practicable, in quantitative and qualitative terms of the objectives of the provision and its anticipated accomplishments;

(3) an identification of any other tax expenditure provisions or any other programs having similar, conflicting, or duplicate objectives and an explanation of the manner in which the program avoids duplication or conflict with such other provisions or programs;

(4) an assessment of the consequences of eliminating the provision, of consolidating it with another tax expenditure provision, or of reducing the revenue loss from the provision, taking into consideration similar and duplicate tax expenditure provisions and similar or duplicate programs in the public or private sectors of the economy; and

(5) a projection of the anticipated needs for the provision, including an estimate of when, and the conditions under which, the provision will have fulfilled the objectives for which it was established.

SEC. 412. (a) To assist in the sunset reviews of a tax expenditure provision under section 411, the Department of the Treasury, any agency which administers a program having objectives similar to the objectives of such provision, and any other agency when requested, shall provide to the Committee on Ways and Means and the Committee on Finance such information and assistance as the committee may request.

(b) On or before October 1 of the year preceding the year in which occurs the review date for a tax expenditure provision, the Comptroller General shall furnish to the Committee on Ways and Means and the Committee on Finance the results of prior reviews of such tax expenditure provisions and the results of prior audits and reviews of programs having similar objectives.

(c) Consistent with the discharge of the duties and functions imposed by law on them or their respective Offices or Service, the Comptroller General, the Director of the Congressional Budget Office, the Director of the Office of Technology Assessment, and the Director of the Congressional Research Service shall furnish to the Committee on Ways and Means and the Committee on Finance such information, analyses, and reports as the committee may request to assist it in conducting sunset reviews of tax expenditure provisions under section 411.

TITLE V. MISCELLANEOUS

SEC. 501. (a) The head of each agency shall transmit to the Senate and the House of Representatives a statement of each request for new budget authority for a fiscal year, and a statement of estimated outlays during a fiscal year, which that agency has submitted to the President or the Office of Management and Budget.

(b) The statements required to be transmitted to the Senate and the House of Representatives under subsection (a) shall be transmitted on the day after the day on which the President transmits the budget to the Congress under section 201 of the Budget and Accounting Act, 1921, for the fiscal year.

(c) At the request of any committee of the Senate or the House of Representatives, the head of any agency shall furnish to such committee such information as the committee may request with respect to (1) requests submitted to the President or the Office of Management and Budget for supplemental new budget authority for a fiscal year and statements of supplemental proposed outlays during a fiscal year and (2) requests for new budget authority and statements of proposed outlays made to the head of such agency, or any officer or employee acting for him, by any component of such agency.

SEC. 502. (a) Nothing in this Act shall require the public disclosure of records which are specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order, or which are otherwise specifically protected by law.

(b) Nothing in this Act shall require the committees of the Senate or House of Representatives to publicly disclose records described in subsection (a) except as otherwise provided by the rules of the respective House.

SEC. 503. The provisions of this section and sections 101(c), 103(a), 104, 201, 402, 403, 411, and 504 of this Act are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 504. (a) For purposes of this section and section 101(b)(1), the term "extension resolution" means a joint resolution, the matter after the resolving clause of which is as follows: "That the provisions of section 101(b)(1) of the Sunset Act of 1977 are deferred with respect to ———— for the fiscal year ——." (with the first blank space being filled with a description of the program to which the extension is to apply and the second blank space being filled with the appropriate fiscal year).

(b) It shall not be in order in either the Senate or the House of Representatives to consider an extension resolution relating to a program until 15 calendar days (not counting any day on which that House is not in session) after May 15 of the year in which occurs the review date for such program under Titles I and II of this Act.

(c) An extension resolution relating to a program introduced in the Senate or the House of Representatives shall be referred to the appropriate committee of that House.

(d)(1) If the committee to which an extension resolution relating to a program has been referred has not reported it at the end of 15 calendar days (not counting any day on which its House is not in session) after May 15 of the year in which occurs the review date for such program under Titles I and II of this Act, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other extension resolution relating to the same program which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged in the House and privileged in the Senate (except that it may not be made after the committee has reported a resolution with respect to the same program); and debate thereon shall be limited not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(e)(1) When the committee of the House of Representatives has reported, or has been discharged from further consideration of, an extension resolution, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) move to proceed to the consideration of the resolution. The motion be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the House on an extension resolution shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to reconsider the resolution shall be in order. It shall not be in order to move to reconsider the vote by which an extension resolution is agreed to or disagreed to.

(3) Motions to postpone, made in the House with respect to the consideration of an extension resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any extension resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration in the House of any extension resolution shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

(f)(1) Debate in the Senate on any extension resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(2) Debate in the Senate on any debatable motion or appeal in connection with an extension resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of a waiver resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(3) A motion in the Senate to further limit

debate on an extension resolution, or any debatable motion or appeal in connection therewith, is not debatable. No amendment to, or motion to recommit, an extension resolution is in order in the Senate.

BRIEF SUMMARY OF S. 2—THE SUNSET ACT OF 1977

TITLE I

Sets out a five-year schedule for review and reauthorization of all Federal programs, according to budget function and subfunction.

Requires that no program which has not been specifically reauthorized by the Congress shall continue to function after the review date set out in the schedule.

TITLE II

Requires the authorizing committees of the Senate and House to conduct a "sunset" review of all programs prior to the review date applicable to such program and to issue a report on the findings of the review.

Sets out guidelines for the content of the sunset reviews, including an identification of programs with similar objectives and an assessment of the impact of eliminating the program or funding it at a lower level.

Provides authorizing committees with assistance from executive branch and congressional support agencies—GAO, CBO, OTA and CRS—in carrying out their sunset reviews.

TITLE III

Establishes a Citizens' Commission on the Organization and Operation of Government, modeled after the two previous Hoover Commissions, to study and make recommendations on ways to improve the effectiveness of the Federal government.

TITLE IV

Requires the Joint Committee on Taxation, after consultation with Secretary of the Treasury and the Budget Committees of the House and Senate, to prepare a reauthorization schedule for all tax expenditures, similar to the schedule set out in Title I for Federal programs, and to report its recommendations to the Committees on Ways and Means and Finance.

Requires the Congress to take final action before the end of the 95th Congress on the schedule for tax expenditures.

Following the adoption of the schedule, the Committees on Ways and Means and Finance are required to conduct "sunset" reviews of tax expenditures according to the schedule. Guidelines for such reviews are similar to those set out in Title II for programs.

TITLE V

Requires Executive Department agency heads to submit to Congress (after the President has submitted his budget) a statement of that agency's request for new budget authority as transmitted to the Office of Management and Budget.

Requires agency heads to furnish the authorizing committees of Congress information regarding supplemental budget requests and supplemental estimates of outlays.

Sets out the procedures for a one-year grace period for programs which have not been specifically reauthorized by the scheduled time.

[From the Arizona Republic, Feb. 25, 1976]

WHY NOT LOOK FIRST?

In the past year, as chairman of the Senate Budget Committee, Edmund S. Muskie, the Lincolnesque Democrat from Maine, has been attempting to keep federal spending within bounds.

Muskie is not a conservative by any means, but, as a Down Easter, he does have a native aversion to waste. Unfortunately, not many of his fellow Democrats share his attitude, so his admonitions against waste generally have fallen on deaf ears.

Muskie has now come up with an idea so eminently sensible that it also is likely to fall on deaf ears. He has introduced a bill requiring Congress to review every four years all federal programs except those which are not subject to review, like the interest on the national debt and Social Security payments.

Muskie points out that Congress is forever starting programs and creating agencies, advisory boards, commissions and committees to run them, and that, once it does so, Congress never bothers to find out whether they are serving the purpose they're supposed to.

It simply renews them automatically.

There are now, he points out, 228 health programs, 156 income-security and social-service programs and 83 housing programs. Supervising them are not only 11 cabinet departments and 44 independent agencies but 1,240 boards of various sorts, as well.

Congress establishes dozens of these boards every year. It rarely abolishes one.

Many of the programs overlap, many are redundant, many that once served a purpose no longer do. The bureaucracies running them are snarled in red tape.

Muskie cites a city where one General Accounting Office found eight clinics operating in one neighborhood under different programs, with none of them having any knowledge of what the others were doing.

He cites complaints from citizens who had to wait 18 months for a ruling on claims for disability compensation. He cites complaints from towns which had to wait months for federal approval of sewer systems mandated by federal law.

The GAO, he says, has found agencies unable to say how much they were spending on administrative costs as compared with actual services.

In effect, what Muskie's bill proposes is that every agency, commission, committee, what-have-you be forced to justify its existence and the existence of the programs it administers every four years.

Then Congress would have to determine whether they should be continued or killed, whether the programs should be curtailed, expanded or eliminated.

Forced to re-examine the agencies and programs, Congress might discover that it had been voting money for no purpose except to keep people on the federal payroll.

Muskie's bill deserves support. The trouble is that, when it comes to money, Congress so rarely does the obvious.

[From the Washington Post, July 21, 1976]

PROGRAMS THAT SELF-DESTRUCT

(By Neal R. Peirce)

The "sunset" law idea—to force government agencies and programs to justify their own existence or face extinction—is advancing rapidly in Congress and spreading like a prairie grassfire among the states.

Sunset measures were introduced this spring in California, Florida, Illinois and Louisiana—even before Colorado, in April, could complete action on its pioneering bill to put 40 state regulatory agencies on a seven-year life cycle. Maryland has set up a 15-member commission to study the feasibility of a sunset law.

The Colorado chapter of Common Cause, which originated the sunset idea, reports inquiries from 30 states. "I wouldn't be surprised if two dozen legislatures were debating sunset bills by next winter," says Rosalie Schiff, executive director of Colorado Common Cause.

On Capitol Hill, 47 senators, of every ideological hue, are sponsoring sunset legislation requiring federal government programs, grouped by functional area, to come up for renewal every five years. Programs that couldn't pass muster would be cut back or eliminated altogether. Those that proved themselves would be given a new lease on life by Congress.

The bill cleared the Senate Intergovernmental Relations Subcommittee by a 7–0 vote May 13, and sponsors Edmund S. Muskie (D-Maine) and William V. Roth (R-Del.) hope it will reach the Senate floor this summer.

On the House side, a companion bill has more than 100 sponsors including 41 members of the freshman class lined up by chief backers James J. Blanchard D-Mich.) and Norman Y. Mineta, (D-Calif.). House committee hearings are scheduled to begin this month.

Broad support—from Common Cause to the Chamber of Commerce of the U.S.—for the sunset legislation was forthcoing during Senate hearings. Only one interest group—the veterans—had the temerity to oppose the idea in public, out of fear that Congress might cut back their benefits.

Blanchard says he's "absolutely convinced" sunset legislation will eventually pass Congress. If he's right, the results could be revolutionary: the most effective brake on federal spending and programs in modern times—perhaps ever.

Muskie and Roth see sunset as a logical extension of the new congressional budget process, now in its second year. Whereas the budget process lets Congress establish spending priorities and overall ceilings, the sunset mechanism would force Congress to make periodic decisions on whether federal programs are really working so that duplicative or unnecessary ones can be weeded out.

Up to now, bureaucratic and political pitfalls have made it almost impossible to eliminate programs or agencies once they're on the statute books.

The sunset bill tries to avoid those pitfalls in three ways. First, a triggering mechanism requires that Congress must act every five years to keep a program alive. The burden of proof is shifted to a program's backers, to show that it deserves continued life. According to Alvin From, staff director of the Senate Intergovernmental Relations Subcommittee, "it will be very hard for a committee to justify reauthorizing the Tea-Tasters Board or 228 individual health programs."

Second, the sunset measure requires that all related programs—in manpower or health or national security, for example—come up for review and a decision on extension in a single year. Under strict budget guidelines, Congress will have to decide which programs are the most worthwhile which might be dropped or consolidated.

Finally, the sunset bill as it's now written requires a zero-based review of each federal program. to be prepared for Congress by executive agencies and the General Accounting Office. Zero-based review shows the consequences of cutting any program's budget 25 percent or more, eliminating it altogether, or providing the services another way.

The zero-based review process alarms professional budget-makers. Roy Ash, former director of the Office of Management and Budget, says that zero-based review of an average of 250 programs a year "is like attempting to jump aboard a 747 in full flight." Others say the bill is overly ambitious, would set a "papermill" in motion and create "a modest pilot or test runs."

Muskie and Roth show little patience with such arguments. If Congress proceeds at the pace predicted by many critics, Roth says, "I will be dead by the time the work is completed." Much of the resistance, sunset law backers believe, stems from normal bureaucratic terror of any radical change in their way of doing business.

Even federal tax incentives are the target of a sunset provision suggested by Ohio's Sen. John H. Glenn (D). However noble their original purpose, Glenn says, tax incentives

often degenerate into loopholes that cause an annual loss of $101 billion in tax revenue—as much as the entire national defense budget.

Common Cause urges a kind of sunset for Congress itself—reorganizing committees into more clear-cut functional areas and forcing members to rotate committee assignments every few years to break up "unholy" alliances between committee members and special interest lobbyists.

Even an imperfect sunset system, however, could help breathe life into the oft-neglected oversight role of the legislature, prompt the executive to be more accountable, and begin the arduous process of rescuing government from its own cumbersome inefficiencies and the nadir of public esteem where it finds itself today.

[From the New York Times, Aug. 5, 1976]

SPENDING REVIEW BACKED IN SENATE—COMMITTEE APPROVES BILL TO RESTUDY PROGRAMS AT FIVE-YEAR INTERVALS

(By Edwin L. Dale, Jr.)

WASHINGTON, August 4.—The Senate Government Operations Committee approved today legislation, applying to Congress, that would end nearly all Government spending programs unless each one was specifically approved again over a five-year review cycle.

Known as the "sunset" bill, it is the legislative counterpart of the "zero-based budgeting" concept embraced for the executive branch of government by Jimmy Carter, the Democratic Presidential nominee.

If enacted, the bill would amount to a revolution in Congressional procedures almost comparable to the Budget Reform Act, which is in full operation this year for the first time. That reform requires Congress to set an overall spending ceiling each year and live with it.

Enactment of the "sunset" bill by both houses of Congress this year is regarded by Congressional staff experts as doubtful but not impossible. Hearings on companion legislation in the House have been conducted by both the Rules Committee and the new Budget Committee.

The bill approved today would exempt from the automatic termination, or "sunset," process only a few programs of the insurance type, such as Social Security, where individuals contribute to a retirement or other benefit.

Thus, even longstanding "entitlement" programs such as veterans' combat-related disability benefits would be subject to review every five years, though there is little expectation that cash payments now received by individuals will be taken away.

More likely to be modified or possibly terminated would be some of the more than 1,000 grant programs, often through state and local government, that deliver services of various kinds.

The committee report on the bill will begin as follows:

"The purpose of S. 2925, as amended, is to close the gap between Congress and the results of its legislative work—the actual performance and accomplishments of Federal programs paid for out of the Federal budget."

The bill sets up a schedule of "functional" programs—health, education, income security, veterans, agriculture, natural resources—for review and possible termination every five years. Under an amendment adopted today, the reform itself would have to be reenacted by Congress after five years of experience. If it was not re-enacted, the old procedures would resume.

The bill must now be considered by the Senate Rules Committee. It must also be considered by the Finance Committee because one of its provisions requires a five-year review cycle of "tax expenditures"—that is, special tax deductions, exemptions or exclusions that are aimed at achieving results in such areas as mining and health or home ownership outlays by taxpayers.

The chief sponsor of the legislation was Senator Edmund S. Muskie, Democrat of Maine, who is chairman of the subcommittee of Government Operations that drafted the bill. Senator Muskie's perception of the need for "sunset" grew as a result of his other role as chairman of the new Senate Budget Committee.

The committee report on the bill says, "The committee would like to state at the outset that S. 2925 does not require the re-enactment of the entire United States code every five years. Rather it only affects those provisions of law authorizing the expenditure of funds. Accordingly, substantive provisions of law—antitrust, civil rights, occupational safety laws, etc.—are not affected by the termination provisions . . . the focal point of the termination and review process in S. 2925 is intended to be those provisions of law which authorize or provide budget authority for the delivery of services or goods by the Federal Government."

The term "sunset" apparently arose as a verbal counterpart to "sunshine" legislation, which relates to the conduct of Government business in the open. Both terms originated in the states, not Washington. Colorado has just enacted the first state sunset law.

The committees that handle the basic legislation would conduct the reviews, with help from the Office of Management and Budget, the General Accounting Office and the new Congressional Budget Office.

The Ford Administration has been lukewarm to the legislation, though not overly opposed. Paul H. O'Neill, deputy director of the Office of Management and Budget, told the House Budget Committee last week that he feared it could produce "mountains of paperwork" with few substantive results in cutting back ineffective programs.

However, there was also much skepticism about the radical Congressional budget reform. While it remains to be fully tested, there is now much more optimism than there was a year or two ago, both in and out of Congress, that it will work in restraining the Congressional "propensity to spend" under its old procedures of passing bills one at a time with no control over the total.

The committee report on the "sunset" bill says that the "number and complexity of Federal programs," the great increase in "uncontrollable" outlays and the "rapid growth in the number of Federal programs with permanent appropriations" have made the new system of review necessary.

[From the National Observer, June 5, 1976]

"SUNSET" BUDGETING: HIGH NOON FOR FEDERAL WASTE?

(By Mark R. Arnold)

WASHINGTON, D.C.—The hottest political idea of the year is something called the sunset bill. It has nothing to do with daylight-saving time. It has everything to do—or so its sponsors say—with making the Federal Government more accountable and more efficient.

A response to a widely held view that the Federal bureaucracy is wasteful and inept, sunset is being eagerly embraced by liberals such as Hubert Humphrey and Charles Percy and conservatives such as Barry Goldwater and James Eastland.

The measure would set a termination date—a date for the sun to set—on every Federal program. Each would be renewed only if, after rigorous analysis by Congress its performance could justify its existence and spending level.

Every five years each Federal program would face extinction unless a "zero-based budgeting" review demonstrated its value to the nation. Such a review would weigh the effect of various levels of spending—beginning with zero, or termination—upon the program's goals.

Sunset is modeled in part on the zero-based budgeting techniques instituted by former Gov. Jimmy Carter in Georgia in 1972. The measure would reverse the assumption under which most bureaucracies operate—that programs, once established, should be continued (and usually grow). Sunset, says chief Senate sponsor Edmund Muskie of Maine, "offers one of the few chances we have to clear out some bureaucratic deadwood to make way for the nation's changing agenda."

Muskie and Delaware Republican William Roth introduced the sunset bill in the Senate on Feb. 3. "We hoped to get some hearings going and build a record that would lead to passage in the next Congress," says Alvin From, staff director of Muskie's Intergovernmental Relations subcommittee, which reported the bill May 13. But the proposal has attracted so much attention—and the support of both Majority Leader Mike Mansfield and Minority Leader Hugh Scott—that the Senate could vote on it before the July recess. House action may not be far behind.

As of last week, 48 of the 100 senators and 110 of 435 House members were cosponsoring sunset or zero-based budget legislation in Congress, representing all viewpoints on the ideological spectrum. "Conservatives see this as a way of reducing the responsibilities of Government, liberals as a way of getting our house in order to take on new responsibilities," says Muskie. Adds House sponsor James Blanchard of Michigan: "This is a good-government issue, not a liberal or conservative issue."

Interest in the idea is not confined to Washington. Colorado recently became the first state to adopt sunset legislation when Gov. Richard D. Lamm signed into law a bill that swept through the legislature with strong bipartisan support. The measure requires that all of the state's 43 regulatory agencies undergo a complete performance audit every seven years. Other sunset bills have been introduced this year in the legislatures of Minnesota, Florida, Louisiana, California, Illinois, and Alaska.

Behind the interest in sunset legislation lies a popular reaction against the growth of government. The largest increase in public-sector spending over the past 20 years has come at the state and local levels, but the growth rate of government at all levels has exceeded the growth rate of the economy during the period, according to studies by the Senate subcommittee. One consequence: The average family's tax burden has doubled in 20 years.

The period has also seen a dramatic rise in the most visible kind of Federal aid—that earmarked for domestic social programs. The Federal Government today has roughly the same number of employes it had a decade ago (2.8 million), but they administer more than 1,000 programs of assistance to all 50 states and 80,000 units of local government. In the health field alone, 10 agencies run 228 different programs.

"Government has become out of touch and out of control," says Muskie. Proponents see the sunset bill as a way of regaining control over the services that the Federal dollar buys. This is "a logical second step," adds Muskie, to the Budget Reform Act of 1974, which gave Congress a framework to help set national priorities. "No one in the executive branch or Congress really knows if we're getting the most for the money we spend."

The sunset bill is officially known as the Government Economy and Spending Reform Act of 1976. It would require that all Federal

programs—including income-tax deductions—be reauthorized every fifth year or go out of existence. The only exemptions to the termination edict are payments for interest on the national debt and programs under which individuals make payments to the Government in the expectation of future benefits, such as Social Security.

THE ZERO-BASED PROCEDURE

Programs would be grouped for review by functional purpose (all defense programs would be reviewed in one year, all health programs in another, and so on). The President would submit with his budget request a zero-based review of all programs earmarked for termination in the coming fiscal year and an independent evaluation of their effectiveness.

The appropriate committees of Congress would consider the President's zero-based reviews and evaluations, perform any additional studies deemed warranted, and recommend to the House or Senate how much—if anything—to spend on each program. Its backers believe the process would identify numerous areas of waste and duplication. "There's the potential for billions of dollars of savings," says Muskie.

The House bill introduced by freshman Democrat Jim Blanchard of Michigan is modeled after Muskie's. It has been endorsed by 106 House Members, including 45 of the 75 freshman Democrats. Blanchard says the bill is particularly appealing to liberals:

"We all want new programs, but we know it's politically unacceptable these days to raise taxes to finance them. The only way to pay for them is to weed out programs that have outlived their usefulness. Zero-based budgeting is how you find them."

BENEFITS AND DRAWBACKS

The oldest and most comprehensive use of zero-based budgeting is Jimmy Carter's Georgia system, which has been continued and refined by his successor, Gov. George Busbee. National Observer interviews in Atlanta with state budget officials, agency administrators, and legislators suggests that the process can yield some benefits but that political factors limit its potential. In addition, because that system calls for *annual* zero-based review, some administrators complain that it causes needless paper work.

Georgia officials cannot recall a single program that has been "zero-budgeted" out of existence. But administrators say the system keeps them on their toes and makes programs more efficient. In addition, argues Clark Stevens, who oversees the system for Governor Busbee, "we can look at all expenditures and measure them off against each other better. Old programs compete for resources with new proposals, and ideas don't get squeezed out on the grounds that the money has already been committed."

POLITICS OVER PERFORMANCE?

As a governor's management tool, the Georgia system has important advantages over traditional budgeting techniques, but its utility is severely hampered because the state legislature ignores it. "We prepare a continuation budget, and so does the governor," says Georgia legislative-budget analyst Pete Hackney. "Then they decide which items in addition to that ought to be funded. If old things get cut out, it's usually because they've proved pretty unpopular."

No one has yet opposed the legislation in Congress, but numerous skeptics wonder if political considerations, rather than performance, might not sway Congress' deliberations. "Any ongoing program has a constituency around the country that is going to be mighty unhappy with anyone trying to tamper with their line into the Treasury," says a White House official.

PROGRAMS SEEN JEOPARDIZED

Sunset's backers insist that it would give reformers ammunition they now lack in facing down defenders of ineffective programs. "We'd be viewing programs as they relate to other programs and spending options, not in a vacuum as we do now," says Blanchard. "That's got to be a plus."

Another criticism holds that program evaluation is too primitive an instrument—"more art form than science," says James Lynn, director of the Office of Management and Budget—to produce the standardized measures of effectiveness that the legislation would seem to require. Lynn, testifying on the Muskie bill in April, called the Senate formula "too mechanical and inflexible." His lieutenants are working with Senate aides to try to iron out the difficulties.

Requiring periodic reauthorization for all Federal spending "might put suicidal demands on Congress," worries a legislative-appropriations expert. Without additional resources to undertake thorough reviews, he adds, "We might end up with a BS type of recertification procedure, a paper exercise."

PILOT PROJECTS SUGGESTED

Moreover, a functional approach to consideration of Federal spending would require a thorough realignment of the present haphazard committee structure. No longer, for example, would 17 committees of Congress have jurisdiction over energy legislation. Muskie thinks sunset would spur this needed realignment, but he concedes, "If we don't solve the jurisdiction problem, implementation will be weakened."

These problems prompt some sunset backers to conclude that the legislation should be implemented in phases, beginning with some pilot projects. "We don't want to bite off more than Congress can chew and discredit the whole idea," says a strategist for Common Cause, which is pushing sunset in Washington and in state legislatures.

Whatever approach prevails, the idea behind sunset—to force a systematic and periodic re-evaluation of Government programs—is gainng strength. Says Muskie:

"People are fed up. They read about abuses in the Medicare program and cost overruns in defense spending. They don't know if it's the tip of an iceberg or the whole iceberg. I don't know either. The fact is, nobody knows. But we, as their representatives, have an obligation to find out."

[From the Washington Star, Apr. 26, 1976]

AUTOMATIC "SUNSET" MAY FACE U.S. SPENDING PROGRAMS

(By Martha Angle)

Archy the cockroach and Mehitabel the cat are alive and well on Capitol Hill.

It figures, if you stop to think about it.

These days, the spirit of Archy seems to have slipped into Sen. Edmund S. Muskie, D-Maine. The free-wheeling Mehitabel, never one for modesty, has reappeared in the Congress as a whole.

Archie, as readers of a certain age may recall, was a *vers libre* poet returned to life as a cockroach. Mehitabel, Cleopatra in an earlier existence (or so she always claimed), was a fun-loving cat of easy virtue, perpetually producing kittens which she promptly forgot about.

Archy, with some social conscience, regularly inquired about the well-being of Mehitabel's offspring—only to be met by a blank stare and innocent query, "What kittens, Archy?"

Like Mehitabel, the Congress for a decade or so has been happily producing programs—health programs, education programs, veterans programs, energy programs, environmental programs, transportation programs, every size, shape and price program you can name.

And like Mehitabel Congress never checks up on its progeny. Each new program is sent out into the world to fend for itself and grow willy-nilly. Until Ed Muskie started asking a few months ago, no one ever bothered to inquire how all those programs were faring.

In the last dozen years, the number of federal domestic programs multiplied from 50 to nearly 1,000. The federal budget climbed from $158.2 billion in 1967 to an estimated $413 billion for fiscal 1977.

But the good old days are over. Vietnam, inflation and recession have bent the federal budget all out of shape. There's no longer enough money in the treasury to feed all those programs Congress created, let alone provide sustenance for a new generation.

The American taxpayers are tired of government profligacy. Nothing seems to work right. Benefits don't trickle down to the average citizen. Promises go unfulfilled. Taxes go up, and up, and up—with no corresponding increase in results. People have had it with big government, and the message is sinking in with a few legislators like Muskie.

"Government has become out of touch and out of control," said Muskie, chairman of the new Senate Budget Committee, in a Feb. 3 speech to his Senate colleagues.

"We in Congress have not paid enough attention to how well the programs we adopted were working—and now these years of inattention to performance are taking their toll as we reap a bumper crop of public disenchantment with the government."

Under the guidance of the Maine Democrat, a Senate Government Operations subcommittee is preparing landmark legislation that would automatically abolish almost all federal programs every four years unless Congress specifically reauthorizes them.

The only exemptions from the quadrennial review would be interest payments on the public debt and programs like Social Security where individuals contribute to the system with the promise of receiving future benefits.

All programs in a specific budget function would be scheduled for expiration at the same time, to force the executive branch and Congress to examine the total federal effort in a particular field, such as health.

And when a program comes up for evaluation, Congress and the President would have to apply "zero-base budgeting" techniques to the review—a fancy way of saying the program managers would be required to explain what would happen if they go zero funds, half their current funds, three-quarters of their present budget, and so forth.

The Muskie bill, cosponsored by a remarkable array of senators of every ideological stripe, is known as "sunset" legislation. It embodies, at the federal level, a concept which is catching fire all over the country.

Colorado has just enacted the first major state "sunset" law, which will require automatic termination of dozens of state regulatory boards and commissions every seven years unless reauthorized.

The measure, first proposed by the Colorado chapter of Common Cause, the self-styled citizens lobby, was guided through the legislature by a coalition of liberal Democrats and conservative Republicans and was signed into law last week by Gov. Richard Lamm.

In Florida, where the state legislature is now in session, a similar "sunset" bill has been introduced with the support of 33 of the 40 state senators.

In Maryland, Del. David L. Scull, D-Mont., succeeded in winning approval during the final days of the legislative session of two resolutions dealing with sunset review and zero-base budgeting.

The first resolution calls for creation of a 15-member commission to assess the feasibility of enacting a sunset law like Colorado's. The second asks Gov. Marvin Mandel to select one state agency for zero-base budget review as a pilot program.

And Georgia, although lacking a sunset law, was the first state in the nation to adopt zero-base budgeting—the other half of the Muskie bill. It did so at the insistence of former Gov. Jimmy Carter, now the front-running contender for the Democratic presidential nomination.

A Carter spokesman said last week the former Georgia governor is unfamiliar with

the specifics of the pending federal legislation, but said "it appears to entail the sort of philosophy and approach that he would take as president."

Carter has already pledged to implement zero-base budgeting in the federal government, if elected, and to reorganize the bureaucracy—a step which would necessarily include termination of some agencies, the spokesman noted.

As it happens, Peter H. Pyhrr, a business executive who helped Carter establish zero-base budgeting in Georgia five years ago, is working with the Muskie subcommittee in drafting the federal legislation.

Pyhrr said Carter deserves full credit for initiating the system in Georgia. "He is not an executive who is run by his staff. He has his own ideas, and he is a very quick study. He personally decided to do it, even before his staff knew what the hell zero-base budgeting was."

Pyhrr, now vice president of Alpha Wire, Inc., a New Jersey firm which manufactures electronic wire cable and tubing, said Carter contacted him just before taking office after reading an article on zero-base budgeting Pyhrr had written in the Harvard Business Review.

"There aren't too many politicians who read the Harvard Business Review, but Carter did. He called me and asked if I could spend a couple of days with him explaining zero-base budgeting," Pyhrr recalled.

The days stretched into weeks, and by his second year in office, Carter had implemented zero-base budgeting for every executive branch agency in Georgia.

Pyhrr conceded many agency heads in the Georgia government were initially "very hostile" to the concept, having become accustomed to justifying only the annual increases in their budgets—not every penny spent.

"But we gave them no choice. They either produced zero-base budgets, or they didn't get any money. It was a super incentive to cooperate," Pyhrr said.

Muskie and his staff are acutely conscious of the technical and political hurdles which must be cleared to win enactment of effective sunset and zero-base budgeting requirements for the entire federal government.

They know federal agencies have never before been required to justify their existence and aren't anxious to start now. They realize special interest groups with a stake in existing federal programs will descend upon Congress to plead for their favorite causes.

They anticipate an epidemic outbreak of the "Washington Monument" syndrome, a standard bureaucratic response to proposed budget reductions which features threats to eliminate the affected agency's most popular program unless funds are restored.

(The syndrome first appeared one year when the Interior Department, ordered to cut spending by a certain percentage, quickly announced it would be forced to limit visiting hours at the Washington Monument. The cuts were then rescinded.)

During hearings on the Muskie bill in recent weeks, nearly every executive branch official who testified praised the aims of the legislation but insisted they can't be accomplished—at least not all in one swoop.

James T. Lynn, director of President Ford's Office of Management and Budget, called the bill "far too mechanical and inflexible," predicting it would produce mostly "unneeded paperwork and wasted effort."

Secretary of Commerce Elliot L. Richardson suggested a four-year zero-base review of every federal program is "overly ambitious," warning, "If we attempt too much, the effort may simply become one of satisfying the form without addressing the substance."

And William A. Morrill, assistant secretary of Health, Education and Welfare, noted his agency alone has over 370 programs, "Undertaking zero-base reviews of all these would be a major burden requiring extreme amounts of staff time," he said.

Muskie and other sponsors of the sunset legislation are neither surprised nor discouraged by the dire predictions. Much of the resistance, they suspect, stems from normal bureaucratic terror of anything which challenges business-as-usual.

The subcommittee plans to move to mark-up of the sunset bill in about two weeks, hoping to steer it through the full Government Operations Committee and onto the Senate floor before the Democratic National Convention in July.

Enhancing prospects for action on the bill is the striking breadth of support it enjoys. Cosponsors range from Democratic liberals like Mike Mansfield to conservative Republicans like Barry Goldwater. Common Cause and the U.S. Chamber of Commerce, groups which seldom agree on the time of day, both vigorously support sunset legislation.

"There's terrific political momentum for this concept right now," said one Muskie aide. "With all the public concern about big government, excessive spending and overlapping programs, it's a natural for an election year."

[From the Washington Star, Feb. 5, 1976]

MORE BANG FOR THE BUCK

Senator Edmund Muskie has come up with a legislative proposal that has the look of a winner.

Instead of following the usual practice of plowing more money into federal programs year after year whether they work or not, Mr. Muskie says, why not take a fresh look at them periodically?

Indeed, why not? Congressional failure to reexamine what it creates is a major reason why the budget keeps getting bigger, the bureaucracy keeps growing, and the taxpayers keep wondering why they don't get more bang for their bucks.

The way Mr. Muskie and the bill's cosponsors—Republican William Roth of Delaware and Democrat John Glenn of Ohio—see it, the government will never have enough money for new initiatives if it continues to throw good money after bad programs.

Under the Muskie bill, beginning in 1979 almost all federal programs would be put on a four-year authorization cycle. This means that each program, with the exception of such things as servicing the federal debt and Social Security pensions, would be examined every four years to see if it is doing what it was established to do. Any program that was not reauthorized would automatically be abolished.

There's more. Programs deemed worthy of keeping would not necessarily be retained at existing or greater size. Congress would start at "zero base" in its re-examination and every dollar of authorization would have to be justified as to the job it is supposed to do and the impact on overall government spending.

To help the process, the executive branch would be required to make a "zero-base review and evaluation" of programs scheduled for extension or termination.

Enacting the Muskie proposal will not be easy. Congress is a world of 535 fiefdoms and each potentate has pet programs that he's determined to hang onto. Then there are the special interests—the lobbyists, if you will—that cajole, badger and even now and then bribe congressmen to keep programs going that benefit the special interests. The government bureaucracy itself is an important influence in keeping programs going long after they have served their purpose or proved to be inadequate; abolished programs mean abolished jobs, and paper shufflers can always find arguments to keep them in business.

Inertia is a factor in keeping programs going. Unless there is an external force to change its direction, a program continues on its course. Congress is not a body that works very hard at overcoming inertia.

As Senator Muskie said, there is no valid basis for the assumption that old programs and old agencies deserve to be continued simply because they existed the year before. "Government," he said, "has become out of touch and out of control." The time may be ripe for doing something about it, given the growing public sentiment for cutting back the government—and the Muskie plan seems a good place to start.

[From the Atlanta Constitution, Sept. 10, 1976]

CARTER ENDORSES "SUNSET LEGISLATION"

(By Jim Merriner)

COLUMBUS, OHIO.—Democratic presidential nominee Jimmy Carter Wednesday endorsed "sunset legislation" which would abolish federal agencies after a certain time period unless Congress renewed them.

Carter said it was his first endorsement of the idea, although he made favorable statements about it last June after meeting with Sen. Edmund Muskie, D-Maine, sponsor of the legislation.

At the time, Carter likened the "sunset" bill to the zero-based budgeting concept he had introduced as governor of Georgia.

"The instinct for bureaucratic survival, the political inertia which keeps old agencies afloat, is too strong to be overcome except by drastic measures," Carter said Thursday.

"If elected, I will actively support a strong sunset law. . . . I want a law which will shut down outdated agencies and programs once and for all," he said.

Carter was flanked by Sen. John Glenn, D-Ohio, a sponsor of the legislation along with Muskie. Both senators had been considered for the job of Carter's running mate, which was won by Sen. Walter F. (Fritz) Mondale, D-Minn.

"Up to the present time, I have not taken a position on this issue. Today, I have decided to do so," Carter said.

He said, "The Republican administration, despite campaign rhetoric about controlling government waste, has testified against enactment of sunset legislation before both houses of Congress."

Meanwhile, Carter accused President Ford Thursday of trying to "cloud the issue" about FBI Director Clarence Kelley's acceptance of gifts and FBI work in his apartment by bringing up the fact that Kelley's wife was dying of cancer.

Ford had accused Carter of a "lack of compassion" in saying Kelley should have been fired. Ford said Kelley's wife was dying of cancer at the time he accepted federally financed improvements for his apartment and gifts from subordinates.

Reacting to the death of Chairman Mao Tse-tung in China, Carter said, "I want to know if this death signifies a shift toward or away from friendship with the American people" during the transition of leadership.

[From the Washington Post, Apr. 27, 1976]

SUNSET FOR BUREAUCRACIES

Out in Colorado, an intriguing experiment in regulating bureaucratic growth is getting under way. Gov. Richard D. Lamm has just signed a novel "sunset law" which would terminate every one of the state's regulatory agencies—let the sun set on them—within seven years unless the legislature votes to continue them. This unique self-destruct measure, initiated by Colorado Common Cause, was passed with broad bipartisan support, extending from consumer-oriented legislators to Republican conservatives. However much these factions may disagree

about the proper role of regulation in the state, they shared a desire to make the regulatory agencies leaner and more accountable.

The great advantage of the "sunset" approach is that it establishes a framework for systematic, periodic scrutiny of the bureaucracies involved, and makes the advocates of each agency openly justify continuing public investment in it. This can focus legislative and public attention on some corners of government that have grown very cluttered and musty over the years. The Colorado law, for instance, is aimed at the more than 40 boards and commissions in the states that regulate or license various occupations, from barbers to morticians. Such agencies, which are usually fairly small and obscure, can easily become captives of the professions they are supposed to regulate—or can do nothing at all except provide sinecures for a few employees.

Since cutting back government regulation has become a popular cause, the Colorado "sunset law" may become a model for other states that are also burdened with inefficient or antiquated agencies. At the federal level, a number of similar bills have been introduced in Congress during the past several months. One of the most ambitious, sponsored by Senate Budget Committee Chairman Edmund S. Muskie (D-Maine) and others, would require a "zero-based" review, or total reassessment, of every single federal program every four years. Other bills would impose periodic termination dates on all or some regulatory agencies. Along this line, the House wrote a 7-year expiration clause into its version of the consumer advocacy agency legislation last fall.

One reason for all the congressional interest in the "sunset" concept is that most other methods of congressional oversight of the executive branch do not work very well. The appropriations process is an inadequate tool for comprehensive evaluation of agencies' performance. Unless deadlines are imposed or great public pressure is brought to bear, authorizing committees seldom bestir themselves to consider structural changes in programs and agencies. Oversight panels tend to function in a scattershot way, directing their attention primarily at programs that become generally controversial or particularly irksome to powerful congressmen. There is widespread interest right now in reining in agencies through legislative review of administrative rules and regulations, but this raises substantial issues of separation of powers.

All in all, some kind of federal "sunset" plan could have considerable benefits both for the taxpayers and for the government. In exploring such possibilities, however, it is vital to recognize that serious attempts to discipline the federal bureaucracy require considerable effort and self-discipline by Congress too. In fact, the broader proposals now pending would involve a staggering amount of legislative coordination and concentration. A few years ago, we might have said that Congress could never manage it. Since the new budget process has begun to take hold, the prospects for more orderly and effective congressional operations have improved substantially. Even so, the Senate and House committee structures are so sprawling, and committees' performance so uneven, that Congress might profitably start by devising a "sunset" program for itself.

[From the Los Angeles Times, Feb. 18, 1976]

MUSCLE-BOUND—AND FAT-BOUND

Sen. Edmund S. Muskie (D-Me.) has come up with the refreshing idea that the best way to restore public faith in government is to weed out federal programs that, however well-intentioned, aren't working well enough to earn their keep. More refreshing still, he has gone beyond easy rhetoric to offer a practical means of achieving this result.

Legislation introduced by Muskie early this month would require virtually every federal program to be reviewed by Congress every four years to determine if it should be continued—and, if so, at what level of spending. Those failing to win reauthorization would expire.

The only spending programs exempt from the automatic quadrennial review would be interest payments on the national debt and programs, such as Social Security, under which individuals make payments to the national government in the expectation of later compensation.

Because Muskie's proposal calls for fundamental changes in the psychological atmosphere in Washington, as well as in actual procedures, it is likely to encounter stiff resistance.

But it strikes us as one of the most sensible ideas to come along in years.

The way the political system now operates, members of Congress concentrate on generating new programs to solve real and not-so-real national problems. But once the legislation is enacted, they move on to new frontiers and show scant interest in following up to determine whether the hoped-for results are in fact achieved. In the meantime, the programs gain powerful constituencies of their own in the bureaucracy and in the public. Social and defense programs alike generate pressures for their continuance, and against their reexamination. The question. "Should we be doing it at all?" is too seldom asked.

The cumulative result is a government in which performance increasingly falls short of promise.

Muskie notes that the Catalog of Federal Domestic Assistance lists, among other things, 228 health programs, 156 income-security and social-service programs and 83 housing programs. The federal government annual lists not only 11 Cabinet departments and 44 independent agencies, but also 1,240 advisory boards, committees, commissions and councils. And while dozens of new such bodies are created each year, the old ones rarely go out of business.

As an all-too-typical case of overlapping social programs, the Maine senator told of one city where the General Accounting Office found eight clinics operating in one neighborhood under several different programs—each proceeding without regard to what the others were doing. The GAO has found agencies that were unable to say how much they spend on administrative costs as opposed to actual services.

The American people are understandably turned off, Muskie added, by a government that is too muscle-bound to do the things it is trying to do. He cited complaints from citizens who had to wait 18 months for a ruling on claims for disability compensation, and from towns that had to wait many months for federal approval of sewer systems mandated by federal law.

Muskie, who has done a highly creditable job as chairman of the Senate Budget Committee, says the point is not that there should be a freeze on new programs to help people, but that the country cannot afford new programs unless Congress is willing to eliminate old ones that are ineffective, unnecessary or redundant.

The same sort of waste and duplication is to be found in military programs; they would be subject to the proposed reauthorization procedure, too.

As part of the quadrennial review process that would be required by Muskie's bill, congressional committees would have to make "zero-base" evaluations. That is, they would consider the comparative effects of eliminating a program, of funding it at existing or greater levels, or of funding it at various levels in between. Their findings would be reported to the full House and Senate.

Congress took a big step toward rational setting of national priorities when it established the House and Senate budget committees last year. The Muskie proposal is a natural follow-up; it deserves the support of everybody in and out of Congress who believes in responsible, effective government.

Mr. MUSKIE. Mr. President, I further ask unanimous consent that the text of Senator ROTH's remarks on the sunset bill be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUNSET REFORM: FIRST PRIORITY OF THE 95TH CONGRESS

(Statement of WILLIAM V. ROTH, Jr., U.S. Senator)

There is no more pressing need facing this Congress than to strengthen the control we exercise over federal spending for federal programs. The American public deserves and will be satisfied with nothing less than full scrutiny of every federal program expenditure. We must adopt procedures to assure that the operations of government are periodically reviewed and measured against tough standards of performance. The average taxpaying citizen of this country is demanding stronger controls over our vast national budget and expanding national debt.

Last year I authored a proposal with Senator Muskie to confront the need for stricter control over our national budget authorizations. Our bill—S 2925—became known as the sunset bill because, under the procedures in the bill, the "sun" would set on outmoded or inefficient government programs.

The authorizations for nearly every program would automatically terminate after five years unless a convincing case is made that the program is satisfying its objectives at reasonable cost. Today the need for such sunset legislation is greater than ever, and accordingly, I am again submitting comprehensive spending reform legislation to the Senate for its careful consideration and approval. The Government Economy and Spending Reform Act of 1977 reflects many of the changes made in our original proposal after consideration by the Government Operations Committee. I am pleased to re-introduce this legislation with Senator Muskie and Senator Glenn and Senator Ribicoff.

Congress must recognize the urgent need to restore fiscal responsibility to government spending. In a scant ten years our federal budget has increased from $158 billion to over $414 billion. Yet the system of budgetary checks and balances to administer and control expenditure of these funds is woefully antiquated. The nation's inability to manage its budget resourcefully and to achieve program goals is a serious national failing. The Congress must fulfill its responsibility to the citizens by confronting this problem and narrowing the gap between government performance and public expectation. The public has a right to expect its government to be wise and frugal with its tax dollars. The unmet promises of government programs reduces the credibility of Congress and the confidence of our citizens in government. I urge my colleagues to adopt remedial procedures such as those contained in the sunset bill to restore people's trust in their government and their faith in our nation's future.

The sunset bill which I am introducing today is familiar to most of my colleagues. During the last Congress, 58 senators endorsed the Government Economy and Spending Reform Act of 1976 in principle and agreed to co-sponsor the sunset legislation. I

urge my colleagues to consider this proposal and renew their pledge of support for improved fiscal management and program oversight in this Congress.

Let me review for a moment the case for comprehensive spending reform. Today we are speaking up for an important new principle for making Government more responsive to the public. The Government Economy and Spending Reform Act of 1977 offers Congress a procedure to review all spending by Government and to restore the confidence of our citizens that big Government is under control. The procedures in this bill for termination, review, and reordering of our Nation's programs and priorities will assure that no Government program is immune from review.

OPEN GOVERNMENT

Much attention was focused on "sunshine" reforms and "sunset" reforms during the last Congress. I have the distinction of being a principal sponsor of both of these reforms and can speak about the legislative intent for both. Despite the similarity of the popular names, each of these reforms was developed independently of one another.

However, together these reforms represent a major breakthrough in the conduct of Government business. The basis for these reforms is that all areas of Government conduct ought to be fully open to public scrutiny as a matter of right. The sunshine reform was a first effort to win acceptance of the principle that meetings in the departments, agencies, and the Senate itself should be open to the public as a general rule. Citizens have a basic right to know how their elected representatives and their agents in the departments conduct the public's business. We established the sunshine principle for the Federal government during the last Congress.

The sunset proposal would establish the principle that every program must be open for review at least once every 5 years and prove its worth before being continued. No dollar of spending should be sealed from public scrutiny. There should be no sacred cows when it comes to proving the effectiveness of public programs. The sunset bill is consistent in principle and philosophy with the effort to open up all Government business to the public. I think it is an idea which is long overdue and which deserves a trial.

FISCAL REFORMS

The sunset bill is also consistent with the reforms in fiscal management and the budget process which we developed with the Budget Reform and Impoundment Control Act of 1974. The budget process establishes a procedure to set national spending totals and to keep outlays for spending functions within that ceiling. However, the budget process provides no fiscal control over the parts of the budget.

Congress cannot maintain discipline over the budget as a whole unless it can exert control over spending among the separate parts of the budget. The heart of the sunset approach is to review spending or programs grouped together by function to assure that effective programs will continue and that ineffective programs are terminated.

S. 2 would change several of the assumptions about budget authority and the way Congress spends the tax dollars of our citizens. It would end the unspoken rule that money spent on a program in 1 year must be continued or increased in the following year. There would be no permanent authority for spending which places Government programs effectively beyond periodic review. The new assumption of program spending will be that budget authority will be renewed only when a program is shown to be worthwhile and cost effective.

NEED FOR SUNSET

In principle these new assumptions have broad appeal and have gained acceptance as a basic element of sound fiscal management. However, in practice, existing Congressional procedures provide no assurance of comprehensive review and evaluation. There is no process which gives Congress control over its spending practices and requires programs within the same spending function to be considered with other programs serving the same basic objectives. The sunset bill would establish such a procedure in Congress and assure comprehensive oversight of spending by budget function.

There is a risk with any process that the procedure will be too rigid or become a mere formalism. The termination and review cycle in S. 2925, however, provides a firm schedule for review yet retains flexibility for congressional committees in the performance of their oversight role. The sunset process establishes an action-forcing mechanism that demands periodic review, but permits committees to exercise considerable discretion in the execution of their oversight responsibilities.

Our Federal budget has grown so large that effective management is exceedingly difficult. We are making decisions daily in the Congress which have enormous impact on the national economy and the disposition of our Nation's resources. Unless we have a process which permits Congress to develop a national budget which is arrived at rationally and by choice, wasteful Federal spending will continue to burden the economy. Without a process to assure that all programs in one functional area are reviewed at the same time, the overlapping and duplicative programs will never be consolidated or weeded out.

Congress has no more important responsibility to the citizens of this country than to make Government responsive and effective. Programs which have missed their intended mark, outlived their usefulness, or failed to measure up to standards of effectiveness do not deserve to remain on the books. Congress has the responsibility to provide this oversight function to make sure Government is working.

It is evident that public confidence in the Federal Government is low. A recent Harris survey showed that a 58 to 8 percent majority of citizens believe the Federal Government is "more wasteful" than State governments. When the public demands better Government, Congress has a responsibility to examine its own role and to find a practical solution that will improve Government effectiveness. I believe the sunset bill is such a practical approach which will permit Congress to scrutinize Federal spending and answer to the American public for the performance of the Federal Government.

Public attitude surveys have shown a steadily declining confidence in Government among citizens. There is a widespread concern that Government over-promises, yet fails to deliver. And there is a general perception that Washington mismanages and spends irresponsibly. I would like to see Congress come to grips with the consequences of its free-spending attitude. I believe the public is demanding a major reexamination of Government programs, Government regulation, and bureaucratic growth. I believe the public favors a reorganization of existing bureaus, and departments if necessary to make Government more effective in conducting public affairs.

The Federal Government is larger than any major corporation, yet the process in Congress for determining how our resources are spent is dominated by an antiquated network of legislative committees with overlapping jurisdictions and uncoordinated agendas. It is exceedingly difficult for 100 Senators working full-time in 18 separate committees to coordinate and manage the Nation's overall budget. It is small wonder that our Federal budget is the source of outrage and concern to many citizens today.

There can be no greater priority during this Congress than to make the Federal Government more accountable and more effective in serving the American people.

CITIZENS COMMISSION TO AID REORGANIZATION PROCESS

I am pleased that S. 2 provides for a Citizen's Commission to reexamine government structure and administration, and sort out the basic responsibilities for different levels of government. This approach is modeled after the Hoover Commissions which conducted an independent and thorough review of the operation and effectiveness of Government in the 1950's. Citizen panels were organized to review all areas of Government and recommend changes. I know the effectiveness of this kind of approach first-hand because I was involved in a citizen review panel in Delaware.

The Citizen's Commission would have a broad charter to examine and review government operations. Panels of citizens would again be invited to participate in the evaluation and reorganization process. A government which is open and responsive to its citizens should seek to involve private citizens and invite their counsel and recommendations for government reorganization.

KEY CONCERNS

The sunset bill this year includes several technical revisions to make it a flexible instrument for Congressional oversight of federal programs.

The procedures for sunset review have been considerably simplified in Title II of S. 2 to allow committees broad discretion in setting appropriate standards for review of programs within their jurisdiction. A waiver provision has also been added to permit a one year grace period for review of programs which cannot be reconciled with the initial reauthorization cycle. The sunset bill has been tightened and revised this year to keep it as simple and direct as practicable.

Several concerns about what sunset will mean to the legislative process if the process is fully implemented were raised last year during the bill's consideration in the Government Operations Committee and during its joint referral to the Finance Committee and the Rules Committee.

WORKLOAD

First, much attention was focused on the added workload for Congress which a periodic and comprehensive review entails.

Under the sunset review procedures programs would have to be reviewed at least once every 5 years. This would also apply for programs which are now "permanent" and do not require periodic review or renewal for budget authority. It seems to me that Congress is shrinking from its basic oversight responsibilities unless we subject programs to review at least once every 5 years.

The concern about excessive workload is a tacit admission that Congress has passed more programs than it can reasonably check up on. If this is true, Congress has not acted responsibly to control how the citizen's tax dollars are spent. The evaluation process of this bill reserves considerable discretion to the committees in determining which programs will have highest priority for review. But, unless programs are scheduled for review, there is no assurance that wasteful spending will be discovered and terminated.

SUNSET REVIEW

There has also been special interest in the sunset review procedure in this bill. Many are confused by this. It does not impose zero-base budgeting for the annual budget cycle. The requirements which are enumerated in the bill will give a committee considerable discretion in determining the method of review and relative concentration for each program. At the same time no program would be immune from review within a 5-year

period and in no event will the review fail to provide some basis for evaluation of a program's effectiveness. This seems to be a reasonable compromise between an inflexible universal standard of review and no requirement for review at all.

The sunset bill is a reform proposal which will serve to focus our attention on the task of delivering effective services to the citizens we serve. Congress must find a reliable means to come to terms with this basic responsibility. I urge my colleagues to examine S. 2 and pledge their support in this historic effort.

Mr. GLENN. Mr. President, it gives me great pleasure to join Senator MUSKIE in introducing "The Sunset Act of 1977." This legislation requires a zero-base review and termination, unless reauthorized, of all Federal Government budget authorizations and tax expenditure provisions on a 5-year cycle. This legislation is essentially the same as S. 2925, the Government Economy and Spending Reform Act of 1976 which I coauthored with Senator MUSKIE during the 94th Congress.

I consider this Sunset bill to be extremely significant and necessary. It is designed to impose discipline and restraint on the proliferation of Federal programs, and to restore confidence in the ability of Congress to control Federal Government. I believe that this bill meets some of the demands of the American people concerning the way in which our Government operates. Our citizens are demanding an efficient, responsive, and competent government—one that delivers what it promises, one that makes its decisions humanely, clearly, and understandably, not one that merely grows unrestrained without any real direction. The Sunset Act of 1977 is an important step in meeting these demands.

I believe that the Sunset Act of 1977 has the potential for substantially upgrading the performance of government. The once ever-expanding pie of Federal expenditure has begun to reach its limits. Within that limitation, competition for program priority and preference will be severe. That competition must be rational, sane, and substantive. The Sunset Act of 1977 provides a framework for serious evaluation of our programs and our spending. Basically and fundamentally, the bill requires that congressional committees take a hard look at programs under their jurisdiction and report among other things:

First, whether they are, indeed, working as Congress intended;

Second, whether the program is duplicative of others; and

Third, the impact the program has on the national economy.

In other words, we are asking that congressional committees assume their oversight function with increased vigor and vitality and with more quantitative stringency. With the exception of programs to which individuals make payments to the Federal Government in expectation of later compensation—social security, railroad retirement, civil service retirement, medicare, et cetera—all Government programs would have to be reauthorized after stringent review every 5 years.

An amendment which I offered to S. 2925, the Sunset bill which Senator MUSKIE and I introduced in the 94th Congress, which was approved unanimously by the Senate Government Operations Committee and incorporated into that bill as title V, and which has been retained as title IV of the present bill, would apply this same zero-base review and "sunset" mechanism to what are commonly known as "tax expenditures"—tax incentives. To my mind this is essential if we are to effectively achieve the objectives of the bill, for example to get a firm hold on Federal spending.

It would seem to follow that if the termination and reauthorization process of the bill is confined to spending programs alone, we will leave a substantial portion of our job undone. The Congress recognized this basic problem in 1974 by including in the Congressional Budget Act the tax, as well as the spending side of the equation.

My proposal would require that each Federal tax expenditure be investigated systematically to determine whether it has been effective or whether it is being used for purposes not originally intended by Congress. It must be emphasized that the review procedure is totally neutral. All that is called for is a zero-base review; title IV does not suggest that the tax incentives under consideration should be terminated. In fact, they could be increased if found to be working well for the purpose intended.

Today there are scores of tax incentives built into the Federal income tax system. All were created with a specific goal in mind. Some were intended to stimulate or move the economy in certain directions; others were motivated by social concerns and were intended to encourage individuals and businesses to move toward various national goals. Yet, whatever their original purposes, the fact remains that some of these tax incentives have grown to the point where they are tax loopholes, going far beyond their original purposes and eagerly sought as a means of avoiding taxes. The result has been that the revenue loss due to these tax expenditures has mounted each year to the point where, in fiscal year 1977, it is estimated that they may approximate the amount our Nation spends for defense.

This upward trend in revenue loss gives no indication of abating. It is certainly disturbing that there are no clear limitations on how much each tax expenditure provision could ultimately cost the Treasury. Presently there is insufficient analysis of each tax expenditure to determine whether some have grown out of control and should be eliminated because the orginal purposes have been obscured. Efforts toward tax reform reflect how difficult it is to revoke or even modify tax expenditure provisions once they take effect and become entrenched. It is my hope that this proposal will greatly facilitate such revisions of the tax code whenever circumstances warrant them.

Due to the hard work and diligent efforts of Senator MUSKIE, the sunset bill which we introduced last year attracted considerable attention and support both outside and within the Congress. The bill was reported out unanimously from Senate Government Operations Committee but, unfortunately was not considered by the full Senate because of the press of business at the end of the session. I am hopeful that these efforts have laid the groundwork for full enactment in the 95th Congress.

It is also my fervent hope that President-elect Carter will lend his full support in favor of this legislation. In my discussions with the President-elect I have been impressed with his earnest desire to reorganize the Federal Government. He recognized that the sunset concept can be an effective means of gaining control of the Government for that purpose, and, during the Presidential election campaign, specifically endorsed a strong sunset law covering both Federal programs and tax expenditures. I am eagerly looking forward to working closely with the President-elect on this extremely important issue.

Mr. BENTSEN. Mr. President, during the 1976 political campaign, both parties seemed to recognize that the people have become disenchanted with the operation of their Federal Government. It is now up to those of us who have been given high public responsibility to build a better, not a bigger, Federal Government. It is time for the Federal Government to more effectively and efficiently carry out its mandate to serve the American people.

In the past, the Federal Government's efforts to solve pressing social problems have frequently resulted in the creation of new programs rather than effective solutions. These new programs have generated their own bureaucracy. The result has been the proliferation of duplicating and overlapping programs. The executive branch of the Federal Government now includes 11 cabinet departments, 59 independent agencies, 1,240 advisory boards, committees, councils, and commissions, 1,026 aid programs, almost 400 programs dealing with higher education, 228 health programs, 158 income security programs, and 83 housing programs. This bureaucratic growth has generated a concomitant increase in the Federal Government's gargantuan appetite for more and more information. By some accounts, paper generated in 1 year by the Washington bureaucracy would fill the astrodome 51 times, and the Government's records would fill 11 Washington Monuments.

Federal paperwork now costs the American people over $40 billion a year. The Federal Government now spends $1 billion annually just explaining to the public how to complete its forms.

Swift and sure execution of outmoded and ineffective programs is the way to end this extravagance. That is why I am cosponsoring the Sunset Act which my distinguished colleague, Senator MUSKIE, introduces today. This bill would end the unspoken rule that money spent for a program this year must be continued next year. In fact, the basic premise of the Sunset bill is that no new budget authority is necessary until a program is

proven worthwhile. The bill sets up a schedule under which Government agencies would have to come before Congress for review and possible termination every 5 years. This is the application of zero-base budgeting—a reasonable budgeting tool that is effective in business.

Enactment of this legislation will finally do something about bureaucratic boon-doggles and redtape. In the words of Mark Twain:

Thunder is good, thunder is impressive, but it is lightning that works.

It is time for the Federal bureaucracy to be given a long overdue jolt.

I do have one reservation about S. 2. The bill requires the periodic review of Federal "tax expenditures." While systematic review of all tax incentives in the Federal tax code is necessary to make sure they are achieving their intended purpose, I strongly object to the term "tax expenditures." This term implies that all income earned by American taxpayers somehow belongs to the Federal Government. Therefore, it is a "tax expenditure" if the Federal tax code allows these taxpayers to keep part of their own income. I object to this term and more importantly, I reject the philosophy which it implies.

SUNSETTING OUTDATED GOVERNMENT BUREAUCRACIES

Mr. GOLDWATER. Mr. President, it is my pleasure today to join once again in sponsoring legislation which will offer the American public a way to send outdated Government bureaucracies riding into the sunset.

The idea of this legislation is simple. The whole purpose is to end an agency or program which is no longer needed. If a particular program, or even an entire agency or department, is wasting the taxpayer's money, or has done more harm to the public good than help, that program or that agency will come to an end without expecting a perpetual renewal.

The basic notion is as old as the original Hoover Commission. And, as surprising as it may seem to some people, two former Supreme Court Justices noted for their liberal attitudes, Justices Black and Douglas, recommended some years ago that new regulatory agencies and new government programs should be dismantled after a fixed period of time unless their need was clearly demonstrated. With such support coming from spokesmen of all political and philosophical shadings, this proposal must have merit.

Unfortunately, the idea itself faded away until 1969 when a young Congressman, and now our colleague, Senator ROTH of Delaware, published the first overall catalog of Government assistance programs. It took him 2 years to find out that there were over 1,300 Federal programs, many of which were unknown, even by the people they were supposed to help. That study was the steppingstone for the introduction of legislation in 1973 by Senator HOWARD BAKER and 13 other Senators, including myself. The objective of our proposal was to terminate all Federal spending programs every 3 years, unless a powerful reason existed for keeping any of them. Early last year, the chairman of the Subcommittee on Intergovernmental Relations, Senator MUSKIE, introduced a similar reform proposal cosponsored by Senator ROTH, myself, and 56 other Senators, and now a revised version of that bill is being introduced in the 95th Congress.

Mr. President, although some technical changes have been made in the bill, its basic features remain intact. Most importantly, the sunset features have not been narrowed at all. In fact, my decision to join again as a sponsor of this legislation is based upon the personal assurance of the Senator from Maine (Mr. MUSKIE) that the commitment to sunset means what it says.

Upon reading the Government Operations Committee report on the sunset bill in the last session of Congress, I was concerned at first that certain statements contained in the report might infer that sunsetted agencies would go on and on with merely their enforcement power being temporarily suspended. However, I have been assured in an exchange of letters with Senator MUSKIE that this was not the intent of the amended bill. In fact, in his reply to my inquiry about this, Senator MUSKIE stated:

The commitment to a periodic termination and review of federal programs and agencies remains as firm today as when we first discussed the bill some months ago.

It is technically true, as the committee report describes, that an agency "would remain in existence" if Congress decides not to extend its basic authority. Senator MUSKIE's letter explains:

Substantive laws which relate to the operation of government agencies would technically remain on the books.

This is because sunset is linked to authorizations. According to Senator MUSKIE's reply, and I agree, the authorization process "offers an effective means for terminating a program or agency without specifically repealing every law that relates to its operation."

Senator MUSKIE's letter continues:

But this does not mean . . . that all officials and employees of a sunsetted agency would remain on its payroll. Quite the opposite; lacking authorization and appropriations, such an agency could not continue in operation.

Mr. President, I certainly agree that using the authorization process and through it the appropriation of funds, we can compel a review of all Government bodies and programs without repealing every provision of law relating to those agencies or programs. I am satisfied that should Congress not act to renew the authorization of funds for an agency it will, for all practical purposes, come to an end. Nor will the officials and employees stay on the payroll, since there will be no authority for funds to pay them.

A second matter that had given me trouble in the committee-amended bill has also been cleared up. I had been disturbed at the description given in the committee report of last August that during any period when an agency had been sunsetted, all its previously issued rules would remain in effect. It occurred to me that if a person violated a rule while the agency itself was put in some sort of legislative "limbo" the person may be subject to prosecution whenever Congress restored the agency's authority. Since no one knows when or if, Congress would decide to restore the authority of an agency whose powers had been sunsetted, the particular regulatory field affected would be placed in total confusion. As the bill stood, it seemed possible that an agency would not be able to make changes in its rules which may be demanded by equity due to new circumstances, but a private citizen or business who violated one of the agency's prior rules could be prosecuted for that conduct if funding for the agency were reenacted.

This interpretation, if it occurred, would have created the worst of all possible worlds for citizens affected by governmental regulation. Moreover, by possibly allowing the prosecution of someone later for committing a violation at a time when an agency's powers were under suspension, it may have run afoul of the prohibition against ex-post facto laws.

Now, I am delighted to know that this interpretation is most certainly not what the committee intended. Senator MUSKIE's letter of October 22 makes it clear that the real problem which the committee was addressing was the situation where there is only a temporary failure of Congress to act on renewing an agency's charter. Senator MUSKIE states that the committee was concerned that "an agency's rules and regulations should not have to be readopted upon a reauthorization measure becoming law" if there is only a temporary lapse of an authorization.

The bill has now been changed to remove this problem. In Senator MUSKIE's words, as set forth in his letter to me:

It is not at all our intention to impose ex-post facto conditions on citizens affected by government regulations or to confuse them about what they may or may not do under law.

The bill corrects this problem by entirely removing the provision concerned.

Mr. President, the third and final problem that I raised with Senator MUSKIE is the question of whether or not the procedures required by the sunset bill might create more paperwork and need for staff to comply with its reporting requirements than it saves by its other provisions. My question arose out of uncertainty as to how many programs would be identified for review and reporting by Government agencies and congressional committees.

Once again, I am satisfied with the answer which Senator MUSKIE has provided. In the first place, the preliminary estimates of the number of different programs for which a congressional committee would be responsible were too high. The General Accounting Office has been preparing a list of Federal programs by functional budget category which is running far smaller than the "worst case" estimates had first assumed. Moreover, amendments have been developed which would give the authorizing com-

mittee a greater role in the sunset process.

Mr. President, with the assurance I have been given by the primary sponsors of the bill and in view of their willingness to make remedial changes, wherever reasonable suggestions are made, I am pleased to continue as a cosponsor of the sunset proposal and to urge its prompt adoption. The need for this kind of law is obvious. Government spending has grown too burdensome as well as becoming fiscally irresponsible. As an example of the burden upon the U.S. taxpayer, I might mention that the number of Federal domestic programs has multiplied 20 times in the last dozen years. And right now, there are at least 44 independent agencies, 11 cabinet departments and 1,240 other units of the Federal Government in existence.

With this unchecked growth, it is urgent that we attempt a new approach in order to get a handle on bureaucracy. We in Congress have simply not been as responsible as we should have. We have not paid sufficient attention to how well the programs that are already on the books have been working and we have been too concerned with initiating new programs as fast as every special interest group can think one up.

As might be expected, the entrenched bureaucrats are resisting any change. These people have little or nothing to gain by reform or innovation. But the problem of an enormous, uncaring and insulated bureaucracy is one of the major concerns of the American public. I only hope that this concern by the ordinary citizen is strong enough so that it will finally force enough office-holders to take drastic action to clear the Government of dead-weight and abuses, to rid ourselves of the notion that the bigger government is, the better it is. We must force these agencies to come in and prove they have been worth their salt and if they cannot do it, then let us get rid of them. Now, what is wrong with that?

By Mr. KENNEDY:

S. 3. A bill to create a national system of health security; jointly, by unanimous consent, to the Committee on Finance and the Committee on Labor and Public Welfare.

S. 3

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill, introduced by Senator KENNEDY, relative to creating a national system of health security, be jointly referred to the Committees on Finance and Labor and Public Welfare.

By Mr. DOLE (for himself, Mr. RIBICOFF, Mr. MCCLURE, Mr. BROOKE, Mr. NUNN, Mr. RANDOLPH, Mr. SCOTT, Mr. WILLIAMS, and Mr. EAGLETON):

S. 4. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Finance.

Mr. DOLE. Mr. President, today, on behalf of the Senator from Connecticut (Mr. RIBICOFF), the Senator from Idaho (Mr. MCCLURE), the Senator from Massachusetts (Mr. BROOKE), the Senator from Georgia (Mr. NUNN), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Virginia (Mr. SCOTT), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Missouri (Mr. EAGLETON), I am introducing legislation which makes a simple but important change in the Tax Reform Act of 1976 by delaying the effective date of one of its provisions.

Before October 4, 1976, when the Tax Reform Act became law, an employee who retired on disability or was off the job for an extended period due to ill health could exclude from Federal taxation up to $100 per week or $5,200 per year in sick pay benefits. Sick pay is the designation for the money that a worker who has been the victim of illness or serious personal injury receives under a wage continuation plan. The tax reform bill repealed this exclusion retroactively to January 1, 1976, except for persons who are permanently and totally disabled.

As a result of the retroactivity, many taxpayers who received excludable sick pay during 1976 are now faced with greatly increased tax liability on April 15. Most of our Nation's retired and disabled workers—who live on fixed incomes which are constantly being eroded by inflation—simply do not have the resources to pay the Government hundreds of dollars on such short notice. And I do not think they should have to.

But unless corrective legislation is passed, tens of thousands of retirees will be forced to make a large lump sum tax payment on April 15. For example, a retired couple with a taxable income of $8,000, including the $5,200 in sick pay, could have their tax bill increased by over $550.

The bill I am introducing today will give these retired and disabled citizens an opportunity to adjust to the change in the tax law. S. 4 simply delays the change in the taxation of sick pay until January 1, 1977. No substantive alteration is made in the tax reform act. The only change is the elimination of the unfair retroactive provision.

Excluding sick pay payments from income when an employee is absent from work while taxing the same payments if termed as wages while he is at work may not be justified. That issue is not addressed by this simple bill. But I agree with the hundreds of affected persons who have contacted my office since I announced my intention to offer this legislation that it is unfair to completely alter a longstanding tax policy without any warning.

Mr. President, a recent article in the Washington Star titled "Tax 'Reform' Bill Is Going To Cost Thousands of Disabled Retirees" shows the effect on and the feelings of many retired Federal employees and other disabled workers. I ask unanimous consent that this article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX "REFORM" BILL IS GOING TO COST THOUSANDS OF DISABLED RETIREES

(By John Cramer)

Thousands of federal employes retired on disability face what amounts to a retroactive tax increase by reason of the tax "reform" bill enacted by Congress last October.

This is the story:

The bill sharply restricts the so-called sick pay exclusion formerly available to the disabled.

Under former law, they could exclude from federal income taxation up to $100 per week—$5,200 per year—of pension income.

And since most states follow federal rules on such things many could exclude the same amounts from state taxation, too.

The new law, however, makes the exclusion available only to those totally and permanently incapacitated for gainful employment.

It, thus, will deny the tax break to a great many—probably the majority—of those now on Civil Service Commission disability retirement rolls.

That's because employes don't have to be totally and permanently disabled in order to qualify for CSC disability retirement. By rule and law, they must be disabled only for the duties of their own jobs.

And some—the official estimate as reported in a recent piece here was "scores"—actually have returned to government as reemployed annuitants.

The new law also terminates the sick pay exclusion for all disabled at age 65. Previously, it was 70 for federal disabled.

But its real joker lies in the fact that its tight new rule on eligibility for the sick pay exclusion applies to all on the disability rolls as of last Jan. 1.

Thus, in all effect, it creates a retroactive tax liability for them.

Robert Handler, Rockville, himself a disabled retiree, explained the impact in a recent excellent letter to the AFL–CIO American Federation of Government Employes.

He wrote in part:

"I have no quarrel with the premise promulgated by the tax bill writers who felt that the sick pay exclusion was neither feasible or sensible. My quarrel lies with the arbitrary and capricious manner by which the exclusion limitation was made effective at the beginning of THIS YEAR, resulting in what only can be classified as retroactive taxation.

"To maintain some vestige of fairness, it appears that the elimination of this provision should have been made effective on either the effective date of passage of the bill or on Jan. 1, 1977.

"Since the sick pay exclusion was in effect at the beginning of 1976, it was logical and indeed necessary to predicate your income (and your spouse's if applicable) on this provision and adjust your withholding amounts accordingly. . . .

"But by making this portion of the bill retroactive to the first of the current year, the government has made thousands of retirees liable for a heavy additional tax which will have to be paid in a lump sum prior to April 15, 1977.

"In my own case, the bill works an extreme hardship in that I find myself in a position of owing hundreds of dollars because of having to pay a tax on the $5,200 which had previously been exempt from taxation."

Handler then went on to suggest the possibility of a class action suit seeking to invalidate the retroactive taxes as unconstitutional.

And he might just have an excellent idea there!

Mr. DOLE. I believe that Congress will agree that whatever the merits of the re-

peal of the sick pay exclusion, the injured, disabled, and retired workers of America deserve better treatment from their Government than they have received under the Tax Reform Act. I sincerely hope that every Member of this body will assist me in gaining rapid consideration and passage of this bill. If thousands of retired Americans are to be relieved of the unfair imposition of this retroactive tax, we must act soon.

Mr. President, I ask unanimous consent that the full text of S. 4 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) section 505 of the Tax Reform Act of 1976 (relating to changes in exclusions for sick pay and certain military, etc., disability pensions; certain disability income) is amended by adding at the end thereof the following new subsection:

"(f) EFFECTIVE DATE FOR SUBSECTION (a).— The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1976."

(b) Subsection (c) of section 505 of such Act is amended by striking out "January 1, 1976" each place it appears and inserting in lieu thereof "January 1, 1977."

(c) Subsection (d) of Section 505 of such Act is amended—

(1) by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1977"; and

(2) by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976".

SEC. 2. The amendments made by the first section of this Act shall take effect on October 4, 1976.

Mr. RIBICOFF. Mr. President, I am pleased to join with Senator DOLE in cosponsoring S. 4, a bill which will alter the effective date of the "sick pay exclusion" changes made by the Tax Reform Act of 1976.

Unless S. 4 is enacted promptly, thousands of retired employees will not only be required to pay more taxes on April 15, but also they will be exposed to possible penalties.

While I agree with the basic decision Congress reached in repealing the "sick pay exclusion," I disagree with the retroactive application of this provision of the Tax Reform Act.

By making the new rules effective retroactive to January 1, 1976, the Tax Reform Act signed into law October 4, 1976, imposes an additional "lump sum" tax liability on retired employees they would have had no reason to anticipate paying.

Even more disturbing is the "Catch 22" feature of the retroactive effective date. Those retirees required to file an estimated income tax form each April and pay the tax quarterly are now technically in violation of the law. Without the change recommended in S. 4 these retirees could be subject to penalties of up to 25 percent of the tax they failed to pay.

Fairness and equity requires early enactment of S. 4.

My Mr. MCINTYRE:

S. 5. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Finance.

NATIONAL HEALTH CARE ACT OF 1977

Mr. MCINTYRE. Mr. President, today I am introducing the National Health Care Act of 1977, legislation that I believe can provide comprehensive health insurance for all Americans without preempting other, vital national priorities.

I believe the goal of guaranteeing all Americans access to comprehensive health insurance, including preventive care and protection against catastrophic illness can be realized if we utilize and strengthen the private insurance sector through Federal standards, and move on a phased-in basis. In contrast, a national health insurance plan financed entirely by Federal tax dollars could jeopardize our ability to deal with other urgent problems.

The need has been articulated time and time again and we have come to a point where we must focus on what is best for the people and best for the Government. I believe that with this piece of legislation we can prove to the American people that we intend to keep our promise of comprehensive health care for every individual regardless of income or physical condition, while at the same time continuing our pledge to be fiscally responsible.

Initially, we must enact Federal minimum standards for comprehensive health insurance benefits, including and encouraging ambulatory care and preventive care. Further, this benefit package should include dental care, vision care, and mental health benefits.

Those least able to obtain these benefits should be our first priority. Benefits now available to the poor through medicaid vary widely from State to State. Through Federal tax dollars from general revenues, we should guarantee this uniform benefit package to all Americans who cannot provide for themselves.

At the same time, we should now require that all employee health insurance plans meet these same benefit standards. These plans should also have to meet other Federal standards such as continuation of coverage in case of layoff and limitations on the contributions required from employees.

Employers should be required to meet these standards or lose their Federal income tax deduction for their cost. In this first stage, however, employers who do not have a plan should not be required to provide one. This follows the pattern of pension reform in the Employee Retirement Income Security Act of 1974 and the tax treatment of pensions under the Internal Revenue Code, and avoids for the present the cost and complexities of subsidies to marginal employers who might be put out of business by the added cost. An employer is not compelled to provide a plan, but if he does it must meet Federal standards. Requiring all employers to have a plan can, and should, be considered as a later phase.

For the self-employed, and those whose employers do not provide a plan, individuals should be encouraged to buy, and insurers to sell, individual plans which are fully tax deductible to the individual if they meet the same applicable Federal standards.

Insurers should be required to cover all individuals who want coverage, regardless of their health, without Government subsidy and at a reasonable rate. All insurers should be required to participate in the losses incurred in covering high-risk individuals in each State as the price of doing business in that State, as is currently done in Connecticut.

This is what the National Health Care Act of 1977 does.

Furthermore, a national health insurance bill must place a strong emphasis on ambulatory and preventive care.

The National Health Care Act does that.

A national health insurance bill must build in strong and effective measures to control rapidly rising medical costs.

The National Health Care Act does that.

A national health insurance bill must recognize the breadth and diversity of this great land.

It must build into the system equity and fairness for those living in rural areas as well as the city dwellers.

The National Health Care Act does that.

A national health insurance bill should encourage experimentation and innovation in the delivery of care.

The National Health Care Act does that.

A plan such as this, incorporating cost control features such as prospective rate review for hospitals, would add only $7.7 billion in Federal Government health expenditures by 1980, according to an HEW cost study done last September. That same study, incidentally, concluded that a totally tax-financed national health insurance plan could require as much as $130 billion in new Federal taxes over the same period.

In weighing these contrasting approaches to national health insurance, it is also well to remember that 9 out of 10 Americans now have some form of private health insurance protection. Most of the balance have some form of Government protection, such as medicaid for the poor, the military and their dependents, and VA health programs.

One hundred and fifty million Americans already have protection against catastrophic illness by major medical plans, high benefit basic plans, or health maintenance organizations—HMOs—and that number is growing rapidly, with many insurers selling unlimited medical benefits with annual limits on out-of-pocket expenses, typically $1,000 and $2,000. Major medical policies available now cover not only hospital care but outpatient care, office visits, prescription drugs,

preventive care, dental care, and vision care.

An ancillary consideration of no small consequence is the fact that the private health insurance industry now provides jobs for half a million Americans, all of whom pay taxes to our Federal, State, and local governments.

But despite the differing viewpoints on national health insurance, I hope my colleagues agree with me that the clear obligation of the Congress to our people is to pass a program that is both generous in its benefits and rational in its costs and administration.

If there are differences as to benefits required, eligibility standards and income definition of the needy, let us work together on these differences.

I welcome your comments and suggestions, as I welcome your support.

But let us move and move quickly, let us reconcile differences and agree to compromise where we must, and let us thus bring forth from this Congress a plan to insure the health care and health costs of every American in every part of the country.

It is my sincere hope, Mr. President, that a strong coalition of all of those who agree that we must have national health insurance will seek quick consensus on the vehicle itself. The argument on need has been made and made well. The debate now must focus on precisely how we achieve our goal.

There is a job to be done, Mr. President. I urge my colleagues to join with me to do it.

Mr. President, I ask unanimous consent that an analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE NATIONAL HEALTH CARE ACT OF 1977

The National Health Care Act has five Titles.

Title I contains Findings and Declaration of Purpose.

Title II contains provisions to strengthen the health planning and health resource development process. It provides, among other things, for the establishment of health data consortiums, strengthens certificate-of-need programs, provides funds for the closing of surplus health facilities, and increased funding for health systems agencies.

Title III contains provisions to encourage comprehensive ambulatory health care centers. This encouragement comes through the awarding of grants and loans for the construction and modernization of ambulatory health care centers, which concentrate on ambulatory services and which meet certain other criteria. It also provides for the training of personnel for comprehensive ambulatory health care centers and professional standards review organizations.

Title IV establishes a Health Policy Board in the executive branch. The board will be made up of three members, appointed by the President with the advice and consent of the Senate. The board will be authorized to employ such staff as necessary to carry out its functions. Among those functions is the preparation for an annual health report of the President. The Title outlines the additional functions of the board as well as the issues to be examined in the President's report.

Title V. Provisions to make comprehensive health care insurance available to all. This title outlines a plan for the delivery of comprehensive health care insurance.

The bill sets minimum standards to be met by health insurance policies and provides incentives for compliance with these standards. There are three types of plans: those purchased by Employers and Employees, those purchased by individuals, and those offered through a State plan. Minimum standards for all these plans are the same and are phased in in two stages as follows:

PHASE I—1979

1. Unlimited hospital in and out-patient services for physical care.
2. All professional services for the diagnosis or treatment of injuries, illnesses or conditions other than dental and mental, by or at the direction of a physician.
3. The first 20 out-patient mental health visits.
4. 90 days hospitalization for mental conditions.
5. Drugs and contraceptive devices that require a prescription.
6. 180 days of skilled nursing care.
7. 270 days of home health care.
8. Use of radium or radioactive materials, ogygen, anesthetics, prostheses, and medical equipment.
9. Oral surgery on impacted teeth, and for a tooth root.
10. Diagnostic x-ray and laboratory tests performed other than while an inpatient in a hospital or skilled nursing facility.
11. Well child care, including immunizations for children under age five.
12. One oral examination per year, including prophylaxis, dental x-rays, topical application of fluoride and insertion of space maintainers, by a dentist or, at his direction, a dental hygienist, for children under age thirteen.
13. One eye refraction per year for children under age 13.
14. One pre-natal examination by a physician during each trimester of a pregnancy.

PHASE II—1987

15. Dental care for fillings and extractions.
16. Other dental services and prostheses, except orthodontia.
17. Services of a Physical Therapist.
18. Services of a Speech Therapist.
19. One eye refraction every three years.
20. Eye glasses, one per year for under 19, one every three years for over 19.
21. One hearing exam every three years.
22. Hearing aids, one per three years under 19, one per lifetime for over 19.
23. One physical every 5 years for individuals 5 years old or older.
24. Counseling on family planning and fitting of contraceptive device.
25. One PAP smear every 2 years for women 19 and over.

LIMITATION ON DEDUCTIBLES AND COPAYMENTS

The maximum allowable deductible is $100 and the maximum co-payment is 20 percent with the exception of items 3 and 16 in which the maximum is 50 percent.

To encourage out-patient treatment and diagnosis, a separate hospital deductible equal to the hospital's first day room and board charge is allowed.

Conversely, no copayments or deductibles are allowed with regard to out-patient diagnostic x-rays and tests, well child care, oral and vision exams for children, and pre-natal care. A qualified plan must pay 100 percent of these benefits.

There is a limit of $1,000 on total co-payment and deductible charges per family in any benefit year. All these payments (deductible, co-payment, and total) are adjusted according to ability to pay under the state plan.

QUALIFIED EMPLOYEE HEALTH CARE PLANS

This plan would be purchased by the employer for the employees and their families. The maximum allowable employee contribution would be 50 percent of the cost of the plan, with a special income related limit on contributions by low income employees.

Provided that the plan at least met minimum standards, it would be deemed a Qualified Employee Plan (QEP), and the employee's share, if any, would be an allowable tax deduction.

Any employer whose health benefit plan does not meet the minimum standards in 1979 would lose 50 percent of his allowable income tax deduction attributable to his plan. After 1980 his deduction would be totally eliminated unless the minimum standards were met.

Further the plan must include the following:

Provisions to continue coverage of an employee who is laid off or terminated to the end of the second calendar month following the calendar month in which employment terminated. At the end of that period, the individual could be enrolled in the State plan, thus providing continuing health care coverage while unemployed.

Provisions to continue coverage of the dependents of an employee who dies to the end of the second calendar month following the calendar month in which death occurred.

Provisions to continue coverage a minimum of 30 months for an employee absent due to illness or injury.

Provisions to allow dependent children to be covered beyond the child's 19th birthday.

Provisions must be allowed for continuity of coverage during employment changes.

QUALIFIED INDIVIDUAL HEALTH CARE PLANS

A 100 percent income tax deduction would be allowed on any plan purchased by an individual from a third party carrier or health maintenance organization which meets the minimum standards. This would take effect upon passage of the Act which changes the current IRS deduction provision.

STATE HEALTH CARE PLANS FOR POOR AND NEAR POOR

Benefits

In order to be a qualified plan, the Qualified State Health Care Plan would have to provide exactly the same benefits as the Qualified Employee Health Care Plan and the Qualified Individual Health Care Plan. Deductibles and co-payments would be restricted and scaled to income.

Eligibility

Any individual or family (1) on welfare or (2) who has income of less than $5,000 as an individual, $7,500 as a family of two, or $10,000 as a family of three or more and is not eligible to join a qualified employee plan is eligible to join the State plan on a subsidized basis. The poor would pay no premium; others would pay a partial premium scaled to income. Laid-off employees who meet the income test for two consecutive months would also be eligible.

Administration

The plan would be administered by an administering carrier designated by the State and approved by the Secretary of HEW. The premium rates for the plan would be set by the carrier and reviewed by the State Insurance Commissioner and the Chief Actuary of the Social Security Administration.

Funding

The plan would be financed by the State, less the partial premiums paid by the insureds. The State, in return for having a qualified plan, would be reimbursed by the Federal government for from 70 to 90 percent of its cost, depending on the income level of the state. After July 1, 1979, no state would

be reimbursed under Medicaid for any service included in health care benefits.

Cost control

All payments for health care under Federally-supported programs would be tied to prevailing fees and to peer review of those professional services that fall outside of professionally established guidelines, assuring appropriateness of treatment, quality of care, and reasonableness of physician fees. Review and approval would come from an appropriate health services review organization or, in its absence, by the organizations administering Federal programs.

Benefits could be assigned physicians only if the physician agrees to accept assignments all of the time for all of his patients. Such physicians would be known as Participating Physicians, and their names would be made known to the public.

Payment to hospitals or other health care institutions under Federal programs would be subject to approval by a State Healthcare Institutions Cost Commission appointed by the Governor. All such institutions would be required to:

(a) Have an active review committee to check appropriateness and quality of services.

(b) Utilize a standard system of accounts and cost finding.

(c) Use "prospective approved charges" for all patients. Such a system would involve review and approval in advance by the State Commission of the proposed charges, assuring charges reasonably related to the cost of effectively providing necessary services.

BENEFITS FOR THE PREVIOUSLY UNINSURABLE

The risk for those previously uninsurable for health reasons would be borne entirely by the health insurance industry.

HEALTH CARE PROGRAM COST

A cost study done for HEW by Gordon Trapnell Associates in September 1976 estimates that passage of the National Health Care Act would result in increased Federal expenditures of $7.7 billion by 1980.

By Mr. METCALF (for himself, Mr. JACKSON, Mr. HASKELL, Mr. BUMPERS and Mr. BAKER):

S. 7. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977

Mr. METCALF. Mr. President, I was greatly heartened by President-elect Jimmy Carter when, during the course of his final television debate with President Ford, he stated unequivocally that he would have signed the strip mine bill which Congress twice sent to the White House, only to see it twice vetoed. As far as I am concerned, this statement by our new President was one of the high points of the whole election campaign. It showed clearly that Jimmy Carter is a man who will not kow-tow to the economic moguls when it comes to preserving our environment and protecting the rights of the ordinary people of this Nation.

It would serve no useful purpose for me to recapitulate the sorry story of how the Ford administration joined forces with powerful and reactionary corporate interests in the mining and utility industries to defeat the strip mine bill. I will spare you a review of the long, painful process by which this bill was fine-tuned. It is in fact designed to meet the need for preservation of our land and water resources, for stabilization of our long-neglected coal industry, and for satisfaction of a national determination that our enormous coal deposits be exploited expeditiously so as to fill the energy gap caused by our declining domestic oil and natural gas reserves.

With a new President, who fully appreciates the validity of the approach adopted by Congress, it is now time to get a law on the books so that we can establish a rational and uniform system of reclamation out on the mountains and plains where every week thousands of acres of land are being strip mined, often with disastrous results.

Mr. President, upon completion of the reorganization of the Senate, hearings will be held at an early date on this vital bill. Our new President should have the opportunity to sign this legislation during his first year in office.

I am, therefore, introducing today the Surface Mining Control and Reclamation Act of 1977. This bill is substantially the same as the measure vetoed by President Ford in 1975. The principal differences are as follows:

First. State mining and mineral resources institutes. Old title III has been deleted and in section 102(1) reference to research and training purposes has been eliminated accordingly. The broad scope of the proposed institutes would be better encompassed within a separate bill. I plan to introduce such a bill soon.

Second. Designation of lands unsuitable for noncoal mining. Old title VI has also been deleted. The problems it addressed are outside the scope of a surface coal mining bill.

Third. Reclamation fee. The reclamation fee in section 301(d) has been made to apply only to Federal coal in order to avoid any question as to whether the constitutional constraint on origination by the Senate of bills providing for the raising of revenues would be applicable.

Fourth. Orphan lands program. Various changes in the orphan lands program in title III have been incorporated to enable State regulatory authorities to participate more fully in the reclamation of orphaned lands. Also, reference to the Interior Secretary's land development authorization in section 305 has been deleted as being unnecessary. Many of these changes were adopted by the House Interior Committee during the last Congress.

Fifth. Special treatment. The special provisions for anthracite coal mines in old section 529 and for Alaska coal mines in old section 708 have been deleted as unnecessary.

Sixth. Surface owner consent. The provisions granting the owner of private land overlying Federal coal a veto power over surface mining (old section 714) have been deleted. They have been replaced by the provisions of the original Senate bill (S. 425, 93d Congress), the so-called Mansfield amendment, which impose a ban on the surface mining of Federal coal underlying privately owned surface. This will protect ranchers and farmers without giving them control over public resources.

Seventh. State regulation of surface mining of Federal coal. States with federally approved surface mining programs would be permitted to regulate all coal mining in the State, including operations on Federal lands. (Section 423(c).) If a State decides to regulate mining of Federal coal, it would receive additional funds in an amount equal to the savings to the Federal Government. I believe this new approach will simplify development of Western coal. At the same time, it will protect the Federal Government's interest by requiring reclamation standards in a Federal law and providing continuing Federal oversight of each State's enforcement of these standards.

Eighth. Federal coal exploration. The provisions for coal exploration permits on Federal lands have been deleted, because similar provisions were enacted into law last year as part of the Federal Coal Leasing Amendments Act.

Mr. HASKELL. Mr. President, I join Senator METCALF in sponsoring the Surface Mining Control and Reclamation Act which he has introduced today.

The Congress has been working on this much-needed legislation for over 4 years. During that time, it has passed both Houses twice by overwhelming margins only to be vetoed by the President. On the second such occasion, the House came within three votes of overriding the veto.

Federal surface mining legislation is long overdue. It has been supported by almost two-thirds of the legislature almost since its inception. Now that we have a firm commitment from President-elect Carter to sign this bill into law, we should waste no time giving him that opportunity. Federal surface mining standards will not only help to protect the environment from undue damage as a result of coal surface mining, it will assist in creating the atmosphere of regulatory stability which the energy industry insists is essential before it can proceed with large scale energy projects.

I commend Senator METCALF for his continued leadership on this legislation. He has redrafted the vetoed bill in many respects, however, he has not altered the all important reclamation standards. I am in general agreement with most of the changes which he has made in this current edition of the bill. However, I believe that the resolution of the critical issue of surface owners rights would better be resolved by the formula which was worked out over a several week period by the House-Senate Conference Committee in 1974.

While the so-called Mansfield amendment language which Senator METCALF has chosen to replace the surface owners' consent provision has merit, I believe that, based on the considerable difficulty we faced in coming to an agreement on this issue, we would be wiser to retain the agreed upon provision.

Therefore, when the bill is considered by the Interior Committee, I intend to offer an amendment which will replace the "Mansfield" language with a provision identical to that contained in the vetoed bill.

I look forward with great anticipation to the day that this bill will become the law of the land.

By Mr. DOLE (for himself and Mr. CURTIS):

S. 8. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture and Forestry.

Mr. DOLE. Mr. President, in recent years we have witnessed the near paralysis of one of the Nation's most popular and cost-effective natural resource efforts—the Public Law 83–566, small watershed development program. I am pleased today to offer legislation to expedite this program and restore a reasonable rate of progress in watershed improvement projects.

NEED FOR WATERSHED DEVELOPMENT

Since its inception back in 1954, the watershed program has been the vehicle by which the Federal Government cooperates with communities to prevent floods by applying land treatment effecting streambank stabilization and building water-retaining structures. The Department of Agriculture's Soil Conservation Service provides technical assistance and pays for most construction costs, but local residents must purchase land rights and pay for administration and maintenance of the projects when they are completed. These activities are financed by local taxes and administered through watershed districts.

In addition to curtailing floods, watershed works of improvement have resulted in benefits to fish and wildlife and downstream water quality. The small lakes which build up behind earthen dams create recreational opportunities, facilitate groundwater recharge and provide additional supplies of water for irrigation, municipal, and industrial needs.

CANEY RIVER EXAMPLE

In my State of Kansas, the example of the Caney River provides an instructive example of the benefits of the watershed program. Almost every year, spring rains brought floods on the Caney River and caused thousands of dollars of damage to crops, livestock, and homesteads. In 1961, after 7 inches of rain, the Caney River crested at 19.6 feet with disastrous results in the surrounding region.

Last summer, after completion of the Big Caney Watershed Project, the region experienced a torrential 12½-inch rainstorm. But the river crested at only 13 feet, and damage was negligible. This kind of protection means that the project will pay for itself many times over in the years to come.

LENGTHY DELAYS

Since 1969, watershed program applicants in Kansas and throughout the Nation have experienced long delays in attaining approval and implementation of watershed work plans. Much of the problem stems from budgetary and personnel constraints on the Soil Conservation Service, coupled with new paperwork requirements mandated by recent environmental protection laws. Consequently, SCS is now faced with massive backlogs of unprocessed applications and incompleted technical assistance.

Specifically, SCS is now confronted with 1,134 unserviced watershed applications. Only 316 projects are currently approved for planning assistance, and progress toward plan development is proceeding at a snail's pace on many of those projects. Further delays are occurring at the construction stage. In 1975, for example, SCS began construction on 41 projects, but was able to complete only 17. This is a far cry from the goal, set in the early days of the program, of completing 200 projects each year.

CAUSES FOR DELAY

Many of the factors which have brought the watershed program to a near standstill do not lend themselves to easy or immediate solutions. Given the bleak fiscal picture, it is unlikely that the program's budget or personnel level will be expanded to any significant degree in the near future. The inflated costs of planning and construction will not decline. Nor can we return to the days when watersheds were developed with little or no regard to their environmental impact.

Nevertheless, steps can be taken to accelerate the program by removing several bottlenecks in the administrative process.

PROPOSED CHANGES

One cause of delay concerns the congressional review requirement. Watershed projects which cost the Federal Government more than $250,000 must be approved on an individual basis by the Agriculture or Public Works Committee of both Houses of Congress. This requirement causes delays, not so much in Congress, but in the Department of Agriculture and the Office of Management and Budget where project work plans go for additional review before they arrive on the Hill.

I propose to exempt most projects from congressional review by lifting the review ceiling to $1 million. This figure is appropriate because construction costs have almost quadrupled since the current ceiling of $250,000 was established in the 1950's.

Another delaying factor is the ceiling imposed on the amount of money a watershed district may borrow from Farmers Home Administration to finance the local share of a project's cost. The current ceiling, established in 1956, is $5 million.

I propose to raise this limit to $10 million. I am informed that Farmers Home Administration will have no difficulty in accommodating this change, and a higher loan ceiling will certainly aid communities in financing their share of project costs.

A third section of my bill simply requires the Soil Conservation Service to begin construction on a project within 1 year of the date it is approved for construction, provided funds are available. This provision puts into law a guideline currently in effect at Soil Conservation Service.

ENVIRONMENTAL IMPACT STATEMENTS

The final section of my bill exempts watershed projects which do not entail stream channelization and which do not include structures with a water capacity in excess of 15,000 acre feet from the necessity of filing environmental impact statements as mandated by the National Environmental Policy Act.

However, eligible projects seeking an exemption must notify the council on environmental quality of the nature of their construction work. The council will then publish notice of the exemption request in the Federal Register and accept comments for a period of 60 days. The notice and comments are then forwarded to the relevant committees of Congress for final approval.

It is not my purpose, in proposing this exemption, to excuse any project from the need to assess environmental impacts. All projects must continue to assess environmental impacts in complying with the water resources council's principles and standards. My sole intention is to reduce the costly and time-consuming paperwork associated with these documents.

Threatened by public interest litigation, watershed sponsors have felt obligated—perhaps unjustifiably—to submit longer and longer impact statements. Some now reach 200 pages in length and cost up to $100,000. Surely these documents, which constitute the single greatest cause of project delays, have grown out of all proportion to their purpose as originally intended by Congress.

I am certain that this exemption, utilized in the carefully prescribed manner I have outlined, will greatly facilitate work on the smaller projects. I am also sure that this provision, together with the provisions in my bill, will go a long way toward expediting the entire process in getting the watershed program back on track.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 8

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended as follows:

(1) Section 2 is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$1,000,000".

(2) Section 5(3) is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$1,000,000."

(3) Section 5(4) is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$1,000,000".

SEC. 2. The last sentence of section 8 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1006a) is amended by striking out "five million dollars" and inserting in lieu thereof "$10,000,000".

SEC. 3. The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended by adding the following new section at the end thereof:

"SEC. 13. Any construction work which is assisted by this Act, and does not include a structure having a total water capacity in excess of 15,000 acre feet, nor requires the channelization of any body of water for such a structure, shall be exempt from the requirements of section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(c) upon—

"(1) the applicant for assistance under this Act notifying in writing the Council on Environmental Quality, established by title II of the National Environmental Policy Act of 1969, of the nature of the construction work;

"(2) the Council publishing notification of its receipt of the applicant's notice in the Federal Register (such notification shall be published within fourteen days of its receipt) that the applicant elects to be exempted under this section whereupon the Council shall for sixty days accept comments relative to the applicant's exemption;

"(3) The council transmitting within thirty days after the comment period described in paragraph 2 the applicant's notice, comments received by the Council, and a summary of the comments to each of the committees of the House of Representatives and the Senate having jurisdiction over legislation concerning the Watershed Protection and Flood Prevention Act or the National Environmental Policy Act of 1969; and

"(4) any committee receiving the notification, comments, summary, and not objecting to the exemption permitted under this section within sixty days.

Monitoring of the status of the applicant's exemption shall be maintained by the Council on Environmental Quality and the Council shall inform the applicant regularly of the status of the exemption request.".

By Mr. JACKSON (for himself and Mr. METCALF):

S. 9. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf, to protect the marine and coastal environment, to amend the Outer Continental Shelf Lands Act, and for other purposes; to the Committee on Interior and Insular Affairs.

OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS ACT OF 1977

Mr. JACKSON. Mr. President, I am introducing today, on behalf of myself and Senator METCALF, the Outer Continental Shelf Lands Act Amendments of 1977.

During the next decade, development of conventional oil and gas from the U.S. Outer Continental Shelf may well provide the largest single source of increased domestic energy; supply this energy at a lower average cost to the U.S. economy than any alternative; and supply it with substantially less harm to the environment than almost any other source.

Despite the intense and justified concern of many Americans over the potential social, environmental and economic impacts of OCS oil and gas development on the ocean and its resources and onshore, there is increasing evidence that careful OCS development may be more acceptable environmentally than development of any other potential domestic energy resources.

The major policy issues concerning OCS oil and gas development are: First, the rate and location of development; second, environmental safeguards; third, impacts on coastal States; fourth, the resource allocation system—that is, the method of bidding, and so forth;—fifth, information disclosure to potential competition, government, and the public; sixth, the role of Federal Government, as owner of the resources, in exploration and development; seventh, separation of exploratory and development rights in lease terms; and eighth, the disposition of bonus and royalty revenues.

The major provisions would: First, establish policy guidelines; second, require a 5-year leasing program; third, give the coastal States an increased role in Federal OCS decisions; fourth, improve safety requirements; fifth establish unlimited absolute liability for oil spill damage with payments from a liability fund; sixth, provide for a two-step decision process to separate exploration from development and production; and seventh, authorize new leasing systems and require their use on an experimental basis.

The Senate has been working on legislation to reform our national policy for development of the oil and gas resources of the Outer Continental Shelf since 1974. In September of that year, the Senate passed the bill (S. 3221) which I had introduced in March. There was no action in the House of Representatives.

In July, 1975, the Senate passed the legislation (S. 521) again. A year later the House passed its version of the legislation, which had been developed by the Ad Hoc Select Committee on the Outer Continental Shelf, ably chaired by Representative JOHN MURPHY.

In the closing days of the 94th Congress the conference committee reached agreement on a bill (S. 521) which would have made major reforms in the OCS oil and gas leasing program. After intensive lobbying in opposition to the bill by the Ford administration and the major oil companies, the conference report was ordered to be recommitted by the House by a four-vote margin 3 days before Congress adjourned. Further action was impossible. The bill I am introducing today is identical to the conference report on S. 521.

Mr. President, I am confident that we will enact this legislation early in the Congress. I expect that the Carter administration will support OCS leasing reform. I regard this bill as a starting point and intend to work closely with the new administration to refine it and have a new policy enacted into law as soon as possible.

It is also my hope that the Congress will move swiftly to enact comprehensive legislation governing liability for all oil spills in the ocean. When enacted, the legislation would replace the oil spill liability provisions in the bill I am introducing today.

By Mr. INOUYE:

S. 10. A bill to amend title 39 of the United States Code to provide that Federal income tax returns may be mailed free of postage; to the Committee on Post Office and Civil Service.

Mr. INOUYE.. Mr. President, in fiscal year 1975, over 85.5 million individual and fiduciary tax returns were filed. These returns generated nearly 156.4 billion dollars, or well over half of the total tax revenue of 293.8 billion dollars generated that year.

Since most other revenue comes to the Government earmarked for a specific program or trust fund, such as social security, personal income taxes provide the bulk of funds available to the Government for ongoing operations and new programs. The payments of 85.5 million individuals and fiduciaries help the United States maintain its defenses, feed its hungry, and clean up its environment. Those payments finance a system of agencies, bureaus, and regulators that enforce standards for everything from meat to auto emissions.

Since individual taxpayers play such a large role in maintaining the financial solvency of the Federal Government, Congress has an obligation to make it as easy as possible for Americans to pay their taxes. And over the years, Congress has done this. We have simplified the return itself. We have financed the establishment of IRS field offices throughout the country, making it easy and free for people to get expert tax advice. A toll-free telephone service gives persons additional access to free advice.

Continuing in this vein, I propose Congress amend chapter 34, title 39 of the United States Code, to permit postage-free mailing of Federal income tax returns. This would permit people to meet their legal obligation without the ever-rising cost of a stamp. Making tax returns postage-free would recognize the vital role individual taxpayers play in financing their Government and, in this light, might be seen as a small token of appreciation from that Government.

Over the years, we in Congress have enjoyed franking privileges that allow us to mail free of charge. The taxes of our constituents pay for this privilege. It seems only fair to me that we extend our constituents the opportunity once a year to share the privilege their taxes allow us to enjoy year round.

By Mr. McCLELLAN (for himself, Mr. BURDICK, Mr. BAYH, Mr. ROBERT C. BYRD, Mr. EASTLAND, Mr. KENNEDY, Mr. SCOTT, Mr. THURMOND, and Mr. ABOUREZK):

S. 11. A bill to provide for the appointment of additional district court judges and for other purposes; to the Committee on the Judiciary.

APPOINTMENT OF ADDITIONAL DISTRICT COURT JUDGES

Mr. McCLELLAN. Mr. President, for myself, Mr. BURDICK, Mr. BAYH, Mr. BYRD of West Virginia, Mr. EASTLAND, Mr. KENNEDY, Mr. SCOTT, Mr. THURMOND, and Mr. ABOUREZK, the majority of the members of the Committe on the Judiciary, I am today introducing a bill to create 45 new district judgeships in 40 judicial districts located in 28 States and the Commonwealth of Puerto Rico. This bill passed the Senate in the 94th Congress on March 31, 1976, as S. 287 by a vote of 87 to 1. However, the House failed to act on the measure. The bill last year contained the recommendation of the Judiciary Committee for judgeships based upon need determined through application of a three-part statistical standard to measure the workload on a per judge basis.

The first standard required that the new case filings in a court must equal or exceed 400 per judge per year. This standard of 400 filings was recommended by the Judicial Conference.

The second standard adopted to assess workload was that the judges of the court be able to dispose of cases equal to or in excess of the national average of 358 cases terminated per judge. This standard was adopted as one of the in-

dicia of workload because it afforded a yardstick to measure whether the judges of the court were performing up to the national average as far as the terminations were concerned.

The third standard adopted by the committee as an indication of the workload required that the judges of the court spend approximately 110 days or more per year actually on the bench as distinguished from working in chambers. If you exclude Saturdays, Sundays, vacation time, and holidays, there are approximately 220 working days in a year. Under this standard, the judge would still have one-half of his time available for work in chambers, including research, study, and writing opinions.

Having adopted this tripartite standard, the committee applied the standard to all the districts in an objective fashion.

Mr. President, beginning with the omnibus judgeship bill of 1961, Congress developed the practice of reviewing the ever-increasing workload of the Federal courts and authorizing new judgeships about every 4 years. The failure to act upon S. 587 in the 93d Congress and S. 287 in the 94th Congress was a departure from this practice and has resulted in an emergency situation in many of the district courts. Indeed, Chief Justice Burger noted on January 2, 1977, that the need for new judgeships has increased to the point that the Judicial Conference now recommends creation of 106 additional district judgeships—61 more than contained in the bill the Senate passed last year.

Mr. President, current statistics may well justify far more than 45 new positions. If hearings so indicate, the Judiciary Committee can and should add the additional judgeships necessary for the effective and efficient operation of our district courts. I sincerely hope Congress will move quickly to alleviate a growing crisis in our judicial system.

I shall make every effort to obtain early hearings on this measure and to expedite its processing to the floor of the Senate for final disposition by this body.

Mr. President, I ask unanimous consent to print in the RECORD at this point excerpts from the statement made by Chief Justice Burger on January 2 and a report on the status of judicial business in the Eastern District of Arkansas as presented to me by the Honorable G. Thomas Eisele, chief judge of that district. Judge Eisele strongly urges that the Eastern District of Arkansas requires now two additional district judgeships.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM YEAR-END REPORT BY CHIEF JUSTICE WARREN E. BURGER

JANUARY 2, 1977.

The need for new judgeships continues to grow. After careful analysis, in September, 1976, the Judicial Conference recommended creation of 106 District judgeships and 16 new judgeships in Courts of Appeals; about one-half of these had been identified as needed four years earlier. Case filings in the Courts of Appeals will have increased more than 140 percent between the last new judgeships of 1968 and the authorization and filling of any new judgeships.

Fortunately, federal judges, with the aid of new techniques and research of the Federal Judicial Center have continued to improve procedures and work long days. As a result, the average federal judge completed work on 36 percent more cases this past year than eight years ago.

Court filings were up 11.3 percent in fiscal 1976 to 130,597. Dispositions increased five percent. A grave problem is emerging, however, due in large part to the rigidities of the Speedy Trial Act—a recent piece of legislation consistently opposed by the Judicial Conference as unnecessary. District Courts are complying with time limits imposed for criminal cases, but some overloaded courts have not been able to try a civil case in many months, other than emergency matters.

REPORT ON THE STATUS OF JUDICIAL BUSINESS IN THE EASTERN DISTRICT OF ARKANSAS

"In crisis"—that is the only phrase that can describe the condition of the federal court for the Eastern District of Arkansas. With existing resources, the court cannot expect to deal effectively with the caseload. In subtle, and in not-so-subtle ways, citizens are not getting the quality of justice that they are entitled to expect—at least on the civil side of the docket.

For well over two years the situation has been deteriorating at an ever accelerating rate. As it gets worse and worse, the efficiency and effectiveness of the judges diminish as the "paper work" and management of the problem take more and more time away from the judicial responsibilities of the judges.

One index of the situation will be found in the satistics relating to pending cases. In 1972 we were 36th in the nation in pending cases, although we were second in the nation in "weighted filings"; in 1973 we were 25th; in 1974 we were 10th; and in 1975, sixth in pending cases. To illustrate the situation more dramatically our pending cases per judgeship in the Eastern District for the years 1972–76 were as follows:

1972	306
1973	352
1974	465
1975	616
1976	696

As of December, 1976, we have over 700 pending cases per judgeship.

What are some of the manifestations of this crisis? In 1974 the period of time from issue to trial in civil cases in our district was 10 months; in 1975, 12 months; in 1976, an unbelievable 18 months. To do even this well the judges have had to make the choice between "dealing with numbers" or effectively dealing with the issues in each case as and when they arise in their natural order. More or less out of necessity we have chosen the former course with the result that the matters under advisement for excessive periods of time in this district are probably not exceeded by a handful of the district courts in the United States. By following this course the principal burden of our lost efficiency has fallen on a relatively few litigants, but, as is readily seen, the entire civil side is suffering dramatically. Our judges recognize that justice delayed may mean justice denied. But great frustration sets in when we realize that we are terminating more cases per judgeship than 80% of the other district courts and are still falling farther and farther behind. (Note: last year we terminated 517 cases per judgeship as compared to the national average of 371.)

When things get sufficiently bad, a new dynamic manifests itself. In anticipation thereof, we attempted to explain it to Circuit Judge John Butzner, chairman of the Subcommittee on Judicial Statistics, by our letter to him back in February, 1976:

"There is a phenomenon with which you are probably familiar that should be considered when you review the most current filings in May. When a district court is adequately staffed and disposes of its business expeditiously, the data with respect to filings can be relied upon. However, where a court is understaffed and unable to dispose of its civil business efficiently and expeditiously, there is a natural tendency for the bar, especially where there is a state court option available, not to file in the affected federal district court. Judge Henley, who was then on the district court (and is now serving on the Eighth Circuit Court of Appeals) observed this phenomenon in the 1969–70 period during which the vacancy created by Judge Gordon Young's death was not filled for a year. After the court came up to full strength with my appointment, the situation dramatically reversed itself and the filings increased as we became more able to deal with the situation. The point is this: I do not know what the statistics will reveal for the first three quarters of fiscal 1976, but I would not be surprised to see a drop in the civil filings because of the impossibility of adequately and properly dealing with the civil docket in this district under current conditions."

We have just received the statistics for 1976 and, as predicted, they reflect a very slight decrease in "weighted filings" over last year. There is, of course, absolutely no satisfaction in this development. The courts must be staffed to meet the true need. When our court is, in fact, so staffed, the upward movement of the filings will resume.

What is our need? Of course, we have had a vacancy for Judge Harris's position since February of this year. In addition, the Senate passed the Omnibus Bill which would have created a new judgeship in the Eastern District of Arkansas, but that bill failed in the House at the last minute. A few months ago, in September, the Judicial Conference of the United States recommended still another judgeship for the Eastern District of Arkansas. So we are short approximately two and one-half judges for this district. If we had these judges on board, we would still be carrying an average caseload calculated on a national basis.

The agencies supporting the court have grown dramatically in the last five years, reflecting the court's ever increasing activity. The number of employees in the probation office has grown from five to 17. The number of employees in the clerk's office has gone from nine to 15. The number of employees in the marshal's office has gone from four to 13. The number of employees in the bankruptcy court has gone from seven to 11. We have a full-time magistrate and his staff. Those increased staffs have continued to serve the same number of judges, so it is obvious that the bottleneck of the problem is the lack of judicial manpower.

If the additional judgeship recommended by the Judicial Conference in September can be included in the Omnibus Bill (so that it would include two new judgeships for the Eastern District of Arkansas) without significantly delaying that measure, the judges of this court would strongly urge legislative action to accomplish that objective. If this is not possible, then we would urge the very earliest passage of the "old" Omnibus Bill so that we would at least have one new judgeship which could be filled, along with the vacancy in Judge Harris's position, in 1977.

We have a strange situation with respect to physical facilities. Primarily as a result of the efforts of our Congressional delegation, we have, located throughout the State of Arkansas, some of the finest federal court facilities that can be found in the nation. There are new, or relatively new, court facilities in Fayetteville, Helena, Pine Bluff, and Batesville. A new facility is presently under construction in Jonesboro, and we

are informed that a new federal building is in the offing at Harrison. Such facilities, of course, are of considerable benefit to the courts of the Eastern and Western Districts. However, in the Eastern District the situation now, and in the foreseeable future, will result in approximately two-thirds of the judicial business of the district being conducted in Little Rock. Even before the Speedy Trial Act, approximately 95% of the criminal cases in the Eastern District were tried in Little Rock. To meet the requirements of the Speedy Trial Act, that percentage will increase. On the civil side, the nonprisoner petition filings reveal the following: out of the total of such filings, 416 arose in the Little Rock division, 117 in Jonesboro, 102 in Pine Bluff, 49 in Batesville, and 57 in Helena. The prisoner petitions amount to another 193 cases. These are Pine Bluff filings, but those prisoner petitions assigned to Judge Eisele and Judge Shell are usually tried or otherwise disposed of in Little Rock.

As you know, Judge Oren Harris has been our "traveling judge". He has had significant duties in the Eastern and Western Districts which have kept him constantly "on the road". Since his appointment he has been operating out of El Dorado, but we recently heard him observe that, if he had to do it again, he would make Little Rock his base of operations. It is our opinion that Judge Harris's successors will come to the same conclusion. Even assuming no change in the duties or responsibilities of that particular position, those duties and responsibilities could be accomplished more efficiently if the judge operates out of Little Rock. So, add another "resident" judge to Little Rock. Judge Shell and Judge Eisele are already based in Little Rock. It would be our firm recommendation that *both* of the new judgeships, presently contemplated for the Eastern District, also be based in Little Rock. It is our opinion that a court can operate most effectively when the judges of that court are housed in the same building and have quick and ready access one to the other. Furthermore, even at the district court level there is a measure of collegiality which supports and enhances the work product of that court.

So we go from a situation where there are two resident judges having full court facilities in Little Rock and a "visiting" judge having very inadequate facilities (Judge Harris's) to a situation where we could have four or five resident judges, each of whom would probably spend more time in the Little Rock Division than at all the other divisions combined.

It has proved to be difficult for the judges of our court to bring the Administrative Office of the United States Courts to a full understanding of this developing "housing" problem. Still we are working at it and will continue our efforts in that regard.

Because of the great time lag in federal courtroom construction the judges of this court urge the members of our Congressional delegation to keep abreast of developments and to support a prompt resolution of such judicial "housing" problems. For their part, the judges will make every effort to keep our Congressional delegation advised of the facts and circumstances so that the members of that delegation can exercise their own judgments as to the proper course of action.

On an entirely different subject, we have just received copies of a study prepared by our probation office indicating the effectiveness of our local federal probation system as an alternative to incarceration. That study indicates that this probation office has had remarkable success. The data therein seems to run contrary to the information which has been developed elsewhere in the nation. We shall make copies of this report available to the members of our Congressional delegation so that they can be aware of our local experience.

Mr. McCLELLAN. Mr. President, if I may say for the benefit of colleagues, this is the bill that passed the Senate last year. It does not include many judgeships, I am sure, that are needed, but these have been passed on. The bill will be subject to amendment. I intend to offer an amendment for my own State to increase the judgeships there over that contained in the present bill.

But I do feel that the need for additional judgeships is an urgent matter, and I introduce this bill so that we can get it in process.

I hope hearings will be held on it soon and other judgeships that are not covered in the bill that are meritorious will be processed in this measure.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. BAKER. Mr. President, this is a bill entered for the purposes of reference to the Committee on the Judiciary; is that correct?

Mr. McCLELLAN. That is correct.

Mr. BAKER. Mr. President, I am sympathetic to the action taken by the distinguished Senator from Arkansas. I would have hoped that many of these judgeships could have been filled before now. In some cases nominations that were pending were not acted on before the end of the last session. But notwithstanding that and notwithstanding the change in administrations, I think it is clear that we do require additional judicial manpower, and it is not the intention of the minority to obstruct that effort to create additional judgeships.

We will look with great interest to the recommendations of the Committee on the Judiciary, and we very much hope that they can be brought to the floor in an orderly way.

Mr. McCLELLAN. I thank the distinguished minority leader. My only purpose in this is to introduce a bill to create those judgeships that are justified and that have been passed on. Others may be added by the committee. I thank the Senator.

By Mr. DOLE (for himself and Mr. HUDDLESTON):

S. 12. A bill to extend the rural community fire protection program, and for other purposes; to the Committe on Agriculture and Forestry.

Mr. DOLE. Mr. President, last session I offered legislation to renew the rural community fire protection program through fiscal year 1980. My bill passed the Senate on the Consent Calendar, but it passed so late in the session that the House of Represenatives did not have time to consider the bill or take action on it.

Today I offer similar legislation with the reminder that the program is scheduled to expire at the end of this fiscal year. My purpose in proposing renewal legislation is identical to my purpose in sponsoring the program at its inception back in 1972; it is to assure improved fire protection throughout large sections of rural America where protection is inadequate or nonexistent.

Every year uncontrolled fires claim many lives and millions of dollars of damage in rural communities and on forests, rangelands, and croplands. The threat of wildfire is even greater this year as the result of a lack of moisture in several drought areas of the Nation. In California, for instance, the lowest annual rainfall in 150 years set forest fires raging over 150,000 acres of timber and grazing land early this summer, with worse conditions expected. Given this great and growing need for improved rural fire protection, I urge the Senate to take favorable action on my legislation to renew the rural community fire protection program.

PROVEN EFFECTIVENESS

Unlike many other Federal grant programs, the rural community fire protection program has achieved an inpact far out of proportion to its modest cost to the taxpayer. It has sparked a renewed local commitment to better and stronger firefighting forces throughout rural America. Since the inception of the program, the volume of applications has remained consistently high, and the program's matching grants have succeeded in generating almost twice as much non-Federal money. In 1975, the first year the program operated, 5,376 applications for assistance were received, and the allocated funds were distributed among 2,167 approved projects. Federal grants totaled $3.5 million and generated an additional $5.2 million in non-Federal matching money.

While much of the total funds were used to purchase or refurbish basic equipment, a significant share was expended on training programs and on organizing new fire departments. During 1975 alone, more than 18,000 rural firemen received training through the program, and 19 new fire districts were established resulting in improved insurance rates in 18 communities. The full data for program operations in 1976 are not yet compiled but I am assured that the statistics will further support my conviction that the rural community fire protection program is a sound and cost effective national investment.

PROGRAM STRUCTURE

My renewal legislation maintains the basic structure of the program. As now, the program will continue to provide technical and financial assistance to State foresters who, in turn, help train, equip, and organize rural firefighting units. Matching grants will continue to be provided on a project basis for the purpose of purchasing or upgrading equipment, establishing fire departments and training firemen in structural and wildland fire suppression techniques. The program, which is restricted to unprotected or poorly protected communities of under 10,000 population, represents a joint Federal-State-local effort.

OVERSIGHT PROVISION

The bill also adds a new provision requiring the U.S. Forest Service to furnish a brief annual report to Congress for oversight purposes. The report will appraise Congress of the number and origin of applications received, the number and amount of grants and matching funds, and the uses to which they are put. In this way, Congress will be able to meas-

ure results and judge whether the program is continuing to serve as a strong incentive for better fire protection.

In addition, my legislation underscores the importance of achieving maximum effectiveness by coordinating the program with such complementary programs as Farmers Home Administration's community facilities loans, the Federal excess property loan program, and the volunteeer firemen provisions in section 816 of the Agricultural and Consumer Protection Act of 1973.

Mr. President, the capacity to cope with fires depends on the availability of equipment and trained personnel. The rural community fire protection program provides these conditions and has demonstrated its effectiveness. I urge Congress to renew this program in the expectation that we may continue to reduce losses of life and property caused by uncontrolled fires in rural America. I ask unanimous consent that the bill and a summary be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 12

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402 of the Rural Development Act of 1972 (7 U.S.C. 2652) is amended by inserting "(a)" before the first sentence and by\adding at the end of such section the following new subsections:

"(b) The Secretary, with cooperation and assistance from the Administrator of General Services, shall encourage the use of excess personal property (within the meaning of the Federal Property and Administrative Services Act of 1949) by rural fire forces receiving assistance under this title.

"(c) To promote maximum program effectiveness and economy, the Secretary shall closely coordinate the assistance provided under this title with assistance provided under other fire protection and rural development programs administered by the Secretary.".

SEC. 2. Section 403 of the Rural Development Act of 1972 (7 U.S.C. 2653) is amended by (1) striking out "Report.—" and inserting in lieu thereof "Reports.—(1)"; and (2) adding at the end of such section a new subsection as follows:

"(b) Not later than March 1 of each year, beginning in the calendar year 1978, the Secretary of Agriculture shall submit a report to the Congress regarding the operation, during the preceding fiscal year, of the program provided for under this title. The Secretary shall include in such report the number of applications for assistance filed by each State during such fiscal year, the number of such applications approved by the Secretary, the amounts allocated to each State and the purposes for which such allocations were made. The Secretary shall also include in such report such comments and recommendations for improving such program as he deems appropriate.".

SEC. 3. Section 404 of the Rural Development Act of 1972 (7 U.S.C. 2654) is amended by adding at the end thereof the following new sentence: "There is further authorized to be appropriated to carry out the provisions of this title not to exceed $7,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980."

RESUME OF BILL TO EXTEND THE TITLE IV FIRE PROTECTION GRANT PROGRAM

(1) Extends the Rural Community Fire Protection Grant Program (Title IV of Rural Development Act of 1972) for three years with an authorized annual expenditure of $7 million. (Existing authority is for $9 million, but no more than $3.5 million has ever been appropriated)

(2) Emphasizes need to co-ordinate program with complementary programs such as the Excess Property Loan Program, FmHA's Community Facilities Loan Program and the volunteer fire fighters provision in the Agriculture and Consumer Protection Act of 1973.

(3) Requires brief annual report to Congress for oversight purposes specifying the number and amount of grants, where they're given, and how much non-federal matching money is being raised as a result of the program.

(4) At the present time, funds for the program are included in appropriations for the Farmers Home Administration, but the funds are then transferred within the Department to the Forest Service which actually administers the program. This arrangement is maintained.

Mr. HUDDLESTON. Mr. President, I am delighted to join my distinguished colleague from Kansas (Mr. DOLE) in introducing S. 12, which extends the rural community fire protection program through September 30, 1980. For the past 2 years this program has been funded at the $3.5 million level.

The rural fire protection program provides technical and financial assistance to rural communities to organize, train and equip local forces for fire prevention and suppression. State foresters and officials of the Commonwealth of Puerto Rico, Guam, and the Virgin Islands administer the program through cooperative agreements with USDA Forest Service.

In 1975 the first year the program operated, 5,376 applications for assistance were received. The allotted funds were distributed among 2,169 approved projects. Rural communities and States from across the Nation provided $5.2 million of their own in over-matching the $3.5 million Federal program. The $8.7 million was used to organize 19 fire departments, acquire 240 fire trucks and other necessary equipment, and train over 18,000 people.

Mr. President, since the rural community fire protection program has been in existence it has never been included in the administration's budget. In fact there have been proposals to terminate the program.

But I submit that fire losses to farm property jumped from $165 million in 1960 to a preliminary estimate of $242 million in 1970.

The annual death toll from rural fires in the United States is estimated at 1,000 lives.

The rate of fire deaths per 100,000 white Americans in nonmetropolitan areas is 50 percent greater—4.0 versus 2.7—than the rates for whites in metropolitan areas. The disparity in the rate among nonwhites who live in nonmetropolitan areas versus those who live in metropolitan areas is even greater; 15.3 versus 8.1 per 100,000 population.

Mr. President, the Insurance Information Institute expresses the rural fire problem in America in the following way:

When fire occurs on rural property, damage is 3 to 6 times greater on the average than when it occurs on city property. Isolation, lack of fire fighting facilities in many rural areas, less rigid wiring and construction standards, and poorer heating equipment in some instances, have contributed to this situation. Fires and lightening strike 2 out of every 100 farms each year.

The organization of well-planned fire protection agencies and the training of local fire forces in both wildlife and structural fire techniques are primary goals of this program.

The renewal legislation we are introducing today will maintain the basic structure of the rural community fire protection program. It will provide the same technical and financial assistance to enable rural firefighters to do a better job in protecting lives and property.

Mr. President, Federal grants were made available for 1976 to each State, Puerto Rico, Guam, and the Virgin Islands. I ask unanimous consent that the list of Federal grants be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Ala., $54,000; Alaska, $64,300; Ariz., $49,700; Ark., $55,200; Calif., $134,800;

Colo., $63,800; Conn., $24,800; Del., $17,600; Guam, $15,000; Fla., $72,100;

Ga., $65,600; Hawaii, $24,000; Idaho, $37,700; Ill., $131,300; Ind., $89,900;

Iowa, $117,300; Kan., $115,100; Ky., $59,400; La., $74,700; Maine, $26,800;

Md., $37,600; Mass., $27,900; Mich., $94,400; Minn., $133,000; Miss., $54,800;

Mo., 97,600; Mont., $66,100; Neb., $87,200; Nev., $26,300; N.H., $19,400;

N.J., $37,900; N. Mex., $31,000; N.Y., $92,200; N.C., $78,200; N. Dak., $106,000;

Ohio, $101.900; Okla., $67,100; Ore., $45,400; Pa., $102,100; P.R., $15,000;

R.I., $14,700; S.C., $50,200; S.D., $81,300; Tenn., $62,300; Tex., $175,700;

Utah, $32,900; Vt., $20,100; Va., $53,600; V.I., $15,000; Wash., $56,800; W.Va., $34,200; Wis. $88,400; Wyo., $25,600.

Mr. HUDDLESTON. The rural community fire protection program has proved its effectiveness during the past 2 years which it was funded. I urge my colleagues to support this measure which will extend the authorization of this program for 3 years and will allow for the upgrading of fire protection for rural people.

By Mr. INOUYE (for himself and Mr. WILLIAMS):

S. 13. A bill to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of nonservice-connected causes but who were at the time of death totally disabled as the result of one or more service-connected disabilities; to the Committee on Veterans' Affairs.

S. 24. A bill to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries; to the Committee on Veterans' Affairs and Armed Services, by unanimous consent.

Mr. INOUYE. Mr. President, today, I am introducing two measures which are designed to rectify obvious inequities in the existing law relating to Government benefits for the widows of veterans who had 100-percent service-related disabilities at the time of death.

The first is a bill to amend chapter 13

of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of nonservice-connected causes but who were at the time of death totally disabled as the result of one or more service-connected disabilities.

The other is a bill to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries.

Mr. President, the widow of a serviceman who is 100 percent service disabled is not entitled to exchange and commissary privileges if her husband dies while on active duty. However, if he dies after being honorably discharged from the service, she is eligible for these privileges.

If the death of the disabled veteran is due to his service-connected injury, then the widow is eligible to receive death compensation or dependence and indemnity compensation. Unfortunately, if this veteran with a 100-percent service-connected disability dies of a cause other than his technical disability, his widow is not eligible for compensation. In many cases the actual cause of death is directly or indirectly connected with the disability, but it may not always be.

These measures will help only a small number of people. But it is this very group which has paid such an extraordinarily high price on behalf of their country, and whose lives thereafter have been dictated by their disabilities. In their national service these veterans gave literally all that they had and became 100 percent disabled. Due to these disabilities these men could no longer properly care for their families or themselves. Their wives usually spend much of their lives tending and caring for their broken husbands and find it difficult if not impossible to work outside the home. Therefore, they cannot build up their social security which for most older Americans is vitally important for self-sufficiency. For these widows and families it is a vicious circle which must not be allowed to continue. I therefore ask that my colleagues give their full support to these bills.

Mr. President, I request unanimous consent that the text of these bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 13

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 410(a) of title 38, United States Code, is amended by adding after the first sentence a new sentence as follows: "When any veteran dies after December 31, 1956, from any cause other than a service-connected or compensable disability but was at the time of his death totally disabled as the result of one or more service-connected disabilities, the Administrator shall pay dependency and indemnity compensation to his widow.".

(b) Section 410(b) of such title is amended by (1) inserting "under the first sentence of subsection (a)" immediately after "paid"; and (2) adding at the end of such section a new sentence as follows: "Dependency and indemnity compensation shall not be paid under the second sentence of subsection (a) to the widow of any veteran described in such sentence unless such veteran was discharged or released under conditions other than dishonorable from the period of active military, naval, or air service in which he suffered his service-connected disability or disabilities.".

SEC. 2. (a) Section 417(a) of title 38, United States Code, is amended by striking out "Dependency" and inserting in lieu thereof "Subject to the provisions of subsection (d), dependency".

(b) Section 411 of such title is further amended by adding at the end thereof a new subsection as follows:

"(d)(1) The dependency and indemnity compensation to which the widow of any veteran who died of a non-service-connected or compensable disability is otherwise entitled under this chapter shall be reduced by an amount equal to one-half of all payments of any kind or from any source except those payments specified in section 415(g) of this title.

"(2) In determining the amount of reduction in the monthly dependency and indemnity compensation to be made in the case of any widow under this subsection, the Administrator shall, if practicable, pro rate on a monthly basis any payments received by a widow on other than a monthly basis.

"(3) The Administrator shall have authority to implement the provision of this section by such regulations as he deems necessary.

"(4) Notwithstanding the foregoing provisions of this title, no widow made eligible for dependency and indemnity compensation by reason of the second sentence of section 410(a) of this title shall be paid dependency and indemnity compensation in any amount less than she would be paid under section 541 of this Act if she were eligible for pension under that section."

SEC. 3. The amendments made by this Act shall become effective on the first day of the second month following the month in which this Act is enacted.

S. 24

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 53 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 1041. Post exchange and commissary privileges for widows of certain former servicemen

"Subject to such rules and regulations as the Secretary may prescribe, the spouse of any former member of the armed forces who is entitled to dependency and indemnity compensation under chapter 13 of title 38 or to death compensation from the Veterans' Administration and the spouse of any former member of the armed forces who, at the time of his death, was totally disabled as the result of one or more service-connected disabilities (as determined by the Veterans' Administration) shall be entitled to use the services and facilities of post exchanges and commissary stores operated under the jurisdiction of any military department."

SEC. 2. The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by adding at the end thereof a new item as follows:

"1031. Post exchange and commissary privileges for widows of certain former servicemen.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that two bills, introduced by the Senator from Hawaii (Mr. INOUYE), relative to authorizing the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries, be jointly referred to the Committees on Armed Services and Veterans' Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. MATHIAS:

S. 14. A bill to protect citizens' privacy rights, establishing guidelines for access to third-party records, regulating the use of mail covers, limiting telephone service monitoring, and protecting nonaural wire communications; to the Committee on the Judiciary.

BILL OF RIGHTS PROCEDURES ACT OF 1977

Mr. MATHIAS. Mr. President, I send to the desk the Bill of Rights Procedures Act, a bill designed to enforce the fourth amendment's protections against unreasonable searches and seizures.

The primary purpose of S. 14 is to create standard procedures for government access to a citizen's records held by banks, telephone companies, and credit card companies. This legislation would protect the privacy of such records by permitting Federal agents to obtain them only if they follow one of the following procedures:

Obtain the written consent of the customer;

Serve a subpena or a summons on the institution, with a copy to the customer. The information sought must be relevant to a legitimate law enforcement purpose and the customer must be given the right to challenge the subpena;

Obtain a judicial search warrant.

The Bill of Rights Procedures Act also establishes procedures for examining the outside envelopes of first class mail, and telephone company monitoring of calls for service quality. It extends the present wiretap law to cover telephone and telex messages, computer data transmissions, and other nonverbal messages.

Mr. President, in my view this proposal strikes an equitable balance between the right to privacy in one's business records and the legitimate needs of law enforcement.

The need for comprehensive legislation to protect individuals from Government intrusion into their private affairs has become urgent in recent years. Revelation after revelation of unwarranted invasions of privacy by Government officials have awakened Americans to the need for congressional action. The final report of the Senate Select Committee on Intelligence, on which I served, detailed the steady erosion of constitutional protections as the whim and convenience of the Government became the standard for access to citizens' records.

The necessity for congressional action was again revealed by the recent decision of *United States* v. *Miller*, 425 U.S. 435 (1976), which gives a narrow interpretation to an individual's right to privacy in his bank records and related accounts.

The decision held that a citizen's banking records are not his private papers, protected by the fourth amendment. The court ruled that these records—checks, balances, loan data, and other information—belong to the bank, thus leaving a citizen no right to a court contest, or even to be notified, when a Government agency seeks to obtain bank records.

The fourth amendment provides that—

The right of the people to be secure in their . . . papers and effects against unreasonable searches and seizures shall not be violated.

The Miller case was a great disappointment to those of us who had hoped for a definitive decision applying the fourth amendment to a citizen's bank records. Such a ruling by the U.S. Supreme Court would have been consistent with the decision by the California supreme court in *Burrows* v. *Superior Court*, 13 Cal. 3d. 238, 529 p. 2d 590, 118 C la. Rptr. 166 (1974). In Burrows the court ruled that under a provision in the California State constitution—virtually identical to the fourth amendment in the U.S. Constitution—an individual has a reasonable expectation of privacy in his bank records and that the voluntary surrender of such records by a bank to law enforcement was an illegal search and seizure.

In my view, the decision in Burrows is far more in line with the economic realities of modern finance—and the Constitution—than that of the U.S. Supreme Court in Miller. The importance of maintaining a bank account in our contemporary society is beyond dispute. What alternative is there for an individual who wishes to keep his financial records private? Must a depositor run the risk that his or her records will be subject to arbitrary review by Government agents? Is he or she to abandon the bank in favor of the stuffed mattress? I hope not. Congress must act to provide the privacy protections that the Supreme Court declined to bring to bear.

The need for Congress to enact corrective legislation in this area is compelling when one considers the nature of the records maintained by banks. As I have stated:

As all of us know, an individual's bank account is not just another collection of paper. It is extremely rich in details of the consumer's personal and political life. The information revealed by checks, withdrawals or deposits mirror the activities or the account holder—the political causes he supports, the publication he subscribes to, the debts he owes, the purchases he makes, the source of his income and so forth.

Because information in bank accounts is so rich in details, it is quite understandably sought after by various government agencies and officials . . . the characteristics which make informaion contained in bank accounts useful to government agencies also mean that basic individual rights and liberties can be trampled by abuse of the information or of the process by which the information is obtained.

It is my firm belief that similar privacy interests attach to other types of personal papers, including those maintained by telephone and credit card companies.

Mr. President, I am convinced that Congress must take the initiative and enact legislation to create statutory procedures to govern Federal agent access to private business records. Without such procedures, citizen privacy is unevenly protected, depending on the inclination of the firms with which they deal. The Bill of Rights Procedures Act will write such procedures into law and thus end the almost unlimited access of Government investigators to an individual's bank, telephone, and credit card records.

As some of my colleagues may recall, I first introduced the Bill of Rights Procedures Act, in the 93d Congress as S. 3440, and again early in the 94th Congress as S. 1888. Former Congressman Mosher, long a supporter of citizens' right to privacy and a most able legislator, introduced H.R. 214, in the 94th Congress, the House counterpart to S. 1888. As first introduced, the legislation would have required a court order before any Federal agent could inspect or obtain records of bank, credit, telephone, medical, or other related transactions. Probable cause that a crime has been or is about to be committed was required before a warrant could issue.

During the 94th Congress, the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, under the leadership of Representatives KASTENMEIER and RAILSBACK, conducted extensive hearings on H.R. 214, and following a lengthy markup, reported the bill to the full House Judiciary Committee. On April 29, 1976, I introduced as S. 3349 in the Senate the version of the Bill of Rights Procedures Act which had been reported out by the House Judiciary Subcommittee. Unfortunately, further progress on the Bill of Rights Procedure Act was not made in the remaining months of the 94th Congress. Nevertheless, the bill received widespread support from citizens and organizations. For example, the bill was endorsed by the AFL–CIO, the American Express Co., the Communications Workers of America, the Bank of America, the House Republican task force on privacy, the Maryland Bankers Association, and the National Association of Mutual Savings Banks.

I am optimistic that the Bill of Rights Procedures Act will become law in the 95th Congress.

Mr. President, S. 14 is virtually identical to the version of the Bill of Rights Procedures Act which I introduced as S. 3349 last year. The primary substantive change is a new provision which provides that—

Any financial institution, communication common carrier, credit card issuer or consumer reporting agency to which a subpoena is directed pursuant to sections 5 and 7 of this Title shall be entitled to reasonable costs incurred in compliance with such subpoenas and summonses.

I believe this to be a reasonable provision, one which is consistent with a related provision of the Tax Reform Act of 1976, which awarded such costs for IRS administrative summonses, and also with lower Federal court decisions which have awarded such reimbursement costs.

Mr. President, there is nothing startling or new in the Bill of Rights Procedures Act. It merely provides Americans with the privacy protections that they had thought were mandated by the fourth amendment, only to learn differently when Miller was decided by the Supreme Court.

Mr. President, I am most pleased to report that my State of Maryland has its own version of the Bill of Rights Procedures Act. Legislation passed this year makes it illegal for a bank or credit union to give out a client's records without that client's permission or in response to a subpoena or court order. In fact, Maryland is in the vanguard of States that have acted to guarantee the privacy of medical, psychological, adoption, welfare, personnel ,and school records. The records and data assembled by our State board of health and mental hygiene must remain confidential. And Maryland has a consumer reporting act, which limits the dissemination of consumer credit information.

I urge my colleagues to follow the lead of Maryland and other enlightened States and enact The Bill of Rights Procedures Act.

Mr. President, I ask unanimous consent that the text of the Bill of Rights Procedures Act be printed at this point in the Record. I also ask unanimous consent that press articles published in the aftermath of the Miller decision and commenting on the need for congressional action to protect the privacy of citizen's bank records, Justice Brennan's dissenting opinion in the Miller case, which discusses at length the decision of the California supreme court in Burrows against Superior Court, and the text of my address to the American Bar Association's annual meeting in Atlanta, in August 1976, titled "The Fourth Amendment in the Electronic Age," be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 14

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bill of Rights Procedures Act of 1977."

TITLE I—CONFIDENTIALITY OF FINANCIAL, TOLL, AND CREDIT RECORDS

DEFINITIONS

SECTION 1. For the purposes of this Act:

(a) The term "financial institution" means—

(1) a bank or trust company organized under the laws of any State or of the United States;

(2) a savings and loan association or building and loan association, or homestead association organized under the laws of any State or of the United States;

(3) a credit union organized under the laws of any State or of the United States; and

(4) any other organization chartered under the banking laws of any State and subject to the supervision of the bank supervisory authorities of a State.

(b) The term "financial records" means any original or any copy of—

(1) any debit or credit to a customer's deposit or share account with a financial institution; or

(2) any record held by a financial institution containing information pertaining to a customer's relationship with the financial institution.

(c) The term "person" means an individual, partnership, corporation, association, trust, or any other legal entity organized under the laws of a State or the United States.

(d) The term "customer" means any person who is patronizing or has patronized a financial institution and who is utilizing or has utilized a service offered by that financial institution, or who is subscribing or has subscribed to the services of a communication common carrier, or who is utilizing or has utilized the services of a credit card issuer,

or who is the subject of a consumer report assembled by a consumer reporting agency.

(e) The term "supervisory agency" means—

(1) the Federal Deposit Insurance Corporation;

(2) the Federal Savings and Loan Insurance Corporation;

(3) the Federal Home Loan Bank Board;

(4) the National Credit Union Administration;

(5) the Federal Reserve Board;

(6) the Comptroller of the Currency;

(7) the Federal Communications Commission.

(f) The term "communication common carrier" shall have the meaning given to "common carrier" in section 153(h) of title 47 of the United States Code.

(g) The term "toll records" means tickets, lists, or other detailed records of individual calls or messages, telegrams and similar messages, and messenger service charges, whether or not used as a basis for billing to customers.

(h) The term "credit card issuer" means any person which offers to the public any card, plate, coupon book, or other device which may be utilized in lieu of cash, check, or similar method of payment for the purpose of obtaining money, property, labor, or services.

(i) The term "consumer reporting agency" means any person which, for monetary fees, dues, or on a coopertaive nonprofit basis regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information on consumers for the purpose of furnishing consumer reports to third persons, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports as defined in the Fair Credit Reporting Act (Public Law 91–508, October 26, 1970, 84 Stat. 1136.).

(j) The term "credit records" means any record held by a credit card issuer which contains information pertaining to a customer's relationship with the credit card issuer or information relating to a customer contained in a consumer report assembled by a consumer reporting agency.

ACCESS TO RECORDS

SEC. 2. (a) No officer, employee, or agent of the United States, or any agency or department thereof, may obtain copies of, access to, or information contained in the financial records, toll records, or credit records of any customer in the possession of a financial institution, communication common carrier, credit card issuer, or consumer reporting agency unless the records are described with sufficient particularity to identify the information sought and:

(1) such customer has authorized such disclosure in accordance with section 4;

(2) such financial, toll or credit records are disclosed in response to an administrative subpena or summons which meets the requirements of section 5;

(3) such financial, toll or credit records are disclosed in response to a search warrant which meets the requirements of section 6; or

(4) such financial, toll or credit records are disclosed in response to a judicial subpoena which meets the requirements of section 7; or

"(5) such financial, toll or credit records are disclosed in accordance with the requirements of section 604(3) A, or C, of the Fair Credit Reporting Act (Public Law 91–508, October 26, 1970, 84 Stat. 1136)."

(b) Any customer whose records are subpoenaed pursuant to this Act shall have standing to move to quash or to seek other relief.

RESTRICTIONS ON THE RELEASE OF RECORDS

SEC. 3. (a) No financial institution, communication common carrier, credit card issuer, or consumer reporting agency, or any officer, employee, or agent thereof, may provide to any officer, employee, or agent of the United States, or any agency or department thereof, copies of, access to, or the information contained in, the records of any customer except in accordance with the requirements of section 4, 5, 6, or 7 of this title or section 604(3) (A) or (C) of the Fair Credit Reporting Act (Public Law 91–508, title VI, October 26, 1970, 84 Stat. 1136).

(b) This section shall not preclude a financial institution, communication common carrier, credit card issuer, or consumer reporting agency from notifying appropriate officials of suspected violations of the criminal law: *Provided, however,* That any access to customer records shall be governed by sections 2 and 3(a) of this title.

CUSTOMER AUTHORIZATIONS

SEC. 4. (a) A customer may authorize disclosure under section (2)(a)(1) if he or those seeking disclosure furnish to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency a signed and dated statement by which the customer—

(1) authorizes in writing such disclosure in accordance with this section, which authorization shall not exceed a period of one year;

(2) identifies the financial, toll or credit records which are authorized to be disclosed;

(3) specifies the agencies or authorities to which such records may be disclosed;

(4) states that he understands that he has the right at any time to revoke the authorization; and

(5) states that he understands that he has the right at any time to obtain from the financial institution, communication common carrier, credit card issuer, or consumer reporting agency a copy of the record of examinations.

(b) No such authorization shall be required as a condition of doing business with such financial institution.

(c) The financial institution, communication common carrier, credit card issuer, and consumer reporting agency shall keep a record of all examinations of the customer's records made pursuant to this section, including the identity of the person examining toll or credit records, the governmental agency or department which he represents, and a copy of the authorization.

ADMINISTRATIVE SUBPOENAS AND SUMMONSES

SEC. 5. An officer, employee, or agent of the United States, or any department or agency thereof, in accordance with section 2(a)(2) and if otherwise authorized by law, may obtain from a financial institution, communication common carrier, credit card issuer, or consumer reporting agency copies of, access to, or information contained in the financial, toll, or credit records of any customer pursuant to an administrative subpoena or summons issued by the agency or department if—

(1) such subpoena or summons is sought in order to obtain information relevant to a legitimate law enforcement purpose; and

(2) a copy of the subpoena or summons has been personally received by the customer or mailed to his last known address by registered or certified mail on the date on which the subpoena was served on the financial institution, communication common carrier, credit card issuer, or consumer reporting agency together with the following notice:

"Records or information concerning your transactions held by the organization named in the attached summons are being sought by this (agency or department) for the following purpose: If you desire that such records or information not be made available, you should immediately notify this agency or department (self-addressed and postage paid envelope enclosed) in writing, signed, and dated.

"If neither you nor the organization named in the subpoena objects to the records or information being made available the records or information requested will be made available upon the expiration of 18 days from the date of delivery or mailing of this notice. If you or the organization named in the subpoena do object or otherwise fail to comply with the subpoena or summons this agency (department) shall have the option to apply to the United States District Court for the ——— District to seek enforcement of such subpoena or summons. If such action is taken you and the organization named in the subpoena shall be notified and shall have standing in court to object to enforcement of the subpoena or summons."

(3)(a) eighteen days have expired from the date of personal delivery or mailing of notice to the customer and within which time period neither the customer nor the financial institution, communication common carrier, credit card issuer, or consumer reporting agency has refused to comply with the subpoena or summons or has objected in writing to the record or information being made available and written certification of such failure to object is supplied to the person to whom the subpoena is directed; or

(b) if, after eighteen days have expired from the date of personal delivery or mailing of notice to the customer and the customer or the financial institution, communication common carrier, credit card issuer, or consumer reporting agency has objected in writing to the record or information being made available, or otherwise refused to comply with the subpoena or summons, and the agency or department which issued such subpoena or summons has made application to a judge of the appropriate United States District Court to seek enforcement of such subpoena or summons, and such judge has ordered the customer and the financial institution, communication common carrier, credit card issuer, or consumer reporting agency to comply. The customer and the financial institution, communication common carrier, credit card issuer, or consumer reporting agency shall have standing in any such action to enforce such subpoena or summons; and

(4) concurrent with service of an administrative subpoena or summons a notice is provided to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency stating the rights, obligations, and liabilities of such organization under this Act.

The notice to the customer required pursuant to subsection (2) and (3) of this section may be waived in the case of an administrative subpoena or summons issued by the Internal Revenue Service in the interest of the collection of the tax liability of any customer against whom an assessment has been made or judgment rendered; or the liability at law or in equity of any transferee or fiduciary of any person against whom an assessment has been made or judgment rendered. Such administrative subpoena or summons shall be permitted only for the purpose of determining the existence and extent of the assets of the customer against whom the assessment has been made or judgment rendered.

SEARCH WARRANTS

SEC. 6. An officer, employee, or agent of the United States or of any agency or department thereof, may obtain the financial, toll, or credit records of any customer, from a financial institution, communication common carrier, credit card issuer, or consumer reporting agency under section 2(a)(3), if he obtains a search warrant pursuant to the Federal Rules of Criminal Procedure or to applicable State law.

JUDICIAL SUBPOENAS

SEC. 7. (a) An officer, employee, agent, or authority of the United States or any agency

or department thereof in accordance with section 2(a)(4), may request from a financial institution, communication common carrier, credit card issuer of consumer reporting agency copies of, access to, or information contained in, the financial, toll, or credit records of any customer pursuant to a judicial subpoena if—

(1) such subpoena is authorized by law and—

(A) for a grand jury subpoena, that such subpoena will produce information relevant to a legitimate law enforcement purpose;

(B) for any other judicial subpoena, that such subpoena will produce information relevant to the proceedings for which the subpoena has been issued; and

(2) a copy of the subpoena has been personally received by the customer or mailed to his last known address by registered or certified mail on the date on which the subpoena was served on the financial institution, communication common carrier, credit card issuer, or consumer reporting agency together with the following notice:

"Records or information concerning your transactions which are held by the organization named in the attached subpoena are being sought by this (agency or department or authority) for the following purpose:

If you desire that such records or information not be produced, you should within eighteen days apply to the court named in the subpoena to prohibit its enforcement. Otherwise, upon the expiration of eighteen days from the date of the delivery or mailing of this notice the records or information requested therein will be made available."; and

(3) eighteen days have expired from the date of personal delivery or mailing of notice to the customer within which period either the customer or the financial institution, communication common carrier, credit card issuer, or consumer reporting agency or both may move to quash such subpoena in the court named in the subpoena; and

(4) concurrent with service of a subpoena a notice is provided to the financial institution, communication common carrier, credit card issuer, or consumer reporting agency stating the rights, obligations, and liabilities of such organization under this Act.

(b) Upon application of an officer, employee, agent or authority of the United States, the court may grant such subpoena in accordance with subsection (a)(1) with a temporary delay of delivery or of mailing to the customer a copy of the subpoena and any notification of the existence of the subpoena, which delay shall not exceed ninety days following the date of issuance, if the court finds, on the basis of an affidavit or sworn testimony, that it has been affirmatively demonstrated that such notification would seriously jeopardize a continuing investigation of any of the criminal offenses listed in subsection (c). If the court so finds it shall enter an ex parte order granting the requested delay. Additional delays may be granted by the court upon application, but only in accordance with this subsection. The total period of time from service of the subpoena to notification of the customer shall not exceed one year, except of a judge of the Court of Appeals for the appropriate circuit finds on the basis of an affidavit or sworn testimony that there is probable cause to believe that a criminal offense listed in subsection (c) is being committed, has been committed, or is about to be committed, and that the records sought or made available pursuant to this Act are relevant to a continuing investigation of such offense; in which case such judge shall enter an ex parte order granting the requested delay. Such additional delays are not limited in number, but shall not exceed one hundred and eighty days each. Upon the expiration of the period of delay notification of the customer the following notice shall be delivered or mailed to him along with a copy of the subpoena:

"Records or information concerning your transactions which are held by the organization named in the enclosed subpoena were supplied to the authority named in the subpoena on (date) . Notification was withheld pursuant to a determination by the court that such notice would seriously jeopardize an investigation concerning .".

(c) Delay of notification of issuance of a subpoena may be sought pursuant to subsection (b) if such subpoena is issued in regard to any of the following offenses: Title 18, United States Code, section 201 (bribery of public officials and witnesses), section 224 (bribery in sporting contests), subsections (d), (e), (f), (g) (h), or (i) of section 844 (unlawful use of explosives), section 1084 (transmission of wagering information), section 1503 (influencing or injuring an officer, juror, or witness generally), section 1510 (obstruction of criminal investigations), section 1511 (obstruction of State or local law enforcement), section 1751 (Presidential assassinations, kidnaping, and assault), section 1951 (interference with commerce by threats of violence), section 1952 (interstate and foreign travel or transportation in aid of racketeering enterprises), section 1954 (offer, acceptance, or solicitation to influence operations of employee benefit plan), section 1955 (prohibition of business enterprises of gambling), section 659 (theft from interstate shipment), section 664 (embezzlement from pension and welfare funds), section 2314 and 2315 (interstate tranportation of stolen property), section 1963 (violations with respect to racketeer influenced and corrupt organizations) or section 351 (violations with respect to congressional assassination, kidnaping and assault), appendix, section 1202 (receipt, possession, or transportation of firearms); any offense punishable by imprisonment for more than one year under sections 2274 through 2277 of title 42, United States Code (relating to the enforcement of the Atomic Energy Act of 1954), or under title 18, United States Code, chapter 37 (relating to espionage), chapter 105 (relating to sabotage), chapter 115 (relating to treason), or chapter 102 (relating to riots); a violation of section 186 or section 501(c) of title 29, United States Code (dealing with restrictions on payments and loans to labor organizations), or any offense which involves murder, kidnaping, robbery, or extortion, and which is punishable under title 18, United States Code; any offense involving counterfeiting punishable under title 18, United States Code, sections 471, 472, or 473; any offense involving bankruptcy fraud or the manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic drugs, marihuana, or other dangerous drugs, punishable under any law of the United States; any offense including extortionate credit transactions under title 18, United States Code, sections 892, 893, or 894; or any conspiracy to commit any of the foregoing offenses.

(d) Within thirty days after the expiration of a delay (or each extension thereof) granted under subsection (b), the judge granting or denying the delay shall report to the Administrative Office of United States Courts—

(1) the fact that a delay or extension of delay was requested;

(2) the offense the investigation of which was the basis for the request for delay;

(3) the disposition of the request for delay;

(4) the total period of time for which notice had been previously withheld; and

(5) the identity of the investigative or law enforcement officer, authority or agency requesting the delay.

In April of each year the Director of the Administrative Office of the United States Courts shall transmit to the Congress a full and complete report concerning the number of applications for extension of delay and the number of extensions granted or denied during the preceding calendar year. Such report shall include a summary and analysis of the data required to be filed with the Administrative Office pursuant to this section. The Director of the Administrative Office of the United States Courts is authorized to issue binding regulations dealing with the content and form of the reports required to be filed by this section.

STATUTES OF LIMITATIONS

SEC. 8. Whenever a customer or other party has moved to quash a subpoena issued pursuant to sections (5) or (7), the running of the statutes of limitations for the offenses under investigation shall be suspended with respect to such customer or other party until the disposition of the motion by the court.

ACCESS

SEC. 9. Copies of, or the information contained in, financial, toll, or credit records obtained pursuant to this Act shall not be used or retained in any form for any purpose other than the specific statutory purpose for which the information was originally obtained, nor shall such information or records be provided to any other Government department or agency or other person except where the transfer of such information is specifically authorized by statute.

EXCEPTIONS

SEC. 10. (a) Nothing in this title prohibits the dissemination of any financial, toll, or credit information which is not identified with or identifiable as being derived from the financial, toll, or credit records of a particular customer.

(b) Subject to the limitations of section 9, nothing in this title prohibits examination by or disclosure of records to any supervisory agency solely in the exercise of its supervisory function or the making of reports or returns required under the Internal Revenue Code of 1954.

JURISDICTION

SEC. 11. An action to enforce any provision of this title may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within three years from the date on which the violation occurs or the date of discovery of such violation, whichever is later.

CIVIL REMEDIES

SEC. 12. DAMAGES.—(a) Any person, financial institution communication common carrier, credit card issuer, consumer reporting agency, or any officer, employee, or agent of a financial institution, communication common carrier, credit card issuer consumer reporting agency, or of the United States Government or any agency or department thereof who knowingly obtains or discloses one or more financial toll, or credit records in violation of this title is liable to the customer or other party to whom such records relate for—

(1) any actual damages sustained by the customer as a result of the disclosure,

(2) such punitive damages as the court may allow, where the violation is found to have been willful, and

(3) in the case of any successful action to enforce liability under this section, reasonable attorney fees and other litigation costs reasonably incurred.

(b) INJUNCTIVE RELIEF.—In addition to any other remedy contained in this section or otherwise available, injunctive relief shall be available to any person aggrieved by a violation or threatened violation of this title. In any case in which the complainant

has substantially prevailed reasonable attorney fees and other litigation costs reasonably incurred may be recovered."

SEC. 13. COSTS OF COMPLIANCE WITH SUBPOENAS

Any financial institution, communication common carrier, credit card issuer or consumer reporting agency to which a subpoena is directed pursuant to sections 5 and 7 of this Title shall be entitled to reasonable costs incurred in compliance with such subpoenas and summonses.

TITLE II—MAIL COVERS

DEFINITION

SEC. 1. A mail cover is the procedure by which a systematic record or inspection is made of any data appearing on the outside cover of any mail matter, including, but not limited to, the name and address of the sender, the place and date of postmarking, and the class of mail.

WHEN PERMITTED

SEC. 2. No mail cover shall be initiated—

(a) without the written authorization of the chief postal inspector, a regional chief postal inspector, or an inspector in charge of the United States Postal Service, except that if requested by the United States Attorney General the chief postal inspector shall authorize a mail cover pursuant to the requirements of this section; and

(b) unless the chief postal inspector, a regional chief postal inspector, an inspector in charge, or the United States Attorney General has good cause to believe, on the basis of an affidavit setting forth the specific reasons for the proposed mail cover and the facts on which the applicant relies, that such procedure is necessary in regard to a continuing investigation of the commission or attempted commission of a felony or is necessary to secure information in the interest of locating a fugitive; and

(c) unless the chief postal inspector, a regional chief postal inspector, or an inspector in charge has received a written request for such mail cover from the director or chief officer of an authority of a Federal, State, or local government one of whose primary functions is to investigate the commission or attempted commission of a felony, or unless the chief postal inspector, a regional chief postal inspector, or an inspector in charge has good cause to believe that the initiation of such mail cover is necessary to the investigation of the commission or attempted commission of a postal felony.

TIME PERIODS

SEC. 3. A mail cover may be conducted for a period of thirty days. Authorization for continuance of a mail cover for additional periods of thirty days may be obtained, but only in accordance with this title. In no event shall the total period of time for a mail cover exceed one year, unless a judge of a United States court finds on the basis of an affidavit or sworn testimony that the termination of such mail cover would seriously jeopardize a continuing investigation of the commission or attempted commission of a felony or of the location of a fugitive. If such judge so finds he may authorize the continuance of the mail cover for additional periods not exceeding one year each. In such event, the requesting authority shall make application for continuance of the mail cover for periods not exceeding thirty days pursuant to section 2.

EMERGENCY AUTHORIZATION

SEC. 4. If the chief postal inspector or a regional chief postal inspector has good cause to believe that a speedy initiation of a mail cover is necessary in regard to a continuing investigation of the commission or attempted commission of a felony, or of the location of a fugitive he may authorize such mail cover on the basis of an oral request from the director or chief officer of an authority of a Federal, State, or local government one of whose primary functions is to investigate the commission or attempted commission of a felony: *Provided*,

That such oral request is followed within forty-eight hours by a written request and supporting affidavit to the chief postal inspector or regional chief postal inspector who authorized the mail cover, and

That no record of any data received from such mail cover shall be made available to the requesting authority until such written request and supporting affidavit have been received and such mail cover has been approved pursuant to the requirements of section 2.

NOTICE

SEC. 5. Within a reasonable time, but not later than ninety days after the termination of the period for a mail cover, the chief postal inspector, regional chief postal inspector, or inspector in charge who authorized the mail cover, shall provide to the person whose mail is the subject of the mail cover a notice of the existence, dates, and purpose of such mail cover, except that such notice shall be waived if a judge of a United States court finds on the basis of an affidavit or sworn testimony that the notice of such mail cover would seriously jeopardize a continuing investigation of the commission or attempted commission of a felony or of the location of a fugitive.

RECORDS

SEC. 6. (a) All requests for mail covers, with records of action thereon, shall be within the custody of the chief postal inspector.

(b) The regional chief postal inspectors and the inspectors in charge shall submit a copy of each mail cover request received together with a report of any action thereon to the chief postal inspector.

(c) If the chief postal inspector determines that a mail cover was improperly initiated by a regional chief postal inspector or an inspector in charge, all date and records of information received from such mail cover shall be impounded and the requesting authority notified of the discontinuance of the mail cover and the reasons therefor.

(d) No file or record pertaining to a mail cover shall be retained for a period in excess of eight years.

REPORTING REQUIREMENT

SEC. 7. In April of each year the chief postal inspector shall transmit to the Congress a full and complete report for the immediately preceding year of—

(a) the number of requests for mail covers and the number of authorizations granted listed by each Postal Inspection Service division for which such authorizations were made;

(b) the identity of the law enforcement agencies making requests for mail covers listed by each Postal Inspection Service division for which such requests were made; and

(c) a list of the offenses for which mail cover requests were received listed by each Postal Inspection Service division for which such requests were made.

CIVIL REMEDIES

SEC. 8. DAMAGES.—(a) Any officer, agent, or employee of the United States or any department or agency thereof or of a State or political subdivision thereof who initiates a mail cover in violation of this title is liable to the addressee for—

(1) any actual damages sustained as a result of the mail cover, but not less than liquidated damages computed at the rate of $100 a day for each day of violation or $5,000, whichever is higher;

(2) such punitive damages as the court may allow, where the violation is found to have been willful, and

(3) in the case of any successful action to enforce liability under this section, reasonable attorney fees and other litigation costs reasonably incurred.

(b) INJUNCTIVE RELIEF.—In addition to any other remedy contained in this section or otherwise available, injunctive relief shall be available to any person aggrieved by a violation or threatened violation of this title. In any case in which the complainant has substantially prevailed, reasonable attorney fees and other litigation costs reasonably incurred may be recovered.

TITLE III—AMENDMENTS TO CHAPTER 119, TITLE 18, UNITED STATES CODE

COMMUNICATION COMMON CARRIER PRACTICES

SECTION 1. (a) Section 2510 of title 18, United States Code, is amended by adding the following new definitions:

"(12) 'supervisory observing' means the interception by an officer, employee, or agent of a communication common carrier of any oral or wire communication of an officer, employee, or agent of such communication common carrier;

"(13) 'service observing' means any interception which is a necessary incident to the rendition of service, by a communication common carrier, of the voice content of a customer-to-customer oral or wire communication for purposes other than supervisory observing or protection against theft of service; and

"(14) 'protection against theft of service' means any action on the part of a communication common carrier the purpose of which is to protect such communication common carrier against a violation of section 1343 of title 18, United States Code (fraud by wire, radio, or television) or similar State statute.".

(b) Section 2511(2)(a)(i) of such title 18 is amended to read: "It shall not be unlawful for an officer, employee, or agent of a communication common carrier, acting in the official capacity of his employment, to engage in—

"(A) supervisory observing: *Provided*, That—

"(1) the officer, employee, or agent against whom such interception is directed has been given prior notice in writing of the likelihood of such interception,

"(2) such interception is engaged in solely for the purposes of training or evaluation of employee performance,

"(3) such interception is engaged in solely on communication facilities which are clearly identified as being subject to possible interception, and

"(4) such interception involves no recording of the voice content of any communication;

"(B) service observing: *Provided*, That—

"(1) the interception of the voice content of any customer-to-customer oral or wire communication shall not exceed ten seconds without the imposition of an intercept announcement signal or other actual notice to the customer, and

"(2) such interception involves no recording of the voice content of any communication;

"(C) interception of any oral or wire communication for purposes of protection against theft of service: *Provided*, That—

"(1) such communication common carrier shall not intercept or record more than one hundred and twenty seconds of the voice content of any oral or wire communication intercepted in the interest of protection against theft of service.".

SUPERVISORY OBSERVING BY OTHER THAN COMMUNICATION COMMON CARRIERS

SEC. 2. Section 2516(2)(d) is amended by adding at the end thereof the following:

Provided, That no interception of any wire or oral communication by a person directed against an employee which is authorized by

prior consent of such employee, shall be lawful under this Chapter unless:

(i) such employee against whom such interception is directed has been given prior notice in writing of the likelihood of such interception, and

(ii) such interception is engaged in solely for the purpose of training or evaluation of employee performance, and

(iii) such interception is engaged in solely on communication facilities which are clearly identified as being subject to possible interception, and

(iv) such interception involves no recording on tape or wire or other comparable device of the voice content of any communication."

COURT ORDERED INTERCEPTIONS IN TOLL FRAUD CASES

SEC. 2. Section 2516(I)(c) of such title 18 is amended by deleting the semicolon and adding at the end thereof the following: ", section 1343 (fraud by wire, radio, or television):".

REPORTING REQUIREMENTS

SEC. 3. Section 2519 of such title 18 is amended by adding at the end thereof the following new subsection:

"(4) in January of each year, each communication common carrier shall report to the Federal Communications Commission concerning the interceptions made by it during the preceding calendar years for the protection of its service against theft of service, including a description of all such interceptions, the nature and frequency of the incriminating communications intercepted, the number of persons whose communications were intercepted, the total number of hours of recording of communications intercepted, and the average minutes of such recording for each communication intercepted. In April of each year the Chairman of the Federal Communications Commission shall transmit to Congress a full and complete report of the information received by the Commission pursuant to this subsection.".

POSSESSION OF DEVICE FOR THEFT OF SERVICE

SEC. 4. Sections 2512 and 2513 of such title 18, are amended to read as follows:

"§ 2512. Manufacture, distribution, possession, and advertising of wire or oral communication intercepting devices or devices for theft of service prohibited

"(1) Except as otherwise provided in this chapter, any person who willfully—

"(a) sends through the mail, or sends or carries in interstate or foreign commerce, any electronic, mechanical, or other device, knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service;

"(b) manufactures, assembles, possesses, or sells any electronic, mechanical, or other device, knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service, and that such device or any component thereof has been or will be sent through the mail or transported in interstate or foreign commerce; or

"(c) places in any newspaper, magazine, handbill, or other publication any advertisement of—

"(i) any electronic, mechanical, or other device knowing or having reason to know that the design of such devise renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communciation common carrier's service; or

"(ii) any other electronic, mechanical, or other device, where such advertisement promotes the use of such device for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service,

knowing or having reason to know that such advertisement will be sent through the mail or transported in interstate or foreign commerce, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(2) It shall not be unlawful under this section for—

"(a) a common carrier or an officer agent, or employee of, or a person under contract with, a common carrier, in the normal course of the common carrier's business, or

"(b) an officer, agent, or employee of, or a person under contract with, the United States, a State, or a political subdivision thereof, in the normal ocurse of the activities of the United States, a State or a political subdivision thereof, to:

Send through the mail, send or carry in interstate or foreign commerce, or manufacture, assemble, possess, or sell any electronic, mechanical, or other device knowing or having reason to know that the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire or oral communications or the surreptitious theft of a communication common carrier's service.

"§ 2513. Confiscation of wire or oral communications intercepting devices or devices for theft of service

"Any electronic, mechanical, or other device used, sent, carried, manufactured, assembled, possessed, sold, or advertised in violation of section 2511 or section 2512 of this chapter may be seized and forfeited to the United States. All provisions of law relating to (1) the seizure, summary and judicial forfeiture, and condemnation of vessels, vehicles, merchandise, and baggage for violations of the customs laws contained in title 19 of the United States Code, (2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from the sale thereof, (3) the remission or mitigation of such forfeiture, (4) the compromise of claims, and (5) the award of compensation to informers in respect of such forfeitures, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions of this section; except that such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the provisions of the customs laws contained in title 19 of the United States Code shall be performed with respect to seizure and forfeiture of electronic, mechanical, or other intercepting devices or devices for the surreptitious theft of a communications common carrier's service under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General.".

TITLE IV—CRIMINAL PENALTIES

Whoever, being an officer, agent or employee of the United States or any department or agency thereof—

(a) willfully violates any provision of Title I or II of this Act shall be fined not more than $5,000 or imprisoned not more than 6 months, or both;

(b) having knowledge of the commission of a violation of any provision of Title I or II of this Act by another officer, agent or employee of the United States or any department or agency thereof, fails to report as soon as possible such violation to an attorney in the Office of Professional Responsibility of the Department of Justice shall be fined not more than $1,000.

TITLE V—CONGRESSIONAL SUBPOENAS

Nothing in this Act shall apply to subpoenas issued by the United States Congress.

[Supreme Court of the United States—No. 74-1179]

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

[April 21, 1976]

United States, Petitioner, *v.* Mitchell Miller.

Mr. JUSTICE BRENNAN, dissenting.

The pertinent phrasing of the Fourth Amendment—"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated"—is virtually in *haec verba* with Art. I, § 13, of the California Constitution—"The right of the people to be secure in their persons, houses, papers, and effects against unreasonable seizures and searches may not be violated." The California Supreme Court has reached a conclusion under Art. I, § 13, in the same factual situation, contrary to that reached by the Court today under the Fourth Amendment.[1] I dissent because in my view the California Supreme Court correctly interpreted the relevant constitutional language.

In *Burrows* v. *Superior Court*, 13 Cal. 3d 238, 529 P. 2d 590, 118 Cal. Rptr. 166 (1974), the question was whether bank statements or copies thereof relating to an accused's bank accounts obtained by the sheriff and prosecutor without benefit of legal process[2] but with the consent of the bank, were acquired as a result of an illegal search and seizure. The California Supreme Court held that the accused had a reasonable expectation of privacy in his bank statements and records, that the voluntary relinquishment of such records by the bank at the request

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[1] The expectation of privacy relied upon by respondent to support his Fourth Amendment claim is similar to that rejected as to similar documents in *Couch* v. *United States*, 409 U.S. 322 (1973). But in *Couch* the taxpayer had delivered the documents to her accountant for preparation of income tax returns "knowing that mandatory disclosure of much of the information therein is required in an income tax return." *Id.*, at 335; see *id.*, at 337 (BRENNAN, J., concurring). In contrast, in the instant case the banks were obliged only to respond to lawful process, *California Bankers Assn.* v. *Shultz*, 416 U.S. 21, 52–54 (1974), and had no obligation to disclose the information voluntarily. The expectation of privacy asserted in *Fisher* v. *United States*, —— U.S. —— (1976), is distinguishable on similar grounds.

[2] The Court distinguishes *Burrows* on the ground that it involved no legal process, while the instant case involves legal process in the form of subpoenas *duces tecum*. *Ante*, at 10 n. 7. But the Court also states that the Fourth Amendment issue does not turn on whether the subpoenas were defective. *Ante*, at 6 n. 2.

In any event, for present purposes I would accept the Court of Appeals' conclusion that the subpoenas in this case were defective. Moreover, although not relied upon by the Court of Appeals, neither the bank nor the Government notified respondent of the disclosure of his records to the Government. In my view, the absence of such notice is not just "unattractive," *ante*, at 8 n. 5; a fatal constitutional defect inheres in a process that omits provision for notice to the bank customer of an invasion of his protected Fourth Amendment interest.

of the sheriff and prosecutor did not constitute a valid consent by the accused, and that the acquisition by the officers of the records therefore was the result of an illegal search and seizure. In my view the same conclusion, for the reasons stated by the California Supreme Court, is compelled in this case under the practically identical phrasing of the Fourth Amendment. Addressing the threshold question whether the accused's right of privacy was invaded, and relying in part on the decision of the Court of Appeals in this case, Mr. Justice Mosk stated in his excellent opinion for a unanimous court:

"It cannot be gainsaid that the customer of a bank expects that the documents, such as checks, which he transmits to the bank in the course of his business operations, will remain private, and that such an expectation is reasonable. The prosecution concedes as much, although it asserts that this expectation is not constitutionally cognizable. Representatives of several banks testified at the suppression hearing that information in their possession regarding a customer's account is deemed by them to be confidential.

"In the present case, although the record establishes that copies of petitioner's bank statements rather than his checks were provided to the officer, the distinction is not significant with relation to petitioner's expectation of privacy. That the bank alters the form in which it records the information transmitted to it by the depositor to show the receipt and disbursement of money on a bank statement does not diminish the depositor's anticipation of privacy in the matters which he confides to the bank. A bank customer's reasonable expectation is that, absent compulsion by legal process, the matters he reveals to the bank will be utilized by the bank only for internal banking purposes. Thus, we hold petitioner had a reasonable expectation that the bank would maintain the confidentiality of those papers which originated with him in check form and of the bank statements into which a record of those same checks had been transformed pursuant to internal bank practice.

"The People assert that no illegal search and seizure occurred here because the bank voluntarily provided the statements to the police, and the bank rather than the police conducted the search of its records for papers relating to petitioner's accounts. If, as we conclude above, petitioner has a reasonable expectation of privacy in the bank statements, the voluntary relinquishment of such records by the bank at the request of the police does not constitute a valid consent by this petitioner. . . . It is not the right of privacy of the bank but of the petitioner which is at issue, and thus it would be untenable to conclude that the bank, a neutral entity with no significant interest in the matter, may validly consent to an invasion of its depositors' rights. However, if the bank is not neutral, as for example where it is itself a victim of the defendant's suspected wrongdoing, the depositor's right of privacy will not prevail.

"Our rationale is consistent with the recent decision of *United States* v. *Miller* (5th Cir. 1974), 500 F. 2d 751. In *Miller*, the United States Attorney, without the defendant's knowledge, issued subpoenas to two banks in which the defendant maintained accounts, ordering the production of 'all records of accounts' in the name of the defendant. The banks voluntarily provided the government with copies of the defendant's checks and a deposit slip; these items were introduced into evidence at the trial which led to his conviction. The circuit court reversed the conviction. It held that the defendant's rights under the Fourth Amendment were violated by the search because the subpoena was issued by the United States Attorney rather than by a court or grand jury, and the bank's voluntary compliance with the subpoena was irrelevant since it was the depositor's right to privacy which was threatened by the disclosure.

"We hold that any bank statements or copies thereof obtained by the sheriff and prosecutor without the benefit of legal process were acquired as the result of an illegal search and seizure (Cal. Const., art. I, § 13), and that the trial court should have granted the motion to suppress such documents.

* * * * *

"The underlying dilemma in this and related cases is that the bank, a detached and disinterested entity, relinquished the records voluntarily. But that circumstance should not be crucial. For all practical purposes, the disclosure by individuals or business firms of their financial affairs to a bank is not entirely volitional, since it is impossible to participate in the economic life of contemporary society without maintaining a bank acount. In the course of such dealings, a depositor reveals many aspects of his personal affairs, opinions, habits and associations. Indeed, the totality of bank records provides a virtual current biography. While we are concerned in the present case only with bank statements, the logical extension of the contention that the bank's ownership of records permits free access to them by any police officer extends far beyond such statements to checks, savings, bonds, loan applications, loan guarantees, and all papers which the customer has supplied to the bank to facilitate the conduct of his financial affairs upon the reasonable assumption that the information would remain confidential. To permit a police officer access to these records merely upon his request, without any judicial control as to relevancy or other traditional requirements of legal process, and to allow the evidence to be used in any subsequent criminal prosecution against a defendant, opens the door to a vast and unlimited range of very real abuses of police power.

"Cases are legion that condemn violent searches and invasions of an individual's right to the privacy of his dwelling. The imposition upon privacy, although perhaps not so dramatic, may be equally devastating when other methods are employed. Development of photocopying machines, electronic computers and other sophisticated instruments have accelerated the ability of government to intrude into areas where a person normally chooses to exclude from prying eyes and inquisitive minds. Consequently judicial interpretations of the reach of the constitutional protection of individual privacy must keep pace with the perils created by these new devices." 13 Cal. 3d, at 243–248, 529 P. 2d, at 593–596, 118 Cal. Rptr., at 169–172 (footnote omitted).

The California Supreme Court also addressed the question of the relevance of *California Bankers Assn.* v. *Shultz*, 416 U.S. 21 (1974). In my view, for the reasons stated in *Burrows*, the decision of the Court of Appeals under review today, is in no way inconsistent with *California Bankers*.[3] The court said:

"[*California Bankers*] held, in a six-three decision, that the bank's rights under the Fourth Amendment were not abridged by the regulation, and that the depositor plaintiffs lacked standing to challenge the reporting requirement because there was no showing that they engaged in the type of transaction to which the regulation referred.

"The concurring views of two justices who provided the necessary votes to create a majority are of particular interests. Justice Powell's opinion, joined by Justice Blackmun, [416 U.S., at 78,] makes clear that a significant extension of the reporting requirement would pose substantial constitutional questions, and that concurrence with the majority was based upon the provisions of the act as narrowed by the regulations. He wrote, 'In their full reach, the reports apparently authorized by the open-ended language of the Act touch upon intimate areas of an individual's personal affairs. Financial transactions can reveal much about a person's activities, associations, and beliefs. At some point, governmental intrusion upon these areas would implicate legitimate expectations of privacy. Moreover, the potential for abuse is particularly acute where, as here, the legislative scheme permits access to this information without invocation of the judicial process. In such instances, the important responsibility for balancing societal and individual interests is left to unreviewed executive discretion, rather than the scrutiny of a neutral magistrate. United States v. United States District Court, 407 U.S. 297, 316–317.' [416 U.S., at 78–79.]

"Justices Douglas and Marshall dissented on the ground that the act violated the Fourth Amendment. Justice Brennan also filed a dissent, stating that the recordkeeping and reporting requirements of the act constituted an impermissibly broad grant of power to the Secretary.

". . . [T]he only federal case decided after *Shultz* and directly confronting the issue of the depositor's rights is entirely consistent with the views we have set forth above. . . . *Miller* holds that *Shultz* may not be interpreted as 'proclaiming open season on of particular interests. Justice Powell's opin ion, joined by Justice Blackmun, [416 U.S., at 78,] makes clear that a significant extension of the reporting requirement would pose substantial constitutional questions, and that concurrence with the majority was based upon the provisions of the act as narrowed by the regulations. He wrote, 'In their full reach, the reports apparently authorized by the open-ended language of the Act touch upon intimate areas of an individual's personal affairs. Financial transactions can reveal much about a person's activities, associations, and beliefs. At some point, governmental intrusion upon these areas would implicate legitimate expectations of privacy. Moreover, the potential for abuse is particularly acute where, as here, the legislative scheme permits access to this information without invocation of the judicial process. In such instances, the important responsibility for balancing societal and individual interests is left to unreviewed executive discretion, rather than the scrutiny of a neutral magistrate. United States v. United States District Court, 407 U.S. 297, 316–317.' [416 U.S., at 78–79.]

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". . . [T]he only federal case decided after *Shultz* and directly confronting the issue of the depositor's rights is entirely consistent with the views we have set forth above. . . . *Miller* holds that *Shultz* may not be interpreted as 'proclaiming open season on personal bank records' or as permitting the government to circumvent the Fourth Amendment by first requiring banks to copy their depositors' checks and then calling upon the banks to allow inspection of those copies without appropriate legal process." 13 Cal. 3d, at 246–247, 529 P. 2d, at 595–596, 118 Cal. Rptr., at 171–172 (footnote omitted).

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[3] I continue to believe that the reporting and recordkeeping requirements of the Bank Secrecy Act are unconstitutional. *California Bankers Assn.* v. *Shultz*, 416 U.S. at 91 (Brennan, J., dissenting). But I disagree with the Court's reasoning in this case even assuming the constitutionality of the Act, and therefore it is unnecessary for me to rely on the infirmities inherent in the Act.

I would therefore affirm the judgment of the Court of Appeals. I add only that *Burrows* strikingly illustrates the emerging trend among high state courts of relying upon state constitutional protections of individual liberties [4]—protections pervading counterpart provisions of the United States Constitution, but increasingly being ignored by decisions of this Court. For the most recent examples in this Court, but only in the privacy and Fourth Amendment areas, see, *e.g.*, *Kelly* v. *Johnson*, 425 U.S. —— (1976); *Doe* v. *Commonwealth's Atty.*, 425 U.S. —— (1976); *Paul* v. *Davis*, 424 U.S. —— (1976); *United States* v. *Watson*, 423 U.S. —— (1976).

[From the Washington Star, Apr. 23, 1976]

PRIVACY AT THE BANK

No doubt about it—easy government access to personal banking records is, as Congress found when it wrote the 1970 Bank Secrecy Act, marvelously useful in "criminal, tax and regulatory investigations and proceedings." It facilitates the pursuit of white-collar crime—as we are reminded in "All The President's Men" by the tracing of the so-called "Dahlberg check" as a link between the Nixon re-election committee and the Watergate burglary.

One doesn't ordinarily think of the distilling of non-taxpaid whiskey as an exalted example of "white-collar" crime. But a whiskey tax case gave rise this week to an important Supreme Court pronouncement on the Bank Secrecy Act. The result, in our view, is a disturbing aggression against personal privacy.

Mitch Miller of Macon, Ga., a distiller in question, had his records at two Georgia banks subpoened and examined, without notice, by U.S. Treasury agents. The records showed he had rented a truck in which authorities had found a whiskey still and "raw material" for the making of whiskey; also that Mr. Miller had purchased "a quantity of sheet metal and metal pipe." Thus his private bank records linked him to a crime. He was indicted, tried and convicted; but the Fifth Circuit Court of Appeals threw out the conviction—justifiably, in our view—on Fourth Amendment grounds. The Supreme Court this week reinstated his conviction.

The line of reasoning pursued by Congress in passing the Bank Secrecy Act (which requires banks to retain records) and the casual investigative procedures ratified by Justice Powell's opinion in the Georgia case greatly diminish the privacy one may expect in bank transactions. The Court had already upheld the act itself. But in the earlier case it had said little concerning the control of investigative access to bank records. This week the Court spoke on the latter issue, and in our view spoke with scant consideration for inherent rights of privacy.

Indeed, Justice Powell's argument seems to us to dismiss common-sense notions of privacy almost cavalierly. The thrust of the argument is that bank transactions, however personal they may seem to us, are far more public than personal. Statements, balances checks, loan information, etc., are not the customer's private papers; they are "the business records of the banks." Checks "are not confidential communications but negotiable instruments to be used in commercial transactions." Moreover, "all the documents obtained (from Mr. Miller's Georgia banks) . . . contain only information voluntarily conveyed to the banks and exposed to their employees in the ordinary course of business"! The gist of Justice Powell's opinion seems, then, to be this: If you use a bank, use it at your own risk and be ready for the world—and the police and G-men and God knows who else who happens to be curious about your financial affairs—to know everything about your banking transactions. And expect no protection from the Fourth Amendment: its guarantees of security for "personal papers and effects" don't apply at the neighborhood bank.

The other side of the argument—to our minds a more appealing side than the Supreme Court majority perceived—was well stated in a recent opinion by the California Supreme Court:

"For all practical purposes," said that court, "the disclosure by individuals or business firms of their financial affairs to a bank is not entirely volitional, since it is impossible to participate in the economic life of contemporary society without maintaining a bank account. In the course of such dealings, a depositor reveals many aspects of his personal affairs, opinions, habits and associations. Indeed, the totality of bank records provides a virtual current biography."

Well said. And true. And since it is true, the use of search warrants, together with prior notice to a subject of investigation and his lawyers, seems more than a mere amenity. Otherwise, the way is open to every imaginable kind of fishing expedition into the financial affairs of any citizen with a bank account. In the words of the California Supreme Court, again, unregulated access to personal bank records "open the door to a vast and unlimited range of very real abuses of police power."

It is shocking that the law of the United States should now hold otherwise.

[From the Washington Post, Apr. 26, 1976]

THE NONPRIVACY OF BANK ACCOUNTS

The Supreme Court is continuing to interpret the right of privacy so narrowly as to give citizens little or no protection against governmental intrusion into many aspects of their everyday personal affairs. A notable example was the Court's 7–2 ruling on Wednesday that no constitutionally protected zone of privacy has been invaded when the government subpoenas records of a person's banking transactions from the bank.

The decision upheld the traditional view that the records of banks, like those of telephone companies, credit-card firms and other businesses, belong to the company, not the customer. Even though sensitive personal information is often involved, this approach gives the customer no right to intervene—or even to be notified—before the business opens up the records to a law-enforcement officer. In the case decided the other day, the citizen involved—who happened to be accused of operating an illegal still—claimed that his banks' compliance with federal subpoenas violated his expectation of privacy in dealing with the banks. A lower federal court had agreed, but the High Court did not.

The most disturbing aspect of this decision is the Court's refusal to recognize that banking involves any reasonable claims of confidentiality at all. Justice Lewis F. Powell Jr., for one, seems to have modified his views along the way to this result. In an earlier case upholding government record-keeping rules, Justice Powell wrote, "Financial transactions can reveal much about a person's activities, associations and beliefs. At some point, governmental intrusion upon these areas would implicate legitimate expectations of privacy." The other day, however, Justice Powell wrote for the Court that checks and deposit slips "are not confidential communications but negotiable instruments" and "contain only information voluntarily conveyed to the banks and exposed to their employees in the ordinary course of business." Thus he concluded that no legitimate expectation of privacy is involved; on the contrary, any depositor "takes the risk" that a bank will share this information with the government.

That concept of the banking relationship is not, obviously, the one held by most bankers or most of their customers. The average citizen assumes that his transactions will be kept confidential, and that bank employees will use information about his accounts only for banking purposes. Even this limited disclosure is not entirely voluntary; as the California Supreme Court said recently, "It is impossible to participate in the economic life of contemporary society without maintaining a bank account." And it is precisely the "ordinary" kinds of personal business that should enjoy the most protection against improper or excessive scrutiny by government.

By refusing to acknowledge any legitimate confidentiality in this field, the Court has left the privacy of a wealth of detailed information about virtually all Americans entirely in the hands of the banks and other firms with which they deal. Many companies do regard this as a solemn trust; a growing number, for example, notify a customer when information about his account is demanded by the government. Others do not. Some do not even wait for proper subpoenas, but turn over information in response to the most casual request by law-enforcement officers. Thus individuals enjoy uneven protection at best, while the companies bear the burdens of trying to judge the propriety of official demands in cases they know little about.

Since the Court has refused to find any constitutional defect in this state of affairs, the remedy will have to come from Congress. After years of intermittent discussion, a House Judiciary subcommittee has recommended legislation that would insure citizens notice and a chance to challenge official demands for records of their dealings with financial institutions, telephone companies, credit-card issuers and the like. The notice requirement could be waived only if a judge found that advising the individual would seriously jeopardize the investigation of specified crimes. The bill (H.R. 214) ought

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[4] See, *e.g.*, cases cited in *Baxter* v. *Palmigiano*, slip op., at 16 and n. 10 (BRENNAN, J., dissenting); *Michigan* v. *Mosley*, 423 U.S. 96, 120–121 (1975) (BRENNAN, J., dissenting). See also Wilkes, The New Federalism in Criminal Procedure: State Court Evasion of the Burger Court, 62 Ky. L. J. 421 (1974); Wilkes, More on the New Federalism in Criminal Procedure, 63 Ky. L. J. 873 (1975); Falk, The State Constitution: A More Than "Adequate" Nonfederal Ground, 61 Cal. L. Rev. 273 (1973); Project Report, Toward an Activist Role for State Bills of Rights, 8 Harv. Civ. Rights-Civ. Lib. L. Rev. 271 (1973). In the past, it might have been safe for counsel to raise only federal constitutional issues in state courts, but the risks of not raising state law questions are increasingly substantial, as revealed by a colloquy during argument in *Michigan* v. *Mosley*, *supra*:

"QUESTION. Why can't you argue all of this as being contrary to the law and the Constitution of the State of Michigan?

"Mr. ZIEMBA. I can because we have the same provision in the Michigan Constitution of 1963 as we have in the Fifth Amendment of the Federal Constitution, certainly.

"QUESTION. Well, you argued the whole thing before.

"Mr. ZIEMBA. In the Court of Appeals?

"QUESTION. Yes.

"Mr. ZIEMBIA. I really did not touch upon—I predicated my entire argument on the Federal Constitution, I must admit that. I did not mention the equivalent provision of the Michigan Constitution of 1963, although I could have. And I may assure this Court that at every opportunity in the future, I shall.

[Laughter.]

"QUESTION. But you hope you don't have the opportunity in this case.

"Mr. ZIEMBA. That's right." Tr. of Oral Arg. 43–44.

It would be unwise for counsel to rely on state courts to consider state law questions *sua sponte*. But see *State* v. *Johnson*, 68 N.J. 349, 346 A. 2d 66 (1975).

to be passed. It would give force to the concept of confidentiality in everyday financial dealings which most people have been banking on, but which the high court has unaccountably failed to grasp.

[From the CONGRESSIONAL RECORD, Sept. 14, 1976]

THE FOURTH AMENDMENT IN THE ELECTRONIC AGE

(By Senator CHARLES McC. MATHIAS, JR.)

In 1817 former President John Adams wrote to a friend who had asked him to recall the genesis of the American Revolution. Age had not dimmed Adams' passion, or his memory of the events that had liberated his country from England. He went straight to the first of the great dramas in our long advance toward libertarianism. Richard Harris, in his New Yorker essay on the fourth amendment, has given us a detailed account of that drama, and those events. Today I'd like to touch the highlights.

"The scene", Adams wrote, "is in the council chamber in the month of February, 1761 . . . in this chamber, round a great fire, were seated five judges, with lieutenant-governor Hutchinson at their head, as chief justice, all arrayed in their new, fresh, rich robes of scarlet English broadcloth; in their large cambric bands, and immense judicial wigs".

John Adams was a young lawyer of 25. He and every other member of the bar of Middlesex County and Boston sat in the chamber that day, also arrayed in the gowns and wigs of English tradition. Adams took notes, and 57 years later resurrected the scene, which echoes today as powerfully as ever, vital in our law and heritage.

At issue were the general warrants called writs of assistance, a legacy of the repressive court of star chamber. The writs authorized officers of the crown to search homes and property for smuggled goods, and to compel any British subject to assist in the search. They did not specify whose property, or what evidence was to be looked for.

The merchants of Boston demanded a hearing. They asked James Otis, Jr. of the Bay Colony to represent them, and offered him a generous fee. Otis accepted the job and declined the fee. "In such a cause", he said, "I despise all fees".

The Revolution had found one of its first heroes, a man usually overlooked in the liturgies of the Bicentennial. Otis resigned as advocate general of the admiralty court, a position with promise of wealth and advancement, and went to work for the Colonists against the writs of assistance.

John Adams never forgot Otis' 5-hour performance that day. According to Adams, Otis wove a spellbinding mix of classical allusion, history, legal precedent, constitutional law, prophecy. When he was done, opposition to the writs was unalterably set in the minds of the Colonists, and one of the fundamental principles of English common law had been indelibly written in our history.

"I will to my dying day", Otis began, "oppose with all the powers God has given me all such instruments of slavery on the one hand and villainy on the other, as this writ of assistance. It appears to me the worst instrument of arbitrary power, the most destructive of English liberty and the fundamental principles of law that ever was found in an English lawbook. . . ."

A warrant, he said, must designate the place to be searched, the evidence to be looked for, and the person in question. It can be issued only upon a sworn complaint. A general warrant, in Otis' view, was in dead conflict with the British constitution.

"One of the most essential branches of English liberty", he said, "is the freedom of one's house. A man's home is his castle, and whilst he is quiet he is as well guarded as a prince in his castle".

It was America's first defense of the right to privacy; a first glimmer of the notion that a citizen has the right to be let alone.

After Otis' peroration, the colonists followed events in England, where in 1763 a pamphleteer named John Wilkes was arrested and his home ransacked on the authority of a general warrant. Wilkes sued the officer for trespassing, claiming that a general warrant was illegal under the unwritten constitution. The jury found in his favor.

At the same time another incendiary writer, John Entick, was arrested on a warrant that did bear his name but ordered the seizure of all his books and papers, without specifying any particular ones. Entick sued and won. The Government appealed, and the Court of Common Pleas found unanimously in Entick's favor. "Papers", wrote Lord Camden, "are the owner's goods and chattels; they are his dearest property, and are so far from enduring a seizure that they will hardly bear an inspection". Soon afterwards, the House of Commons declared general warrants illegal.

William Pitt the elder, the Great Prime Minister who was dismissed by George III for his sympathy toward American grievances, put it most eloquently of all: "the poorest man may in his cottage bid defiance to all the force of the crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter, the rain may enter,—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement!"

In 1791, the Founding Fathers compressed these events and utterances, and the tradition that shaped them, into the succinct injunction of the fourth amendment: "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the person or things to be seized".

To procure this right was one of the overriding aims of the American Revolution. It is a right no despotism can accommodate. It is a right no free society can be without.

It is fair, I think, to suppose that Madison and his colleagues were satisfied that they had guaranteed the people from intrusion, search and seizure beyond all doubt. The Bill of Rights was written to clarify. It drew lines around the individual freedoms, intended to be unalterable and plainly visible.

But the Founding Fathers could not foresee the electronic age. They coulld not foresee telephonec, wiretaps, bugging devices, computers and data banks. Technology has cluttered the domain of the constitution. It has confused things. It has made our homes and our private lives accessible, even when our doors are locked and our shades are drawn. It has created a new kind of intrusion, invisible, unannounced, often untraceable.

Unauthorized intrusions have almost always been a temptation to police in search of evidence, and to governments troubled by national security. With the electronic age, the temptations have proliferated. The meaning of privacy has become blurred in many minds, and in the confusion, electronic prying has outrun the restraints of the fourth amendment.

In 1928, the Supreme Court dealt for the first time with wiretapping in Olmstead versus United States. The plaintiffs were bootleggers who had been convicted on the evidence of recorded telephone conversations. They claimed that the use of such evidence violated the fourth and fifth amendments. The Supreme Court upheld the convictions. Chief Justice William Howard Taft wrote the opinion. Wiretapping, he ruled, was not a search and seizure and not an illegal entry, because the tap had been placed outside. Only the spoken word had been seized, and the spoken word was not protected by the fourth amendment.

In spite of Taft, the Olmstead case produced an historic definition of privacy: the famous dissent by Mr. Justice Brandeis. "The makers of our constitution", he wrote, "sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the fourth amendment".

Nonetheless, Taft's unimaginative pronouncement stood for 39 years, until the court decided in Katz versus New York that warrantless wiretapping had to be construed a violation of the fourth amendment. "The fourth amendment", the court ruled, "protects people, not places". One did not have to be at home to be intruded upon.

The Katz decision vindicated Brandeis' 1928 dissent. And I believe the fourth amendment bears no other interpretation. What did the Founding Fathers intend to confer, if not the right to be let alone—the right to speak in private, the right to think in private?

Jefferson once warned that "the natural process of things is for Liberty to yield and Government to gain ground." In our 200-year history, we have resisted that tendency. Armed with the Constitution, we have fought infringements of our liberties, and on balance have squeezed out enough victories to bring civil liberties alive and well to the present day. The courts have stood by our right to privacy in some areas, such as the right to read as one chooses in the privacy of one's home. But the courts have not guarded us as well against intrusion and surveillance—nor has the Congress or the legal profession. And where we have turned our backs, Government has exceeded its rightful powers, almost without fall. Liberty has yielded, and Government has gained ground.

This past year, when it began to emerge that executive power had been used over nearly four decades in routine, secret disregard of the fourth amendment, the Senate finally interceded with the creation of the Select Committee on Intelligence. I was a member of that committee. The revelations that came in more than a year of testimony astounded even the most seasoned members of the committee.

The FBI, as we learned, made hundreds of warrantless, surreptitious break-ins. Bugging devices were installed in offices and bedrooms. Private papers were photographed.

Phones were tapped.

FBI and CIA computers were fed a prodigious diet of names and organizations. Nearly a quarter of a million first-class letters were photographed to compile a CIA computerized index of one and a half million names. Some 300,000 persons were indexed in a CIA computer system; files were collected on about 7,200 Americans and more than a hundred domestic groups in the CIA's operation chaos. Army intelligence kept files on an estimated 100,000 persons. The Internal Revenue Service kept files on more than 11,000 persons and started investigations for reasons of politics, not taxes. More than 26,000 persons were catalogued by the FBI, whose intention was to imprison them all summarily in the event of a national emergency.

The revelations went on and on, with scarcely a dull moment. We learned that quarrels among black groups had been aggravated with forged letters, inciting vio-

lence, marriages were disrupted, again with forged letters.

As James Otis put it, "What a scene does this open." But in 1761, the violations were flagrant, and dressed in the formality of the writs of assistance. Today's intrusions on privacy dispense with all formality. They are soundless, and unseen. No doors are broken down, no papers carried away. Instead of seizure, there is photography and a computerized file. Instead of an ear to the door, there is a bugging device inside the room.

These intrusions were seldom detected and so seldom challenged. Unchallenged, they multiplied. The fourth amendment was being flouted by those whom it was meant to bind and by those who were meant to enforce it; the American people stood by, indifferent or unaware.

The blame belongs many places.

For 25 years, Congress has routinely appropriated funds for intelligence, knowing little about how the money would be used and not troubling to find out. From time to time, we attempted to set mild restrictions that were ignored, and then failed to insist on compliance.

The courts have hesitated to meet the intelligence community head-on. The Supreme Court conceded in 1972 that warrantless electronic surveillance had been permitted by Presidents without "guidance by the Congress or a definitive decision of the courts."

And the legal establishment, the American Bar Association and the State and city bar associations, might have guessed how deep the disease ran, and met every lawyer's obligation to protest. The secrecy spun by Presidents and Government agents was thick but not impenetrable. Now and then a voice was raised, in fear or indignation. These complaints might have been looked into. What the press finally did, we might have done ourselves.

The recommendations of the Select Committee were designed to establish supervision, to check and balance the intelligence agencies as required by the Constitution. We advised, simply, that intelligence-gathering be brought within the bounds of law.

We proposed that there be no electronic surveillance without judicial warrant.

We proposed that no homes be entered, no mail be opened, without a warrant.

The Permanent Oversight Committee, which the Select Committee created when it finished its business, will have sentinel duty. It will alert the Congress and the country, let us hope, the moment the law is violated. For the moment, order and the rule of law have been restored.

But something in America has been dimmed in these decades of official lawbreaking. James Otis understood what it was when he spoke of "the liberty of every man."

It is more than an abstraction. It is more than a syllogism stating that if the liberty of one is taken away, then the liberty of any other can be taken just as easily. The fact is, it can be taken from some much more easily than from others. But wherever one man's liberty is violated, the liberty of every man, the transcendent aim of our law, is diminished.

The Socialist Workers Party, an ardent, possibly naive, undoubtedly peaceful group of Americans, as the FBI has admitted, was spied on and its offices broken into for years. Forged letters were sent to spouses and employers in attempts to wreck marriages and ruin jobs. In those abuses, the liberty of every man was diminished.

The late Martin Luther King, Jr., an apostle of non-violence and integration, was hounded by FBI spies and technicians whose instructions were to "destroy" him. In that crude campaign, the liberty of every man was diminished.

When the FBI concocted letters designed to instigate murder between the Black Panthers and a Chicago street gang, the liberty of every man was diminished as surely as if those agents tampered in your lives, or mine.

And as long as the Government intrudes illegally in the private life of so much as a single ragtag student demonstrator, the liberty of every man will be diminished.

No conscientious lawyer can be indifferent to the scars of these past years, or to the neglect that made them possible.

Today, a new test of the fourth amendment appears to be pending, brought along in the stealthy evolution of the computer.

The computer has become indispensable in commerce, industry, and government. Increasingly, information is shared from computer to computer, covering vast distances in seconds. Law enforcement has become automated; the law enforcement assistance administration, created in 1968, recommended the development of computerized information system, and the FBI, a year earlier, unveiled its national crime information center, a monster computer in Washington, accessible on the instant to law enforcement agencies all over America.

Business and commerce now hum to computer rhythms. The bank, credit, medical, and business records of almost every one of us are stored away in some electronic memory. Computers do not discard information, unless ordered to. They do not forget it. They amass it, they retain it, they produce it indiscriminately at the touch of a button.

The capacity of men in power to wreck civil liberties and subvert laws was amply demonstrated in the Watergate affair, and by the intelligence community in every administration from Roosevelt to Nixon. Computers have only begun to demonstrate their potential. Men and computers, in collaboration, edge closer and closer to the innermost precincts of our private lives.

Two years ago I introduced the Bill of Rights Procedures Act, which was designed to reinforce the fourth amendment. The bill would require court approval, upon a show of probable cause, before the Government could wiretap, bug, open mail, or dig into telephone, credit, medical, or business records. Court approval would have to be put in writing. Any Federal agent who proceeded to these measures without a court order would be subject to criminal prosecution.

Congress was created for the most part to make law, not enforce it. But where the Constitution is made to seem ambiguous by modern technology, or where it is assailed by Federal agents and overreaching presidents, or where the courts are dilatory, then Congress does have the power to intercede. The Bill of Rights Procedures Act would reiterate the fourth amendment and insist by statute that it be enforced.

Over the years, the United States Supreme Court has been a primary guardian of our civil liberties. The court has traditionally exercised vigilance in its decisions defining the scope of the privacy protections afforded under the fourth amendment's prohibitions against unreasonable searches and seizures.

In recent months, however, the Supreme Court has signalled a retreat from its position as the protector against governmental intrusion. In a series of recent decisions—ranging from its ruling in United States against Miller that a citizen's banking records are not his private papers so as to come under the protections of the fourth amendment, to its holding in South Dakota against Opperman, approving sweeping inventory searches of automobiles in police custody, the court has taken a much narrower view of the fourth amendment. In dissent, Justices Marshall and Brennan have leveled unusually harsh criticisms of these recent decisions. As Justice Brennan, joined by Justice Marshall, wrote in dissent in United States against Martinez-Fuerte, that case was "the ninth this term marking the continuing evisceration of fourth amendment protections against unreasonable searches and seizures."

I join in the eloquent dissents of Justices Brennan and Marshall and hope that this trend will be reversed in the coming term of the Court.

Against this background, I believe it is essential that the Congress and State legislatures—who apparently have been lulled into passivity by the dominant role played by the Supreme Court—reevaluate their usual practice of stepping aside to allow the courts to determine the breadth of the privacy safeguards in the Constitution. Even when Congress has had the opportunity to delineate the scope of these protections, it has either failed to do so or specifically left such determinations to the courts. Typical of its abdication to the judiciary are the following:

In the 1968 Omnibus Crime Control and Safe Streets Act, Congress expressly disclaimed reaching a decision regarding the constitutional limitations on the President's power to order wiretaps without judicial warrants;

In the Bank Secrecy Act, Congress authorized surveillance into the bank records of millions of Americans without making clear whether these administrative powers were subject to the prohibitions in the fourth amendment;

In the border search statute, Congress permitted searches of individuals within 100 miles of the border without declaring whether the fourth amendment was applicable to governmental actions of this nature.

The time is at hand when the Congress and its State counterparts must enact legislation to protect the privacy which is essential to our democratic society.

In the advance of computer technology, the words of James Otis bristle once more. The writ of assistance, he said, "Is a power that places the liberty of every man in the hands of every petty officer." To prevent this, our fourth amendment was written. It was written to guarantee the privacy of the home and personal papers, and the right to be let alone. It was written to place the liberty of every man out of the reach of every petty officer, every Federal agent, every Attorney General, and every President, and to lock it securely within the rule of law.

By Mr. JOHNSTON:

S. 15. A bill to amend the Federal Election Campaign Act of 1971 to make certain limitations on contributions inapplicable in elections to Federal office (other than the office of President or Vice President) when any candidate for such office declares an intention to make more than $35,000 in personal expenditures with respect to his campaign for nomination for election, or election, to such office; to the Committee on Rules and Administration.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1977

Mr. JOHNSTON. Mr. President, today I am introducing S. 15, which amends the Federal Election Campaign Act of 1971 with respect to personal expenditures by candidates for Federal office. The Supreme Court's recent decision in Buckley against Valeo left a hiatus in the election law—the amount of contributions to candidates were limited, but the amount of personal funds a candidate could expend in his own behalf were not so limited. As a result, the 1976 po-

litical campaign revealed record amounts of personal funds being spent by wealthy, and often successful, candidates for the Senate and House. Such an anomaly, and the resulting specter of a millionaire's club in the House and Senate was not intended by Congress. My bill proposes a solution to this problem.

This bill does not limit the amount of personal funds a candidate may expend on his own campaign. Rather, the bill directs that any candidate who intends to spend more than $35,000 in personal or borrowed funds on his election campaign must, at least 60 days prior to the election: First, file a sworn declaration of the maximum amount he intends to spend; the source of the funds to be spent; his willingness and present ability to expend the funds; and that the purpose of his declaration is not to make inapplicable any contribution limits provided by law; and second, deposit the said declared personal funds in a single checking account on the date the declaration is filed. The Federal Election Commission is directed to notify immediately each candidate of the maximum personal funds any candidate shall have declared an intention to spend in the campaign. Those candidates declaring an intention to spend more than $35,000 in personal funds may then deposit in their accounts the difference between their previously declared limits and the maximum personal expenditure limits declared by any candidate.

All remaining candidates are then entitled to receive contributions free of any individual contribution limits until they have received contributions equaling the maximum declared personal expenditure less $35,000. All such contributions shall remain subject to the disclosure and reporting requirements of the present Federal election law.

Candidates who declare an intention to spend personal and borrowed funds exceeding $35,000 may continue to receive campaign contributions subject to the present contribution limits, but such contributions cannot be used until all the declared personal or borrowed funds in the special account have been spent. Further, no candidate may solicit or retain contributed funds including proceeds from fundraisers, to reimburse them for personal or borrowed funds used during the campaign.

To insure that the declaration and deposit of personal funds is not used to enable another candidate to evade the limits on individual contributions, both civil and criminal sanctions are provided. The civil sanction provides that unexpended personal funds remain in escrow for 60 days following the general election for the office in question. During that period, the Federal Election Commission or any candidate for such office may institute a civil action for forfeiture of the remaining funds to the U.S. Treasury on the ground that the candidate who deposited the funds knowingly made a false statement in his declaration. The candidate shall have the burden of proving either that the statement was true or that he did not know the statement was false at the time it was made.

Mr. President, this may seem like a harsh measure and I realize the measure will change drastically campaign financing, but I believe it is necessary to insure equal standing among candidates for Federal office. Further, the measure will prohibit the desperate, last minute incurrence of personal debt by candidates—debts which hound unsuccessful candidates and cause undue pressure on successful candidates.

Mr. President, I urge my colleagues to address this serious problem by considering my proposal early during the 95th Congress.

By Mr. WEICKER:

S. 16. A bill to provide for a nationwide Presidential primary for the nomination of candidates for election to the Office of President, and to limit Federal campaign contributions and expenditures of the year in which a Federal election is held; to the Committee on Rules and Administration.

S. 39. A bill to terminate public financing of Presidential elections; to the Committee on Finance.

THE PRESIDENTIAL PRIMARY ACT AND LEGISLATION TO TERMINATE PUBLIC FINANCING OF PRESIDENTIAL CAMPAIGNS

Mr. WEICKER. Mr. President, I am introducing today legislation to end the hodge-podge of the Presidential nominating process. This legislation, S. 16, entitled the "Presidential Primary Act," would establish a nationwide Presidential primary to be held in August of each Presidential election year, and restrict contributions to campaigns for Federal office to the year in which the election is held. To complete this reform package, I am introducing a separate piece of legislation to terminate public financing of Presidential campaigns.

By adopting S. 16 we will achieve two essential reforms in our election process. First, we will drastically reduce the length of Presidential campaigns and thereby reduce their cost. Second, we will increase voter participation in the selection of Presidential candiates.

Mr. President, the basic problem of Presidential campaigns has always been this: Presidential campaigns are too long. A campaign of inordinate length requires money in inordinate amounts. Long campaigns translate into big money.

The Presidential Primary Act would attack the problem at its source—time. In order to be placed on the national primary ballot, Presidential candidates would be required to file, by June 30, a petition signed by qualified voters of their party plus unaffiliated voters, totaling 1 percent of the total vote in the last Presidential election. The national Presidential primary for each party would be held on the first Tuesday in August. If no candidate received 50 percent of the vote, a runoff election between the top two finishers of each party would be held on the third Tuesday in August. Vice Presidential candidate selection would continue in the manner each party desired. Thus, within a 2-month period, the Presidential ticket for major political parties would be established.

By reducing campaign time it would reduce the role of money in political campaigns—and thus eliminate the need to finance politicians' campaigns and vanity with tax dollars. In 1974, the Congress responded to the fundraising practices of the 1972 election by passing the Campaign Reform Act, which provided for public financing of Presidential campaigns via a tax checkoff system. It sought to close the door to unscrupulous pressure groups, yet opened another to self-interested politicians. After the experiences of 1976, America is ready to close both doors.

A major aspect of S. 16 is the end of the partial disenfranchisement of unaffiliated voters. Under this proposal they will be allowed to vote in the party primary of their choice. State laws governing elections limit the participation of unaffiliated voters to an "end of the road" choice between two alternatives presented by the major parties. Preferential treatment is given the party affiliated at the expense of unaffiliates, who comprise more than a third of all registered voters. Under color of State law a major segment of our citizenry has been effectively disenfranchised from a vital and integral part of their right to participate in the political process. The time has come to bring democracy to Presidential primaries by giving everyone—independents as well as Republicans and Democrats—the chance to participate from the beginning.

Mr. President, America has always been a nation of dreamers and doers. Not content with "what might have been," we have attempted throughout our history to wed promise to practice, to forge from our ideals the courage to try. What I have proposed today is beyond the pale of politics as usual. What it will cost in stability in the short term, I believe it will repay in the long term by greater enfranchisement, participation, and electoral sanity.

By Mr. McINTYRE (for himself and Mr. BROOKE):

S. 17. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the conservation of energy used to heat or cool residences and commercial buildings and for the utilization of renewable fuel energy sources; to the Committee on Finance.

RENEWABLE ENERGY AND ENERGY CONSERVATION TAX ACT OF 1977

Mr. McINTYRE. Mr. President, to depend on oil as the major source of our energy is to depend on a cartel abroad and on dwindling supplies at ever-increasing extraction costs at home. The reality of our energy situation is that we must have alternatives to oil—safe, clean alternatives that cannot be monopolized by any cartel. Although in the past 3 years we have made some progress toward a national energy policy that meets our needs, we must redouble our efforts in this Congress.

In a December newsletter to constituents who are very interested in energy affairs, I described the progress that Congress has made so far and outlined steps that still must be taken to beat

the energy crisis. I ask unanimous consent to insert in the RECORD at this point excerpts from that newsletter.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NO NATIONAL ENERGY POLICY YET—BUT SOME PROGRESS HAS BEEN MADE

It has been three years since petroleum-exporting nations tripled the world price of oil, and three years since the paralyzing Arab embargo that created the stage for those price increases. In that time, this Congress has done far too little, I am sorry to say, to solve the problems that crisis has caused.

We are not much nearer a national energy policy than we were when the embargo and the spiral of price increases began. But progress has been made in some areas of energy development and conservation.

MAJOR LEGISLATION

Last December, the Congress enacted the Energy Policy and Conservation Act, a major piece of legislation with positive as well as negative features.

On the positive side, the Act did the following:

Required auto manufacturers to improve the efficiency of their product;

Authorized the creation of a strategic petroleum reserve intended to help the nation weather any future oil cut-off from abroad;

Required appliance manufacturers to label appliances for energy efficiency;

Provided Federal funding and coordination for state energy conservation plans;

Set up a central energy data bank in the Federal government.

MODIFIED BUILDING CODES

And, as part of another energy-related bill, Congress enacted a measure that will require towns, cities and states to modify building codes over the next several years to meet a national standard of energy conservation to be developed by the Department of Housing and Urban Development.

FUNDING RENEWABLE RESOURCES

In addition, this Congress has committed the Federal government to a substantially higher level of funding for solar energy and other renewable, non-polluting energy resources. The solar, wind, ocean currents, biomass conversion and related energy research budgets of the Energy Research and Development Administration have been increased to a combined total of $290 million for fiscal 1977, more than three times the level of funding in 1976.

NEGATIVE ASPECTS

Chief among the negative features in the Energy Policy and Conservation Act is the provision that will end price controls over domestic oil in the next three years.

The argument is made that unless prices are allowed to rise, Big Oil will not be inspired to find and develop new sources of domestic oil.

But to the poor and to those on fixed incomes with no way of meeting higher costs for utilities and transportation, the energy problem is a problem of prices—not supply. A "solution" that does little but raise prices and the tax burden on consumers represents no solution at all to a substantial part of our society.

Moreover, we have already seen that the price rises allowed under loose controls have not increased our domestic oil supplies. Indeed, we are importing more oil from abroad than ever before.

OTHER NEGATIVES

I also have some objections to how the Administration proposes to set up a strategic petroleum reserve—putting all the storage sites in "oil country"—the Gulf Coast and the Midwest—while making no provision for oil storage on the East Coast, the region most dependent upon foreign oil.

As to the separate but related measure establishing a national standard for energy conservation that building codes will have to meet, I am troubled by some of the enforcement sanctions. The potential home-buyer, for instance, would be the one to suffer if a town, city or state failed to comply with the standard.

Nevertheless, the overall objectives of this bill have my strong support. And if state and local governments back this push for energy conservation, those sanctions may never have to be used.

POLICYMAKING POWER IS SPREAD TOO THIN

Despite passage of some constructive legislation, attempts to create a consistent national energy policy remain stymied. Deep philosophical differences between the two major political parties—and the even more divisive regional differences between energy-producing and energy-consuming states—continue to block agreement on policy.

The power to make hard energy policy decisions—and the authority to carry out those decisions—have been diluted. Policy-making has been spread among too many administrative agencies.

In this atmosphere of unresolved policy questions and divided authority, Congress frequently has been caught up in lengthy debate over small questions, while larger questions go unanswered and constructive legislation is frustrated.

A painful example comes quickly to mind.

Earlier this year, the Senate considered two proposals that would have provided incentives for citizens to invest in renewable energy and energy conservation in existing homes and businesses.

I introduced a bill, and others sponsored similar legislation, that would have paid 25 percent of the cost of such energy investments through tax refunds. The other approach—which I co-sponsored—would have provided the same amount of money through government-subsidized loans.

But when it came time to act, the Senate was caught in a paralyzing debate over which was the better approach—a debate that was complicated by the difficulties in communicating among several committees at once. As a result, both sides lost the argument: the tax credit was abandoned, and the loan program proposal was stripped down to a mere demonstration program in the Department of Housing and Urban Development.

We shouldn't have deadlocked over approach. If we already needed to know which was the better, we could have tried both, compared them, and chosen the most effective. But we didn't, so once again a promising program was killed by differences over lesser issues.

ENERGY, ECONOMY, ENVIRONMENT CLOSELY LINKED

The question is: How can we find our way out of this thicket in the next Congress?

The first step is to recognize that our failures in the past have been caused in part by our inability to understand the relationship between energy policy, our economy, and our environment. A national energy policy must be based upon an understanding of these relationships.

Here are some of the underlying considerations:

1. Development of future energy resources must not lay waste to our environment. By any standard, even the coldest dollars-and-cents measurement, it is unsound policy to despoil the environment in order to provide heat and electricity. Why? Because the bills to pay for correcting the damage inevitably come due . . . and must be paid.

2. Energy policy must be compatible with an economic policy that in the long run provides secure and permanent gains in employment. Many of us are only beginning to realize that large-scale, capital-intensive energy investments provide only short-term increases in employment. At the same time, they drain the economy of investment money that could provide more lasting employment if put to other uses.

3. Government policy must become increasingly skeptical about proposals for loan guarantees, tax loopholes or other preferential access to investment capital to giant energy companies. For the past eight years, we have witnessed a growing trend toward merging the functions of giant companies and the government—at taxpayers' expense. This trend must be discouraged.

4. The most optimistic estimates say that our domestic supply of oil will last another 50 years. And unless we can solve the problems of safe disposal of nuclear waste and of developing the fast breeder nuclear reactor, we cannot depend upon nuclear power as a long-term source of energy. So our energy policy should be based on the understanding that conventional fuels will grow increasingly scarce—and more and more costly—in the decades ahead. Alternative sources of energy, especially renewable sources, will be an undeniable necessity.

5. And, finally, energy policy must recognize that our economy is still basically a free-market economy. Not only must we grow more suspicious of proposals to subsidize large energy industries, we must also address the question of domination of all energy markets by a few huge conglomerates.

STEPS THE NEXT CONGRESS COULD TAKE

The second step is to bend every effort to reorganize and streamline energy policy-making and administrative authority.

We should start by restructuring the major energy regulatory and policy-making agencies into one Cabinet-level organization—a Department of Energy.

And in the Congress, I, for one, intend to take a hard look at the need for the same kind of streamlining and reorganization of authority for energy policy-making.

Here are some specific steps the next Congress could take to facilitate the establishment of a comprehensive national energy policy.

1. Reorganize the many Federal energy agencies, taking energy functions away from some existing agencies that have other functions, and creating a Department of Energy as a first priority. Also, review the energy functions of Congressional committees with an eye to streamlining the decision-making process . . . and give serious consideration to creating a Committee on Energy.

2. Develop renewable sources of energy as quickly as possible. The fiscal 1977 appropriation of $290 million for renewable energy resource should be considered a rock-bottom minimum. At the same time, step up research in energy conservation.

3. Enact a tax credit, loan or other program to encourage the public to make investments in energy conservation and renewable energy in the home and places of work.

4. Expand government support for education programs in renewable energy at the vocational-technical level as well as in engineering, architecture and design.

* * * * *

PRICE HIKES ALONE ARE NO SOLUTION

Why the urgency for developing a truly comprehensive—and fair—national energy policy?

Because we have seen what has happened in the absence of such a policy.

Relying solely on price increases to solve the energy crunch hasn't worked.

Domestic crude oil cost less than $4 a barrel before the oil embargo was declared. Today—under loosely applied price controls—

the average price of oil is approaching $9 a barrel—with provisions already written into law that would allow domestic oil prices to rise eventually to the price set by the cartel.

And to what end? Domestic oil supplies have continued to dwindle the past three years, despite the rise in price. And imports have increased sharply.

* * * * *

ENERGY INDEPENDENCE

We are wooed by the seductive appeal of "energy independence"—a cruel catchphrase that serves the purpose of none but the giant energy companies.

We in New England know that "energy independence" is a hollow phrase. We now have to import 80 percent of the oil we use. And we have no illusions that we can reduce that dependence below 50 percent for another 20 years or more. There is just not enough oil to be found within our nation's borders, government geologists tell us. Oil from off the eastern coast will probably contribute to our supplies, but we must look forward to alternatives to cut down our reliance on the oil-producing nations—coal, to the extent that it can be burned cleanly; solar energy and other renewable energy resources; and energy conservation.

It is only by changing our emphasis from the unrealistic goal of complete "independdence"—which is just another form of economic slavery to the giant energy companies—to a policy that decreases Americans' energy costs as much as possible—while maximizing jobs and protecting the environment—that we can ever hope to agree on a national energy policy.

Mr. McINTYRE. Mr. President, today, with the distinguished Senator from Massachusetts (Mr. BROOKE) as cosponsor, I have introduced the Renewable Energy and Energy Conservation Tax Act of 1977. This bill provides a tax credit for residential and business investments in renewable energy and energy-conserving measures, including solar energy, wind energy, geothermal energy, and a variety of insulation and energy-conserving devices.

In content, this bill is almost identical to the energy conservation and renewable energy provisions of the Tax Reform Act of 1976, which were stripped from the act in conference.

However, this bill is significantly different from last year's proposed tax credit in one respect. The tax credit came under fire from some tax reform advocates last year on the grounds that lower income persons would not be able to take full advantage of the credit because, first, they cannot afford to purchase energy conservation and renewable energy equipment in the first place, and second, because the tax liability of a person of modest income might not be large enough to take full advantage of the tax credit. The credit was thus seen by many advocates of reform as chiefly benefiting those in higher income groups.

I agree with this view, and I propose two steps to help those of lower income to save on the high cost of energy. The first is a provision in this bill to allow the individual taxpayer to "carry forward" any unused balance of the credit after the taxable year in which the investment is made, and apply the balance of the credit in succeeding years.

Still, many individuals do not have the means to make investments in energy conservation and renewable energy in their homes. Therefore, I plan to introduce soon a companion measure that will provide loans to individuals, with the Government paying a percentage of the principal, for energy conservation and renewable energy. This measure will be similar to a loan program which was proposed by my distinguished colleagues from Massachusetts (Mr. KENNEDY) and South Carolina (Mr. HOLLINGS) last year, which I cosponsored.

It is my intention that both the tax measure and the proposed loan program be put into effect for a limited number of years, as incentives to consumers of energy and a stimulus to our economy. It is worth noting also that these two programs of incentives are to be mutually exclusive to the consumer; no one will be permitted both for the same investment.

I urge the Committee on Finance to give its support to the Renewable Energy and Energy Conservation Tax Act of 1977 or to similar legislation, and I urge all my colleagues to quickly adopt incentives for these alternatives to imported oil.

By Mr. McINTYRE (for himself and Mr. HATHAWAY):

S. 18. A bill to require that certain information about gasoline be disclosed to consumers; to the Committee on Commerce.

OCTANE DISCLOSURE ACT OF 1977

Mr. McINTYRE. Mr. President, our Nation is paying dearly today for its history of wasting energy when energy was cheap. And our careless use of energy is one of the major causes of environmental pollution.

Along with my esteemed colleague from Maine (Senator HATHAWAY), I have introduced today a bill which will, if passed, contribute to a cleaner environment and will conserve energy. This bill, the Octane Disclosure Act of 1977, will save many consumers money as well by helping motorists choose the gasolines best suited for their cars. The bill is identical to a bill which passed the Senate unanimously in 1976, but which did not pass in the House.

Owners of gasoline filling stations across the Nation would be required, under this bill, to post octanes on gasoline pumps according to a uniform set of numbers of symbols to be determined by the Federal Trade Commission. And new car manufacturers would be required to disclose the octane needs of their cars to each motorist. This disclosure of octane information would be supervised by the Federal Trade Commission and would be enforced at the gas pumps by the Environmental Protection Agency, which has an active inspection program in operation today to insure that filling stations supply nonleaded gasoline to the public. The authority to require posting of octanes rests with the Federal Energy Administration at present, but the FEA does not have the field personnel to enforce its program; as a result, many filling stations today do not have octane information for the public.

In closing, I ask the leadership of the Senate and the Committee on Commerce to hold hearings and to report and pass this legislation as soon as possible.

Mr. HATHAWAY. Mr. President, today I am pleased to cosponsor with my colleague Mr. McINTYRE, the Octane Disclosure Act of 1977.

This proposed legislation will require the posting of a uniform octane rating system for all gasoline outlets, as well as establishing responsible enforcement for such regulations.

At the present time, there is no one agency that is clearly responsible for enforcing existing regulations that require the posting of octane levels of gasoline. Nor, is there one uniform octane rating system used by those retail outlets that do, in fact, post the octane level of their product.

The lack of compliance with existing regulations and the plethora of varied octane rating systems has resulted in considerable overbuying and confusion for the consumer.

Until about 1972, the research—R—method of determining the octane level of gasoline was universally accepted. In March of 1972, however, the Federal Trade Commission, FTC, promulgated a rule that octane would be measured according to a new system, the average of the sum of research and motor—R+M/2.

On December 20, 1972, 34 oil companies asked for injunctive relief from the FTC regulation. The courts stayed the FTC rule, and in April of 1973, ruled that the FTC had exceeded its authority.

The D.C. Court of Appeals subsequently reversed this decision, and on appeal, the Supreme Court refused to hear the case.

The status of octane posting at this time is unclear. It is essential that Congress pass legislation to indicate clearly who has the authority to enforce octane posting rules.

As a result of this lack of clear authority, various octane rating systems have been used over the years. Consequently, for the most part, the numbers displayed on the gasoline pumps reflected the calculations according to the new system, R+M/2, while the recommended levels printed in the automobile manuals used the old system, R. There is an average of four points difference between the numbers of the two rating systems. The disparity in the figures has resulted in considerable overbuying of premium gasoline by confused consumers.

According to research documented by the Public Interest Campaign, the confusion resulting in overbuying has needlessly required an additional 63,500 barrels of oil every day for the production of higher octane gasoline. Accordingly, we are wasting enough oil to produce 1.24 million gallons of gasoline every day.

Under this proposed legislation, that confusion will be eliminated. The FTC will be required to determine a uniform system that will be used universally for display on the gasoline pumps, on the automobile, and in the manuals for all vehicles.

In addition, the proposed legislation stipulates that those involved in the resale or distribution of gasoline will also be required to certify in writing the oc-

tane level according to the system devised by the FTC.

Enforcement at the gasoline pump will be carried out through an agreement between the FTC and the Environmental Protection Agency, which already sends inspectors into gasoline stations to enforce regulations requiring stations to sell unleaded gasoline. Failure to disclose proper octane information will result in a civil penalty of $100 per day.

Mr. President, the substance of this proposed legislation withstood considerable scrutiny by the Senate Commerce Committee in the 94th Congress, in the form of S. 1508. The Senate passed S. 1508 unanimously toward the latter part of the second session. There was insufficient time for that legislation to be considered by the House of Representatives.

We must proceed with the utmost speed to clearly delineate specific authority in this field, to eliminate existing confusion, and to halt the waste of our precious resources.

By Mr. McINTYRE:

S. 19. A bill to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes; to the Committee on Commerce.

FAIR MARKETING OF PETROLEUM PRODUCTS ACT

Mr. McINTYRE. Mr. President, today I am introducing a bill, the Fair Marketing of Petroleum Products Act, which is intended to give small, independent operators of service stations a fair chance at staying in business and competing with the giant oil companies which dominate all phases of the petroleum industry.

The Senate has passed service station franchise legislation three times in the past three sessions; and the bill that I introduced today is identical to a bill sponsored by former Senator Moss of Utah and passed by the Senate in June of 1975. Companion legislation has been introduced in the House of Representatives.

The need for legislation of this kind is illustrated by a startling statistic: since the fall of 1973, when widespread gasoline shortages caused a crunch at the gas pumps, nearly 50,000 gasoline stations across the country have closed permanently. Most of these were operated by independent service station operators who bought their gasoline from oil companies, and who provided a range of services, as well as gasoline, to the public. Today, caught in an economic squeeze, many other independent service station operators face the same fate. At the same time, oil companies reap high profits by selling gasoline at high wholesale prices to the independent operators, and by operating their own high-volume company outlets which typically sell only gasoline and do not provide a variety of road services and repairs to the motorist.

Ultimately it is the public which suffers when the neighborhood garage or the service station on the corner is squeezed or put out of business. The person who needs a tow truck, tuneup, or tire change finds these services less accessible, and the gasoline buyer finds that the loss of competition has resulted in higher prices.

This bill does not give lifetime tenure to each and every service station dealer; it provides no guarantees to those who are poor competitors, no guaranteed profit to those whose indifference drives customers away. It does allow an independent service station operator to take an oil company to court for unjustly terminating a lease or cutting off the supply of gasoline. The operator would be allowed to retain the station or to receive just compensation for his or her part in building that business up.

In addition, this bill contains a clause which limits the number of stations that major oil companies would be allowed to own and directly operate. At present, this limitation as provided in the bill is fairly loose; rather than arbitrarily set a tighter limit, I ask the Senate to carefully consider whether tighter restrictions on major oil company outlets are necessary before passing this bill.

This "day in court" measure is not intended to provide full equality to the service station operator in his dealings with, and competition against, major oil companies, nor does it solve all the problems of being the smallest-sized business in gasoline retailing. But in providing legal recourse to the service station operator, it can be a bargaining tool for all independent service station operators.

In closing, I wish to congratulate the Committee on Commerce for its past attention to this issue, and urge quick adoption of this or a similar measure.

By Mr. CRANSTON (for himself and Mr. KENNEDY):

S. 20. A bill to provide employment opportunities for youth in the public and private sectors of the economy, and for other purposes; to the Committee on Labor and Public Welfare.

YOUTH INITIATIVES ACT OF 1977

Mr. CRANSTON. Mr. President, I am introducing today, for appropriate reference, S. 20, the Youth Initiatives Act of 1977. This legislation is designed to stimulate the creation of employment opportunities for youth in the public and private sectors of the national economy. Joining me in introducing this measure, which is a companion bill to H.R. 20, introduced by Representative ANDREW YOUNG of Georgia on January 4, 1977, is the distinguished Senator from Massachusetts (Mr. KENNEDY).

Mr. President, this bill would establish two youth initiatives programs—a national youth service program and an opportunities in private enterprise program—in order to assure that youth participating in such programs receive meaningful work experience, while at the same time earning an appropriate income and having an opportunity to develop a better knowledge of their career interests and aptitudes, further their education and training, and develop their employment skills for entrance into the labor market. Additionally, we have designed the bill in such a way so as to encourage cooperation between Federal, State, and local governments and the private sector in order to provide youth with an opportunity to serve meaningful and self-supporting roles in our society.

THE PROBLEM OF YOUTH UNEMPLOYMENT

In harsh reality, Mr. President, while youths comprise only about a quarter of the total labor force, those under 25 account for nearly half the unemployment problem. During November 1976, 19 percent of all 16- to 19-year-olds in the labor force were unemployed—more than 1.7 million youth—and 13 percent of those aged 20 to 24 were out of work—another nearly 1.7 million individuals. On the other hand, the rate for those 25 years old and older was only 5.8 percent.

The impact of unemployment, however, has been most severe on black and minority group youths, where inner-city joblessness regularly reaches devastating rates as high as 40 percent. During November, the rate for black youth unemployment was 35.5 percent on a nationwide average.

Mr. President, the phenomenon of this high youth unemployment rate, currently more than two times the rate of national unemployment, is not confined to periods of economic hardships, but is a chronic problem, plaguing our Nation even during more prosperous times. Even in the relatively lively labor markets of 1965 and 1973—when adult unemployment was dipping below 4 percent—youth unemployment still averaged around 15 percent.

Mr. President, between 1960 and 1970, young entrants to the labor force—ages 16 to 24—increased by 7.2 million, or by 56.6 percent. This compares to an increase of 13.8 million, or 19.1 percent, for the work force as a whole. In essence, this means that better than one out of every two new entrants to the labor market during this period was a young jobseeker.

Such young jobseekers are not readily absorbed by our economy, especially when their marketable skills are just beginning to be developed, their career goals being established and modified, and their basic education and training being newly acquired or, in the case of those who have dropped out of school, not complete.

Mr. President, I think it is also important to note that these absolutely appalling figures, which we are attempting to confront positively with this bill, represent only those youth who are actively seeking employment in the labor market. These figures do not include those who have stopped trying to find jobs because they are discouraged in their attempts, those who may lack the desire, initiative, or motivation to go out and find work, those who are in school but are seeking work in order to continue their education, or those who, tragically, have become involved in our criminal justice system. They simply are not counted in these statistics, although these groups of youth alone represent a significant problem.

Mr. President, another difficulty we have encountered in attempting to deal with these statistics is the age categories provided by the Bureau of Labor Statistics. Our bill is designed to focus on

youth who have attained the age at which compulsory education is no longer necessary—generally 16—through age 21. However, relevant statistics from BLS are available only for categories of individuals 16 to 19, and 20 to 24.

As a point of interest, Mr. President, legislation which I authored in the 94th Congress, and which was enacted as part of the Emergency Jobs Program Extension Act of 1976 (Public Law 94-444), provides for the establishment of an 11-member National Commission on Employment and Unemployment Statistics. This Commission is charged with reviewing and suggesting means of revising our current methods of computing and reporting employment and unemployment statistics. Such a review would include a long, hard look at youth employment and unemployment figures, and ways in which more accurate and meaningful statistics can be obtained on which to base our public policy decisions. Additionally, the Commission is to look at ways in which we can use employment and unemployment statistics as tools to improve labor market operations, such as long-term labor market projections for the purposes of establishing realistic career goals. Such projections could be of great value to youth, as well as to adults.

Mr. President, I intend to urge the new administration to move promptly to take the necessary steps—including a fiscal year 1977 supplemental appropriations request—to get the Commission underway, so that when we discuss and attempt to deal with problems of this nature, we will have a more firm and accurate estimate of the true scope of the problem.

Mr. President, another group of individuals who would be eligible for job opportunities under this program would be young veterans. Historically, this group suffers disproportionately high rates of joblessness, much of which has been theoretically accounted for by the fact that these individuals enter the labor force at an older age than high school graduates, and very often, while having obtained considerable skills training in the service, find such skills inapplicable to civilian jobs. The rate of unemployment for young male veterans ages 20 to 24 in November was 16.4 percent, while the rate for male nonveterans of the same age group was 12.1 percent.

Undoubtedly, Mr. President, the kind of skills training and labor market development envisioned under this bill would be invaluable to these veterans, as well as those individuals who have not spent time in the service.

Mr. President, at this time I would like to describe briefly the major elements of our proposal.

YOUTH INITIATIVE PROGRAMS

First, Mr. President, as previously mentioned, the bill would establish two youth initiatives programs—the national youth service program and the opportunities in private enterprise program—to provide employment opportunities for youth.

The national youth service program is designed to provide assistance to State and local governments and public and private nonprofit organizations for the employment of youth. The bill specifies that this program have the goal of providing at least 250,000 jobs for youth each year.

The opportunities in private enterprise program is designed to provide assistance to for-profit business concerns for the provision of youth employment opportunities. This program would have the goal of creating at least 35,000 jobs for youth annually.

In addition, Mr. President, the bill would establish an Office of Youth Initiatives within the Executive Office of the President. The functions of this Office would be to conduct monitoring of the two youth initiative programs, to carry out research and development activities in the area of youth employment programs, and make recommendations to the Congress and the President with respect to policies and programs affecting youth, including employment issues.

By directing the Office to undertake research and demonstration programs, the bill includes such efforts as those to determine the possibility of a large-scale youth employment project administered by the Federal Government, comprehensive work-study programs to assist employed youth to continue their education, and model youth initiative programs.

Mr. President, I believe it is important to note that we have not provided for a single specific administering agency at the Federal level. Nor does the bill require conduct of programs through any ongoing delivery mechanisms, such as CETA, since such ongoing efforts might fail to give the necessary emphasis to youth.

Mr. President, in this regard, I would like to make note of the remarks by Peter Edelman, director of the New York State Division for Youth, in an interview with Youth Alternatives, appearing in the January 1977 issue. When questioned about youth employment legislation, Mr. Edelman replied:

> I have very real reservations about the utilization of the CETA prime sponsor approach to it. I believe strongly that at the local level that will not result in funds reaching the kinds of groups that can do the best job for young people—groups composed of young people coming from inner city communities and nontraditional voluntary agencies that almost by definition don't have political clout at city hall. Even with strong guidelines, they're all going to have a tough time muscling their way into participation if the CETA prime sponsor mechanism is used.

Instead, the President is empowered to designate, within 90 days of enactment, one or more Federal agencies to conduct the program. If he makes no such designation, the program would be carried out through the Office of Youth Initiatives. It is, of course, feasible that the Department of Labor, the Department of Health, Education, and Welfare, the ACTION Agency, and the Community Services Administration would all have some interest in conducting such efforts and could, singly or as a group, carry out such programs. This flexibility as to the administering entity, just as the decentralization in the bill, is key to the concept of our measure.

COMMISSIONS

Mr. President, this theme of flexibility and decentralization is reflected in the bill's provisions for the establishment of commissions, at local and State levels, to participate in the activities of the national youth service and opportunities in private enterprise programs.

Local jurisdictions of government with populations of at least 250,000 which choose to participate directly in the program, or any State, may establish a commission of between 15 and 30 selected members to be responsible for the distribution of funds allocated under the bill, the review and approval of applications for employment projects in their respective areas, and information and outreach activities designed to acquaint youth and applicants for projects with the programs conducted through the youth initiative programs.

Mr. President, the members of the commission are to be appointed by the chief executive officer of the State in the case of a State commission, or, in the case of a commission established by a local jurisdiction, one half of each category, by the chief executive officer of such jurisdiction and the chief executive officer of the State. The members are to be selected from four areas, as follows:

One-fourth would be representative of eligible applicants for employment projects;

One-fourth would be individuals involved in education and training endeavors;

One-fourth would be representative of groups serving the special needs of youth; and

One-fourth would be interested members of the general public.

In addition, the bill requires that one-fourth of the overall membership of each commission consist of individuals who are younger than 25 years of age.

ALLOCATION OF APPROPRIATIONS

Mr. President, under the provisions of the Youth Initiatives Act, the Federal Government would make allocations to the State; subsequently, the State would make distribution to local jurisdictions which have established commissions and, for the balance of the State, to any commission which the State may have established or, if such a State commission has not been established, then to the State agency designated by the Governor. Local jurisdictions of 250,000 or more would automatically be eligible for a formula distribution of funds if they establish commissions meeting the statutory requirements. The Governor could reduce the 250,000 figure to as low as 50,000 in a State.

Mr. President, once again, flexibility is stressed.

This is also the case with the funding allocation formulas. We have not established a fixed ratio of factors. Instead, we have required that the following be taken into account in making distribution of funds:

First. The number of youths residing in the area;

Second. The number of individuals in the area who are members of households with income below the low-income level; and

Third. The rate of unemployment in the area.

Thus, the appropriate Federal administering agency—or Congress after the hearing process—could establish appropriate weighting of these factors in order to best serve the purposes of the program and meet the employment needs of youth.

In distributing the funds to programs established under this legislation, the bill requires that 75 percent of the youth participating in such programs meet the following criteria:

First. Be a member of a household with income less than the low-income level; and

Second. Be unemployed for 15 or more weeks; or for not less than half the weeks of the calendar year during which the application for employment is made; or be unemployed and out of school for a complete term.

Mr. President, we have provided these criteria in order to safeguard against youths dropping out of the education system in order to get work under this program. However, I think it is important to note that the research and demonstration projects conducted by the Office of Youth Initiatives, which I previously mentioned, could waive these unemployment criteria on an experimental basis in order to determine if some other criteria could be more effective.

In addition, Mr. President, under the bill, preference would be given to youths who have deficient educational backgrounds and basic skills, who are veterans with readjustment problems, who are handicapped, who have been involved in the criminal justice system, or who otherwise have demonstrated a special need.

Mr. President, I understand that these criteria and preferences necessarily limit participation in the program. But I believe there is sufficient leeway in the bill to permit at least some youth from all circumstances to enjoy the employment opportunities. Because we are limited in terms of the budgetary resources and effective administrative capacities that can be provided for these programs—at least at the outset—we must set priorities. I believe that the requirements set forth in this bill are realistic and will serve the purposes of this legislation—to provide employment opportunities to the greatest possible number of youth and to those most in need of those opportunities.

EMPLOYMENT PROJECTS

Mr. President, as I noted before, the commissions and/or the States would be responsible for approving applications of eligible applicants. Such applicants can include States, political subdivisions of States, and private and public nonprofit and profitmaking business concerns.

Projects would be required to result in the production of goods and services which would be valuable to the community, such as, under the national youth service program, public service employment involved with and emphasizing housing rehabilitation, environmental conservation, mass transportation, recreation facilities, and services to children, elderly persons, and those with needs for special assistance. Under the opportunities in private enterprise program, for-profit business concerns could establish projects providing jobs for youth as apprentices and interns in the private sector. Youths employed in these programs would receive compensation for hours worked at least at the Federal minimum wage together with appropriate fringe benefits but no more than 125 percent of the minimum wage. This wage requirement could be met in residential projects by including the value of room and board provided.

Additionally, the bill would require a strong component of continuing education and training, counseling and placement services, opportunities for skill development, and appropriate services to facilitate transition from jobs provided under this bill, to regular, permanent jobs in the labor market. In this way, not only would youths participating in employment programs be provided with an adequate wage and a meaningful job, but also with a certain amount of preparation for their future and assistance in making the difficult transition from youth to adulthood.

Of course, Mr. President, included in the bill are appropriate safeguards to insure that these jobs for youth do not impair jobs for adults, that plans for programs and approvals of projects are fully coordinated with ongoing efforts under the Comprehensive Employment and Training Act, CETA, and that these jobs will not be substitutes for jobs which would have been created otherwise. There is also the stipulation that Federal funds may not be used to defray more than 80 percent of the cost of any youth employment project, with non-Federal funds contributed in cash or in kind. Although Federal funds are prohibited to be used for the acquisition of equipment and supplies, projects could obtain equipment and supplies through the 20-percent non-Federal match for each project which may be in cash or in kind.

Not less than 70 percent of each project's funding would be used to pay compensation and to provide fringe benefits; not more than 25 percent would be used to provide education, training, supervisory, and support services; and the remaining 5 percent could be used for administration of the project. Applications for employment projects would be subjected to a public hearing process prior to approval. Employment projects would generally be limited to less than 100 jobs; however, the bill does make provision for a very limited number of larger projects.

Mr. President, in this regard, I would like to make special note of a program that California, under Governor Jerry Brown, has developed. The effort represents a modern version of the Civilian Conservation Corps of the 1930's. This promising initiative, called the California Conservation Corps, works in this manner: After an orientation period, corps members are assigned to one of several base centers where they live and work on jobs such as building trails, cleaning debris from streams, wildlife and watershed protection, developing public parks, and assisting in fighting forest fires and in water and energy conservation projects. In addition, plans are now being implemented to expand the program into urban areas, where corps members will work on jobs such as cleaning parks and streets and rehabilitating deteriorated housing. Corps members must commit at least a year of their time, and are provided room and board and paid on a graduated scale from $260 to $355 a month.

Because of the funding discretion which would be given to States and local jurisdictions under S. 20, California could vastly expand its program through Federal funds provided under this bill. In addition, other States and their localities would be able to use the California Conservation Corps as a model for similar programs. I am especially pleased about this aspect of the Youth Initiatives Act.

AUTHORIZATION OF APPROPRIATIONS

Mr. President, the bill contains a "such sums as may be necessary" authorization for each of fiscal years 1978, 1979, and 1980 for the carrying out of the national youth service program and a $250 million authorization for each of fiscal years 1978, 1979, and 1980 for carrying out the activities under the opportunities in private enterprise program. As I noted previously, these two efforts would have annual goals of providing 250,000 and 35,000 jobs for youth, annually.

There is an additional authorization of $100 million for the Office of Youth Initiatives which would have the responsibility for research and demonstration activities, as well as the responsibility for monitoring and evaluating youth employment programs conducted under the act.

CONCLUSION

Mr. President, the consistently high rates of youth unemployment are symptomatic of this Nation's failure to respond adequately to their special needs for suitable employment and training, career and other counseling, basic skills development, and labor market placement services. By providing for, first of all, jobs and an appropriate income, coupled with counseling and placement services, our bill attempts to confront the immediate problem. By directing the undertaking of intensive research and demonstration programs to put forth suggestions for more comprehensive youth programs, we are attempting to deal with the problem in the structural sense, such as attacking deficiencies in current labor market operations or in the educational systems.

Currently, Mr. President, the Nation does not have a specific policy or program designed to turn around the trend of high and dismal rates of youth unemployment. It is imperative that we act promptly and carefully to set in place an effective and meaningful initiative to create meaningful job opportunities and related training for youth. While projections are that we can expect a modest economic recovery over the rest of this decade, and that the youth population will decrease gradually, the present level of projects for youth unemployment remains discouraging.

Mr. President, we need a major effort to deal with the problems of youth in the labor market, and I believe the measure we are introducing today provides both a realistic and effective approach.

Mr. President, I ask unanimous consent that a summary of the bill and its full text be printed at this point in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 20

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Youth Initiatives Act of 1977".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act—

(1) to stimulate the creation of employment opportunities for youth in the public and private sectors of the national economy;

(2) to provide goods and services which otherwise would not be available to States and localities and to the Nation;

(3) to assure that youths participating in programs under this Act will receive meaningful work experience during which such youths will (A) receive an appropriate income; and (B) have an opportunity to develop a better knowledge of their career interests and aptitudes and further their education and training;

(4) to assist youths in the development of employment skills;

(5) to improve the effectiveness of labor market operations in providing jobs and training to youths; and

(6) to encourage cooperation between Federal, State, and local governments and the private sector in order to provide youths with opportunities to serve in meaningful and self-supporting roles in society.

TITLE I—YOUTH INITIATIVES PROGRAMS

ESTABLISHING OF PROGRAMS AND OFFICE

SEC. 101. (a)(1) There is established a national youth service program which shall be carried out in accordance with the provisions of this title, and which shall be designed to provide assistance to States, local governments, and public or private nonprofit organizations for the employment of youths. Such program shall have the goal of providing employment opportunities for at least 250,000 youths each year.

(2) There is established an Opportunities in Private Enterprise program which shall be carried out in accordance with the provisions of this title, and which shall be designed to provide assistance to business concerns for the employment of youths. Such program shall have the goal of providing employment opportunities for at least 35,000 youths each year.

(b)(1) There is established, in the Executive Office of the President, an office to be known as the Office of Youth Initiatives.

(2) The Office shall—

(A) carry out the functions established in section 202; and

(B) unless the President makes any designation under subsection (c), carry out the provisions of this title.

(c) The President may, no later than 90 days after the date of the enactment of this Act, designate any Federal agency or agencies which the President considers to be appropriate to carry out the provisions of this title.

ESTABLISHMENT OF COMMISSIONS

SEC. 102. (a) Any local jurisdiction which desires to participate in any program established in section 101(a) shall establish a commission in accordance with the provisions of this section.

(b)(1) Any State which desires to participate in any program established in section 101(a), with respect to any area in such State which is not served by a local jurisdiction, may establish a commission in accordance with the provisions of this section.

(2) Any State which desires to establish a commission for the purposes of participating in any program established in section 101(a) may transmit to the Federal administering agency a proposal for the establishment of such a commission in accordance with the provisions of this section. The Federal administering agency shall review and approve any such proposal which meets the requirements set forth in this section.

(c) Any commission established under this section may use, for its administrative functions, not more than one-half of 1 percent of the amount allocated to it under section 103 for any fiscal year, except that any such amount shall be matched from non-Federal funds.

(d)(1) Each commission shall have not less than 15, nor more than 30, members. In the case of a commission established by a local jurisdiction (A) one-half of the members of such commission shall be appointed by the chief executive officer of the local jurisdiction and the remainder shall be appointed by the chief executive officer of the State; and (B) to the extent practicable, one-half of the members appointed under subparagraphs (A) and (B) of paragraph (2) shall be appointed by the chief executive officer of the local jurisdiction and the remainder shall be appointed by the chief executive officer of the State. In the case of a commission established by a State, the members of such commission shall be appointed by the chief executive officer of the State after soliciting and receiving recommendations from local jurisdictions and organizations representing and serving youth throughout the State involved.

(2) The members of each commission shall be selected as follows—

(A)(i) one-fourth shall be selected from among officers and employees of entities which may be eligible applicants;

(ii) one-fourth shall be selected from among individuals active in the field of education and training;

(iii) one-fourth shall be selected from among individuals representative of groups and organizations involved in meeting the special needs of youth; and

(iv) one-fourth shall be selected from among interested members of the general public; and

(B) one-fourth of the total membership of the commission shall be comprised of individuals who are less than 25 years of age.

(d) Each commission shall—

(1) be responsible for the distribution of funds received by a State or local jurisdiction;

(2) review and approve applications of eligible applicants in accordance with section 105;

(3) prepare annual program evaluations and reviews for submission to the chief executive officer of the State involved and to the Federal administering agency; and

(4) disseminate information to eligible applicants and to youth who may be eligible to participate in such programs, and provide for outreach and recruiting activities designed to encourage participation by youths described in subparagraphs (A) through (E) of section 105(c)(1).

(e) No member of a commission who, or whose family member, has any interest in the activities of any eligible applicant may participate in any way in the consideration of the application of such eligible applicant under subsection (d)(2).

ALLOCATION OF FUNDS

SEC. 103. (a)(1) The Federal administering agency shall allocate not less than 90 percent of the funds appropriated under section 203 in any fiscal year to States in accordance with the following factors—

(A) the number of youths residing in each State;

(B) the number of individuals residing in each State who are members of households with incomes below the low-income level; and

(C) the rate of unemployment in each State.

(2) The Federal administering agency shall allocate not more than 10 percent of the funds appropriated under section 203 in any fiscal year to States in such manner as the head of such agency considers appropriate to carry out the purposes of programs established in section 101(a).

(b)(1) Each State shall allocate not less than 90 percent of the funds received by such State under subsection (a) to (A) commissions established by local jurisdictions under section 102(a), and (B) with respect to any area of the State which is not served by a local jurisdiction, to any commission established by such State under section 102(b) or, if no such commission is established by such State, to the designated State agency, in accordance with the following factors:

(i) the number of youths residing in the area involved;

(ii) the number of individuals residing in the area involved who are members of households with incomes below the low-income level; and

(iii) the rate of unemployment in the area involved.

(2) Each State shall allocate not more than 10 percent of the funds received by such State under subsection (a) to (A) commissions established by local jurisdictions under section 102(a), and (B) with respect to any area of the State which is not served by a local jurisdiction, to any commission established by such State under section 102(b) or, if no such commission is established by such State, to the designated State agency, in such manner as the chief executive officer of such State considers appropriate to carry out the purposes of programs established in section 101(a). Allocations under this paragraph may include incentive payments to local jurisdictions which submit a joint application under subsection (c) as a result of overlapping populations as described in section 201(5).

(c) Any local jurisdiction which desires to receive an allocation under subsection (b) shall transmit an application for such allocation to the State involved. Such application shall include a plan which describes the manner in which the local jurisdiction will carry out the requirements of sections 104 and 105. Such application shall be approved no later than 60 days after its receipt, unless the State determines, after conducting a public hearing, that such application is not consistent with this Act, any applicable State law, or any regulations prescribed thereunder.

DISTRIBUTION OF FUNDS BY COMMISSIONS AND STATES

SEC. 104. (a) Any commission or State, in approving applications under section 105, shall assure that not less than 75 percent of the youths participating under programs established in section 101(a) in the local jurisdiction or State involved—

(1) are members of households with incomes below the low-income level; and

(2)(A) are and have been unemployed (i) for 15 consecutive weeks immediately before their selection for participation in such programs; or (ii) for not less than one-half of the weeks of the calendar year during which such application is made; or (B) are unemployed and have been out of school for one

complete term immediately before their application to participate in such programs.

(b) Any commission or State, in approving applications under section 105, shall fully consult with prime sponsor planning councils (established under section 104 of the Comprehensive Employment and Training Act of 1973) and State manpower services councils (established under section 107 of such Act) in order to achieve maximum coordination of plans, programs, and projects.

(c) Any State which receives an allocation under section 103 may retain not more than one-half of 1 percent of such allocation in any fiscal year for use, by any commission established by it or the designated State agency, in administering programs under this title. Any funds retained under this subsection shall be matched in cash by the State with non-Federal funds.

APPLICATIONS

SEC. 105. (a) Any eligible applicant which desires to carry out a project under this title may transmit an application to the appropriate commission or State, as the case may be. Any such application shall also comply with regulations of the Federal administering agency to assure that each application shall be in such form, and shall be transmitted in accordance with such procedures, as the commission or State may require, and shall—

(1) contain a detailed description of (A) the type of work to be carried out in the project; (B) the type of employment positions which will be filled; and (C) the period during which youths will be employed in jobs under the project;

(2) contain a detailed description of the opportunities for skill development and job training which will be made available to youths participating in the project, including (A) an analysis of the manner in which the project will meet the needs of participating youths and provide needed goods and services to the community involved; (B) an analysis of opportunities in the labor market for youths who obtain skills and training in the project; (C) a description of the manner in which participating youths will be provided ongoing basic education and training services through arrangements with secondary schools, community colleges, and trade and technical schools, and the manner in which such education and training services will be coordinated with similar activities conducted by Federal, State, and local programs; and (D) a description of the counseling and placement services (including an individualized future training, education, and employment plan) to be provided to each participating youth;

(3) contain a detailed description of the manner in which youths have been involved in the development of the application for the project;

(4) describe the manner in which the non-Federal share will be provided, including the type and value of any in-kind services; and

(5) contain such additional information as the commission or State may require.

(b) A commission or State may not approve any application for a project transmitted by an eligible applicant under this section unless the commission or State determines that the project—

(1) will result in the production of goods and services which are valuable to the community and to the Nation, including, in the case of the National Youth Service program, public service employment (as defined in section 701(7) of the Comprehensive Employment and Training Act of 1973), and will seek to emphasize the rehabilitation of housing and expansion of housing supply, the improvement of environmental conservation, the development of mass transportation, the improvement and expansion of recreational facilities for youth described in subparagraphs (A) through (E) of section 105(c)(1), and the provision of services to children from families below the low-income level, elderly and handicapped persons, and others in need of special assistance.

(2) will provide appropriate counseling and placement services (as specified in subsection (a)(2)(D)) designed to facilitate the transition of youths from participation in the project to (A) permanent jobs in the public or private sector; or (B) education or training programs;

(3) will be initiated as soon as practicable;

(4) will be completed no later than 3 years after the date upon which the application is approved;

(5) will provide effective means through which youths participating in the project may acquire knowledge and skills and receive basic education and training as described in subsection (a)(2)(C), and will establish procedures designed to certify the extent to which each such youth has acquired such knowledge and skills;

(6) is designed to result in the hiring of youths participating in the project by the eligible applicant carrying out the project after completion of the project, and in the placement of other youths participating in the project in appropriate jobs in the community;

(7) will provide an inventory of job tasks which can be performed by handicapped individuals;

(8) except as provided in subsection (g), will provide not more than 100 jobs for youths who desire to participate in the project; and

(9) will not (A) impair any existing contract for the provision of goods or services; (B) result in the substitution of Federal funds for the performance of work which would be performed in the absence of the availability of such funds; or (C) result in the substitution of jobs receiving assistance under this title for jobs receiving assistance under any other Federal program.

(c) Any eligible applicant which desires to carry out a project under this title shall provide assurances that—

(1) in any case in which the number of youths applying for participation in the project exceeds the number of jobs available in the project, preference will be given to youths who (A) have deficient educational backgrounds and basic skills; (B) are veterans of military service having difficulty in readjusting to civilian life; (C) are handicapped individuals; (D) have a history of involvement in the criminal justice system, or have participated in programs designed to divert youths from the criminal justice system; or (E) have otherwise demonstrated special need, as determined by the commission or State;

(2) not more than 5 percent of funds made available to the eligible applicant will be used for administering the project, not more than 25 percent of such total funds will be used for the provision of education, training, supervisory, and other supportive services and not less than 70 percent of such total funds will be used for the payment of compensation and the provision of benefits to youths employed in the project;

(3) youths participating in the project will receive total compensation (including the value of room and board in the case of a residential project) for work (A) equal to or greater than the Federal minimum wage, together with appropriate fringe benefits, as determined by the commission or State; but (B) at rates which do not exceed 125 percent of the Federal minimum wage, if the project includes a graduated payment schedule;

(4) youths participating in the project (except in the case of a residential project) will receive compensation for work no later than 30 days after such work is performed;

(5) no job positions will be filled before the close of the period during which applications for such positions may be submitted; and

(6) appropriate arrangements have been made to comply with section 104(b).

(d)(1) A commission or State shall conduct public hearings, not less often than annually, with respect to applications for projects by eligible applicants under subsection (a).

(2) A commission or State shall determine whether to approve any such application no later than 30 days after the conclusion of the public hearing held with respect to such applications.

(e) Federal funds may not be used to defray more than 80 percent of the cost of any project approved under this section. The non-Federal share may be in cash or in kind.

(f) In the case of public or private nonprofit organizations which are carrying out any project under this title, payments of funds allocated to such organizations may be made in advance.

(g) The Federal administering agency shall establish guidelines which permit the approval by the commission or State involved of projects under this section which would provide more than 100 jobs for youths who desire to participate in the project. Not more than 5 percent of the funds allocated to any State under section 103 in any fiscal year may be used to carry out such projects.

(h) Any project which is not completed by the end of the one-year period immediately following the date upon which such project begins (1) shall be reviewed annually by the commission or State, and (2) may be renewed by such commission or State upon completion of such review, except that no such project may be terminated unless pursuant to a public hearing and no project may exceed 3 years in duration.

(i) In any case in which the number of youths who apply for participation in a project, and who qualify under criteria established in subparagraph (A), (B), (C), (D), or (E) of subsection (c)(1), exceeds the number of jobs available in the project, the eligible applicant involved may establish and carry out a random selection process in order to fill the job positions available.

SPECIAL REQUIREMENTS AND CONDITIONS

SEC. 106. (a) No Federal funds received by any eligible applicant under this title may be used by such eligible applicant (1) to compensate any youth who is hired to fill a position created by the suspension or termination of the employment of any regular employee of such eligible applicant; or (2) to purchase any equipment or supplies in connection with carrying out the project involved.

(b) No person in the United States shall on the ground of race, creed, color, national origin, sex, or political affiliation or beliefs, or on the ground of any other factor specified in any Federal law prohibiting discrimination, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this Act.

(c) Any job position created by any project carried out under this title shall be in addition to any job position which would be created by the eligible applicant if such applicant did not participate in any program established in section 101(a).

TITLE II—GENERAL PROVISIONS

DEFINITIONS

SEC. 201. For purposes of this Act—

(1) the term "commission" means any commission established under section 102;

(2) the term "eligible applicant" means—

(A) with respect to the National Youth Service program established in section 101(a)(1), any State or political subdivision thereof and any public or private nonprofit organization; and

(B) with respect to the Opportunities in Private Enterprise program established in section 101(a)(2), any for-profit concern;

(3) the term "Federal administering agency" means the Office or, if the President exercises the authority established in section 101(d), the Federal agency or agencies designated by the President under section 101(d);

(4) the term "handicapped individual" has the meaning given it by section 7(6) of the Rehabilitation Act of 1973 (29 U.S.C. 706(6);

(5) the term "local jurisdiction" means any city or county which has a population of 250,000 or more, except that (A) in any case in which a county which has a population of 250,000 or more includes a city which has a population of 250,000 or more, the chief executive officer of the State involved shall determine, based upon published regulations which specify objective criteria, whether the city or county involved shall be considered the local jurisdiction for such overlapping population for purposes of this Act; and (B) the chief executive officer of the State may reduce the population level of 250,000 established in this paragraph to any population level which exceeds 50,000;

(6) the term "low-income level" has the meaning given it by section 701(a)(4) of the Comprehensive Employment and Training Act of 1973 (29 U.S.C. 981(a)(4));

(7) the term "Office" means the Office of Youth Initiatives established in section 101(b);

(8) the term "State" means the several States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, except that, for purposes of section 103(a), such term does not include Puerto Rico; and

(9) the term "youth" means any individual who (A) has attained the age with respect to which the requirement of compulsory public education ceases to apply under the laws of the State in which such individual resides; and (B) has not attained 22 years of age.

PROGRAM DEVELOPMENT AND EVALUATION

SEC. 202. (a) The Office shall monitor programs and projects carried out under title I and shall transmit a report to the Congress and to the President no later than 18 months after the date of the enactment of this Act. Such report shall include—

(1) an analysis of the effectiveness of such programs and projects, and a comparison of such effectiveness with the effectiveness of other similar Federal programs and projects;

(2) a discussion of the appropriate future scope and structure of programs and projects carried out under title I and other similar Federal programs and projects; and

(3) such recommendations for legislative or other action as the Office considers necessary or appropriate.

(b) The office shall carry out research and development activities with respect to youth employment programs. Such activities shall include—

(1) the establishment of demonstration projects to determine the feasibility of improving and expanding the programs established in section 101(a) to include—

(A) a national priorities program designed to fund large-scale youth employment projects administered by Federal agencies;

(B) a comprehensive work-study program designed to carry out projects to assist employed persons in continuing their education; and

(C) model projects for carrying out the programs established in section 101(a); and

(2) the development and transmittal of recommendations to the Congress, the President, the heads of Federal agencies, and other governmental officers with respect to policies and programs relating to unemployment among youths and other youth problems.

AUTHORIZATION OF APPROPRIATIONS

SEC. 203. (a) There are authorized to be appropriated for each of the fiscal years 1978, 1979, and 1980, such sums as may be necessary to carry out the National Youth Service program established in section 101(a)(1).

(b) There is authorized to be appropriated $250,000,000 for each of the fiscal years 1978, 1979, and 1980, to carry out the Opportunities in Private Enterprise program established in section 101(a)(2).

(c) The Commonwealth of Puerto Rico shall be entitled to an allocation for any fiscal year in an amount which does not exceed 2 percent of the total amount of funds appropriated for such fiscal year under this section. The Federal administering agency, in determining the amount of funds which shall be allocated to the Commonwealth of Puerto Rico under this subsection in any fiscal year, shall take into account the factors established in section 103(a).

(d) There is authorized to be appropriated to the Office $100,000,000 for each of the fiscal years 1978, 1979, and 1980, to carry out the functions of the Office under this Act. Not less than 90 percent of amounts appropriated under this subsection for any fiscal year shall be used to carry out the provisions of section 202(b)(1).

SUMMARY OF CRANSTON-YOUNG YOUTH EMPLOYMENT LEGISLATION H.R. 20/S. 20, THE PROPOSED YOUTH INITIATIVES ACT OF 1977

The Youth Initiatives Act of 1977 would establish two youth employment programs (beginning in FY 1978) designed to provide assistance through States, local governments, and nonprofit organizations for the employment of youths: (1) a National Youth Service program with the goal of providing jobs for at least 250,000 youths per year with public and private nonprofit projects—at an estimated cost of $1.75 billion for each of the three years (there is a such sums authorization for this program); and (2) an Opportunities in Private Enterprise program designed to provide assistance to business concerns with the goal of providing jobs for at least 35,000 youths per year—with an authorization of appropriations of $250 million for each of the three years.

FEDERAL ADMINISTRATION

The Act would also establish an administrative entity, the Office of Youth Initiatives, in the Executive Office of the President, to conduct program development and evaluation, to carry out research and demonstration activities, and, unless the President designates a Federal agency (or agencies) to administer this Act, to administer the program at the Federal level. $100 million is authorized to be appropriated to carry out the functions of the office for each of the three years.

FUNDING ALLOCATION

Funds would be allocated to each State on the basis of three factors: (1) the number of youths residing in the State, (2) the number of low-income persons in the State, and (3) the State-wide rate of unemployment. The State in turn would allocate appropriate funds to commissions (established by cities or counties with populations of 250,000 or more) based on the same three factors as applicable in those areas. (The Governor could lower the 250,000 population requirement to 50,000 for a State.) The commissions would make grants to local governmental agencies and for-profit or non-profit organizations to run projects. Project applicants not in jurisdictions of 250,000 or more would apply directly to the Governor or to the State commission (if the Governor elects to set one up). Federal funds would be distributed to eligible applicants on the basis of an 80 to 20 percent matching ratio. Ten percent of the total State allocation could be retained by the Governor (or the State commission) for discretionary purposes.

COMMISSIONS/APPLICATION APPROVAL

The commissions to be established by the local jurisdictions (or a State) would be responsible for distributing the funds received, reviewing and approving applications from eligible applicants, disseminating information to eligible applicants and youths who may be interested in participating, and encouraging participation by youths in low-income communities. The commissions (appointed half each by the mayor, or county board, and the Governor) would be equally comprised of officers of potential project applicants, persons active in the field of education and training, representatives from groups and organizations involved in meeting the special needs of youths, and members of the general public; one-fourth would be under 25 years old.

GENERAL PROVISIONS

Those eligible for jobs in both Youth Initiatives programs would be youths from the age at which schooling is no longer compulsory (which varies among States, generally 16, as in California) through 21 years of age. At least 75 percent of the jobs created would be targeted on youth from low-income families who are unemployed and out of school for at least one term. Participants would receive the minimum wage, or its equivalent in the case of a residential program, for work performed.

As a fundamental part of every project, basic education, skill development, and job training services must be provided to all participants.

Each participant would be provided with counseling and placement services including a plan for future training, education, and employment. The projects would be designed so that permanent jobs with the sponsoring organization or elsewhere would be available.

Linkages with community colleges, high schools, vocational education, and trade and technical schools would be required as well as coordination with similar government-sponsored programs. Full consultation in approving applications would be required, as to both State and locally approved projects, with the State and local manpower planning councils.

On each project no less than 70% of the funds would be used to provide wages and fringe benefits to youths; not more than 20% on the provision of education, training, supervisory, and other supportive services; and not more than 5% on administration. No funds are provided for equipment and supplies; however, the 20% non-Federal share contributed by the projects may be used for this purpose.

THE NATIONAL YOUTH SERVICE PROGRAM

The National Youth Service program jobs would provide human and environmental services or public works of value to the community, especially to rehabilitate housing, improve the environment, develop mass transportation services, expand recreational facilities for low-income youth, and to serve needy children, elderly, and handicapped persons.

State and local governments, their agencies, or public and private nonprofit groups would be eligible for grants to set up National Youth Service projects. Thus, for example, the State Department of Education, the State Resources Agency, a State conservation corps, a county hospital, a local church group, the YMCA, or the Office of the

Mayor of any locality could apply for financial assistance to operate a project.

THE OPPORTUNITIES IN PRIVATE ENTERPRISE PROGRAM

The Opportunities in Private Enterprise program would subsidize employment of youth as apprentices and interns in the private sector, with the same minimum wage requirements applicable. Through this program, both small businesses and large corporations could design appropriate employment programs and apply for Federal support. Auto mechanics, computer and other electronics systems, environmental control and protection, and equipment repair are some of the fields in which subsidized apprentices could be trained by skilled managers and craftspersons.

By Mr. DOMENICI (for himself, Mr. ABOUREZK, Mr. BUMPERS, Mr. STEVENS, Mr. DOLE, Mr. EASTLAND, Mr. YOUNG, Mr. LEAHY, Mr. PERCY, Mr. ALLEN, Mr. CANNON, Mr. GRIFFIN, Mr. GRAVEL, Mr. GARN, Mr. JOHNSTON, and Mr. NUNN):

S. 21. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes; to the Committee on Labor and Public Welfare.

Mr. DOMENICI. Mr. President, today, this first day of the 95th Congress, I have introduced a measure which had its roots in the last Congress. Part of this bill was passed by the House last year, but action was not taken in the Senate, due in part to the volume of other legislative measures requiring our attention prior to the year's end.

The bill I have introduced today would amend the Occupational Safety and Health Act of 1970 to provide consultation services to employers. Furthermore, the law would require that the consultation visits not be transmitted to representatives of the Secretary engaged in enforcement activities except where necessary to eliminate an imminent danger disclosed during the consultation visit.

The purpose of this measure is to provide a needed program of Federal on-site consultation and education to encourage employers to comply with safety and health standards promulgated under the Occupational Safety and Health Act of 1970 and to furnish their employees a place of employment which is safe and healthful.

I would like to point out that although 34 States and territories provide consultation services to employers under two different laws, such services are unavailable in 22 States and territories. Obviously the present law is inequitable in providing consultation services to some employers but not to others. Furthermore, I believe it is important that the consultation services be separate from the enforcement officers. Businessmen and women might hesitate to call upon the consultative services unless there is a distinction between these two functions. Addition funds will be allotted to the OSHA program for the training of consulting officers so as to not weaken present compliance efforts.

Oversight hearings were held last year before the Manpower, Compensation, and Health and Safety Subcommittee chaired by Congressman DOMINICK DANIELS. Four of the 31 hearing days were devoted principally to the consideration of onsite consultation services. Testimony endorsing the concept was presented by OSHA officials, congressional members and public witnesses. On the basis of this testimony, the subcommittee reported out the measure by a vote of 10 to 2, the full Committee on Education and Labor by a 23-to-10 vote. The House eventually passed the bill on November 17, 1975, without amendments.

Some have argued that consultation services would diminish enforcement efforts. I want to stress the point that certainly that is not my intention. In fact, I believe this bill will enable employers to comply to the regulations by seeking the needed information. I believe this measure can only benefit the employees, the primary concern in this matter, but also can assist the employers who, until now, have felt the law was discriminatory, vague, confusing, contradictory, or highly technical. Furthermore, the bill is clear in allowing appropriate action should the consulting officer find an imminent danger to the employees. In other words, if a consulting officer observes an immediate danger to the employees, something is done. Otherwise the employer is simply informed of the rules and regulations. We should not assume that employers do not want to provide the best environment to their employees which is the attitude all too often now projected by the Government representatives. Nor should we assume that employers know all the regulations which affect that particular business.

The small business men and women in New Mexico with whom I have talked, are more than willing to provide the safest possible working conditions for their employees, but they do feel overwhelmed with the present rules and regulations. Nor can they afford a safety official or some other safety counselor as the big businesses can.

Mr. President, no law is perfect. There does come a time to amend a law in order to improve it. The time has come for us to amend and improve the original Occupational Safety and Health Act. The onsite consultation services, which I have introduced today, will be voluntary, based solely upon an employer's request for consultation to assist him in interpreting standards as they apply to his workplace.

In summary, this amendment would direct the Labor Department to give priority in filling requests to small businesses and hazardous workplaces. Consultation services would be separate from enforcement proceedings, and consultation and compliance staffs would be separate. This bill will allow OSHA to gain greater acceptance in all 56 jurisdictions covered by the act and thereby increase worker safety.

This legislation will provide the needed incentive toward voluntary compliance by management—whether the business is large or small. This is not a bill to further erode the faith of labor toward management, but rather it is meant to breach that gap.

I hope my colleagues will see fit to support this effort. I trust their mail and conversations with their constituents have been similar to mine. Businesses, and particularly small business estblishments are trying to subscribe to the law. With the enactment of this legislation, I believe they can do it. As a result, the purpose of the entire act will be enhanced—that of providing the safest possible workplace for all employees.

Mr. ABOUREZK. Mr. President, I am pleased to join with Senator DOMENICI in offering this OSHA onsite consultation bill. As my colleagues know, I was a cosponsor of identical legislation last year. I am hopeful that the Senate will act on this important bill this year.

Last October, I chaired a field hearing of the Select Small Business Committee in Sioux Falls, S. Dak., on the question of OSHA's impact on family farmers and small businessmen. One of the questions we inquired into at that time was the potential benefit of an onsite consultation program. Almost unanimously, the small businessmen who testified at that hearing told us that onsite consultation by OSHA would better enable them to meet safety and health standards in their places of business.

I know many of the small businessmen in South Dakota personally. I know that they would not consciously subject their employees to dangerous or unhealthy conditions. But I also know that many of them find OSHA's regulations to be extremely detailed and complex and difficult to comply with absent the opportunity to discuss specific problems and questions with OSHA personnel.

Yet, the Occupational Safety and Health Act makes no provision for onsite consultation. OSHA inspectors, who arrive unannounced, conduct their inspections and then are required by law to levy penalties for violations discovered, subject to the 10 or fewer amendments that was enacted last year. Thus, any effort by a small businessman to seek guidance on possible violations would subject the employer to sanctions if such violations were found.

OSHA does provide matching funds if States wish to establish onsite consultative services through State agencies. Yet many States, my own included, have found it fiscally impossible to provide such services. Businesses in those States who desire to bring their workplaces into compliance with OSHA standards have absolutely no place to go for the guidance they seek, other than to risk the penalties of an OSHA inspection.

This legislation we are introducing would alleviate this problem by providing for Federal onsite consultation through the Occupational Safety and Health Administration. Funds would be appropriated for this purpose, separate and apart from funds provided for inspection and enforcement purposes.

Let me make the purpose of this legislation clear: It is not designed to take away from the enforcement efforts of OSHA nor is it intended to give recalcitrant employers a further shield to hide behind in failing to clean up unsafe or unhealthy workplaces.

This bill, and my purpose in cosponsoring it, is intended to provide these

much needed consultative services to employers, primarily small businessmen, who sincerely desire to comply with OSHA, but need this additional help to do so.

I hope that my colleagues will join with us in acting to get this important legislation enacted as quickly as possible.

Mr. DOMENICI. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 21

A bill to amend the occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21 of the Occupational Safety and Health Act of 1970 is amended by adding at the end thereof the following new subsection:

"(d)(1) In order to further carry out his responsibilities under this section, the Secretary may visit the work place of any employer for the purpose of affording consultation and advice to the employer. Such consultation visits may be conducted only upon a valid request by the employer for consultation and advice at the work place concerning the obligations of the employer under section 5. In making consultation visits under this subsection, the Secretary shall give priority to small businesses and to hazardous work places. The Secretary shall make and transmit to the employer a written report, containing recommendations regarding the elimination of any hazards disclosed during any such consultation visit.

"(2) No consultation visit authorized by this subsection shall be regarded as an inspection or investigation under section 8 of the Act and not citations shall be issued nor shall any civil penalty be imposed by the Secretary upon such visit except that:

"(A) where an employer fails to eliminate an eminent danger disclosed during the consultation visit the Secretary shall take any appropriate action under section 13 to eliminate such condition; and

"(B) if there is substantial probability that death or serious physical harm to employees could result from the conditions disclosed during a consultation visit the Secretary shall immediately notify the employer of such conditions and afford the employer a reasonable time to eliminate such conditions. Where the Secretary is not satisfied through a further consultation visit, documentary evidence, or otherwise that such elimination has taken place, the Secretary may take appropriate action under this Act.

"(3) Information regarding consultation visits shall not be transmitted to representatives of the Secretary engaged in enforcement activities except where necessary in order to carry out the provisions of paragraph (2).

"(4) Except as otherwise provided, nothing herein shall affect the duties and responsibilities of the Secretary under sections 8, 9, 10, and 13. Advice given during a consultation visit shall not be binding on the Secretary in the event of any inspection of the work place. In the event of such inspection, a written report of the consultation visit may, with the consent of the employer, be considered by the Secretary for the purpose of determining the employer's good faith in proposing penalties.

"(5) In prescribing rules and regulations pursuant to this subsection, the Secretary shall provide for the separation of functions between officers, employees, or agents who conduct consultation visits pursuant to this subsection and officers, employees, or agents who conduct inspections or investigations under section 8.

"(6) In order to further carry out his responsibilities under this section, the Secretary shall establish programs for the education and training of employers and employees which, to the extent practicable, shall be conducted in local communities and shall deal with the hazards in particular industries.".

SEC. 2. For the purpose of carrying out the amendment made by the first section of this Act there is authorized to be appropriated $7,000,000 for the fiscal year ending September 30, 1977 and $8,000,000 for the fiscal year ending September 30, 1978.

By Mr. PROXMIRE (for himself, Mr. MATSUNAGA, and Mr. METCALF):

S. 22. A bill to amend the Communications Act of 1934 in order to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment to radio and television broadcasting stations; to the Committee on Commerce.

FIRST AMENDMENT CLARIFICATION ACT OF 1977

Mr. PROXMIRE. Mr. President, today I am introducing the First Amendment Clarification Act of 1977. This bill is almost identical to a measure I first introduced in January 1975. Its purpose is to give the people of the United States the full benefit of a free press, electronic as well as printed.

MAKE BROADCASTERS EQUAL

We need diversity of ideas, especially in these times when newspapers are finding it difficult to stay in business against tough economic competition.

Now is the time to make broadcasters fully equal to publishers so that the people of this country can have diversity in the news media.

Freedom of the press was designed for the benefit of all American citizens, not just for the benefit of the disseminators of news and opinion.

And if the most popular of the disseminators, television and radio, continue to be tied down by governmental controls, the people of this Nation will continue to be the losers.

Mr. President, my bill is designed to change this situation.

PURPOSE DEFINED

The first section of my bill defines its purpose: to recognize and confirm the applicability of the first amendment to broadcasting and to strengthen and further the objectives of the first amendment. That can be accomplished by removing the statutory and regulatory restrictions placed on broadcasters who operate under the Communications Act of 1934.

Section 2 of my bill deals with the definition of "public interest, convenience, and necessity" under which broadcasters operate. Right now, that phrase in the Communications Act is used to make broadcasters accountable to the Federal Communications Commission after the fact for everything they put on the air.

STOP "RAISED EYEBROWS"

My bill makes it clear that the term "public interest, convenience, and necessity" cannot be construed to give the FCC jurisdiction to require that any person be provided broadcast time, or to require that any viewpoint be given broadcast time. It further makes clear that the FCC cannot exercise any power, supervision, or control over the content or scheduling of any program or other material broadcast, and the FCC cannot comment on or review any of those items. This latter provision is designed to stop what has been called the raised-eyebrow effect used by the FCC to control and regulate broadcasters indirectly.

SECTION 315 REPEALED

Section 3 of my bill repeals that part of the Communications Act that permits the FCC to revoke the license of any station that willfully refuses or fails to allow a candidate for Federal office to buy reasonable amounts of broadcast time.

Section 4 repeals section 315 of the Communications Act of 1934. Section 315 contains both the equal time rule and the authorization for the FCC's Fairness Doctrine.

The equal time rule requires that when a candidate for a public office is given or sold time, any other candidate for that same office must be given an equal opportunity. That sounds great. But the equal time rule is an abridgment of the first amendment. It is governmental control over a part of the free press.

The Fairness Doctrine of the FCC requires that broadcasters afford reasonable opportunities for the presentation of contrasting viewpoints on controversial issues of public importance. And that is incorporated into law through section 315.

Unlike the equal time requirement, the fairness doctrine does not call for each viewpoint to receive the same amount of air time; neither does it require that the other viewpoints be given in the same program. That sounds fine. But the trouble is, even if it were constitutional, the fairness doctrine is applied case by case with only the particulars of past cases to use in judging its application.

SECTION 326 AMENDED

Section 5 of my bill amends section 326 of the Communications Act of 1934, which states that there shall be no censorship by the FCC and that the FCC shall not interfere with the right of free speech. That is fine as far as it goes. I add the right of free press. That is the key to putting broadcasters and publishers on an equal footing regarding first amendment rights.

Further new language in section 326 will make it clear that broadcasters will have the right to determine the scheduling and the content of their programs and who shall appear on them so that the chilling effect of the existence of the FCC will not be a factor.

PUBLIC BROADCASTING

Section 6 deals with a first amendment problem contained in section 396(g)(1)(A) of the Communications Act of 1934, which authorizes the Corporation for Public Broadcasting to facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, are to be made available to noncommercial educational television or radio stations. But this must be done with "strict adherence to objectivity and balance in all programs or series of programs of a controversial nature."

Such a Government-imposed standard is inappropriate and undesirable. Trying to enforce it can result in a chilling effect on the free play of ideas which public broadcasting should help promote.

By simply deleting this standard, section 6 of my bill is designed to solve the first amendment problem it poses.

POLITICAL EDITORIALIZING

Finally, section 7 of my bill repeals the prohibition of political editorializing by noncommercial educational broadcasting stations. This section of the current law, aimed at licensees, is clearly unconstitutional, although it has not been tested.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 22

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This Act may be cited as the "First Amendment Clarification Act of 1977".

(b) It is the purpose of this Act to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment of the Constitution of the United States by removing statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

DEFINITION OF PUBLIC INTEREST, CONVENIENCE, AND NECESSITY

SEC. 2. Section 309 of the Communications Act of 1934 is amended by inserting at the end thereof the following:

"(i) Notwithstanding any other provision of this part, effective on and after the date of the enactment of this subsection for the purposes of this part, the term 'public interest, convenience, and necessity' shall not be construed to give the commission jurisdiction to require the provision of broadcast time to any person or persons or for the expression of any viewpoint or viewpoints or otherwise to exercise any power, supervision, control, influence, comment, or review, either directly or indirectly, over the content or schedule of any program or any other material broadcast by licensees, except where the broadcast of such material is otherwise prohibited by law.".

REPEAL OF LICENSE OR CONSTRUCTION PERMIT REVOCATION POWER RELATING TO FACILITIES FOR CANDIDATES FOR FEDERAL PUBLIC OFFICE

SEC. 3. Section 312(a) of the Communications Act of 1934 is amended by inserting "or" at the end of clause (5), striking out the semicolon and "or" at the end of clause (6) and inserting in lieu thereof a period, and striking out clause (7).

REPEAL OF SECTION 315 RELATING TO FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

SEC. 4. Section 315 of the Communications Act of 1934 is repealed.

RECOGNITION OF APPLICATION OF RIGHT OF FREE PRESS

SEC. 5. Section 326 of the Communications Act of 1934 is amended by inserting after "speech" the following: "or the right of free press" and by striking the period after "communication" and inserting in lieu thereof a comma and "including the right of a radio station to determine the schedule of its programs and the content of its programs. Nothing in this Act shall be construed to require the provision of broadcasting time to any person or persons.".

REPEAL OF CERTAIN LIMITATION ON CORPORATION FOR PUBLIC BROADCASTING

SEC. 6. Section 396(g)(1)(A) of the Communications Act of 1934 is amended by striking out all beginning with the comma following "broadcast stations" to the semicolon at the end thereof.

REPEAL OF PROHIBITION OF POLITICAL EDITORIALS

SEC. 7. Section 399 of the Communications Act of 1934 is repealed.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 23. A bill to provide for the normal flow of maritime interstate commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruptions thereof; to the Committee on Labor and Public Welfare.

HAWAII AND UNITED STATES PACIFIC ISLANDS SURFACE COMMERCE ACT OF 1975

Mr. INOUYE. Mr. President, the 93d Congress in the U.S. Senate passed by a vote of 58 to 39 the Hawaiian and United States Pacific Islands Surface Commerce Act. Unfortunately, this measure failed to come to a vote on the floor of the House, although a similar proposal considered by a subcommittee was reported favorably. In the 94th Congress, I introduced this bill in its present modified form.

While no action was taken in the 94th Congress on identical measures, the need is still great. The current peace between labor and management in the west coast longshore and maritime trades cannot be taken for granted. Our vulnerability to forces beyond our control continues unabated.

Today, I reintroduce this bill with great hope that the 95th will be the Congress which will act favorably on the most important single piece of legislation affecting all the people of my State which is likely to come before us.

That hope is based on more than the margin by which this measure was approved by the Senate in the 93d Congress. For, the version which I introduce today deletes or revises certain provisions from the earlier bill which had troubled some of my colleagues and particularly members of the Senate Labor and Public Welfare Committee.

These provisions include: Limiting sharply the parties who can seek an injunction, providing for concurrent application of any injunction issued under this act and any injunction which may be granted under section 208 of the Labor-Management Relations Act, and a reduction of the maximum length of an injunction under this bill from 160 days to 120 days.

These are important changes and it is my hope that some who found it difficult to support the measure which was passed in the 93d Congress may as a result of such changes find it possible to give it their support.

Passage of this measure has long been awaited by the people of my State and of the other U.S. Pacific islands. I first introduced a measure to reasonably secure our only means of surface commerce back in 1971. In January of 1972, 3 days of hearings were held on that measure in Honolulu. As a result of those hearings legislative changes were made and in the 1st session of the 93d Congress all four members of the Hawaii congressional delegation jointly introduced the legislation which was the forerunner of the measure I introduce here today.

The hearings which have been held, the reports which have been filed, and the debate on the floor of the Senate have all amply demonstrated the severity and uniqueness of the problem which this measure seeks to resolve. We, in Hawaii, are uniquely dependent upon one mode of surface commerce and upon that commerce flowing between the west coast ports and our ports in Hawaii. Such dependence is shared only by the other U.S. Pacific islands. Yet that trade has almost no influence on the collective bargaining process because it constitutes such a small percentage of total west coast maritime trade. The west coast-Hawaii trade constitutes only some 3 percent of the total longshore hours worked on the west coast and some 7 percent of the shipboard labor. On the management side the carrier involved in that trade has less than 13 percent of the voting strength in the Pacific Maritime Association, the management interest responsible for negotiating settlement of maritime disputes affecting the west coast trade.

The Hawaii and United States Pacific Islands Surface Commerce Act recognizes the principle that we should interfere as little as possible, consistent with our objective, with the normal economic forces which are operative in labor-management negotiations.

My bill recognizes further that any measure of interference in labor-management disputes must be an even-handed one. Any interference must be to the advantage of neither labor nor management.

It recognizes that the mere and recurring threat of stoppage itself causes great economic damage as merchants and other economic interests in Hawaii seek to gird against any stoppage by expensive stockpiling of merchandise. Warehousing costs in Hawaii are 250 percent of mainland costs according to a recent study.

This measure recognizes that any proposed solution must not only be fair and reliant on normal labor-management economic forces but it must also be one which can be readily implemented. The proposed solution is one which has been regularly utilized on a voluntary basis to transport military cargo including post exchange and commissary supplies during previous shipping stoppages.

This measure meets the necessary criteria of having broad support. In addition to the unanimous support of the Hawaii congressional delegation, last year's measure had the support of the Governor and the mayors of our counties. The Hawaii State Senate endorsed the proposal as did the representatives of Guam and American Samoa. The Honolulu Chamber of Commerce and other Hawaii economic interests supported the measure. The county councils have indicated their support.

Despite differences of party and political philosophy we achieved a remarkable degree of unity in support of such action. While some seek greater relief than that provided here, it is one around which an extraordinary array of political and economic leaders have rallied. I am confident this revised version will receive

even broader support. The reasons are clear and persuasive.

On each occasion when there is a shipping stoppage in the west coast trade, or even the threat of such a stoppage, the shippers and consumers of Hawaii are held hostage in a dispute not of their making and one over which they have little, if any, influence.

During the hearings of the Merchant Marine Subcommittee of the Senate Commerce Committee, we received extensive documentation detailing the severity of the economic damage to the people of our State during the 1972 shipping strike. Nothing has happened since those hearings to lessen our concern. The strike then current continued for another 34 days after the expiration of the Taft-Hartley injunction. In fact, a later strike, involving a very small number of workers, closed down our shipping for 41 days.

With 99 percent of our trade by weight arriving by ship or barge and with some 90 percent of our imported food products dependent on west coast-Hawaii shipping, the need for relief can be clearly seen. In conjunction with Guam, American Samoa, and the Trust Territory of the Pacific Islands we are in a uniquely dependent and vulnerable condition.

Some have suggested that we seek a solution to our problem through general legislation which would apply to all transportation stoppages. I have opposed this course of action for our problem is unique and there is no justification in my mind for placing restrictions on the right to strike or to settle disputes through free collective bargaining where no clear and overriding threat to the economic health and survival of a people exists.

We may not be able to measure the costs in precise dollar amounts which have been added to the cost of living and doing business in Hawaii because of the recurring stoppages. Yet we know they were substantial. We know the Federal Government has found it necessary to continue the cost-of-living allowance for Federal employees in Hawaii.

We know it is time to take effective action to bring an end to this added burden. We are confident this can be done without giving up the important rights of any group. I believe the measure introduced here today is the legislative vehicle through which our goal can finally be achieved.

By Mr. LEAHY (for himself, Mr. PELL, Mr. STAFFORD, Mr. HUDDLESTON, and Mr. ANDERSON):

S. 25. A bill to amend the Emergency Petroleum Allocation Act of 1973, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. LEAHY. Mr. President, rumors persist as to whether President Ford will act to suspend mandatory allocation regulations for motor gasoline before the new administration takes office.

These regulations, promulgated pursuant to the Emergency Petroleum Allocation Act of 1973, give wholesalers and retailers the right to insist on deliveries from their 1972 suppliers. Abandoning them would have serious implications for millions of Americans, particularly those living in sparsely populated rural areas.

Even if gasoline is not decontrolled this month, or even this year, we must be prepared for this eventuality. Legislation is needed to make sure that every State has an early warning of a pullout by a major gasoline supplier. With that information the State energy office would at least have some time to minimize the impact.

Therefore, I am today introducing legislation which would require that a company distributing or marketing 2 percent or more of the gasoline consumption of a State in calendar year 1975 must give 6 months' notice to the Governor of any intent to discontinue its operations in the State. Furthermore, such company would be prohibited from withdrawing more than 25 percent of its supply operations, based on calendar year 1975, in any ensuing 6-month period.

In short, in addition, to 6 months' advance notice, a State would be assured that a major gasoline supplier would not complete a total withdrawal for an additional 2-year period.

My bill would give Governors and their energy advisers time to seek replacements for withdrawing gasoline suppliers in order to cushion the economic impact on affected areas. It would give service station owners time to seek alternate suppliers.

Mr. President, it is barely 3 years since American motorists were forced to queue up in gasoline stations across the land hoping that the pumps would not run dry before they reached the head of the line. The long lines of the winter of 1973–74 have receded from memory and Americans continue to consume gasoline as if the embargo had never taken place. Even the recent price increase by the OPEC nations, which will add at least a penny a gallon to the price of gasoline, is not likely to have any effect on our present level of consumption.

Gasoline is abundant partly because of the relatively mild winters of the past 2 years which reduced the need for distillate oil. Whether the unusually severe winter we have experienced thus far will continue, and ultimately affect our petroleum supply, remains to be seen. Among the less pleasant reasons for the abundance are the serious decline in new housing starts, and most important, unemployment and the recession. As a result, with plant capacity near alltime lows and unemployment levels near alltime highs, consumptions of residual fuel oil declined last year.

Hopefully, the recovery will continue, but we cannot be lulled into complacency. The fact is that the forecasts for domestic petroleum production over the next 15 years are stark. The Federal Energy Administration's National Energy Outlook: 1976 contends that:

The reserves from which most of today's oil is being produced—mainly on-shore in the lower 48 states—will decline by almost two-thirds by 1985 and about 80 percent by 1990.

Although there is no danger of a serious gasoline shortage in the near future, the energy crisis still exists and will for decades to come. No temporary abundance can obscure that reality. For people in small, predominantly rural States, usually at the end of the energy pipeline, that presents a haunting specter.

Mr. President, while State's attorney of Chittenden County, Vt., I served on a task force of the National District Attorneys Association assigned to gather data on how oil industry practices related to the energy crisis of 1973–74.

Since an analysis of the shortage in Vermont during the crisis indicated it was in part caused by some major oil companies pulling out of the market, I was particularly concerned with the factors that lead a company to make that decision.

A group of oil company representatives with whom we met answered that one factor is a company's market share of gasoline sales. If it controls less than 5 percent, then it is unlikely that the operation will be profitable. And the 5-percent figure is not gospel. Companies have abandoned areas where they controlled more than 7 percent of the market.

In Vermont, Phillips with 5.79 percent of the market in 1974, has already pulled out of the State. However, because of the Federal allocation program, it has been required to work out exchange agreements with other companies to supply its old customers. If the mandatory allocation regulations are discarded, these exchange agreements will no longer be enforceable. Service stations dependent on them will be left high and dry with no source of supply.

Today, more than 16 percent of Vermont's gasoline supply is furnished by five major oil companies, each with less than 5 percent of the market. In addition, Sunoco has slightly less than 6 percent, and has already decided to pull out of Maine where it has 5.95 percent of the market. As I already noted, Phillips has 5.79 percent. If all 7 of them left, who would supply the gasoline represented by their combined 28 percent of the market, representing more than 65 million gallons of gasoline a year to Vermonters?

Similar situations exist in many other States. Most recently, it was reported that Mobil is pulling back drastically in Texas, where it has 7.63 percent of the market; in Louisiana, with 4.19 percent; in Oklahoma, with 5 percent; in Arkansas, with 6.54 percent; and in New Mexico, with 2.72 percent. The company is reportedly telling its jobbers, lessee dealers, consignees, and commission agents to find new suppliers, as they will be cut off sometime after FEA regulations are eventually relaxed.

Gulf is considering similar action in California where it has 5.37 percent of the market; in Minnesota where it has 2.79 percent; in South Dakota where it has 2.47 percent; and in Nebraska, Iowa, and Missouri where it has between 1 and 2 percent of the market in each. In its latest action, Gulf withdrew from its gasoline retailing activities in Oregon, Washington, Nevada, and northern California.

Atlantic Richfield is considering total pullout in Kentucky and Texas, with slightly more than 2 percent of each market, and in Tennessee where it has 3.34 percent.

It is planning partial pullouts in six Midwest States in which it has between

2 and 5 percent of the market. Significantly, these would all be in rural areas of the States involved.

In addition to its desire to abandon its Vermont operations, if the regulations are allowed to lapse, Phillips will pull out of Maine where it has 2.51 percent of the market, New Hampshire where it has 4.76 percent, Delaware with a 3.81 percent, and New Jersey with 1.44 percent.

It is understandable that major oil companies want to withdraw from low-volume market areas, usually rural ones, and concentrate their efforts on more profitable high volume urban outlets. However, the problem is that when they leave there is no guarantee that other firms will supply the abandoned market areas.

Currently, only the enforcement of the supplier-purchaser section of the 1973 act is keeping supplies flowing to many low volume retail units.

If the present regulations are terminated, millions of motorists, most of whom need their cars to get back and forth to work, could well find themselves forced to travel many additional miles to buy their gasoline. This situation would not only cause great inconvenience, but would in and of itself create a huge waste of energy.

Mr. President, I do not like the idea of Government meddling in the internal affairs of business. However, a matter of such crucial importance to millions of American families—and to thousands of service station owners—should not be left to the whims of a few corporate officials in the board rooms in New York and Houston.

My bill would not divest them of their decisionmaking power. What it would do is delay the adverse impact that might result from certain of those decisions. In effect, it is a compromise recognizing the just prerogatives of business and the legitimate public interest.

Therefore, on behalf of Mr. PELL, Mr. STAFFORD, Mr. HUDDLESTON, and Mr. ANDERSON, and myself, I am today introducing legislation which would require that a company distributing or marketing 2 percent or more of the gasoline consumption of a State in calendar year 1975 must give 6 months' notice to the Governor of any intent to discontinue its operations in the State. Furthermore, such company would be prohibited from withdrawing more than 25 percent of its supply operations, based on calendar year 1975, in any ensuing 6-month period.

Mr. PRESIDENT, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 25

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(e)(1) Not later than sixty days following the date of the enactment of this subsection, the President shall promulgate and put into effect a rule which shall be deemed a part of the regulation under subsection (a) of this section and which shall provide consistent with the objectives of subsection (b) of this section, that no integrated refiner, marketer or distributor who, on or after the effective date of such rule, is engaged in an operation involving the marketing or distribution of a refined petroleum product in any State shall, in any twelve-month period, reduce or otherwise curtail such operation within that State (except on the basis of a substantial decrease in the demand for such products so marketed or distributed) by an amount in excess of 10 per centum of the total amount of refined petroleum products so marketed or distributed by such marketer or distributor within that State during the base period as determined in accordance with paragraph (3) of this subsection, except that, if such marketer or distributor has notified the Governor of that State, in writing, of such marketer or distributor's intent to reduce or otherwise curtail such operation in excess of 10 per centum, such marketer or distributor shall, after the expiration of the one-hundred-and-eighty-day period following such notification, be authorized to reduce or otherwise curtail such operation within that State by an amount which does not exceed, within any six-month period, an amount equal to 25 per centum of the total amount of refined petroleum products so marketed or distributed by such marketer or distributor in that State during such base period.

"(2) Such rule shall not be applicable with respect to any such marketer or distributor engaged in any such operation, if the total amount of refined petroleum products so marketed or distributed by such marketer or distributor in that State during the base period determined in accordance with paragraph (3) of this subsection did not exceed 2 per centum of the total amount of refined petroleum products so marketed or distributed by all marketers or distributors within that State during such base period, or to any marketer engaged solely in the selling of refined petroleum products on a retail level to end users.

"(3) As used in this section, the term "base period" means—

"(A) with respect to any such marketer or distributor who is engaged in any such operation within a State on or after the effective date of such rule and who, during the entire twelve-month period comprising calendar year 1975 was so engaged in such operation within that State, such twelve-month period; and

"(B) with respect to any such marketer or distributor who, although engaged in any such operation within a State on or after the effective date of such rule, was not so engaged in such operation within that State during the entire twelve-month period comprising calendar year 1975, the first full twelve-month period during which marketer or distributor was so engaged after January 1, 1975.".

By Mr. BUMPERS:

S. 26. A bill to provide for payment of losses by the Small Business Administration directly to the obligee of a bid bond, performance bond, or payment bond in the event of insolvency or bankruptcy of the surety company; to the Committee on Small Business.

COMPENSATION FOR LOSSES SUSTAINED ON ACCOUNT OF INSOLVENCY OR BANKRUPTCY OF SURETY COMPANIES

Mr. BUMPERS. Mr. President, the situation that gives rise to my bill can briefly be described as follows. Under existing law, the Small Business Administration is authorized to guarantee surety companies against up to 90 percent of their losses as a result of the breach of the terms of a bond in certain circumstances. In general, SBA will guarantee the terms of a bond if the contractor who is the principal of the bond is a small business concern and is unable to obtain the bond on reasonable terms and conditions without a guarantee from SBA. There must also be a reasonable expectation that the contractor will perform the contract with respect to which the bond is required. Under this program, a number of small-business contractors have been able to secure contracts that they would otherwise have been unable to handle. Surety companies, relying on SBA's guarantee, have been willing to issue performance bonds that would not otherwise have been issued.

From time to time, however, it unfortunately happens that contractors and surety companies become bankrupt or insolvent. In this event, the obligee of the bond, the person for whom a building is being constructed, not only sustains the loss occasioned by default of the contractor, but also is without a solvent surety company with the ability to make him whole, as contemplated by the bond to begin with. In this situation, present law forbids SBA to make a payment directly to the obligee of the bond. The law requires SBA to make payments in the event of loss only to the surety companies themselves. If a surety company is insolvent or bankrupt, SBA still makes payment to the surety, or to its trustee in bankruptcy, or receiver. Consequently, the benefit of the payment may actually never reach the owner of the project on which the contractor has defaulted. Other creditors of the insolvent or bankrupt surety may share, in whole or in part, in the payment made by SBA to the estate.

The situation does not arise very frequently, but it has happened quite recently, and a statutory correction would be relatively simple. Last session I therefore proposed, and the Senate agreed to, legislation to correct it. My proposal would have required SBA, in the event of dual default by contractor and surety company, to make payment directly to the owner of the project for whose benefit the bond was originally issued, instead of to the surety company or its receiver. In this way, the person who actually sustains a loss is made whole, or nearly so, and the purpose of the guarantee program is better satisfied.

When my proposal went to conference last session, however, it met with some resistance. It was feared that it would operate not only in cases of insolvency, but also in cases of default by surety companies on account of some "other cause." Probably the phrase "or other cause" should not have been in the proposal in the first place. It was never my intention to convert the surety bond guarantee program into a direct relationship between SBA and obligees in all instances of failure of payment by sureties. A surety, for example, might be perfectly solvent and able to pay, but yet decline to make payment because of some substantial defense, either under the terms of the bond or otherwise. In such cases, it was not my intention, and it would be unwise, to require SBA to make payment

directly to the obligee of the bond. My intention in offering the legislation was to meet the narrow problem created when surety companies become insolvent or bankrupt.

Mr. President, the bill I offer today omits the offending phrase "or other cause." It would create a direct obligation by SBA to make payment to obligees only in the case of insolvency or bankruptcy of a surety company. As already indicated, this was my original intention, and the new wording will make clear that the legislation would be limited to this narrow but meritorious class of cases.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 26

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 411 of Title IV of Public Law 85–699, as amended, is hereby amended by inserting at the end thereof the following new subsection (e):

"(e) If there is a breach by the principal of the terms of a bid bond, performance bond, or payment bond, resulting in loss to the obligee, and if the surety by reason of insolvency or bankruptcy defaults and does not discharge its obligation to the obligee, the administration shall, notwithstanding any other provision of law, pay the obligee whatever sum would otherwise have been payable to the surety under Subsection (b) of this Section 411."

By Mr. INOUYE:

S. 27. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for a non-service-connected disability to any war veteran who has a service-connected disability of 80 percent or more; to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, I am introducing legislation today to provide free outpatient dental care to any war veteran who is 80 percent or more disabled as a result of his military service. Veterans will be eligible for this care even if their dental problems are unrelated to their service injuries.

Legislation passed by the 91st Congress provides free medical and outpatient care for veterans of all wars who were totally and permanently disabled by service-related injuries. This law, Public Law 91–102, was designed to care for the medical needs that would arise during their lives, but would be unrelated to their military wounds. In passing this legislation, we realized this Nation owes a special debt of gratitude to the men who lost their limbs or their sight to defend America's freedom and who, as result of their disabilities, might have difficulty earning a living in civilian life.

This law, however, specifically forbids payment for outpatient dental care. My bill seeks to fill this gap.

According to one estimate 175,000 veterans would be eligible for dental care if this bill is passed. Currently these men get free care only if their problems are directly related to their service disability. But as the Disabled American Veterans noted when they urged me to introduce this measure, many veterans live on limited, fixed incomes. Dental costs are rising along with everything else in these inflationary times, and an increasing number of veterans are being forced to go without proper dental care because they cannot afford it.

Until 1973, blind, paraplegic veterans were eligible for free outpatient dental services. But the regulation permitting that was rescinded in 1973, much to the dismay of the severely disabled veterans who were its beneficiaries. Even now, veterans who attend school or on-the-job training and spend time at a VA hospital are eligible for dental treatment without regard to their degree of disability. But many veterans do not want to or cannot, be admitted to our overcrowded and understaffed veterans hospitals.

This neglect of men who served their nation with honor strikes me as nearly criminal. How can we ask young Americans to serve this country when they see how it has ignored the needs of those who fought in past years to keep America free?

By Mr. MATHIAS:

S. 28. A bill to provide for financial assistance to improve the capabilities of units of local government to deal with career criminals, to establish the Office of Repeat Offenders Prosecution Projects within the Law Enforcement Assistance Administration, and for other purposes; to the Committee on the Judiciary.

REPEAT OFFENDERS PROSECUTION AND PRISON IMPROVEMENT ACT

Mr. MATHIAS. Mr. President, I send to the desk "The Repeat Offender Prosecution and Prison Improvement Act of 1977," an innovative approach to combat the high incidence of violent crime against our citizens, particularly in urban areas.

The Preamble to the Constitution clearly establishes that one of the main purposes of government is to "maintain domestic tranquility." Yet when I look at the record of violent crime in this country, I can only conclude that we have failed to fulfill this noble purpose.

In the past decade the crime rate has more than doubled. Violent crime has increased eight times faster than the rate of population growth. This is the national average; in some areas it is even worse. Crime haunts the poor and the elderly in our cities. It threatens the shopkeeper who struggles to make a small business go, and the citizen who seeks to walk the streets in safety. Above all, it strikes against those minorities who live in our urban areas. These Americans, the National Urban League says, are more than four times as likely to be victimized by crime than whites.

SUMMARY OF MAIN FEATURES

Experience and studies show that a reatively small number of persons are responsible for a large proportion of violent crime. A recent study of 10,000 persons by University of Pennsylvania researcher Marvin Wolfgang, for example, reveals that about 650 chronic offenders were responsible for one-third of the arrests and two-thirds of the crime committed by the group over a 5-year period. Successful pilot programs testing the repeat offender concept in Baltimore, Washington, D.C., New Orleans, and other cities have demonstrated that the crime rate can be cut through a program of speedy trial and certain—not necessarily long—punishment for repeat offenders. Drawing on the lessons of these pilot programs, S. 28 would provide Federal grants to eligible units of local government to aid in the prosecution of those charged with the commission of violent, profit-motivated crime on more than one occasion.

S. 28 would also establish a new relationship between the Federal Government and the States to modernize and upgrade our prison system. The Federal Government would build five regional prisons on Federal land, such as underused military bases. States would be able to lease bedspace in these Federal prisons on a per-diem basis. With Federal standards and increased space, the often inhumane conditions in overcrowed State prisons would be alleviated. In my State of Maryland, for example, 6,700 prisoners occupy a prison system built to house 4,886—a capacity of 40 percent less than the present number of prisoners.

BACKGROUND TO DEVELOPMENT OF REPEAT OFFENDER PROSECUTION PROGRAMS

The failure of government to adequately protect its citizens has not been for want of effort. We have appropriated millions of dollars, spent thousands of man-hours, and committed our law enforcement officers to laying their lives on the line in our attempts to control crime. These sacrifices will continue to be demanded of us. Our present high crime rates, however, seem to indicate that we have been making these precious sacrifices in the service of the wrong cause. Let us examine the record of our efforts to control crime to see where we have gone wrong, and how we can learn from hard experience.

During the 1960's, much of our effort to control crime was directed toward eliminating or reducing the oppressive social and economic conditions which many believed to be the root causes of crime—ignorance, poverty, discrimination, the "breakdown" of the family. In large measure, we shifted the responsibility for criminal behavior from individuals to the society as a whole.

By the early 1970's, however, skyrocketing crime rates had cast serious doubt on this theory. More violent criminals were on the streets than ever before. While crime rates, particularly for violent crime, soared, the number of prisoners in State and Federal prisons actually declined—from 213,000 in 1960 to 196,000 in 1970.

In reaction, a seemingly new consensus developed around the need to "get tough" with criminals. But whereas the old "permissive" approach to criminal behavior perhaps was flawed by an overly optimistic view of society's and capacity to change, the new "get tough" approach suffered from an exaggerated desire for vengeance against the criminal. Like their idealistic predecessors, the new "hardliners" attempted too much. The

result was to only increase despair about controlling the crime rate.

Today violent crimes remains a serious threat to the domestic tranquility of the Nation. While we must heed the lessons of our past failures to discourage us from seeking more realistic means to achieve the same end, I believe that we can do this by focusing our efforts on improving the functioning of specific components of the existing criminal justice system—particularly the process by which repeat offenders are prosecuted and our prison system.

Studies across the country indicate that a relatively small group of repeat criminals is responsible for a large proportion of serious crime—perhaps a third of all robberies and half the felonies and misdemeanors committed every year. Between 1971 and 1975, only 7 percent of those arrested for serious crimes in Washington, D.C. accounted for 24 percent of all such arrests. Some individual criminals were arrested up to 10 times during that period. In other cities, the situation is much the same. The all-too-common pattern of repeated arrest and speedy release by the courts, popularly known as "revolving door justice," is largely responsible for these astonishing figures. As Prof. James Q. Wilson of Harvard, author of "Thinking About Crime," notes:

> Because most serious crime is committed by repeaters, most criminals eventually get arrested: Yet a large proportion of repeat offenders . . . suffer little or no loss of freedom.

One reason for this perplexing state of affairs was noted as early as 1921 by the distinguished legal educator and advocate of court reform, Roscoe Pound. In a study of the Cleveland criminal courts, Pound discovered that "the professional criminal and his advisers have learned rapidly to use this machinery and make devices intended to temper the application of criminal law to the occasional offender a means of escape for the habitual offender." Today repeat offenders continue to take advantage of their knowledge of pretrial release, bail and continuance procedures, and overcrowded court calendars to delay sentencing or force dismissal of the charges against them. As the director of a New Orleans repeat offender demonstration program, basis put it—

> All the delays and continuances work to the advantage of the defendant. Memories get hazy, witnesses forget. Criminal cases are not like wine—they don't get better with age.

A recent study by the Institute for Law and Social Research of recidivism in the District of Columbia graphically illustrates this problem. The study found that in 1974 prosecutors refused to prosecute in 24 to 100 cases for lack of evidence and that in an additional 40 cases charges were dropped by the prosecutor or dismissed by the judge, presumably for the same reason. In 26 cases suspects pleaded guilty to a lesser charge. Only 10 cases went to trial and of these only 7 ended in conviction. Three of those convicted were fined or given suspended sentences and only four were sent to prisen to serve what the study predicted would be the minimum sentence.

Because arrests are actually made in only an estimated 12 percent of the crimes committed every year, the 7 percent conviction rate in these cases represents an almost infinitesimal conviction rate for serious crimes of 1 percent. One authority estimates that this low conviction rate permits repeat offenders to commit an average of six crimes before being arrested again. Clearly, this situation must be remedied, both to deter the repeat offender from committing further crimes and to insure that the most dangerous criminals are taken off our streets.

THE NEED FOR PRISON IMPROVEMENT

Adding to the inability of the criminal justice system to effectively prosecute the repeat offender is the lack of prison capacity and the substandard conditions in our State prisons. The severity of prison overcrowding and the desperate need for additional prison space are dramatically illustrated by the following situations across the Nation:

In Florida, where the prison population has almost doubled in the past 10 years, State corrections officials have resorted to housing, inmates in tents located on the grounds of the State's maximum security prison;

In Missouri, corrections officials recently abandoned efforts to buy a seminary and transform it into a prison, because of insufficient funds;

In Louisiana, where corrections officials are trying to comply with a court order requiring a 1,000-inmate reduction at the State penitentiary, a request has reportedly been made for permission to use a mothballed World War II troopship as a floating prison;

In Illinois, where the prison population is already 1,330 above capacity, it is estimated that at the present rate, the State's institutions will exceed capacity by 3,000 by the end of 1977;

And, in my State of Maryland, where the state prison population is approximately 6,700 inmates, the State-wide prisoner capacity is 4,866—40 percent less capacity than the present inmate population;

Prison overcrowding has a dramatic effect in obstructing the processes of justice in the courts, and in encouraging early parole or premature release of dangerous criminals from our prisons. Overcrowding in the Georgia State prisons recently led prison authorities to discharge 300 prisoners up to a year ahead of schedule, while in Alabama inhumane conditions in the prisons led to court freezes on prison admissions.

Crime expert James Q. Wilson, supporting his contention that prison overcrowding constrains sentencing policy, cites a recent study of Massachusetts prisons by Prof. William Shaffer of MIT. Shaffer concluded that prison capacity is the critical variable affecting the ability of the criminal justice system to lower crime rates. We must face the regrettable truth that expansion of our State prison capacity is a prerequisite for more effective efforts to control crime.

I have recently assisted Maryland State prison officials to their efforts to obtain and dock a prison ship in Baltimore harbor. I have also aided their efforts to use the Army's stockade at Fort Meade as temporary prison space. Our difficulty in obtaining even these temporary devices for alleviating prison overcrowding, and the understandable opposition of local communities to the construction of prisons in their back yard, points dramatically to the need for Federal action. My bill would provide the vehicle for the effort we must make to improve our prison system. As crime expert James Wilson of the Harvard Law School recently wrote:

> The next national administration . . . has an obligation to examine the federal relationship to the state prison system and to think seriously about the desirability of supplying both more funds for expansion of that system and higher standards for its operation.

The failure of our previous efforts to control crime in the 1960's demonstrated the lamentable truth that at this time society really does not know how to do much besides confine and deter the dangerous adult repeat offender. This does not mean, however, that we should adopt a get tough attitude toward all criminals or drastically increase the penalties for criminal behavior of all kinds. It does mean that we should insure that our criminal justice system functions as intended to mete out swift and certain punishment under our existing laws to those who repeatedly and cynically jeopardize the lives and property of law-abiding citizens.

I believe that the Repeat Offender Control and Prison Improvement Act of 1977 which I introduce today embodies the best approach presently available to insuring that justice is done and crime rates reduced.

SUMMARY OF PROVISIONS

TITLE I

Title I of the act would establish on a permanent basis a system of grants to qualifying local government units to enable them to identify and prosecute, on a rapid and limited nonplea bargain basis, the criminal repeater who accounts for such a large proportion of serious crime. The act would create an Office of Repeat Offender Prosecution Projects in the Law Enforcement Assistance Administration to administer the grants and provide technical assistance to qualifying units of local government with populations of 250,000 or more. In addition, the Office would coordinate research aimed at providing more information on criminal recidivism and award grants to promote such research.

A typical qualifying career criminal program would use these Federal funds and Federal assistance to:

Promptly identify dangerous, repeat offenders through the use of computers and other means;

Expedite prosecution of career criminals with emphasis on reduction of pretrial, trial, and sentencing delays;

Establish special teams of prosecutors and investigators to follow career criminals through the entire criminal justice system;

Severely restrict plea bargaining by career criminals; and

Increase utilization of appropriate habitual offender statutes.

These programs would be modeled on highly successful LEAA-funded pilot projects in 18 American cities, and on the examples of several other cities which have set up their own programs without the benefit of Federal funds, notably Washington, D.C., and Baltimore, Md. Washington has recently reported significant decreases in crime rates for such serious crimes as armed robbery since its repeat offender program has been introduced.

As a long-standing advocate of civil liberties I have taken steps to insure that this bill adequately protects the rights of the accused. First, the plans which are submitted by eligible units of Government must protect against the unlawful dissemination of the material contained in the computerized data banks containing information on previous criminal records. For several years I have advocated the need for stringent safeguards against the improper dissemination of personal data including criminal records. Plans and operating programs will be under constant scrutiny. Those which do not guarantee such protections will not be funded by the office. Second, proposals would not be approved which do not adhere to stringent requirements regarding the selection of individuals to be treated as "repeat offenders." Particular concern will be given to insuring that repeat offenders not involved in serious, violent crimes do not become the focus of these programs.

In addition, the act contains comprehensive guidelines requiring expansion of other parts of the criminal justice system which may be necessary to accommodate the increased burden of repeat offender cases. Funds would be available to assist local jurisdictions in meeting these costs. Federal funds could readily be made available for example, to public defenders seeking to match the additional resources received by the local prosecutor to prosecute repeat offenders. It should be noted that Federal moneys have already been made available for such purposes. In Boston's LEAA-funded career criminal program, Federal moneys are used to provide both prosecutors and defense counsels for defendants processed under the program. In addition in Kalamazoo, Mich., Federal funds were used to help construct a new circuit court to help process career criminals under an LEAA grant. Similarly, in Columbus, Ohio, the public defender obtained a Federal grant to match the additional resources received by the local prosecutor under an LEAA-funded career criminal program.

TITLE II

Title II of the act would provide for the Federal Government to construct and administer regional prisons on Federal land—that is surplus military land. States and localities would then contract with the Bureau of Prisons for bed space in these facilities on a per diem basis. Federal prisoners would be limited to a maximum of 25 percent of prison capacity.

While prison space in these facilities would not be limited to repeat offenders, it is the bill's intent that a significant proportion of those referred to the regional prisons by the States would have been convicted under repeat offender programs. Since the prisons would be on Federal land and run by the Bureau of Prisons, this approach would provide for a rapid expansion of needed prison space, the upgrading and standardization of prison conditions, and the use of State and local funds to pay for Federal land and administrative resources.

CONCLUSION

George Washington wrote:

Impressed with the conviction that the true administration of justice is the finest pillar of good government, I have considered the first arrangements of the judicial departments as essential to the happiness of our country and the stablity of its political system.

The Repeat Offender Control and Prison Improvement Act of 1977 holds out the hope of insuring that our criminal justice system functions as the Founding Fathers intended it to function. The bill I introduce today is soundly based on the latest evidence and expert opinion in the criminal justice field. Its measures rest on a solid foundation of proven experience. I urge the Congress to remember that delay in taking the kind of realistic, responsible action I have outlined means continued victimization of innocent citizens, particularly the elderly, the poor and the minority residents of our cities, by a violent criminal minority whose actions threaten the Constitutional goal of domestic tranquility.

Mr. President, I ask unanimous consent that the text of the Repeat Offender Prosecution and Prison Improvement Act, a section-by-section analysis of the bill, and various articles discussing the underlying principles of the bill, be inserted at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 28

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be called the "Repeat Offenders Prosecution and Prison Improvement Act".

TITLE I—FINANCIAL ASSISTANCE FOR CAREER CRIMINAL PROSECUTION PROGRAMS

PART A—FINDINGS; PURPOSE AND DEFINITIONS

STATEMENT OF FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. (a) The Congress finds that—

(1) criminal recidivists account for a significant proportion of the individuals arrested for serious crime in the United States;

(2) large numbers of criminal recidivists escape identification as criminal repeaters and use their familiarity with the criminal justice system to avoid prosecution and punishment;

(3) increasing the number and speed of convictions of career criminals would have a significant impact on the level and frequency of serious crime in the United States; and

(4) increasing the research efforts relating to the amount of crime committed by criminal recidivists is of prime importance to adequate planning for the criminal justice system.

(b) The Congress declares that it is the policy of the United States to assist units of general local government having populations of at least 250,000 individuals by way of grants and technical assistance to improve the capacity of such units of general local government to deal with career criminal offenders.

DEFINITIONS

SEC. 102. As used in this title—

(1) "Administrator" means the Administrator of the Law Enforcement Assistance Administration;

(2) "Director" means the Director of the Office of Repeat Offenders Prosecution Projects;

(3) "Office" means the Office of Repeat Offenders Prosecution Projects established within the Law Enforcement Assistance Administration; and

(4) "eligible units of general local government" means any such units of general local government defined in section 601 of the Omnibus Crime Control and Safe Streets Act of 1968 having a population of 250,000 or more individuals on the basis of the most satisfactory current data available to the Administrator.

PART B—REPEAT OFFENDERS PROSECUTION GRANTS

FINANCIAL ASSISTANCE AUTHORIZED

SEC. 111. The Administrator is authorized to make grants to eligible units of general local government and to provide technical assistance to such units of general local government to assist such units in establishing and operating programs designed to identify and expedite the prosecution and conviction of career criminal offenders.

APPLICATION

SEC. 112. (a) A grant may be made under this title only pursuant to an application submitted to the Administrator at such time, in such manner, and containing or accompanied by such information as the Administrator deems reasonably necessary. Each such application shall—

(1) designate or establish a local agency or office to implement and administer the repeat offender prosecution program for which assistance is sought;

(2) set forth the rate of crime in the area served by the eligible unit of local government including the number of repeat offenders and a detailed description of the existing components of the criminal justice system of the eligible unit of general local government, including but not limited to, police agencies, prosecutors, courts, correctional agencies and public defenders, and how each of the components so described will be utilized, altered, or reformed to implement the repeat offender prosecution program for which assistance is sought under this title;

(3) contain satisfactory assurances of the actual and continuing cooperation of all the components of the criminal justice system of the eligible unit of general local government in such a repeat offender prosecution program.

(4) set forth criteria to be used in the selection of career criminal offenders to be prosecuted under such repeat offender prosecution programs;

(5) provide for the collection of information necessary to identify career recidivists to classify such career recidivists, as career criminal offenders, and to follow the cases of such criminal offenders through the criminal justice system of such eligible unit of general local government subject to the provisions of section 524(b) of the Omnibus Crime Control and Safe Streets Act of 1968;

(6) provide for the collection and submission of such information as the Director may reasonably require;

(7) provide for procedures to protect the rights and privacy of accused individuals

and to assure that the information collected regarding such individuals will be used only for law enforcement and criminal justice purposes in accordance with the provisions of section 524(b) of the Omnibus Crime Control and Safe Streets Act of 1968;

(8) set forth a description of the anticipated impact of the repeat offender prosecution program assisted under this title on detention facilities and a description of actions to be taken by the eligible unit of general local government to address the problems raised by such anticipated impact;

(9) provide an itemized estimated cost for the implementation and operation of the repeat offender prosecution program for which assistance is sought under this title;

(10) provide for continuing coordination between the repeat offender prosecution program assisted under this title and related law enforcement activities assisted under title I of the Omnibus Crime Control and Safe Streets Act of 1968;

(11) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the eligible unit of general local government for the purposes described in the application, and in no case supplant such funds; and

(12) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the eligible unit of general local government under this title.

(b) An application by an eligible unit of general local government for financial assistance under this title may be approved by the Administrator only if it meets the requirements set forth in subsection (a) of this section.

(c) Amendments of applications shall, except as the Administrator may otherwise provide, be subject to the approval in the same manner as original applications.

TECHNICAL ASSISTANCE

SEC. 113. The Administrator is authorized to undertake such activities as he determines are necessary to provide either directly or by way of grants, contracts, or other arrangement, technical assistance to eligible units of general local government in planning, developing, and administering repeat offender prosecution programs for which assistance is provided under this title.

LIMITATIONS ON PAYMENTS

SEC. 114. (a) No payment may be made under this title to any single eligible unit of general local government in any fiscal year in an amount less than $100,000.

(b) No payment for any fiscal year under this title to the eligible units of general local government in a single State shall exceed 12½ per centum of the aggregate payments to all eligible units of general local government in that year under this title.

PAYMENTS

SEC. 115. (a) The Administrator shall pay in any fiscal year to each eligible unit of general local government which has an application approved pursuant to this title for that fiscal year the amount necessary to carry out such application as determined by him.

(b) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(c) The Administrator shall give due consideration to providing financial assistance for the continued funding of programs of demonstrated effectiveness which otherwise meet the requirements of this title.

CONSULTATION

SEC. 116. In carrying out the provisions of this title, the Administrator shall consult with the Attorney General and the heads of such other Federal agencies as he determines will assist in carrying out the provisions of this title.

PART C—THE OFFICE OF REPEAT OFFENDERS PROSECUTION PROJECTS

OFFICE OF REPEAT OFFENDERS PROSECUTION PROJECTS ESTABLISHED

SEC. 121. (a) There is established within the Law Enforcement Administration of the Department of Justice, the Office of Repeat Offenders Prosecution Projects.

(b) The programs authorized by this Act, unless otherwise specifically provided in this Act, shall be administered by the Office established under this section.

(c)(1) The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. Under the general supervision and direction of the Administrator, the Director shall exercise all of the functions of the Office under this Act.

(2) There shall be in the Office a Deputy Director who shall be appointed by the Administrator. The Deputy Director shall perform such functions as the Director may prescribe and shall be Acting Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

FUNCTIONS OF THE OFFICE

SEC. 122. In order to carry out the purposes of this Act, the Administrator shall—

(1) make grants to eligible units of general local government for special prosecution programs for career criminal offenders in accordance with part B of this title;

(2) provide technical assistance to eligible units of general local government in the planning, establishment and operation of such programs;

(3) provide for the widest practicable and appropriate dissemination of information including an analysis and evaluation of the performance and results obtained from the operation of repeat offender prosecution programs for career criminal offenders assisted under this title; and

(4) prepare and submit a report to the President for transmittal to the Congress at least once each year on the activities of the Office and programs assisted by the office, together with such recommendations, including recommendations for legislation, as the Administrator deems appropriate.

ADMINISTRATIVE PROVISIONS

SEC. 123. (a) The Administrator is authorized, in carrying out his functions under this title, to—

(1) appoint and fix the compensation of such personnel as he deems necessary;

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(3) appoint one or more advisory committees composed of such privade citizens and officials of Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this title;

(4) promulgate such rules, regulations, and procedures as may be necessary to carry out his functions, including the establishment of priorities to be applied in the approval of applications under this title;

(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities, with or without reimbursement therefor;

(6) without regard to section 529 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary to carry out his functions under this title with any public agency, with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private nonprofit organization;

(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 665 (b) of title 31, United States Code;

(8) request such information, data, and reports from any Federal agency as the Administrator may from time to time require and as may be produced consistent with other provisions of law; and

(9) arrange with the heads of other Federal agencies for the performance of any of his functions under this title with or without reimbursement, and with the approval of the Attorney General, delegate and authorize the redelegation of any of his functions under this title.

(b) Upon request made by the Administrator each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates and statistics) available to the greatest practical extent to the office in the performance of its functions.

(c) Each member of the committee appointed pursuant to paragraph (3) of subsection (a) of this section shall receive $120 a day including traveltime, for each day he is engaged in the actual performance of his duties as a member of the committee. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

COMPENSATION OF THE DIRECTOR

SEC. 124. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(137) Director, Office of Repeat Offenders Prosecution Projects, Law Enforcement Assistance Administration.".

PART D—GENERAL PROVISIONS

WITHHOLDING OF GRANTS

SEC. 131. Whenever the Administrator, after reasonable notice and opportunity for a hearing to any "eligible unit of general local government", finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the application of an eligible unit of general local government approved under section 112; or

(2) that in the operation of any program or project assisted under this title there is a failure to comply substantially with any applicable provision of this title;

the Administrator shall notify such eligible unit of general local government of his findings and that no further payments may be made to such local government under this title until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Administrator may authorize the continuance of payments with respect to any program or project assisted under this title which is being carried out pursuant to such application and which is not involved in the noncompliance.

REVIEW AND AUDIT

SEC. 132. The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grant made under this title that are pertinent to the grant received.

SAVINGS PROVISION

SEC. 133. Nothing contained in this title shall be construed to prevent or impair the enforcement of any other provision of Federal law.

AUTHORIZATION OF APPROPRIATIONS

SEC. 134. There are authorized to be appropriated $——— for the fiscal year 1978,

$——— for the fiscal year 1979, and $——— for the fiscal year 1980.

TITLE II—FEDERAL REGIONAL PRISON SYSTEM

FINDINGS AND PURPOSES

SEC. 201. (a) The Congress finds that—

(1) there is a critical shortage of prison facilities at the State and Federal levels;

(2) that such shortage has a significant effect on judicial sentencing policy; and

(3) the Federal Government is obligated to alleviate the overcrowding of such facilities and to improve living conditions therein.

(b) The purpose of this title is to meet the obligation of the Federal Government by providing for the construction and operation of five regional prison facilities for State and Federal prisoners.

DEFINITIONS

SEC. 202. As used in this title—

(1) "Attorney General" means the Attorney General of the United States or his delegate; and

(2) "Director" means the Director of the Bureau of Prisons.

ESTABLISHMENT OF REGIONAL PRISONS

SEC. 203. (a)(1) The Attorney General is authorized and directed to construct five Federal regional prisons for the purpose of providing suitable quarters for the imprisonment, care, and subsistence of any person held under authority of any Federal or State statute.

(2) The Attorney General is authorized—

(A) to select and, where Federal land is not available, to acquire appropriate sites for such Federal regional prisons to best alleviate the overcrowding in State and Federal correctional facilities; and

(B) to contract with the proper authorities of any State for the imprisonment, care, and subsistence of any persons convicted of an offense against such State in accordance with the provisions of section 204.

(b) The Bureau of Prisons, under the direction of the Attorney General, shall have charge of and management and regulation of all Federal regional prisons.

ASSIGNMENT OF PRISONERS

SEC. 204. (a) The Attorney General may designate as the place of confinement any available, suitable, and appropriate Federal regional prison, where the sentence of any person convicted of an offense against the United States shall be served except that such persons shall not constitute more than 25 percent of the total number of persons confined in any such prison.

(b)(1) The Attorney General may contract with the proper authorities of any State for the imprisonment, care, and subsistence of any person convicted of an offense against such State, who would otherwise qualify for imprisonment in a Federal medium or maximum security institution, in any available, suitable, or appropriate Federal regional prison. The Attorney General shall have final authority in any decision with respect to the selection and assignment of such persons to such prisons.

(2) Any contract entered into under this subsection shall require such State to pay the Federal Government for the care and custody of such persons on a per diem basis at a rate which reflects the cost of constructing and operating such prison, including the cost, if any, of acquiring the land on which such prison is situated.

TREATMENT OF STATE PRISONERS

SEC. 205. (a) Any person convicted of an offense against a State who is assigned to a Federal regional prison as provided in section 204 shall be subject to the same discipline and treatment as any person convicted of an offense against the United States and assigned by the Attorney General to such prison.

(b)(1) Notwithstanding the provisions of subsection (a), for purposes of awarding or forfeiting good time allowances, final discharge from prison, or release on parole, such persons shall be subject to the same treatment as any person convicted of an offense against the State who is serving a sentence in a State institution.

(2) The Director shall maintain and make available to the proper State authorities accurate records on each person confined in a Federal regional prison pursuant to a contract under section 204.

AUTHORIZATION OF APPROPRIATIONS

SEC. 206. There are authorized to be appropriated for the purpose of carrying out the provisions of this Act, $10,000,000 for the fiscal year ending September 30, 1978, $20,000,000 for the fiscal year ending September 30, 1979, and $50,000,000 for the fiscal year ending September 30, 1980.

SECTION-BY-SECTION ANALYSIS

REPEAT OFFENDERS PROSECUTION AND PRISON IMPROVEMENT ACT

Title I—Financial Assistance for Career Criminal Special Prosecution Programs.

Part A—Statement of findings and declaration of purpose

Finds that repeat criminal offenders account for a significant number of serious crimes and that increasing the likelihood that they will be identified and prosecuted would have an impact on the crime rate. The purpose of the legislation is to provide financial and technical assistance to local governments with populations of at least 250,000 to improve the capacity of these governments to deal with the career criminal.

Part B—Special prosecution project grants

Authorizes the Law Enforcement Assistance Administration to make grants and provide technical assistance to local governments for programs to identify and expedite the prosecution and conviction of career criminals.

Grants for career criminal projects are made on the basis of an application approved by LEAA which includes, among other things: a description of the current crime situation in the locality and the impact of the career criminal; a description of the current criminal justice system components in the locality and how these elements would change under the proposed program; criteria for the selection of offenders who would be prosecuted under the proposed program; provision for the protection of information concerning, and the rights and privacy of the accused in accordance with section 524(b) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; and provision for the annual collection of data and other information concerning the program as required by LEAA.

The minimum grant for a program's implementation is $100,000, the actual amount to be determined by LEAA. The total amount received by local governments within one State may not exceed one-eighth of the total amount available for the program nationally.

Part C—The Office of Repeat Offender Prosecution Projects

Establishes an Office of Repeat Offender Prosecution Projects within the Law Enforcement Assistance Administration to administer the career criminal grant program. The Office is headed by a Director who is a Presidential appointee. Besides administering the grants, the functions of the Office are to: provide technical assistance; disseminate information on the career criminal programs; and, to prepare an annual report to be submitted to the President and Congress on the activities of the Office and the programs it funds.

Part D—General provisions

Provides for withholding of grants for noncompliance, audit and review of the program and a three-year authorization for the program.

Title II—Federal Regional Prison System

Sec. 201. Findings and Purpose.

There is a critical problem of overcrowding in both Federal and State prison facilities which has a significant effect on judicial sentencing policy. To relieve this problem, Title II provides for the construction and operation of five regional prisons to house both Federal and State offenders.

Sec. 203. Establishment of Regional Prisons.

The Attorney General is authorized (1) to select and acquire sites for such Federal regional facilities, if no Federal land is available, and (2) to contract with State authorities for the imprisonment of individuals convicted of a crime against such State. The Bureau of Prisons shall manage and regulate all five Federal regional institutions.

Sec. 204. Assignment of Prisoners.

The Attorney General may designate any of these Federal regional prisons for confinement of any individual who has violated a Federal law but Federal offenders shall not exceed 25 percent of the population of any such prison. States may contract with the Attorney General for confinement of any State offender who would qualify for imprisonment in a Federal medium or maximum security institution. The Attorney General will have final authority in the selection and assignment of State offenders to any Federal regional prison. States shall be required by contract to repay the Federal government for the custody of their State prisoners on a per diem basis at a rate reflecting the cost of the construction and operation of such prison, including the cost of the land acquisition.

Sec. 205. Treatment of State Prisoners.

All State prisoners assigned to a Federal regional prison shall be subject to the same treatment and disciplinary procedures which apply to any Federal prisoner. However, with regard to good time allowances, final discharge procedures, and release on parole, State prisoners shall be treated as any other individual confined in a prison in his own State. The Director of the Bureau of Prisons shall maintain and make available to the State authorities accurate records on all State offenders confined in a Federal regional prison.

Sec. 206. Authorization of Appropriation.

The authorization for carrying out this Act is: $10 million for FY '78, $20 million for FY '79 and $50 million for FY '80.

[From the Washington Post, Oct. 13, 1976]

FIGHTING CRIME: NEW APPROACHES TO AN OLD PROBLEM

(By William Raspberry)

Ben Holman knows as well as anyone the truism that blacks are more likely than their numbers would indicate to be involved in crime—both as perpetrators and as victims.

He also knows the "history of racism, discrimination and repression" that has helped create the conditions which, disproportionately, foster crime in the black communities.

But, he told a recent Louisville meeting of the National Black Policemen's Association, blacks are also peculiarly well situated to do something about crime.

"Blacks should take the initiative and become the focal point for a strong fight against crime," said Holman, who is black and head of the Justice Department's Community Relations Service.

"To initiate our effort, we desperately need strong black organizations at the community level. The alarming black crime rate, being far out of proportion to our numbers in the population, seems a good rallying point to begin building them."

His remarks, predictably, were well received by an audience consisting of law enforcement officers. But they might have been equally well received by audiences, black or white, whose principal concern with

crime is to fear it. Holman understands that there is no longer much disposition in America's black communities to side with black criminals against policemen of any color. People are more afraid of their neighborhood criminals these days than they are of brutal cops.

It follows, then, that blacks may be ready to organize at the community level to do something about the crime they fear. Holman mentioned such groups as CASH (Citizens' Action for a Safer Harlem) and CLASP (Citizens Local Alliance for a Safer Philadelphia) that have been involved in such efforts as narcotics control and patrolling housing projects.

"It is now time for bolder action," he said. Unfortunately, the proposal that followed doesn't seem particularly bold. He called for the black policemen's group to take the lead in establishing "neighborhood crime commissions," funded initially from within the community but, upon establishment, eligible for federal funding through Holman's Community Relations Service.

As he described the commissions' role, it would concern itself primarily with police-community relations, recruitment of black police officers, public education on the problem of crime in an effort to dethrone the "Superfly" idol, and "court-watching"—the use of volunteers to attend trials to "let it be known that concerned residents are watching and expecting a fair punishment."

There's nothing wrong with any of these assignments, except that they seem to me to have relatively little to do with crime.

Even the use of high school athletes as escorts for senior citizens, or mothers as chaperons for recess, which obviously could help to provide some protection for people who are particularly vulnerable, doesn't really speak to what most of us perceive as the major crime problem.

Most of the proposals appear to be based on questionable assumptions—that there is an important connection between crime rates and teenage hostility toward the police, for instance, or that people commit crime primarily because they think it is "Superfly" cool.

Maybe so, if you're talking about vandalism or small acts of rebellion against authority.

But the crimes that people seem to fear most are such economic crimes as robbery and burglary, crimes committed not because they are cool but because they are profitable.

In the long term, it may be possible to reduce crime of this sort by reducing its economic necessity. There may not be much connection between crime and bad vibes between kids and cops, but there is a strong correlation between crime and joblessness.

But fear of crime is not going to turn the economy around, and in the short term there are only two things that are likely to reduce the rate of crime: the reduction of opportunity and the elimination of profit.

The reduction of opportunity for crime can mean anything from Holman's senior citizen escorts, which might discourage muggings, to heavier locks or more sophisticated alarm systems, which might discourage burglaries.

If these things don't reduce the amount of crime, they might at least encourage criminals to seek other victims.

Elimination of profit from crime is accomplished by anything that makes crime a bad gamble—the increased likelihood of getting caught, for instance, or the increased certainty of punishment.

The refusal of non-thieves to buy stolen merchandise would do more to prevent housebreakings than the most expensive alarm system on the market.

I wish Holman had dealt more with this sort of thing. It is a matter of some importance and significance when highly placed black officials summon up the courage to speak out against black crime, and when they do, it is important that they do so in terms that are likely to lead to concrete results.

Only recently has it been politic to speak out at all. Even Holman, in his Louisville speech, was at great pains to show that he understood the nature of racism and deprivation and to stress that white-collar crime, committed by white people, costs the nation far more than so-called street crime. But those obligatory preliminaries accomplished, Holman got to his real concern.

"Blacks must stop apologizing for crime in the community," he said. And we must stop shrugging it off as a problem "we must learn to live with. . . . Resignation to the problem will produce nothing but added room for it to grow."

[From the Washington Star, Dec. 12, 1976]

INCREASING CRIME IMPRISONS ELDERLY IN WORLD OF FEAR

(By Susan Axelrod)

The day after Christmas last year, 77-year-old Erma Petersen's purse was snatched. The man who robbed her pocketed only $23, but the money, apparently, wasn't enough. After grabbing the purse from her hands, the robber pushed Petersen to the sidewalk. The impact broke her left hip in three places.

Her recuperation has been painful and tedious. And it isn't over yet. Weeks in the hospital, months spent living with her son and daughter-in-law; the metal walker, a four-pronged cane. Erma Petersen finally has moved back to her own apartment in Rockville and she's getting along, albeit more slowly than before, with the help of a cane.

"I used to have a good walk," Petersen said recently. "It may be better in time, but how much time do I have left? I'm 77 years old."

But it's not Erma Petersen's slower gait that concerns her as much as her fear of walking the streets, the possibility that she will be mugged again. "I'm afraid, quite frankly. I'm scared to death," she said.

Though she may barricade herself in her apartment after dark, Petersen is not alone. For all over the Washington area, and for that matter, the United States, the elderly increasingly have become targets of robberies and burglaries. In many cases they have become homebound after dark—not by choice, but by fear.

Precise figures on crimes against senior citizens are difficult to obtain, because until recently none were compiled. As one police officer put it: "We keep loads of figures on criminals but we tend to forget the victims, especially if they're old."

Persons over 60 comprise 17.5 percent of Montgomery County's population. Last year, 57.1 percent of the robberies that did not involve knives or guns were targeted at these elderly.

In the District, 93 percent of the crimes against the elderly last year were robberies—mostly purse snatchings and stolen wallets. In street jargon, these crimes are called "crib jobs" because they are "like taking candy from a baby."

The vast majority of these robberies result only in money loss—enough of a burden for one living on a fixed income. But sometimes the street crimes become violent, and even result in death. Eighty-four-year-old socialite Gladys Werlich died of head injuries last January, six days after she was mugged by four youths near her 16th Street mansion.

"It's gotten so bad the old people are afraid to go outside and they're afraid to stay home," said Cpl. Cliff Melton, head of Montgomery County's Crime Prevention for Seniors program.

For the past year and a half Melton's federally-funded program has been keeping track of crimes against the elderly in the county. According to his figures, more than half those crimes have taken place in Silver Spring, where 17,000 of the county's 65,000 seniors live.

Melton recalled one woman who was robbed as she stood on the open porch of her Silver Spring home. "As he was reaching for my purse he said, 'Shut up or I'll kill you,' " the woman told Melton.

"I used to walk my dogs at 2 a.m. I used to leave the doors unlocked and I never worried about anything. Now I don't even answer the door in the daytime unless I know who is coming over," she said.

Unlike some of the 700 victims Melton has dealt with, the woman said she has not considered moving. "I've been here for so many years . . . I figure no matter where you move, you could get mugged. You're not safe anywhere. It's a heck of a way to live, but what can you do?" she asked.

Melton's program, and one similar to it in Prince Georges County, tries to deal with that question. Melton lectures to groups of senior citizens. He writes letters to elderly victims, offers counseling and refers them to county agencies for further help.

Often, a victim calls Melton in his tiny cubicle in the Silver Spring police station—just to talk. "They want reassurance," he said. "What do you do with a woman who won't leave her home after it's been burglarized? It's not the loss of her television set that bothers her.

"The impact of a burglary is psychological and emotional as well. It is just as great as if someone had hit them on the head. The home is probably the last place the elderly feel security and privacy," Melton said. More than 400 of the 700 crimes against the elderly last year involved burglaries, he said.

So he talks to them on the telephone. Visits them at home. Tells them how to be on the lookout for potential purse snatchers. Explains confidence schemes so they won't lose their savings. And he tries to do all this without making them more afraid.

"We've got to give these victims confidence to continue living another day without fear," Melton said.

The name of Prince Georges program even suggests that anxiety. Called "Seniors Against a Fearful Environment," the federally funded program has been in operation just six months.

Along with some counseling and referral services, SAFE employs four officers who patrol on foot or on scooters neighborhoods inhabited primarily by old people.

Cpl. Frederic Zimmer said that since the program got under way no elderly people have been injured during robberies and very few crimes have been committed against them. Zimmer said no statistics were kept on elderly crime victims before the program began.

Fairfax County Police Department community relations officers will lecture to groups of senior citizens if they are asked. "If we don't hear from them, we assume they're doing all right. We don't do as much as we'd like to do, but with lectures to schools and civic and business associations, there isn't much time left to solicit new requests," said one officer.

The Alexandria Police Department has one program developed specifically for senior citizens, a flim-flam warning called "On Guard Bunko." Community relations officers seek out the elderly to warn them of shams like the "Pidgeon Drop" and the "Bank Examiner" fraud.

Nationally, according to George Sunderland of the American Association of Retired Persons, fraud is the No. 1 crime problem facing the elderly. In Montgomery County last year, 16 of the 33 fraud schemes police investigated had elderly victims. And though figures were not available, District police spokesman William G. Jepsen said

senior citizens are "much more likely" to be taken in by a con game because they often are less suspicious.

The District is in the process of packaging crime prevention literature with a particular focus on reaching the elderly, "especially the less active senior citizens who don't get out as much to lectures," Jepsen said. "We don't want the criminal element here to take a cue from New York City."

No, not New York City, where, after two assaults in two months, a couple in their 70s committed suicide and left a note: "We don't want to live in fear any more." Or Detroit, where an 80-year-old woman refused to yield her purse to three youths, so they shot her in the face.

In Seattle, young policemen disgused with make-up to appear elderly patrol senior citizens' neighborhoods as decoys. Chicago, Los Angeles and New York have obtained federal funds for programs similar to those in Montgomery and Prince Georges Counties.

But even when the criminals are caught, Montgomery's Melton lamented, "there's not too much the courts can do." The vast majority of offenders who victimize the elderly are under 18—juveniles.

"What is a judge going to do with a 15-year-old boy who beats an old lady and snatches her purse? Slap him on the wrist and send him out," Melton said.

Like many of the purse snatchers and burglars, Erma Petersen's assailant has not been caught. "No," she said one day last week, her leg raised on a chair to help the swelling, "no, they never caught him. He's probably out getting somebody else right now."

[From the Washington Star, November 1976]

A Promising Crackdown on Career Criminals

(By James J. Kilpatrick)

The history of crime and criminal justice in our country is largely a history of failures. One approach after another has been tried; nothing much has succeeded. But in its attack on "career criminals," the Law Enforcement Assistance Administration may have hit upon something that works.

A career criminal is precisely that—a man who makes a career of burglary or armed robbery as other men make careers of journalism, medicine or law. This is the only profitable trade he knows. The career criminal is utterly without conscience; he is indifferent to every consideration of right conduct; his animal instincts lead him, without pity, to prey upon unoffending victims.

An FBI study indicates that at least a quarter of a million persons are actively pursuing careers in crime. These are the recidivists—the two-time, three-time, five-time losers. Put on probation for one offense, they soon commit another. Sent briefly to jail, they gain nothing from rehabilitation programs. Released on parole, they fall back into crime.

What can be done about it? In 18 cities and in the State of Rhode Island, the LEAA is experimenting with a hard-nosed approach that is about as far as one can get from the bleeding-heart compassion beloved of the school that says, "Society is to blame." The purpose is plain—to prosecute the career criminals to the very limit of the law, and to send them to prison for long, long terms.

In a word, incarceration. If the program has a deterrent effect on other criminals (and there is some evidence that it is having such an effect), so much the better. If the long-term prisoner benefits from rehabilitation, all well and good. But the primary goals are not to deter or to rehabilitate. The object is to get these particular criminals on ice, behind bars, where for a number of years they cannot terrorize the people.

The program got under way in Houston and New Orleans in the spring of 1975. Shortly thereafter, Dallas, Boston, Salt Lake City, San Diego and Detroit came aboard. Grants subsequently were approved for Columbus, Ohio; Kalamazoo, New York City, Indianapolis, St. Louis, Miami, Albuquerque, Memphis, Louisville and Las Vegas. Last month the LEAA funded a $295,000 program for Portland, Oreg. About $8.5 million, in all, has been committed.

The federal aid is intended to help the participating cities in putting together a team of prosecutors who work on career criminals only.

In a typical case, a suspect is arrested for armed robbery. A routine check discloses that he has a long record of prior offenses. The special team goes to work. Prosecutors argue for high bail; they press for prompt trial; they refuse to bargain for a plea of guilty to some lesser offense. They concentrate their skill and energy on getting convictions; and they ask the trial court for long prison terms.

This relentless approach seems to work. Over a 14-month period from May 1975 through July of 1976, prosecutors in 12 of the participating cities brought 2,015 career criminals to trial. The average adjudication time was 84 days. The prosecutors won 1,914 convictions. The average sentence was 19.8 years in prison.

As an article in the current U.S. News makes clear, not everyone is enthusiastic about the program. Defense lawyers are complaining of the unkind treatment accorded their best clients. Some criminologists doubt that a deterrent effect on crime in general can be shown. If the program catches on, the taxpayers ultimately will be hit for the higher costs implicit in the long-term incarceration of a large number of dangerous criminals.

My own guess, for what it may be worth, is that the taxpayers willingly will accept the burden. As public opinion surveys disclose, the people everywhere long for safe streets.

Law-abiding citizens grow increasingly impatient with what they perceive as soft-hearted judges and inefficient law enforcement machinery.

No one supposes that the career criminal program will stop crime. Of course not. But it will isolate some of the most vicious criminals until they get to be old men—and that strikes me as a net gain, fully worth the price.

CBS Evening News With Walter Cronkite

Cronkite. Criminal preying on the elderly is an aspect of Eric Sevareid's commentary tonight on law and order.

Eric Sevareid. The new President is expected to act as if the most immediate responsibility of government is to put people to work. That reflects the ethos of this last generation. But the most fundamental responsibility of government in any generation is the protection of citizens in their persons and property. The Nixon-Ford law and order administration took office eight years ago. It altered the supposedly permissive Supreme Court and spent six-billion extra Federal dollars on special help to state and local police forces.

In that time, felonies have increased by a monstrous 50 percent. Unemployment is one cause, but a marginal one. It does not explain why teenagers who were stealing hubcaps a few years ago are now shooting, knifing, and stomping old people to death. It does not explain the half-million career criminals who would not take any job offered, and who commit about 80 percent of burglaries today. It doesn't explain big, organized crime which grows steadily in recession or prosperity.

There is no one core to the crime problem, but an obvious one is the jammed-up condition of the criminal courts. There is no avoiding a big increase in prosecutors, defense lawyers, courts, and jail space. Without them, new laws for longer minimum sentencing just add to the log jam. And only six percent of all Federal aid has gone to help the courts. Presuming an enlarged, speeded-up court system, there are three avenues of action that promise progress. [One is the spread of special bureaus for catching and trying career criminals, with centralized, computerized police information about them.]

One is the process of separating the new, terrifying class of teenage felons from harmful juvenile offenders like truants and runaways, and treating them far more severely. A third, now possible under new laws but barely begun, is to go after organized crime, which is big business, not only by means of the criminal law, but by means of the laws of equity—common and statutory. As a corporation that violates anti-trust laws, for example, is gone after. The advantages seem promising. Compared with criminal defendants, civil defendants have fewer protective rights.

Jurors frequently intimidated by the mob can often be dispensed with. Mob property can be confiscated. Mob leaders can be enjoined from doing certain kinds of business, or doing business in certain regions. Theoretically at least, brief periods of emergency could be declared by statute. Another advantage, however temporary, is that most mob lawyers are untrained in equity law. In sum, the big leaders of organized crime, of whom there are probably no more than about a hundred, would get hit in their pocketbook, if not in their person.

[From The U.S. News And World Report, Nov. 22, 1976]

A War on Career Criminals Starts To Show Results

A federally financed crackdown on people who make careers out of crime is starting to show important results.

Already, nearly 2,500 career criminals have been sent to prison for long terms under the program, begun less than two years ago, and the number will climb sharply in months ahead.

The campaign against career criminals, which is the major anticrime initiative of the Ford Administration, is thus far operating in only 18 cities and one State. No one is yet sure whether it will achieve its main goal—a reduction in the nation's crime rate.

But President Ford is so pleased with the way it is working that he has ordered the federal program doubled in size.

Moreover, a number of prosecutors around the country have set up their own career-criminal programs, with only indirect federal aid. And two cities—Washington, D.C., and Ventura, Calif.—are so enthusiastic about the idea that they have gone off on their own, with only local financing.

MUCH BY FEW

The programs vary somewhat from city to city. But they are all based on this theory: Much of the nation's serious crime is committed by a relatively small number of people who make crime their business. So, one way to reduce crime is to identify such criminals and make sure that they are prosecuted swiftly and vigorously, convicted if guilty and locked up for the maximum sentence if they are convicted.

This is what has happened to career criminals in some recent cases:

A Miami man, convicted in a rape case, received consecutive sentences totaling 420 years—almost certainly assuring that he will stay in prison longer than he would under a life sentence, which often is shortened by parole.

In Detroit, a man who had pleaded guilty to breaking and entering a motor vehicle was sentenced to two to five years in prison. But prosecutors, noting he had five previous fel-

ony convictions, returned him to court, and he was sentenced to 10 to 20 years in prison as a habitual criminal.

In Massachusetts, a 23-year-old man had spent only two short terms in custody despite a record that began when he was 15. After conviction of rape, armed robbery and kidnaping under the career-criminal program, he was sentenced to 25 to 40 years in prison.

No one knows for sure how many people fall into the category of career criminals. But a study by the Federal Bureau of Investigation of 256,000 persons who were arrested between 1970 and 1975 showed that 64 per cent of them had been arrested two or more times. The study also showed that those 256,000 persons had been accused of a total of more than a million crimes.

HOW IT WORKS

The Federal Law Enforcement Assistance Administration (LEAA) has put 6.2 million dollars into the program to help State and local prosecutors. Just how does the program work?

A team of prosecutors is relieved of other duties so that the members can concentrate on the career criminals. The federal aid enables prosecutors to hire other assistants to handle routine cases.

The prosecutors work closely with the police—in some cases rushing to the scene of a serious crime so they will be fully familiar with the case from the beginning.

In most places, persons are targeted for special treatment if they have long criminal records and if their latest crime is a serious one.

A defendant tagged as a career criminal finds that ways he used in the past to slip through the courts are blocked. It is much harder for him to get a trial delayed or to escape a long sentence by pleading guilty to a minor offense instead of standing trial for his real crime.

The prosecutor assigned to the case sticks to the suspect like a shadow. When a bail hearing is held, the prosecutor is there to demand that the bail be high.

When the defendant goes to trial, the prosecutor enters the court fully familiar with the case and the defendant's record. He makes sure his witnesses are in court on time. These prosecutions are handled much more speedily than most criminal cases so the witnesses will still have clear recollections of what happened and will be prepared to give convincing testimony at the trials.

HIGHER CONVICTION RATE

So far, 95 per cent of the cases have resulted in convictions, compared with a national average conviction rate of 81 per cent. In career-criminal trials, the prosecutor makes certain that the criminal's full record is before the judge when a sentence is being considered.

Arvin L. Davis, who runs the career-criminal program in Kalamazoo, Mich., explains how he goes one step further to make sure the crime and the suffering of the victim are not forgotten: When it comes time for sentencing, we bring the victim to court and sit him in the first row with the prosecutor. That has a certain sales effect."

Almost all of those convicted under the program have been sentenced to prison, with an average term of nearly 20 years.

In addition to the one in Kalamazoo, there are now federally funded career-criminal programs operating in Houston, New Orleans, Salt Lake City, San Diego, Boston, Detroit, New York, Dallas, Indianapolis, St. Louis, Miami, Las Vegas, Memphis, Louisville, Albuquerque, Portland, Oreg., and Columbus, Ohio. One program covers the whole State of Rhode Island.

The first program began in New Orleans in May, 1975, and the newest, in Portland, is just getting under way.

Statistics on the performance of the career-criminal program are fed into a new National Legal Data Center in Thousand Oaks, Calif.

FORD'S VERDICT

On the basis of preliminary statistics, President Ford, in a speech on September 27, declared the program "a success" and said it has demonstrably reduced crime.

But James C. Swain, who heads the program for the LEAA, and Philip Cohen, executive director of the data center, are much more cautious.

"We don't want to say yet that there has been a reduction in crime," Mr. Swain says. And Mr. Cohen says: "We think there is a significant favorable trend, but I won't go beyond that."

Mr. Cohen's cautious optimism is based on a study he did of robbery rates in the first nine cities that set up career-criminal programs. He says the robbery rate is especially important because nearly half those prosecuted under the program are robbers and because robbers are more likely to be repeaters than other criminals.

This is what Mr. Cohen's figures show: In eight of the nine cities, the robbery rate was lower in the first half of 1976 than it was in the first half of 1975. And in seven of the nine cities, the drop was greater than the 9 per cent decrease in robbery nationwide.

But those figures may not be as significant as they appear. When the figures for all seven categories of serious crime tabulated by the FBI are examined, they show that the over-all crime rate rose in seven of the nine cities—and in four of them, the increase was substantially higher than the average increase in the crime rate for all cities with more than 25,000 population.

Two studies of the program are now under way, but it may be a year or more before a reliable picture emerges of the program's impact on the crime rate.

MOVING AHEAD

Prosecutors are not waiting for the statistics before setting up their own career-criminal programs—if they can find the money for the added manpower that is required for such programs.

The National District Attorneys Association has formed a committee to help spread the concept. George C. Smith, prosecuting attorney in Columbus, Ohio, and chairman of the committee, says he gets calls almost daily from prosecutors who want to know how to get a program started.

The career-criminal program's appeal to prosecutors is obvious: Overworked and frustrated by watching hardened criminals beat the system time after time, prosecutors see this program as a chance to focus on the worst offenders and make sure they end up in prison.

In Washington, D.C., prosecutors call the new program "Operation Doorstop" because it is designed to end what has been described as revolving-door justice in which criminals are often back on the street within hours after committing serious crimes.

The program has improved morale among prosecutors in many places. In Ventura, for example, two assistant district attorneys who were about to leave to enter private practice changed their minds and stayed on the job when a career-criminal program was started.

Public defenders are less enthusiastic about the program than the prosecutors. In Columbus, the public defender obtained a federal grant so he could expand his staff to match the effort put into the career-criminal program by Mr. Smith, the prosecutor.

Other defenders say that those accused under the program should be granted all the safeguards provided in federal courts, since federal money is being used to prosecute them. But so far there has been no court.

A "POLITICAL PLOY"?

In New York, Harold Jacobson, a top official of the Legal Aid Society, says the only thing good about the program—which he describes as a "political ploy"—is that it gets more money into the criminal-justice system. He sees little hope that it will result in a real decrease in crime.

Police make arrests in only a small percentage of crimes, he explains, and adds: "Even if the career-criminal program is terribly effective, you're dealing with only 1 out of 5 or 6 criminals. That hardly blunts crime."

Another question that has been raised about the program is the kind of people it tags as career criminals. Some are clearly vicious, convicted of multiple rapes, brutal murders and other violent crimes. The first 1,900 persons convicted under the program had an average of five prior convictions for serious crimes and, altogether, they had a total of 9,570 prior convictions.

But Peter Greenwood, who is conducting a federally financed study of career criminals for the Rand Corporation says there is the possibility that many of those prosecuted under the program may be just "born losers," who have failed at everything in life, including crime.

One question that the Greenwood study will try to answer, he said, is whether the true career criminals—the successful professionals—are still out free, going about their business.

PRESSURE ON COURTS

One result of the career-criminal program in some places has been to put more pressure on both the courts and the correctional institutions. In Kalamazoo, the inability of the courts to keep up with trials resulting from the program became such a problem that federal money was provided to finance a new circuit court to handle such cases.

Jeffrey Horton, a Kalamazoo defense lawyer, complained that because of the priority given to career-criminal cases "other guys have to sit in jail and wait to go to court."

Together with the increasing use of mandatory minimum sentences and a generally tougher attitude on the part of the courts almost everywhere, the career-criminal program is contributing to a growing problem of overcrowding in prison facilities.

Despite these difficulties, the programs seem almost certain to spread rapidly in coming months, making city after city dangerous places for professional criminals to be caught.

[From Police Department, Baltimore, Maryland]

GENERAL ORDER 12–76—CAREER CRIMINALS PROGRAM

BACKGROUND

The Office of the State's Attorney for Baltimore City and the Baltimore Police Department have initiated a joint program designed to remove from the streets of Baltimore the recidivistic Index Crime offender, with particular attention to those who repeatedly commit violent crimes. These repeaters are commonly called "Career Criminals".

POLICY

Repeat Index Crime offenders, in particular violent crime offenders, as defined by this order, shall be the focus of the Career Criminals Program.

All lawful means shall be taken, supported by thorough investigation and maximum police-prosecutor cooperation to keep these Career Criminals off our streets and bring them swiftly to trial. No plea bargaining will be permitted.

Those juveniles who, by virtue of offenses committed have been repeatedly waived by statute to the Criminal Court, shall also be considered for the Career Criminals Program.

PURPOSE

This order implements the Career Criminals Program, defines Career Criminals selection criteria and promulgates governing procedures to all members of the force.

SCOPE

I. *Selection Criteria—Career Criminals Program:* Designation of Career Criminals shall be in keeping with the criteria set forth in Annex A of this order—see Annex A.

B. Identification, Selection and Case Preparation Procedure—*Career Criminals Program:* The procedure for the identification, selection and case preparation of Career Criminals cases shall be in keeping with the guidelines set forth in Annex B of this order—see Annex B.

RESCISSIONS

None.

EFFECTIVE DATE

This Order is effective on the date of publication.

D. D. POMERLEAU,
Commissioner.

ANNEXES

A. Selection Criteria—Career Criminals Program.

B. Identification, Slection and Case Preparation Procedure—Career Criminals Program.

Distribution "A".

I certify that I have read and fully understand this Order. Signature.

ANNEX A—SELECTION CRITERIA—CAREER CRIMINALS PROGRAM

Persons previously charged with and/or convicted of a designated offense, who have been released by various pre-trial and post-trial options to include bail, personal recognizance, probation, parole, or other judicial release and are subsequently rearrested for one or more of these crimes or attempts thereof while in such release status, shall be eligible for the Career Criminals Program:

Career Criminal Offenses: Homicide, Rape, Assault and Robbery with Firearms, Mayhem, Burglary of a Dwelling During Nighttime Hours, Arson of a Dwelling with Personal Injury, Kidnapping, Child Molestation with Injury, Serious Child Abuse, Extortion, and Exceptional Cases.

Other cases as agreed upon by the Supervisor of the Career Criminals Program and Assistant State's Attorney, based upon information furnished by members of the Patrol or other Division of the department, may also be included in this program, i.e. a violent crime arrestee not meeting the above defined selection criteria whose criminal history reflects repeated contact with the courts.

In order to insure the effectiveness of the Career Criminals Program, exceptional cases must be thoroughly reviewed by the member's supervisor and/or Shift Commander prior to referral to the Career Criminal Program. The referral shall be made only by the Shift Commander of the referring section.

In considering exceptional cases members should be aware one of the statutory provisions to be used in the program by the State's Attorney shall be the Annotated Code of Maryland, Article 27, Section 643 B., "Mandatory Life Sentence".

(a) "Crime of violence".—As used in this section, the term "crime of violence" means abduction; arson; kidnapping; manslaughter, except involuntary manslaughter; mayhem; murder; rape, robbery, sexual offense in the first degree; and sexual offense in the second degree or an attempt to commit any of these offenses.

(b) Mandatory life sentence.—Any person who has served three separate terms of confinement in a correctional institution as a result of three separate convictions of any crime of violence shall be sentenced, on being convicted a fourth time of a crime of violence, to life imprisonment without the possibility of parole. Regardless of any other law to the contrary, the provisions of this section are mandatory. (1975, ch. 253; 1976, ch. 611, 1.)

The foregoing is commonly referred to as the State's "four-time loser" law.

D. D. POMERLEAU,
Commissioner.

ANNEX B—IDENTIFICATION, SELECTION AND CASE PREPARATION PROCEDURE—CAREER CRIMINALS PROGRAM

The Central Records Division, upon request for positive identification and criminal history information, based on the fingerprints of an arrestee charged with one or more of the offenses enumerated in Annex A, shall cause a complete and accurate record search to be made to establish the offender's potential for referral to the Career Criminals Program. When the offender's record indicates he is a possible Career Criminal the Shift Commander of the Central Records Division shall: insure the booking district is altered via Mufax of the potential Career Criminals selection; insure the Criminal Investigation Division Crimes Against Persons Career Criminals Program supervisor is immediately provided the available criminal history records.

Upon receipt of the Career Criminals alert the district Shift Commander shall insure the arrest and offense reports concerning the potential Career Criminal are reviewed by a district supervisory officer for completeness and accuracy.

The Career Criminals Program supervisor shall review the offender's record and tentatively designate, if applicable, the offender as a Career Criminal. If the offender does not meet the necessary criteria the Career Criminals Program supervisor shall notify the booking district and indicate on the record form the arrestee has not been selected. The offender will be processed in keeping with standard procedures. All records shall be returned to the Central Records Division, for transmission to the booking district.

Upon tentative selection of the offender for the Career Criminals Program the Career Criminals Program supervisor shall notify the booking district and request the prisoner be transported to the Crime Against Persons Section. The arresting officer and/or primary investigating officer and witnesses, if available, shall also respond to the offices of the Crimes Against Persons Section, Criminal Investigation Division.

The Career Criminals Program supervisor shall notify as appropriate a Criminal Investigation Division investigator to respond to the Crimes Against Persons Section to insure complete and thorough case preparation.

The Career Criminals Program investigator shall, in consultation with an Assistant State's Attorney of the Violent Crimes Liaison Unit as appropriate:

Review offense and arrest reports;

Interview the arresting/investigating officer (if available);

Interview witnesses (if available);

Interview the arrestee;

Review the statement of charges for accuracy and completeness;

Prepare affidavits as necessary immediately, if not immediately then schedule necessary contact; and,

Coordinate evidence collection with the assistance of laboratory personnel and lineups if required.

If the Career Criminals Program supervisor and investigator, upon review of the case, determine it does not merit inclusion in the Program, the investigator shall notify the district and insure the arrestee and his records are immediately returned for standard processing.

Should the investigator and Career Criminals Program supervisor select the arrestee for the Program, the supervisor shall insure contact with a designated Assistant State's Attorney prior to returning the arrestee to the district for processing as a Career Criminal.

The Career Criminals Program supervisor and investigator shall coordinate with the designated Assistant State's Attorney to insure police-prosecutor representation and input at the probable cause and bail determination hearing as appropriate.

District booking officers shall insure their District Commander is informed of the selection of the arrestee for the Career Criminals Program.

If the offender is released on bail or other court option, the State's Attorney's Violent Crimes Liaison Unit shall be promptly notified so that appropriate action may be taken. This notification will be made by the District Court Prosecutor.

Whether the offender is committed to jail or is released until final adjudication and sentencing by the court the Crimes Against Persons Section and the State's Attorney's Violent Crimes Liaison Unit shall, in keeping with their assigned responsibilities, jointly maintain investigative and prosecutorial overview of the case.

The State's Attorney's Violent Crimes Liaison Unit will, as agreed, promptly bring the case before the Grand Jury for an indictment followed by expeditious arraignment and trial.

The Violent Crimes Liaison Unit of the State's Attorney's Office will also, as agreed, maintain an interest in all bail hearings at the District Court and Supreme Bench levels, and, as appropriate, contact pre-trial release authorities, bondsman of record, and/or parole and probation officers. This specific interest throughout the criminal justice process shall include notifying the Parole Board of the offender's criminal career.

PRE-ARREST CASE PREPARATION—WARRANT ISSUED

When a warrant has been obtained for a person meeting the above selection criteria, the Central Records Division shall notify the Career Criminals Program supervisor in keeping with the procedure established by this order. A copy of the warrant card will be forwarded promptly to the Career Criminals Program supervisor. On receipt of the warrant card the supervisor will insure proper notification and thorough investigation and case preparation is accomplished in the same manner as cases where an arrest has been made. This pre-arrest activity will facilitate expeditious post-arrest processing of the case.

Career Criminals Program cases are considered major cases and shall be investigated, documented, and maintained in keeping with established major case procedures.

All members of the force shall cooperate fully with Career Criminals investigators and prosecutors.

D. D. POMERLEAU,
Commissioner.

By Mr. McINTYRE:

S. 29. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Commerce.

ELDERLY AND HANDICAPPED PERSONS TRANSPORTATION ACT OF 1977

Mr. McINTYRE. Mr. President, today I am introducing the Elderly and Handicapped Persons Transportation Act of 1977, legislation that would approve reduced air fares on a space-available basis for persons 60 years of age and older, and for the handicapped and attendants

of the handicapped. It would also require the CAB to study the economic feasibility of reduced fare for youth.

This bill would remove the statutory limitations on the CAB's ability to approve reduced fares for deserving groups, if the fares meet the economic test generally applied to discount fares.

The problems affecting the elderly are numerous and transportation has consistently been a major concern. Many of our elderly and handicapped are unable to drive and consequently rely primarily on public transportation. With many medical specialists located only in the metropolitan areas and friends and family spread throughout the country, I believe this legislation would provide many people with the opportunity to make use of the airways who otherwise would find it financially impossible. The mobility provided by air transportation is especially important to the elderly and the handicapped.

The handicapped and elderly are unquestionably deserving of this opportunity and past experimentation has proven that air travel by senior citizens is significantly increased when reduced fares have been provided. For example, when Hawaiian Air Forces offered reduced fares to senior citizens from 1967 to 1973, the carriers' senior citizens traffic increased by 340 percent.

I hope that my colleagues will join in quickly enacting this measure.

By Mr. CHURCH:

S. 30. A bill to amend the Internal Revenue Code of 1954 with respect to .22-caliber ammunition recordkeeping requirements; to the Committee on Finance.

REPEAL OF RECORDKEEPING REQUIREMENTS ON THE SALE OF .22-CALIBER AMMUNITION UNDER THE 1968 GUN CONTROL ACT

Mr. CHURCH. Mr. President, today I introduce legislation to repeal restrictions on the sale of .22-caliber ammunition which are part of the 1968 Gun Control Act.

In 1969, I supported an amendment to eliminate registration provisions of the 1968 Gun Control Act affecting sporting rifles and shotguns. The Congress enacted this amendment into law, thus repealing the recordkeeping requirements on shotgun ammunition, ammunition suitable for use only in sporting rifles generally available in commerce, and component parts for such ammunition. In adopting this amendment, Congress supported my belief that the reporting requirements for sporting firearms created a useless and unnecessary burden on the Treasury Department, on ammunition dealers, and on the Nation's sportsmen.

Unfortunately these requirements remain for .22-caliber ammunition as it may be used for sporting rifles. The legislation I introduce today adds .22-caliber rimfire ammunition to the existing repeal provision exempting other types of sporting ammunition.

I believe that it is important to eliminate useless provisions of the law, particularly when they are regarded as niggling Government harassment and petty paperwork, and significantly in this case when their enforcement actually hinders a legitimate Government purpose—crime fighting. Just as the ammunition restrictions repealed in 1969 were ill-conceived hindrances to the crime fighting effort, so are the restrictions on .22 ammunition which have remained in the law.

What exactly does this recordkeeping involve? Under the provisions of the 1968 Gun Control Act, it is unlawful for a federally licensed dealer to sell or deliver ammunition without making a record showing the name, age, and residence of the purchaser. In addition, all dealers are required to maintain such records of importation, production, shipment, receipt, sale, or other disposition of ammunition as may be provided by regulations. The resultant Treasury Department regulations require a license to record: The date of transaction; the name of the manufacturer; the caliber, gage, or type of component; the quality of ammunition transferred; the name, address, and date of birth of the purchaser; and finally, the method used by the licensee to establish the identity of the purchaser.

Concerning its own .22 requirements, the Treasury Department has stated:

> The record keeping requirements have become so burdensome that they tend to detract from the enforcement of the firearms laws.

It is clear that the time and bother to comply with these requirements cannot be justified.

This recordkeeping has also been found to be totally without value in efforts to fight crime. Treasury Department officials have testified that they know of no instance "where any of the recordkeeping provisions relating to sporting-type ammunition — including .22-caliber rimfire ammunition — has been helpful in law enforcement." And the Justice Department confirmed that—

> There is not a single known instance, as we have learned from our discussions with IRS, with the firearms people there, not a single known instance where any of this record keeping has led to a successful investigation and prosecution of a crime.

It is apparent that present restrictions on .22 ammunition are useless, and worse, a deterrent to the fight against crime by the waste of effort their enforcement entails. Furthermore, when there is already so much Government-inspired complication of our daily lives, repeal of these restrictions is a fine place to end a senseless harassment, involving the most popular type of sporting ammunition in the United States.

I hope that the Senate will act favorably on my proposal, and I ask my colleagues to join in its support.

By Mr. DOMENICI (for himself, Mr. CURTIS, Mr. STEVENS, and Mr. THURMOND):

S. 31. A bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in felonies involving the use of a firearm; to the Committee on the Judiciary.

Mr. DOMENICI. Mr. President, in the first session of the 94th Congress, I introduced the same bill I am reintroducing today. When I introduced the bill then, I reported that a crime of violence occurred every 36 seconds. Now, just 2 years later, a crime of violence occurs every 31 seconds. While at first glance this may not appear to be a large increase, in fact it represents greater than a 16-percent increase in just 2 short years.

In 1975, we find that the number of violent crimes has reached the unprecedented level of over 1,026,000. This represents a 38.9-percent increase over the number in 1970 and a 16.6-percent increase in the number in 1973. These are shocking statistics. They translate into the fact that in 1975 there was almost a 40-percent greater probability than in 1970 that any of us would have been victimized by violent crime.

Nationally, in 1975, firearms were involved in 66 percent of all murders. In the Western States this figure was 59 percent, but in New Mexico it was over 63 percent. Nationally, firearms were involved in almost 25 percent of the aggravated assaults. In the Western States this was slighlty over 22 percent, but in New Mexico it was over 25 percent. Nationally, firearms were involved in almost 45 percent of the robberies. In the Western States it was 44 percent, but in New Mexico it was almost 49 percent. Thus, in two out of the three categories for which gun related crime statistics are kept, New Mexico exceeds the national average and in all three cases, New Mexico exceeds the other Western States. Over half of the murders and almost half of the robberies in my State involve the use of guns.

Yet I do not believe that the answer to this problem can be found in attempting to deprive our citizenry of their right to own guns. Legitimate, responsible homeowners and sportsmen should not be penalized for the misdeeds of others.

The penalties should be placed on the wrongdoers. They should be swift and they must be stern. Only by putting the criminal on notice that his misdeeds will cost him dearly can we hope to correct this critical problem.

Therefore, I, together with my colleagues, Senators CURTIS, STEVENS, and THURMOND introduce today an amendment to title 18, section 924(c) of the United States Code that would provide significantly stiffer sanctions for the illegal use of firearms. I ask unanimous consent that this amendment be inserted at this point in my remarks.

Mr. President, the bill clarifies the intent of Congress that carrying a gun be treated as a separate and distinct offense from the felony committed.

In addition, it provides that the present requirements of "unlawfulness" in the carrying of the gun be deleted. Therefore, the act of carrying a gun—despite the lawfulness of possession—will be treated as a criminal act if done in conjunction with the commission of a crime.

Finally, the bill dispels all doubt that carrying a firearm during the commission of a felony creates a separate and distinct felony sentencing for which must be imposed consecutively with that of the underlying charge. Sentencing for the gun charge would be subject to the sterner penalties this bill contains.

With our crime rate accelerating, and our innocent citizens needlessly dying, I commend this amendment to my distinguished colleagues as an urgent matter deserving our earnest attention.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, Mr. BROOKE, Mr. JAVITS, Mr. PELL, Mr. RANDOLPH, and Mr. STAFFORD):

S. 32. A bill to authorize the National Science Foundation to conduct a continuing education program in science and engineering, and for other purposes; to the Committee on Labor and Public Welfare.

CONTINUING EDUCATION IN SCIENCE AND ENGINEERING ACT

Mr. KENNEDY. Mr. President, I am introducing today legislation entitled the "Continuing Education in Science and Engineering Act."

The need for continuing education in science and engineering has been of concern to the Congress and to the Committee on Labor and Public Welfare since 1971 when legislation providing retraining and reeducation opportunities for scientists was first introduced. Since that time, a limited effort to address this problem has been undertaken by the National Science Foundation. In addition, the National Science and Technology Policy, Organization, and Priorities Act, which was signed into law last year, stressed the importance of the full utilization of the Nation's scientists and engineers. The need for continuing education for scientists and engineers was also underscored recently by the AFL–CIO in a statement to the Subcommittee on the National Science Foundation:

It is an inherent characteristic of science and engineering that new knowledge is constantly being developed necessitating lifelong study on the part of their practitioners. . . . In many cases, the employment problems of scientists and engineers result directly from governmental decisions that are beyond their control . . . These may not match the background of available people. Retraining is required.

The legislation I am introducing today recognizes that the knowledge, skills, and ideas of the Nation's scientists and engineers must be applied to the pressing problems the Nation faces in areas of civilian science and technology in fields as diverse as energy, environment, productivity, health care, transportation and public safety. The continued economic health and security of the Nation depend strongly upon the maintenance of a pool of scientists and engineers whose skills and knowledge is up to date. The legislation recognizes that governmental decisions affect the demand for scientists and engineers with experience in particular fields, often necessitating job changes for numerous individuals who require additional training to operate successfully in new areas of importance to the Nation.

Mr. President, it is also important to point out that each working scientist or engineer generates six to 10 other jobs. Moreover, the significant Federal investment that has been made in the education of scientists and engineers through graduate and postgraduate fellowships, research grants and funding to maintain outstanding research facilities in academic institutions throughout the Nation, makes unemployment and underemployment of professionally qualified scientists and engineers an inexcusable waste of a limited human resource that is urgently required to meet present and future national needs.

"Science at the Bicentennial," a report from the research community published by the National Science Board last year, in a discussion of national policy questions regarding scientific and technical manpower, pointed out that there is frequently a mismatch in quantity between supply and demand for advanced degree graduates from universities. It emphasized that the dislocation of bright, young, creative technical people brought about by shifts in the economy and termination of job assignments is causing the Nation problems today, and will cause problems in the future. A "shock absorber" to mitigate this effect was called for.

The Engineering Manpower Commission of the Engineers Joint Council adopted the following statement on the need for Government efforts to deal with engineering unemployment:

In the Commission's judgment, the most effective way of stabilizing engineering employment in the long run is for the government to encourage the continued development of job opportunities in industry by adopting positive policies and programs aimed at alleviating our most pressing national problems, with budgetary and program support provided on a long-term basis. In the event of short-term dislocations, however, the Engineering Manpower Commission believes that a program of identifying specific areas of imbalance between manpower supply and demand, seeking or creating job opportunities, and assisting relocation and training on an individual basis as required, will achieve the fastest and most useful results.

The legislation I am introducing today to provide continuing education for scientists and engineers is directed at persons who have been engaged in their careers for at least 3 years. It is designed to enable persons with scientific and technical training to acquire new knowledge, techniques, and skills in other fields. The legislation provides fellowships for courses of study which provide continuing education in science and engineering, and for the development of special curriculums and education techniques, in cooperation with industry and academic institutions, for continuing education in science and engineering.

A special emphasis of this legislation is an effort to provide opportunities for women, whose careers in science and engineering have been interrupted, to reenter scientific and technical fields. At present, only 8 or 9 percent of persons holding Ph. D.'s in science are women. In some fields, their representation is even less—2 to 4 percent in physics, less than 1 percent in engineering.

To reach women holding undergraduate degrees in science and related fields whose careers or graduate education were interrupted, the National Science Foundation now has a small program to encourage the reentry of these women into careers in science or into graduate education in science. Limited funding is being made available to 11 institutions for the development of short courses, semester-long courses, year-long courses, independent study, research participation, and internships in industrial or governmental laboratories. Between 10 and 50 women are expected to be involved in each project.

The legislation I am introducing today will build on this pilot program and, together with programs to encourage women at the college and precollege level to pursue careers in science and technology, could contribute significantly to an eventual increase in the percentage of women with doctoral degrees in science and engineering—a percentage which was higher in 1920 than it has been in any decade since.

Mr. President, I ask unanimous consent that the text of the Continuing Education in Science and Engineering Act be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 32

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Continuing Education in Science and Engineering Act".

STATEMENT OF FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) The Congress finds that—

(1) it is the national interest to promote the full use of scientific and engineering human resources, and to ensure the full alleviation of national problems in such areas with scientific and engineering skills to the allevation of national problems in such areas as energy production, pollution abatement, transportation, food and industrial productivity;

(2) the nation's pre-eminent position in science and technology depends upon the development of the full potential of the talents of men and women with scientific and engineering skills whose employment produces job opportunities in technical and support occupations and exerts a strong multiplier effect on the gross national product;

(3) the ability of men and women with scientific and engineering skills to apply their talents fully is highly vulnerable to sudden shifts in demand to changes in the state of the national economy and shifts in federal research and development priorities;

(4) the full use of the nation's scientific, engineering and technical human resources is required to meet the strong demand for such skills over the long term; and

(5) there is a significant federal investment in the education and training of men and women in science and engineering and the effective use of this resource is required to ensure a full national return on that investment.

(b) The Congress declares that it is the continuing policy and responsibility of the Federal Government to take appropriate measures to achieve—

(1) the application of scientific and technical skills to the alleviation of civilian problems with significant scientific and technical components,

(2) a full return on Federal funds invested in the scientific and technical training and education of scientists and engineers, and

(3) opportunities for scientists and engineers to realize the full potential of their talents.

CONTINUING EDUCATION IN SCIENCE AND ENGINEERING PROGRAM AUTHORIZED

SEC. 3. (a) The National Science Foundation shall, as soon as possible after the enactment of this Act, initiate a program of continuing education in science and engineering in order to enable persons with scientific and engineering training who (1) have been engaged in their careers for at least three years at the time of selection under the program authorized by this act, or (11) have had their careers in science and technology interrupted for at least three years, to pursue courses of study designed to—

(1) provide such persons with new knowledge, techniques, and skills in their special fields; or

(2) enable such persons to render more valuable contributions to the nation through the acquisition of new knowledge, techniques, and skills in other fields.

(b) The program developed under this section shall include but not be limited to—

(1) the development of special curricula and education techniques in cooperation with industry and academic institutions for continuing education in science and engineering and

(2) the award of fellowships to enable persons with scientific and technical training to pursue courses of study which provide continuing education in science and engineering.

(c) From funds available under section 5 the Foundation is authorized to make grants to, and to enter into contracts with, institutions of higher education and other academic institutions, nonprofit institutes and organizations, and private business firms, for the purpose of developing courses and curricula specially designed for continuing education in science and engineering under this section.

(d) (1) From funds available under section 5 the Foundation is authorized to award continuing education fellowships to persons with scientific and engineering training to enable them to pursue appropriate courses of study.

(2) The Foundation shall allocate fellowships under this subsection in such manner, insofar as practicable, as will—

(A) attract highly qualified applicants;

(B) encourage the participation of women in careers in science and technology; and

(C) provide an equitable distribution of such fellowships throughout the United States.

(3) The Foundation shall pay to persons awarded fellowships under this section such stipends (including such allowances for subsistence, health insurance, relocation expenses, and other expenses for such persons and their dependents) as it may prescribe by regulation designed to accomplish the purposes of this Act.

(4) Fellowships shall be awarded under this section upon application made at such times and containing such information as the Foundation shall by regulation require.

AUTHORITY

SEC. 4. Except as otherwise provided in this Act, the Foundation shall, in carrying out its functions under this Act, have the same powers and authority the Foundation has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated $2,500,000 for fiscal year 1978, $5,000,000 for fiscal year 1979 and such sums as may be necessary for each of the three succeeding fiscal years, to carry out the provisions of this Act.

By Mr. MATHIAS (for himself and Mr. BROOKE):

S. 35. A bill to amend section 1979 of the Revised Statutes to provide that States, municipalities, and agencies or units of government thereof, may be sued under the provisions of such section; to establish rules of liability with respect to such States, municipalities, and agencies or units of government thereof; and for other purposes; to the Committee on the Judiciary.

CIVIL RIGHTS IMPROVEMENTS ACT OF 1977

Mr. MATHIAS. Mr. President, I now send to the desk, for myself and Mr. BROOKE, S. 35 "The Civil Rights Improvements Act of 1977."

The primary purpose of S. 35 is to insure the continued vitality of "The Civil Rights Act of 1871," (42 U.S.C. 1983). which has been a principal tool in this Nation's efforts to fulfill its commitment to the protection of the civil rights and liberties of the American people.

In brief, S. 35 would:

First. Expand the definition of "person" under section 1983 to include States, municipalities, and all political units and governmental agencies and thus hold them liable for acts of their subordinates in violation of section 1983 under approriately limited circumstances.

Second. Provide that the right to enjoy one's reputation is protected by the due process clause of the 14th amendment;

Third. Provide a limited exception to the prosecutorial immunity provided under section 1983 by subjecting a prosecutor to liability only where he unconstitutionally withholds or supresses exculpatory evidence.

Fourth. Provide that the doctrines of abstention and exhaustion of State judicial remedies are inapplicable in section 1983 suits.

Fifth. Embody within section 1983, the limited circumstances when a Federal court can intervene in a pending State criminal proceeding;

Sixth. Prescribe the limited circumstances under which the doctrine of *res judicata* is applicable to section 1983 suits.

Before setting forth a more detailed analysis of S. 35's importance and its particular provisions, Mr. President, I believe it is essential to discuss briefly the historic development of section 1983.

During the 1950's and 1960's the Supreme Court opened up the Federal judicial system to those who had previously appealed for redress of grievances to the legislative and executive branches, often without results. To these individuals—the poor, racial minorities, the advocates of unpopular causes, and the victims of official misconduct—the Supreme Court became the focal point in their efforts to gain enforcement of their legal rights.

Perhaps the greatest impact of the Supreme Court's decision to open up the judicial system came in its historic rulings in civil rights litigation. Julian Bond, testifying last year before the Senate Judiciary Subcommittee on Constitutional Rights, poignantly expressed the hopes and aspirations generated by the Court's decisions:

During these times, beginning roughly with the 1954 school desegregation decision, the system of justice began to change. The Constitution was rediscovered, Congress began passing new laws to back up our efforts to gain equal rights, the Federal Courts began protecting our rights, the Justice Department began to answer our phone calls and slowly to put people to work on the side of what we thought was the right. The effect of all of this was enormous. We had not seen anything like it. What was just as important, the sheriffs, the mayors and the lunch counter owners of the South had not seen anything like it, either . . . It means that there was someone backing us up, to confirm the fact that we were right. There was a sympathetic referee . . . to whom we could turn for support . . . We began to get a dim feeling that we could really help bring about change, and this feeling extended not only to the civil rights movement but also to people who were pretty much alienated from government. The federal courts represented a constant reminder that someone was listening.

As it increased the accessibility of the Federal court system to civil rights litigants, the Court resuscitated long dormant reconstruction era civil rights acts, especially the "Klu Klux Klan Act of 1871" (42 U.S.C. 1983). Section 1983 was enacted in the wake of the Civil War. The acts engendered high hopes among the newly freed population that the Federal Government would intervene as guarantor against the violence that had plagued the early years of their freedom. These enactments also reflected the belief of the Congress that the Federal Government—not the individual States—was the primary protector of our basic constitutional freedoms.

However, weakened by a series of restrictive decisions, the civil rights statutes lay moribund until the Court breathed new life into them nearly a century after their enactment. In 1952, just prior to Earl Warren's appointment to the Supreme Court, Eugene Gressman lamented the impotency of the civil rights program of the post-Civil War Congress and declared that a revitalizing of these statutes, including section 1983 "would necessitate a judicial and constitutional upheaval of the first magnitude to undo what the Court had done."

This "judicial and constitutional upheaval" was soon on its way. The Court broke with a long line of decisions and formulated its own doctrine, consistent with congressional intent, of the appropriate balance between State and Federal courts in the litigation of Federal constitutional and statutory rights.

In *Monroe* v. *Pape*, 365 U.S. 167 (1961), the Court recognized the fundamental change in our Federal system effected by the civil rights program of the post-Civil War Congress, and declared that the authors of this legislative package intended to establish the Federal Government as the fundamental protector of our constitutional liberties.

As the Court made clear in Monroe and its progeny, this alteration of the Federal system was fully in accord with congressional intent:

This legislative history makes evident that Congress clearly conceived that it was altering the relationship between the States

and the Nation with respect to the protection of federally protected rights . . .

The very purpose of section 1983 was to interpose the Federal courts between the States and the people, as the guardians of the people's Federal rights—to protect the people from unconstitutional action under color of state law . . . *Mitchum* v. *Foster*, 407 U.S. 225 (1972). See also *Zwickler* v. *Koota*, 389 U.S. 241 (1967).

By the late 1960's, it appeared that the Supreme Court had implanted in American jurisprudence the precept that the Federal courthouse doors were to be generally left open to all individuals seeking constitutional relief—regardless of color, wealth, political beliefs, or personal tastes. During periods of racial strife and domestic discontent over a distant war, the Court offered Americans a forum to set forth constitutional grievances and seek relief. The Court heeded these cries, offering Americans an alternative to disruption in the streets. And the primary vehicle utilized by litigants in this era was the Civil Rights Act of 1871.

With the retirement of Earl Warren in 1969, the concepts of broad Federal jurisdiction in civil rights cases began to narrow. And in the years since the late Chief Justice's retirement, the Court has drastically altered its perception of the scope of section 1983.

Emphasizing such judicial doctrines as comity, standing, federalism, abstention, and the exhaustion of State judicial remedies, the Court has significantly curtailed the availability of the Federal courts as a forum, especially for those seeking to bring section 1983 suits; and in doing so, has begun a new formulation of the appropriate balance between State and Federal courts with regard to civil rights litigation. I have carefully reviewed this line of cases. While I am aware of the concerns of the Court's new majority—especially the growing problem of overburdened Federal courts—I am struck by the consistency and severity with which these decisions have hurt those most in need of judicial relief. Representative of these cases are:

Warth v. *Seldin*, 422 U.S. 490 (1975), where the Court denied standing to individuals and associations seeking to challenge exclusionary zoning practices of suburban jurisdiction;

Rizzo v. *Goode*, 423 U.S. 362 (1976), where the Court rejected the detailed findings and innovative remedy devised by a district court and thus refused to allow victims of outrageous and unconstitutional police conduct to obtain injunctive relief requiring police officals to take the necessary steps to insure that their officers do not repeat such conduct;

Paul v. *Davis*, 96 S. Ct. 1155 (1976), where the Court held that the victim of police action resulting in public defamation could not sue to enjoin such action and obtain compensation for his injury, and also held that mere injury to reputation is not protected under the due process clause of the 14th amendment;

Imbler v. *Pachtman*, 44 U.S.L.W. 4250 (1976), where the Court ruled that a prosecutor is absolutely immune from section 1938 suits, even where the prosecutor fails knowingly to disclose evidence favorable to the defendant;

Thus the main victims of this substantial cutback in section 1983 relief are the individuals who were the chief beneficiaries of the Court's earlier expansive interpretations of the Federal civil rights laws. Justice William Brennan has described the inequities flowing from the Court's decisions:

A series of decisions have shaped the doctrines of jurisdiction, justicability and remedy so as to increasingly bar the federal courthouse door in the absence of a showing probably impossible to make. It is true of course that there has been an increasing amount of litigation of all types filling the calendars of virtually every state and federal court. But a solution that shuts the courthouse door in the face of a litigant with a legitimate claim for relief, particularly a claim for the deprivation of a constitutional right, seems to be not only the wrong tool, but a dangerous tool for solving the problem. The victims of the use of that tool are most often the litigants most in need of judicial protection of their rights: the poor, the underprivileged, the deprived minorities. The very life blood of the courts is the popular confidence that they mete out evenhanded justice and discrimination that denies these groups access to the courts for resolution of their meritorious claims unnecessarily risks the loss of that confidence.

These concerns are strong and valid. Civil rights litigants are sometimes even shunning the Court—an astounding development—rather than run the risk that the Court will render a negative decision with nationwide effect.

Mr. President, most of the debilitating decisions of the Court which run counter to the intent of the reconstruction era Congress can be corrected by appropriate legislation.

When considering the recent trend in the Court's decisions, we must not forget that rights that cannot be enforced through the legal process are worthless. Such a situation breeds cynicism about the basic fairness of our judicial system.

We in Congress must do what we can to insure that our Federal courts remain open to those in greatest need of judicial protection. We must take great care that our legal rights—whether constitutionally or statutorily created—are not enervated. One way for Congress to effect such a guarantee is to exercise our constitutional duty by providing the means to enforce our civil rights statutes.

The Congress took a major step in this direction recently when it passed the "Civil Rights Attorneys Fees Awards Act of 1976" (P.L. 94-539). As I remarked during the floor debate on the attorneys fees bill, the enactment of that legislation was essential to make certain that the high cost of litigation does not bar the Federal courts to those seeking to enforce their rights under our civil rights laws.

Unfortunately, the "open access" issue is still with us. The enactment of the attorneys fees bill was an important response to a pressing issue. Additional legislation is needed.

Consequently, I now introduce S. 35, "The Civil Rights Improvements Act of 1977." This legislation amends section 1983 to achieve the following paramount goals:

To insure that the intent of the post Civil War Congress in enacting section 1983 is fulfilled;

To make certain that the hopes and aspirations prompted by the Court's earlier expansive interpretations of section 1983 are not quashed;

To insure that individuals whose rights are violated under section 1983 are not left without remedies, and,

To increase the deterrent effect of section 1983.

S. 35 is a rational and carefully drafted response to a worsening national problem. While this legislation deals directly with certain recent pronouncements by the Supreme Court, it does not attempt to respond to all of the Court's recent controversial decisions. Instead, the legislation seeks to address: First, the most serious impediments to open access created by recent Court rulings; and two, issues which the authors of section 1983 apparently chose not to address, but which are now vital to the enforcement of the rights protected under section 1983.

EXPANDING THE DEFINITION OF PERSON UNDER SECTION 1983

One of the major impediments facing litigants seeking effective relief under the "Civil Rights Act of 1871," has been the narrow interpretation of the term "persons," that is, those who are subject to injunctions or liable for damages. Relying on a reading of the legislative history of section 1983, the Supreme Court has held that municipalities are immune from liability under section 1983 for damage suits—Monroe against Pape, supra—and injunctive suits—city of *Kenosha* v. *Bruno*, 412 U.S. 507 (1973). The Court has found a similar immunity with respect to counties, *Moor* v. *County of Alameda*, 411 U.S. 693 (1973). In addition, the Supreme Court has not decided whether Government agencies, such as school boards, police departments, and municipally owned hospitals are persons for purposes of section 1983, and the lower courts have split on the issue. Furthermore, until recently, the 11th amendment was held to be a bar against the bringing of section 1983 suits against States and State officials. Yet, in *Fitzpatrick* v. *Bitzer*, 96 S. Ct. 2666 (1976) the Court paved the way for Congress to amend section 1983 to provide for suits against State and State officials. The Court held that the 11th amendment and the doctrine of State sovereignty were limited by the enforcement provision of section 5 of the 14th amendment, and thus justified congressional authorization of suits which would be constitutionally impermissible in other contexts.

The effect of these limited interpretations of person under section 1983 has often been to preclude recovery against "judgment proof" public employees and thus to leave many section 1983 litigants with a right but not a remedy. One of the best examples of this is found in *Burton* v. *Waller*, 502 F. 2d 1261 (5th Cir. 1974), "the Jackson State case." In Burton, the survivors of the students killed during the confrontation at Jackson State and several persons who were wounded brought a damage suit under section 1983. Despite a finding that the firing

into a crowd of students by State and local police was an excessive response, the plaintiffs were unable to recover against any of the defendants—the State of Mississippi, the city of Jackson, and the individual State and local police and their supervisors. Mississippi and the city of Jackson were held immune under the 11th amendment and the ruling in Monroe against Pape, supra, respectively. The verdict in favor of the individual policemen and their supervisors was upheld on the basis that their actions were privileged under State law. Finally, since the plaintiffs had failed to prove which of the individual police fired the fatal and wounding shots, the verdict in favor of policemen taken as a group was upheld. Consequently, the narrow interpretation of person under section 1983, resulted in the plaintiffs having a right but not a remedy under section 1983, despite the fatal and indefensible nature of the violation.

Burton is a good example of the importance of a "deeper pocket" for individuals seeking money damages under section 1983. The problem of the "judgment proof" defendant "places the burden of loss from the Government's error on the innocent victim and . . . removes the best source of compensation." Kates and Koota, "Liability of Public Entities Under Section 1983 of the Civil Rights Act," 45. S. Cal. L. Rev. 131 (1972). Furthermore, these restrictive interpretations of "person" have undercut the deterrent value of section 1983 by removing the need for public entities to insure against misconduct by their officers and employees.

S. 35 addresses the dual problem of judgment proof defendants and the limited deterrent value of section 1983. The bill does not merely extend the coverage of "persons" under section 1983 to States, municipalities, and governmental agencies for all purposes. It also carefully enumerates the circumstances under which these political units and Government agencies would be held liable for money damages and subject to injunctions for the acts of their agents in violation of section 1983. Section 2(c) provides that these governmental and political units will not be subject to section 1983 suits unless—

(1) the officer or employee of such State, municipality, agency or unit of government directly responsible for the conduct of the subordinate officer or employee who committed such violation—

(a) directed, authorized, approved, or encouraged, any action by such subordinate officer or employee which resulted in such violation, or

(b) failed to act in any manner to remedy a pervasive pattern of unconstitutional or unlawful conduct engaged in by such subordinate officer or employee which, in the absence of any remedial action was likely to recur or continue in the future; or

(2) the party seeking such damages or injunctions establishes that one or more officers or employees of such municipality, State, agency or unit of government engaged in grossly negligent conduct in violation of the provisions of this section, but cannot identify such officer or employee or prove causation with regard to any such officer or employee.

Subsection 1 (a) and (b) are taken from a long line of cases imposing section 1983 liability on a supervising officer who either supervised the offending action or failed by inaction to remedy pervasive unconstitutional behavior. See e.g. *Schnell* v. *City of Chicago*, 407 F. 2d 1084 (7th Cir. 1969).

The requirement that the misconduct constitute a pattern or practice—a series of many nearly identical acts of misconduct usually directed against particular groups—has served to assure that the level of violations were sufficiently pervasive to warrant attributing responsibility to the supervisors for low level employees. Comment, "The Supeme Court—1975 Term—90 Harv. L. Rev. 243 (1976).

These provisions make clear that the language in the majority opinion in Rizzo, supra, to the effect that liability must be predicated upon the supervisor's having directed the constitutional deprivation, is inconsistent with congressional intent. See also, Justice Blackmun's dissent in Rizzo, supporting supervisory liability for both action and inaction.

Subsection 2 would impose section 1983 liability in situations such as Burton, supra, where an individual suffered from a violation of the statute resulting from a grossly negligent act of a subordinate employee or officer and the plaintiff cannot individually identify such person(s) or prove causation with respect to such officer or employee.

DUE PROCESS AND THE RIGHT TO ENJOY ONE'S REPUTATION

Since the days of Blackstone, the right to enjoy one's reputation has been considered a fundamental personal liberty. Massachusetts sanctioned this principle in its Body of Liberties, as has the United Nations in its declaration of Human Rights. See generally, 90 Harv. L. Rev. 87, supra. Prior to the 1975 term the Supreme Court had recognized that reputation was protected by the due process clause of the 14th amendment. See for example, *Wisconsin* v. *Constantineau*, 400 U.S. 433 (1971). Despite this, as noted earlier, the Supreme Court in Paul against Davis, supra, held that the "mere injury to reputation was not an aspect of liberty of property protected by the due process clause of the 14th amendment."

The decision in Paul against Davis, is not surprising in light of several other recent pronouncements of the Court. The Court has shown a similar tendency in its decisions reducing privacy protections such as *United States* v. *Miller*, 425 U.S. 435 (1976), which held that an individual does not have a reasonable expectation of privacy in his bank records.

In recognition of the importance of reasserting the proposition that a person's interest in his good name is fundamental to the concept of ordered liberty, Section 2 (b) (3) provides that the right to enjoy one's reputations is protected by the 14th amendment. I am confident that my colleagues will restore this fundamental right to its historic status.

LIMITED PROSECUTORIAL LIABILITY UNDER SECTION 1983

Section 2(d) of S. 35 is in direct response to the absolute grant of immunity conferred upon prosecutors under section 1983 suits in Imbler against Pachtman, supra. I am aware of the concerns supporting the common law immunity granted prosecutors. And I agree with the majority opinion in Imbler that the adoption of section 1983 did not abrogate that immunity.

I do not believe, however, that absolute prosecutorial immunity under section 1983 honors congressional intent or promotes the ends of justice. By conferring absolute immunity, the Supreme Court has protected prosecutors even where they resort to indisputably unconstitutional conduct. I am in agreement with the reasoning of Justice White, concurring in Imbler:

It is apparent that the injury to the defendant which can be caused by an unconstitutional suppression of exculpatory evidence is substantial, particularly if the evidence is never recovered. It is virtually impossible to identify any injury to the judicial process resulting from a rule permitting suits for such unconstitutional conduct, and it is very easy to identify the injury to the process resulting from a rule which does not permit such suits.

Consequently, section 2(d) of S. 35 provides for section 1983 liability in those limited cases where a prosecutor fails to disclose to the defendant any material favorable to the defendant. I believe this is a workable rule. I know it is consistent with the spirit and intent of our judicial system.

ABSTENTION IN SECTION 1983 CASES

Section 2(e) (1) provides that the judicially created doctrine of abstention shall be inapplicable to damage suits or injunctive actions brought under section 1983. The abstention doctrine is based on the importance of avoiding Federal court proceedings when a decision on State law might make them unnecessary. Although section 1983 was designed to secure a Federal forum for the adjudication of Federal constitutional and statutory rights, the Supreme Court in 1959 held that abstention was appropriate in some section 1983 actions cases. *Harrison* v. *NAACP*. 360 U.S. 167 (1959). Later the Court again applied abstention to a section 1983 action. *Boehnig* v. *Indiana State Employees Ass'n*. 423 U.S. 6 (1976). As Justice Douglas indicated in his dissent in Boehnig, the abstention doctrine compels a section 1983 litigant to travel a more expensive and longer road than was intended by Congress when it enacted the statute.

Dissatisfaction with the broad application of the abstention in civil rights cases has prompted calls for legislative reform. Over 5 years ago, the American Law Institute made a proposal which would have precluded the application of abstention in certain civil rights cases. ALI: Study of The Division of Jurisdiction Between State and Federal Courts, 1371 (g). This proposal, which was somewhat different than that contained in S. 35, was not adopted by the Congress in 1972. I am convinced, however, that the damage to section 1983 in the interim justifies a rule that would preclude the application of abstention in all section 1983 suits.

EXHAUSTION OF STATE JUDICIAL REMEDIES IN SECTION 1983 CASES

Recognizing the intent of the drafters of section 1983 to provide a Federal forum Supreme Court in Monroe against Pape, supra, held that the doctrine of exhaustion of State judicial remedies was inapplicable in section 1983 cases. Despite the clarity of this ruling, the efforts of the present Court's majority to readjust the balance between State and Federal courts, bodes poorly for the exhaustion rule in Monroe against Pape. Therefore, to prevent a judicial reversal or a narrowing of the exhaustion ruling in Monroe, section 2(e)(2) codifies the Monroe holding.

COURT INTERVENTION IN ONGOING STATE COURT PROCEEDINGS

One of the most potent and controversial barriers erected by the Court against the availability of a Federal forum for the litigation of section 1983 suits has been the Court's expansion of the doctrine of *Younger* v. *Harris*, 401 U.S. 37 (1971) regarding Federal intervention in State court proceedings. In Younger, the Court set out the limited circumstances under which a Federal court could enjoin a pending State criminal proceeding—in effect, only where the State or local officials are prosecuting a defendant in bad faith. Although Younger dealt solely with a pending State criminal proceeding, the Court in subsequent cases greatly expanded its application. At the present time, Younger is applicable to certain civil matters, *Huffman* v. *Pursue, Ltd.*, 420 U.S. 593 (1975) and even to instances where a Federal court proceeding has actually commenced prior to the filing of a State action. *Hicks* v. *Miranda*, 422 U.S. 332 (1975). Finally, there is language in Rizzo against Goode, supra, to indicate not only that Younger may be extended to all civil proceedings, but also to attempts to obtain injunctions against State and local agency proceedings.

Section 2(e)(3)(A) seeks to implement statutory standards striking an appropriate balance between the traditional and legitimate interests of the States to conduct their criminal proceedings without Federal interference, and the well documented and longstanding concern that an individual be provided a Federal forum to litigate his section 1983 claim.

First, this section recognizes at least two exceptions to the prohibition against Federal intervention in ongoing State criminal proceedings: Bad faith harassment and a statute affecting first amendment freedoms which is unconstitutional on its face. Insofar as this provision allows for intervention based on a statute defective on its face, it would set aside the Court's interpretation of Younger in Huffman to the effect that "facial invalidity of a statute is not itself an exceptional circumstance justifying Federal interference with State criminal proceedings."

Second, this section provides that the prohibition on Federal injunctions against pending State proceedings is inapplicable to State civil proceedings, even where the civil proceeding is closely akin to criminal proceedings. Thus S. 35 rejects the expansion of the Younger to civil proceedings first clearly enunciated in Huffman.

Finally, this section overrules Hicks against Miranda, supra, insofar as that ruling requires that a Federal court abstain from hearing a section 1983 suit, even where the Federal suit was commenced prior to the filing of the State proceeding. This is a particularly troublesome rule—one that invites State prosecutors to file a State suit to preclude Federal jurisdiction.

RES JUDICATA IN SECTION 1983 SUITS

Despite several opportunities in recent years, the Supreme Court has not decided the applicability of res judicata principles to suits brought under section 1983. A reading of the legislative history of section 1983 indicates that its authors would not have endorsed a broad application of res judicata to such suits. Given the present Supreme Court majority's insistence on allowing both ongoing State criminal and civil actions to defeat Federal civil rights jurisdiction, it is clear that a strict rule prohibiting relitigation in Federal courts will render the promise of a Federal forum an empty one. See, Theis, "Res Judicata in Civil Rights Cases: An Introduction to the Problem," 70 N.W. L. Rev. 859 (1976). See also, Comment, "Collateral Estoppel Effect of State Criminal Actions in section 1983 Suits," 1975 Ill. L. Forum, 951.

S. 35 addresses this complex question by providing that Federal courts will generally not be barred from hearing section 1983 suits previously litigated in State courts; but, limits the type of relief that a Federal court can dispense in such situations. Specifically the Federal court will be able to:

Invalidate or set aside a criminal conviction in a State, local, or municipal court;

Modify or set aside an order by such courts with respect to damages;

Modify or set aside an order by such a court related to conduct determined not to be covered under S1983.

Mr. President, I urge my colleagues to give prompt and thorough consideration to S. 35, "The Civil Rights Improvement Act of 1977" and thus reaffirm Congress' commitment to the vigorous enforcement of our civil rights laws. At the same time, Congress cannot fail to heed the concern expressed by the Supreme Court regarding the need to ease the growing burden on the Federal court system. Congress must review this issue and provide legislation to help expedite justice in our Federal courts. Enactment of legislation providing for additional Federal appellate and district court judges should be a major priority of the 95th Congress. Unfortunately, the 94th Congress after long consideration of these proposals failed to enact them. The Federal district court in my own State of Maryland was not even given one additional judge under the formula applied by the past Congress, despite its presenting a solid case for such relief. Perhaps, Mr. President, the Congress should reevaluate the procedures used to allocate additional judgeships. Other proposals should be given similar detailed consideration, including the possibility of further expansion of the role played by Federal magistrates.

Mr. President, as an attorney and as a member of a coequal branch of government, I am naturally reluctant to support legislation which overrules certain decisions of the Supreme Court. Such action must be taken only after the most deliberate and careful consideration, and only in the most compelling cases. I am convinced, however, that the importance of insuring the vitality of our most important civil rights statute is such a case.

In conclusion, I reiterate my belief that while the apparent goal of the Court—to alleviate our overcrowded court dockets—is a legitimate one, the cutting back of section 1983 suits is not the way to go about it.

Mr. President, I ask unanimous consent that the text of S. 35, "The Civil Rights Improvement Act," be inserted at this point in the RECORD, along with various articles in the press commenting on the issues addressed by this bill.

There being no objection, the bill and material were ordered to be printed in the RECORD as follows:

S. 35

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and declares that—

(1) the interest of any person in his good name is fundamental in the concept of ordered liberty; and

(2) Congress has the power under section 5 of the fourteenth amendment of the Constitution to enact all necessary and proper legislation to protect that interest.

SEC. 2. Section 1979 of the Revised Statutes (42 U.S.C. 1983) is amended—

(1) by inserting "(a)" immediately before "Every"; and

(2) by adding at the end thereof the following new subsections:

"(b) For the purpose of this section—

"(1) the term 'civil action' means any action at law, suit in equity, or other proper proceeding for redress;

"(2) the term 'person' means any individual, State, municipality, or any agency or unit of government of such State or municipality; and

"(3) the right to enjoy one's reputation is a right secured by the due process clause of section 1 of the fourteenth amendment of the Constitution.

"(c) Notwithstanding any other provision of this section, no State, municipality, or any agency or unit of government thereof shall be liable for damages or subject to an injunction under the provisions of this section for any violation of the provisions of this section by any officer or employee of such State, municipality, agency, or unit of government unless—

"(1) the officer or employee of such State, municipality, agency, or unit of government directly responsible for the conduct of the subordinate officer or employee who committed such violation—

"(A) directed, authorized, approved, or encouraged any action by such subordinate officer or employee which resulted in such violation, or

"(B) failed to act in any manner to rem-

edy a pervasive pattern of unconstitutional or unlawful conduct engaged in by such subordinate officer or employee which, in the absence of any remedial action, was likely to continue or recur in the future; or "(2) the party seeking such damages or injunction establishes that one or more officers or employees of such State, municipality, agency, or unit of government engaged in grossly negligent conduct in violation of the provisions of this section, but cannot identify such officer or employee or prove causation with regard to any such officer or employee.

"(d) A prosecuting officer of a State, municipality, or other unit of local government shall be liable for damages or subject to an injunction under the provisions of this section if such officer fails to disclose to the defendant in any criminal proceeding, upon the request of such defendant or his counsel, all material evidence which such officer knows or reasonably should know is exculpatory to the defendant.

"(e)(1) No court of the United States shall refuse temporarily to hear any civil action brought under the provisions of this section on the ground that such action raises, in addition to any question of Federal constitutional or statutory law, a question of State law which has not been previously decided by the highest court of such State or which, if decided by a State court, could render unnecessary a decision by such court of the United States on such question of Federal constitutional or statutory law.

"(2) No court of the United States shall dismiss any civil action brought under the provisions of this section on the ground that the party bringing such action failed to exhaust the remedies available in the courts of any State.

"(3)(A) No court of the United States shall proceed to hear any civil action brought under the provisions of this section if such court finds that there is a pending criminal proceeding by any State, municipality, or other unit of local government—

"(i) against the party bringing such action or against any person with whom such party's interests are closely intertwined.

"(ii) arising out of the same fact situation which is the subject of such action, and

"(iii) in which all claims presented and issues raised in such action may be presented, raised, and resolved,

except that if the party bringing such action or suit alleges, and such court finds, that extraordinary circumstances exist justifying such intervention including, that such criminal proceeding was brought in bad faith for the purpose of harassment, or that the criminal statute which is the basis of such criminal proceeding is unconstitutional on its face and that the enforcement of such statute is likely to deter the exercise of rights protected under the first amendment of the Constitution, such court may enjoin such criminal proceeding and proceed to hear such action or suit.

"(B) The prohibition contained in subparagraph (A) shall not apply where the pending proceeding is civil in nature, even if such proceeding is in aid of and closely related to the enforcement of a criminal statute.

"(C) No such court of the United States shall dismiss any such action on the ground that further proceedings in such action would be in violation of subparagraph (A), if such criminal proceeding was commenced after the date on which the complaint in such action was filed in such court of the United States. If such court is barred under this subparagraph from dismissing an action, such court may enjoin such criminal proceeding.

"(4) No court of the United States shall refuse to hear any civil action brought under the provisions of this section on the ground that such action only raises issues previously decided in a civil or criminal proceeding in the court of any State, municipality, or other unit of local government to which the party bringing such action was also a party except that such court of the United States shall not grant as relief in such action (A) the invalidation or setting aside of any criminal conviction by such State, municipal, or local court, (B) the modification or setting aside of any order by such State, municipal, or local court with respect to damages, or (C) the modification or setting aside of any order by such State, municipal, or local court with respect to an injunction related to conduct determined in such civil or criminal proceeding not to be protected under the provisions of this section.".

SEC. 4. Nothing contained in this statute shall be construed to prevent or impair the enforcement of any other provision of federal law and nothing herein shall be construed to impair the availability of the remedy of the suppression of illegally seized evidence in any criminal or civil proceeding.

SEC. 5. This Act may be called "The Civil Rights Improvements Act of 1977".

THE SUPREME COURT AND CIVIL RIGHTS

(By Carol H. Falk)

WASHINGTON.—It is commonly believed that the current Supreme Court, although conservative in many ways, has generally continued the trend of its liberal predecessor on civil rights.

No less an observer than President-elect Jimmy Carter repeated this impression in his final debate with President Ford, saying that the court headed by Chief Justice Warren Burger has "fairly well confirmed" the major civil rights decisions of the high court under the late Chief Justice Earl Warren.

It's true that the Burger court hasn't undone the major school desegregation decisions or other anti-discrimination orders of the Warren court. It has even broken some new ground, notably in cases involving sex discrimination and private school segregation.

But for some time the court has been handing down rulings that, some civil rights lawyers and lower court judges say, would have made it difficult, if not impossible, to win many of the crucial civil rights cases of the 1950s and 1960s.

These rulings, often technical or procedural, have generally been undramatic, and some of them have come in cases that haven't had anything to do with race or sex discrimination. Thus, they haven't been widely recognized as representing any reversal of the Warren court trend.

Civil rights lawyers, however, have been worried for some time about what one calls the "really disastrous" implications of these rulings. In the months ahead these implications may become more noticeable to the general public.

TWO RULINGS

The tendency to cut back on the civil-rights relief obtainable in federal court was apparent in two rulings last month. In one, the high court rejected a school desegregation order for Austin, Texas. In the other, it ruled that exclusion of pregnancy coverage from company disability income plans doesn't constitute sex discrimination.

The trend may be amplified in a number of other important civil rights cases the court is expected to decide before the current term ends next June. Pending issues include reverse discrimination in medical school admissions, retroactive seniority as a remedy for past hiring bias, sex-segregated schools, and height and weight minimums that eliminate most women from certain jobs.

What the Burger court seems to be doing is to force civil rights groups to seek remedies by way of the political process. Instead of relying heavily on the federal judicial system, as civil rights forces have for the past 20 years, they will have to appeal to the Carter administration, the Democratic Congress and state legislatures.

The resort to the political process is exactly what the Burger court wants to encourage, in the view of A. E. Dick Howard, a University of Virginia law professor who's writing a book on the Burger court. He says that the current Justices are, for the most part, willing to let Congress do what it wants, but are "more dubious of the power of the courts." He emphasizes that "this court doesn't see itself as an engine of reform," but rather prefers to leave social issues to legislative bodies and even school boards.

The hurdles being placed by the Burger court in the path of those who want to pursue civil rights in the courts are of three types.

First, the high court is making it much tougher for some of those with civil rights complaints to get their cases heard in federal court. This may partly result from Chief Justice Burger's frequently voiced concern about overcrowded federal court dockets.

For example, the court has limited the ability of federal courts to interfere with state criminal proceedings; such federal court action often is sought by civil rights lawyers who feel that their clients are suffering discriminatory treatment in state courts. The Supreme Court also has become more restrictive in deciding who is qualified to assert certain types of claims. It ruled, for instance, that inner-city residents of Rochester, N.Y., weren't in a position to challenge the zoning laws of a nearby town that they claimed excluded them and other low-income citizens. Further, the court has made it harder to bring suits on behalf of a class composed of all others in a similar situation—a technique frequently used in civil rights cases.

Second, those who get into court may find that under recent Supreme Court rulings they simply don't have a legitimate claim of discrimination. That's because the Burger court has generally given a narrow reading to the coverage of federal civil rights laws and the Constitution's guarantees of equal protection.

In a 1973 case in which a Kenosha, Wis., bar had been denied a renewal of its liquor license because of alleged nude dancing on the premises, the Justices held that a city couldn't be the target of a suit under a widely used reconstruction era civil rights law. That law, which guarantees a hearing in federal court whenever state or local officials interfere with federal constitutional or statutory rights, has been a cornerstone of much civil rights litigation over the years. If the Kenosha ruling—which now has been held to apply to city units, such as school boards—had been in force 20 years ago, "I don't know if we ever would have gotten school desegregation," says Chief Judge John R. Brown of the U.S. Court of Appeals in New Orleans.

In a case decided last March, the high court held that the Constitution's due-process guarantees, which generally bar the government from taking an individual's liberty or property without a fair hearing, don't necessarily protect a person's reputation from defamation by the government. The court said that a Louisville, Ky., man who was branded as a shoplifter in a police flier, although he hadn't been convicted of such an offense, should take his suit to a state court.

The pregnancy disability decision also reflects a narrow reading of what constitutes discrimination. Basically, the court majority said that pregnancy wasn't covered by the 1964 Civil Rights Act's prohibition against sex discrimination in employment. That interpretation disagreed with the view of six federal appeals courts, as well as with the Equal Employment Opportunity Commission, which administers the law.

MUST SHOW PURPOSE

Finally, the court is making the standards of proof more difficult for those who do get into court and establish a right to sue. Last spring, the Burger court held that to prove a constitutional violation, civil rights plaintiffs must show that a law or other official act has a "discriminatory purpose," as well as a discriminatory "impact." This ruling was in a case challenging examinations given police job applicants in Washington, D.C.

That decision "potentially overrules years of civil rights litigation," a civil rights attorney said following the ruling. Such fears were partially borne out in the Austin schools case, when the court served notice that it intended to apply the "discriminatory purpose" standard in a broad way. It sent the Austin case back to the lower court for "reconsideration in light of the police exam ruling.

Most of these problems for the civil rights cause are probably "curable if Congress sees fit to provide the cure," says Mr. Howard. But he adds that the legislative approach represents a "very arduous path" for the civil rights movement.

Legislation would have to be very specific in order to survive the high court's narrow interpretations. Thus, little room is left for legislative compromise or for the vague phrasings that can accomplish a lot without arousing too much opposition. Another drawback is that a great many separate pieces of legislation would have to be shepherded through the lawmaking process.

Congress recently passed a law permitting courts to award attorneys fees in civil rights cases. Pressure for that law followed a Supreme Court ruling, in a 1975 environmental case, that courts couldn't justify such awards on the ground that public interest lawyers were acting as "private attorneys general."

Similarly, women's groups are seeking passage of a measure that would specifically add to the 1964 Civil Rights Act certain sex-discrimination guidelines concerning pregnancy.

While some efforts such as this may succeed, the legislative strategy is bound to put an added strain on the never-abundant resources of the civil rights movement. And the strategy may also require different talents from those required in a courtroom. One discouraged civil rights lawyer, asserting that "a lot of institutional discrimination continues," predicts that "if they can't have their rights vindicated in federal courts, a lot of blacks are going to lose them."

[From the New York Times, Dec. 3, 1976]

CLOSING THE COURTS

(By Tom Wicker)

Amid all the speculation about President-elect Carter's forthcoming appointments, nothing is being said about his prospective nominees to the Supreme Court, since there aren't any openings. In the long run, however, the number and character of Mr. Carter's choices for the high court might form one of his most important Presidential actions.

It could well be argued that President Eisenhower did nothing of greater consequence than choosing Earl Warren to be Chief Justice, even if that was a choice General Eisenhower came to regret. Richard Nixon named four Justices, including a Chief Justice, in less than two terms; nothing he did in domestic affairs is likely to have more long-term impact. (In fact, only two of the nine Justices were appointed by Democratic Presidents: Byron White by John Kennedy and Thurgood Marshall by Lyndon Johnson.)

The Burger Court that has succeeded the Warren Court, largely as a result of Mr. Nixon's appointees, has been making it more difficult, for example, for persons who believe their Federal constitutional and legal rights have been infringed to gain redress in the Federal courts.

That, at least, is the view of the board of governors of the Society of American Law Teachers, which recently issued a lengthy analysis of the Burger Court's trend toward restricting access to the Federal courts. And a recent statement by the Council for Public Interest Law—which has such Establishment members as William D. Ruckelshaus, Whitney North Seymour Jr., and Chesterfield Smith—charged that as a consequence of this trend "many citizens, including minorities, the poor, and the victims of official abuses, have been left without the judicial remedies."

The Supreme Court has accomplished this, the council said, by turning "from the substance of justice to the niceties of pleading"—that is, by dismissing or ruling on important cases "on technical grounds under new, shifting and progressively more stringent procedural rulings."

The Law Teachers' study concluded, for example, that the Court had "effectively killed" the possibility of class action suits in cases where many people have been wronged, but none enough to justify any one person in a great expenditure to pursue the case. It did so in an antitrust suit brought against two brokerage firms by an odd-lot purchaser on behalf of a class of over two million persons. A lower court had devised an advertising procedure to notify them of the suit and levied most of the $21,000 cost against the defendants; but the Supreme Court ruled, instead, that the plaintiff would have to notify all two million directly at a cost of about $225,000.

That rule constitutes an almost insuperable barrier to such class actions. In another case, the Court made it extremely difficult for low-income persons to band together against the conditions of general disadvantage. Such a group of persons living in Rochester but working in the suburb of Penfield brought suit against that community's single-family zoning ordinance. The Supreme Court ruled the group had no "standing" to sue because it could not show that the ordinance actually had prevented construction of a low-cost housing project.

In effect, the Court told the plaintiffs that, in order to sue, they'd have to find a developer willing to invest the large amount necessary to plan a housing project, who would then apply for permission to build it, so that he could be turned down. The ruling effectively prevented the merits of such cases from being heard unless specific instance of "injury in fact" could be demonstrated.

Again, when a Californian was arrested under a state law for distributing leaflets advocating change in industrial ownership through political action, the Supreme Court refused to enjoin enforcement of the California act. It ruled, instead, that whatever the act's effect on the defendant's First Amendment rights, he would have to undergo state trial first, and rely on the slim possibility of Supreme Court review later. Several such rulings have severely restricted the ability to sue in Federal court against state invasions of constitutional rights.

The Court has ruled that Federal courts may not award attorneys' fees to the prevailing parties in public-interest litigation, which will effectively limit such litigation; and it has refused to review some possible abuses on grounds that everyone would be harmed equally by them.

By a variety of such procedural rulings, and often by narrow majorities, the Burger Court—as the Law Teachers' report put it—has been "forging a set of restrictive doctrines which will substantially reduce the availability of the Federal courts for public-interest litigation." Mr. Carter, who called so eloquently for "simple justice" in his acceptance speech at the Democratic convention, should bear that in mind when his turn comes to name someone to the Court.

By Mr. JACKSON:

S. 36. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; and

S. 37. A bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906), and for other purposes; to the Committee on Interior and Insular Affairs.

ERDA AUTHORIZATIONS, FISCAL YEAR 1977

Mr. JACKSON. Mr. President, I introduce for appropriate reference two bills which will provide the Energy Research and Development Administration with authority to spend appropriations for fiscal year 1977, to request and to issue certain loan guarantees, and for other purposes.

Under normal circumstances, ERDA's operations are governed by annual authorizing legislation pursuant to which appropriations are enacted. However, last year, enactment of ERDA's appropriations for fiscal year 1977 preceded final consideration of the authorizing legislation which was delayed in the House of Representatives for several months. During the last day of the 94th Congress, the Senate failed to accept the conference report to the authorization act for ERDA, H.R. 13350. Inaction on the conference report left ERDA without authority to utilize funds made available by congressionally enacted appropriation bills.

It became apparent in the closing days of the 94th Congress that the new fiscal year might start without enactment of the requisite authorizing legislation. To avoid such a situation, Congress added a provision to the joint resolution for continuing appropriations, House Joint Resolution 1105, Public Law 94-473, which provided that until March 31, 1977, fiscal year 1977 appropriations to ERDA would be made available without meeting the requirement for authorizing legislation.

By the end of March, Congress must either enact authorizing legislation or enact legislation nullifying the requirement for authorizations; otherwise, a significant portion of ERDA's operation will have to cease by virtue of the limitation requiring authorizations which have been placed upon the availability of fiscal year 1977 appropriations.

The language of the two measures which I introduce today, taken together, is identical to that language relating to nonnuclear matters which was approved by the Senate and House conference to H.R. 13350, and also by the full House of Representatives when that body accepted the conference report. However, I am introducing two bills instead of one, in the hope of avoiding any delay on those matters which absolutely require authorization prior to March 31, 1977.

Funding for specific nonnuclear pro-

grams is contained in one proposal, along with those matters which were not controversial when originally considered in the Senate during the last Congress.

The second measure provides ERDA with authority to utilize loan guarantees as a financial mechanism to stimulate the development of various energy technologies. In addition, this second measure would authorize a loan guarantee program for the conversion of municipal solid waste and other forms of biomass into useful fuels or energy.

The Senate of the 94th Congress supported a loan guarantee program on two different occasions and the bill which I introduced contains the language that previously received favorable consideration by the Senate. In approving the conference report to H.R. 13350 last year, the House of Representatives voiced approval for the language of this bill authorizing loan guarantees. The House on prior occasions had considered and defeated measures which would have authorized loan guarantee programs that contemplated a much larger Federal commitment than the program contemplated by this bill. Because there has been a controversy surrounding loan guarantees, and in light of the necessity to enact authorizations for ERDA programs by the end of March, the loan guarantee language has been placed in a separate bill. If the Senate so chooses, it can examine the loan guarantee provisions at greater length without jeopardizing the funding authority required by ERDA to continue its programs beyond March 31.

I also want to emphasize that neither of these measures contains authorization for exclusively nuclear programs within ERDA. The status of the Joint Committee on Atomic Energy is uncertain at this time. Historically, the JCAE has had legislative jurisdiction over the nuclear energy research and development program of ERDA. Should another committee gain legislative jurisdiction over the nuclear programs, the possibility exists that those portions of ERDA's program dealing with nuclear R. & D. could encounter delays while new committees become familiar with that portion of the ERDA budget.

This bill provides authorizations for the following programs: for fossil energy, $541,421,000; for solar energy, $319,700,000; for geothermal energy, $68,050,000; for energy conservation, $241,500,000; for environmental research and safety; $148,182,000; for basic energy sciences, $99,200,000; and, for program support, $216,360,000. In addition, this proposal calls for the establishment of an Energy Extension Service to be managed by ERDA. Under the National Energy Extension Service, a comprehensive program of energy outreach to individual consumers and small businesses would be developed and implemented. This program would provide an opportunity for each State to participate in the Energy Extension Service and to coordinate this program with other energy programs operated at the State level. The Service would be a direct conduit to consumers to provide information with respect to energy conservation opportunities and the use of renewable energy resources such as solar energy and, in addition, the Service could be a vehicle for onsite demonstration of new technologies developed by ERDA and in the private sector.

Mr. President, our energy conservation effort thus far has lacked the direct people-to-people component. The Extension Service will provide a vital new dimension for our national effort in energy conservation.

A second innovative program contained in the ERDA authorization bill directs the ERDA Administrator to provide, subject to firm and fair standards of excellence, grants to individual inventors and small businesses for the development of "appropriate technology." A majority of the programs ERDA has managed to date are aimed at large expensive development projects—nuclear reactors, synthetic fuels, fusion reactor equipment and hardware which cost many millions of dollars.

Yet, particularly in the area of energy conservation, many of our needs are for simple devices which are inexpensive, easy to maintain and operate, and tailored to local needs and opportunities. The small grants program for "appropriate technology" is targeted on precisely these sorts of needs and opportunities. Under this program, grants of not more than $50,000 over a period of 2 years would be available to develop the ideas of innovative individuals who are not reached by programs managed through national labs or other traditional channels of ERDA funding.

The second measure concerns loan guarantees. Section 101 of this bill would provide limited authorization for ERDA to utilize loan guarantees as one form of Federal assistance for the demonstration of new energy technologies.

In essence, this provision would invite ERDA to recommend to the Congress specific project proposals for Federal assistance by loan guarantees. The Congress would then consider authorizing such guarantees to be implemented on a case-by-case basis. This section also contains language which assures that all of the safeguards and criteria included in the Federal Non-nuclear R. & D. Act would be applicable to proposals for loan guarantees.

Section 102 of this bill would authorize ERDA to implement a program of assistance by loan guarantees solely for the demonstration of technologies to produce synthetic fuels of other forms of energy from biomass. The provision would limit the outstanding commitments under this authority to no more than $300 million at any time, and requires that any single proposal in excess of $50 million be subject to congressional review and veto.

I want to reemphasize the necessity for considering this legislation at the earliest date possible. If ERDA is to continue its programs under congressional direction, then it is essential that authorizing legislation be enacted. For the information of the Senate, I ask unanimous consent that the legislation I introduce be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 36

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the traditional energy sources of this country are being depleted and we must convert to other forms of energy. In addition, it may be necessary to undertake aggressive conservation programs to cut back on energy consumption and eliminate waste and reduce energy use. In spite of these efforts, Congress finds that energy consumption in this country will approximately double in coming decades. Therefore, it is essential that the policy of the Congress be established that every form of energy be put into use at the earliest possible moment, consistent with existing environmental laws, that new elements of energy production be placed on line as quickly as possible.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1977

SEC. 2. In accordance with section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915), there is hereby authorized to be appropriated to the Energy Research and Development Administration for fiscal year 1977, subject to the provisions of this Act, the following:

(A) For nonnuclear energy research, development, and demonstration of fossil, solar, geothermal, and other forms of energy for energy conservation, and for scientific and technical education, $175,671,000.

(B) For environmental research and safety, basic energy sciences, program support, and related programs, not directly associated with nuclear programs, $463,742,000.

TITLE I—NONNUCLEAR PROGRAMS

OPERATING EXPENSES

SEC. 101. For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

Fossil Energy Development

(1) Coal:
(A) Coal liquefaction:
Costs, $81,130,000.
Changes in selected resources, —$4,300,000.
(B) High Btu gasification (coal):
Costs, $59,254,000.
Changes in selected resources, —$14,200,000.
(C) Low Btu gasification (coal):
Costs, $50,000,000.
Changes in selected reserves —$3,000,000.
(D) Advanced power systems:
Costs $12,800,000.
Changes in selected resources, $9,700,000.
(E) Direct combustion (coal):
Costs $55,116,000.
Changes in selected resources, $2,284,000.
(F) Advanced research and supporting technology:
Costs, $38,500,000.
Changes in selected resources $1,100,000.
Provided, that the following amounts thereof shall be for Systems Studies:
Costs, $9,350,000.
Changes in selected resources, $1,000,000.
(G) Demonstration plants (coal):
Costs, $50,600,000.
Changes in selected resources, $2,400,000.
(H) Magnetohydrodynamics:
Costs, $27,841,000.
Changes in selected resources, $10,145,000.
(2) Petroleum and natural gas:
(A) Natural gas and oil extraction:
Costs, $35,269,000.
Changes in selected resources, $7,900,000.
(B) Supporting research:
Costs, $1,831,000.
Changes in selected resources, $0.
(3) In-situ Technology:
(A) Oil shale:
Costs, $12,085,000.
Changes in selected resources, $9,000,000.

(B) Coal gasification:
Costs, $13,536,000.
Changes in selected resources, $1,500,000.
(C) Supporting research:
Costs, $1,310,000.
Changes in selected resources, $0.

Solar Energy Development

(4) Solar Heating and Cooling:
Costs, $88,000,000.
Changes in selected resources, $26,500,000.
(5) Other Solar Energy Programs:
Costs, $136,100,000.
Changes in selected resources $35,600,000; including costs of $3,000,000 and changes in selected resources of $1,000,000 for initiation of activities of the Solar Energy Research Institute and costs of $112,200,000 and changes in selected resources of $27,500,000 for solar electric applications.

Geothermal Energy Development

(6) Geothermal Energy:
(A) Hydrothermal Technology Applications:
Costs, $14,200,000.
Changes in selected resources, $1,800,000.
(B) Other Geothermal Energy Development:
Costs, $46,100,000.
Changes in selected resources, $3,600,000.

Conservation Research and Development

(7) Conservation Research and Development:
(A) Electric Energy Systems:
Costs, $22,000,000.
Changes in selected resources, $4,000,000.
(B) Energy Storage:
Costs, $32,000,000.
Changes in selected resources, $6,000,000.
(C) Building Conservation:
Costs, $27,600,000.
Changes in selected resources, $4,400,000.
(D) Industry Conservation:
Costs, $18,000,000.
Changes in selected resources, $4,000,000.
(E) Transportation Energy Conservation including $3,000,000 for methanol and other alternate fuels:
Costs, $31,400,000.
Changes in selected resources, $4,600,000.
(F) Improved Conversion Efficiency:
Costs, $15,300,000.
Changes in selected resources, $11,700,000.
(G) Energy Conservation Institutes and Extension Service:
Costs, $18,000,000.
Changes in selected resources, $7,000,000.
(H) Small Grant Program for Appropriate Technologies:
Costs, $7,500,000.
Changes in selected resources, $2,500,000.
(I) To carry out the municipal solid waste demonstration price guarantee program authorized by section 107 of this Act:
Costs, $200,000.
Changes in selected resources, $4,800,000.
Scientific and Technical Education.
(8) Scientific and Technical Education:
Costs, $3,750,000.
Changes in selected resources, $1,250,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. (a) For "Plant and capital equipment", including construction acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts.

(1) Fossil Energy Development Coal.

(A) Project 77–1–a, modifications and additions to Energy Research Centers, $6,900,000.

(B) Project 77–1–b for a high Btu pipeline gas demonstration plant (which is estimated to cost a total of $500,000,000, including the non-Federal share of such cost) is authorized. The amount authorized for such plant is $10,000,000.

(C) Project 77–1–c for fuel gas low Btu demonstration plant (which is estimated to cost a total of $380,000,000, including the non-Federal share of such cost) is authorized. The amount authorized for such plant is $5,000,000.

(D) Project 77–1–d, MHD component development and integration facility, $6,700,000.

(2) Conservation Research and Development.

(A) Project 77–17–a Combustion Research Center, $8,500,000.

(3) Capital Equipment, not related to construction.

(A) Fossil energy development, $1,020,000.

(B) Conservation research and development, $12,000,000.

(C) Solar energy development, $8,500,000, including $1,500,000 for initiation of activities at the Solar Energy Research Institute in the areas of modification of facilities, acquisition and fabrication of capital equipment, and design of the final installation.

(D) Geothermal energy development, $2,350,000.

(b) There is authorized an additional sum of $50,000,000 for the clean boiler fuel demonstration plan (project 76–1–a) authorized by section 101(b)(1) of the Act of December 31, 1975 (89 Stat. 1065).

(c) There is authorized an additional sum of $15,000,000 for the five megawatt solar thermal test facility (76–2–a) authorized by section 101(b)(2) of the Act of December 31, 1975 (89 Stat. 1065).

(d) Solar Energy Development:
Project 77–18–j, $10,000,000 for the following Solar Energy Development Projects:
(i) OTEC sea test facility, $1,000,000.
(ii) two 200 kW wind energy facilities, $1,000,000.
(iii) two 1.5 MW high velocity wind facilities, $1,500,000.
(iv) total solar energy plant, $1,500,000.
(v) 5 MM solar thermal demonstration for small community, $2,000,000.
(vi) biomass conversion facility, $3,000,000.

PROVISIONS RELATING ONLY TO FOSSIL ENERGY DEVELOPMENT PROGRAMS

SEC. 103. Funds appropriated pursuant to this Act for "Operating expenses" for fossil energy purposes may be used for (1) any facilities which may be required at locations, other than installations of the Administration, for the performance of research and development contracts, and (2) grants to any organization for purchase or construction of research facilities. No such funds shall be used for the acquisition of land. Fee title to all such facilities shall be vested in the United States, unless the Administrator determines in writing that the programs of research and development authorized by this Act shall best be implemented by vesting fee title in an entity other than the United States: *Provided*, That, before approving the vesting of title in such entity the Administrator shall (A) transmit such determination, together with all pertinent data, to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate, and (B) wait a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action. Each grant shall be made under such conditions as the Administrator deems necessary to insure that the United States will receive therefrom benefits adequate to justify the making of the grant. No such funds shall be used under clause (1) of the first sentence of this section for the construction of any major facility the estimated cost of which, including collateral equipment, exceeds, $250,000 unless the Administrator shall (1) transmit a report on such major facility showing the nature, purpose, location, and estimated cost of such facility to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate, and (ii) wait a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 104. Not to exceed 3 per centum of all funds appropriated pursuant to this Act for "Operating expenses" for fossil energy purposes may be used by the Administrator to construct, expand, or modify laboratories and other facilities, including the acquisition of land, at any location under the control of the Administrator, if the Administrator determines that (1) such action would be necessary because of changes in the national programs authorized to be funded by this Act or because of new scientific or engineering developments, and (2) deferral of such action until the enactment of the next authorization Act would be inconsistent with the policies established by Congress for the Administration. No portion of such sums may be obligated for expenditure or expended for such activities, unless (A) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the Administrator has transmitted to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a written report containing a full and complete statement concerning (i) the nature of construction, expansion, or modification, (ii) the cost thereof, including the cost of any real estate action pertaining thereto, and (iii) the reason why such construction, expansion, or modification is necessary and in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action: *Provided*, That this sentence shall not apply to projects to construct, expand, or modify such laboratories or facilities, the estimated total cost of which does not exceed $25,0000.

SEC. 105. Notwithstanding any other applicable provision of law, the initial authorization in this Act or any other Act heretofore or hereafter enacted to construct, pursuant to section 8 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5907), any fossil energy demonstration plant shall expire at the end of the three full fiscal years following the date of enactment of such authorization, unless (1) funds to construct each such plant are appropriated or otherwise provided pursuant to applicable law prior thereto, or (2) such authorization period is extended by specific Act of Congress hereafter enacted.

SEC. 106. All moneys received by the Administrator from any fossil energy activity shall be paid into the Treasury to the credit of miscellaneous receipts, except that on December 1 of each year the Administrator shall provide to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a report of all such receipts for the preceding fiscal year, including, but not limited to, the amount and source of such revenues and the program and subprogram activity generating such revenues.

GENERAL PROVISIONS RELATING TO NONNUCLEAR PROGRAMS OTHER THAN FOSSIL ENERGY DEVELOPMENT

SEC. 107. The Administrator is authorized, subject to the appropriation of funds pur-

suant to section 101(10) of this Act, to establish and implement, under section 7(a)(4) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(a)(4)) and in accordance with section 7(c) of such Act (42 U.S.C. 5906(c)), a price-support program to demonstrate municipal solid waste reprocessing for the production of fuels and energy intensive products. Prior to entering into any contract for such demonstration, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a full and complete report on the proposed commercial demonstration facility and the necessary project demonstration guarantees. Such contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees.

GENERAL PROVISIONS RELATING TO ALL NONNUCLEAR PROGRAMS

SEC. 108. Except as otherwise provided in this Act.—

(a) no amount appropriated pursuant to this Act may be used for any nonnuclear program in excess of the amount actually authorized for that particular program by this Act,

(b) no amount appropriated pursuant to this Act may be used for any nonnuclear program which has not been presented to, or requested of, the Congress,

unless (1) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon the support of such proposed action, or (2) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action: *Provided*, That the following categories may not, as a result of reprogramming, be decreased by more than 10 per centum of the sums appropriated pursuant to this Act for such categories: Coal, petroleum and natural gas, in situ technology, solar, geothermal and conservation.

SEC. 109. The Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a detailed explanation of the allocation of all of the funds appropriated pursuant to this Act for nonnuclear energy programs and subprograms, reflecting the relationships, consistencies, and dissimilarities between those allocations and (a) the comprehensive program definition transmitted pursuant to section 102 of the Geothermal Energy Research, Development, and Demonstration Act, (b) the comprehensive program definition transmitted pursuant to section 15 of the Solar Energy Research, Development, and Demonstration Act of 1974 (42 U.S.C. 5564), (c) the comprehensive plan for nonnuclear energy research, development, and demonstration transmitted pursuant to section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905).

SEC. 110. Section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912) is amended by—

(1) striking, in the first sentence of subsection (a), the words "At the reqeust of the Adminisrator, the" and inserting therein "The";

(2) striking, in the first sentence of subsection (b), the words "prepare or have prepared an assessment of the availability of adequate water resources." and inserting therein the following: "request the Water Resources Council to prepare an assessment of water requirements and availability for such project."; and

(3) adding at the end thereof a new subsection to read as follows:

"(f) The Administrator shall, upon enactment of this subsection, be a member of the Council.".

SEC. 111. (a) The Administrator shall classify each recipient of any award, contract, or other financial arrangement in any nonnuclear research, development, or demonstration category as—

(1) a Federal agency,

(2) a non-Federal governmental entity,

(3) a profitmaking enterprise (indicating whether or not it is a small business concern),

(4) a nonprofit enterprise other than an educational institution, or

(5) a nonprofit educational institution.

(b) The information required by subsection (a), along with the dollar amount of each award, contract, or other financial arrangement made, shall be included as an appendix to the annual report required by section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914): *Provided*, That small purchases or contracts of less than $10,000, which are expected from the requirements of advertising by section 252(c)(3) of title 41, United States Code, shall be exempt from the reporting requirements of this section.

SEC. 112. (a) There shall be established within the Administration a program for appropriate technology under the direction of the Assistant Administrator for Conservation Research and Development. The Administrator shall develop and implement a program of small grants for the purpose of encouraging development and demonstration projects described in subsection (c) of this section.

(b) The aggregate amount of financial support made available to any participant in such program, including affiliates, under this section shall not exceed $50,000 during any two-year period.

(c) Funds made available under this section shall be used to provide for a coordinated and expanded effort for the development and demonstration of, and the dissemination of information with respect to, energy-related systems and supporting technologies appropriate to—

(1) the needs of local communities and the enhancement of community self-reliance through the use of available resources;

(2) the use of renewable resources and the conservation of nonrenewable resources;

(3) the use of existing technologies applied to novel situations and uses;

(4) applications which are energy-conserving, environmentally sound, small scale, durable and low cost; and

(5) application which demonstrate simplicity of installation, operation and maintenance.

(d)(1) Grants, agreements or contracts under this section may be made to individuals, local nonprofit organizations and institutions, State and local agencies, Indian tribes and small businesses. The Administration shall develop simplified procedures with respect to application for support under this section.

(2) Each grant, agreement or contract under this section shall be governed by the provisions of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 and shall contain effective provisions under which the Administration shall receive a full written report of activities supported in whole or in part by funds made available by the Administration; and

(3) In determining the allocation of funds among applicants for support under this section the Administrator may take into consideration:

(A) the potential for energy savings or energy production;

(B) the type of fuel saved or produced;

(C) the potential impact on local or regional energy or environmental problems; and

(D) Such other criteria as the Administrator finds necessary to achieve the purposes of this Act or the purposes of the Federal Nonnuclear Energy Research and Development Act of 1974.

Guidelines implementing this section shall be promulgated with full opportunity for public comment.

(e) The Administrator shall—

(1) prepare and submit no later than March 10, 1977, a detailed report on plans for implementation, including the timing of implementation, of the provisions of this section to the Committee on Interior and Insular Affairs of the Senate and the Committee on Science and Technology of the House of Representatives and shall keep such committees fully and currently informed concerning the development of such plans; and

(2) include as a part of the annual report required by section 15(a)(1) of the Federal Nonnuclear Energy Research and Development Act of 1974 beginning in 1977, a full and complete report on the program under this section.

SEC. 113. The Administrator, in consultation with the Administrator of the Environmental Protection Agency, shall submit a report to the Congress, six months after enactment of this Act, on the environmental monitoring, assessment, and control efforts, relating to environment, safety, and health, which are required to successfully demonstrate any project, which is subject to sections 8 (e) and (j) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5907 (e) and (f)), and is authorized by this Act or any prior Act. The report shall contain the extent to which monitoring and control is required, the estimated costs thereof.

TITLE II—FOR NONNUCLEAR ENVIRONMENTAL RESEARCH AND SAFETY, BASIC ENERGY SCIENCES, PROGRAM SUPPORT, AND RELATED PROGRAMS

OPERATING EXPENSES

SEC. 201. For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(1) Biomedical and environmental research, $119,500,000, of which $1,000,000 shall be made available to the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912).

(2) Operational safety, $4,500,000.

(3) Environmental control technology, $13,100,000.

(4) Basic energy sciences for the following:

(A) Material sciences, $45,600,000.

(B) Molecular, mathematical, and geosciences, $46,700,000.

(5) Program support, $205,635,000: Provided, That $1,250,000 is authorized to be appropriated pursuant to this subparagraph (5) to reimburse the National Bureau of Standards for costs incurred in carring out the provisions of section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913).

(6) To carry out the provisions of section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42

U.S.C. 5910), $500,000 for the Council on Environmental Quality.

PLANT AND CAPITAL EQUIPMENT

SEC. 202. For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Biomedical and Environmental Research:

Project 77-6-a, modifications and additions to biomedical and environmental research facilities, various locations, $4,200,000.

(2) Program Support:

Project 77-16-a, laboratory support complex, Los Alamos Scientific Laboratory, New Mexico, $6,000,000.

(3) Capital Equipment, not related to construction:

(A) Biomedical and environmental research, $6,600,000.

(B) Environmental control technology, $282,000.

(C) Basic energy sciences for the following:

(i) Material sciences, $3,900,000.

(ii) Molecular, mathematical, and geosciences, $3,000,000.

(D) Program Support, $4,725,000.

LIMITATIONS

SEC. 203. The Administration is authorized to start any project set forth in title III, subection 302 (1) and (2) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

TITLE III—GENERAL PROVISIONS

SEC. 301. Subject to the applicable requirements and limitations of this Act, when so specified in appropriations Acts amounts appropriated for the Administration pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriations for the Administration.

SEC. 302. When so specified in appropriation Acts, amounts appropriated pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may remain available until expended.

SEC. 303. (a) Any Government-owned contractor operated laboratory energy, research center, or other laboratory performing functions under contract to the Administration may, with the approval of the Administrator, use a reasonable amount of its operating budget for the funding of employee-suggested research projects up to the pilot stage of development. It shall be a condition of any such approval that the director of the laboratory or center involved form an internal review mechanism for determining which employee-suggested projects merit funding in a given fiscal year; and any such project may be funded in one or more succeeding years if the review process indicates that it merits such funding.

(b) Each director of a laboratory or center specified in subsection (a) of this section shall submit an annual report to the Administrator on projects being funded under this section; and on completion of each such project shall submit a report to the Technical Information Center of the Administration for inclusion in its data base.

SEC. 304. The Administrator is authorized to perform construction design services for any Administration construction project whenever the Administrator determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction in order to meet the needs of national defense or protection of life and property or health and safety.

SEC. 305. Any moneys received by the Administration may be retained and used, as provided in annual appropriations Acts enacted after the date of enactment of this Act, for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)), notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended. Funds may be obligated for purposes stated in this section only to the extent provided in appropriations Acts.

SEC. 306. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred, may be merged with the appropriation to which transferred.

SEC. 307. Notwithstanding any other provision of this Act, provisions of sections 304, 305, and 306 of this Act shall not be applicable to any fossil energy activity, program, or subprogram.

SEC. 308. (a) Each officer or employee of the Energy Research and Development Administration who—

(1) performs any function or duty under this Act or any other Act amended by this Act; and

(2) has any known financial interest—

(A) in any person engaged in the business, other than at the retail level, of developing, producing, refining, transporting by pipeline, or converting into synthetic fuel, minerals, wastes, or renewable resources, or in the generation of energy from such minerals, wastes, or renewable resources, or in conducting research, development, and demonstration with financial assistance under this Act or any other Act amended by this Act, or

(B) in property from which minerals are commercially produced,

shall, beginning on February 1, 1977, annually file with the Administrator a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statements shall be available to the public.

(b) The Administrator shall—

(1) act within ninety days after the date of enactment of this section—

(A) act to define the term "known financial interest" for purposes of paragraph (2) of subsection (a) of this section; and

(B) to establish the methods by which the requirement to file written statements specified in subsection (a) of this section will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Administrator of such statements; and

(2) report to the Congress on June 1 of each calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year.

(c) In the rules prescribed in subsection (b) of this section, the Administrator may identify specific positions within the Administration which are of a nonpolicymaking nature and provide that officers or employees occupying such positions shall be exempt from the requirements of this section.

(d) Any officer or employee who is subject to, and knowingly violates, this section or any regulation issued thereunder, shall be fined not more than $2,500 or imprisoned not more than one year, or both.

SEC. 309. The Administrator shall not use any funds appropriated pursuant to this Act under any contract in effect on or after October 1, 1977, for research, services, or material conducted or supplied by the Lawrence Livermore Laboratory for the Energy Research and Development Administration unless that contract specifically provides that the employees of the Lawrence Livermore Laboratory will be guaranteed the establishment of an impartial grievance procedure and further guarantees employees shall have the right of self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all of such activities: *Provided, however,* That no employee rights or activities shall be guaranteed in such contract which would be in violation of California State law.

TITLE IV.—ORGANIZATIONAL CONFLICTS

SEC. 401. The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 4901) is amended by adding a new section to read as follows:

"SEC. 19. (a) The Administrator shall by regulation require any person proposing to enter into a contract, agreement, or other arrangement, whether by advertising or negotiation, for the conduct of research, development, evaluation activities, or for technical and management support services to provide the Administrator, prior to entering into any such contract, agreement, or arrangement, with all relevant information bearing on whether that person has a possible conflict of interest with respect to (1) being able to render impartial, technically sound, or objective assistance or advice in light of other activities or relationships with other persons or (2) being given an unfair competitive advantage. Such person shall insure, in accordance with regulations published by the Administrator, compliance with this section by any subcontractor of such person, except supply subcontractors: *Provided,* That this requirement shall not apply to subcontracts of $10,000 or less.

"(b) The Administrator shall not enter into any such contract, agreement, or arrangement unless he affirmatively finds, after evaluating all such information and any other relevant information otherwise available to him, either that (1) there is little or no likelihood that a conflict of interest would exist, or (2) that such conflict has been avoided after appropriate conditions have been included in such contract, agreement, or arrangement: Provided, That if he determines that such conflict of interest exists and that such conflict of interest cannot be avoided by including appropriate conditions therein, the Administrator may enter into such contract, agreement, or arrangement, if he determines that it is in the best interests of the United States to do so and includes appropriate conditions in such contract, agreement, or arrangement to mitigate such conflict.

"(c) The Administrator shall publish rules for the implementation of this section, in accordance with 5 U.S.C. 553, as soon as possible after the date of enactment of this section but in no event later than 180 days after such date."

TITLE V.—ENERGY EXTENSION SERVICE

SHORT TITLE

SEC. 501. This title may be cited as the "National Energy Extension Service Act".

FINDINGS AND PURPOSE

SEC. 502. (a) The Congress hereby declares—

(1) that the general welfare and the common defense and security require a greater public knowledge of energy conservation opportunities;

(2) that scientific identification and practical demonstration of specifically designed energy conservation opportunities, the dissemination of information relating thereto, and the prompt delivery and acceptance of specific energy conservation opportunities require a national effort;

(3) that the national effort required to develop, demonstrate, and encourage acceptance and adoption of energy conservation opportunities should be coordinated at the Federal level by the Energy Research and Development Administration;

(4) that a special effort must be made to develop and demonstrate practical alternative energy technologies such as solar heating and cooling;

(5) that successful implementation of energy conservation and new energy technologies will require both public awareness and individual capability to use the conservation opportunities and new technology;

(6) that this required awareness and capability can only be achieved on a national basis by an active outreach effort;

(7) that existing energy outreach programs are underfunded;

(8) that any Federal outreach program should be organized with the States as full participants, and each State should plan and coordinate the outreach activities within the State, optimizing the use of existing outreach capabilities;

(9) that Federal assistance should be provided for energy outreach activity, including coordinated energy outreach activities and technical support in each State for such efforts;

(10) that the Energy Research and Development Administration should provide overall national direction and review of federally assisted State energy outreach programs.

(b) The Congress declares that the purposes of this title are—

(1) to establish a positive energy outreach program directed toward small business and individual energy consumers and the organizations that influence energy consumption;

(2) to stimulate, provide for and supplement programs for the conduct of evaluation, planning and other technical support of energy conservation efforts, including energy outreach activities of States.

ESTABLISHMENT OF EXTENSION SERVICE

SEC. 503. (a) There is established in the Energy Research and Development Administration an office to be designated as the Energy Extension Service (hereinafter in this Act referred to as the "Service"). The Service shall be headed by a Director who shall be appointed by and directly responsible to the Administrator of the Energy Research and Development Administration (hereinafter referred to as the "Administrator"). The Director shall be a person who by reason of training, experience, and attainments is exceptionally qualified to implement the programs of the Service. There shall be in the Service a Deputy Director who shall be appointed by the Administrator, who shall have such functions, powers, and duties as may be prescribed from time to time by the Director, and who shall act for, and exercise the powers of, the Director during the absence or disability of, or in the event of a vacancy in the office of, the Director.

(b) The Director shall receive basic pay at the rate provided for level IV of the Executive Schedule in section 5315 of title 5, United States Code, and the Deputy Director shall receive basic pay at the rate provided for level V of such Schedule in section 5316 of such title.

(c) The Director shall have overall responsibility for the national direction of the comprehensive program developed under section 1004 and of all other activities conducted under this title and shall annually review the programs of the various States under sections 905 and 906 to insure that they are effectively promoting the realization of the objectives of this title.

DESCRIPTION OF EXTENSION SERVICE

SEC. 504. (a) The Service shall develop and implement a comprehensive program for the identification, development, and practical demonstration of energy conserving opportunities, techniques, materials and equipment, including opportunities, techniques, or methods responsive to local needs or resources, and alternative energy technologies such as solar heating and cooling, for—

(1) agricultural, commercial, and small business operations, and

(2) new and existing residential, commercial, and agricultural buildings or structures.

Such program shall provide for technical assistance, instruction, information dissemination, and practical demonstrations in energy conservation opportunities, and shall provide an active interface with end use energy consumers at the local level for the purpose of offering active outreach assistance and affording a communication channel for end user technology requirements Such outreach assistance shall be provided by means of such appropriate local offices, including metropolitan city offices, county agents, and technical staff assistants, and may be required to provide energy extension services.

(b) The program authorized under subsection (a) of this section shall permit each State to establish a technical support institute at one or more colleges or universities designated by the Governor of that State. Each such institute shall—

(1) arrange with other colleges and universities within the State to participate in the work of the institute;

(2) assist in the coordination, support, augmentation, and implementation of programs contributing to the understanding of local, State, and regional energy conservation problems and opportunities;

(3) provide a nucleus of administrative, professional, scientific, technical, or other personnel capable of planning, coordinating, and directing interdisciplinary programs related to energy conservation methods, technologies, and opportunities in support of the energy conservation and energy outreach efforts of such State.

(c) The comprehensive program developed under subsection (a) shall be implemented and carried out within each State pursuant to sections 905 and 906.

(d) The Director shall take such steps as may be necessary to insure that the comprehensive program is implemented in a manner which minimizes conflict with existing services in the private sector of the economy that are similar to those provided under such program.

INITIAL IMPLEMENTATION OF EXTENSION SERVICE

SEC. 505. (a) The Director shall within 45 days after the effective date of this title invite the Governor of each State through competitive procurement to submit a plan for the conduct of energy extension service activities as described in section 904 of this title throughout such State including provisions for appropriate technical support within such State of such activities, to disseminate information and provide advice and assistance to individuals, groups, and units of State and local government by means of—

(1) specific studies and recommendations applicable to individual residences, businesses, and agricultural or commercial establishments;

(2) demonstration projects;

(3) distribution of studies and instructional materials;

(4) seminars and other training sessions for State and local government officials and the public; and

(5) other public outreach programs.

(b) Each State shall be accorded not more than ninety days to submit a plan to the Director under subsection (a) of this section. The Director shall promptly review such proposals and shall, with the approval of the Administrator, and subject to the limitations of section 12(c) (1) and (2), provide funds adequate for the support of the proposed energy outreach plan of a State if the Director finds that, such plan—

(1) meets the objectives of this title;

(2) was prepared with opportunity for input from State, county, and local officials, State universities and community colleges, cooperative extension services, community service action agencies, and other public or private organizations involved in active energy outreach programs;

(3) consistent with the objectives and requirements of this title, makes optimum use of existing outreach or delivery mechanisms or programs, and includes to the optimum extent any existing State, local, university, or other organizations' programs for energy information, education, or technology transfer which have objectives similar to those of this title and activities similar or related to those specified in section 904 and subsection (a) of this section;

(4) provides that the State will maintain, or require other participating entities within the State to maintain, and make available upon request to the Director, such records with respect to the use and expenditure of any Federal funds paid to the State, or to entities within the State, under this title as the Director may require;

(5) provides for the establishment of effective procedures for responding to external inputs and inquiries;

(6) requires that, to the extent possible, within personnel and funding limitations on-site energy evaluations will be made available to all consumers and small business concerns, and to other business concerns within such limitations (as to size or otherwise) as the Director may specify;

(7) provides that the State will furnish and widely disseminate information on the types of assistance available under this title, and under other Federal and State laws, with respect to the planning, financing, installation, and effective monitoring of energy-related facilities and activities;

(8) provides that the allocation within the State of the funds made available to it under this title will be based on, or give due consideration to, such factors (specifically including potential energy savings and number of persons affected) as the Director determines will best carry out the purpose of this title; and

(9) requires the establishment and implementation of policies and procedures designed to assure that assistance provided under this title does not replace or supplant the expenditure of other Federal or State or local funds for the same purposes, but rather supplements such funds and increases the expenditure of such State or local funds to the maximum extent possible: *Provided,* That there shall be no requirement for matching State or local funds in the guidelines, unless such requirement is included in an annual authorization;

(10) requires effective coordination of the programs under such State plans with other Federal programs which provide funds for university extension programs, in order to avoid duplication;

(11) requires the establishment and implementation of effective procedures specifically designed for the dissemination of information to small business concerns;

(12) limits to a maximum of 20 per centum the portion of the funds made available under this title which may be used for the purchase of equipment, facilities, and library and related materials;

(13) prohibits the use of any such funds for the purchase of land or interests therein or the repair of buildings or structures; and

(14) satisfies such other criteria as the Director may establish to carry out the purpose of this title.

IMPLEMENTATION OF NATIONAL EXTENSION SERVICE

SEC. 506. (a) Notwithstanding the provisions of section 1004, the Director, on behalf of the Administrator, is authorized and directed to provide in each State of the United States not then participating in the program for the conduct at the earliest practicable date, but no later than one year after the effective date of enactment of this title, of energy extension service activities, including provisions for appropriate technical support in such State, to disseminate information and provide advice and assistance to individuals, groups, and units of State and local government by means of—

(1) specific studies and recommendations applicable to individual residences, businesses, and agricultural or commercial establishments;

(2) demonstration projects;

(3) distribution of studies and instructional materials;

(4) seminars and other training sessions for State and local government officials and the public; and

(5) other public outreach programs.

(b) Pursuant to authority described in subsection (a) of this section, the director, with the approval of the Administrator, shall issue guidelines for the preparation and submission of State plans under subsection (c). Such guidelines shall be designed to assure that the plans so submitted will be consistent with this title and will effectively contribute to the achievement of its objectives, and shall allow maximum flexibility and the exercise of maximum discretion by the States. In the preparation of such guidelines, the Administrator shall provide a reasonable opportunity for inputs by representatives of the several States and for a reasonable period for public review and comment. In any event, such guidelines—

(1) shall require the establishment and implementation of policies and procedures designed to assure that assistance provided under this title does not replace or supplant the expenditure of other Federal or State or local funds for the same purposes, but rather supplements such funds and increases the expenditure of such State or local funds to the maximum extent possible;

(2) shall require effective coordination of the programs under such State plans with other Federal programs which provide funds for university extension programs, in order to avoid duplication;

(3) shall require the establishment and implementation of effective procedures specifically designed for the dissemination of information to small business concerns;

(4) shall limit to a maximum of 20 per centum the portion of the funds made available under this title which may be used for the purchase of equipment, facilitiies, and library and related materials; and

(5) shall prohibit the use of any such funds for the purchase of land or interests therein or the repair of buildings or structures.

(c) On the effective date of the guidelines described in subsection (b) of this section, the Director shall invite the Governor of each State not then participating in the program to submit a plan for the conduct of energy extension service activities throughout such State.

(d) Each State plan submitted under subsection (c) shall be approved by the Director if the Director finds that such plan—

(1) meets the objectives of this title;

(2) was prepared with opportunity to input from State, county, and local officials, universities and community colleges, cooperative extension services, community service action agencies, and other public or private organizations involved in active energy outreach programs;

(3) consistent with the objectives and requirements of this title, makes optimum use of existing active outreach or delivery mechanisms or programs, and includes to the optimum extent any existing State, local, university, or other organizations' programs for energy information, education, or technology transfer which have objectives similar to those of this title and activities similar or related to those specified in section 904 and subsection (a) of this section;

(4) provides that the State will maintain, or require other participating entities within the State to maintain, and make available upon request to the Director, such records with respect to the use and expenditure of any Federal funds paid to the State, or to entities within the State, under this title as the Director may require;

(5) provides for the establishment of effective procedures for responding to external inputs and inquiries;

(6) requires that, to the extent possible, within personnel and funding limitations, on-site energy evaluations will be made available to all consumers and small business concerns, and to other business concerns within such limitations (as to size or otherwise) as the Director may specify;

(7) provides that the State will furnish and widely disseminate information on the types of assistance available under this title, and under other Federal and State laws, with respect to the planning, financing, installation, and effective monitoring of energy-related facilities and activities;

(8) provides that the allocation within the State of the funds made available to it under this title will be based on, or give due consideration to, such factors (specifically including potential energy savings and number of persons affected) as the Director determines will best carry out the purpose of this title; and

(9) satisfies such other criteria as the Director may establish to carry out the purpose of this title.

(e) If the Director finds that a State plan submitted under subsection (a) does not satisfy the requirements of subsection (d), he shall provide a reasonable opportunity for the State to present arguments in support of such plan and to revise the plan within a reasonable period of time to satisfy such requirements.

(f)(1) If a State does not submit a plan under subsection (a) or its plan as so submitted (with any revisions made under subsection (e)) is not acceptable, the Director (after giving notice and an opportunity for comment to the Governor of such State) shall develop consistent with other subsections of this section an energy extension service plan for the State involved, which conforms to the requirements of subsection (d). In conducting energy extension service activities under any plan developed under this subsection, the Director is authorized to enter into agreements for the utilization of existing Agriculture Extension Service offices and personnel, or such other offices and personnel as may be appropriate, and to provide funds for such operations; and in carrying out the functions of such offices the Director shall make maximum use of any existing delivery mechanisms for the State or local region concerned which are appropriate for purposes of this section, while coordinating his activities in connection with the performance of such functions with all such mechanisms in the State or region which are related to, but not directly involved in, the program under this title.

(2) Each State shall have a period of one hundred and eighty days after the issuance of the indication referred to in subsection (b) (or a longer period if the Director finds, at the request of the Governor of such State, that an extension is justified) within which to submit its plan under subsection (a) and if necessary to revise such plan under subsection (e) before the Director may undertake the development of a plan for such State under paragraph (1) of this subsection.

(3) Any such plan developed by the Director shall be transmitted to the Governor of such State and shall not be implemented for ninety days after the date of transmittal: *Provided,* That notwithstanding the provisions of paragraphs (1) and (2) of this subsection, no such plan shall be implemented if the Governor within the ninety-day period notifies the Administration in writing of his objection to the implementation of said plan.

(g) The Director shall annually review the implementation of State plans approved under subsection (d) to insure continued conformance with the requirements of this title. If the Director determines that the implementation of any approved State plan does not satisfy any of such requirements, he shall notify the Governor of the State and any other designated officials of the deficiency, with specific details, and shall provide a reasonable time and opportunity for remedial action. If, after such reasonable time and opportunity, satisfactory remedial action has not been taken to place the implementation in conformance with such requirements, the Director shall so inform the Administrator, who shall give the Governor notice of intention to terminate Federal assistance, after the opportunity for the Governor's comment, if the implementation continues to not satisfy all such requirements. Federal assistance shall be terminated thereafter if satisfactory action is not taken. In the event Federal assistance is terminated under this subsection, the Director shall proceed in accordance with the procedures in subsection (f) to develop an energy extension service for the State. In so doing, the Director shall provide for continuation of all activities under the State plan which were in conformance with the requirements of this title and shall effect only such changes in the activities under such plan as are necessary to satisfy such requirements. The Director shall give the Governor notice of any such changes and shall provide a reasonable opportunity for the Governor to comment prior to proceeding with the changes.

(h) In any case where a State has submitted a State energy conservation plan under part C of title III of the Energy Policy and Conservation Act, as amended, the State's plan submitted under subsection (a) of this section shall specifically indicate how its proposed extension service program will complement or supplement any programs of public education under section 362(d)(4) of such Act which are included under such energy conservation plan. In any event, each State plan submitted under subsection (a) of this section shall indicate how its proposed extension service program will complement or supplement any other energy conservation programs being carried out within the State with assistance from Federal funds or under other Federal laws.

(i) The Director shall provide financial assistance to each State having a plan approved under subsection (d), from funds allocated to such State under section 912(c), and shall provide information and technical assistance to such State, for the development, implementation, or modification of the State's plan submitted under subsection (a) of this section.

(j) Nothing in this title, or in the comprehensive program developed under section 904 or any State plan approved under this section, shall have the effect of modifying or altering the relationships existing between educational institutions and the States in which they are located in connection with activities provided for under this title.

ADMINISTRATIVE PROVISIONS

SEC. 507. (a) Director shall promulgate such regulations and directives as may be necessary to carry out the functions and projects of the Service.

(b) The Director shall consult and cooperate with the Secretary of Housing and Urban Development, the Administrator of the Federal Energy Administration, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, the Secretary of Health, Education, and Welfare, the Community Services Administration (and its Institute for Appropriate Technology), the Secretary of Commerce (and the Regional Centers of the Economic Development Administration in the Department of Commerce), the Administrator of the Small Business Administration, and the heads of other Federal agencies administering energy-related programs, with a view toward achieving maximum coordination with such other programs, and for the purpose of insuring to the maximum extent possible that all energy conservation and new energy technology information disseminated by or through Federal programs in a given area are consistent and are fully coordinated in order to minimize duplication of effort and to maximize public confidence in the credibility of Federal or federally assisted programs. It shall be the responsibility of the Director to promote the coordination of programs under this title with other public or private programs or projects of a similar nature.

(c) Federal agencies described in subsection (b) shall cooperate with the Director in disseminating information with respect to the availability of assistance under this title, and in promoting the identification and interests of individuals, groups, or business and commercial establishments eligible for assistance through programs funded under this title.

(d) At such time as the Energy Resources Council is terminated, pursuant to section 108 of the Energy Reorganization Act of 1974 (42 U.S.C. 5818), there shall be established an Interagency Advisory Group, consisting of the Director (as Chairman) and the heads of the Federal agencies described in subsection (b) or their delegates, to assist the Director in carrying out his responsibilities under this section and to provide a mechanism for use by the Director and the heads of such agencies in the performance of their functions under subsections (b) and (c).

COMPREHENSIVE PLAN AND PROGRAM

SEC. 508. (a) The Administrator is authorized and directed to prepare a comprehensive program and plan for Federal energy education, extension, and information activities authorized by this title and any other law. In the preparation of the program and plan, the Administrator shall utilize and consult with the head of each agency referred to in this title and any other Federal agency with an energy education, extension, or information program. Preparation of such program and plan shall not delay in any way the procedures specified in sections 905 and 906 or the implementation otherwise of this title. Rather, the program and plan should reflect the activities mandated by this title and serve as a mechanism for Federal Government-wide coordination and management of those activities with the activities of other Federal agencies under other law.

(b) The comprehensive program and plan shall include, but not be limited to, the following elements:

(1) specific delineation of responsibility of each participating Federal agency in the conduct of this title;

(2) mechanisms established to coordinate the activities under this title, pursuant to section 907 (b), (c), and (d),

(3) a detailed summary of all related Federal programs under other law, including program descriptions, types of delivery mechanisms, budget, and objectives;

(4) procedures for defining and measuring the effectiveness, in terms of increased energy efficiency, fuel savings, adoption of new energy technologies, and other appropriate criteria, of the activities under this title and related activities under other law;

(5) an assessment of other existing Federal assistance and incentives, other than public education, extension, and outreach programs, and their relation to such programs in achieving the objectives of this title;

(6) procedures pursuant to section 904(d) to minimize conflict with existing services in the private sector of the economy which are similar to those under this title and other law; and

(7) a comprehensive and integrated plan for the resulting Federal program, taking into account paragraphs (1) through (6).

(c) The Administrator shall transmit the comprehensive program and plan to the President and to each House of Congress within one hundred and eighty days after the date of enactment of this Act. Thereafter, the Administrator shall revise the program and plan on an annual basis and submit the revision as part of the annual fiscal year budget submission and the report required by section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974.

ADVISORY BOARD

SEC. 509. (a) There is hereby established a National Energy Extension Service Advisory Board (hereinafter in this section referred to as the "Board"), which shall consist of not less than fifteen nor more than twenty members appointed by the Administrator from among persons representative of State, county, and local governments, State universities, community colleges, community service action agencies, consumers, small business, and agriculture. The Administrator shall designate one of the members of the Board to serve as its chairman, and shall provide the Board with such services and facilities as may be necessary for the performance of its functions. The Administrator shall reimburse members of the Board for the full amount of any expenses (including travel expenses) necessarily incurred by them in the performance of their duties as such.

(b) The Board shall carry on a continuing review of the operation of the comprehensive program developed under section 904 and the various State plans approved under sections 905 and 906, for the purpose of evaluating their effectiveness in achieving the objectives of this title and determining how their operation might be improved in furtherance of such objectives.

(c) The Board shall report at least annually to the Administrator, the Director, and the Congress on the status of the program under this title, including any recommendations it may have for administrative or legislative changes to improve its operation.

CONFORMING AMENDMENTS

SEC. 510. (a) Section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5801) is amended by redesignating paragraphs (7) through (11) as paragraphs (8) through (12), respectively, and inserting immediately after paragraph (6), the following new paragraph:

"(7) establishing, in accordance with the National Energy Extension Service Act, an Energy Extension Service to provide technical assistance, instruction, and practical demonstrations on energy conservation measures and alternative energy systems to individuals, businesses, and State and local government officials;".

(b) Section 108(b) of such Act (42 U.S.C. 5818(b)) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and", and by adding after paragraph (3) the following new paragraph:

"(4) insure that Federal agencies fully discharge their responsibilities under sections 907 and 908 of the National Energy Extension Service Act for coordination and planning of their related activities under such Act and any other law, including but not limited to the Energy Policy and Conservation Act.".

(c) Section 108 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) There is hereby established an Energy Conservation Subcommittee within the Council, which shall be chaired by the Administrator of the Energy Research and Development Administration, to discharge the responsibilities specified in subsection (b)(4) of this section and other related functions associated with the coordination and management of Federal efforts in the areas of energy conservation and energy conservation research, development and demonstration."

RECORDS

SEC. 511. Each State or other entity within a State receiving Federal funds under this title shall make and retain such records as the Administrator shall require, including records which fully disclose the amount and disposition of such funds; the total cost of the facilities and activities for which such funds were given or used; the source and amount of any funds not supplied by the Administrator; and any data and information which the Administrator determines are necessary to protect the interests of the United States and to facilitate an effective financial audit and performance evaluation. Such recordkeeping shall be in accordance with Federal Management Circular 74-7 (34 C.F.R. part 256) and any modification thereto. The Administrator, or any of his duly authorized representatives, shall have access until the expiration of three years after the completion of the facilities or activities involved, to any books, documents, papers, and records or receipts which the Administrator deems to be related or pertinent, directly or indirectly, to any such Federal funds.

APPROPRIATION AUTHORIZATION

SEC. 512. (a) There are authorized to be appropriated to the Director to carry out this title such sums as may be included in the annual authorization, for the fiscal year 1977 (as provided in section 101(7)(G) of title I of this Act), for the nonnuclear programs of the Energy Research and Development Administration.

(b) To the extent provided in the Act making the appropriation involved, any portion of the amount appropriated pursuant to subsection (a) for any fiscal year may be transferred by the Director, with the approval of the Administrator, to the head of any other Federal agency for payment to or expenditure within one or more States under sections 905 and 906 upon a determination by the Director that the existence of regular payment channels or administrative relationships between that agency and the State involved (or entities within such State) makes such transfer and such payment or expenditure administratively more efficient or effective or otherwise promotes the achievement of the objectives of this title; but no transfer of funds under this subsection shall result in any loss by the Director of any authority over program direction or control which is vested in him by this title.

(c)(1) The total amount appropriated pursuant to subsection (a) for any fiscal year (other than the portion thereof needed for administrative expenses, which shall not exceed 5 per centum of such total amount) shall be allocated among the States in accordance with the following formula:

(i) one-half shall be divided equally among all the States; and

(ii) one-half shall be divided among the States in proportion to their respective populations, with each State being entitled to a sum that bears the same ratio to one-half of such total amount as such State's population (determined on the basis of the most recent decennial census) bears to the total population of all the States (as so determined).

Amounts allocated to any State for any fiscal year in accordance with paragraphs (1) and (2) shall be expended only within that State.

(2) During the fiscal year in which this title becomes effective, the Director shall provide funds in accordance with paragraph (1) of this subsection for the implementation of the energy extension service activities in the maximum number of States determined by the Director to be feasible with the total amount appropriated pursuant to subsection (a): *Provided*, That in no case shall such number be less than ten States.

DEFINITIONS

SEC. 513. As used in this title, the term—

(1) "energy conservation" means "energy conservation, efficient energy use and the utilization of renewable energy resources"; and

(2) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, or any territory or possession of the United States.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Amendments to the Federal Nonnuclear Energy Research and Development Act of 1974".

SEC. 101. Section 7(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(7) Federal loan guarantees: *Provided*, That all of the other provisions of this Act apply to such guarantees in the same manner and to the same extent as they apply to demonstrations under this Act."

SEC. 201. The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR COMMERCIAL BIOMASS DEMONSTRATION FACILITIES

"SEC. 20. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a commercial demonstration program to produce on a commercial scale synthetic fuels and other desirable forms of energy from biomass;

"(2) to authorize loan guarantees for the construction and startup and related costs of commercial demonstration facilities for the conversion of biomass into synthetic fuels and other forms of energy; and

"(3) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such commercial demonstration facilities.

"(b)(1) The Administrator is authorized in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act) as he deems appropriate, the payment of interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by or on behalf of any borrower for the purpose of (A) financing the construction and startup costs of commercial demonstration facilities for the conversion of biomass into synthetic fuels; and (B) financing the construction and startup costs of commercial demonstration facilities to generate desirable forms of energy (including synthetic fuels) in commercial quantities from bioconversion. The outstanding indebtedness guaranteed and committed to be guaranteed under clauses (A), and (B), of this paragraph shall at no time exceed $300,000,000.

"(2) An applicant for any guarantee under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5) With respect to any demonstration facility for the conversion of solid waste (as that term is defined in the Solid Waste Disposal Act, as amended), the Administrator, prior to issuing any guarantee under this section, must be in receipt of a certification from the Administrator of the Environmental Protection Agency and any appropriate State or areawide solid waste management planning agency that the proposed application for a guarantee is consistent with any applicable suggested guidelines published pursuant to section 209(a) of the Solid Waste Disposal Act, as amended, and any applicable State or regional solid waste management plan.

"(c) The Administrator, with due regard for the need for competition, shall guarantee or make a commitment to guarantee any obligation under subsection (b) only if—

"(1) the Administrator is satisfied that the financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed does not exceed 75 per centum of the total cost of the commercial demonstration facility, as determined by the Administrator: *Provided*, That the amount guaranteed may not exceed 90 per centum of the total cost of the commercial demonstration facility during the period of construction and startup;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment:

"(5) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all available forms of assistance under this section and other Federal statutes, that the impacts directly resulting from the proposed commercial demonstration facility have been fully evaluated by the borrower, the Administrator, and others;

"(6) the maximum maturity of the obligation does not exceed thirty years, or 90 per centum of the projected useful economic life of the physical assets of the commercial demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator.

"(d) At least sixty days prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment on competition and concerntration in the production of energy and give due consideration to views, comments, and recommendations received: *Provided*, That if either official recommends against making such guarantee or commitment, the Administrator shall not do so unless he determines in writing that such guarantee or commitment is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarante under subsection (b) of this section if the Governor of the State in which the proposed facility would be located recommends that such action not be taken unless the Administrator finds that there is an overriding national interest in taking such action in order to achieve the purpose of this section. If the Administrator decides to guarantee or make a commitment to guarantee despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. The Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review to be arbitrary and capricious. Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivision, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any commercial demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, and start-up costs.

"(f) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on and unpaid principal of the guaranteed obligation as to

which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forbearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection the Administrator shall be subrogated to the rights of the recipient of such payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the commercial demonstration facility if the Administrator determines that this is in the public interest.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) (including any payment of principal and interest under subsection (h)) from such assets of the defaulting borrower as are associated with the commercial demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patent and technology resulting from the commercial demonstration facility shall be treated as project assets of such facility in accordance with the terms and conditions of the guarantee agreement. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the commercial demonstration facility shall be available to the Government and its designees on equitable terms, including due consideration to the amount of the Government's default payments.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, the holders of the obligation, for and on behalf of the borrower, from the fund established by this section, as applicable, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of default.

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payments on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (s) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by clauses (A) and (B), of subsection (b)(1), in amounts sufficient in the judgment of the Administrator to cover the applicable administrative costs and probable losses on guaranteed obligations, but in any event not to exceed 1 per centum per annum of the outstanding indebtedness covered by the guarantee.

"(k)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunities to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy.

"(2) The report submitted under paragraph (1) of this subsection shall include a comprehensive plan and program to acquire information and evaluate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, and the Department of Agriculture.

"(3) The comprehensive plan and program described in paragraph (2) shall include, but not be limited to—

"(A) information about potential commercial demonstration facilities proposed in the program under this section;

"(B) any significant adverse impacts which may result from any activity included in the program;

"(C) proposed regulations required to carry out the purposes of this section;

"(D) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program; and

"(E) methods and procedures by which the information gathered under the program will be analyzed and disseminated.

"(4) The report required under paragraph (1) of this subsection shall be updated and submitted to the Congress at least annually for the duration of that program under this section.

"(l) Prior to issuing any guarantee or commitment to guarantee pursuant to subsection (b) of this section, the Administrator shall submit to the Committee on Science and Technoolgy of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate a full and complete report on the proposed commercial demonstration facility and such guarantee. Such guarantee or commitment to guarantee shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided*, That, where the cost of such commercial demonstration facility exceeds $50,000,000, such guarantee or commitment to guarantee shall not be finalized if prior to the close of such ninety-day period either House passes a resolution stating in substance that such House does not favor the making of such guarantee or commitment.

"(m)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purpose of carrying out the program authorized by clauses (A) and (B), of subsection (b)(1) and subsections (g) and (h) of this section.

"(2) There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other government accounts), and repayments pursuant to operations of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), and (h) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by clauses (A) and (B) of section (b)(1) and subsections (g) and (h) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States or comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act; and the purpose for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(n) For the purposes of this section, the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, or any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, and

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company, partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity.

"(o) An applicant seeking a guarantee under subsection (b) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining

such citizenship, except that the provisions in subsection (a) of such section 802 concerning (1) the citizenship of officers or directors of a corporation, and (2) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(p) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section: *Provided*, That project agreements entered into pursuant to this section for any commercial demonstration facility for the conversion or bioconversion of solid waste (as that term is defined in the Solid Waste Disposal Act, as amended) shall be administered in accordance with the May 7, 1976, Interagency Agreement between the Environment Protection Agency and the Energy Research and Development Administration on the Development of Energy from Solid Wastes, and specifically, that in accordance with this agreement, (1) for those energy-related projects of mutual interest, planning will be conducted jointly by the Environment Protection Agency and the Energy Research and Development Administration, following which project responsibility will be assigned to one agency; (2) energy-related projects for recovery of synthetic fuels or other forms of energy from solid waste shall be the responsibility of the Energy Research and Development Administration; and (3) the Environmental Protection Agency shall retain responsibility for the environmental, economic, and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines published pursuant to section 209(a) of the Solid Waste Disposal Act, as amended, and any applicable State or regional solid waste management plan.

"(q) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirements and conditions of section 9 of this Act.

"(r) With respect to any obligation which is issued after the enactment of this section by, or in behalf of, any State, political subdivision, or Indian tribe and which is either guaranteed under, or supported by taxes levied by said issuer which are guaranteed under, this section, the interest paid on such obligation and received by the purchaser thereof (or the purchaser's successor in interest) shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954, as amended: *Provided*, That the Administrator shall pay to such issuer out of the fund established by this section such portion of the interest on such obligations, as determined by the Secretary of the Treasury to be appropriate after taking into account current market yields (1) on obligations of said issuer, if any, or (2) on other obligations with similar terms and conditions the interest on which is not so included in gross income for purposes of chapter 1 of said Code, and in accordance with such terms and conditions as the Secretary of the Treasury shall require.

"(s)(1) Each officer or employee of the Energy Research and Development Administration who—

"(A) performs any function or duty under this section; and

"(B)(i) has any known financial interest in any person who is applying for or receiving financial assistance for a commercial demonstration facility under this section; or

"(ii) has any known financial interest in property from which biomass or other energy resources are commercially produced in connection with any commercial demonstration facility receiving financial assistance under this section,

shall, beginning February 1, 1977, annually file with the Administrator a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statement shall be available to the public.

"(2) The Administrator shall

"(A) act within ninety days after the date of enactment of this Act—

"(i) to define the term 'known financial interest' for purposes of paragraph (1) of this subsection; and

"(ii) to establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Administrator of such statements; and

"(B) report to the Congress on June 1 of each calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year.

"(3) In the rules prescribed in paragraph (2) of this subsection, the Administrator may identify specific positions within the Administration which are of a nonpolicy-making nature and provide that officers or employees occupying such positions shall be exempt from the requirements of this subsection.

"(4) Any officer or employee who is subject to, and knowingly violates, this subsection or any regulation issued thereunder shall be fined not more than $2,500 or imprisoned not more than one year, or both.

"(t) Nothing in this section shall be construed as affecting obligations of any borrower receiving a guarantee pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or permits, licenses and certificates.

"(u) The information maintained by the Administrator under this section shall be made available to the public, subject to the provisions of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided*, That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof, obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further*, That the Administrator shall, upon request provide such information (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(v) Notwithstanding any other provision of this section the authority to make guarantees or commitments to guarantee under subsection (b)(1), the authority to make contracts under subsection (h), the authority to charge and collect fees under subsection (j), and the authorities under subsection (m) of this section shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactment of this section.

"(w) For purposes of this section 'biomass' shall include, but is not limited to, animal and timber waste, urban and industrial waste, sewerage sludge, and oceanic and terrestrial crops.".

By Mr. McCLURE (for himself and Mr. GOLDWATER):

S. 38. A bill to repeal the Gun Control Act of 1968; and

S. 45. A bill to amend chapter 44 of title 18 of the United States Code—respecting firearms—to penalize the use of firearms in the commission of any crime of violence and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

Mr. McCLURE. Mr. President, I am today introducing two bills designed to bring about a fairer, more effective answer to the problem of criminal misuse of firearms. By any standard the Gun Control Act of 1968 has failed to halt the increase in violent crimes which plague our country. The reason for that failure, I suggest, is that the Gun Control Act of 1968 is fundamentally misdirected. It burdens the law-abiding citizen who obtains firearms through legal channels while affecting not at all the criminal who long before 1968 was barred from legally possessing guns.

It is easy to erect obstacles to those who want to buy a firearm for hunting or target practice or defense of their home and family. These people want to obey the law. But these people have nothing whatever to do with the crime problem. Yet they, not the professional criminal, are the victim of gun control laws. So I propose that we redirect Federal gun laws to deter or punish those who commit the robberies, assaults and killings, but to deter this criminal behavior without infringing on the traditional right of law-abiding Americans to keep and bear arms. To do this I offer two bills. The first simply repeals a law that has failed, the Gun Control Act of 1968. The second bill imposes a mandatory 5- to 10-year prison sentence on anyone who uses a gun to commit a crime of violence.

The bill is carefully drafted to avoid Federal intrusion into areas of criminal law best handled by the States. I would like to see similar mandatory sentence provisions enacted at the State level. It can be a first step toward the rebuilding of our criminal justice system into an effective deterrent to crime. I introduced similar bills during the 94th Congress and the response outside of Congress was overwhelming. Petitions endorsing the bills were circulated by the Citizens Committee for the Right to Keep and Bear Arms. Last August I was honored to receive petitions containing the signatures of over 1½ million Americans from all over the country. This was truly an unprecedented effort by a genuine citizen's lobby. Recently the National Rifle Association bolstered its effectiveness as the prime spokesman for gun owners with the creation of the NRA Institute for Legislative Action. And, as

I am sure every member of the House and Senate is aware, millions of Americans not affiliated with any national organizations have written us to plead that their second amendment rights not be curtailed.

I am aware of no issue which has motivated so large a number of people to try to influence the course of legislation by following the constitutional prescription of petitioning Congress—and these efforts are effective. Last year the voters of Massachusetts soundly defeated a gun control measure on the ballot in that very liberal State. Congress and the courts struck down an antigun bill in the District of Columbia and Congress outlawed an attempt at "back door" gun control by denying the Consumer Product Safety Commission any jurisdiction over guns or ammunition. While all this progun activity gained momentum, the National Gun Control Center, this country's major antigun group, quietly folded due to lack of public interest.

It is only through the vigilance of the millions of Americans who are determined to preserve the right to keep and bear arms that those of us in Congress who share these traditional American values have been able to prevail.

By Mr. HELMS:

S. 40. A bill to provide for high levels of employment, stable prices and economic growth by reform of Federal economic policy, revision of congressional spending practices, stabilization of the U.S. monetary system, the limitation of artificial barriers to employment, and for other purposes; to the Committee on the Budget, the Committee on Banking, Housing and Urban Affairs, and the Committee on Labor and Public Welfare jointly, by unanimous consent.

JOB OPPORTUNITIES AND ECONOMIC REFORM ACT OF 1977

Mr. HELMS. Mr. President, I introduced the Job Opportunities and Economic Reform Act of 1977 last August, and in the subsequent months, I have found that this bill is needed more than ever. Particularly, with the the advent of a new administration, we see tired old economic policies being dusted off and put before the press and the public as if they were the newest proclamations from on high. Well, most of the economic balloons being floated around are the same sort of tired remedies that got us where we are today: On the brink of economic stagnation.

The bill I am introducing today would provide for comprehensive reform of Government economic policy. It would affect Government's declared responsibilities, spending policies, our monetary system, and the problems the unemployed find in obtaining jobs. Because if enacted, the bill would allow increased economic output, and high levels of employment, it has been titled, the Job Opportunities and Economic Reform Act of 1977.

Since this is a major piece of legislation, I approached the problem deliberately. I have looked at where we are economically, and I have come to some inescapable conclusions.

First, the status of our economy is bad. We have not experienced "just another recession." We have had a recession with record inflation and we are entering a period of slow growth with record unemployment. What preceded the mid-recession high unemployment and the newly diagnosed recovery was a period of inflation of unparalleled depth and duration. Prior to that inflation, we witnessed Government intervention in the economy unprecedented in peacetime. And, we witnessed Government-spending practices which must be termed both reckless and irresponsible.

What does this add up to? It adds up to Government intervention in the economy with evidently little private regard, and almost no public regard to the consequences.

Recent economic history of the United States is exemplified by a series of Government interventions of great magnitude. The most obvious was the Great Society guns-and-butter budgets, when even the most orthodox Keynesian economists in the administration at that time warned of overstimulation via Government spending. This was followed by the problems of the Nixon administration during which we saw wage and price controls clamped onto the economy at the same time the Federal Reserve Board seemed to take off all controls on money supply expansion. The suppressed inflation of the intermediate phases I through III, soon pushed price increase rates into the teens during 1973. The concomitant recession that followed the required monetary contraction, then, resulted in record high unemployment levels; levels which have only declined a few points from their record highs.

The low point of this past recession included inflation at about 6 percent, or about twice the low point for the previous recession. The high point of price rise rates in the previous boom was about 13 percent, or about twice the previous boom's high. Unemployment was not quite double previous levels, but if present trends continue, it is likely to remain at double the low point in the previous boom.

It is not, therefore, unreasonable to suppose that if all things remain the same, inflation next time may get to the 20's. We may see that boom followed by double-digit unemployment, and a recession accompanied by inflation that could effectively thwart any significant recovery.

But, of course, conditions in the future will not be identical to those in the past. Government does not appear to be willing to start spending less to allow business to invest for the future. In fact, we are threatened with programs like $100 billion compulsory health insurance, a $40 billion make-work program under the Humphrey-Hawkins bill, and other big spending proposals.

Such a program for the future—more spending, more government, more controls, less growth, less economic freedom, and less investment means what might be called the Britainization of America. It is a sad prospect.

THE BRITAINIZATION OF AMERICA

How did the most prosperous nation in the world get into a position where it threatens to stagnate itself? It takes some going back. It has to do with the economics of Sir John Maynard Keynes, author of "The General Theory of Employment, Interest, and Money," perhaps the most important economic tract since Adam Smith's "Wealth of Nations." In it, Keynes points out that government can stimulate the economy from time to time by artificially creating demand. Such demand is created by issuing money, and the people with money will spend it.

Keynes also pointed out the pitfalls of continued stimulation of this nature: runaway inflation.

After the war, the Government of Great Britain adopted a law which provided that the Government had full responsibility to see that high rates of employment would be maintained. It was with similar motivation, that the Employment Act of 1946 was passed in the United States. This act provided that the Federal Government has the responsibility to "promote maximum employment, production, and purchasing power."

The act in effect gave the Federal Government a positive responsibility to take action when only refraining from action will accomplish the desired goals. It is as if we demand that a doctor treat a malady that can be best left alone to cure itself. It is saying that Government must act to get involved in employment programs when in fact those things that can really provide for employment are promoted when Government does not get involved. No doubt, the symptom of unemployment can be treated on occasion, but the more Government tries to treat symptoms, the less effective the treatment and the more costly it becomes. A point is reached when the treatment causes more harm than good.

And so what do we have with the Employment Act of 1946? It is a bill that most people have come to accept because it sounds good. We all want high levels of employment. But, do we all want inflation? Do we all want Government growth that stifles economic freedom, stifles economic growth, and do we all want Government controls that can threaten the roots of our free society?

Such side effects are the costs of full employment, and these costs should be discussed in greater detail.

INFLATIONARY MAKE-WORK

Every Member of the Senate has heard repeatedly the argument put forward that a given bill will help employment by providing for a specific project, or a specific allocation of resources, or a specific tax benefit. But let us look closely at that argument. Are we saying that by providing a certain number of jobs that there will be more jobs overall? That seems to be what the advocates say. In effect, are we saying that the income that certain people will receive on a Federal project would not have been received by anyone if that project was not done? That is the logical conclusion. And does this mean that somehow by Federal action, this productive effort was made with no cost to anyone else? If so, we have found Rumplestiltskin.

The opposite is true, of course. If taxes

were raised to pay for the Federal make-work jobs, then the money came out of someone's income. That someone was not able to spend his money as he saw fit. The Government usurped that person's economic freedom—the freedom to decide what to do with a segment of his or her income. Certainly the money was not spent or saved—two actions that create employment. If the Government spent money it did not have for the project, what happened? Well, it probably issued a Treasury bill.

In other words, savings went to buy the Treasury bill, savings that would have gone for another investment perhaps—in jobs-creating business investment, or in other securities. Finally, the end result is that in an effort to hold down the interest rates forced up by the competition of new Treasury bills being sold, the Federal Reserve Board increased the money supply. This would have brought about inflation, and that would have meant that everyone's dollar was worth less. It meant that a certain degree of economic freedom was taken away because the dollar would not purchase as many thing as it had previously. There is no economic difference, in the end, in a tax that takes 3 cents out of the dollar on payday, or inflation which takes 3 cents out in higher prices.

But, on the other hand, there is a political difference. An income tax must be legislated: Approved by both Houses of Congress and either signed by the President or enacted over his veto, inflation is a creature of stealth. Its victims are never mentioned in the inflationary spending bills passed by Congess. Its effects come at times removed from the commission of the acts that cause them. And, the effects of inflation are usually blamed on third parties: Business, labor, imports, oil, or farm prices.

Perhaps that is what makes inflation more of a problem to decry than to do something about.

But inflation is just one side effect of the masses of spending bills Congress approves. Surely, few bills are ever passed that have as their only justification an antirecessionary or anti-inflationary effect. Usually the bills have another salutary purpose. For example, tax bills will provide incentives or disincentives to people. Some of these tax incentives I personally support, but all tax incentives are allocations of resources—limited, finite resources—outside of the marketplace. As such the Government-allocated capital goes for things of questionable, politically determined economic worth. Yet, it is the marketplace, not Washington, that can decide such worth. The U.S. Congress cannot determine marginal economic worth. It can only determine marginal political worth. Politics can only foul the marketplace.

Most of the bills, as I said, are passed with altruistic purposes in mind. It comes from a politician's natural desire to do good or at least do something. It comes in large part, from an unfortunate belief that Government can make proper decisions about the use of the Nation's resources to achieve all sorts of desirable ends—that Government can indeed bring about heaven on Earth. In the process of achieving the desirable ends, we find that the means become burdensome. The allegedly necessary schemes become more and more expensive and more bureaucrats are required to write rules, administer them, and enforce them. If the Government goal is in fact impossible to achieve, then one could expend an infinite amount of resources and still not achieve it. That is what I am afraid is happening in many cases in our Federal Government today.

There are those who accept the argument that if the Government spends more than it takes in, then the economy will be stimulated and more people will be employed and more people will pay taxes and somehow Government deficits will go away. If that is the case, then it isn't so very bad to have bad programs as long as the motives are good. Money must be spent somewhere to stimulate the economy.

BUREAUCRATIC REFORM VIA BALANCED BUDGETS

But, what if things are different? What if priorities had to be set? What if leaders were to become serious about setting those priorities? What would happen to marginal programs? They would start to fall by the wayside. If Congress had to choose between taxing for programs and eliminating programs, not just a lot of fat would be trimmed. Tons of blubber would be hacked away.

The effects of such a happening would be entirely salutary. Resources would not be grabbed away by the Government, the Federal employment would tend to stabilize. One set of Government regulations would remain in effect long enough for people to understand them.

There would be some additional unemployment created by the elimination of Federal make-work jobs, and the Federal jobs administering the make-work jobs. But, if we are to make a serious attack on the unemployment situation, it will take a concerted look at what has caused unemployment: First, economic instability. There is a reduced incentive for investment, reduced predictability and as a result, fewer new jobs in industry. Second, there is Government intervention in creating barriers to employment. Barriers placed a legal impediment to people coming to mutually agreeable economic arguments. Third, there are incentives for not working: High levels of benefits for the unemployed, and penalties on social security recipients who seek employment are just two incentives that come to mind. What is clear is that we have unemployment caused by Government. It is foolish to talk about unemployment and how to cure it without discussing the causes of unemployment.

With these assumptions, how should one approach the problem of growth, government and unemployment? My bill, the Job Opportunities and Economic Reform Act, has four titles.

ECONOMIC POLICY REFORM

Title 1 establishes goals for the Federal Government to reduce intervention in the Nation's economy and avoid it whenever possible. This is a major shift in Federal policy. For years, it has been the accepted wisdom in Washington that it is the Federal Government that has the ability and the full responsibility to see to it that the economy grows or does not grow, inflates or does not inflate, according to the wishes of Washington economists and central bankers.

My critique of this position is two-pronged. First, it is not only highly unlikely, but impossible to suppose that a small number of men can know what the perfect economy is. It is not within finite abilities of men or machines to decide what will be the best set of circumstances for all. Any goal, set of goals, or parameters set by a group or groups of politicians is by definition, subjective and reflective only of those various individuals' personal viewpoints.

What economic fine tuners propose to do is change the tax system, change the monetary system, or change Federal spending policies to conform with their goals. It is just as though the rules of the game are changed so that the desired outcome would be achieved. However, changing the rules has an awesome effect on the players—the average American, the businessman, the person planning a career or retirement. Changing the rules of the game means that everyone loses.

My second criticism of such economic intervention is that the size and magnitude of the American economy is such that the only regulator can be the marketplace. The only participants should be individuals acting in their personal behalf. The only responsibility of Government must be to provide a stable framework and to prevent nonmarket forces from making market decisions. In other words, Government must not only keep its role to a minimum in the marketplace, but it must serve as policeman to see that other groups do not do the same sort of things that the Government now is doing. The chief difference in effect between Government economic manipulation and private manipulation of the marketplace, is that Government intervenes with altruistic motives while private individuals and groups engage in monopolies and restraints of trade which most often are not altruistic.

Government intervention in the economy for purposes of the manipulation of economic conditions assumes that all participants will act as predicted. The experts have to rely on computers and past history. They do not know what effect a new set of conditions or combination of conditions will have. For example when Congress enacted the income tax surcharge in 1972, the Federal Reserve Board expected the American people to cut back their spending dramatically. So, in order to counteract the effects of Congress action, the Federal Reserve Board took action to pump in money. Well, Americans did not cut back their spending when the surcharge came into effect, they cut their savings. This action, coupled with the inflationary stimulation provided by the Federal Reserve Board, meant that massive price increases were just down the road. We saw them: 14 to 15 percent per year increases in many cases.

My bill would amend the Employment Act of 1946 to state that the Federal Government should avoid and reduce whenever possible intervention in the

economy, "recognizing that fiscal and monetary policies, when used for purposes of regulating the economy, tend to be counterproductive, and that the absence of such intervention tends to foster and promote free competitive enterprise; the general welfare; conditions which promote balanced growth; and useful employment opportunities."

I believe that this change in policy means a gradual reduction in Federal Government intervention. I would oppose any radical change in Government programs. Because many Americans have grown dependent on certain programs and Federal actions, I advocate gradual implementation of this new policy.

FISCAL POLICY REFORM

The second title of the bill contains a statement of findings which indict Federal deficits and attribute many of our current economic ills to Federal deficits. The achievement of reform in this area would be via congressional acceptance of Congress role in causing recessions and inflations by deficit spending, and most importantly a congressional pledge that change will be effected by a gradual return to balanced budgets.

This provision of the bill was a particularly difficult one for me to develop. There is no practical way that Congress can be prevented from spending more than it takes in except perhaps by constitutional amendment. But such an amendment would presumably take a two-thirds vote of each House before the various States would have an opportunity to consider it.

If a good amendment to the Constitution which would require balanced budgets could be drafted, I would support it.

My bill, therefore, amends sections 202, 203, 204, 301, 304, and 310 of the Congressional Budget Act of 1974 to provide that Congress will gradually adopt over a period of years a budget which would balance Federal outlays with Federal income. This concept was originally introduced by my able colleague from Oklahoma, Senator BARTLETT. The only change I made was that my bill would provide a phased-in balanced budget. On advice of counsel I included this provision, as it is generally felt in economic circles that an abrupt reduction in the rate of Federal spending or an abrupt increase in Federal taxes would have massive destabilizing economic effects. I believe we should avoid such effects, and I believe we should allow people who have come to expect Federal largess in certain areas to make adjustments.

MONETARY REFORM

The third title of the bill would phase out the political power of the Federal Government to manipulate the value of money. This is a most significant relinquishment of power. It would provide for a limitation upon the Federal Government for inflating the currency by restoring the marketplace as the determining force of the value of the monetary system. It would do this by providing for a gradual adoption of the market price for the free sale and purchase of gold. It would, in effect, remove from the Federal Reserve Board the freedom to destroy the purchasing power of the dollar. It would provide for the gradual assumption of a standard gold price for the dollar over a period of years. It would be phased in by initially offering U.S. gold for sale at a price above the market, and offering to purchase gold at a price below the market. Over time, the purchase price offered and the selling price would be brought together and fixed. From that time, unless Congress acted, the dollar would have a fixed relationship with gold.

Why gold? The best reason is that it works. People throughout history have chosen gold as a monetary standard. Why not politicians, as the determiners of monetary values? The answer is that politicians have failed. The dollar has been inflated for a variety of reasons and as a result, our economy has been beaten and battered. We have exported inflation to our allies and their economies are in tragic conditions.

At worst, gold will do as well as the politicians in the Federal Reserve Board. At best, it will usher in a new era of economic growth and stability; an era of prolonged growth and minimum price level changes. From 1879 to 1914, the United States averaged 3.6 percent real levels that varied no more than 2 percent per year.

Americans have grown used to inflation and its unpredictability. They are able to grow used to price stability and an economic future they can rely upon. It will take adjustments of significant proportions in a number of areas and I do not wish to ignore them. Labor-management negotiations will have a new framework of reference, for inflation will not cover over excessive pay increases or provide, artifically, a sense of achievement in wage increases. But, I believe we have already passed the day when union officials and members will ignore inflation.

There will also be changes in areas of investment. Inflation has the effect of subsidizing debtors and penalizing creditors. It has the effect of discouraging savings and encouraging indebtedness. It promotes certain kinds of business and hinders others. These effects have cost our economy dearly in improperly allocating resources. Change would cause some difficulty but the difficulties will not compare with the great benefits the economy will reap.

In proposing that the Federal Government adopt a fixed price for gold, and a fixed measurement for the dollar in gold, I am proposing nothing less than the depoliticization of the monetary system. Such a proposal would mean that if the Federal Reserve Board chose to inflate the dollar for whatever reason, dollars would soon be turned in to the Treasury for gold. This would indicate that people did not trust the dollars, and that they sought refuge from inflation in gold. Depletion of our gold supplies would place pressure on the Government to reverse its policies. A refusal would eventually result in the voluntary or compulsory devaluation of the dollar. This would be an action to be avoided for it would destroy future credibility in our currency, and lead to greater speculation against the dollar. Eventually it would lead to the kind of international monetary chaos we have today. Prices change daily. Trade is a refined form of currency speculation. Capital flows are stagnated.

We cannot view money as an instrument of national policy. Such a view has led to the Keynesian excesses which we have witnessed. It can lead to the Britainization of America.

Economic reform must therefore be a recognition that money cannot be used to cover up foolish fiscal policies. It cannot be used to accomplish utopian social goals. Money is the means of economic activity and politicization of money can only lead to the disruption of economic activity.

I propose restoring freedom to individuals to engage in economic activity without having to guess how the political manipulation of the currency will affect their economic position. I propose shifting the burden from the individual to the Government by forcing Government to conform with monetary constraints and freeing individuals by removing capricious Government manipulation.

EMPLOYMENT BARRIERS

The fourth title of my bill would establish a Federal Commission on Barriers to Employment. The Commission would be devoted to the investigation and delineation of the costs and effects of impediments to employment. By this I do not mean the sociological and psychological theories dreamed up by highly paid professors at Harvard or bureaucrats in the Department of Health, Education, and Welfare. By impediments, I mean what keeps the jobs available and the unemployed apart.

The Commission would have among its responsibilities, a full assessment of the effects of Government incentives to individuals to stay out of the job market. It would provide an assessment of the Government-imposed costs to starting new business, expanding businesses, and of even maintaining present levels of business operations. The Commission would analyze the effects of the tax code on employment practices. And, it would analyze the powers Government has bestowed on certain groups to reduce or restrict employment opportunities. There are some economists who state that in a truly free market, there is no such thing as unemployment. They say that if individuals are free to bargain then all who seek jobs would find them. I do not think that we can or would want to eliminate all disincentives or barriers to employment, but we should recognize that Government restrictions and regulations are some of the greatest causes of unemployment. We should know just what the exact causes and effects are. Then we can propose remedies.

THE START OF A DIALOG OF MAJOR ECONOMIC REFORM

The bill I am proposing is a major one. I acknowledge that there are provisions which must be studied at great length before Congress adopts them. We must make sure that any hardships which may result from these changes are minimized. I am convinced, however, that on the whole, the reforms in this proposal are good ones. Indeed, they are necessary ones.

I submit the Job Opportunities and

Economic Reform Act of 1976 so that Congress can begin a serious debate on real economic reform. We have passed the time when we can throw money at the Nation's economic problems and expect more good results than bad. We have passed the time when we can afford something like the guaranteed jobs bill which attempts to treat symptoms and not causes.

In full recognition of the political tone of the day, I do not expect approval of this bill in the near future. The U.S. Congress is far more likely, unfortunately, to adopt bills which provide for more of the same. We will, unless the American people begin to demand meaningful reform, continue down the road to big government; to centralized decisionmaking; to economic intervention; to the Britainization of America.

I introduce the Job Opportunities and Economic Reform Act of 1976 simply to begin the debate. After 30 years of Keynesian economies we must assess the results and the Keynesians must defend them. The Job Opportunity and Economic Reform Act of 1976 is a comprehensive reply to the economic policies of the past. It is comprehensive because we cannot attack any single one of our economic difficulties separately. Money, unemployment, growth, and stability are integral and they must be looked at in the same context.

I look forward to reviews, comments, and criticism on this proposal. It has been so long since Keynesian economics has held sway that critics of it are looked upon as being either fools or knaves. But, I hope that the Keynesians will recognize this proposal as a serious and comprehensive critique of their policies. I hope those who are sincere in their regard for this Nation will look twice and consider these specific provisions. I hope that businessmen, economists, and political leaders from all sides will comment on this bill and contribute to the debate. It is a debate on the most important domestic issue our Nation has faced since the Civil War. It is a debate on whether we have an economy that can provide resources for our children, for their betterment and for the accomplishment of national goals or whether we will go the way of some nations and stagnate our productive enterprise in Government coersion, economic disruption, and the relinquishment of our freedoms.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill introduced by Mr. HELMS today, to provide for high levels of employment, stable prices and economic growth by reform of Federal economic policy, revision of congressional spending practices, stabilization of the U.S. monetary system, the limitation of artificial barriers to employment, and for other purposes, be referred jointly to the Committee on the Budget, the Committee on Banking, Housing and Urban Affairs, and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HARRY F. BYRD, JR.:

S. 41. A bill to require specific congressional authorization of any expenditure for the purpose of providing direct or indirect assistance of any kind to or for the Socialist Republic of Vietnam; to the Committee on Foreign Relations.

USE OF TAX FUNDS TO AID VIETNAM

Mr. HARRY F. BYRD, JR. Mr. President, I am today introducing legislation which will prohibit, if enacted, the use of American tax funds to aid the Socialist Republic of Vietnam unless such aid is specifically authorized by the Congress.

Mr. President, there is a need for this legislation. A decision to provide direct aid to Vietnam is a very serious matter and such a decision should only be made after the fullest consideration by the Congress.

It is the Congress which has the constitutional authority to authorize the expenditure of our taxpayers' funds and it is essential that the Congress reserve its rights in this matter.

In 1973 I introduced similar legislation for at that time there was a very real chance that the Nixon administration would embark on a major aid program to North Vietnam. Dr. Kissinger had returned from discussions with Premier Pham Van Dong and other North Vietnamese officials in which both sides—and I quote from the joint communique—

exchanged views on the manner in which the United States will contribute to the healing of the wounds of war and to postwar reconstruction in North Vietnam.

Dr. Kissinger's negotiating style in the past has been to make promises for which the American taxpayer must pay. My legislation at that time was designed to insure that any aid program contemplated by the executive branch would receive the fullest consideration by the Members of Congress—the duly elected representatives of those who would have to pay for such an aid program.

Mr. President, the Senate overwhelmingly approved my legislative proposal in 1973 by a vote of 88 to 3 and that vote effectively ended any further likelihood that U.S. tax funds would be used to pay reparations to North Vietnam at whose the United States suffered 355,000 casualties, including 53,000 dead.

The need for the new legislation is this:

In recent weeks American representatives have been engaged in discussions with the Vietnamese concerning a normalization of relations and I therefore believe it is important that the Congress insure through this legislation that the Congress will have a voice in any decision on aid to Vietnam.

Mr. President, I personally do not believe that a direct U.S. aid program for Vietnam would be an appropriate use of the American taxpayer's dollars. I know that many other Americans agree with me on this matter. However, I also know that there are a number of Americans who believe that the United States should provide aid for the reconstruction of Vietnam.

This legislation would insure that there is full and free debate in the Congress over the matter of aid to Vietnam. Senators and Representatives would be given full opportunity to discuss the merits and the costs of such an endeavor and the views of our citizens would be amply considered before such a decision was taken.

Mr. President, this proposed legislation does not prohibit aid to Vietnam, but it does provide that any such decision will be made only after the fullest consideration of the Congress. I believe it deserves the strong support of the Congress and I am hopeful that it will receive early consideration.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the legislative proposal I am presenting.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 41

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that no funds made available by the Congress to any department or agency of the Government may be obligated or expended for the purpose of providing assistance of any kind, directly or indirectly, to or on behalf of the Socialist Republic of Vietnam, unless specifically authorized hereafter by the Congress.

By Mr. INOUYE:

S. 42. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education; to the Committee on Finance.

Mr. INOUYE. Mr. President, the Internal Revenue Code provides a tax deduction for certain taxpayers to cover the expenses of household and dependent care services which are necessary to enable the taxpayer to be gainfully employed. This provision of the law applies to those married couples who file a joint return and who are both gainfully employed on a full-time basis, or where one spouse is physically or mentally unable to care for himself.

This provision of the law was primarily a relief provision for the benefit of those families where the income of both parents is essential for the maintenance of minimum living standards.

Many married students are presently struggling to maintain minimum standards of living for themselves and their families. In addition to the rising costs of living which are faced by all people, these students must meet the rising costs of tuition. Most of these students are able to work only on a part-time basis without their employment becoming a serious detriment to their education. As a result, their income is usually quite low, yet their expenses are considerably higher than those of an average citizen.

The Federal Government should assist these struggling students in their efforts to meet the financial demands of raising a family. It is time to extend the tax deduction for expenses relating to household and dependent care services which are necessary for gainful employment to include a deduction for those expenses which are necessary for the pursuit of learning. I am, therefore, reintroducing a bill to amend section 214 of the Internal Revenue Code to include this deduction.

Mr. President, I ask unanimous con-

sent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 42

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 214 of the Internal Revenue Code of 1954 (relating to expenses for household and dependent care services necessary for gainful employment) is amended—

(1) by striking out "employment-related" in subsection (a) and inserting in lieu thereof "employment or education related";

(2) by striking out the matter in subsection (b)(2) preceding subparagraph (A) and inserting in lieu thereof the following:

"(2) EMPLOYMENT OR EDUCATION RELATED EXPENSES.—The term 'employment or education related expenses' means amounts paid for the following expenses, but only if such expenses are incurred to enable the taxpayer to be gainfully employed or to be a student:";

(3) by adding at the end of subsection (b) the following new paragraph:

"(4) STUDENT.—The term 'student' has the same meaning as it has under section 151(e)(4).";

(4) by striking out "employment-related" each place it appears in subsections (c) and (d) and inserting in lieu thereof "employment or education related";

(5) by amending subsection (e)(2) to read as follows:

"(2) GAINFUL EMPLOYMENT OR STUDENT REQUIREMENT.—If the taxpayer is married for any period during the taxable year, there shall be taken into account employment or education related expenses incurred during any month of such period only if—

"(A) both spouses are gainfully employed on a substantially full-time basis, or are students,

"(B) one spouse is gainfully employed on a substantially full-time basis and one spouse is a student, or

"(C) the spouse is a qualifying individual described in subsection (b)(1)(C).";

and

(6) by striking out "employment-related" in subsection (e)(5) and inserting in lieu thereof "employment or education related".

(b) The caption of such section 214 is amended by striking out the period and inserting in lieu thereof "OR EDUCATION.".

(c) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the period at the end of the item relating to section 214 and inserting in lieu thereof "or education.".

(d) The amendments made by this Act apply with respect to taxable years beginning after December 31, 1974.

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 46. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas; to the Committee on Banking, Housing and Urban Affairs.

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

Mr. STAFFORD. Mr. President, on behalf of myself and Mr. LEAHY, my colleague from Vermont, I introduce today legislation that would authorize operating subsidies for public mass transportation agencies in rural and small urban areas.

The Urban Mass Transportation Act authorizes up to $500 million of Federal assistance under section 3 for areas of the country with populations of less than 50,000 persons. But, this Federal assistance is restricted solely to capital grants.

The section 5 program of the act authorizes formula grants to assist in meeting both the capital and operating assistance costs of public mass transportation service in urbanized areas. By definition, that assistance is limited to cities or areas of at least 50,000 persons.

Thus, existing law contains no provision for operating subsidies for transportation agencies that serve cities of less than 50,000 persons. This despite the fact that one of the landmark features of the law is that it is the first Federal mass transit act to provide a subsidy for public mass transportation operating expenses.

The effect of all this has been to prevent operating subsidies for small bus companies that serve rural areas and small cities—and also to provide no operating subsidies at all to the States of Vermont and Wyoming, simply because they are the only States in the Union without an urbanized area—a city of 50,000 persons.

Federal assistance is available for the purchase of buses and other capital equipment to serve rural areas and small cities, but no Federal aid is available to help to operate those buses.

We are all aware that public mass transportation systems cannot operate in the black on the fare box alone. The Urban Mass Transportation Act recognizes that economic fact of life. It is ironic that UMTA, which has helped to purchase buses for service in rural areas, is prohibited by law from providing the necessary operating subsidies to keep those buses running to serve the public.

It is apparent that the $500 million capital grant program for nonurbanized areas fails to meet the total needs of those areas.

The bill I introduce today would, therefore, authorize the use of the $500 million for operating as well as capital assistance, on such terms and conditions as the Secretary of Transportation may require. Under the proposal, the Secretary would be authorized to make operating subsidy grants under terms and conditions similar to those governing section 5 grants to urbanized areas. This bill would provide for alternative use of the $500 million in funds already authorized, and requires no additional new Federal funding.

This proposal was contained in a bill, S. 662, passed by the Senate last year, and this provision won approval in a House committee. Unfortunately, because of disagreement over other sections of S. 662, that bill was never enacted into law.

It is my hope that this Congress will deal with this urgent matter, which it has previously recognized, at the earliest possible moment of this session to provide equal treatment in the matter of operating subsidies not only to my own State of Vermont and to Wyoming, but also to rural areas of all parts of our country.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 46

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

SECTION 1. The last sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof a comma and the following: "and such $500,000,000 may be used in such areas for the payment of the cost of construction projects or for the payment of subsidies for operating expenses. Grants for assistance in other than urbanized areas shall be subject to such terms, conditions, requirements, and provisions (similar as may be appropriate to those applicable to grants under section 5) as the Secretary may determine to be necessary or appropriate for nonurbanized areas.".

By Mr. STAFFORD (for himself and Mr. HEINZ):

S. 47. A bill to amend title XVIII and title XIX of the Social Security Act to include community mental health centers among the entities which may be qualified providers of services for medicare purposes, to require each State having an approved medicaid plan to provide community mental health center services under such plan, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY ACT AMENDMENTS

Mr. STAFFORD. Mr. President, Mr. HEINZ and I are introducing a bill to amend titles XVIII and XIX of the Social Security Act to provide for coverage of community mental health services under medicare and medicaid.

As I said when introducing this legislation in the last Congress, I think the time has come for Congress to consider the coverage of the services provided by community mental health centers under medicare and medicaid, especially if we desire to provide better health care for those individuals covered under titles XVIII and XIX of the Social Security Act.

Mr. President, the magnitude of the problem of mental health needs of our fellow Americans is keenly illustrated by these few facts developed by Morris Associates, Inc., for the National Council of Community Mental Health Centers:

It is estimated that 1 in 10 Americans is in need of mental health care.

There are approximately 9 million alcoholics in this country.

There are estimated to be 250,000 persons addicted to hard drugs and in need of care.

Fifteen percent of all Americans between the ages of 18 and 74 are estimated to suffer from depression during any one year.

About 10 million children in America are handicapped by mental or emotional problems.

The rate of mental illness and other major health and social problems rises and falls in relation to the economic cycle. During and after a period of depression or recession, the rate of mental illness, alcoholism, suicide, family disruption, and child abuse rises.

The cost of direct care for the mentally ill in 1971 was estimated at $10.1 billion.

The indirect cost of mental health care in terms of lost productivity alone is estimated to be $13.8 billion.

One-third of all suicides, one-half of all homicides are alcohol related, and 35,000 highway deaths a year are related to alcohol abuse.

Approximately half of the calls to police departments for assistance are related to marital disputes or other disturbances resulting from mental or emotional problems or distress.

Other hidden costs of a failure to treat the mentally ill and emotionally disturbed are: increases in welfare rolls; disruption of classes and violence in schools, as well as various other crimes and violence in society.

When compiled in short precise statements these facts have a dramatic impact. It was to meet this need for mental health services that the Congress first enacted the Community Mental Health Centers Act in 1963 and subsequently reenacted it over the years.

It is quite clear to one who has participated in the writing of the latest reauthorization of the Community Mental Health Centers Act that Federal funds are intended as short-term seed money to help meet the high costs of starting a new program, and to maintain that program during its early years when reimbursement for service is not readily available. Under this seed money concept, community mental health centers are expected to raise funds from all available sources to replace the declining Federal support, while local, State, and Federal funds are envisioned to contribute to the program only to the extent that other payments are not available.

The legislation, Public Law 94–63, the Community Mental Health Centers Amendment of 1975, requires mental health centers to participate to the maximum feasible extent in the medicare program. However, medicare emphasizes hospital-based inpatient care, and does not allow repayment of most community mental health centers' outpatient services to the elderly and disabled.

Public Law 94–63 also mandates the centers to make maximum efforts to obtain reimbursement through their State medicaid plan. Title XIX, however, has been written in a way which virtually excludes most centers from participation in the program.

The result of the language of titles XVIII and XIX has been that the community mental health centers have relied primarily upon State and Federal Government funding to operate their programs.

The amendments that we are introducing today are designed to rectify this situation in which Congress is encouraging third party reimbursement for community mental health services, but the existing law does not permit it.

The bill is an attempt to eliminate the barriers to third-party reimbursement for the services provided our elderly and disabled citizens through the community mental health center system.

Mr. President, I offer this bill to my colleagues for review and ask their support for it in this Congress.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 47

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) subsection 1861(c) of the Social Security Act is amended by inserting "or community mental health center" before the period at the end thereof.

(2) Section 1861(e) of such Act is amended—

(A) by inserting "Qualified Provider of Inpatient Services," before "Hospital" in the heading; and

(B) by inserting after "(e)" the following new sentence: "Except as provided in subsection (F)(1), the term 'qualified provider of inpatient service' means a hospital."

(3) Section 1861(f) of such Act is amended to read as follows:

"Mental Health Service Providers

"(f)(1) the term 'qualified providers of inpatient services' as it relates to mental health care means a psychiatric hospital or a community mental health center.

"(2) The term 'psychiatric hospital' means an institution which—

"(A) is primarily engaged in providing, by or under the supervision of physician, psychiatric services for the diagnosis and treatment of mentally ill persons;

"(B) satisfies the requirements of paragraphs (3) through (9) of subsection (e);

"(C) maintains clinical records on all patients and maintains such records as the Secretary finds to be necessary to determine the degree and intensity of the treatment provided to individuals entitled to inpatient insurance benefits under part A;

"(D) meets such staffing requirements as the Secretary finds necessary for the institution to carry out an active program of treatment for individuals who are furnished services in the institution; and

"(E) is accredited by the Joint Commission on Accreditation of Hospitals.

In the case of an institution which satisfies subparagraphs (A) and (B) of the preceding sentence and which contains a distinct part which also satisfies subparagraphs (C) and (D) of such sentence, such distinct part shall be considered to be a 'psychiatric hospital' if the institution is accredited by the Joint Commission on Accreditation of Hospitals or if such distinct part meets requirements equivalent to such accreditation requirements as determined by the Secretary.

"(3) The term 'community mental health center' means an entity which meets the definition of such term in the Community Mental Health Centers Act and the standards set for community mental health centers in regulations of the Secretary prescribed pursuant to that Act.".

(4) Section 1961(s)(2) of such Act is amended—

(A) by striking out "and" at the end of subparagraph (C);

(B) by adding "and" after the semicolon at the end of subparagraph (D); and

(C) by adding at the end thereof the following new subparagraph:

"(E) 'community mental health center services', which means active diagnostic, therapeutic, or rehabilitative services which are furnished on an outpatient, partial hospitalization, or similar basis (as described by the Secretary) by a community mental health center which meets the definition of such centers in the Community Mental Health Centers Act, whether such services are provided in the center facility or in dispersed service elements affiliated with the center; *Provided,* That such services are furnished by or under the direct supervision of a professional member of the center staff;".

(5) Section 1861(u) of such Act is amended by inserting "community mental health center" after "hospital,".

(6) Section 1861(z) of such Act is amended by inserting "community mental health center," after "hospital," in the matter preceding paragraph (1).

(b)(1) Section 1812(c) of such Act is amended—

(A) by inserting "or community mental health centers" after "inpatient of a psychiatric hospital", and

(B) by inserting "or center" after "such a hospital".

(2) Section 1816(a) of such Act is amended by inserting "community mental health centers," and "hospitals," in clause (1).

(3) Section 1835(a)(2)(B) of such Act is amended by striking out "(C), and (D)" and inserting in lieu thereof "(C), (D), and (E)".

(4) Section 1863 of such Act is amended by striking out "(f)(4)," and inserting in lieu thereof "(f)(2)(D),".

(5) Section 1864(a) of such Act is amended—

(A) by inserting "community mental health center," after "hospital" in the first sentence, and

(B) by inserting "community mental health center," after "hospital," in the second sentence.

(6) Section 1877(c) of such Act is amended by inserting "community mental health center," after "hospital,".

SEC. 2. (a) Section 1812 of the Social Security Act is amended by striking out "inpatient hospital services" where it first appears in subsection (a)(1), and inserting in lieu therof "inpatient service furnished by a qualified provider of inpatient services".

(b) The following provisions of title XVIII of such Act are amended by striking out "inpatient hospital services" wherever it appears and inserting in lieu thereof 'inpatient services":

(1) subsections (a)(1) (the second place it appears), (b)(1) (the second place it appears), (c), and (e) of section 1812;

(2) subsections (a)(1) and (b)(2) of section 1813;

(3) subsections (a)(2)(A), (C), (D), and (E), (a)(3), (a)(6), (a)(7), (d)(1), (e), (f)(1), (f)(2), (f)(3), and (f)(4) of section 1814;

(4) subsection (e) of section 1835;

(5) subsections (a)(1), (b), (c), (e), (k)(3), (v)(1)(D), (v)(2)(A), and (v)(3) of section 1861;

(6) subsections (a)(4) and (d)(2) of section 1862; and

(7) subsection (b)(3) of section 1866.

(c) The following provisions of title XVIII of such Act are amended by striking out "inpatient psychiatric hospital services" wherever it appears and inserting in lieu thereof "inpatient psychiatric services":

(1) subsections (c) and (e) of section 1812;

(2) subsections (a)(2)(A), (a)(3), and (a)(4) of section 1814;

(3) subsections (c), (v)(2)(A), and (v)(3) of section 1861; and

(4) subsection (b)(3) of section 1866.

(d)(1) The following provisions of title XVIII of such Act are amended by striking out "hospital" (when used as a noun referring to an institutional provider of services) wherever it appears and inserting in lieu thereof "qualified provider of inpatient services.":

(A) subsections (a)(4), (a)(6), (a)(7), (d)(1), (d)(2), (d)(3), (e), and (g) of section 1814;

(B) subsection (b) of section 1815;

(C) subsections (b)(1), (b)(2), (c), and (e) of section 1835;

(D) subsection (b)(5) of section 1842; and

(E) subsections (a)(2), (b)(2), and (b)(3) of section 1861.

(2) The last sentence of section 1813(b)(2) of such Act is amended by striking out "hospitals" and inserting in lieu thereof "qualified providers of inpatient services".

(3) Section 1814(d)(3) of such Act is amended by striking out "hospitals" each place it appears and inserting in lieu thereof "inpatient deductible":

(1) subsections (a)(1), (a)(3), (b)(1), and (b)(2) of section 1813; and

(2) subsection (d)(2) of section 1818.

(f) The following provisions of title XVIII of such Act are amended by striking out "hospital insurance benefits" wherever it appears and inserting in lieu thereof "inpatient insurance benefits";

(1) subsection (b)(2) of section 1813;

(2) subsections (d)(1), (d)(2), (f)(1), (f)(2), and (f)(4) of section 1814;

(3) subsection (b) of section 1816;

(4) subsections (c)(5) and (c)(6) of section 1818;

(5) paragraph (1) of section 1836;

(6) subsections (c), (f)(1), and (f)(3) of section 1837;

(7) subsection (c) of section 1838; and

(8) subsections (a)(1)(A), (c)(1), (c)(2), and (i)(1) of section 1876.

(g)(1) The heading for part A of title XVIII of such Act is amended by striking out "HOSPITAL" and inserting in lieu thereof "INPATIENT".

(2) Section 1811 of such Act is amended by striking out "Hospital and related post-hospital services" and inserting in lieu thereof "inpatient and related post-inpatient services".

(3) The heading of subsection (d) of section 1814 of such Act is amended by striking out "Hospital" and inserting in lieu thereof "Inpatient".

(4) The headings of subsections (e) and (f) of section 1814 of such Act are amended by striking out "HOSPITAL".

(5) The heading of section 1818 of such Act is amended by striking out "HOSPITAL" and inserting in lieu thereof "INPATIENT".

(6) Section 1818(c)(4) of such Act is amended by striking out "hospital insurance program" and inserting in lieu thereof "inpatient insurance program".

(7) Section 1818(c)(5) of such Act is amended by striking out "hospital insurance entitlement" and inserting in lieu thereof "inpatient insurance entitlement".

(8) Section 1861(b) of such Act is amended—

(A) by striking out "Hospital" in the heading;

(B) by inserting "or other qualified provider of inpatient services" after "inpatient of a hospital";

(C) by striking out "by the hospital" in the matter preceding paragraph (1) and inserting in lieu thereof "by the provider";

(D) by striking out "hospital facilities" in paragraph (2) and inserting in lieu thereof "facilities"; and

(E) by striking out "for use in the hospital" in paragraph (2) and inserting in lieu thereof "for use in the facility".

(9) The heading of section 1861(c) of such Act is amended by striking out "Hospital"

SEC. 3. (a)(1) Section 1812(b) of the Social Security Act is amended—

(A) by adding "or" after the semicolon at the end of paragraph (1);

(B) by striking out "; or" at the end of paragraph (2) and inserting in lieu thereof a period; and

(C) by striking out paragraph (3).

(2) Section 1812(c) of such Act is amended by striking out "or in determining the 190-day limit of subsection (b)(3)".

(b) Section 1833(c) of such Act is repealed.

(c) Section 1866(a)(2)(A) of such Act is amended by striking out the last sentence.

SEC. 4. (a) Section 1905(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (16);

(2) by redesignating paragraph (17) as paragraph (18); and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) community mental health services, as defined in subsection (1); and".

(b) Section 1905 of such Act is further amended by adding at the end thereof the following new subsection:

"(l)(1) For purposes of paragraph (17) of subsection (a), the term 'community mental health center services' means active diagnostic, therapeutic, or rehabilitative services which are furnished (A) on an outpatient, partial hospitalization, or similar basis (as specified by the Secretary) by a community mental health center within the meaning of paragraph (2), whether such services are provided in the center facility or in dispersed service elements affiliated with the center, and (B) by or under the direct supervision of a professional member of the center staff.

"(2) The term 'community mental health center' means an entity which meets the definition of such term in the Community Mental Health Centers Act and the standards set for community mental health centers in regulations of the Secretary prescribed pursuant to that Act.".

SEC. 5. (a) Section 1902(a)(13) of the Social Security Act is amended—

(1) by inserting ", and clause (17)," after "clauses (1) through (5)" in subparagraph (B);

(2) by inserting ", and clause (17)," after "clauses (1) through (5)" in subparagraph (C)(i); and

(3) by striking out "(16)" in subparagraph (C)(ii) and inserting in lieu thereof "(17)".

(b) Section 1902(a)(14)(A)(i) of such Act is amended by striking out "and (7)" and inserting in lieu thereof ", and clauses (7) and (17),".

SEC. 6. The amendments made by this Act shall apply with respect to items and services furnished on and after the first day of the month following the month in which this Act is enacted.

By Mr. STAFFORD (for himself, Mr. KENNEDY, and Mr. JAVITS):

S. 48. A bill to provide for minimum standards for public health programs directed at identifiable populations; to the Committee on Labor and Public Welfare.

MINIMUM STANDARDS FOR PUBLIC HEALTH PROGRAMS

Mr. STAFFORD. Mr. President, I am introducing, along with Senator KENNEDY and Senator JAVITS, a bill to provide for minimum standards for preventive public health programs. It is the goal of this legislation to have the Secretary of Health, Education, and Welfare develop minimum public health standards to maintain the preventive health care programs for this Nation.

The future enactment of national health legislation will overshadow the need for continued preventive public health programs by the sheer magnitude of the program. The need for this legislation is based on concerns brought to my attention by the former commissioner of health in Vermont, Dr. Anthony Robbins, that public health service programs historically have been eliminated when other major industrialized nations have enacted national health insurance, only to be reinstituted at a later time when it is determined that the need still exists for preventive public health programs.

It is time that the Federal Government seriously organize itself to meet this future challenge. I ask unanimous consent that an article written by Dr. Robbins, which appeared in the New England Journal of Medicine, be printed in the RECORD at this point since it very concisely sets the stage for this legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE THREAT OF NATIONAL HEALTH INSURANCE TO PREVENTIVE PROGRAMS

Nearly 60 years ago, the Medical and Chirurgical Faculty of Maryland was issued a warning strikingly relevant today:

"With the appropriations for health insurance running into millions of dollars annually it goes without saying that legislative bodies will not materially increase the appropriations for their health departments. Owing to this fact, there is a decided probability of sickness insurance acts endangering the very existence of State health departments by absorbing all of the funds available for health work. Our statesmen and lawmakers must, therefore, be careful that proper and ample provisions are made for health machinery in any sickness insurance act.[1]"

I hope the United States is closer to National Health Insurance now than it was in 1917, but I share the concern of Drs. Warren and Sydenstricker that, in providing for the cost of personal health services, we do not lose sight of the need to preserve and maintain population-directed and preventive health programs. Immunizations, tuberculosis control, venereal-disease programs and pediatric prevention programs have benefits that extend beyond individuals to whole populations. Protection must remain in place for populations at risk from hazards such as lead paint, malnutrition, rats, occupational exposures, unsafe drinking water and foodborne illness. Yet it seems to me that the benefits of preventive health measures for target populations may be imperiled by the politics of achieving, at long last, national insurance for personal health services.

The total cost of population-directed and preventive programs in the United States, both in and out of government health departments, is less than five billion dollars annually, or less than 4 per cent of the total cost of health services. National health insurance will not sustain these public-health programs; it will pay only for the personal-health-service components. Why should that concern us? Surely, the public-health programs are well established and will continue. Or will they?

Both the British and Canadian experiences with national health insurance suggest that the United States should take special care to protect public-health programs in an era dominated by personal health services. For example, many of us will believe, as physicians in Britain and Canada did, that since national health insurance pays for doctors' visits and pays for vaccines, adequate immunization levels will be maintained. Not so. In both Britain and Canada, after several years of national health services and provincial sickness insurance schemes, health programs directed at hazards to the population are now being redesigned, revived and rebuilt to recapture the target populations for effective preven-

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[1] Warren BS, Sydenstricker E: Health insurance, the medical profession, and the pubsis control, venereal-disease programs, and 789, 1919.

tion.[2] In short, the notion that personal health services could substitute for public health programs was wrong.

Anyone who has followed Congressional activity around national health insurance is aware that each proposal has a price tag in "new dollars." (These are dollars not found in current government health programs, state or federal). The tags range from $73 billion, for the most expensive Kennedy bill, to $3.6 billion for the Long-Ribicoff program for catastrophic-illness coverage.[3] Each sponsor manipulates the numbers to make the price as low as possible. One way this has been done is to deduct expenditures for population-directed and preventive programs currently financed by the government from the new dollar cost of national health insurance. However, national health insurance will pay for only personal-health-services components of these programs, omitting outreach, monitoring, and environmental-control efforts in the process. In other words, Congress may gut productive public-health activities under the mistaken belief that they would be sustained by national health insurance.

How can we avert this setback? Could not national health insurance and better population-directed, preventive programs emerge together? Of course they could. Minimum standards for public-health programs directed at identifiable populations, can be specified both by content and outcome. Every state and locality could then be required to meet these standards before the federal government extended insurance coverage for personal health services. Surely, it is only reasonable to ask that people receive these highly cost-effective public-health benefits before tax dollars are spent on personal health services. This process need not delay the arrival of national health insurance, since federal cost sharing with states and localities should encourage quick achievement of the essential minimum standards.

As a first step, we should ask the Congress to fund a project by the Center for Disease Control or by the Institute of Medicine of the National Academy of Sciences to develop such standards. Unlike the ordeal of standard setting by PSRO's, I think this job could be done in a year. Professional agreement should be far easier to achieve in this limited area of medicine than in the expanse of personal health services. Once set, the standards may be incorporated into a special cost-sharing provision of all the national-health-insurance proposals in the next Congress. It would be unique perhaps, but extremely worthwhile, if we could avoid the mistakes of others, and maintain our most effective public-health programs while generating, at least, nationwide financial protection for personal health services.

Vermont State Health Department, Burlington, Vt.

ANTHONY ROBBINS, M.D.

Mr. STAFFORD. Mr. President, programs to protect against tuberculosis, venereal disease, and other communicable diseases are important to the public health of this Nation and should be maintained as preventive health measures for the protection of our children and, therefore, it is the purpose of this bill to require the Secretary of Health, Education, and Welfare to publish a plan and standards for preventive public health programs as soon as possible. We should not wait to see if history will teach us the same lesson that it taught Great Britain and Canada because polio, rubella, and scarlet fever attack our children first and they will pay the price for our inaction.

Mr. President, I ask that a text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 48

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title V of the Public Health Service Act (42 U.S.C. 201) is amended by adding at the end thereof the following new section:

"PUBLIC HEALTH PROGRAMS; STANDARDS

"SEC. 514. (a) The Secretary, in cooperation with appropriate professional entities and individuals, shall establish within one year after the date of enactment of this section standards with respect to preventive health care for indentifiable populations within public health programs funded under this Act. Such standards shall be developed to identify populations in need and to maintain population-directed preventive health programs.".

By Mr. MATHIAS:

S. 49. A bill to establish a Small Business Administrative Review Court; to the Committee on the Judiciary.

SMALL BUSINESS ADMINISTRATIVE REVIEW ACT

Mr. MATHIAS. Mr. President, I send to the desk the Small Business Administrative Review Act, a measure to enable small businessmen and women to obtain review of their rights at minimum expense to them and to the taxpayer. This bill has been developed with the cooperation and support of the National Federation of Independent Business, NFIB, which is properly concerned, as I am that their nearly a half million members, and all other small businesses throughout the country, have equitable access to a forum when confronted with a Federal order, citation, or fine. This bill is designed to promote due process and to rationalize the application of the many regulatory controls on small business.

Various agencies, departments, and commissions of the Federal Government are turning out regulations at a rate unheard of not many years ago. The small and independent business people in this country can hardly keep up with the mushrooming number of regulation-promulgating organizations, much less the regulations themselves. These regulations, though well intentioned, are for the most part written by lawyers in the language of lawyers. Sometimes little thought is given to the actual effect of their strict application.

In many cases which I am sure have been brought to the attention of my colleagues, the practical effect of an order, fine, or citation on a particular business is not only inequitable but frequently borders on the ludicrous. This is not to say that all regulations are inherently bad; many serve a necessary purpose. Unfortunately, no matter how carefully they are drafted, cases will arise in which the effect of their application does not fit the subject involved, or agents of the Federal Government will interpret them in inconsistent ways.

When confronted with a Federal order, citation, or fine considered unjustified, any business generally has two avenues of redress. It can appeal to the administering agency or it can take the matter to court. Regrettably, in many instances neither of these options can be effectively employed by small business.

If the small business decides to appeal to the administering agency, the odds are stacked against him. First, he cannot afford to send someone to Washington or to a regional office to verbally present the case, as is often done by large corporations. The small businessman must, therefore, rely on a written appeal in which he cannot answer questions or explain details which he may not recognize as pertinent.

Further, there is a natural problem when an employee of an agency reviews the decisions of another employee within the same agency. While it would be unfair to charge a conscious bias, the frame of reference and mutual experience of these employees are often similar. As a result, a truly independent review is difficult, if not impossible.

If the small businessman decides to appeal to a Federal court, the cost of such appeal will likely be greater than the amount involved. Additionally, the length of time between filing and decision is so great, the prolonged irritation, let alone the cost, probably is not worth it. Small business people therefore, often choose not to go to court thereby waiving their right to review.

As a result, for all practical purposes small business has no avenue of redress. The options provided are either too expensive or inherently biased. It is to this problem that the Small Business Administrative Review Act addresses itself.

The Small Business Administrative Review Act is directly based on the highly successful experience of the U.S. Tax Court in the conduct of "small tax cases." This bill establishes a court of limited jurisdiction which will only hear cases involving Federal orders, citations, and fines with a value of $2,500 or less. The court may rescind all or any part of a fine, citation, or order which it feels is inappropriate to the alleged offense, is inconsistent with prior interpretations of the regulation, or is simply inequitable.

The court is not one to decide whether or not the various regulations which the bureaucracy promulgates are good or bad. It merely will attempt to introduce a little common sense and equity into the application of those regulations. Criminal matters and those within the existing jurisdiction of the U.S. Tax Court, the Court of Claims, and the Customs Court do not lie within the jurisdiction of the Small Business Administrative Review Court. Any citizen, corporate or private, may petition the court for a hearing, but the jurisdiction is such that almost inevitably the preponderance of cases will focus on small business.

The rationale for the $2,500 limit is twofold. First, it is generally the small actions which are being foregone because

[2] Lalonde M: A new perspective on the health of Canadian: a working document. Ottawa, April, 1974.

[3] Committee on Finance of the United States Senate: National health insurance: brief outline of pending bills. Washington, DC, Government Printing Office, 1974.

of cost. A very costly order is one which will be most likely handled by an attorney under the present system. Small fines, orders, or citations, however, are not being challenged because the dollar costs of challenging them exceed the dollar value of the order. Second, this court's mandate is to act with all due speed on petitions. Large and very high dollar value actions would tend to bog down a court, thus frustrating the small petitioners who now must wait through tremendous backlog.

To further insure that costs of litigation remain low and rapid review is achieved, the bill draws three key points directly from "small tax cases" of the U.S. Tax Court. First, decisions rendered by the court are not appealable. Both parties waive their right of appeal to any other jurisdiction once the case is before the Small Business Administrative Review Court. Quite obviously the purpose is to prevent the long and expensive appeals process when it can reasonably be presented. But because there is no appeal, decisions rendered by the court are not precedential. No decision made by the court can be used as precedent in any other court. Thus, the court cannot establish its own body of law outside the normal process of judicial review.

Finally, the court in practice should be very liberal in its conduct of procedure and evidence to encourage the individual to represent himself before the court. While the petitioner has an option to employ an attorney if so desired, he is not required to employ one in practice. Thus, the form used by the petitioner should be very simple as is the one page form now used by the U.S. Tax Court for its small tax cases. Additionally, the filing fee has been set at $10, an amount that can most likely be afforded by all.

To look for a moment at the experience of small tax cases before the U.S. Tax Court provides a good illustration of what I am attempting to do in a parallel area. There the time between the filing of a petition and a decision is 10 months and 3 months between trial and opinion; 90 to 95 percent of these cases find the individual acting as his own counsel. Finally, the Tax Court is neither a patsy for the individual nor the Government; small tax cases have been decided almost 50–50 between the two groups.

Mr. President, I am not here asking that a new bureaucracy be created to control already existing bureaucracies. Under a sunset provision I have drafted, this act would expire in 5 years unless Congress specifically acts to renew the court. The chief judge will be required to prepare a report to the Congress which will provide an assessment of the performance, the amount of use and other information which will enable Congress to determine whether or not to extend the life of the court. Thus, Congress will retain control over the size and duration of the court and will not be creating another expensive bureaucratic institution. In fact, Mr. President, this court is established on a trial basis because there is no way to determine demand on the court. But if it succeeds in alleviating many of inequities currently faced by small business, as I believe it will, then we will have taken a significant step forward in achieving due process for a group of citizens whose enterprises are vital to our society and economy, but who often find their concerns neglected.

Mr. President, I ask unanimous consent that the text of S. 49, the Small Business Administrative Review Act, be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 49

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Administrative Review Act".

SEC. 2. The Congress finds that the number and scope of administrative orders, citations, and fines has grown so substantially that the economic resources of the small business community are being consumed excessively by defending against contested orders. The ability to receive a fair hearing in a forum which had adequate jurisdiction is many times lost to the small businessman. The cost of such action is often greater than compliance with the contested decision. This barrier to adequate review of these administrative orders, citations, and fines amounts to a denial of due process. In order to correct this inequity the Congress has determined that an Administrative Review Court should be created which will allow good faith challenges without excessive cost to the public.

TITLE I

SEC. 101. There is established as an independent agency within the Executive Branch of the Government, a Small Business Administrative Review Court.

SEC. 102. (a) The Small Business Administrative Review Court hereinafter referred to as the "Court", shall be composed of a Chief Judge and such Judges as may be necessary to fulfill the functions of the Court.

(b) Judges of the Court shall be appointed by the President, by and with the advice and consent of the Senate, solely on the grounds of fitness to perform the duties of the office.

(c) Each Judge shall receive salary at the rate of $40,000 per annum, to be paid in monthly installments.

* * * * *

on duty and away from their designated stations, subject to the same limitations in amount as are now or may hereafter be applicable to U.S. Customs Court.

(e) The term of office of all Judges of the Court shall be 5 years and no individual shall be eligible to serve more than one term.

(f) Judges of the Court may be removed by the President before expiration of the 5-year term, after notice and opportunity for public hearing, for inefficiency, neglect of duty or malfeasance in office, but for no other cause.

(g) A Judge of the Court removed from office in accordance with subsection (e) shall not be permitted at any time to practice before the Court.

SEC. 103. The Court shall be organized as follows—

(a) SEAL—The Court shall have a seal which shall be judicially noticed.

(b) DIVISIONS—The Chief Judge may from time to time divide the Court into divisions of one or more Judges, assign Judges of the Court to divisions, and in the case of a division with more than one Judge, designate the Chief Judge of said division. If a division, as a result of a vacancy or the absence or inability of a Judge assigned thereto to serve, is composed of less than the number of Judges designated for the division, the Chief Judge may assign other Judges to the division or direct the division to proceed with the transaction of business without awaiting any additional assignment of Judges thereto.

(c) The principal office of the Court shall be in Washington, D.C., but the Court or any of its divisions may sit at any place within the Fourth Judicial Circuit.

(d) The times and places of the sessions of the Court and its divisions shall be prescribed by the Chief Judge with the intent to secure reasonable opportunity for affected parties to appear before the Court or any of its divisions, with as little inconvenience and expense to the affected parties as is practicable.

SEC. 104. (a) The Chief Judge is authorized to appoint and fix the compensation of such other personnel as the said Chief Judge deems advisable, in accordance with the provisions of Title 5 of the United States Code.

(b) The employees of the Court shall receive necessary travel expenses and expenses for subsistence while traveling on duty and away from their designated stations as provided in Title 5 of the United States Code.

SEC. 105. (a) The Court shall have jurisdiction over any fine, citation, or order issued by a Department or Agency of the Federal Government to any citizen or resident alien of the United States, the direct dollar value, or effect of such fine, citation, or order being $2,500 or less, except that no case within the jurisdiction of the United States Tax Court, the United States Customs Court, United States Court of Military Appeals, or the United States Court of Claims shall have concurrent jurisdiction in the Court.

(b) The Court shall be without jurisdiction until such time as the party affected by the fine, citation, or order files a petition with the Court, the filing of which shall in no instance be later than sixty days following receipt by petitioner of notice of the fine, citation, or order.

(c) The Court may rescind any fine, citation, or order, or part thereof, upon finding the fine, citation, or order is inappropriate to the alleged offense, inconsistent with previous interpretation of the pertinent regulations, or is not equitable, but in no instance shall the Court base its decision on the legality or constitutionality of an administrative rule or regulation.

(d) No decision rendered by a Court of concurrent jurisdiction is appealable to the Small Business Administrative Review Court, nor is any decision rendered by said Small Business Administrative Review Court appealable to any other Court.

SEC. 106. No fine, citation, or order as defined by Sec. 105(a) shall be enforced once petitioner, in good faith, has filed the appropriate petition with the Court, until a decision has been rendered or until jurisdiction is denied, except when in the judgement of the respondent, the failure to so enforce would result in imminent danger to the health or safety of any person.

SEC. 107. (a) A report upon any proceeding instituted before the Court and a decision thereon shall be made as quickly as practicable. The decision shall be made by a Judge in accordance with the report of the Court, and such decision so made shall, when entered, be the decision of the Court.

(b) It shall be the duty of the Court and of each division to include in its report upon any proceeding its findings of fact or opinion or memorandum opinion. The Court shall report in writing all of its findings of fact, opinions, and memorandum opinions.

(c) A decision of the Court (except a decision dismissing a proceeding for lack of jurisdiction) shall be held to be rendered upon the date that an order specifying the Court's decision is entered in the records of the Court. If the Court dismisses a proceeding for reasons other than lack of jurisdiction and is unable from the record to determine the fine, citation, or order of the respondent,

or if the Court dismisses a proceeding for lack of jurisdiction, an order to that effect shall be entered in the records of the Court, and the decision of that Court shall be held to be rendered upon the date of such entry.

(d) If a petition has been filed by an eligible petitioner, a decision of the Court dismissing the proceeding shall be considered as a decision that the respondent has acted properly. An order specifying action of the respondent shall be entered in the records of the Court unless the Court cannot determine the action of the respondent from the record in the proceeding, or unless the dismissal is for lack of jurisdiction.

SEC. 108. For the efficient administration of the functions vested in the Court or any division thereof, any Judge of the Court, the Clerk of the Court or his deputies, as such, or any other employee of the Court designated in writing for the purpose by the Chief Judge, may administer oaths, and any Judge of the Court may examine witnesses and require, by subpoena ordered by the Court or any division thereof and signed by the Judge (or by the Clerk of the Court or by any other employee of the Court when acting as deputy clerk);

(1) the attendance and testimony of witnesses, and the production of all necessary returns, books, papers, documents, correspondence, and other evidence, from any place in the United States at any designated place of hearing, or

(2) the taking of a deposition before any designated individual competent to administer oaths. In the case of a deposition, the testimony shall be reduced to writing by the individual taking the deposition or under his direction and shall then be subscribed by the deponent.

(a) Any witness summoned or whose deposition is taken under Sec. 108 shall receive the same fees and mileage as witnesses in Courts of the United States.

(b) Such fees and mileage and the expenses of taking any such deposition shall be paid as follows—

(i) In the case of witnesses for the United States Government, such payments shall be made by the Secretary of the Treasury or his delegate out of any moneys not otherwise appropriated, and may be made in advance.

(ii) In the case of any other witnesses, such payments shall be made, subject to rules prescribed by the Court, by the party at whose instance the witness appears or the deposition is taken.

(c) No decision rendered by a Court of concurrent jurisdiction is appealable to the Small Business Administrative Review Court, nor is any decision rendered by said Small Business Administrative Review Court appealable to any other Court.

TITLE II

SEC. 201. The Court is authorized to impose a fee in an amount not in excess of $10.00 to be fixed by the Court for the filing of any petition for the redetermination of a fine, citation, or order as defined by Sec. 105 of this Act.

SEC. 202. (a) The United States Government shall be represented by the Attorney General or his delegate or by the Chief Counsel of the affected Department or Agency or his delegate in proceedings before the Court.

(b) The petitioner shall be represented in accordance with the rules of practice prescribed by the Court, provided;

(1) any individual petitioner may appear for himself upon adequate identification to the Court; and

(2) a petitioner corporation may be represented by a bona fide officer of the corporation upon permission granted by the discretion of the Court.

SEC. 203. The proceedings of the Court and its divisions shall be conducted in accordance with such rules of practice and procedure (other than the rules of evidence) as the Court may prescribe and in accordance with the rules of evidence applicable in trials without a jury in the United States Court of the District of Columbia.

SEC. 204. The mailing by certified mail or registered mail of any pleading, decision, order, notice, or process in respect of proceedings before the Court shall be held sufficient service of such pleading, decision, order, notice, or process.

SEC. 205. All reports of the Court and all evidence received by the Court and its divisions, including a transcript of the stenographic report of the hearings, shall be public records open to inspection. Except that after the decision of the Court in any proceeding has become final, the Court may, upon motion of the taxpayer or the respondent, permit the withdrawal by the party entitled thereto of originals of books, documents, and records, and of models, diagrams, and other exhibits, introduced in evidence before the Court or any division; or the Court may, on its own motion, make such other disposition thereof as it deems advisable.

TITLE III

SEC. 301. A Department or Agency of the United States Government which imposes a fine, citation, or order which would qualify under Sec. 105(a) of Title I of this Act shall notify the affected party of the existence of this Act and procedures for petitioning the Court.

SEC. 302. The Chief Judge of the Court shall submit a report to the President and the Congress, not later than four years after enactment of the Act, which shall include, but not be limited to:

(a) an assessment of the success of the Court in fulfilling its functions,

(b) recommendations for the Courts continuation, modification, or termination,

(c) use of the Court,

(d) Departments or Agencies of the United States Government most frequently challenged in the Court, and,

(e) any other facts which may assist the Congress to determine the future of the Court.

SEC. 303. This Act shall expire five years from the date of enactment.

SEC. 304. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 305. The Court is authorized to make such expenditures (including expenditures for personal services and rent at the seat of Government and elsewhere, and for law books, books of reference, and periodicals), as may be necessary efficiently to execute the functions vested in the Court. All expenditures of the Court shall be allowed and paid, out of any moneys appropriated for purposes of the Court, upon presentation of itemized vouchers therefor signed by the certifying officer designated by the Chief Judge.

SEC. 306. All fees received by the Court shall be recovered into the Treasury as miscellaneous receipts.

SEC. 307. This Act shall take effect on January 1st of the year following the date of its enactment.

By Mr. HUMPHREY (for himself, Mr. JACKSON, Mr. KENNEDY, Mr. MCGOVERN, Mr. WILLIAMS, Mr. ANDERSON, Mr. MATSUNAGA, Mr. SARBANES, and Mr. CASE):

S. 50. A bill to establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production, and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs, and for other purposes; to the Committee on Labor and Public Welfare, by unanimous consent, and if and when reported from that committee to the Committee on Banking, Housing and Urban Affairs for not to exceed 60 days.

FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1977

Mr. HUMPHREY. Mr. President, today I am again introducing S. 50—the Full Employment and Balanced Growth Act of 1977. Congressman AUGUSTUS HAWKINS has introduced an identical bill in the House, and it has been designated H.R. 50.

The 1977 version of the Full Employment and Balanced Growth Act has been significantly revised since Congressman HAWKINS and I introduced it at the beginning of the 94th Congress. We have made many of the changes that were suggested during hearings on the bill last year, as well as changes suggested by a number of concerned citizens who took their valuable time to write us and talk with us about it. The changes which Congressman HAWKINS and I made in the Full Employment and Balanced Growth Act were agreed to by the House Committee on Education and Labor on September 16 of last year, and should answer the reservations expressed by constructive critics during the past year.

At the same time, I want to emphasize that nothing has altered the legislation's basic aim of reducing unemployment and inflation, and providing new ways of coordinating economic policy between the President and Congress in order to achieve our Nation's economic goals.

Enactment of the Full Employment and Balanced Growth Act of 1977 would establish as our Nation's basic economic policy that all Americans are willing, able, and seeking to work should have the opportunity for useful and productive employment at fair wages, and that the earnings of working Americans should be fully protected by restraining and reducing inflation.

To accomplish these goals, our legislation would:

First, require the development of long-term and short-term fiscal and monetary policies to reduce unemployment among adults 20 years of age and older to no more than 3 percent by 1980;

Second, reduce joblessness among teenagers, women and minority groups to that same level as soon as possible through special job training and anti-discrimination provisions;

Third, rely primarily on the private sector for achievement of these employment goals;

Fourth, temporarily utilize federally funded public works, job training, and public employment programs at levels necessary to close the gap between private sector performance and the employment goals of the bill;

Fifth, require, to the maximum extent feasible, that people given the opportunity to move off welfare and unemployment compensation insurance and into jobs; and

Sixth, reduce inflation as rapidly as possible. With the goal that inflation would not be allowed to exceed the rate existing at the time of the bill's enactment.

ACHIEVING FULL EMPLOYMENT AND CONTROLLING INFLATION

The time is ripe for passage of this legislation.

Our economy has weathered three terrible years of underproduction, unemployment, and inflation. The loss to the Nation has been staggering—

Almost $500 billion in lost production of goods and services;

An average of 7 to 8 million American workers jobless at any one time;

A 40 percent shortfall in achieving our national housing goals;

Inner city unemployment rates of 20 percent, 30 percent, even 40 percent and more;

Three million more Americans in poverty;

A financial crisis for many of our Nation's large cities, and increased rural poverty;

Increased crime, increased alcoholism and drug abuse; and

Reduced confidence in our Nation's government.

For a while, we witnessed a pretty good recovery, but it was too short-lived. For the last 7 months, the economy has been stalled, output has been growing very slowly and the unemployment rate has been going up again.

This stop and go pattern, which has been with us since the end of World War II, is the result of poor economic policymaking and poor planning on the part of the Federal Government.

But we are not locked into a future of underachievement. There is nothing that prevents us from looking beyond tomorrow or next year. There is nothing barring us from setting up the procedures and the framework this year that will enable the administration and Congress, in consultation with State and local governments and the private sector, to plan and manage the economy on both a long- and short-term basis to reach and sustain full employment, balanced growth, and stable prices. Instead of continuing to wring our hands in anticipation of future losses, we can set the wheels in motion now to reduce adult unemployment from its present official level of 8.1 to 3 percent by 1980. We can adopt the comprehensive fiscal and monetary policies and programs to create an economic climate that will mean the production of about $750 billion more in goods and services and employ millions of additional people during the next 4 years. And we can develop effective methods to control inflation.

I know there are critics who say this cannot be done. But we have done it in the past, and we can do it again. The Full Employment and Balanced Growth Act is the best mechanism we have for doing it.

There is no better time to get started than right now. We have a Democratic Congress and a Democratic President who are committed to jobs and full employment. President-elect Carter wants to get our economy moving again, and Congress should help in this by making all the employment and anti-inflation measures in the Full Employment and Balanced Growth Act available to the new President.

MAJOR PROVISIONS OF THE FULL EMPLOYMENT AND BALANCED GROWTH ACT

Mr. President, at this point I would like to discuss the major provisions of the Full Employment and Balanced Growth Act of 1977, particularly the improvements and revisions we have made since last year.

First, the bill requires that not later than January 20 of each year the President must submit a full employment and balanced growth proposal as part of his annual economic report to Congress. That report will set forth his findings on the state of the economy, and will present his proposed long- and short-range fiscal and monetary policies and programs, together with employment, production, and purchasing power goals. All of these elements will be designed to reduce the unemployment rate to 3 percent for workers 20 years of age and older within 4 years following enactment while maintaining adequate safeguards against inflation. This will be equivalent to an unemployment rate for adults, of approximately 4 percent. Youth unemployment requires special measures.

The bill requires that unemployment among teenagers 16 years and older be reduced to the same level as soon as possible, but does not set a time frame for this accomplishment. Many of my colleagues will recall that the 1976 version of the bill, as it was introduced, did not contain a definition of adult unemployment. This gave rise to widespread concern that the numerical adult unemployment goal applied to everyone 16 years and older and that its achievement within 4 years following enactment would create strong inflationary pressures. The problem has been answered by the language of the 1977 measure.

Furthermore, the bill which I have introduced today stresses that primary emphasis be given to expansion of the private sector to achieve the employment goals. To this end, it sets forth the objective of maintaining trends in the ratio of private and public employment similar to those that have existed from 1947 to date. In substance, this means that growth in private employment shall be maintained at least at a level several times higher than growth in public employment. Moreover—and I stress this so there will be no mistake about it—the legislation specifically forbids Government planning of private sector business activity.

My colleagues will also recall that last year's version of the bill, although it contained strong anti-inflation provisions, did not set forth an anti-inflation goal. This has been remedied in the legislation which I have introduced today. It requires that the annual full employment and balanced growth plan to be submitted to Congress by the President, contain proposals to hold all price increases to levels consistent with economic stability and in no case allow inflation to exceed the rate which exists on the day of enactment. As a result of this change we now have an inflation ceiling of not more than 5 percent built into the measure. This rate must be reduced as the economy grows and productivity improves.

EFFECTIVE ANTI-INFLATION SAFEGUARDS

Effective anti-inflation features that the bill requires be made a part of the full employment and balanced growth plan include: Establishment of an early warning information system in order to detect and analyze inflationary trends; proposals to increase the supply of goods, services, labor, and capital in tight markets, with particular emphasis on the supply of food and energy; stockpiling reserves of food and other critical materials to meet emergencies and maintain price stability and adequate farm income; encouragement of labor and management to voluntarily increase productivity; recommendations to strengthen and enforce antitrust laws and improve competition.

Another anti-inflation objective of the bill stresses economy in Government. The President is required to review all existing Government rules and regulations and make recommendations as to whether they serve the public interest. To check unnecessary Government growth, he is also required to annually evaluate 20 percent of the dollar volume of Federal programs to determine whether they adequately serve the purposes for which they were established and to indicate which programs should be eliminated, reduced, or otherwise modified. Thus, every Federal rule, regulation, and program will have been reviewed during the first 5 years following enactment.

COORDINATING FISCAL AND MONETARY POLICIES

To help coordinate monetary and fiscal policies and programs to achieve the purposes of the legislation, the Federal Reserve Board is required to set forth its planned monetary policies for the year ahead and indicate the extent to which these plans support the full employment and balanced growth goals. This in no way means that the Federal Reserve must conform its policies to those of the administration. If the President determines that the Federal Reserve Board's policies are not consistent with the full employment goals, he must make recommendations to the Board and Congress to achieve closer voluntary coordination.

In addition, the bill requires that the President's full employment and balanced growth plan identify and address areas of social and economic priority. These include assuring the availability of labor and capital, income parity for farmers and farm families, and meeting health, child care, and housing needs in both urban and rural America.

Copies of the proposed full employment and balanced growth plan will be presented to State Governors and other appropriate officials for their comments and recommendations to Congress. In this connection, the Governors are required to hold public hearings so that all

interested persons may have the opportunity to respond to the plan and make their views known.

To give broad-based advice and assistance to the President and the Council of Economic Advisers in drafting full employment and balanced growth plans, the bill would establish a 12-member advisory committee. Its members would represent industry, agriculture, labor, consumers, and the public at large.

REACHING THE EMPLOYMENT GOAL

Any gap between the performance of the private sector and the employment goal of the bill would be closed through countercyclical policies and temporary federally funded employment programs. Such policies and programs would be proposed by the President and submitted to Congress and would include: Public service employment, accelerated public works on both an immediate and standby basis, grants to State and local governments to alleviate funding pressures, job training, youth employment, and community development.

These emergency programs would be primarily confined to those regions, communities, and people most in need of assistance. As a result the greatest benefit and the least inflationary impact can be achieved through expenditure of Federal funds. For example, priority attention would be given to chronically depressed urban and rural areas, groups subject to discrimination such as women and minority workers, and unskilled youth. The bill requires that these programs not only provide useful and productive work but that their application be balanced between the private and public sectors of the economy. In this way much of the available funding will be channeled to public works and facilities constructed by private contractors and those who supply them with goods and services.

The bill also requires that every effort be made to eliminate unemployment caused by job discrimination directed at women and minority groups. The time is long past when prejudice can be allowed to rob these people of their right to jobs for which they fully qualify.

The bill would also require that to the maximum extent it is reasonably possible to do so, people be taken off welfare and unemployment compensation program lists and given employment opportunities. In this way those forced into the frustration and anxiety of idleness will be paid to perform useful, productive work rather than being paid to do nothing.

PRODUCTIVITY AND EMPLOYMENT COMBAT INFLATION

Now, Mr. President, there are some people who have been viewing this legislation with shock, dismay, alarm, and just about every other commonly recognized apprehension ever since the bill was introduced last year. Many of these people are not going to be persuaded by the revised bill introduced today. Unlike constructive critics of the measure, they blindly insist that the Nation cannot afford to set itself numerical employment, production and purchasing power goals and strive to achieve them within a prescribed and reasonable period of time without unleashing unacceptable inflation. They declare that the Nation cannot afford full employment for its people. They say that we are going to have to continue shortchanging millions of willing, productive workers by consigning them to the welfare and unemployment dole. How is that for a vision of America's future?

I do not know where these people learned their economics—probably at the same place they lost their faith in the people and Government of this Nation to give everybody a chance to earn a decent living.

Just look at the figures for a moment. Unemployment cost the Federal Government an extra $20 billion alone last year in welfare and jobless payments. Every 1-percent increase in the unemployment rate also means $14 billion in lost tax revenue. Compare that with the $187 billion a year in additional production of goods and services that a full employment economy would make possible during the next 4 years.

They say we cannot afford it. The truth of the matter is we cannot afford to fail to make this investment in ourselves and in our future.

CONGRESSIONAL BUDGET OFFICE ANALYSIS

Last year the Congressional Budget Office performed an analysis of the potential cost of the Full Employment and Balanced Growth Act. CBO found that after 24 months of operation, federally funded programs to reduce unemployment among those 18 years and older to 3.5 percent of the labor force could have a net cost of $8 to $16 billion after offsetting reductions in welfare and unemployment compensation payments and increased-tax revenues are taken into account. Moreover, the net cost estimate range was predicated on the assumption of broader public service employment than the 1977 bill would permit. It may well be that the CBO cost estimate range could be cut in half because of changes in the revised legislation.

As far as inflation is concerned, the CBO study estimated that achieving the 3.5 percent unemployment rate might increase the rate of inflation about 0.6 percentage points a year between 1977 and 1982. Again, it should be borne in the mind that the estimate was based on the assumption of much broader public service employment than the revised version of the bill makes possible.

I think those who condemn the Full Employment Balanced Growth Act out of hand on the inflation score have got their economics upside down. Despite the history of the past 25 years, they are still insisting that inflation will strangle us when we start approaching a full employment economy. What really happens—and all they have to do is look back over the last 3 or 4 years for convincing evidence of this—is that inflation goes up when employment and productivity go down.

The only way to beat inflation is to get the people of this country back to work and let the free competitive enterprise system go into high gear. There is no question we have got to keep a watchful eye on inflationary tendencies but not to the exclusion of effective action. We have been driving in first gear on a four-lane highway too long.

THE CHOICE IS CLEAR

Mr. President, the choice is clear before this Congress and the Nation is clear. We either take the economy of the Nation in hand and manage it to produce maximum benefits while controlling inflation or we continue along the same discouraging and tragic path that has wrung us out in the worst recession since the days of the Great Depression and promises to head us right back in the same direction in short order.

The only real choice we have is to adopt the Full Employment and Balanced Growth Act of 1977 printed in its entirety at this point in the RECORD, and a detailed summary of this legislation as well.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act and the following table of contents may be cited as the "Full Employment and Balanced Growth Act of 1977":

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GENERAL FINDINGS

SEC. 2. (a) The Congress finds that the Nation has suffered substantial and increasing unemployment and underemployment, over prolonged periods of time, imposing numerous economic and social costs. Such costs include the following:

(1) The Nation is deprived of the full supply of goods and services, the full utilization of labor and capital resources, and the related increase in individual income and well-being that would exist under conditions of genuine full employment.

(2) Insufficient production is available to meet pressing national priorities.

(3) Workers are deprived of the job security, income, skill development, and productivity necessary to maintain and advance their standards of living.

(4) Business and industry are deprived of the production, sales, capital flow, and productivity necessary to maintain adequate profits, create jobs, and contribute to meeting society's economic needs.

(5) The Nation is exposed to social, psychological, and physiological costs and traumas, including disruption of family life, loss of individual dignity and self-respect, and the proliferation of physical and psychological illnesses, drug addiction, crime, and social conflict.

(6) Federal, State, and local government economic activity is undermined as government budget deficits occur because tax revenues fall and expenditures rise for unemployment compensation, public assistance, and other recession-related services in the areas of criminal justice, drug addiction, and physical and mental health.

(b) The Congress further finds:

(1) High unemployment often increases inflation by diminishing labor training and skills, underutilizing capital resources, reducing the rate of productivity advance, increasing unit labor costs, reducing the general supply of goods and services and thereby generating cost-push inflation. In addition, modern inflation has been due in large measure to errors in national economic policy, including erratic monetary policy, inadequate energy and food policies, and ineffective policies to maintain competition in the private sector.

(2) Although necessary for sound economic policy, aggregate monetary and fiscal policies are inadequate by themselves to achieve full employment production and to restrain inflation. Such policies must be supplemented by more direct private and public measures to create employment and reduce inflation.

(3) Genuine full employment has not been achieved, in part, because explicit short- and long-term national economic goals and priorities have not been established by the President, the Congress, and the Federal Reserve. Moreover, public and private economic policies have not been organized and coordinated to achieve national goals and priorities.

(4) Increasing job opportunities and full employment make a major contribution to the abolition of discrimination based upon sex, age, race, color, religion, national origin, and other improper factors.

(c) The Congress further finds that an effective full employment and balanced growth policy should (1) be based on the development of explicit economic goals and policies involving the President, the Congress, and the Federal Reserve, as well as State and local governments, with full use of the resources and ingenuity of the private sector of the economy, and (2) include programs specifically designed to reduce high unemployment due to recessions, and to reduce structural unemployment within regional areas and among particular labor force groups.

(d) The Congress further finds that full employment and balanced growth are important national requirements that will promote the economic security and well-being of all our citizens.

TITLE I—ESTABLISHMENT OF GOALS, PLANNING, AND GENERAL ECONOMIC POLICIES

STATEMENT OF PURPOSE

SEC. 101. It is the purpose of this title to declare the general policies of this Act, to provide an open process under which annual economic goals are proposed, reviewed, and established, to provide for the development of a long-range Full Employment and Balanced Growth Plan, to provide for economy in government measures, to ensure that monetary, fiscal, anti-inflation, and general economic policies are used to achieve the annual economic goals and support the goals and priorities of the Full Employment and Balanced Growth Plan, and generally to strengthen and supplement the purposes and policies of the Employment Act of 1946.

DECLARATION OF POLICY

SEC. 102. (a) Section 2 of the Employment Act of 1946 (15 U.S.C. 1021) is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. (a) The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means, consistent with its needs and obligations and other essential national policies, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions which promote balanced growth and useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote full employment, production, and purchasing power.

"(b) The Congress declares and establishes the right of all adult Americans (sixteen years of age or older) able, willing, and seeking work to opportunities for useful paid employment at fair rates of compensation.

"(c) The Congress further declares that inflation is a major national problem requiring improved government policies relating to food, energy, improved fiscal and monetary management, economy in government, the reform of outmoded government rules and regulations, the correction of structural defects in the economy that prevent or seriously impede competition in private markets, and other measures.

"(d) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1976 to coordinate, integrate, and improve the policies and programs of the Federal Government, toward achievement of the objectives of such Act through better management, increased efficiency, and attention to long-range as well as short-range problems. Although it is the purpose under the Act to seek diligently and to encourage the voluntary cooperation of the private sector of the economy in helping to achieve the objectives of the Act, no provisions of the Act are intended nor shall be used, with respect to any portion of the private sector of the economy, to provide for Government control of production or employment or allocations of resources, except to the extent authorized under other legislation.

"(e) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1977 to maximize and place primary emphasis upon the expansion of private employment, and all programs and policies under the Act shall be in accord with this purpose. In moving toward the goals for reduction of unemployment, the objective shall be to maintain trends in the ratio of private employment to civilian public employment similar to those from 1947 to the time of enactment of the Full Employment and Balanced Growth Act of 1977, which would mean a numerical growth in private employment several times as large as the numerical growth in civilian public employment. Toward this end, the effort to expand jobs to the full employment level shall be in this order of priority: (a) expansion of conventional private jobs through improved use of fiscal and monetary policies and other policies made available under the Full Employment and Balanced Growth Act of 1977; (b) expansion of private employment requiring Federal assistance in connection with some of the priority programs specified in such Act; (c) expansion of public employment under other programs specified in such Act, not including the reservoir projects under section 206 of such Act; and (d) only as a last resort under section 206 of such Act and subject to the limitations therein, the creation of reservoirs of public and private nonprofit employment projects.".

ECONOMIC GOALS AND THE ECONOMIC REPORT OF THE PRESIDENT

SEC. 103. Section 3(a) of the Employment Act of 1946 is amended to read as follows:

"SEC. 3. (a) The President shall transmit to the Congress not later than January 20 of each year an economic report (hereinafter called the 'Economic Report') setting forth for each year—

"(1) current and foreseeable trends in the levels of employment, production, and purchasing power and a review and analysis of economic conditions affecting these economic trends in the United States;

"(2) annual numerical goals for employment, production, and purchasing power that are designed to achieve balanced growth and full employment of the Nation's human and capital resources as promptly as possible;

"(3) a numerical long-term full employment goal which is (A) consistent with the minimum level of frictional unemployment necessary for efficient job search and mobility in the labor force, and (B) consistent with the aggregate long-term economic goals and priorities set forth in the Full Employment and Balanced Growth Plan required under section 3A; and

"(4) the programs and policies for carrying out the policy declared in section 2 of this Act, as well as the numerical economic goals of paragraph (2) of this subsection, together with such recommendations for legislation as the President deems necessary or desirable in order to achieve full employment and balanced growth as promptly as possible.".

FULL EMPLOYMENT AND BALANCED GROWTH PLAN

SEC. 104. The Employment Act of 1946 is amended by adding after section 3 the following new section:

"FULL EMPLOYMENT AND BALANCED GROWTH PLAN

"SEC. 3A. (a) In conjunction with the first Economic Report after enactment of this section, or within ninety days after the enactment of this section, whichever may come earlier, and thereafter in conjunction with each annual Economic Report, the President shall transmit to the Congress a proposed Full Employment and Balanced Growth Plan, prepared with the assistance of the Council of Economic Advisers, and in consultation with the Office of Management and Budget. The Plan shall propose, in quantitative and qualitative terms, and for the number of years feasible, long-term national goals related to full employment, production, purchasing power, and other es-

sential priority purposes, and the major policies and programs, including recommendations for legislation, to achieve such goals and priorities. In developing the goals, the President shall take into account the level and composition of each factor needed to maintain economic balance and full resource use and to meet priority needs.

"(b) The Full Employment and Balanced Growth Plan shall set forth the foreseeable trends in economic and social conditions, provide estimates of the unmet economic and social needs of the Nation, and identify the human, capital, and national resources available and needed for the achievement of the economic and related social goals and priorities established in the Full Employment and Balanced Growth Plan.

"(c) The Full Employment and Balanced Growth Plan shall contain long-term economic goals as follows—

"(1) full employment goals set at the number of jobs to be provided for adult Americans in order to reduce unemployment to the minimum level of frictional unemployment consistent with efficient job search and labor mobility;

"(2) full production goals set at the levels of output estimated to be yielded by achievement of the full employment goals as defined above, with expected improvements in productivity; and

"(3) full purchasing power goals set at levels estimated to be necessary for attaining and maintaining full employment and production while contributing to an equitable distribution of purchasing power.

"(d)(1) In carrying out the provisions of paragraph (1) of subsection (c), the full employment goal shall be consistent with a rate of unemployment not in excess of 3 per centum of adult Americans twenty years of age or older in the civilian labor force, to be attained as promptly as possible, but within not more than four years after the enactment of the Full Employment and Balanced Growth Act of 1977. Concurrently with this, the objective shall be to reduce unemployment among those aged 16 through 19 as rapidly as feasible, including reduction of the ratio of the rate of unemployment among teenagers to the rate of unemployment among those twenty years of age and older as rapidly as feasible. Toward the reduction of unemployment among teenagers, there shall be full utilization of section 205 of the Full Employment and Balanced Growth Act of 1977, and utilization of other provisions of that Act to the extent relevant. In addition, the President shall from time to time make such other recommendations to the Congress as he or she deems desirable to facilitate the reduction of unemployment among teenagers.

"(2) In achieving the goals set forth in subsection (c), the President shall include the objective of holding the annual rate of consumer and other price increases to levels consistent with reasonable price stability. To accomplish this objective, the President shall take full advantage of the specific structural programs called for in title II of the Full Employment and Balanced Growth Act of 1976, which promote the achievement of the full employment goal established in paragraph 1 of subsection (c) without excessive price increases. In selecting appropriate policies and programs for achieving full employment, the President shall have the objective of preventing a rise in the annual rates on the date of enactment of this Act. Achievement of reasonable price stability shall be sought through the methods set forth in section 107 and elsewhere in the Full Employment and Balanced Growth Act of 1976, and shall not be sought through any weakening of the goals and timetable relating to reduction of unemployment.

"(3) Within one year of the date of enactment of the Full Employment and Balanced Growth Act of 1977, the President shall review the full employment goals and timetable required by this section and report to Congress on any obstacles to their achievement, and, if necessary, propose corrective economic measures to insure that the full employment goals are achieved.

"Priorities, Policies, and Programs

"(e) To contribute to the achievement of the general economic goals established in sections 3(a)(2) and 3A(c) of this Act, the Full Employment and Balanced Growth Plan shall propose priority policies and programs that comprise a full employment program that provides productive nonwasteful jobs and that reorder national priorities and employ the jobless in the production of goods and services which add to the strength of the economy, the wealth of the Nation, and the well-being of the people. Such policies and programs shall not be set forth in the programmatic detail developed by specialized Federal agencies, and by others in the public and private sectors, but only sufficiently to furnish an integrated perspective of our needs and capabilities and as a long-run guide to optimum private, Federal, State, and local government action. Priority policies and programs to support full employment and balanced growth shall initially include—

"(1) development of energy, transportation, small business, and environmental improvement policies and programs required for full employment and balanced economic growth, and required also to combat inflation by meeting full economic levels of demand;

"(2) development of policies and programs related to (a) food and fiber requirements for full employment and balanced growth and to help combat inflation, (b) the needed labor force and capital in agriculture to meet food and fiber requirements, (c) the income needs of farmers to encourage production of food and fiber in accord with the above requirements and moving farm families toward parity of income, this including recognizing the economically disadvantaged segments of the agricultural economy which suffer more from underemployment due to seasonal or disaster-related factors than unemployment, (d) measures to discourage the excessive migration of farm families to urban areas, including encouragement of supplementary nonfarm work and income for farm families, and (e) improved equalization of necessary public facilities and services for farm families with those provided for other families;

"(3) the quality and quantity of health care, education and training programs, child care and other human services, and housing, essential to a full economy and moving gradually toward adequacy for all at costs within their means;

"(4) Federal aid to State and local governments, especially for public investment and unemployment related costs;

"(5) national defense and other needed international programs; and

"(6) such other priority policies and programs as the President deems appropriate.

"(f) The President shall establish procedures to insure that members of the Cabinet, relevant regulatory agencies, other relevant officers of the executive branch, and the Chairman of the Advisory Committee on Full Employment and Balanced Growth have an opportunity to review and make recommendations to the President prior to his or her submission of the Full Employment and Balanced Growth Plan to the Congress. The annual reports of departments and agencies shall include reports on any actions and studies undertaken related to the implementation of the Full Employment and Balanced Growth Plan.

"(g) At the time of the submission of the proposed Full Employment and Balanced Growth Plan, the Governor of each State may shall transmit copies of the Plan to the Governor of each State and to other appropriate State and local officials. Within sixty days after the submission to Congress of the proposed Full Employment and Balanced Growth Plan to the Congress, the President submit to the Joint Economic Committee a report containing findings and recommendations with respect to the proposed Plan. Any such report submitted by a Governor shall include the views and comments of citizens within the State, after public hearings have been held within the State. A Governor may, if he or she so desires, submit at any time to the Joint Economic Committee such additional reports or information in respect to matters placed by this Act within the responsibility of the Joint Economic Committee as the Governor deems advisable."

ECONOMY IN GOVERNMENT

SEC. 105. (a) The Congress finds and declares that widespread duplication and contradiction among Federal departments and agencies, the failure to establish long-term priorities, lack of adequate information on the impact of Federal regulations and programs, and the lack of a process for developing more efficient alternatives for achieving the Nation's priorities are impeding the Federal Government in efficiently implementing full employment and balanced growth policies. The Congress further declares that genuine efficiency in Government requires time and planning. Accordingly, it is the purpose of this section to utilize the comprehensive planning framework established by section 104 to improve the efficiency and economy of the Federal Government.

(b) In carrying out this section, the President shall, in conjunction with the submission of each Full Employment and Balanced Growth Plan, submit proposals for improving the efficiency and economy of the Federal Government, including, but not necessarily limited to—

(1) a review of existing Government rules and regulations to determine if they still serve a public purpose and are properly designed; and

(2) an annual evaluation of 20 per centum of the dollar volume of existing Federal programs which are in effect each year, and the submission to Congress of a formal analysis of the economic and social impact and value of each program.

FISCAL AND MONETARY POLICIES

SEC. 106. (e) The Employment Act of 1946 is amended by inserting after section 3A, as added by this Act, the following new section:

"FISCAL AND MONETARY POLICIES

"SEC. 3B. (a) The President's Budget and Economic Report shall be consistent with the Full Employment and Balanced Growth Plan, and the Economic Report shall set forth for each year the following:

"(1) The level and composition of Federal expenditures, measured against estimated capabilities at full employment and production, necessary to support the annual economic goals proposed in section 3 and to support the Full Employment and Balanced Growth Plan, taking into account the role of the private sector and of State and local governments in supporting these purposes. The President shall also make a determination of the extent to which the use of aggregate fiscal and monetary policy, without the supplementary employment policies provided in the Full Employment and Balanced Growth Act of 1977, will achieve the production, employment, purchasing power, and priority goals required in sections 3 and 3A. Whenever the economy is operating at full production and employment, or subjected to excessive overall strain, the general principle to be followed is that priority expenditures established in section 3A(e) shall not

in general be reduced, allowing for some variations for countercyclical purposes, so long as it is feasible to reduce relatively less important expenditures, or to resort to means set forth in paragraph (2) below.

"(2) Federal tax policy consistent with expenditure levels in paragraph (1) of this subsection necessary to (A) balance the Federal budget under conditions of full production, employment, and purchasing power, (B) restrain excessive economic activity and inflation when total demand threatens to exceed the Nation's capabilities at full employment, (C) avoid fiscal drag upon the economy during any periods of substantial economic slack, and (D) contribute to the needed level and distribution of purchasing power.

"(3) A monetary policy designed to assure such rate of growth in the Nation's money supply, such interest rates, and such credit availability, including policies of credit reform, allocation, and international capital flows as are conducive to achieving and maintaining the full employment, production, purchasing power, and priority goals specified in sections 3 and 3A.

"(b) The Board of Governors of the Federal Reserve System shall transmit to the President and the Congress, within fifteen days after the transmission of the Economic Report or the Full Employment and Balanced Growth Plan, whichever may come earlier, an independent statement setting forth its intended policies for the year ahead with respect to its functions, the extent to which these policies will support the achievement of the goals in section 3 and section 3A, and a full justification for any substantial variations from the President's goals and recommendations. If the President determines that the Board's policies are inconsistent with the achievement of the goals and policies proposed under this Act, the President shall make recommendations to the Board and to the Congress to insure closer conformity to the purposes of this Act."

ANTI-INFLATION POLICIES

SEC. 107. (a) Section 3 of the Employment Act of 1946 is amended by adding at the end thereof the following:

"(d) The Economic Report shall each year contain a comprehensive set of anti-inflation policies, including, but not necessarily limited to—

"(1) a comprehensive information system to monitor and analyze inflationary trends in individual economic sectors, including information on the international sector, so that the President and Congress can be alerted to developing inflation problems and bottlenecks;

"(2) the use of monetary and fiscal policy geared to the capabilities of the economy operating at full employment as provided in section 3B;

"(3) programs and policies in the Full Employment and Balanced Growth Plan for increasing the supply of goods, services, labor, and capital in structurally tight markets, with particular emphasis on increasing the supply of food and energy;

"(4) the establishment of stockpile reserves of food and other critical materials in order to meet emergencies such as floods and famines and to maintain reasonable price stability and adequate farm income;

"(5) encouragement to labor and management to increase productivity within the national framework of full employment through voluntary arrangements in industries and economic sectors;

"(6) recommendations to strengthen and enforce the antitrust laws and such other recommendations as are necessary to increase competition in the private sector; and

"(7) recommendations for administrative and legislative actions to promote reasonable price stability if situations develop that seriously threaten national price stability.

COUNCIL OF ECONOMIC ADVISERS

SEC. 108. (a) The second sentence of section 4(a) of the Employment Act of 1946 is amended by inserting "full" immediately after "promote".

(b)(1) Section 4(c)(1) of such Act is amended by inserting immediately before the semicolon a comma and the following: "and the Full Employment and Balanced Growth Plan".

(2) Section 4(c)(4) of such Act is amended by inserting "full" immediately after "maintain".

(c)(1) Section 4(e)(1) of such Act is amended by inserting immediately before the semicolon a comma and the following: "and shall consult with the Advisory Committee established under section 6."

(2) Section 4(e) of such Act is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon, and by adding after such paragraph (2) the following:

"(3) In this connection the Council is authorized and directed to seek and obtain the cooperation of the various executive and independent agencies in the development of specialized studies essential to its responsibilities."

ADVISORY COMMITTEE ON FULL EMPLOYMENT AND BALANCED GROWTH

SEC. 109. The Employment Act of 1946 is amended by adding at the end thereof the following new section:

"ADVISORY COMMITTEE ON FULL EMPLOYMENT AND BALANCED GROWTH

"SEC. 6. (a) To furnish advice and assistance to the Council of Economic Advisers in the preparation and review of the Economic Report and Full Employment and Balanced Growth Plan, there is established an Advisory Committee on Full Employment and Balanced Growth, which shall consist of—

"(1) four members appointed by the President;

"(2) four members appointed by the Speaker of the House of Representatives; and

"(3) four members appointed by the President pro tempore of the Senate.

"(b) The Committee shall elect a Chairman, and shall meet at the call of the Chairman, but not less than twice a year. The members of the Advisory Committee shall be appointed for terms of two years from among representatives of labor, industry, agriculture, consumers, and the public at large, who are especially competent by virtue of background and experience to furnish advice to the Council on the views and opinions of broad segments of the public on matters involved in the formulation and implementation of goals and policies for full employment and balanced growth.

"(c) Each member of the Advisory Committee shall be entitled to be compensated at a rate equal to the per diem equivalent of the rate for an individual occupying a position at level III of the Executive Schedule under section 5314 of title 5, United States Code, when engaged in the actual performance of his or her duties as such a member, and each member shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his or her duties.

"(d) The Advisory Committee is authorized to establish regional, industry, and special advisory subcommittees to furnish advice and assistance to it. Each such subcommittee shall consist of at least one member of the Advisory Committee and shall be broadly representative of the particular region or industry, including business, labor, consumer interests, and other interested groups.

"(e) The Chairman of the Council of Economic Advisers shall furnish the Advisory Committee with such personnel, facilities, and services as he or she deems necessary to enable the Advisory Committee to perform its functions under this Act.".

TITLE II—COUNTERCYCLICAL, STRUCTURAL, AND YOUTH EMPLOYMENT POLICIES

STATEMENT OF PURPOSE

SEC. 201. It is the purpose of this title to establish supplementary employment policies to close the employment gap, if one should exist, between the levels of employment achieved through aggregate monetary and fiscal policy and the employment goals established in sections 3 and 3A of the Employment Act of 1946. Accordingly, this title establishes a system of comprehensive and flexible employment policies to create jobs in both the private and public sectors of the economy that encourages the optimum contribution of the private sector and State and local governments toward the achievement of the goals and purposes of this Act. These supplementary employment policies shall vary according to economic conditions and the other actions taken under this Act, but shall have the broad objective of reducing cyclical, structural, regional, and youth unemployment, and unemployment due to discrimination. It is also the purpose of this title to establish a Full Employment Office within the Department of Labor to use special means for training and providing employment for those people who are otherwise unable to find employment. It is the further purpose of this title to mandate improved integration of income maintenance programs and full employment policies.

COUNTERCYCLICAL EMPLOYMENT POLICIES

SEC. 202. (a)(1) The Congress finds and declares that—

(A) the Nation has been unprepared to promptly implement employment policies during periods of economic downturn and resultant high unemployment;

(B) existing policies are so diffused and fragmented at all levels of government that it has been impossible to implement a comprehensive countercyclical employment program in a coordinated manner; and

(C) the lack of a coherent, flexible, countercyclical employment policy reduces the prospects of the Nation solving economic and related social problems which threaten fundamental national interests and objectives, including those specified by this Act.

(2) It is the purpose of this section to require the development of a coherent and flexible countercyclical employment policy, creating jobs in both the private and public sectors that are valuable to States, local communities, and the Nation, and thereby reducing employment gaps that may remain despite the appropriate implementation of other provisions of this Act.

(b)(1) To carry out the provisions of this section, the President shall within ninety days after the date of enactment of this Act transmit to the Congress a comprehensive proposal, together with such legislation as is necessary, which shall establish on a permanent basis the range of supplementary employment policies and programs necessary to reduce high unemployment arising from cyclical movements in the economy. The countercyclical action provided for in this section relates to periods of high unemployment, regardless of the stage of the business cycle.

(2) In establishing the component parts of such a comprehensive proposal, and making a determination of the role of each, the President should consider the following programmatic entities—

(A) countercyclical public service employment;

(B) accelerated public works, including the development of standby public works projects;

(C) State and local countercyclical grant programs as specified in section 203;

(D) the levels and duration of unemployment insurance;

(E) skill training in both the private and public sectors, both as a general remedy, and as a supplement to unemployment insurance;

(F) youth employment programs as specified in sector 205;

(G) a community development program to provide employment in activities of value to the States, local communities (including rural areas), and the Nation; and

(H) augmentation of other employment and manpower programs that would prove helpful in meeting high levels of unemployment from cyclical causes.

(c) To insure that the component parts of the countercyclical proposal establishes an integrated and flexible program, the President shall—

(1) utilize existing employment and training mechanisms as appropriate;

(2) provide for advance planning for countercyclical employment programs among the Federal Departments and agencies;

(3) provide for an automatic trigger or set of coordinated triggers that would implement the program during a period of rising unemployment, and phase out the program when unemployment is appropriately reduced;

(4) insure that allocation of employment assistance takes into account the severity and geographic distribution of unemployment, and the special needs of the unemployment groups within the labor force;

(5) provide for a well balanced combination of job creation and related activities in both the private and public sectors of the economy; and

(6) incorporate effective transitional mechanisms to facilitate individuals assisted under programs developed pursuant to this section to return promptly to regular private and public employment as the economy recovers.

COORDINATION WITH STATE AND LOCAL GOVERNMENT AND PRIVATE SECTOR ECONOMIC ACTIVITY

SEC. 203. (a) As an integral part of the comprehensive countercyclical employment policies established under section 202, the President shall set forth programs and policies to facilitate harmonious economic action among the Federal Government, regions, States and localities and the private sector to promote the (1) achievement of the goals and priorities of this Act and the Employment Act of 1946, and (2) an economic environment in which State and local governments and private sector economic activity and employment will prosper and essential services will be maintained.

(b) As a primary effort to meet the requirements of this section, the President shall within ninety days after the date of enactment of this Act transmit to the Congress legislation creating a permanent grant program related to the stabilization and needed growth of State and local budgets. In formulating this proposal, the President shall endeavor to meet criteria that establish programs which are funded to take account of the fiscal needs and budget conditions of the respective States and localities and their own efforts, with accent upon the rates of unemployment in these respective States and localities.

REGIONAL AND STRUCTURAL EMPLOYMENT POLICIES

SEC. 204. (a) (1) The President shall within one hundred and eighty days after the date of enactment of this Act transmit to Congress a comprehensive regional and structural employment proposal, including such legislation as necessary, designed to reduce the chronic underutilization of human and capital resources in certain areas of the country and in groups within the labor force. In formulating the regional components of such a proposal, the President shall encourage private sector production and employment to locate within depressed regions, inner cities, and rural areas with substantial unemployment. The President's regional employment proposal shall also include an analysis of the extent to which Federal Government tax, expenditure, and employment policies have influenced the movement of people, jobs, and industry from chronic high unemployment regions and areas, and proposals designed to correct Federal policies that have an adverse economic impact upon such regions and areas.

(2) In formulating the structural components of such an employment program, the President shall utilize existing employment and training mechanisms and other existing programs, as appropriate, and such other measures as necessary.

(b) To further meet the requirements of this section, the President shall transmit to the Congress, within one hundred and eighty days after the date of enactment of this Act, legislation providing an institutional means designed to encourage (1) public and private investment in economically depressed regions, inner cities, economic sectors, and rural areas with substantial unemployment; and (2) provide an alternative source of capital funds for local and State governments to finance public facilities. In formulating the legislation required by this section, the President shall include provision for—

(1) long-term loans at rates of interest no higher than the average rate of long-term Treasury borrowings plus service costs;

(2) capitalization through public stock and bond subscriptions, stock purchases by the State governments, local governments, and businesses that benefit from the program, and financial assistance from the Federal Government; and

(3) criteria setting priorities for assistance to State and local government and businesses, with special attention to areas with unemployment rates consistently and significantly in excess of the national average or otherwise suffering severe economic dislocation, to achieve the objective of increasing employment in such areas, and increasing total employment.

YOUTH EMPLOYMENT POLICIES

SEC. 205. (a) The Congress finds and declares that—

(1) serious unemployment and economic disadvantage exist among youths, this group constitutes a substantial portion of the Nation's unemployment, and this significantly contributes to crime, drug addiction, and other social and economic problems;

(2) many youths have special employment needs and problems which, if not promptly addressed, will substantially contribute to more severe unemployment problems in the long run;

(3) a significant number of youths in certain areas even in the best of economic circumstances do not have adequate access to employment opportunities providing effective entry into the labor force; and

(4) existing employment programs for youth are fragmented and inadequate, and the special needs and problems of youth unemployment require the development of a permanent, comprehensive youth employment program which will meet the job needs of youth.

(b) To meet the requirements of subsection (a), the President shall transmit to Congress within ninety days after the date of enactment of this Act legislation creating a comprehensive youth employment program, which—

(1) utilizes the resources and facilities of existing youth employment and training programs that are designed to provide job opportunities for youths,

(2) provides for other policies and programs necessary to provide employment for youths, and

(3) contributes to carrying out the policies of this Act and the Employment Act of 1946.

(c) In formulating such a program, the President shall include provisions designed to—

(1) fully coordinate youth employment activities with other employment and manpower programs;

(2) develop a smoother transition from school to work by fostering a more effective partnership between educational and employment institutions, such as businesses, employer associations, and labor unions;

(3) prepare disadvantaged and other youths with employability handicaps for regular self-sustaining employment through education, training, medical services, counseling, and other support activities;

(4) develop realistic methods for combining training with work, including apprenticeship and on-the-job training in the private sector; and

(5) provide job opportunities for youths in a variety of tasks, including conservation, public service activities, inner city cleanup and rehabilitation, and other jobs of value to States, local communities, and the Nation.

FULL EMPLOYMENT OFFICE AND RESERVOIRS OF EMPLOYMENT PROJECTS

SEC. 206. (a) Further to promote achievement of full employment under this Act, the President, through the Secretary of Labor, shall develop policies, procedures, and programs to provide employment opportunities to adult Americans able, willing, and seeking to work but who, despite a serious effort to obtain employment, are unable to do so in the general economic environment, or through any of the other provisions of this Act.

(b) There is established within the Department of Labor a Full Employment Office to assist the Secretary of Labor in providing the employment opportunities required under subsection (a). Under the supervision of the Secretary of Labor, the Office shall be phased in consistent with subsection (d) of this section.

(c) In meeting the responsibilities to provide job opportunities under subsection (a) and after full utilization of the Comprehensive Employment and Training Act of 1973, the Secretary of Labor shall, as appropriate—

(1) assure that counseling, training, and other support activities necessary to prepare persons willing and seeking work for employment is provided under the Comprehensive Employment and Training Act of 1973, including the use of section 110 of such Act when necessary; and

(2) refer persons able, willing, and seeking to work to job opportunities in the private and public sectors through the existing public employment placement facilities and through the United States Employment Service, including job opportunities in positions drawn from sections 202, 204, and 205 of this Act.

(d) Only to the extent that adult Americans able, willing, and seeking work are not provided with the private job opportunities which are the first and major purpose of this Act, nor provided with job opportunities under section 206(c) or through other programs under this Act, such opportunities shall be provided by the President through reservoirs of federally operated public employment projects and private nonprofit employment projects approved by the Secretary of Labor. Such projects shall not be put into operation less than two years after the enactment of this Act, nor without a finding by the President, transmitted to the Congress, that other means of employment are not yielding enough jobs to be consistent with attainment of the goals and timetable

for the reduction of unemployment set forth in this Act. The Congress hereby establishes the policy that such projects shall be so designed as not to draw any workers from private employment to such reservoir projects. The jobs under such reservoir projects shall be useful and productive jobs. Nonetheless, such jobs shall be mainly in the lower ranges of skills and pay, and toward this end the number of reservoir jobs shall, to the extent practicable, be maximized in relationship to the appropriations provided for such jobs. The number and nature of such reservoirs of employment projects shall be determined in conjunction with the policies and programs of the Full Employment Office established under subsection (b) and the other job creation provisions of this Act. The provisions of this subsection shall be phased in by the President, in conjunction with the annual employment recommendations required under section 3 of the Employment Act of 1946, in order to achieve a rate of unemployment not in excess of 3 per centum as established by section 3A(d) of such Act, and to achieve the objective for the reduction of unemployment among teenagers as set forth in paragraph 1 subsection (d) of section 3A of the Employment Act of 1946.

(e) The Secretary, in carrying out the provisions of this section, shall establish such regulations as he or she deems necessary. Such regulations shall include provisions for—

(1) an initial determination by the Full Employment Office of the job seekers' ability to be employed at certain types and duration of work so that he or she may be appropriately referred to jobs, training, counseling, and other supportive service;

(2) compliance with the nondiscrimination provisions of this Act in accordance with section 401;

(3) such priority criteria as may be appropriate to establish the order in which persons able, willing, and seeking to work are provided jobs under this section, so that such persons who most need employment are given first consideration and, in determining the priority order, the Secretary shall consider such factors as duration of unemployment, number of people economically dependent upon any such person, expiration of unemployment insurance, household income, and any other factors essential to determining employment need;

(4) appropriate eligibility criteria to limit access to the program authorized under subsection (d), including but not limited to such criteria as household income, duration of unemployment (not less than eight weeks), and refusal to accept or hold a job other than a job under subsection (d) except for good cause as determined by the Secretary of Labor, including refusal to accept or hold a job subject to reference under subsection (c) paragraph (2), in order to seek a reservoir project job under subsection (d); and

(5) such administrative appeal procedures as may be appropriate to review the initial determination of the abilities of persons willing, able, and seeking to work under clause (1) of this subsection and the employment need and eligibility under clauses (3) and (4) of this subsection.

Compliance with the requirements of clause (4) of this subsection relating to a person's eligibility for assistance may be satisfied by an affidavit submitted by persons seeking assistance. If such person knowingly provides false information in any such affidavit, he or she shall be ineligible for any assistance under this section and shall, in addition, be subject to prosecution under section 1001 of title 18, United States Code.

INCOME MAINTENANCE AND FULL EMPLOYMENT POLICIES

SEC. 207. (a) Congress finds and declares that to achieve the goals of full employment and balanced growth it is essential that the employment policies prescribed by this Act and the Employment Act of 1946 give adequate attention to (1) providing quality jobs that improve the work environment, strengthen income and eliminate substandard earnings; (2) improving and integrating existing public and private income maintenance programs with the full employment policies of this Act and the Employment Act of 1946; and (3) substituting work for income maintenance to the maximum extent feasible, taking account of the need for adequate income maintenance among those who cannot be brought within the full employment policy.

(b) To meet the requirements of this section, the President shall within ninety days after the date of the enactment of this Act transmit to Congress a proposal, together with such legislation as is necessary, analyzing the relationship of income maintenance needs, existing income maintenance progarms, and the full employment policies required by this Act and the Employment Act of 1946, and make recommendations on how the income maintenance and employment policies can be integrated to insure that employment is substituted for income maintenance to the maximum extent feasible.

TITLE III—POLICIES AND PROCEDURES FOR CONGRESSIONAL REVIEW

STATEMENT OF PURPOSE

SEC. 301. The purposes of this title are—

(1) to establish procedures for Congressional action and review with respect to the Economic Report, the Full Employment and Balanced Growth Plan, the report of the Board of Governors of the Federal Reserve System, and the other policies and provisions of this Act and the Employment Act of 1946; and

(2) to establish a Division of Full Employment and Balanced Growth within the Congressional Budget Office.

GENERAL CONGRESSIONAL REVIEW

SEC. 302. (a) To provide for comprehensive economic and employment policies to meet the objectives of this Act and the Employment Act of 1946, and to provide Congress with guidance on these matters, the appropriate committees of the Congress shall review and revise, to the extent deemed desirable, the economic goals, priorities, policies, and programs proposed under such Acts by the President and the Board of Governors of the Federal Reserve System. The Congress shall initiate or develop such legislation as it deems necessary to implement these proposals and objectives, after such modification in such proposals as it deems desirable. Nothing in this Act shall be construed to prevent the Congress or any of its committees from considering or initiating at any time action to implement this Act.

(b) In addition to its responsibilities under the Employment Act of 1946 with respect to the Economic Report, the Joint Economic Committee shall carry out overall review of executive branch policies under this Act, with special attention to general economic conditions, the setting of national economic goals in the Economic Report, the Full Employment and Balanced Growth Plan, and the relationship of economic policy measures to the fulfillment of the goals and priorities established under this Act and under the Employment Act of 1946.

(c) In addition to their responsibilities under the Congressional Budget Act of 1974, the Committee of the Budget of the Senate and the Committee of the Budget of the House of Representatives shall review, in conjunction with reporting concurrent resolutions on the budget under the Congressional Budget Act of 1974, the fiscal policy, economy in government policies, and Federal budget priorities recommended by the President.

(d) The other appropriate committees of Congress shall review and report on those policies or programs implemented or submitted which relate to matters within the jurisdiction of each such committee.

CONGRESSIONAL REVIEW OF ECONOMIC GOALS IN ECONOMIC REPORT

SEC. 303. (a) In conjunction with its review of the Economic Report, and the holding of hearings on the report, as required under the Employment Act of 1946, the Joint Economic Committee shall review and analyze the annual numerical goals for employment, production, and purchasing power recommended by the President in fulfillment of section 3 of the Employment Act of 1946. Subsequent to such a review, the Joint Economic Committee shall make recommendations to the Congress on the appropriate annual numerical goals for employment, production, and purchasing power, subject to the requirements of section 3A(d) of the Employment Act of 1946 relating to those periods when unemployment is to be reduced to given levels.

(b) Section 301(a) of the Congressional Budget Act of 1974 is amended—

(1) by striking out "and" at the end of clause (5);

(2) by redesignating clause (6) as clause (7); and

(3) by inserting after clause (5) the following new clause:

"(6) numerical goals for employment, production, and purchasing power; and".

(c) The second sentence of section 301(c) of the Congressional Budget Act of 1974 is amended to read as follows: "The Joint Economic Committee shall also submit to the Committees on the Budget of both Houses its recommendations as to the fiscal and monetary policies appropriate to the goals of the Employment Act of 1946. The Joint Economic Committee shall further submit to the Committees on the Budget of both Houses, in accordance with section 3 of the Employment Act of 1946, recommendations on annual numerical goals for employment, production, and purchasing power designed to achieve full employment of the Nation's human and capital resources as promptly as possible. These recommendations shall be incorporated by the Committee on the Budget of each House in the first concurrent resolution on the budget referred to in subsection (a) reported by that committee, with modifications if necessary to fulfill the objectives of the Full Employment and Balanced Growth Act of 1976, and to meet the requirement of section 3A of the Employment Act to achieve full employment within not more than four years after the enactment of the Full Employment and Balanced Growth Act of 1977. In the event that the Committee on the Budget of either House modifies the annual numerical goals for employment, production, and purchasing power recommended by the Joint Economic Committee, that Budget Committee shall provide its reasons for such modification in the report accompanying the first concurrent resolution.

CONGRESSIONAL REVIEW OF FULL EMPLOYMENT AND BALANCED GROWTH PLAN

SEC. 304. (a) Each proposed Full Employment and Balanced Growth Plan transmitted to the Congress by the President under section 3A of the Employment Act of 1946 (hereafter in this section referred to as a "Proposed Plan") shall be referred to the Joint Economic Committee. Within sixty days after receipt by the Congress of a Proposed Plan, each standing committee of the Senate and the House of Representatives and each joint committee of the Congress shall submit to the Joint Economic Committee a report containing its views and recommendations with respect to aspects of the Proposed Plan which relate to matters within the jurisdiction of such committee or joint committee.

(b) The Joint Economic Committee shall hold hearings for the purpose of receiving

testimony from the Members of Congress, appropriate representatives of Federal departments and agencies and such representatives of the general public and interested groups as the joint committee deems advisable. The join committee shall also consider the comments and views on the Proposed Plan which are received from State and local officials.

(c) Not later than one hundred and five days after the submission of a Proposed Plan to the Congress, the members of the Joint Economic Committee who are Members of the House of Representatives shall report to the House, and the members of the joint committee who are Members of the Senate shall report to the Senate, a concurrent resolution which shall state in substance that the Congress approves or disapproves the Proposed Plan, in whole or in part, and which may contain such alternatives to, modifications of, or additions to the Proposed Plan as the joint committee deems appropriate and in accord with the purposes of this Act and the Employment Act of 1946. The report accompanying such concurrent resolution shall include findings and recommendations of the joint committee with respect to each of the main recommendations contained in the Proposed Plan.

(d)(1) When a concurrent resolution referred to in subsection (c) has been reported to the House of Representatives it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) General debate on any such concurrent resolution in the House of Representatives shall be in the Committee of the Whole House on the State of the Union, and shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the concurrent resolution. A motion further to limit debate shall not be debatable.

(3) Except to the extent specifically provided in the preceding provisions of this subsection, consideration in the House of Representatives of any such concurrent resolution and amendments thereto (or any conference report thereon) shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions, amendments, and conference reports in similar circumstance.

(e)(1) Debate in the Senate on a concurrent resolution referred to in subsection (c), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than ten hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(2) Debate in the Senate on any amendment to any such concurrent resolution shall be limited to two hours, to be equally divided between and controlled by, the mover and the manager of the concurrent resolution. Debate on any amendment to an amendment, and debate on any debatable motion or appeal shall be limited to one hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of the concurrent resolution shall be received. Such leaders, or either of them, may, from the time under their control on the passage of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

(3) A motion in the Senate to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed three, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to one hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

(4) The conference report on any such concurrent resolution shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.

(5) During the consideration in the Senate of the conference report on any such concurrent resolution, debate shall be limited to two hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to thirty minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report.

(6) Should the conference report be defeated in the Senate, debate on any request for a new conference and the appointment of conferees shall be limited to one hour to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to thirty minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to twenty minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

(7) In any case in which there are amendments in disagreement, time on each amendment in the Senate shall be limited to thirty minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

(f) Upon adoption of a concurrent resolution under this section with respect to any Proposed Plan, the concurrent resolution shall serve as a long-term guide to the Congress with respect to legislation relevant to the goals, priorities, policies, and programs recommended in the Proposed Plan, as modified by the concurrent resolution. A copy of the concurrent resolution shall be transmitted to the President by the Clerk of the House of Representatives or the Secretary of the Senate, as appropriate, for such actions as the President deems appropriate.

DIVISION OF FULL EMPLOYMENT AND BALANCED GROWTH

SEC. 305. (a) There is established within the Congressional Budget Office a Division of Full Employment and Balanced Growth (hereafter in this section referred to as the "Division") to perform long-term economic analysis. The Division shall be headed by a Deputy Director who shall perform his or her duties under the supervision of the Director of the Congressional Budget Office and shall perform such other duties as may be assigned to him or her by the Director. Such Deputy Director shall be appointed in the same manner, serve for the same period, and receive the same compensation as the Deputy Director provided for in section 201 of the Congressional Budget Act of 1974.

(b) It shall be the first responsibility of the Division to assist the Joint Economic Committee in the discharge of its duties under this Act by providing, as the Joint Economic Committee may request—

(1) information with respect to long-term economic trends, national goals, resource availability, and the methods available to achieve full employment and balanced economic growth;

(2) information necessary for the preparation of the report and concurrent resolution referred to in section 304(c); and

(3) such related information as the committee may request.

(c) At the request of any committee of the House of Representatives or the Senate, or any other joint committee of the Congress, the Division shall provide to such committee or joint committee the information necessary to fulfill its responsibilities under this Act.

(d) At the request of any Member of the House or Senate, the Divisions shall provide to each Member any information necessary to fullfill his or her responsibilities under this Act.

EXERCISE OF RULEMAKING POWERS

SEC. 306. (a) The provisions of this title (other than section 305) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House), at any time, in the same manner and to the same extent as in the case of any other rule of such House.

TITLE IV—GENERAL PROVISIONS

NONDISCRIMINATION

SEC. 401. (a) No person in the United States shall on the ground of sex, age, race, color, religion, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act, including membership in any structure created by this Act.

(b) Whenever the Secretary of Labor determines that a recipient of funds under this Act has failed to comply with subsection (a), or an applicable regulation, he or she shall notify the recipient of the noncompliance and shall request such recipient to secure compliance. If within a reasonable period of time, not to exceed sixty days, the recipient fails or refuses to secure compliance, the Secretary of Labor is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted, (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), or (3) to take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whatever he or she has reason to believe that a recipient is engaged in a pattrn or practice in violation of the provisions of this section, the Attorney General may bring a civil action in the appropriate United States

district court for any and all appropriate relief.

(d) To assist and evaluate the enforcement of this section, and the broader equal employment opportunity policies of this Act, the Secretary of Labor shall include, in the annual Employment and Training Report of the President, a detailed analysis of the extent to which the enforcement of this section achieves affirmative action in both the quantity and quality of jobs, and for employment opportunities generally.

(e) In moving to reduce unemployment in accord with the goals and timetable set forth in this Act, every effort shall be made to reduce the differences between the rates of unemployment among women, minorities, and other labor force groups and the overall rate of unemployment, with the ultimate objective of removing them entirely. Insofar as these differences are due to discrimination, the nondiscrimination provisions of this section, as well as other provsions of the Act, shall be utilized. Insofar as these differences are due to lack of training and skills, occupational practices, and other relevant factors, the Secretary of Labor shall take such action as he or she can to achieve the objectives of this paragraph; shall make studies, develop information, and make recommendations toward remedying these differences and include these in the annual Employment and Training Report of the President; and, if deemed necessary, make recommendations to the Congress within ninety days relative to the objectives of this paragraph.

LABOR STANDARDS

SEC. 402. The policies and programs implemented and provided for by this Act, and funded in whole or in part through this Act, shall provide that persons employed pursuant to such policies and programs are paid equal wages for equal work, and that such policies and programs create a net increase in employment through work that would not otherwise be done. The President shall insure that any person employed in a reservoir project under section 206(d) or in any other job utilizing funds provided in whole or part under this Act shall be paid not less than the pay received by others performing similar work for the same employer, and in no case less than the minimum wage under the Fair Labor Standards Act of 1938 as amended. No person employed under section 206(d) shall perform work of the type to which the Bacon-Davis Act, as amended (40 U.S.C. 276a–276a–5) applies. Any recommendation by the President for legislation to implement any program under this Act, requiring the use of funds under this Act, and submitted pursuant to the requirements of this Act, shall contain appropriate wage provisions based upon existing wage standard legislation.

AUTHORIZATIONS

SEC. 403. There is authorized to be appropriated such sums as may be needed to carry out the provisions of this Act. Notwithstanding any other provisions of this Act, no provision shall be construed to require expenditures in excess of amounts appropriated pursuant to this Act.

DEFINITIONS

SEC. 404. (a) "Fiscal drag" as used in section 106 means tax and expenditure rates which, in combination, substantially impede attainment (or maintenance) of full employment, production, and purchasing power.

(b) "Balanced growth" in the Full Employment and Balanced Growth Plan means projecting and achieving (1) the relationship between production or supply capability and demand, and (2) the relationships among the growth rates of private investment, private consumer expenditures, and public outlays, and also (3) the purchasing power, including important components of each element mentioned in (1), (2), and (3) above, required to achieve and then maintain full employment and production and appropriate servicing of national priorities, these to be promoted by the programs and policies set forth in this Act and by encouragement of voluntary cooperation within the private sector (for example, between labor and management) and between the Government and the private sector.

(c) "Frictional unemployment" means the lowest level of unemployment, determined on the basis of evolving experience, consistent with labor mobility, changing job patterns, freedom of job choice, and sufficient job search on a voluntary basis.

OVERVIEW OF MAJOR PROVISIONS OF THE FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1977 (S. 50 AND H.R. 50)

FINDINGS

Intractible high unemployment is largely attributable to the lack of National goals and priorities enunciated by the President, Congress, and the Federal Reserve, and the lack of coordination between government and private institutions.

Full employment and balanced growth can be achieved through development of explicit economic goals including programs to reduce cyclical and structural unemployment.

TITLE I: ESTABLISHMENT OF GOALS, PLANNING AND GENERAL ECONOMIC POLICIES

Congress declares that it is "the continuing policy and responsibility of the Federal Government" to use reasonable measures to fulfill the right of all adult Americans, age 16 and over, able, willing, and seeking work, to opportunities for decent and useful employment.

Inflation is a major national problem requiring concerted government policies relating to a number of commodities, better fiscal and monetary management, economy in government, and reform of outmoded governmental rules, regulations and programs.

It is the purpose of the Act to coordinate, integrate and improve the fiscal and monetary policies and programs of the Federal Government to better achieve the Act's objectives.

Government planning of private sector activity and government control of production, employment or the allocation of resources, except to the extent authorized under other legislation, are prohibited.

"Primary emphasis" of the Act falls on expansion of employment through increased private sector activity. The historic ratio between private and public sector employment would not be exceeded.

After expansion of conventional, private sector employment through improved and coordinated fiscal and monetary policies and programs, efforts to attain full employment will focus on expansion of job opportunities created in the private sector through Federal assistance, regular avenues of public employment, and last-resort public employment job reservoir projects outlined in Title II.

PRESIDENT'S ECONOMIC REPORT TO CONGRESS

To be filed by January 20 of each year, the report shall analyze the state of economy and establish numerical goals for employment, production and purchasing power to achieve full employment and balanced growth within 4 years following enactment.

Anti-inflation policies proposed in the report shall include a comprehensive information system to monitor inflationary pressures and bottlenecks, and establishment of reserves of food and other critical commodities to meet emergencies. The report shall also include recommendations aimed at improving and strengthening antitrust enforcement and competition in the marketplace.

FULL EMPLOYMENT AND BALANCED GROWTH PLAN

This is to be filed in conjunction with the annual Economic Report. It should contain long-term objectives for full employment, production, and purchasing power, consistent with full employment.

Full employment is defined as not exceeding 3 percent of the adult labor force, age 20 and over. Teenage unemployment is to be reduced to the level of adult unemployment as rapidly as feasible.

In addition to discussing foreseeable trends in the economy, the Plan shall propose programs, policy and legislation needed to meet estimates of unmet priority needs. The resources available and needed to meet these needs will be reviewed.

The Plan shall seek reasonable price stability without sacrificing employment objectives. Under no circumstances shall the rate of price increases be allowed to exceed the rate existing at the time of enactment.

Within a year, the President shall review the full employment goals and recommend any corrective policy changes needed to achieve the purposes of the Act.

STATE PUBLIC HEARINGS

State governors may, within 60 days of transmittal of the plan to them, submit to the Joint Economic Committee findings and recommendations regarding the plan following public hearings.

EVALUATION OF EXISTING PROGRAMS

The President shall annually evaluate about one-fifth of the dollar value of Federal programs and make recommendations concerning the elimination or modification of Federal rules, regulations and programs to achieve economy in government and the goals of the Act.

FEDERAL RESERVE

The Federal Reserve shall prepare an independent statement setting forth its intended monetary policies for the year ahead. It shall indicate to what extent these proposed policies support the full employment and balanced growth plan and fully justify any substantial variation from the President's goals and recommendations. If the President determines the Federal Reserve's policies conflict with these goals he or she shall recommend appropriate changes.

TITLE II: COUNTERCYCLICAL, STRUCTURAL AND YOUTH EMPLOYMENT POLICIES

This Title establishes Full Employment Office in the Labor Department to administer supplemenatry training and employment programs for those otherwise unable to find work.

The President, within 90 days of the bill's enactment, must submit a legislative program and other proposals to establish "on a permanent basis the range of supplementary employment policies and programs necesssary to reduce high unemployment arising from cyclical movements in the economy" and other sources. The proposals will include a countercyclical public service program, accelerated public works, development of standby public works projects, State and local countercyclical grants, modifications in unemployment insurance, manpower training in pubic and private employment, and a community development program.

In designing these proposals, existing employment and training programs will be coordinated, and utilized as appropriate. The President's proposals shall provide for automatic triggers that phase programs in or out as unemployment rises or falls. Mechanisms to encourage quick return to private employment would be part of the package.

REGIONAL POLICY PACKAGE

The President shall submit a comprehensive set of regional and structural employment proposals within 180 days of the enactment of the bill, using existing programs to the greatest extent possible. Within the same period, the President shall make proposals to encourage investment in economically depressed areas, and provide an alternative source of capital funds for State and local

government to finance public facilities. Such long-term loans to localities from the Federal Government will be at interest rates no higher than the average rate of long-term Treasury borrowings plus service costs.

YOUTH EMPLOYMENT POLICIES

The Congress declares that serious youth unemployment exists, constitutes much of the overall unemployment rate, and contributes significantly to crime, drug addiction, and other social and economic problems. The Congress further declares that the current approach to youth unemployment is "fragmented and inadequate."

The President, within 90 days of enactment, shall submit legislation creating a comprehensive youth unemployment program. It shall utilize existing youth employment and training programs, and highlight the need for smoother transition from school to work. The special problems of disadvantaged and disabled youth employability are recognized. The bill calls for full coordination of youth employment strategies with the overall package of employment measures. Public employment opportunities for youth may be provided in conservation projects, public service activities, and inner city rehabilitation.

FULL EMPLOYMENT OFFICE AND PUBLIC SERVICE JOB RESERVOIR

The new Full Employment Office of the Labor Department shall supervise an effort to obtain employment for all Americans able, willing, and seeking work who, despite serious efforts, cannot find jobs.

Tools available to the office include the Comprehensive Employment and Training Act of 1973 (CETA), and counseling, and job placement in both the private and public sectors.

The reservoir of last-resort public service and approved private, non-profit jobs would not be instituted until two years after enactment and then only to accommodate those persons unable to find private sector jobs or work in existing Federally assisted programs. Implementation of last-resort job projects requires a Presidential finding that other means have failed to adequately approach the bill's full employment goal. Last-resort jobs are to be confined to the lower pay and skill levels and will not include employment in areas to which the Davis-Bacon Act applies. In this way competition with the private sector will be avoided.

The Secretary of Labor shall establish regulations for last-resort jobs to assure that they are allocated first to those who are most in need of work, such as persons who have been unemployed for relatively long periods and heads of households.

Under the legislation, the Secretary of Labor is required to assure that last-resort jobs and all other Federally assisted employment programs are nondiscriminatory.

INCOME MAINTENANCE

Congress requires that the policies prescribed under the Act "improve and integrate" existing public and private income maintenance programs with the full employment policies of the Act.

Policies under the Act are to encourage substitution of work for those on welfare and unemployment compensation insurance program lists to the "maximum feasible extent," without jeopardizing the well-being of those who are out of the labor force, or otherwise cannot benefit from the full employment effort. Proposals from the President in connection with these requirements are to be forthcoming within 90 days.

TITLE III: CONGRESSIONAL REVIEW

This title provides for general Congressional review procedures of policy development in the executive branch, and establishes a Division of Full Employment in the Congressional Budget Office.

The Joint Economic Committee has primary responsibility to carry out overall review of executive branch policies under the Act, in addition to its present review of the President's Economic Report.

Appropriate committees of Congress shall review and revise the economic goals, priorities, policies and programs proposed by the President and the Federal Reserve.

Senate and House budget committees shall review appropriate portions of the Plan and Report, in addition to their responsibilities under the Budget and Impoundment Act of 1974. A close and cooperative relationship between the JEC and the budget committees to develop appropriate fiscal and other macroeconomic policy is envisioned. Modifications by either budget committee of the numerical employment, production, and purchasing power goals recommended by the JEC are to be fully explained in the report on the first concurrent resolution.

Every standing or joint committee of Congress whose area of jurisdiction is touched by the Plan shall within 60 days of the Plan's submission, report its findings and recommendations to the JEC. Subsequently, the JEC shall hold hearings to receive testimony from Members of Congress and representatives of Federal Departments and agencies. JEC members shall report a concurrent resolution to the respective chambers approving or disapproving the Plan in whole or part, and suggesting where appropriate, alternatives or modifications.

The Full Employment Division of CBO shall perform long-term economic analysis, and shall assist the JEC in its duties under the Act. The Division shall also assist other Congressional committees and Members to fulfill their responsibilities under the Act.

TITLE IV. GENERAL PROVISIONS

This title provides nondiscrimination standards, labor standards (discussed previously), authorizations subject to appropriations, and a set of technical definitions.

Under the nondiscrimination provision, "no person in the United States shall on the ground of sex, age, race, color, religion, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part under this Act . . ."

Enforcement procedures to assure nondiscrimination are provided in detail.

The 1977 version of the bill requires every effort be made to reduce and eliminate the differences between the rates of unemployment among women, minorities, and other labor force groups and the overall rate of unemployment. This title provides with a variety of mechanisms to fulfill this requirement.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that S. 50 be referred to the Senate Committee on Labor and Public Welfare; that, when it is reported by that committee, it be referred for not more than 60 days to the Committee on Banking, Housing and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I am pleased to join with my great and dear friend, the Senator from Minnesota (Mr. HUMPHREY), in introducing a revised Full Employment and Balanced Growth Act of 1977.

This bill represents a statement of my commitment to its underlying principles: First, that every American who is able, willing, and seeking work should have the opportunity for meaningful employment; second, that joblessness and price inflation must be among the foremost factors to be considered in the making of economic policy; third, that the President and the Congress should develop a stronger partnership for charting the path to greater economic growth, relying primarily on the private sector for basic economic vitality; and, fourth, that special steps must be taken to help disadvantaged workers and depressed regions develop their full potential.

These are principles to which, I believe, the incoming administration under President-elect Carter and the new Congress also subscribe.

They are principles whose significance have been heavily underscored by the economic tribulations and the resulting human suffering of the past 3 years.

At any one time during this dismal period, between 7 million and 8 million American workers have been counted as unemployed, with several million more just as jobless, but not counted under current statistical methods. The official national unemployment rate of 8.1 percent is a scandal that is magnified by pockets of even greater joblessness, for example, in my own State of New Jersey where 11.3 percent of the work force cannot find employment.

Poverty has engulfed over 2 million more American families in the past year, not only in our urban centers, where unemployment rates of 30 percent are all too common, but in the rural areas of our Nation as well.

Crime has increased dramatically in recent months, as have alcoholism, drug abuse, and other illnesses.

The economy has suffered a loss of nearly $500 billion in goods and services, and our national commitment to decent housing for every family has been crippled.

Clearly, it is time now to set a new and deliberate course toward economic recovery and improvement in the plight of working Americans.

Mr. President, the revisions that have been made in this proposed bill have been detailed by the Senator from Minnesota. In many respects, they are fundamental in nature and will require careful review.

Moreover, the progress of the bill will have to be carefully coordinated with the new administration of President-elect Carter. The harmony that now exists between the provisions of this legislation, on the one hand, and the economic recovery program that Governor Carter has charted, on the other, is essential to the success of both the short-term recovery and the long-term establishment of economic policies that will assist the American people in fulfilling our potential.

The introduction of this legislation at this time is important for still another reason, in my estimation. As a comprehensive proposal pending before the Congress, it provides us with a rational framework for coordinating the elements of the economic recovery program that must be implemented promptly. It will serve to keep the Congress attuned to the need for this coordination and to the goals that we seek to achieve.

Mr. President, the Treasury Secretary-designate for the new administration, W. Michael Blumenthal, appeared yesterday on the "Issues and Answers" program on the ABC television network.

In the course of the interview, Mr. Blumenthal made some comments that bear directly upon one of the major issues posed by the Full Employment and Balanced Growth Act of 1977, and that is how to define full employment.

As I understood his remarks, Mr. Blumenthal was saying that our national unemployment goal should be zero, or near zero, for those who are able, willing and seeking work, plus some amount that would account for "frictional unemployment," which includes people who are between jobs or temporarily unable to work.

While Mr. Blumenthal may want to expand further upon his concept of a full employment goal, I believe that the general thrust of his view is wholesome, and I ask unanimous consent to have printed in the RECORD at the end of my remarks the article in the Washington Post reporting on Mr. Blumenthal's remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 10, 1977]

BLUMENTHAL FAVORS GOAL OF ZERO UNEMPLOYMENT

(By Hobart Rowen)

Treasury Secretary-designate W. Michael Blumenthal said yesterday that jobless rates of either 4 or 5 per cent are "too high" as national goals for full employment and that the best goal is zero unemployment.

But he conceded that the need to be "careful and prudent" would prevent the incoming Carter administration from reducing the jobless rate below 6.5 per cent to 7 per cent by the end of this year, "perhaps closer to 6.5 per cent if we are lucky."

The current rate is 8.1 per cent.

Preventing a more dramatic program is not the danger of inflation, he said, but a limitation on how much stimulus the economy can absorb in short order. As the Carter program takes effect, he predicted, there will be further "steady reductions" in the jobless rate in 1978.

Interviewed on "Issues and Answers" (ABC, WMAL), Blumenthal also:

Said the stimulus package announced Friday in Plains, Ga., is only "the first step in a more fundamental set of proposals for tax reform."

Emphasized that the Carter administration would rely largely on the private sector for restoring health to the economy "because five out of six jobs are in the private sector."

The question about unemployment goals relates to an important and basic difference in the political approach to current economic problems. Early in the Kennedy years the Democrats adopted 4 per cent as an "interim" target for full employment.

In recent years, while many liberal Democrats have pressed to lower the target to 3 per cent, Republicans and other conservatives have argued that 5 per cent is more reasonable. They reason that with changes in the makeup of the labor force, to press for unemployment below that figure is likely to cause inflation.

Asked to name a realistic unemployment target in today's economy, Blumenthal responded:

"I am tempted to say the best goal is zero, or close to zero, and I feel strongly about that. In this great country of ours, richest in the world, there shouldn't be any people who want to work, and who are able to work, and who are looking for work, and are unable to find gainful employment. We can do so many things, we ought to be able to lick that problem as well."

He said that there is "no magic number," but that both 5 per cent and 4 per cent "I would consider too high."

Blumenthal, former chairman of the Bendix Corp., acknowledged that there will always be some "fractional" unemployment—people between jobs—but "it can be a lot lower than it is today."

Although the Carter package contains no specific new incentive for business to add to its investment plans, Blumenthal argued that the entire program is intended to encourage business expansion by creating additional consumer demands.

Other sources indicated that there may yet be some changes in the final proposals made to Congress. One possibility is the substitution of an investment tax credit for the $2 billion credit against Social Security payroll taxes originally announced.

In a telephone interview yesterday, economist Lawrence R. Klein, chairman of the economic advisory group during the Carter campaign, said he hopes the President-elect will go back to the investment credit idea "because we need more capital formation and the investment tax credit wouldn't hurt as a starter."

Another possible change in the Carter economic package may be in the amount of public works spending that will eventually be proposed. On "Face the Nation" (CBS, WTOP) yesterday, Senate Majority Leader Robert Byrd (D-W.Va.) made a flat prediction that Congress would add to the $2 billion that Carter proposed for public works.

He strongly implied that Carter had agreed with the Democratic leadership on this point during their discussions Friday at Plains.

Blumenthal predicted that the administration would send its tax reform proposals to Congress within calendar 1977 for action in 1978, and that the proposals would stress simplification of the tax code and procedures.

He also revealed that not all of the 700,000 to 800,000 public service jobs contemplated in the Carter program would be on the government payroll, since private oganizations in some cases would receive the funds to carry out the training programs.

By Mr. MATHIAS:

S. 56. A bill to protect the United States from dependence upon foreign petroleum refineries by amending the Tariff Schedules of the United States to impose higher rates of duty on products derived from petroleum, by distributing the revenue from such increased rates of duty to States which consume such products, and for other purposes; to the Committee on Finance.

PETROLEUM PRODUCTS INDEPENDENCE ACT

Mr. MATHIAS. Mr. President, I am today introducing a bill to enable the United States to become independent of petroleum products produced by refineries located in foreign countries. This independence would be achieved by providing the economic conditions necessary for American business to construct and expand domestic refineries to meet our needs.

This bill is endorsed by business groups, including independent petroleum companies, and by labor unions, including the Oil, Chemical and Atomic Workers Union and the building and Construction Trades Union.

The security and economic well-being of our Nation demand that this legislation be enacted this year. Today the United States is the only major industrial nation in the world with insufficient refinery capacity to meet its needs. The east coast of the United States is dangerously over-dependent on imported petroleum products, particularly residual fuel oil. This dependence entails unacceptable economic and political costs. It puts the U.S. economy at the mercy of foreign governments which may be unstable or unfriendly. It undermines our balance of payments and our environmental safeguards. And it siphons overseas thousands of jobs, and the economic stimulus related to these jobs, which are desperately needed by American workers, families, communities and States. This over-dependence will only increase unless we act now.

Before I expand on the economic and political costs of our over-dependence on petroleum products refined abroad, let me explain in some detail the provisions of S. 56.

PROVISIONS OF S. 56

S. 56 would phase-in a system of tariffs on imports of residual fuel oil, middle distillates, jet fuel and motor gasoline. The tariff on residual fuel would be $2 per barrel; on middle distillates and jet fuel, $3 per barrel and on motor gasoline, $4 per barrel.

These tariffs would be gradually applied to imports during a 5-year period. This phase-in period is designed to give American business time to construct and expand domestic refineries to meet our needs. This phase-in period is also designed to promote the economic security of industries and communities which have been encouraged by Federal policies to become dependent on product imports.

This phase in would be accomplished through a system of licenses for the tariff-free importation of residual fuels and middle distillates. Initially, licenses for the tariff-free importation of residual fuels and middle distillates would be issued by the President. For middle distillates, in 1978, licenses would be issued for up to 90 percent of the volume of middle distillates imported during the base year of 1976. In 1979, licenses would be issued for up to 80 percent of the volume of middle distillates imported during 1976. In succeeding years, the number of licenses would be gradually reduced so that by 1983, no licenses would be issued and the tariff would apply to all imports of middle distillates, except as provided under the hardship provisions described below.

For residual fuels, licenses would be issued in 1978 for the tariff-free importation of up to 80 percent of the volume of residual fuels imported in 1976. In succeeding years, the number of licenses would be gradually reduced so that by 1983, and for all years thereafter, licenses would be issued for up to 20 percent of 1976 volumes.

As to motor gasoline and jet fuel, no licenses for tariff-free importation would be issued since these products constitute only a very small amount of the total volume of products imported and can easily be replaced by substitutes available domestically.

AVOIDING HARDSHIP

By phasing in the tariffs by means of these licenses, S. 56 would avoid causing hardships to any persons. Should hardships develop, however, the bill provides a mechanism for relief. Any person who

endures severe hardship due to these tariffs would be entitled to relief in the form of additional licenses for the tariff-free importation of residual fuels or middle distillates. These additional licenses would be issued by the President after consulting with the Administrator of the Federal Energy Administration or its successor. Examples of persons who might be eligible for such licenses would be importers with unusually low volumes in 1976 or importers who have just started in the importing business. The total amount of tariff-free imports of residual fuels and middle distillates which could be authorized by all licenses issued under this hardship provision would equal 10 percent of the amount of such products imported during 1976. This 10-percent figure would not vary as the years passed.

The bill also avoids placing hardships on any region of the country. It does not make the mistake of some other tariff legislation, which would cause one region to pay a disproportionate share of the tariff into the national treasury even though only a small portion of the revenue generated by the tariff would be returned to the region from whence it was derived. S. 56 avoids this result in two ways.

First, it provides, by an administratively simple method, that tariffs on residual fuels and middle distillates which are collected under S. 56 be returned to the general treasury of the State in which the first sale of the product occurred. Thus, persons who pay a tariff under the bill would be assured that those funds would be available to their State government for use for whatever purposes deemed appropriate. The minimal amount of tariffs which might be collected on the small quantities of imported jet fuel and gasoline would be retained by the Federal Treasury and would offset the cost of administering this legislation.

Second, and perhaps more important, S. 56 avoids regional inequities in tariff collection by making it unlikely that a tariff would even need to be collected in the first place. The 5-year period provided by the bill for phasing-in its system of tariffs is designed to be sufficiently long to enable American business and labor to construct and expand domestic refineries to offset imports and fully meet our needs. Some of this expansion of domestically-refined product could occur quickly, during 1977 and 1978. Other expansion, such as the construction of a new refinery, could take 3 or 4 years. By phasing-in its system of tariffs over a 5-year period, the bill matches the imposition of its tariff on imported product to our capacity to refine additional product domestically.

DEPENDENCE OF EAST COAST ON IMPORTED PRODUCT

Enactment of S. 56 this year is vital because the dependence of the east coast on imported product is detrimental to the entire country and because this dependence will not be alleviated unless the bill is enacted. In explaining the reasons why this statement is true, I will focus on residual fuel oil, which is the product imported in the largest quantity.

Currently, over 75 percent of the residual fuel oil consumed in the PAD–1 region—the east coast—is imported, according to the U.S. Bureau of Mines. This figure is alarmingly high, but it would be even higher except that total demand in the PAD–1 region for residual fuels has decreased since the beginning of the economic recession in 1973. In 1973, when consumption of residual fuel oil reached 708 million barrels, over 90 percent was imported. In 1975, even though consumption had dropped to 532 million barrels, over 76 percent was imported. As our economy improves, we will find that the reliance of PAD–1 on imported residual fuel oil will again exceed 90 percent.

Moreover, as the world economic recovery progresses, the current "oversupply' of residual fuel oil will disappear. And as projected foreign vacuum and cracking units are completed, the "oversupply" could become a shortage. Current U.S. refinery capacity is not sufficient to avert the consequences of that shortage.

Accordingly, prices for residual fuels will naturally rise faster than prices of other products. And as relative excess turns to relative scarcity, refiner countries may well be tempted, as have producing countries, to use our dependence on their energy source to extract unnaturally high economic and political costs. This threat seems particularly likely to become reality if we review the announced intentions of leading OPEC countries to become leading refining countries as well.

The historical market advantage of foreign refineries is bolstered by artificial economic advantages resulting from the fact that these refineries are not subject to U.S. tax, maritime or environmental laws. For example, a study entitled "Determination of Refined Petroleum Import Fees" prepared for FEA by the Pace Co. concluded that foreign refiners selling residual fuel oil to the east coast market enjoy an advantage of up to $1.86 per barrel in shipping and refining costs alone. This difference in refinery costs is principally due to tax advantages enjoyed by foreign refiners. I would emphasize that this $1.86 difference is not an advantage derived from better technology, more skilled labor, access to better crude, or other "real" factors. The cost advantage of these foreign refiners is created solely by U.S. laws and regulations which, while useful in other contexts, now need to be offset by S. 56.

FEA'S POLICIES FOSTER FURTHER DEPENDENCE

That anything less than S. 56 would be inadequate to enable American business and labor to end the overdependence of the east coast on foreign refiners is clearly demonstrated by the history of FEA's "Reverse Entitlements" program instituted in March 1976. Under this program, in order to offset the lower cost of price-controlled domestic crude oil, FEA provided entitlements to east coast importers of residual fuel oil and took entitlements away from domestic refiners producing residual fuel oil for the east coast market. FEA has stated that:

> An underlying rationale [for this program] was *FEA's conclusion that it was in the national interest to structure its regulatory program so that,* although domestic refiners receive a competitive advantage, *the financial viability of Caribbean refineries historically serving the East Coast,* and that of the domestic marketers reliant on these refineries, *would not be imperiled.* (emphasis added).

In other words, FEA adjusted the entitlements program so as to benefit foreign refineries just when it appeared that domestic refiners marketing in the east coast region might have finally begun to gain a price advantage.

The importance of this experience far transcends its brief life to date or even its substantial cost to domestic refiners serving the east coast market. The reverse entitlements program is only the most recent of a series of actions by FEA based on the premise that the east coast must remain dependent on foreign refiners. The consequence of that official policy is that no significant expansion of domestic refinery capacity can be financially justified because any price advantage that domestic refiners gain may be taken away by FEA in order to preserve the "financial viability" of foreign refiners.

This is not abstract speculation. The only new refinery constructed in many years by an independent began operation last year. Built by the Energy Corp. of Louisiana—ECOL—this 200,000 barrel/day refinery was particularly significant not only because it was designed to supply the east coast residual fuel market but also because it was constructed by an independent refiner. Yet FEA's policies forced its sale to a major oil company before it began operation. The conclusion of ECOL officials from their experience with current U.S. energy policy was stated by Joe Wallace, who served with ECOL for the 4 years during which the refinery was constructed. Wallace told the Oil Daily recently that:

> FEA's policy operates to impose unacceptable penalties on domestic refiners [who] produce residual fuel oil and benefits foreign refineries in the East Coast market.

Wallace further concluded that:

> No independent will ever attempt to build or buy a domestic refinery as long as the reverse entitlements program is on the books.

Given the history of FEA's policies and the experience of ECOL, it is clear that domestic refiners, particularly independents, cannot build sufficient refinery capacity to meet our domestic needs unless Congress establishes a long-term policy of encouraging domestic refiners by enacting S. 56.

As I have spoken this morning, I have several times alluded to the economic and political costs associated with our overdependence on imported petroleum products. Let me now address these costs directly.

DANGER TO NATIONAL SECURITY

First, we pay in terms of our national security. Foreign refined products render us doubly vulnerable. Even a friendly producing nation, such as Canada, may cut our supply of crude oil because it needs the energy itself, or for other na-

tional interests. If foreign produced crude is then refined in another country, it is again subject to export restrictions if the refining country is hostile to our interests or is itself short of energy. The availability at a reasonable cost of foreign produced and foreign refined petroleum is thus doubly jeopardized. Moreover, the diversity of sources for refinery product is less than that for crude oil, so that as our reliance on foreign refinery product rises the minimum result we could reasonably expect would be a disproportionately high markup of the cost of imported refinery product over the cost of imported crude oil.

Moreover, there is a further security factor to consider. In the event of a serious shortage in this country, FEA is authorized to alter refinery runs so that production of refined products of critical importance to national security is given a priority over other products derived from a barrel of oil. This program was implemented during the days of the Arab embargo and may be needed in the future. It is complemented by the strategic petroleum reserve program—SPRP—under which several hundred million barrels of crude petroleum will be stored by FEA for use during a national emergency. Needless to say, FEA cannot alter runs of foreign refineries, nor can it direct foreign refineries to run crude oil stored under the SPRP. Accordingly, our dependence on foreign refineries substantially undermines the protection offered by each of these emergency programs.

BALANCE OF PAYMENTS

Our balance of payments is also of concern. Although the United States is a strong exporter, our balance of payments is not always positive. Our balance of payments, however, would be continually favorable were it not for the heavy debit caused by petroleum imports. It is one thing to be forced to purchase a raw material abroad because it is needed but unavailable domestically, but it is quite another to pay also for refining that product overseas because of an unwillingness to encourage refinery construction at home. Importing product means exporting dollars not only for the purchase of the raw material, but also for labor, petroleum additives and other supplies, depreciation, and capital costs associated with the foreign refinery. That is a steep and unnecessary price to pay for energy consumption in this country.

PRICE BENEFITS

A further benefit of S. 56 is that it will avoid exorbitant prices imposed in the future by refiner countries on their petroleum products. While the per barrel cost of new refinery capacity is currently higher at home than abroad, this additional cost, as I have explained above, is caused solely by U.S. laws which presumably provide social benefits equal to or greater than this cost. As I have also explained, however, there is a very grave danger that the world market on residual fuel oil may be very tight in just a few years. That tightness would enable refiner countries to raise prices exorbitantly on exports to the United States unless we begin to build refineries at home now. OPEC nations have taught the world that those who control energy in short supply can charge many times its cost. European countries have learned this lesson well, and even European nations which currently have excess refinery capacity are adding to that capacity in order to be self-sufficient in the future. This Congress should have learned by our own Nation's bitter experience that it is far better to invest in our own producing and refining capacity today than to subject ourselves to economic blackmail by other countries in the future.

EXPORTING JOBS

Of special importance also is the effect of current U.S. energy policies on jobs in American communities. Building refineries at home can help put America back to work.

It has been estimated that more than 2,000,000 barrels per day of refinery capacity has been "exported" to foreign countries during the past 12 years. According to officials of the Oil, Chemical and Atomic Workers Union, 12 refinery workers are required to process 1,000 barrels of crude oil. Consequently, 24,000 permanent jobs in refineries have been "exported" during the past 12 years. Moreover, each refinery job creates 3.5 jobs in closely allied service and manufacturing sectors, according to a study by Gulf Canada. Thus, the 24,000 refinery jobs lost means another 84,000 jobs lost in allied fields for a total of 108,000 jobs.

Assuming average family economic unit of 3.2 persons means that 346,000 Americans have been directly affected. And this does not count jobs in other industries which would serve these 346,000 persons, such as housing, food entertainment, education, transportation, or municipal services. Nor do these figures reveal the substantial amount of local, State and Federal taxes which would be paid by these industries and workers. Most important, these figures do not reveal the thousands of additional jobs that will be lost if this Congress does not act swiftly to change our energy policies.

In addition, a typical modern refinery with the capacity of refining 200,000 barrels per day requires 150,000 tons of steel, 65,000 yards of concrete, 20,000 gallons of paint, $15 million worth of electric cables and equipment, and 10 million man-hours of construction. Going beyond what is actually taking place on the refinery site to just the steel mill where the 150,000 tons of steel will be produced, we find that it takes 6 man-hours to produce a ton of steel and that each man works approximately 2,000 man-hours per year. This means that building a refinery employs at least 450 men in the steel mill alone for a year. Not counted are all the people who will be employed converting that raw steel to usable forms or the ripple effect on local economies of having this sort of construction take place, the permanent employment that will be provided in the refinery, and the increased tax base that will accrue to local communities.

ENVIRONMENTAL BENEFITS

Finally, there are environmental benefits associated with S. 56. The environmental aspects of new refineries are very important. The environmental safeguards which should be imposed on such refineries can, and I trust will, be imposed by U.S. laws and regulations. But no U.S. law or regulation applies to refineries in foreign countries. Accordingly, since new refineries are needed, and since the environmental aspects of such refineries are very important, it is vital that refineries which serve our needs be located within the United States in order that the environmental safeguards enacted by the Congress control.

Any refinery expansion or grassroots construction initiated today in the United States is subject to environmental constraints which result in the construction of environmentally acceptable refineries and which will ultimately effect a reduction in the total amount of pollutants emitted by domestic refineries as new plants replace outdated and environmentally unacceptable facilities. There are many places in the United States which are unsuitable for new refinery construction and a program to expand America's refinery capacity must be mindful of the valuable natural and social resources that could be endangered by putting a refinery in an inappropriate location. But just as there are inappropriate locations, there are appropriate ones where refineries are needed, enhance our national security, bolster our balance of payments, achieve our goals of protecting the environment, assure reasonable prices in the future for petroleum products, and promote jobs and economic well-being for hundreds of thousands of American workers and their families, communities, and States. The interests of all Americans will be promoted by this legislation. The only interest that will be adversely affected is that of those who control refineries in foreign countries, but that is hardly an interest that the Congress or the administration is charged with protecting.

I ask unanimous consent that there be printed in the RECORD at this point the text of S. 56, and a statement in support of this legislation issued by the Oil, Chemical, and Atomic Workers Union.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 56

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the headnotes for schedule 4, part 10, of the Tariff Schedules of the United States are amended by adding at the end thereof the following new headnote:

"4. (a) (1) The President shall establish a program to allocate among importers the amount of residual fuel oils and middle distillates classifiable under items 475.05 and 475.10 respectively which may be entered, or withdrawn from warehouse, for consumption free of duty during any calendar year.

"(2) To carry out the provisions of paragraph (1), the President shall issue a license to each eligible importer for each calendar year which will permit such importer to enter, or withdraw from warehouse, for consumption, free of duty, such amounts, by volume, of residual fuel oils and middle distillates classified under items 475.05 and 475.10 respectively as are determined by the table in subpart 4(b) (1) of the headnotes.

"(3) After consulting the Administrator of the Federal Energy Administration, the President shall issue licenses for the duty-free entry, or withdrawal from warehouse, for consumption of residual fuel oils and middle distillates, classified under items 475.05 and

475.10 respectively, during any calendar year to any person who, in the determination of such Administrator, is enduring severe hardship. The total amount, by volume, of such products entered, or withdrawn from warehouse, for consumption free of duty pursuant to licenses issued under this paragraph for any calendar year may not exceed 10 per cent of the amount, by volume, of such products which were entered, or withdrawn from warehouse, during calendar year 1976.

"(4) For purposes of this subsection, the term 'eligible importer' means a person who imported such products during calendar year 1976.

"(b) (1) The amount, by volume, of middle distillates and residual fuel oils which may be entered or withdrawn from warehouse, for consumption free of duty shall be a percentage of the total amount, by volume, of such products entered, or withdrawn from warehouse, for consumption during the calendar year 1976. The applicable percentage for any calendar year shall be determined in accordance with the following table:

"Year:	*Middle distillates (percent)*	*Residual fuel oils (percent)*
1978	90	80
1979	80	70
1980	60	60
1981	40	50
1982	20	35
1983 and thereafter	0	20

"(2) For purposes of paragraph (1)—

"(A) the term 'middle distillates' includes products classifiable under items 475.05 and 475.06, and

"(B) the term 'residual fuel oils' includes products classifiable under items 475.10 and 475.11.".

(b) Schedule 4, part 10, of such schedules is amended—

(1) by striking out all of that portion of the schedule on page 144 beginning with the words "Crude petroleum . . ." and ending with the words ". . . without additives";

(2) by adding new item 475.00 to read as follows:

" 475.00	Reconstituted crude petroleum and topped crude petroleum	4.77c per gal.	4.77c per gal.	";

(3) by striking all of item 475.05 and inserting in lieu thereof the following:

" 475.05	Middle distillate fuel oils (including kerosene) derived from petroleum, shale, or both, with or without additives, and certified by importer not to be further refined, in any calendar year prior to entry, or withdrawal from warehouse, for consumption of an amount equal to the applicable percentage for that year, as determined under headnote 4(b) to this subpart	Free	Free	
475.06	Other middle distillate fuel oils	7.14c per gal.	7.14c per gal.	

(4) by striking all of item 475.10 and inserting in lieu thereof the following:

" 475.10	Residual fuel oils derived from petroleum, shale, or both, with or without additives, and certified by importer not to be further refined, in any calendar year prior to entry, or withdrawal withdrawal from warehouse, for consumption of an amount equal to the applicable percentage for that year, as determined under headnote 4(b) to this subpart	Free	Free	
475.11	Other residual fuel oils	4.77c per gal	4.77c per gal	";

(5) by striking all of item 475.25 and inserting in lieu thereof the following:

" 475.25	Motor fuel: Jet fuel	7.14c per gal	7.14c per gal	
475.26	Other	9.52c per gal	9.52c per gal	";

(6) by striking all of item 475.30,

(7) by striking out "0.25¢ per gal." and "0.5c per gal." in rate columns numbered 1 and 2 of item 475.35 and inserting in lieu thereof "7.14¢ per gal.", respectively,

(8) by striking out "0.2¢ per gal." and "0.5¢ per gal." in rate columns numbered 1 and 2 of item 475.40 and inserting in lieu thereof "7.14¢ per gal.", respectively,

(9) by striking out "2¢ per gal." and "4¢ per gal." in rate columns numbered 1 and 2 of item 475.45 and inserting in lieu thereof "7.14¢ per gal.", respectively, and

(10) by striking out "0.25¢ per gal." and "0.5¢ per gal." in rate columns numbered 1 and 2 of item 457.65 and inserting in lieu thereof "7.14¢ per gal.", respectively.

SEC. 22. (a) The Secretary of the Treasury shall pay to the government of each State an amount equal to the total amount of duties collected on products classifiable under items 475.06 and 475.11 of the Tariff Schedules of the United States which are first sold in such State, as determined under subsection (b).

(b) For purposes of subsection (a), a product shall be considered to be first sold in a State if the domicile of the first person who purchases such product from the importer thereof is in such State or, in the case of an importer who is the final consumer of such product, the domicile of such importer. Each importer of such products shall report to the Administrator of the Federal Energy Administration, in such form, manner, and at such time as the Administrator prescribes by regulations, the identity of each person to whom such importer sells such products. The Administrator of the Federal Energy Administration shall report the amount of such products sold in each State to the Secretary of the Treasury from time to time.

(c) There are authorized to be appropriated to the Secretary of the Treasury an amount equal to the amount of duties collected on such products during each calendar year for the purpose of carrying out the provisions of this section.

(d) For purposes of this section, the term "State" includes each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 3. (1) The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after December 31, 1977.

(2) The rates of duty prescribed in rate columns numbered 1 of the Tariff Schedules of the United States, as amended by this Act, shall be considered to have been proclaimed by the President as being required or appropriate to carry out trade agreements to which the United States is a party, not as statutory provisions enacted by Congress.

WHY OCAW SUPPORTS S. 56

(By A. F. Grospiron, President, Oil, Chemical and Atomic Workers International Union, AFL–CIO)

The Oil, Chemical and Atomic Workers International Union, AFL–CIO, represents approximately 200,000 workers in the United States and Canada. Its members employed by the oil industry work in refineries which produce more than two-thirds of the finished petroleum products sold in the U.S.

As the population of the U.S. has grown, the demand for more and more petroleum products has increased. Even today, despite the oil embargo of 1973 and a great public awareness of petroleum shortages, demand for oil products has lessened only slightly.

It has long been the contention of OCAW that the U.S. oil industry has failed to expand its refining capacity in this country to keep up with the demand of its growing population.

In 1975, domestic refineries were capable of meeting no more than 94 percent of the nation's demand for refined petroleum products. In actuality, the industry met 87 percent of that demand. The remainder had to be imported.

Three-quarters of those imports were supplied by refineries situated in the Bahamas and the Caribbean area. In recent years, many oil refineries have been constructed in that area for the sole purpose of selling residual fuel oil on the U.S. mainland. As a result, the U.S. now depends on those foreign refineries for 40 percent of its residual fuel oil requirement.

It is estimated that more than 2,000,000 barrels per day of refining capacity has been "exported" to foreign locations over the last twelve years. By way of comparison. Texaco's huge refinery at Port Arthur, Texas, one of the largest in the country, processes 400,000 barrels of crude oil per day, or about 20 percent of that 2,000,000 barrels of exported capacity. Or, put another way, U.S. oil companies have built refineries in other countries equivalent to five plants the size of Texaco's gigantic Port Arthur refinery.

This substantiates another position of OCAW, that the practice of building refineries overseas deprives American workers of oil industry jobs. On the average, it requires 12 refinery workers for each thousand barrels of crude processed daily. The exportation of 2,000,000 barrels per day of refinery capacity is therefore equivalent to the exportation (and elimination) of 24,000 jobs.

Additionally, according to a study by Gulf Canada, each refinery job creates 3.5 jobs in closely allied service and manufacturing sectors, and it is that company's opinion that the same holds true in the U.S. That alone is equal to 84,000 jobs, which added to the 24,000 refinery jobs, totals 108,000 jobs lost to overseas refining of petroleum products for the U.S. market.

To further illustrate the impact upon the U.S. economy of that trend, the study uses an average U.S. household of 3.2 persons and comes up with a total of some 346,000 persons affected. The figures do not take into account the employment in other service areas such as housing, food, entertainment, education, roads and municipal needs. Nor do the figures include the beneficial impact on other segments of the U.S. economy and the considerable amount of state, local and federal taxes to be paid by those workers.

To cite a specific example: Crown Central Petroleum Corporation, a small independent refiner, since 1971 has been actively planning for the construction of a 200,000-barrel-per-day refinery to be located at Baltimore, Maryland. Projected total cost of the refinery would be approximately $500,000,000.

The proposed refinery would emphasize the processing of synthetic natural gas and low sulfur fuel oils in order to help supply the energy needs of the area. Construction would last an estimated two to three years and would employ up to 2,000 building tradesmen at peak construction periods. When completed, the refinery would employ some 300 full-time employes.

The construction of the refinery would require steel for structures, tanks, valves and other equipment requiring 900,000 man-hours for production at the mill. An even greater number of man-hours would be required for the conversion of that raw steel into compressors, reactors, valves and other equipment. In addition, equally large quantities of concrete, paint, electric cable and equipment would be manufactured and delivered to the construction site.

Obviously, if even a few refinery projects of this size were begun, the immediate

and long-term economic benefits would be tremendous.

The importation of refined petroleum products means the exportation of American dollars, resulting in even greater adverse effects on the U.S. balance of payments.

Additionally, the United States faces a continued possibility of another oil embargo. One can but speculate on the pressures that might be applied by host foreign countries on refineries to cease or curtail shipment of refined petroleum products to the U.S. during any such political crisis.

Senate Bill 56 would do much to halt the flight of runaway refineries from the U.S. to foreign countries. The bill, introduced by Sen. Charles McC. Mathias, would amend the tariff schedules of the U.S. to impose gradually escalating rates of duty on petroleum products refined outside of the country.

Under the proposal, revenue from the increased duty would be distributed to the states which consume such products. In effect, it would cause price increases on refined petroleum products shipped into the U.S. from other nations, and oil companies would find it more profitable to build their refineries within the borders of the U.S.

As a general principle, OCAW is opposed to higher taxes which cause higher prices on consumer products. However, as the additional money to be spent on petroleum products would be returned to the states in which those products are consumed, and because it could lead to increased employment in the building trades and the U.S. oil industry, OCAW favors passage of the Mathias bill.

In addition, Senate Bill 56 would encourage the growth of the domestic refining industry, serving as a protective device against importation of refined petroleum products, and reducing our dependence on foreign energy supplies.

By Mr. MUSKIE:

S. 57. A bill to amend the Federal Water Pollution Control Act, as amended, and for other purposes; to the Committee on Public Works.

WATER POLLUTION FUNDING

Mr. MUSKIE. Mr. President, last year, with the end of the session, legislation to extend the funding provisions of the Federal Clean Water Act died in a conference committee. Today, several States are in the position of exhausting their remaining water pollution construction grant funds in the near future.

The water pollution control program must be continued. The pipeline of construction activities in this vital environmental program must remain filled. Neither our environment nor our economy can afford a disruption in this program. The wastes of our cities must be treated, and the jobs that are created by the construction activity associated with this program must be continued.

Today I am introducing a very simple bill which is identical to measures passed by the Senate last session. This authorizes 2 years of water pollution construction grant funds, provides a system for allotment of those funds among the States and extends other needed authorization. There are, of course, many other issues for which legislation has been suggested. None is as important as continuing the construction grant program.

I would hope my colleagues would refrain from offering amendments to this bill in order to avoid the kind of controversy that killed the legislation last year. I am committed to a thorough review of the Water Pollution Control Act; I am committed to reporting any needed amendments to that legislation as early as possible in this session of Congress; and I hope that this commitment will be adequate to satisfy the concerns of my colleagues. I would hope that we could get this legislation to the new President within days of his inauguration.

Mr. President, I ask unanimous consent to include a copy of the legislation in the RECORD, at the conclusion of my remarks. I ask further unanimous consent that two lists of the States, totalling 32 which may exhaust their funds, also be included in the RECORD.

Essentially, the first list is the best case and the second list is the worst. The reasons for the difference include the following:

Recognizing that their current allotments will not last, many States have slowed their programs to avoid completely running out of funds; and

Many States estimate an earlier run-out date than that estimated by EPA.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 57

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 517 of the Federal Water Pollution Control Act, as amended (Pub. L. 92–500), is amended by striking the word "and" before the words $350,000,000" and by striking the period at the end thereof and inserting the words "and $350,000,000 for each of the fiscal years ending June 30, 1976, September 30, 1977, and September 30, 1978."

SEC. 2.(a) Section 104 of the Federal Water Pollution Control Act, as amended (P.L. 92–500), is amended by adding the following new subsection:

"(v) There are authorized to be appropriated to the Environmental Protection Agency for the following categories of research, development, and demonstration under this Act not to exceed $148,800,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978, of which each year —

"(1) $89,900,000 shall be for programs authorized by paragraph (1) of subsection (u) of this section,

"(2) $5,600,000 shall be for programs authorized by paragraph (4) of subsection (u) of this section,

"(3) $2,000,000 shall be for programs authorized by paragraph (5) of subsection (u) of this section,

"(4) $20,000,000 shall be for programs authorized by paragraph (6) of subsection (u) of this section,

"(5) $24,700,000 shall be for programs authorized by section 105(h) of this Act,

"(6) $4,600,000 shall be for programs authorized by section 107 of this Act, and

"(7) $2,000,000 shall be for programs authorized by section 113 of this Act.".

(b) Subsection (a) of section 106 of the Federal Water Pollution Control Act, as amended (P.L. 92–500), is amended by striking the word "and" after the words "1973," and by inserting after the words "1974;" the following: "and (3) $75,000,000 for each of the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977, and September 30, 1978;".

(c) Subsection (c) of section 112 of the Federal Water Pollution Control Act, as amended to read as follows:

"(c). There are authorized to be appropriated $25,000,000 per fiscal year for the fiscal years ending June 30, 1973, June 30, 1974, June 30, 1975, June 30, 1976, September 30, 1977, and September 30, 1978, to carry out sections 109 through 112 of this Act.".

SEC. 3. (a) Section 207 of the Federal Water Pollution Control Act, as amended (86 Stat. 839), is amended by striking the period at the end of the sentence and adding ", and for each of the fiscal years ending September 30, 1977, and September 30, 1978, subject to such amounts are are provided in appropriation Acts, not to exceed $5,000,000,000.".

(b) The first sentence of subsection (a) of section 205 of the Federal Water Pollution Control Act (86 Stat. 837) is amended by striking out "June 30, 1972," and inserting in lieu thereof "June 30, 1972, and before September 30, 1976,".

(c) Such section 205 is further amended by adding at the end thereof the following new subsections:

"(c) Sums authorized to be appropriated pursuant to section 207 for each fiscal year beginning after September 30, 1976, shall be allotted by the Administrator on October 1 of the fiscal year for which authorized. Sums authorized for the fiscal years ending September 30, 1977, and September 30, 1978, shall be allotted in accordance with the following table:

"State	*Proportional share*
Alabama	0.0110
Alaska	.0048
Arizona	.0064
Arkansas	.0109
California	.0831
Colorado	.0081
Connecticut	.0123
Delaware	.0040
District of Columbia	.0040
Florida	.0361
Georgia	.0201
Hawaii	.0070
Idaho	.0041
Illinois	.0526
Indiana	.0219
Iowa	.0111
Kansas	.0123
Kentucky	.0151
Louisiana	.0126
Maine	.0055
Maryland	.0382
Massachusetts	.0279
Michigan	.0473
Minnesota	.0152
Mississippi	.0076
Missouri	.0200
Montana	.0020
Nebraska	.0062
Nevada	.0030
New Hampshire	.0068
New Jersey	.0480
New Mexico	.0026
New York	.1062
North Carolina	.0209
North Dakota	.0019
Ohio	.0560
Oklahoma	.0136
Oregon	.0084
Pennsylvania	.0471
Rhode Island	.0040
South Carolina	.0132
South Dakota	.0016
Tennessee	.0150
Texas	.0434
Utah	.0051
Vermont	.0022
Virginia	.0222
Washington	.0155
West Virginia	.0218
Wisconsin	.0201
Wyoming	.0012
Virgin Islands	.0005
Puerto Rico	.0090
American Samoa	.0003
Trust Territories	.0020
Guam	.0010

If the sums allotted to the States for a fiscal year are made subject to a limitation on obligation by an appropriation Act, such limita-

tion shall apply to each State in proportion to its allotment.".

SEC. 4. (a) Section 208(f)(2) of the Federal Water Pollution Control Act (33 U.S.C. 2188) is amended to read as follows:

"(2) For the two-year period beginning on the date the first grant is made under paragraph (1) of this subsection to an agency, if such first grant is made before October 1, 1977, the amount of each such grant to such agency shall be 100 per centum of the costs of developing and operating a continuing areawide waste treatment management planning process under subsection (b) of this section, and thereafter the amount granted to such agency shall not exceed 75 per centum of such costs in each succeeding one-year period. In the case of any other grant made to an agency under such paragraph (1) of this subsection, the amount of such grant shall not exceed 75 per centum of the costs of developing and operating a continuing areawide waste treatment management planning process in any year.".

(b) The second sentence of section 208(f)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1288) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "subject to such amounts as are provided in appropriation Acts.".

(c) Section 208(f)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1288) is amended by striking out "and not to exceed $150,000,000 for the fiscal year ending June 30, 1975." and inserting in lieu thereof "and not to exceed $150,000,000 per fiscal year for the fiscal years ending June 30, 1975, September 30, 1977, and September 30, 1978.".

SEC. 5. Paragraph (2) of subsection (c) of section 314 of the Federal Water Pollution Control Act, as amended, is amended to read as follows:

"(2) There is authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973; $100,000,000 for the fiscal year ending June 30, 1974; and $150,000,000 for each of the fiscal years 1975, 1976, 1977, and 1978 for grants to States under this section which such sums shall remain available until expended. The Administrator shall provide for an equitable distribution of such sums to the States with approved methods and procedures under this section.".

STATES AND FUNDS

STATES WHICH EPA SAYS DEFINITELY WILL RUN OUT OF FUNDS IN FY 77

Maine	Texas
New Jersey	Missouri
Virginia	Nebraska
Hawaii	Wyoming
Alabama	Nevada
Illinois	

ADDITIONAL STATES WHICH STAFF ESTIMATES MAY RUN OUT OF FUNDS IN FY 77*

Alaska	New Hampshire
Arizona	New Mexico
Arkansas	New York
California	North Dakota
Colorado	Ohio
Delaware	Oregon
Idaho	Rhode Island
Iowa	Texas
Michigan	Utah
Minnesota	Washington
Mississippi	

*Based on a survey done by National Governor's Conference.

By Mr. HELMS (for himself and Mr. MCCLURE):

S. 59. A bill to amend the Internal Revenue Code of 1954 to permit employers to withhold payroll taxes from the wages of employees who are paid on a weekly, biweekly, or semimonthly basis from a single payment of wages each month; to the Committee on Finance.

WITHHOLDING TAX REVISIONS

Mr. HELMS. Mr. President, since the withholding tax was instituted in 1943, every time an employee receives a salary payment from his employer, a certain amount has been deducted for Federal income tax. Under the social security system and the railroad retirement program, an added amount has been deducted from the pay most people receive for these retirement taxes. The total of that tax burden on the average American is now approximately the same as a medieval serf had to pay to the owner of the land.

The enormity of the tax burden on working men and women in this Nation has, in effect, been hidden by the withholding provisions of our tax code. Many groups in our Nation have begun to voice objection to the high level of taxation—and this, I believe, is good.

I propose amending the tax code so that the withholding tax due in any 4-week period can be withheld in any one of the weekly or biweekly salary payments received in that period. It would dramatize the confiscatory levels of taxation with which Americans are now burdened and it would occasionally make clear the total paycheck that Americans would receive without the great chunks of income taxes and social security or railroad retirement taxes workers pay.

There may be good reasons to provide for regular tax payments on a month-to-month basis, in order to match Federal expenditures with Federal revenues, but there is no reason for not enacting the once-a-month deduction of taxes, other than covering up the tax burden.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 59

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OPTIONAL METHOD OF WITHHOLDING.

(a) INCOME TAX.—Section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(r) OPTIONAL WITHHOLDING REQUIREMENT.—At the election of an employer, made at such time and in such manner as the Secretary may prescribe, the employer may deduct and withhold upon wages paid to any employee whose payroll period is weekly, biweekly, or semimonthly the full amount required to be withheld by subsection (a) for any four-week period from a single payment of wages during that period. If an employer elects to have the provisions of this subsection apply, he must apply the method of deduction and withholding permitted under this paragraph with respect to all such employees.".

(b) OLD AGE, SURVIVORS, AND DISABILITY INSURANCE, ETC., TAX.—Section 3102(a) of such Code (relating to requirement of deduction of tax from wages) is amended by adding at the end thereof the following new sentence: "If an employer elects to deduct and withhold the tax imposed by section 3402(a) under the method described in section 3402(r), deductions under this subsection shall be made at the same time and in the same manner with respect to his employees.".

(c) RAILROAD RETIREMENT TAX.—Section 3202(a) of such Code (relating to requirement of deduction of tax from compensation) is amended by adding at the end thereof the following new sentence: "If an employer elects to deduct and withhold the tax imposed by section 3402(a) under the method described in section 3402(r), deductions under this subsection shall be made at the same time and in the same manner with respect to his employees.".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act apply with respect to wages paid more than 90 days after the date of enactment of this Act.

By Mr. INOUYE:

S. 60. A bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children and to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers; to the Committee on Finance.

Mr. INOUYE. Mr. President, I rise today to propose certain changes in title II of the Social Security Act which I feel will bring our system of compensation into line with this Nation's changing social conditions.

The women's liberation movement has been a potent force for change during the past decade. The movement has awakened this Nation to how it wastes valuable resources by relegating women, through tradition and law, to inferior roles. It hopefully has taught us to evaluate human beings on an individual basis without regard to sex.

Thanks to the women's movement, we are moving to overturn legal barriers to equal opportunity for both sexes. I am proud to say that my State of Hawaii was the first to ratify the equal rights amendment which, when it becomes part of the Constitution, will eliminate what discriminatory laws have not been removed already by legislative and judicial action.

The equal rights movement has directed attention at legal discrimination against women, but it should also make us aware that some laws discriminate against men. There are several abuses of this nature in the Social Security Act, and I propose we do away with them.

We must realize special treatment for women, simply because they are women, is as wrong as discrimination against them, because of their race. Several sections of the present Social Security Act allot special benefits to women in certain situations, but refuse these benefits to men in the same situations. This is wrong and should be corrected.

For example, when a man covered by social security dies, his widow receives special benefits if she is 62 or has a minor child. But if a woman covered by social security dies, her widower in the same circumstances only receives a small, one-time death benefit unless he can prove his wife provided at least half his support.

This provision seems especially unfair

at a time when 30 million women are working and paying into the social security trust fund. Under these circumstances, we cannot assume a wife provides less than half her family's income. This provision is especially disturbing in Hawaii where we have a higher percentage of working wives than any other State.

To correct this abuse and several related ones. I am offering this bill today. In addition to allowing widowers to collect benefits without proving dependence, my bill would:

Permit a divorced man to draw a spouse's benefit at age 62 if the marriage lasted 20 years and he has not remarried. Divorced women now enjoy this benefit;

Pay a parent's benefit to a surviving father with a child in his care until the child reaches the age 22. Surviving mothers now receive such benefits;

Permit a man to draw a spouse's benefit equal to half the primary amount, if he is caring for a minor child or has reached age 62. Men now receive this benefit only if they are 62 or older. Women are eligible under either circumstance.

Mr. President, these are not major changes, nor do I believe they will be costly ones. But their enactment will be a reaffirmation of our opposition to sex discrimination in all forms.

Social security payments now account for about one-fifth of Federal expenditures. Approximately 33 million Americans benefit from this program. A system so big and so inclusive must be fair. I believe the amendments I am proposing will make it more fair.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 60

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ELIMINATION OF SPECIAL DEPENDENCY REQUIREMENTS FOR HUSBAND'S AND WIDOWER'S BENEFITS

SECTION 1. (a)(1) Section 202(c)(1) of the Social Security Act is amended—

(A) by adding "and" at the end of subparagraph (B);

(B) by striking out subparagraph (C); and

(C) by redesignating subparagraph (D) as subparagraph (C).

(2) Section 202(c) of such Act is further amended by striking out paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(b)(1) Section 202(f)(1) of such Act is amended—

(A) by adding "and" at the end of subparagraph (C);

(B) by striking out subparagraph (D); and

(C) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (D), (E), and (F), respectively.

(2) Section 202(f) of such Act is further amended by striking out paragraph (2), and by redesignating paragraphs (3) through (8) as paragraphs (2) through (7), respectively.

(3)(A) Section 202(f)(1)(B) of such Act is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (5)".

(B) The subparagraph of section 202(f)(1) of such Act redesignated as subparagraph (F) by paragraph (1)(C) of this subsection is amended by striking out "paragraph (7)" and "paragraph (6)" and inserting in lieu thereof "paragraph (6)" and "paragraph (5)", respectively.

(C) Subparagraph (A) of the paragraph of section 202(f) of such Act redesignated as paragraph (2) by paragraph (2) of this subsection is amended by striking out "paragraph (5)" and inserting in lieu thereof "paragraph (4)".

(D) The paragraph of section 202(f) of such Act redesignated as paragraph (4) by paragraph (2) of this subsection is amended by striking out "paragraph (4)" and "paragraph (3)" and inserting in lieu thereof "paragraph (3)" and "paragraph (2)", respectively.

(E) The paragraph of section 202(f) of such Act redesignated as paragraph (6) by paragraph (2) of this subsection is amended by striking out "paragraph (1)(G)" and "paragraph (6)" and inserting in lieu thereof "paragraph (1)(F)" and "paragraph (5)", respectively.

ELIGIBILITY OF CERTAIN DIVORCED HUSBANDS AND FORMER HUSBANDS FOR HUSBAND'S AND WIDOWER'S BENEFITS

SEC. 2. (a)(1) Section 202(c)(1) of the Social Security Act is amended by inserting "and every divorced husband (as defined in section 216(d))" immediately after "husband (as defined in section 216(f))", and by inserting "or such divorced husband" immediately after "if such husband", in the matter preceding subparagraph (A).

(2) Section 202(c)(1) of such Act (as amended by the first section of this Act) is further amended by striking out "and" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting immediately after subparagraph (B) the following new subparagraph:

"(C) in the case of a divorced husband, is not married, and".

(3) Section 202(c)(1) of such Act is further amended by striking out "shall be entitled" and inserting in lieu thereof "shall (subject to subsection (s)) be entitled".

(4) Section 202(c)(1) of such Act is further amended—

(A) by inserting immediately after "they are divorced" in the matter following the colon the following: "(in the case of a husband) and either he has not attained age 62 or he has attained such age but has not been married to such individual for a period of 20 years immediately before the date the divorce became effective"; and

(B) by adding at the end thereof the following new sentence: "In the case of a divorced husband, entitlement to such benefits shall also end with the month preceding the month in which he marries a person other than such individual.".

(5) Section 202(c)(2) of such Act (as redesignated by the first section of this Act) is amended by inserting after "his wife" the following: "(or, in the case of a divorced husband, his former wife)".

(6) Section 202(c) of such Act (as amended by the first section of this Act) is further amended by adding at the end thereof the following new paragraph:

"(3) In the case of any divorced husband who marries—

"(A) an individual entitled to benefits under subsection (e) or (h) of this section, or

"(B) an individual who has attained the age of 18 and is entitled to benefits under subsection (d),

such divorced husband's entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) (but subject to subsection (s)), not be terminated by reason of such marriage.".

(b)(1) Section 202(f)(1) of such Act is amended by inserting "and every surviving divorced husband (as defined in section 216(d))" immediately after "widower (as defined in section 216(g))", and by inserting "or such surviving divorced husband" immediately after "if such widower", in the matter preceding subparagraph (A).

(2) Section 202(f)(1)(A) of such Act is amended by striking out "has not remarried" and inserting in lieu thereof "is not married".

(3) Section 202(f) of such Act is further amended by inserting "or surviving divorced husband" immediately after "widower" each place it appears in paragraphs (2)(B), (3), (5), and (6) as redesignated by the first section of this Act).

(4) Section 202(f)(3) of such Act (as so redesignated) is amended by inserting "or surviving divorced husband's" immediately after "widower's".

(c)(1) Section 216(d)(1) of such Act is amended by adding at the end thereof the following new sentence: "The term 'divorced husband' means a man divorced from an individual, but only if he had been married to such individual for a period of 20 years immediately before the date the divorce became effective.".

(2) Section 216(d)(2) of such Act is amended by adding at the end thereof the following new sentence: "The term 'surviving divorced husband' means a man divorced from an individual who has died, but only if he had been married to such individual for a period of 20 years immediately before the date the divorce became effective.".

(3) The heading of section 216(d) of such Act is amended by inserting "and Husbands" immediately after "Wives".

ELIGIBILITY FOR HUSBAND'S BENEFITS BASED ON HAVING CHILD IN CARE

SEC. 3. (a) Section 202(c)(1)(B) of the Social Security Act is amended to read as follows:

"(B) has attained age 62 or (in the case of a husband) has in his care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual,".

(b) Section 202(c)(1) of such Act (as amended by section 2(a) of this Act) is further amended by inserting immediately after the first sentence the following new sentence: "In the case of a husband who has not attained age 62, entitlement to such benefits shall also end with the month preceding the first month in which no child of the insured individual is entitled to a child's insurance benefit.".

BENEFITS FOR WIDOWED FATHERS WITH MINOR CHILDREN

SEC. 4. Section 202(g) of the Social Security Act is amended to read as follows:

"Mother and Father's Insurance Benefits

"(g)(1) The widow, widower, and every surviving divorced mother or father (as defined in section 216(d)) of an individual who died a fully or currently insured individual, if such widow, widower, or surviving divorced mother or father—

"(A) is not married,

"(B) is not entitled to a widow's or widower's insurance benefit,

"(C) is not entitled to old-age insurance benefits, or is entitled to old-age insurance benefits each of which is less than three-fourths of the primary insurance amount of such individual,

"(D) has filed application for mother's or father's insurance benefits, or was entitled to wife's or husband's insurance benefits on the basis of the wages and self-employment income of such individual for the month preceding the month in which such individual died, and

"(E) at the time of filing such application has in her or his care a child of such individual entitled to a child's insurance benefit,

shall (subject to subsection (s)) be entitled to a mother's or father's insurance benefit for each month, beginning with the first month in which she or he becomes so entitled to such insurance benefits and ending with the month preceding the first month in which any of the following occurs: no child of such deceased individual is entitled to a child's insurance benefit, or such widow, widower, or surviving divorced mother or father becomes entitled to an old-age insurance benefit equal to or exceeding three-fourths of the primary insurance amount of such deceased individual, becomes entitled to a widow's or widower's insurance benefit, remarries, or dies. Entitlement to such benefits shall also end, in the case of a surviving divorced mother or father, with the month immediately preceding the first month in which no son, daughter, or legally adopted child of such surviving divorced mother or father is entitled to a child's insurance benefit on the basis of the wages and self-employment income of such deceased individual.

"(2) Such mother's or father's insurance benefit for each month shall be equal to three-fourths of the primary insurance amount of such deceased individual.

"(3) In the case of a widow, widower, or surviving divorced mother or father who marries—

"(A) an individual entitled to benefits under this subsection or subsection (a), (b), (e), (f), or (h), or under section 223(a), or

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

the entitlement of such widow, widower, or surviving divorced mother or father to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) but subject to subsection (s), not be terminated by reason of such marriage; except that, in the case of such a marriage to an individual entitled to benefits under section 223(a) or subsection (d) of this section, the preceding provisions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under section 223(a) or subsection (d) of this section unless (i) he or she ceases to be so entitled by reason of his or her death, or (ii) in the case of an individual who was entitled to benefits under section 223(a), he or she is entitled, for the month following such last month, to benefits under subsection (a) of this section.".

MISCELLANEOUS CONFORMING AMENDMENTS

SEC. 5. (a)(1) Section 202(b)(3)(A) of the Social Security Act is amended by striking out "(f) or (h)" and inserting in lieu thereof "(f), (g), or (h)".

(2) Section 202(b)(3) of such Act is further amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

(b)(1) Section 202(e)(3)(A) of such Act is amended by striking out "(f) or (h)" and inserting in lieu thereof "(f), (g), or (h)".

(2) Section 202(e)(3) of such Act is further amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

(c) Section 202(f)(1)(C) of such Act is amended by inserting after the comma at the end thereof the following: "or was entitled, on the basis of such wages and self-employment income, to father's insurance benefits for the month preceding the month in which he attained age 62,".

(d) Section 202(k) of such Act is amended—

(1) by striking out "or (f)(5)" wherever it appears in paragraphs (2)(B) and (3)(B) and inserting in lieu thereof in each instance "or (f)(4)"; and

(2) by striking out "or (f)(3)" in paragraph (3)(A) and inserting in lieu thereof "or (f)(2)".

(e)(1) Section 202(p)(1) of such Act is amended by striking out "subparagraph (C) of subsection (c)(1),".

(2) Section 202(p)(1) of such Act is further amended by striking out "clause (i) or (ii) of subparagraph (D) of subsection (f)(1), or".

(f) Section 202(s) of such Act is amended—

(1) by inserting "(c)(1)," after "(b)(1),"in paragraph (1);

(2) by striking out "Subsection (f)(4), and so much of subsections (b)(3), (d)(5), (e)(3), (g)(3), and (h)(4), of this section as precedes the semicolon" in paragraph (2) and inserting in lieu thereof "Subsections (b)(3), (c)(4), (e)(3), and (f)(3), and so much of subsections (d)(5), (g)(3), and (h)(4) of this section as precedes the semicolon";

(3) by striking out "Subsections (c)(2)(B) and (f)(2)(B) of this section, so much of subsections (b)(3), (d)(5), (e)(3), (g)(3), and (h)(4)" in paragraph (3) and inserting in lieu thereof "So much of subsections (d)(5), (g)(3), and (h)(4)".

(g) Section 203(c)(2) of such Act is amended—

(1) by striking out "wife" and inserting in lieu thereof "wife or husband";

(2) by striking out "wife's" each place it appears and inserting in lieu thereof "wife's or husband's";

(3) by striking out "her care" and inserting in lieu thereof "her or his care"; and

(4) by striking out "her husband" each place it appears and inserting in lieu thereof "her or his spouse".

(h)(1) Section 203(c)(3) of such Act is amended to read as follows:

"(3) in which such individual, if a widow or widower entitled to a mother's or father's insurance benefit, did not have in her or his care a child of the deceased husband or wife entitled to a child's insurance benefit; or".

(2) Section 203(c)(4) of such Act is amended to read as follows:

"(4) in which such individual, if a surviving divorced mother or father entitled to a mother's or father's insurance benefit did not have in her or his care a child of her or his deceased former spouse who (A) is her or his son, daughter, or legally adopted child and (B) is entitled to a child's insurance benefit on the basis of the wages and self-employment income of her or his deceased former spouse.".

(i) The last sentence of section 203(c) of such Act is amended by inserting "or surviving divorced husband" after "the widower".

(j) The second sentence of section 205(b) of such Act is amended by inserting "surviving divorced father," after "surviving divorced mother,", by inserting "divorced husband," after "husband,", and by inserting "surviving divorced husband," after "widower,".

(k)(1) Section 216(d)(3) of such Act is amended to read as follows:

"(3) The term 'surviving divorced mother or father' means an individual divorced from a person who has died, but only if (A) such individual is the mother or father of such person's son or daughter, (B) such individual legally adopted such person's son or daughter while such individual and such person were married and while such son or daughter was under the age of 18, (C) such person legally adopted such individual's son or daughter while such individual and such person were married and while such son or daughter was under the age of 18, or (D) such individual was married to such person at the time both of them legally adopted a child under the age of 18."

(2) The heading of section 216(d) of such Act (as amended by section 2(c)(3) of this Act) is amended by inserting "Surviving Divorced Mothers and Fathers;" immediately after "Husbands;".

(l)(1) The first sentence of section 222(b)(1) of such act is amended by striking out "or surviving divorced wife" and inserting in lieu thereof ", surviving divorced wife, or surviving divorced husband".

(2) Section 222(b)(2) of such Act is amended by inserting "or father's" after "mother's" each place it appears.

(3) Section 222(b)(3) of such Act is amended by inserting "divorced husband," immediately after "husband,".

(m) Section 222(d)(1) of such Act is amended by inserting "and surviving divorced husbands" immediately after "for widowers".

(n) Section 223(d)(2) of such Act is amended by striking out "or widower" in subparagraphs (A) and (B) and inserting in lieu thereof "widower, or surviving divorced husband".

(o) The first sentence of section 225 of such Act is amended by inserting "or surviving divorced husband" immediately after "a widower".

EFFECTIVE DATE

SEC. 6. The amendments made by this Act shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act for months after the month in which this Act is enacted, on the basis of application filed in or after the month in which this Act is enacted.

By Mr. HOLLINGS:

S. 61. A bill entitled the Energy Transportation Security Act of 1977; to the Committee on Commerce.

ENERGY TRANSPORTATION SECURITY ACT OF 1977

Mr. HOLLINGS. Mr. President, I am today introducing the Energy Transportation Security Act of 1977. When President Ford vetoed such legislation at the close of the 93d Congress, many of us warned of the injurious economic effects which were bound to follow such veto. These consequences became clear.

The respected journal, Business Week, contained a report on the declining status of our hard-hit shipbuilding yards. Specific reference was made in the article to the Seatrain Shipbuilding Corp. where two large U.S.-flag tankers had been under construction; one of these ships was 82-percent completed, and the other 30 percent. The Government's role in financing construction of these vessels has, of course, been considerable, through construction subsidies and loan guarantees. Now the future of the ships, and of the whole American tanker industry, is up in the air. The President's veto provided a serious body blow to America's chances of launching an adequate tanker fleet. Our yards are cutting back and workers are being laid off, thereby exacerbating the current economic recession. While the President talked about made-work jobs for the unemployed, he simultaneously delivered this devastating setback to an industry which is vital to the future well-being of the country. By failing to implement cargo preferences, the President makes us ever more dependent upon the ships of other nations for our energy imports—and we know now that the Arabs themselves are making an all-out effort to capture control of world oil shipping, thereby giving them even more control over the future of the United States and the other oil-consuming countries.

How such a piece of legislation can be vetoed is beyond me. For the sake of jobs—for the sake of encouraging a vital American industry—and for the sake of avoiding increased dependence upon the oil-exporting nations—the Congress should pass the Energy Transportation Act by a majority sufficient to insure its being written into the lawbooks.

Let me point out also, Mr. President, that the cargo preference provisions of this legislation would not only have facilitated jobs and enhanced our national security, but they would also have gone a long way toward encouraging safety in the transportation of imported energy. If we could move from the present 4 percent up to 30 percent of imported oil brought in in American bottoms, then that much more oil would be moved in ships built to the high standards of American safety. Recently the commandant of the Coast Guard testified before Congress that safety would be greatly improved if that higher percentage of imported energy was required to move in American bottoms.

Mr. President, it is up to the Congress to act on this, and if we move with dispatch and with the sufficient majority, we may perhaps reverse the stagnating situation in our shipbuilding yards—put people back to work on productive and important jobs—and protect the national interest by leading the way toward increased independence for the United States.

Mr. President, I ask unanimous consent that the article from Business Week which I mentioned earlier in my remarks be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNITED STATES MAY BAIL OUT SEATRAIN'S TANKERS

Until President Ford exercised a year-end pocket veto of a bill that would have required 30% of U.S. oil imports to be carried in U.S. flag tankers, prospects for Seatrain Shipbuilding Corp., a subsidiary of Seatrain Lines, Inc., were merely risky. Now they are desperate. This week a four-man team from the Federal Maritime Administration returned from a fact-finding trip to New York, where Seatrain builds tankers in the old Brooklyn Navy Yard. The yard is virtually shut down, following an announced four-week furlough last week of 1,800 workers that left only a few caretakers. The yard had already reduced its work force by more than 1,000 employees since December.

The Maritime Administration's fact finders, headed by Deputy Assistant Secretary Howard F. Casey, were looking after the government investment in two 225,000-dwt U.S. flag tankers under construction in the yard. One, about 82% complete, and the other, scheduled for December 1977 delivery, is about 30% finished. Two earlier tankers built by the yard were delivered in December 1973 and December 1974, respectively. At the moment, however, the yard has no firm buyer or lessee in sight for the two tankers under construction.

The government has two major interests in the ships: It has paid out $31.5-million so far in construction subsidy progress payments, and it also guaranteed 75% of the private funds borrowed to build the ships. (Under a term loan agreement with its banks, Seatrain Lines was supposed to make principal payments on about $45-million outstanding at the end of January. However, a spokesman for Chase Manhattan Bank said this week that talks were under way to extend this date to the end of February.)

THE OPTIONS

The question facing Robert J. Blackwell, Assistant Secretary of Commerce for maritime affairs, is how best to protect the government's investment. Basically, his options boil down to whether the government should pay an additional $18-million to $20-million to finish the first tanker, and $40-million or more for the second, or whether it should end support now.

One factor affecting the decision is whether the world market for tankers, currently very depressed, is likely to improve by the time the vessels are finished. Another factor is the impact of the yard layoffs on the Brooklyn economy. The yard has been a pilot project in rehabilitating a depressed region by on-the-job training of the local work force to perform skilled tasks. A delegation of New York interests, including Congressional representatives, met with Blackwell last week to plead for government intervention to save the shipyard and jobs. About 85% of the yard workers belong to minorities.

The Maritime Administration has reserve funds to bail the shipyard out, Blackwell says, but he wants private investors in the ships to put up cash, too. "I can make the decision," Blackwell says. But, he adds, "I would clear it with Secretary of Commerce Dent and he might want to discuss it with the White House."

However the decision goes, it will be made soon. If the government bails out the ships, they would be sold when completed, and both the government and private investors would get their money back—assuming buyers could be found and the price was right. Because of cost overruns, Seatrain lost an estimated $13-million on the first two ships delivered.

HEARINGS COMING UP

The situation for American flag tankers is drawing new attention in Congress. The Senate Commerce Committee will hold hearings beginning Feb. 7 on the "depressed condition of the U.S. tanker industry and the impact of President Ford's energy proposals on that industry." There are Congressional rumors about a move to exempt oil carried in U.S. flag ships from any tariff levied on imported oil. Also, Congress seems likely to send the cargo preference bill back to the White House.

Seatrain's Brooklyn operation is the yard hit hardest so far, but Newport News Shipbuilding & Dry Dock Co., a division of Tenneco, Inc., has laid off about 150 workers so far this year, and its president, John P. Diesel, expects the number to reach 2,000 by June. If massive shipyard layoffs spread, Congress will seek legislative relief. Says one congressman: "We will knock heads with the White House if necessary."

Mr. HOLLINGS. Now, Mr. President, we find ourselves confronted with several disastrous oil spills involving foreign-flag vessels. American companies register ships under foreign flags to avoid the more stringent safeguards required of American-flag vessels. Obviously these safeguards are required for very valid reasons and we now learn the hard way.

Therefore, I am again introducing the Energy Transportation Security Act of 1977 which will provide a cargo preference for our American-flag vessels. I urge the appropriate committee to conduct early hearings and to work closely with our new administration, so that we can shape this proposal into a final legislative form that will benefit and protect the American public.

By Mr. MATHIAS:

S. 62. A bill to amend the Tax Reform Act of 1976 to extend for 1 year the effective date of the provision relating to changes in exclusion for sick pay; to the Committee on Finance.

SICK PAY TAX EXCLUSION

Mr. MATHIAS. Mr. President, I send to the desk a bill which will provide relief to thousands of people who would otherwise be unfairly affected by revisions made in the Tax Reform Act of 1976 (Public Law 94-455). My bill would change the effective date of section 505 of the act from December 31, 1975, to December 31, 1976.

Section 505 of the tax bill has sharply curtailed the use of certain tax provisions by sick and disabled individuals. Formerly, any person who had retired on disability could exclude from taxable income up to $100 a week as sick pay. Similarly, if an individual was sick and received pay under a wage-continuation plan during his or her illness, the same $100 a week exclusion applied. Under the new law, only individuals retired on full disability can exclude sick pay from their income. They can exclude $100 a week or $5,200 a year maximum, if they are under age 65, have retired on disability and are permanently and totally disabled. To constitute total and permanent disability, they must be unable to perform any substantial gainful activity due to a mental or physical impairment, which is expected to last at least 12 months or result in death.

My primary objection to section 505 of the Tax Reform Act of 1976 is that the new law applies to taxable year 1976, even though the bill was not enacted until October 1976. As a result many disabled individuals may be liable for taxes they had not expected to pay for 1976. Many individuals—often retired and living on fixed incomes—had expected to use the sick pay exclusion when filing their tax return for 1976. Less than 3 months before the year ended, however, those people find that the tax provisions they had expected to use have been either eliminated or drastically curtailed. Is it any wonder that those affected individuals view their Government as unresponsive?

I would like to share with my colleagues the thoughts of some of my constituents regarding this provision. As Mr. George Drank, a disabled retiree of Leonardtown, Md., wrote:

When the "tax reform" bill became a reality, I accepted it, as we must, it was (an) act of our duly elected representatives after deliberation, and supposedly for the general welfare of the majority of our country's citizens.

I accepted the tax reform bill until I realized that the federal disabled retirees were victims of an unfair act. Making the sick pay eyclusion abolition retroactive to January 1, 1976 is a blow to those who subsist solely on their annuity and estimate their income tax. Depending on the size of their annuity, many retirees will have to come up with an additional tax of from several hundred dollars to a thousand dollars or better. A check with Internal Revenue has determined that people in this category will

also be penalized because they have underestimated their tax. I ask, "Is this fair?" Is there anything that can be done about changing the effective date of the "sick pay provision" to January 1, 1977? If that can be accomplished, people can properly declare the correct estimated income tax for the coming year without having to pay a penalty.

And Mr. Robert Handler of Rockville, Md., stated:

I have no quarrel with the premise promulgated by the tax bill writers who felt that the sick pay exclusion was neither feasible or sensible. My quarrel lies in the arbitrary and capricious manner by which the exclusion elimination was made effective the beginning of this year (1976) resulting in what can only be classified as retroactive taxation. To maintain some vestige of fairness, it appears that the elimination of this provision should have been made effective on either the date of passage of the bill or on the first day of calendar year 1977.

These two excerpts are indicative of the views held by many of the hundreds of people who have called or written me about this provision of the tax bill. They are not arguing the merits of the numerous changes made by Congress, but rather are outraged and bewildered that so little time has been given in which to comply with the new law.

We have been hearing so much lately about the transitional period for our new President. I think that the citizens of this country, who elected us and sent us to Washington to represent their views, are entitled to a transitional period as well. By extending the effective date of section 505 for 1 year, we would be proving that Congress can be responsive to the needs of citzens, admit it made a mistake through oversight, and is willing to correct it.

Let me repeat what I said during Senate consideration of section 505 this past summer:

Retired people today have enough financial problems. We, in Congress, should not impose added burdens on them.

We have a limited time-frame in which to take action on this bill. People will be preparing their tax returns within the next few weeks and many of them may have to literally scrape up enough money in order to pay their taxes. I urge my colleagues to act promptly on this bill.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 62

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 505 of the Tax Reform Act of 1976 is amended by adding at the end thereof the following new subsection:

(f) EFFECTIVE DATE FOR SUBSECTION (a).— The amendment made by subsection (a) of this section shall apply to taxable years beginning after December 31, 1976.

(b) Section 505(c) of the Tax Reform Act of 1976 is amended by striking out "January 1, 1976" each place it appears therein and inserting in lieu thereof "January 1, 1977".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of enactment of the Tax Reform Act of 1976.

By Mr. MATHIAS (for himself and Mr. PEARSON):

S. 63. A bill to provide for a program of nuclear waste management; to the Joint Committee on Atomic Energy.

NUCLEAR WASTE MANAGEMENT ACT OF 1977

Mr. MATHIAS. Mr. President, I send to the desk, for Mr. PEARSON and myself, the Nuclear Waste Management Act of 1977. Recent events have reminded us that we are still confronted by a severe energy crisis. I firmly believe that a comprehensive energy policy is one of the top priorities facing Congress today. While I favor a public policy to promote a strong conservation ethic in this country, development of alternative energy sources has also been discussed. Nuclear energy has frequently been mentioned in this regard. While nuclear energy has brought with it great promise, it has provided as with some thorny dilemmas. One of those is the question of nuclear waste.

The commercial use of nuclear materials to generate electricity, as well as the military use of similar materials for nuclear weapons and naval propulsion, have generated and will continue to generate at an increasing pace a vast amount of radioactive waste. Current estimates are that the number of nuclear powerplants will increase from the 50-plus stations now in existence to nearly 200 in 1985 and perhaps 800 or 900 by the year 2000. The Energy Research and Development Administration has projected that, unless nuclear power construction is restricted, between 720,000 and 800,000 megawatts of electric capacity will be supplied by nuclear power in the year 2000.

At this time, existing military radioactive waste alone is approximately 215 million gallons of liquid waste. High-level waste from ERDA programs is being generated at an annual rate of 7.5 million gallons. It is also estimated that the commercial nuclear power industry in the United States will have generated 60 million gallons of liquid high-level waste by the year 2000. This waste remains dangerously radioactive for hundreds of thousands of years. We are all familiar with the hazards posed to mankind by radioactive material. If a human being is exposed to excessive amounts of radiation, he may die immediately, contract radiation-induced cancer, or suffer temporary but severe illness. It is also possible that genetic changes from exposure to radiation could occur in subsequent generations.

Already failures in high-level waste disposal have resulted in 423,500 gallons of radioactive liquid leaking from the Hanford disposal site in Richland, Wash. Although no one was injured from the leaks, radiation still remains in the ground and will remain hazardous for hundreds of thousands of years.

The findings of a recent Louis Harris poll confirm the seriousness with which the public views the radioactive waste problem. According to this poll, 67 percent express the view that "the disposal of radioactive waste materials which remain radioactive for many centuries to come is a major problem."

Louis Harris and Associates made the following observation based on this finding:

Certainly, by any measure, both the public and the leadership groups feel the major unfinished business in nuclear power development is to come up with an answer to the problem of radioactive waste disposal. There is a depth of feeling that adequate and permanent steps simply have not been taken to properly dispose of nuclear wastes.

I concur in that judgment.

Thus, there is no doubt that a safe means of disposal for these high-level, long-lived radioactive wastes must be demonstrated beyond a reasonable doubt before the further expansion of nuclear power can be undertaken. Since radioactive waste already exists in considerable quantities, a safe method for their long-term disposal is in any case required, whatever is decided about future development of nuclear power.

To date, an inadequate effort has been devoted to the problems of long-term waste management. A more urgent approach is needed. Congress has taken no action specifically relating to high-level radioactive waste disposal other than to provide funding for waste operations. Before we go any further in nuclear power, we must face the critical issue of nuclear waste disposal.

The bill which I am introducing today is designed to resolve the inaction and stagnation which has plagued the nuclear waste disposal program. The permanent challenge which radioactive waste disposal poses to Government must be squarely faced immediately, before it is too late and future generations are forced to cope with grave risks to health and environment. I do not wish to be associated with that wind of legacy, and I am sure my colleagues do not.

This bill would establish an independent, self-financing Government agency to control existing and future commercial and military radioactive waste facilities. This agency would be known as the Radioactive Waste Authority. The Authority would deal with the high-level and transuranic wastes which are the most threatening to mankind.

A study done for the Energy Research and Development Administration by Mason Willrich under the auspices of the Energy Laboratory at the Massachusetts Institute of Technology concluded that the "existing organization for radioactive waste management will be unworkable if left unchanged. * * * Bifurcated responsibility for an essentially integrated series of waste management operations creates incentives for each sector to pass through to the other as much as possible of the risks and costs. * * * One pervasive deficiency in the existing waste management structure is that it does not tend to generate strong incentives for efficient management."

Our present organization for dealing with radioactive waste thwarts the effective management of waste disposal. The diffuse pattern of responsibility in this area has resulted in too little being

done. The bill I am introducing today provides a new and efficient means of managing waste disposal by fixing responsibility for waste disposal in a new, independent Government authority. This agency would finance itself through the charging of fees for waste disposal and the selling of bonds. Thus, while safety and efficiency would increase, there would be no increase in Federal expenditures. There would be an advisory board of directors for the new agency, drawn from Government, the public, nuclear industry, and the academic research community. In this way, all segments of society affected by nucear power will be represented.

This agency would own all high-level and transuranic waste facilities, including facilities for temporary storage, treatment and permanent disposition of waste, and any specially constructed waste transport containers. It would take over existing commercial and military waste facilities. The agency could contract work out to private organizations if it found this was a safe and efficient course.

The Energy Research and Development Administration will continue to have primary Government responsibility for research and development of radioactive waste technology.

It is essential that the Nuclear Regulatory Commission establish a comprehensive regulatory framework to insure the safety and efficiency of nuclear waste management operations. In other words, both military and commercial wastes operations would require licensing by the NRC. The bill accomplishes this.

Finally, the Nuclear Waste Management Act of 1977 would provide a foundation for the international regulation of hazardous radioactive materials. Under the bill, a commission would undertake a worldwide feasibility study to recommend sites to serve as repositories for nuclear wastes. Any site recommended must be safe for the long-term storage of nuclear wastes until such time as those wastes are harmless to the environment and must be acceptable to the country in which the site is located.

Upon completion of the study, a treaty could be negotiated among the countries involved. Such a treaty should include procedures for transporting the radioactive waste and the designation of an international agency to administer any such site in cooperation with the government in which the site is located.

We face a permanent challenge in the disposal of nuclear wastes. Up to this time, radioactive waste policy has contained no provisions for rational institutional arrangements for safe waste management and regulation. Yet such provitions are necessary for safe, effective management of long-term nuclear waste management. The Nuclear Waste Management Act of 1977, would provide the unified action, centralized responsibility, and clearly defined policy essential to a resolution of the critical nuclear waste problem.

Mr. President, I ask unanimous consent that the text of the Nuclear Waste Management Act of 1977 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 63

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Waste Management Act of 1977".

ESTABLISHMENT

SEC. 2. There is established an independent executive agency to be known as the Radioactive Waste Authority (hereinafter in this Act referred to as the "Authority").

OFFICERS

SEC. 3. (a) There shall be at the head of the Authority an Executive Director of the Authority (hereinafter in this Act referred to as the "Executive Director") who shall be appointed by the President by and with the advice and consent of the Senate. The authority shall be administered under the supervision and direction of the Executive Director who shall be responsible for the efficient and coordinated management of the Authority.

(b) There shall be in the Authority a Deputy Executive Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) The President shall appoint the Executive Director and the Deputy Executive Director from among individuals who by reason of their general background and experience are specially qualified to manage a full range of nuclear waste management programs.

(d) There shall be in the Authority a General Counsel who shall be appointed by the Executive Director and who shall serve at the pleasure of and be removable by the Executive Director. Officers appointed pursuant to this section shall perform such functions as the Executive Director shall specify from time to time. The Executive Director shall delegate to one such officer a special responsibility for international cooperation in all nuclear waste management programs.

FUNCTIONS OF THE AUTHORITY

SEC. 4. (a) Subject to the provisions of this Act the Executive Director shall perform such functions as are necessary to carry out the purposes of this Act including—

(1) the establishment of temporary and permanent nuclear waste facilities;

(2) the establishment of programs for the treatment of nuclear wastes;

(3) the establishment of fees or user charges for nuclear waste treatment or storage facilities; and

(4) the promulgation of such rules and regulations to implement the authority granted under this Act.

(b) Nothing in this section shall be construed as granting to the Authority regulatory functions presently within the Nuclear Regulatory Commission.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Executive Director is authorized to prescribe such policies, standards, criteria, procedures, rules, and regulations as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(b) The Executive Director shall engage in such policy planning, and perform such program evaluation analysis and other studies, as may be necessary to promote the efficient and coordinated administration of the Authority and properly assess progress toward achievement of its stated goals.

(c) Except as otherwise expressly provided by law, the Executive Director may delegate any of his functions to such officers and employees of the Authority as he may designate, and may authorize successive redelegations of such functions as he may deem necessary or appropriate.

(d) The Executive Director is authorized to establish, maintain, alter or discontinue such State, regional, district, local or other field offices as he may deem necessary or appropriate to perform functions now or hereafter vested in him.

(e) The Executive Director shall cause a seal of the office to be made for the Authority of such device as he shall approve and judicial notice shall be taken on such seal.

INTERAGENCY COOPERATION

SEC. 6. Each department, agency, and instrumentality of the Executive Branch of the government is authorized to furnish the Executive Director, upon his request, any information or other data which the Executive Director deems necessary to carry out his duties under this Act.

PERSONNEL AND SERVICES

SEC. 7. (a) The Executive Director is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions now or hereafter vested in him and to prescribe their functions.

(b) The Executive Director is authorized to obtain services as provided by section 3109 of title 5 of the United States Code. The Executive Director is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses in accordance with chapter 57 of title 5 of the United States Code for travel while at places of duty, of persons appointed for emergency, temporary or seasonal services in the field services of the Authority.

(c) The Executive Director is authorized to utilize on a reimbursable basis, the services of any personnel made available by any department, agency, or instrumentality including any independent agency of government.

(d) The Executive Director is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92-463), to advise with and make recommendation to the Authority on legislation, policies, administration, research, and other matters.

(e) The Executive Director is authorized to employ persons who are not citizens of the United States in expert, scientific, technical, or professional capacities whenever he deems it in the public interest.

(f) Except for public buildings as defined in the Public Buildings Act of 1959, and with respect to the lease space subject to the provisions of the Reorganization Plan No. 18 of 1950, the Executive Director is authorized to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain facilities and real property as the Executive Director deems to be necessary in and outside the District of Columbia. Such authority shall apply only to facilities required for the maintenance and operation of facilities, quarters and related accommodations for employees and dependents of employees of the Authority and such other special purpose real property as the Executive Director deems to be necessary in and outside the District of Columbia. Title to property or interest therein, real, personal, or mixed acquired pursuant to this section shall be in the United States.

(g) (1) The Executive Director is authorized to provide, construct, or maintain, as necessary and when not otherwise available, the following for employees and their dependents stationed at remote locations:

(A) emergency medical services and supplies;

(B) food and other subsistence supplies;

(C) messing facilities;

(D) audio-visual equipment, accessories, and supplies for recreation and training;

(E) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(F) living and working quarters and facilities; and

(G) transportation for school age dependents of employees to the nearest appropriate educational facilities.

(2) The furnishing of medical treatment under subparagraph (A) of paragraph (1) and the furnishing of services and supplies under subparagraphs (B) and (C) of paragraph (1) shall be at prices reflecting reasonable values as is determined by the Executive Director.

(h) The Executive Director is authorized to require any of the following described rights if the property acquired thereby is for use in, or is useful to the performance of the functions vested in him:

(1) copyrights, patents, and applications for patents, designs, processes, specifications and data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases before suit is brought, for past infringement of patents or copyrights.

(i) Subject to the provisions of chapter 12 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2161), and other applicable law, the Executive Director shall disseminate scientific, technical, and practical information required pursuant to this Act through information programs and other appropriate means and shall encourage the dissemination of scientific, technical and practical information relating to nuclear waste management so as to enlarge the fund of such information and to provide a free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding.

(j) The Executive Director is authorized to accept, hold, administer and utilize gifts, and bequests of property, both real and personal, for the purpose of aiding and facilitating the work of the Authority. Gifts and bequests of money and proceeds from sales or of other property received as gifts or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the Executive Director. For the purposes of Federal income, State, and gift taxes, property accepted under this section shall be considered as the gift or bequest of the United States.

NUCLEAR WASTE MANAGEMENT FUND

SEC. 8. (a) There is hereby established in the Treasury of the United States a Nuclear Waste Management Fund. The Fund shall be administered by the Executive Director without the requirement of annual authorizations in order to secure payment, when due of the principal of, any redemption premium on and any interest on all Fund bonds, by a first pledge of a lien on all revenues payable to and assets held in the Fund, and to carry out the purposes, functions and powers authorized in this Act.

(b) The purpose of the Fund is to provide capital which is necessary to furnish financial assistance for nuclear waste management and such other financial needs as the Executive Director proves in accordance with this Act.

(c) In order to achieve the objectives and to carry out the purposes of this Act the Executive Director may—

(1) issue and sell securities and Fund bonds;

(2) make and enforce such rules and regulations and make and perform such contracts, agreements, and commitments as may be necessary to carry out the purposes of this Act;

(3) prescribe and impose fees and charges for services rendered by the Authority pursuant to this Act;

(4) settle, adjust, and compromise, and with or without consideration or benefit to the Fund, release or waive, in whole or in part, in advance or otherwise, any claim, demand, or right of, by or against the Executive Director or the Fund;

(5) sue or be sued, complain and defend in any State, Federal, or other court;

(6) acquire, take, hold, own, deal with and dispose of any property, including bonds issued under this section; and

(7) determine in accordance with appropriations, the amount to be withdrawn from the Fund and the manner in which such withdrawal shall be effected.

(d) There shall be deposited in the Fund—

(1) funds received by the Executive Director for deposit in the Fund representing the proceeds from the issuance and sale of securities and Fund bonds as provided;

(2) income and gains realized by the Fund from any investment of excess funds of the Fund; and

(3) income from fees and charges established pursuant to this Act for the use of nuclear waste facilities operated by or for the Authority.

(e) If the Secretary determines that the amount of money in the Fund exceeds the amount required for current needs, the Executive Director may invest such amounts as he deems advisable and obligations of or obligations guaranteed by the government of the United States, or in such other governmental agency obligations or other securities of the United States.

(f) The Secretary may deposit monies of the Fund with any Federal Reserve Bank, and depository for public funds or in such other places and in such manner as the Secretary of the Treasury deems appropriate.

FUND BONDS

SEC. 9. (a) The Executive Director may issue Fund bonds in denominations of $100,000 (or any integral multiple thereof), and such total amounts as may be authorized by Congress. No Fund bonds—

(1) shall be issued which mature in less than 8 or more than 15 years from the date of original issuance thereof;

(2) shall be issued later than the tenth anniversary of the date of publication of the final standards and designations under this Act; and

(3) shall, except as otherwise provided pursuant to this Act, be subject to redemption (at the option of the Executive Director)—

(A) at any time prior to the tenth anniversary date of the original issuance thereof, and

(B) at any time thereafter.

(b) The Executive Director shall impose a first pledge of and a first lien on, all revenues payable to the assets held in the Fund, and appropriated for the use of the Executive Director pursuant to this Act. The Executive Director may impose such a pledge of and lien on all other revenues or property of the Fund. The purpose of any such pledge and lien shall be to secure the payment when due, or the principal and any redemption premiums on, and any interest on all Fund bonds, and for other purposes incidental thereto. Such incidental purposes may include the creation of reserve and other funds which may be similarly pledged and used, to such extent and in such manner as the Executive Director deems necessary or desirable. Any pledge made by the Executive Director shall be valid and binding from the time it is made. The revenues and assets held in the Fund, and the revenues or property of the Fund which are so pledged and which are subsequently received by the Fund, shall immediately be subject to the lien of such pledge without any physical delivery thereof or any further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind, in tort, contract, or otherwise against the Executive Director or the Fund, without regard to whether such parties have notice thereof, no instrument by which a pledge is created need be recorded or filed to protect such a pledge.

(c) The Executive Director may enter into binding covenants with the holders of Fund bonds and with the trustee, if any, under any agreement entered into in connection with the issuance of such bonds with respect to—

(1) the establishment of reserves and other funds;

(2) stipulations concerning the subsequent issuance of obligations; and

(3) such other matters as the Secretary deems necessary or desirable to enhance the marketability of Fund bonds.

(d) Subject to the provisions of subsection (a) of this section, the Executive Director may determine with respect to Fund bonds—

(1) the form and denominations in which they shall be issued;

(2) the time when they shall be sold, and in what amount;

(3) the time and when they shall mature;

(4) the price thereof at sale;

(5) the rate of interest thereon;

(6) whether and in what manner, they may be redeemed prior to the date when they mature; and

(7) whether they shall be negotiable or nonnegotiable and whether they shall be bearer or registered instruments, and any indentures or covenants relating thereto.

(e) Fund bonds issued by the Secretary under this section shall—

(1) contain a recital that they are issued under this section, which shall be conclusive evidence as to the validity and regularity of the issuance and sale of such Fund bonds;

(2) be subject to such other terms and conditions as the Secretary may, by resolution authorizing the issuance, determine;

(3) be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, investment or deposit of which shall be under the authority or control of any officer or agency of the United States;

(4) not be exempted from Federal, State and local taxation; and

(5) not to be debts or enforceable general obligations of nor shall be payment of a principal thereof or interest thereon be guaranteed by the United States.

Neither the full faith or credit nor the general taxing power of the Federal government shall be pledged to the payment of the principal or of any premium on or interest on such Fund bonds.

(f) Neither the Executive Director, nor any other individual, who executes any Fund bond shall be subject to any personal liability or accountability by reason of issuance of such bond.

(g) If, after the tenth anniversary of the date of the original issuance of the initial series of Fund bonds the amount in the Fund exceeds 250 percent of the amount required to satisfy amounts due in the succeeding fiscal year on account of Fund bonds, the Executive Director may use such excess to redeem Fund bonds in accordance with their terms or may withdraw all or part of such excess from the Fund and transfer it to the General Fund of the United States, when all Fund bonds have been redeemed, all amounts remaining in the Fund or thereafter accruing to it shall be transferred to the General Fund of the United States, except to the extent necessary to cover such expense of the Fund as may be required to carry out and complete the responsibilities of the Authority.

LICENSING

SEC. 10. Notwithstanding any other provision of law, the Nuclear Regulatory Commission shall have licensing and related regulatory authority with regard to all existing and future military and commercial nuclear waste materials treatment and storage facilities including but not limited to—

(1) temporary storage;
(2) permanent storage; and
(3) treatment of military high-level waste and trans-uranic nuclear waste.

TRANSFER OF AUTHORITY

SEC. 11. All functions, powers and duties of the Energy Research and Development Administration with regard to nuclear waste disposal are hereby transferred to the Authority. Nothing in this section shall be construed as transferring any authority of the Energy Research and Development Administration with regard to research and development related to nuclear waste management.

STUDY

SEC. 12. (a) The Executive Director shall appoint a commission to undertake a worldwide feasibility study to recommend sites to the Authority to serve as repositories for nuclear waste. Any site recommended should be safe for the long term storage of nuclear waste until such time as those wastes are harmless to the environment and should be acceptable for use as a repository site for such waste by the country in which such site is located.

(b) Upon completion of the study and receipt of the recommendations, the Authority shall send a report of such study to the President and the Congress. Such study shall include site location, procedures for transporting nuclear waste to any such site, methods of storage at such site, and compensation for the use of such site. The designation or establishment of an international agency to administer any such site in cooperation with the government in which the site is located should also be included in the study.

By Mr. CRANSTON:

S. 64. A bill to designate certain lands in the Yosemite National Park in California as wilderness;

S. 65. A bill to designate certain lands in San Luis Obispo County, Calif., as the "Santa Lucia Wilderness";

S. 66. A bill to designate certain lands in the Sequoia and Inyo National Forests, Calif., as the Golden Trout Wilderness; and

S. 67. A bill to add certain lands in the Los Padres National Forest, Calif., to the Ventana Wilderness; to the Committee on Interior and Insular Affairs.

CALIFORNIA WILDERNESS LEGISLATION

Mr. CRANSTON. Mr. President, I introduce for appropriate reference legislation to designate three new wilderness areas in California and make additions to one. The new areas are Yosemite within Yosemite National Park, Santa Lucia within the Los Padres National Forest, and Golden Trout in the Sequoia and Inyo National Forests. The additions are to the Ventana Wilderness in Los Padres National Forest. Altogether 490,512 acres of California land would be added to the national wilderness preservation system, bringing the total amount of wilderness in the State to 2,321,701 acres.

Mr. President, Yosemite National Park is located in the central portion of the Sierra Nevada Mountains, in portions of Tuolumne, Mariposa, and Madera Counties. Known as perhaps the most beautiful and scenic units of our national park system, Yosemite National Park in recent years has experienced tremendous increases in visitor usage resulting in congestion, intolerable crowding, and confusion around campsites on the valley floor. Yet in areas away from the campsites, solitude and natural serenity can readily be found.

There are outstanding geologic, biological and scenic resources—exceptional glaciated topography, sheer massive granite walls, magnificent waterfalls, virgin conifer forests, mountain lakes, streams, and meadows. The park provides a home for mule deer, black bear, wildcat, and the rare mountain lion.

To insure that this rich resource is not further endangered, I am proposing that 692,500 acres be designated as the Yosemite Wilderness. The wilderness would be in two units, north and south, with some additional lands in wilderness reserve.

The proposed Santa Lucia wilderness lies within and adjacent to the Los Padres National Forest in San Luis Obispo County, along the central coast of California. The area is basically a wild, rough highland with numerous outcroppings of rock. Except for three flat, fern-covered valleys, the area is mostly covered with trees. The Santa Lucia area contains the only stand of knobcone pine between Monterey and the San Bernardino Mountains, one of the most extensive stands of bigcone pine in existence, and fine groves of manzanita, canyon oak, tan oak, maple, and sycamore.

The bill I am introducing today designates 22,250 acres of this area as the Santa Lucia Wilderness. When the Senate Interior Committee held hearings on an earlier Santa Lucia Wilderness bill, then called Lopez Canyon, there were some criticisms voiced about manmade intrusions, in particular a 70-kilovolt power transmission line within the boundaries I then proposed. I have amended the bill to exclude the power line from the wilderness, but to provide that the area automatically receive wilderness designation when the transmission line is removed. The power line is a temporary easement granted for 50 years, ending in 1991. I have also revised the proposed boundaries to exclude all roads which are now open to public vehicles. I am hopeful that with these changes we can move ahead and establish the Santa Lucia Wilderness.

The proposed Golden Trout Wilderness is located within the Sequoia and Inyo National Forests immediately south of Sequoia National Park and within a three-hour drive of Los Angeles. The 260,000-acre area extends from the more gentle western slopes of the Sierra Nevada to the more precipitous ridges on the eastern side of the mountains. Elevations range from 5,000 to 12,000 feet.

At the heart of the Golden Trout area is Golden Trout Creek, the only native habitat of California's State fish. This is a separate trout species which developed its unique golden brown coloring isolated from other trout in the remoteness of the creek. The area is also the home of the spotted owl and pine marten as well as more common wildlife such as deer, bear, and coyote.

The Forest Service has proposed to study the northern half of the Golden Trout area for possible wilderness classification. However, the balance of the area is not protected in any special way and is subject to multiple-use management.

Timber sales are presently under consideration in the Little Kern area. The Golden Trout cannot withstand heavy fishing pressure or siltation of the small streams in which it is found. Logging and construction of timber access roads would increase these problems and seriously threaten the Golden Trout. I believe the entire 260,000 acres should be protected as wilderness, as proposed in my bill.

When the Ventana Wilderness was originally established in 1969, the area comprised a total of 95,152 acres. The bill I am introducing today would add to the wilderness another 60,000 acres in the Los Padres National Forest in Monterey County. The proposed additions include Cone Peak-Coast Ridge, Miller Canyon-Church Creek Canyon, Tassajara Creek, and the Santa Lucia Creek watershed.

The Cone Peak area would add a diversified ecosystem including a substantial portion of the major coast ridge south of the present Ventana Wilderness. Below Cone Peak itself, elevations range from 500 to 5,000 feet less than 3 miles from the Pacific Ocean. The ridge area offers a breathtaking view of the coastline on one side and the rugged interior mountains on the other. Miller Canyon and Church Creek Canyon are easily accessible by trail and are used extensively. This area has stands of Santa Lucia fir on the ridges and grass in the canyons because of the two streams which run year round. The Santa Lucia Creek Canyon lies to the east and is separated from the present wilderness by a dirt road. The lower end of the canyon is deep and rugged and little used because of its inaccessibility.

I am aware that the University of California wishes to locate an astronomical observatory on Junipero Serra Peak in this portion of the proposed wilderness. I understand that there may be other places in the Los Padres National Forest suitable for the observatory. I intend to explore this possibility before considering a minor boundary adjustment to the wilderness addition. I am hopeful that an accommodation with the university can be worked out and the Ventana Wilderness expanded.

Mr. President, I ask unanimous consent that the texts of the four bills be printed at this point in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 64

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in accordance with subsection 3(c) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132 (c)), certain lands in the Yosemite National Park, California, which comprise about six hundred and ninety-two thousand five hundred acres and which are depicted on a map entitled "Yosemite North Wilderness and Yosemite South Wilderness—Proposed" and dated January 1977, are hereby designated as wilderness: Provided, however that each tract identified on said map as "Wilderness Reserve" is designated as wilderness,

subject only to the removal from each such tract of the existing nonconforming improvements, at which times the Secretary of the Interior is directed to publish notice thereof in the Federal Register. Pending such notice, and subject to the existing nonconforming improvements, each such tract shall be managed as wilderness in accordance with section 3 of this Act.

SEC. 2. As soon as practicable after this Act takes effect, a map and a legal description of the wilderness areas designated by and pursuant to this Act shall be filed with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives and such map and description shall have the same force and effect as if included in this Act: Provided, however, That correction of clerical and typographical errors in such legal description and map made be made.

SEC. 3. The wilderness areas designated by and pursuant to this Act shall be known as the "Yosemite South Wilderness" and the "Yosemite North Wilderness" and shall be administered in accordance with the provisions of the Wilderness Act governing areas designated by this Act as wilderness areas, except that any reference in such provisions to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

S. 65

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the purposes of the Wilderness Act (78 Stat. 890) certain lands in and adjacent to the Los Padres National Forest, San Luis Obispo County, California, which comprise about twenty-one thousand two hundred and fifty acres and which are generally depicted on a map entitled "Santa Lucia Wilderness—Proposed" and dated January 1977, are hereby designated as wilderness: *Provided, however,* That the tract identified on said map as "Wilderness Reserve" is designated as wilderness, subject only to the removal of the existing and temporary nonconforming improvement, at which time the Secretary of Agriculture is directed to publish notice thereof in the Federal Register. Pending such notice, and subject only to the maintenance of the existing nonconforming improvement, said tract shall be managed as wilderness in accordance with section 3 of the Act.

SEC. 2. As soon as practicable after this Act takes effect, a map and a legal description of the wilderness area designated by and pursuant to this Act shall be filed with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. (a) The wilderness area designated by and pursuant to this Act shall be known as the "Santa Lucia Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that portion outside the boundary of the Los Padres National Forest shall be so administered by the Secretary of the Interior.

(b) Notwithstanding the provisions of section 5 of the Wilderness Act, the Secretary of Agriculture, and, within the portion of such area outside the boundary of the Los Padres National Forest, the Secretary of Interior, are authorized to acquire by donation, purchase with donated or appropriated funds, exchange or otherwise any non-Federal lands located within the area designated as wilderness by this Act as the appropriate Secretary may determine necessary or desirable for the purposes of this Act and the Wilderness Act.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

S. 66

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(b) of the Wilderness Act (16 U.S.C. 1132), certain lands in the Sequoia and Inyo National Forests which comprise about two hundred and sixty thousand acres and which are generally depicted on the map entitled "Golden Trout Wilderness—Proposed", dated January 1977, are hereby designated as wilderness. The map and description of the boundaries of such lands shall be on file and available for public inspection in the offices of the Chief of the Forest Service, Department of Agriculture.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map of the wilderness area and a description of its boundaries with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the "Golden Trout Wilderness" and shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of the Interior shall be deemed to be a reference to the Secretary of Agriculture.

S. 67

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the area proposed for addition to the Ventana Wilderness as generally depicted on a map entitled "Ventana Wilderness Additions", dated January 1977, which is on file and available for public inspection in the Office of the Chief, Forest Service, Department of Agriculture, are hereby designated for addition to and a part of the Ventana Wilderness, Los Padres National Forest, California, which addition comprises an area of approximately 60,080 acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Ventana Wilderness as revised by this Act with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The additions to the Ventana Wilderness provided by this Act shall be administered as a part of the Ventana Wilderness by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

By Mr. CRANSTON:

S. 68. A bill to amend the Immigration and Nationality Act to establish a different numerical limitation for immigrants born in foreign contiguous territories, and for other purposes; to the Committee on the Judiciary.

CONTIGUOUS NEIGHBOR AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT

Mr. CRANSTON. Mr. President, I am introducing legislation today, which I consider to be of an emergency nature, to retain for our contiguous neighbors, Mexico and Canada, their 1976 share of immigration visas.

My proposal will permit a combined total of 50,000 visas to be issued to immigrants from Canada and Mexico entering this country subject to the Western Hemisphere numerical limitation. This total approximates the combined number of visas issued annually to Canadian and Mexican immigrants in 1976 and previous years.

The Contiguous Neighbor Amendments to the Immigration and Nationality Act will reverse several unfortunate consequences of Congress action in enacting Public Law 94–571—H.R. 14535—in the final hours of the 94th Congress. The new immigration law, which went into effect on January 1, drastically changes the traditional patterns of lawful immigration from Mexico and Canada into the United States.

Briefly, the new law establishes for the first time a per country limitation of 20,000 on immigration in the Western Hemisphere. Although this is the worldwide standard, it is completely unrealistic when applied to Mexico. Mexican immigration—lawful immigration, I might add—averages about 70,000 annually. Of these about 45,000 are issued visas subject to numerical limitations and the rest are admitted under various exempt categories.

The new law also imposes the preference category system on immigration in the Western Hemisphere.

In addition, the new law closes opportunities for Mexican parents of children born in the United States to immigrate unless they also obtain labor certification.

These changes will effectively deny many Mexican nationals the opportunity to immigrate to the United States for lawful permanent residence.

The fact that it will be more difficult for families to reunite and live together on the U.S. side of the border will destroy a mutually beneficial pattern of migration that has persisted for many years.

I think at least three steps should be taken immediately to deal with these new problems.

First, I am proposing legislation to restore to our contiguous neighbors—Canada and Mexico—their traditional share of Western Hemisphere immigration visas.

I think that is only fair.

By reason of proximity and history, Canada and Mexico should have greater access to immigration into the United States.

Our border is a two-way street and it is in the best interest of all our people that we preserve a special status for our next door neighbors.

I propose to establish a special overall numerical limitation of 50,000 to be reserved for Mexico and Canada combined.

This higher ceiling will not undo all of the damage of the Immigration Act Amendments of 1976.

But I think it will help.

Under the old law, the number of immigration visas granted to Mexicans ranged from 42,000 to 45,000 annually.

Canadian immigration has declined over the years to less than 3,000 annually.

A joint pool shared by both nations would permit migration patterns to continue as they have in recent years.

Our problem is the unlimited flood of illegal aliens, not reasonably regulated legal immigration.

There is no reason to cut Mexico's limitation in half as the new law does.

To avoid penalizing other Western Hemisphere nations, I intend to recommend an increase in the overall hemisphere limitation from 120,000 to 130,000.

Second, I ask Congress and the new administration to reexamine who, as a practical matter, will be eligible to obtain an immigration visa. My bill proposes a return to the 1976 law with respect to permitting parents of U.S. citizens to immigrate from Mexico and Canada without obtaining labor certification under section 212(a)(14) of the Immigration and Nationality Act.

Contrary to the claims of the sponsors of the new act, the major changes it made in immigration law are controversial in many California communities and elsewhere.

In the light of these circumstances, some action, whether legislative or administrative, will be necessary to alleviate undue disruption in the lives and plans of many persons of Mexican origin and descent on both sides of our border.

Third, we need to establish a rational and consistent plan of attack on the hiring and exploitation of workers who have entered the country without inspection.

I have been convinced for some time that we can control the hiring of unlawful entrants without the need for new legislation.

I am opposed to bills which make it a crime to hire illegal aliens. That would put unfair pressure on legitimate employers who might find it easier not to hire any Latinos at all rather than risk prosecution.

I am totally opposed to a national citizen identity card system to control the hiring of illegal aliens.

In my judgment, the persistent cry of the Immigration and Naturalization Service for such punitive legislation has been a sustitute for the absence of any constructive thought by the agency on how to limit the growing presence of illegal aliens in our work force.

A recent Department of Labor study contains some important recommendations that deserve careful consideration.

The study shows that an employer who hires illegal aliens and violates one tax or labor standards law is likely to violate others.

I believe these employers should be investigated and prosecuted in the interest not only of the alien who is victimized but in the interest of justice for all Americans.

I support the report's proposal that a Federal strike force be established consisting of enforcement officers from each of the following agencies:

Employment Standards Administration to ferret out minimum wage violations;

Occupational Safety and Health Administration to spot OSHA violations;

Internal Revenue Service to check social security and income tax withholdings;

State employment security agencies to look for violations of unemployment insurance tax laws; and

Immigration and Naturalization Service to identify illegal aliens on company payrolls.

The task force would be triggered by discovery of illegal aliens as employees.

Its responsibility would be to see to it that all minimum wage, health and safety, tax laws, and immigration laws are rigorously enforced.

Employers may lose the incentive for hiring illegal aliens if it turns out to be a lighting rod that attracts Federal agents to their plants.

Finally, given our own population pressures and the limits of our resources, our overall immigration policy requires better quality attention than it has been getting.

Both INS and the consular service need to be upgraded.

I urge President-elect Carter to name persons of outstanding ability, knowledge, and sensitivity to positions in these services.

In the long run, we probably never will be able to control Mexican immigration until the economic disparity between our two nations is eased.

But I believe the steps I have outlined, beginning with enactment of the Contiguous Neighbor Amendments to the Immigration and Nationality Act will establish for the first time in our history a firm and manageable policy on immigration, both lawful and unlawful from our next door neighbors. We can no longer sweep this problem into the long-neglected corners of INS and the consular service. We need to lay the foundation for a practical approach to regulating entry both for permanent residence and for temporary work in the United States. Time is running fast. We must catch up.

I ask unanimous consent that the text of my bill and the analysis be printed at the end of my remarks.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 68

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Contiguous Neighbor Amendments to the Immigration and Nationality Act".

SEC. 2. Section 201(a)(2) of the Immigration and Nationality Act is amended—

(1) by striking out "32,000" and inserting in lieu thereof "35,000"; and

(2) by striking out "120,000" and inserting in lieu thereof "130,000".

SEC. 3. Section 202 of the Immigration and Nationality Act is amended—

(1) by inserting "(other than a foreign state which is a foreign contiguous territory)" immediately after "foreign state" in the proviso to subsection (a);

(2) by adding at the end of subsection (a) the following: *"Provided further,* That the total number of immigrant visas and the number of conditional entries made available to the natives of all foreign contiguous territories under paragraphs (1) through (8) of section 203(a) shall not exceed 50,000 in any fiscal year."; and

(3) by striking out all through the colon in subsection (e) and inserting in lieu thereof the following:

"(e) Whenever the maximum number of visas or conditional entries has been made available under section 202 to natives of any single foreign state as defined in subsection (b) of this section, any dependent area as defined in subsection (c) of this section, or all foreign contiguous territories as defined in subsection (a) of this section in any fiscal year, in the next following fiscal year a number of visas and conditional entries, not to exceed 20,000 in the case of a foreign state (other than a foreign state which is a foreign contiguous territory), 600 in the case of a dependent area, or 50,000 in the case of all foreign contiguous territories, shall be made available and allocated as follows:".

SEC. 4. Section 212(a)(14) of the Immigration and Nationality Act is amended by striking out the last sentence and inserting in lieu thereof the following: "The exclusion of aliens under this paragraph shall apply to immigrant aliens born in any foreign contiguous territory (other than the parents, spouses, or children of United States citizens or of aliens lawfully admitted to the United States for permanent residence), to preference immigrant aliens described in section 203(a)(3) and (6), and to nonpreference immigrant aliens described in section 203(a)(8).".

SECTION-BY-SECTION ANALYSIS

Section 1. Provides that the bill may be cited as "The Contiguous Neighbor Amendments to the Immigration and Nationality Act."

Section 2. Makes certain adjustments in the Western Hemisphere numercial limitation to permit an increase in the overall limitation from 120,000 to 130,000.

Section 3. Establishes a numercial limitation of 50,000 on immigration visas issued to natives of foreign contiguous territories.

Section 4. Re-establishes exemption from labor certification requirements for parents of United States citizens immigrating from any foreign contiguous territory.

By Mr. STEVENSON (for himself and Mr. MOYNIHAN):

S. 69. A bill to amend and extend the Export Administration Act; to the Committee on Banking, Housing and Urban Affairs.

EXPORT ADMINISTRATION AMENDMENTS OF 1977

Mr. STEVENSON. Mr. President, today I am again introducing legislation to extend the Export Administration Act. That act expired on September 30 of last year, because of administration opposition to the antiboycott provisions of legislation which would have extended the

act until September 30, 1978. The bill I am introducing today is identical to the compromise reached by an informal Senate-House conference in the closing days of the 94th Congress.

The bill deals with a number of critical issues.

It deals realistically and forcefully with one of the greatest threats to mankind—the proliferation of nuclear weapons. It calls for action by the United States alone and by the United States in concert with the other nuclear powers to halt the spread of nuclear weapons-making capability.

The bill contains a measure to protect American farmers and grain exporters from arbitrarily imposed embargoes by permitting the Congress to override Presidential embargoes on agricultural sales abroad. It also permits agricultural commodities, once purchased for shipment abroad, to be stored in the United States without fear of embargoes against their shipment. Both measures are of importance to American farmers and the American economy.

The bill also contains measures to expand U.S. trade with Eastern Europe and the Soviet Union while at the same time improving our ability to prevent transfers of strategic materials to adversaries. In the ebb and flow of détente this is of crucial importance to improved relations with the Soviet Union, to the expansion of our economy, and to the protection of our national security.

And finally, Mr. President, the bill contains measures to protect American citizens and American sovereignty from the Arab boycott of Israel.

Its goal is not to end the boycott of Israel itself. An attempt to do so by legislation would be futile and counterproductive. The boycott is grounded in long-standing and deepseated antagonisms. It is part of the continuing Arab struggle against Israel, and it will be ended only when there is permanent peace in the Middle East.

Instead this legislation seeks to prevent the boycott from interfering with American sovereignty and the rights of American citizens. Its goal is to protect American citizens and American business from discrimination dictated by foreign governments. Its goal is to prevent American business from conspiring to deprive employment and commercial opportunities to those on Arab blacklists. Its goal is to prevent some from gaining economic advantage over others because of compliance with foreign political objectives. And its goal is to insure equal opportunities for all who seek to do business with the Middle East.

To accomplish these goals, the bill which I am introducing would do the following:

First, it would enact into law the present requirement that all requests for, and acts of compliance with, foreign boycotts be publicly disclosed and subject to public scrutiny. It would also enact into law the present requirement that documents initiating enforcement proceedings for a violation of the law be made public. Both actions were ordered by President Ford last year after the boycott bill passed the Senate. Both actions give the American public an opportunity to know who is complying with the boycott and how.

Second, pursuant to rules and regulations issued by the President, it would be a violation of the law for any U.S. person to do any of the following with intent to comply with, further, or support a foreign boycott against a country friendly to the United States:

Refrain from doing business with any person or country other than the boycotted country or its nationals;

Refrain from doing business with the boycotted country or its nationals pursuant to an agreement with, requirement of, or request from or on behalf of the boycotting country. The mere absence of a business relationship with or in the boycotted country or its nationals would not constitute a violation of this provision;

Refrain from employing or otherwise to discriminate against persons on the basis of race, religion, or national origin;

Furnish information regarding a person's race, religion, or national origin; and

Furnish information about whether a person does, has done, or proposes to do business with any boycotted person or country.

These prohibitions would not apply to the following:

Compliance with the boycotting country's rules prohibiting the import of goods from the boycotted country or its nationals or shipment of such goods on a carrier of the boycotted country or via route proscribed by the boycotting country;

Compliance with the boycotting country's import and shipping document requirements with respect to the name and route of the carrier and the identity of the supplier and the country of origin of the goods;

Compliance with the boycotting country's export requirements with respect to the shipment or transshipment of its goods to the boycotting country;

Compliance by individuals with the immigration requirements of the boycotting country; and

Refusing to honor a letter of credit where the beneficiary fails to comply with its lawful terms.

The legislation would apply to U.S. individuals and corporations, U.S.-controlled subsidiaries and affiliates, and any subsidiary or affiliate of a foreign concern with respect to its activities in the United States. Enforcement would be through the Commerce Department administrative process in accordance for the most part with the Administrative Procedure Act. Rules and regulations implementing the bill must become effective within 3 months of enactment, and existing agreements must be brought into compliance within 3 months of the effective date of such regulations.

Mr. President, these antiboycott provisions represent a realistic and workable approach to a complicated and vexing issue. The goals are sound; its principles are irrefutable.

They are designed to prevent foreign boycotts from impinging on American rights and enlisting American citizens in acts of economic reprisal. They stand foresquare for the principle that no American who seeks to do business in the Middle East should be forced or allowed to discriminate against others in order to do so. And no one doing business in the United States should be permitted to close its doors to blacklisted American citizens in order to secure commercial advantage.

The bill recognizes, however, that just as we seek to protect American sovereignty, we should also avoid interference with the sovereignty of others. The bill, therefore, permits compliance with trading requirements which are intended to protect the Arabs from dealing with Israel indirectly when they are unwilling to do so directly. It bows to the reality that an end to the primary boycott rests upon resolution of the underlying issues in the Middle East conflict, and that an attempt by the Congress to legislate an end to the boycott would be futile and contrary to the best interests of both Israel and the United States.

Mr. President, this legislation makes major improvements in the Export Administration Act. On the question of the Arab boycott, it reaffirms that U.S. principles are not for sale, while at the same time avoiding confrontation and striking a balance—one which protects the rights of all without destroying the rights of any. On such other pressing matters as nuclear proliferation, East-West trade, grain embargoes, and strategic exports, it contains new and useful approaches to difficult and delicate questions.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 69

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Export Administration Amendments of 1977".

TITLE I—EXPORT ADMINISTRATION IMPROVEMENTS AND EXTENSION

EXTENSION OF EXPORT ADMINISTRATION ACT

SEC. 101. Section 14 of the Export Administration Act of 1969 is amended by striking out "September 30, 1976" and inserting in lieu thereof "September 30, 1978".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. The Export Administration Act of 1969 is amended by inserting after section 12 the following new section 13 and redesignating existing sections 13 and 14 as sections 14 and 15, respectively:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 13. Notwithstanding any other provision of law, no appropriation shall be made under any law to the Department of Commerce for expenses to carry out the purposes of this Act for any fiscal year commencing on

or after October 1, 1977, unless previously and specifically authorized by legislation enacted after the enactment of this section.".

CONTROL OF EXPORTS FOR NATIONAL SECURITY PURPOSES; FOREIGN AVAILABILITY

SEC. 103. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by striking out the third sentence of paragraph (1);

(2) by striking out paragraphs (2) through (4); and

(3) by inserting the following new paragraph (2):

"(2)(A) In administering export controls for national security purposes as prescribed in section 3(2)(C) of this Act, United States policy toward individual countries shall not be determined exclusively on the basis of a country's Communist or non-Communist status but shall take into account such factors as the country's present and potential relationship to the United States, its present and potential relationship to countries friendly or hostile to the United States, its ability and willingness to control retransfers of United States exports in accordance with United States policy, and such other factors as the President may deem appropriate. The President shall periodically review United States policy toward individual countries to determine whether such policy is appropriate in light of the factors specified in the preceding sentence. The results of such review, together with the justification for United States policy in light of such factors, shall be included in the semiannual report of the Secretary of Commerce required by section 10 of this Act for the first half of 1977 and in every second such report thereafter.

"(B) Rules and regulations under this subsection may provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or any other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines that their export would prove detrimental to the national security of the United States. The President shall not impose export controls for national security purposes on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, unless the President determines that adequate evidence has been presented to him demonstrating that the absence of such controls would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the semiannual report required by section 10 of this Act. Where, in accordance with this paragraph, export controls are imposed for national security purposes notwithstanding foreign availability, the President shall take steps to initiate negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such availability."

(b)(1) Section 4(h) of the Export Administration Act of 1969 is amended by striking out "controlled country" in the first sentence of paragraph (1) and in the second sentence of paragraph (2) and inserting in lieu thereof "country to which exports are restricted for national security purposes".

(2) Section 4(h)(2)(A) of such Act is amended by striking out "controlled" and inserting in lieu thereof "such".

(3) Section 4(h)(4) of such Act is amended—

(A) by inserting "and" at the end of subparagraph (A); and

(B) by striking out the semicolon at the end of subparagraph (B) thereof and all that follows the semicolon and inserting in lieu thereof a period.

(4) The amendments made by this subsection shall become effective upon the expiration of ninety days after the receipt by the Congress of the semiannual report of the Secretary of Commerce required by section 10 of such Act for the first half of 1977.

(c) Section 4(h) of such Act is amended—

(1) in paragraph (1)—

(A) in the first sentence by striking out "significantly increase the military capability of such country" and inserting in lieu thereof "make a significant contribution to the military potential of such country"; and

(B) in the second sentence by striking out "significantly increase the military capability of such country" and inserting in lieu thereof "make a significant contribution, which would prove detrimental to the national security of the United States, to the military potential of such country"; and

(2) in paragraph (2)(A), by striking out "significantly increase the military capability of such country" and inserting in lieu thereof "make a significant contribution, which would prove detrimental to the national security of the United States, to the military potential of such country or any other country".

(d) Section 6(b) of such Act is amended by striking out "Communist-dominated nation" and inserting in lieu thereof "country to which exports are restricted for national security or foreign policy purposes".

EXEMPTION FOR CERTAIN AGRICULTURAL COMMODITIES FROM CERTAIN EXPORT LIMITATIONS

SEC. 104. Section 4(f) of the Export Administration Act of 1969 is amended—

(1) by redesignating such section as section 4(f)(1); and

(2) by adding at the end thereof the following new paragraph:

"(2) Upon approval of the Secretary of Commerce, in consultation with the Secretary of Agriculture, agricultural commodities purchased by or for use in a foreign country may remain in the United States for export at a later date free from any quantitative limitations on export which may be imposed pursuant to section 3(2)(A) of this Act subsequent to such approval. The Secretary of Commerce may not grant approval hereunder unless he receives adequate assurance and, in conjunction with the Secretary of Agriculture, finds that such commodities will eventually be exported, that neither the sale nor export thereof will result in an excessive drain of scarce materials and have a serious domestic inflationary impact, that storage of such commodities in the United States will not unduly limit the space available for storage of domestically owned commodities, and that the purpose of such storage is to establish a reserve of such commodities for later use, not including resale to or use by another country. The Secretary of Commerce is authorized to issue such rules and regulations as may be necessary to implement this paragraph.".

CONGRESSIONAL REVIEW OF EXPORT CONTROLS ON AGRICULTURAL COMMODITIES

SEC. 105. Section 4(f) of the Export Administration Act of 1969, as amended by section 104 of this Act, is further amended by adding at the end thereof the following new paragraph:

"(3) If the authority conferred by this section is exercised to prohibit or curtail the exportation of any agricultural commodity in order to effectuate the policies set forth in clause (B) of paragraph (2) of section 3 of this Act, the President shall immediately report such prohibition or curtailment to the Congress, setting forth the reasons therefor in detail. If the Congress, within 30 days after the date of its receipt of such report, adopts a concurrent resolution disapproving such prohibition or curtailment, then such prohibition or curtailment shall cease to be effective with the adoption of such resolution. In the computation of such 30-day period, there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

PERIOD FOR ACTION ON EXPORT LICENSE APPLICATIONS

SEC. 106. Section 4(g) of the Export Administration Act of 1969 is amended to read as follows:

"(g)(1) It is the intent of Congress that any export license application required under this Act shall be approved or disapproved within 90 days of its receipt. Upon the expiration of the 90-day period beginning on the date of its receipt, any export license application required under this Act which has not been approved or disapproved shall be deemed to be approved and the license shall be issued unless the Secretary of Commerce or other official exercising authority under this Act finds that additional time is required and notifies the applicant in writing of the specific circumstances requiring such additional time and the estimated date when the decision will be made.

"(2)(A) With respect to any export license application not finally approved or disapproved within 90 days of its receipt as provided in paragraph (1) of this subsection, the applicant shall, to the maximum extent consistent with the national security of the United States, be specifically informed in writing of questions raised and negative considerations or recommendations made by any agency or department of the Government with respect to such license application, and shall be accorded an opportunity to respond to such questions, considerations, or recommendations in writing prior to final approval or disapproval by the Secretary of Commerce or other official exercising authority under this Act. In making such final approval or disapproval, the Secretary of Commerce or other official exercising authority under this Act shall take fully into account the applicant's response.

"(B) Whenever the Secretary determines that it is necessary to refer an export license application to any multilateral review process for approval, he shall first, if the applicant so requests, provide the applicant with an opportunity to review any documentation to be submitted to such process for the purpose of describing the export in question, in order to determine whether such documentation accurately describes the proposed export.

"(3) In any denial of an export license application, the applicant shall be informed in writing of the specific statutory basis for such denial.".

EXPORTS OF TECHNICAL INFORMATION

SEC. 107. Section 4 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new subsection (j):

"(j)(1) Any person (including any college, university, or other educational institution) who enters into any contract, protocol, agreement, or other understanding for, or which may result in, the transfer from the United States of technical data or other information to any country to which exports are restricted for national security or foreign policy purposes shall furnish to the Secretary of Commerce such documents and information with respect to such agreement as the Secretary shall by regulation require in order to enable

him to monitor the effects of such transfers on the national security and foreign policy of the United States.

"(2) The Secretary of Commerce shall conduct a study of the problem of the export, by publications or any other means of public dissemination, of technical data or other information from the United States, the export of which might prove detrimental to the national security or foreign policy of the United States. Not later than 6 months after the enactment of this subsection, the Secretary shall report to the Congress his assessment of the impact of the export of such technical data or other information by such means on the national security and foreign dom of press, or the freedom of scientific policy of the United States and his recommendations for monitoring such exports without impairing freedom of speech, free-exchange. Such report may be included in the semiannual report required by section 10 of this Act.".

CERTAIN PETROLEUM EXPORTS

SEC. 108. Section 4 of the Export Administration Act of 1969, as amended by section 107 of this Act, is further amended by adding at the end thereof the following new subsection (k):

"(k) Petroleum products refined in United States Foreign-Trade Zones, or in the United States Territory of Guam, from foreign crude oil shall be excluded from any quantitative restrictions imposed pursuant to section 3(2)(A) of this Act, except that, if the Secretary of Commerce finds that a product is in short supply, the Secretary of Commerce may issue such rules and regulations as may be necessary to limit exports.".

EXPORT OF HORSES

SEC. 109. Section 4 of the Export Administration Act of 1969, as amended by sections 107 and 108 of this Act, is further amended by adding at the end thereof the following new subsection (l):

"(l)(1) Notwithstanding any other provision of this Act, no horse may be exported by sea from the United States, its territories and possessions, unless such horse is part of a consignment of horses with respect to which a waiver has been granted under paragraph (2) of this subsection.

"(2) The Secretary of Commerce, in consultation with the Secretary of Agriculture, may issue rules and regulations providing for the granting of waivers permitting the export by sea of a specified consignment of horses, if the Secretary of Commerce, in consultation with the Secretary of Agriculture, determines that no horse in that consignment is being exported for purposes of slaughter.".

TECHNICAL ADVISORY COMMITTEES

SEC. 110. (a) Section 5(c)(1) of the Export Administration Act of 1969 is amended by striking out "two" in the last sentence thereof and inserting in lieu thereof "four".

(b) The second sentence of section 5(c)(2) of such Act is amended to read as follows: "Such committees, where they have expertise in such matters, shall be consulted with respect to questions involving (A) technical matters, (B) worldwide availability and actual utilization of production technology, (C) licensing procedures which affect the level of export controls applicable to any articles, materials, and supplies, including technical data or other information, and (D) exports subject to multilateral controls in which the United States participates including proposed revisions of any such multilateral controls.".

(c) Section 5(c)(2) of such Act is further amended by striking out the third sentence and inserting in lieu thereof the following: "The Secretary shall include in each semiannual report required by section 10 of this Act an accounting of the consultations undertaken pursuant to this paragraph, the use made of the advice rendered by the technical advisory committees pursuant to this paragraph, and the contributions of the technical advisory committees to carrying out the policies of this Act.".

PENALTIES FOR VIOLATIONS

SEC. 111. (a) Section 6(a) of the Export Administration Act of 1969 is amended—

(1) in the first sentence, by striking out "$10,000" and inserting in lieu thereof "$25,000"; and

(2) in the second sentence, by striking out "$20,000" and inserting in lieu thereof "$50,000".

(b) Section 6(b) of such Act is amended by striking out "$20,000" and inserting in lieu thereof "$50,000".

(c) Section 6(c) of such Act is amended by striking out "$1,000" and inserting in lieu thereof "$10,000".

(d) Section 6(d) of such Act is amended by adding at the end thereof the following new sentence: "In addition, the payment of any penalty imposed under subsection (c) may be deferred or suspended in whole or in part for a period of time no longer than any probation period (which may exceed one year) that may be imposed upon such person. Such a deferral or suspension shall not operate as a bar to the collection of the penalty in the event that the conditions of the suspension, deferral, or probation are not fulfilled.".

AVAILABILITY OF INFORMATION TO CONGRESS

SEC. 112. (a) Section 7(c) of the Export Administration Act of 1969 is amended by adding at the end thereof the following new sentence: "Nothing in this Act shall be construed as authorizing the withholding of information from Congress, and any information obtained under this Act, including any report or license application required under section 4(b) and any document or information required under section 4(j)(1), shall be made available upon request to any committee of Congress or any subcommittee thereof.".

(b) Section 4(c)(1) of such Act is amended by inserting immediately before the period at the end of the last sentence thereof "and in the last sentence of section 7(c) of this Act".

SIMPLIFICATION OF EXPORT REGULATIONS AND LISTS

SEC. 113. Section 7 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new subsection (e):

"(e) The Secretary of Commerce, in consultation with appropriate United States Government departments and agencies and with appropriate technical advisory committees established under section 5 (c), shall review the rules and regulations issued under this Act and the lists of articles, materials, and supplies which are subject to export controls in order to determine how compliance with the provisions of this Act can be facilitated by simplifying such rules and regulations, by simplifying or clarifying such lists, or by any other means. Not later than one year after the enactment of this subsection, the Secretary of Commerce shall report to Congress on the actions taken on the basis of such review to simplify such rules and regulations. Such report may be included in the semiannual report required by section 10 of this Act.".

TERRORISM

SEC. 114. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(8) It is the policy of the United States to use export controls to encourage other countries to take immediate steps to prevent the use of their territory or resources to aid, encourage, or give sanctuary to those persons involved in directing, supporting, or participating in acts of international terrorism. To achieve this objective, the President shall make every reasonable effort to secure the removal or reduction of such assistance to international terrorists through international cooperation and agreement before resorting to the imposition of export controls.".

SEMIANNUAL REPORTS

SEC. 115. (a) Section 10 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new subsection (c):

"(c) Each semiannual report shall include an accounting of—

"(1) any organizational and procedural changes instituted, any reviews undertaken, and any means used to keep the business sector of the Nation informed, pursuant to section 4(a) of this Act;

"(2) any changes in the exercise of the authorities of section 4(b) of this Act;

"(3) any delegations of authority under section 4(e) of this Act;

"(4) the disposition of export license applications pursuant to sections 4 (g) and (h) of this Act;

"(5) the effects on the national security and foreign policy of the United States of transfers from the United States of technical data or other information which are reported to the Secretary of Commerce pursuant to section 4(j) of this Act;

"(6) consultations undertaken with technical advisory committees pursuant to section 5(c) of this Act;

"(7) violations of the provisions of this Act and penalties imposed pursuant to section 6 of this Act; and

"(8) a description of actions taken by the President and the Secretary of Commerce to effect the policies set forth in section 3(5) of this Act."

(b)(1) The section heading of such section 10 is amended by striking out "quarterly".

(2) Subsection (b) of such section is amended—

(A) by striking out "quarterly" each time it appears; and

(B) by striking out "second" in the first sentence of paragraph (1).

SPECIAL REPORT ON MULTILATERAL EXPORT CONTROLS

SEC. 116. Not later than 12 months after the enactment of this section, the President shall submit to the Congress a special report on multilateral export controls in which the United States participates pursuant to the Export Administration Act of 1969 and pursuant to the Mutual Defense Assistance Control Act of 1951. The purpose of such special report shall be to assess the effectiveness of such multilateral export controls and to formulate specific proposals for increasing the effectiveness of such controls. That special report shall include—

(1) the current list of commodities controlled for export by agreement of the group known as the Coordinating Committee of the Consultative Group (hereafter in this section referred to as the "Committee") and an analysis of the process of reviewing such list and of the changes which result from such review;

(2) data on and analysis of requests for exceptions to such list;

(3) a description and an analysis of the process by which decisions are made by the Committee on whether or not to grant such requests;

(4) an analysis of the uniformity of interpretation and enforcement by the partcipat-

ing countries of the export controls agreed to by the Committee (including controls over the re-export of such commodities from countries not participating in the Committee), and information on each case where such participating countries have acted contrary to the United States interpretation of the policy of the Committee, including United States representations to such countries and the response of such countries;

(5) an analysis of the problem of exports of advanced technology by countries not participating in the Committee, including such exports by subsidiaries or affiliates of United States businesses in such countries;

(6) an analysis of the effectiveness of any procedures employed, in cases in which an exception for a listed commodity is granted by the Committee, to determine whether there has been compliance with any conditions on the use of the excepted commodity which were a basis for the exception; and

(7) detailed recommendations for improving, through formalization or other means, the effectiveness of multilateral export controls, including specific recommendations for the development of more precise criteria and procedures for collective export decisions and for the development of more detailed and formal enforcement mechanisms to assure more uniform interpretation of and compliance with such criteria, procedures, and decisions by all countries participating in such multilateral export controls.

REVIEW OF UNILATERAL AND MULTILATERAL EXPORT CONTROL LISTS

SEC. 117. The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established pursuant to the Export Administration Act of 1969, shall undertake an investigation to determine whether United States unilateral controls or multilateral controls in which the United States participates should be removed, modified, or added with respect to particular articles, materials, and supplies, including technical data and other information, in order to protect the national security of the United States. Such investigation shall take into account such factors as the availability of such articles, materials, and supplies from other nations and the degree to which the availability of the same from the United States or from any country with which the United States participates in multilateral controls would make a significant contribution to the military potential of any country threatening or potentially threatening the national security of the United States. The results of such investigation shall be reported to the Congress not later than 12 months after enactment of this Act.

SUNSHINE IN GOVERNMENT

SEC. 118. (a) Each officer or employee of the Department of Commerce who—

(1) performs any function or duty under this Act or the Export Administration Act of 1969; and

(2) has any known financial interest in any person subject to such Acts, or in any person who obtains any license, enters into any agreement, or otherwise receives any benefit under such Acts;

shall, beginning on February 1, 1977, annually file with the Secretary of Commerce a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statement shall be available to the public.

(b) The Secretary of Commerce shall—

(1) within ninety days after the date of enactment of this Act—

(A) define the term "known financial interest" for purposes of subsection (a) of this section; and

(B) establish the methods by which the requirement to file written statements specified in subsection (a) of this section will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Secretary of such statements; and

(2) report to the Congress on June 1 of each calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year.

(c) In the rules prescribed under subsection (b) of this section, the Secretary may identify specific positions within the Department of Commerce which are of a nonregulatory or nonpolicymaking nature and provide that officers or employees occupying such positions shall be exempt from the requirements of this section.

(d) Any officer or employee who is subject to, and knowingly violates, this section or any regulation issued hereunder, shall be fined not more than $2,500 or imprisoned not more than one year, or both.

TITLE II—FOREIGN BOYCOTTS

PROHIBITION ON COMPLIANCE WITH FOREIGN BOYCOTTS

SEC. 201. (a) The Export Administration Act of 1969 is amended by redesignating section 4A as section 4B and by inserting after section 4 the following new section:

"FOREIGN BOYCOTTS

"SEC. 4A. (a)(1) For the purpose of implementing the policies set forth in section 3(5)(A) and (B), the President shall issue rules and regulations prohibiting any United States person from taking any of the following actions with intent to comply with, further, or support any boycott fostered or imposed by a foreign country against a country which is friendly to the United States and which is not itself the object of any form of embargo by the United States:

"(A) Refraining from doing business with or in the boycotted country, with any business concern organized under the laws of the boycotted country, or with any national or resident of the boycotted country, pursuant to an agreement with, a requirement of, or a request from or on behalf of the boycotting country. The mere absence of a business relationship with or in the boycotted country, with any business concern organized under the laws of the boycotted country, or with any national or resident of the boycotted country, does not indicate the existence of the intent required to establish a violation of rules and regulations issued to carry out this subparagraph.

"(B) Refraining from doing business with any person (other than the boycotted country, any business concern organized under the laws of the boycotted country, or any national or resident of the boycotted country). The mere absence of a business relationship with a person does not indicate the presence of the intent required to establish a violation of rules and regulations issued to carry out this subparagraph.

"(C) Refraining from employing or otherwise discriminating against any United States person on the basis of race, religion, nationality, or national origin.

"(D) Furnishing information with respect to the race, religion, nationality, or national origin of any other United States person.

"(E) Furnishing information about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person which is known or believed to be restricted from having any business relationship with or in the boycotting country.

"(2) Rules and regulations issued pursuant to paragraph (1) shall provide exceptions for—

"(A) compliance with requirements (i) prohibiting the import of goods from the boycotted country or of goods produced by any business concern organized under the laws of the boycotted country or by nationals or residents of the boycotted country, or (ii) prohibiting the shipment of goods to the boycotting country on a carrier of the boycotted country or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

"(B) compliance with import and shipping document requirements with respect to country of origin, the name of the carrier and route of shipment, and the name of the supplier of the shipment;

"(C) compliance with export requirements of the boycotting country relating to transshipments of exported goods to the boycotted country, to any business concern organized under the laws of the boycotted country, or to any national or resident of the boycotted country;

"(D) compliance by an individual with the immigration or passport requirements of the any country; or

"(E) the refusal of a Untied States person to pay, honor, advise, confirm, process, or otherwise implement a letter of credit in the event of the failure of the beneficiary of the letter to comply with the conditions or requirements of the letter, other than conditions or requirements compliance with which is prohibited by rules and regulations issued pursuant to paragraph (1) which conditions or requirements shall be null and void.

"(3) Nothing in this subsection may be construed to supersede or limit the operation of the antitrust laws of the United States.

"(4) Rules and regulations pursuant to this subsection and section 11(2) shall be issued and become effective not later than 90 days after the date of enactment of this section, except that rules and regulations issued pursuant to this subsection shall apply to actions taken pursuant to contracts or other agreements in effect on such date of enactment only after the expiration of 90 days following the date such rules and regulations become effective.

"(b)(1) In addition to the rules and regulations issued pursuant to subsection (a) of this section, rules and regulations issued under section 4(b) of this Act shall implement the policies set forth in section 3(5).

"(2) Such rules and regulations shall require that any United States person receiving a request for the furnishing of information, the entering into or implementing of agreements, or the taking of any other action referred to in section 3/5 shall report that fact to the Secretary of Commerce, together with such other information concerning such request as the Secretary may require for such action as he may deem appropriate for carrying out the policies of that section. Such person shall also report to the Secretary of Commerce whether he intends to comply and whether he has complied with such request. Any report filed pursuant to this paragraph after the date of enactment of this section shall be made available promptly for public inspection and copying, except that information regarding the quantity, description, and value of any articles, materials, and supplies, including technical data and other information, to which such report relates may be kept confidential if the Secretary determines that disclosure thereof would place the United States person involved at a competitive disadvantage. The Secretary of Commerce shall periodically

transmit summaries of the information contained in such reports to the Secretary of State for such action as the Secretary of State, in consultation with the Secretary of Commerce, may deem appropriate for carrying out the policies set forth in section 3(5) of this Act.".

(b) Section 4(b)(1) of such Act is amended by striking out the next to the last sentence.

(c) Section 7(c) of such Act is amended by striking out "No" and inserting in lieu thereof "Except as otherwise provided by the third sentence of section 4A(b)(2) and by section 6(c)(2)(C) of this Act, no".

STATEMENT OF POLICY

SEC. 202. (a) Section 3(5)(A) of the Export Administration Act of 1969 is amended by inserting immediately after "United States" the following: "or against any United States person".

(b) Section 3(5)(B) of such Act is amended to read as follows: "(B) to encourage and, in specified cases, to require United States persons engaged in the export of articles, materials, supplies, or information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person,".

ENFORCEMENT

SEC. 203. (a) Section 6(c) of the Export Administration Act of 1969 is amended—

(A) by redesignating such section as section 6(c)(1); and

(B) by adding at the end thereof the following new paragraph:

"(2)(A) The authority of this Act to suspend or revoke the authority of any United States person to export articles, materials, supplies, or technical data or other information, from the United States, its territories or possessions, may be used with respect to any violation of the rules and regulations issued pursuant to section 4A(a) of this Act.

"(B) Any sanction (including any civil penalty or any suspension or revocation of authority to export) imposed under this Act for a violation of the rules and regulations issued pursuant to section 4A(a) of this Act may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code.

"(C) Any charging letter or other document initiating proceedings for the imposition of sanctions for violations of the rules and regulations issued pursuant to section 4A(a) of this Act shall be made available for public inspection and copying.".

(b) Section 8 of such Act is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 6(c)(2), the".

DEFINITIONS

SEC. 204. Section 11 of the Export Administration Act of 1969 is amended to read as follows:

"DEFINITIONS

"SEC. 11. As used in this Act—

"(1) the term 'person' includes the singular and the plural and any individual, partnership, corporation, or other form of association, including any government or agency thereof; and

"(2) the term 'United States person' includes any United States resident or national, any domestic concern (including any subsidiary or affiliate of any foreign concern with respect to its activities in the United States), and any foreign subsidiary or affiliate of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President."

TITLE III—EXPORTS OF NUCLEAR MATERIAL AND TECHNOLOGY

NUCLEAR EXPORTS

SEC. 301. The Export Administration Act of 1969 is amended by adding at the end thereof the following new section:

"NUCLEAR EXPORTS

"SEC. 16. (a)(1) The Congress finds that the export by the United States of nuclear material, equipment, and devices, if not properly regulated, could allow countries to come unacceptably close to a nuclear weapon capability thereby adversely affecting international stability, the foreign policy objectives of the United States, and undermining the principle of nuclear nonproliferation agreed to by the United States as a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons.

"(2) The Congress finds that nuclear export activities which enable countries to possess strategically significant quantities of unirradiated, readily fissionable material are inherently unsafe.

"(3) It is, therefore, the purpose of this section to implement the policies stated in paragraphs (1) and (2) of section 3 of this Act by regulating the export of nuclear material, equipment, and devices which could prove detrimental to United States national security and foreign policy objectives.

"(b)(1) No agreement for cooperation providing for the export of any nuclear material, equipment, or devices for civil uses may be entered into with any foreign country, group of countries, or international organization, and no amendment to or renewal of any such agreement may be agreed to, unless—

"(A) the provisions of the agreement concerning the reprocessing of special nuclear material supplied by the United States will apply equally to all special nuclear material produced through the use of any nuclear reactor transferred under such agreement; and

"(B) the recipient country, group of countries, or international organization, has agreed to permit the International Atomic Energy Agency to report to the United States, upon a request by the United States, on the status of all inventories of plutonium, uranium 233, and highly enriched uranium possessed by that country, group of countries, or international organization and subject to International Atomic Energy Agency safeguards.

"(2)(A) The Secretary of State shall undertake consultations with all parties to agreements for cooperation existing on the date of enactment of this section in order to seek inclusion in such agreements of the provisions described in paragraph (1)(A) and (1)(B) of this subsection.

"(B) The Secretary of State shall seek to acquire, from any party to an agreement for cooperation who is not a nuclear-weapons State (as defined in Article IX(3) of the Treaty on the Non-Proliferation of Nuclear Weapons), periodic reports on the status of all investories of plutonium, U-233, and highly enriched uranium possessed by that party which are not subject to International Atomic Energy Agency safeguards.

"(3)(A) No license may be issued for the export of any nuclear material, equipment, or devices pursuant to an agreement for cooperation unless the recipient country, group of countries, or international organization, has agreed that the material, equipment, and devices subject to that agreement will not be used for any nuclear explosive devices, regardless of how the device itself is intended to be used.

"(B) Subparagraph (A) of this paragraph shall take effect at the end of the one year period beginning on the date of enactment of this section.

"(4) In any case in which a party to any agreement for cooperation seeks to reprocess special nuclear material produced through the use of any nuclear material, equipment, or devices supplied by the United States, the Secretary of State may only determine that safeguards can be applied effectively to such reprocessing if he finds that the reliable detection of any diversion and the timely warning to the United States of such diversion will occur well in advance of the time at which that party could transform strategic quantities of diverted nuclear material into explosive nuclear devices.".

INTERNATIONAL AGREEMENT ON NUCLEAR EXPORTS

SEC. 302. (a) It is the sense of the Congress that the President should actively seek, and by the earliest possible date secure, an agreement or other arrangement under which—

(A) nuclear exporting nations will not transfer to any other nation any equipment, material, or technology designed or prepared for, or which would materially assist the establishment of, national uranium enrichment, nuclear fuels reprocessing, or heavy water production facilities until and while alternatives to such national facilities are explored and pursued;

(B) nuclear exporting nations will not transfer any nuclear equipment, material, or technology to any other nation that has not agreed to implement safeguards promulgated by the International Atomic Energy Agency;

(C) minimum physical security standards are established to prevent the unauthorized diversion of nuclear equipment, materials, and technology;

(D) arrangements are established for effective and prompt responses in the event of violations of any international agreement to control the use of nuclear materials and technology;

(E) nuclear exporting nations, in cooperation with nuclear importing nations, pursue the concept of multi-national facilities for the purpose of meeting the world's nuclear fuel needs while reducing the risks associated with the spread of national facilities for fuel reprocessing, fabrication, and enrichment; and

(F) nuclear exporting nations establish arrangements for appropriate response, including the suspension of transfers of nuclear equipment, material, or technology, to any non-nuclear weapons country which has detonated a nuclear explosive device or which has clearly demonstrated the intention to embark upon a nuclear weapons program.

Within one year after the date of enactment of this Act, the President shall report to the Congress on the progress made toward the achievement of international agreement or other arrangements on the matters specified in this section.

(b) For purposes of this section, the term "nuclear exporting nations" means the United States, the United Kingdom, France, the Federal Republic of Germany, Canada, Japan, the Union of Soviet Socialist Republics, and such other countries as the President may determine.

EXPORTS OF NUCLEAR TECHNOLOGY

SEC. 303. Section 4(j) of the Export Administration Act of 1969, as added by section 107 of this Act, is amended by adding at the end thereof the following new paragraph:

"(3) The President shall conduct an in-depth study of whether, or the extent to which, the education and training of foreign nationals within the United States in nuclear engineering and related fields contributes to the proliferation of explosive nuclear devices or the development of a capability of

producing explosive nuclear devices. Not later than the end of the 6-month period beginning on the date of enactment of this paragraph, the President shall submit to the Congress a detailed report containing the findings and conclusions of such study. Such report shall analyze the direct and indirect contribution of such education and training to nuclear proliferation.".

NUCLEAR POWERPLANTS

SEC. 304. None of the funds authorized by the Foreign Assistance Act of 1961 may be used to finance the construction of, the operation or maintenance of, or the supply of fuel for, any nuclear powerplant under an agreement for cooperation between the United States and any other country.

By Mr. MATHIAS:

S. 70. A bill to broaden homeownership opportunities by providing alternative types of mortgage loans in order to better match the ability of families to meet monthly payments, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

HOMEBUYERS ASSISTANCE ACT OF 1977

Mr. MATHIAS. Mr. President, I send to the desk the Homebuyers Assistance Act of 1977, an innovative approach to helping people buy their own homes. A growing number of families and individuals are being squeezed out of the homebuying market due to the escalation of cost in housing. Those costs have gone up in such areas as land, labor, code compliance, materials, and the cost of borrowing money with which to buy a home. All of those costs have risen, and continue to rise, at a faster rate than real personal income.

The results are rather obvious. Fewer people are able to purchase a home. Those who are buying homes today are, on the average, older, or in a higher income bracket than the typical homebuyer of 20 years ago.

The ironic thing is that many young couples and individuals who are currently renters and would like to purchase their first home have the future earnings potential that would support a home purchase.

The bill I am introducing today, the Homebuyers Assistance Act of 1977, is intended to alleviate one of those housing costs I have noted—the cost of money. By enabling federally chartered institutions, such as savings and loans, banks, and credit unions to offer a variety of mortgage instruments, I believe we can better match monthly mortgage payments to the homebuyer's income and thus open the door of homeownership to all of our citizens.

My bill authorizes lending institutions to offer such new mortgages as: graduated payment mortgages; flexible payment mortgages; reverse annuity; deferred interest; variable rate; dual-rate, variable-rate; graduated-payment, variable rate.

Mr. President, I ask unanimous consent that a paper explaining these different types of mortgages appear in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection.

Mr. MATHIAS. To protect the consumer, my bill requires that each of these new types of mortgages may only be offered to a homebuyer at the same time as the conventional level payment mortgage, presently the only vehicle for purchasing a home. This provision is meant to assure that the consumer is given a choice and is not talked into something he cannot afford, does not want, or does not understand.

Other consumer protection features of the bill include:

Advance disclosure of each alternative contract's provision to the prospective purchaser. Such disclosure must include projected monthly payments for the life of the loan; the interest rate at the beginning and end of the loan; fees; insurance; and related expenses. The responsibility for developing a uniform format for such disclosure pursuant to the Truth-in-Lending Act should be lodged with the Federal Home Loan Bank Board.

Assumability of the loan. Should the consumer who purchases another home later in life decide not to take his original loan with him, that loan may remain with his original house and be assumed by the new purchaser.

No prepayments penalty. In order to facilitate refinancing for homebuyers and give them as many options as possible, my bill prohibits the lender from charging a penalty if the homeowner with one of these new mortgage instruments decides to complete his outstanding mortgage payments for whatever reason. Such a situation could arise if the homeowner is relocated, because of his or her job, decided to trade up or down to a house which better fit his needs, or decided to pay off his or her mortgage.

Sixty days' advance disclosure of any change in interest rate charged on the mortgage. This provision would apply in the case of a variable rate mortgage.

It is my belief that those types of mortgages should have an interest rate tied to an intermediate index—3-to-5-year Treasury notes for example. When that index goes up or down as measured on an annual basis, the interest rate on the variable rate mortgage would change also.

I also believe that the maximum change in the interest rate for life of the loan should not exceed 2.5 percent, nor should the interest rate fluctuate by more than one-half of 1 percentage point each year. While this provision is not explicitly stated in the bill, I am sure my colleagues would join me in endorsing this basic consumer protection feature and would include it in the committee report as a directive to regulatory bodies. The limit on changes in the interest rate is intended to prevent wide fluctuations in interest rates which translate into higher unanticipated costs to the borrower—when rates go up—and to the lender—when rates go down.

Annual report on the use of alternative mortgage instruments. As part of their annual report, each of the Federal regulatory bodies with control over lenders would analyze the consumer acceptance of different types of mortgages, their lender acceptance, and the effect on the mortgage market of their use.

A public information program. My bill requires the Federal Home Loan Bank Board to develop a public information program for both lenders and borrowers to explain the new kinds of mortgages and who might want to use them. I foresee such a program including public information pamphlets with typical monthly payment schedules for several mortgage amounts.

I believe these consumer protection features offer protection to the home buyer, will reassure him that he does have options or home finance and will give him the opportunity to see the monthly bill laid out for him for the life of the mortgage. I want to emphasize to my colleagues that the lender is required to offer the homebuyer the conventional level-payment mortgage at the prevailing market rate at the same time he offers any of these alternate mortgage instruments. This bill is not intended to press any of these new mortgage instruments on anybody—either the homebuyer or the lender. It is simply to create that option and provide an informed atmosphere in which both parties can decide whether an alternative mortgage instrument meets their needs.

This is also the reason why my bill limits the amount of assets of a thrift institution which may be offered in alternate morgage form to 35 percent. And it is also why my bill limits the HUD section 245 experimental mortgage insurance program to 15 percent of all HUD outstanding aggregate principal.

The idea in both cases is to provide enough leeway for these new home financing mechanisms to come into use and be evaluated by all concerned as to their usefulness. After a period of time we would look again at the track record of lending institutions, the consumer acceptance and experience with such new mortgages, and the larger housing sector of our economy to evaluate whether they are serving their purpose and should be continued, adjusted, or abandoned.

I might add here that I believe that one of the first new kinds of mortgages to be permitted should be similar to a graduated payment mortgage. However, much of those final decisions await the results of the alternative mortgage instrument study currently being conducted by the Home Loan Bank Board. The results of this extensive research investigation are scheduled for completion by this summer. We in the Congress would be well advised to carefully review those findings as they become available to insure that this legislation meets the need and is comprehensive.

Other sections of my bill are intended to deal with the problem of the volatility of credit for financing home purchases and easing the burden of downpayments.

My bill eliminates the Federal income tax on interest or dividends earned on savings accounts. The purpose is twofold. It is intended to remove a deterrent to savers who wish to accumulate savings for a downpayment. Presently, 68.2 percent of savings accounts in savings and loans are less than $5,000. These are the accounts of average middle-income Americans striving to make ends meet in these high inflation times and trying to put away a little something whenever they can. Why then do we penalize them

for saving by taxing the earnings on those savings?

The second purpose of lifting this tax is to encourage savings inflows. This, in turn, provides more funds for residential lending, particularly when coupled with the mortgage investment tax credit provided at the end of my bill. The more funds flowing to savings, the more chance there is that either lending will increase on more favorable terms or the interest rate on mortgages will go down.

The long-term effect of this savings account tax treatment, I believe, will more than offset the revenue loss to the Treasury.

Another feature of my bill aimed at reducing downpayments has to do with the secondary mortgage market. It permits the major Government corporations which buy mortgages in the secondary market to buy 95 percent mortgages. This means a stronger market will be created for 5 percent downpayment mortgages, while not threatening the basic equity requirements of most lenders.

Experts generally agree that a 3- to 5-percent equity requirement is sufficient for most lenders to make a safe, "bankable," loan. This provision of my bill simply facilitates the offering of such low downpayment loans.

In order to assure and bolster long-term deposits which are then used for residential lending, the Homebuyers Assistance Act permits federally chartered lending institutions to offer long term—5- to 7-year securities.

Several States presently have laws which the interest rate which may be charged on residential loans. While well-intentioned, these ceilings have often had the effect of halting conventional residential mortgage lending. For example, in my own State of Maryland, the interest rate was set at 8 percent several years ago. In short order, interest rates for loans exceeded that ceiling and lenders ceased making loans in my State.

The limit was then raised to 10 percent. However, the cost of mortgage money may rise above this limit, too, and the credit supply in Maryland will again dry up.

As the cost of lending and borrowing rises, interest rates rise beyond those usury levels and State legislatures find themselves quickly convening to raise the usury limit in order that all lending activity not come to a stop.

My bill overrides State usury limits only as they apply to residential mortgage lending in order to permit these new mortgage instruments with varying interest rates to operate in a freer market.

Finally, my bill provides for uniform tax treatment of all financial institutions. This section of my bill is virtually the same as title VII of the Financial Institutions Act which passed the Senate last year, minus that title, under the able leadership of my colleague, Senator McIntyre.

The basic purpose of this section is to encourage residential mortgage lending by all financial institutions, be they banks, savings and loans, or credit unions. It does this by means of a mortgage investment tax credit which is highest for those who invest the largest amount of their assets—up to 80 percent—in residential mortgages.

Mr. President, the interest rate on a new home mortgage today ranges from 8½ to 9 percent. The downpayment requirements for an individual mortgage frequently can run up to 20 or 30 percent.

Using the 1975 median new home sales price of $45,600, this meant your downpayment could range from $9,120 to $13,680. Your minimum income had to be at least $18,200, or more to buy that median priced new home. The median family income in 1975 was $13,719 which is $4,900 less than the income needed to buy that new house.

A recent insurance company survey estimates there are 4.5 million couples in the 25- to 34-age group looking to buy a home today. In addition, many retired couples already owning a home want to purchase a smaller, easier to maintain home.

I have structured my bill to help those people afford a home now when they want to buy. In the good old days of their parents, those 25- to 34-year-olds would have been able to purchase a home when they were first setting out in life on their own. Today inflation has eaten away at the American dream of homeownership. I do not believe my colleagues want to see that happen in America.

Mr. President, it is my belief that the Homebuyers' Assistance Act will provide one form of relief to those desiring to purchase a home in today's market. It will ease the cost of financing for the homebuyer, one of the major items in the catalog of escalating costs in the housing sector of our economy.

My bill is a remedy to part of the home purchase cost problem and will provide new avenues to broaden homeownership opportunities.

Mr. President, I ask unanimous consent that the text of the Homebuyers Assistance Act of 1977 be printed at this point in the Record, along with a description of the different types of new mortgages authorized by the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 70

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Home Buyers' Assistance Act".

STATEMENT OF PURPOSE

Sec. 2. The purpose of this Act is to broaden the homeownership opportunities and enable both first-time homebuyers as well as others, to purchase homes by providing a variety of mortgage instruments which better match monthly payments to the buyer's income, by increasing the amount of credit available for residential mortgage lending, and by providing tax mechanisms to facilitate the accumulation of savings for downpayments.

TITLE I—HOMEOWNERSHIP OPPORTUNITIES

ALTERNATIVE MORTGAGE LOANS

Sec. 101. (a) As used in this section—

(1) the term "appropriate Federal regulatory agency" means the Comptroller of the Currency with respect to national banks, the Federal Home Loan Bank Board with respect to Federal savings and loan associations, and the Federal Credit Union Administration with respect to Federal Credit Unions; and

(2) the term "alternative mortgage loan" means a mortgage loan which is made to finance the purchase of a one- to four-family dwelling and which has a varying monthly payment amount, a maturity which may be extended or shortened, an interest rate which may be adjusted from time to time, a loan to value ratio which may change from time to time, or any combination of the foregoing.

(b) Notwithstanding any other provision of law, a national bank, Federal savings and loan association, or Federal credit union may make alternative mortgage loans in accordance with such terms and conditions as may be prescribed by the appropriate Federal regulatory agencies and subject to such limitations as such agencies may from time to time prescribe. The aggregate amount of alternative mortgage loans may not exceed 35 per centum of the assets of any such bank, association, or credit union.

(c) An alternative mortgage loan may be offered only if the bank, savings and loan association, or credit union offering such loan—

(1) as an alternative to the alternative loan, offers the prospective borrower a conventional level payment mortgage loan at the prevailing market rate;

(2) discloses in advance on a uniform disclosure statement to be developed by the Federal Home Loan Bank Board, in consultation with the other appropriate Federal regulatory agencies, the relevant provisions of the alternative mortgage loan, including a projection or estimate of monthly payment amounts during the life of such loan, a projection or estimate of interest rates at the beginning and end of the life of any such loan, and the amount of any fee, insurance, or other charge to be imposed in connection with any such loan;

(3) provides that such a loan may be assumed by a subsequent qualified purchaser of the property securing the loan if such an assumption is permitted by the appropriate Federal regulatory agency;

(4) discloses, at least 60 days in advance, any adjustment to be made in the interest rate; and

(5) imposes no penalty in case of prepayment of the loan except where such a penalty is permitted by the appropriate Federal regulatory agency.

(d) Alternative mortgage loans shall be eligible for insurance under title II of the National Housing Act or under title V of the Housing Act of 1949 or for guaranties under chapter 37 of title 38, United States Code.

(e) Paragraph (5) of section 107 of the Federal Credit Union Act, as amended 12 U.S.C. 1757(5), is amended by inserting after "maturities specified therein," the following: "and residential mortgage loans and loans made pursuant to section 101 of the Home Buyers' Assistance Act (which in the aggregate may not exceed 35 per centum of the credit union's assets) may have maturities in accordance with regulations prescribed by the Administrator,".

(f) Each appropriate Federal regulatory agency shall include in its annual report an analysis of the use of alternative mortgage loans, the extent of lender and consumer acceptance of such loans, and the effect of such loans on mortgage markets.

(g) The Federal Home Loan Bank Board shall develop and carry out a program to inform consumers and lenders of the availability and nature of alternative mortgage loans.

(h) Any alternative mortgage loan which has a variable interest rate shall be limited by regulations of the appropriate Federal regulatory agency so that—

(1) adjustments in the interest rate are made in accordance with an approved intermediate term index;

(2) the total of interest rate adjustments during the life of the mortgage may not exceed 2½ percentage points; and

(3) adjustments in any 12-month period may not exceed one-half of a percentage point.

REDUCED DOWNPAYMENT REQUIREMENTS

SEC. 102. (a) The second sentence of section 302(b)(2) of the National Housing Act is amended—

(1) by striking out "80 per centum" each place it appears and inserting in lieu thereof "90 per centum"; and

(2) by striking out "10 per centum" in clause (A) and inserting in lieu thereof "5 per centum".

(b) Section 313(b) of such Act is amended by striking out "80 per centum" and inserting in lieu thereof "90 per centum".

(c) The first sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act is amended—

(1) by striking out "80 per centum" each place it appears and inserting in lieu thereof "90 per centum"; and

(2) by striking out "10 per centum" and inserting in lieu thereof "5 per centum".

LONG-TERM SECURITIES

SEC. 103. Section 5(b)(2) of the Home Owners' Loan Act of 1933 is amended by adding at the end thereof the following: "The Board shall, from time to time as conditions require, authorize an association to issue long-term securities, as defined in regulations of the Board."

USURY CEILINGS

SEC. 104. The provisions of the law or constitution of any State which limit the rate of interest which may be charged, taken, received, or reserved in connection with mortgage loans are preempted to the extent that such provisions would apply to any loan made by a national bank, Federal savings and loan association or Federal credit union to finance the purchase of a one- to four-family dwelling.

EXPERIMENTAL FINANCING

SEC. 105. Section 245 of the National Housing Act is amended— (1) by striking out "1 per centum" and inserting in lieu thereof "15 per centum"; and

(2) by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1982".

EXCLUSION OF INTEREST ON SAVINGS FROM FEDERAL INCOME TAXATION

SEC. 106. (a) Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125, and by inserting after section 123 the following new section:

"SEC. 124. INTEREST.

"In the case of an individual, gross income does not include any amount received as interest or dividends on a time or demand deposit with—

"(1) a commercial or mutual savings bank the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation or which are otherwise insured in accordance with the requirements of the law of the State in which the bank is located,

"(2) a savings and loan association, building and loan association, or similar association the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation or which are otherwise insured in accordance with the requirements of the law of the State in which the association is located, or

"(3) a credit union the shares of which are insured by the National Credit Union Administration Share Insurance Fund or which are otherwise insured in accordance with the requirements of the law of the State in which the credit union is located.".

(b) The table of sections for such part is amended by striking out the last item and inserting in lieu thereof the following items:

"Sec. 124. Interest.

"Sec. 125. Cross references to other Acts.".

(c) The amendments made by this section apply to taxable years beginning after December 31, 1976.

TITLE II—UNIFORM APPLICATION OF THE TAX LAWS TO ALL FINANCIAL INSTITUTIONS

SEC. 201. SHORT TITLE; ETC.

(a) SHORT TITLE.—This title may be cited as the "Uniform Tax Treatment of Financial Institutions Act".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. DEFINITION OF BANK.

Section 581 (relating to definition of bank) is amended to read as follows:

"SEC. 581. DEFINITION OF BANK.

"(a) DEFINITION.—For purposes of this subtitle, the term 'bank' means—

"(1) a bank or trust company doing business under the laws of the United States (including laws relating to the District of Columbia) or of any State, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under authority of the Comptroller of the Currency, and which is subject by law to supervision and examination by State, or Federal authority having supervision over banking institutions,

"(2) a domestic building and loan association,

"(3) a mutual savings bank not having capital stock represented by shares, and

"(4) a cooperative bank without capital stock organized and operated for mutual purposes and without profit.

"(b) SPECIAL RULE FOR TAXABLE YEARS BEGINNING BEFORE JANUARY 1, 1979.—Notwithstanding subsection (a) of this section, for purposes of section 585 (relating to reserves for losses on loans of banks) the term 'bank' shall not include a taxpayer described in subsection (a), (2), (3), or (4) for a taxable year beginning before January 1, 1979, unless the taxpayer makes an election in the manner prescribed by the Secretary on or before the due date (including extensions of time) for filing its tax return under this chapter for the taxable year to be a bank for such purpose. The election shall be irrevocable and shall apply to the taxable year and each succeeding taxable year."

SEC. 203. RESERVES FOR LOSSES ON LOANS OF BANKS.

Section 585 (relating to reserves for losses on loans of banks) is amended—

(1) by striking out in subsection (a)(1) "other than an organization to which section 593 applies",

(2) by striking out the matter following subparagraph (B) in subsection (b)(2) and inserting in lieu thereof the following:

"(C) For purposes of this paragraph, the term 'allowable percentage' means 1.8 percent for taxable years beginning before 1978; 1.2 percent for taxable years beginning after 1977 but before 1984; and 0.6 percent for taxable years beginning after 1983.

"(D) The amount determined under this paragraph shall not exceed 0.6 percent of eligible loans outstanding at the close of the taxable year or an amount sufficient to increase the reserve for losses on loans to 0.6 percent of eligible loans outstanding at the close of the taxable year, whichever is greater.

"(E) for purposes of this paragraph, the term 'base year' means (except as provided in subparagraph (F))—

"(i) for taxable years beginning after 1976, the last taxable year beginning on or before July 11, 1969, for taxable years beginning after 1975 but before 1982, the last taxable year beginning before 1976, and for taxable years beginning after 1981, the last taxable year beginning before 1982;

"(ii) in the case of a bank described in section 581(a) (2), (3), or (4) which did not make an election under section 581(b)) and which had adopted or used either method described in section 593(b) (2) or (4) for the last taxable year beginning on or before December 31, 1978, the taxable year provided in clause (i) of this subparagraph or the last taxable year beginning on or before December 31, 1978, whichever is later; or

"(iii) in the case of a bank described in section 581(a) (2), (3), or (4) which made an election under section 581(b) and which had adopted or used either method described in section 593(b) (2) or (4) for the last taxable year before the first taxable year to which such election applies, the taxable year provided in clause (i) of this subparagraph or the last taxable year before the first taxable year to which the election applies, whichever is later.

"(F) For purposes of subparagraph (A) the term 'base year' means the taxable year provided in subparagraph (E) or the last taxable year before the most recent adoption of the percentage method, whichever is later.",

(3) by inserting in subsection (b)(3), immediately following the last sentence, "With respect to a bank described in section 581(a) (2), (3), or (4) the adoption or use of the experience method under section 593(b)(1)(A) prior to January 1, 1979 (or, in the case of a bank described in section 581(a) (2), (3), or (4) making an election under section 581(b), prior to the first taxable year to which an election under section 581(b) applies) shall be disregarded when determining the base year.",

(4) by redesignating paragraph "(4)" in subsection (b) as paragraph "(5)", and inserting immediately after paragraph (3) thereof the following:

"(4) CHARGING OF BAD DEBTS.—Any debts becoming worthless or partially worthless shall be charged to the reserve for losses on loans.", and

(5) by inserting immediately after subsection (b) the following new subsection:

"(c) SPECIAL RULES.—

"(1) In the case of a bank described in section 581(a) (2), (3), or (4) that was in existence on December 31, 1978, and did not make an election under section 581(b), the net amounts, determined as of the close of the last taxable year beginning on or before December 31, 1978, accumulated in the reserve for losses on nonqualifying loans, the reserve for losses on qualifying real property loans, and the supplemental reserve for losses on loans as such reserves were maintained under section 593(c), shall be allocated to and constitute—

"(A) the opening balance of the reserve for losses on loans for the first taxable year beginning after December 31, 1978, and

"(B) the balance of the reserve for losses on loans at the close of the base year, where the base year, as determined under subsection (b) (2) or (3), is the last taxable year beginning on or before December 31, 1978.

"(2) In the case of a bank described in section 581(a) (2), (3), or (4) that made an election under section 581(b) and was in existence during the taxable year before the first taxable year to which such election applies, the net amounts, determined as of the close of the taxable year before the first tax-

able year to which the election under section 581(b) applies, accumulated in the reserve for losses on nonqualifying loans, the reserve for losses on qualifying real property loans, and the supplemental reserve for losses on loans as such reserves were maintained under section 593(c), shall be allocated to and constitute—

"(A) the opening balance of the reserve for losses on loans for the first taxable year to which the election under section 581(b) applies, and

"(B) the balance of the reserve for losses on loans at the close of the base year, where the base year, as determined under subsection (b) (2) or (3), is the last taxable year before the first taxable year to which the election applies."

SEC. 204. RULES OF GENERAL APPLICATION TO BANKING INSTITUTIONS.

Part I (relating to rules of general application to banking institutions) of subchapter H of chapter 1 is amended by adding at the end thereof the following new sections:

"SEC. 587. FORECLOSURE ON PROPERTY SECURING LOANS.

"(a) NONRECOGNITION OF GAIN OR LOSS AS A RESULT OF FORECLOSURE.—In the case of a creditor which is a bank defined in section 581, no gain or loss shall be recognized, and no debt shall be considered as becoming worthless or partially worthless, as the result of such bank having bid in at foreclosure, or having otherwise reduced to ownership or possession by agreement or process of law, any property which was security for the payment of any indebtedness.

"(b) CHARACTER OF PROPERTY.—For purposes of sections 166 and 1221, any property acquired in a transaction with respect to which gain or loss to a bank was not recognized by reason of subsection (a) shall be considered as property having the same characteristics as the indebtedness for which such property was security. Any amount realized by such bank with respect to such property shall be treated for purposes of this chapter as a payment on account of such indebtedness, and any loss with respect thereto shall be treated as a bad debt to which the provisions of section 166 (relating to allowance of a deduction for bad debts) apply.

"(c) BASIS.—The basis of any property to which subsection (a) applies shall be the basis of the indebtedness for which such property was secured (determined as of the date of the acquisition of such property), properly increased for costs of acquisition.

"(d) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as he may deem necessary to carry out the purposes of this section.

"SEC. 588. DISTRIBUTION TO SHAREHOLDERS.

"(a) IN GENERAL.—For purposes of this chapter, any distribution of property (as defined in section 317(a)) by a bank described in section 581(a)(2) to which section 585 applies to a shareholder with respect to its stock; if such distribution is not allowable as a deduction under section 591, shall be treated as made—

"(1) first out of its earnings and profits accumulated in taxable years beginning after December 31, 1951, to the extent thereof,

"(2) then out of the reserve for losses on loans to the extent total additions to such reserve exceed the maximum additions which would have been allowed under section 585(b)(3),

"(3) then out of such other accounts as may be proper.

This subsection shall apply in the case of any distribution in redemption of stock or in partial or complete liquidation of the taxpayer, except that any such distribution shall be treated as made first out of the amount referred to in paragraph (2), second out of the amount referred to in paragraph (1), and then out of such other accounts as may be proper. This subsection shall not apply to any transaction to which section 381 (relating to carryovers in certain corporate acquisitions) applies.

"(b) AMOUNTS CHARGED TO RESERVE ACCOUNTS AND INCLUDED IN GROSS INCOME.—If any distribution is treated under subsection (a) as having been made out of the reserves described in paragraph (2) of such subsection, the amount charged against such reserve shall be the amount which, when reduced by the amount of tax imposed under this chapter and attributable to the inclusion of such amount in gross income, is equal to the amount of such distribution; and the amount so charged against such reserve shall be included in gross income of the taxpayer.

"(c) SPECIAL RULES.—

"(1) For purposes of subsection (a)(2), additions to the reserve for losses on loans for the taxable year in which the distribution occurs shall be taken into account.

"(2) For purposes of computing under section 585 the amount of a reasonable addition to the reserve for losses on loans for any taxable year, any amount charged during any year to such reserve pursuant to the provisions of subsection (b) shall not be taken into account.

"SEC. 589. DEDUCTION FOR REPAYMENT OF CERTAIN LOANS.

"In the case of a bank described in section 581(a) (2), (3), or (4), there shall be allowed as deductions in computing taxable income amounts paid by the taxpayer during the taxable year in repayment of loans made before September 1, 1951, by—

"(1) the United States or any agency or instrumentality thereof which is wholly owned by the United States, or

"(2) any mutual fund established under the authority of the laws of any State.

"SEC. 590. ALTERNATIVE TAX FOR CERTAIN BANKS CONDUCTING LIFE INSURANCE BUSINESS.

"(a) ALTERNATIVE TAX.—In the case of a bank described in section 581(a)(3), authorized under State law to engage in the business of issuing life insurance contracts, and which conducts a life insurance business in a separate department the accounts of which are maintained separately from the other accounts of the mutual savings bank, there shall be imposed in lieu of the taxes imposed by section 11 or section 1201(a), a tax consisting of the sum of the partial taxes determined under paragraphs (1) and (2):

"(1) a partial tax computed on the taxable income determined without regard to any items of gross income or deductions properly allocable to the business of the life insurance department, at the rates and in the manner as if this section had not been enacted; and

"(2) a partial tax computed on the income of the life insurance department determined without regard to any items of gross income or deductions not properly allocable to such department, at the rates and in the manner provided in subchapter L (section 801 and following) with respect to life insurance companies.

"(b) LIMITATIONS OF SECTION.—Subsection (a) shall apply only if the life insurance department would, if it were treated as a separate corporation, qualify as a life insurance company under section 801.

"SEC. 591. DEDUCTION FOR DIVIDENDS PAID ON DEPOSITS.

"In the case of a bank described in section 581(a) (2), (3), or (4) and other savings institutions chartered and supervised as savings and loan or similar associations under Federal or State law, there shall be allowed as deductions in computing taxable income amounts paid to, or credited to the accounts of, depositors or holders of accounts as dividends or interest on their deposits or withdrawable accounts, if such amounts paid or credited are withdrawable on demand subject only to customary notice of intention to withdraw.".

SEC. 205. MUTUAL SAVINGS BANKS, ETC.

(a) APPLICATION OF PART II.—Section 593 (a) (relating to reserves for losses on loans of certain organizations) is amended by inserting at the end thereof, "This part does not apply to a bank (as defined in section 581) to which section 585 applies."

(b) REPEAL.—Section 591 (relating to deduction for dividends paid on deposits), section 594 (relating to alternative tax for mutual savings banks conducting life insurance business), and section 595 (relating to foreclosure on property securing loans) are repealed.

(c) AMENDMENT OF TABLE OF SECTIONS.—The table of sections for part II of subchapter H of chapter 1 is amended to read as follows:

"PART II—MUTUAL SAVINGS BANKS, ETC.

"Sec. 593. Reserves for losses on loans.
"Sec. 596. Limitation on dividends received deduction.".

(d) REDESIGNATION.—Subchapter H (relating to banking institutions) of chapter 1 is amended by striking out part II, thereof, and redesignating "Part III. Bank affiliates." as "Part II. Bank affiliates.".

(e) AMENDMENT OF TABLE OF PARTS.—In the table of parts for subchapter II of chapter I is amended by striking out "Part II. Mutual savings banks, etc." and "Part III. Bank affiliates" and inserting in lieu thereof "Part II. Bank affiliates.".

(f) EFFECTIVE DATE.—The amendments made by subsections (d) and (e) of this section shall be effective December 31, 1981.

SEC. 206. DEFINITIONS OF DOMESTIC BUILDING AND LOAN ASSOCIATION AND COOPERATIVE BANK.

(a) DOMESTIC BUILDING AND LOAN ASSOCIATIONS.—Section 7701(a)(19) (relating to definition of domestic building and loan association) is amended—

(1) by inserting "a Federal savings bank," after "domestic savings and loan association,"; and

(2) by inserting "in the case of a bank (as defined in section 581) to which section 585 does not apply" at the beginning of subparagraph (C).

(b) DOMESTIC BUILDING AND LOAN ASSOCIATIONS FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980—Section 7701(a)(19) (relating to definition of domestic building and loan association) is amended—

(1) by inserting "and" at the end of subparagraph (A);

(2) by striking out "loans; and" in subparagraph (B) and inserting in lieu thereof "loans."; and

(3) by striking out subparagraph (C).

(c) COOPERATIVE BANKS.—Section 7701(a)(32) (relating to definition of cooperative bank) is amended—

(1) by striking out ", and" at the end of subparagraph (A)(ii) and inserting in lieu thereof ";"; and

(2) by striking out subparagraph (B) and inserting in lieu thereof:

"(B) in the case of a bank described in section 581(a)(4) to which section 585 does not apply, meets the requirements of subparagraphs (B) and (C) of paragraph (19) of this subsection (relating to definition of domestic building and loan association); or

"(C) in the case of a bank described in section 581(a)(4) to which section 585 applies, engages principally in the business of acquiring the savings of the public and investing in loans.".

(d) COOPERATIVE BANKS FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980.—Section 7701(a)(32) (relating to definition of cooperative bank) is amended—

(1) by striking out ";" at the end of sub-

paragraph (A) (ii) and inserting in lieu there of ", and"; and

(2) by striking out all after subparagraph (A) and inserting in lieu thereof:

"(B) engages principally in the business of acquiring the savings of the public and investing in loans.".

(e) EFFECTIVE DATE.—The amendments made by subsections (b) and (d) of this section shall be effective December 31, 1981.

SEC. 207. CREDIT FOR INTEREST FROM QUALIFYING RESIDENTIAL MORTGAGE LOANS.

Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SEC. 44B. INTEREST FROM QUALIFYING RESIDENTIAL MORTGAGE LOANS.

"(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for a taxable year the amount determined under subsection (b).

"(b) DETERMINATION OF AMOUNT.—

"(1) GENERAL RULE.—The amount of credit allowed by subsection (a) for the taxable year shall be equal to the allowable percentage of the interest received or accrued by the taxpayer from a qualifying residential mortgage loan.

"(2) ALLOWABLE PERCENTAGES.—

"(A) INDIVIDUALS.—In the case of an individual, the allowable percentage for purposes of this subsection shall be 1.5 percent.

"(B) OTHER TAXPAYERS.—In the case of a taxpayer other than an individual, the allowable percentage for purposes of this subsection shall be 3⅝ percent if for the taxable year, at least 80 percent of the total assets of such taxpayer are qualifying residential mortgage loans. If, for the taxable year, the percentage of assets of the taxpayers which are qualifying residential mortgage loans is less than 80 percent of the total assets of the taxpayer, the allowable percentage shall be 3⅝ percent reduced by 1/30 of 1 percentage point for each 1 percentage point (or fraction thereof) of such difference: *Provided however*, That the allowable percentage shall be zero if, for the taxable year, less than 10 percent of the total assets of such taxpayer are qualifying residential mortgage loans.

"(c) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for a taxable year shall not exceed the tax imposed by this chapter, reduced by the sum of the credits allowable under section 33 (relating to foreign tax credits), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), section 38 (relating to investment in certain depreciable property), section 40 (relating to expenses of work incentive programs), and section 41 (relating to contributions to candidates for public office).

"(2) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to interest from qualifying residential mortgage loans, only if such interest is verified in such manner as the Secretary shall prescribe by regulations.

"(d) QUALIFYING RESIDENTIAL MORTGAGE LOAN DEFINED.—

"(1) Except as provided in paragraph (2), for purposes of this section, the term 'qualifying residential mortgage loan' means any loan evidenced by an agreement which constitutes a first lien against the real property in the jurisdiction in which such real property is located (provided such property is located in the United States or a possession thereof), which loan is either—

"(A) a loan (including redeemable ground rents, as defined in section 1055) secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property, or a loan made for the improvement of residential real property, provided that for purposes of this clause, residential real property shall include single or multifamily dwellings, facilities in residential developments dedicated to public use or property used on a nonprofit basis for residents, and mobile homes not used on a transient basis, or

"(B) a loan secured by an interest in real property located within an urban renewal area to be developed for predominantly residential use under an urban renewal plan approved by the Secretary of Housing and Urban Development under part A or part B of title I of the Housing Act of 1949, as amended, or located within any area covered by a program eligible for assistance under section 103 of the Demonstration Cities and Metropolitan Development Act of 1966, as amended, or a loan made for the improvement of any such real property.

For purposes of subparagraph (A), if a multifamily structure securing a loan is such in part for nonresidential purposes, the entire loan is deemed a qualifying residential mortgage loan if the planned residential use exceeds 80 percent of the property's planned use (determined as of the time the loan is made). For purposes of subparagraph (A), a loan made to finance the acquisition or development of land shall be deemed to be a qualifying residental loan if, under regulations prescribed by the Secretary, there is reasonable assurance that the property will become residential real property within a period of 3 years from the date of acquisition of such land; but this sentence shall not apply for any taxable year unless, within such 3-year period, such land becomes residential real property.

"(2) For purposes of this section the term 'qualifying residential mortgage loan' does not include—

"(A) any loan evidenced by a security (as defined in section 165(g)(2)(C));

"(B) any loan, whether or not evidenced by a security (as defined in section 165(g)(2)(C)), the primary obligor on which is—

"(i) a government or political subdivision or instrumentality thereof;

"(ii) a bank (as defined in section 581); or

"(iii) another member of the same affiliated group;

"(C) any loan, to the extent secured by a deposit in or share of the taxpayer; or

"(D) any loan which, within a 60-day period beginning in one taxabable year of the creditor and ending in its next taxable year, is made or acquired and then repaid or disposed of, unless the transaction by which such loan was made or acquired and then repaid or disposed of are established to be for bona fide business purposes.

For purposes of subparagraph (B)(iii), the term 'affiliated group' has the meaning assigned to such term by section 1504(a); except that the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' each place it appears in section 1504(a), and all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

"(3) For purposes of this section, a qualifying residential mortgage loan shall include an instrument which terms, yields, maturities and other provisions of such qualifying residential mortgage loans. The payment terms, yields, maturities, and other provisions of such instrument may be different from those of the underlying residential mortgages so long as the terms and provisions of such instrument reasonably reflect anticipated principal and interest payments on the underlying mortgages, including consideration for retirements or prepayments of the underlying mortgages.

"(e) CARRYBACK AND CARRYOVER OF UNUSED CREDITS.

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under subsection (b) for any taxable year exceeds the limitation provided by subsection (c) for such taxable year (hereinafter in this subsection referred to as 'unused credit year') such excess shall be—

"(A) a credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a credit carryover to each of the 7 taxable years following the unused credit year,

and shall be added to the amount otherwise allowable as a credit by this section for such years, except that such excess may be a carryback only to a taxable year ending after the effective date of the Uniform Tax Treatment of Financial Institution Act. In the case of a bank described in section 581(a)(2), (3), or (4) which did not make an election under section 581(b), such excess may be a carryback only to a taxable year beginning after December 31, 1978. In the case of a bank described in section 581(a)(2), (3), or (4) which made an election under section 581(b), such excess may be a carryback only to a taxable year beginning with or after the first taxable year to which such election applies. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried and then to each of the other 9 taxable years to the extent, that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (c) for such taxable year exceeds the sum of—

"(A) the amount of credit determined under subsection (b) for such taxable year, and

"(B) the amounts which, by reason of this subsection (b) for such taxable year, and for such taxable year and attributable to taxable years preceding the unused credit year.

"(f) ESTATES AND TRUSTS.—In the case of an estate or trust—

"(1) the interest from qualifying residential mortgage loans for a taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allowable to each, and

"(2) any beneficiary to whom interest from qualifying residential mortgage loans has been apportioned under paragraph (1) shall be treated (for purposes of this section) as the taxpayer who received or accrued the interest from qualifying residential mortgage loans, and such interest shall not (by reasons of such apportionment) lose its character as interest from qualifying residential mortgage loans.

"(g) SMALL BUSINESS CORPORATIONS.—In the case of an electing small business corporation (as defined in section 1371)—

"(1) the interest from qualifying residential mortgage loans for a taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year, and

"(2) any person to whom any interest from qualifying residential mortgage loans has been apportioned under paragraph (1) shall be treated (for purposes of this section) as the taxpayer who received or accrued such interest, and such interest shall not (by reason of such apportionment) lose its character as interest from qualifying residential mortgage loans.

"(h) CREDIT DISALLOWED.—The credit al-

lowed by subsection (a) shall be denied a taxpayer that—

"(1) is formed or availed of primarily for the purpose of obtaining such credit, or

"(2) issues obligations that are—

"(A) supported by an authority to borrow from the Treasury of the United States, and

"(B) approved, at issuance, by the Department of the Treasury of the United States.

The Secretary may prescribe such regulations as he may deem necessary in order to carry out the intent of paragraph (1).

"(i) This section shall not apply to a bank (as defined in section 581) to which section 585 does not apply."

SEC. 208. CONFORMING AND CLERICAL AMENDMENTS.

(a) Section 11(e)(1) (relating to exceptions to tax imposed on corporations) is amended to read as follows:

"(1) section 590 (relating to alternative tax for certain banks conducting life insurance business),".

(b) Section 57(a)(7) (relating to items of tax preference) is amended by striking out "financial institution to which section 585 or 593 applies" and inserting in lieu thereof "bank (as defined in section 581)".

(c) Section 116(c)(1) (relating to special rules for partial exclusion of dividends received by individuals) is amended by striking out "(relating to deduction for dividends paid by mutual savings banks, etc.)" and inserting in lieu thereof "(relating to deduction for dividends paid by certain banks, etc.)".

(d) Section 172(b)(1)(F) (relating to years to which net operating losses may be carried back and carried over) is amended by striking out "financial institution to which section 585, 586, or 593" and inserting in lieu thereof "bank (as defined in section 581) or a financial institution to which section 586".

(e) Section 243(c)(1) (relating to special rules for dividends received by corporations) is amended by striking out "(relating to deduction for dividends paid by mutual savings banks, etc.)" and inserting in lieu thereof "(relating to deduction for dividends paid by certain banks, etc.)".

(f) Section 381(c) (relating to items taken into account in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

"(26) CREDIT UNDER SECTION 44B FOR INTEREST FROM QUALIFYING RESIDENTIAL MORTGAGE LOANS.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 44B and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 44B in respect to the distributor or transferor corporation.".

(g) Section 542(c)(2) (relating to exceptions to definition of personal holding company) is amended to read as follows:

"(2) a bank (as defined in section 581);".

(h) Section 582(c)(1) (relating to bad debts, etc., with respect to securities held by financial institutions) is amended by striking out "a financial institution to which section 585, 586, or 593 applies," and inserting in lieu thereof "a bank or a financial institution to which section 586 applies.".

(i) Section 811(b)(1) (relating to deduction for dividends to policyholders) is amended by striking out "a mutual savings banks subject to the tax imposed by section 594," and inserting in lieu thereof "certain banks subject to the tax imposed by section 590,".

(j) Section 992(d)(3) (relating to corporations ineligible to be domestic international sales corporations) is amended to read as follows:

"(3) a bank (as defined in section 581),".

(k) Section 1038(f) (relating to certain reacquisitions of real property) is amended to read as follows:

"(f) CERTAIN REACQUISITIONS.—This section shall not apply to a reacquisition of real property by a bank described in section 581(a)(2), (3), or (4).".

(l) Section 6096(b) (relating to income tax liability) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

(m) Section 6323(b)(10) (relating to validity and priority against certain persons) is amended—

(1) by striking out "with an institution described in section 581 or 591," and inserting in lieu thereof "with a bank (as defined in section 581),", and

(2) by striking out "institution" the second time it appears and inserting in lieu thereof "bank".

(n) Statutes of limitations and interest relating to residential mortgage loan credit carrybacks.—

(1) ASSESSMENT AND COLLECTION.—Section 6501 (relating to limitation on assessment and collection) is amended by adding at the end thereof the following new subsection:

"(p) RESIDENTIAL MORTGAGE LOAN CREDIT CARRYBACKS.—In the case of a deficiency attributable to the application to the taxpayer of a residential mortgage loan credit carryback (including deficiencies which may be assessed pursuant to the provisions of section 6213(b)(3)), such deficiency may be assessed at any time before the expiration of the period within which a deficiency for the taxable year of the unused residential mortgage loan credit which results in such carryback may be assessed, or, with respect to any portion of a residential mortgage loan credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, at any time before the expiration of the period within which a deficiency for such subsequent taxable year may be assessed."

(2) CREDIT OR REFUND.—Section 6511(d) (relating to limitations on credit or refund) is amended by adding at the end thereof the following new paragraph:

"(9) SPECIAL PERIOD OF LIMITATIONS WITH RESPECT TO RESIDENTIAL MORTGAGE LOAN CREDIT CARRYBACKS.—

"(A) PERIOD OF LIMITATIONS.—If the claim for credit or refund relates to an overpayment attributable to a residential mortgage loan credit carryback, in lieu of the 3-year period limitation prescribed in subsection (a), the period shall be that period which ends with the expiration of the 15th day of the 40th month (or 39th month, in the case of a corporation) following the end of the taxable year of the unused residential mortgage loan credit which results in such carryback (or, with respect to any portion of a residential mortgage loan credit carryback from a taxable year attributable to a net operating loss carryback or capital loss carryback from a subsequent taxable year, the period shall be that period which ends with the expiration of the 15th day of the 40th month, or 39th month, in the case of a corporation, following the year of such taxable year) or that period prescribed in subsection (c) in respect of such taxable year, whichever expires later. In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b)(2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback.

"(B) APPLICABLE RULES.—If the allowance of a creditor refund of an overpayment of tax attributable to a residential mortgage loan credit carryback is otherwise prevented by the operation of any law or rule of law other than section 7122, relating to compromises, such credit or refund may be allowed or made, if claim therefor is filed within the period provided in subparagraph (A) of this paragraph. In the case of any such claim for credit or refund, the determination by any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall not be conclusive with respect to the residential mortgage loan credit, and the effect of such credit, to the extent that such credit is affected by a carryback which was not in issue in such proceeding."

(3) INTEREST OF UNDERPAYMENTS.—Section 6601(c) (relating to income tax reduced by carryback or adjustment for certain unused deductions) is amended by adding at the end thereof the following new paragraph:

"(5) RESIDENTIAL MORTGAGE LOAN CREDIT CARRYBACK.—If the credit allowed by section 44B for any taxable year is increased by reason of a residential mortgage loan credit carryback, such increase shall not affect the computation of interest under this section for the period ending with the last day of the taxable year in which the residential mortgage loan credit carryback arises, or, with respect to any portion of a residential mortgage loan carryback from a taxable year attributable to a net operating loss carryback or a capital carryback from a subsequent taxable year, such increase shall not affect the computation of interest under this section for the period ending with the last day of such subsequent taxable year."

(4) INTEREST ON OVERPAYMENT.—Section 6611(f) (relating to refund of income tax caused by carryback or adjustment for certain unused deductions) is amended by adding at the end thereof the following new paragraph:

"(5) RESIDENTIAL MORTGAGE LOAN CREDIT CARRYBACK.—For purposes of subsection (a), if any overpayment of tax imposed by subtitle A results from a residential mortgage loan credit carryback, such overpayment shall be deemed not to have been made prior to the close of the taxable year in which such residential mortgage loan credit carryback arises, or, with respect to any portion of a residential mortgage loan credit carryback from a taxable year attributable to a net operating loss carryback or capital loss carryback from a subsequent taxable year, such overpayment shall be deemed not to have been made prior to the close of such subsequent taxable year."

(o) TENTATIVE CARRYBACK ADJUSTMENTS.—

(1) APPLICATION FOR ADJUSTMENT.—Section 6411 (relating to quick refunds in respect of tentative carryback adjustments) is amended—

(A) by striking out "or unusued work incentive program credit" each place it appears in such section and inserting in lieu thereof "unused work incentive program credit, or residential mortgage loan credit",

(B) by inserting after "section 172(b)," in the first sentence of subsection (a) "by a residential mortgage loan carryback provided in section 44B(e),", and

(C) by inserting after "investment credit carryback" in the second sentence of subsection (a) "a residential mortgage loan carryback,".

(2) TENTATIVE CARRYBACK ADJUSTMENT ASSESSMENT PERIOD.—Section 6501(m) (relating to tentative carryback adjustment period) is amended—

(A) by striking out "or a work incentive program carryback" and inserting in lieu thereof "a work incentive program carryback, or a residential mortgage loan carryback", and

(B) by striking out "(j) or (o)" each place it appears and inserting in lieu thereof "(j), (o), or (p)".

(p) The table of sections for part I of subchapter H of chapter 1 (relating to rules of general application to banking institutions)

is amended by adding immediately after the last item the following:

"SEC. 587. Foreclosure on property securing loans.
"SEC. 588. Distributions to shareholders.
"SEC. 589. Deduction for repayment of certain loans.
"SEC. 590. Alternative tax for certain banks conducting life insurance business.
"SEC. 591. Deduction for dividends paid on deposits.".

(q) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following:

"SEC. 44B. Interest from qualifying residential mortgage loans.".

SEC. 209. CONFORMING AND CLERICAL AMENDMENTS FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980.

(a) Section 46(e)(1) (relating to limitations on investment credit) is amended by striking out subparagraph (A) and by redesignating subparagraph (B) and (C) as subparagraphs (A) and (B), respectively.

(b) Section 46(e)(2) is amended by striking out subparagraph (A), redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively, and striking out "subparagraph (B)" where it appears in the flush material and inserting in lieu thereof "subparagraph (A)".

(c) Section 50B(f) (relating to limitations for work incentive programs) is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(d) Section 166(g) (relating to bad debts) is amended by striking out paragraph (3) thereof and by redesignating paragraph "(4)" as paragraph "(3)".

(c) Section 246 (relating to rules applying to deductions for dividends received) is amended by striking out subsection (e) thereof.

(f) The amendments made by subsections (a) through (e) of this section shall be effective December 31, 1979.

SEC. 210. EFFECTIVE DATE.

Except as otherwise expressly provided in this title, the amendments made by this title shall be effective for taxable years beginning after the date of enactment of this title.

REFORMING THE MORTGAGE INSTRUMENT

ABSTRACT

This paper contends that the conventional fixed-rate mortgage does not fit the needs of either the borrower or the lender very well in an inflationary economy. Seven alternative mortgage instruments are described as illustrations of positive changes that could be made to make the mortgage instrument more viable and also to meet some of the specific needs of individual borrowers. The paper contends that mortgage borrowers should be able to select from a wide range of mortgage instruments in order that the instrument selected can best fit their individual needs and expectations.

The mortgage instruments described are: the conventional fixed-rate mortgage; the graduated-payment mortgage; the variable-rate mortgage; the dual-rate, variable-rate mortgage; the graduated-payment, variable-rate mortgage; the reverse annuity mortgage; the deferred interest mortgage; and the contingent appreciation mortgage.

REFORMING THE MORTGAGE INSTRUMENT

(By David L. Smith)

For the last 40 years, the United States has relied almost exclusively on the long-term, fixed-rate, fully amortized mortgage as the sole instrument for financing single-family housing. This instrument worked very well during the first 30 years of its life when interest rates were relatively stable and inflation was not a serious problem. However, the wild swings in interest rates and housing construction and the inflation of the last 10 years have illustrated all too well the inadequacies of such an instrument as the sole means of financing housing.

The defects of the conventional mortgage in today's economic environment are numerous, including the facts that:

1. Mortgage lenders must charge high interest rates to new borrowers in order to offset their loss on the low-yield loans still on their books. In effect, new borrowers are forced to subsidize old borrowers who are lucky enough to have low interest rate loans.

2. Many potential borrowers are priced out of the housing market altogether, either because they lack the required downpayment or because they cannot afford the required monthly payments. The latter problem is particularly serious because the amount of house a family can purchase depends upon its current income—even though the home will be occupied well into the future, when a typical family's income will be much higher.

3. Potential borrowers are forced to pay an inflation premium that reflects the lender's estimate of the future rate of inflation. This can be an especially excessive burden on potential borrowers during periods of unstable prices and uncertainty regarding the future pattern of inflation.

4. Thrift institutions are prevented from paying competitive rates for deposits because their portfolio yields are locked into fixed interest rate loans.

The net result is that the conventional mortgage does not fit the needs of either the borrower or the lender very well in an inflationary economy. Consequently, some lenders such as commercial banks and insurance companies, have virtually withdrawn from the single-family mortgage market.

This paper presents several alternative instruments as illustrations of changes that could be made to make mortgages more responsive to the needs of individual borrowers. The intent is not to drive the conventional mortgage out of existence, but rather to create a whole smorgasbord of mortgage loan instruments that would be available to meet the requirements of individual homebuyers.

It should be emphasized that federally chartered savings and loan associations could issue these mortgage instruments under present Federal laws. However, the Federal Home Loan Bank Board would have to issue regulations authorizing them. In contrast, Federal legislation would be required before national banks could issue some of the instruments. Similarly, some States would have to adopt either legislative or regulatory changes before State-chartered banks, savings and loan associations, and mutual savings banks could issue some of the mortgages.

ALTERNATIVE MORTGAGE INSTRUMENTS

In order to be effective, any new mortgage document must provide more benefits to both borrowers and lenders than the present conventional mortgage. From the borrower's standpoint, desirable characteristics include: (1) the ability to choose a particular ratio of mortgage payments to family income; (2) a low level of uncertainty about the cost of the mortgage; and (3) relative short-run stability in the ratio of payments to income.

Ideally, a borrower should be able to select a mortgage payment-to-income ratio that will vary over the life of the loan according to his particular needs. For example, one family might desire to have the ratio rise over time, another might select a declining ratio, and a third might select a stable ratio. Families should not be expected to enter into long-term contracts that contain a high degree of uncertainty about the payment-to-income ratio. Finally, although the long-run trend of the payment-to-income ratio may be either up or down, the ratio should be relatively stable in the short run.

Thus, the borrower's major interest lies in his ability to select a mortgage with a relatively stable payment-to-income ratio that can be tailored to fit his individual circumstances.

The mortgage lender's needs, however, are quite different. The major mortgage lenders—savings and loan associations and mutual savings banks—finance their long-term mortgages with relatively short-term deposits. This maturity mismatch causes serious problems for thrift institutions when short-term interest rates rises sharply, because thrifts cannot pay competitive rates for deposits due to the fact that they are locked in to long-term mortgages. (At present, Regulation Q interest rate ceilings also prevent thrifts from paying competitive rates for deposits.) Therefore, the most desirable characteristic for a mortgage instrument—from the lender's standpoint—is the ability to provide a short-term rate of return commensurate with money market instruments. Such an instrument would be equivalent to a series of rollover short-term instruments and would enable thrift institutions to compete effectively for funds through all phases of the credit cycle, assuming that Regulation Q is modified.

At first glance, the interests of borrower and lender appear to clash head on. The borrower desires stability in the payment-to-income ratio and the lender desires short-term yield variability. The solution to this apparent dilemma lies in the nature of the mortgage itself. Interest rates are used to determine both mortgage payments and mortgage interest. However, it is not necessary that payments and interest be determined by employing the same interest rate. In fact, a wide range of mortgage instruments are possible if one interest rate is used to calculate the mortgage payment and another interest rate is used to calculate the borrower's interest obligation. In addition, other mortgage instruments are possible if the outstanding balance is allowed to increase during the early years of the loan.

The alternative mortgage instruments described in this article cover a wide range of possibilities and would provide varying degrees of benefits to borrowers and/or lenders. It must be emphasized that not all of the instruments are equally beneficial to both borrowers and lenders, nor do they all contain all of the desirable characteristics just outlined.

THE CONVENTIONAL MORTGAGE

The conventional mortgage uses the same interest rate to calculate both payments and interest owed. The primary advantage of this mortgage, from the borrower's point of view, is the fact that the monthly payment is fixed for the life of the loan. However, since family income tends to rise over time, the payment-to-income ratio falls, thereby forcing the family to devote relatively more of its income to housing in the early years of the loan. Another advantage, and a major reason for its introduction in the first place, is that the loan will be completely paid off at maturity—usually 30 years.

A major defect of the conventional level payment mortgage in an inflationary environment is that it imposes an uneven cash flow burden on the average borrower. The burden is heaviest in the early years of the loan and declines each year as inflation raises the borrower's income. This phenomenon is often referred to as the inflationary gap between what families currently can afford in monthly payments and the actual amount the market requires them to pay.

The net result is that the use of conventional mortgages in an inflationary environment reduces the demand for housing by inducing potential buyers—especially young families—to scale down their demands in terms of quantity and/or quality or to forego acquisition until their income or financial assets have risen to the point where they can afford housing.

Another defect of the conventional mortgage is the high cost imposed on a homeowner when he gives up an old, low-interest mortgage in order to buy a new house. Many families are simply unable to afford the added costs associated with such a move. Other families—for example, those transferred to another city—not only must give up the low-interest mortgage, but must finance much more expensive homes because of the general inflation of house prices.[1]

GRADUATED PAYMENT MORTGAGES

A graduated payment mortgage also uses the same interest rate to calculate both payments and interest owed, but the monthly payments start out at a low level and gradually increase (for example, at 5 percent a year) until they rise above the level at which a standard conventional mortgage would have been written.[2] This type of mortgage directly attacks the problem caused by the conventional mortgage when the amount of house a family can buy depends upon its current income. Thus, the graduated payment mortgage would be particularly attractive to the young family buying its first home because the income requirements to support a conventional mortgage could be reduced significantly. In effect, a graduated payment mortgage would enable a family to raise its housing standard to a level that would average out more accurately with its expected lifetime income.

TABLE 1.—COMPARISON OF A CONVENTIONAL AND A DEFERRED INTEREST LOAN

	Choice No. 1.— 2 way to finance a $33,000 house with different initial payments		Choice No. 2.—2 different houses with the same initial payment	
	Conventional	Deferred interest	Conventional	Deferred interest
Original price	$33,000	$33,000	$33,000	$39,300
Downpayment	3,000	3,000	3,000	3,000
Loan amount	30,000	30,000	30,000	36,300
Interest rate (percent)	9	7	9	7
Monthly payment	$242	$200	$242	$242
Annual income required	16,400	14,400	16,400	16,400
Refinance at end of 5 yr:				
Appreciated value after 5 yr (assuming 5-percent annual increase)		42,117		50,158
Outstanding balance		28,230		28,230
Equity		13,887		21,928
Deferred interest due		3,000		3,700
Loan fee		900		1,100
Net equity		9,987		17,128
New loan amount		32,130		33,030
Term (years)		30		30
Interest rate (percent)		9		9
Monthly payment		$258		$266
Annual income required		17,185		17,600
Required increase in income per year (percent)		3.6		1.4
Sell house at end of 5 yr:				
Appreciated value	$42,117	$42,117	$42,117	$50,158
Capital gain	9,117	9,117	9,117	10,858
Broker's fee (6 percent)	2,527	2,527	2,527	3,010
Deferred interest due		3,000		3,700
Loan fee		900		1,100
Net capital gain	6,590	2,690	6,590	3,048
Amortization	1,230	1,770	1,230	1,770
Net equity	7,820	4,460	7,820	4,818

The major differences between a graduated payment mortgage and a conventional mortgage are that:

1. The payments rise over time, rather than remaining fixed over the life of the loan; and

2. The payments in the early years of the loan are not sufficient to amortize the loan so that the family would, in effect, be borrowing the difference between its payments and the current interest due and paying off these amounts in later years.

A $30,000 conventional mortgage at 9 percent would require an annual income of $16,400.[3] A graduated payment mortgage—that also yielded 9 percent to the lender—could enable a family with an income of $12,000 to afford the same mortgage. If the mortgage payments rose 5 percent annually, 10 years would elapse before the monthly payments reached the same level as a conventional mortgage for the same house. Thus, a family with an annual income of $12,000 that had good reason to expect its income to grow by at least 5 percent a year could afford a $30,000 graduated payment mortgage whereas it would not be able to afford a $30,000 conventional mortgage.

A major drawback of the graduated payment mortgage is that a family's income may not increase in line with the rate of increase in the payments. Another disadvantage of this mortgage is that it does not help to solve the thrift institutions' mismatch of long-term mortgages financed by short-term deposits. In fact, the lender's yield on a graduated payment mortgage would be slightly below that on a conventional mortgage in the early years because of the former's negative amortization feature.

FLEXIBLE PAYMENT MORTGAGES

The Federal Home Loan Bank Board recently authorized federally chartered savings and loan associations to issue a form of graduated payment mortgage called the flexible payment mortgage. This instrument permits interest-only payments for the first 5 years (no negative amortization is allowed), at which time the payments are increased to a fully amortized basis for the remaining term.[4] For example, a $30,000 conventional 30-year mortgage at 9 percent would require monthly payments of $242. With a flexible payment mortgage, the monthly payments would be $225 for the first 5 years and would rise to $252 in the sixth year.

As in the case of the graduated payment mortgage, an important advantage of the flexible payment mortgage is that it reduces the income required to support a given mortgage, thereby permitting a family to afford a mortgage for which it otherwise might not have qualified. As already noted, a borrower obtaining a $30,000 conventional mortgage at 9 percent would need an annual income of $16,400. However, if the same borrower were offered a 9-percent, 30-year flexible payment mortgage, his annual income would need to be only $15,600. If the borrower had good reason to expect his income to rise to at least $17,000 by the end of the fifth year, he would benefit from a flexible payment mortgage.

Use of a flexible payment mortgage also would permit the borrower to purchase a larger house than he could with a conventional loan. For example, if the borrower had an annual income of $16,400 and had $3,000 for a downpayment, he would just qualify for a $30,000 conventional mortgage and, thus, could purchase a $33,000 home. With a flexible payment mortgage, the borrower could maintain the same ratio of payments to income and obtain a loan for $32,300. Thus, he could purchase a $35,300 home—7 percent more than with a conventional mortgage.

Although flexible payment mortgages do offer some benefits to the borrower, they are very limited in terms of the reduced income requirements for a larger mortgage than can be afforded. This limitation is due to the restriction that prohibits negative amortization. In addition, the flexible payment mortgage fails to offer any benefits to the lender, because it is a fixed rate instrument that does not have any cash flow from amortization during the first five years of the loan.

Charts 1 and 2 compare conventional, graduated payment and flexible payment mortgages in terms of the monthly payments and the outstanding balance on a $30,000, 30-year mortgage at 9 percent. It must be noted that the graduated payment mortgage involves negative amortization in the early years of the loan. Thus, sale of the home could require the borrower to repay the lender more than the original amount of the loan. This situation could present problems if the value of the property does not increase as fast as the outstanding balance of the loan.

THE VARIABLE RATE MORTGAGE

The standard variable rate mortgage also uses the same interest rate to calculate both mortgage payments and interest owed. However, the interest rate is tied to some reference rate that fluctuates over the life of the contract. Changes in the interest rate may be affected by any one of three methods. First, it could be a variable payment loan, wherein maturity is fixed and changes in interest rate are reflected in the monthly payment. Second, it could be a variable maturity loan, under which the monthly payment would be fixed, but the maturity would be adjusted to reflect changing in-

[1] For a more detailed discussion of the problems of the conventional mortgage instrument, see Donald Lessard and Franco Modigliani, "Inflation and the Housing Market: Problems and Potential Solutions," in Modigliani and Lessard, editors, *New Mortgage Designs for Stable Housing in an Inflationary Environment*, (Boston: Federal Reserve Bank of Boston, January 1975), pages 13–45, and William Poole, "Housing Finance Under Inflationary Conditions," in *Ways to Moderate Fluctuations in Housing Construction*, (Washington: Board of Governors of the Federal Reserve System, December 1972), pages 355–376.

[2] The rate of increase in the payments does not have to be fixed for the life of the loan—it could be adjusted to fit individual circumstances. For example, it could rise at 5 percent annually for 10 years, remain level for 10 years, and then decline for the remaining ten. Or, to fit the needs of older borrowers who expect to retire in a few years the payments could start out higher than for a conventional loan and then gradually decline.

[3] Assuming a 30-year mortgage at 9 percent, with property taxes and insurance of $100 per month, where total housing expenses (principal, interest, taxes, and insurance) do not exceed 25 percent of family income.

[4] See Henry J. Cassidy and Josephine M. McElhone, "The Flexible Payment Mortgage," Federal Home Loan Bank Board Journal, August 1974, pages 7–11. See also, Maurice D. Weinrobe, "Whatever Happened to the Flexible Payment Mortgage," FHLBB Journal, December 1975, pages 16–21.

terest rates. Third, changes could be made in both the maturity and the payment in order to minimize the variability in the payment-to-income ratio. All of these methods would tie the interest rate to a reference index that would be some market interest rate.[5]

Variable payment mortgages have recently gained prominence in California with seven State-chartered savings and loan associations and two commercial banks presently offering the instrument. Restrictions may be placed on both the frequency and magnitude in changes in the index. In the case of California, State-chartered savings and loan associations are required by law to implement index changes no more frequently than semi-annually, use the weighted average cost of funds to savings and loan associations in California, and implement changes only if the index moves at least 10, but not more than 25, basis points. Decreases are mandatory, but increases are optional. Finally, there is an absolute ceiling of 250 basis points over the original contract rate.[6]

A significant advantage of variable rate mortgages is that changes in interest rates are reflected in changes in all outstanding variable rate loans, so that the burden of interest rate shifts is not entirely borne by new borrowers. Thus, variable rate mortgages should eventually result in lower average rates for new loans because lenders will not be forced to charge new borrowers high interest rates so that, in effect, they subsidize borrowers who have below market loans. Several California lenders also have provided that variable rate mortgages may be assumed by new buyers so that the seller is guaranteed that financing is available if the prospective buyer meets the lender's credit standards.

In addition, several California lenders have provided an open-end line of credit on variable rate mortgages by which additional funds may be advanced to the borrower—at the mortgage rate—for any purpose. Thus, the mortgage can be used to borrow on the equity for such purposes as vacations, home modernization, college financing, etc.

The principal problem with the variable payment mortgage is that, while it meets the lender's needs, it fails to provide the borrower with a stable payment-to-income ratio. This problem can be reduced by limiting the amount of change in any given period or by using a less volatile reference index. For example, the cost-of-funds index used in California is relatively stable in the short run. However, use of a stable index fails to provide the mortgage lender with the short-term yield volatility needed to compete for short-term funds.

THE DUAL-RATE VARIABLE RATE MORTGAGE

The dual-rate variable rate mortgage attempts to provide the borrower with a relatively stable payment-to-income ratio while simultaneously providing the lender with a short-term yield by using two distinct rates—one to compute interest on the outstanding balance and one to compute the monthly payment.

With this instrument, a short-term interest rate would be used to compute interest on the outstanding balance, but a long-term interest rate would be used to compute the monthly payment. In effect, the dual-rate VRM would enable the lending institution to earn a rate adequate to keep its deposit rate competitive with other short-term market instruments, while simultaneously providing the borrower with a relatively smooth path of monthly payments. Thus, the dual-rate VRM would be more beneficial to both borrowers and lenders than the standard variable rate mortgage, especially the version now used in California.[7]

Charts 3 and 4 compare the monthly payments and outstanding balance for a $30,000 mortgage issued in 1960 for a conventional loan at 6 percent, a standard variable rate mortgage using the 1-year U.S. Treasury bill rate as the reference index and a dual-rate variable rate mortgage using the 1-year U.S. Treasury bill rate as the reference index and a dual-rate variable rate mortgage using the 1-year U.S. Treasury bill rate as the rate to determine the interest owed, and the 3- to 5-year U.S. Treasury bond rate to calculate the payment.

As shown in Chart 3, the dual-rate VRM produces a more stable path of payments than does the standard variable rate mortgage.

GRADUATED PAYMENT VARIABLE RATE MORTGAGE

This instrument combines the features of the graduated payment mortgage that are beneficial to the borrower with the features of the standard variable rate mortgage that are beneficial to the lender, so that the result is an instrument that provides significant benefits to both borrowers and lenders.

The graduated payment VRM would enable the borrower to select an initial payment (and, thus, an initial payment-to-income ratio) and also the rate at which the payments would increase (or decrease) over time. The lender would calculate the amount of interest owed by using a reference index, such as the interest rate on 1-year U.S. Treasury bills.

Charts 5 and 6 illustrate how a graduated payment variable rate mortgage issued in 1960 would have compared with the dual-rate VRM described above. The graduated VRM provides the borrower with the advantages of a low start payment and certainty about the future payments. However, the payments do reach a relatively high level after the 10th year. This type of mortgage might be very attractive to the young family buying its first home—particularly if the buyer did not expect to live in it more than 10 years.

The dual VRM does have a low start feature and involves more uncertainty about the path of payments, but the payments do not rise to abnormally high levels. This type of instrument might be very attractive to somewhat older families that were not overly concerned with relatively modest changes in mortgage payments—particularly if it expected to live in the house for a long time.

The essential point is that different families have different needs and expectations and should be able to select mortgage instruments that fit their particular circumstances, rather than have to use any one instrument.

REVERSE ANNUITY MORTGAGES

Senior citizen homeowners often face the reverse problem of young families in that their incomes are relatively low and that, although they may own their homes free and clear, they must move in order to utilize their equities. Under a reverse annuity mortgage, the lender would pay the borrower a fixed annuity, based on a percentage of the value of the property. The annuitant would not be required to repay the loan until his demise, at which time the loan would be paid through probate. In effect, a reverse annuity mortgage would enable a retired couple to draw on the equity of their home by increasing their loan balance each month. No cash payment of interest would be involved, as the increase in the loan balance each month would represent the cash advanced, plus interest on the outstanding balance.

For example, assume a retired couple had a $37,500 house and wanted additional money to supplement retirement income. With a reverse annuity mortgage, the mortgage lender could make monthly payments of $167 to the couple for 10 years. At the end of 10 years, the couple would have been advanced $20,040 and would owe the lender a total of $29,960.[8] In effect, the couple would be able to live in their home while simultaneously drawing down their equity in it. The interest owed to the lender would represent rent of $83 per month for the 10-year period; i.e., $9,920 divided by 120 months.

If the annuitants die before maturity of the annuity, the proceeds of the estate would be used to pay the lender for the money extended. If the couple lived beyond the 10-year period, they could sell their home and move to other living quarters. If they wished to remain in the house, and if the house had appreciated in value, a new reverse annuity could be issued, based on the current market value of the house. Finally, the couple could enter into a sale lease-back arrangement with the lender so that they could continue to live in the home for the rest of their lives. In this case, the lender could let the couple live in the house for a nominal lease (equal to the taxes) and take the risk that the house will appreciate in value.

TABLE 2.—COMPARISON OF A CONVENTIONAL AND A CONTINGENT APPRECIATION PARTICIPATION MORTGAGE

Item	Conventional	Contingent participation
Original sales price	$33,000	$33,000
Downpayment	$3,000	$3,000
Loan amount	$30,000	$30,000
Term (years)	30	30
Interest rate (percent)	9	8
Monthly payment	$242	$220
Annual income required	$16,400	$15,400
House sold after 5 yr:		
Appreciated value (assuming 5-percent appreciation)	$42,117	$42,117
Capital gain	9,117	9,117
Broker's fee (6 percent)	2,527	2,527
CAP fee (18 percent of $9,117)		1,641
Net capital gain	6,590	4,949
Amortization	1,230	1,470
Net equity	7,820	6,419

THE DEFERRED INTEREST LOAN

With a deferred interest mortgage, the borrower would receive a significantly lower initial interest rate and, thus, lower initial mortgage payments. In return, the lender would receive the deferred interest plus a fee upon resale of the house. In the event the house is not sold within 5 years, the mortgage could be refinanced as a conventional loan, with the deferred interest and the fee coming from the borrower's equity in the home.

[5] Another form of a variable rate mortgage is a renegotiated loan, under which the maturity is fixed, but the interest rate and the monthly payment are renegotiated periodically, say every 5 years. This type of loan is often referred to as the Canadian roll-over loan. See Donald R. Lessard, "Roll-over Mortgages in Canada," Modigliani and Lessard, editors, *New Mortgage Designs for Stable Housing in an Inflationary Environment* (Boston: Federal Reserve Bank of Boston, January 1975), pages 131–141.

[6] For a discussion of the California experience, see Mark J. Riedy, "VRM's in California: The Early Experience," FHLBB Journal, March 1976, pages 14–16.

[7] For a more complete discussion of the dual-rate VRM, see Richard A. Cohn and Stanley Fischer, "Alternative Mortgage Design," in Modigliani and Lessard, editors, *New Mortgage Designs for Stable Housing in an Inflationary Environment*, (Boston: Federal Reserve Bank of Boston, January 1975), pages 47–74.

[8] Assuming a fixed interest rate of 9 percent. This type of loan could be either on a fixed or variable interest rate basis.

Such a mortgage instrument might be very attractive to families that did not expect to live in a house for more than 5 years because it would offer them a choice between two different payments for the same house, or a choice between two different houses, each with the same initial monthly payments.

For example, if a prospective borrower wished to purchase a $33,000 house with a $30,000 mortgage, a conventional loan at 9 percent interest for 30 years would require monthly payments of $242. With a deferred interest loan at 7 percent for the first 5 years, the monthly payments would be $200. Assuming that the fee was three points on the value of the mortgage ($900) and that the home was sold at the end of the fifth year, the borrower would pay the lender the deferred interest ($3,000) plus the $900 out of his equity in the home.

The deferred interest loan would also enable the borrower to choose a more expensive home rather than reduce his monthly payments. Instead of purchasing the $33,000 home with a conventional mortgage, assume that the borrower chooses to purchase a $39,300 home with a $36,300 deferred interest loan at 7 percent. Again, assume that the house is sold at the end of the fifth year. The borrower would owe the lender $4,800 ($3,700 is deferred interest, plus a $1,100 fee) out of his equity in the home. Assuming that the value of both houses rose 5 percent annually, the borrower's net equity would be only $3,002 less with the more expensive home than with the $33,000 home financed conventionally and sold at the same time—but the borrower would have had the benefit of living in the better home for 5 years at a cost of only $50 per month; i.e., $3,002 divided by 60 months.

Table 1 illustrates how a deferred interest loan would compare with a conventional loan and provide the borrower with a choice between two different payments for the same house, or a choice between two different houses, each at the same initial payment. Both examples assume that the borrower chooses to remain in the house for the full 30-year term and, thus, the deferred interest loan is converted to a conventional loan at the end of the fifth year. In the event that the house is sold before the fifth year, the deferred interest loan would simply be repaid.

A different version of the deferred interest loan is the contingent appreciation participation (CAP) [9] mortgage that also would provide the borrower with a significantly lower initial interest rate. In return, the lender would be permitted to share in the appreciated value of single-family homes.

In contrast to the deferred interest loan, where the deferred interest plus the fee would be independent of any appreciation in the value of the house, the CAP mortgage would provide that the lender share in any capital appreciation according to some specified formula. For example, if the basic CAP factor were fixed at one-fifth and the lender provided a mortgage equal to 90 percent of the value of the property, the lender's eventual share in any net gain realized on resale would equal one-fifth of 90 percent, or 18 percent.

The basic mechanics of the CAP loan are summarized in table 2. In this case, a $33,000 home is financed with a $30,000 CAP loan and sold after 5 years with an average rate of appreciation in the value of the house of 5 percent. At the time of sale, the borrower would pay the lender 18 percent of his capital gain, or $1,641. In return, the borrower would have received a CAP loan with an 8-percent interest rate, instead of a conventional loan at 9 percent. Thus, the borrower's monthly payments would have been $220, instead of $242.

A major advantage of the CAP loan is its flexibility because the borrower could obtain an even lower interest, say 7 percent, if he were willing to provide the lender with a larger proportion of his eventual capital appreciation.

ADDITIONAL MORTGAGE CONTRACT FEATURES

In addition to providing for financing of the house, any new mortgage contract should also contain a number of additional features specifically designed to aid the borrower. These features should include:

1. Using the equity in the house as collateral for additional credit. Given the fact that much of the wealth of American families is tied up in their homes, the mortgage loan should be used to extend additional credit at the current mortgage interest rate. As previously noted, the mortgage would function as an open line of credit and provide funds for a new automobile, college education, a vacation, etc.

2. A skip payment provision in the event the borrower loses his job or becomes disabled.

3. A provision that any form of variable rate mortgage can be assumed by a new borrower. In effect, the due on sale clause that provides that the loan is due and payable upon resale could be eliminated from mortgage contracts.

Summing up, the conventional fixed-rate level payment mortgage should be supplemented with new mortgage contracts that can be tailor-made to fit the needs and expectations of individual borrowers. No one or two or three mortgage instruments can possibly meet all of the diverse needs of individual borrowers and simultaneously meet the needs of mortgage lenders. The mortgage and housing markets of the United States would be best served if borrowers were free to choose from a whole smorgasbord of mortgage instruments.

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[9] See Bernard N. Freedman, "Contingent Participation Mortgages on Single Family Homes," in *Ways to Moderate Fluctuations in Housing Construction* (Washington: Board of Governors of the Federal Reserve System, December 1972), pages 160–176.

By Mr. PROXMIRE:

S. 71. A bill to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates; to the Committee on Banking, Housing, and Urban Affairs.

Mr. PROXMIRE. Mr. President, I am today introducing a bill recommended by the bank regulatory agencies to amend the Financial Institutions Supervisory Act of 1966 for reference to the Committee on Banking, Housing, and Urban Affairs. The legislation will substantially strengthen the authority of the financial institutions regulatory agencies to take effective action against insured banks or savings and loan associations which engage in unsafe or unsound practices or whose officials participate in such practices.

This bill is identical to S. 2304 which I sponsored in the 94th Congress and which was reported by the Senate Banking Committee on May 13, 1976. The legislation was unanimously recommended in the 94th Congress by Chairman Burns and the Federal Reserve, the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board. I believe the regulatory agencies need these additional powers even more today than they did last year to enable them to deal with the more egregious abuses in our financial system. Specifically this legislation would:

First. Empower the regulatory agencies to issue cease and desist orders under the Financial Institutions Supervisory Act of 1966 and against individuals—directors, officers, employees, agents, or other persons participating in the institution's affairs—directly, without the necessity for naming a corporate financial institution in proceeding.

Second. Authorize civil money penalties to be assessed against an institution or any such individual for violating various provisions of law or for violating any outstanding cease and desist order. The amount of the civil penalty which may be assessed varies: $10,000 per day in the case of a violation of a cease and desist order; $1,000 a day for any violation of the legal proscriptions on insider loans or affiliate transactions; $1,000 per day in the case of a violation of a provision of the Bank Holding Company Act or Savings and Loan Holding Company Act.

Third. Authorize the removal of an officer, director or other person participating in the affairs of an institution in circumstances where the individual has evidence gross negligence in the operation or management of the institution or a willful disregard for the safety and soundness of the institution. These are adopted as alternatives to the present requirement that the personal dishonesty of such an individual in his transactions with the institution be shown prior to removal under the Financial Institutions Supervisory Act.

Fourth. Require that loans to bank insiders—officers, directors, or persons controlling at least 5 percent of any class of voting securities of the institution—be aggregated with loans to the companies they control. When aggregated,

the loans must conform to the limitations on loans to one borrower contained in section 5200 of the Revised Statutes in the case of national banks or to the limitations under applicable State law in the case of State member or insured nonmember banks. Existing loans which violate these proscriptions must be brought into conformity with these provisions within a reasonable time under rules to be established by the Federal Reserve Board. This provision is not made applicable to the Federal Home Loan Bank Board because that agency already has authority to prohibit insider loans.

Fifth. Authorize the divestiture of a nonsavings and loan or nonbank subsidiary of a savings and loan holding company or bank holding company where such subsidiary constitutes a serious risk to the financial safety of a subsidiary bank or savings and loan of the holding company.

In addition, S. 2304 requires that the expenditures of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the National Credit Union Administration be within limitations set by the Congress in yearly appropriations acts in order to control flagrant and wasteful expenditures of public money.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill together with the text of the bill be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 71

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO THE FEDERAL RESERVE ACT

SECTION 1. The Federal Reserve Act is amended by redesignating sections 29 and 30 as sections 30 and 31, respectively, and by inserting after section 28 a new section as follows:

"SEC. 29. Any member bank which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such member bank who violates any provision of section 22 or 23A of this Act, or any regulation issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $1,000 per day for each day during which such violation continues. The Comptroller of the Currency, in the case of a national bank, or the Board, in the case of a State member bank, shall have authority to assess such a civil penalty, after giving notice and an opportunity to the member bank or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the member bank or person charged, the gravity of the violation, the history of previous violations, and any data, views, and arguments submitted. The Comptroller of the Currency or the Board, as the case may be, may collect such civil penalty by agreement with the bank or other person or by bringing an action in the appropriate United States district court, except that in any such action, the member bank or other person against whom the penalty has been assessed shall have a right to a trial de novo. As used in this section, the term 'violates' includes without limitation any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.".

SEC. 2. Section 19 of the Federal Reserve Act is amended by adding at the end thereof the following new subsection:

"(l) Any member bank which violates any provision of this section, or any regulation or order issued by the Board pursuant thereto, shall forfeit and pay a civil penalty not exceeding $100 per day for each day during which such violation continues. The Board shall have authority to assess such a civil penalty, after giving notice and an opportunity to the member bank or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the member bank or person charged, the gravity of the violation, the history of previous violations, and any data, views, and arguments submitted. The Board may collect such civil penalty by agreement with the bank or other person or by bringing an action in the appropriate United States district court, except that in any such action; the member bank or other person against whom the penalty has been assessed shall have a right to a trial de novo.".

SEC. 3. Section 22 of the Federal Reserve Act, is amended by adding at the end thereof the following new subsection:

"(h)(1) No member bank shall make any loan or extension of credit in any manner to any officer or director of that member bank or to any individual who directly or indirectly or acting through or in concert with one or more persons owns, controls, or has the power to vote more than 5 per centum of any class of voting securities of that member bank or to any company controlled by such an officer, director, or individual, where such loan or extension of credit, when aggregated and combined with all the bank's loans or extension of credit to such officer, director, or individual and to all companies controlled by such officer, director, or individual, exceeds the limits on loans to one borrower established by section 5200 of the Revised Statutes, as amended, in the case of national banking associations, or by the State law applicable in the case of State member banks.

"(2) For purposes of this section, an officer, director, or individual shall be considered to have control of a company if said officer, director, or individual—

"(A) directly or indirectly or acting through or in concert with one or more other persons owns, controls, or has power to vote 25 per centum or more of any class of voting securities of the company;

"(B) controls in any manner the election of a majority of the directors of the company; or

"(C) has the power, directly or indirectly, to exercise a controlling influence over the management or policies of such company.

"(3) For the purposes of this section—

"(A) the term 'company' means any corporation, partnership, business trust, association, joint venture, pool syndicate, sole proprietorship, unincorporated organization, any other form of business entity not specifically listed herein, or any other trust, but shall not include any insured bank or any corporation the majority of the shares of which are owned by the United States or by any State; and

"(B) the term 'extension of credit' has the same meaning assigned such term in the fourth paragraph of section 23A of this Act.

"(4) The Board is authorized to prescribe rules providing a reasonable period of time after the date of enactment of this subsection to permit the repayment of loans or extensions of credit made prior to such date of enactment in a manner which conforms to the requirements of this subsection.".

SEC. 4. (a) Section 5 of the Bank Holding Company Act of 1956, as amended (12 U.S.C. 1844), is amended by adding at the end thereof the following new subsection:

"(e)(1) Notwithstanding any other provision of this Act, the Board may, whenever it has reasonable cause to believe that the continuation by a bank holding company of any activity or of ownership or control of any of its nonbank subsidiaries, other than a nonbank subsidiary of a bank, constitutes a serious risk to the financial safety, soundness, or stability of a bank holding company subsidiary bank and is inconsistent with sound banking principles or with the purposes of this Act or with the Financial Institutions Supervisory Act of 1966, order the bank holding company or any such nonbank subsidiaries, after due notice and opportunity for hearing, and after considering the views of the bank's primary supervisor, which shall be the Comptroller of the Currency, in the case of a national bank, the Federal Deposit Insurance Corporation, in the case of an insured nonmember bank, or the appropriate State supervisory authority, to terminate such activities or to terminate (within one hundred and twenty days or such longer period as the Board may direct in unusual circumstances) its ownership or control of any such subsidiary either by sale or by distribution of the shares of the subsidiary to the shareholders of the bank holding company. Such distribution shall be pro rata with respect to all of the shareholders of the distributing bank holding company, and the holding company shall not make any charge to its shareholders arising out of such a distribution.

"(2) The Board may in its discretion apply to the United States district court within the jurisdiction of which the principal office of the holding company is located, for the enforcement of any effective and outstanding order issued under this section, and such court shall have jurisdiction and power to order and require compliance therewith, but except as provided in section 9 of this Act, no court shall have jurisdiction to effect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.".

(b) Section 408(h) of the National Housing Act (12 U.S.C. 1730a(h)) is amended by adding, immediately after "under subsection (a)(2)(D)" in paragraphs (3)(A) and (3)(B) of subsection (h) the phrase "or under subsection (h)(5)" and is amended by redesignating paragraph (h)(5) as (h)(6) and by adding a new paragraph (h)(5) to read as follows:

"(5) Notwithstanding any other provision of this section, the Corporation may, whenever it has reasonable cause to believe that the continuation by a savings and loan holding company of any activity or of ownership or control of any of its noninsured subsidiaries constitutes a serious risk to the financial safety, soundness, or stability of a savings and loan holding company's subsidiary insured institution and is inconsistent with sound business principles or with the purposes of this section or with the Financial Institutions Supervisory Act, order the savings and loan holding company or any of its subsidiaries, after due notice and opportunity for hearing, to terminate such activities or to terminate (within one hundred and twenty days or such longer period as the Corporation directs in unusual circumstances) its ownership or control of any such noninsured subsidiary either by sale or by distribution of the shares of the subsidiary to the shareholders of the savings and loan holding company. Such distribution shall be pro rata with respect to all of the shareholders of the distributing savings and loan holding company, and the holding company shall not make any charge to its shareholders arising out of such a distribution.".

SEC. 5. (a) Section 8 of the Bank Holding Company Act of 1956, as amended (12 U.S.C. 1847), is amended by redesignating "SEC. 8"

as "Sec. 8. (a)" and by adding a new subsection (b) to read as follows:

"(b) Any company which violates or any individual who participates in a violation of any provision of this Act, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $1,000 per day for each day during which such violation continues. The Board shall have authority to assess such a civil penalty, after giving notice and an opportunity to the company or individual to submit data, views, and arguments and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the company or individual charged, the gravity of the violation, the history of previous violations, and any data, views, and arguments submitted. The Board may collect such civil penalty by agreement with the company or individual or by bringing an action in the appropriate United States district court, except that in any such action, the company or individual against whom the penalty has been assessed shall have a right to a trial de novo."

(b) Section 408(j) of the National Housing Act (12 U.S.C. 1730a(j)) is amended by adding thereto a new paragraph (j)(4) to read as follows:

"(4) Any company which violates or any individual who participates in a violation of any provision of this section, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $1,000 per day for each day during which such violation continues. The Corporation shall have authority to assess such a civil penalty, after giving notice and an opportunity to the company or individual to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the company or individual charged, the gravity of the violation, the history of previous violations, and any data, views, and arguments submitted. The Corporation may collect such civil penalty by agreement with the company or individual or by bringing an action in the appropriate United States district court, except that in any such action, the company or individual against whom the penalty has been assessed shall have a right to a trial de novo.".

SEC. 6. (a)(1) Section 8(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)(1)) is amended to read as follows:

"(b)(1) If, in the opinion of the appropriate Federal banking agency, any insured bank, bank which has insured deposits, or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such a bank is engaging or has engaged, or the agency has reasonable cause to believe that the bank or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank is about to engage, in an unsafe or unsound practice in conducting the business of such bank, or is violating or has violated, or the agency has reasonable cause to believe that the bank or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank is about to violate, a law, rule, or regulation, or any condition imposed in writing by the agency in connection with the granting of any application or other request by the bank or any written agreement entered into with the agency, the agency may issue and serve upon the bank or such director, officer, employee, agent, or other person a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the bank or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of such notice unless an earlier or a later date is set by the agency at the request of any party so served. Unless the party or parties so served shall appear at the hearing by a duly authorized representative, they shall be deemed to have consented to the issuance of the cease-and-desist order. In the event of such consent, or if upon the record made at any such hearing, the agency shall find that any violation or unsafe or unsound practice specified in the notice of charges has been established, the agency may issue and serve upon the bank or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank an order to cease and desist from any such violation or practice. Such order may, by provisions which may be mandatory or otherwise, require the bank or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such bank to cease and desist from the same, and further, to take affirmative action to correct the conditions resulting from any such violation or practice.".

"(b)(2) A cease-and-desist order shall become effective at the expiration of thirty days after the service of such order upon the bank or other person concerned (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided therein, except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.".

(2) Section 407(e) of the National Housing Act (12 U.S.C. 1730(e)) is amended to read as follows:

"(e)(1) If, in the opinion of the Corporation, any insured institution, institution which has insured accounts or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution is engaging or has engaged, or the Corporation has reasonable cause to believe that the institution or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution is about to engage, in an unsafe or unsound practice in conducting the business of such institution, or is violating or has violated, or the Corporation has reasonable cause to believe that the institution or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution is about to violate, a law, rule, or regulation, or any condition imposed in writing by the Corporation in connection with the granting of any application or other request by the institution or any written agreement entered into with the Corporation, including any agreement entered into under section 403 of this title, the Corporation may issue and serve upon the institution or such director, officer, employee, agent, or other person a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the institution or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of such notice unless an earlier or a later date is set by the Corporation at the request of any party so served. Unless the party or parties so served shall appear at the hearing by a duly authorized representative, they shall be deemed to have consented to the issuance of the cease-and-desist order. In the event of such consent, or if upon the record made at any such hearing, the Corporation shall find that any violation or unsafe or unsound practice specified in the notice of charges has been established, the Corporation may issue and serve upon the institution or the director, officer, employee, agent or other person participating in the conduct of the affairs of such institution an order to cease and desist from any such violation or practice. Such order may, by provisions which may be mandatory or otherwise, require the institution or directors, officers, employees, agents and other persons participating in the conduct of the affairs of such institution to cease and desist from the same, and, further to take affirmative action to correct the conditions resulting from any such violation or practice.

"(2) A cease-and-desist order shall become effective at the expiration of thirty days after service of such order upon the institution or the party or parties so served (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Corporation or a reviewing court.".

(3) Section 5(d)(2) of the Home Owners' Loan Act, as amended (12 U.S.C. 1464(d)(2)), is amended to read as follows:

"(2)(A) If, in the opinion of the Board, any association or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such association is engaging or has engaged, or the Board has reasonable cause to believe that the association or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such association is about to engage, in an unsafe or unsound practice in conducting the business of such association, or is violating or has violated, or the Board has reasonable cause to believe that the association or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such association is about to violate, a law, rule, or regulation, or charter, or any condition imposed in writing by the Board in connection with the granting of any application or other request by the association or any written agreement entered into with the Board, the Board may issue and serve upon the association or such director, officer, employee, agent, or other person a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the association or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such association. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of such notice unless an earlier or a later date is set by the Board at the request of any party so served. Unless the party or parties so served shall appear at the hearing by a duly authorized representative, they shall be deemed to have consented to the issuance of the cease-and-desist order. In the event of such consent, or if upon the record made at any such hearing, the Board shall find that any violation or unsafe or unsound practice specified in the notice of charges has been established, the Board may issue and serve upon the association or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such association an order to cease and desist from any such violation or practice. Such order may, by pro-

visions which may be mandatory or otherwise require the association or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such association to cease and desist from the same, and, further, to take affirmative action to correct the conditions resulting from any such violation or practice.

"(B) A cease-and-desist order shall become effective at the expiration of thirty days after service of such order upon the association or the party or parties so served (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable, except to such extent as it is stayed, modified, terminated, or set aside by action of the Board or a reviewing court.".

(b) Section 8(b)(3) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(b)(3)) is amended: (1) by inserting after "Bank Holding Company Act of 1956" a comma and the following: "and to any organization organized and operated under section 25A of the Federal Reserve Act or operating under section 25 of the Federal Reserve Act,"; and (2) by adding at the end thereof the following new sentence: "Nothing in this subsection or in subsection (c) of this section shall authorize any Federal banking agency, other than the Board of Governors of the Federal Reserve System, to issue a notice of charges or cease-and-desist order against a bank holding company or any subsidiary thereof (other than a bank or subsidiary of that bank).".

(c)(1) Section 8(c) (1) and (2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(c) (1) and (2)) are amended to read as follows:

"(c)(1) Whenever the appropriate Federal banking agency shall determine that the violation or threatened violation or the unsafe or unsound practice or practices specified in the notice of charges served upon the bank or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank pursuant to paragraph (1) of subsection (b) of this section, or the continuation thereof, is likely to cause insolvency or substantial dissipation of assets or earnings of the bank, or is likely to otherwise seriously prejudice the interests of its depositors, the agency may issue a temporary order requiring the bank or such director, officer, employee, agent, or other person to cease and desist from any such violation or practice. Such order shall become effective upon service upon the bank or such director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank and, unless set aside, limited, or suspended by a court in proceedings authorized by paragraph (2) of this subsection, shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to such notice and until such time as the agency shall dismiss the charges specified in such notice or if a cease-and-desist order is issued against the bank or such director, officer, employee, agent, or other person, until the effective date of such order.

"(2) Within ten days after the bank concerned or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such bank has been served with a temporary cease-and-desist order, the bank or such director, officer, employee, agent, or other person may apply to the United States district court for the judicial district in which the home office of the bank is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the bank or such director, officer, employee, agent, or other person under paragraph (1) of subsection (b) of this section, and such court shall have jurisdiction to issue such injunction.".

(2) Section 407(f) (1) and (2) of the National Housing Act (12 U.S.C. 1730(f) (1) and (2)) is amended to read as follows:

"(f)(1) Whenever the Corporation shall determine that the violation or threatened violation or the unsafe or unsound practice or practices, specified in the notice of charges served upon the institution or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution or any institution any of the accounts of which are insured pursuant to paragraph (1) of subsection (e) of this section, or the constitution thereof, is likely to cause insolvency or substantial dissipation of assets or earnings of the institution, or is likely to otherwise seriously prejudice the interests of its insured members, the Corporation may issue a temporary order requiring the institution or such director, officer, employee, agent, or other person to cease and desist from any such violation or practice. Such order shall become effective upon service upon the institution and/or such director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution and, unless set aside, limited, or suspended by a court in proceedings authorized by paragraph (2) of this subsection, shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to such notice and until such time as the Corporation shall dismiss the charges specified in such notice, or if a cease-and-desist order is issued against the institution or such director, officer, employee, agent, or other person, until the effective date of any such order.

"(2) Within ten days after the institution concerned or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution has been served with a temporary cease-and-desist order, the institution or such director, officer, employee, agent, or other person may apply to the United States district court for the judicial district in which the principal office of the institution is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the institution or such director, officer, employee, agent, or other person under paragraph (1) of subsection (e) of this section, and such court shall have jurisdiction to issue such injunction.".

(3) Section 5(d)(3) (A) and (B) of the Home Owners' Loan Act, as amended (12 U.S.C. 1464(d)(3) (A) and (B)), is amended to read as follows:

"(3)(A) Whenever the Board shall determine that the violation or threatened violation or the unsafe or unsound practice or practices, specified in the notice of charges served upon the association or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such association pursuant to paragraph (2) (A) of this subsection, or the continuation thereof, is likely to cause insolvency (as defined in paragraph (6)(A)(i) of this subsection) or substantial dissipation of assets or earnings of the association, or is likely to otherwise seriously prejudice the interests of its savings account holders, the Board may issue a temporary order requiring the association or such director, officer, employee, agent, or other person to cease and desist from any such violation or practice. Such order shall become effective upon service upon the association or such director, officer, employee, agent, or other person participating in the conduct of the affairs of such institution and, unless set aside, limited, or suspended by a court in proceedings authorized by subparagraph (B) of this paragraph shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to such notice and until such time as the Board shall dismiss the charges specified in such notice, or if a cease-and-desist order is issued against the association or such director, officer, employee, agent, or other person, until the effective date of such order.

"(B) Within ten days after the association concerned or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such association has been served with a temporary cease-and-desist order, the bank or such director, officer, employee, agent, or other person may apply to the United States district court for the judicial district in which the home office of the association is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the bank or such director, officer, employee, agent, or other person under paragraph (2)(A) of this subsection, and such court shall have jurisdiction to issue such injunction.".

(d)(1) Section 8(e) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(e)), is amended to read as follows:

"(e)(1) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the bank, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the agency determines that the bank has suffered or will probably suffer substantial financial loss or other damage or that the interests of its depositors could be seriously prejudiced by reason of such violation or practice or break of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either one involving personal dishonesty on the part of such director or officer, or one which demonstrates his gross negligence in the operation or management of the bank or a willful disregard for the safety or soundness of the bank, the agency may serve upon such director or officer a written notice of its intention to remove him from office.

"(2) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank, by conduct or practice with respect to another insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the appropriate Federal banking agency, any other person participating in the conduct of the affairs of an insured bank, by conduct or practice with respect to such bank or other insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and in addition, has evidenced his unfitness to participate in the conduct of the affairs of such insured bank, the agency may serve such director, officer, or other person a written notice of its intention to remove him from office or to prohibit his further participation

in any manner in the conduct of the affairs of the bank.

"(3) In respect to any director or officer of an insured bank or any other person referred to in paragraph (1) or (2) of this subsection, the appropriate Federal banking agency may, if it deems it necessary for the protection of the bank or the interests of its depositors, by written notice to such effect served upon such director, officer, or other person, suspend him from office or prohibit him irom further participation in any manner in the conduct of the affairs of the bank. Such suspension or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (f) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under paragraph (1) or (2) of this subsection and until such time as the agency shall dismiss the charges specified in such notice, or, if an order of removal and/or prohibition is issued against the director or officer or other person, until the effective date of any such order. Copies of any such notice shall also be served upon the bank of which is a director or officer or in the conduct of whose affairs he has participated.

"(4) A notice of intention to remove a director, officer, or other person from office or to prohibit his participation in the conduct of the affairs of an insured bank, shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the agency at the request of (A) such director or officer or other person, and for good cause shown, or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any of the grounds specified in such notice has been established, the agency may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the bank, as it may deem appropriate. In any action brought under this section by the Comptroller of the Currency in respect to any director, officer or other person with respect to a national banking association or a District bank, the findings and conclusions of the Administrative Law Judge shall be certified to the Board of Governors of the Federal Reserve System for the determination of whether any order shall issue. Any such order shall become effective at the expiration of thirty days after service upon such bank and the director, officer, or other person concerned (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.".

(2) Section 407(g) (1) and (2) of the National Housing Act (12 U.S.C. 1730(g) (1) and (2)) is amended to read as follows:

"(g)(1) Whenever, in the opinion of the Corporation, any director or officer of an insured institution has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the institution; or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the Corporation determines that the institution has suffered or will probably suffer substantial financial loss or other damage or that the interests of its insured members could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either one involving personal dishonesty on the part of such director or officer, or one which demonstrates his gross negligence in the operation or management of the institution or a willful disregard for the safety or soundness of the institution, the Corporation may serve upon such director or officer a written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the institution.

"(2) Whenever, in the opinion of the Corporation, any director or officer of an insured institution, by conduct or practice with respect to another insured institution or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the insured institution or business institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the Corporation, any other person participating in the conduct of the affairs of an insured institution, by conduct or practice with respect to such institution or other insured institution or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the insured institution or business institution or a willful disregard for its safety and soundness, and in addition, has evidenced his unfitness to participate in the conduct of affairs of such insured institution, the Corporation may serve upon such director, officer, or other person a written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the institution.".

(3) Section 5(d)(4) (A) and (B) of the Home Owners' Loan Act, as amended (12 U.S.C. 1464(d)(4) (A) and (B)) is amended to read as follows:

"(4)(A) Whenever, in the opinion of the Board, any director or officer of an association has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the association, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the Board determines that the association has suffered or will probably suffer substantial financial loss or other damage or that the interests of its savings account holders could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either one involving personal dishonesty on the part of such director or officer or one which demonstrates his gross negligence in the operation or management of the association or a willful disregard for the safety or soundness of the association, the Board may serve upon such director or officer a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the conduct of the affairs of the association.

"(4)(B) Whenever, in the opinion of the Board, any director or officer of an association, by conduct or practice with respect to another savings and loan association or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the association or business institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the Board, any other person participating in the conduct of the affairs of an association, by conductor practice with respect to such association or other savings and loan association or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the savings and loan association or business institution or a willful disregard for its safety and soundness, and, in addition, has evidence his unfitness to participate in the conduct of the affairs of such association, the Board may serve upon such director, officer, or other person a written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the association.".

(e)(1) Section 8(i) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (i)), is amended by redesignating section 8 (i) as 8(i)(1) and by adding a new paragraph as follows:

"(2) Any insured bank which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such a bank who violates the terms of any order which has become final and was issued pursuant to subsection (b) or (c) of this section, shall forfeit and pay a civil penalty of not more than $10,000 per day for each day during which such violation continues. The appropriate Federal banking agency shall have authority to assess such a civil penalty, after giving notice and an opoprtunity to the insured bank or other person to submit data, views, and arguments, and after giving the consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the insured banks or persons charged, the gravity of the violation, and any data, views, and arguments submitted. The agency may collect such civil penalty by agreement with the bank or other person or by bringing an action in the appropriate United States district court except that in any such action, the member bank or other person against whom the penalty has been assessed shall have a right to a trial de novo.".

(2) Section 407(k) of the National Housing Act (12 U.S.C. 1730(k)) is amended by adding a new paragraph (k)(3) to read as follows:

"(3) Any insured institution or any institution any of the accounts of which are insured which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such an institution who violates the terms of any order which has become final and was issued pursuant to subsection (e) or (f) of this section, shall forfeit and pay a civil penalty of not more than $10,000 per day for each day during which such violation continues. The Corporation shall have authority to assess such a civil penalty, after giving notice and an opportunity to the insured institution or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the insured banks or person charged, the gravity of the violation, and any data, views, and arguments submitted. The Corporation may collect such civil penalty by agreement with the institution or other person or by bringing an action in the appropriate United States district court except that in any such action, the institution or other person against whom the penalty has been assessed shall have a right to a trial de novo.".

(3) Section 5(d)(8) of the Home Owners' Loan Act, as amended (12 U.S.C. 1464(5) (d)(8)), is amended by redesignating "sec-

tion 5(d)(8)' and "5(d)(8)(A)" and by adding the following new paragraph:

"(B Any association which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such an association who violates the terms of any order which has become final and was issued pursuant to paragraph (2) or (3) of this subsection, shall forfeit and pay a civil penalty of not more than $10,000 per day for each day during which such violation continues. The Board shall have authority to assess such a civil penalty, after giving notice and an opportunity to the association or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the association or person charged, the gravity of the violation, and any data, views, and arguments submitted. The Board may collect such civil penalty by agreement with the association or other person or by bringing an action in the appropriate United States district court except that in any such action, the association or other person against whom the penalty has been assessed shall have a right to a trial de novo."

SEC. 7. Section 18(j) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828(j)), is amended by redesignating section 18(j) as "18(j)(1)" and by adding at the end thereof the following:

(2) The provisions of section 22(h) of the Federal Reserve Act, as amended, relating to limits on loans and extensions of credit by a member bank to its officers or directors or to any individual who directly or indirectly owns, controls, or has the power to vote more than 5 per centum of any class of voting securities of such member bank or to companies controlled by such an officer, director, or individual, shall be applicable to every nonmember insured bank in the same manner and to the same extent as if such nonmember insured bank were a State member bank.

"(3) Any nonmember insured bank which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such nonmember insured bank who violates any provision of section 23A or 22(h) of the Federal Reserve Act, as amended, or any lawful regulation issued pursuant thereto, shall forfeit any pay, a civil penalty of not more than $1,000 per day for each day during which such violation continues. The Corporation shall have authority to assess such a civil penalty, after giving notice and an opportunity to the nonmember insured bank or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size of financial resources and good faith of the bank or person charged, the gravity of the violation, the history of previous violations, and any data, views, and arguments submitted. The Corporation may collect such civil penalty by agreement with the bank or other person or by bringing an action in the appropriate United States district court except that in any such action, the bank or other person against whom the penalty has been assessed shall have a right to a trial de novo. As used in this section, the term 'violates' includes without limitation any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.".

SEC. 8. (a) Section 5240 of the Revised Statutes (12 U.S.C. 482) is amended by inserting after "The expense of examinations herein provided or shall be assessed by the Comptroller of the Currency upon national banks in proportion to their assets and resources." the following new sentence: "The expenditures by the Comptroller of the Currency during any fiscal year beginning September 30, 1977, may not exceed the limitation provided for such expenditures or that year in an appropriation Act.".

(b) Section 10(a) of the Federal Deposit Insurance Act (12 U.S.C. 1820A) is amended by adding after the second sentence thereof the following new sentence: "The expenditures by the Board of Directors in any fiscal year beginning after September 30, 1977, except expenditures of the Corporation for loans to, the purchase of assets of, or deposits in insured banks, or for the payment of insured deposits, may not exceed the limitation provided for such expenditures for that year in an appropriation Act.".

(c) Section 120(i) of the Federal Credit Union Act is amended by adding at the end thereof the following flush sentence:

"The expenditures by the Administration in any fiscal year beginning after September 30, 1977, except in connection with its functions as a liquidating agent under section 207 or in payments of insured accounts may not exceed the limitation provided for such expenditures for that year in an appropriation Act.".

SEC. 9. Any amendment made by this Act which provides for the imposition of civil penalties shall apply only to violations occurring or continuing after the date of its enactment.

SEC. 10. Section 22(g) of the Federal Reserve Act, as amended (12 U.S.C. 375a), is amended by inserting the figure "$60,000" in lieu of the figure "$30,000" in paragraph (2), and by inserting the figure "$20,000" in lieu of the figure "$10,000" in paragraph (3); and by inserting the figure "$10,000" in lieu of the figure "$5,000" in paragraph (4).

SECTION-BY-SECTION ANALYSIS

Section 1 would add a new section to the Federal Reserve Act which would authorize the Federal Reserve in the case of any member bank and the Comptroller of the Currency in the case of a national bank to assess civil money penalties against a member bank or an individual for any violation of Section 22 or Section 23A of the Federal Reserve Act. Those sections limit loans to insiders and loans to affiliates. A civil money penalty may be assessed of not more than $1,000 per day for each violation. The penalty may be assessed only after notice and consideration of the appropriateness of the penalty with respect to the size of financial resources and good faith of the member bank or person charged, the gravity of the violation, the history of previous violations, and the data, views, and arguments of the member bank or person against whom such civil penalty may be assessed. When assessed, the penalty may be collected by agreement or by the filing of a suit in the United States District Court, with the right of trial *de novo*.

Section 2 would authorize the assessment of a civil money penalty in the same manner as authorized under Section 1 for any violation of Section 19 of the Federal Reserve Act. The amount of the penalty under this section, however, is limited to not more than $100 per day for each violation. Section 19 of the Federal Reserve Act prescribes reserve requirements and the amount of interest which may be paid on deposits at member banks.

Section 3 would amend Section 22 of the Federal Reserve Act and place additional restrictions on loans to insiders. Loans to officers, directors, and stockholders are required to be aggregated with loans to companies which such individuals control. This section provides definitions for the term company and for the term control. When aggregated, such insider loans may not exceed the limitations provided for single borrowers under Section 5200 of the Revised Statutes for national bank (10 percent of the capital and surplus of the bank) or the limitations provided under applicable state law for state member banks or insured non-member banks.

Section 4(a) would authorize the Federal Reserve Board to require the divestiture of a non-bank subsidiary of a holding company, not a subsidiary of a bank, or the termination of such non-bank activities wherever there is reasonable cause to believe that such subsidiary constitutes a serious risk to the financial safety, soundness, or stability of a bank holding company's subsidiary bank(s) and is inconsistent with sound banking principles or with the purpose of the Bank Holding Company Act or with the Financial Institutions Supervisory Act. Such divestiture or termination is required to be consummated within 120 days or such longer period as the Federal Reserve Board in its sole discretion may direct in unusual circumstances.

Section 4(b) would authorize the Federal Savings and Loan Insurance Corporation, whenever it has reasonable cause to believe that the continuation by a savings and loan holding company of any activity or of ownership or control of any of its non-insured subsidiaries, constitutes a serious risk to the safety, soundness or stability of a subsidiary insured institution or institutions, and is inconsistent with sound business principles or with the purposes of Section 408 or with the Financial Institutions Supervisory Act, to order the savings and loan holding company or any of its non-insured subsidiaries, after due notice and opportunity for a hearing to terminate such activities or to terminate (within 120 days—or such longer period as the FSLIC in its sole discretion directs in unusual circumstances) its ownership or control of any such subsidiary.

Section 5(a) would authorize the assessment of a civil money penalty in the same manner as provided in Section 1 of the bill for any violation of a provision of the Bank Holding Company Act. The amount of the penalty which may be assessed by the Federal Reserve Board under this provision is not more than $1,000 per day per violation.

Section 5(b) would provide that any company which violates or any individual who participates in a violation of any provision of section 408 of the National Housing Act or any regulation or order issued pursuant thereto, shall forfeit and pay a civil penalty of not more than $1,000 per day per violation for each day during which such violation continues. The FSLIC would have the authority to assess such a civil penalty after notice and consideration of the data, views and arguments of the institution or individual against whom the penalty may be assessed and collect it by agreement or suit. In assessing the civil penalty, the Corporation would be required to give due consideration to the appropriateness of the penalty with regard to the size or financial resources and good faith of the company or individual charged, the gravity of the violation, and the history of previous violations. This provision would be an alternative to the sanctions provided in 408(j) of the National Housing Act and give greater flexibility in the choice of remedies available to the FSLIC.

Section 6(a)(1) would authorize cease and desist proceedings and cease and desist orders to be issued under the Financial Institutions Supervisory Act directly against individuals: any director, officer, employee, agent, or any other person participating in the conduct of the affairs of a bank, without the necessity for naming the bank in such proceeding or order.

Section 6(a)(2) would amend section 407 of the National Housing Act to expand the scope and effectiveness of cease-and-desist orders issued by the FSLIC. The amendment would make it clear that cease-and-desist proceedings could be instituted against directors, officers, employees, agents or other

persons participating in the conduct of the affairs of an insured institution, regardless of whether the insured institution itself is named in the proceeding.

Section 6(a)(3) would provide the Federal Home Loan Bank Board with cease-and-desist powers, with respect to Federal savings and loan associations, similar to the powers subsection 6(a)(2) would provide to the FSLIC with respect to state-chartered insured savings and loan associations.

Section 6(b) would authorize the extension of cease and desist powers under the Financial Institutions Supervisory Act to Edge Act and Agreement Corporations whether or not any such corporation is a subsidiary of a bank holding company.

Section 6(c)(1) would authorize the issuance of temporary cease and desist orders under the Financial Institutions Supervisory Act against individuals: any director, officer, employee, agent or other person participating in the conduct of the affairs of a bank, without the necessity for naming the bank in the temporary order.

Section 6(c)(2) would conform the FSLIC's temporary cease-and-desist authority with respect to state-chartered insured institutions, with changes proposed in subsection 6(a)(2) respecting cease-and-desist actions against individuals.

Section 6(c)(3) would conform the FHLBB's temporary cease-and-desist authority, with respect to Federal savings and loan associations, with changes proposed in subsection 6(a)(3) respecting cease-and-desist actions against individuals.

Section 6(d)(1) would authorize the issuance of an order to any director, officer or other person participating in the affairs of a bank removing any such person from office or from participating in any manner in the conduct of the affairs of a bank upon a showing that such individual has exhibited personal dishonesty in a transaction or has demonstrated gross negligence in the operation or management of the bank or a willful disregard for the safety or soundness of the bank.

Removal proceedings may be initiated upon persons participating in the affairs of national banks by the Comptroller of the Currency. However, removal orders may be issued only by the Federal Reserve Board with respect to such officials of national banks. At the present time, the Comptroller may not initiate such a proceeding. The procedural and substantive aspects of such matters respecting national banks under current law are the responsibility of the Federal Reserve Board. This bill would shift the procedural aspects to the Comptroller over national banks.

Section 6(d)(2) proposes to expand the criteria for the removal of a director or officer from an insured savings and loan institution. The amendment would authorize the FSLIC to remove a director or officer of an insured savings and loan institution who demonstrates personal dishonesty or gross negligence in the operation or management of the institution or a willful disregard for the safety or soundness of the institution.

Section 6(d)(3) would amend the Home Owners' Loan Act of 1933, as amended, to permit the FHLBB to remove an officer, or director of a Federal savings and loan association, under the criteria set forth under subsection (d)(2) to the FSLIC with respect to state-chartered insured institutions.

Section 6(e)(1) authorizes the assessment civil money penalties of not more than $10,000 per day per violation of any outstanding cease-and-desist or removal order under the Financial Institutions Supervisory Act. The civil money penalties may be assessed and collected under this section in a similar manner as that under Section 1 of the bill after consideration of the appropriateness of the penalty with respect to the size of financial resources of the bank or person charged.

Section 6(e)(2) would provide that any insured institution, savings and loan, or any institution the accounts of which are insured which violates, or any officer, director, employee, agent, or other person participating in the conduct of the affairs of an institution who violates a cease-and-desist order which has become final, shall forfeit and pay a civil penalty of not more than $10,000 per day per violation for each day during which such violation continues. The amendment provides the FSLIC with authority to assess such a civil penalty, giving due consideration to the appropriateness of the penalty with respect to the size of financial resources of the institution or person charged in a similar manner as under Section 1 of the bill.

Section 6(e)(3) would provide the FHLBB with the authority to assess a civil penalty against Federal savings and loan associations and personnel similar to the authority vested in the FSLIC under subsection (e)(2).

Section 7 would make applicable to insured non-member banks the requirements of Section 22 of the Federal Reserve Act and would authorize civil money penalties to be assessed against insured non-member banks to the same extent as civil money penalties may be assessed against member banks.

Section 8 (a), (b), and (c), would require that administrative expenditures by the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the National Credit Union Administration in any fiscal year beginning after September 30, 1977 may not exceed the limitations provided for such expenditures for that year in an appropriations Act.

Section 9 makes clear that the civil money penalty provisions of S. 2304 apply only to violations occurring after the date of the enactment of the bill.

Section 10 would amend section 22(g) of the Federal Reserve Act to increase the limits on loans which may be made by a member bank to its executive officers. Under this section, a member bank may make loans to executive officers of: $60,000 for the purpose of purchasing a home; $20,000 to finance the education of children; and $10,000 for any other purpose.

By Mr. PROXMIRE:

S. 72. A bill to amend the Bank Holding Company Act and the Bank Merger Act to restrict the activities in which registered bank holding companies may engage and to control the acquisition of banks by bank holding companies and other banks; to the Committee on Banking, Housing and Urban Affairs.

COMPETITION IN BANKING ACT OF 1977

Mr. PROXMIRE. Mr. President, I am today introducing a bill for reference to the Committee on Banking, Housing and Urban Affairs to control the concentration of the banking resources of the Nation into fewer hands and to put brakes on the unbridled growth of bank holding companies into nonbanking fields.

The legislation titled the "Competition in Banking Act of 1977' is identical to legislation which I sponsored in the 94th Congress (S. 2721).

My statement in support of the bill on the floor of the Senate on December 1, 1975, is fully applicable today. The Senate Banking Committee held 2 days of hearings on this bill last year. Strong statements in support of the provisions of the bill were made by spokesmen for the various commercial industries into which bank holding companies have expanded and competed unfairly. Such industries included insurance, and insurance agency, data processing, securities, automobile leasing, travel agencies, courier and armored cars, and realtors.

Chairman Burns has been quoted in the public press as having said that if he had to do it all over again, he would fight for a tougher bank holding company bill than the Bank Holding Company Act Amendments of 1970. Chairman Burns expressed the desire for a much more restrictive legislative scope to the kinds of nonbank businesses that bank holding companies should be permitted to engage. I could not agree more with the distinguished Chairman of the Federal Reserve in this regard. This bill will do the job.

Bank holding companies will continue to be permitted to engage in nonbanking activities outside the geographic areas applying to their subsidiary banks. But, under the bill, such activities must be shown to be directly related to banking and shown to have significant public benefits that clearly outweigh possible adverse effects such as unfair competition or concentration of resources. In making determinations as to which activities are permissible for bank holding companies the Federal Reserve will be required to do so on the record. Ex parte communications are forbidden.

The testimony before the committee on this bill last year was that a cozy relationship exists between the bank regulators and the banks which results in unfair treatment to bank competitors in the marketplace. The marriage between the banks and the bank regulators must be broken. This bill will accomplish this purpose with respect to bank holding companies. On a broader level, however, I believe that the bank regulatory agencies should be consolidated into a single agency which has the will to protect the public interest.

Bank holding companies have come to dominate the business of banking. The largest institutions acquired an increasing share of the Nation's banking resources over the past several years and State markets are highly concentrated. Yet banking institutions operate in a protected market where entry is restricted and capital is highly leveraged by the use of depositors funds. In these circumstances great care needs to be taken so that banks do not unfairly compete in industries outside of banking. Many customers will naturally prefer to purchase their commercial services from banks which also dispense credit rather than to purchase such services from nonbank enterprises. This is not competition based on quality and price but rather smacks of an involuntary tie-in. We cannot allow our commercial markets to be distorted in this fashion. This bill provides the needed public protections.

To deal with concentration of banking resources, this bill amends the bank merger laws to prohibit any further bank acquisitions by a banking organization already holding 20 percent of the banking deposits in any State.

Mr. President, the Senate Banking Committee did not have the time to com-

plete the record on this legislation in the last Congress. My intent is to complete the record in this Congress and to see this bill become law. I ask unanimous consent that the section-by-section analysis of the bill, together with the full text of the bill be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 72

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Competition in Banking Act of 1977".

FINDINGS AND PURPOSES

SEC. 2. Congress finds that—

(a) concentration of the banking resources of the Nation into fewer hands has continued unabated; and

(b) the explosive growth of bank holding companies has resulted in an increasing share of such banking resources coming under the control of those institutions; and

(c) bank holding companies have extended their services into product markets beyond those directly related to banking, thereby eroding the line between banking and commerce in the Nation: (i) in offering insurance agency and underwriting services, (ii) in offering leasing, accounting, travel, and courier services, (iii) in offering management and data processing service, and (iv) in marketing securities; and

(d) credit resources of the Nation have been misallocated by the activities of bank holding companies and the Federal Reserve has not adequately protected the public interest in approving activities in which bank holding companies could engage and the Federal Reserve has not maintained continued oversight over the activities of bank holding companies in a manner which protects the public interest.

STANDARDS FOR BANK MERGERS

SEC. 101. Paragraph (5) of section 18(c) of the Federal Deposit Insurance Act is amended to read as follows:

"(5) The responsible agency shall not approve—

"(A) any proposed merger transaction which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

"(B) any other proposed merger transaction whose effect in any section of the country may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served, or

"(C) any other proposed merger transaction if, either as a result of such merger transaction or because of its preexisting assets, the acquiring, assuming, or resulting bank would upon consummation of transaction hold more than 20 per centum of the total assets held by all banks located in the State in which such bank is located: *Provided, however,* That this subparagraph shall not apply to any merger or consolidation of banks in which the responsible agency finds that immediate action is necessary to prevent the probable failure of a bank and that a less anticompetitive alternative is not available.

For purposes of this paragraph, if any company has, or upon consummation of the merger transaction would have, control, as defined in section 2 of the Bank Holding Company Act of 1956, over the acquiring, assuming, or resulting bank, total assets held by all banks over which the same company has such control shall be attributed to such bank. As used in this paragraph, the terms 'bank' and 'company' have the meaning ascribed to such terms in section 2 of the Bank Holding Company Act of 1956. In every case, the responsible agency shall take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served. Nothing contained in this paragraph or in any other paragraph of this subsection shall prevent the responsible agency from disapproving any other merger transaction on the grounds that such transaction would have adverse effects on competition or concentration in any market, region, State, or other area which, although not requiring disapproval under subparagraph (A), (B), or (C) of this paragraph, are not clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.".

SEC. 102. Section 18(c) of the Federal Deposit Insurance Act is amended by inserting in paragraph (8) after "(the Clayton Act," the words "paragraph (9) of this subsection, and"; and by renumbering section "(9)" section "10"; and by adding a new paragraph "(9)" as follows:

"(9)(A) Every merger transaction having the effects set forth in subparagraph (C) of paragraph (5) of this subparagraph is declared to be illegal.

"(B) The district courts of the United States have jurisdiction to prevent and restrain violations of subparagraph (A) of this paragraph, and it is the duty of the United States attorneys, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations. The proceedings may be by way of a petition setting forth the case and praying that the violation be enjoined or otherwise prohibited. When the parties complained of have been duly notified of the petition, the court shall proceed, as soon as possible, to the hearing and determination of the case. While the petition is pending, and before final decree, the court may at any time make such temporary restraining order or prohibition as it deems just. Whenever it appears to the court that the ends of justice require that other parties be brought before it, the court may cause them to be summoned whether or not they reside in the district in which the court is held, and subpenas to that end may be served in any district by the marshal thereof.

"(C) In any action brought by or on behalf of the United States under subparagraph (A) of this paragraph, subpenas for witnesses may run into any district, but no writ of subpena may issue for witnesses living out of the district in which the court is held at a greater distance than one hundred miles from the place of holding the same without the prior permission of the trial court upon proper application and cause shown.

"(D) Nothing contained in this paragraph shall be construed as affecting in any manner the right of the United States or of any other party to bring an action under any other law of the United States or of any State, including any right which may exist in addition to specific statutory authority, challenging the legality of any merger transaction which may be proscribed by this paragraph.".

STANDARDS FOR BANK HOLDING COMPANY ACQUISTIONS OF BANKS

SEC. 201. Paragraph (c) of section 3 of the Bank Holding Company Act of 1956 is amended to read as follows:

"(c) The Board shall not approve—

"(1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

"(2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint or trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting th convenience and needs of the community to be served, or

"(3) any other proposed acquisition, merger, or consolidation transaction under this section if, either as a result of such transaction or because of the preexisting bank assets over which it has control, the acquiring or resulting company would have control over aggregate total banking assets exceeding 20 per centum of the total banking assets held by all banks and bank holding companies located in the State in which such company is located: *Provided, however,* That this paragraph shall not apply to any acquisition, merger, or consolidation transaction in which the Board finds that immediate action is necessary to prevent the probable failure of a bank and that a less anticompetitive alternative is not available.

In every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served. Nothing contained in this chapter shall prevent the Board from disapproving any other acquisition, merger, or consolidation transaction on the grounds that such transaction would have adverse effects on competition or concentration in any market, region, State, or other area which, although not requiring disapproval under paragraph (1), (2), or (3) of this subsection, are not clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.".

SEC. 202. The Bank Holding Company Act of 1956 is amended by inserting in section 1849(f) after "(the Clayton Act," the words "subsection (g) of this section"; and by adding to section 1849 a new section (g) as follows:

"(g)(1) Every acquisition, merger, or consolidation transaction having the effects set forth in paragraph (3) of subsection (c) of section 3 of this chapter is declared to be illegal.

"(2) The district courts of the United States have jurisdiction to prevent and restrain violations of paragraph (1) of this subsection, and it is the duty of the United States attorneys, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations. The proceedings may be by way of a petition setting forth the case and praying that the violation be enjoined or otherwise prohibited. When the parties complained of have been duly notified of the petition, the court shall proceed, as soon as possible, to the hearing and determination of the case. While the petition is pending, and before final decree, the court may at any time make such temporary restraining order or prohibition as it deems just. Whenever it appears to the court that the ends of justice require that other parties be brought before it, the court may cause them to be summoned whether or not they reside in the district in which the court is held, and subpenas to that end may be served in any district by the marshal thereof.

"(3) In any action brought by or on behalf of the United States under paragraph (1) of this subsection, subpenas for witnesses may run into any district, but no writ of subpena may issue for witnesses living out of the district in which the court is held at a greater distance than one hundred miles from the place of holding the same without the prior permission of the trial court upon proper application and cause shown.

"(4) Nothing contained in this subsection shall be construed as affecting in any manner the right of the United States or any other party to bring an action under any other law of the United States or of any State, including any right which may exist in addition to specific statutory authority, challenging the legality of any acquisition, merger, or consolidation transaction which may be proscribed by this subsection.".

STANDARDS FOR BANK HOLDING COMPANY ENTRY INTO BANK RELATED ACTIVITIES

SEC. 301. (a) Section 4(c)(8) of the Bank Holding Company Act of 1956 is amended to read as follows:

"(8)(a) shares of any company the activities of which the Board, on the record and after due notice and opportunity for hearing, has determined (by order or regulation)—

"(A) to be so closely and directly related to banking or managing or controlling banks as to be a proper and necessary incident thereto, and

"(B) is likely to produce substantial benefits to the public which clearly and significantly outweigh possible adverse effects. For the purposes of this subparagraph, (i) the term 'substantial benefits to the public' includes increased competition over the course of time and greater convenience or gains in efficiency of operation that will substantially benefit the public, and (ii) the term 'adverse effects' includes undue concentration of economic or financial resources, decreased competition over the courses of time, unfair competition, conflicts of interests, unsafe or unsound banking or business practices, risk to the financial soundness of a bank holding company or its banking subsidiaries, and interference with the primary responsibility of a bank holding company or its banking subsidiary to provide effective banking services to the public. For the purposes of determining in specific cases whether the performance of a particular activity by an affiliate of a bank holding company is likely to produce substantial benefits to the public which clearly and significantly outweigh possible adverse effects, the Board, in addition to its other considerations, shall take into consideration the relative economic size and market power of the bank holding company and that of those with whom the affiliate would compete.".

(b)(1) Notwithstanding the provisions of subsection (a), and subject to the provisions of subparagraph (2) of this subsection, a bank holding company may continue to engage in those activities in which it directly or through a subsidiary (A) was lawfully engaged on November 1, 1975 (or on a date subsequent thereto in the case of activities carried on as the result of the acquisition by such bank holding company or subsidiary thereof, pursuant to a binding written contract entered into on or before November 1, 1975, of another company engaged in such activities at the time of the acquisition), and (B) has been continuously engaged since November 1, 1975 (or such subsequent date), except that such a bank holding company shall not permit the scope or size (in terms of volume of business) of those activities to expand to any significant degree.

(2) The Federal Reserve Board by order or regulation, after opportunity for hearing, may terminate the authority conferred by subparagraph (1) on any bank holding company to engage directly or through a subsidiary in any activity otherwise permitted by subparagraph (1) if the Board determines, having due regard for the purposes of this Act, that such action is necessary to prevent undue concentration of economic or financial resources, decreased competition over the course of time, unfair competition, conflicts of interest, unsafe or unsound banking or business practices, risk to the financial soundness of a bank holding company, or its banking subsidiaries, or interference with the primary responsibility of a bank holding company or its banking subsidiary to provide effective banking services to the public.

UNIFORM APPLICATION OF STANDARDS GOVERNING ENTRY INTO BANK RELATED FIELDS

SEC. 401. (a) Subject to the provisions of subsection (b), no national bank shall directly or through a subsidiary engage in any activity which is found—

(1) pursuant to a regulation of the Federal Reserve Board issued after the effective date of this Act to be an improper activity for bank holding companies under section 4(c)(8) of the Bank Holding Company Act of 1956, or

(2) pursuant to an order of the Federal Reserve Board issued after the effective date of this Act to be an improper activity for the bank holding company of which such national bank is a subsidiary.

(b) Nothing contained in this section shall be interpreted or construed as authorizing a national bank to engage in any activity prohibited to it under any other provision of law.

STANDARDS FOR SOUND AND COMPETITIVE FINANCING OF NONBANKING ACTIVITIES

SEC. 501. (a) Section 4 of the Bank Holding Company Act of 1956 is amended by inserting at the end thereof the following new subsection:

"(f) In keeping with its responsibilities to administer and carry out the purposes of this Act, and with particular attention to the standards established under subparagraph (8) of subsection (c) of this section, the Board shall require, both in connection with a bank holding company application to engage in a particular activity and in connection with the Board's ongoing supervision of bank holding companies, that (1) bank holding companies and their subsidiaries be capitalized and otherwise financed in a safe and sound manner, and (2) bank subsidiaries of bank holding companies refrain from discriminating in favor of their parent holding company or their affiliated subsidiaries in the making of loans or in the establishing of terms and conditions of credit.

(b) Subsection (c) of section 5 of the Bank Holding Company Act of 1956 is amended by striking out "(c)" and inserting in lieu thereof "(c)(1)" and by inserting at the end of such subsection the following new subparagraph:

"(2) In addition to such other reports as the Board may from time to time require, the Board shall require each bank holding company to submit to the Board each year a report detailing the terms and conditions of all intercompany loans and investments, as between the bank holding company and its subsidiaries and as between any such subsidiaries, made during the twelve-month period immediately preceding such report. The Board shall make such reports available to the public.".

ADMINISTRATIVE PROCEDURES AND JUDICIAL REVIEW

SEC. 601. (a) The Bank Holding Company Act of 1956 is amended by redesignating sections 9, 10, 11, and 12 as sections 10, 11, 12, and 13, respectively, and by inserting immediately after section 8 the following new section:

"SEC. 9. (a) The provisions of subchapter II of chapter 5 of title 5 of the United States Code (relating to administrative procedure) shall apply with respect to all Board proceedings under section 4(c)(8).

"(b) All Board determinations (whether by order or regulation) under section 4(c)(8) shall be made on the record after opportunity for hearing, and the provisions of sections 556 and 557 of title 5 of the United States Code shall apply with respect thereto. The Board shall give all interested persons an opportunity to participate in any such hearing.

"(c)(1) In connection with any proceeding under section 4(c)(8), no person shall, directly or indirectly, make or attempt to make any ex parte communication in connection with the subject matter of any such proceeding to any member of the Board or any member of the Board staff participating in such proceeding.

"(2) No application made under section 4(c)(8) shall be held or considered to be an application for an initial license within the meaning of subsection (d) of section 554 of title 5 of the United States Code.

"(d) In connection with any proceeding under section 4(c)(8) to which the requirements of sections 556 and 557 of title 5 of the United States Code are being applied, any interested person participating in such proceeding may call upon (1) the Board, or, (2) in the case of the consideration of an application, the applicant, for any information or documents, not privileged, for purposes of discovery or for use as evidence. In addition, in any such proceeding where there is an absence of relevant information, the Board, upon its own motion or that of any interested person participating in such proceeding, shall undertake such studies (and make reports thereon available) as will provide the relevant information required.".

(b) Section 9 of the Bank Holding Company Act of 1956 (as in effect immediately prior to the enactment of this Act) is amended (1) by inserting "or regulation" immediately after "order" each place that it appears, and (2) by striking out "as provided in section 2112 of title 28, United States Code" and inserting in lieu thereof the following: "in the same manner as provided in section 2112 of title 28, United States Code, with respect to orders of administrative agencies".

PUBLIC'S RIGHT TO PETITION FOR MODIFICATION OF ORDERS AND REGULATIONS

SEC. 701. The Bank Holding Company Act of 1956 (as amended by section 501 of this Act) is further amended by inserting at the end of the new section 9 thereof the following new subsection:

"(e)(1) Any interested person, including a consumer or consumer organization, may petition the Board to commence a proceeding to consider the issuance, amendment, or revocation of an order or regulation promulgated under the authority of section 4(c)(8). Such petition shall set forth (a) facts which it claimed established that the issuance, amendment, or revocation of an order or regulation is necessary, and (b) a description of the substance of the amendment or of the order or regulation it is claimed should be issued, as the case may be.

"(2) The Board may conduct a public hearing or may conduct such investigation or proceeding as it deems appropriate in order to determine whether or not such petition should be granted. Facts which warrant the issuance amendment, or revocation of an order or regulation shall include, in addition to such other matters as the Board may from time to time determine to be appropriate, the following matters:

"(A) a finding that a particular activity conducted on the part of a bank holding company or its subsidiary fails to conform to the scope of the activity for which Board approval was originally given;

"(B) a finding that a particular activity

conducted on the part of a bank holding company or its subsidiary fails to conform to new or amended Board orders or regulations or judicial determinations altering the scope of the activity for which Board approval was originally given;

"(C) a finding that the continued conduct of a particular activity on the part of a bank holding company or its subsidiary has ceased to produce, within the meaning of section 4(c)(8), substantial benefits to the public which clearly and significantly outweigh possible adverse effects; or

"(D) a finding that the continued conduct of a particular activity on the part of a bank holding company or its subsidiary otherwise violates the standards established under section 4(c)(8) for permissible bank holding company activity.

"(3) Within one hundred and twenty days after filing of a petition referred to in subparagraph (1), the Board shall either grant or deny the petition. If the Board grants such petition, it shall promptly proceed to determine, on the record and after opportunity for hearing, whether to issue, amend, or revoke such order or regulation. If the Board denies such petition, it shall publish in the Federal Register its reasons for such denial.

"(4) If the Board denies such petition, or if the Board fails to grant or deny such petition within one hundred and twenty days after the filing of the petition, the petitioner may commence a civil action in a United States district court to compel the Board to grant such petition. Any such action shall be filed within sixty days after the Board's denial of the petition, or, if the Board fails to grant or deny the petition within one hundred and twenty days after the filing of the petition, within sixty days after the expiration of the one hundred and twenty day period. If the petitioner can demonstrate to the satisfaction of the court, by a preponderance of evidence in a de novo proceeding before such court, that sufficient facts exist to justify the granting of the petition, the court shall order the Board to grant such petition.

"(5) In any action under this subsection, the district court shall have no authority to compel the Board to take any action other than to grant such a petition.".

EFFECTIVE DATE

SEC. 801. The Act and the amendments made by this Act shall take effect upon the expiration of ninety days following the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS

Section 1. The short title of the bill is the Competition in Banking Act of 1975.

Section 2. This section provides the basic findings and policy declarations relating why this legislation is necessary. Congress finds that the banking resources of the Nation are becoming concentrated into fewer hands and that holding companies have come to control an increasing share of such resources. The line between industry, commerce and banking is being eroded in insurance services and leasing transactions, among other industries. The credit resources of the Nation have been misallocated by the activities of holding companies which have not been adequately supervised by the bank regulatory agencies.

Sections 101 and 201. These sections amend the Bank Merger Act and the Bank Holding Company Act to require more stringent standards for both the bank regulatory agencies and the courts with respect to bank mergers and bank holding company acquisitions of banks. The sections expand existing law to prohibit merger transactions or holding company acquisitions in cases where the resultant bank or bank holding company will control more than 20% of the banking assets held by banks or bank holding companies in States in which the bank or bank holding company is located. An exception to the 20% prohibition is provided where the regulatory agencies determine that immediate action is necessary to prevent the immediate failure of a bank and a less anticompetitive alternative is not available. Technical amendments are provided in sections 102 and 202 to give the Department of Justice an independent right to seek a court injunction for any violation of these prohibitions. Sections 101 and 201 also give to the bank regulatory agencies the discretion to deny anticompetitive bank acquisitions which do not violate the Sherman Act, the Clayton Act or the 20% prohibition where the anticompetitive consequences of such mergers are not clearly outweighed in the public interest by the probable effects of such transactions in meeting the convenience and needs of the community.

Section 301. This section restricts permissible activities under section 4(c)(8) of the Bank Holding Company Act of 1956 to those "directly" related to banking. This section is to tighten both the existing "closely related" test and the "public benefits" test. The section makes explicit the fact that 4(c)(8) activities must meet two tests.

The legislation provides that, in order to be permissible, an activity will have to be "so closely and directly related" to banking or managing or controlling banks as to be "a proper and necessary incident thereto." The effect of the employment of the terms "directly" and "necessary" is to the permissible activities strictly to banking activities.

In addition, section 301 will tighten the existing public benefits test in several important respects. Under the amended public benefit test—

(1) it will be necessary that the activity be "likely" (in lieu of "can reasonably be expected") to produce benefits to the public;

(2) it will be necessary that the activity be likely to produce increased competition over time, not just in the short run as suggested by present law;

(3) it will be necessary that the beneficial effect of the activity "clearly outweigh" adverse effects, not just "outweigh" as provided by present law;

(4) it will be necessary that the activity not have a tendency to lead to an undue concentration of "economic or financial" resources, not just "economic resources" as provided by present law;

(5) it will be necessary that the activity not lead to decreased competition over time, not just in the short run as suggested by present law;

(6) it will be necessary that the activity not risk the financial soundness of the bank holding company or its banking subsidiaries (the present law is silent on this point); and

(7) it will be necessary that the activity not interfere with the primary responsibility of the bank holding company or its banking subsidiaries to provide banking services to the public (the present law is silent on this point). It is intended by item (7) to reestablish the preeminence of banking as the central purpose and function of bank holding companies.

In addition, the amended test will require that, in making a determination under the public benefit standard, consideration must be given to the relative economic size and market power of the bank holding company and those with whom the proposed affiliate would compete.

Section 301 also establishes a grandfather clause under which a bank holding company may continue to engage in those activities in which it was lawfully engaged on a fixed date prior to enactment of these amendments so long as the holding company has continuously engaged in those activities. However, under the grandfather clause, the bank holding company may not permit the scope or size (in terms of volume of business) of the grandfathered activities to expand to any significant degree.

Section 301 would permit the regulatory agency to require a bank holding company to terminate a grandfathered activity under certain circumstances.

Section 401. This section prohibits national banks or their subsidiaries from engaging in activities found by the Federal Reserve Board, after the effective date of this Act, to be prohibited to bank holding companies under section 4(c)(8) of the Bank Holding Company Act of 1956.

The purpose of this provision is to make more sensible and consistent the law relating to permissible activities of banking institutions. Under the law as it exists national banks under some circumstances are permitted by the Comptroller of the Currency to engage in activities which have been found by the Federal Reserve Board, after lengthy hearings and deliberations, to be outside the scope of permissible bank activities. This provision will eliminate competitive permissiveness between agencies of the Federal government which has had unfortunate public results.

The prohibition would apply (1) generally to those activities which the Fed has found, after rulemaking and by way of regulation, to be improper for bank holding companies, and (2) specifically in the case of a particular national bank when the Fed has found by way of an order, that a given activity is unsuitable for the parent bank holding company of such national bank.

Section 401 also makes clear that its provisions do not permit a national bank to undertake any activity prohibited to it under any other provision of law.

Section 501. This section requires that: (1) bank holding companies and their subsidiaries be capitalized and otherwise financed in a safe and sound manner; (2) bank subsidiaries of bank holding companies refrain from discriminating in favor of their parent or their affiliated subsidiaries in the making of loans or in the establishing of terms and conditions of loans; and (3) bank holding companies disclose on a regular basis to the Fed the terms and conditions of all loans to or investments in bank holding company subsidiaries (the Fed in turn will be required to make the information public). These requirements must be imposed in connection with the review of applications to commence section 4(c)(8) activities, and in connection with the continuing monitoring of the activities of bank holding company subsidiaries.

Section 601. This section mandates certain administrative procedures in connection with rulemaking and adjudicatory proceedings under the Bank Holding Company Act. The section applies the provisions of the Administrative Procedure Act (Chapter 6 of Title 5 of the United States Code) to all proceedings under section 4(c)(8).

The effect of the provision is to apply the Administrative Procedure Act (1) in the case of formulation of regulations with respect to what constitutes permissible 4(c)(8) activities, and (2) in the case of issuance of orders in connection with the commencement of 4(c)(8) activities by particular bank holding companies (whether commenced de novo or by acquisition).

This section also provides for suitable discovery proceedings and will prohibit the Board or its staff from engaging in ex parte discussions regarding matters before the Board.

With respect to judicial review, the section provides that all Board orders and rulings (e.g., regulations) will be subject to judicial review by United States Court of Appeals. Under present law, only Board or-

ders are expressly made subject to judicial review.

Section 701. This section provides interested persons with an opportunity to petition the Federal Reserve Board to consider the issuance, amendment or revocation of an order or regulation.

Under the section, the Federal Reserve Board may conduct a public hearing or investigation to determine if the petition should be granted. If the Fed fails to grant a petition, appeal lies to the United States District Court.

Where the Fed grants a petition to commence a proceeding to consider the issuance, amendment or revocation of an order, the proceeding must be conducted in full accordance with the requirements of the Administrative Procedure Act.

Facts which warrant the issuance, amendment or revocation of an order or regulation include (1) a finding that the activities of a bank holding company no longer conform to the scope of the activity for which Board approval was originally given, (2) a finding that such activities no longer conform to new or amended Fed orders or regulations or judicial determinations, (3) a finding that such activities have ceased to produce substantial benefits to the public, or (4) a finding that such activities otherwise violate the standards established under section 4(c)(8).

Section 701 has the dual purpose of (1) providing consumers with a mechanism to call to the attention of the Fed errant behavior on the part of the bank holding companies and (2) requiring the Fed to exercise positive responsibility for the ongoing supervision of bank holding company section 4(c)(8) activity.

Section 801. Establishes an effective date for the Act 90 days after the date of enactment.

By Mr. PROXMIRE:

S. 73. A bill to prohibit interlocking management and director relationships between depositary institutions; to the Committee on Banking, Housing and Urban Affairs.

DEPOSITARY INSTITUTIONS MANAGEMENT INTERLOCKS ACT

Mr. PROXMIRE. Mr. President, I am today introducing legislation for reference to the Committee on Banking, Housing and Urban Affairs which will prohibit management interlocks between financial institutions. This legislation was recommended in the 1975 annual report of the Board of Governors of the Federal Reserve System.

The legislation, titled the "Depositary Institutions Management Interlocks Act" prohibits interlocking management and director relations between all depositary institutions located in the same metropolitan statistical area or within 50 miles of each other. This prohibition would apply without regard to geographical limits to depositary institutions with assets of over $1 billion which seek interlocking relationships with any other such institutions whose assets are over $500 million. The term depositary institution is defined to include commercial banks, savings banks, trust companies, savings and loan associations, and credit unions. Therefore, management and director interlocks between such institutions would be covered by the bill.

In my judgment this legislation if passed will have highly beneficial effects. Credit is a sometimes scarce and always a very valuable commodity. Indeed, credit comes as near as any one thing to being the lifeblood of a community. Where small groups of individuals are able to control various types of lending institutions in a community by interlocking relationships, the public suffers. Credit tends to flow to favored customers and interlocking relationships place individuals in conflicting relationships and competition is diminished. This bill will put an end to such anticompetitive practices.

Mr. President, I ask that Chairman Burns' letter dated September 28, 1976, recommending and explaining the legislation be printed in the RECORD along with the text of the bill.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 73

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Depositary Institutions Management Interlocks Acts."

DEFINITIONS

SEC. 2. (a) The term "depositary institution" means a commercial bank, a savings bank, a trust company, a savings and loan association, a building and loan association, a homestead association, a cooperative bank, an industrial bank, or a credit union.

(b) The term "depositary holding company" means a bank holding company as defined in Section 2(a) of the Bank Holding Company Act of 1956, or a savings and loan holding company as defined in Section 408 (a) (1) (D) of the National Housing Act.

(c) The characterization of any corporation (including depositary institutions and depositary holding companies), as an "affiliate of," or as "affiliated" with any other corporation means that:

(i) one of the corporations is a depositary holding company and the other is a subsidiary thereof, or both corporations are subsidiaries of the same depositary holding company, as the term "subsidiary" is defined in either section 2(d) of the Bank Holding Company Act of 1956 in the case of a bank holding company or section 408(a) (1) (H) of the National Housing Act in the case of a savings and loan holding company; or

(ii) more than 50 per cent of the voting stock of one corporation is beneficially owned in the aggregate by one or more persons who also beneficially own in the aggregate more than 50 per cent of the voting stock of the other corporation, excluding from the computation of each aggregate the voting stock held by any person who owns less than 5 per cent of the voting stock of the corporation.

(d) The term "management official" means an employee or officer with management functions, a director (including an advisory or honorary director), a trustee of a business organization under the control of trustees, or any person who has a representative or nominee serving in any such capacity.

(e) The term "office" used with reference to a depositary institution means either a principal office or a branch.

INTERLOCKS PROHIBITED

SEC. 3. A management official of a depositary institution or a depositary holding company may not serve as a management official of any other depositary institution or depositary holding company not affiliated therewith if an office of one of the institutions or any depository institution that is an affiliate of such institutions is located within either

(a) the same standard metropolitan statistical area as defined by the Office of Management and Budget, or

(b) 50 miles of an office of the other institution or any depositary institution that is an affiliate of such other institution.

SEC. 4. If a depositary institution or a depositary holding company has total assets exceeding $1 billion a management official of such institution or any affiliate thereof may not serve as a management official of any other nonaffiliated depositary institution or depositary holding company having total assets exceeding $500 million, or as a management official of any affiliate of such other institution.

SEC. 5. The prohibitions contained in section 2, 3, and 4 shall not apply in the case of any one or more of the following or any branch thereof:

(a) A depositary institution or depositary holding company which has been placed formally in liquidation, or which is in the hands of a receiver, conservation, or other official exercising a similar function.

(b) A corporation operating under section 25 or 25A of the Federal Reserve Act.

SEC. 6. A person whose service in any given position as a management official was not prohibited by this Act at the time of the beginning of such service is not prohibited by this Act from continuing to serve in that position for a period not exceeding 15 months after any change in circumstances, other than the coming into effect of this Act, which would make such service prohibited by this Act.

ENFORCEMENT

SEC. 7. This Act shall be administered and enforced by:

(a) The Comptroller of the Currency with respect to national banks and banks located in the District of Columbia,

(b) The Board of Governors of the Federal Reserve System with respect to State banks which are members of the Federal Reserve System, and bank holding companies,

(c) The Board of Directors of the Federal Deposit Insurance Corporation with respect to State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation,

(d) The Federal Home Loan Bank Board with respect to Federal savings and loan associations and institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporations and savings and loan holding companies,

(e) The National Credit Union Administration with respect to Federal credit unions and institutions the accounts of which are insured by the National Credit Union Administration, and

(f) The Department of Justice for all other institutions.

CONFORMING AMENDMENTS

SEC. 8. The following provisions of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (Clayton Act, 38 Stat. 732, as amended) are repealed:

(a) The first three paragraphs of section 8 (15 U.S.C. 19);

(b) The words "bank or other" in the last paragraph of section 8 each time they appear; and

(c) The words "in the Federal Reserve Board where applicable to banks, banking associations, and trust companies;" in section 11(a) (15 U.S.C. 21).

SEC. 9. (a) Section 8(e) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)) is amended by adding at the end thereof the following new paragraph:

"(9) For the purpose of enforcing any law, rule, regulation, or cease-and-desist order in connection with an interlocking relationship, the term 'officer' as used in this subsection means an employee or officer with management functions, and the term 'director,' includes an advisory or honorary

director, a trustee of a bank under the control of trustees, or any person who has a representative or nominee serving in any such capacity."

(b) Section 5(d) of the Homeowners' Loan Act (12 U.S.C. 1464(d)) is amended by adding at the end thereof the following new paragraph:

"(15) For the purpose of enforcing any law, rule, regulation, or cease-and-desist order in connection with an interlocking relationship, the term 'officer' as used in this subsection means an employee or officer with management functions, and the term 'director' includes an advisory or honorary director, a trustee of an association under the control of trustees, or any person who has a representative or nominee serving in any such capacity."

SEC. 10. The Board of Governors of the Federal Reserve System may prescribe such rules and regulations, including authorization for a management official of a depositary institution to serve as a management official of any other depositary institution, as are consistent with the purposes of this Act and necessary to effectuate those purposes and to prevent evasion of this Act.

SEC. 11. This Act shall take effect five years after the date of enactment.

CHAIRMAN OF THE
BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., September 28, 1976.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Board of Governors of the Federal Reserve System is pleased to reply to your request for appropriate language to carry out the Board's recommendation contained in its Annual Report for 1975 for changes in the law regarding interlocking relationships between depositary institutions. A proposed bill is enclosed, the principal provisions of which are explained below.

Section 8 of the Clayton Act (15 U.S.C. 19) at present prohibits interlocking personnel relationships between a member bank and another bank located in the same or a contiguous or adjacent community. After a special review of interlocking bank relationships by the Reserve Banks and Board staff, the Board concluded in 1970 that expansion of the prohibition to cover all depositary institutions is justified. The need for this broadening of the prohibition has increased over the years as the range of powers of institutions has expanded and their roles as financial intermediaries have become somewhat more alike.

Interlocking directorates are not necessarily harmful. They can benefit the corporations involved and the public they serve by facilitating the free interchange of advice, ideas, and experiences among directors of the varied backgrounds that are necessary to maintain high standards of performance by boards of directors. The Clayton Act recognizes this fact in its design to prohibit only those interlocks that tend to diminish or eliminate competition.

However, interlocking relationships between institutions that compete for the funds of the public involve a risk of abuse that the Board believes outweighs the reasonable expectation of benefits that might flow from such relationships. This reasoning is valid not only with respect to relationships between member banks and other banks. It is equally applicable to interlocking management personnel relationships between any institutions engaged in the business of receiving deposits that may be in competition with each other: member bank, nonmember bank, savings and loan association, mutual savings bank, industrial bank, credit union, or other similar institution, whether or not its deposits are insured by a Federal agency.

The proposed bill is drafted as a separate Act, applicable to all despositary institutions (Section 1), rather than as an amendment to Section 8 of the Clayton Act. However, the banking sections of Section 8 would be repealed (Section 8).

The draft would apply the prohibitions to all depositary institutions and holding companies for depositary institutions (Section 5(a)(b)). In order to avoid time-consuming determinations of whether two communities are adjacent to one another, now required under Section 8 of the Clayton Act, the prohibitions are applied on a combination of market area and distance. Specifically, any interlock between institutions located in either the same standard metropolitan statistical area or within 50 miles of each other would be prohibited (Section 2). This limitation is supplemented by a prohibition against any interlock between an institution exceeding $1 billion in total assets and another exceeding $500 million in total assets (Section 3).

Section 8 of the Clayton Act at present exempts interlocks between banks under common control. Thus, the prohibition does not apply to a holding company and its subsidiaries or to two subsidiaries of the same holding company. In addition, the exemption applies whenever the same persons own 50 per cent of the stock of two institutions. As a result, the prohibitions of the Act can be evaded by exchange of a few shares of stock between two persons where one owns more than 50 per cent of the shares of one depositary institution and the other owns more than 50 per cent of the shares of another depositary institution. To correct this problem the proposed bill, while continuing the common control exemption, would eliminate shareholders of less than 5 per cent from the computation of the 50 per cent common ownership (Section 5(c)(ii)).

Section 8 of the Clayton Act at present applies to interlocking service as a "director, officer or employee." To avoid unnecessarily prohibiting interlocking relationships between depositary institutions that do not present significant potential for diminishing competition, the attached draft does not prohibit interlocking service by an employee or officer unless he performs management functions for one of the institutions involved (Section 5(d)).

The prohibition would be administered and enforced by the Comptroller of the Currency for national banks, the Board of Governors for State member banks, the Federal Deposit Insurance Corporation for nonmember insured banks, the Federal Home Loan Bank Board for insured savings and loan associations, the National Credit Union Administration for insured credit unions, and the Department of Justice for all other institutions (Section 7). The respective government agencies will use their existing powers for enforcement purposes.

It is not contemplated that extensive regulation would be required to enforce the revised interlock prohibition. However, as a precaution, general regulatory authority is conferred on the Board of Governors. In addition, the Board would have authority to prescribe regulations, consistent with the purposes of the Act, that would permit some interlocks (Section 10). This is appropriate in our view since Section 8 of the Clayton Act now permits the Board to authorize one interlock and the Board's Regulation L now authorizes an interlock between institutions in the process of consolidation or merger and an interlock with an institution in a low income area that is in need of managerial skills. Other situations may arise in the future that would warrant special treatment and where more than one interlock would be desirable. For example, it is possible that the authorization of some interlocks involving an established depositary institution and a small depositary institution or newly established depositary institution for a limited period of time might foster rather than diminish competition.

The draft bill provides five years for phasing out existing interlocks (Section 11). The Board believes that making the legislation effective at an earlier time would be unnecessarily disruptive to institutions in their efforts to maintain qualified management and directors.

The Board urges introduction and enactment of the draft bill. Please let us know if we may be of assistance to you or your Committee's staff in connection with this legislative proposal.

Sincerely yours,

ARTHUR F. BURNS.

By Mr. BUMPERS:

S. 74. A bill to amend the Act of October 20, 1976, relating to payments to local governments based upon certain public lands within the boundaries of the jurisdiction of such governments, to include payments for lands on which certain semiactive or inactive military installations are located; to the Committee on Interior and Insular Affairs.

PAYMENTS TO LOCAL GOVERNMENTS WHERE INACTIVE MILITARY INSTALLATIONS ARE LOCATED

Mr. BUMPERS. Mr. President, the Federal Government owns approximately 1,027,094 acres of land that are designated by the Army as semiactive or inactive installations and are retained by the Army for mobilization purposes or for support of Reserve component training. These are inactive military installations which are tax exempt in the following counties and States:

Installation and county	Acreage
Fort Pickett, Va.:	
Brunswick	8,397
Dinwiddie	12,030
Mottoway	24,499
Total	44,926
Fort A.P. Hill, Va.: Caroline	77,028
Fort Indiantown Gap, Pa.: Lebanon	64.3
Fort Drum, N.Y.:	
Jefferson	104,426
Lewis	2,839
Total	107,265
Fort McCoy, Wis. Monroe	59,228
	551
Total	58,779
Fort Chaffee, Ark.:	
Sebastian	59,635.91
Franklin	10,857.43
Crawford	261.52
Total	70,754.86
NG Camp Roberts, Calif.:	
San Luis Obispo	35,040.91
Monterey	17,290
Total	42,330.91
Fort Irwin, Calif.: San Bernardino	621,459.02
Branch USDB, Lopmoc, Calif.: Santa Barbara	3,159.19

The tax immunity of these public lands places an unfair burden on the taxpayers within the counties and local government units where the lands are located.

The Public Land Law Review Commission best summed up the problem with this recommendation:

If the national interest dictates that lands should be retained in federal ownership, it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those states and governments in whose area the lands are located.

Therefore, the federal government should make payments to compensate state and local governments for the tax immunity of federal lands.

Recognizing this responsibility in the last session, Congress passed Public Law 94–565, the Payments in Lieu of Taxes Act, in order to partially compensate States and local governments for the impact of Federal ownership.

When the Senate Interior Committee considered this act late in the session, the committee unanimously recommended that counties where semiactive or inactive Army installations are located were entitled to payments under the payments in lieu of taxes bill.

However, this amendment and all of the other amendments which had been added in the Senate Interior Committee were not considered by the full Senate when the House bill, H.R. 9719, was brought to the floor. If the amendments had been passed, the legislation would have been returned to the House for concurrence, and that would have effectively defeated the bill during the waning hours of the session.

The legislative history of the Payments in Lieu of Taxes Act is important because I am introducing today a bill which will provide for payments to those counties where semiactive military installations are located.

Mr. President, in many ways the counties where the inactive military installations are located have experienced a greater hardship than counties entitled to payments under the Payments in Lieu Act. Most of these counties prospered when the bases were active and have had nothing to replace this revenue when the bases have been closed.

Not only do the county governments lose essential revenue because of the base closing, but the public schools in the counties are no longer entitled to impact aid, which is financial assistance for local education in areas affected by Federal activity through 20 U.S.C. 236 et seq.

Over the years, the Congress has established programs to partially compensate States and local governments for the impact of Federal ownership, but in most cases the revenues that they receive do not approach what would be received from property taxes if these lands were in private ownership.

Mr. President, I consider this bill a long overdue step toward solving a problem that is straining the fiscal health of those local governments and school districts where inactive military installations are located.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 74

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6(a) of the Act entitled "An Act to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of such locality," approved October 20, 1976 (90 Stat. 2662), is amended by redesignating clauses (4) and (5) as clauses (5) and (6), respectively, and adding after clause (3) a new clause (4) as follows:

"(4) lands on which are located semiactive or inactive installations, not including industrial installations, retained by the Army for mobilization purposes and for support of reserve component training;".

By Mr. INOUYE:

S. 75. A bill to authorize reduced postage rates for certain mail matter sent to Members of Congress; to the Committee on Post Office and Civil Service.

Mr. INOUYE. Mr. President, I rise today to introduce a bill to provide for the issuance of a special 1-cent postage stamp to be used for corespondence with Members of Congress.

The introduction of this legislation emanates from my firm belief that the essence of our democratic system is the continuing operation of a two-way communication system between the people of this country and their elected Representatives.

Each Member of Congress is directly responsible to those people in his State or district whom he represents. He must not only keep communication channels open, but more importantly, he must be responsive to the opinions he receives through these channels. The most practical means of transmitting these signals is through the mail. It is most difficult for many of us to imagine ourselves in a situation where the desire to express an opinion is frustrated because we must think twice about spending money on a postage stamp. Unfortunately, we must face the fact that many of our Nation's citizens are forced to consider the purchase of postage stamps for the purpose of expressing a grievance to their Representatives as something beyond their means.

The issuance of a 1-cent stamp for this purpose would effectively remove this prohibition and allow all citizens to advise their Representatives of their individual opinions on the issues facing our Nation. I cannot overestimate the importance of this concept of individual expression. Every citizen has the right and the responsibility to participate in the democratic system through both the ballot box and the use of correspondence. This measure would amend the Postal Reform Act of 1970 to provide for the issuance of these 1-cent stamps to be sold only at U.S. post offices. The bill also authorizes appropriations necessary to account for the difference in postal revenue resulting from the sale of 1-cent stamps as opposed to prevailing postage rates for mail matter addressed to Congressmen, which does not exceed 4 ounces in weight. In view of the franking privileges available to Members of Congress, this measure would effectively equalize the treatment of mail from both the Congress and its constituency.

By Mr. STONE (for himself, Mr. INOUYE, Mr. WILLIAMS, Mr. HUMPHREY, Mr. CASE, Mr. GRAVEL, Mr. METCALF, Mr. GOLDWATER, Mr. MCINTYRE, and Mr. ABOUREZK):

S. 76. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Finance.

Mr. STONE. Mr. President, today I am reintroducing legislation which will extend the coverage of chiropractic services under medicare. This bill had the support of 21 Senators last Congress and merits further consideration.

The medicare program already recognizes chiropractice health care as a reimbursable expenditure. However, I see two important inequities in the present system.

Current regulations limit reimbursable chiropractic services to treatment of subluxation—partial disclosures. They mandate the use of X-rays for diagnosis and specifically limit treatment to manual manipulation of the spine, yet medicare will not pay for the mandatory diagnostic X-rays.

The logic behind these regulations eludes me. Partial dislocation can often be diagnosed without the use of X-rays. In fact, exposing the patient to unnecessary radiation can often have a detrimental effect on their condition. In addition, since medicare does not consider this mandatory X-ray a reimbursable cost, many medicare recipients are discouraged from receiving proper medical attention. Limiting coverage to one specific treatment results in the patient incurring the cost of all diagnostic tests as well as any other necessary treatment. This additional financial burden is often enough to discourage further medical care.

The legislation I propose will correct this situation. It will both eliminate the mandatory use of X-rays and include, under medicare coverage, additional methods of treatment and diagnosis. By removing unnecessary limitations which now apply to this field, S. 76 will afford chiropractic patients the same benefits that medicare recipients now receive.

These amendments are in complete accord with those adopted in the 1975 Federal Employees Compensation Act (Public Law 93–416). Medicare recipients have a right to quality health care including chiropractic treatment. It is time we allow the doctor to treat his patients appropriately without being limited by a reimbursable cost clause.

I have included a cost analysis of this proposal and ask that it be printed in the RECORD. I am pleased to introduce this amendment to title VIII of the Social Security Act and urge its timely adoption.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ST. LOUIS, MO.,
November 1, 1976.

Mr. HARRY N. ROSENFIELD,
Washington Counsel, American Chiropractic Association, Washington, D.C.

DEAR HARRY: David R. McKusick, F.S.A., Director of Health Insurance Studies in the Office of the Chief Actuary of S.S.A., very kindly provided me with the backup assumptions and calculations which led to the $45,000,000 cost estimate for H.R. 11290 cited in the March 12, 1976 memo from Haeworth Robertson to Congressman Corman. A copy of Mr. McKusick's letter to me, dated July 1, 1976, is enclosed.

I have carefully studied the various assumptions and figures outlined in Mr. McKusick's letter, and I believe there are a number of points at which the assumptions and values lead to substantial over-estimation of the probable cost. The key items are as follows:

1. The S.S.A. estimate assumes that 4% of the 21.9 million aged, or 0.9 million persons, would use chiropractic services if covered. This compares to their estimate of only ⅓ this number, or 0.3 million, currently being reimbursed under present law.

This 4% assumption is in my opinion much too high, even though it happens to be *identical* to the 4% utilization rate I ended up with in my 1969 study of the legislation being proposed at that time. It was drawn from some of the same sources I utilized in my own study, indicating that approximately 3% of the aged used chiropractic services nationally, whereas in California 5% utilized chiropractic services in an "insured setting." What is overlooked here is that the ratio of chiropractors to population in California, at the time of the California study, was more than twice the national ratio. Hence the utilization rate, under an "insured setting" in California, which involved zero deductible first dollar coverage, was actually less than the national rate, when viewed in proportion to the *relative supply* of chiropractors.

Secondly, if we can accept Mr. McKusick's estimates of the actual incidence of chiropractic care under *present law*, he is projecting that the utilization rate will triple under the liberalized coverage proposed under H.R. 11290. Such an enormous increase is highly unlikely.

I do not believe that any real justification exists for projecting anything above the 3%, which would translate into 0.66 million utilizers among the 21.9 million aged, under Medicare with a $60 Part B Deductible and 80% coverage above that.

2. Mr. McKusick's estimated additional costs are subject to the same flaw that we *invariably* encounter in outside estimates of "additional" chiropractic costs: namely, that no offset against alternative forms of already covered treatment is assumed. The entire amount of additional chiropractic benefits is assumed to be *100% additional net cost* to the program.

This is not reasonable, since it depends on the assumption that there will be no shift at all, from other presently covered alternative treatment, over to chiropractic treatment once the latter becomes more adequately covered. Putting this another way, it assumes that those additional persons who will utilize chiropractic services, under the liberalized benefits, are currently obtaining no care at all from other practitioners, or else are currently simply not submitting their expenses. I believe this is a highly unrealistic assumption. Surely there will be substantial offset against alternative services presently covered. Moreover, since it has been well documented that total cost of treatment, under chiropractic care, is less than total cost under alternative forms (on the order of 70 to 80%), wherever a shift to chiropractic care occurs there will not only be an *offset*, but a *savings* in addition to the offset.

My earlier study estimated that roughly 15% of the total utilizers were to be *offset* utilizers, and, with the added savings, we can reasonably assume that roughly 20% of the chiropractic cost estimate will be offset plus savings.

3. The S.S.A. estimate assumes that among the 0.3 million already receiving covered care, the cost of the additional covered charges would average $60 per person ($20 exam, $25 x-rays and $15 lab), leading to $48 additional Medicare benefits per reimbursee. Surely not *every* claim would involve x-rays, since part of the object of H.R. 11290 is to eliminate the specific requirement of x-ray diagnosis. In any case, I think this total of $60 is too high, and more reasonably should be estimated as about $35, 58% of the S.S.A. estimate.

4. In dealing with the potential additional 0.6 million utilizers, the S.S.A. estimate assumes that 0.3 million incur exam only, the other 0.3 million exam, x-ray and lab (all 3), and that 0.2 million are actually treated. This is all added up to $42 million additional "covered charges". Again, I think the projected incidence of services is too high. Using my number of potential utilizers, 0.36 million (Item #1, above), a more realistic projection would be:

100% receive at least an exam ($15 average)

33% receive an x-ray ($25 average)

20% receive a lab test ($15 average)

50% receive treatment, at a $75 average treatment cost, vs. $90 for present recipients, since certainly the average severity would be less among these additional utilizers (and, finally, we would discount 20% of this total additional cost as offset and savings, per item #2 above)

5. Finally, the S.S.A. estimate assumes that actual Medicare reimbursement would be about ⅔ of covered charges, after applying the deductible and coinsurance, the same as for Part B claimants generally. A similar assumption was made in the 1969 S.S.A. cost estimate, and, in my responding critique of that estimate, I went to considerable pains to explain why it is not appropriate to assume the same ratio for these chiropractic expenses. In the 1969 estimates, S.S.A. assumed a ratio of 63%. My own estimate was 36%, against the $50 Deductible then in effect. Now, against a $60 Deductible, I think a similar relative ratio remains appropriate, that is ⅔ or 67%, ×36/63, or 38.3%, and let's round that *upward* to 40%.

Cost Estimate. Translating these several modifications into dollars, I then get the following:

1) Additional Medicare liability on 0.3 million current utilizers:

$35 covered charge per recipient, or $28 Medicare liability per recipient = $8,400,000.
(Vs. 14,000,000 S.S.A. estimate)

2) New Medicare liability on 0.36 million additional users:

	Covered charges
100% Exams, at $15 average	$5,400,000
33% x-rays, at $25 average	2,970,000
20% lab tests, at $15 average	1,080,000
50% treated, at $75 average	13,500,000
Total covered chiropractic charges	22,950,000

(Vs. $42,000,000 S.S.A. estimate)

Next, I estimate 20% reduction against this, because of offset and alternate cost savings, leaving: $18,360,000.

Next, I estimate that 40% of this will actually become Medicare liability, or $7,340,000.

I thus obtain $15,740,000 as added Medicare liability among the aged, and adding to this 15% for the disabled, assuming higher severity (vs. 10% in the S.S.A. estimate), I finally obtain, as total additional projected Medicare liability, $18,100,000, over the first full year, compared to the $45,000,000 estimated by S.S.A., according to Haeworth Robertson's March 12, 1976 memo to Congressman Corman.

Sincerely,
E. PAUL BARNHART, F.S.A., M.A.A.A.

By Mr. MATHIAS:

S. 77. A bill to amend title II of the Social Security Act to increase the annual amount which individuals may earn without suffering deductions from their social security benefits, and to provide a graduated reduction in benefits for widows and widowers who remarry; to the Committee on Finance.

SOCIAL SECURITY ACT AMENDMENTS

Mr. MATHIAS. Mr. President, I send to the desk S. 77, a bill to amend the Social Security Act so as to provide more equitable treatment for elderly Americans.

Perhaps the cruelest feature of the Federal Government's policies affecting older Americans are the restraints on the elderly's freedom to make the most elementary personal decisions, such as whether or not to remarry or to take a job. Our social security laws make those decisions very costly ones for the elderly. Remarriage for some widows means an immediate 50-percent reduction in social security benefits. And earned income above $3,000 annually, other than interest on dividends, means a reduction in social security benefits.

The real cost to the elderly is the loss of dignity. Older couples may be forced to live together without being married or to avoid a rewarding relationship because the immediate loss of their combined income would be too burdensome for already severely strained finances. A job, which may be fulfilling for an older person, as well as a relief to a tight budget, must be weighed against the extremely low penalty level for earned income.

Older Americans deserve a more thoughtful and sensitive public policy. Social security is a deserved right for people who have made their lives' contributions. The rules should be designed to preserve the humanism and respect which the retirement system was created to maintain.

I am introducing legislation which amends the Social Security Act in order to eliminate these obstacles to free choice. The act now requires that men and women receiving widow's or widower's benefits lose them immediately upon remarriage. My bill would amend the act to eliminate any immediate penalty for remarriage. It would require that benefits derived from a former marriage be gradually eliminated over a 5-year period. I recognize that to ignore remarriage completely for purposes of those benefits would result in a permanently unequal situation between remarried widows or widowers and those people in their first marriage. My bill would permit an equitable solution to this dilemma by allowing for a gradual adjustment to a lower combined income as a couple begins to fully realize the economic benefits of a single household.

My bill also raises the penalty level on earned income from $3,000 to $5,040 annually. The penalty now takes $1 out of retirement benefits for every $2 earned above the $3,000. This bill retains the same 1-for-2 formula, but it raises the income level to

an amount which allows the older person a much freer choice among a variety of employment opportunities.

Mr. President, I ask unanimous consent that the provision of the bill I am introducing today be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 77

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1), (3), and (4)(B) of section 203 (f) of the Social Security Act are each amended by striking out "$200" and inserting in lieu thereof "$420".

(b) Paragraph (1)(A) of section 203 (h) of such Act is amended by striking out "$200" and inserting in lieu thereof "$420".

SEC. 2. Paragraph (4) of section 202 (e) of such Act is amended to read as follows:

"(4) If a widow, otherwise eligible under paragraph (1), marries an individual (other than one described in subparagraph (A) or (B) of paragraph (3)), such marriage shall, for purposes of paragraph (1), be deemed not to have occurred; except that, notwithstanding the provisions of paragraph (2) and subsection (q), such widow's insurance benefit shall be reduced over a five-year period, commencing with the year following the year of such marriage, until such insurance benefit equals one-half of the primary insurance amount of the deceased individual on whose wages and self employment income such benefit is based. The reduction shall be prorated over the five-year period in a manner which will insure that the yearly reductions are as equal as possible, taking into consideration any changes which occur in the primary insurance amount during the five-year period. The insurance benefits shall be restored to the full primary insurance amount in the month in which the husband dies or such marriage is otherwise terminated.".

SEC. 3. Paragraph (5) of section 202 (f) of such Act is amended to read as follows:

"(5) If a widower otherwise eligible under paragraph (1), marries an individual (other than one described in subparagraph (A) or (B) of paragraph (4)), such marriage shall, for the purposes of paragraph (1), be deemed not to have occurred; except that, notwithstanding the provisions of paragraph (3) and subsection (q), such widower's insurance benefit shall be reduced over a five-year period, commencing with the year following the year of such marriage, until such insurance benefit equals one-half of the primary insurance amount of the deceased individual on whose wages and self employment income such benefit is based. The reduction shall be prorated over the five-year period in a manner which will insure that the yearly reductions are as equal as possible, taking into consideration any changes which occur in the primary insurance amount during the five-year period. The insurance benefits shall be restored to the full primary insurance amount in the month in which the wife dies or such marriage is otherwise terminated.".

SEC. 4. (a) The amendments made by the first section of this Act shall be effective with respect to taxable years beginning after December 31, 1976.

(b) The amendments made by sections 2 and 3 of this Act shall apply with respect to marriages occurring more than ninety days after the date of enactment of this Act.

By Mr. STONE:

S. 78. A bill to amend title II of the Social Security Act to provide that the provisions thereof requiring deductions from benefits on account of excess earnings shall not be applied to any individual, if and to the extent that the application of such provisions would reduce the individual's annual income, in the form of earnings and social security benefits, to less than $7,800 (which amount shall be annually adjusted to reflect increases in the cost of living); to the Committee on Finance.

Mr. STONE. Mr. President, I am introducing today a bill designed to correct a glaring inequity in the present social security system.

This inequity is the penalty imposed on social security recipients who continue to work. This penalty exists despite the fact that people receiving unearned income, such as investment dividends and interest, are not similarly penalized.

The bill that I am introducing would have the effect of permitting social security recipients to receive up to $7,800 per year from working before social security benefits are reduced on account of "excess earnings." This amount would be adjusted annually to reflect increases in the cost of living.

Under present law, the social security recipient who is between 65 and 72 years of age is denied $1 in social security payments for every $2 earned over $3,000 a year. This means that a social security beneficiary who receives the average $206.58 monthly payment loses all social security benefits if he or she earns $7,717 in a year.

This provision forces many senior citizens who are able and willing to work, to retire or limit drastically their earnings in order to receive social security benefits. This is a terrible injustice to American working men and women who have been led to believe that social security benefits will be paid to them as a matter of right when they reach a certain age. This right is earned by years and years of payroll deductions and matching payments by employers.

In view of the continuing rise in the cost of living, we must recognize that social security alone does not provide enough money for many people to live on. We should remove the legal barrier for those who can help provide for themselves. Can we afford to waste the specialized skills of our senior citizens by discouraging them from working? Do we wish to force our senior citizens to live unproductive lives when they have further energy and ambition? I do not think so.

This bill would not be a windfall for high income people. Their benefits would be reduced or eliminated as their income increases above the $7,800 level. Rather, this bill is tailored to assist the millions of average income older Americans who remain able to work and who need to work.

Congress originally intended social security to be a supplemental security program. People were encouraged to add to their social security protection through private pension plans, savings, and continued employment. At present, however, the law nearly forces people to fall into the ranks of the indigent in order to receive benefits. This bill would reaffirm Congress original intent.

By Mr. HELMS (for himself, Mr. MCCLURE, Mr. DOMENICI, Mr. STONE, Mr. CANNON, and Mr. LAXALT):

S. 79. A bill to restore the freedom to use gold clauses in contracts; to the Committee on Banking, Housing and Urban Affairs.

GOLD CLAUSE CONTRACTS—OVERDUE REFORM

Mr. HELMS. Mr. President, last year, the Senate leadership was prepared to accept as an amendment to H.R. 13955, the Bretton Woods Agreement Amendments of 1976, my proposal to amend the joint resolution of June 5, 1933, in order to legalize contracts calling for payment in gold or in dollars measured in gold. Because it appeared that an amended version of that bill could not be approved by the House of Representatives before adjournment of the 94th Congress, the Senate passed the House bill without amendment.

I hope we can obtain speedy consideration of this matter in the new, 95th Congress.

The bill I am introducing today would make the Federal code consistent with action Congress took in 1974 to legalize gold ownership. Right now, contracts can be made specifying payment in any commodity—except gold. In this day and age, such a prohibition is anachronistic.

My bill has been endorsed by former Treasury Department Secretary, William E. Simon who states:

I believe this in fact, may be a good time to repeal the Joint Gold Clause Resolution.

Federal Reserve Board Chairman Arthur F. Burns says:

I personally would not object to legislative action that would permit citizens to make contracts containing legally-enforceable gold clauses.

Contracts containing "gold clause" have as a basic purpose, to protect the maker of a loan or the seller of merchandise from having to accept a depreciated medium of exchange. In some ways, it is a form of indexing and a way to avoid the effects of inflation. Congress has long recognized the hardships which inflation causes, and it has adopted legislation which increased the incomes of certain groups as inflation increases the cost of living. These groups include social security recipients, civil service employees, military pensioners, and Members of the U.S. House of Representatives and Senate.

The pertinent law on the books is the joint resolution of June 5, 1933, 31 U.S.C. 463, which prohibited gold ownership and gold clause contracts, "to assure uniform value to coins and currencies of the United States." Since we have no gold "coins" or "currencies," it is doubly anachronistic to keep this provision on the books.

Before the freedom to own gold was restored, the Treasury Department and others predicted that there would be a mad rush to buy gold. This in turn would depress the value of the dollar. That would, in turn, force up the price of imports and inflation would accelerate and

confidence in the dollar would be undermined.

Well, everyone knows that the average American does not keep a gold ingot under his bed, and every economist will point out that buying gold abroad for dollars has the same foreign exchange effect of buying anything else abroad. Yet, Treasury did not propose that we prevent people from owning Volkswagens.

On August 14, 1974, the President signed into law a bill which contained the repeal of that section of the joint resolution concerning the ownership of gold. In a news release dated December 9, 1974, the Treasury declared that gold clause contracts continued to be prohibited even after repeal of the prohibition against gold ownership did not affect the prohibition against contracts containing gold clauses.

Opponents of the restoration of this freedom state that gold clauses could call into question the strength of the dollar and undermine our efforts to control inflation and maintain confidence in our currency. Some discussion of this is in order.

First, we must assume that the opponents are referring to international exchange markets when they refer to the "strength of the dollar." But as most economists agree, the strength or relative value of the dollar in these markets is dependent, in the long run, on the relative rates of inflation in other nations and whether or not the United States is inflating faster or slower—or not inflating at all—compared to other major nations. The strength of the dollar is therefore not related to contracts Americans may enter into, but to relative rates of inflation.

When opponents refer to efforts to control inflation, they perhaps mean efforts by the administration or the entire Federal Government. In the scheme of things, Congress starts the inflation ball rolling with deficit spending. The Treasury is Congress agent and is responsible for selling Federal securities in order to finance the Federal debt. The Federal Reserve Board then acts to ameliorate the effects massive Treasury borrowing has on the economy and pumps money into the system. This causes inflation. If so, the major forces which can undermine efforts to control inflation are the Federal Reserve Board and the big-spending Congress, which requires the Treasury to finance debt. Inflation is not caused by any sort of contract—be it in gold or any other commodity.

Finally, the opponents refer to the maintenance of "confidence in our currency." Confidence in the currency is undermined by its debasement. Debasement is caused by too much money pumped out by the Federal Reserve Board, an action initiated by big-spending Congresses. Confidence in the currency is reflected in the ways people use to cushion themselves from the effects of inflation. Various forms of indexing, including the indexing of congressional salaries, are indications that people—including Members of Congress—do not have a lot of confidence in our currency. The "confidence in our currency," is however, an important issue, since gold clauses, along with other inflation-hedging arrangements, provide an indication of the health of our currency. Gold clauses can give a warning signal that can tell us that Government must cut back and restore balance to the budget. If the Government is inflating, and people seek a refuge, they will adopt this type of device. It is far better to have no inflation and no such devices, but since we have inflation, we should have freedom to cushion its effects.

One of the major indictments against the present prohibition is that it is simply an unreasonable infringement on the rights of Americans. We have been allowed to own gold since 1974, but we are not allowed to use it as we can other commodities. Anyone can enter into agreements which state that a sum of dollars will be paid on a certain date measured in the value of porkbellies or any other commodities. But, because of this archaic provision on the books, we could not use gold as a measure of payment.

In a commentary written by a midlevel Treasury Department aide on this issue, the telling argument against repeal of the joint resolution of 1933 is that the resolution, by prohibiting gold clause contracts, "helps to assure that gold will not assume a monetary role through widespread use in private transactions." It seems, therefore, it is not the economics of the matter that is of concern to Treasury Department folks, it is the particular material affected. Imagine the Treasury Department saying that they wanted to make sure that "peanuts will not assume a monetary role through widespread use in private transactions."

The arguments of the opponents of gold clause freedom rest on two shaky assumptions. The first is that gold clauses in contracts would be "widespread." The only reason for gold clauses in contracts is that they provide a hedge against inflation. Much like the indexing of salaries—such as Congressmen and civil servants now enjoy. The only reason people seek a hedge against inflation is when there is inflation, and the value of the dollar is declining. If that is the case, people should be free to try to protect themselves in any way they see fit. But, will gold clause contracts be "widespread"? I doubt it. Just as gold ownership is not particularly widespread. Or, for that matter, no single inflation-hedge is particularly widespread. In 1974, the Treasury feared the freedom of gold ownership would result in mass purchases of gold ingots. They now seem to fear that gold clause contracts would result in mass amendments to contracts.

Second, opponents seem to view the existence of gold clause contracts as a return of gold to the monetary system. But money must serve as a stable store of value, and a commodity freely traded and subject to the vagaries of the market does not serve as an absolutely stable store of value. The only reason people would choose gold clause contrasts is that the gold market might—just might—provide a better store of value than dollars. That is a subjective judgment. And, people should be free to exercise their judgment in the marketplace. They should be free to hedge against the declining value of the dollar in any medium they choose. As long as gold is subject to market swings, and to the sort of market manipulations such as the sales of gold by the International Monetary Fund, it is stretching things to say that gold would be used as money. It is a further reach to say that gold clauses in contracts means gold is assuming a monetary role.

I believe that reasonable men would agree with the arguments.

The contradictory aspects of the present situation has attracted the attention of legal experts. For example, Prof. Gerald Dunne, editor of the Banking Law Journal, is of the opinion that the present prohibition of gold clause contracts is legally inconsistent with the present right to own gold. In his paper, "Gold Clause Prohibition Derelict of the Law," Professor Dunne states that a court ruling made in Williams against Standard Oil would require that the gold clause prohibition be declared void. In that case, the court stated:

> The remaining portions of the act, seeming merely to facilitate or contribute to the consummation of that purpose must also fail.

In other words, once Congress repealed the prohibition against gold ownership, gold clauses cannot consistently be prohibited.

There are other legal opinions, of course. Congress should remove all doubt about this issue by a simple amendment to the present law. Professor Dunne's arguments and the court's past ruling are clear and their validity should encourage Congress to act.

Another aspect of this issue is that the prohibition against using gold clauses applies only for Americans dealing with Americans since there is no recourse in U.S. courts. As a result, rich individuals with foreign dealings or multinational corporations can make contracts abroad containing gold clauses, because other nations' courts will enforce such contracts. But, because gold clauses are not enforceable here the average American and the average domestic company cannot as a practical matter enter into these contracts containing gold payment clauses.

Gold clauses in contracts, bonds, and other loan instruments, would be extremely attractive to some borrowers and lenders. For example, it is fully possible that a bond with a gold clause could be sold at 5 percent interest, while one without would require a 10-percent rate of interest. One attorney who works with electric utility companies told me of the high interest rate inflation requires for utility securities. He states that—

> Your bill would obviate the investors' need for such compensation, the utilities would be able to obtain capital funds at a much lower cost, and that lower cost would be reflected in lower utility rates to the public.

Those investors who recognize gold as a standard of value would not demand an inflation "cushion" in the interest

rate they would require for an investment.

What some London school economists appear to object to is the concept that gold represents a standard of value against which the dollar can be measured. Gold has obvious faults in this regard, but many people regard it as a good measure; and it is an arbitrary and excessive exercise of power for our democratic Government to deprive people of the right to such a standard, whatever it might be.

As I mentioned, the Congress itself has adopted legislation which inflation-proofs its own salaries, and thus protects itself in a very concrete way. It seems strangely inconsistent for Congress to deny private individuals a right to avoid the effects of inflation in ways of their own choosing.

Supporters of the gold clause prohibition in the bureaucracy of the Treasury Department seem to forget that our common enemy is inflation—not gold, gold clauses, pork-belly prices, peanut futures, or the price of any other commodity.

What is difficult to determine is whether the bureaucrat and the supporters of the prohibition are afraid of gold or whether they are afraid of people. Regardless, that fear has only one basis, and that is a standard of value—be it gold or some other commodity or index—will indicate when the Government is debasing the currency.

Since I introduced a bill on this subject in the 94th Congress, S. 3563, none of my arguments have been contested. I am afraid that the status quo is the main thing that the gold clause prohibition has going for it. The other thing is the unnatural fear of gold that all mid-level bureaucrats in the Treasury Department seem to have.

The text of my proposal is slightly different from that of the bill I have previously introduced on this topic. My bill, if approved, will make enforceable, gold clause contracts entered into after the enactment of the bill. It is intended to stand neutral with regard to the enforceability of gold clause obligations issued in the past. It has come to my attention that there is at least one case pending in the courts which would require gold clause bonds issued before the 1933 resolution, be paid in gold. Since this matter is in the courts, I would not want any legislation to prejudice the case one way or another.

Mr. President, I ask unanimous consent that the letters from William Simon and Arthur Burns be printed in the RECORD, and that the text of my bill be printed in the RECORD.

There being no objection, the bill and letters were ordered to be printed in the RECORD, as follows:

S. 79

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution entitled "Joint resolution to assure uniform value to the coins and currencies of the United States", approved June 5, 1933 (31 U.S.C. 463), shall not apply to obligations issued on or after the date of enactment of this act.

THE SECRETARY OF THE TREASURY,
Washington, D.C., September 21, 1976.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR JESSE: In my letter to you of May 6, I mentioned several concerns I have had with a proposal to repeal the Joint Gold Clause Resolution. I fully agree that gold should be treated like any other commodity and that, at an appropriate time, the legal restriction on gold clauses in contracts should be repealed. I had some question, however, whether this is the best time to repeal the Joint Resolution.

In my earlier letter, I indicated my concern that the monetary role of gold not re-emerge upon repeal of the Joint Resolution through possible widespread use of gold clauses in private transactions. Second, since gold clauses in contracts call into question the strength of the dollar, their widespread use in contracts might undermine our efforts to control inflation.

Upon reflection, I believe this in fact may be a good time to repeal the Joint Gold Clause Resolution. We are well on our way in our efforts to restore stability to the U.S. economy. With a clear U.S. Government commitment to sound fiscal and monetary policies and with a substantially reduced level of inflation, the widespread use of gold clauses by U.S. citizens in their contracts appears unlikely. Moreover, the demonstrated volatility in the price of gold over the last several years makes even more unlikely its use as a measure of value in private transactions.

Therefore, in my view, repeal of the Joint Resolution at this time should not have any undesirable monetary and economic effects.

Sincerely yours,

BILL.

FEDERAL RESERVE SYSTEM,
Washington, D.C., June 2, 1976.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: I am pleased to respond further to your letter of March 31, 1976, asking for the Board's views on a paper by Professor Gerald Dunne on gold clause contracts.

In December 1974, I testified on behalf of the Board in favor of a bill that would have postponed the date when U.S. citizens would be permitted to deal in gold without a Treasury license. While the Board favored restoring to U.S. citizens the right to deal in gold, it was concerned that removal of restrictions on private trading in gold at that time might have an adverse impact on an already strained financial situation. Fortunately, this did not happen. In the past year and a half our financial institutions and markets have strengthened markedly, and economic recovery is well under way.

In light of the changed circumstances, I personally would not object to legislative action that would permit private citizens to make contracts containing legally-enforceable gold clauses. However, the Board is split on the advisability of such action. Our discussions have suggested that opinions on this subject may vary widely, and that hearings could be helpful in fully exploring the advantages and disadvantages of permitting the use of gold clauses. The Federal Reserve would be pleased to assist the Congress in this deliberation.

Sincerely yours.

ARTHUR F. BURNS.

By Mr. BURDICK:

S. 80. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

FEDERAL EMPLOYEES' POLITICAL ACTIVITIES ACT OF 1977

Mr. BURDICK. Mr. President, I have submitted to the Senate a bill to significantly amend the so-called Hatch Act in order to provide Federal civilian and postal employees with wider latitude within which to exercise their basic political rights as citizens of the United States.

My bill is virtually identical to legislation which the Congress approved in its last session, though it fell victim to a Presidential veto. Now, I believe, its time has truly come.

The bill would restore to citizens who happen to work for the Government a greater measure of rights to participate, voluntarily, in the political processes by which this Nation, its several States, and local governments within the States determine public policies. I would, at the same time, and by this legislation, strengthen the protection of employees against unwarranted political coercion. In drafting the bill, care has been taken to incorporate provisions which were supported here in the Senate last year, including continuance of the existing prohibitions against political activities for employees in sensitive positions with the Department of Justice, Internal Revenue Service, and Central Intelligence Agency.

Existing law, commonly known as the Hatch Act, dates to 1939 and represents a reaction to abuses which were an outgrowth of a depression economy. As such, the Hatch Act may be viewed as an understandable answer to a then-current problem. It is considerably less understandable in 1977. The time has come to update the law and to restore to Federal employees their birthright as citizens. That is precisely what the bill introduced today would do, with careful attention to the corollary need to insure the public at large against any possibility of future manipulation of the civil service for political purposes.

Mr. President, we are talking about the rights of 2.8 million Americans. They do not differ from any other group of citizens, except by the nature of their employment. There is no earthly reason for continuing to deny them the right to be heard where it counts—in the political councils of their precincts, wards, counties, States, and the Nation.

It is my intention to schedule early hearings on this proposal so that the Senate may again consider what I believe is an overdue bill of rights for Federal employees.

By Mr. INOUYE:

S. 81. A bill to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid; to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am reintroducing a bill to amend the Social Security Act to provide that an individual who has innocently entered into a legally defective marriage to an insured individual, and who has lived with such individual as husband or wife for at least 5 years, shall be treated, for purposes of qualifying for benefits, as if such marriage had been legally valid.

This legislation was promoted by a problem which faced a constituent of mine. Mrs. X had lived with her husband for over 25 years, and then found that she was ineligible for social security benefits even though all agree that she had acted in good faith. To quote the Social Security Administration:

I would like to say at the outset that Mrs. X's case merits sympathy. . . . It would appear that she may have been grossly deceived in 1943, and was, in consequence, inveigled into an invalid marriage by deliberate misrepresentation . . . Since it was determined in February, 1969, that Y is the legal wife of X, only she should be paid wife's benefits for months thereafter.

Thus, after living with her husband for over 25 years, Mrs. X found herself ineligible for social security benefits because she was not legally married.

Mr. President, in reviewing this bill, you will note that both wives will be treated as if their marriage were, in fact, valid. Accordingly, benefits paid to one would not affect the eligibility status or extent of coverage which the other is entitled to receive. Further, a clause is included which would penalize the individual responsible for his deception by reducing his old-age benefit by an amount equal to that paid to his "second" wife.

Mr. President, I hope you will recognize the need which is felt by those who would benefit by this legislation, and will assist in its speedy passage.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 81

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 216(h)(1)(B) of the Social Security Act is amended—

(A) in the second sentence thereof, by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (C), the", and

(B) in the third sentence thereof, by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (C), the".

(2) Section 261(h)(1) of such Act is further amended by adding at the end thereof the following new subparagraph:

"(C) In the case of any individual who—

"(i) by reason of the provisions of subparagraph (B) has become entitled, for any month, to benefits under subsection (b), (c), (e), (f), or (g) of section 202, on the basis of the wages and self-employment income of any person,

"(ii) by reason of the provisions of the second or third sentence of subparagraph (B) ceases to be entitled to such benefits, and

"(iii) has lived with such person, as such person's husband or wife, for at least 5 years, such individual shall, notwithstanding the provisions of the second and third sentences of subparagraph (B), be deemed to be the husband or wife, or widow or widower, as the case may be, for purposes of entitlement to benefits under subsection (b), (c), (e), (f), or (g) of section 202, on the basis of the wages and self-employment income of such person, in like manner as if such individual had been legally married to such person and was such person's husband or wife, or widow or widower (as the case may be), as determined without regard to subparagraph (B)."

(b) Section 203(a)(3) of such Act is amended—

(1) by inserting "(A)" immediately after "(3)", and

(2) by inserting, immediately before the period at the end thereof, the following: ", and (B) when any of such individuals is a person who would not be entitled to a monthly benefit except for the provisions of section 216(h)(1)(C), the benefit to which such person is entitled on the basis of the wages and self-employment income of such insured individual for such month shall be determined without regard to this subsection, and the benefits of all other individuals who are entitled for such month to monthly benefits under section 202 on the wages and self-employment income of such insured individual shall be determined as if such person were not entitled to benefits for such month".

(c) Section 202(a) of such Act is amended—

(1) in the last sentence thereof by inserting "in the succeeding sentence and" immediately after "Except as provided", and

(2) by adding at the end of such section 202(a) the following new sentence: "In the case of any individual (A) who is entitled for any month to an old-age insurance benefit, (B) whose wife is entitled for such month to a wife's insurance benefit under subsection (b), and (C) on the basis of whose wages and self-employment income another person is entitled, by reason of the provisions of section 203(h)(1)(C), to a wife's insurance benefit under subsection (b), then such individual's old-age insurance benefit for such month shall be reduced (but not below zero) by an amount equal to the wife's insurance benefit of such person (referred to in clause (C)); and any reduction in an individual's old-age insurance benefit under this sentence shall be made after any reduction in such benefit under subsection (q) and after application of section 215(g).".

SEC. 2. The amendments made by this Act shall be effective with respect to monthly insurance benefits payable under title II of the Social Security Act payable for months after the month in which this Act is enacted, on the basis of applications for such benefits filed in or after the month in which this Act is enacted.

By Mr. BUMPERS:

S. 83. A bill to simplify the appellate jurisdiction of the Supreme Court of the United States, and for other purposes; to the Committee on the Judiciary.

THE SUPREME COURT'S APPELLATE JURISDICTION

Mr. BUMPERS. Mr. President, under present law the appellate jurisdiction of the Supreme Court of the United States falls, in the main, under two headings: appeals and petitions for writs of certiorari. Ever since the Judiciary Act of 1925, certiorari has been the most important source of the court's jurisdiction. It differs from appeals principally in being discretionary. The Court has a right to decide for itself whether to review cases that come to it on petition for writ of certiorari. Appeals, on the other hand, are obligatory. The Court, at least in theory, has no choice. It must hear and decide cases coming to it by appeal.

It is time to do away with this distinction. The entire trend of modern court reform points toward simplification of the forms of action, and this trend is just as commendable in appellate practice as it is in trial practice. Just as rule 1 of the Federal Rules of Civil Procedure, first adopted in 1938, made a great advance by declaring that in civil cases there shall be "one form of action," so also it would be in the public interest, from the point of view of the courts as well as litigants, to consolidate and simplify the means of access to the Supreme Court. I have in mind the elimination of most of the Court's obligatory appellate jurisdiction. Under my proposal, all of the Court's appellate jurisdiction, with very limited exceptions that I shall describe shortly, would be discretionary, by writ of certiorari. The number of cases that the Court actually decides on the merits should therefore be reduced, freeing the court to concentrate more effectively on the small number of cases that deserve its consideration.

It is true that in most cases the Court appears to treat appeals strikingly similarly to the way it deals with petitions for writs of certiorari. A statement as to jurisdiction, the document that formally initiates an appeal, is for most purposes the functional equivalent of a petition for writ of certiorari. Just as four votes are required to grant certiorari, thereby leading to full briefing, oral argument, and decision on the merits, so four votes are required to note probable jurisdiction of an appeal, a step that also leads to full consideration and decision on the merits.

Most cases that come before the Supreme Court, of course, do not reach this stage. They are disposed of "on the papers," either a petition for certiorari or a jurisdictional statement. The difficulty is that such a summary disposition of an appeal, unlike the denial of certiorari, technically is an adjudication on the merits and stands as a precedent. The traditional rule has been that a summary affirmance, or a dismissal of an appeal for want of a substantial Federal question, is the equivalent in its force of any other Supreme Court decision. See Stern & Gressman, Supreme Court Practice 197 (4th ed. 1969).

As recently as *Hicks* v. *Miranda*, 422 U.S. 332 (1975), the Supreme Court held that State and lower Federal courts are as bound by summary dispositions of appeals as by dispositions after plenary consideration.

The dilemma that this rule creates was aptly described in a dissenting opinion delivered on November 8, 1976. The Court of Appeals for the Seventh Circuit had upheld the validity of the Indiana guest statute. The Supreme Court denied certiorari, over the dissents of Justices Brennan and Marshall. Two years previously, the court had dismissed for want of a substantial federal question an appeal from the Supreme Court of Utah sustaining the constitutionality of the Utah guest statute. *Cannon* v. *Oviatt*, 419

U.S. 810 (1974), and this dismissal, under the rule of Hicks against Miranda, was apparently treated as a binding precedent justifying denial of certiorari in Sidle against Majors, the Indiana case.

The situation in which the Court finds itself is described as follows in the dissenting opinion of Mr. Justice Brannan, 42 U.S. Law Week 3343, 3344 (No. 75–309):

Hicks has now eliminated from the consideration of appeals the desirable latitude each of us formerly had to weigh, as in the case of petitions for certiorari, whether the issue presented is sufficiently important to merit plenary review, and whether in any event the question might better be addressed after we have had the benefit of the views of other courts. Particularly unfortunate, I think, is the inevitability that *Hicks* will prematurely cut off, as it has in the case of these guest statutes, consideration of important and evolving federal constitutional questions by the state and lower federal courts. It frequently happens that difficult constitutional issues go through a valuable maturing process, and this Court and developing jurisprudence generally profit enormously from the accumulated wisdom of various courts that have considered the issues in a number of contexts and from a number of angles. *Hicks*, however, now mandates that summary disposition must be following as fully binding precedents by state and lower federal courts, regardless of the maturity of the issue, and regardless of the fact that even when the issue is before us for the first time, our disposition is made without opinion, without briefing or oral argument, and after only the most cursory conference discussion.

The rule of the Hicks case, which I must admit is logically compelled by the fact that appeals are not optional with the Court, necessarily limits the Court to one of two choices under the present statutory scheme. It may greatly increase the number of appeals that are given plenary consideration, thus spreading itself even thinner than at present and diverting needed time and attention from those cases that come before it on certiorari and that deserve full briefing and argument. Or it may continue to dispose of appeals summarily, just as it does petitions for certiorari, and take the consequences of creating a body of off-handed but binding precedents.

The solution, Mr. President, is to make all of the court's appellate jurisdiction, or nearly all of it, discretionary by way of certiorari. In this way, the court will have full latitude to decide which cases to decide and which to refuse. It can consider the importance of the issue, the state of development of the law generally, the demands on its own time, and whether the public interest might be served by waiting until other courts have had a chance to express themselves on the point.

I am therefore introducing today for appropriate reference a bill to eliminate most of the Court's obligatory appellate jurisdiction. Specifically, my bill would make the following substantive changes:

First. Under 28 U.S.C. section 1254 decisions of district courts holding an act of Congress unconstitutional, in cases where an officer or employee of the United States is a party, are directly reviewable by appeal to the Supreme Court, whether the district court is composed of one judge or three. Repeal of this provision, which I propose, would make these cases reviewable on appeal to courts of appeals under the general provisions of 28 U.S.C. sections 1291 and 1292. Decisions holding acts of Congress unconstitutional are important, to be sure, but I submit that there is no reason why the intermediate appellate level should be skipped. Consideration of the question by a court of appeals will help the Supreme Court in its ultimate resolution of the issue, if it decides to grant review, and the rare case that is so important, or in which time is such a critical element, that an immediate final decision by the Supreme Court is in the public interest, can be handled by the Court's power to grant certiorari before judgment under section 1254.

Second. Under the same section 1254, the Court presently has jurisdiction by appeal over cases in which U.S. Courts of Appeals have held State statutes invalid. These cases are also reviewable by certiorari, and in my view this remedy is sufficient.

Third. Similarly, under 28 U.S.C. section 1257 (1) and (2), an appeal lies from a judgment of the highest court of a State holding unconstitutional a treaty or statute of the United States, or holding valid against a claim of Federal unconstitutionality any statute of any State. These two classes of cases are also reviewable under section 1257 (3) by writ of certiorari, and again this remedy, in my judgment, is sufficient.

Mr. President, the Judiciary Act of 1925 was passed at a time of greater leisure for the courts as well as for our lives generally. It made sense, at least theoretically, to require the Supreme Court to hear and determine on their merits certain classes of cases. With the passage of time and the substantial increase in the Court's business, and with the increasing tendency to determine appeals as well as petitions for certiorari "on the papers" without plenary consideration, the reason for this distinction in jurisdiction has gradually disappeared. It therefore seems appropriate to eliminate the distinction altogether, with one exception. A few cases, for example, those arising under the Civil Rights Act of 1965, as extended in 1975, are still required to be heard by district courts of three judges. In those cases an appeal lies directly to the Supreme Court under 28 U.S.C. section 1253, and I would not disturb this rule. The number of cases involved will be small, since Congress has recently abolished the requirement for most three-judge courts. Public Law 94–381, approved August 12, 1976. Direct appeals to the Supreme Court, instead to courts of appeals, seem appropriate from judgments of multijudge district courts.

Mr. President, I ask unanimous consent that the text of my bill, together with a letter commenting on it from Martin H. Redish, associate professor of law at the Northwestern University School of Law, be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 83

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 1252 of the Judicial Code Act of June 25, 1948, c. 646, 62 Stat. 928, as amended, 28 U.S.C. 1252, is repealed.

SEC. 2. Section 1254 of the Judicial Code Act of June 25, 1948, c. 646, 62 Stat. 928, as amended, 28 U.S.C. 1254, is amended by striking out paragraph (2) and by renumbering paragraph (3) as paragraph (2).

SEC. 3. Section 1257 of the Judicial Code Act of June 25, 1948, c. 646, 62 Stat. 929, as amended, 28 U.S.C. 1257, is amended by striking out the words "as follows:" in the first unnumbered paragraph, by striking out paragraphs numbered (1) and (2), by striking out the words "(3) By" in paragraph numbered (3), and by inserting in lieu thereof the word "by".

SEC. 4. Section 206 of Title II of the Act of March 10, 1950, c. 54, as added by Section 3 of the Act of August 9, 1955, c. 645, 69 Stat. 563, 22 U.S.C. 1631e, is amended by striking out the words "1251, 1252," and by striking out the comma after "1291".

NORTHWESTERN UNIVERSITY,
SCHOOL OF LAW,
Chicago, Ill., November 2, 1976.

Hon. DALE BUMPERS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUMPERS: As Dean Rahl indicated I would do in his letter of October 28, I am writing to give you my views concerning your proposal to abolish most of the Supreme Court's "appeal" jurisdiction and replace it with total discretionary review power.

If the sole goal of your proposal were to reduce the Supreme Court's workload, I am afraid that in my opinion, at least, the proposal will have little, if any, effect. This is due to the fact that as a general matter the Court treats appeals strikingly similar to the way it deals with certiorari review. Rule 16 (1)(b) of the Supreme Court Rules provides in relevant part:

"The court will receive a motion to dismiss an appeal from a state court on the ground that it does not present a substantial federal question"...

Rule 16(1)(c) of the Supreme Court Rules provides:

"The court will receive a motion to affirm the judgment sought to be reviewed on appeal from a federal court on the ground that it is manifest that the questions on which the decision of the case depends are so unsubstantial as not to need further argument."

Thus although Congress apparently intended that certain cases, those in the Court's "appeal" jurisdiction, were to receive automatic full Supreme Court review, "only a minority of the appeals to the Supreme Court receive such plenary consideration." R. Stern & E. Gressman, *Supreme Court Practice* 194 (1969). See also Frankfurter & Landis, "The Business of the Supreme Court at October Term, 1929," 44 Harv. L. Rev. 1, 12–14 (1930): "Plainly, the criterion of substantiality is neither rigid nor narrow. The play of discretion is inevitable, and whenever discretion is operative in the work of the Court the pressure of its docket is bound to sway its exercise." Those cases which lack a substantial federal question are summarily affirmed or are dismissed for want of a substantial question. See *Zucht* v. *King*, 260 U.S. 174 (1922).

The determination by the Court of the issue of substantiality is made without oral argument. In the jurisdictional statement to the Court in an appeal, Rule 15(1) (e) and (f) require that the appellant include "a

presentation of the grounds upon wnich it is contended that the federal questions are substantial", for appeals from state and federal courts, respectively.

Thus "the jurisdictional statement now performs a function similar to that of the petition for certiorari." Stern & Gressman, at 195. See also the statement of Mr. Justice Brennan in *Ohio ex rel. Eaton* v. *Price*, 360 U.S. 246, 246–47 (1959): "The Court's practice, when considering a jurisdictional statement whereby a litigant attempts to invoke the Court's jurisdiction on appeal, is quite similar to its well-known one on applications for writs of certiorari." It is therefore unlikely that significant time would be saved by converting the Court's appeal jurisdiction to a discretionary form of review.

This is not to suggest, however, that I am of the opinion that your proposal would be wholly ineffective. Quite the contrary. At the present time, there appears to exist considerable confusion over the effect of a summary affirmance or dismissal for want of a substantial question by the Court. As a technical matter, of course, a summary affirmance constitutes a decision by the Supreme Court on the merits, and thus retains full precedential value. This is quite different from the effect of a denial of certiorari, which is traditionally understood to say nothing of the Court's views on the merits of the case. See, e.g., *Maryland* v. *Baltimore Radio Show, Inc.*, 338 U.S. 912 (1950) (Frankfurter, J.). If, however, the Court provides little or no increase in the depth of its analysis in summarily affirming than it provides in denying certiorari, it is questionable whether such a summary affirmance should carry full precedential force.

The Court itself in recent years has not been entirely clear on the precedential value to be attributed to a summary affirmance. The traditional rule has been that a summary affirmance is equivalent in its force to any other Supreme Court decision. See Stern & Gressman, at 197. See also Mr. Justice Brennan's opinion in *Ohio ex rel. Eaton* v. *Price*, 360 U.S. 246, 247 (1959):

"Votes to affirm summarily, and to dismiss for want of a substantial federal question, it hardly needs comment, are votes on the merits of a case."

However, in *Edelman* v. *Jordan*, 94 S. Ct. 1347, 1359 (1974), the Court stated that several summary affirmances "obviously . . . are not of the same precedential value as would be an opinion of this Court treating the question on the merits." Yet more recently in *Hicks* v. *Miranda*, 95 S. Ct. 2281 (1975) the Court indicated that summary affirmance did, in fact, have the full force of a Supreme Court decision. It should be noted, however, that a possible distinction between the two is that *Edelman* concerned the binding effect of a summary affirmance on the Supreme Court in a subsequent action, while *Hicks* involved its effect on subsequent lower court action.

Your proposal presumably would permit the Supreme Court to deny review in all types of cases without creating uncertainty with respect to the precedential significance of the denial of review.

I hope that you find my comments to be of some help. Professor Nathanson has asked me to say that he concurs both with my analysis and my conclusions.

Sincerely yours,

MARTIN H. REDISH,
Associate Professor of Law.

By Mr. BUMPERS (for himself and Mr. MCCLURE):

S. 82. A bill to amend title 18, United States Code, to authorize courts, upon the completion of any juvenile proceeding to release to any victim of such juvenile delinquency information on the final disposition of the juvenile who has been adjudicated delinquent; to the Committee on the Judiciary.

INFORMATION TO VICTIMS OF JUVENILE CRIMES

Mr. BUMPERS. Mr. President, I am very sensitive to the privacy rights of criminal offenders, and particularly youthful offenders. Because of my concern in this area, I generally defend the secrecy provisions of the 1974 Juvenile Justice and Delinquency Act.

Having said that, I must take issue with one feature of the 1974 Act. It forgets the victims of juvenile crime in that its secrecy provisions preclude even those people who are damaged most directly by a juvenile's conduct from learning of the full disposition of the case.

A dramatic illustration of this point received some play recently in the press. A rape victim was denied information on the sentence meted out to her attacker. She had testified against him at the hearing and understandably was anxious to know whether he had been released or was still in custody. Yet even in the case of that serious felony, the magistrate refused to provide her with the requested information.

I feel very strongly that if anyone deserves to know the outcome of delinquency proceedings, it is the victim of the crime. To extend the cloak of secrecy to cover the victim represents overprotection of juvenile rights to the clear detriment of the victims' right to know the outcome. Accordingly, my bill would amend the 1974 act to permit the magistrate to answer inquiries of victims relating to the final disposition of such cases.

Again, Mr. President, let me reiterate that I am a firm believer in protecting juvenile offenders against any undue stigma resulting from their brush with the law. I am convinced that if we are to be successful in the war against crime, we must first reduce the unconscionably high percentage of crimes committed by our young. But in this instance we have gone too far in protecting the privacy rights of our delinquents.

I am proud to announce that Senator JOHN MCCLELLAN joins me as a cosponsor of this bill. Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 82

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5038 (a) of title 18, United States Code is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding immediately after paragraph (5) the following:

"(6) inquiries from any victim of such juvenile delinquency related to the final disposition of such juvenile by the court in accordance with section 5037.".

By Mr. BUMPERS:

S. 84. A bill to amend chapter 31 of title 10, United States Code, to prohibit the requirement for furnishing certain information as a condition to enlisting in the Armed Forces; to the Committee on Armed Services.

EXPUNGEMENT OF CRIMINAL RECORDS—ENLISTMENT IN ARMED SERVICES

Mr. BUMPERS. Mr. President, it was brought to my attention this last year by an irate Arkansas attorney that the Pentagon requires applicants for enlistment to divulge prior criminal involvement, even when the record of that involvement has been expunged under State law.

Specifically, section 40 of the Pentagon's application for enlistment—form DD 1966 requests "Yes or No" answers to questions of whether the applicant has ever been arrested, charged, or held by law enforcement authorities, including juvenile authorities, regardless of whether the charge was dismissed or the record of conviction expunged. A second question asks whether the applicant has ever been adjudicated a youthful offender or juvenile delinquent, even in cases where the record has been sealed or stricken.

Arkansas law, on the other hand, clearly states that upon expungement of a youthful offender's record, the person whose record was expunged may thereafter state in any application for employment, license, civil right, or privilege, that he has not been convicted of the offense for which he was convicted and sentenced. Hence, the Pentagon's application policy is directly contrary to Arkansas law.

After being notified of the Pentagon form last July, I wrote the Assistant Secretary of Defense for an explanation of why the Pentagon's policy deliberately flew in the face of Arkansas law and, I assume, comparable expungement statutes in other jurisdictions. The reply was hardly satisfying. I was told Federal military recruiters were not bound by State law and that consequently recruiters would continue to delve into the background of potential applicants for military service on the basis that "young people who have difficulty in conforming to the standards of the civilian community are even less able to satisfy the more demanding standards of the military."

But that is exactly the point. Youthful offenders who have had their cases dismissed or their records expunged or sealed are not lost causes to society. On the contrary, in such cases either a judge or some other official has made an affirmative finding that their cases were deserving of special consideration and that they should not be stigmatized for life by a criminal record.

Expungement means nothing if a subsequent republication of that record is allowed to take place under a highly dubious Pentagon policy. My bill, therefore, would prohibit the Pentagon from requesting information relating to dismissed charges or to arrests, charges, or convictions where the records of those people involved have been sealed or expunged.

Mr. President, we all agree that, once a man or woman is tarred with the brush of criminal activity, it becomes virtually impossible to remove that stain.

This, in my strong opinion, is what ultimately leads more and more of our young people down the grim path of antisocial behavior. They become, in effect, what society has dubbed them to be. And their records of criminal involvement, minor though they may be, act as a ball and chain at every turn in later life. That is why the policy of expungement is so important. It gives deserving young people a second chance to become useful and productive citizens.

Mr. President, the depressing fact that 60 percent of American crime is perpetrated by young people under the age of 22 is a constant reminder that our existing criminal proceduers are not working. I have never considered the military an alternative to prison. But military service does provide the discipline and sense of purpose and values that a young person may not otherwise have been privy to. Why make it that more difficult for those with expunged criminal histories to take advantage of this opportunity? The obvious answer is that we should not.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 84

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 31 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 502. Prohibition against requiring certain information

"No person shall be required, as a condition to making application for or enlisting in the armed forces, to furnish any information relating to any offense for which such person was arrested, charged, or convicted in any court if the charge against such person has been dismissed or if the record of the arrest, charge, or conviction of such person has been sealed or expunged by any court of competent jurisdiction or by any other official action.".

(b) The table of sections at the beginning of chapter 31 of title 10, United States Code, is amended by adding at the end thereof a new item as follows:

"520. Prohibition against requiring certain information.".

By Mr. BUMPERS:

S. 86. A bill to improve the administrative process by making Federal agencies more responsive to the will of the people as expressed by their elected representatives in Congress; to the Committee on the Judiciary.

MAKE FEDERAL AGENCIES MORE RESPONSIVE

Mr. BUMPERS. Mr. President, in 1975 I introduced S. 2408 (94th Congress, 1st session), a bill to amend the Administrative Procedure Act to make Federal agencies more responsive to the will of the people as expressed by their elected representatives in Congress. The bill was referred to the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary. The chairman of the subcommittee, the distinguished Senator from Massachusetts (Mr. KENNEDY), convened hearings on S. 2408 and other measures on May 3, 1976, at which I testified.

Later, when S. 800, another administrative-law bill, passed the Senate, the Senator from Massachusetts and I discussed S. 2408 on the floor. At that time Mr. KENNEDY agreed to solicit the views of the bench and bar on this proposal, and I announced my intention to reintroduce the bill promptly on the convening of the 95th Congress. Therefore, Mr. President, I now introduce for appropriate reference S. 86, a bill identical to S. 2408 of the last Congress. The bill would accomplish two ends: it would direct the courts to decide for themselves, without deference to so-called administrative expertise, all issues of law, and it would reverse the traditional presumption that agency regulations are valid. For convenient reference, I ask unanimous consent that the text of the bill be printed in full at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 86

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of Public Law 89–554, (80 Stat. 393), now codified as section 706 of title 5, United States Code, is amended by striking out the first sentence thereof and substituting therefor the following:

"To the extent necessary to decision and when presented, the reviewing court shall decide de novo all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of the agency action. There shall be no presumption that any rule or regulation of any agency is valid, and whenever the validity of any such rule or regulation is drawn in question in any court of the United States or of any State, the court shall not uphold the validity of such challenged rule or regulation unless such validity is clearly and convincingly shown: *Provided, however,* That if any rule or regulation is set up as a defense to any criminal prosection or action for civil penalty, such rule or regulation shall be presumed valid until the party initiating the criminal prosecution or action for civil penalty shall have sustained the burden of proof normally applicable in such actions.".

Mr. BUMPERS. Mr. President, present doctrines of administrative law insure that almost every rule or regulation adopted by a Federal agency is upheld in the courts. There is a presumption, it is said, that such rules or regulations are within the authority granted by Congress, or by executive order, to the particular agency involved. It is my view that there should be no such presumption, and that administrative law has come to the point where the traditional doctrine should be reversed. The burden should be upon the Federal agency, which has at its command the resources of the sovereign, to establish the validity of its own action, instead of being placed upon the citizen to prove the reverse.

The bill I introduce today would do just that. First of all, it would restore the courts to their normal law-interpreting and law-applying role in our system of government. It would insert the words "de novo" in the first sentence of 5 U.S.C. section 706, the sentence that concerns decision by the courts of questions of law in actions to review Federal agencies. Courts could still defer to administrative expertise, if there is in fact such a thing, when deciding issues of fact, and the traditional "substantial evidence" rule applied to such issues would be undisturbed.

In the realm of law, however, the supremacy of the courts, who are sworn to apply and enforce the statutes of Congress, would be restored. A decision by an agency on an issue of law would no longer be upheld simply upon a finding that there is "warrant in the record" for it. The court would actually use its own judgment on such issues. Furthermore, the presumption in favor of the validity of agency rules and regulations would be eliminated, and the burden of establishing this validity would be shifted to the agency, a party better able to bear it. Only if a court were clearly and convincingly persuaded, for example, that a given rule or regulation was within the power delegated by Congress, would the rule or regulation be upheld.

In this way, Congress would be confirmed as the true and only source of legislative power in our society. Only those agency rules and regulations clearly within the congressional mandate would remain intact. Finally, a proviso in the bill would make clear that the traditional heavy burden of proof borne by the prosecution in criminal cases and, to a lesser extent, by the United States when seeking to enforce a civil penalty, would not be altered. In these instances, if a defendant asserted an agency rule or regulation in bar of a criminal prosecution or action for civil penalties, the opposing party, usually the United States, would still have to sustain the burden of proof usually associated with these kinds of enforcement proceedings.

Since Congress last adjourned on October 2, a number of persons and groups have been kind enough to review this proposal and offer their views. I am disappointed that some of these comments are unfavorable, but I nonetheless appreciate the time and effort they represent, because they do give me a chance to examine anew the justification for the bill, and to consider with care the objections that have been raised.

Two law professors are among those who have commented—Nathaniel L. Nathanson of Northwestern and Clark Byse of Harvard—in their capacity as members of the Committee on Judicial Review of the section of administrative law of the American Bar Association. In general, their objections to the bill are twofold: first, that courts are not in fact so deferential to the agencies as I have claimed, and second, that in any event they are no more deferential than they should be. In order that the full record may be laid before the Congress and the public, I ask unanimous consent that Professor Byse's letter of September 16, 1976, and Professor Nathanson's letter of September 8, 1976, be printed in full in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HARVARD LAW SCHOOL,
Cambridge, Mass., September 16, 1976.

FRANCIS M. GREGORY, JR., Esq.,
K Street, N.W., Washington, D.C.

DEAR MR. GREGORY: The receipt of a copy of Nat Nathanson's September 8 letter to you

emphasizes my failure to reply to your inquiry re S. 2408, and so, amends, herewith.

In general, I agree with Nat's observations. More specifically, there is reason to believe that the proponents of the measure are proceeding on the basis of mistaken perceptions:

1. See 121 Cong. Rec. S. 16578, 1st col. (Sept. 24, 1975), where the holding of NLRB v. Hearst is discussed or the correct analysis of *Hearst*, see Nat's article in B.V. and L. Rev. 470–473 (1950), reprinted in Gellhorn and Byse, Administrative Law Cases and Comments 450–451 (6th ed. 1974). See also enclosed reprint, pp. 564–567. It is conceivable that the proponents of S. 2408 want courts to exercise a de novo review concerning administrative decisions on matters which Congress has rather clearly delegated to the agencies for decision by them. If that is their objective, I must, with all deference, say I think that would be most unwise. As the Court said in *United States* v. *Louisville and Nashville, R.R.*, 235 U.S. 314, 321 (1914), under such a view "the Commission would become but a mere instrument for the purpose of taking testimony to be submitted to the courts for their alternate action." The Court rejected that view in 1914. I do not believe that it should be resurrected in 1976.

2. I think that the government lawyers, who appear before the District of Columbia Circuit—would hardly agree that that court fails to discharge its judicial responsibility to determine the scope of discretion delegated to the agency by Congress. Judge Leventhal insists upon a "hard look" and a "reasoned decision"; Chief Judge Bazelon embraces the "new era." Although undoubtedly there are judges or panels of judges or courts which at times fail to discharge their reviewing responsibilities, I do not think this is a general weakness which needs the corrective action proposed by S. 2408. It seems to me that it is not accurate to state that courts are guilty of "virtually rubber-stamping every agency action that comes before them for review"—see Congressional Record S. 11350, col. 3, 1st 2 lines (July 1, 1976). My judgment on the matter is stated in the last sentence of the enclosed reprint.

3. I am not as confident of the point I now address as perhaps I should be. However, my impression is that the courts have shifted, or are in the process of shifting, from the view that regulations are presumptively valid. See, e.g., *Chicago v. FPC*, 458, F. 2d 731 (D.C. Cir. 1971), cert. denied 405 U.S. 1074 (1972), discussed in Gellhorn and Byse, supra, pp. 736–737.

I conclude that although there may be a problem concerning presumptive validity of rules, as presently advised I rather doubt it. If there is such a problem, it should be demonstrated. The proponents have not made such a demonstration. Until there is such a demonstration, there is no need to consider a remedy. When and if such a problem is demonstrated, the remedy should be tailored to fit the problem. The present proposal is thus premature.

I conclude further that there is no need for a statutory change in the APA provisions governing review of so-called questions of law.

Sincerely,

CLARK BYSE.

NORTHWESTERN UNIVERSITY
SCHOOL OF LAW,
September 8, 1976.

FRANCIS MARIA GREGORY, JR., ESQ.,
K Street, N.W.,
Washington, D.C.

DEAR FRANK: In further reference to your letter of July 21, 1976, and the enclosures, particularly S. 2408, I just want to say that I am not at all impressed with the desirability of such an amendment to the APA. I say this with some regret since Senator Bumpers is an alumnus of ours for whom I have considerable affection and regard.

In substance the bill seems to reopen an ancient controversy which, I believe, has been satisfactorily resolved in actual practice; namely, how much deference a reviewing court should pay to an administrative agency's determination of a question of law, particularly one involving an interpretation of the agency's authorizing statute or one of its own regulations. I doubt that any statutory formulation can improve upon the guidelines laid down in leading Supreme Court opinions, such as Cardozo's opinion in Norwegian Nitrogen Products v. United States, 288 U.S. 294 (1933), Jackson's opinion in Skidmore v. Swift Co., 323 U.S. 134 (1944), the Frankfurter opinion in Addison v. Holly Hill Fruit Products Co., 322 U.S. 607 (1944) and more recently the opinions in Mourning v. Family Public Service, Inc., 411 U.S. 356 (1973) and Morton v. Ruiz, 415 U.S. 199 (1974). I am particularly suspicious of a statutory provision that makes use of the cryptic phrase "de novo" with all its uncertain connotations.

So far as I am aware the federal courts have not been giving blind obeisance to administrative determinations of law in recent years. Consequently, I am curious about the stimulus for this particular proposal. The Congressional Record excerpt, attached to your communication, suggests that there is concern over the rulemaking power of the F.T.C., and certain new enforcement powers of the F.T.C. regarding their own orders. With respect to the rulemaking power, the statute provides considerable procedural protection, and deserves at least a trial period; judicial review of the validity of the rules is assured and there is no reason to believe it will be only a formality. With respect to enforcement of orders against respondents who were not parties to the original proceeding, that particular provision should be debated on its own merits and not made the occasion for a sweeping change in fundamental principles of judicial review.

I trust that this is sufficient to start a meaningful committee dialogue on the subject.

Sincerely,

NATHANIEL L. NATHANSON.

Mr. BUMPERS. Mr. President, I am especially struck by Professor Nathanson's belief that "the Federal courts have not been giving blind obeisance to administrative determinations of law in recent years," and by Professor Byse's "impression. —. that the courts have shifted, or are in the process of shifting, from the view that regulations are presumptively valid." These opinions call in question the very predicate for my bill—that courts in most cases are deferring to agencies, even on question of law—so it seems appropriate to begin the debate by examining the present state of the law at some length. The questions to be answered are, "Do courts defer to agencies on questions of law?," and "Is an agency regulation presumed valid?"

A number of opinions of the Supreme Court are in accord with the rule of *NLRB* v. *Hearst Pubs., Inc.*, 322 U.S. (1944), that an agency's interpretation of its own governing statute is to be upheld if it is reasonable and has warrant in the record, regardless of whether the court would itself have reached the same conclusion as an original matter. In Hearst, the question was whether newsboys are "employees" within the meaning of section 2(3) of the National Labor Relations Act, 29 U.S.C. section 152(3), as opposed to independent contractors. In upholding the Board, the Supreme Court said:

> Undoubtedly questions of statutory interpretation, especially when arising in the first instance in judicial proceedings, are for the courts to resolve, giving appropriate weight to the judgment of these whose special duty is to administer the questioned statute . . . but where the question is one of specific application of a broad statutory term in a proceeding in which the agency administering the statute must determine it initially, the reviewing court's function is limited . . . the Board's determination that specified persons are "employees" under this Act is to be accepted if it has "warrant in the record" and a reasonable basis in law. 322 U.S. at 130–31.

The key phrase "warrant in the record" appears to come from *Rochester Tel. Corp.* v. *United States*, 307 U.S. 125 (1939), in which the question was whether one company had "control" of another within the meaning of section 2(b) of the Communications Act of 1934, 47 U.S.C. section 152(b). The Court held that the agency's decision on this issue must be upheld:

> So long as there is warrant in the record for the judgment of the expert body it must stand. 307 U.S. at 145–46.

It should be observed, however, that the Court characterized the question of "control" as an issue of fact, so the Hearst Court's use of this citation can be questioned.

The wide latitude given to the NLRB by *Hearst* is further illuminated by the dissenting opinion of Mr. Justice Roberts. Taking what might have been thought, at least at one time, the more orthodox view, he argued:

> . . . Congress did not delegate to the NLRB the function of defining the relationship of employment so as to promote what the Board understood to be the underlying purpose of the statute. The question who is an employee, so as to make the statute applicable to him, is a question of the meaning of the Act and, therefore, is a judicial and not an administrative question. 322 U.S. at 125–26.

To the same effect is Gray v. Powell, 314 U.S. 402 (1941), involving the meaning of the term "producer" under the Bituminous Coal Act of 1937 (50 Stat. 72). The statute did not expressly define this term. On undisputed facts, the agency's interpretation and application of the statutory term were upheld. The Court spoke rather broadly of the range of power committed to the agency:

> In a matter left specifically by Congress to the determination of an administrative body, . . . the function of review placed upon the courts . . . is fully performed when they determine that there has been a fair hearing, with notice and an opportunity to present the circumstances and arguments to the decisive body, and an application of the statute in a just and reasoned manner. 314 U.S. at 411.
>
> Where, as here, a determination has been left to an administrative body, this delegation will be respected and the administrative conclusion left untouched. Certainly, a finding on Congressional reference that an admittedly constitutional act is applicable to a particular situation does not require such further scrutiny. Although we have here no dispute as to the evidentiary facts, that does not permit a court to substitute

its judgment for that of the Director . . . It is not the province of a court to absorb the administrative function to such an extent that the executive or legislative agencies become mere fact-finding bodies deprived of the advantages of prompt and definite action. Id. at 412.

In short, the agency will be upheld unless its conclusion "is so unrelated to the tasks entrusted by Congress to the Commission as in effect to deny a sensible exercise of judgment . . ." Id. at 413.

Another famous opinion often cited for a similar proposition is *Norwegian Nitrogen Prods. Co.* v. *United States*, 288 U.S. 294 (1933). The question there was whether the notice and hearings afforded by the U.S. Tariff Commission were "reasonable" within the meaning of section 315 of the Tariff Act of 1922 (42 Stat. 858, 941). In upholding the Commission, the Court, speaking through Mr. Justice Cardozo, said:

True indeed it is that administrative practice does not avail to overcome a statute so plain in its commands as to leave nothing for construction. True it also is that administrative practice, consistent and generally unchallenged, will not be overturned except for very cogent reasons if the scope of a command is indefinite and doubtful. The practice has peculiar weight when it involves a contemporary construction of a statute by the men charged with the responsibility of setting its machinery in motion, of making the parts work efficiently and smoothly while they are yet untried and new. 288 U.S. at 315.

The Supreme Court has continued to elaborate the doctrine in more recent cases. A good example is *Mourning* v. *Family Pubs., Inc.*, 411 U.S. 356 (1973). Section 121 of the Truth in Lending Act, 15 U.S.C. section 1631, requires creditors to disclose certain information "to each person to whom consumer credit is extended and upon whom a finance charge is or may be imposed." In addition, under section 105 of the act, 15 U.S.C. section 1611, the Federal Reserve Board "shall prescribe regulations to carry out the purposes of the act. These regulations may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of the act, to prevent circumvention or evasion thereof, or to facilitate compliance therewith." The Board thereupon issued regulation Z, requiring disclosure of the specified information whenever credit is offered to a consumer "for which a finance charge is or may be imposed or which pursuant to an agreement, is or may be payable in more than four installments" 12 C.F.R. section 226.2(k) (1972) (emphasis added).

A rather clear issue was thus drawn as to the power of the Board to issue regulations going beyond the terms of the statute as strictly phrased. Under the statute, a person is entitled to certain information, including the annual rate of simple interest, if two requirements are met: First, consumer credit is extended to him; and second, a finance charge is or may be imposed on this credit. Regulation Z, by contrast, specifically requires disclosure even if a finance charge is not imposed, if the obligation is payable in more than four installments pursuant to an agreement. The Court upheld the rule, relying particularly on the broad command to the Board to prescribe regulations not only to effectuate the purposes of the act, but also to prevent circumvention or evasion thereof:

We have consistently held that where reasonable minds may differ as to which of several remedial measures should be chosen, courts should defer to the informed experience and judgment of the agency to whom Congress delegated appropriate authority. 411 U.S. at 372.

It may be conceded that the force of the general rules here quoted varies with the individual circumstances and situations to which they are applied. How broadly the statute is worded, whether it is newly enacted, the specific terms of the statute's command to issue regulations, the technical complexity of the subject matter, whether a regulation is interpretative or legislative, all these factors are relevant to the latitude that the courts are willing to concede. On the whole, however, the law may be accurately summarized by the following quotation from *Udall* v. *Tallman*, 380 U.S. 1, 16 (1965):

When faced with a problem of statutory construction, this court shows great deference to the interpretation given the statute by the officers or agency charged with its administration. "To sustain the commission's application of this statutory term, we need not find that its construction is the only reasonable one, or even that it is a result we would have reached had the question arisen in the first instance in judicial proceedings."

A multitude of cases in the lower courts can be cited to sustain the same general proposition. For present purposes, it suffices to mention a few examples. *Gulf Oil Corp.* v. *Hickel*, 435 F. 2d 440, 444–45 (D.C. Cir. 1970) ("Deference is properly accorded by a court to administrative interpretations of statutes and regulations, unless plainly erroneous or inconsistent with the law or regulation"); *Housing Auth. of the City of St. Paul* v. *United States*, 432 F. 2d 455, 458–59 (Ct. Cl. (1970) ("In a number of cases this court has also held that it can invalidate such a regulation only if it clearly contradicts the terms or purposes of the new statute."); *E. W. Coslett & Sons, Inc.* v. *Bauman*, 354 F. Supp 330, 332–33 (E D. Pa. 1973) (deferring to a Federal agency on an issue of State law); *City of Burlington* v. *Turner*, 336 F. Supp. 594 602 (S.D. Iowa 1972) (deferring to the agency even where there is a dearth of expertise and the statute in question has neither been continuously interpreted nor examined contemporaneously with its enactment).

In practice, this doctrine can cede to administrative agencies, a branch of Government hardly contemplated by the Constitution, a share of the judicial power. It is hornbook law that Congress may not actually delegate legislative power to any other person or agency. What the agencies are doing, therefore, must be the interpretation and executive of law made by Congress. In deciding whether their actions accord with the will of Congress, assuming that a factual finding on which a certain proposal may be predicated has been made, the agencies must, as a matter of logical necessity, be construing and interpreting law. This is a traditional and proper function of the judiciary, and, to the extent that the courts affirm construction of statutes that they would not themselves have adopted as an original matter, they are abdicating one of their most important duties.

On the second question, whether rules and regulations issued by Federal agencies are entitled to a presumption of validity, my differences with Professors Byse and Nathanson are, if anything, sharper. In particular, Professor Byse has the "impression—that the courts have shifted, or are in the process of shifting from the view that regulations are presumptively valid." In support of this opinion he cites *City of Chicago* v. *FPC*, 458 F. 2d 731 (D.C. Cir. 1971), cert. denied, 405 U.S. 1074 (1972). The Federal Power Commission had decided to set gas rates on an areawide basis, using composite cost data from all of the producers in a given area, instead of setting rates for an individual producer, based upon that producer's own costs

The question arose whether the area-rate system should be applied to pipeline companies as well as to so-called independent producers of gas. The Commission decided to apply the area system to the pipeline companies, and the Court of Appeals affirmed this decision. Although Professor Byse's letter and casebook, Gellhorn & Byse, Administrative Law: Cases and Comments 736–37 (6th ed. 1974), both assert that the case is contrary to the traditional doctrine of presumptive validity, I must say that a thorough reading of the opinion fails to disclose any such tendency to me.

The casebook goes so far as to claim that City of Chicago repudiates the Supreme Court's opinion in *Pacific Box & Basket Co.* v. *White*, 296 U.S. 176 (1935). That was a unanimous opinion delivered by Mr. Justice Brandeis, in the course of which the Court said that there is "a rebuttable presumption of the existence of a state of facts to justify the exertion of the police power," 296 U.S. at 185. Referring to a regulation of a State administrative agency, the Court added:

But where the regulation is within the scope of authority legally delegated, the presumption of the existence of facts justifying its specific exercise attaches alike to statutes, to municipal ordinances, and to orders of administrative bodies. Id. at 186.

As I have already noted, nothing in City of Chicago appears contrary to this rule. It would not make any difference in any event, because an opinion of a court of appeals, even a recent one, surely cannot have enough force to overrule one of the Supreme Court. In any case, recent opinions of the Supreme Court, as well as lower Federal courts, prove that the presumption of validity is still a vital doctrine of law. A few examples will suffice.

Probably the leading recent case on judicial review of agency action is *Citizens to Preserve Overton Park* v. *Volpe*, 401 U.S. 402 (1971). In the course of a wide-ranging opinion strictly limiting the area in which agency action is not reviewable at all, the court reaffirmed traditional dogma:

Certainly, the Secretary's decision is entitled to a presumption of regularity. See, *e.g., Pacific States Box & Basket Co.* v. *White,* 296 U.S. 176, 185 (1935); *United States* v. *Chemical Foundation,* 272 U.S. 1, 14–15 (1926).

The origin of the rule may be in a generalized presumption, long dear to courts, that any official act is regular and lawful. Chemical Foundation, cited by the Court in Overton Park, states:

The presumption of regularity supports tho official acts of public officers and, in the absence of clear evidence to the contrary, courts presume that they have properly discharged their official duties 272 U.S. at 14–15.

This presumption operates not only on the overall question of validity of agency action, but also with respect to certain subsidiary issues that may be raised in a suit to overturn an agency's determination. A common issue in such cases, for example, is whether an agency's ruling in a particular case is a departure from its own precedents. There is a presumption, the Court has said, that the policies of Congress will be carried out best if these administrative precedents are adhered to:

There is, then, a presumption that ... the policies [committed to an agency by Congress], will be carried out best if the settled rule is adhered to. From this presumption flows the agency's duty to explain its departure from prior norms.

Atchison, T. & S. F. Ry. v. *Wichita Bd. of Trade,* 412 U.S. 800, 808 (1973) (opinion of Marshall J., joined by four Justices and announcing the judgment of the Court).

Cases in lower courts announcing the same rule are legion. Many such cases are in the District of Columbia, perhaps the most frequent forum for suits against federal administrative agencies. A typical statement is contained in *Maryland-National Capital Park & Planning Comm'n* v. *Lynn,* 514 F. 2d 829, 834 (D.C. Cir. 1975) (per curiam): "there is a judicial presumption of the validity of administrative action and the burden was upon the plaintiff—to overcome that presumption." *Accord, e.g. Air Transport Ass'n of America* v. *Federal Energy Office,* 382 F. Supp. 437, 453 (D.D.C. 1974) ("Moreover, the party attacking the regulatory scheme carries the burden of persuasion."); *United Black Fund, Inc.* v. *Hampton,* 352 F. Supp. 898, 903 (D.D.C. 1972) ("It should be noted—that there is a judicial presumption of the validity of administrative action, that the burden is on a plaintiff to overcome that presumption, and that the Court will uphold such action if it has a rational basis.").

Mr. President, it would unnecessarily lengthen this statement to add the citations of all the other cases that are to the same effect, but I have collected them in an appendix, including representative quotations, and I commend the appended list to the attention of my colleagues. All of the cases in the list are quite recent. As a matter of fact, I made an effort to single out all of the cases decided by the Federal courts in the last 5 years on this point, and they are remarkably uniform in their teaching. I feel sure that anyone reading these opinions with an open mind cannot fail to reach the conclusion that the presumption of administrative correctness is an entrenched doctrine of judge-made law, not likely to be changed or even substantially modified in the absence of an act of Congress.

I ask unanimous consent that the appendix be printed in the RECORD.

There being no objection, the material referred to was ordered to be printed in the RECORD, as follows:

APPENDIX: ADDITIONAL RECENT CASES IN THE LOWER FEDERAL COURTS AFFIRMING THE RULE THAT AGENCY ACTION IS PRESUMED VALID

SECOND CIRCUIT

TNT Tariff Agents, Inc. v. *Interstate Commerce Comm'n,* 525 F. 2d 1088, 1093 (2d Cir. 1975): "At the outset, we note the presumption of validity accorded to administrative bodies acting within their sphere of expertise."

Board of Education v. *United States Department of Health, Education and Welfare,* 384 F. Supp. 816, 820 (S.D.N.Y. 1974): "Further, a plaintiff alleging improper government action is faced with the presumption that the administration's action is valid."

Chieppo Bus Co. v. *United States,* 383 F. Supp. 1192, 1197 (D. Conn. 1974): "Although we do not attach a presumption of correctness to the decisions of administrative agencies on questions of law, deference to the experience and expertise of such adjudicative bodies requires that the agency be given wide latitude in finding the facts and applying to them the appropriate legal standard."

FOURTH CIRCUIT

Campaign Clean Water, Inc. v. *Train,* 489 F. 2d 492, 501 (4th Cir. 1973): "After all, there is a presumption of legality that attaches ordinarily to an administrator's action and the burden of establishing impropriety rests on him who challenges."

FIFTH CIRCUIT

Gables by the Sea, Inc. v. *Lee,* 365 F. Supp. 826, 831 (S.D. Fla. 1973): "In order to upset the final agency decision, there must be a clear showing that such decision was improper. The burden of proving that the action was improper is on the party challenging the decision. It is well settled that there is a definite presumption of regularity in favor of the administrative decision."

Opelika Nursing Home, Inc. v. *Richardson,* 356 F. Supp. 1338, 1341–43 (M.D. Ala. 1973).

Settle v. *Brown,* 345 F. Supp. 405, 408 (S.D. Tex. 1972): "It is well established that judicial review of an administrative agency determination is limited to an examination of whether the agency compiled with prescribed procedure in making the determination."

SIXTH CIRCUIT

Borg v. *Weinberger,* 381 F. Supp. 1212 (E.D. Mich. 1974): "There is a strong presumption that administrative exercise of discretion is proper, unless the action reflects such an abuse of power as to be arbitrary and capricious."

Smith v. *City of Cookeville,* 381 F. Supp. 100, 109: "While, as always, the agency determination in this case is entitled to a presumption of regularity, . . . that presumption is not to shield . . . [the decision] from a thorough, probing, in-depth review.'"

EIGHTH CIRCUIT

First National Bank of Fayetteville v. *Smith,* 508 F. 2d 1371, 1376 (8th Cir. 1974): "To have administrative action set aside as arbitrary and capricious, the party challenging the action must prove that it was willful and unreasoning action, without consideration and in disregard of the facts or circumstances of the case. . . . 73 C.J.S. Public Admin. Bodies and Procedure § 209 at 569 (1951)."

NINTH CIRCUIT

Daly v. *Volpe,* 514 F. 2d 1106, 1111 (9th Cir. 1975): ". . . the presumption of regularity that must be given to administrative decisions."

United States v. *Gomes,* 323 F. Supp. 1319, 1321 (E.D. Cal. 1971): ". . . there is a presumption of regularity in administrative processes which normally attaches."

TEMPORARY EMERGENCY COURT OF APPEALS

Texaco, Inc. v. *Federal Energy Admin.,* 531 F. 2d 1971, 1077 (T.E.C.A. 1976), *cert denied,* U.S. (1976): "The burden is on the objectors to demonstrate the invalidity of the regulations."

Air Transport Ass'n of America v. *Federal Energy Office,* 520 F. 2d 1339, 1341 (T.E.C.A. 1975) (per curiam): "This court has repeatedly recognized the strong presumption in favor of administrative decisions by agencies charged with the administration of a new federal statute."

American Nursing Home Ass'n v. *Cost of Living Council,* 497 F. 2d 909, 914 (T.E.C.A. 1974): "In general the burden is on the challenger of agency regulations to demonstrate that they are arbitrary and capricious."

COURT OF CLAIMS

Boege v. *United States,* 206 Ct. Cl. 560, 569 (1975): "The simple answer to plaintiff's argument is that the agency delegated authority for promulgating and interpreting the JTRs (Joint Travel Regulations) is presumed to have carried out such responsibilities properly.

Mountain States Tel. & Tel. Co. v. *United States,* 499 F. 2d 611, 615 (Ct. Cl. 1974): "Further, there is a presumption of the regularity of administrative action. This presumption is not rebutted by the mere fact that an agency's particular course of action is unique as compared to either the private sector or to the remainder of Government."

Mr. BUMPERS. Mr. President, one other specific objection to the bill should be addressed. Professor Nathanson dislikes "the cryptic phrase de novo with all its uncertain conotations." I find this attitude surprising, in view of the fact that the Administratve Procedure Act itself, 5 U.S.C. section 706(2)(F), already requires reviewing courts to set aside agency action that is "unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court." The Freedom of Information Act, 5 U.S.C. section 552(a)(3), also uses the phrase. As a matter, this act provides, in language that is a strong legislative precedent for the proposal I am making today:

In such a case [where an agency has withheld documents] the court shall determine the matter de novo and the burden is on the agency to sustain its action

The committee reports on the FOIA contain strong supportive language that is also applicable to the present bill:

That the proceeding must be de novo is essential in order that the ultimate decision as to the propriety of the agency's action is made by the court and to prevent it from becoming meaningless judicial sanctioning of agency discretion. S. Rep. No. 813, 89th Cong., 1st Sess. 8 (1965). See also H.R. Rep. No. 1497, 89th Cong., 2d Sess. 9 (1966).

In any case, the meaning of the phrase de novo is plain and obvious. It means that the courts will decide issues of law anew, without deference to previous agency determinations. Some such

phrase must be added to the statute if present judicial practice is to be changed. The Administrative Procedure Act, 5 U.S.C. section 706, already provides that "the reviewing court shall decide all relevant questions of law—and interpret constitutional and statutory provisions." That language, though plain enough, has not sufficed to require courts actually to decide issues of law for themselves.

A word should also be said about the objection of the Judicial Conference of the United States. Its position is simple enough: it opposes the bill because it does not want any more work to do. Mr. President, I am a little taken aback by this attitude, which hardly becomes a public servant. The judges, like the rest of us, should accept the tasks they are assigned and do their duty. At any rate, the answer to this objection, if it is a fact that the courts' workload will increase, is not to junk a needed reform, but to give the courts the manpower they need to do the job.

The question remains, after all the legal argumentation over precedents and other technical points is done with, Is there a need for a change in the law? Put another way, have agencies become so powerful today that they should be checked? This is not a question of law, strictly speaking, at all, but a question of Government, or politics. If there is an issue of public policy on which there is a broader consensus in this country, I am unaware of it. A glance at only a small portion of the mail that comes into congressional offices each day will suffice. The theme of overregulation recurs with at least as much frequency as any other. Nor does the voice of complaint come only from businessmen who, it might be thought, have an economic motive for their desire to shake the restraints of Government. Citizens' groups of all kinds, environmentalists, consumers, unions, and others, are unanimous in complaining that Government, most often manifested in regulations issued by executive or administrative agencies, has become too intrusive. For agencies to concern themselves with how close toilets should be to farm workers, or with whether a school's "dress code" can allow girls to have longer hair than boys, is nothing but ridiculous.

What is to be done about it? Most opponents of my proposal suggest that Congress created the problem and should therefore be responsible for solving it. In pointing the finger of blame at the legislative branch, they are correct, and I would be the last to dispute it. Beginning at least as early as the creation of the Interstate Commerce Commission in 1887, and continuing with ever greater intensity since the coming of the New Deal, Congress has avoided many hard choices simply by delegating much of its work to independent or executive agencies.

Most of this delegation has escaped constitutional censure because it was accompanied by some standards of action, however vague; but the fact remains that Congress, by giving the agencies such latitude, is responsible, at least vicariously, for much of the agencies' abuse of office.

Why then should Congress not correct its own errors? The answer is that it should, at least by the extent of being stingy about creating new agencies or delegating new powers to existing ones. Congress ought to rest from creation for a while, and I suspect such a respite would meet with universal public approval. As to those laws and agencies that already exist, the matter is not so simple. Congress could, in theory, review all the existing statutes and repass them, this time making more particular and specific the mandate of each agency. As a matter of fact, such an effort might fruitfully be part of so-called sunset legislation, if it ever comes to pass. The difficulty is that each of the broad legislative grants of power to agencies have already been particularized by the agencies themselves. These surrogates for Congress have spun out whole codes of regulations and interpretations, most of which have the force of law. Each of these specifications has acquired its own constituency of support, and it is not realistic to expect an elected Congress to tackle the massive task of reviewing the whole complex of administrative edicts now on the books.

One other possibility of congressional action for the future should be addressed. A number of bills were introduced in the last Congress to allow either House, by resolution, to prevent any rule or regulation of a Federal agency from going into effect. No doubt similar proposals will be before us this year. The idea has some appeal. It would interpose the Congress between the agencies and the people. The history of the device of one-House disapproval as a check on executive action, however, is discouraging. There is reason to fear that in practice most regulations would go routinely into effect. The sheer volume of material that would have to be reviewed each day would almost compel this result. In the end, agencies would be even more strongly insulated from judicial review than they are now. Suppose, for example, that you are a judge before whom a regulation's validity is being challenged. The regulation was transmitted to the appropriate committees of Congress and was not, within the time allotted by law, disapproved by either House. There is a strong inference, unlikely to escape even the most theoretical judge, that Congress has tacitly affirmed that the regulation is not contrary to its intent in enacting the agency's governing statute. The citizens contesting the regulation are probably worse off than they would have been had it never been submitted to Congress in the first place.

Some have suggested that the executive branch should put its own house in order, and that one way to help is to destroy the independence of the quasi-judicial agencies like the Securities and Exchange Commission and make them responsible to the President. The idea will appeal greatly to those who believe in symmetry as an end in itself, and certainly it would inescapably fix responsibility for all agency action in an elected officer answerable to the people. On the other hand, I can see no particular reason to believe that such a change would result in regulations more narrowly drafted, or more clearly within the intent of Congress. Agencies directly and immediately responsible to the President—HEW, FEA—have offended just as markedly as those that are in some sense independent. A thoroughgoing reorganization of the executive establishment, such as we expect from the new President-to-be, may yield great dividends, but I see no reason to wait for it before taking action.

The cure for the disease of administrative overreaching, Mr. President, is not exotic. It is not novel. It is simply a reliance on one of the three traditional branches of our Government—the courts. I can understand why those who initiated the great regulatory reforms of the New Deal and later years were fearful of broad judicial review. The judges, or most of them, had been appointed by previous Presidents, most of them of the opposite party, and they tended to be hostile to any change in the law. For much the same reason that led Congress to enact the Norris-LaGuardia Act, removing the Federal courts' jurisdiction to issue injunctions in labor disputes, Congress wished also to protect the social measures of the thirties from judicial pettifogging. The courts, from the Supreme Court on down, were seen as a reactionary enemy to be restrained, rather than a coordinate instrument of Government. The agencies, by contrast, could be staffed with younger, friendlier men—James M. Landis, William O. Douglas—who, even while acquiring that mystic quality called "expertise," would not only accept, but advocate, the new social policies of the Nation. As new judges were appointed and the national consensus for the new policies hardened, the courts themselves became willing partners in self-limitation, repeating with ever more force abstractions about expertise, the suitability of the administrative process to modern government, and the reluctance of appointed judges to interfere with social policy. Never mind that no one had elected the administrators, either. In fact, to the extent that agency staff members were the real locus of power, no one had elected even the persons who chose them.

Now, in the late 1970's, it is wrong to accept uncritically concepts of the distribution of power called forth by the needs of 40 years ago. The Federal Government now is widely perceived to be too active, not too passive, and no part of the national establishment is by the popular mind more identified with this tendency than the bureaucracy. To correct this trend of power, even to slow it, will be the work of not a few years.

But a start can be made, and the so-called presumption of regularity, by which the citizen challenging his government must always play with a deck legally stacked against him, is a good place to begin. One can easily see how the doctrine, along with its cousin sovereign immunity, took root in England, where the King—or the King in parliament, at any rate—was sovereign, and citizens were called subjects. But why it should have flourished in America, where the people are sovereign and the agents of government are servants, is a mystery. The proposition that the Government is presumed correct, that a tie,

so to speak, always goes against the individual, is an alien tenet deserving of a quick death. Let the Government, with its vast resources and superior knowledge, bear the burden of proof. To be sure, the citizen should still have the burden of raising the issue of a regulation's validity, by pleading or in some less formal way. He can still be given the burden of going forward with the evidence. But on the ultimate issue of whether an agency is lawfully within power delegated by Congress—itself only a creature of the people's Constitution—it is wrong to give the servant an automatic edge in the guise of a presumption. The same may be said of the rule that an agency's construction of its own statute should be deferred to. One can understand why the Supreme Court in the 1940's was anxious to defend the Labor Board's authority against unsympathetic courts of appeals, and some such motive may explain the language in Hearst. But on reflection the rule there announced is reduced to no more than this: that within some fairly broad range of choice, an agency decides the limits of its own powers, is judge in its own cause. In a lawsuit between A, a citizen, and B, an agent of Government, B wins because he says so. This is a monstrous rule, and no amount of usage or precedent should prevent the Congress from overturning it. The proper disposition of power in our Government has been described in the following clear-eyed dissent by Mr. Justice Jackson, joined by Mr. Justice Frankfurter, no foe of administration as a modern technique of governing:

> I suggest that administrative experience is of weight in judicial review only to this point—it is a persuasive reason for deference to the Commission in the exercise of its discretionary powers under and within the law. It cannot be invoked to support action outside the law. And what action is, and what is not, within the law must be determined by courts, when authorized to review, no matter how much deference is due to the agency's fact finding. Surely an administrative agency is not a law unto itself, but the Court does not really face up to the fact that this is the justification it is offering for sustaining the Commission's action. Securities & Exch. Comm'n. v. Chenery Corp., 322 U.S. 194, 215 (1947).

It was, after all, Franklin D. Roosevelt himself who wrote:

> The practice of creating independent regulatory commissions, who perform administrative work in addition to judicial work, threatens to develop a fourth branch of the Government for which there is no sanction in the Constitution. See Davis, Administrative Law Treatise, Section 1.04 at p. 28 (1958).

It may be objected that this proposal will intrude the courts into policy areas where they have no business. Courts have made policy, of course, ever since the common law was conceived, but in a society increasingly governed by specific statutory pronouncements enacted by an elected legislature—to say nothing of a written Constitution—it must be conceded that the courts' lawmaking power is largely interstitial. As statutes become more numerous and more detailed each year, the function of the courts becomes, or should become, rather to enforce the policies of the Congress, than to create and enforce policies of their own. To hold that agency decisions in conflict with a policy of Congress should be overtuned by the courts, however, is to aid the legislative process, not to hinder it, for legislation can never be specific enough to insure that in every instance the specific will of the legislators is carried out. A statute, once enacted, escapes the control of its writers, as it were, and becomes a living thing, with a life and growth of its own. Those chosen by the Congress to execute the statute may or may not do so faithfully. Political processes are not always sufficient to compel them to follow the spirit of the law. When they transgress it, a power of correction should reside somewhere and, under our system, that place is the courts.

Administrative agencies, after all, are no more lawmaking bodies than our courts. They are the creatures of Congress, possessing only those powers given them by legislation. It is not enough, for example, for an administrative official to argue that no law prohibits his action, and that therefore the courts should not intervene. As one court has properly observed:

> This argument misses the point. The Secretary of Transportation is not so omnipotent that he must be presumed to possess the power to act as he chooses unless there is some law prohibiting him from so acting. He possesses only the power which Congress has given him, and the scope of that power is defined by Congress. *Named individual Members of the San Antonio Conservation Society* v. *Texas Highway Department,* 446 F. 2d 1013, 1023, n. 18 (5th Cir. 1971).

Mr. President, I do not pretend to believe that the courts will ever wholly succeed in enforcing the will of Congress precisely as we would wish, in overruling those exercises of administrative power that truly go beyond the legislative mandate, and upholding those applications of statute that, while not perhaps to the judges' personal liking, are nevertheless within the range of choice left by Congress to the agency. The courts, that is, cannot do everything. I am convinced however, that they can do more than they have, if directed and encouraged by an amendment to the Administrative Procedure Act such as I am today proposing.

Judicial review, however imperfect, is at least a constant reminder to the administrative agencies that they are not all-powerful. Congress, after all, paints with a broad brush. That is the nature of our legislative process. It is for the courts to see that the broad policies commanded by Congress are not distorted in individual situations by the agents of Congress. The courts cannot write the tune, but at least they can see that those who are playing it maintain the key chosen by its composer. As Archibald MacLeish has argued, the courts' labor is "the labor of order," Apologia, 85 Harv. L. Rev. 1505, 1508 (1972), to reduce the confusion, sometimes the chaos of the administrative process to order, so that that process will make sense for the individual citizen.

Mr. President, it is my hope that the bill I introduce today will be a step toward restoring order to the administrative process and, even more important, toward restoring our citizens' confidence in their own Government.

By Mr. BUMPERS:

S. 87. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Finance.

Mr. BUMPERS. Mr. President, today I am introducing legislation to provide a substantial increase in the amount of earnings an individual can have and still keep all of his social security benefits.

Under the present law an individual can earn up to $3,000 a year and still get all of his benefits. If he earns over $3,000, he losses $1 in benefits for each $2 in earnings above $3,000. However, regardless of the amount he earns in the year, he can get his full benefit for any month in which he earns no more than $250. Next year—1978—these amounts will rise automatically to about $3,240 a year and $270 a month. Under my bill, the 1978 amounts would be $4,800 a year and $400 a month with automatic increases each year thereafter as under present law.

Mr. President, I would prefer to have this change effective earlier than 1978, but the test is on an annual basis, and it seems unwise to change it now that we have started into 1977.

Judging from my mail and conversations with my colleagues, there seems to be pretty general agreement that the present retirement test is not equitable. It is little more than a heavy, regressive, 50-percent tax on the income of retired people who work, and it ought to be repealed. Furthermore, any amount of unearned income, such as interest or dividends can be received without affecting a person's eligibility.

Elimination of the earnings test altogether would be desirable, but it would also be very expensive, about $7 billion in the first year according to the social security actuary. The change to $4,800 which I propose is also expensive, $1.5 billion in 1978. But it is worth it, and we can afford it. In fact, we can not afford to put off this change.

Look at what the present test does to the average retiree who had a benefit of about $236 a month in June 1976, and who earns the minimum wage. His hourly rate is $2.30, $398.67 a month, $4,784 a year. Under the present law he would have his $2,832 social security benefit reduced as follows: $4,784 minus $3,240 equals $1,544; $1,544 divided by 2 equals $772.

His $4,784 annual wages would in effect be reduced to $4,012. Looking at it another way, assuming he works a 40-hour week for 52 weeks, his hourly rate would be reduced to $1.93 an hour—37 cents less than the Federal minimum wage.

Under my bill, this person would get to keep all of his wages, and we would not be using the Federal social security program to reduce real earnings to less than the Federal minimum wage.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 87

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (f)(3) of Section 203 of the Social Security Act is amended by striking out "$200" and inserting in lieu thereof "$400".

(b) Subsection (f)(1), (f)(4)(B), and (h)(1)(A) of such Section 203 are each amended by striking out "$200" and inserting in lieu thereof "$400".

SEC. 2. The amendments made by the first section of this Act shall be effective with respect to taxable years ending after December 31, 1977.

By Mr. CRANSTON:

S. 88. A bill to enlarge the Sequoia National Park in the State of California by adding to such park the Mineral King Valley area, to provide for certain planning respecting the management of such addition, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to add the area known as Mineral King to Sequoia National Park. The bill is a companion to a measure being introduced in the House by Congressman JOHN KREBS.

Mr. President, Mineral King is a 15,600-acre area within the Sequoia National Forest. It currently is designated as the Sequoia National Game Refuge. Located in the Sierra Nevada Mountains in south central California, Mineral King is about 65 miles east of Visalia, 228 miles north of Los Angeles, and 271 miles southeast of San Francisco.

Mineral King contains superb scenic and natural resources equaling those of Sequoia National Park which adjoins it on three sides. There are aspen and alder along the streambeds, strands of pine and fir at higher elevations, and barren and rocky terrain above the timber line. The main feature of the area is Mineral King Valley which is surrounded by spectacular mountain peaks rising over 12,000 feet.

Mineral King was named for the mining activity which took place there in the 1870's and 1880's. Because of this mining and the area's potential for further mineral development, Mineral King was not included in Sequoia National Park although both topographically and ecologically the area belongs to the park.

Today there is no commercial mining in the area. The current predominant use of Mineral King is recreation.

Because of its easy accessibility and proximity to the rapidly growing population centers of southern California, Mineral King is attracting over 200,000 visitor days of use each season. The area clearly has the potential for additional public recreation.

Since 1949 the U.S. Forest Service has been proposing development of Mineral King as a year-round recreation area. In 1965 the Forest Service selected Walt Disney Productions to develop Mineral King's outstanding recreation potential. The final environmental impact statement on the proposed development was filed with the Council on Environmental Quality on February 26, 1976.

The Forest Service plan calls for year-round high intensity use—skiing, sledding, and skating in the winter; camping, fishing, hiking, and horseback riding in the summer. Eighteen ski lifts, six campgrounds, lodging accommodations, restaurants, shops, and other support facilities are proposed. The Forest Service estimates peak capacities of 8,000 in the winter and 6,000 in the summer.

Serious questions have been raised about the compatibility of the Forest Service proposal with Mineral King's natural values and its game refuge status. The development is presently blocked by a lawsuit filed by the Sierra Club.

In the meantime, Mineral King is not being properly managed to meet public needs and protect the area. There is inadequate parking in the valley. The vegetation is being damaged and the river polluted. This deterioration of the Mineral King area must cease.

Mr. President, the bill I am introducing today takes Mineral King out of the Forest Service's jurisdiction and places it under the Interior Department as part of the Sequoia National Park. I believe that as part of the national park system the wildlife habitat and scenic and natural values of Mineral King can best be protected and preserved.

The bill also directs the Secretary of Interior within 2 years to develop a comprehensive management plan for Mineral King consistent with these objectives, taking into consideration the need for additional recreational opportunities. The bill provides that there will be full public participation in the development of this management plan. Should the plan call for concessions, facilities, or services, no party including Disney Productions would be excluded from competing for a contract.

There are approximately 730 acres of private land within the boundaries of Mineral King. The legislation stipulates that the private lands be acquired for the public and authorizes $1.5 million for this purpose. The bill gives private property owners a lifetime estate in their improved residential property or use up to 25 years, whichever is later.

There are also 67 summer cabins in Mineral King on leased national forest land. The bill provides that the leases remain in effect under the terms and conditions set therein.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 88

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the Mineral King Valley area contains superb natural and scenic resources which should be preserved and protected;

(2) the Mineral King Valley area has outstanding potential for year-round recreational opportunities;

(3) because of its easy accessibility and proximity to the rapidly growing population centers of Southern California, Mineral King Valley is much-visited;

(4) present management of the Mineral King Valley area is inadequate both to meet public needs and to prevent deterioration of the area;

(5) the Mineral King Valley area is an integral part of Sequoia National Park and was excluded solely due to its potential for mineral development; and

(6) the Mineral King Valley area has not in this century produced any commercial ore, and the current predominant use of the area is recreation.

PURPOSES

SEC. 2. It is the purpose of this Act to assure the preservation for this and future generations of the area known as Mineral King Valley and presently designated as the Sequoia National Game Refuge and to enhance the ecological values and public enjoyment of such area by adding such area to the Sequoia National Park.

SEC. 3. (a) In order to carry out the purposes of this Act, all lands, waters, and interests therein, constituting approximately 15,600 acres, identified as the Sequoia National Game Refuge on the map entitled "Boundary Map, Sequoia-Kings Canyon National Park", numbered 102–90,000 and dated April 1975, are hereby added to Sequoia National Park (hereinafter in this Act referred to as "the Park"). A copy of such map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. After advising the Committees on Interior and Insular Affairs of the United States House of Representatives and the United States Senate in writing, the Secretary of the Interior (hereinafter referred to as "the Secretary") is authorized to make minor revisions of the boundaries of the Park when necessary by publication of a revised map or other boundary description in the Federal Register.

(b) Effective on the date of enactment of this Act, the Sequoia National Game Refuge is abolished and the Secretary of Agriculture shall transfer, without consideration, to the administrative jurisdiction of the Secretary of the Interior the area constituting such refuge, and any unexpended funds available for purposes of management of the refuge shall be available for purposes of management of the park.

ACQUISITION OF LANDS

SEC. 4. (a) Within the exterior boundaries of the area added to the Park by this Act, the Secretary is authorized to acquire land and waters, and interests therein, by donation, purchase with donated or appropriated funds, exchange, or transfer.

(b) The owner of improved property on the date of its acquisition by the Secretary under this Act, may as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated to the United States, the Secretary shall pay the owner fair market value of the property on the date of acquisition minus the fair market value on that date of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purpose of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount

equal to the fair market value of that portion of the right which remains unexpired.

(c) The term "improved property" as used in subsection (b) means a detached noncommercial residential dwelling, together with not more than three acres of land on which the dwelling is situated, the said land being in the same ownership as the dwelling.

(d) If any individual tract or parcel of land acquired is partly inside and partly outside the boundaries of the Park the Secretary may, in order to minimize the payment of severance damages, acquire the whole of the tract or parcel.

(e) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within Mineral King Valley to sell such property if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in, undue hardship.

(f) The Secretary, within the thirty-six month period following the date of the enactment of this Act, shall report to the Congress the action taken by him pursuant to this section. Such report shall contain information sufficient to inform the Congress (1) the acquisitions made by him pursuant to this section during the period covered by such report; (2) his reasons why all of such property authorized to be acquired and not so acquired as of the date of such report, if any, have not been acquired; and (3) his schedule of a timetable for the acquisition of such property referred to in clause (2).

ADMINISTRATION

SEC. 5. (a) The area added to the Park by this Act shall be administered, protected, and developed in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. and following) and the Act of September 25, 1890 (26 Stat. 473; 16 U.S.C. 41 and following). Any other statutory authority available to the Secretary for the conservation and management of wildlife, wildlife habitat, and natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b) Except in the case of a valid existing lease which the Secretary determines to be incompatible with the administration of the Park, any lease of Federal land within the area added to the Park by this Act which is in effect on the date immediately before the date of the enactment of this Act shall continue in effect pursuant to its terms and conditions following the addition of such area of the Park by this Act.

MANAGEMENT PLAN; PUBLIC PARTICIPATION

SEC. 6. (a) Within 2 years from the date of enactment of this Act, the Secretary shall develop and submit to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives a comprehensive management plan for the area added to the Park by this Act. In developing such plan, the Secretary shall, to the extent consistent with the purposes of this Act, provide for additional recreational opportunities and other public uses.

(b)(1) In preparing the comprehensive management plan required by this section, the Secretary shall provide for full public participation and shall consider the comments and views of all interested agencies, organizations, and individuals.

(2) For purposes of insuring such full public participation, the Secretary shall provide reasonable advance notice to State and local governments, interested Federal agencies, private organizations and the general public of hearings, workshops, meetings and other opportunities available for such participation. Such notice shall be published in newspapers of general circulation in the localities affected by the development and management of the Park, published in the Federal Register, and communicated by other appropriate means. The Western Regional Advisory Committee of the National Park Service (or a subcommittee thereof) shall also be utilized for purposes of facilitating public involvement.

(3) The Secretaries or Directors of all Federal departments, agencies, and commissions having a relevant expertise are hereby authorized and directed to cooperate with the Secretary in his development of such plan and to make such studies as the Secretary may request on a cost reimbursable basis.

(4) If such plan provides for concessions, or facilities, services, or other accommodations for the public, the Secretary, notwithstanding any other provision of law, or regulation, or any agreement or other arrangement entered into pursuant thereto, shall not grant or recognize any privilege, lease, permit, or contract, or enter into any contract, agreement, or other arrangement, providing for concessions, or facilities, services, or other accommodations for the public within such area added to the Park by this Act, unless he has first given reasonable public notice, after the submission of such management plan, of his intention to do so and has considered and evaluated all proposals received as a result thereof, and acts on the basis thereof.

AUTHORIZATION

SEC. 7. There is hereby authorized to be appropriated not to exceed $1,500,000 for the acquisition of land, waters, and interests therein, under section 4 of this Act.

REPEAL OF CERTAIN LAWS APPLICABLE TO THE GAME REFUGE

SEC. 8. Effective upon the transfer referred to in section 3(b), the Act of August 14, 1958 (72 Stat. 604; 16 U.S.C. 45a-3) and section 6 of the Act of July 3, 1926 (44 Stat. 821; 16 U.S.C. 688) are hereby repealed. The repeal of such section 6 shall not be construed to prohibit or prevent the Secretary from exercising any authority applicable to the National Parks respecting the protection of birds, game, or other wild animals.

By Mr. STONE:

S. 89. A bill to amend the Older Americans Act of 1965 to provide nutrition programs for handicapped dependents of older Americans; to the Committee on Labor and Public Welfare.

Mr. STONE. Mr. President, I am today reintroducing a bill to amend the Older Americans Act of 1965 to include the handicapped dependents of older Americans, who qualify for elderly nutrition programs, as "eligible individuals" for such programs. I believe that this bill is a realistic and humane measure that will eliminate problems presently being faced by individuals who legally qualify for such elderly nutrition programs, but deprive themselves of the opportunity due to consideration for their handicapped children.

That this amendment is necessary is evidenced by the unyielding nature of this family bond. To detail accurately the full implications of this situation, it is necessary that we understand:

First. The living circumstances of older Americans who qualify for elderly nutrition programs.

Second. The excellent services that are available through these programs.

Third. Two specific cases in the State of Florida which graphically exemplify this tragic situation.

First, by virtue of the eligibility requirements of nutrition programs for the elderly, all participants must be age 60 or older and unable to eat adequately because, first, they cannot afford to do so; second, they lack the skills to select and prepare nourishing and well-balanced meals; third, they have limited mobility which may impair their capacity to shop and cook for themselves; or fourth, they have feelings of rejection or loneliness which obliterate the incentive to prepare and eat a meal alone. Therefore, in view of these specifications, it should be immediately evident that the forfeiture of benefits, which may be derived from elderly nutrition programs by qualifying individuals is not due to the lack of need.

Second, the funds allotted to any State during any fiscal year will only be dispersed by the State agency to recipients of grants or contracts who agree: First, to establish a "nutrition project" which provides at least one hot meal per day and any additional meals, hot or cold, 5 or more days per week; second, to furnish a site for such a nutrition project in as close proximity to the majority of eligible individuals as is feasible; third, to utilize methods of administration that will assure that the maximum number of eligible individuals will be served; fourth, to provide special menus for those with particular dietary needs for health, religious or ethnic reasons; fifth, to expand the nutrition project to include, as part of the project, recreational activities, informational, health and welfare counseling and referral services; sixth, to provide training for personnel as may be necessary to carry out the provisions of the project; seventh, to establish and administer the nutrition project with the advice of persons competent in nutritional fields, the elderly participants, and persons who are knowledgeable with regard to the needs of the elderly; eighth, to provide periodical evaluations of all aspects of the nutritional project; ninth, to give preference to persons age 60 or older for staff positions that they may qualify for and to encourage the participation of volunteer groups; and tenth, to comply with such standards as the Secretary of Health, Education, and Welfare may by regulation prescribe.

Without question, these standards define the excellent services available to qualifying senior citizens. It should be clear, therefore, that forfeiture of benefits, which may be derived from such a useful elderly assistance program, does not stem from inadequacies within the nutrition programs.

Finally, several cases which can be used as examples of this family situation in the State of Florida have been brought to my attention. In particular, I find two of these cases especially noteworthy.

The first case was reported to me by Mr. A. T. Holloman, Jr., Chairman of the Jacksonville Nutritional Advisory Council. Mr. Holloman made reference to a variety of incidents in which a qualified parent, in absolute need of the services, refused to take part in area nutrition projects since he would have to leave his hungry handicapped child at home in the process. In addition, Ms. Naomi Benson, project director of the

Jewish Vocational Service Nutrition Project of Miami, has informed me that similar problems have arisen about a half-dozen times in the last 18 months. Ms. Benson went on to site a specific case in which a local philanthropist is temporarily paying for the meals of the 53-year-old daughter of an 82-year-old woman in order that the mother, who is very poor and almost blind, will participate in the area nutrition project.

Certainly, these are only two of many similar cases in the State of Florida, yet their tragic message clearly represents the basic dilemma. In effect, the hardships of already unfortunate family circumstances are compounded by the threat of separating family units for preservations' sake.

The support that this bill offers for the maintenance of the family unit, in relation to participation in elderly nutrition programs, is by no means an entirely original concept. To imply the contrary would be to demean the wisdom of the authors of title VII—Nutrition Program for the Elderly—of the Older Americans Act of 1965—since, at the time of its writing, provisions were made to include the spouses of qualifying older Americans as "eligible individuals" for elderly nutrition programs. This is, of course, in keeping with my basic premise that such elderly nutrition programs must not compel "eligible individuals" to choose between family and survival.

In conclusion, it is evident that the combination of first, the unfortunate living conditions of older Americans who qualify for elderly nutrition programs and second, the excellent services available through elderly nutrition programs, constitutes an extraordinarily painful sacrifice on the part of those who deprive themselves of such benefits. This bill will respond to the needs of these older Americans who would rather starve than alienate their handicapped children, by including their handicapped dependents as "eligible individuals" for elderly nutrition programs.

By Mr. NELSON (for himself, Mr. HUMPHREY, and Mr. LEAHY):

S. 90. A bill to provide price support for milk at not less than 90 per centum of the parity price therefor, and for other purposes; to the Committee on Agriculture and Forestry.

Mr. NELSON. Mr. President, boom and bust continues to be the state of the economy for the dairy farmers of this Nation—and even during the so-called boom part of the cycle, dairy farmers are asked to accept far less than a fair return for their investment and for the labor put forth by themselves and their families.

It is for that reason that I am introducing at this time legislation that would raise dairy price support levels to a minimum of 90 percent of parity, and which also would require mandatory quarterly adjustment of the support level.

Under present law price support levels may be set by the Secretary of Agriculture at anywhere between 75 and 90 percent of parity. For the past year the chosen level was 80 percent, and the Secretary voluntarily did adjust the payment each quarter until this final one, which will end March 31, 1977.

For the most part in this past year, until just the past month or two, the market price of milk has been above the support level. The fact is, however, that even though the market price was above 80 percent of parity, the dairy farmer continued to receive an income insufficient in terms of his labor, his investment, and the return that any other businessman in America would expect in order to remain solvent.

This has been the picture during the past 20 years. As a result, over 70,000 Wisconsin dairy farmers have gone out of business since 1952.

The point is that we continue to ask our dairy farmers to produce the Nation's milk at a sacrifice to themselves and to their families. In 1975, for example, the all-milk price received by Wisconsin dairy farmers averaged $8.17 a hundredweight, but the actual production cost for that milk was $9.79 a hundredweight.

How did any Wisconsin dairy farmers survive under those circumstances? The answer is that thousands of them did not—it was a period in which many of them sold out. How did the others manage to survive? Simply by not taking any wages for their families' labor and by foregoing any return at all on their considerable investment.

Each year poses new and different problems for dairy farmers. One year the Nixon administration flooded the American market with heavily subsidized foreign cheese and broke the domestic market. Another year foreign sales of grains drove up the cost of supplemental feeds at a time the domestic milk price and support level were both very low.

This year the seasonal differences in milk prices are just the opposite of most years. Usually, in the fall and winter milk prices go up. But in December 1976, the price of milk, after having been fairly high during the summer, continued a decline that had started early in the fall.

As a result prices paid for manufacturing milk in the United States in December 1976 were 73 cents a hundredweight less to the dairy farmer than in December 1975.

And 1975 as I pointed out was the year dairy farmers lost an average of $1.62 for every hundredweight of milk they produced.

The basic premise of the dairy support program originally passed by the Congress in 1948 was simple—to assure the Nation's consumers an adequate supply of milk at reasonable prices by putting a floor under the dairy farmers' income.

That simple aim cannot be realized if the floor is not at a sufficient level to keep our family dairy farmers in production. The present 80 percent of parity is not adequate; the dairy farmer must be assured of at least 90 percent of parity.

By Mr. CHILES (for himself and Mr. STONE):

S. 91. A bill to amend section 8e of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to subject imported tomatoes to restrictions comparable to those applicable to domestic tomatoes; to the Committee on Agriculture and Forestry.

Mr. CHILES. Mr. President, I introduce on behalf of myself and Senator STONE, legislation to amend section 8e of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to require that imported tomatoes conform with pack-of-container standards imposed on domestic tomatoes under marketing orders. This bill is identical to legislation which I introduced in the last Congress that was passed by the Senate but could not be acted upon by the House of Representatives before adjournment.

The legislation we are proposing seeks to clarify section 8e with respect to requirements imposed under marketing order on the "pack" of the container in which tomatoes are shipped. This amendment is entirely consistent with the original intent of section 8e and is offered only to revise an interpretation of that section which the Department of Agriculture has adopted. The resolution of the current disagreement between domestic producers and the Department on this issue is important to an orderly marketing situation for tomatoes and to the ability of domestic producers to effectively compete with imports.

Section 8e of the act requires that imports of selected commodities—including tomatoes—meet the same minimum grade, size, quality or maturity standards imposed on domestic shipments under a marketing order. Its purpose is to insure that market regulation would have equal benefit to both domestic and foreign producers. It is no way aimed at excluding or curtailing imports. Rather its aim is to see that imports and domestic produce are on an equal footing with respect to marketing orders. In the case of tomatoes the Senate report for the original legislation states,

> Imports of tomatoes . . . would be prohibited if they did not comply with grade, size, quality and maturity provisions of all marketing orders applicable to the same commodities produced in the United States.

By marketing order, domestic producers of fresh tomatoes are prohibited from mixing different grades of tomatoes in a shipping container or mixing different sizes of tomatoes. Since tomatoes are sold by grade and size this requirement is quite significant from the standpoint of pricing and to the orderly marketing of fresh tomatoes.

The problem that has arisen is that the USDA maintains that the prohibition against the mixing of grades or sizes within a container is a pack regulation and not a grade or size regulation. The Department further maintains that pack regulations cannot be imposed on imports under section 8e of the Agricultural Marketing Agreement Act.

The result of this interpretation is that foreign shippers are permitted to ship different grades and sizes of tomatoes in a single container while American producers must comply with the pack regulation. Foreign-grown tomatoes constitute a substantial volume of the tomatoes sold in the United States. Consequently, the lack of pack restrictions on

these tomatoes is disruptive to marketing procedures, since the buyer often does not know what he is getting, and also places the domestic producer at a distinct disadvantage.

Over the years there have been numerous efforts to work out a solution to this problem. I am assured the solution lies in a clarifying amendment to definitely spell out the application of pack regulations to imports under section 8e. Such a change will carry forward the intent of section 8e and work to the benefit of both the producer and the consumer. Enactment of this legislation would incur no additional cost to the Government.

This legislation has been passed once by the Senate after appropriate committee consideration. I urge prompt action on the bill in this Congress.

Mr. President, I ask unanimous consent that the text of the bill I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 91

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8e of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended in the first sentence (1) by inserting after "eggplants" a comma and the following: "or regulating the pack of any container of tomatoes" and (2) by inserting a comma and "and in the case of tomatoes any provisions regulating the pack of any container," after "provisions" wherever it appears, and in the fourth sentence by inserting a comma and "and with respect to imported tomatoes such restrictions on the pack of any container," after "classifications".

PACKAGING STANDARDS FOR IMPORTED TOMATOES

Mr. STONE. Mr. President, I am pleased to join my distinguished colleague, Senator Chiles, in offering legislation to amend section 8e of the Agricultural Marketing Agreement Act of 1933 to require that imported tomatoes conform with pack-of-container standards imposed on domestic tomatoes under marketing orders. This bill, referred to as S.2440 in the 94th Congress, was reported favorable by the Senate Agriculture and Forestry Committee and passed by the Senate last September. Unfortunately, the House did not have time to act upon it. Therefore, we are reintroducing it for the Senate's immediate consideration.

The effect of this bill would simply be to subject the importation of tomatoes to the same packing requirements that our own domestic producers and packers now face. Florida tomato growers, along with many other domestic tomato growers, are faced with an unusual problem by Mexican tomato growers, particularly since Mexico has recently devalued and floated its currency. Because of this devaluation, Mexican tomatoes have been further cheapened as compared to our domestic tomatoes. The real problem lies in the fact that imported tomatoes do not have the same crating and boxing requirements that we have. Therefore, our growers who compete with imported tomatoes are faced with an even greater problem than cost reductions unless we can at least equalize the conditions under which these products are sold. Presently regulations governing tomato quality are now uniform for both domestic and imported tomatoes. This bill would simply add uniformity in packing standards for both domestic and imported tomatoes. The effect of the bill would be to require uniformity in packing practices on those imported tomatoes. This legislation will benefit American consumers as well as tomato growers. It will insure that our consumers will receive the proper grade of imported tomatoes for the price that they pay and will eliminate substandard tomatoes from being included in higher priced shippings.

This legislation will result in no cost to the Government. It is not aimed at curtailing imports. It will result in bringing needed order to the marketing of fresh tomatoes and will benefit both producers and consumers in the United States. I join my distinguished colleague in urging prompt action on this bill.

By Mr. WILLIAMS (for himself and Mr. PROXMIRE):

S. 92. A bill to amend and extend the Export Administration Act of 1969 to improve the administration of export controls pursuant to such act, to strengthen the antiboycott provisions of such act, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

EXPORT ADMINISTRATION AND FOREIGN BOYCOTT AMENDMENTS ACT OF 1977

Mr. WILLIAMS. Mr. President, I am today introducing, on behalf of Senator PROXMIRE and myself, the Export Administration and Foreign Boycott Amendments Act of 1977.

As my colleagues are aware, the Export Administration Act expired last year as a result of the administration's opposition to the antiboycott provisions contained in the necessary extension legislation. As a result, the United States is now without the requisite authority to deal with the complex issues of national and international consequence arising under the jurisdiction of the act. The legislation Senator PROXMIRE and I are cosponsoring will reenact this important statute.

In addition, the bill deals with a panoply of issues—export controls for national security purposes; commodity control lists; simplifying and improving the operation of the Export Administration Act; international terrorism and nuclear proliferation. However, it deals with one issue of particular interest and special concern to this country and one of its closest allies—the Arab boycott of Israel and of American firms doing business in or with Israel.

The 1973 oil embargo has provided the members of the Arab boycott league with enormous leverage to enforce and enlarge the effectiveness and scope of the boycott of Israel. And this is precisely what has happened. What began in the mid-1940's as an economic boycott of Israel has evolved into an unfocused economic and religious campaign by certain Arab countries against not only an adversary, the State of Israel, but also its allies and suporters around the world, especially the United States.

The purpose of this bill is to provide an effective and responsible American position in the face of the serious legal, political, economic and moral questions raised by the Arab boycott at it is practiced in the world today. This would be achieved by making it unlawful for American businessmen to participate to any extent in the Arab boycott of Israel.

Mr. President, since 1965 and until the Export Administration Act expired several months ago, the law regarding foreign boycotts was a statement of official policy in opposition to foreign boycotts and restrictive trade practices. In addition, the law "encouraged and requested" American businessmen to refuse to take any action furthering or supporting restrictive trade practices or boycotts. There were no exact standards of lawful conduct in a boycott context and the law did not provide an effective enforcement mechanism.

As a sponsor in 1965 of these provisions, I pressed for more forceful antiboycott legislation at every opportunity. The need has never been greater than it is at present.

Since the oil embargo of 1973, the reach and purposes of the Arab boycott have been extended far beyond the regional problems in the Middle East. It is now directed against American citizens and businesses and toward altering American policies in that area. American firms doing business with Israel, and even with Jewish Americans in the United States, have become targets of Arab blacklisting, religious discrimination and economic reprisals. Discrimination and blackmail have been injected into U.S. national and international economic and political affairs. And we have allowed ourselves to become enforcers of the boycott against Israel.

Mr. President, I believe the Arab boycott exceeds recognized principles of international law, violates U.S. sovereignty, and abridges fundamental American freedoms—particularly, freedom from religious persecution. Moreover, existing law is inadequate to protect our commitments to all parties in the Middle East, Israel as well as the Arab League countries.

Unfortunately, in too many instances our Government, American business and especially our financial institutions, are collaborating with the boycotting countries to effectuate and enforce the boycott, contrary to our national standards and foreign policy interests and commitments.

Extensive hearings and investigations during the 94th Congress provided graphic illustrations. For example, there is probative evidence that the very officials and agencies charged with administering and enforcing U. S. antiboycott laws—the Commerce, State, and Treasury Departments, as well as the President—have intentionally undermined its purposes. Counseling American business in evasion of the law, withholding information from Congress and the public, and even allowing the Government itself to engage in discriminatory practices are just some examples.

A few actual instances demonstrate precisely how the Arab boycott of Israel tramples national goals and ideals and undermines our Constitution and Bill of Rights.

A U.S. bus manufacturer had its contract to sell buses to an Arab State terminated when it was learned that the seats were to be made by an American company on the Arab blacklist.

Two American investment banking firms were disciplined by the National Association of Securities Dealers for violating its rules of fair practice in substituting nonblacklisted affiliates for blacklisted firms in underwritings with Arab participation.

A large American contracting firm was sued by the Department of Justice because of its refusal to deal with blacklisted American subcontractors and requiring such subcontractors to refuse to deal with blacklisted persons or entities.

Two colonels in the Army Corps of Engineers testified that the corps had acquiesced to Arab pressure to exclude Jewish personnel from projects in Saudi Arabia.

The Department of Commerce—the agency charged with implementing and enforcing the antiboycott laws—distributed to U.S. businesses "trade opportunities" which contained boycott clauses until congressional pressure forced a termination.

In addition to blatant religious discrimination, the economic dimensions of the boycott have also been accurately gauged for the first time. The Arab boycott has an enormous impact on American business. The House Commerce Investigations Subcommittee reported that American businesses are complying with over 90 percent of the boycott requests as the cost of doing business with Arab States. The estimated total value of goods and services involved in all reported boycott requests in 1974 and 1975 was $4.5 billion. Available figures also indicate a sharp increase in both the number of transactions involving boycott requests and the number of companies reporting compliance.

The upward trend results from the continuing increase in the level of trade in the Middle East as these countries continue to reinvest their petro dollars in American products, technology and know-how. While this is beneficial to our overall economy, it also demonstrates that as trade grows, boycott pressures on U.S. business will likewise increase.

In addition, these figures reveal, for the first time, the number of banks, freight forwarders, insurers, carriers, and other companies receiving requests, and the number of transactions in which they comply. And they confirm the central role of these intermediaries in effectuating the Arab boycott.

Mr. President, I cite these figures to prove two points. First, the Arab boycott exists; and second, it is expanding to envelop more trade and more American individuals and firms.

Mr. President, the United States has always stood for international trade unimpeded by artificial barriers which disrupt the open market and interfer with free trade. And unconscionable religious discrimination, integral to the Arab boycott, is repugnant to our ideals as a nation. Neither our citizens nor our Government should tolerate such practices any longer.

In particular, I strongly believe that U.S. businessmen should be protected against harassment and intrusion into their business affairs, and from violation of constitutionally guaranteed freedoms, by foreign governments and members of the Arab League.

New and effective antiboycott legislation is needed to prevent foreign governments from using their economic influence to engage in and coerce others to engage in, restrictive trade practices that violate fundamental rights guaranteed by the Constitution. In addition foreign governments must not be able to interfere with the commercial freedom of U.S. businessmen to do business in any of the world's rapidly expanding and profitable foreign markets.

For too long, the U.S. position on these scores has been too weak. Recognizing this, last year I and many of my colleagues pressed for the enactment of tough antiboycott measures in a variety of areas. More detailed reporting on the boycott requests coupled with mandatory public disclosure of the reporting forms; a statutory ban on compliance with any boycott-related requests; criminal penalties for compliance with the boycott; denial of tax benefits on income derived from operations in boycotting countries; a ban on investments in the United States by foreign persons participating in boycotts—each of these was introduced and considered last session. The only bills enacted were the provisions of the Tax Reform Act and another bill which prohibits certain economic development to aid countries which object to the presence of American officials administering such aid on the basis of race, religion, national origin or sex. However, as in the case of the Tax Reform Act, we have seen the Treasury Department within the last month attempt to deliberately emasculate the new law.

Strong legislation is still needed to prevent U.S. citizens and corporations from participating in the Arab boycott of Israel. Congress would have succeeded in passing such legislation last year except for the administration's unconscionable willingness to exploit the parliamentary situation prevailing at the end of the session.

Prior to the adjournment of the 94th Congress, both the Senate and the House of Representatives had each passed by overwhelming votes—65 to 13 in the Senate; 318 to 63 in the House—legislation to extend the Export Administration Act and strengthen the antiboycott provisions of the act. However, unable to meet in formal conference, Members of the Senate, including myself, met informally with Members of the House to reconcile substantive differences. The result was a blend of the two bills, substantially in the form of the bills being introduced in both the Senate and the House of Repesentatives today.

Given the sentiment of both Houses of Congress, and the statements of the incoming President, this composite bill should be acted upon promptly and favorably.

Mr. President, I request that a brief summary of the antiboycott provisions be printed in the RECORD at this point in my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF ANTIBOYCOTT PROVISION

A. PROHIBITIONS

Subject to rules and regulations issued by the Secretary of Commerce, it would be a violation of the Export Administration Act for any U.S. person (as defined) to do or agree to do any of the following to comply with, further, or support a foreign boycott or restrictive trade practice against a country which is friendly to the United States and is not the object of any U.S. embargo:

1. Refrain from doing business with any U.S. person or person doing business in the United States.

2. Refrain from employing or otherwise discriminating against persons of a particular race, religion, nationality or national origin.

3. Furnish information regarding any other person's race, religion, nationality or national origin.

4. Refrain from doing business with any person other than the boycotted country or its nationals.

5. Refrain from doing business with the boycotted country or its nationals pursuant to an agreement with, requirement of, or a request from, or on behalf of any boycotting country. The mere absence of a business relationship with or in the boycotted country or with its nationals would not constitute a violation of the above.

6. Furnish information about whether any person does, has done, or proposes to do business with the boycotted country or its nationals or with any person known or believed to be boycotted.

B. EXCEPTIONS TO PROHIBITIONS

The above general prohibitions would not apply to:

1. Compliance with import rules of boycotting country prohibiting import of goods from boycotted country or its nationals or shipment of such goods on carrier of boycotted country or via a route described by boycotting country.

2. Compliance with import and shipping document requirements of boycotting country with respect to a positive designation of a country of origin of the goods and name and route of carrier and name of supplier.

3. Compliance with export requirements of boycotting country with respect to transshipment of good to boycotted country.

4. Refusing to honor letters of credit where beneficiary fails to comply with requirements thereof, except where such compliance would be a violation of the law.

C. SCOPE OF COVERAGE

Above prohibitions and reporting requirements would apply to (1) U.S. persons (defined as individuals plus corporations organized under U.S. law); U.S. controlled subsidiaries and affiliates; and (3) persons doing business in the United States with respect to their business in the United States.

The test of control would be control in fact: Does the parent in the ordinary course of business control the activities or determine the policies of the subsidiary?

D. ENFORCEMENT

Enforcement would be by Commerce Department administrative process in accordance with APA. Rules and regulations to be

effective within three months of enactment. Actions pursuant to existing agreements must be brought into compliance three months after effective date of regulations.

E. DISCLOSURE

Exempted from public disclosure would be information regarding the quantity, description and value of any goods to which the boycott report relates if the Secretary of Commerce determines that disclosure thereof would place the person reporting at a competitive disadvantage.

Charging letters or other documents initiating enforcement proceedings would be made public.

Mr. WILLIAMS. Essentially, Mr. President, six objectives would be accomplished by the enactment of this antiboycott provision.

First, it would strengthen the Export Administration Act by making it illegal for American firms to engage in secondary or tertiary boycotts. Hereafter, the threat of economic reprisal by the Arabs cannot be accepted as a basis for permitting American firms to submit to odious terms that violate the rights and interests of other Americans, or bridge this Nation's sovereign powers.

Second, it will specify with precision conduct and actions prohibited for American persons. Unlike the present uncertainty, it will clarify for American businessmen the range of permissible and impermissible conduct allowable under our laws. This is in sharp contrast to the current confusion as to the actual meaning of "compliance" with a foreign boycott.

Third, under the terms of the bill, U.S. business will be protected from the pressures of foreign boycott requests. It would be a matter of national law that U.S. businessmen may not discriminate on the basis of race, religion, nationality, or national origin or furnish this type of information pursuant to a foreign boycott request. In this sense, the bill reaffirms that the civil rights of our citizens may not be violated by foreign governments, nor will American firms be allowed to aid and abet in such violations.

Fourth, the bill will assure that American businessmen will have freedom of choice as to their commercial relationships any place in the world, and especially at home. So, for example, the notorious Arab blacklist will no longer determine which supplier, subcontractor, customer, or officer an American firm can have or use.

Fifth, the bill will require accountability by the Commerce Department in its administration and enforcement of the antiboycott provisions, both to the public and to the Congress by virtue of expanded public disclosure and more frequent and detailed reporting.

And, finally, the bill will in no way interfere with the primary boycott by the Arab league countries against Israel. Thus, it conforms to the governing principles of international law and respects the sovereign powers of all countries.

Mr. President, this bill deals responsibly with extremely sensitive matters. Its measured provisions are not designed to disrupt any of the initiatives toward a permanent and equitable peace in the Middle East, nor should they be construed to have such an effect. I hope peace will come to this region. The United States must continue to be the catalyst for such a peace and no effort should be spared in order to secure it.

Until it comes, however, I believe these are measures which must be taken by the United States to protect its sovereignty and integrity and to prevent the erosion of values sacred to our democracy under present international realities.

First, the United States must not acquiesce in attempts by foreign governments to coerce American citizens to participate in actions with are anathema to American values. Freedom from discrimination is a benchmark of our democracy. The President and the Congress should reaffirm their resolve through new legislation to attack the most repugnant dimensions of the Arab boycott of Israel and signal to the world that the United States will not participate in or tolerate attempts by foreign governments to enlist our citizens in their battles against other nations.

Second, restrictive and discriminatory trade practices stemming from the Arab boycott must be ended in order to achieve the free and open climate in international trade that has always been a cornerstone of American policy. Distortions in international commerce which are the collateral effects of the Arab boycott can only impede global economic recovery and impede progress toward an environment for international investment unencumbered by governmental influence.

These should be the objectives of U.S. policy and laws and this is the enabling legislation.

Mr. PROXMIRE. Mr. President, today I am cosponsoring a bill to be introduced by Senator WILLIAMS to extend the Export Administration Act which expired on September 30, 1976. As we all know, both Houses of Congress passed bills last year which would have extended the act in a timely manner. Those bills were killed by the Ford administration because they contained provisions to deal with the Arab boycott of Israel and of American firms. This bill, the Export Administration and Foreign Boycott Amendments Act of 1977, will extend the act and provide tough boycott provisions. I am proud to support this legislation which is the same as legislation being introduced in the House today.

Israel is a tiny country in the Middle-East, surrounded by hostile Arab neighbors. The economies of the Arab nations in that part of the world are booming as a result of the more than fivefold increase in the price of oil since they put an embargo on oil exports in 1973. As a result, the Arab nation's of the Middle-East have a favorable balance of trade which runs into the tens of billions of dollars each year. The income of those nations are so high that even their booming economies cannot absorb the goods which their purchasing power may claim. As a result, the Arab nations are awash with liquidity which they invest in the largest banking institutions. The economic clout such liquidity gives the Arabs is enormous.

Trade between the Arab nations and the United States is increasing rapidly. We are exporting large amounts of goods and services to the Middle-East. The impact upon our own economy by such export trade in terms of jobs and upon our own balance of trade is significant.

Unfortunately, a substantial portion of our exports to the Middle East is in the form of military hardware. We are literally arming these nations to the teeth with American produced weapons. The consequences of this weapons buildup will be with us for many years. Israel is a gallant ally which the United States has the strongest kind of moral commitment to defend. There is no doubt that we shall find it necessary in the future to increase our arms supplies to Israel to maintain an effective balance of power in that region.

The Arab nations have made no secret of their desire to destroy our Israeli ally either by force of arms or economic means. A central place in this scheme is the use of their financial muscle to try to choke Israel to death with an economic boycott. They have no hesitation about hammering American firms into line on the issue nor do they flinch at distorting our foreign and domestic commerce. According to information filed with the Department of Commerce the number of export transactions involving an Arab boycott demand jumped from 785 in 1974 to 7,545 in the first 9 months of 1975. This is a tenfold increase. While 23 firms reported receipt of Arab boycott demands in 1974, the number increased to 538 during the first three quarters of 1975. The estimated dollar volume of goods affected by Arab boycott demands during such periods increased from $9.9 to $203 million. As Arab trade and investment grow, so will the pressure on U.S. firms to comply with the boycott.

Both foreign and domestic trade transactions should be executed on the basis of price and quality of goods and services. Boycotts are fundamentally destructive of the concept of the free market. They exclude participation in the market by firms on grounds other than the quality of the goods which they produce. Boycotts are refusals to deal which have long been outlawed by the operation of our antitrust laws because of their pernicious effects.

Boycotts are also fundamentally at odds with our way of life in the United States. Ours is a pluralistic society where the principal of equal opportunity operates to insure that the best produced goods will find their way to the marketplace judged solely on the merits. The Arab boycott is particularly destructive of our basic values because it puts the elements of race and national origin into marketing decisions. The costs of the Arab boycott come too high. Our reputation is tarnished in the eyes of the world. Our national state of mind is infected with the toleration of religious-racial discrimination. This corrupts our institutions and our values.

Even our largest financial institutions are drawn into the Arab net by which their boycott policies are enforced. American firms through their banks which issue letters of credit to finance international trade must certify that no

part of the goods are of Israeli origin; neither the exporter nor any of its affiliates is on the Arab "blacklist"; the vessel carrying the goods is not "blacklisted"; and the insurer of the goods is not "blacklisted." Over 1,500 American firms are on the Arab "blacklist." An American firm which desires to do business with the Arabs must refuse to do business with any of these "blacklisted" American firms. And such American firms must forego commercial relations with Israel thus discouraging foreign commercial relationships by American firms that might otherwise arise.

Let us make no mistake about it. The Arabs force American firms and American banks to discriminate against America's Jewish ancestry. New York State has filed antidiscrimination cases against Citibank and Morgan Guaranty, two of the Nation's largest banks, for their part in enforcing the Arab boycott on this basis. According to public reports, the complaint accused the two banks of routinely enforcing provisions in letters of credit that bar payment for exports to Arab countries unless the American suppliers certify that they have complied with the Arab boycott against Jewish individuals, Jewish organizations and companies that have Jewish sounding names. There is no question that these boycott practices must be stopped.

The existing provisions of the Export Administration Act are woefully inadequate. This bill will put teeth into the law to prohibit all aspects of the Arab boycott which undermine our commerce. Specifically this bill will prohibit any of the following actions taken to comply with the Arab boycott:

First. Refraining from doing business with Israel or any corporation organized by Israel or by any national or resident of Israel.

Second. Refraining from doing business with any other person or company.

Third. Refraining from employing or otherwise discriminating against any U.S. person on the basis of race, religion, nationality, or national origin.

Fourth. Furnishing information with respect to the race, religion, nationality, or national origin of any U.S. person.

Fifth. Furnishing information about the business relationships of a company with or in Israel, or any concern organized in Israel, or with any national or resident of Israel, or with any firm on the Arab boycott "blacklist".

Mr. President, I can see absolutely no reason why any firm should be allowed to supply any information whatsoever concerning the race, religion, nationality, or national origin of any person. Furthermore, I see no reason why the Arab nations should be allowed to obtain any information concerning the business relationships of American firms with Israel, or with any other companies. This kind of information request is so pernicious and fraught with danger that it should never be given in a commercial transaction. The only reason for obtaining such information is to enable compliance with the Arab boycott and "blacklist" and should, therefore, be prohibited in my view by this bill. The supplying of any such information can only support a subtle compliance with the "blacklist" by encouraging negative views about Israel or certain firms and should not be countenanced in any circumstances.

Where an Arab nation has a legitimate commercial interest in information concerning the place of production of goods or methods of shipment of such goods exceptions are provided in the legislation. The bill also requires disclosure of boycott requests and intentions to comply with such requests to the Secretary of Commerce and provides for public inspection of such reports. This disclosure provision should be a strong deterrent to compliance with the boycott by American firms. Any violations of the antiboycott provisions of this bill are subjected to loss of export privileges.

Mr. President, this is a tough bill. But every provision is necessary. Businessmen and bankers cannot be permitted to conduct the trade and commerce of the Nation in a manner which violates the principles on which our Nation was founded.

By Mr. HOLLINGS:

S. 94. A bill to improve the operation and efficiency of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

POSTAL REORGANIZATION ACT AMENDMENTS OF 1977

Mr. HOLLINGS. Mr. President, as we all know, most Americans are dissatisfied with the U.S. Postal Service. We receive literally thousands of letters expressing this dissatisfaction from our constituents. Daily, we read stories and editorials which express concern about the erosion of service and which question the management of the Postal Service. We are not only seeing the erosion but we are experiencing a crisis in confidence in an institution which touches and effects the lives of almost every American daily.

In 1970, we in the Congress, with the support of the President, past Postmasters General, and most mail users transformed the old Post Office Department into a publicly-controlled corporation named the U.S. Postal Service. For 6 years, we have watched the Postal Service hoping that it would be able not only to survive, but to provide more efficient service. We have been disappointed. Service has eroded and the poorer service is costing us more. The prices for mail users are rising and we have recently been compelled to raise the level of the Federal appropriation.

If the Postal Service were truly a business, it would be bankrupt. Their annual report for 1976 shows a net loss of $1,176,000,000. Total current assests are $1,344,984 while total current liabilities are $2,098,010. In the private sector, an excess of liabilities over assets, coupled with revenues that regularly fail to cover expenses, strongly suggests that the entity is bankrupt. Of course, the Postal Service's equity is not quite like that of a corporate entity since most of the Service's liabilities are held by the Federal Financing Bank of the U.S. Treasury, another Government entity.

Last year, the Congress decided to place a moratorium on service cuts and rate increases, to authorize additional funding and to appoint a blue ribbon commission with the task of studying and defining postal difficulties. I objected to this procedure and I offered a comprehensive alternative reform measure.

However, the Commission is appointed and they are presently working toward their goal of reporting back to the Congress in March of this year. I am hopeful that their report will prove enlightening, but at the same time I do not feel that the Senate can ignore our postal dilemma.

President-elect Carter has also made several statements criticizing the Postal Service and suggesting his plans for correcting postal problems. Thus, it seems that the new administration and the Congress can work together to attack and solve the many difficult problems facing the Postal Service.

Accordingly, I am introducing a postal reform bill which is similar to my substitute amendment to H.R. 8603 which was debated on August 23 and 24, 1976. I refer my colleagues to the CONGRESSIONAL RECORDS of those dates for a comprehensive review of my proposal which consists of the following provisions:

First. Annual authorization.—The Postal Service would be required to come before the Congress each year for authorization and appropriation of its total budget.

Second. Presidential appointment of Postmaster General.—The Postmaster General would be appointed by the President and confirmed by the Senate. The Postal Service requires positive attention and guidance from as well as accountability to the executive branch.

Third. Abolish Board of Governors.—The Board of Governors simply has not done the job. Also it should be the responsibility of the Congress, publicly accountable representatives, to guide and direct the Postal Service.

Fourth. Limit borrowing authority.—The ability of the Postal Service to borrow funds to offset operating expenses would be limited to $500 million at any one time. This provision will provide the Postal Service with a buffer should a cash flow problem arise during the annual authorization and appropriations process.

By Mr. BROOKE (for himself and Mr. MCINTYRE):

S. 97. A bill to amend the Internal Revenue Code; to the Committee on Finance.

ENERGY CONSERVATION TAX CREDITS FOR RESIDENCES AND SMALL BUSINESSES AMENDMENT

Mr. BROOKE. Mr. President, we begin the new year and the 95th Congress at a time when the Nation's energy supply problem is once again reaching crisis proportions. Our dependence on foreign petroleum products is vastly greater than it was when the Arabs imposed the embargo of 1973. The temporary sense of urgency our people felt in the face of a demonstrated need to conserve energy has now evaporated. The Nation's elected

officials have not yet provided the unequivocal leadership needed to assure public acceptance of the across-the-boards conservation program we so clearly need.

Although the last Congress took several important steps to increase energy conservation in the United States, it failed to act on two of the most fundamental and most effective policy proposals before it. Saving at least part of the approximately 300 million barrels of oil wasted each year by inefficiently insulated and equipped homes and businesses is vital to any sound conservation policy. It can be done at once and it can provide immediate economic relief. But for the homeowner or small businesses, the incentives to put up a substantial cash sum to insulate, install solar or wind equipment, or upgrade the heating plant are now lacking. And therefore we need a short-term tax credit to provide the needed boost to get the conservation and solar market going.

As many will remember, the House of Representatives enacted a package of tax incentives for energy conservation and production in 1975. I joined other Senators in testifying before the Senate Finance Committee on these issues in July of that year. In December, I introduced the first tax credit for home insulation and heating system improvement to be considered by the Senate. At the request of the Senate Committee on Finance I withdrew my legislation for later consideration. And, in August of this year, after I reintroduced my proposal, the Senate Committee on Finance included similar provisions in its proposed Energy Conservation and Production Revenue Act. Unfortunately, the 94th Congress failed to act on the measure before adjourning.

Similarly, neither House acted on measures to promote electrical energy conservation and to reform utility regulatory practices. The basic regulatory systems in effect today encourage inefficient use of electricity. We can and must reform our ratemaking systems so that private utilities price the power they sell so as to encourage conservation of precious energy resources.

Nearly 2 years ago, I filed the Electric Utility Rate Reform Act. We needed it then; we need it worse now. In the last Congress, the Commerce Committees of each House held hearings on comprehensive rate reform proposals, but neither House acted on such bills. I have taken those elements I believe to be the most important from the recommendations made by the many experts who reviewed the various proposals and used them to elaborate upon the original proposals I made in 1975. Taken together, the Electric Utility Rate Reform Act of 1977 and the energy conservation tax credits for residences and small businesses fill in major gaps in our national energy conservation program.

My proposed energy conservation tax credit bill is self-financing. It provides for:

Refundable tax credits to homeowners and small businesses for costs of installing insulation and solar or wind energy equipment and for improving the efficiency of existing heating systems.

For homeowners, the maximum credit would be $225 for insulation and heating system improvment and $2,000 for solar or wind energy equipment installation.

Small businesses could take the investment tax credit for such expenditures.

A one-half cent tax on gasoline is imposed as of January 1, 1978 until December 31, 1980 to cover the added costs to the Treasury resulting from this measure.

Of course, the proposed gasoline tax will engender controversy. However, I am convinced that it is the most efficient and flexible way to raise revenue for energy program purposes. Gasoline is the petroleum product which we use the most carelessly and profligately. Also its use is relatively insensitive to price increases. But, to the extent that a slightly higher price over the 3 year life of this can indeed help cut back on the use of gasoline, I believe it to be of extra benefit.

In any case, I estimate that the revenue losses from my proposed tax credits will total $321 million for the first calendar year of its existence and slightly over $500 million for each succeeding calendar year. The one-half-cent gasoline tax should generate a slight revenue surplus the first year and very nearly exactly cover the tax revenue losses with each succeeding year's revenues.

My legislation reforming electric utility rates sets national standards which utility commissions must observe when establishing rate schedules. These Federal standards are designed to insure fair prices and full disclosure to the consumer and to promote energy conservation by reducing peak load demand. The Electric Utility Reform Act of 1977 mandates:

Charges reflecting the actual cost of serving each consumer. Declining bloc rate structures, under which the largest users pay the least per kilowatt hour, are explicitly prohibited unless it can be proven that these low rates truly reflect a low cost of service.

Adoption of load-management techniques, such as peak-load pricing, which will reduce the maximum demand and thus also reduce the need for expensive new generating facilities.

Changes in the use of the fuel adjustment charge so that extensive evidence of the need for such charges must be made public in a hearing and so that unjustified charges may be fully refunded to the consumer.

Full disclosure of all the utility price and cost data on which rate requests are made, so that individuals or public interest groups may review, and, if necessary, challenge, new rate requests.

Grants to public utility commissions so that they may upgrade their operations and their research to permit them to deal with contemporary regulatory issues in the most efficient and timely manner possible.

Both these proposals are ideas whose time has long since arrived. I believe we are still in a crisis state with respect to long term fuel supplies. And the majority in Congress must stop underestimating the potentially serious consequences of our growing dependence on imported petroleum. Mr. President, we can change our old habits of wasting fuel and we can increase our utilization of renewable resources at once. Any amount of energy saved gives far greater benefits than the equivalent developed or discovered and exploited amount of new energy. These incentives and regulations are the tools governments and the private sector need to make conservation the predominant source of the "new" energy we so need.

I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ENERGY CONSERVATION TAX CREDIT FOR RESIDENCES AND SMALL BUSINESSES AMENDMENT SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1(a) sets out the short title of the bill. Section 1(b) provides that, unless otherwise expressly indicated, all references to amendments or repeals of sections or other provisions shall be to sections and provisions of the Internal Revenue Code of 1954.

SECTION 2

Section 2 of the bill contains the "Findings" which recognize that the heating of homes and small businesses account for a significant portion of our national energy consumption; that domestic energy sources are limited, that it is in the best interest of the nation to conserve the use of fossil fuels and increase the use of renewable energy resources; that significant savings in fuel and dollars can be achieved by the installation of commercially available heating system retrofit components of new technologies employing renewable resources for heating and cooling buildings; and that it is important, as a national objective, to encourage sound investment practices which improve the operating efficiency of existing heating systems in homes and small businesses.

SECTION 3

Section 3(a) modified subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) by adding a new section, Section 44A, to the Internal Revenue Code of 1954.

Section 44A(a) would provide a tax credit for individuals equal to 30 percent of that portion of the qualified insulation or other energy-conserving component expenditures incurred by the taxpayer in connection with any residence as does not exceed $750.00. The maximum credit per individual would not exceed $225.00.

Section 44A(b) would provide that the credit allowed by this section would reduce the tax imposed by this chapter 1 before any of the other reductions permitted by section 33 (relating to foreign tax credit), section 37 (relating to retirement income), section 38 (relating to investment in certain depreciable property), section 41 (relating to contributions to candidates for public office), and section 44 (relating to purchase of new principal residence).

Section 44A(b) (2) would provide for a reduction in the amount of expenditures allowed for purposes of computing the credit by the amount of expenditures allowed in a prior taxable year for which a credit was taken by the taxpayer.

Section 44A(b) (3) would require that no credit be allowed under subsection (a) unless the expenditures are verified in a manner prescribed by regulations adopted by the Secretary.

Section 44A(b) (4) would prohibit the use of the credit allowed under subsection (a) for expenditures incurred in connection with the installation of entirely new heating systems, including furnaces, or for the installation of equipment designed to permit the use of fuels other than the fuel being consumed by the taxpayer's existing heating system.

Section 44A(c) would set out the following definitions and special rules:

(1) Insulation and other energy-conserving component expenditures would be defined as those expenditures incurred by an individual for insulation and energy-conserving components installed after June 30, 1977, and before January 1, 1980, in dwelling units located in the United States which are used by the taxpayers as their residences and which are in existence on May 25, 1977. The expenditures could include amounts paid for the original installation of such insulation but would not include amounts paid for insulation and other energy-conserving components made in connection with any reconstruction of a dwelling unit.

(2) Insulation would be defined to include the insulation of furnaces and/or boilers not so equipped and ducts and/or steam or hot water piping extending therefrom, storm (or thermal) windows or doors or any other similar item which is specifically and primarily designed to reduce the heat loss or gain of such building, the original use of which would commence with the taxpayer, which would have a useful life to the taxpayer of at least 3 years, and which would meet the criteria and standards for energy-conserving improvements prescribed by the Secretary of Housing and Urban Development (HUD) under Section 2 of the National Housing Act or such similar criteria and standards as the Secretary of the Treasury would prescribe.

(3) Other energy-conserving components would be defined to include retention-head burners or comparable new burners which achieve a reduction in the amount of fuel consumed, electronic ignitors, new nozzles with reduced firing rates, zone controls, barometric draft control dampers or any other convective stack dampers which reduce downtime losses, end cone assemblies, combustion chambers, automatic steam vents, and clock thermostats, all of which would be required to meet performance and safety standards prescribed by the Secretary of Treasury, after consultation with the Administrator of FEA and the Secretary of HUD, such standards to include the requirements that the energy-conserving component would have a useful life of at least 3 years and the original use of which would commence with the taxpayer. It would be mandatory under this provision that the Secretary prescribe appropriate regulations within 6 months from the date of enactment.

(4) The term "heating system" would be defined to mean the entire assembly of items, fixtures, equipment, or materials which is designed to provide for the heating of buildings, to provide for the heating of water used within buildings and to provide for the automatic operation and control of such hardware. The term would include all necessary fittings and related installations which are part of the assembly.

(5) In the case of any dwelling unit which would be jointly occupied and used during any calendar year as a residence by 2 or more individuals, the total credit would be subject to the regular limit for one person (30% of the first $750.00 of expenditures) and would be apportioned among those who made the expenditures in accordance with the proportion which each paid would bear to the total payment during the calendar year.

(6) In the case of qualifying expenditures by a cooperative housing corporation, each of the corporation's stockholders would be treated as having paid for that portion of the corporations qualifying expenditures that is the same as his proportionate share of the corporations' total outstanding stock so long as the stockholder is entitled to occupy a dwelling unit owned by the corporation, and, who in fact, occupies the dwelling unit as his residence.

Section 44A(d) would provide that the basis of any property could not be increased by the amount of any qualified insulation and other energy conserving component expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

Section 44A(e) would limit the applicability of this section to amounts paid on or before December 31, 1979 except in the case of amount paid after such date pursuant to a binding contract entered into before January 1, 1980.

Section 3(b) of the bill would make the tax credits under this section refundable where the taxpayer has no tax liability.

Section 3(c) of the bill would provide for technical and conforming amendments.

Section 3(d) provides that the Secretary of the Treasury is to report six months after enactment and recommend the best ways to establish within the Executive Branch a capability for evaluating new improvements in fossil fuel heating systems. The report should include recommendations as to how to qualify new technologies which offer significant opportunities for energy savings for the tax credits established in this bill. The report may, if necessary, include recommendations for new legislation.

SECTION 4

Section 4(a) would amend subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) by adding a new section, Section 44B, to the Internal Revenue Code of 1954.

The new Section 44B(a) would provide a tax credit for the purchase and installation of solar heating equipment installed, on, or in connection with a residence. The tax credit would be computed as follows: 40 percent of the first $1,000.00 of qualified solar energy equipment expenditures incurred by the taxpayer during a taxable year; 25 percent of the next $6,400.00 of qualified expenditures (covering a total $7,400.00 of expenditures). For purposes of this section, qualified wind-related energy generating equipment expenditures would be treated as qualified solar energy equipment expenditures.

Section 44B(b) would provide that the credit allowed by this section would reduce the tax imposed by this chapter 1 before any of the other reductions permitted by section 33 (relating to foreign tax credit), section 37 (relating to retirement income, section 38 (relating to investment in certain depreciable property), section 40 (relating to expenses of work incentive programs), section 41 (relating to contributions to candidates for public office) and section 44 (relating to purchase of new principal residence). Reductions allowed under sections 42 and 44A would be taken first, however.

Section 44B(b)(2) would provide for a reduction in the amount of expenditures allowed, for purposes of computing the credit, by the amount of expenditures allowed in a prior taxable year for which a credit was taken by the taxpayer. In applying the provisions of this paragraph, the prior expenditures would be applied first to reduce the $1,000.00 amount contained in paragraph (1) of subsection (a) until the amount would be reduced to 0, and additional prior expenditures, in excess of $1,000.00 would be applied to reduce the $7,400.00 amount contained in paragraph (2) of subsection (a) until it would be reduced to $1,000.00.

Section 44B(b)(3) would make it clear that the credit could only be claimed if provision is made by law for the assessed evaluation of the residence not to be increased on account of improvements attributable exclusively to the installation of the qualified equipment.

Section 4(c) of the bill contains definitions and special rules as follows:

(1) Qualified solar energy equipment expenditures would be defined as those qualified solar energy expenditures incurred by an individual after June 30, 1977, and before January 1, 1982 for solar energy equipment in, on, or connected to any dwelling unit located in the United States.

(2) Qualified wind-related energy equipment expenditures would be defined as those qualified wind-related energy equipment expenditures incurred by an individual after June 30, 1977, and before January 1, 1982, for wind-related energy equipment on or adjacent to any dwelling unit located in the United States.

(3) Wind-related energy equipment would be defined as equipment installed on, or adjacent to, a building using wind energy to generate electricity to heat or cool or light such building or to provide hot water for use within such building, which would meet the standards and criteria for performance prescribed by the Secretary of Housing and Urban Development, the original use of which would commence with the taxpayer, and which would have a useful life of at least 3 years.

(4) Solar energy equipment would be defined as that equipment which, when installed in or on, or when connected to a building would use solar energy to heat such building or provide hot water for use within such building and which would meet the latest technical standards prescribed by the Secretary of HUD under the Solar Heating and Cooling Demonstration Act of 1974, the original use of which would commence with the taxpayer and which would have a useful life of at least 3 years.

(5) This paragraph would provide that in the case of any building which is owned by two or more individuals, the total credit would be subject to the regular limit for one person and would be apportioned among those who made the expenditures in accordance with the proportion which each paid would bear to the total payments made during the calendar year.

(6) This paragraph would provide that in the case of qualifying expenditures by a cooperative housing corporation, the corporation's individual stockholders who would be entitled to occupy the dwelling units, would be treated as residents of those units and as having paid for the portion of the corporation's qualifying expenditures that is the same as their proportionate share of the corporation's total outstanding stock.

Section 4(d) requires that the basis of any property could not be increased by the amount of any qualified solar or wind energy equipment expenditures made with respect to such property to the extent of the amount of such credit allowed under this section with respect to such expenditures.

Section 4(a) would set a termination date of December 31, 1981, after which expenditures for qualified equipment would not be eligible for the tax credit provided by this section.

Section 4(b) would make the tax credit a refundable tax credit.

Section 4(c) contains technical and conforming amendments.

Section 4(d) would set the effective date for the amendments made by this section as of June 30, 1977. The credit would apply to amounts paid or incurred after that date.

SECTION 5

Section 5(a) modifies part B of part IV of subchapter A of chapter 1 (relating to rules for computing credit for investment and in certain depreciable property) by adding a new section, section 46A, to the Internal Revenue Code of 1954.

Section 46A(a) would provide for an alternative computation of the investment credit for certain energy conservation and production equipment for small businesses.

Section 46A(b) makes the following property eligible for the alternative computation:

insulation, solar energy equipment or wind-related energy equipment.

Section 46A(c)(1) would provide for the computation of the percentage as follows:

(A) 10% with respect to property described in subsection (b)(1) which is pre-1981 property.

(B) 20% with respect to property described in subsection (b)(2) which is pre-1981 property.

(C) 10% with respect to property described in subsection (b)(2) which is pre-1981 property, but which is not pre-1983 property.

(D) 12% with respect to property described in paragraphs (3), (4), (5), (6), and (8) of subsection (b) which is pre-1981 property, and

(E) 12% with respect to property described in paragraph (7) of subsection (b) which is pre-1981 property.

Section 46A(c)(2) would provide an additional 2% in the case of small businesses which elect to have the provisions of this paragraph apply and which meet the requirements of section 301(d) of the Tax Reduction Act of 1975.

Section 46A(d) would provide for the following definitions and special rules:

(1) Insulation would be defined to mean any insulation, storm (or thermal) window or door, or other similar item (of a character subject to the allowance for depreciation) which is installed in or on a structure in existence on January 1, 1978 (but only if such installation occurs after December 31, 1977 and before January 1, 1980), the costs for which are paid between December 31, 1977 and January 1, 1980, which is specifically and primarily designed to reduce the heat loss or gain of such structure, the original use of which commences with the taxpayer, and which, for residential structures, meets the latest technical standards for energy conserving improvements prescribed by the Secretary of HUD under section 2 of the National Housing Act, and, for business structures, such similar technical standards as the Secretary may prescribe.

(2) Solar energy equipment would be defined to mean property (of a character subject to the allowance for depreciation) which uses solar energy to heat the structure wherein or on it is installed or to provide hot water within such structure, the original use of which commences with the taxpayer, and which meets the interim or definitive performance criteria prescribed, for residential structure, by the Secretary of HUD under the Solar Energy Heating and Cooling Demonstration Act of 1974, and, for business structures, by the Administrator of ERDA.

(3) Wind-related energy equipment would be defined to mean property of a character subject to the allowance for depreciation, which, when installed on or adjacent to a structure, uses wind energy to generate electricity to heat or cool or light such structure or to provide hot water for use within such structure. The original use of the equipment would have to commence with the taxpayer and the equipment would be required to meet such criteria as the Secretary of HUD might prescribe.

(4) Pre-1983 property would be defined (A) to mean property acquired by the taxpayer after December 31, 1977, or the construction, reconstruction, or erection (whether or not the taxpayer) of which is commenced after such date, and which is placed in service by the taxpayer before January 1, 1983, and (B) to mean property under construction on December 31, 1977, to the extent of that portion of the basis which is properly attributable under regulations prescribed by the Secretary to construction, reconstruction, or erection after December 31, 1977.

(5) Pre-1981 property would be defined to mean (A) property acquired by the taxpayer after December 31, 1977 or the construction, reconstruction, or erection (whether or not by the taxpayer) of which is commenced after December 31, 1977 and which is placed in service by the taxpayer before January 1, 1981, and (B) property which is under construction on December 31, 1977 to the extent of that portion of the basis which is attributable, under regulations prescribed by the Secretary, to construction, reconstruction, or erection after such date.

(6) Provides for transitional rules.

(7) This section prohibits the application of this section to property acquired with federal funds.

(8) This subsection prohibits the application of the section to purchases of insulation and solar energy equipment and wind-related equipment by businesses with adjusted gross incomes in excess of $400,000.

Section 46A(e) would provide that if the equipment to which this section applies is converted to some other use other than by which reason of this section is applied to the property, the small business shall be treated for purposes of section 47 as having disposed of such property on the date on which such other use substantially commenced.

Section 46A(f) This section provides that the Secretary shall prescribe such regulations that may be necessary to carry out the provisions of this section.

SECTION 6

Section 6(a) would effectively deny the taking of the investment credit for certain air conditioning and heating units. The heating and air conditioning units to which the amendment is directed are portable and are not permanently attached to buildings.

Section 6(b) would set the effective date for the amendment made by subsection (a) of December 31, 1977.

SECTION 7

Section 7(a) would amend subpart A of part III of subchapter A of chapter 32 (relating to manufacturers' excise taxes) by redesignating section 4084 as 4085, and by inserting after section 4083 a new section 4084 which would effectively impose an increase in the gasoline tax of one-half cent per gallon with respect to gasoline sold after December 31, 1977 and before January 1, 1981.

Section 8(b) contains technical amendments.

Section 8(c) contains a clerical amendment.

By Mr. CANNON:

S. 98. A bill to amend the Internal Revenue Code of 1954 to increase the limitation on the credit for certain State-imposed gaming taxes under section 4464; to the Committee on Finance.

Mr. CANNON. Mr. President, during the 91st Congress, I offered legislation to provide that 80 percent of the Federal occupational taxes collected on coin-operated gaming devices be credited for similar taxes imposed by a State where the operation of such device is legal.

The prevailing sentiment at that time was that Federal jurisdiction in the area of coin-operated gaming devices was primarily for oversight purposes and not for raising revenue. Therefore, I was extremely pleased when my proposal was agreed upon and signed into public law. My feeling at that time was that the credit figure should have been higher than the 80 percent. I still feel the same way today and am, therefore, sending to the desk a bill to amend the Internal Revenue Code of 1954 to increase the limitation on the credit for certain State-imposed gaming taxes under section 4464. The proposed change strikes "80 percent" and inserts in lieu thereof "95 percent."

I would like to point out that the Nevada Legislature enacted legislation to insure that proceeds resulting from the Federal credit be earmarked for the support of the State's public school system. I fully expect that same arrangement will continue if the proposed formula is agreed upon by Congress.

I believe the proposed change is reasonable in view of the fact that the provision was never intended as a revenue-raising measure. It is also entirely consistent with the findings and recommendations of the Commission on Review of the National Policy Toward Gambling which recently recommended that State governments have sole jurisdiction for legalized gaming activity.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 99. A bill to provide for the construction of a Veterans' Administration hospital in the State of Nevada; to the Committee on Veterans' Affairs.

Mr. CANNON. Mr. President, I am introducing a bill today for myself and my Nevada colleague, Senator LAXALT, to provide for the construction of a Veterans' Administration hospital in the southern part of the State of Nevada.

At the present time, veterans in Nevada are served by only one VA hospital, located in Reno, in northwest Nevada.

Veterans in more populous southern Nevada, 500 miles to the southwest, have no VA facilities, except for limited services provided by an outpatient clinic in the Las Vegas area, and are therefore, almost completely dependent on VA hospitals in crowded Los Angeles, 300 miles away.

I think it is a gross disservice to our veterans to force them to travel to Los Angeles to get treatment of service-related disabilities. In addition, it certainly is not fair to make the veterans of southern California wait for treatment because their facilities are overcrowded.

I urge serious consideration of this proposal at the earliest possible opportunity. Unfortunately, the VA Administrator Richard Roudebush opposed this proposal in his September 1975 report to the Senate Committee on Veterans Affairs on the basis that administration studies indicated the location did not meet the changing requirements of veterans. I want to urge the Senate committee to request an updated study from the Veterans' Administration. Hopefully, that study will take into consideration that the majority of veterans in my State are located in the southern part of Nevada. Our principle city is Las Vegas. This particular location will also be accessible to many veterans in California, Arizona, and Utah.

It is my hope that the 95th Congress and the new administration will give this problem the serious consideration it warrants.

Mr. LAXALT. Mr. President, as my distinguished Nevada colleague, Senator CANNON, has pointed out, veterans of the southern Nevada area are forced to travel to Reno, Nev., some 500 miles

away, or to Los Angeles, Calif., 300 miles away to get treatment for service related disabilities.

The veterans of southern Nevada deserve kinder consideration. I urge favorable consideration of this proposal.

By Mr. INOUYE:

S. 100. A bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified, or were nonrecoverable; to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, it has been our tradition to honor those who have served our Nation in time of war. We have many cemeteries throughout the world where many of these men and women now lie in rest. For those whose bodies were never recovered, we have required that all national cemeteries have certain special areas which contain memorial plaques to honor the memory of these gallant men and women.

It has recently come to my attention, however, that there are certain veterans who have every right to be honored by burial in a national cemetery, but who are presently ineligible to receive the honor which they deserve. I am referring to those veterans who are eligible to be buried in a national cemetery, but who continue to serve our Nation and humanity even after their deaths by donating their bodies for use in medical research or training. I believe that the Congress of the United States should act to give them the recognition and honor which they deserve, and which by right is theirs. I am introducing at this time a bill to amend section 1003 of title 38, United States Code, relating to memorial areas and appropriate memorials to honor the memory of certain deceased members of the Armed Forces whose remains were buried at sea, have not been identified or were not recoverable, to include deceased members of the Armed Forces who have donated their remains for use in medical research or training.

I hope that my colleagues will recognize the justice of allowing these veterans the honor of memorial plaques in their memory, and will act with favor upon this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1003(a) of title 38, United States Code, is amended by striking out "or have been determined to be nonrecoverable," and inserting in lieu thereof ", have been determined to be nonrecoverable or have been donated for use in medical research or training.".

By Mr. CANNON (for himself and Mr. LAXALT):

S. 101. A bill to provide for the establishment of a national cemetery in the State of Nevada; to the Committee on Veterans' Affairs.

Mr. CANNON. Mr. President, on behalf of myself and Senator LAXALT, I introduce, for appropriate reference, a bill to establish a national cemetery in the State of Nevada. At present, there is no national cemetery in Nevada to provide for the burial of deceased veterans.

Although national cemeteries came into being during the Civil War to provide for the burial of soldiers who had died in service, most of them are situated where battles occurred and, therefore, are not evenly distributed in the 50 States. For this reason, the Western part of the United States has few national cemeteries, and the many veterans who served during World War II have no place within reasonable proximity to their domicile for burial. During the last World War we had approximately 16 million men under arms, and when you consider their dependents, we have a total of about 50 million people who are eligible for burial.

Due to the inexorable march of time, the need for this legislation is increasing in urgency. Early in the 2d session of the 92d Congress the Senate Committee on Veterans' Affairs considered the proposal to establish a national cemetery in Nevada. Unfortunately, the bill was not adopted. Nevada's congressional delegation has offered this proposal for many years and I am especially hopeful that the 95th Congress and the new administration can work together effectively to enact this proposal into public law.

I urge the committee to reconsider this proposal at the earliest possible opportunity.

Mr. LAXALT. Mr. President, this measure would provide the many veterans of the State of Nevada, who have served our Nation, with a place for burial within reasonable proximity to their domicile.

At present, there is no national cemetery in Nevada to provide for the burial of deceased veterans. This measure would establish a national cemetery in the State of Nevada.

Mr. President, I join my distinguished colleague, Senator CANNON, in urging consideration of this proposal at the earliest possible opportunity.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 102. A bill directing the Secretary of Agriculture to convey the property comprising the Lee Canyon Youth Camp, Toiyabe National Forest, Nevada, to Clark County, Nev.; to the Committee on Agriculture and Forestry.

LEE CANYON YOUTH CAMP

Mr. CANNON. Mr. President, I introduce for myself and Senator LAXALT a bill to convey to Clark County title to a property known as Lee Canyon Youth Camp.

Clark County presently operates the 4-acre site through a special use permit granted the county by the U.S. Forest Service. The camp provides recreation opportunities for an estimated 10,000 persons each year representing the YMCA, church groups, 4–H groups, and others.

Clark County has built numerous structures at the camp including a dining hall, dormitories, a recreation hall, a shop, and water system. The present 20-year lease on this property will expire in 4 years and the potential loss of these facilities at that time will be a severe loss to the people of the county. Additionally, the uncertainty of a lease renewal makes administration of the camp more difficult.

The Nevada Legislature has memorialized the Congress to approve this transfer. Mr. President, I am hopeful this matter will be carefully and fully analyzed and early action taken on the bill.

Mr. LAXALT. Mr. President, Lee Canyon Youth Camp, in Mount Charleston, Nev., is an organizational camp operated by Clark County, Nev., under a use permit from the U.S. Forest Service. During the years, many improvements have been made to the camp and it is in constant demand for use by organizations such as youth groups, churches, and schools.

The present 20-year lease on this property will expire in the near future. This measure would provide a transfer of the property to Clark County in order to preclude the loss of recreational opportunities to the people of Clark County.

Mr. President, I urge serious consideration of this proposal at the earliest possible opportunity.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 103. A bill to convey to the Ely Indian Colony the beneficial interest in certain Federal land; to the Committee on Interior and Insular Affairs.

Mr. CANNON. Mr. President, I introduce with my distinguished colleague, Senator LAXALT, a bill to convey the beneficial interest in some 90 acres of land in White Pine County, Nev., to be used to expand the present colony.

At the present time, the land available to this particular colony is less than 10 acres. This was purchased in 1930 by the United States for Indian village purposes. It was contemplated at that time that it would be occupied by some five Indian families with a population of about 30.

The population of the tribe has grown considerably and the need for additional land is urgent if this low-income minority group is to have the advantages of their neighbors.

The addition of suitable land will permit the colony to take advantage of programs that enable these people to construct their own homes and provide sanitary facilities. This legislation has been introduced previously, but not fully considered. I am hopeful the Senate will give early consideration to the bill and properly meet the needs of these people.

Mr. LAXALT. Mr. President, the Ely, Nev., Indian colony has an urgent need for additional land and facilities. Enactment of this legislation would make sufficient land available to enable the tribal members to take advantage of programs for the construction of their own homes and provide them the same type of living standards that are available to most of us.

Identical legislation was introduced in the 92d, 93d, and 94th Congresses. Unfortunately, action was not forthcoming.

I trust that early approval by the administration and prompt action by the committee will be forthcoming this year.

By Mr. INOUYE (for himself, Mr. BAYH, Mr. CLARK, Mr. HATFIELD, Mr. HUMPHREY, Mr. LEAHY, Mr. MCINTYRE, and Mr. MATSUNAGA):

S. 104. A bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid; to the Committee on Finance.

Mr. INOUYE. Mr. President, I am reintroducing a bill which I introduced in the 94th Congress—to amend the Social Security Act to provide for inclusion of the services of licensed—registered—nurses under medicare and medicaid.

Mr. President, the cost of health care in this country is continuing to escalate at an alarming rate, and yet many people still are not receiving the health care they need. In some areas, health services are scarce or simply unavailable. We are moving toward some form of national health insurance, but we must be careful that in enacting a health insurance law we do not perpetuate the deficiencies of the present system. One step we can take now to improve the present system is to provide for better utilization of all of our health care personnel. In many areas of the country where there is a physician shortage—or where there are no physicians at all—registered nurses increasingly are providing health care services to mothers, children, and families. The problem is that many services these nurses are well-qualified to perform are not reimbursable except under the direct supervision of a physician.

Home health services to the elderly by nurses can frequently prevent the need for costly hospitalization or placement in a nursing home. But again, medicare and medicaid, and in fact most health insurance plans, encourage not cost containment but the most expensive kind of care, in institutions.

The nursing profession has been rapidly broadening its traditional role. In some rural clinics, nurses have proved that they can handle up to 80 percent or more of health problems of patients.

While the scope of nursing knowledge, skill, and experience has expanded greatly, the public perception of the nurse as the handmaiden to the physician tends to persist. The reality is that nurses are health professionals in their own right—ready and able to function in a vastly expanded role. It is ironic that our present health care system and methods of reimbursement militate against utilization of nurses in a way that would make health services more widely available and at the same time contribute to the containment of health care costs.

The Public Health Service in its most recent forward plan for health notes the need for a reappraisal of medicare and medicaid reimbursement policies. PHS says it plans to study the potential benefits of greater utilization of nonphysician professionals including the possibility of direct payment for their services.

I am glad to see the PHS moving in this direction, but I do not believe that we need more study of the value of extending the use of nurses services and providing for inclusion of such services under medicare and medicaid.

In this connection, I would like to point out that in many cases services now performed by a nurse practitioner, for example, are reimbursable once they are recommended by and/or provided under the supervision of a physician. In other words, reimbursement does exist. If the law recognizes the consumer's right to have direct access to nursing services, then in all likelihood there would be a reduction in present costs, because of the elimination of the physician's fees which, in most cases, are paid to him only for supporting the "claim" forms.

Two editorials in the Washington Post last year discussed the difficulties that rural communities are having in securing essential health services. The absence of such services is behind the 22-percent higher death rate for rural citizens according to the Southern Rural Health Conference and an infant mortality rate that is 65 percent higher for rural blacks than rural whites. Communities seeking to see that adequate services are provided are severely handicapped by the fact that medicare does not reimburse nurses so that unless a doctor is on hand at a clinic, the clinic cannot be reimbursed for services provided by the nurses or others. It loses money and cannot pay its way and many eventually have to be closed. It is estimated that some 700 to 800 clinics are needed in Appalachia to provide adequate care in that area.

I believe that the need for and the benefits of inclusion of services of registered nurses in all settings including nursing homes, hopsitals, rural clinics, and ambulatory care centers under medicare and medicaid are already more than apparent. I hope that my collegues will join me in moving for action on this legislation.

Mr. President, I request unanimous consent that the two editorials from the Washington Post, the editorial from the American Journal of Nursing, and the text of the bill be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1861(s) of the Social Security Act is amended by inserting immediately before the matter following paragraph (13) the following: "The term 'medical and other health services' also means all those health care services performed by a registered profesisonal nurse within the scope of professional nursing practice as defined by State law.".

SEC. 2. (a) Section 1905(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (16);

(2) by inserting "and" at the end of paragraph (17);

(3) by adding immediately below paragraph (17) the following new paragraph:

"(18) health care services performed by a registered professional nurse within the scope of professional nursing practice as defined by State law.".

(b)(1) Section 1902(a)(13)(B) of such Act is amended by inserting after "through (5)" the following: "and (18)".

(2) Section 1902(a)(13)(C)(i) of such Act is amended by inserting immediately after "through (5)" the following: "and (18)".

(3) Section 1902(a)(13)(C)(ii)(I) of such Act is amended by inserting immediately after "through (16)" the following: "and (18)".

(4) Section 1902(a)(14)(A)(i) of such Act is amended by striking out "and (7)" and inserting, in lieu thereof "(7), and (18)".

SEC. 3. The amendments made by this Act shall be effective with respect to payments under titles XVIII and XIX of the Social Security Act for calendar quarters commencing with the first calendar quarter beginning after the date of enactment of this Act.

DEAR MR. CARTER * * *

We know you're busy packing and studying and getting ready to move to Washington. You must be inundated with letters and maybe you don't need one more right now. But frankly, to paraphrase one of your great predecessors, we're writing not to ask what this country can do for nurses but rather to say what nurses stand ready to do to improve health care and make it accessible to everyone in this nation.

We urge you, sir, as you begin shaping your administration's health policies, to include nurses in the earliest planning sessions. Too often in the past, only physicians have been appointed to represent the health professionals in health policy councils.

Physicians obviously are the appropriate choice as spokespersons on the provision of medical care. But health care encompasses much more than medical care. You have stated repeatedly that you intend to reorganize the health care delivery system, that you will stress preventive services, that you will remove the barriers that have kept the poor, the elderly, the minorities from the services they require. You have called for universal, mandatory national health insurance to cover the costs of these services. We applaud your aims and will support your efforts.

But all of this can only work if our national health system is comprehensive, encompassing health maintenance and rehabilitation programs that stress home health services and decrease the misuse of expensive therapeutic facilities. All of this can only work if costs can be contained within reasonable limits. All of this can only work if some traditional patterns are modified—patterns of health care financing and the medical monopoly on deciding who shall get what kind of care.

Let me cite a few examples.

The Smiths are an elderly couple, living frugally, but managing, on their Social Security income. Ms. Smith awakens one day with severe pain in her left leg; they take a taxi to their physician who diagnoses her condition as sciatica and tells her to take aspirin and stay in bed for 2–3 weeks. On the fifth day and again on the sixth and seventh days, she calls him about her constipation and he suggests various over-the-counter cathartics. On the eighth day she calls again and he says, "Well, by now you probably need a colonic. I guess you'd better come in to the hospital."

There is a nurse practitioner in the Smiths' town who could have come in early and perhaps prevented the complication—and certainly the hospitalization—but this physician, like most, doesn't think about his patient's need for skillful nursing care. He prescribes rest and assumes she can take it from there. In addition, under present regulations, the nurse's services are not reimbursable under Medicare. What Medicare will

pay for is Ms. Smith's unnecessary and expensive hospitalization.

Mr. Walker has chronic obstructive lung disease and is in a hospital, recovering from a bout of congestive heart failure. His physician believes he no longer requires an acute care setting. But whether he should go home and whether that home situation is conducive to his recovery is a question. How would he get the equipment he needs? Can he adapt to the normal routines of daily living and the physical limitations of the home—the stairs, the accessibility to kitchen and bathroom, and so on? Or does he require placement in an extended care facility for a time? A nurse should visit to assess Mr. Walker's home and work out discharge plans with him but under our present system her visit is not reimbursable.

Mr. Wilson has advanced cancer and has refused to accept any more chemotherapy. He signs out AOR—at own risk—because he wants to spend his remaining time at home with his family. They call the visiting nurse service for assistance with his care and are told that the nursing care must be ordered by a physician. At this point he doesn't need a physician. He needs a nurse to give him comfort and a family to give him love.

These are not isolated instances, Mr. Carter. They are common occurrences throughout this country and are intensified in many rural and ghetto areas where precious little of any kind of health care is available or, under present set ups, achievable.

Nurses don't have all the answers but we do have some which we need to put forth ourselves. We neither can nor should rely on others to explain to you and your designees nursing's potential and proper role in health care.

I'd like to end with a quote from a campaign speech of another president: Anne Zimmerman, president of the American Nurses' Association, whom I hope you'll be consulting soon and often. "The medical mystique," she said, "has produced the myth that quality health care is always medical care and therefore beyond the nation's economic reach. This myth can be dissipated as services of well-prepared nurses are available and used."

THELMA M. SCHORR, R.N.,
Editor.

In the past few years, a number of events and movements suggests that rural citizens are learning that problems in such areas as health, housing, education and the environment are more likely to be faced up to when citizens organize their own power. Recent examples are common, from the might of the American Electric Power Company being tempered by some rural North Carolinians who successfully defended their section of the New River, to some tenants in Indiana County in western Pennsylvania who forced their landlord to improve housing conditions. Another event that shows promise of leading to useful reforms is a meeting now under way in Nashville of the Southern Rural Health Conference.

Policy-makers, physicians, nurses and citizens from 14 states have come together to see what can be done about the delivery—or non-delivery—of health services in the rural South. The absence of these services is behind such bleak statistics (according to the conference) as a 22 per cent higher death rate for rural citizens and an infant mortality rate that is 65 per cent higher for rural blacks than rural whites.

Even if every rural community did have its own clinic or hospital, poor health would still be common because of the absence of preventive care. Some of the well-known factors contributing to a greater vulnerability to sickness and disease include: contaminated water, poor housing, inadequate nutrition (children who avoid unhealthy water by drinking sugary soda pop may not get intestinal parasites but they are exposed to dental diseases), occupational hazards (coal dust for miners, inhaling chemicals for farmworkers) and mental depression caused by feelings of political powerlessness.

As for the contributions of public policy, Medicare does not reimburse nurse practitioners or physician assistants. This means that unless a doctor is on hand at a clinic, the clinic cannot be reimbursed for services provided by the nurses or others; it loses money and cannot pay its way. Another cause of poor health care is that medical schools tend to be biased against rural areas. A report presented last year to the task force on Southern Rural Development in Atlanta noted that few scholarships and few internship or residency programs are available for medical students interested in rural practice.

The usefulness of the conference being held in Nashville—the first of its kind—will be measured as much by the follow-up of its recommendations as by the actual discussions. However useful the talk itself may be, it is not exactly a secret among thoughtful HEW policy-makers or staff volunteers in mountain health clinics that a crisis in health care is needlessly victimizing rural Americans.

RURAL HEALTH CARE IN APPALACHIA

Some five years ago in eastern Tennessee, a cooperative effort by some mountain citizens helped create a health clinic in the small town of Clairfield. It was desperately needed. As in much of rural Appalachia, the isolation and poverty of Clairfield meant that the people had no doctor or nurse. Because of both the need and the citizen's enthusiasm, the Appalachian Regional Commission provided funds. By law, the commission's support would last for five years, after which the town would have to pay its own way. With the five year period running out, the future of the health clinic is in serious doubt.

The troubles in Clairfield might be seen as another hard luck story, the kind that has been crushing Appalachians for generations. But the town's difficulties are significant because many of the problems in its health clinic are found throughout the 13-state region. In all, the ARC assists more than 150 communities in running primary health care clinics.

What makes the running difficult is an outdated and unworkable Medicare regulation that prevents clinics from being reimbursed for services unless a doctor is physically present. But in Clairfield and many other clinics, doctors can only come once a week or at other intervals. Most of the time, nurse-practitioners, physician assistants or other non-doctors provide the daily health care needs. According to the commission, between 70 to 80 percent of the region's rural medical problems can be competently handled by the nurse practitioners and other non-physicians. Thus, because Medicare does not reimburse for this non-physician care, the clinics lose money and cannot pay their way. As a recent ARC staff paper notes: "The prohibitive Medicare regulation is based upon objections raised by the American Medical Association during the 1972 hearings on amendments to the Social Security Act. At that time, such (nurse) practitioners were relatively unknown, and many physicians considered them a threat to the high standards of the medical profession. Times have changed and many physicians now use these practitioners extensively. Medicare has not changed, however."

Corrective legislation is now before both the Senate Finance Committee and the House Ways and Means Committee. At the moment, the bills are being debated by the American Medical Association, the American Nursing Association, the administration, the committees and the commission. Each party has its own position, based on its special interests. But what about the interests of the sick people in the mountains? It is already tragic enough that many of them are victimized by poor housing, lack of transportation, the effects of strip mining and insensitive coal companies. But now they have to sit still and wait for outsiders to argue it out about Medicare regulations. Even then, the 72 clinics offer only minor relief; the ARC estimates that 700 to 800 clinics are actually needed in Appalachia.

To delay changing the regulations means that many of the existing clinics will soon be closing. The commission argues persuasively that Medicare reimbursement should be given according to the care provided rather than according to the provider of the care. In other words, what difference does it make to the sick person if he is treated by a doctor or nurse practitioner as long as he is treated in an adequate way?

By Mr. HUDDLESTON (for himself, Mr. EASTLAND, Mr. TALMADGE, Mr. DOLE, Mr. MCGOVERN, Mr. HUMPHREY, and Mr. CLARK):

S. 106. A bill to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes; to the Committee on Agriculture and Forestry.

LAND AND WATER RESOURCES CONSERVATION ACT OF 1977

Mr. HUDDLESTON. Mr. President, in 1974, Congress enacted legislation to provide long-term planning for the Nation's renewable resources. The Forest and Rangeland Renewable Resources Planning Act—Public Law 93-378—directs the Secretary of Agriculture to assess periodically the national situation regarding the forest and rangeland resources, and to submit, at regular intervals, recommendations for long-range Forest Service programs essential to meet future needs for those resources. In short, the act provides a process which should permit better informed choices to be made in the management and administration of the forest system.

However, the majority of the Nation's land is privately owned.

The conservation of this land, water, and related resources is a matter of great importance. This importance is reflected, in part, by the fact that the Federal Government makes considerable conservation investments on privately owned land. More than $500 million is expended annually by the Department of Agriculture alone for soil and water conservation programs.

And there is a growing demand on the land, water, and related resources of the Nation to meet present and future needs for food and fiber, rural and urban development, agricultural, industrial and community water supply, fish and wildlife habitat, recreational facilities, and the needs of the people.

Last session the Senator from Mississippi (Mr. EASTLAND) and I introduced legislation, S. 2081, which would establish a mechanism for making long-range policy to encourage the wise and orderly development of the Nation's soil and water resources. This bill was a companion bill to the Forest and Rangeland

Renewable Resources Planning Act. Generally, S. 2081 called for a continuous appraisal of water- and land-related resources. It directed the Secretary of Agriculture, through the SCS, to develop and direct a 5-year soil and water conservation program for furthering land and water conservation. And it required a report to Congress on the appraisal and program and the effectiveness in reaching the objectives set by Congress.

Mr. President, I ask unanimous consent that my remarks of July 10, 1975, regarding the Land and Water Resources Conservation Act be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

LAND AND WATER RESOURCE CONSERVATION ACT OF 1975

Mr. HUDDLESTON. Mr. President, I am pleased today to join with my distinguished colleague from Mississippi (Mr. EASTLAND), in introducing S. 2081, the Land and Water Resource Conservation Act of 1975.

This legislation is designed as a companion to the Forest and Rangeland Renewable Resource Act of 1974, which was authored by Senator HUMPHREY. It is an effort to set natural resource policy in a systematic and rational way so that we can deal with our natural resource needs in a timely and efficient manner.

In the past the legislative and the executive branches have often found it easy to defer natural resource decisions until many of our priceless resources were lost for all time.

This legislation provides a system which will keep us all aware of what is happening to our land and water bases and establishes a mechanism to make policy decisions to meet national needs for food and fiber, clean water, community development, recreation and wildlife protection in an environmentally sound setting.

Neither Senator EASTLAND nor I view this bill as an end all. The language is not locked in concrete. In the months to come we will work with many individuals and organizations to perfect the bill and ultimately produce legislation which will provide for getting the job done in the most efficient manner.

This was the procedure which Senator HUMPHREY used with his act. The result was that the Forest and Rangeland Renewable Resource Act has broad support all across the Nation, both from industry and from the environmental movement. We will be seeking this same consensus.

Mr. President, our Nation is vast in its land area, and sometimes in my opinion, we tend to think of it as limitless. But our population is still growing. In not too many years it will have reached 300 million. Metropolitan boundaries are expanding rapidly so that subdivisions now occupy what was once farmland.

Furthermore, the world has entered a new era of food scarcity. This has meant spiraling prices, shrinking grain supplies and regional famine in many nations.

Since the Depression years, U.S. capacity has exceeded demands for agricultural products. Excess capacity was fueled by a combination of rich natural resources and rapid technological advance.

But those days may be gone forever. The rate of technological development which permitted the American farmer to feed 52 people besides himself may be slowing down. We have asked our farmers to go all out—to plant virtually every available acre.

Now the time has come to ask the question: Will there be enough land to feed our citizens and to meet the export demand? Fortunately, the U.S. land resource base seems to be ample for future domestic needs—at least to beyond the year 2000. It also seems likely that our farmers will have land and technology sufficient to make sizable export commitments.

But it may not come easily. How well we do will depend on our potential for higher productivity per acre and the possibility of increasing crop acres.

And as we learned during the dust bowl era of the 1930's, when Nebraska topsoil made the sky black over the city of Washington, all-out production can be costly unless it is accompanied by sound conservation practices.

In some of our Western States, many acres of farmland are being lost to soil salinity. In some places in Iowa, as much as 100 tons of top soil per acre per year are lost to wind erosion.

Our land and water resources are essential to the Nation's economic and social well-being. They must be conserved, protected, and enhanced in order to avoid their loss, misuse, and damage.

Soil erosion creates a serious sedimentation problem. Sediment is by far the major pollutant of surface waters, and some of the highest sediment yields come from the most productive and most intensely cultivated soils. Water quality in lakes and streams is reduced by the nutrients and pesticides carried there by runoff water.

In recent years, there has been a shift away from soil conserving crop rotations. Much of the current production is either a continuous single crop, or a rotation of two intensive row crops, such as corn and soybeans. Modern fertilizers and pesticides have made this system feasible.

Although continuous single-cropping is efficient and profitable, it increases the erosion hazard and the need for soil conservation practices. There has been a recent movement toward elimination of shelter belts designed during the 1930's and 1940's to limit wind erosion.

In a report issued just last month, the General Accounting Office said:

"Unless actions are taken to encourage farmers to renovate and preserve existing windbreaks, rather than remove them, an important resource, which has taken many years to develop, could be lost, and adjacent croplands could erode and become less productive."

In 1973, Assistant Secretary of Agriculture Robert Long said at a meeting of soil conservation commissioners:

"This is no time to have a great plow up followed by a great wash away. If our soils become pollutants instead of a resource, the long investment that we and you have made will go down the drain and a good many futures with it."

Mr. Long and the Soil Conservation Service have initiated a national educational campaign, the theme of which is "Produce More, Protect More."

This is a laudable effort. But it does not take the place of the hundreds of soil and water conservation specialists who have been lost by the Soil Conservation Service, because of reductions in Federal employment. It does not fill the yawning gap in Federal polity embodied in the Office of Management and Budget premise that the job of the Soil Conservation Service was completed with the end of the dust bowl.

What we must have is a systematic appraisal of our water and land bases so that we have a comprehensive understanding of what is happening to these resources on a continuing basis.

Then we must devise a program for taking appropriate action to resolve the problems associated with these resources.

And finally we must have an analytical device that will provide Congress with the information needed regarding the stewardship of the Soil Conservation Service.

In essence, these three elements are what would be set up under this proposed Land and Water Resource Conservation Act.

This act declares it to be the policy of the United States to achieve and maintain, first, quality and quantity in the natural resource base for sustained use; second, quality in the environment to provide attractive, convenient, and satisfying places to live, work, and play; and third, quality in the standard of living based on community improvement and adequate income.

The Secretary of Agriculture shall promote the attainment of this policy by appraising the land, water, and related resources of the Nation and developing a program for furthering the conservation, protection, and enhancement of these resources on private and non-Federal lands. The appraisal and the program are required to be completed by December 31, 1976, and updated every 5 years.

The Secretary of Agriculture is further required to transmit to the Congress the report of the appraisal and the program each time it is updated. In addition, the Secretary shall report to Congress each year on the effectiveness of the program in attaining the objectives of this act.

As I see it, with the Forest Service and the Soil Conservation Service operating under the same kind of system of appraising problems and finding solutions to those problems, the activities of these two important resource agencies can interface in many instances in a cooperative effort to avoid duplication.

As I stated earlier, Mr. President, we will be anxious to hear from all parties who have an interest in this Nation's resources so that we can forge this bill into the best possible legislation. We will welcome any responsible comments in this regard.

Mr. HUDDLESTON. Mr. President, for the 90-day period following introduction of the legislation we worked diligently to refine and improve the bill and it was reintroduced as an amendment in the nature of a substitute on October 1, 1975.

Mr. President, I ask unanimous consent that my remarks at that time be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REFINEMENT OF THE LAND AND WATER CONSERVATION ACT OF 1975

Mr. HUDDLESTON. Mr. President, on July 10, I, along with my distinguished colleague from Mississippi (Mr. EASTLAND), introduced S. 2081, a bill to provide for furthering the conservation, protection and enhancement of the Nation's land, water, and related resources.

The legislation was designed as a companion to the Forest and Rangeland Renewable Resource Planning Act of 1974, in an effort to establish natural resource policy in a systematic and rational way so that we can deal with our resource needs in a timely and efficient manner.

Since introducing the legislation, we have worked with some of the Nation's leading conservationists to refine and improve the bill. I believe the amendment in the form of a substitute to S. 2081 which Senator EASTLAND and I are submitting today represents a considerable improvement over the original bill, and it is the vehicle on which the Subcommittee on Environment, Soil Conservation and Forestry will hold hearings in early November.

I would like to take this opportunity to express the thanks of Senator EASTLAND and myself to the following persons for their assistance on this legislation:

Dan Poole, Keith Harmon, and Lonnie Williamson of the Wildlife Management Institute; Mary Garner, Dave Unger, Gordon Zimmerman, and Ray Heinen of the National Association of Conservation Districts; Donald Williams; William Hyde of Resources for the Future; Lawrence Libby of Michigan State University; Bob Dennis of Zero Population Growth; Robert Wolf of the Congressional Research Service; John Gottschalk of the International Association of Game and Fish Commissioners; Carl Sullivan of the Sports Fisheries Institute; Dennis LeMaster of the Society of American Foresters; Tom Barlow of the Natural Resources Defense Council; Douglas MacCleery of the National Forest Products Association; William Towell of the American Forestry Association; and Kenneth Hampton of the National Wildlife Federation.

All of these people were invited by the subcommittee to submit suggestions for the improvement of the bill, and all of them responded magnificently. Using the "areas of agreement" approach of the American Forestry Association, I believe we have developed legislation on which all parties can agree, and of which we can be proud.

Mr. HUDDLESTON. Mr. President, S. 2081 was approved by the Senate in May 1976 and was passed by the House of Representatives during the closing days of the 94th Congress.

As enacted, the legislation directed the Soil Conservation Service to go out and appraise the situation regarding the condition and potential of private lands of the United States and then to develop a long-term coordinated voluntary program to maintain quantity, quality, and productivity of our natural resource base. But the bill never became law because it was pocket vetoed.

Mr. President, I rise today to reintroduce this highly important piece of legislation which is designed to further the conservation of land, water, and related resources. As I have said before, I feel this legislation will do a great deal to enhance the status of the Soil Conservation Service and to renew the Nation's interest in protecting and improving its land, water, and related resources.

Mr. President, I urge my colleagues to join me in supporting this bill and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Land and Water Resources Conservation Act of 1977".

FINDINGS

SEC. 2. The Congress finds that—

(1) There is a growing demand on the land, water, and related resources of the Nation to meet present and future needs.

(2) The Congress, in its concern for sustained use of the resource base, created the Soil Conservation Service of the United States Department of Agriculture which possesses information, technical expertise, and a delivery system for providing assistance to land users with respect to conservation and use of soils; plants; woodlands; watershed protection and flood prevention; the conservation, development, utilization, and disposal of water; animal husbandry; fish and wildlife management; recreation; community development; and related resource uses.

(3) Resource appraisal is basic to wise land and water conservation. Since individual and governmental decisions concerning land was water resources often transcend administrative boundaries and affect other programs and decisions, a coordinated appraisal and program framework are essential.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Secretary" means the Secretary of Agriculture.

(2) The term "land, water, and related resources" means those resources which come within the scope of the programs administered and participated in by the Secretary of Agriculture through the Soil Conservation Service.

(3) The term "land and water conservation program" means a framework for attaining the purposes of this Act.

DECLARATIONS OF POLICY AND PURPOSE; PROMOTION THEREOF

SEC. 4. (a) In order to further the conservation of land, water, and related resources, it is declared to be the policy of the United States and purpose of the Act that the conduct of programs administered by the Secretary of Agriculture for the conservation of such resources shall be responsive to the long-term needs of the Nation, as determined under the provisions of this Act.

(b) Recognizing that the arrangements under which the Federal Government cooperates with State soil and water conservation agencies and other appropriate State natural resource agencies such as those concerned with forestry and fish and wildlife and, through conservation districts, with other local units of government and land users, have effectively aided in the protection and improvement of the Nation's basic resources, including the restoration and maintenance of resources damaged by improper use, it is declared to be the policy of the United States that these arrangements and similar cooperative arrangements should be utilized to the fullest extent practicable to achieve the purpose of this Act.

(c) The Secretary shall promote the attainment of the policies and purposes expressed in this Act by—

(1) appraising on a continuing basis the land, water, and related resources of the Nation;

(2) developing and updating periodically a program for furthering the conservation, protection, and enhancement of the land, water, and related resources of the Nation using all of the resources of the Department of Agriculture; and

(3) providing to Congress and the public, through reports, the information developed pursuant to paragraphs (1) and (2) of this subsection, and by providing Congress with an annual evaluation report as provided in section 7.

APPRAISAL

SEC. 5. (a) In recognition of the importance of and need for obtaining and maintaining information on the current status of land, water, and related resources, the Secretary is authorized and directed to carry out, through the Soil Conservation Service, a continuing appraisal of the land, water, and related resources of the Nation. The appraisal shall include, but not be limited to—

(1) data on the quality and quantity of land, water, and related resources;

(2) an analysis of the potential of those resources;

(3) a determination of the changes in the status and condition of those resources resulting from various uses; and

(4) a discussion of current laws, policies, programs, rights, regulations, ownerships, and other considerations associated with the land.

(b) The appraisal shall utilize data collected under this Act and pertinent data and current information collected by the Department of Agriculture and other Federal, State, and local agencies and organizations. The Secretary shall establish an integrated system capable of using combinations of resource data to determine the quality and potential for alternative uses of the resource base and to identify areas of local, State, and national concerns pertaining to land conservation, resource use and development, and environmental improvement.

(c) The appraisal shall be made in cooperation with conservation districts and with State soil and water conservation agencies and other appropriate State agencies under such procedures as the Secretary may prescribe to insure public participation.

(d) A report of the appraisal shall be completed by December 31, 1979 and at each five-year interval thereafter.

LAND AND WATER CONSERVATION PROGRAM

SEC. 6. (a) In order to establish a framework for achieving the national land and water policy and purpose of this Act, the Secretary is hereby authorized and directed to develop, through the Soil Conservation Service, in cooperation with and participation by the public through conservation districts, State and national organizations and agencies, and other appropriate means, a national land and water conservation program (hereinafter called the "program") to assist land owners and land users, at their request, in furthering land and water conservation on the private and non-Federal lands of the Nation. The program shall set forth the direction for future soil and water conservation efforts based on the current land, water, and related resource appraisal developed in accordance with section 5 of this Act, taking into consideration both the long- and short-term needs of the Nation, the land owners, and the land users. The program shall also include, but not be limited to—

(1) analysis of the Nation's land, water, and related resource problems;

(2) analysis of existing authorities and adjustments needed;

(3) an evaluation, based on a system to determine the effectiveness of the soil and water conservation ongoing programs and the progress being achieved in meeting the soil and water conservation objectives of this Act;

(4) identification and evaluation of alternative methods for the conservation, protection, environmental improvement, and enhancement of land and water resources, in the context of specific time frames, and a recommendation of the preferred alternative using all appropriate authorities of the Department of Agriculture;

(5) investigation and analysis of the practicability, desirability, and feasibility of collecting organic waste materials, including manure, crop and food wastes, industrial organic waste, municipal sewage sludge, logging and woodmanufacturing residues, and any other organic refuse, composting, or similarly treating such materials, transporting and placing such materials onto the land to improve soil tilth and fertility. The analysis shall include the projected cost of collection, transportation, and placement in accordance with sound locally approved soil and water conservation practices; and

(6) analysis of the Federal and non-Federal inputs required to implement the program.

(b) The program plan shall be completed not later than December 31, 1979, and be updated at each five-year interval thereafter.

REPORT TO CONGRESS

SEC. 7. (a) On the first day Congress convenes in 1980 and at each five-year interval

thereafter, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate, the appraisal report and the program as required by sections 5 and 6 of this Act, together with a detailed statement of policy intended to be used in framing budget requests of the Administration for Soil Conservation Service activities. Following the transmission of such appraisal report, program, and statement of policy, the President shall, subject to other actions of the Congress, carry out programs already established by law in accordance with such statement of policy or any subsequent amendment or modification thereof approved by the Congress, unless, before the end of the first period of ninety calendar days of continuous session of Congress after the date on which the President of the Senate and the Speaker of the House are recipients of the transmission of such appraisal report, program, and statement of policy, either House adopts a resolution reported by the appropriate committee of jurisdiction disapproving the statement of policy. For the purpose of this subsection, the continuity of a session shall be deemed to be broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the ninety-day period. Notwithstanding any other provision of this Act, Congress may revise or modify the statement of policy transmitted by the President, and the revised or modified statement of policy shall be used in framing budget requests.

(b) Commencing with the fiscal budget for the year ending September 30, 1979, requests presented by the President to the Congress governing Soil Conservation Service activities shall express in qualitative and quantitative terms the extent to which the programs and policies projected under the budget meet the policies approved by the Congress in accordance with subsection (a) of this section. In any case in which such budget so represented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for requesting the Congress to approve the lesser program or policies presented. Amounts appropriated to carry out the policies approved in accordance with subsection (a) of this section shall be expended in accordance with the Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344.

(c) The Secretary, during budget preparation for fiscal year 1980, and annually thereafter, shall prepare a report which evaluates the program's effectiveness in attaining the purposes of this Act. The report, prepared in concise summary form with appropriate detailed appendices, shall contain pertinent data from the current resource appraisal required to be prepared by section 5 of this Act, shall set forth the progress in implementing the program required to be developed by section 6 of this Act, and shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality factors. The report shall also indicate plans for implementing action and recommendations for new legislation where warranted.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect on October 1, 1977.

SEC. 10. In carrying out this Act, the Secretary of Agriculture shall utilize information and data available from other Federal, State, and private organizations and shall avoid duplication and overlap of resource appraisal and program planning efforts of other Federal agencies.

By Mr. PEARSON:

S. 107. A bill to reform veterans' pensions, to avoid a reduction in veterans' pensions, concomitant with increases in social security benefits; to the Committee on Veterans' Affairs.

Mr. PEARSON. Mr. President, today veteran pensioners who also receive Social Security benefits, are effectively disadvantaged relative to nonveteran recipients each time social security benefit rates are increased. I am now offering a legislative proposal to assure that the impoverished former defenders of our Nation receive the full benefit intended from congressional action on social security rates.

As you know, Mr. President, the purpose behind veteran pensions, at least those unrelated to service-connected disabilities, is income maintenance. In that sense, the Veterans' Administration pension program overlaps with social security programs. But the philosophy that led originally to the veteran pension is more than a mechanism for merely maintaining a needy segment of our population. It is a philosophy of recognition for service given in defending our national freedom. It is a philosophy of providing recognition when most needed and in the most useful form. It is also a philosophy that is ignored under existing law.

As presently calculated, a veteran's pension is equivalent to an amount which maintains his entire income at not more than $3,540. The amount of his pension is dependent upon the difference between $3,540 and his total income from other sources. Since social security benefits are included in the sum of "other sources," his pension allowance is necessarily reduced with an increase in social security benefits. The amount of the reduction in the pension allowance varies in degree based upon differing levels of Veterans' Administration benefits, but all pensioners suffer some reduction. The result is that, when Congress attempts to improve the plight of those on social security with, for example, a 10-percent increase in benefits, the veteran pensioner receives less than the full 10 percent. The nonveteran social security recipient's lot is improved to the full extent of congressional intention, but the relative position of the veteran recipient is damaged. While experiencing a net gain, the veteran is inequitably treated in relation to a similarly situated nonveteran. The veteran clearly does not receive all that Congress intends.

In the last Congress, I cosponsored a measure which sought to correct this inequity and revive the philosophy of recognition expressed in the veterans' pension program. That bill would eliminate social security from being included in the income base on which veterans' pensions are calculated. This concept was incorporated into the Veterans and Survivors Pension Reform Act, which was passed by the Senate last year. Action in the other body prevented this provision from becoming law.

Mr. President, today I am reintroducing this bill and urge its favorable consideration. I ask unanimous consent to have the bill printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 107

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (g) of section 415 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying paragraph (1)(G) of this subsection shall disregard any part of any such benefit which results from (and would not be payable but for) the general increase in benefits under such insurance program provided by section 201 of Public Law 93-66 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(b) Section 503 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying subsection (a)(6) of this section, shall disregard any part of any such benefit which results from (and would not be payable but for) the general increase in benefits under such insurance program provided by section 201 of Public Law 93-66 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(c) In determining the annual income of any person for purposes of determining the continued eligibility of that person for, and the amount of pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the Administrator of Veterans' Affairs shall disregard, if that person is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, any part of any such benefit which results from (and would not be payable but for) the general increase in benefits under such insurance program provided by section 201 of Public Law 93-66 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act.

SEC. 2. This Act shall apply with respect to annual income determinations made under the veterans' pension laws and section 415(g) of title 38, United States Code, for calendar years after 1973.

By Mr. BARTLETT:

S. 108. A bill to allow incremental crude oil production from new secondary and tertiary recovery projects to receive free market prices; to the Committee on Interior and Insular Affairs.

Mr. BARTLETT. Mr. President, this bill would allow incremental production from new secondary and tertiary crude oil recovery projects to receive free market prices and to be exempt from the calculation of the composite average price.

A major fault of the EPCA pricing scheme is that the production of additional upper-tier oil would cause a reduction in the price of all other oil. Further, the controlled upper-tier price is

not high enough to encourage producers to initiate expensive enhanced recovery projects which would be feasible at an uncontrolled price. This provision would permit an uncontrolled price for new production from new enhanced recovery projects, or new expansions of existing projects, but simultaneously would prevent a reduction in the price of existing production, because of the additional production from these projects. Because only new, incremental production would be decontrolled, existing oil prices would not increase, and consumers would face no price increases unless new oil is produced.

I believe this amendment to the Emergency Petroleum Allocation Act is essential to increase future production. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 108

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection (k).

"(k)(1) Any regulation relating to crude oil prices, to crude oil ceiling prices, or to the weighted average first sale price for crude oil promulgated pursuant to subsection (a) of this section or section 4 of this Act shall not apply to the first sale of crude oil produced and sold from a property in the United States which production results from an enhanced recovery operation and which volume of production is in excess of the volume of production which would have been produced from the property in the absence of the enhanced recovery operation. The first sale price and volume of such crude oil shall not be used in the computation of the 'maximum weighted average first sale price' as defined in subsection (a) of this section.

"(2) For the purposes of this subsection, an 'enhanced recovery operation' is defined as an oilfield operation, or the expansion or modification of an existing enhanced recovery operation, which is initiated after February 1, 1976, and which is previously certified as an enhanced recovery operation; pursuant to the procedures specified in paragraph (3) of this subsection, and which, according to prudent engineering principles, is likely to increase the ultimate recovery of crude oil or the producing rate of crude oil from the property by the injection of liquids or gases from the surface including, but not limited to, pressure maintenance, water flooding, gas injection and cycling, miscible fluid injection, chemical flooding, microemulsion flooding, in situ combustion, cyclic steam injection, steam flooding, polymer flooding, caustic flooding or variations of each of these methods or similar such methods, singularly or in combination.

"(3)(A) Prior to the commencement of the enhanced recovery operation to which the exemption provided by this subsection would apply, the producer shall submit his application for certification as an enhanced recovery operation, which application shall include his estimate of the future rate of crude oil production from the property which would occur in the absence of the enhanced recovery operation, and the necessary supporting data and calculations, as required by appropriate Federal or State regulation, to the Federal Energy Administration, and—

"(i) in the case of a property under State jurisdiction, to the appropriate State regulation agency, or

"(ii) in the case of a property under Federal jurisdiction, to the United States Geological Survey.

"(B)(i) In the case of a property to which subparagraph (A)(i) applies, the State regulatory agency may act upon the application by granting certification or specifying in what material respects the application should be amended in order to become certifiable. If a State agency does not act on an application within ninety days, the producer may submit the application, estimate, and supporting data and calculations to the United States Geological Survey. The United States Geological Survey shall act upon the application, by granting certification or specifying in what material respects the application should be amended in orded to become certifiable, within sixty days, and any failure to act within sixty days shall be conclusively presumed to constitute an approval.

"(ii) In the case of a property to which subparagraph (A)(ii) applies, the United States Geological Survey shall act upon the application by granting certification or specifying in what material respects the application should be amended in order to become certifiable, within sixty days, and any failure to act within sixty days shall be conclusively presumed to constitute an approval.

"(iii) Following receipt of notice by the producer of any United States Geological Survey requirements regarding amendment of the application initially submitted pursuant to either subparagraph (A)(i) or (A)(ii), and submission of required amendments to the United States Geological Survey by the producer, the United States Geological Survey shall act upon the amended application within thirty days. Action shall consist of granting certification without comment or specifying in what material respects the amended application failed to meet the earlier required amendment and then granting a certification which shall include an estimate of the rate, based upon the best judgment of the United States Geological Survey using information available to it, of crude oil production from the property which would occur in the absence of the enhanced recovery operation.

"(C) For the purposes of making the certification pursuant to the procedures specified in subparagraphs (A) and (B), the appropriate State regulatory agency or the United States Geological Survey (as the case may be) shall assure that the estimate of the rate of crude oil production from the property which would occur in the absence of the enhanced recovery operation accompanying the application for certification has been made in accordance with sound engineering and economic principles and using accepted techniques.

"(D) The appropriate State regulatory agency or the United States Geological Survey (as the case may be) shall immediately report its certification to the Federal Energy Administration. The certified estimate of the future rate of crude oil production from the property which would occur in the absence of the enhanced recovery operation shall thereafter be used by the Federal Energy Administration and the producer to determine the volume of crude oil to be exempted pursuant to this subsection.

"(4) The United States Geological Survey and the agency designated by the President under section 5(b) of this Act for establishing and administering petroleum price controls, after consultation with one another and with appropriate State agencies, shall each, within thirty days of the effective date of this subsection, promulgate or cause to be published regulations implementing the provisions of this subsection. Each agency shall be responsible for implementing the matters assigned to it. Each agency shall have the authority to conduct necessary inspections during the succeeding administrative process associated with granting the certification provided for in this subsection."

By Mr. BARTLETT:

S. 109. A bill to assure the availability of natural gas in interstate commerce to essential agricultural uses; to the Committee on Commerce.

Mr. BARTLETT. Mr. President, I am pleased to introduce today a bill entitled "Natural Gas Agricultural Priority Act of 1977." The purpose of the act is to amend the Natural Gas Act so as to insure those natural gas users essential to agricultural food and fiber production of sufficient supplies of natural gas to carry out their operations. It assigns a priority second only to residential, hospital, small users, and so forth, to those users essential to full food and fiber production in the United States—including farmers, food processors, and food packagers—for whose operation natural gas is essential.

Appropriate uses are as fuel for irrigation pumps and for crop drying, fuel and/or raw material feedstock for fertilizer and other agricultural chemical products. The bill provides not only for current uses, but also for expanded production by existing users and for new users as well.

The Federal Power Commission is not burdened with the task of determining the necessity of the various agricultural natural gas uses or whether natural gas is required for each respective use. That would be inadvisable. The Natural Gas Priority Act of 1977 empowers and obligates the Secretary of Agriculture to certify necessary agricultural operations for which natural gas is essential, as well as the amount of gas required for each respective use.

In meeting the provisions of this bill, the Federal Power Commission is prohibited from tampering with natural gas in the intrastate market, as well as from allocating natural gas supplies between or among natural gas companies.

The highly technical modern agriculture industry in the United States, particularly in irrigated regions, is intimately dependent on a secure and uninterruptible supply of natural gas. Any regulatory policy which jeopardizes or reduces the availability of this precious energy source to agriculture will consequently lower food production and have a substantial negative impact on the affected local region, the State, the Nation, and the world.

For this reason, passage of the Natural Gas Agricultural Priority Act of 1977 is essential to insure not only the viability of individual agricultural gas users, but the integrity of a large segment of the U.S. economy as well.

I ask unanimous consent that my bill, Natural Gas Agricultural Priority Act of 1977, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 109

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be cited as the "Natural Gas Agricultural Priority Act of 1977".

SEC. 2. The Natural Gas Act is amended by adding at the end thereof the following new section:

"NATURAL GAS FOR ESSENTIAL AGRICULTURAL USES

"SEC. 25. Except to the extent that natural gas supplies are required to maintain natural gas service to residential users, small users, hospitals, and similar users vital to public health and safety as defined by the Commission, and notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall within 90 days of the date of enactment of this Act prohibit by rule any curtailment and permit new or expanded uses of natural gas for any agricultural, food processing, or food packaging purpose which in the opinion of the Secretary of Agriculture is essential to meet requirements for full food and fiber production and for which natural gas is essential, including but not limited to irrigation pumping, crop drying, use as a raw material feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or extended capacity) and in new plants. The Secretary of Agriculture shall determine by rule the agricultural, food processing, or food packaging purposes which are essential to meet requirements for full food and fiber production and for which natural gas is essential. The Secretary of Agriculture shall also certify to the Commission the amount of natural gas which is necessary for such essential uses to meet requirements for full food and fiber production: *Provided, however,* that nothing contained herein shall empower the Commission to invoke the provisions of this section so as to affect the production, sale, transportation, resale, or end use of natural gas in other than interstate commerce or to mandate pipeline interconnections or the allocation of natural gas supplies between or among natural gas companies.".

By Mr. BARTLETT:

S. 110. A bill to amend the Natural Gas Act to assure adequate supplies of natural gas in interstate commerce; to the Committee on Commerce.

NATURAL GAS ACT AMENDMENTS OF 1977

Mr. BARTLETT. Mr. President, I am pleased to introduce today a bill entitled "Natural Gas Act Amendments of 1977." My introductory remarks today will be brief and to the point; a more comprehensive statement will follow.

The purpose of the bill is to amend the Natural Gas Act to assure adequate supplies of natural gas in interstate commerce. This assurance is effected through the deregulation of the price of new natural gas in interstate commerce.

New natural gas is defined as that, first, sold or delivered in interstate commerce for the first time on or after January 1, 1977; second, produced from wells initiated or completed on or after January 1, 1977, or recompleted or deepened into new reservoirs on or after January 1, 1977; or third, continued in interstate commerce after the expiration of an existing contract. Please note that nothing contained in the Natural Gas Act Amendments of 1977 is designed to diminish or affect the authority of the Federal Power Commission in regulating the transportation of natural gas in interstate commerce or the sale for resale by a pipeline company of natural gas in interstate commerce.

Provisions of the bill prohibit the Federal Power Commission from, first, disallowing prices previously paid for gas exempt from the act; second, disallowing any portion of the price paid to a company by an affiliate for natural gas, insofar as the price does not exceed that paid to nonaffiliates; third, rolling back the rate charged for gas once a sale or delivery has been finalized by the Commission; and fourth, denying or conditioning certification on the basis of the price of new natural gas.

It is extremely important to take immediate action on this vital issue. With each day that passes without Congressional action toward deregulation, this Nation's natural gas supply outlook worsens. I believe the Congress decision on this issue will largely determine whether this Nation will face a coming decade of adequate natural gas supply or increasingly disruptive shortages. Because legislative action on natural gas wellhead price deregulation has been deferred far too long, the Nation now faces mounting shortages of natural gas.

Deregulation of the wellhead price of new natural gas in interstate commerce can improve the gas supply outlook in three significant ways: First, by providing the economc incentive for producers to develop new and additional gas supplies from the Outer Continental Shelf—OCS—from Alaska, and from tighter, deeper onshore formations. Second, by encouraging more efficient natural gas usage, as the price is allowed over time to reflect the true economic value of this clean-burning fuel. And third, by gradually eliminating the current price disparity between the interstate and intrastate gas markets which now distorts our natural gas distribution.

In short, new natural gas price deregulation will dramatically increase the supplies of gas available to the interstate market. I, therefore, urge prompt favorable action on the Natural Gas Act Amendments of 1977.

The prospects for passage of this bill are most encouraging, because the Senate passed a similar, but not as effective deregulation bill in 1975, and because President-elect Carter said in a letter of October 19, 1976, to Governor Boren of Oklahoma:

> I will work with the Congress . . . to deregulate new natural gas.

If President-elect Carter will provide the leadership in new natural gas reregulation as President Ford did we should pass this in similar legislation in short order.

I ask unanimous consent that my bill, Natural Gas Act Amendments of 1977, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 110

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Act Amendments of 1977".

SEC. 2. Subsection 1(b) of the Natural Gas Act [15 U.S.C. Sec. 717(b)] is amended by inserting before the period at the end thereof the following: "or to the sale or delivery by a producer of new natural gas: *Provided, however,* That nothing contained in the Natural Gas Act Amendments of 1977 shall modify or affect the authority of the Commission in effect prior to the date of enactment of such amendments to (A) regulate the transportation in interstate commerce of natural gas or the sale in interstate commerce for resale of old natural gas, or (B) regulate the sale for resale of natural gas by any natural gas company which transports natural gas in interstate commerce or by an affiliate thereof which transports natural gas in interstate commerce".

SEC. 3. Section 1 of the Natural Gas Act [15 U.S.C. 717] is amended by adding at the end thereof the following new subsections:

"(d) The Commission shall have no power to disallow, in whole or in part, in the rates and charges made, demanded, or received by any natural gas company the amounts actually paid for natural gas exempt from the Act pursuant to subsection (b) except as otherwise provided in subsection (e).

"(e) In any case where a natural gas company which transports natural gas in interstate commerce purchases natural gas from an affiliate or produces natural gas from its own properties, the Commission may not disallow any portion of the cost thereof in the rates or charges made by such company which is not in excess of current prices paid for comparable gas to nonaffiliates.

"(f) Once a sale or delivery of natural gas in interstate commerce shall have been previously determined by the Commission to be just and reasonable and such determination has become final and no longer subject to judicial review, the Commission shall have no power to order thereafter a decrease in the rate or charges made.".

SEC. 4. Section 2 of the Natural Gas Act [15 U.S.C. Sec. 717(a)] is amended by adding at the end thereof the following new paragraphs:

"(10) 'New natural gas' means (A) natural gas sold or delivered in interstate commerce for the first time on or after January 1, 1977: *Provided,* That any natural gas sold or delivered in interstate commerce prior to the date of enactment of the Natural Gas Act Amendments of 1977 pursuant to limited term certificates (5 years or less) or temporary emergency contracts shall not be considered, for the purpose of this provision, as having been committed to interstate commerce, (B) natural gas produced from any well initiated or completed on or after January 1, 1977, or from any well recompleted or deepened on or after January 1, 1977, and subsequently producing solely from any formation not theretofore produced in that well; or (C) natural gas continued in interstate commerce after the expiration of an existing contract by its own terms (and not through the exercise of any power to terminate or renegotiate contained therein).

"(11) 'Affiliate' of another person means any person directly or indirectly controlling, controlled by, or under common control with such other person.

"(12) 'Producer' means a person who engages in the production, gathering, or processing of natural gas from wells or reserves in the United States.

"(13) 'Old natural gas' means natural gas sold in interstate commerce other than new natural gas.".

SEC. 5. Section 7 of the Natural Gas Act [15 U.S.C. Sec. 717(f)] is amended by adding at the end thereof the following new subsection:

"(i) The provisions of this section shall not permit the Commission to condition the grant of or to deny a certificate of public convenience and necessity to a natural gas company which transports natural gas in interstate commerce for the transportation in interstate commerce or for the sale in inter-

state commerce for resale of natural gas, or for the facilities used therefor, based on the price of new natural gas: *Provided, however,* That any contract for new natural gas shall be filed with the Commission by the purchasing natural gas company which transports natural gas in interstate commerce.".

By Mr. CASE (for himself, Mr. PROXMIRE, Mr. WEICKER, Mr. JAVITS, Mr. BROOKE, Mr. ALLEN, Mr. LEAHY, Mr. STAFFORD, Mr. CHURCH, Mr. ABOUREZK, and Mr. DOLE):

S. 113. A bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States; to the Committee on Government Operations.

FINANCIAL DISCLOSURE

Mr. CASE. Mr. President, on behalf of Mr. PROXMIRE, Mr. WEICKER, Mr. LEAHY, Mr. JAVITS, Mr. BROOKE, Mr. ALLEN, Mr. STAFFORD, Mr. CHURCH, Mr. ABOUREZK, Mr. DOLE, and myself, I introduce a bill to require full public disclosure of financial matters by the President, the Vice President, Members of Congress and the judiciary.

Over the years, I have introduced financial disclosure legislation in this Chamber many times. Indeed, this is the 11th Congress in which I have had a disclosure bill. At first, I was the sole sponsor, but support has grown and there were a number of cosponsors on my previous bills. And, indeed, there were several other financial disclosure bills introduced in both the House and the Senate.

In fact, twice during the second session of the 94th Congress the Senate passed financial disclosure legislation—only to find that the other Chamber had not kept pace.

We in the Senate are governed by standing rules on disclosure and those in the House also have standing rules. An Executive order applies to personnel in the administration and the Federal judiciary also polices itself—to a certain extent.

But all of these rules are somewhat different and in the case of the judiciary, disclosure is voluntary. And different rules that set up different standards which may or may not be followed are just not good enough.

We owe it to the public to enact uniform, mandatory legislation requiring public financial disclosure for we must accept—indeed we must embrace—the belief that the public is entitled to know the facts about those it elects or would elect to public office.

We hear on all sides of that chronic ailment—public disillusionment with Government. We must reverse this if our Government is to endure. Certainly, there could be no better way to show the public that Government once again is worthy of trust than to pass financial disclosure legislation.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 113

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President and the Vice President, each Member of the Senate and the House of Representatives (including Resident Commissioners and Delegates), each civil or military officer of the executive branch or any department or agency thereof, each judge or justice of a court of the United States, and each employee of the legislative, executive, or judicial branch of the Government of the United States or any department or agency thereof who is compensated at a rate in excess of $25,000 per annum shall file annually, and each individual who is a candidate of a political party in a general election for Federal office, or Resident Commissioner or Delegates in the House of Representatives but who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, with the Comptroller General a report containing a full and complete statement of—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from a member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value; including any fee or other honorarium received by him for or in connection with the preparing or delivery of any speech or address, attendance at any convention or other assembly of individuals or the preparation of any article or other composition for publication and the monetary value of subsistence, entertainment, travel and other facilities received by him in kind;

(2) the value of each asset which is in excess of $1,000 held by him or by him and his spouse jointly, other than household furnishings, goods, jewelry and clothing, and the amount of each liability which is in excess of $1,000 owed by him or by him and his spouse jointly as of the close of the preceding calendar year;

(3) all dealings in securities or commodities which are in excess of $1,000 by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to this directions during the preceding calendar year and;

(4) all purchases and sales which are in excess of $1,000 of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year.

(b) Except as hereinbefore provided, reports required by this section (other than reports so required by candidates of political parties) shall be filed not later than April 30 of each year. In the case of any person who ceases, prior to such date in any year, to accupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Comptroller General may prescribe.

(c) Reports required by this section shall be in such form and detail as the Comptroller General may prescribe. The Comptroller General may provide for the groupings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Each report required by this section shall be made under penalty for perjury. Any person who willfully fails to file a report required by this section, or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Comptroller General as public records which, under such reasonable regulations as he shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been a Member of the Senate or House of Representatives, a Resident Commissioner, and Delegates or an officer or employee of the legislative, executive, or judicial branch of the Government of the United States or any department or agency thereof, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "immediate family" means the spouse of an individual, and the child, parent, grandparent, grandchild, brother or sister of an individual and the spouses of such individuals.

(3) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(4) The term "commodity" means commodity as defined in section 2 of the Community Exchange Act, as amended (7 U.S.C. 2).

(5) The term "dealings in securities or commodities" means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity.

(6) The term "court of the United States" means each court so defined by section 451, title 28, United States Code, and each of the following courts: the District Court of the Virgin Islands, the District Court of Guam, the Tax Court of the United States, and the Court of Military Appeals.

SEC. 2. Section 554 of title 5, United States Code, is amended by inserting at the end thereof the following new subsection:

"(f) COMMUNICATIONS TO AGENCY.—All written communications and memorandums stating the cirmumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to such case by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

By Mr. HOLLINGS:

S. 114. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols; to the Committee on Public Works.

S. 114

Mr. HOLLINGS. Mr. President, it seems that auto breakdowns on our interstate highways are quite common. I think that at one time or another we have all passed a stranded vehicle along the highway. In most cases one must simply wait for a passing car to volunteer assistance or else start walking. For

this reason, I am introducing a bill requiring the Secretary of Transportation to take such action as may be necessary to encourage States to establish highway assistance patrols on these heavily traveled highways. The Secretary would then make a study of the effectiveness of assistance provided by such patrols and report to the Congress as to the results of such study, including any recommendations with respect to establishing additional programs. Hopefully, this measure will go a long way toward relieving this ever growing problem.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 115. A bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians; to the Committee on Interior and Insular Affairs.

Mr. CANNON. Mr. President, on behalf of my colleague, Senator LAXALT, and myself, I introduce for appropriate reference a bill to authorize the use of facilities at the Owyhee Indian Hospital of the Duck Valley Indian Reservation to provide certain medical care to non-Indians.

The Owyhee Hospital is located on the Duck Valley Indian Reservation in Nevada and Idaho, in a remote and sparsely settled region of both States. There are some 600 non-Indian residents within a 50-mile radius of this hospital. When they need medical care, even for routine matters, they must travel considerable distances to reach a medical facility.

I believe the need is obvious for more readily available medical care for these people. This measure would authorize the Secretary of Health, Education, and Welfare, subject to the consent of the Indian tribes involved, to take such actions as may be necessary to utilize the Owyhee Hospital for the purpose of providing nonemergency medical care to non-Indians living within approximately 50 miles of the hospital. Such care would be provided on a fee-for-service basis.

Mr. President, this legislation will serve a dual purpose. It will humanely enable non-Indians living in this remote area to more readily obtain medical attention. It will also help assure that this facility will be adequately utilized, and the fees paid by non-Indians will contribute to the financial support of the hospital.

Mr. LAXALT. Mr. President, the Owyhee Hospital is located on the Duck Valley Indian Reservation in Nevada and Idaho, in a remote and sparsely settled region of both States. There are hundreds of non-Indians in a 50-mile radius of this hospital. When they need medical assistance they must travel over 100 miles to reach a medical facility. The need for more readily available medical service for these people is obvious. This measure would authorize and direct the Secretary of Health, Education, and Welfare, subject to the consent of the Indian tribes involved, to take such action as may be necessary in order to utilize the Owyhee Hospital for the purpose of providing nonemergency medical care to non-Indians living within approximately 50 miles of the hospital. Such care would be provided on a fee-for-service basis.

Mr. President, this legislation will enable non-Indians living in this remote part of our country to more readily obtain necessary medical attention. It will also help assure that this facility will be adequately utilized and the fees paid by non-Indians will contribute to the financial support of the hospital. I urge serious consideration of this proposal at the earliest possible opportunity.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 116. A bill to authorize the Director of the Bureau of Mines to extend certain assistance to certain individuals engaged in mineral exploration and development; to the Committee on Interior and Insular Affairs.

Mr. CANNON. Mr. President, on behalf of my colleague, Senator LAXALT, and myself, I introduce a bill to authorize the Director of the Bureau of Mines to extend assistance to certain individuals engaged in mineral exploration and development.

This measure will provide such assistance, financial or otherwise, as the Director of the Bureau of Mines determines is necessary to enable small, independent operators to engage in mineral exploration and development. At a time when our dependence on foreign sources for many raw materials is growing, I believe it is important that we encourage the exploration and development of our own untapped resources. This bill is prepared and is introduced at the request of veterans of the search for gold, silver, and other minerals throughout the West.

Despite the fact that the large mining companies are involved with complex electronic equipment in their continuing search for mineral resources, the individual prospector with jeep and burro still play an important role. Nearly all mineral discoveries over the past century have been the result of individual prospectors making the initial discovery and then being forced for financial reasons to go to the large companies for development. This bill will encourage this historic process in mineral development.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 117. A bill to provide that four publications detailing the history of the Indian tribes of Nevada shall be subject to copyright by the Inter-Tribal Council of Nevada; to the Committee on the Judiciary.

Mr. CANNON. Mr. President, my Nevada colleague, Senator LAXALT, and I have introduced an unusual and historically significant bill today, designed to authorize the Inter-Tribal Council of Nevada to copyright four publications covering the history of the Indian tribes of Nevada which will be published via the use of Federal funds and printed by the U.S. Government Printing Office.

Normally, such publications would be in the public domain and, normally speaking, I subscribe to that concept. In this instance, however, the situation is not normal. For example, this bill will not benefit any one individual, but rather it will safeguard the rights of generations yet unborn to be able to read and understand the history of their ancestors.

The compilation of that history truly was a communal undertaking. More than 6 years ago, recognizing the need for a written history, over 150 members of the four separate Indian tribes now existent in Nevada, collaborated in the creation of these four tribal histories.

These tribes are all that currently remain of four great Indian nations: the Northern Paiutes, the Southern Paiutes, the Washoe, and the Western Shoshone. Collectively, they form the Inter-Tribal Council of Nevada.

Their efforts to create these histories was a major project which, since it included the customs and mores of the four tribes, involved research, copying ancient records, personal interviews, the recording of old songs and legends, as well as the patient, painstaking development of ancient lore from all available sources.

Our interest here is, of course, only to have the published histories copyrighted for the benefit of all those people who have worked so hard to make their creation possible. It is worth noting, however, that they are going further by working to create curricular school material, maps, old photographs, pictures, artifacts, and other things of value in preserving the history of a people before it is lost forever.

Under those circumstances, copyrighting is the fair and equitable thing to do and may well encourage other tribes in other States to undertake similar valuable historical efforts before it is too late.

By Mr. CANNON:

S. 118. A bill to provide for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Interior and Insular Affairs.

Mr. CANNON. Mr. President, on behalf of my colleague, Senator LAXALT, and myself, I introduce for appropriate reference a bill to provide for the suspension of annual assessment work on mining claims held by location in the United States.

Section 28 of title 30 of the United States Code now requires that on each mining claim located, and until a patent is issued, not less than $100 worth of labor must be performed annually or improvement worth that amount must be made each year in order to maintain the validity of the claim.

The need to conserve fuels makes the continued assessment requirement highly questionable. Additionally, the assessment work normally involves some surface disturbance of the mine site at a time when environmental concerns are growing. Finally, this requirement is hardly a practical means of maintaining a valid claim and I hope a more appropriate procedure may be considered during the suspension period.

The effect of this bill is to suspend the requirements of the Code as to all mining claims in the United States until July 1, 1980, provided that the claimant by July 1 of each year files a notice certifying his desire to continue to hold the mining claim involved. I hope the Interior Committee and the Senate will be able to look at this situation expeditiously and approve this moratorium.

By Mr. INOUYE:

S. 119. A bill to incorporate the Pearl Harbor Survivors Association; to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, today I have introduced a bill to incorporate the Pearl Harbor Survivors Association. This measure would bestow Federal recognition on this private nonprofit association but would not affect its legal, corporate, or other status.

The association is comprised of men and women who defended our Nation against the historic Japanese attack on the U.S. Pacific Fleet and bases around Pearl Harbor on December 7, 1941. Since 1941, survivors of the Pearl Harbor attack have formed many local and regional groups, and there are now 101 active chapters located in almost every State. Their national organization, the Pearl Harbor Survivors Association, was incorporated in Missouri in 1958.

An estimated 12,500 surviving members of the U.S. Armed Forces served at Pearl Harbor and in the area of Oahu Island during the December 7 attack. Of that number, the Pearl Harbor Survivors Association has an active membership of 5,259 men and women. Anyone who was a member of the Armed Forces on Oahu or who was stationed aboard a ship located within 3 miles of the island on December 7, 1941, is eligible to join. Members must either have been honorably discharged or still be a member of our Armed Forces. The association conducts regular chapter, district, and State meetings, and a biennial national convention.

The motto of the organization is "Keep America Alert," which the association seeks to accomplish by: First, preserving historical momentos and chronicles of the Pearl Harbor attack; second, protecting graves of Pearl Harbor victims; and, third, stimulating Americans to take a more active interest in the affairs and future of the United States. The association has been particularly active in veterans causes and national preparedness.

The association is unique because it will exist only as long as there are Pearl Harbor survivors. In order for the association to be more effective, it is imperative that it be recognized through the granting of a Federal charter. I believe the association fulfills all of the necessary requirements.

I am proud to sponsor this legislation. I wish to insert into the CONGRESSIONAL RECORD a statement by the Pearl Harbor Survivors Association. I believe it best summarized the purpose of the organization.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On that peaceful Sunday morning, December 7th, 1941, an enemy attack force hit Pearl Harbor with all its fury of death and destruction. In only thirty short minutes the attackers accomplished their most important mission; they had wrecked the battle force of the United States Pacific Fleet. We also lost half of the military aircraft on the island. We accounted for ourselves as military, by fighting back, not yet aware that history had been thrust upon us. Pearl Harbor was the actual beginning of the great war which was to change the entire political structure of the world. We Americans who were there demonstrated that we were prepared to give our lives, and did give them when necessary. Our sacrifices at Pearl Harbor united the nation and gave rise to a determination to protect and keep the American freedom. Our sacrifice alerted a relaxed nation, brought it to its feet and caused it to win World War II. The lesson we learned by our sacrifice will not be easily forgotten. Many of us are no longer of use as sailors, soldiers, marines and airmen. We must make ourselves useful at home, by dedicating ourselves to the principles of freedom; by doing everything within our power to bring about a commitment of patriotism. We survivors who are still alive, for those who did not survive, can never permit ourselves to become vulnerable again.

"REMEMBER PEARL HARBOR"

By Mr. ABOUREZK (for himself and Mr. TOWER):

S. 120. A bill to amend the Disaster Relief Act of 1974, and for other purposes; to the Committee on Public Works.

DROUGHT ASSISTANCE AMENDMENT OF 1977

Mr. ABOUREZK. Mr. President, today I am introducing the Drought Assistance Amendments of 1977. While the impetus for introducing this legislation is the particular situation in my home State of South Dakota, the Drought Assistance Amendments of 1977 are certainly applicable to many other States in the Midwest, Southwest, and West.

As you may know, South Dakota is experiencing a devastating drought. It has been called the most economically devastating drought in U.S. history. Farmers who lived through the tough years in the 1930's will readily attest to this. A brief look at the statistics will bear this out:

There has been a total crop loss of $660 million, 67 percent of potential output.

There has been a 42 percent cattle herd depletion, a 2 million head loss. In 2 counties, this has meant a sell down in excess of 85 percent; 7 counties, over 75 percent; and in 27 counties, over 50 percent depletion.

There has been a 74 percent alfalfa hay loss.

As of November 1, the loss from wind erosion has reached almost $8.5 million.

As far as water loss, 31 communities report severe water supply problems and 4 are hauling all or part of their water. In addition 33 percent of the stock dams are either dry or the water is unfit for the livestock.

While the effects of this drought are admittedly not as readily identifiable as those of other natural disasters, the need for Federal disaster relief is no less strong. As stipulated by the Disaster Relief Act of 1974, before Federal assistance can be extended to an area, it must first be designated by the President as a "major disaster" area. Just recently, President Ford turned down South Dakota's request for such a designation. South Dakota requested assistance in five general areas:

Economic Recovery Aid—As I indicated, a 67 percent crop loss occurred in 1976. Due to the feed shortages, cattle sell-down reached 42 percent by the end of 1976. Such statistics are of even greater significance to a State like South Dakota, where farm income comprises over half of the total personal income in 42 of 67 counties. Reductions in farm income will affect not only farm related business but also nonfarm business who will feel the pinch in the months to come in the form of reduced sales. The proposed drought amendments are necessary to alleviate the economic pressures caused by the severe decline of overall income.

Revenue Loss—Local governments and school districts face a considerable revenue loss due to the drought. The substantial cattle sell-downs have seriously eroded South Dakota's property tax base, since some counties derive over 10 percent of their property taxes from personal property taxes on cattle. In addition, because county governments are almost wholly dependent upon property tax revenues, this erosion will have an even greater impact and may likely precipitate financial crisis. With the drought-related decline in retail sales, cities will also suffer revenue losses due to the deteriorating municipal sales tax base. Last, but not least, tribal governments will be severely affected by defaults on the leased tribal trust lands. Unless there is to be elimination of basic governmental services, the community disaster loan program and the education grant program benefits must be extended to drought emergency areas.

Water needs—Many of South Dakota's municipalities are suffering from a severe shortage of water for just their basic needs. Use restrictions have been commonplace since midsummer and some communities have had to resort to hauling water from miles away. The solution calls for the deepening of existing wells or drilling for new ones. The substantial tax base needed for such projects is not available in South Dakota. The need for additional funds for development of municipal water sources is a real one if emergency conditions are to be alleviated.

Livestock water needs are not being met, either. By September of 1976, one third of the stock water dams were dry and there has been only negligible rainfall since. Letters from my constituents further underline the extent of the problem. One letter from Clark County stated:

Forty percent of the dugouts have dried up and another 40 percent are very low. There are sloughs and lake areas that are completely dry. People that were here in the 30's said they never went clearly dry.

Conservation needs.—The lack of water poses an alarming threat as far as wind erosion of the topsoil is concerned. The Soil Conservation Service has estimated that 2.6 million acres—a figure 10 times above normal—are now highly vulnerable to wind erosion. This wind erosion problem, unless checked, will more than likely create another Dust Bowl in South Dakota. Federal assistance is necessary to help implement such emergency land conservation programs as fencing, minimum tillage, and range seeding. In addition to these necessary stopgap measures, technical advisers are needed for conservation promotion and education and for the preparation of long-range conservation programs to aid in mitigating the effects of future disasters.

Emergency employment assistance.—The South Dakota Labor Department has indicated that there are over 7,000 farmers who are seeking off-the-farm employment who could be provided with public service jobs if the money were available. Unlike some other States, South Dakota does not have the capacity to handle such an influx of unemployed individuals without support from the public sector. Consequently, Federal funds are badly needed in this area.

The assistance which has been received thus far has done little to soften the impact of $160 million in drought-related extraordinary expenditures by farmers and ranchers. Beyond this, the loss of $1.18 billion to the economy of South Dakota and the erosion of future earning potential due to the forced depletion of 42 percent of our foundation cattle herds make speedy Federal assistance even more mandatory.

It is apparent from working with the present disaster programs that they were not designed for prolonged natural disasters like drought. It takes a long time for the total impact of drought to become known and it will take South Dakotans several years to recover from the losses that resulted from last year's crop failure.

I think the Federal Government must share the risk with the farmers and ranchers who are the producers of food for the Nation and the World. The Government must assume its share of this by providing assistance to people to recover from last year's crop failure as well as by enacting new programs to deal with the effects of future drought problems.

The prospects for next year look somewhat bleak and therefore we need to design a program that will deal with the drought both on a planning level and on a program level.

Mr. President, I hope I can have the support of the Senate in my efforts to bring the needed assistance to not only South Dakota but also many other States who are also suffering from the drought.

The bill I am introducing today amends the Disaster Relief Act of 1974. Briefly, this bill would:

First, direct the Federal Disaster Assistance Administration to provide special attention to droughts.

Second, require that, upon the declaration of a drought emergency, the President shall appoint a Federal coordinating officer to work with the Governor of the affected area.

Third, authorize Federal agencies, on the direction of the President, to provide assistance to protect and preserve property including, but not limited to:

1, conservation practices,

2, education and training for appropriate conservation practices,

3, in-depth water supply investigations,

4, the transportation of water, if necessary,

5, employment and/or manpower training.

Fourth, amend the existing disaster individual and family grant program to apply in case of drought emergency or major disaster caused by drought.

Fifth, amend the community disaster loan program to include drought emergencies.

Sixth, authorize the President to provide temporary assistance in the form of mortgage or rental payments to individuals or families who, because of a drought, have received foreclosure notice on land or equipment.

Seventh, provide economic recovery assistance to areas where a drought emergency had been declared, including providing funds to recovery planning councils to guarantee loans for facilities for industrial, farm, or commercial usage.

Eighth, amends the existing disaster law which provides assistance to school districts that have suffered a loss of revenue due to a major disaster. Makes school districts eligible during a drought emergency.

Ninth, amends the SBA Economic Injury loan program to provide for 1-percent loans.

By Mr. BIDEN (for himself, Mr. BROOKE, Mr. CASE, Mr. KENNEDY, Mr. MUSKIE, Mr. HART, Mr. LEAHY, Mr. HATFIELD, Mr. HEINZ, Mr. RIBICOFF, Mr. MATHIAS, Mr. HATHAWAY, and Mr. HUDDLESTON):

S. 121. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes; to the Committees on Commerce, Interior and Insular Affairs, and Public Works, by unanimous consent.

FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1977

Mr. BIDEN. Mr. President, I am introducing today, on behalf of myself, Senator BROOKE, Senator CASE, Senator KENNEDY, Senator MUSKIE, Senator HART, Senator LEAHY, Senator HATFIELD, Senator HEINZ, and Senator RIBICOFF, Senator MATHIAS, Senator HATHAWAY, Senator HUDDLESTON, the Federal Oil Pollution Liability and Compensation Act of 1977.

This legislation is designed to provide a comprehensive and coordinated liability and compensation law to replace the several varied and narrowly focused laws that now govern the field of oil pollution liability. I introduced essentially the same legislation over 1 year ago, in November 1975. I regret the need to do so again, but despite increasing problems, Congress has not yet acted. This urgent issue must be addressed soon.

The specter of oil washed shores, devastated fish and wildlife resources and polluted waters is another one of the terrible consequences we endure as a result of our Nation's dependence on petroleum supplies. Yet, while our dependence on this resource has developed over the last century, our appreciation for the problems of preventing and containing oil pollution from the various operations by which we receive our supplies is a relatively recent event. Only since the *Torrey Canyon* shipwreck disaster of 1967 caused extensive and pervasive damage to the English and French shores has the problem of oil spill prevention been seriously addressed by national and international policymakers and the industries involved in the production, processing, and transportation of petroleum.

Despite the increasing magnitude of the problem, the issue tends to be neglected except when dramatic events focus our attention on it. Recently two environmental catastrophes—one an oil spill in the Delaware River and the other the spill off Nantucket—have again demonstrated the need for this legislation. As tragic as these two events are, liability legislation is equally necessary for those smaller, day-to-day events that do not make headlines, but can cause great cumulative environmental damage.

This Nation began concerted efforts to reduce the damages and control the discharge of oil from offshore and onshore facilities and vessels in 1970 with passage of the Water Quality Act of 1970. Additional safeguards have been provided through the Ports and Waterways Safety Act of 1972 and the Federal Water Pollution Control Act Amendments of 1972. In addition the special risks presented by the transportation of oil from Alaska's North Slope, and by the prospect of deepwater port development in the United States have led to the enactment of increasingly more stringent liability and compensation laws dealing with these specific operations. Provisions of the Transalaska Pipeline and Deepwater Ports Acts thus provide equitable means of compensating the victims of oil pollution while providing greater incentives for oil spill prevention and control from these sources.

Most recently, the Senate, in passing legislation to amend the Outer Continental Shelf Lands Act of 1954, put into statutory language a requirement that has existed in regulations since 1969, to make operators on the Outer Continental Shelf liable without limit for all cleanup costs associated with a spill. This provision also placed additional liability to a limit of $22 million on OCS operators to compensate victims who suffer damages to real or personal property as a result of an oil spill. Language from the Deepwater Port Act of 1975, to enable Federal and State Governments to recover funds they need to restore or rehabilitate public resources damaged or destroyed by an oil pollution incident was also incorporated in the OCS amendments.

Mr. President, the legislation I am introducing today incorporates the best provisions of each of these measures to which I have referred, in addition to providing even greater safeguards and incentives for oil pollution prevention and control on a more comprehensive scale than has ever existed before.

The bill covers spills from vessels, onshore and offshore facilities, pipelines and deepwater ports.

It imposes unlimited liability for all cleanup costs on the owner and operator of the vessel, facility or port from which a spill occurs.

Additional liability to cover damages caused by the spill is also imposed. In addition, a $250 million fund generated by a 5-cent-per-barrel charge on oil produced in or transported to the United States is available to compensate for costs which exceed the liability of the responsible party or to compensate for cleanup costs and damages in cases where the source or party responsible for the spill cannot be determined.

The incidence of oil spills is growing rapidly. In 1973, the Coast Guard reported 13,328 spills of a total volume of over 24 million gallons of oil. The number of spills in 1974 was 13,996, totaling nearly 17 million gallons. In 1975 over 58 million gallons were spilled. In the first 9 months of 1976, according to the Tanker Advisory Center in New York, 61.6 million gallons have been spilled. These 1976 figures do not include the two spills that occurred off Nantucket Island and in the Delaware River totaling over 7.7 million gallons.

The Coast Guard reports further that of 1,106 tanker accidents at sea in the period from 1969 to 1973, more than three-fourths occurred within 50 miles of the U.S. coastline.

Adjacent to my own State of Delaware, where close to 70 percent of oil imported to the east coast comes to port, nearly 40 discharges ranging from 100 to 200,000 gallons occur annually.

With cleanup costs that the Environmental Protection Agency estimates easily run as high as $25 per gallon, the immediate economic consequences of oil pollution are readily appreciated. But cleanup costs are only part of the economic impact accompanying a spill. Damage to private property, fisheries resources, public beaches, and coastline features also exact a high economic toll both in terms of current value and future productivity lost. These costs can amount to millions of dollars. Additional social costs, such as the loss of esthetic values, and the destruction of bird and other wildlife species are borne by us all in the wake of a spill.

Mr. President, actions by various governmental agencies, regardless of the diligence with which they are pursued cannot possibly hope to deal effectively and completely with the oilspill problem. For example, the Environmental Protection Agency alone is charged with administering and enforcing oilspill prevention regulations which apply to:

About 30,000 oil storage terminals, tank farms, and bulk plants.

About 285 oil refineries.

Several thousand production facilities, both onshore and offshore. The number changes almost daily as old oilfields are reopened, stripped, and closed or abandoned.

Large numbers of bulk oil consumers such as apartment houses, office buildings, schools, hospitals, farms, and Federal facilities.

The U.S. Coast Guard is charged with the responsibility for preventing and controlling oilspills from vessels and oil transfer facilities, pipelines, railroads, and tank trucks. These sources of oil pollution are involved in literally thousands of operations a day.

It is obvious to me that Government regulation and enforcement is not the whole answer to the oil pollution problem. Until those persons responsible for the equipment and operations involving petroleum are made directly responsible for preventing spills the problem will not be solved.

As petroleum operations increase, the potential for spills and massive polluting incidents will grow proportionately worse, and the effectiveness of Government administration and enforcement efforts to control oil pollution will decrease.

Those of us who live on the Atlantic and Pacific coasts are especially sensitive about the consequences of accelerated Outer Continental Shelf leasing. In addition, even in light of hopes for reduced oil imports, expectations for increased vessel transportation of petroleum supplies by new large capacity ships bring added concerns over massive oilspills.

For example, the Office of Technology Assessment has stated that:

Domestic shipment of oil within the United States will undoubtedly grow substantially by 1980 principally because of the introduction of new production from Alaska, estimated to total 2 million barrels per day by 1980. This oil will be shipped from the Alaskan North Slope to Valdez by pipeline and then to West Coast ports by tanker. Since this trade will equal all of the present U.S. coastwise trade by tanker, it will mean a significant increase in domestic tanker demand and use. If other oil is discovered in Alaska (such as in offshore regions) even greater demands for tanker trade will undoubtedly follow.

Mr. President, we have ample indication that in spite of past efforts, the oilspill problem will continue to plague us and may irretrievably destroy our valuable ocean and coastal resources unless we take concerted action now.

When I introduced this bill in 1975, I quoted from a news article concerning oilspill incidents resulting from OCS operations. According to that July 1975 account:

Twelve of the 20 oil firms which nominated areas for leasing in the Atlantic off Delaware have been responsible for more than half the accidents, including six deaths, at offshore operations in the Gulf of Mexico during the past year.

The dozen firms were involved in 74 of the 138 accidents reported between June 1, 1974, and May 31, 1975, according to inspection of monthly records at the U.S. Geological Survey (USGS) national center in Reston, Va.

Two of the fatal accidents occurred on Sun Oil Co. operations.

The others were on rigs or platforms operated by Cities Service, Exxon, Shell and Kerr McGee.

In what's called "an uneventful period" by USGS workers, most of the oil spills resulting from the accidents were only a few barrels in size. The largest was an estimated 2,213-barrel spill from a Shell pipeline that was not checked for damage after a hurricane ripped through the Gulf of Mexico.

Among the dozen companies, there were also 19 fires—about half of them related to careless welding—and six times work boats collided with oil equipment.

Most of the small spills were blamed on pipeline corrosion, malfunctioning sump pumps, failure of pressure sensors to shut protective valves, and human error or carelessness.

I believe that the importance of this legislation to the welfare of the American people cannot be overemphasized, and I look forward to its thoughtful consideration by the Members of this body.

Mr. President, to assist in the review and deliberations on this legislation, I ask unanimous consent that a section-by-section analysis and the text of the bill be printed at this point in the RECORD.

There being no objection, the section-by-section analysis and the text of the bill were ordered to be printed in the RECORD, as follows:

S. 121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Oil Pollution Liability and Compensation Act of 1977".

DECLARATION OF POLICY

SEC. 2. (a) FINDING.—The Congress finds and declares that—

(1) The damages and cleanup costs resulting from oil spills are matters of major national concern.

(2) The transportation, production, and handling of oil in, on, or near inland and ocean waters create environmental risks, and may impair the rights of shoreline property owners and harm the general health and welfare of citizens of the United States.

(3) Existing law with respect to liability and compensation for oil pollution damage is inconsistent, inadequate, incomplete, inefficient, and inequitable.

(4) The legal rules applicable to oil pollution liability and compensation need to be rationalized and reformed to assure that adequate and timely compensation is available for oil pollution from all sources.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to—

(1) enact a comprehensive national law governing oil pollution liability and compensation;

(2) maximize the incentive for all persons producing, transporting, or handling oil to take all steps necessary or appropriate to prevent the discharge of oil;

(3) establish a strict liability standard for cleanup costs and damages resulting from the discharge of oil;

(4) create a single and all-inclusive compensation fund to pay for all cleanup and damages resulting from such a discharge;

(5) provide adequate funds and an expeditious procedure to compensate those injured by such a discharge; and

(6) provide for the restoration, rehabilitation, or replacement of the natural resources damaged by a discharge of oil.

DEFINITIONS

SEC. 3. As used in this Act, unless the context indicates otherwise, the term—

(1) "Administration" means the Federal Oil Pollution Liability and Compensation Administration;

(2) "Administrator" means the chief executive of the Administration;

(3) "aquatic and terrestrial environment" includes but is not limited to the navigable waters of the United States (including the lands therein and thereunder), the adjacent shorelines (including waters therein and thereunder), the waters of the contiguous zone, the waters within the safety zone around a deepwater port, and waters superjacent to the Continental Shelf of the United States and any other lands or waters of the United States; the fish, wildlife, and other living resources of such lands and waters; and the recreational and scenic values of such lands, waters, and resources;

(4) "barrel" means 42 United States gallons at 60 degrees Fahrenheit;

(5) "cleanup costs" means all actual costs, including, but not limited to, administrative and other costs to the Federal Government, to any State or local government, to any foreign governments, or to their contractors or subcontractors, of (A) removing or attempting to remove, or (B) taking other measures to prevent, reduce, or mitigate damages to the public health or welfare, or to public and private property including but not limited to shorelines, beaches, and natural resources of the aquatic and terrestrial environment;

(6) "contiguous zone" means the entire zone established or to be established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone (15 UST 1606; TIAS 5369) or otherwise by law or treaty;

(7) "damages" means all direct and proximate damages, except cleanup costs, suffered by any person as a result of a discharge of oil, including—

(A) the value of any loss or injury at the time such loss or injury is incurred, with respect to any real or personal property that is damaged or destroyed as a result of a discharge of oil;

(B) the cost of restoring, repairing or replacing any real or personal property that is damaged or destroyed by a discharge of oil; any income necessarily lost during the time such property is being restored, repaired, or replaced; and any reduction in the value of such property thereafter, by comparison with its value prior to such discharge;

(C) any loss of income or impairment of earning capacity due to damages to real or personal property, including natural resources, without regard to ownership of such property or resources, that is damaged or destroyed by a discharge of oil, if the claimant derives at least 50 per centum of his earnings from activities which utilize the property or natural resources;

(D) any costs and expenses incurred by the Federal or any State government in the rehabilitation of natural resources that are damaged or destroyed by a discharge of oil;

(E) any loss to citizens of any use of real property or of natural resources as a result of a discharge of oil, if such property or resources are owned, managed, held in trust, or otherwise controlled by the Federal or any State government; and

(F) any loss of tax revenue by a State or local government due to injury to real or personal property directly resulting from oil contamination.

(8) "deepwater port" has the meaning set forth in section 3(10) of the Deepwater Port Act of 1974 (33 U.S.C. 1502(10));

(9) "discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emptying, or dumping, regardless of whether it occurred intentionally or unintentionally;

(10) "facility" includes, but is not limited to, any oil refinery, drilling platform, oil storage or transfer terminal, pipeline, or any appurtenances related to any of the foregoing, that is used, or is capable of being used, to refine, drill for, pump, produce, store, handle, transfer, process, or transport oil; the term does not include a vessel or a deepwater port;

(11) "Fund" means the Federal Oil Pollution Compensation Fund;

(12) "licensee" means a person who holds a valid license for the ownership, construction, and operation of a deepwater port;

(13) "natural resources" means land, fish, wildlife, biota, air, water, and other such resources owned, managed, held in trust, or otherwise controlled by the Federal or any State government;

(14) "offshore facility" means any facility located in, on, or under the navigable waters of the United States or waters of the contiguous zone, or any facility utilized in oil exploration or production activities on the Outer Continental Shelf of the United States;

(15) "oil" means petroleum, including crude oil or any fraction or residue therefrom;

(16) "onshore facility" means any facility located in, on, or under any land within the United States other than submerged land;

(17) "owner and operator" means (A) with respect to a vessel, any person owning, operating, or chartering by demise, such vessel; (B) with respect to an offshore or onshore facility, any person owning or operating such facility, whether by lease, contract, or other form of agreement; and (C) with respect to any abandoned facility, the person who owned or operated such facility immediately prior to such abandonment;

(18) "person" means an individual, a public or private corporation, partnership or other association, or a government entity;

(19) "person in charge" means the individual immediately responsible for the operations of a vessel, onshore or offshore facility, or deepwater port;

(20) "safety zone" means the safety zone around a deepwater port as defined pursuant to section 10(d) of the Deepwater Port Act of 1974 (33 U.S.C. 1509 (d));

(21) "Secretary" means the Secretary of Transportation;

(22) "State" includes each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone;

(23) "transfer" or "transferred" includes, but is not limited to, both onloading and offloading between a facility and a vessel, between vessels, between facilities; or between a vessel and a deepwater port; and

(24) "vessel" means every description of watercraft or other contrivance that is used, or capable of being used as a means of transportation on water, whether self-propelled or not.

PROHIBITION, NOTIFICATION, AND CLEANUP

SEC. 4. (a)(1) The discharge of oil in harmful quantities as determined by the President under section 311(b)(4) of the Federal Water Pollution Control Act is prohibited.

(2) The owner or operator of a vessel, onshore or off-shore facility, or licensee of a deepwater port, from which oil is discharged in violation of this section shall be assessed a civil penalty of not more than $10,000: *Provided, however*, That such owner, operator, or licensee shall not also be assessed a civil penalty, under section 311(b)(6) of the Federal Water Pollution Control Act or section 18(a)(2) of the Deepwater Port Act of 1974, for the same discharge.

(b) Any person in charge of a vessel, onshore or off-shore facility, or deepwater port shall, as soon as he has knowledge of any discharge of oil from such vessel, facility, or port in violation of this section, immediately notify the appropriate agency of the United States Government of such discharge. Any such person who fails to notify immediately such agency of such discharge shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than 1 year, or both: *Provided, however*, That no person convicted under this section shall also be convicted for the same failure to notify under section 311(b)(5) of the Federal Water Pollution Control Act or under section 18(b) of the Deepwater Port Act of 1974. Notification received pursuant to this section or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

(c)(1) Whenever any oil is discharged, the President shall act to remove or arrange for the removal of such oil, unless he determines such removal will be done properly and expeditiously by the owner or operator of the vessel, onshore or offshore facility, or deepwater port, from which the discharge occurs.

(2) Removal of oil and actions to minimize damage from oil discharged shall, to the greatest extent possible, be in accordance with the National Contingency Plan for removal of oil and hazardous substances established pursuant to section 311(c)(2) of the Federal Water Pollution Control Act.

(3) Whenever the President acts to remove a discharge of oil pursuant to this subsection, he is authorized to draw upon the money available in the Fund estabilshed pursuant to this Act. Such money shall be used to pay promptly for all cleanup costs incurred by the President in removing or in minimizing damage caused by such oil discharge.

LIABILITY FOR DISCHARGE OF OIL

SEC. 5. (a) CLEANUP.—All cleanup costs, incurred by the President, Secretary or any other Federal, State, or local official or agency, or any other person, in connection with a discharge of oil shall be borne by the owner and operator or licensee of the vessel, facility or deepwater port from which the discharge occurred.

(b) VESSELS.—(1) Notwithstanding any other provision of law and except as provided in subsection (d), the owner and operator of a vessel shall be jointly and severally liable, without regard to fault, for damages which result from a discharge of oil from such vessel. Such liability shall not exceed $150 per gross ton, except that if it can be shown—

(A) that such discharge was the result of gross negligence or willful misconduct, within the knowledge and privity of the owner, operator, or person in charge; or

(B) that such discharge was the result of a violation of applicable safety, construction, or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of cleanup costs and damages.

(2) The owner and operator of a vessel carrying oil which has been transported through the trans-Alaska pipeline and loaded on such vessel at the terminal facilities of the pipeline, shall be jointly and severally liable, without regard to fault, subject to the limits and conditions contained in this subsection, to residents or the Government of Canada for cleanup costs and damages resulting from the discharge of oil from such vessel.

(c) ONSHORE AND OFFSHORE FACILITIES AND DEEPWATER PORTS.—Notwithstanding any other provision of law and except as provided in subsection (d)—

(1) The owner and operator of an onshore facility shall be held jointly and severally liable without regard to fault, for damages which result from a discharge of oil from such facility. Such liability shall not exceed $50,000,000 except that if it can be shown that (A) such damages were the result of gross negligence or willful misconduct within the privity and knowledge of such owner or operator, or of the person in charge of such facility; or (B) that such discharge was the

result of a violation of applicable safety, construction or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of such damages.

(2) The owner and operator of an offshore facility shall be held jointly and severally liable without regard to fault, for damages which result from a discharge of oil from such facility. Such liability shall not exceed $50,000,000, except that if it can be shown that (A) such damages were the result of gross negligence of willful misconduct within the privity and knowledge of such owner or operator, or the person in charge of such facility; or (B) that such discharge was the result of a violation of applicable safety, construction, or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of such damages.

(3) The licensee of a deepwater port shall be liable without regard to fault for damages which result from a discharge of oil from such deepwater port. Such liability shall not exceed $100,000,000, except that if it can be shown that such damages were the result of gross negligence or willful misconduct within the privity and knowledge of the licensee or any person in charge of such port, or that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations, such licensee shall be liable for the full amount of such damages.

(d) DEFENSES.—Liability for costs and damages resulting from a discharge of oil shall not be imposed on any person pursuant to subsection (a), (b), or (c), if the owner, operator, or licensee involved establishes that such discharge was caused solely by an act of war. In addition, liability with respect to damages claimed by a damaged party shall not be imposed under subsections (b) and (c) of this section if the owner, operator, or licensee involved establishes that such discharge was caused solely by the negligence or international act of such damaged party.

(e) SUBROGATION.—(1) In any case in which the owner and operator of a vessel are held liable, pursuant to subsection (a) or (b), for costs and damages resulting from a discharge of oil, such an owner or operator shall be subrogated, if such discharge was caused by negligence on the part of the owner or operator of an onshore or offshore facility or on the part of the licensee of a deepwater port, to the rights of any person who is entitled to recover any damages against such owner, operator, or licensee.

(2) In any case in which the owner and operator of an onshore or offshore facility are, or in which the licensee of a deepwater port, is held liable, pursuant to subsection (a) or (c), for cleanup costs and damages resulting from a discharge of oil, such an owner, operator, or licensee shall be subrogated, if such discharge was the result of the unseaworthiness of a vessel or the negligence of a vessel's owner or operator, to the rights of any person who is entitled to recover any damages against the owner or operator of such vessel.

(3) The provisions of this section shall not in any way affect or limit any rights that an owner or operator of a vessel, an onshore facility, an offshore facility, or a license of that the Fund may have against any third party whose acts may have caused or contributed to a discharge of oil.

(4) In any case in which the owner and operator of a vessel, onshore or offshore facility are, or in which the licensee of a deepwater port, is held liable, pursuant to subsection (a), (b), or (c), for costs and damages resulting from a discharge of oil that was caused solely by negligence on the part of the Federal Government in failing to maintain adequate aids to navigation, such owner, operator, or licensee shall be entitled to recover cleanup and damage expenditures from the Federal Government. In such cases, the Fund shall also be entitled to seek recovery from the Federal Government for cleanup and damage expenditures by the Fund.

THE FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ADMINISTRATION

SEC. 6. (a) ESTABLISHMENT.—There is hereby established in the Department of Transportation an agency which shall be known as the Federal Oil Pollution Liability and Compensation Administration.

(b) OFFICERS.—(1) There shall be at the head of the Administration the Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates (5 U.S.C. 5315). The Administrator shall report and be responsible to the Secretary, except that decisions of the Administrator shall not be subject to review, delay, reversal, or other action by the Secretary or any other officer or employee of the Department of Transportation.

(2) There shall be in the Administration a Deputy Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Deputy Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316). The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

(3) There shall be in the Administration a General Counsel who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316).

(c) FUNCTIONS.—The Administrator shall—

(1) establish and maintain the Fund, in accordance with section 7;

(2) act as trustee of the natural resources of the marine environment, in accordance with section 8;

(3) require financial responsibility, in accordance with the provisions of section 9;

(4) establish regulations and provide for the fair and expeditious settlement of claims, in accordance with section 10;

(5) provide public access to information and conduct public education programs, in accordance with section 11;

(6) submit an annual report, in accordance with section 12; and

(7) perform such other functions as are prescribed by law or by the Secretary.

(d) POWERS.—In the performance of his functions, the Administrator is authorized to—

(1) appoint, fix the compensation, and assign the duties of such officers and other personnel as may be necessary or appropriate, and to delegate authority of the Administrator to any such personnel;

(2) utilize, with the consent of the agency concerned, the services or personnel, on a reimbursable basis or otherwise, of any Federal Government agency, of any State or local government agency, or of any organization, to perform such functions on behalf of the Administrator as are necessary or appropriate;

(3) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act;

(4) conduct such studies and investigations, obtain such date and information, and hold such meeting or public hearings as may be necessary or appropriate to facilitate the exercise of any authority granted to, or the performance of any function imposed on, the Administrator under this Act;

(5) enter into such contracts, agreements, and other arrangements as are deemed necessary or appropriate for the acquisition of material, information, or other assistance related to, or required by, the implementation of this Act; and

(6) issue and enforce orders during proceedings maintained pursuant to this Act including, but not limited to, issuing subpenas, administering oaths, compelling the attendance and testimony of witnesses and the production of books, papers, documents, and other evidence, and the taking of depositions.

THE FEDERAL POLLUTION COMPENSATION FUND

SEC. 7. (a) ESTABLISHMENT.—There is established within the administration a Federal Oil Pollution Compensation Fund. The Fund shall be a nonprofit corporate entity which may sue or be sued in its own name.

(b) DISBURSEMENTS.—(1) Moneys in the Fund shall be disbursed for the following purposes and no others:

(A) administrative and personnel expenses of the Fund, after appropriation in an appropriation bill;

(B) cleanup costs resulting from the discharge of oil incurred (i) pursuant to section 3 of this Act, (ii) pursuant to section 311 of the Federal Water Pollution Control Amendments Act of 1972 (Public Law 92-500), (iii) pursuant to any State or local law, or (iv) by the owner or operator of a vessel or onshore or offshore facility or a licensee if it can be shown that such discharge was caused solely by an act of war or negligence on the part of the Federal Government in establishing and maintaining aids to navigation;

(C) all damages not actually compensated pursuant to section 3 of this Act, and for damages whenever the source of the discharge cannot be determined or is beyond the jurisdiction of the United States; and

(D) research into methods for preventing, containing, and removing discharges of oil.

(2) Payment of compensation by the Fund shall be subject to the Fund acquiring by subrogation all rights of the claimant to recovery cleanup costs or damages from the discharger. The Fund shall diligently pursue recovery for any such subrogated rights.

(3) Notwithstanding the above, the Fund shall not be liable to pay cleanup costs and damages of any claimant whose negligence or intentional act was the sole cause of the discharge.

(c) REIMBURSEMENTS.—In all claims or actions by the Fund against any owner, operator, licensee, or other person providing financial responsibility, the Fund shall recover (1) the amount the Fund has paid to the claimant or to any governmental entity undertaking cleanup operations, without reduction, and (2) interest on that amount, at the existing commercial interest rate, from the date upon which the request for reimbursement was issued from the Fund to the owner, operator, licensee, or other person, to the date upon which the Fund is paid by such owner, operator, licensee, or other person.

(d) FEE COLLECTION.—(1) The Fund shall be provisioned through the levy and collection by the Administrator of a 5-cent-a-barrel fee imposed on the owner of oil when the oil is transferred between (A) a vessel and an onshore or offshore facility, (B) offshore or onshore facilities, or (C) a vessel and a deepwater port. All moneys in the trans-Alaska pipeline liability fund and the deepwater port liability fund shall be placed in the Fund. Any oil upon which a fee has once been levied pursuant to clause (A), (B) or (C) of this paragraph shall not be sub-

ject to a subsquent levy under this paragraph.

(2) The collection of the fee shall continue until the fund reaches $250,000,000 whereupon collection shall be suspended. The collections shall be resumed when the Fund is reduced below $200,000,000 and shall continue until the Fund again reaches $250,000,000. All sums recovered by the Fund from the party or parties responsible for a discharge under the provisions of this Act shall be deposited in the Fund and included in calculating the balance. All sums not needed for the purposes specified in subsection (b) of this section shall be prudently invested in income-producing securities issued by the United States and approved by the Secretary of the Treasury. Income from such securities shall be applied to the principal of the Fund.

(3) Each person responsible for contributing to the Fund in accordance with this subsection shall keep such records and furnish such information as the Administrator shall prescribe in regulations. Collection will be at such times and such manner as shall be prescribed in such regulations.

(4) Whenever the money in the Fund is less than the claims for cleanup costs and damages for which it is liable under this section, the Fund shall borrow the balance required to pay such claims from the United States Treasury at an interest rate determined by the Secretary of the Treasury.

SEC. 8. TRUSTEE OF NATURAL RESOURCES.—The Administrator, or the authorized representative of any State, shall act on behalf of the public as trustee of the natural resources to recover for damages to such resources. Sums recovered shall be used to restore, rehabilitate, or acquire the equivalent of such natural resources by the appropriate agencies of Federal or State government.

FINANCIAL RESPONSIBILITY

SEC. 9. (a) GENERAL.—Each owner or operator of a vessel or an onshore or offshore facility and each licensee shall establish and maintain under rules and regulations prescribed by the Administrator, evidence of financial responsibility based on the tonnage of the vessel, the capacity of the facility or deepwater port, and other relevant factors. Financial responsibility may be established by any one, or a combination of, the following methods acceptable to the Administrator: (1) evidence of insurance, (2) surety bonds, (3) qualification as a self-insurer, or (4) other evidence of financial responsibility satisfactory to the Administrator.

(b) DIRECT ACTION.—Any claim for cleanup costs and damages by any claimant or by the Fund may be brought directly against the bond, the insurer, or any other person providing financial responsibility.

(c) FAILURE TO COMPLY.—(1) Any person who fails to comply with the provisions of this section or any regulation issued hereunder shall be subject to a fine of not more than $25,000.

(2) The Secretary of the Treasury may refuse the clearance required by section 4197 of the Revised Statutes of the United States, as amended (46 U.S.C. 91), to any vessel subject to this section which has not furnished evidence of financial responsibility to the Administrator.

(3) The Secretary, in accordance with regulations promulgated by him, shall (A) deny entry to any port or place in the United States or navigable waters to and (B) detain at any port or place in the United States from which it is about to depart for any other port or place in the United States any vessel subject to this section which, upon request, does not produce evidence furnished by the Administrator that the financial responsibility provisions of paragraph (a) of this section have been complied with.

(d) The Administrator shall increase the requirements established under this section and under subsection (b) and (c) of section 4 annually, by an amount equal to the annual percentage increase in the Consumer Price Index.

CLAIMS, SETTLEMENT, AND ADJUDICATION

SEC. 10. (a) RULES AND REGULATIONS.—The Administrator shall prescribe and may from time to time amend, regulations for the filing, processing, settlement, and adjudication of claims for cleanup costs and damages resulting from the discharge of oil.

(b) PROCEDURE.—(1) Upon receiving information regarding a discharge of oil, the Administrator shall publish and distribute in the area of the discharge information and material on the filing of claims.

(2) Claims shall be filed with the Administrator not later than 2 years after the date of discovery of damage nor later than 6 years after the date of the incident which caused the damage. The Administrator shall prescribe appropriate forms and details for such claims, which shall include a provision requiring the claimant to make a sworn verification of the claim to the best of his knowledge. Each person's damage claims arising from one incident shall be stated in one form. Damages not included in the claim at the time compensation is made shall be deemed waived. Upon receipt of any claim, the Administrator shall as soon as practicable inform all affected parties of the claim.

(3) If the source of the discharge can be determined and liability is conceded, the claimant and the Administrator or the person responsible for the discharge may arrange a settlement which shall be final and binding upon the parties. If liability is not conceded or if a settlement on the amount of damages cannot be negotiated, any party may request a hearing before an Administrative Law Judge.

(4) If the source of the discharge is unknown or cannot be determined, the claimant and the Administrator shall attempt to arrange a settlement under procedures contained in regulations promulgated by the Administrator. If a settlement cannot be negotiated, the claim shall be submitted to an Administrative Law Judge.

(c) ADMINISTRATIVE HEARINGS.—(1) The Administrator shall promulgate regulations for hearings before an Administrative Law Judge. The Administrative Law Judge shall have the power to administer oaths, and subpena the attendance and testimony of witnesses, the production of books, records, and other evidence relative or pertinent to the issues presented for determination.

(2) Upon receipt of a request for a hearing, the Administrative Law Judge shall promptly schedule a hearing to determine the amount and validity of the damage claim. The hearing shall be held in the area where the damage occurred.

(3) Upon a decision by the Administrative Law Judge and without a request for judicial review, the amount shall be certified to the Administrator who shall promptly disburse the award. Such decision shall not be reviewable by the Administrator or the Secretary.

(d) JUDICIAL REVIEW.—(1) Any person suffering legal wrong, or who is adversely affected or aggrieved by the decision of an Administrative Law Judge may, no later than 60 days after such decision is made, seek judicial review of such decision in the United States court of appeals for the circuit in which damage occurred or for the District of Columbia.

(2) In any case in which the person responsible for the discharge, or the Administration, seeks judicial review, attorneys' fees and court costs shall be awarded to the claimant if the decision of the Administrative Law Judge is affirmed.

(e) CLASS ACTIONS.—(1) The Attorney General may act on behalf of any group of damaged citizens the Administrator determines would be more adequately represented as a class in the recovery of claims under this section. Sums recovered shall be distributed to the members of such groups.

(2) If, within 90 days after a discharge of oil in violation of this Act has occurred, the Attorney General fails to act on behalf of a group who may be entitled to compensation in accordance with section 3 any member of such group may maintain a class action to recover such damages on behalf of such group. Failure of the Attorney General to act in accordance with this subsection shall have no bearing on any class action maintained in accordance with this subsection.

(3) In any case where the number of members of the class exceeds 1,000, publishing notice of the action in the Federal Register and in local newspapers serving the areas in which the damaged parties reside shall be deemed to fulfill the requirement for public notice established by rule 23(c)(2) of the Federal Rules of Civil Procedure.

(f) REPRESENTATION.—The Administrator shall initially request the Attorney General to promptly institute court actions and to appear and represent the Administration or the Fund for all claims under this Act. Unless the Attorney General notifies the Administration that he will institute such action or will otherwise appear within a reasonable time, attorneys appointed by the Administrator shall appear and represent the Administration.

PUBLIC ACCESS TO INFORMATION

SEC. 11. (a) GENERAL.—Copies of any communication, document, report, or information transmitted between any official of the Federal Government and any person concerning liability and compensation for damage resulting from the discharge of oil shall be made available to the public for inspection, and shall be available for the purpose of reproduction at a reasonable cost, to the public upon identifiable request.

(b) RELEASE.—Nothing contained in this section shall be construed to require the release of any information of the kind described in subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

ANNUAL REPORT BY ADMINISTRATOR

SEC. 12. Within 6 months after the end of each fiscal year, the Administrator shall submit to the President of the Senate and the Speaker of the House of Representatives (1) a report on the administration of the fund during such fiscal year; (2) a summary of the management and enforcement activities of the Administration; and (3) recommendations to the Congress for such additional legislative authority as may be necessary to improve the management of the fund and the administration of the liability provisions under this Act.

RELATIONSHIP TO OTHER LAW

SEC. 13. (a) STATE LAW.—This Act shall not be interpreted to preempt the field of liability or to preclude any State from imposing additional requirements or liability for any discharge of oil resulting in damages or cleanup costs within the jurisdiction of any State.

(b) DOUBLE RECOVERY.—Any person who receives compensation for damages or cleanup costs pursuant to this Act shall be precluded from recovering compensation for the same damages or cleanup costs pursuant to any other State or Federal law. Any person who receives compensation for damages or cleanup costs pursuant to any other State or Federal law shall be precluded from receiving compensation for the same damages or cleanup costs under this Act.

(c) COURT JURISDICTION.—The United States district courts shall have original jurisdiction of cases and controversies arising

under this Act, and proceedings with respect to any such case or controversy may be instituted in the judicial district in which any defendant resides or may be found, or in the judicial district in which the damages occurred.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 14. There is authorized to be appropriated for the administration of this Act $2,500,000 for the fiscal year ending September 30, 1977; $10,000,000 for the fiscal year ending September 30, 1978; $5,000,000 for the fiscal year ending September 30, 1979; and $5,000,000 for the fiscal year ending September 30, 1980.

THE FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1977

SECTION-BY-SECTION ANALYSIS

Section 1. Provides for the Act to be titled "The Federal Oil Pollution Liability and Compensation Act of 1977", and describes as its purpose the establishment of a uniform and comprehensive legal regime governing liability and compensation for clean-up costs and damages caused by oil pollution of the aquatic and terrestrial environment.

Sec. 2. Findings and Declaration of Policy. This section expresses the national importance of and need for establishing a comprehensive uniform liability law and declares that it is the purpose of the Act to provide such a law and maximize the incentive for preventing oil pollution by establishing a strict liability standard for clean-up costs and damages resulting from a discharge of oil; to create a single all-inclusive compensation fund to pay for all clean-up costs and damages resulting from a discharge of oil that exceed the liability of the responsible party or for which the party responsible for a spill cannot be identified; to provide adequate funds and an expeditious procedure for compensating oil pollution victims; and to provide for the restoration of natural resources damaged by an oil pollution incident.

Sec. 3. This section defines the terms used in the Act. The phrase "aquatic and terrestrial environment" is defined to include all lands, waters and natural resources of the United States including waters of the contiguous zone, within the safety zone around the deepwater port or superjacent to the Outer Continental Shelf. The term also refers to the fish, wildlife, other living resources and the recreational and scenic values of such lands, waters and resources.

"Clean-up costs" are defined to include the costs of Federal, State, local and foreign governments that are incurred in removing, attempting to remove, or taking other measures to prevent, reduce, or mitigate damages to the public health or welfare or to public or private property and natural resources by an oil discharge.

In addition, "damages" as defined means costs other than clean-up costs suffered by any person due to a discharge of oil including: loss in value of real or personal property; loss of income or impairment of earning power; costs to Federal or State governments of rehabilitating natural resources; and loss of tax revenues to State or local government.

"Facility" includes but is not limited to any oil refinery, drilling platform, oil storage or transfer terminal or pipeline or any appurtenance related to any of the foregoing that is used to refine, pump, drill for, produce, store, handle, transfer, process, or transport oil.

Sec. 4. Prohibits the discharge of oil in harmful quantities as determined pursuant to the Federal Water Pollution Control Act. A civil penalty of not more than $10,000 is established for violations of this provision. Under this section a person in charge of an onshore or offshore facility, vessel, or deepwater port is required to report a discharge of oil as soon as he has knowledge of such an incident. Failure to report can result in a fine no greater than $10,000 or one year imprisonment or both.

This section also requires the Federal Government to act immediately to clean up a discharge unless it can be ascertained that the party responsible will act accordingly. Funds used by the government to clean up a spill can be made available immediately from the liability fund established pursuant to a subsequent section of the Act.

Sec. 5. Places unlimited liability for all cleanup costs on the vessel, deepwater port, offshore or onshore facility from which the discharge of oil occurs. In addition, liability for damages is limited for these various sources as follows: vessels—$150/gross ton; offshore facilities—$50 million; onshore facilities—$50 million; deepwater ports—$100 million.

If, however, it can be shown that the spill occurred as a result of gross negligence or willful misconduct within the privity and knowledge of the owner, operator or person in charge of the facility, vessel or deepwater port involved, or because of the violation of applicable safety, construction or operating standards of regulations, liability for both clean up costs and damages is unlimited. Liability for costs and damages resulting from a discharge of oil is not imposed if it can be shown that the spill resulted solely from an act of war, or by the negligence or an intentional act of the damaged party.

The rights of any person held liable pursuant to the Act are subrogated if the discharge of oil in question was caused by the owner or operator of any other facility, vessel or deepwater port subject to liability under the Act.

This section also enables any person held liable pursuant to the Act, and the Fund to seek compensation from the Federal government if the oil discharge in question was caused solely by negligence on the part of the Federal government in maintaining aids to navigation.

Sec. 6. Establishes the Federal Oil Pollution Liability Administration within the Department of Transportation and provides for the Administrator, Assistant Administrator and General Counsel to be appointed by the President with the advice and consent of the Senate. This section also prescribes the responsibilities, functions, and powers of the Administrator.

Sec. 7. Establishes a $250 million Federal Oil Pollution Compensation Fund and describes the procedures by, and circumstances under which payments from the fund are made and the manner in which the fund is maintained. Money in the fund is provided by a 5¢ per barrel charge on oil which is transferred between a vessel and an onshore or offshore facility, between vessels or facilities, or between a vessel and a deepwater port. This section also provides that only one such 5¢ fee shall be levied against any barrel of oil.

Sec. 8. Empowers the Administrator of the Fund or the authorized representative of any State to act on behalf of the public as trustee of the terrestrial and aquatic environment to recover such money as may be necessary to restore, rehabilitate or acquire the equivalent of any natural resources damages by a discharge of oil.

Sec. 9. Establishes standards and enforcement powers for the demonstration of financial responsibility sufficient to meet the liabilities imposed by the Act. Those who violate this provision are subject to a $25,000 fine.

Sec. 10. Empowers the Administrator to establish, and when necessary revise, regulations for the filing, processing, settlement and adjudication of claims made pursuant to the Act, and sets forth various time and procedural guidelines to be implemented by these regulations. Hearings before an Administrative Law Judge are prescribed for cases in which the source of a discharge cannot be determined. Judicial review of decisions made by such Judge is also prescribed.

In addition, the Attorney General of the United States is empowered to act on behalf of any group of persons who would be more adequately represented as a class, to recover damages under the Act.

Sec. 11. Assures public access to information relating to liability and compensation for damages under the Act.

Sec. 12. Requires the Administrator to submit an annual report concerning implementation of the purposes and provisions of the Act to the President and the Congress.

Sec. 13. Assures that State law is not preempted by the Act, but prevents a person from recovering compensation for the same damages under both State and Federal law. In addition, this section provides that the United States District Courts will have jurisdiction over cases and controversies arising under the Act.

Sec. 14. Authorizes the appropriation of funds to administer the Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill, introduced by Senator BIDEN, relative to establishing a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes, be jointly referred to the Committees on Commerce, Interior and Insular Affairs, and Public Works.

The PRESIDING OFFICER. There being no objection, it is so ordered.

By Mr. BROOKE:

S. 122. A bill to reform electric utility rate regulation, to strengthen State electric utility regulatory agencies, and for other purposes; to the Committee on Commerce, by unanimous consent.

ELECTRIC UTILITY RATE REFORM AND REGULATORY IMPROVEMENT ACT

Mr. BROOKE. Mr. President, I introduce S. 122, the Electric Utility Rate Reform and Regulatory Improvement Act and I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF THE ELECTRIC UTILITY RATE AND REGULATORY REFORM ACT OF 1977

TITLE I—GENERAL PROVISIONS

Sections 101 & 102 Findings and Purposes

These sections outline the problems posed by the current system of regulation of electric utility prices and state the need for reform of these practices. The rate schedules, that is, the retail prices, of electric utilities have not been designed on the basis of allocating the costs of producing a particular pattern of electricity for any given customer. Generally, the electric ratemakers have not equated the price of a product with the costs of producing it. Instead, three other concerns have traditionally guided them in developing rate schedules for different classes of customers.

The first traditional principle is the guarantee of a specific level of return on the capital investment of a utility. Second, ratemakers have sought to stabilize the flow of revenue over time. Third, they have maximized the comeptitive effects of the different

rate schedules, by favoring customers who have the choice of switching to alternative energy sources with lower prices.

Often regulatory agencies have not taken an active role in designing rates. They will allow certain levels of cost recovery and leave the actual allocation of costs among different consumers to the utilities.

Existing types of rate schedules promote several serious inequities. First, two customers, consuming identical amounts of electricity and requiring the electric utility to incur identical costs, may be charged different rates based on the recognition that the demnad of one is more sensitive to price increases or decreases than the other. Further, even within a class of customers, because the rate charged per kilowatt-hour declines as the total level of consumption increases, a high-use customer will pay a lower average rate per kilowatt-hour than a low-use customer.

Second, the utilization of generating capacity over time has been so apportioned as to promote high capacity costs and thus higher rates. The electric utility industry, in recognition of its natural monopoly of territorial franchises, assumes an obligation to meet all customer demands for service. Therefore, the amount of capacity a utility must build is dependent upon the peak load, or maximum level of demand placed on the system over time. However, when this peak load differs greatly from the typical demand on the utility system and occurs only for short periods of time, the utility is forced to acquire and maintain large amounts of capacity that remain unused most of the time.

When demand exceeds the capacity of the base-load equipment, the utility will begin to add peaking units, generally natural gas-fueled combustion turbines (jet engines) or oil-fueled combustion engines (usually diesel), which are far less efficient and burn more costly fuel than the base-load plants. So, in addition to the increased capacity costs necessitated by short peak demands, fuel costs per unit of output are also higher than usual.

Present rate schedules give no signals to customers to indicate whether or not they are contributing to peak loads. Rather than charging the higher costs of peak-time generation to those customers who directly use the peak power, these costs are spread to all rate payers. This unfairly charges the costs of peak generation to all consumers, regardless of the extent to which they individually contribute to the peak load. Therefore, consumers are not encouraged to make decisions about when to consume electricity in a way related to the variable capacity and fuel costs imposed on the utility system.

The legislation provides the guidelines for reforming the structure of electric rates to reflect more accurately the true costs of providing services to different customers.

Under existing rate schedules, the charges revised are chiefly energy charges; that is, a price is to set upon each kilowatt-hour consumed within a block, or range, of kilowatt-hours consumed, under a declining block rate schedule. Thus, the rate per kilowatt-hour declines as the total number of kilowatt-hours consumed by an individual customer increases.

However, the true cost of electricity production can and should be broken down into three distinct charges. The first is the customer charge, the measure of the costs involved in handling the customer's account, including meter reading and billing costs. Second is the capacity charge, which reflects the costs to the utility of providing the generating machinery, necessary to produce the flow of energy, or kilowatt-hours, a customer wants at any particular time. If the preferences of the customer dictate that he/she use a large amount of energy in a short time, he/she must be willing to bear the costs of the utility for providing generating capacity that will remain unused most of the time.

Similarly, the fuel costs, which are the major component of the third charge, the energy charge, for producing kilowatt-hours, vary between peak times and nonpeak times. Therefore, customers who use kilowatt-hours during peak periods should be levied a larger energy charge to reflect the more expensive fuel costs during peak times.

The legislation has as one purpose to mandate the cost of service approach to ratemaking, i.e. the costs associated with producing a given quantity of electricity over a given time period for a customer must be equated with the rate charged for the service. This will more closely align the costs with the benefits of electric generation and thereby lead to a better allocation of fuel and capital resources and a more equitable pricing system for consumers.

The legislation seeks to assist the implementation of the rate and procedural reform provisions by grants to State and regulatory authorities. While the majority of these grant funds are to finance improvements in the quality and quantity of state regulatory staffs, funds are also available to finance interventions in rate proceedings by persons representing vital, but unrepresented interests, including consumer interests; and to finance rate structure demonstrations.

Sec. 103 definitions

Subsection (a) provides definitions for this Act. Among these definitions are the following:

(2) The term "electric consumer" means any person, State agency, or Federal agency, to which electric energy is sold other than for purposes of resale.

(3) The term "electric utility" means any person, State agency, or Federal agency, which sells electric energy.

(4) The term "Federal agency" means any agency or instrumentality of the United States, but does not include the District of Columbia.

(5) The term "rate" means any price or pricing classification of electric consumers set for the sale of electric energy, and includes prices set for the sale of equipment or services incidental to the sale of electric energy.

(6) The term "ratemaking authority" means authority to fix, modify, approve, or disapprove rates.

(7) The term "sale" includes an exchange of, or a charge for transmission of electric energy, or any transfer of equipment or service incidental to the sale of electric energy to an electric consumer.

(10) The term "State regulatory authority" means any State agency which has ratemaking authority with respect to the sale of electric energy by any electric utility (other than by such State agency).

(11) The term "evidentiary hearing" means a proceeding (A) which includes notice to, and an opportunity for, participants to present direct and rebuttal evidence and to cross-examine witnesses, and a written decision based upon evidence appearing in a written record of the proceeding, and (B) which is subject to judicial review.

TITLE II—UTILITY RATE REFORM

Sec. 201 definitions

This section provides definitions for this Title, as follows:

(1) The term "rate base" means the value established by a State regulatory authority upon which an electric utility subject to the ratemaking authority of such regulatory authority is provided the opportunity to earn a specific rate of return.

(2) The term "rate schedule" means the rates which an electric utility charges electric consumers.

(3) The term "advertising" means the commercial use, by an electric utility, of any media, including newspaper, printed matter, radio and television, in order to transmit a message to a substantial number of members of the public or to such utility's electric consumers.

(4) The term "institutional advertising" means any advertising which is designed to create, enhance or sustain an electric utility's public image or goodwill with the general public or such utility's electric consumers.

(5) The term "political advertising" means any advertising for the purpose of influencing public opinion (A) with respect to any legislative, administrative, or electoral decision, or (B) with respect to any controversial issue of public importance.

(6) The term "promotional advertising" means any advertising for the purpose of inducing the public (A) to select or use the service or additional service of an electric utility or (B) to select or install any appliance or equipment designed to use such utility's service.

(7) The term "pollution control facility" means a facility which is used to abate or control water or atmospheric pollution or contamination by removing, altering, disposing, or storing of pollutants, contaminants, wastes, or heat and which is reasonably necessary to carry out a program of a State or Federal agency for abatement or control of water or atmospheric pollution or contamination.

Sec. 202 Coverage

This title applies only to sales of electric energy for purposes other than resale by an electric utility, and applies to such an electric utility in any calendar year only if sales of electric energy by such utility for purposes other than resale during the second preceding calendar year exceeded 200 million kilowatt-hours.

Sec. 203 National minimum

Standards for Electric Utility Rate Regulation

In subsection (a)(1), electric rates to a consumer are required to be designed, except in the case of lifeline rates permitted in subsection (a)(4), to reflect accurately, to the maximum extent practicable, the costs of providing electric service to that consumer and to any customer class in which the consumer is grouped. The determination of the costs of providing electric service is to be made by the State regulatory authority under Section 206, Determination of Costs of Service.

In subsection (a)(2), customer class groupings of consumers are required to be designed, except in the case of lifeline rates permitted in subsection (a)(4), to accurately reflect, to the maximum extent practicable, the costs of providing electric service to that class designation. The designation of customer classes is to be made by the State regulatory authority under Section 206, Determination of Costs and Service.

In subsection (a)(3), a rebuttable presumption is created, except in the case of lifeline rates permitted in subsection (a)(4), against declining block rates. This presumption may be overcome upon a showing by a utility that the costs of service to a consumer decrease as the consumption or demand of the consumer increases.

In subsection (a)(4), a per kilowatt-hour rate is permitted for the principal place of residence of residential consumers for a subsistence quantity of electricity for domestic lighting and food refrigeration. This rate may not be higher than the lowest charge per kilowatt-hour set for any other jurisdictional sale by the utility.

In subsection (a)(5), utilities are required to disclose with billing statements to each electric consumer at the commencement of service and upon the filing of any applica-

tions to change the consumer's rate schedule, existing and proposed rate schedules applicable to the consumer. Utilities are required to disclose yearly to each electric consumer a summary of rate schedules applicable to the major classes of consumers. Also, utilities must disclose in each billing statement to electric consumers the actual or degree day adjusted consumption of electric energy for the same billing period during the prior year.

In subsection (a)(6), advertising costs and expenditures which do not benefit electric consumers are separated from those which do and are prohibited from recovery in utility rates. Promotional advertising, which encourages increased electric use regardless of the time of use, is prohibited from treatment as an operating expense of the utility. So is political advertising, which intends to influence public opinion concerning candidates, issues, legislation, or referenda. Also prohibited from inclusion in operating expenses is institutional advertising, which is meant to improve and enhance the public image of the electric utility. Utilities are allowed, however, to include the costs of printing existing and proposed rate schedules or any notices required by law or regulation, and providing public information regarding service interruptions safety measures, emergency conditions, employment opportunities, or customer methods of energy conservation.

In subsection (b)(1), regulatory authorities are prohibited, effective 2 years after enactment of this bill, from setting rates for utilities without prior evidentiary hearings.

In subsection (b)(2), regulatory authorities are prohibited during the interim 2-year period provided in subsection (b)(1) above, and thereafter, from granting a fuel adjustment clause to a utility without requiring the utility to give prior public notice of any rate change to be effected through the fuel adjustment clause; without public proceeding to establish that the utility continually manages fuel purchases, uses, and generating facilities prudently and efficiently; without such rate changes for the fuel adjustment clause distributing fuel costs and charges consistently with the ratemaking standards of Title II; and without subsequently determining whether the rates adjusted through the fuel adjustment clause are unlawful. Payments made under rate schedules found to be unlawfully high shall be refunded with interest.

In subsection (b)(3), notwithstanding the provisions of subsection (b)(1), above, State regulatory authorities are permitted to grant rate increase requests without a prior evidentiary hearing upon finding that the request has been pending before the authority for 9 months and upon a showing by the utility that this delay is causing severe economic hardship to the utility. However, the authority must hold a subsequent evidentiary hearing on a rate increase request so approved and refund any portion of the request not proved by the utility to be just and reasonable under applicable law.

In subsection (b)(4), an additional variance to the evidentiary hearing requirement of subsection (b)(1), above, is provided in cases of declared national emergency.

Subsection (c)(1) incorporates and applies to State regulatory authorities the essential contents of Order No. 555 of the Federal Power Commission of November 8, 1976, in Docket No. RM75–13. Expenditures associated with construction work in progress may not be included in a utility's rate base except for expenditures associated with pollution control facilities or facilities to convert natural gas-burning plants to non-oil fuels or to convert oil-burning plants to non-natural gas fuels.

In subsection (d), regulatory authorities are permitted to grant variances from the requirements of this Title for rate schedules which the authority determines in an evidentiary hearing otherwise would cause severe economic hardship to existing service connections. Such variances may have a maximum term of one year, may be renewed and extended after the enactment of this bill, but may not be effective 5 years after the enactment of this bill, except in the case of variances occasioned by the requirements of Sec. 110 of the Clean Air Act, which may remain effective more than 5 years.

Subsection (e) is a clarification that no provision of this Title shall be construed as authorizing or permitting the recovery by a utility of a rate of return or level of revenue in excess of the amount of rate of return or level of revenue determined to be lawful under applicable State or Federal law.

Sec. 204 Load management techniques

In subsections (a) and (b), State regulatory authorities are required periodically in evidentiary hearings to consider alternative load management techniques and to require utilities to implement such load management techniques as are determined by the authorities to be cost effective. Load management techniques are techniques to reduce maximum kilowatt demand on a utility system, and include: peak load pricing, based on marginal cost determinations; ripple or radio control mechanisms; energy storage devices; interrupted or interruptible electrical services; customer-owned meters or load limiting devices; elimination of master metering; and other techniques to minimize inefficient end-uses of electricity.

In subsection (c), State regulatory authorities are required to exercise their authority to require utilities to establish conditions of service whereby customers with on-site generating facilities, including solar facilities, fuel cells, and generating facilities utilizing waste heat, shall be provided with back-up generation service from the utility and with opportunities to sell surplus electricity to the utility.

Sec. 205. Determination of cost of service

In subsection (a), the costs of service, which are to be the basis for rate schedules designed pursuant to section 203 of this title are required to be determined according to methods prescribed by State regulatory authorities. These methods must, to the maximum extent practicable, reflect differences in cost-in currence attributable to daily and seasonal time of use of service.

In subsection (b), State regulatory authorities are prohibited, beginning two years after the enactment of this bill, from allowing any rate increase request of a utility from going into effect, except after an evidentiary hearing upon the data provided pursuant to subsection (c) of this action. On the basis of this data, the authority is to make findings of fact as to: factors causing changes in daily and seasonal peak loads of the utility and of the customer classes of the utility; and the cost of servicing each customer class and of serving different consumption patterns within these classes, based on voltage levels and time of use.

In subsection (c), in order for the regulatory authorities to have sufficient data upon which an adequate hearing record may be established to determine cost of service rates pursuant to section 203, electric utilities are required to assemble in a uniform manner data with respect to:

Factors causing changes in the daily and seasonal peak loads of the utility and of the customer classes served by the utility.

Costs of serving each customer class and of serving each customer class and of serving different consumption patterns within such class, based on voltage levels and time of use.

Daily kilowatt demand load curves for all customer class for which there is a separate rate schedule.

Daily kilowatt demand curves by customer classes for each level of kilowatt hour consumption for which there is a separate rate.

Annual capital, operating and maintenance costs for transmission, primary distribution, secondary distribution, and for each generating unit to meet kilowatt demand on the electric utility.

For each generating unit, the times and dates of, numbers of times of, and fuel, operating and maintenance costs incurred in, starting of such units.

Annual fuel operating and maintenance costs, incurred to meet electric utility kilowatt hour consumption requirements, exclusive of such costs incurred in starting generating units.

For each generating unit, its annual and seasonal capacity ratings, annual hours of operation, scheduled outages for maintenance and repair, unscheduled outages, kilowatt hours generated, amount and types of fuel consumed, annual peak kilowatt demand upon the unit.

Cost of fuel incurred to meet each level of kilowatt hour consumption.

Energy loss factors experienced by transmission, primary distribution, and secondary distribution systems; annual capital, operating, and maintenance costs incurred for each customer class having a separate rate schedule with analysis of how such costs relate to the number and locations of electric consumers.

Planning for utility operations during the ensuing ten year period, including hourly forecasts of system loads and the data basis therefore, by customer class, assumptions made and applied in such planning, including assumptions regarding the effects of changes in the rate structure on system loads, both total loads and during daily and seasonal peaks of use, costs of new or enlarged power facilities, alternative means to meet short term peaking requirements, including that means which requires the least capital investment, and computations determining the relative likelihood of system load will exceed system capacity for generation, transmission, and distribution.

Although there may not be rate applications pending before them, State regulatory authorities must require the utilities to file with them and to publish, annually, the above data.

Sec. 206. Application of standards to utilities not subject to rate regulatory authorities

In this section, public utility systems, whether state or federal agencies, and cooperative utility systems are brought within the coverage of this title, except to the extent that a state regulatory authority has the same ratemaking authority with respect to rates of such public or cooperative system as the authority has with respect to other electric utilities subject to its jurisdiction.

Sec. 207 Establishment of the Office of Electric Utility Ratemaking Assistance

In this section an Electric Utility Ratemaking Assistance Office is established in the Federal Energy Administration, under the direction of a Director, who shall be appointed with the advice and consent of the Senate.

In subsection (b), the Director is empowered to appear as a fully participating party in regulatory hearings subject to the provisions of this title, upon request of a State regulatory authority, other State agency, public utility subject to this title, or upon the motion of any party to the hearing. It is intended that such participation by the Director advance the purposes of this title.

In subsection (c), the Director is required to publish a list identifying State regulatory authorities, public systems and cooperative systems to which the provisions of this title are applicable; to provide technical assistance for the implementation of this bill

and to continually inform the organizations on this list of important research and development activities regarding load management techniques, ratemaking, and methods of determining costs of service.

Sec. 208. Participation in regulatory proceedings by States and by electric consumers

In subsection (a), electric consumers and State agencies are given the right to intervene as parties in any proceeding before a State regulatory authority or before a public utility system subject to the provisions of this bill with respect to issues relating to the determination of compliance with the requirements of this title. In addition, electric consumers and State agencies are given the right to intervene as parties in judicial proceedings involving the review or enforcement of any action by a State regulatory authority in a proceeding in which the consumer or agency was a party, or in which the consumer or agency was denied intervention in violation of this section, and which proceeding affects the interests of such consumer or agency, and to the extent that such proceeding involves the determination of compliance with the requirements of this title.

In subsection (b), it is provided that if an electric consumer prevails in a ratemaking proceeding before a State regulatory authority, meaning that the authority or reviewing court disapproves or substantially modifies a rate proposed by a utility on grounds of noncompliance with provisions of this title first raised by the consumer, then the utility shall be liable to compensate the consumer for reasonable attorney fees, expert witness fees, and other incidental costs incurred. This requirement of compensation does not apply when an adequate alternative method of participation is provided by a State or regulatory authority for persons who have, or represent, an interest which would not otherwise be adequately represented, the representation of which is necessary for a fair determination of the proceeding, and who are unable effectively to participate in the proceeding due to lack of financial ability.

In subsection (d), electric utilities are required in proceedings before State regulatory authorities to provide to other parties transcripts of the proceedings at cost of reproduction.

Sec. 209. Enforcement

The provisions of this title, by their terms, apply to State regulatory ratemaking authorities assuming enforcement responsibility over electric utilities for determining whether the rate schedules of an electric utility comply with the requirements of this title. If a State regulatory authority does not assume this responsibility, the Federal Power Commission shall have enforcement responsibility for the provisions of this title over the electric utilities within the jurisdiction of the authority. In this case, all references in this title to State regulatory authority shall be deemed references to the Commission with respect to such utilities.

In subsection (b), it is provided that beginning two years after the enactment of this bill, no electric utility may increase any rate for the sale of electricity subject to the ratemaking authority of a State regulatory unless the rate is part of a rate schedule determined by the authority to meet the requirements of sections 203, 204, and 205 of this title. Likewise, beginning two years after the enactment of the bill, no public system subject to the provisions of this bill may increase any rate for the sale of electricity unless the increased rate is part of a rate schedule determined by the system to meet the requirements of sections 203, 204, and 205, made applicable by section 206(a).

In subsection (c), State and federal agencies entitled to obtain judicial review over regulatory authority action under section 208, may obtain a review in any statutory review proceeding available in the courts of the United States, or if there is no such statutory review proceeding available, by commencing a civil action in the United States Courts of Appeals for any circuit in which the regulatory authority or utility system is located, which court shall have jurisdiction under chapter 7 of title 5, United States Code.

In subsection (d), an electric consumer is entitled to obtain judicial review of regulatory authority or public system action as follows. For review of actions of public systems which are federal agencies, or of state regulatory authorities or public systems whose actions are not reviewable in State courts, consumers may obtain judicial review in any federal statutory review proceeding otherwise available. If no such statutory proceeding is available, consumers may commence a civil action in the United States Court of Appeals for any circuit in which the authority or utility system is located, which court shall have jurisdiction in accordance with chapter 7, title 5, United States Code. For review of actions of State regulatory authorities or State agency public utility systems, consumers may obtain judicial review in any State court of competent jurisdiction, and, if the action is reviewable by State court, the consumer may not obtain review by any court of the United States, except by the United States Supreme Court in writ of certiorari in accordance with section 1257, title 28, United States Code.

In subsection (e), persons who are members of cooperative utilities may obtain judicial review of cooperative action by commencing a civil action in any court or competent jurisdiction to enforce the requirements of this title.

In subsection (f), beginning two years after the enactment of this bill, the provisions of all contracts between a federal agency and an electric utility for the sale of electricity for resale must be consistent with the requirements of this title.

In subsection (g), it is provided that the United States district courts shall have jurisdiction, on application of any electric consumer to enjoin any electric utility from increasing any rate with respect to which a determination of compliance with the provisions of this title has not been made pursuant to subsection (b) of this section.

TITLE III—FINANCIAL ASSISTANCE TO STATE REGULATORY AUTHORITIES

The processes of regulation and consumer protection by regulatory authorities have been inadequate in large part to lack of funding. If the state regulatory authorities are to take active roles in developing new rate schedules and other means of conserving energy as well as effectively to oversee these activities of the utilities, they will need increased expertise. Also, with frequent and sizable demands for rate increases by utilities, consumers must be able to express their views in a constructive way. At present, the opportunities for consumers to intelligently participate, with competent legal and economic advice, in rate proceedings are limited by lack of funds. Title 5 provides for grants to State regulatory authorities to improve technical staffing to finance rate structure innovation programs, and to finance constructive consumer representation in ratemaking proceedings.

Sec. 301. Establishment of program

Under this section, grants to regulatory authorities, and through them, to consumer groups, may be made through the Office of Electric Utility Ratemaking Assistance, established under section 207 of title II. The Director of this Office will supervise the granting of funds for regulatory staff improvement to establish consumer-oriented and consumer controlled programs for participation in regulatory processes, to demonstrate efficiencies of innovative rate structures, designed to encourage energy conservation. Any grant under this title must be an addition to, and not in substitution of, funds available to State regulatory authorities from other sources. Each regulatory authority receiving assistance must demonstrate to the Director that it requires each electric utility under its jurisdiction to satisfy standards issued by the Director for: requiring and preserving customer deposits, estimating bills, and terminating electrical service.

Sec. 302. Grants to improve staffing

Under this section grants to improve the staff of State regulatory authorities may be made by the Director. However, State authorities must demonstrate to the Director that these additional funds are required to perform effectively and, also, that the authority is instituting a program to develop alternate source of funds to retain additional staff made possible by the grant when the grant expires.

Sec. 303. Grants for consumer representation

Under this section, the Director may make grants to State regulatory authorities to provide for the establishment and operation of consumer controlled programs meeting the requirements of section 208(b)(2) of title II.

Sec. 304. Grants for rate structure innovation

In this section, the Director is permitted to make grants to regulatory authorities to research and develop innovative rate structures encouraging conservation and complying with the requirements of title II. This will further assist regulatory authorities in taking active roles in the rational development and application of rate designs.

Sec. 305. Allotment of sums

In this section, limits are provided for the grants to be made under the other sections of this title to each State, generally on the basis of population. However, for grants to improve regulatory authority staffing, no State may receive less than one half of one percent or more than five percent the amount of funds granted to all States in any fiscal year. Also, with respect to grants to fund consumer representation, no State may receive less than one percent or more than three percent of the total amount granted during any fiscal year.

In subsection (b), the Director is empowered to withhold grant funds otherwise available under this title to a State regulatory authority if the Director finds that the authority is not carrying out the program described in the pertinent application or has violated assurances contained in the application.

Sec. 306. Authorization of appropriations

Appropriations for improving the staff of regulatory authorities may not exceed $30 million in any fiscal year. Grants for funding consumer representation in regulatory proceedings may not exceed $5 million. Grants for rate structure innovation may not exceed $5 million.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill, introduced by Senator BROOKE, to reform electric utility rate regulation, to strengthen State electric utility regulatory agencies, and for other purposes be referred to the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 123. A bill to amend the Social Security Act to provide for the payment of services by psychologists, and for other purposes; to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am reintroducing legislation to amend title XVIII of the Social Security Act—medicare—in order to provide for the independent coverage of the services of licensed practicing psychologists. Last session a third of the U.S. Senate joined me in cosponsoring this measure and, I was pleased to learn that the Social Security Administration's Bureau of Health Insurance initiated a major demonstration project in the State of Colorado under which they will experiment with removing the current restriction that psychology services be "incident to those of a physician." Accordingly, it is my sincere hope that later on this session when the preliminary results become available from this study that the Finance Committee will decide to hold hearings on the merits of this legislation.

There are two facets of this bill which I feel deserve special attention. The first is whether or not the Congress believes that ready access to high quality mental health services is sufficiently beneficial to our elderly population so that additional efforts should be made to insure their availability. Various demographic analyses have indicated that although the elderly constitute approximately 10 percent of our population, in the past they have characteristically received less than 3 percent of the total outpatient mental health services, but at the same time make up 25 to 30 percent of the resident population of our mental health facilities.

In addition, it has been brought to my attention that this age group accounts for 25 percent of the suicides in the United States. Experts from the Department of Health, Education, and Welfare have testified that 50 percent of the elderly in nonpsychiatric institutions have significant mental disabilities and that approximately 3 million noninstitutionalized elderly suffer from moderate to severe emotional or mental disorders. In my judgment, this data clearly suggests that there is, indeed, a very real and pressing need for providing high quality mental health services for our senior citizens.

The second underlying feature of this legislation is whether or not organized psychology has obtained sufficient professional maturity so as to be entitled to perform clinical services independently of the supervision of doctors of medicine. During our brief deliberations last session on various national health insurance proposals, it became quite evident that the standards being considered for independent providership were essentially those of medicare. Accordingly, in my judgment, unless psychology is able to obtain independent recognition under medicare prior to the enactment of national health insurance, there would seem to be very little likelihood that they will be included under such a plan. And this, I strongly feel, would be most unfortunate both for their profession and for our nation as a whole.

Under our community mental health center legislation psychologists currently function at all levels of clinical and administrative responsibility, including chiefs of statewide divisions of mental health, heads of mental health centers; directors of special programs, and as various types of clinical specialists. Their profession is licensed or certified by statute in 49 States and the District of Columbia, as well as being formally recognized as independent providers under various Federal legislation as the Rehabilitation Act of 1973, the Federal health benefits program, Federal Employees Compensation Act—work insurers compensation program, and the Department of Defense's CHAMPUS program.

Recent estimates of the composition of our mental health manpower pool indicate that there are approximately 26,927 health service psychologists and 28,332 physicians specializing in psychiatry or neurology. Further, unlike the recent evidence of gross geographical maldistribution which we have witnessed in various medical specialists, our Nation's psychologist providers are generally distributed throughout the United States in a manner reasonably parallel to that of our general population. That is, at least on a regional level, geographical maldistribution does not exist.

The American Psychological Association has established the doctoral degree plus supervised clinical experience as the appropriate minimum standard for independent practice. In 1974, the profession established a National Register of Health Service Providers in Psychology in order to specifically identify those individuals whom the profession felt were qualified to maintain independent practices. It is my understanding that 12 percent of the original registrants were subdoctoral practitioners who possessed a minimum of 6 years of experience and further that after January 1978, the doctoral degree requirement will be mandatory. The Register has been accepted by a number of organizations including CHAMPUS and the Blue Cross/Blue Shield Federal employees program.

I woud like to take this opportunity to also remind my colleagues that the enactment of this bill would actually not increase the basic benefit package offered under medicare, but instead, by removing the physician supervision restriction, it would provide for freer access to those services which at least theoretically are presently already covered. It is time for us to take cognizance of the growing recognition within the professional community that ready access to mental health benefits results in significantly reduced medical-surgical and hospitalization costs, to the extent of nearly 50 percent. There is also similar substantial evidence that nearly 60 percent of the patients going to family physicians' offices for physical symptoms, in fact, have a psychological problem which is either the primary problem or which aggravates the physical condition. My own personal observations would suggest that this percentage is probably even higher among our elderly.

Finally, in drafting this legislation, I decided to amend the relevant sections of our professional standards review organization legislation in order to insure that psychology services reimbursed under medicare would be subject to continual review by their peers. Historically, the profession of psychology has always been in the forefront in urging that the Government take a more aggressive stance in insisting that the effects of all mental health services be objectively evaluated. Accordingly, I wish to do all that I can to actively encourage this most progressive posture.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 123

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 1861(r) of the Social Security Act is amended by inserting immediately before the period at the end thereof, the following: ", or (6) except for the purposes of section 1814(a), section 1835, and subsections (j), (k), (m), and (o) of this section, a psychologist, but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them".

SEC. 2. Section 1861 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"(aa) The term 'psychologist' means an individual licensed or certified by State law, has a doctoral degree (or its equivalent) in psychology and at least 2 years of supervised clinical experience".

SEC. 3. Section 1152(a) of the Social Security Act (relating to Professional Standards Review Organizations) is amended by—

(1) redesignating subparagraph (B) of paragraph (1) as subparagraph (C), and

(2) inserting after subparagraph (A) of paragraph (1) the following:

"(B) an organization (i) which is a nonprofit professional association (or a component organization thereof), (ii) which is composed of licensed or certified psychologists engaged in the practice of psychology in such area, (iii) the membership of which includes a substantial proportion of all psychologists licensed or certified in such area, (iv) which is organized in such a manner which makes available professional competence to review health care services provided by psychologists licensed or certified, (v) the membership of which is voluntary and open to all psychologists licensed or certified to engage in such practice in such area without requirement of membership in or payment of dues to any organized psychological society or association, and (vi) which does not restrict the eligibility of any member for service as an officer of the Professional Standards Review Organization or eligibility for and assignment to duties of such organization, or subject to subsection (c)(1),".

By Mr. GLENN:

S. 124. A bill to amend the Internal Revenue Code of 1954 to provide a national energy conservation incentives program; to the Committee on Finance.

ENERGY CONSERVATION INCENTIVES ACT OF 1977

Mr. GLENN. Mr. President, it gives me great pleasure to introduce legislation today which will significantly augment the present Federal efforts to encourage and facilitate energy conservation. This legislation provides for a tax credit equal to 30 percent of the first $500 for qualified insulation and other energy-conserving component expenditures and the extension of the investment tax credit to qualified insulation expenditures. In December 1975, I introduced an amendment to provide for this same home insulation tax credit, but

despite my efforts it was not enacted. At that time I urged that it be enacted in time for last winter's heating season so as to help alleviate the then projected natural gas shortage. I am fearful that yet another winter will go by without this Federal energy conservation incentive in place. I therefore strongly urge early enactment of this bill.

Our country has developed and prospered in an era of plentiful fuel and low energy prices. It may be correct to say that at least until recently, the American way of life has included a constant search to relieve human physical activity and inconveniences by devices consuming, in the aggregate, significant amounts of fuel or electricity in their operation. The result has been a continual rise in energy consumption to the point where approximately one-third of the world's consumption of energy occurs in the United States.

The Arab oil embargo in 1973, however, forcefully brought to our attention a number of facts which could no longer be ignored.

First. American production of oil peaked in 1970, at 9.6 million bbls/day, and the present state of decline—current level: 8.2 million bbls/day—of this finite resource is as inexorable as the rising and setting of the Sun.

Second. Dependence on foreign sources of oil is a potential threat to national security. In the fall of 1973, we imported 6 million barrels of oil per day, accounting for 35 percent of domestic oil consumption. Today, despite our memories of the embargo, oil imports are on the order of 7 million barrels per day, representing 42 percent of the oil consumed in the United States. Furthermore, despite the hazards inherent in U.S. reliance upon OPEC, those countries, which provided 70 percent of U.S. oil imports before the embargo, are now supplying 82 percent. The situation with respect to oil is being followed in the case of natural gas as well.

Third. The American lifestyle has been affected by the promotion of energy consumption and wastefulness. We have been encouraged to buy large, heavy cars with low gas mileage, to use electricity profligately with the promise of the lowest rates to the greatest user, and to allow our community development patterns to take shape without any thought given to mass transit.

Clearly, any policy must contain a mix of the following courses of action:

First. Develop new and better techniques of exploration and recovery of oil and natural gas.

Second. Expand coal production and use.

Third. Expand use of nuclear power.

Fourth. Develop alternative sources of energy such as solar, geothermal, and synthetic fuels.

Fifth. Adopt and encourage conservation measures to reduce the growth of demand, dealt with in part by this proposed legislation.

It is self-evident that a society which has geared its entire development on the use of fossil fuels, particularly oil and gas, cannot make an immediate shift to alternate sources of energy. Time is needed for development of those sources.

For that reason, and because of the terrible drain on our economy of the wastefulness that characterizes our use of energy, there is an abiding need to make energy conservation a pillar of American energy policy. As a nation we must realize that our fuel supplies are finite and that they should be used wisely.

The energy which can be saved by applying the present level of energy conservation technology is well documented and those energy savings would be substantial. The investment required to install a wide variety of energy conservation measures can often be recouped within a few years, yielding substantial cost savings thereafter. ERDA has indicated that by the year 2000, energy conservation actions can result in energy savings equivalent to a boost of one-third in energy resources. The Ford Foundation's "middle case" technical fix scenario goes even further.

In the absence of a living conservation ethic among our people, it is imperative that action be taken at the highest levels of Government to promote energy conservation. A significant start was made in the last Congress by the passage of two landmark pieces of legislation, the Energy Policy and Conservation Act of 1975 and the Energy Conservation and Production Act of 1976. That effort to provide for a strong energy conservation policy should be continued with the enactment of the tax incentives program which I am introducing today.

This bill provides for a tax credit of 30 percent of the first $500, a maximum credit of $150, for qualified insulation and other energy-conserving component expenditures incurred by the homeowner in retrofitting his principal residence. The tax credit is to be made available for a 3-year period from January 1, 1977, to January 1, 1980, for homes in existence as of January 1, 1977. The tax credit is made refundable so that a taxpayer would receive a refund from the Treasury if the applicable tax credit amount exceeds his tax liability.

Items which will qualify for the tax credit will be found on a list of those items which the Secretary of the Treasury is required to formulate. He must draw his list from the list of qualified energy conserving component expenditures which the Administrator of the Federal Energy Administration is required to compose under the Energy Conservation and Production Act of 1976. The bill which I am introducing today would alter that listing requirement to the extent that the FEA list would have to establish a priority rating so as to insure that energy conservation measures with the greatest energy conservation effectiveness and the shortest payback periods are given the highest priority. The Secretary of the Treasury would then publish a list of the qualified insulation and other energy conserving components eligible for the credit maintaining the priority system. As an example, it is only sensible that improvements to home heating systems only be approved after ascertaining that more energy-saving insulation has already been installed. Hence, if the taxpayer wishes to avail himself of the tax credit, he must install those items with the highest priority in terms of energy conservation effectiveness prior to those with lower priority unless he has previously installed those items or they would be inappropriate if applied to his home. The purpose of this priority listing requirement is to seek the greatest energy conservation for each dollar of revenue lost to the Treasury.

The bill further provides for an extension to businesses of the investment tax credit for qualified insulation expenditures.

The benefits derived from such a tax credit program can be substantial—an estimated 50,000 to 100,000 barrels per day savings in oil or its equivalent by 1980. Furthermore, this is the type of Federal incentive which has considerable support throughout the country. An FEA national opinion survey conducted in April 1976 recorded that 75 percent of those sampled favored tax credits as a Federal incentive for energy conservation.

A full-scale effort to conserve energy is of vital importance. President-elect Carter is clearly in support of such an effort and I eagerly look forward to working closely with him toward that end.

By Mr. GLENN (for himself, Mr. MUSKIE, Mr. GRAVEL, Mr. HASKELL, Mr. HATHAWAY, Mr. KENNEDY, Mr. LEAHY, Mr. MATHIAS, Mr. MCINTYRE, and Mr. PROXMIRE):

S. 125. A bill to provide for review and reauthorization of tax expenditure provisions every 5 years, and for other purposes; to the Committee on Finance.

SUNSET TAX ACT OF 1977

Mr. GLENN. Mr. President, today Senator MUSKIE and I, with other Senators, introduced S. 2, the Sunset Act of 1977. That bill provides for a zero-base review and termination, unless reauthorized, of all Federal Government budget authorizations on a 5-year cycle. Title IV of that bill would apply that same zero-base review procedure to tax expenditure provisions as well.

During the last Congress I introduced an amendment to S. 2925, the sunset bill which I coauthored with Senator MUSKIE, which was substantially similar to title IV of the present sunset legislation. That amendment was accepted in subcommittee and became title V of the bill which was favorably reported from the Senate Government Operations Committee. By a unanimous-consent agreement, title V was referred to the Senate Finance Committee for its consideration. In executive session the Finance Committee on a tie vote of 7 to 7 failed to report out title V.

While I obviously hope the Sunset Act of 1977 is enacted as submitted, I would not want to see the act delayed for consideration because of title IV.

I and my fellow cosponsors are therefore introducing title IV separately in addition to its inclusion as an integral part of S. 2 because we wish that the Fi-

nance Committee have the option to consider this legislation fully. With that in mind we respectfully request that the Finance Committee schedule hearings as early as possible.

By Mr. CRANSTON (for himself, Mr. HAYAKAWA, and Mr. HOLLINGS):

S. 126. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Commerce.

EARTHQUAKE HAZARDS REDUCTION ACT

Mr. CRANSTON. Mr. President, I am today introducing for appropriate reference a bill that I consider a top item on my list of legislative priorities—the Earthquake Hazards Reduction Act.

The bill we are reintroducing today is basically identical to S. 1174, which passed the Senate unanimously in the last Congress on May 24, 1976. Subsequent to Senate passage of S. 1174, it was favorably reported from two committees of the House of Representatives: the Science and Technology Committee and the Interior and Insular Affairs Committee. Unfortunately, in the last hectic days of the 94th Congress, S. 1174 was derailed on a procedural vote in the full House of Representatives. I am confident that given an opportunity to consider the bill on its merits, the House of Representatives will in this new Congress act affirmatively on the Earthquake Hazards Reduction Act.

I have made one alteration in the language of S. 1174 as passed by the Senate last May. That change, which slightly increases the annual authorization levels, reflects advances that have been made in the last year in the earth sciences that suggest the wisdom of annual expenditures to mitigate the potential hazards of earthquakes somewhat higher than those contained in the bill the Senate passed last year.

Last year the Senate bill authorized $40 million for fiscal year 1977, $50 million for 1978 and $60 million for fiscal year 1979, for a total 3-year authorization of $150 million. The new bill would authorize a total of $220 million, broken down as follows: $60 million for fiscal year 1978, $75 million for fiscal year 1979 and $85 million for fiscal year 1980. These funds, as before, would be allocated primarily to the two existing lead Federal agencies in the earthquake area, the U.S. Geological Survey and the National Science Foundation. A portion of the funds would also be made available to other Federal agencies that have responsibilities in the earthquake hazards area.

The higher authorization levels contained in the reintroduced version of the Earthquake Hazards Reduction Act are based primarily upon a September 15, 1976, report prepared by the advisory group on earthquake prediction and hazards mitigation at the request of the President's Science Advisor. This report attempted to identify the program options available to the USGS and the NSF to conduct research necessary to develop the technological base for making earthquake predictions, improving design and construction methods for all types of structures, and assisting State and local officials with the task of disaster preparedness. The report identified three options for augmenting the USGS and NSF earthquake prediction and hazard mitigation research programs. Option C, the highest level of funding, is described as "clearly the preferred and most effective option for accomplishing the objectives spelled out in this plan." Option A, the lowest funding option, was considered to be "barely adequate to accomplish the objective of this plan and will require postponement of implementation of many important aspects of this plan." Option B, the intermediate level of funding presented, is that reflected in the revised authorization levels contained in the bill being introduced today. It is interesting that the fiscal year 1978 Federal budget, prepared by the outgoing Ford administration, reportedly reflects option B resulting in a recommended budget for USGS and NSF that more than doubles expenditures for fiscal year 1977.

I have included in the revised bill authorization levels which approximate the intermediate option B primarily because option B is closest to the level of funding endorsed by the Senate last May when it passed S. 1174. I would urge, however, that in the hearings and debate that I hope will occur soon on this reintroduced proposal full and careful consideration will be given to the possibility of option C, clearly preferred by the eminent scientists, engineers, and public officials who constituted the advisory group on earthquake prediction and hazard mitigation.

I want to emphasize to my Senate colleagues that the bill being introduced today is viewed as a starting point in the resumption of our efforts to upgrade the Federal earthquake program. As I have indicated, subsequent to Senate passage of S. 1174, the House of Representatives moved quite far down that road in the last Congress. The House made some important changes in the organizational structure envisioned by the bill passed by the Senate. I understand that legislation has already been reintroduced in the House this year, and I am hopeful that the excellent working relationship developed in the last Congress among the various Senators and Members of Congress interested in this legislation will be reestablished this year I am confident that early hearings will occur in both the House and the Senate and that the Earthquake Hazards Reduction Act will be enacted at long last in this calendar year.

Contrary to popular thinking, earthquakes are a hazard that can strike in many States, not just along the Pacific coast. Earthquakes occurred in the St. Lawrence River region on several occasions from 1650 to 1928, in the vicinity of Boston, Mass., in 1755, in the Central Mississippi Valley at New Madrid, Mo. in 1811–12, in Charleston, S.C. in 1886 and at Hebgen Lake, Mont. in 1959. Moreover, earthquakes affect human beings and their activities over widely spread areas. The 1906 San Francisco earthquake was felt over a 400,000 square mile area, and the massive New Madrid earthquakes in the winter of 1811–12 were felt over an area of 2 million square miles.

A recent study suggests that all or portions of 39 States lie in regions of major and moderate earthquake risk—with a combined population of more than 70 million persons.

Perhaps even more significant is the pattern of population migration over the past several decades. No longer are our people and our economic activities spread out across the vast land area of the United States. Especially in the years since World War II, our people have moved to the major cities along our two major coastlines, concentrating much of our national economic and human resources in the very areas most prone to earthquakes and related hazards. As destructive as the 1906 San Francisco earthquake was, if it were to happen again today, the losses would be measured in the tens of billions of dollars. The economic repercussions of such a disaster could not be limited to one locality or one State—it would be a burden that would have to be shouldered by all Americans in all States.

Earthquake activity worldwide over the past months has been extraordinarily destructive. Unofficial reports of the tragic July 27, 1975, earthquake which devastated the Tangshan-Tientsin region of north China place the life loss for that one event at more than 655,000 people and the injuries at nearly 800,000. If these reports are accurate, that July 27 earthquake was the most destructive earthquake to occur worldwide since the mid-16th century when Chinese records show that more than 800,000 people died in one earthquake. Last year, substantial loss of life and tremendous damage occurred elsewhere in major earthquakes in Guatemala, Italy, western New Guinea, Bali, and Mindanao in the Philippine Islands.

In the Los Angeles area, USGS scientists have discovered an uplift in the Earth's crust along a section of the San Andreas Fault that had been quiet since a great earthquake in 1857. This uplift is a cause of much concern to the 10 million people who live in the Los Angeles metropolitan area. While it may not be a sign that an earthquake is coming, it must nevertheless be carefully monitored. The program envisioned by the Earthquake Hazards Reduction Act would funnel needed resources into this effort.

Another area of growing concern among scientists is the question of induced seismicity—whether or not the introduction of man-made reservoirs inadvertently triggers earthquakes. There are over 20 cases worldwide where the filling of large reservoirs appears to have induced earthquakes, ranging from microearthquakes to one as large as 6.5 on the Richter scale of magnitude. The largest earthquake thought to be so induced, near the Koyna Dam in India in December 1967, resulted in 177 deaths, 2,300 injuries, and extensive damages. There is currently no accepted procedure for determining in advance of construction whether filling a reservoir will trigger an earthquake, and this seems to be an especially important area for an enhanced research effort.

We have been extremely fortunate here in the United States because the only great earthquakes to strike within our continental boundaries occurred in the last century, or in the case of the 1906 San Francisco earthquake at a time when the local population was much less. Only about a half million people were living in the San Francisco Bay Area when the great 1906 earthquake struck. And while that was a major catastrophe, it pales in comparison to what might result if the San Andreas were to give us an encore today. Californians living in the Bay Area were reminded just this past weekend by a series of moderate but nondamaging earthquakes that rocked the area. All were in the 4.5 to 5 magnitude range and seem to be centered on the Calavaras or the Hayward Faults east of the city of San Francisco.

Mr. President, it is inevitable that a major destructive earthquake will strike a major U.S. population center. We cannot yet predict when that catastrophe will occur. But there is much we can do in the meantime to prepare ourselves for the event in a manner which minimizes the damage, reduces the life loss and mitigates the economic disaster. The Earthquake Hazards Reduction Act can take us a long way down the road toward being prepared.

In closing, I ask unanimous consent that a speech made last month by Dr. Robert Hamilton, director of the earthquake program of the U.S. Geological Survey, be included in the RECORD at the conclusion of my remarks.

Mr. President, I further request unanimous consent for the text of the Earthquake Hazards Reduction Act to be printed in full following the speech by Dr. Hamilton.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 126

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Earthquake Hazards Reduction Act".

SEC. 2. FINDINGS

The Congress finds and declares the following:

(1) All 50 States are vulnerable to the hazards of earthquake occurrence, and at least 39 of them are subject to major or moderate seismic risk, including Alaska, California, Hawaii, Illinois, Massachusetts, Missouri, Montana, Nevada, New Jersey, New York, South Carolina, Utah, and Washington. A large portion of the population of the United States lives in areas vulnerable to earthquake hazards.

(2) Earthquakes have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption. With respect to future earthquakes, such loss, destruction, and disruption can be substantially reduced through the development and implementation of earthquake hazard reduction measures, including (A) improved construction methods and practices, (B) land-use controls and redevelopment, (C) prediction techniques and early-warning systems, (D) coordinated emergency preparedness plans, and (E) public education and involvement programs.

(3) An expertly staffed and adequately financed earthquake hazard reduction program, based on Federal research and contributions and State, local, and private participation, would reduce the risk of such loss, destruction, and disruption in seismic areas by an amount far greater than the cost of such program.

(4) A well-funded seismological research program in earthquake prediction could provide data adequate for the design, within 10 years, of an operational capability that would be able to predict accurately the time, place, magnitude, and physical effects of earthquakes in selected areas of the United States.

(5) There is a scientific basis for hypothesizing that the risk to life and property from a major earthquake may be moderated, in at least some seismic areas, by application of the findings of earthquake control and seismological research.

(6) The implementaion of earthquake hazard reduction measures would, as an added benefit, also reduce the risk of loss, destruction, and disruption from other natural hazards and manmade hazards, including hurricanes, tornadoes, accidents, explosions, landslides, building and structural cave-ins, and fires.

SEC. 3. PURPOSE.

It is the purpose of the Congress in this Act to reduce the risks to life and property from future earthquakes in the United States through the establishment and maintenance of an effective earthquake hazard reduction program.

SEC. 4. DEFINITIONS.

As used in this Act, unless the context otherwise requires:

(1) The term "Committee" means the National Advisory Committee on Earthquake Hazard Reduction established under section 6.

(2) The term "Director" means the Director of the United States Geological Survey in the Department of the Interior.

(3) The term "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth.

(4) The term "program" means the earthquake hazard reduction program established under section 5.

(5) The term "seismic" and variants thereof mean having to do with, or caused by, earthquakes.

(6) The term "State" means each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, and any other territory or possession of the United States.

(7) The term "United States" means, when used in a geographical sense, all of the States.

SEC. 5. NATIONAL EARTHQUAKE HAZARD REDUCTION PROGRAM.

(a) ESTABLISHMENT.—The President shall establish and direct to be maintained, in accordance with the provisions of this Act, a coordinated earthquake hazard reduction program, in order to reduce the loss of life, property destruction, and economic and social disruption from future earthquakes. The program (1) shall be designed and administered to achieve the objectives set forth in subsection (b); (2) shall include where appropriate each of the agencies listed in subsection (c); (3) shall include each of the elements described in subsection (d); and (4) shall take into account the recommendations of the Committee established under section 6. The President shall, by rule, within 180 days after the date of enactment of this Act, (A) identify the department, agency, or interagency task force which shall have primary responsbility for the development and implementation of the earthquake hazard reduction program; (B) assign and specify the role and responsibility of each appropriate Federal department, agency, and entity with respect to each such object and element (to the extent not specified in this Act); (C) provide for cooperation and coordination with, and assistance (to the extent of available resources) to, interested governmental entities in all States, particularly those containing areas of high or moderate seismic risk; and (D) provide for qualified staffing of the program and its components.

(b) OBJECTIVES.—The objectives of the program shall include each of the following:

(1) The development of technologically and economically feasible design and construction methods and procedures to make new and existing structures, in areas of seismic risk, earthquake resistant.

(2) The implementation, in all areas of high or moderate seismic risk, of a system (including personnel, technology, and procedures) for predicting damaging earthquakes and for identifying, evaluating, and accurately characterizing seismic hazards.

(3) The development, publication, and promotion, in conjunction with State and local officials and professional organizations, of model codes and other means to coordinate information about seismic risk with land-use policy decisions and building activity.

(4) The development, in areas of seismic risk, of improved understanding of, and capability with respect to, earthquake-related issues, including risk control, preevent planning, warning dissemination, emergency services, reconstruction, and redevelopment.

(5) The education of the public, including State and local officials, as to earthquake phenomena, the identification of locations and structures which are especially susceptible to earthquake damage, ways to reduce the adverse consequences of an earthquake, and related matters.

(6) Basic and applied research leading to a better understanding of the control or alteration of seismic phenomena.

(c) INVOLVEMENT.—The program shall, where appropriate, include each of the following Federal agencies: the United States Geological Survey, the National Science Foundation, the Department of Defense, the Department of Housing and Urban Development, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the National Bureau of Standards, the Energy Research and Development Administration, and the National Fire Prevention and Control Administration. The program shall also involve, and the Federal agencies shall seek the cooperation of, States and their political subdivisions, private organizations, and individuals, in the development of plans, standards, procedures, and methods for reducing the risk to life and property from future earthquakes.

(d) ELEMENTS.—The program shall include each of the following elements:

(1) Research and the implementation of research findings in tectonics, seismology, and geology. Such research and implementation shall be supervised by the Director. Such research and implementation shall include—

(A) the development of an operational system for predicting damaging earthquakes in the seismically active areas of the United States:

(B) the development and placement of instruments and networks of instruments capable of collecting appropriate data;

(C) seismicity studies throughout the United States;

(D) the evaluation of methods that may lead to the development of a capability to modify or control earthquakes in certain regions;

(E) zonation and microzonation for seismic risk in all parts of the United States, taking into account tectonic environment; seismicity; fault location; and intensity, location, and return time of expectable earthquakes; and

(F) the preparation of seismic risk analyses useful for emergency planning and community preparedness.

The Director is authorized, in the performance of any such studies and activities, to utilize the services of qualified persons and governmental entities (other than the Geological Survey), including institutions of higher education and private entities or organizations concerned with seismic risk and seismic mitigation research. The Director shall expend, to such non-Federal entities, a significant portion of the funds appropriated pursuant to section 8(b) of this Act for research purposes.

(2) Basic and applied research activities in engineering, education, planning, and the social sciences. Such activities shall be supervised by the National Science Foundation. Such activities shall include—

(A) basic earthquake engineering research and earthquake hazard reduction research;

(B) the collection and analysis of engineering seismology information relating to destructive ground motion and associated risks to urban communities;

(C) efforts to develop more accurate and reliable methods of earthquake engineering analysis for all types of structures and for a variety of ground conditions;

(D) efforts to develop improved methods of assessing the risk of earthquakes, with respect to high-density areas and other locations, based upon the seismological and geotechnical characteristics thereof;

(E) the development and application of methods, standards, and criteria for earthquake-resistant location, design, construction, and retrofitting;

(F) the development of ways to increase community consciousness and preparedness wih respect to earthquakes; and

(G) the study of ways to facilitate the granting of relief to, and the rehabilitation of, earthquake-damaged areas.

The methods, standards, and criteria developed under subparagraph (E) shall be developed in order to increase the protection afforded by existing structures and to maximize the protection afforded by new structures, against earthquake hazards, at the most economical cost practicable. The cost of protection shall be measured against the benefits of reducing social and economic disruption and avoiding or minimizing damage and loss to life and property. Priority shall be given to the development of such standards for dams, hospitals, schools, public utilities, public safety structures, high-occupancy buildings, and other structures which are especially needed in time of disaster.

(3) Effective information dissemination and education. Such activities shall be supervised jointly by the Director and the National Science Foundation. Such activities shall include timely dissemination of—

(A) instrument-derived data of interest to other researchers;

(B) design and analysis data and procedures of interest to the design professions and to the construction industry; and

(C) other information and knowledge developed to reduce vulnerability to earthquake hazards.

Such data, information, and knowledge shall be made available to Federal, State, and local government officials and to other interested persons.

(4) An assistance program to aid the States in carrying out their responsibilities under section 201 of the Disaster Relief Act of 1974 (42 U.S.C. 5131), by making available the results of research and other activities undertaken under this Act.

SEC. 6. NATIONAL ADVISORY COMMITTEE ON EARTHQUAKE HAZARD REDUCTION.

(a) ESTABLISHMENT.—There is established a National Advisory Committee on Earthquake Hazard Reduction.

(b) MEMBERSHIP.—The Committee shall be composed of 15 members (one of whom shall be designated as Chairman) to be appointed by the President. The members shall include (1) representatives of the research community (including the design professions) and of Federal, State, county, and local governmental entities concerned with the reduction of earthquake hazards, and (2) qualified individuals experienced in earthquake-hazard research, planning, implementation, or preparedness.

(c) DUTIES.—The Committee shall serve as an advisory body to the President, to review and advise on the progress, implementation, and coordination of the program and shall perform such other duties as the President may assign.

(d) COMPENSATION.—Members of the Committee shall be reimbursed for actual expenses incurred in the performance of such duties.

SEC. 7. ANNUAL REPORT.

The President shall, within 90 days after the end of each fiscal year, submit an annual report to the Congress describing and evaluating progress achieved in reducing the risks of earthquake hazards. Each such report shall include any recommendations for legislative and other action.

SEC. 8. AUTHORIZATIONS FOR APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out the program (in addition to the authorizations set forth in subsections (b) and (c), not to exceed $5,000,000 for the fiscal year ending September 30, 1978; not to exceed $5,000,000 for the fiscal year ending September 30, 1979; and not to exceed $5,000,000 for the fiscal year ending September 30, 1980.

(b) GEOLOGICAL SURVEY.—There are authorized to be appropriated to the Secretary of the Interior for purposes of carrying out, through the Director, the responsibilities assigned to the Director under sections 5(d)(1) and 5(d)(3) not to exceed $27,500,000 for the fiscal year ending September 30, 1978; not to exceed $35,000,000 for the fiscal year ending September 30, 1979; and not to exceed $40,000,000 for the fiscal year ending September 30, 1980.

(c) NATIONAL SCIENCE FOUNDATION.—To enable the Foundation to carry out its responsibilities under section 5(d) of the Earthquake Hazard Reduction Act, there are authorized to be appropriated to the Foundation not to exceed $27,500,000 for the fiscal year ending September 30, 1978; not to exceed $35,000,000 for the fiscal year ending September 30, 1979; and not to exceed $40,000,000 for the fiscal year ending September 30, 1980.

THE EARTHQUAKE THREAT TO CALIFORNIA

(By Robert M. Hamilton)

If one of you decided to walk to Los Angeles this year and you counted your steps on the way, you would reach a total of about 600,000 by the time you arrived. If you did it again twenty years from now, assuming your steps were still as long then as now, it would take you one less step. The reason for this savings in steps is that Los Angeles is moving closer to San Francisco at the rate of about 2 inches a year, or over 3 feet every twenty years.

As this rate of movement is likely to continue for millions of years into the future, your descendant living 10 million years from now will be able to reach Los Angeles merely by walking to the west side of Daly City, because by then Los Angeles will have become a new suburb of the San Francisco Bay region.

Now for those of you who feel that San Francisco possesses a certain charm and unique life style that is incompatible with that of Los Angeles, the unwelcome rafting of the southern metropolis to this area would seem to call at least for an environmental impact statement. But although an environmental impact statement can delay or stop most undertakings in this day and age, there is little hope it could interfere with the Earth's restless movement.

Your consolation can be that in 60 million years, Los Angeles will have passed San Francisco by, and will have moved to the coast of southern Alaska. There it will be carried down into the interior of the Earth to be melted down and recycled, reappearing on the Earth's surface in the far distant future during a volcanic eruption.

The forces that are moving Los Angeles northward relative to San Francisco are the same ones that cause California's earthquakes. The break in the Earth's crust along which the slip is occurring is the famous San Andreas fault system—a complicated network of fractures that extends downward from the land surface to a depth of at least 10 miles, and laces western California from Cape Mendocino in the north to the Imperial Valley in the south.

The San Andreas fault system is a major rift in the Earth's outer shell. It is a boundary between two large plates of the Earth's shell that move essentially as rigid units. San Francisco lies east of the fault on the so-called North American plate, while Los Angeles lies west of the fault on the Pacific plate.

The existence of the plates—there are about a dozen of them altogether—was a major scientific discovery of the last decade. The discovery grew out of increased exploration of the ocean floor in the 1960's, with the realization that great mountain ranges extend for thousands of miles along the ocean floor, and out of geophysical studies including the global distribution of earthquakes, and the magnetic properties of rocks on the ocean floor.

The resulting theory, which is called by several names—continental drift, sea-floor spreading, and plate tectonics—has led to a revolution in the earth sciences. It has important implications in many fields including exploration for energy and mineral resources, and explaining the occurrence of earthquakes. It provides the basis for the statement that another great earthquake in California is inevitable. It is also the basis for the belief that the further you are from the last quake, the closer you are to the next one. The slow movements deep in the Earth steadily build up the forces in the crust. When the forces are too strong for the rocks of the Earth's outer shell, sudden slip occurs, and the ground shakes. Once the forces are released it takes time for them to build again to a dangerous level.

The important question, of course, is: When will the next big tremor occur? Prediction of earthquakes is a proclaimed secret talent of mystics, and a long-sought goal of scientists. As recently as five years ago, most scientists were openly skeptical of the possibility of ever predicting earthquakes, but progress in recent years has changed this skepticism to optimism.

With regard to predictions by mystics or others using non-scientific methods, scientists have always been somewhat perplexed in deciding how to deal with such situations. We are always amazed at the amount of news coverage afforded a person who makes a vague prediction based on no apparent evidence whatsoever. Even people who have a consistent track record of missed predictions continue to receive publicity. Many scientists are wary of becoming associated with the controversies that often surround non-scientific predictors. The pitfalls seen by scientists perhaps can best be illustrated by relating a story in the textbook on seismology, by Professor Charles Richter, who devised the Richter scale for ranking earthquakes.

The story is true and took place in Italy in this century. A cobbler, who began his prediction career by foretelling local earthquakes, began to receive a lot of newspaper coverage through a reporter friend. One of Italy's leading seismologists became con-

cerned and wrote a paper challenging the seer in an attempt to set the record straight. He pointed out that small earthquakes were used to satisfy predictions of large ones, that predictions were changed in hindsight to fit the facts, and that some "facts" were invented. The attention thereby generated skyrocketed the cobbler's popularity and established him as a "rival" of the scientist. Instruments were acquired by the uneducated cobbler. During Mussolini's reign, the cobbler even invented a new planet, named after the dictator, of course, and used it to predict earthquakes. Finally, an observatory was named after the cobbler, and it was still in existence in 1958 when Richter wrote his book.

In pursuit of scientifically-based predictions, four nations of the world have undertaken major scientific programs aimed at prediction: Japan, the Soviet Union, the People's Republic of China, and the U.S. The earliest successes in prediction came in the Soviet Union, which started working on prediction about 25 years ago. The most spectacular success occurred in China, which started working on prediction about 10 years ago.

The Chinese success came in February 1975 when a magnitude 7.3 shock was predicted on the very day of its occurrence. The final warning was issued in the afternoon at 2 pm and the tremor came that evening at 7:30 pm. The town of Haicheng was 90% destroyed, yet few people were killed. Had the prediction not been issued, deaths would almost certainly have numbered in the tens of thousands and could have exceeded 100,000. The Chinese achievement represents the first and so far only case where a large and highly destructive shock was predicted and many lives saved.

How did the Chinese do it? Do they know something we don't know? They did it by making a massive effort, involving perhaps 10,000 paid workers, to monitor the same types of geological and geophysical phenomena that are monitored in the U.S. and other countries. They don't have any secret understanding of earthquakes.

The types of changes studied in China and elsewhere include: deformation of the land surface (uplift, warping, and horizontal shifting), anomalies in the electrical resistivity and magnetic field of the Earth, variations in the pattern of earthquake activity, anomalies in the gases in well waters and in the height of water in wells, changes in the velocity of seismic waves, and unusual animal behavior.

The Chinese prediction in 1975 was based on several of these phenomena. The advent of unusual earthquake activity in a place where it had not been seen before gave rise to the final prediction.

In the U.S. much of our effort to predict earthquakes has been focused here in California, mainly because, next to Alaska, California has the highest earthquake frequency. The U.S. Geological Survey has operated a network of instrumentation in the area south of Hollister for about 5 years and some important earthquake precursors have been recorded there.

More recently, attention has been directed toward southern California, where it has been discovered that the land northeast of Los Angeles has risen up to a foot over the last 15 years. The land uplift covers an area over 100 miles long extending along the San Andreas fault through the Mojave Desert area. Such an uplift sometimes precedes earthquakes, and is definitely cause for concern now. The Federal Government is sponsoring about two million dollars' worth of new studies in the area to assess the significance of the uplift and to watch for additional anomalies that could warn of a coming shock. Our current information has been published and formally communicated to Governor Brown by the Director of the U.S. Geological Survey. There is no basis at the present time for a prediction.

Overall the enthusiasm and excitement concerning development of a useful prediction capability is high among seismologists. Abundant capability to address the problem exists; particularly in the universities, and scientists are generally fascinated by the prediction challenge.

Predicting earthquakes, however, is only part of the approach to reducing earthquake losses. Earthquake-resistant design of structures and wise use of land to avoid faults and unstable ground are other elements, and it should be emphasized that these are the only elements available until prediction becomes a developed and proven capability.

The impact of a great earthquake in the region of Los Angeles or San Francisco would be enormous. Losses could reach thousands of lives and tens of billions of dollars in damage. One estimate indicates that in the San Francisco Bay area 10,000 to 20,000 people could be killed during business hours and 3,000 to 5,000 during non-business hours. This difference between daytime and nighttime losses shows that people are generally safer in their homes.

1976 has been an extremely bad year for earthquakes. Through the months the death toll has steadily risen:

23,000 killed in Guatemala, 1,000 in northern Italy, 300 to 6,000 in New Guinea, 600 in Indonesia, 100,000 or possibly many more, in China, 8,000 in the Philippines, and now most recently about 4,000 in Turkey.

This has in all likelihood been the worst year for earthquakes since at least 1927, a half century ago, when about 200,000 people died in a Chinese quake. The worst year before that one was 1737, when an earthquake near Calcutta, India, claimed about 300,000 lives. But 1556 was the worst year ever, when over 800,000 died in central China.

The great death tolls I have cited resulted mainly because people in much of the world live in adobe or unreinforced masonry houses with heavy tile or mud roofs. Such structures easily collapse when shaken by an earthquake. In the U.S. people are much less vulnerable because most of our population resides in wooden-frame houses, which rarely collapse, and in engineered buildings. Unfortunately, however, we have many hazardous structures in use that would be extremely costly to replace or abandon. This is especially true in the older cities of the eastern U.S. where the earthquake threat is very real.

The large death toll this year from earthquakes has not resulted from an increase in the number of large earthquakes. In an average year there would be 18 earthquakes of magnitude 7 or larger. To date, there have been 15 such shocks in 1976, so the rate is normal. Unfortunate coincidence has caused the high losses, with many of the shocks occurring close to cities.

As I mentioned before, earthquake losses can be greatly reduced through wise use of land to avoid active faults and unstable ground, use of earthquake-resistant construction techniques, and perhaps someday earthquake prediction.

In assessing and mitigating earthquake hazards, the responsibilities of the different levels of Government are fairly well established.

The Federal Government has responsibility for:

(1) developing new techniques through a research program involving Government laboratories, universities and private industry,

(2) conducting demonstration projects to test the new techniques and encourage their use, and

(3) assessing national and regional seismic risk, which is needed by Federal agencies for a variety of purposes including siting of critical facilities such as nuclear reactors, pipelines and dams.

State and local governments are responsible for:

(1) Regional and local seismic risk assessment as it relates to land use, and

(2) establishment of zoning requirements and building standards to take into account possible earthquake effects.

The degree of implementation of hazards assessment and mitigation by State and local governments has been uneven. California is in the forefront of the States in the implementation of earthquake disaster mitigation measures. Californians should not ignore or underestimate the earthquake threat. Nor should irrational fear of earthquakes be a diversion from rational preparations.

As frequently occurs, the solution of the technological problems associated with earthquakes does not necessarily provide the basis for solving the many related social and economic problems. The complexity of the issues that communities typically face is well illustrated by consideration of one of San Francisco's more significant earthquake problems: the Chinatown area of the city. According to my friends in the structural engineering profession, many of the buildings in Chinatown represent a serious collapse hazard. The area abounds with unreinforced parapets certain to rain bricks on the narrow and potentially crowded streets below in a significant earthquake.

Most of the buildings are constructed of unreinforced masonry walls with many weakening openings. The engineers are certain that many of these buildings will collapse in an earthquake like the one that struck in 1906, burying the occupants in a mound of rubble no less tragically than in Guatemala, China or Turkey in this year.

What are the options available to San Franciscans to deal with this problem? Clearly, Chinatown is a unique human and architectural resource, one of the most famous aspects of San Francisco. Demolition and redevelopment may be out of the question, and would certainly be highly controversial. Reinforcement of the hazardous buildings would be extremely expensive, not within the means of most property owners under the present financial and taxation circumstances. Given an accurate and reliable earthquake prediction, it might be possible to evacuate the occupants from the hazardous buildings, but this too presents difficult economic and social problems. Tourist revenues would be risked. Many residents of Chinatown would be understandably reluctant to leave even for a few days, particularly people not comfortable with English. None of these solutions is easy.

But the situation in Chinatown is not unique. Buildings presenting a collapse hazard exist south of Market Street and in other parts of the city. Nor is the problem unique to San Francisco. It is shared by several of the older communities in California and throughout the earthquake-prone regions of the nation.

A few years ago the British Broadcasting Corporation produced a television film about earthquakes entitled "San Francisco—The City that Waits to Die". In my view the title presents a prophecy with little basis.

The inevitable earthquake will indeed be a disaster, but with study and planning the losses can be greatly reduced. Many cities and communities have rebounded from terrible earthquakes to enjoy renewed economic and social vitality.

In dealing with the earthquake threat it is essential to look beyond the technology, beyond developments in engineering design and construction, beyond new understanding of hazardous ground conditions, beyond even earthquakee prediction. . . . The real challenge lies in devising solutions to the social, economic and political problems involved in applying this emerging tech-

nology—solutions that will make California a safer, and even more enjoyable place to live and work.

By Mr. INOUYE:

S. 127. A bill to amend chapter 55 of title 10, United States Code, to require the Armed Forces to continue to provide certain special educational services to handicapped dependents; to the Committee on Armed Services.

Mr. INOUYE. Mr. President, although the trend in coverage under the civilian health and medical program of the uniformed services—CHAMPUS—has been to realine the program with more common health insurance programs such as the Federal employees health benefits plan or Blue Cross/Blue Shield coverage, I am today reintroducing my bill to require the Armed Forces to reinstate special education and related services to handicapped military dependents.

This bill would more clearly define a serious handicap by including coverage for those who are hard of hearing or deaf, those who suffer from a speech impairment or a visual handicap, those who are seriously emotionally disturbed, those who have moderate or severe mental retardation, those who are crippled, and those who suffer from a health impairment or a specific learning disability requiring special education and related services.

In August 1973, the Office of the Civilian Health and Medical Program of the Uniformed Services announced that it would discontinue the funding of special educational services to military dependents. Effective immediately, no further applications for special educational services were to be accepted, and those applications which had been approved would be provided funds only until December 31, 1973.

Upon inquiry, I learned that this change in service was not due to the cost of these services, but because there was no legal basis which required CHAMPUS to provide such services. In fact, CHAMPUS was unable to provide me with any figures on the cost or on the number of children who were affected by this change in policy. As of December 13, 1973, CHAMPUS did not know who would be losing benefits a mere 3 weeks later. I need not tell you of the financial hardship that was thrust upon the affected families with so little warning.

In addition to the burden that was placed upon the families which were involved was the burden placed upon the States to absorb these students in the middle of the school year and the fiscal year.

This problem is acute in my own home State of Hawaii. To cite one example, there is a private school located on Pearl Harbor which has been providing special education for military dependents with learning disabilities. This school, the Armed Services Special Education and Training School known as ASSETS, has been under serious financial strain since virtually every one of their students received aid from CHAMPUS.

If these students at ASSETS and other special students elsewhere throughout the country are forced to discontinue their education prematurely, or if they are placed in an average public school classroom which does not provide them with the special services which their disabilities require, it will result in a rapid regression of their condition.

CHAMPUS claims that these services are strictly educational in nature, and not medical. I personally believe, and it can be documented by professionals in the field, that no such clear distinction is possible.

I see a great need to continue this service for the dependent children of active duty military personnel, and I urge rapid passage of this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 127

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1079(b) of title 10, United States Code, is amended by striking out "subsection (a)" each time it appears and inserting in lieu thereof "subsections (a) and (d)".

(b) Section 1079(d) of title 10, United States Code, is amended by—

(1) striking out "who is moderately or severely mentally retarded or who has a serious physical handicap" and inserting in lieu thereof "who has a serious handicap"; and

(2) adding at the end thereof a new sentence as follows: "As used in this subsection the term 'serious handicap' means hard of hearing, deaf, speech impairment, visual handicap, seriously emotionally disturbed, moderate or severe mental retardation, crippled, or a health impairment or specific learning disability requiring special education and related services.".

(c) Subsection (e) of section 1079 of title 10, United States Code, is repealed, and subsections (f) and (g) of such section are redesignated as subsections (e) and (f), respectively.

SEC. 2. (a) 1086(a) of title 10, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: "including those benefits under section 1079(d)."

(b) Section 1086(b) of such title is amended by striking out "1079(a)" and inserting in lieu thereof "1079 (a) and (d)".

By Mr. INOUYE:

S. 128. A bill to amend section 1002 of title 38, United States Code, to authorize the burial in a national cemetery of the parents of certain members of the Armed Forces who die in active service; to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, the United States has established national cemeteries around the world to honor those who have defended our Nation. The spouse and children of these men and women have been permitted to join them in their final resting places, but I have found that in some cases the existing law does not go far enough and results in some tragic exclusions.

The situation I am familiar with and am attempting to remedy by this legislation involves a person who is an only child and dies in the service of his or her country. Quite often, the bereaved parents wish to lie at rest near the body of their child. The present regulations do not permit these parents to be granted their final wish.

I am now introducing a bill to amend that section of the United States Code on veterans' benefits to authorize the burial in a national cemetery of the parents of a person who is an only child, in such cases where the person died while serving on active duty, provided that his or her death precedes the death of his or her parents. I hope my colleagues will assist me in fuffilling this last wish of these parents by supporting this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1002 of title 38, United States Code, is amended by redesignating paragraph (6) as paragraph (7) and adding after paragraph (5) a new paragraph (6) as follows:

"(6) The surviving parents of any member of the Armed Forces who was the only child of such parents and whose death occurs under honorable conditions while such member was serving on active duty for a period of more than thirty days."

By Mr. INOUYE:

S. 129. A bill to restore the wartime recognition of certain Filipino veterans of World War II and to entitle them to those benefits, rights, and privileges which result from such recognition; to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, in 1948 our Government struck from official U.S. Army records the names of thousands of Filipinos who had served with the U.S. Army or with the guerrilla forces fighting in behalf of U.S. interests, denying to those individuals the various rights, benefits and privileges accorded to those whose records were preserved.

In the intervening period, numerous efforts have been made to give recognition to those individuals whose names should not have been struck out. We now have available a systematically reconstructed list of veterans who have not been given their proper rights and privileges.

The legislation I am proposing today is long overdue. It would permit the excluded veterans to submit their claims to the appropriate authorities for resolution on a case-by-case basis. Upon the submission of reliable documentation of service with the U.S. Army or guerrilla forces, these veterans would be duly recognized and become eligible for assistance from the U.S. Government.

The removal of their names from Army records was a travesty of justice. For those who have since died, this bill is too late. Its enactment would serve, however, belatedly, to confirm our commitment to these men who fought so hard so that we might remain free.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That those Filipino war veterans who fought as members of the Army of the United States in the Philippines (Commonwealth Army) in World War II, and were recognized as such, wounded in action and/or awarded the Purple Heart or other American medals and decoration, and/or who were duly processed into the service, honorably discharged therefrom with the status of "Commonwealth Army Veterans" under the provisions of Public Law 89-613, or those who were inducted into the USAFFE (United States Armed Forces in the Far East) just before the outbreak of the Pacific war, saw service during that war in Bataan and Corregidor or other battlefields in the Philippines and reported to military control during the liberation, but whose military wartime records were subsequently revoked and/or nullified when their names were deleted, erased, stricken off, or otherwise removed from the official records of the United States Army shortly after the war, shall be duly restored or returned to their status as bona fide recognized veterans of World War II.

SEC. 2. Only those Filipino veterans of World War II who in either USAFFE (United States Armed Forces in the Far East) or the guerrillas and whose names were previously excluded, deleted, erased, stricken off, or otherwise removed from the official records shall be restored or returned to the records of the United States Army by virtue of this Act.

SEC. 3. The Secretary of Defense, in consultation with appropriate officers of the Republic of the Philippines, shall implement the provisions of this Act.

SEC. 4. This Act shall take effect on the date of its enactment, but nothing in this Act shall be deemed to entitle any individual to veterans' benefits for any period prior to such date.

By Mr. INOUYE:

S. 130. A bill to allow an additional income exemption for a taxpayer or his spouse who is deaf or deaf-blind; to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am reintroducing legislation which would provide for an additional exemption for a taxpayer or his spouse who is deaf or deaf-blind. I originally introduced this measure in November 1973 after I realized that the Internal Revenue Service provides an additional exemption for blind taxpayers and their spouses, but that Hawaii is the only State to provide this same exemption for the deaf.

Despite the support that members of the deaf community showed for this legislation it never received any action by the Senate Committee on Finance.

Accordingly, I am again reintroducing this bill because I believe that its provisions are just, and that it will be quite beneficial in alleviating some of the economic discrimination with which the deaf are faced. This includes the exorbitantly high costs of hearing aids, the extra high costs of automobile insurance which many insurance companies require of their deaf customers, and the higher costs of education. Combine these expenses with the fact that most deaf individuals are underemployed given their abilities and education.

In addition, I believe that there is no cause for a fear that this will result in a great amount of lost revenue for the U.S. Treasury. There are approximately 450,000 profoundly deaf persons in this country. This number is only slightly less than the 470,000 legally blind persons. Of this 470,000, only 145,000 persons claimed the additional exemption in 1971. It is reasonable to assume that approximately the same proportion of the deaf would claim the deduction.

Mr. President, I hope that my colleagues will give early and favorable consideration to this humanitarian measure.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 151(d) of the Internal Revenue Code of 1954 (relating to additional exemption for blindness of taxpayer or spouse) is amended—

(1) by inserting "or deafness" after "blindness" in the heading;

(2) by striking out "blind" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "blind, deaf, or deaf-blind"; and

(3) by adding at the end thereof the following new paragraphs:

"(4) DEAFNESS DEFINED.—For purposes of this subsection, an individual is deaf only if his average loss in the speech frequencies (500 to 2000 Hertz) in the better ear is 86 decibels, I.S.O. or worse.

"(5) DEAF-BLIND DEFINED.—For purposes of this subsection, an individual is deaf-blind only if he is both deaf and blind."

(b) The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. INOUYE:

S. 131. A bill to amend the Internal Revenue Code of 1954 to provide credit against income tax for an employer who employs older persons in his trade or business; to the Committee on Finance.

Mr. INOUYE. Mr. President, the role of the elderly in American society has been drastically altered over past years.

While most of the Nation has been enjoying a rising prosperity, the aged have remained a pocket of poverty with little means of helping themselves. The economic growth and industrial expansion of past decades have not solved the basic economic problems of the retired aged; instead, these problems have been aggravated. The rising tide of inflation has diminished severely the purchasing power of social security and pension payments.

The economic difficulties facing our elderly population are often accompanied by emotional, psychological and physical problems. Our system of mandatory retirement can result in ill health, increasing medical needs and other problems which have caused the aged to grow apart from much of the rest of society. These people who have a lifetime of valuable knowledge and experiences to share are being pushed into isolation. This isolation can be a wrenching and profound shock as families may fail to keep in touch, as no one seeks their advice or counsel, and as the few friends who do maintain a relationship begin to die off.

The tragedy of this isolation is, in my view, shared by our entire society. The skills, insights, moral force, and cultural heritage which the aged are so qualified to pass on are lost forever.

The legislation I am introducing today is designed to provide businesses with the economic incentives required to keep those older employees on the job who might otherwise be put out of work and to hire these experienced aged persons whose potential productivity is quite high. I believe that such an incentive is justified. The fiscal impact of this measure will be minimal in that the Federal dollars that are expended will be offset by decreased welfare and economic assistance outlays which would otherwise be necessary. Also, Government revenues would be increased as the gainfully employed individuals pay their fair share of taxes. By providing an economic initiative to businesses, they need not displace younger workers in order to employ the elderly.

I believe this measure can serve to stimulate necessary employment in our economy by putting to work elderly men and women who have a great deal to contribute and to do this in a fiscally responsible manner. We have instituted policies to stimulate capital investment by our Nation's businesses many times. It is time to stimulate their investment in programs to utilize the tremendous skills and experience of older workers who have many more productive years to give to our economy. We cannot allow these scarce resources to be wasted by forcing these men and women into disuse and isolation.

I urge speedy consideration of this measure as we put together a comprehensive and coherent economic package to restore stability and growth to our industry and businesses.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 131

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B. CREDIT FOR EMPLOYMENT OF OLDER PERSONS.

"(a) IN GENERAL.—In the case of an employer, as defined in section 3401 (d), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount determined under subsection (b).

"(b) AMOUNT OF CREDIT.—The credit allowed an employer by subsection (a) for any taxable year shall be an amount equal to the increase in his cost of doing business during such year which results from the employment of older persons as determined under regulations prescribed by the Secretary. For purposes of this subsection, any expenditure made by an employer in the conduct of his trade or business (including insurance premiums, contributions to pension funds, contributions to medical costs, contributions to workmen's compensation funds, and any other trade or business expenses, including the increased cost of training an older worker and increased cost of maintaining an

increased medical and nursing staff necessary where older persons are employed, within the meaning of section 162), whether attributable to an individual employee or to the employees of such employer generally, shall be considered an increase in the cost of doing business which results from the employment of older persons to the extent that it would not have been required or made if the age of each employee involved were the lowest age at which an employee could reasonably (and consistently with the sound operation of the trade or business) be hired to perform substantially the same duties (and no factor other than age were taken into account).

"(c) CREDIT IN ADDITION TO DEDUCTIONS.—The credit allowed by subsection (a) shall be in addition to, and shall not reduce or otherwise affect, any deduction which may be allowable under this chapter.".

(b)(1) The table of sections for such part IV is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44B. Credit for employment of older persons.".

(2) Section 6096(b) of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

SEC. 2. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

By Mr. INOUYE:

S. 132. A bill to authorize the Secretary of the Army to make available to the State of Hawaii through it to the Queen's Medical Center physical facilities not needed by the Army at Fort DeRussy, Hawaii, for the purpose of establishing a mental health clinic in such facilities; to the Committee on Armed Services.

Mr. INOUYE. Mr. President, the Division of Mental Health of the State of Hawaii operates a clinic in the Waikiki area of Honolulu. This location was ideal for reaching the many visitors to Waikiki as well as those who reside in the area, for, unfortunately, the reality of Waikiki does not equal the utopian dreams which many have of this area. One of the unhappy truths of Waikiki is the high cost of living or operating a business there. These expenses forced the mental health clinic to close its doors.

In the heart of Waikiki is an Army post, Fort DeRussy, which would be an ideal location for a new mental health clinic. I have been informed that the Department of the Army has no objection to the use of certain office space on this installation by the State of Hawaii for the mental health clinic. The only obstacle to the clinic is a provision in the law that restricts the use of Fort DeRussy. I am, therefore, introducing a bill to authorize the Secretary of the Army to make available to the State of Hawaii certain physical facilities not needed by the Army at Fort DeRussy for the purpose of establishing a mental health clinic.

This clinic is a much needed facility which will greatly expand the services by the Department of Health to the people and visitors of Hawaii. I hope my colleagues will act with all due consideration to approve this measure.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Army is authorized to make available to the State of Hawaii or through it to the Queen's Medical Center such physical facilities at Fort DeRussy, Hawaii, as he determines are not needed by the Army and which are adequate for the purpose of permitting the State of Hawaii or through it the Queen's Medical Center to establish and operate a mental health clinic for the residents of Hawaii.

(b) The physical facilities made available by the Secretary of the Army under authority of subsection (a) shall be made available without charge to the State of Hawaii or through it to the Queen's Medical Center but shall be subject to such terms and conditions as the Secretary determines necessary to protect the interests of the United States.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 133. A bill to amend the Public Health Services Act to provide for financial grants to States in order to insure the delivery of high quality health services for persons who have recently immigrated to the United States; to the Committee on Labor and Public Welfare.

Mr. INOUYE. Mr. President, today I am introducing legislation entitled "the New Americans Health Service Act of 1977."

The lack of adequate public health care for the approximately 4 million aliens residing in the United States concerns all Americans.

Immigrants often come from regions where exposure to communicable diseases—some of them rare in this country—is universal. For them, life in the United States, a new country, is made up of emotional and economic stress that complicates their health problems.

Unaccustomed to preventive health services, and painfully aware of the high costs of medical care, many immigrants do not seek aid until health problems have reached crisis proportions. This situation is not only a threat to the immigrants, but also inflict harm on uncounted thousands of Americans.

I am well aware of the problems arising from inadequate health care for these people. Resident aliens account for well over 6 percent of the population in my State of Hawaii. The rate of immigration in Hawaii as a percent of the population is more than twice as high as any other State.

Moreover, the immigrants and American Samoans represent the highest percentage of residents in Hawaii treated for leprosy, tuberculosis, pediculosis, underweight children, mental health, and congenital malformation.

As you may know, over 70 percent of our immigrants reside in six States. Thus, we have a situation in which a few States are being asked to bear a disproportionate share of a national responsibility.

Mr. President, the bill I am introducing is long overdue. It will bridge the gap that has arisen between the awesome health problems of recent immigrants, and the insufficient health care provided. It will provide health services, and links to those services, for people who desperately need them. And, by helping them, we help those more fortunate who have been here since birth, by maintaining a more healthy general environment.

It is our national policy to allow immigrants into this country. We should not desert them. I hope my colleagues will join me in recognizing the importance of this bill and will act to secure its early consideration and passage.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 133

Whereas the annual number of new (aliens) immigrants to the United States has increased by 33 per centum since 1965 and that there are now in excess of 4,100,000 (aliens) immigrants residing in our country, and;

Whereas the immigration policy of our Nation is established by the Federal Government but that the individual States are required to provide for the health needs of these future citizens, and;

Whereas during the transitional period these future citizens have many unique health needs and difficulties because of cultural, language, and religious differences, and;

Whereas it is found that in 1973, nearly 70 per centum of our (aliens) immigrants resided in six States because of their geographical location—

The Congress of the United States therefore finds that a situation exists in which a few States are being asked to bear a disproportional share of a national responsibility.

Accordingly, the Congress of the United States further finds that the Federal Government should assist the States in insuring and providing for high quality health services for all our new Americans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "New American Health Services Act of 1975".

SEC. 2. Section 325 of the Public Health Services Act (42 U.S.C. 252) is amended to read as follows:

"NEW AMERICAN HEALTH SERVICES

"SEC. 325. (a) The Secretary is authorized to make grants to the individual States for the purpose of insuring high quality comprehensive health services for (aliens) immigrants residing in the United States through the establishment and support of—

"(1) health services projects;

"(2) counseling and educational programs, and;

"(3) related evaluation efforts.

"(b) From the sums appropriated to carry out the purposes of this part, the Secretary is authorized to allot proportions to the individual States based upon the number of (aliens) immigrants residing in the States, and on his evaluation of the urgency of providing health services to designated high impact areas.

"(c) No application for a grant under this subsection may be approved unless the Secretary determines that—

"(1) there exists a formal State plan for the provision of health services to (aliens) immigrants which has been submitted to and approved by the Secretary which—

"(A) designates—

"(i) a State planning and advisory council, to be responsible for submitting revisions of the State plan and transmitting such reports as may be required by the Secretary.

"(ii) except as provided in clause (3), the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise); and

"(iii) a single State agency as the sole agency for administering or supervising the administration of grants under the State plan, except that during fiscal year 1976, the Secretary may waive, in whole or in part, the requirements of this paragraph;

"(B) describes—

"(i) the quality, extent, and scope of services being provided, or to be provided, to (aliens) immigrants under such other State plans for federally assisted State programs as may be specified by the Secretary, and;

"(ii) how funds allotted to the State in accordance with this section will be used to complement and augment rather than duplicate or replace services and facilities for (aliens) immigrants who are eligible for Federal assistance under such other State programs;

"(C) sets forth policies and procedures for the expenditure of funds under the plan, which, in the judgment of the Secretary, are designed to assure effective continuing State planning, evaluation, and delivery of services (both public and private) for (aliens) immigrants.

"(D) contains or is supported by assurances satisfactory to the Secretary that—

"(i) applications for such funds from other public or nonprofit private agencies, institutions, and organizations will be seriously considered;

"(ii) such funds will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available for the purposes for which the Federal funds are provided and not to supplant such non-Federal funds; and

"(iii) there will be reasonable State financial participation in the cost of carrying out the State plan;

"(E) provides that services and facilities furnished under the plan for (aliens) immigrants will be in accordance with standards prescribed by regulations, including standards as to the scope and quality of such services and the maintenance and operation of such facilities, except that during fiscal year 1976, the Secretary may waive, in whole or in part, the requirements for this paragraph.

"(F) provides that the State planning and advisory council shall be adequately staffed, and shall include representatives of each of the principle State agencies and representatives of local agencies and non-governmental organizations and groups concerned with health services for (aliens) immigrants: *Provided*, That at least one-third of the membership of such council shall consist of representatives of consumers of such services.

"(G) provides that the State planning and advisory council will from time to time, but not less than annually, review and evaluate its State plan approved under this section and submit appropriate modifications to the Secretary.

"(H) provides that the State agencies designated pursuant to paragraph (a) will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports.

"(I) describes the methods to be used to assess the effectiveness and accomplishments of the State in meeting the needs of (aliens) immigrants.

"(J)(i) provides for a statewide inventory of existing programs and facilities, and develops a survey of need including the assignment of priorities; and

"(ii) meets the requirements proscribed by the Secretary for furnishing needed services to persons made to pay therefore.

"(K) specifies the per centum of the State's allotment for any year which is to be devoted to construction or renovation of facilities, which per centum shall not be more than 25 per centum of the State's allotment or such lesser per centum as the Secretary may from time to time prescribe.

"(L) provides for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part; and

"(M) contains such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

The Secretary shall approve any State plan and any modification thereof which complies with the above provisions. The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(2) The State and area comprehensive planning agency designated under section 314 has approved such project.

"(3) Such projects are community based and whenever possible, are integrated with a wide range of public and private agencies.

"(4) Such projects are conducted in cooperation with the Department's Center for Disease Control.

"(5) There are adequate safeguards for the protection of the confidential nature of the doctor-patient and other surveyors of health service relationship.

"(6) The State shall insure that each applicant for State funds under this program:

"(A) has prepared a schedule of fees or payments for the provision of services, specified by the Secretary, designed to cover its reasonable costs of operating and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, which have been approved by the Secretary; and

"(B) has made and will continue to make every reasonable effort to secure from patients payment for services in accordance with such approved schedules: *Provided*, That in securing reimbursement for services to individuals who are entitled to insurance benefits under title XVII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act or to assistance for medical expenses under any other public assistance program or private health insurance program, the applicant will collect reimbursement for the full amount of any fee or payment, without application of any discount; and

"(C) has submitted to the Secretary such reports as he may require to determine compliance with this paragraph.

"(7) there is provision for such accounting of financial controls as may be necessary to insure the proper disbursement of Federal funds; and

"(8) Federal funds made available under this part shall be used to supplement and not supplant the level of State, local, other non-Federal, or Federal assistance for which these projects might be eligible.

"(d) In making grants under this part, priority shall be given to those applicants who—

(1) demonstrate a capability to provide preventive health services such as, but not limited to:

"(A) dental services;

"(B) family planning services;

"(C) home health services;

"(D) nutritional services;

"(E) public health nursing services;

"(F) vision services;

"(2) provide procedures to identify and eliminate barriers for the effective delivery of health services to (aliens) immigrants.

"(e) For the purpose of this part, the term immigrant includes, but is not limited to, American Samoan.

"(f) Individuals who have resided in the United States for more than five years shall not be considered (aliens) immigrants for the purposes of this part.

"(g) There are authorized to be appropriated for the purpose of carrying out this part $50,000,000 for the fiscal year ending June 30, 1976; $70,000,000 for the fiscal year ending June 30, 1977, and $80,000,000 for the fiscal year ending June 30, 1978."

By Mr. BAYH (for himself, Mr. ABOUREZK, Mr. ANDERSON, Mr. BAKER, Mr. BELLMON, Mr. BROOKE, Mr. CHAFEE, Mr. CHURCH, Mr. CLARK, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DOLE, Mr. FORD, Mr. GLENN, Mr. GRAVEL, Mr. HART, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY, Mr. MAGNUSON, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MCINTYRE, Mr. METZENBAUM, Mr. PACKWOOD, Mr. PELL, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RIBICOFF, Mr. RIEGLE, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENSON, Mr. WILLIAMS, and Mr. ZORINSKY):

S.J. Res. 1. A joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND VICE PRESIDENT

Mr. BAYH. Mr. President, for more than a decade I and many of my colleagues have fought for enactment of a constitutional amendment to abolish the electoral college and to permit the American people to elect directly the President and Vice President. With the support of more than 40 Senators I am today introducing our proposal for electoral reform, and I am confident that the 95th Congress will pass this joint resolution by the necessary two-thirds vote and submit the direct election amendment to the several States for ratification. Many of my distinguished colleagues on both sides of the aisle are joining me in this bipartisan effort, and we intend to seek prompt action in the Senate this year. I will have more to say about the valuable role of so many of my colleagues in a moment.

Nothing is more important to the confidence of the American people in our political system and to the permanence and stability of our Government than the just and equitable selection of the President and Vice President. An overwhelming majority of the American people—more than 80 percent according to a Gallup poll—favor direct popular election. The American people look to us now to assure that in future elections their popular vote will elect the President without the present risk that the will of the people can be thwarted by

the faceless, undemocratic electoral college. This proposed constitutional amendment should wait no longer.

Only by sheer luck last November did we survive another round of electoral roulette with the popular will prevailing. A shift of about one-hundredth of 1 percent of the national popular vote—fewer than 10,000 votes—in two key States would have changed the outcome of the electoral college vote and would have denied the Presidency to President-elect Carter, even though he received a clear majority of the popular vote.

Three times in our history, in 1824, 1876, and 1888, the Presidential candidate who won the popular vote was kept from office because the popular will was subverted by flaws inherent in the archaic electoral college system. Indeed, in close elections, such as this election and the ones in 1960 and 1968, statistical studies have shown that there is only a 50–50 chance that the winner of the popular vote will also be the winner of the electoral vote. Stated another way, Mr. President, in close elections there is a 50–50 chance that the candidate who receives the most votes will not be elected President. That is, by simple definition, undemocratic. It is an affront to the principle of democracy—an affront which we tolerate, most ironically, only in the election of the two most important officials in our country. The confidence of the American people must no longer be suspended on such a narrow reed.

Mr. President, as members of this great legislative body, one of our weightiest responsibilities is to preserve and, when necessary, correct flaws in the Constitution of the United States for present and future generations of Americans. This duty must be fulfilled with the greatest of care and deliberation. It has happened, Mr. President, that as chairman of the Subcommittee on Constitutional Amendments for about 14 years, I have been involved in Senate passage of two constitutional amendments, as well as the proposed 27th amendment which has already been ratified by 34 States. But I do not take lightly the business of amending the Constitution. I do not propose to alter this nearly 200-year-old document casually. In fact, the long history of the study of electoral reform may very well establish this subject and the proposed direct election amendment as the longest considered and most carefully debated constitutional amendment in the history of our country.

For more than a century and a half, Mr. President, we have recognized the perils of a system that leaves the choice of President to a group of independent electors—electors whose freedom to disregard the will of the people is presently guaranteed by the Constitution. A Senate report published in 1826 caustically noted that the free and independent electors had "degenerated into mere agents in a case which requires no agency and where the agent must be useless if he is faithful and dangerous if he is not." Yet more than 150 years later we still are subjected to the grave risks that the popular will of the people can easily be thwarted, either by the strange arithmetic of the electoral system or by the mischievous deeds of a handful of power brokers.

More than a decade ago the Subcommittee on Constitutional Amendments began the current Senate study of electoral reform. Hearings on the election of the President began on February 28, 1966. In the following years the record of the subcommittee's hearings on electoral reform totaled nearly 2,600 pages. In September 1969, the House of Representatives approved a constitutional amendment for direct election by an overwhelming 339-to-70 vote. During Senate debate on Senate Joint Resolution 1 in 1970, we came within a handful of votes of breaking the filibuster which denied the American people even a vote on this crucial issue.

With this substantial history of study and debate, the Subcommittee on Constitutional Amendments plans to conduct further hearings in the early months of 1977.

Mr. President, it is gratifying that so many of my distinguished colleagues in the Senate have joined in the support of this proposal. Many have made major contributions to this effort over the years and richly deserve to be recognized. Unfortunately I cannot take the time now to recite by name the many distinguished colleagues who have contributed to Senate Joint Resolution 1 which we introduce today. Many of them, however, are cosponsors of this resolution. In particular, though, I wish to thank the distinguished majority leader, Senator BYRD of West Virginia, who in 1970 cast his first vote ever in support of cloture in the U.S. Senate in an effort to allow a vote on this important matter. The distinguished minority leader, Senator BAKER of Tennessee, long has been a strong supporter and a cosponsor of this resolution and was one of the first to join actively in its support again in preparation for introduction in this Congress. I also wish to recognize the efforts of my distinguished colleague from Oklahoma, Senator BELLMON, who has fought for the direct election amendment for more than a decade.

The distinguished Senator from North Dakota, Mr. BURDICK, also has been a cosponsor and supporter and several years ago dramatically demonstrated that the direct election amendment, if passed by Congress, will face favorable receptions in the State legislatures by polling 8,000 State legislators and finding that of the 2,500 who responded, nearly 60 percent favored direct election. My distinguished colleague from Michigan, Senator GRIFFIN, also has supported and cosponsored the direct election amendment in the past, and a few years ago polled 4,000 legislators from the 27 States thought most likely to oppose direct election; and 64 percent of those responding endorsed direct election.

Many of my other colleagues deserve to be recognized for their contributions to the resolution which we are introducing today, and I hope we may give appropriate recognition to them as we continue to work together for passage of this proposal. In addition I should note that direct popular election has been publicly endorsed by an impressive array of prestigious national organizations, among them the American Bar Association, the United States Chamber of Commerce, the AFL–CIO, the United Auto Workers, the National Federation of Independent Business, the National Small Business Association, and the League of Women Voters—representing broad philosophical and nationwide support.

Mr. President, in past years, the Harris and Gallup polls have shown that 78 percent and 81 percent of the American people, respectively, favor direct popular election. The extent of this feeling—it is important to note—is nationwide and fairly evenly distributed throughout the country. To cite excerpts from one of Mr. Gallup's polls, the figures reveal that 82 percent of the people in the East, 81 percent in the Midwest, 76 percent in the South, and 81 percent in the West think direct popular election is both desirable and necessary.

Mr. President, resolutions very similar to Senate Joint Resolution 1 are being introduced in the House of Representatives with bipartisan support. The resolution which we are introducing today is identical to the resolution which was introduced last year, with only one exception which I believe improves the resolution and at the same time comports with the version that is most favored in the House. This proposal provides that in the unlikely event no candidate receives 40 percent of the popular vote, the President and Vice President will be elected in a runoff election between the two pairs of candidates receiving the highest number of votes. I have long favored this provision to the alternative of having the Members of Congress to select the President and Vice President if no candidate receives 40 percent of the vote. I believe that most of the public, as well as most Senators and organizations who have studied the issue, now agree that a runoff election is preferable.

It is time, Mr. President, that we in Congress take the action that a great majority of our constituents long have supported and for which many of our colleagues long have labored, and pass the direct election amendment.

Mr. President, I ask unanimous consent to print in the RECORD the text of the proposed amendment and a section-by-section analysis.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S.J. RES. 1

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. The people of the several States and the District constituting the seat of government of the United States shall elect the President and Vice President. Each elector shall cast a single vote for two persons who shall have consented to the joining of their names as candidates for the offices of Presi-

dent and Vice President. No candidate shall consent to the joinder of his name with that of more than one other person.

"SEC. 2. The electors of President and Vice President in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature, except that for electors of President and Vice President the legislature of any State may prescribe less restrictive residence qualifications and for electors of President and Vice President the Congress may establish uniform residence qualifications.

"SEC. 3. The persons joined as candidates for President and Vice President having the greatest number of votes shall be elected President and Vice President, if such number be at least 40 per centum of the whole number of votes cast.

"If, after any such election, none of the persons joined as candidates for President and Vice President is elected pursuant to the preceding paragraph, a runoff election shall be held in which the choice of President and Vice President shall be made from the two pairs of persons joined as candidates for President and Vice President who received the highest numbers of votes cast in the election. The pair of persons joined as candidates for President and Vice President receiving the greater number of votes in such runoff election shall be elected President and Vice President.

"SEC. 4. The times, places, and manner of holding such elections and entitlement to inclusion on the ballot shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations. The days for such elections shall be determined by Congress and shall be uniform throughout the United States. The Congress shall prescribe by law the times, places and manner in which the results of such elections shall be ascertained and declared. No such election, other than a runoff election, shall be held later than the first Tuesday after the first Monday in November, and the results thereof shall be declared no later than the thirtieth day after the date on which the election occurs.

"SEC. 5. The Congress may by law provide for the case of the death, inability, or withdrawal of any candidate for President or Vice President before a President and Vice President have been elected, and for the case of the death of both the President-elect and Vice President-elect.

"SEC. 6. Sections 1 through 4 of this article shall take effect one year after the ratification of this article.

"SEC. 7. The Congress shall have power to enforce this article by appropriate legislation."

S.J. 1—DIRECT ELECTION OF THE PRESIDENT

SECTION-BY-SECTION ANALYSIS

Senate Joint Resolution 1 contains the now customary provisions that the proposed new article to the Constitution shall be valid as part of the Constitution only if ratified by the legislatures of three-fourths of the States within 7 years after it has been submitted to them by the Congress.

Section 1 of the proposed article will abolish the electoral college system of electing the President and Vice President of the United States and provide for their election by direct popular vote. The people of every State and the District of Columbia will vote directly for President and Vice President. This section will prevent a candidate for either office from being paired with more than one person. Candidates must consent to run jointly.

Section 2 provides that voters for President and Vice President in each state must satisfy the qualifications for voting for the cost numerous branch of the State legislature in that State. The term "electors" is retained, but instead of referring to the electoral college, the term henceforth will mean qualified voters, as it does in existing provisions dealing with popular election of members of Congress. This clause also will permit the legislature of any State to prescribe less restrictive residency requirements and is necessary in order to prevent invalidation of relaxed residency requirements already or hereafter adopted by the States for voting in presidential elections.

The Congress also will be empowered to establish uniform residency qualifications. This authority will in no way affect the provisions dealing with residency requirements in presidential elections adopted as part of the Voting Rights Act of 1970. The Voting Rights Act abolished residency requirements for voting in presidential elections and established nation-wide, uniform standards relating to absentee registration and absentee voting in presidential elections. The provision, moreover, will not modify or limit in any way existing constitutional powers of the Congress to legislate on the subject of voting qualifications, nor will it in any way limit the Supreme Court's decision in Dunn v. Blumstein, 405 U.S. 330 (1972), which held State residency requirements in excess of 30 days to be unconstitutional. The District of Columbia is not referred to in section 2 because Congress now possesses the legislative power to establish voting qualifications for the District under Article 1, section 8, clauses 17 and 18.

Section 2 is modeled after the provisions of article 1, section 2 and the 17th amendment to the Constitution regarding the qualifications of those voting for Members of Congress. As a result, general uniformity within each State regarding the qualifications for voting for all elected Federal officials will be retained. Use of the expression "electors of the most numerous branch of the State legislature" does not nullify by implication or intent the provisions of the 24th amendment that bar payment of a poll tax or any other tax as a requisite for voting in Federal elections. The Supreme Court, moreover, has held as well that a poll tax may not be enacted as a requisite for voting in State elections. Harper v. Board of Elections, 383 U.S. 663 (1966).

Section 3 requires that candidates obtain at least 40 percent of the whole number of votes cast to be elected President and Vice President. The expression "whole number of votes cast" refers to all valid votes counted in the final tally. The term "whole number" is consistent with prior expressions in the Constitution, as in the 12th amendment. Section 3 further provides that if no pair of candidates receives at least 40 percent of the whole number of votes cast for President and Vice President, then a run-off election shall be held in which the choice for President and Vice President shall be made from those two pairs of candidates who received the largest popular vote totals.

Section 4 embodies provisions imposing duties upon the Congress and the States in regard to the conduct of elections. The first part of this section requires the State legislatures to prescribe the times, places, and manner of holding presidential elections and entitlement to inclusion on the ballot—subject to a reserve power in Congress to make or alter such regulations. This provision is modeled in part after the similar provision in article 1 dealing with elections of members of Congress. States will continue to have the primary responsibility for regulating the ballot. However, the Congress will be empowered to deal with such situations as occurred in 1948 and 1964 if a State seeks to exclude a major party candidate from inclusion on the ballot.

Section 4 also requires that Congress shall establish the dates for the regular election and for the contingency of a run-off election, and such dates will be uniform throughout the country. In no event shall a regular election be held later than the first Tuesday after the first Monday in November. Congress shall also establish whatever later date it determines to be wise for the contingency of a run-off election, within the constraints imposed by the 20th amendment so that there may be orderly assumptions of office by the President and Vice President on the 20th day of January. This conforms to the present pattern of a constitutional requirement for electoral voting (Article II, section 1), to which Congress has responded by establishing uniform days for the election of electors (3 USC 1) and for the meeting and vote of electors (3 USC 7), respectively.

Section 4 further requires Congress to prescribe the time, place and manner in which the results of such elections shall be ascertained and declared. The mandatory language is comparable to the mandatory duties imposed upon the States to provide popular election machinery for Members of Congress. In implementing this section, Congress may choose to accept State certifications of the popular vote as it now accepts electoral vote certifications under the provisions of 3 USC 9–15. Federal enabling legislation will be required to provide the legislative details contemplated in the amendment.

Section 5 empowers Congress to provide by legislation for the death, inability, or withdrawal of any candidate for President or Vice President before a President or Vice President has been elected. Once a President and Vice President have been elected, existing constitutional provisions will apply. Thus, succession to the Presidency following the death of the President-elect would be governed by the 20th amendment, and filling a Vice Presidential vacancy would be governed by the procedures contained in the 25th amendment. Section 5 also empowers the Congress to provide by legislation for the possibility of the death of both the President-elect and Vice President-elect before the procedures of the 20th amendment or the 25th amendment have been completed.

Section 6 provides that the article shall take effect 1 year after ratification. Since legislation will be necessary to fully implement and effectuate the purposes of the proposed amendment, a reasonable period of time should be provided between the date of completion of ratification and the date on which the amendment is to take effect. This provision affords both the Congress and the States an adequate opportunity to legislate, but it does not foreclose the possibility of securing ratification in time for the proposed article to be in effect before the 1980 Presidential election.

Section 7 confers on Congress the power to enforce this article by appropriate legislation. The power conferred upon Congress by this section parallels the reserve power granted to the Congress by numerous amendments to the Constitution. Any exercise of power under this section must not only be appropriate to the enforcement of the article but must also be consistent with the Constitution.

Mr. JACKSON. Mr. President. I am again cosponsoring Senate Joint Resolution 1, Senator BAYH'S proposed amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

I am optimistic that we can encourage prompt action on this measure early in the 95th Congress. It is vital that the American people have confidence in their Government; and a selection of our President and Vice President in a fairer manner can help to do just that.

In the last three Presidential elections, in 1968, 1972, and 1976, electors have

cast their vote for a candidate other than the one selected with the most popular vote in the elector's State. In my own State of Washington, during the last Presidential election, an elector cast his ballot for Ronald Reagan—with every legal right to do so in Washington State—when those he was elected to represent had cast their popular vote for Gerald Ford. The electoral college is archaic and presents real opportunities for danger since 538 electors could decide the Presidency quite independently of approximately 140 million persons of voting age.

Of more concern is an election in which none of three candidates receive an electoral majority. Rather than the election being decided in the House of Representatives as called for in the Constitution, the electoral college could quite easily determine the Presidency before the matter ever reached the House by bartering among themselves. These dangers can be avoided simply by eliminating the electoral college.

There are other problems with the electoral college system. We have seen the election of a President—as in the Hayes-Tilden election—who had fewer popular votes than his opponent, thereby not being the first choice of the majority of voters. We see the use of the "winner-take-all" formula State by State wherein all of the State's electoral votes go to the winner of the popular vote without respect to the margin of victory. Essentially, all voters who did not vote for the candidate who wins the popular vote in his State are deprived of their full voting power. Such a vote is simply not "counted"; and, in fact, since all electoral votes of a particular State go to the candidate who has won the popular vote, it is "given" to the popular vote candidate.

I feel that the narrow margin by which Governor Carter defeated President Ford last November will motivate the 95th Congress to adopt this constitutional amendment. I support the amendment now as I have in the last three Congresses.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

Mr. HATHAWAY. Mr. President, it is with pleasure and a sense of urgency that I join Senator BAYH and a number of my distinguished colleagues in the introduction of Senate Joint Resolution 1. This proposal would amend the Constitution to require a direct popular election of the President and would eliminate the anachronistic and inherently undemocratic institution of the electoral college.

In this regard Mr. President, I ask unanimous consent that a weekly column of mine be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WHY YOUR VOTE DOESN'T COUNT

Most citizens assumed that the next President of the United States was elected on Tuesday, November 2, 1976 by popular vote. He wasn't.

The only votes that count were not cast until Monday, December 13, 1976 by the Electoral College, which is composed of Presidential electors who are chosen by direct vote in each state. And the result is not officially declared until January 6, 1977.

In fact, in that November election, the voters only determined who their presidential electors would be. The number of electors in each state is determined by the sum of its U.S. Senators and Congressmen. In addition, the District of Columbia is entitled to three electors, making an overall college total of 538 since there are 535 Congressmen and Senators.

In Maine, the presidential candidate winning each congressional district is theoretically entitled to the vote of the elector for that district, and the winner of the state's popular vote as a whole gets the two remaining electoral votes. In all other states, whichever candidate wins the plurality of votes throughout the entire state, however small that winning margin might be, is entitled to all of that state's electoral votes.

On Monday, December 13, 1976, the electors gathered in each state to formally cast their votes. Surprisingly, they were not under any legal or Constitutional obligation to cast their votes in accordance with the November popular vote in their states. But they were under a strong moral obligation, since they pledged to the voters who chose them that they would vote for a particular candidate.

On January 6, 1977, the votes of the Electoral College will be officially tabulated and Congress will officially declare the winner, who will be inaugurated and assume the duties of President on January 20, 1977.

Except for three occasions, the last of which happened in 1888—the candidate receiving the most popular votes has also received the most Electoral College votes. But in 1960, 1968, and this year, a shift of only a few thousand votes in a few key states would have given the election (by virtue of the Electoral College system) to the candidate who did not win the most popular votes. This potential for political catastrophe was dramatically pointed out this past election when a change of 7,000 votes in the states of Ohio and Hawaii could have given the election to Gerald R. Ford, despite Jimmy Carter's 1.7 million vote plurality. We face that same problem every time there is a particularly close presidential election. In that light, it is evident that the Electoral College, first created as an equalizer in our federation of large and small states, is capable of performing a very undemocratic act: electing a President who is not the choice of most of the voters.

There are two basic reasons why the authors of the Constituion adopted an Electoral College system. First, by providing for at least three electors to each state regardless of population, the college system was viewed as a way to give small states some protection against domination by large states. Secondly, the writers of the Constitution felt that the Electoral College approach placed the choice of the President in the hands of persons presumably able, as the mass of the people at that time were not, to become acquainted personally with the various Presidential candidates.

Neither of these arguments is valid today. If anything, the Electoral College system works against the interests of the voters in the smaller states such as Maine. Because the small states cannot offer larger amounts of electoral votes, candidates may concentrate their efforts on winning the bigger states to put them over the top. Under the present system, the smaller states are not always needed to win the presidential election in the electoral college, whereas the individual votes in these states would count equally with those in the larger states in a direct popular election.

On the second point, relying on a "back up" election system because the public is considered incapable of making a decision on who its leader should be clearly undermines the "one man, one vote" philosophy which is the bedrock of our democracy. Furthermore, today we have televised debates with a nationwide audience of millions, and campaigns during which candidates travel thousands of miles and make hundreds of personal appearances. If anything, most voters feel they know more than they care to about candidates by the time the election rolls around.

It is for these reasons that the Electoral College should be abolished. And when Congress reconvenes in January, I will propose a Constitutional amendment which would eliminate the Electoral College and establish a system whereby the President of the United States is determined by direct, popular election.

Mr. HATHAWAY. Mr. President, it has been demonstrated many times through public opinion polls and other means that the vast majority of our constituents favor an end to the electoral college and a beginning of real democracy.

For example, the Maine opinion poll conducted by WGAN–TV located in Portland, Maine, asked on Wednesday, November 3, 1976, "Should the President be elected by popular vote only and not by the Electoral College?"—1,404 individauls, or 91 percent, responded "Yes" and only 134, "No".

At the same time, I have heard from some constituents, and have reviewed a number of editorials in Maine newspapers which have suggested that the present system ought not be scrapped.

They question whether a new system of pure popular vote would work as well as the old one in generating a quick result and avoiding long court struggles. They point out that the popular vote route could lead to extended recounts involving tens of millions of votes, whereas the present system is inevitably one which produces only State-by-State controversies.

I think the most recent election demonstrates that the State-by-State aspects of the present system drastically increases the potential for a constitutional crisis and that the popular vote for the Nation as a whole is less likely to be within a close enough margin to justify recounts and court controversy.

In this regard, I call to the attention of my colleagues and recommend highly an article by Prof. L. Kinvin Wroth of the University of Maine School of Law titled "Election Contests and the Electoral Vote" which appeared in the Dickinson Law Review, Volume 65. The article was published in 1961 while Professor Wroth served as a teaching fellow at Dickinson School of Law.

In this article, Professor Wroth details the myriad pitfalls and potential for disaster inherent in the present system. He examines the legislative history of prior attempts by Congress to rationalize this system and describes the controversy of 1876 in which Samuel Tilden won an absolute majority of the popular vote, yet was deprived of victory which went to Rutherford B. Hayes due to partisan considerations by the Commission appointed to resolve the dispute.

Some of these difficulties were resolved by the Electoral Count Act of 1887. But a number of problems remained and are

yet ticking as potential constitutional time bombs. These include the possibility of conflicting determinations by state authorities as to which candidate is entitled to the individual States' electoral votes, conflicting certifications of that result, or the possibility for inordinate delay in the States resolving their disputes.

While these disputes would most likely be ultimately resolved by Congress, Professor Wroth properly points out that,

A President chosen in this way could never completely refute the charge that his title depended on a mistake or illegality in the election process.

The President could further be under greater disadvantage of being the second choice of the voters.

We have delayed this necessary change to our Constitution for over 100 years. Let us not delay it any further.

Mr. CLARK. Mr. President, I am pleased to join with Senator BIRCH BAYH in the introduction of Senate Joint Resolution 1. This proposed amendment to the Constitution will provide for the direct popular election of the President and Vice President of the United States. By eliminating the electoral college, Senate Joint Resolution 1 finally will place the crucial decision of selecting the leaders of our Nation where that decision belongs—directly in the hands of the American people.

Senator BAYH, long an advocate of election reform, has spearheaded the fight in Congress for change in the electoral system for many years. Under his able leadership, the resolution we are presenting today represents, in my judgment, the best possible procedure for electing the President and Vice President. Certainly, now is the best possible time for acting on this urgently needed and long-overdue reform.

The Nation has just elected a new President, and Jimmy Carter's margin of victory was 1.7 million in the popular vote count. Yet, under the present system, the electoral college easily might have returned the Presidency to Gerald Ford, who had received fewer popular votes.

The electoral college, of course, is proportioned by State, with each State allotted votes equal to its number of Senators and Representatives, with all States but Maine employing the "unit rule" or winner-take-all system. In the last election, a shift of only 8,354 votes—4,667 in Ohio and 3,687 in Hawaii—would have delivered the electoral college votes of those two States to Gerald Ford. Thus, by a vote of 270 to 268, the electoral college would have declared the people's second choice to be President of the United States. A shift of only one-hundredth of a percent of the 79.8 million votes cast would have been all that was necessary for a serious constitutional crisis to have ensued.

Fortunately, such a crisis was narrowly avoided, but 1976 was our third close call in the last 20 years. In 1960, John Kennedy was the winner with 100,000 popular votes. Yet, a shift of less than two-hundredths of a percent would have given the electoral college victory to Richard Nixon. In 1968, only a seven-hundredths of a percent switch was needed to deprive the popular vote winner of an electoral college majority.

Also of great concern are the effects of third-party candidacies under the electoral system. It was George Wallace's avowed intention in the 1968 campaign to gain enough votes in enough States to deny either major party candidate an electoral college victory. Under the Constitution, the election would have been thrown into the House of Representatives, where Wallace allegedly hoped he could play "power broker," pledging his States' votes to the candidate who would make the most concessions to him.

In the 1976 election, the independent candidacy of Eugene McCarthy might have caused a different result. McCarthy's votes, many of which might have gone to Governor Carter, probably were enough to cost the Governor 4 States with 26 electoral votes—my own State of Iowa, plus Maine, Oklahoma, and Oregon. If the courts had ruled McCarthy's name off the New York ballot, Ford might have achieved a narrow plurality there, too—winning in the electoral college by 12 votes.

How is it that we find ourselves saddled by a system with so many shortcomings? The electoral college was born out of a compromise developed by the Founding Fathers at the Constitutional Convention in 1787. On one side of the debate were those constitutionalists who believed in the power of individuals to choose their own leader. On the other side were those framers who feared the power of the electorate. A "Committee of Eleven," assigned to forge an agreement, settled on a compromise solution which imposed a layer of electors above the general voters; electors who would actually vote for the President.

Alexander Hamilton defended the arrangement in Federalist No. 68:

A small number of persons selected by their fellow citizens from the general mass, will be most likely to possess the information requisite to such complicated investigation.

By 1800, however, the idea of an independent elite, selected by the State legislatures to choose the President, became almost meaningless with the appearance of political party candidates. The parties more accurately reflected the desires of the electorate than did the electoral college. By 1826, in fact, a Senate report stated that the electors had "degenerated into mere agents in a case which requires no agency and where the agent must be useless if he is faithful and dangerous if he is not."

Pressure for reform of this system of Presidential election has grown over the past century and a half; yet. today, the electoral college still retains its constitutional role. In recent years, through the determined efforts of Senator BAYH and others, the movement to abolish the electoral college has gained momentum. Scores of resolutions have been introduced, a constitutional amendment debated by the Senate—and killed by filibuster, and an amendment passed by the House of Representatives by more than the required two-thirds majority.

There have been a number of alternative plans proposed to reform the electoral college system. While no system is without its shortcomings, I believe that Senate Joint Resolution 1 provides the best approach to reform because of its simplicity and its guarantee of direct voter participation in electing the President and Vice President.

Senate Joint Resolution 1 eliminates the problems caused by the electoral college, and provides safeguards to prevent candidates with less than a plurality of popular votes from being elected President. Implementation of direct elections would give every Presidential ballot equal weight in deciding the outcome, for votes would not be divided by State, and the unit rule would not prevail. The smallest States would no longer have the advantage of being guaranteed three electoral votes regardless of population. Nor would candidates be tempted to concentrate solely on the largest States with huge blocs of electoral votes. For, unlike the present system, direct election would mean that the "loser's" votes in each State would no longer be discarded. No voters, no States, no regions could be written off. For the first time, every vote would count—and count equally—in the election of the President.

Mr. President, the serious decline in voter participation in recent years is a complicated phenomenon. I doubt we could blame lower turnout on the electoral college. But giving each citizen an equal, direct role in Presidential elections could only serve to increase participation, in my judgment.

Presently, the Constitution requires that in the event no candidate achieves a majority in the electoral college, the election shall be decided in the House of Representatives. Senate Joint Resolution 1 would eliminate that possibility. However, Senate Joint Resolution 1 does provide that in the unlikely event that no candidate should receive a plurality of 40 percent, a runoff would be held between the two leading candidates within 30 days of the first election. Such a runoff would guarantee that the electorate rather than an anonymous group of electors or the House of Representatives, would make the final decision on the leadership of the Nation.

Of course, the electoral college still has its defenders. Some argue that we need the electoral college, with its guarantee of a minimum number of electoral votes for each State, to undergird our federal system. But direct popular elections would not displace State and local governments, or the Senate, with its equal apportionment by State, or the many other checks and balances upon which federalism depends. Certainly American federalism does not depend on interposing a State role between the people and the selection of their President. Besides, we think of ourselves principally as national citizens when choosing a President, not as residents of a particular State.

Others argue that with direct election, candidates would concentrate only on the large urban States, ignoring smaller States. I believe the opposite would be true, because candidates could no longer rely on the large bloc of votes in a

handful of States to send them to the White House.

Finally, it is said that direct election would foster vote fraud, forcing recounts in every precinct of the Nation in a close election. Presently, however, fraud in one or two States theoretically could swing an entire Presidential election in a close contest. And, as a matter of fact, vote fraud has diminished drastically in recent decades. Recounts in recent close State elections have caused a vanishingly small net shift of votes—an average of only five-hundredths of a percent. There has never been a Presidential election in which the popular vote was that close.

Mr. President, an overwhelming majority of the American people believe it is time to turn away from our archaic and potentially dangerous method for selecting national leadership. The public opinion polls consistently register 80 percent approval for reform of the electoral college.

My own State of Iowa is no exception. and the point was driven home most effectively when the Iowa Presidential electors met in Des Moines last month. Besides casting their electoral votes, the electors themselves passed a resolution urging congressional action to reform the electoral college system.

Mr. President, the electoral college system reminds me a great deal of rolling dice. We have been pretty lucky up to now. But one of these days those dice are going to come up "snake eyes"—with the people electing one person President, and the electoral college choosing another.

It is time to stop gambling with the future of the country.

Last week we convened in joint session for the counting of the electoral college votes by Vice President Rockefeller. I hope that was the last time we are called upon to perform that ceremonial function. Now is the time to act on Senate Joint Resolution 1, so that by 1980 the Presidency will be directly in the hands of American people.

Mr. SCHWEIKER. Mr. President, I am proud to again this year join the distinguished Senator from Indiana, Mr. BAYH, and many others, in cosponsoring Senate Joint Resolution 1, to provide for the direct election of the President and Vice President.

I have cosponsored this constitutional amendment every year since I entered the Senate in 1969. It is my hope that this year, with the extremely close 1976 election still fresh in our memories, the Congress can finally pass this crucial voting reform.

The need for reform of our electoral system grows with each election, as smaller and smaller percentages of Americans vote. The electoral college must be abolished if we are to restore confidence in our electoral system, and make sure that it truly reflects the will of the people.

Fortunately, our country has once again been spared the agony of having the electoral college dictate a President who did not receive the most votes in the general election. But a change of only one-hundredth of 1 percent of the popular vote in just two key States in the 1976 election would have changed the outcome, despite the 1.7 million vote plurality for President-elect Carter. We must eliminate the possibility of a candidate winning the popular election but losing the electoral college vote.

It is also important to increase the sense of personal participation by the voters in their role in selecting the President of the United States. The principle of one-man-one-vote is essential to our system of democratic government. Yet this principle does not apply under the existing electoral college unit rule, whereby the plurality winner in a State receives all the electoral votes in that State. In effect, each voter who casts a ballot for someone other than the plurality winner is disenfranchised. And the voters who help give a candidate an overwhelming victory in one State do not proportionally add to their candidate's nationwide margin of victory.

Too many citizens in our Nation have become discouraged and dissatisfied with our Government. Abolition of the electoral college will be a large step in increasing each citizen's sense of participation in his government.

The proposals in Senate Joint Resolution 1 are sound. They include a provision for a runoff election if no candidate receives at least 40 percent of the popular vote. This insures that the decisionmaking process will stay with the voters of this country.

Reform of the electoral college system has been advocated for decades, and debated in both the Senate and the House of Representatives for many years. After each Presidential election, there is a brief flurry of interest in reform, which unfortunately has died out as the country moves on to other business. It is my hope that this year, the Congress will finally enact this vital reform.

By Mr. BUMPERS (for himself and Mr. MORGAN):

S.J. Res. 2. A joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

BALANCED BUDGETS SHOULD BE CONSTITUTIONALLY REQUIRED

Mr. BUMPERS. Mr. President, polls taken during the recent Presidential campaign show that inflation is the economic issue most troubling to the American people. I personally agree with this assessment and believe that the swollen Federal budget deficits that have characterized fiscal policy in recent years are one of the major causes of this economic disease. Inflation, it has been said, is the cruelest tax, because it bears disproportionately on our elderly citizens most of whom must exist on fixed incomes that may or may not be subject to occasional adjustment for increases in the cost of living. Although inflation is no longer in the double-digit range, as it was for a time in 1974 and 1975, even the recession that we still seem to be experiencing has not reduced the basic inflation rate below about 6 percent.

Many politicians and economists are saying that the problem is solved, but a steady inflation rate of 6 percent is, to me, simply not tolerable. Although I am not prepared to subscribe unreservedly to the monetary theories of Dr. Milton Friedman and others of his school, they do have a point. As the money supply goes up, the value of individual units of money must inevitably go down, unless productivity is rising at an equal rate. Thus, Federal budget deficits, which are necessarily financed simply by the printing of more money, have an inevitable inflationary effect. I believe it is time to put a stop to this ever-increasing spiral.

The Budget Act of 1974 was a giant step in the right direction, but the tremendous deficits run up during fiscal year 1975 and 1976 show, I fear, that the existing institutions of government are unwilling or unable to hold deficit spending down to a tolerable level. A constitutional amendment therefore seems the proper remedy.

A number of approaches to such an amendment have been made in recent years. In the 94th Congress, for example, the Senator from Nebraska (Mr. CURTIS) introduced Senate Joint Resolution 55. Under this proposal, a surtax would automatically be imposed to finance any budget deficit that was estimated for a given fiscal year. Senator TALMADGE and others, on the other hand, introduced Senate Joint Resolution 93 in the same Congress. Under this proposal, which I cosponsored, no budget deficit would be permitted except in time of war or national economic emergency declared by a concurrent resolution of both Houses.

The Subcommittee on Constitutional Amendments of the Committee on the Judiciary held a hearing on Senate Joint Resolution 55 and Senate Joint Resolution 93 on October 7, 1975, and I appeared at that time to testify in favor of the latter proposal. Unfortunately, although members of the Senate appearing at the hearing appeared favorably impressed, no action was taken to report either of these joint resolutions to the full Committee on the Judiciary for its consideration.

Mr. President, I am unwilling to give up the effort, difficult though it may seem, to restore a measure of fiscal responsibility to the Federal establishment. To be sure, there is hope that the new administration, soon to take office, will initiate steps in this direction, and I welcome such an initiative. This does not mean, however, that those of us in Congress who feel strongly about the matter should relax our vigilance. I am therefore introducing in the 95th Congress a proposed constitutional amendment modeled after Senate Joint Resolution 93 of the 94th Congress.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD together with a table showing the surpluses—or surplus, I should say, since there was only one—and deficits for fiscal years 1965 through 1976 inclusive.

There being no objection, the joint resolution and table were ordered to be printed in the RECORD, as follows:

S.J. RES. 2

Resolved by the Senate and House of Representatives of the United States of America

in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE—

"SECTION 1. Except as provided in section 2 of this article, the aggregate amount of expenditures made by the Government during any fiscal year shall not exceed the net amount of revenue received by the Government during that fiscal year.

"SEC. 2. The provisions of section 1 shall not apply to any fiscal year—

"(1) if at any time during that fiscal year the United States is in a state of war declared by the Congress pursuant to section 8 of article I of this Constitution, or

"(2) if, with respect to that fiscal year, the Senate and the House of Representatives agree to a concurrent resolution stating, in substance, that a national economic emergency requires the suspension of the application of section 1 for that fiscal year. In exercising its power under paragraph (2) of this section, the Senate and House of Representatives shall take into consideration the extent and rate of industrial activity, unemployment, and inflation, and such other factors as they deem appropriate.

"SEC. 3. The Congress shall have power to carry this article into effect by appropriate legislation.

"SEC. 4. This article shall take effect on the first day of the first fiscal year which begins after the date of its ratification.

"SEC. 5. This article shall be inoperative unless it is ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.".

SURPLUSES AND DEFICITS

Year and surplus:	*Deficit*
1965	$1,600
1966	3,800
1967	8,700
1968	25,200
1969 $3,200	------
1970	2,800
1971	23,000
1972	23,200
1973	14,300
1974	3,500
1975	44,200
1976	65,600
197T	12,700

By Mr. CRANSTON:

S.J. Res. 3. A joint resolution relating to the withdrawal of all minerals in certain areas of the Los Padres National Forest, Calif., from all forms of appropriation under the mining law and from disposition under all laws pertaining to mineral leasing; to the Committee on Interior and Insular Affairs.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference legislation to prevent mining on certain lands in the Los Padres National Forest, Calif.

Mr. President, a private company has filed an application with the Department of the Interior for a preference right lease to mine for phosphates in the Los Padres National Forest near the Sisquor and Sespe Condor Sanctuaries, about 50 miles north of Los Angeles. The same company already owns 15 gypsum mining claims in the same area.

The final environmental impact statement on the proposed preference right lease concludes that extensive environmental damage will occur should the lease be issued and the mining take place. A major adverse impact would be on the California condor, officially classified an endangered species by the Secretary of the Interior. Only about 60 condor remain and all can be found within the proposed mining area. According to the EIS, noise, air, and water pollution would disturb the condor's feeding and breeding habitats, causing an irreversible decline in the condor population.

In addition, the EIS spells out adverse impacts on other wildlife, aesthetics, recreation opportunities, soils, vegetation, and transportation and conflicts with the Ventura County general plan.

In my opinion, the economic benefits in no way justify the permanent environmental damage from the proposed mining. There is no overriding need to mine these particular mineral deposits. Adequate supplies of phosphates exist elsewhere in the United States to meet our current needs. Phosphate recycling, discovery of new sources, and reductions in phosphate use may eliminate any future demand.

The Secretary of the Interior is now considering whether to issue the preference right lease on the Los Padres National Forest. Although the potential for environmental danger is clear, there is a question as to whether the Secretary can deny the lease on the basis of environmental considerations or requirements of the Endangered Species Act of 1973. Under the Mineral Leasing Act of 1920, the Secretary must issue the lease if valuable mineral deposits are discovered. The U.S. Geological Survey has confirmed that the applicant has found valuable deposits of phosphates in the 2,434-acre area of the Los Padres National Forest.

The legislation I am introducing today terminates all mining in this area of the Los Padres National Forest. It covers not only the proposed phosphate mining, but also the mining of other minerals such as gypsum which exists in the same area of the forest.

Mr. President, I ask unanimous consent that the text of the resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 3

Whereas an application has been filed with the Department of Interior for a preference right lease to mine for phosphates on 2,434 acres in the Los Padres National Forest, California, near the Sisquor and Sespe Condor Sanctuaries;

Whereas mining on 25 gypsum mining claims in the same area is also proposed;

Whereas the mining would create severe noise, air, and water pollution which would disrupt the sole feeding and breeding habitat of the California condor;

Whereas the California condor is officially classified as an endangered species by the Secretary of Interior;

Whereas the proposed mining would adversely impact other wildlife, air quality, soils, vegetation, scenic values, recreation, land use, and the Ventura County General Plan; and

Whereas there are adequate deposits of phosphates and gypsum elsewhere in the United States to meet our present needs:

Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, all minerals in the following described area situated within the Los Padres National Forest, California, are hereby withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto:

township 6 north, range 24 west, San Bernardino meridian:

section 1: lots 1, 2 (north half northeast quarter);

township 6 north, range 23 west, San Bernardino meridian:

section 5: south half southwest quarter;

section 6: southwest quarter northeast quarter, north half southeast quarter, north half southeast quarter, west half (lots 3, 4, 5, 6, 7, southeast quarter northwest quarter, east half southwest quarter);

section 7: south half northeast quarter, northeast quarter southeast quarter, northwest quarter (lots 1, 2, east half northwest quarter);

section 8: all;

section 9: southwest quarter, south half southeast quarter;

section 15: north half;

section 16: north half north half, southeast quarter northeast quarter; and

section 17: north half northeast quarter, northeast quarter northwest quarter.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S.J. Res. 4. A joint resolution establishing the Hawaiian Aboriginal Claims Settlement Study Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. INOUYE. Mr. President, in December 1975, I introduced a joint resolution to establish the Hawaii Native Claims Settlement Study Commission. This resolution was referred to the Senate Interior and Insular Affairs Committee and was favorably reported out in the closing days of the 2d session of the 94th Congress. Unfortunately, with the press of other business, the Senate was unable to consider Senate Joint Resolution 155 further before adjournment. It remains a very important proposal, however, and I introduce it today in the hope that we may achieve early action in the 95th Congress.

Mr. President, the full repair of this injury is still the unfinished business of this Government. I am therefore reintroducing to the Senate a joint resolution which expresses the sense of the Congress that wrongful acts were committed by agents of the Government of the United States and, by which acts, dominion over the people and the kingdom of Hawaii and domain over the lands formerly owned in common by the Hawaiian Natives were acquired by the United States.

In the year 1893, the U.S. Minister accredited to the independent Kingdom of Hawaii, and the naval representative of the United States in Hawaii, acting wholly without the authority or knowledge of the Congress or the President, unlawfully committed and deployed Armed Forces of the United States in support of the overthrow of the lawful

Government of Hawaii. This joint resolution acknowledges this wrongdoing on the part of representatives of the Government of the United States and the need to make reparation to the native Hawaiian people. It recognizes the validity of claims against the United States by native Hawaiian people based on the 1893 incident and establishes a Hawaiian Native Claims Settlement Study Commission to conduct a study of the culture, needs, and concerns of the Hawaiian Natives; the nature of the wrong committed against, and the extent of the injuries to, the Hawaiian Natives by reason of the 1893 incident; and various means to remedy such wrong. The proposed study commission would submit a report of its findings to the Congress and recommend remedies to repair the wrong perpetrated against the Hawaiian Native people.

As noted in House Report No. 92–523 which accompanied the Alaska Native Claims Settlement Act of 1971.

Aboriginal title is based on use and occupancy by aboriginal peoples. It is not a compensable title protected by the due process clause of the Constitution.

That report went on to note that:

It has been the consistent policy of the United States Government in its dealing with Indian Tribes to grant them title to a portion of the lands which they occupied, to extinguish the aboriginal title to the remainder of the lands by placing such lands in the public domain, and to pay the fair value of the titles extinguished. This procedure was initiated by treaties in the earlier part of our history, and was completed by the enactment of the Indian Claims Commission Act of 1946. That Act permitted the Indian Tribes to recover from the United States the fair value of the aboriginal titles to lands taken by the United States (by cession or otherwise) if the full value had previously been paid.

The Indian Claims Commission has not been available to the Hawaiian Aboriginals. Except for the Hawaiian Homes Act of 1920 under which the U.S. Government designated 189,000 acres of Territorial, not Federal land, for the Hawaiian people, no action for restitution has been taken. No moneys were provided even for the administration of the Hawaiian Homes Act and today, some 57 years later only some 40,000 acres have been awarded to the Hawaiian natives and then only in the sense that those few Hawaiians receiving awards have been given legal squatters rights to the few acres of land awarded them. Additionally, much of that very limited land is unsuitable for either agriculture or home construction.

I was pleased to read clear recognition of the justification for redress in the report to the Senate on this bill by the Interior Committee. That report stated:

The Committee has examined the record of this historic, well-documented affair. The overthrow of the Hawaiian Kingdom is a dark chapter in American diplomatic and military history, made darker still by the long failure of the Congress to recognize the wrong that was done and to fashion a means for making reparation. The case for recognition of a validity of the Hawaiian Native claims is compelling. It is time for the Congress to vindicate the honor and sense of justice of the United States.

Some amendments to my original resolution were made by the Senate Interior Committee. The purpose of the resolution as reported by the committee remains to establish a Commission to determine suitable remedy for the wrong inflicted by representatives of the U.S. Government. The measure as reported and here introduced, recommends that a majority of the Commission be Hawaiian Natives of various degres of Native blood; insures that each of Hawaii's counties is represented on the Commission; insures that at least four members shall be conversant with Hawaiian Native culture, history or language and one member knowledgeable concerning Federal and State laws affecting Hawaiian Natives. The resolution as amended, provides that the legislation shall not be construed as authorizing suits against the United States or any of its officers or as precedent for reopening any past settlement involving any Native organization. The resolution, however, does not predetermine any fixed or maximum amount of compensation that the Commission may recommend to the Senate as justifiable compensation.

Instead, the joint resolution calls for the establishment of a Commission within 60 calendar days of enactment and a final report to be delivered to the Senate within 1 year from the date the legislation is approved.

The only limitations on the Commission are that its recommendations shall include:

a. Not direct grants but innovative uses of appropriate funds for loans or guarantees to or for Hawaiian Natives;

b. the provision of land including surplus Federal land;

c. the preservation and enhancement of Hawaiian Native culture and education of Hawaiian Natives;

d. the blood quantum requirements for eligibility to receive benefits; and,

e. the form or forms of organization best suited to receive, distribute, or administer the benefits.

I enthusiastically endorse the committee's amendments which will establish by means of this joint resolution a clear statement that a wrong has been committed; that such wrong has never been redressed and further to establish a vehicle in the form of a Hawaiian Aboriginal Claims Settlement Study Commission for the purpose of recommending to the Congress the extent of our unmet obligation and the means by which that obligation can be met.

There are some who are active in Hawaiian Native affairs who would like the Congress to move directly to award reparations to the Hawaiian people. Not all support the Commission approach but I believe it is the only approach which has any reasonable hope of adoption. Moreover, it is an approach which gives to the Hawaiian Native people a greater involvement in developing the means and nature of any redress than would be possible through direct legislation.

Mr. President, I request unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 4

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas, in the year 1893, the United States Minister accredited to the sovereign and independent Kingdom of Hawaii, acting wholly without the authority or knowledge of the Congress or the President, unlawfully conspired with a small group of non-Hawaiian residents of that kingdom, including citizens of the United States, to overthrow the indigenous and lawful government of Hawaii; and

Whereas, in pursuance of such conspiracy, the United States Minister and the naval representative of the United States, also acting without authority, caused Armed Forces of the United States to be put ashore and deployed in support of the overthrow of such indigenous and lawful government; and the United States Minister thereupon extended diplomatic recognition to a provisional government formed by the conspirators without the consent of the people or of the lawful government of Hawaii, which provisional government was sustained solely by the Armed Forces of the United States; and

Whereas, on December 18, 1893, in a message to the Congress, President Cleveland did report fully and accurately on these illegal actions, which statement acknowledged that "by an act of war, committed with the participation of a diplomatic representative of the United States and without the authority of the Congress, the government of a feeble but friendly and confiding people has been overthrown", that "a substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people requires that we endeavor to repair", and that "the United States cannot fail to vindicate its honor and its sense of justice by an earnest effort to make all possible reparation"; and

Whereas a claim for repair of these wrongs to the Hawaiian people was presented to the Government of the United States of America by Queen Liluokalani, the lawful monarch of Hawaii and on July 15, 1893, a petition for redress was also presented by the Hawaiian Patriotic League, representing Hawaiian Natives; and

Whereas, in 1898, Hawaii was annexed to the United States, and by such annexation, among other things, the United States acquired ownership of vast landholdings that had been common property of the Hawaiian Natives prior to the overthrow of their indigenous government; and

Whereas some eighty-three years have now passed without the wrongs done the Hawaiian Natives having been repaired; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby declares that a wrong has been committed against the Native Hawaiians which the United States is obligated to endeavor to remedy; that no wrong such as this committed eighty-three years ago in far different circumstances to a specific people few of whom survive today can be fully rectified in this or future Congresses; that the Congress, however, is desirous of determining whether a suitable remedy for such wrong can be fashioned; and a commission of distinguished Hawaiian Natives and other citizens should be convened to advise the Congress on all matters pertaining to such remedy.

SEC. 2. (a) There is hereby established the Hawaiian Native Claims Settlement Study Commission (hereinafter referred to as the "Commission").

(b) (1) The Commission shall be composed of eleven members appointed by the President, of whom six shall be from a list of not less than twelve names submitted to the President by the Governor of Hawaii. Six of the members shall be of the blood of Natives

of the Hawaiian islands prior of the counties of Hawaii, Honolulu, Kauai, and Maui shall be of one-half degree or more of Native blood, two of whom shall be of one-quarter or more degree of Native blood, and two of whom shall be of any degree of Native blood. Each of the counties of Hawaii, Honolulu, Kauai, and Maui shall be represented on the Commission by a member of Native blood who is an inhabitant thereof. At least four members shall be conversant in Hawaiian Native culture, history, or language and one member shall be knowledgeable concerning Federal and State laws which are addressed to or significantly affect Hawaiian Natives.

(2) The Commission shall elect a Chairman and Vice Chairman from among its members.

(3) Six members of the Commission shall constitute a quorum, but a smaller number, as determined by the Commission, may conduct hearings.

(4) Vacancies in the membership of the Commission shall not affect the powers of the remaining members to execute the functions of the Commission and shall be filled in the same manner as in the case of the original appointments.

(5) Each member of the Commission shall receive $100 for each day such member is engaged in the actual performance of duties vested in the Commission. Each member shall be reimbursed for travel expenses, including per diem in lieu of subsistence, as shall be provided from time to time by regulations adopted by the Committee on House Administration of the United States House of Representatives.

(c) The first meeting of the Commission shall be called by the President within the sixty-calendar-day period following the date of the approval of this resolution.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, a general counsel, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GC–18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(e) Each Federal department, agency, and instrumentality is authorized to furnish the Commission such data, reports, information, and other resources as the Chairman of the Commission may request.

SEC. 3. (a) The Commission shall, within one year from the date of the approval of this resolution—

(1) conduct a study of the culture, needs, and concerns of the Hawaiian Natives; the nature of the wrong committed against, and the extent of the injuries to, the Hawaiian Natives by reason of the actions set forth in the preamble of this resolution; and various means to remedy such wrong; and

(2) submit a report of its findings to the Congress.

(b) (1) The report required by this section shall provide recommendations for a remedy. Such recommendations shall include—

(A) the distribution, expenditures, investment, or other use of funds to be appropriated in equal increments over a period of years as a component of any such remedy: *Provided*, That emphasis shall be placed not on direct grants but on investment of funds by an Hawaiian Native organization or organizations and issuance of shares to Hawaiian Natives as stockholders therein, loans or guarantees of loans to or for Hawaiian Natives, or other innovative uses of the funds which will insure such moneys are employed successively for the benefit of Hawaiian Natives;

(B) the provision of land as a component of any such remedy through any method, including the surplusing of Federal land and amendments to the Hawaiian Homes Commission Act of 1920 (42 Stat. 109), except purchase or condemnation of lands by the Federal Government: *Provided*, That, should the surplusing of Federal lands be recommended as a component of any such remedy, the Commission shall propose a method or methods for resolving, whenever a tract of such land is offered, whether such tract shall be conveyed to the State under applicable law or the Hawaiian Natives under a subsequent Act to provide for such remedy;

(C) such other recommendations concerning the components set forth in clauses (A) and (B) of this paragraph as the Commission deems appropriate;

(D) the preservation and enhancement of Hawaiian Native culture and the education of Hawaiian Natives as principal purposes of any such remedy;

(E) the blood quantum requirements for eligibility to receive the benefits of any remedy and, if the Commission deems appropriate, to receive specific benefits or shares of benefits;

(F) the form or forms of organization best suited to receive, distribute, or administer the benefits of any remedy; and

(G) other matters concerning any such remedy, including but not limited to alienability and tax status of the benefits of any such remedy, provision of technical assistance to Hawaiian Natives on the use of such benefits, and the reporting of the disposition of such benefits to the Federal government and the Hawaiian Natives. (2) Any such recommendations shall, to the extent possible, be designed to insure that any such remedy—

(A) will be a final settlement which extinguishes all claims of Hawaiian Natives against the United States arising from the actions set forth in the preamble of this resolution;

(B) will be capable of prompt implementation with a minimum of litigation;

(C) will be in conformity with the real economic and social needs of the Hawaiian Natives;

(D) is fashioned and will be implemented with the maximum participation of Hawaiian Natives;

(E) will not create a wardship or trusteeship;

(F) will not replace or diminish any right, privilege, or obligation of the Hawaiian Natives as citizens of the United States or the State of Hawaii; and

(G) will not relieve, replace, or diminish any obligation of the United States or the State of Hawaii to protect and promote the rights and welfare of Hawaiian Natives as citizens of the United States or Hawaii.

SEC. 4. Upon the expiration of the sixty-day period following the submission of the report required by section 3 of this resolution, the Commission shall cease to exist.

SEC. 5. No provision of this resolution shall be construed as—

(1) constituting a jurisdictional act, conferring jurisdiction to sue, or granting implied consent to Hawaiian Natives to sue the United States or any of its officers with respect to claims arising from the actions set forth in the preamble of this resolution; or

(2) constituting a precedent for reopening, renegotiating, or legislating upon any past settlement involving land claims of, or other matters with, any Native organization or any tribe, band, or identifiable group of American Indians.

SEC. 6. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this resolution. Until such time as funds are appropriated pursuant to this section, salaries and expenses of the Commission shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman. To the extent that any payments are made from the contingent fund of the Senate prior to the time appropriation is made, such payments shall be chargeable against the authorization provided herein.

Amend the title so as to read: "Joint Resolution Establishing the Hawaiian Native Claims Settlement Study Commission, and for other purposes.".

SENATE RESOLUTION 25—SUBMISSION OF A RESOLUTION AMENDING RULE III OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

READING OF THE JOURNAL

Mr. BUMPERS. Mr. President, under rule III of the Standing Rules of the Senate, the Journal of the preceding day must be read, and any mistake corrected, immediately after the presiding officer takes the chair at the beginning of each legislative day. The reading of the Journal may not be dispensed with or suspended without unanimous consent, and motions to correct or amend the Journal after it is read are privileged, must be proceeded with until disposed of, and are debatable.

The Constitution, article I, section 5, clause 3, requires each House to "keep a Journal of its Proceedings, and from time to time publish the same, excepting such Parts as may in their Judgment require Secrecy; and the Yeas and Nays of the Members of either House on any question shall, at the Desire of one-fifth of those Present, be entered on the Journal." Under rule IV, paragraph 1, of the Standing Rules of the Senate the proceedings of the Senate are to be "briefly and accurately stated on the Journal." Matters that must be entered include messages of the President in full, titles of bills and joint resolutions, such parts of bills as shall be affected by proposed amendments, every vote taken, and a brief statement of the contents of each petition, memorial, or paper presented to the Senate. In addition, paragraph 2 of rule IV requires:

The legislative, the executive, the confidential legislative proceedings, and the proceedings when sitting as a Court of Impeachment, shall each be recorded in a separate book.

The Journal, in other words, is a formal record of the Senate's proceedings. It is not a verbatim report, and in fact the Constitution does not require that a verbatim report be made or kept, though of course the CONGRESSIONAL RECORD, and before it the Annals of Congress and the Congressional Globe, have performed this function.

Since the CONGRESSIONAL RECORD is so complete and so readily available, with rare exceptions, on the day following a session of the Senate, there may really be no necessity for a Journal at all. The keeping of the Journal, however, is required by the Constitution, so nothing can be done about that, so far as an

amendment to the Senate rules is concerned. On the other hand, the details of rule III with regard to the reading of the Journal and the correction of it by motion were laid down by the Senate to begin with and are within the Senate's power to change as we see fit. Since the Journal contains messages of the President in full, parts of bills and joint resolutions that are affected by amendments, and every vote taken by the Senate, among other things, reading it in full can consume a considerable amount of time. As a matter of practice, the reading of the Journal is almost always dispensed with by unanimous consent, but it occasionally happens that a Member of the Senate, desiring to prolong proceedings for one reason or another, may object to dispensing with the reading, and if he does, the reading of the Journal must be continued until complete. A motion to approve the Journal before it is read, to dispense with the reading of the Journal, or to suspend the reading once it has begun, is not in order. In other words, if 99 Members of the Senate wish the reading of the Journal to be dispensed with, but one does not, the will of the one Member prevails.

Even after the Journal has been completely read, it is still possible to delay the Senate's progress toward legislative business by making motions to amend or correct the Journal. Such motions are privileged and must be proceeded with until disposed of, but they are also debatable. Occasionally motions are made to amend the Journal for purposes of delay. One tactic that has been used more than once, for example, is to amend the Journal by inserting the prayer given by the Chaplain of the Senate to open the prior day's proceedings.

Mr. President, the Journal is the official record of the Senate's proceedings, and it prevails in the event of inconsistency with the CONGRESSIONAL RECORD. It is not my purpose to detract from the status of the Journal or to degrade its importance as an official document. But a practice that permits one member of the Senate to require that the Journal, which is usually approved pro forma, be read in its entirety, and which then permits the same Member to make a series of motions to amend the Journal, each of which is debatable, can make this body look ridiculous. We claim to be the greatest deliberative body in the world, and all of us hope that the claim is just. So long as our rules permit frivolous quarrels over the official record of the previous day's proceedings, a record that is hardly ever referred to or used by the general public, the reality falls short of this claim.

I am today introducing for appropriate reference a resolution to amend rule III in two simple respects: first, it would be possible to suspend or dispense with the reading of the Journal by motion adopted by a majority vote, instead of simply by unanimous consent. Second, motions to dispense with the reading of the Journal, or to suspend its reading, or to amend or correct it, would not be debatable. Such motions are usually dilatory, in any event, and I cannot see that a great deal would be lost by requiring that such motions be determined immediately after they are made.

I urge my colleagues' favorable consideration of these modest amendments, and ask unanimous consent that the resolution be printed in full in the RECORD at the conclusion of these remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 25

Resolved, that the second sentence of paragraph 1 of Rule III of the Standing Rules of the Senate be amended to read as follows:

"The reading of the Journal shall not be dispensed with or suspended unless by unanimous consent or on motion; and when any motion shall be made to suspend or dispense with the reading of the Journal, or deemed a privileged question, shall be proceeded with until disposed of, and shall be decided without debate."

SENATE RESOLUTION 26—SUBMISSION OF A RESOLUTION ENTITLED "STANDARDS AND CONDUCT RESOLUTION OF 1977"

(Referred to the Committee on Rules and Administration.)

Mr. BROOKE (for himself, Mr. ALLEN, Mr. CASE, Mr. CLARK, Mr. DANFORTH, Mr. HASKELL, Mr. LEAHY, Mr. JOHNSTON, Mr. MATHIAS, Mr. WALLOP, Mr. WEICKER, and Mr. HEINZ) submitted the following resolution:

S. RES. 26

Resolved, That this resolution may be cited as the "Standards and Conduct Resolution of 1977".

TITLE I—PROVISIONS RELATING TO THE SELECT COMMITTEE ON STANDARDS AND CONDUCT

MEMBERSHIP

SEC. 101. The first section of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended—

(1) by striking out "the President of the Senate" in the second sentence of subsection (a) and by inserting in lieu thereof "the Senate in accordance with the provisions of paragraph 1 of Rule XXIV of the Standing Rules of the Senate", and

(2) by adding at the end thereof the following new subsection:

"(d) (1) No Member may serve on the Select Committee for more than six years of continuous service.

"(2) Of the Members of the Select Committee—

"(A) one from the majority party and one from the minority party shall be Members who, at the time of appointment to the Select Committee, have served in the Senate for less than six years;

"(B) one from the majority party and one from the minority party shall be Members who, at the time of appointment to the select committee, have served in the Senate for less than twelve but more than six years; and

"(C) one from the majority party and one from the minority party shall be Members who, at the time of appointment to the select committee, have served in the Senate for twelve or more years.".

JURISDICTION AND FUNCTIONS

SEC. 102. Section 2(a) of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended—

(1) by inserting after "violations of law," in paragraph (1) "violations of any Code of Conduct applicable to Members of the Senate or officers or employees of the Senate,";

(2) by striking out "and" at the end of paragraph (3), striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and ", and inserting after paragraph (4) the following new paragraphs:

"(5) examine all financial statements filed by Members of the Senate and officers and employees of the Senate under title II of the Standards and Conduct Resolution of 1977, and report to the Senate by a majority vote of the full committee any Member of the Senate or officer or employee of the Senate whom the select committee finds, after according to the individual concerned due notice and opportunity for hearing, has filed a financial statement containing any material false statement or fact, together with its recommendations for disciplinary action with respect to such filing;

"(6) report to the Senate by a majority vote of the full committee any Member of the Senate or officer or employee of the Senate whom the select committee finds, after according to the individual concerned due notice an opportunity for hearing, has failed to file a financial statement as required by such title II, or has failed to file a full and complete financial statement, together with its recommendations for disciplinary action to be taken with respect to such failure; and

"(7) investigate any matter disclosed by any financial statement filed under such title II which the select committee determines by a majority vote of the full committee could be the basis for an allegation under paragraph (1).".

INVESTIGATION OF COMPLAINTS

SEC. 103. Section 2 of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended by redesignating subsection (b) as (f), and by inserting after subsection (a) the following new subsections:

"(b) Each complaint filed with the select committee shall be in writing, shall be in such form as the select committee may prescribe by regulations, and except for a complaint filed by a Member of the Senate, shall be under oath.

"(c) (1) The select committee shall promptly conduct a full investigation of each complaint filed with it by a Member of the Senate and shall report to the Senate, as soon as practicable, the results of such investigation, together with its recommendations (if any) pursuant to subsection (a) (2).

"(2) If the select committee has not commenced an investigation pursuant to paragraph (1) of a complaint filed by a Member of the Senate within thirty days (not counting Saturdays, Sundays, and holidays) after receipt of such complaint, it shall be in order at any time thereafter for the Member who filed such complaint to move to proceed to the consideration of a resolution introduced by such Member directing the select committee to commence such investigation immediately. Any such motion shall not be debatable and no amendment to the motion shall be in order. If such motion is agreed to, debate on the resolution and all debatable motions and appeals in connection therewith shall be limited to not more than five hours, the time to be equally divided between and controlled by the majority leader and the minority leader or their designees. A motion to further limit debate shall not be debatable. No amendment to the resolution or motion to refer the resolution to a committee shall be in order.

"(d) The Select Committee shall promptly conduct a preliminary investigation of each complaint filed with it by any person who is not a Member of the Senate. If, as a result of such preliminary investigation, the Select Committee determines that there is no reason to conduct a full investigation, it shall report such determination to the Senate. If, as a result of such preliminary investigation, the Select Committee

determines that there is reason to conduct a full investigation, it shall conduct a full investigation, and report thereon, in the same manner as a complaint filed under subsection (c) (1) by a Member of the Senate.

"(e) Notwithstanding any other provision of this section, no investigation shall be made of any alleged violation of any law, Code of Conduct, rule, or regulation which was not in effect at the time the alleged violation occurred.".

DISQUALIFICATION OF MEMBERS IN CERTAIN PROCEEDINGS

SEC. 104. The first section of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended by adding after subsection (d) (as added by section 101 of this resolution) the following new subsection:

"(e) (1) A member of the Select Committee shall be ineligible to participate in any investigation relating to his own conduct and the determinations and recommendations of the Select Committee with respect thereto.

"(2) A member of the Select Committee, may at his discretion, disqualify himself from participating in any investigation pending before the Select Committee and the determinations and recommendations of the Select Committee with respect thereto. Notice of such disqualification shall be given in writing to the President of the Senate.

"(3) Whenever any member of the Select Committee is ineligible under paragraph (1) to participate in any investigation or disqualifies himself under paragraph (2) from participating in any investigation, the President of the Senate shall, subject to the provisions of subsection (d), appoint another Member of the Senate to serve as a member of the Select Committee solely for purposes of such investigation and the determinations and recommendations of the Select Committee with respect thereto. Any Member of the Senate appointed for such purposes shall be of the same party as the member who is ineligible or disqualifies himself.".

STAFF

SEC. 105. Section 3 of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended—

(1) by inserting after "fix the compensation of" in subsection (a) (7) the following: "counsel, assistant counsel, one or more investigators, and", and

(2) by amending subsection (b) to read as follows:

"(b) The Select Committee is authorized to retain and compensate counsel not employed by the Senate (or by any department or agency of the executive branch of the Government) whenever the Select Committee determines that the retention of outside counsel is necessary or appropriate to the investigation of any complaint or allegation which, in the determination of the Select Committee, is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee.".

TITLE II—FINANCIAL DISCLOSURE REQUIREMENTS

DEFINITIONS

SEC. 201. As used in this title—

(1) the term "commodity future" means commodity future as defined in sections 2 and 5 of the Commodity Exchange Act, as amended (7 U.S.C. 2 and 5);

(2) the term "dependent" means dependent as defined in section 152 of the Internal Revenue Code of 1954;

(3) the term "immediate family" means (A) the spouse of an individual, (B) the child, parent, grandparent, grandchild, brother, or sister of an individual or of the spouse of such individual, and (C) the spouse of any individual designated in clause (B);

(4) the term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954;

(5) the term "Select Committee" means the Select Committee on Standards and Conduct;

(6) the term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

(7) the term "transactions in securities and commodities" means any acquisition, transfer, or other disposition involving any security or commodity;

(8) the term "political contribution" means a contribution as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431); and

(9) the term "expenditure" means an expenditure as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

INDIVIDUALS REQUIRED TO FILE REPORT

SEC. 202. (a) Each individual who for a period in excess of 90 days during a calendar year is—

(1) a Senator, or

(2) an officer or employee of the Senate and is compensated at a rate in excess of $20,000 a year,

shall file a report containing a full and complete financial statement for the preceding calendar year.

(b) Each individual described in subsection (a) who during any calendar year ceases to occupy an office or position described in such subsection shall file a report containing a full and complete financial statement for the portion of such year ending with the date on which he ceases to occupy such an office or position.

(c) Any individual who seeks nomination for election, or election, to the office of United States Senator shall file in any year in which such individual has—

(1) taken the action necessary under the law of a State to qualify for nomination for election, or election, or

(2) received political contributions or made expenditures, or has given consent for any other person to receive political contributions or make expenditures, with a view to bringing about such individual's nomination for election or election, to such office,

a report containing a full and complete financial statement for the preceding calendar year.

(d) The Secretary of the Senate shall submit annually to the Select Committee a complete list of Members, officers, and employees of the Senate who are required to file a report under this section and shall submit at the close of each calendar quarter a list of individuals who have begun or terminated employment with the Senate.

CONTENTS OF REPORTS

SEC. 203. (a) Each individual shall include in each report required to be filed by him under section 202 a full and complete statement, in such manner and form as the Select Committee may prescribe, with respect to—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from any member of his immediate family) received during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received for or in connection with the preparation or delivery of any speech, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication;

(2) the fair market value and source of any item received in kind or aggregate of such items received from one source (other than items received in kind from any member of his immediate family), including, but not limited to, any transportation or entertainment received, during the preceding calendar year if such fair market value for such item exceeds $500;

(3) the identity and the category of value, as designated under subsection (b), of each asset, other than household furnishings or goods, jewelry, clothing, or any vehicle owned solely for the personal use of the individual, his sponse, or any of his dependents, held during the preceding calendar year which has a value in excess of $1,000 as of the close of the preceding calendar year;

(4) the identity and the category of amount, as designated under subsection (b), of each liability owed which is in excess of $1,000 as of the close of the preceding calendar year;

(5) the identity, the category of amount, as designated under subsection (b), and date of any transaction in securities of any business entity or any transaction in commodities futures during the preceding calendar year which is in excess of $1,000;

(6) the identity and the category of value, as designated under subsection (b), of any purchase or sale of real property or any interest in any real property during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000;

(7) any patent right or any interest in any patent right, and the nature of such patent right, held during the preceding calendar year; and

(8) a description of, the parties to, and the terms of any contract, promise, or other agreement between such individual and any person with respect to his employment after such individual ceases to occupy an office or position described in section 202(a), including any agreement under which such individual is taking a leave of absence from an office or position outside of the United States Government in order to occupy an office or position described in section 202(a), and a description of and the parties with any unfunded pension agreement between such individual and any employer other than the United States Government.

An officer or employee of the Senate shall also include in such report the identity of any person, other than the United States Government, who paid such individual compensation in excess of $5,000 in any of the five years prior to the preceding calendar year and the nature and term of the services such individual performed for such person. The preceding sentence shall not require any individual to include in such report any information which is considered confidential as a result of a privileged relationship, established by law, between such individual and any person nor shall it require an individual to report any information with respect to any person for whom services were provided by any firm or association of which such individual was a member, partner, or employee unless such individual was directly involved in the provision of such services.

(b) (1) For purposes of paragraphs (3) through (6) of subsection (a), an individual need not specify the actual amount or value of each asset, each liability, each transaction in securities of any business entity or in commodities futures, or each purchase or sale required to be reported under such paragraphs, but such individual shall indicate which of the following categories such amount or value is within—

(A) not more than $5,000,

(B) greater than $5,000 but not more than $15,000,

(C) greater than $15,000 but not more than $50,000,

(D) greater than $50,000, but not more than $100,000, or

(E) greater than $100,000.

(2) Each individual shall report the actual amount or value of any other item required to be reported under this section.

(c) For purposes of paragraphs (1) through

(7) of subsection (a), an individual shall include each item of income or reimbursement and each gift received, each item received in kind, each asset held, each liability owed, each transaction in commodities futures and in securities, each purchase or sale of real property or interest in any real property, and each patent right or interest in any patent right held by him, his spouse, or any of his dependents within his control, or by him and his spouse or dependents jointly, or by any person acting on his behalf, except that no disclosure shall be required as to those items of the spouse and dependents of the reporting individual which represent their sole property and which are not in any way, directly or indirectly, past or present, derived from the income, earnings, investments, assets, dividends, property, holdings, or activities of the reporting individual.

FILING OF REPORTS

SEC. 204. (a) Each individual required to file a report under section 202(a) during any year shall file such report with the Select Committee not later than—

(1) May 15 of such year, or

(2) if later, the 30th day following the day on which such individual first fulfills the filing requirements of such section during such year.

(b) Each individual required to file a report under subsection 202(b) for a portion of a year shall file such report with the select committee on the last day he occupies an office or position described in section 202(a) during such year.

(c) Each individual required to file a report under section 202(c) shall file such report with the select committee not later than the thirtieth day following the day on which such individual first fulfills the filing requirements of such section during such year.

(d) The select committee may grant one or more reasonable extensions of time for filing any report but the total of such extensions shall not exceed ninety days.

(e) The select committee shall prescribe such rules and regulations as are required to carry out the provisions and purposes of this title.

PUBLIC ACCESS TO REPORTS

SEC. 205. (a) Except as provided in this section, the select committee shall make each report filed with it under this title available to the public within fifteen days after the receipt of such report, and shall provide a copy of any such report to any person upon a written or oral request.

(b) The select committee may require any person receiving a copy of any report under subsection (a) to supply his name and address and the name of the person or organization, if any, on whose behalf he is requesting such copy and to pay a reasonable fee in any amount which the select committee finds necessary to recover the cost of reproduction or mailing of such report excluding any salary of any employee involved in such reproduction or mailing. The select committee may furnish a copy of any such report without charge or at a reduced charge if it determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the public.

(c) The select committee may refuse to permit a person to inspect a report filed with it under this title and to provide to such person a copy of such report, if it finds that there are reasonable grounds to believe that such person intends to use such report or copy—

(1) for any unlawful purpose;

(2) for any commercial purpose;

(3) to determine or establish the credit rating of any individual; or

(4) directly or indirectly in the solicitation of money for any political, charitable, or other purpose.

AMENDMENTS TO STANDING RULES

SEC. 206. (a) Paragraph 1 of rule XLIV of the Standing Rules of the Senate is amended to read as follows:

"1. Each individual who is required to file a financial statement under title II of the Standards and Conduct Resolution of 1977 during any calendar year shall file with the Comptroller General of the United States, in a sealed envelope a report containing a copy of the returns of taxes, declarations, statements, or other documents which he, or he and his spouse jointly, made for the preceding year in compliance with the income tax provisions of the Internal Revenue Code. Such report shall be filed not later than the date on which such individual is required to file a financial statement under such title II.".

(b) Paragraph 3 of such rule XLIV is amended to read as follows:

"3. Each individual who is required to file a financial statement under title II of the Standards of Conduct Resolution of 1977 during any calendar year shall file with the Secretary of the Senate, not later than the date on which such individual is required to file a financial statement under such title II, the accounting required by rule XLII for all contributions received by him during the preceding year, except that contributions in the aggregate amount or value of less than $50 received from any single source during the reporting period may be totaled without further itemization.".

EFFECTIVE DATE

SEC. 207. The provisions of this title shall take effect on January 1, 1977.

TITLE III—CODE OF CONDUCT

SEC. 301. Not later than 90 days after the date on which this resolution is agreed to, the Select Committee on Standards and Conduct shall recommend to the Senate, by report or resolution, a Code of Conduct for Members of the Senate and officers and employees of the Senate. In formulating the Code of Conduct, the Select Committee shall examine, among others, the following matters for possible inclusion:

(1) Annual public disclosure of financial affairs.

(2) Restrictions on, or the elimination of, outside income from honoraria, legal fees, gifts, and other sources of financial or in-kind remuneration.

(3) Conflicts of interest arising out of investments in securities or other sources.

(4) Official action and personal economic gain, including those circumstances, if any, under which a Senator should abstain from official action.

(5) Appropriate and accountable expense allowances.

(6) Employment or professional services after the termination of membership in the Senate.

(7) Congressional travel.

(8) The Separation of campaign funds from personal funds.

(9) Misuse of public funds regarding staff employment.

When it makes its report or resolution under this section, the Select Committee shall explain the inclusion or exclusion of provisions relating to these eight matters in the recommended Code of Conduct.

Mr. BROOKE. Mr. President, in recent years it has become increasingly apparent that a large segment of the American people has lost confidence in Congress as an institution. Indeed, according to one national survey taken last year, an appallingly low 9 percent of those polled gave Congress a favorable rating.

The causes for public disenchantment are many. But, in my judgment, a principal cause is the widespread belief that Congress has been unable or unwilling to investigate and, if necessary, discipline, those Members of Congress who have been accused of illegal or unethical conduct. For the truth is that while Congress is always more than eager to investigate members of the executive branch or the activities of the business community, it has been remiss in its constitutional responsibility to tidy up its own Houses.

In the wake of a number of congressional scandals in the mid-1960's, the Senate and the House of Representatives set up their respective Ethics Committees. It was a good idea then. And it still is. But the establishment of the Ethics Committees was meant to be only a start. Unfortunately, neither the Senate nor the House has learned the lessons of the past decade and consequently, little has been done to strengthen those committees.

The times demand that we respond now to the legitimate criticisms that have been leveled at our congressional disciplinary procedures. But a perfunctory response will not suffice. We must demonstrate to the American people our resolve, not just our rhetoric, to accomplish comprehensive reform. Just as the enactment of the Budget Reform Act in the last Congress demonstrated our commitment to fiscal discipline, we must now demonstrate our commitment to ethical discipline.

To help accomplish this end, I am introducing today a package of reform proposals. This legislation will have three principal purposes.

First, and perhaps most important, it would substantially amend the present procedural rules of the Senate Ethics Committee. Among other things the bill would limit membership on the committee to one term and provide a balance between veterans and younger members; broaden the jurisdiction of the committee; improve the complaint procedures; mandate thorough investigations and reports on the results of these investigations; and provide for additional staff, including, when necessary, the appointment of independent outside counsel.

This bill will give the Justice Department more time to investigate and prosecute violations of the election campaign law.

In light of the most recent revelations regarding possible congressional misconduct and the need to prevent future problems, I hope that the 95th Congress will address these issues promptly and thoroughly. Indeed, I hope that the Congress accords this type of legislation the highest priority. For, by demonstrating that it is willing and able to undertake such genuine fundamental reform, Congress will be well on the way to regaining the trust and confidence of the American people.

SENATE RESOLUTION 24—SUBMISSION OF A RESOLUTION RELATING TO THE TREATY POWERS OF THE SENATE

(Referred to the Committee on Foreign Relations.)

Mr. CLARK (for himself, Mr. KENNEDY, and Mr. CHURCH) submitted the following resolution:

S. RES. 24

Resolved, That this resolution may be cited as the "Treaty Powers Resolution".

PURPOSE, FINDINGS, AND DECLARATION

SEC. 2. (a) It is the purpose of this resolution to fulfill the intent of the framers of the Constitution and to ensure, through use of the rule-making and legislative power of the Senate, that no international agreement constituting a treaty will be implemented by the Senate without its prior advice and consent to ratification of that agreement.

(b) The Senate finds that—

(1) article II, section 2, clause 2 of the Constitution, empowers the President "by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur";

(2) the requirement for Senate advice and consent to treaties has in recent years been circumvented by the use of "executive agreements";

(3) the Senate may refuse to consider legislative measures to authorize or appropriate funds to implement those international agreements which, in its opinion, constitute treaties and to which the Senate has not given its advice and consent to ratification; and

(4) article I, section 5, clause 2 of the Constitution grants to the Senate plenary power to "determine the rules of its proceedings".

(c) The Senate declares that, under article II, section 2, clause 2, of the Constitution, any international agreement which—

(1) involves a significant political, military, or economic commitment to a foreign country;

(2) has not been expressly authorized by statute or treaty which takes effect prior to the date on which such agreement takes effect; and

(3) is not entered into pursuant to emergency circumstances which jeopardize the national security; should be submitted to the Senate as a treaty for its advice and consent.

ADVICE

SEC. 3. It is the sense of the Senate that, in determining whether a particular international agreement should be submitted as a treaty under section 2(c) of this resolution, the President should, prior to and during the negotiation of such agreement, seek the advice of the Committee on Foreign Relations.

CONSENT

SEC. 4. (a)(1) Where the Senate, by resolution, finds that any international agreement hereafter entered into which has not been submitted to the Senate for its advice and consent to ratification as a treaty, should be so submitted under section 2(c) of this Resolution, it shall thereafter not be in order to consider any bill or joint resolution or any amendment thereto, or any report of a committee of conference, which authorizes or provides budget authority to implement such international agreement.

(2) Any such resolution shall be privileged in the same manner and to the same extent as a concurrent resolution of the type described in section 5(c) of the War Powers Resolution is privileged under section 7 (a) and (b) of that law.

(3) This subsection shall not apply after such date as the Senate gives its advice and consent to ratification of such agreement as a treaty.

(b) Any (1) committee of the Senate which reports any bill or joint resolution, and (2) committee or conference which submits any conference report to the Senate, authorizing or providing budget authority to implement any such agreement, shall indicate in the committee report or joint statement filed therewith, as the case may be, that such budget authority is authorized or provided in such bill, resolution, or conference report.

ANNOUNCEMENTS OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. MUSKIE. Mr. President, on Friday, January 14, the Subcommittee on Intergovernmental Relations will hold a hearing to examine the current fiscal condition of the Nation's cities and the initial impact of the jobs bill on the cities' problems.

The hearing will focus on the countercyclical assistance program of aid to State and local governments where unemployment is the highest. Under this program—title II of the jobs bill—three quarterly payments have already been made to approximately 20,000 units of government throughout the country.

President-elect Carter has recommended an extension of the two major components of the jobs bill as part of his recently announced economic package. It is appropriate, therefore, that before we proceed with reenactment, we take a look at how these programs have worked thus far, and more particularly, at the impact they have had on our cities where the impact of recession has been most severe.

A tentative witness list for the hearing includes the following:

Mayor Kenneth Gibson of Newark, Chairman, U.S. Conference of Mayors.

Mayor Coleman Young of Detroit.

Mayor Pete Flaherty of Pittsburgh.

Mayor Lee Alexander of Syracuse.

The hearing will begin at 10 a.m. on Friday in room 1114 of the Dirksen Office Building.

COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. TALMADGE. Mr. President, I wish to announce that the Committee on Agriculture and Forestry will hold a public hearing on the nomination of the Honorable ROBERT S. BERGLAND, of Minnesota, to be Secretary of Agriculture, at 10:15 a.m. on Tuesday, January 11, in room 322, Russell Senate Office Building.

COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Labor and Public Welfare has scheduled a hearing on January 13, 1977, at 2:30 p.m., in room 4232 Dirksen Senate Office Building, on the nomination of Mr. Joseph A. Califano, of the District of Columbia, to be Secretary of the Department of Health, Education, and Welfare.

Persons wishing to testify or submit statements, please contact: Donald Elisburg, General Counsel, Senate Committee on Labor and Public Welfare, 4233 Dirksen Senate Office Building, Washington, D.C. 20510, 220–224–7664.

COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Labor and Public Welfare has scheduled a hearing on January 13, 1977, at 10:30 a.m., in room 4232 Dirksen Senate Office Building, on the nomination of Dr. F. Ray Marshall, of Texas, to be Secretary of Labor.

Persons wishing to testify or submit statements, please contact: Donald Elisburg, General Counsel, Senate Committee on Labor and Public Welfare, 4233 Dirksen Senate Office Building, Washington, D.C. 20510, 202–224–7664.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public that the Committee on Interior and Insular Affairs will hold hearings on the proposed nomination of Gov. Cecil D. Andrus of Idaho to be Secretary of the Interior beginning on Monday January 17, at 10 a.m. in room 3110 of the Senate Dirksen Office Building.

Anyone wishing to testify on this proposed nomination should notify Mr. Patrick Berry of the committee staff at 224–3950.

APPOINTMENTS SUBSEQUENT TO SINE DIE ADJOURNMENT

Subsequent to the sine die adjournment of the Senate the following appointments were made:

COMMISSION ON POSTAL SERVICE

The PRESIDENT PRO TEMPORE, pursuant to the provisions of section 7(a)(1)(B), Public Law 94–421, appointed as members of the Commission on Postal Service the following from private life: James H. Rademacher and Rose Russell Blakely.

JOINT COMMITTEE ON ATOMIC ENERGY

The VICE PRESIDENT, pursuant to Public Law 79–585, and under the authority of Senate Resolution 584 of the 94th Congress, 2d session, appointed the Senator from New Mexico (Mr. DOMENICI) to the Joint Committee on Atomic Energy, in lieu of the Senator from New York (Mr. BUCKLEY), resigned.

NATIONAL TRANSPORTATION POLICY STUDY COMMISSION

The VICE PRESIDENT, pursuant to Public Law 94–280, and under the authority of Senate Resolution 584 of the 94th Congress, 2d session, appointed the Senator from Vermont (Mr. STAFFORD) to the National Transportation Policy Study Commission, in lieu of the Senator from New York (Mr. BUCKLEY), resigned.

ADDITIONAL STATEMENTS

SUMMARY OF SOCIAL SECURITY-RELATED LEGISLATION ENACTED INTO LAW IN THE 94TH CONGRESS

Mr. CHURCH. Mr. President, social security is clearly one of our Nation's most important institutions.

Nearly 33 million persons—one out of seven Americans—receive old-age, disability, or survivor cash benefits. Almost 25 million individuals are covered under medicare's hospital insurance and supplementary medical insurance programs. And approximately 4.3 million persons receive Federal supplemental security income payments, which are designed to build a Federal floor under the incomes of the aged, blind, and disabled.

In terms of sheer numbers, it is vitally important that these programs be sound from a policy, financial, and equity standpoint. Equally important, it is essential that they be administered fairly, efficiently, and impartially.

Over the years the Congress has taken important actions in establishing and perfecting these programs. During the 94th Congress several proposals were enacted to improve social security, medicare, and supplemental security income.

However, further actions are still needed for the 95th Congress, including strengthening the financing of social security, improving medicare coverage, and others.

The Social Security Administration recently prepared a short summary of major legislation enacted into law in the 94th Congress affecting social security, medicare, and SSI.

Mr. President, I commend this summary to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENACTED SOCIAL SECURITY-RELATED LEGISLATION IN THE 94TH CONGRESS

Public Law 94–12 (H.R. 2166), "Tax Reduction Act of 1975," signed by the President on March 29, 1975.

Authorizes a $50 payment from general revenues to each social security beneficiary, supplemental security income recipient, and railroad annuitant or pensioner.

Provides for an income tax credit or rebate of 10 percent of earned income, excluding self-employment income, up to a maximum credit of $400. (P.L. 94–455 extended this credit through 1977.)

Public Law 94–44 (H.R. 6698) signed by the President on June 28, 1975.

Extends until June 30, 1976, the eligibility of certain SSI recipients for food stamps. (See P.L. 94–365.)

Public Law 94–114 (S. 1327) signed by the President on October 17, 1975.

Provides for the conveyance of certain U.S. lands and certain income produced by those lands to a number of Indian tribes and excludes any such income received from lands held in trust from being counted as income or resources for purposes of the SSI program.

Public Law 94–182 (H.R. 10284) signed by the President on December 31, 1975.

Removes the technical flaw in the Act which prevented increases in the Medicare part B premium.

Repeals section 1862(c) of the Act which provided that beginning January 1, 1976, Medicare would not pay for a covered service if such service was covered under a FEHB plan in which the beneficiary is enrolled.

Amends the economic index provision of P.L. 92–603 so as to provide that the prevailing charge for any physician's service in FY 1976 shall not be lower than the prevailing charge for that service in effect in FY 1975. (P.L. 94–368 provides that the prevailing charge for any period after FY 1976 shall not be lower than the charge in FY 1975.)

Extends until January 1, 1979, the Secretary's authority to waive for hospitals in rural areas the Medicare requirements that participating hospitals provide 24-hour nursing service.

Provides the Secretary with the authority to poll physicians in certain areas as to their preference for a local or Statewide PSRO.

Authorizes reimbursement from the hospital insurance trust fund for costs of hospital utilization review activities performed by a PSRO.

Extends until January 1, 1978, the period during which the Secretary may designate only physician organizations as PSRO's.

Provides that the 1973 edition of the Life Safety Code of the National Fire Protection Association will be used in Medicare's conditions of participation for skilled nursing facilities.

Directs the Secretary to study the appropriateness of reimbursement under part B for diagnostic professional services performed by optometrists on aphakic patients other than refractive services.

Public Law 94–202 (H.R. 10727) signed by the President on January 2, 1976.

Permits SSI hearing examiners to hear social security and Medicare cases until December 31, 1978.

Changes the time limitation in which a person can request a hearing after a claim for OASDI and SSI benefits has been denied.

Provides for annual reporting of social security earnings by employers beginning with earnings reported after 1977.

Requires the Secretary to give the States at least 18 months notice before any changes are instituted in the frequency of State deposits of social security contributions.

Permits West Virginia to modify its agreement with the Secretary to provide coverage for certain policemen and firemen for whom contributions were paid and wages reported erroneously.

Excludes as income for SSI purposes payments made by a State to its residents solely on the basis of duration of residence and age.

Public Law 94–241 (H.J. Res. 549) signed by the President on July 21, 1976.

Extends the OASDI (including Special Age-72 (Prouty) benefits) and SSI programs to the Northern Mariana Islands.

Public Law 94–331 (H.R. 10051) signed by the President on June 30, 1976.

Excludes for SSI purposes any support and maintenance received by an individual forced to leave his own home due to a national disaster occurring on or after June 1, 1976, and before December 31, 1976. Such support and maintenance would not be counted until the sixth month after the individual first received it. (P.L. 94–455 extended the exclusion until the 18th month after support and maintenance is first received.)

Public Law 94–365 (H.R. 14484) signed by the President on July 14, 1976.

Makes permanent the authority of the Secretary to repay a State directly for interim assistance paid by the State to an SSI applicant.

Extends until June 30, 1977, the eligibility of certain SSI recipients for food stamps.

Public Law 94–368 (H.R. 13501) signed by the President on July 16, 1976.

Provides that the prevailing charge for a physician service in any period after FY 1976 shall not be lower than the charge for that service in FY 1975.

Continues the updating of reasonable charge screens under part B on July 1 of each year rather than on October 1 which would have been the case in order to conform to the new fiscal year.

Delays until October 1, 1977, the implementation of the provision of the 1972 amendments dealing with the reimbursement of teaching physicians.

Public Law 94–375 (S. 3295) signed by the President on August 3, 1976.

Effective October 1, 1976, excludes from income and resources under the SSI program the value of assistance provided under several Federal housing programs.

Public Law 94–379 (H.R. 14514) signed by the President on August 10, 1976.

Permits the State of California to retain food stamp cash-out status.

Public Law 94–409 (S. 5), "Government in the Sunshine Act," signed by the President on September 13, 1976.

Amends the Freedom of Information Act thus further limiting the authority of the agency to withhold information collected in the administration of the Social Security Act from the public.

Public Law 94–432 (H.R. 14298), "Veterans Disability Compensation and Survivor Benefits Act of 1976," signed by the President on September 30, 1976.

Requires all Federal agencies to provide the Veterans Administration with information necessary to administer veterans programs.

Public Law 94–437 (S. 522) signed by the President on September 30, 1976.

Permits Medicare reimbursement to Indian Health Service facilities.

Public Law 95–455 (H.R. 10612), "Tax Reform Act of 1976," signed by the President on October 4, 1976.

Permits the States to use the social security number in the administration of any motor vehicle registration, driver's license, tax, or general public assistance law; makes it a misdemeanor to willfully, knowingly, and deceitfully use the social security number for any purpose.

Excludes from "employment" and covers as net earnings from self-employment remuneration received by certain fishermen.

Amends the provisions of the IRC affecting the social security coverage of self-employed U.S. citizens outside the U.S.

Excludes until the 18th month for SSI purposes any support and maintenance received by an individual forced to leave his own home because of a natural disaster occurring on or before June 1, 1976, and before December 31, 1976. (See P.L. 94–311.)

Extends the earned income credit provision through the end of 1977. (See P.L. 94–12.)

Public Law 94–460 (H.R. 9019) signed by the President on October 8, 1976.

Amends the definition and requirements of an HMO under Medicare to better conform with those of title XIII of the Public Health Service Act but makes no change in the services an HMO must provide Medicare beneficiaries.

Public Law 94–505 (H.R. 11347) signed by the President on October 15, 1976.

Establishes within HEW an Office of Inspector General with responsibility to direct, conduct, supervise, and establish policies dealing with audits and investigations of HEW programs and operations.

Public Law 94–540 (S. 1659) signed by the President on October 18, 1976.

Provides that funds awarded and distributed to the Ottawa Indians will not be counted as income or resources for SSI benefit purposes.

Public Law 94–563 (H.R. 15571) signed by the President on October 19, 1976.

Affects the coverage of individuals employed by nonprofit organizations where the organization failed to file a certificate electing coverage but paid the social security contributions and reported the earnings.

Public Law 94–566 (H.R. 10210), "Unemployment Compensation Amendments of 1976," signed by the President on October 20, 1976.

Provides for the referral of disabled and blind SSI recipients under age 16 for appropriate services.

Provides that an eligible SSI couple will have their income treated separately if one member is in a Medicaid facility for a full calendar month.

Preserves Medicaid eligibility for individuals who become ineligible for SSI payments because of cost-of-living increases in social security benefits in June 1977 and later.

Authorizes SSI payments to persons in publicly operated community residencies serving no more than 16 persons and excludes from income assistance based on need (including vendor payments) made to or on behalf of SSI recipients by State or local governments.

Disregards for purposes of determining the amount which the Federal Government

must contribute toward the cost of supplementary benefits provided by each of the three "hold-harmless" States any increases in Federal SSI benefits becoming effective after June 30, 1977, and before July 1, 1979. (See P.L. 94-585 for related amendment.)

Public Law 94-569 (H.R. 7228) signed by the President on October 20, 1976.

Excludes the value of a home in which an individual resides from the determination of the individual's resources.

Authorities the payment of SSI benefits for up to three months to presumptively blind applicants.

Public Law 94-581 (H.R. 2735), "Veterans Omnibus Health Care Act of 1976," signed by the President on October 21, 1976.

Clarifies the legal basis for reimbursement made by SSA for services furnished to Medicare eligible patients in certain Veterans Administration hospitals under sharing agreements with non-VA hospitals.

Public Law 94-585 (H.R. 13500) signed by the President on October 21, 1976.

Requires the States, as a condition for receiving Federal Medicaid funds, to maintain whatever supplements they have been paying when the Federal SSI level is increased beginning with SSI increases after June 1977; makes permanent hold-harmless protection for the three hold-harmless States.

MORALITY IN FOREIGN POLICY IS BEING STAUNCH IN OUR COMMITMENT TO THE REPUBLIC OF CHINA

Mr. GOLDWATER. Mr. President, on January 20 Jimmy Carter of Georgia will be sworn in as the 39th President of the United States. Among the many challenges and opportunities facing the new President is what course to steer in our relations with China. If the United States follows a course of extending the independence and freedoms of the Chinese people, as practiced in the Republic of China, we will advance the prospects of world peace and stability by helping the Chinese to harness their tremendous potential for economic and social progress. On the other hand, if we conduct our foreign policy from a position of supporting the dictatorship which controls the mainland of China and of ignoring the human rights of the Chinese people, then we will be hurt at home and in the way others view us.

Mr. President, the United States today legally and diplomatically recognizes the Republic of China, which is based on Taiwan, as the only China. Although we are exploring a policy of what is called the normalization of relations with the Chinese on the mainland, we have full diplomatic relations only with one China, the Republic. The fact that totalitarian Communists control by force some 850,000,000 unfortunate Chinese who live on the mainland has not been accepted as a reason for giving standing to the dictators as the lawful representative of the people whom they have enslaved.

It is only by continuing a clear policy, without change, of support for the mutual defense treaty and our official diplomatic relations with the Republic of China that we can have a moral foreign policy which represents what our people stand for, which is derived from adherence to our commitments, and which will convey strength around the world.

Mr. President, there are many reasons why the new administration should not be enticed with the possibilities of recognizing Red China or weakening our ties with the Republic of China. First of all, there is the value of our word, the willingness of the United States to be faithful to its commitments and not to betray its promises. The free Chinese on Taiwan have lived up to our expectations in every respect and supported the United States on all international issues of major importance. For us now to scrap our mutual defense treaty with a loyal ally would make our signature to other defense treaties worthless anywhere in the world.

President-elect Carter himself eloquently expressed the point I am making, when he stated in October that, insofar as we fail to be staunch in our commitments and give adequate attention to our allies, we are weak. Mr. Carter explained that "as far as the trust of our country among the nations of the world, as far as dependence of our country in meeting the needs and obligations that we have expressed to our allies, as far as the respect of our country even among our particular adversaries, we are weak"—when we depart from our principles and our commitments.

Another statement of President-elect Carter's confirms the need for continuing our official relations and defense treaty with the Republic of China. He has properly defined the standard for our country:

> We ought to be a beacon for nations who search for peace and who search for freedom, who search for individual liberty, who search for basic human rights.

Well, we cannot be those things if we cater to the totalitarian rulers on the Chinese mainland. We can hold firm to our basic principles only if we uphold the friendship and ties we have with the free people on Taiwan.

Mr. President, the Chinese people in the Republic of China are not only searching for freedom and individual liberty, they have achieved it and are constantly strengthening it. Taiwan is a land which allows free expression and free elections. Thirty-one daily newspapers and 1,400 magazines compete with 3 national television networks for the attention of audiences. Free world publications from foreign countries are openly circulated throughout the Republic.

On Taiwan, free education is extended to all. In fact, next only to the United States, the Republic of China has more school students per 1,000 population than any other country in the world. An independent court system exists on Taiwan and religion is freely practiced.

The advancement of human rights in Free China is matched by the economic progress of the people. From an island which was a predominantly agricultural area, Taiwan has become a major industrial power of the world. Not that agriculture has been slighted. To the contrary, the General Accounting Office has singled out the Republic of China as the model of how a developing nation can achieve tremendous success in food production with a system of economic incentives to private farmers.

In contrast, the performance of the Communist dictators on the China mainland depart in every instance from the principles of our Constitution's Bill of Rights and from every principle for which Americans have struggled throughout our history. The Chinese Communists are known to have executed several millions of landowners during the agrarian reform of 1949 to 1952. They are known to have conducted mass public trials at which more than 2 million political prisoners have been executed. They have by all knowledgeable accounts exterminated a minimum of 30 million people during their first decade of rule. Even today, the Red Chinese arbitrarily imprison over 16 million innocent political prisoners in labor reform camps, where they are subjected to the harshest of hard labor.

Moreover, there is no independent judiciary in Red China. There is no freedom of travel. There are no free elections, no freedom of the press, no free expression, no free trade unions.

And freedom of religious worship has been brutally suppressed by the Communists. Devotion to an almighty supreme being is persecuted and punished in Communist China. Millions of Protestants, Catholics, Moslems, and Buddhists have been intimidated, imprisoned, beaten, and murdered. Churches and religious buildings have been destroyed or converted into warehouses, stables, and the like. Missionaries have been forceably removed and religious schools, hospitals and orphanages outlawed. In fact, there is only one Roman Catholic cathedral and a single mosque still open in Peking, these for small numbers of visitors from foreign nations. To all purposes, for the first time in centuries there is no open practice of any religions in mainland China today.

Mr. President, it would be impossible for the United States to serve as a beacon for peoples who are searching for freedom and the most basic human rights if we should grant legitimacy to such an inhuman government. No; if our Nation is to hold forth a posture and an image to make us proud, we must not reward the lawlessness existing in Communist China.

A policy of retaining our official relations and defense treaty with the Republic of China would be in keeping with the wishes of the American people. If we follow the good judgment of ordinary Americans, we will preserve our commitment to Taiwan. The voice of the American people is loud and clear on this issue.

A Gallup poll of November 1975 revealed that 70 percent of Americans favor continuing our formal diplomatic relations with the Republic of China. The same majority of 70 opposed diplomatic relations with Communist China on the terms demanded by the so-called People's Republic.

A resolution introduced into the House of Representatives by a majority of that body also reflects the majority will of people in our country. This resolution urged the executive branch to do nothing to compromise the freedom of the Republic of China. Numerous petitions and official statements which have been adopted by local governments throughout the United States also uphold a policy of continuing diplomatic relations with free

China. So if we follow the true voice of the American people, if we tap their sound, common sense, we will adhere to our present policy of recognizing the Republic of China and maintaining the mutual defense treaty with Taiwan.

Mr. President, I am confident the Carter administration will not be beguiled by propaganda about the prospects of large-scale trade with Red China. This is a phony argument.

The real trade and commercial market in China is between the United States and the Republic of China based on Taiwan. In 1976, U.S. trade with Taiwan will reach $4.5 billion. Our erratic trade with Communist China will be only about $35 million. Our two-way trade with the Republic of China is 14 times larger than trade with Red China.

Nor is the potential for expanded trade with the Communist government encouraging. Thomas Corcoran, the distinguished attorney, businessman, and diplomat, has explained that:

As with all totalitarian nations, all trade with mainland China will be politically—not competitively—motivated. All such trade will be barter of advantages in political warfare. Totalitarian trade in commercial negotiations will pit competing and divided United States entrepreneurs against a monolithic totalitarian buyer and seller.

Dreams of commercial profit to U.S. firms are a "will-o'the-wisp." According to Mr. Corcoran:

Contrary to hopes of United States industry to do business with an indefinite mainland market, the takeover of Taiwan could directly solve many of Mainland China's economic problems without the cost of any of the imports from the western world from which American exporters and transporters could make a commercial profit.

And, as the American Chamber of Commerce in the Republic of China has concluded, the potential market for U.S. products in Red China "is limited to a few select product categories." The Chamber emphasizes that—

The absence of free choice by the consumer will restrict the ability of U.S. exporters to develop new markets for their products.

Thus, the opportunity for being staunch in our commitment to a dependable ally, for giving adequate attention to a friend, rather than an adversary, for not being beguiled by the stage management and rigged shows of Peking's tourist facade, and for gaining strength from doing what is right, will soon be squarely in the hands of Mr. Carter. The opportunity for keeping the 16 million Chinese on Taiwan free from enslavement by totalitarian communism and for preserving our friendship with the 20 million overseas Chinese who look to the Republic of China as their cultural homeland also will be Mr. Carter's shortly.

Mr. President, if Mr. Carter fulfills the great moral standards he has articulated for the Nation in the context of our relations with the free Chinese people, he will win the increased esteem of the American people and the respect of the entire world. On the other hand, if his administration caters to the Communist tyrants, it will disgrace the Nation and defeat human rights. I am confident that Mr. Carter will do the right thing.

HOME MORTGAGE DISCLOSURE ACT

Mr. PROXMIRE. Mr. President, last September 30, the first annual statistics compiled under the Home Mortgage Disclosure Act were made public by financial institutions in each of the Nation's metropolitan areas. These statistics have enabled municipalities, consumer groups, neighborhood associations, and newspapers to analyze and publicize the pattern of mortgage lending. In a great many areas, surveys of the data include that a disproportionate small volume of mortgage dollars are going to the older, low- and moderate-income neighborhoods of our cities.

Recently, the Cleveland Plain Dealer published one of the most exhaustive studies of mortgage lending using the information made available under the Home Mortgage Disclosure Act. One of the interesting facts revealed by the Plain Dealer is the wide variation among lending institutions. Apparently, a small number of lenders find it not only possible, but profitable, to keep the mortgage and home improvement dollars flowing to the older neighborhoods, and they are doing more than their share, while other lenders are active almost exclusively in the outlying suburbs.

I commend the Plain Dealer for an outstanding public service in disseminating this information, and I ask unanimous consent that the articles by reporter Thomas Andrzejewski be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Sunday Plain Dealer, Jan. 2, 1977]

PD SURVEY SHOWS HOME FINANCING FLED FROM THE CITY

(By Thomas S. Andrzejewski)

Intentionally or not, banks and savings and loan associations here have invested heavily in suburban residential mortgages, and placed few dollars in the city.

And when the number of conventional mortgages is compared to the number of houses, patterns emerge showing:

All-white or mainly white sections—with few exceptions—have received a far greater proportion of conventional mortgages than black sections. In one case, three white suburbs received nearly 87 times the proportion of conventional mortgages as a black section of Cleveland.

The suburbs average more than twice the mortgages for every 100 homes as the city—and more than three times those granted on the East Side.

Except for Cleveland Heights and University Heights, lenders have not been making many conventional mortgages in integrated suburbs.

The findings are part of a three-month Plain Dealer study into the lending practices in the residential real estate market.

The survey covers more than $1 billion in mortgages and home improvement loans made by banks and savings and loans for properties in Cuyahoga and western Lake counties.

The findings are based on information disclosed by lenders under the Home Mortgage Disclosure Act of 1975, a federal law aimed at stopping the practice of redlining, which is geographic discrimination in making home mortgage and improvement loans.

The information, from Cuyahoga, Lake and Lorain county lenders, was compiled by The Plain Dealer according to postal zip codes, and mainly covers periods of up to 18 months in 1975 and 1976.

None of the evidence proves or disproves that lenders engage in redlining or any other kind of mortgage discrimination.

But it shows that there is less conventional lending in older, poorer or integrated neighborhoods, which is one of the complaints of neighborhood groups here and in other cities.

Conventional mortgages are those which are not insured by any government program, such as Federal Housing Administration (FHA) or Veterans Administration (VA) loans.

The study does not indicate how many homes with four or fewer housing units were sold in Cuyahoga or western Lake counties in 1975 or 1976.

Nor does it contain any information about applications for conventional mortgages that were rejected.

But The Plain Dealer's study is the first comprehensive analysis of mortgages here, and an accurate reflection of mortgage activity as reported by lenders.

Lenders interviewed by The Plain Dealer took the position that they can only respond to a market—that is, they can only make loans in neighborhoods where there are home sales and where prospective buyers apply for mortgages.

But community group leaders, and some city officials, charge that some city neighborhoods are no longer attracting middle-income persons because they cannot obtain mortgages for houses in them.

To make fair comparisons among the patchwork of differing neighborhoods that span Cuyahoga and western Lake counties, The Plain Dealer compiled the numbers of residential structures of four units or less for each zip code. The data was collected in 1974 by Real Property Inventory.

The mortgage data applies to homes of four units or less—from one-family houses, to duplexes and doubles to four-suite houses and apartment buildings.

The number of conventional mortgages was then computed for every 100 homes in each zip code.

The big dollar totals for mortgages are overwhelming in the suburban zip codes, mainly because houses there are more expensive than in the city.

For example, there were $544 million worth of conventional mortgages made in the city and suburbs—the city's share being only $67 million, or 12.2%.

Of 19,193 conventional mortgages, 3,492, or 18.2%, were made in the city.

Significantly, the numbers of conventional mortgages per 100 homes varies greatly in various sections of the city and counties.

For example, as they are tracked from the core of the city to the outer suburbs, the ratio of mortgages gets greater.

Mortgages per 100 homes

Area:	
East Side	1.9
West Side	4.4
Total City	3.0
Inner Ring Suburbs	4.8
Middle Ring	6.5
Outer Ring	9.6
Western Lake	7.9
Total Suburbs	6.4
Total County	5.2

For purposes of the study, the city includes all zip codes that are mainly in Cleveland. The inner ring includes those zip codes touching the city, and the outer ring those touching the county borders. The middle ring is between.

The entire area examined has 360,172 homes, of which 116,676, or 32.4%, are in city zip codes.

In the parlance of urban experts and interlopers, the opposite of disinvestment, from which Cleveland suffers, is reinvestment. So last summer the city formed a reinvestment task force to bring together lenders, government and residents on the redlining issue.

Presently a committee of the task force is working on forming a mortgage consortium,

using community development block grant money, to boost mortgages in the city.

But members of the task force say that agreement on the issue—while made in principle—is still a month or two away.

Another solution aimed at preventing mortgage discrimination is a review panel recently established by Cuyahoga Plan of Ohio Inc. here.

The panel, made up of lenders and consumer credit groups, will review cases where redlining or racial discrimination is alleged, and if the prospective buyer is credit worthy, find a lender who would make the loan. It has just begun operation.

One member of the reinvestment task force said that one reason black neighborhoods have been receiving fewer conventional mortgages is that many blacks who have low or moderate incomes go first to the FHA or the VA because of the low down payment required.

He also said that lenders have found that many blacks apply for government-insured loans no matter how high their incomes may be and when they would otherwise qualify for conventional mortgages.

But groups like the Buckeye-Woodland Community Congress, which represents black, white and integrated neighborhoods, have maintained that whites and blacks are rejected for mortgages in some neighborhoods.

A study of Greater Cleveland mortgage applications by the U.S. comptroller of the currency, released in 1975, said that rejection rates for blacks were higher than for whites—26.6% for black and 16.2% for whites.

The study compared applications from whites and blacks in the same income groups.

A further analysis of the study by the Commission on Catholic Community Action showed that Spanish surnamed persons were rejected at a rate of 24.2%.

The study was made using data on 8,746 loan applications in Cuyahoga, Lake, Geauga and Medina counties from June to November of 1974.

The most extreme example of a low rate of mortgages in a black zip code found by The Plain Dealer was 44104, which covers the Central and Kinsman-Garden Valley neighborhoods. There were only 19 conventional mortgages there, or less than 0.3 per 100 houses.

Nearly 87 times as many were made in the 44022 zip, which includes Chagrin Falls, Moreland Hills and Hunting Valley. There was a total of 549 loans made there—33.2 per 100 houses.

The two zip codes in western Lake County showed great differences. The 44,092, or Willowick, zip code had only 2.4 mortgages per 100 houses—while 44094, Willoughby, had 19.1.

The largest average mortgage in a mainly residential community was in zip 44040, Gates Mills, and was $47,742. The smallest average mortgage was in 44103, which covers mostly the Superior-St. Clair neighborhoods, and was $8,677.

[From the Plain Dealer, Jan. 3, 1977]

MONEY FROM CITY BRANCHES BEING INVESTED IN SUBURBS

(By Thomas S. Andrzejewski)

Cleveland area banks and savings and loan associations have been investing savers' dollars outside city neighborhoods where many of them do the bulk of their business.

In fact, 82% of the conventional home mortgages made in Cuyahoga and western Lake counties were in the suburbs, according to a Plain Dealer study of home loans.

The study was made using information reported by lenders under the Home Mortgage Disclosure Act of 1975. The federal law was aimed at stopping redlining, the practice of mortgage discrimination against older neighborhoods.

Cleveland's banks, which do little mortgage business when contrasted with savings and loans, did 87% of their business in the suburbs.

All figures use numbers of mortgages, because the wide range of housing prices would make dollar comparisons unfair.

Values of the mortgages studied are $486.7 million in the suburbs and $67.3 million in the city.

Several lenders are found to have a poor balance between the percentage of their mortgages in given parts of Greater Cleveland and the proportion of their offices in those areas. That balance is normally to the detriment of Cleveland—that is, more offices in the city and fewer mortgages in the city.

Among the banks, the Cleveland Trust Co., Ohio's largest, made the smallest proportion of its mortgages in the city, considering the number of offices it has there.

Among the savings and loans, the lender with one of the smallest percentages in mortgages in the city when considering the number of its offices in the city is the First Federal Savings & Loan Association of Cleveland.

But three savings and loans had substantially better lending records in the city than the others when their number of offices in Cleveland is considered.

They are the Home Federal Savings & Loan Association of Lakewood, the Cleveland Federal Savings & Loan Associaton and the Peoples Savings & Loan Association.

Cleveland Trust made nearly 41% of the bank mortgages, or $24 million in the area studied.

Its record was below average. Twelve percent of its mortgages were made in the city, while it has 42% of its offices in Cleveland.

"I can't explain why we have 12% here and 88% there," said Fred J. Scism, senior vice president of Cleveland Trust, "other than that there was more sales activity in the suburbs of Cleveland.

"All of our branches are capable of taking loan applications with the intent of making a real estate loan," he said.

"Accusations can be made, but believe me, there is nothing deliberately being done in loan policy."

First Federal has 56% of its offices in Cleveland, but did only 21% of its mortgage business there.

Charles J. Koch, president of First Federal and president of the Northeastern Ohio Savings and Loan League, told The Plain Dealer that mortgages are made because a decent house is for sale and someone credit worthy want to buy it.

He said lenders do not rule out neighborhoods arbitrarily for home loans.

When asked whether they have a responsibility to put more conventional mortgage money into city neighborhoods to help keep them alive, Koch responded:

"Just throwing money at a problem doesn't work."

One suburban lender, the Home Federal Savings & Loan Association of Lakewood, made 23% of its mortgages in Cleveland—but has all its offices in suburbs.

Cleveland Federal made a larger percentage of its mortgages in the city than it has branches there, with only 12% of its offices in the city but 17% of its mortgages there.

Peoples has one of its three offices in Cleveland, at 4300 Clark Ave. SW. It made 44% of its home loans on the West Side.

Society National Bank had about twice the percentage of offices in Cleveland as the percentage of conventional mortgages it made in the city.

But that does not mean that city residents' deposits are being invested in the suburbs, said Arthur W. Wootton, Society National vice president and manager of the real estate department.

"I think we've done a good job," said Wootton. "After all, we are making loans with 10% down."

He said most of Society's mortgages are for new construction, and there is very little of that in the city. Also, he said, some Cleveland branches attract depositors at their place of employment—so suburbanites' money might be deposited in many city branches, especially downtown.

Stories in yesterday's Plain Dealer detailed how some sections of the city and suburbs—especially older ones with substantial black populations—have been receiving fewer conventional mortgages.

Stories today and yesterday are the result of a three-month computerized study of home loans by The Plain Dealer.

1975 LAW ENABLES SURVEY

The Plain Dealer's home loan survey was made possible by the Home Mortgage Disclosure Act of 1975.

Passage of the act, which had been sponsored by Sen. William Proxmire, D-Wis., was seen as a major victory for community groups fighting redlining, the geographic discrimination in making mortgages.

Last September, The Plain Dealer contacted Greater Cleveland banks and savings and loan associations to obtain copies of their disclosure statements, which were to be on file in lenders' offices by September 30.

The statements contain the number and dollar amounts of all government and conventional mortgages, home improvement loans and nonoccupant mortgages for all dwellings with four or fewer units.

All the institutions supplied copies.

There was major resistance to passage of the act, which originally was to include disclosure of deposits according to branches. The banking and savings and loan industries complained to Proxmire's committee on banking, housing and urban affairs that disclosure was costly, served no real purpose and would make public some secrets of competition. The provision was later removed.

Neighborhood groups have collected the disclosure statements on loans and have been working on them. Because of all the data included, The Plain Dealer used a computer to total and analyze it.

Organizations such as the Buckeye-Woodland Community Congress and the Commission on Catholic Community Action have not completed detailed studies of the data.

The city planning commission also collected the disclosures and is working on a study involving the entire city.

The Plain Dealer began to computerize the data in October. Programming was done by Roy R. Schinagle, research coordinator in the newspaper's market research department.

The result was hundreds of pages of printouts covering more than $1 billion in loans, showing patterns of residential lending.

While some Federal Housing Administration (FHA) and Veterans Administration (VA) mortgages are included in the Plain Dealer survey of home loans, the data provides only a partial picture of government-insured lending here.

The 1,193 FHA and VA mortgages for $52.6 million which were included in The PD survey are by no means all the government-insured loans made here in 1975.

Neighborhood groups say that in some sections of the city, government loans are the only ones being made.

Often such loans are either made directly by or sold to mortgage companies, which were not included in the survey. The survey included only banks and savings and loan associations because they are the only institutions here which fall under the Home Mortgage Disclosure Act of 1975.

A Cleveland disclosure ordinance, patterned after Chicago's and passed last year, was a result of Buckeye-Woodland pressure. It was sponsored by a councilman from Buckeye-Woodland.

Active Clevelanders Together, meanwhile, was trying, mostly unsuccessfully, to in-

timidate lenders into disclosing more loan information and investing more in older neighborhoods.

Its tactics included negotiation with lenders and bring savings and loan association executives to a community meeting where demands for more investment were presented.

The Buckeye-Woodland Community Congress secured a reinvestment agreement from State Savings & Loan Co. in December 1975.

Under the agreement, State Savings began a marketing program to attract home buyers in Buckeye-Woodland.

Last spring, Active Clevelanders Together signed a similar agreement for the near West Side with First Federal Savings & Loan Association of Cleveland.

Therefore, The PD survey will include no comparisons between conventional and government-insured loans nor any indication of the total housing turnover in a neighborhood or the entire county.

ACTION VARIES ZIP TO ZIP

Nearly 80% of the housing in a section straddling the Cleveland-Shaker Heights border consists of older frame houses, tightly packed on narrow side streets in integrated Cleveland neighborhoods.

But the conventional mortgages there seem to be going to the Shaker Heights portion, which has only about 20% of the housing in the entire section.

The section described above is postal zip code 44120.

The part of Cleveland in 44120 is known as Buckeye-Woodland, where the Buckeye-Woodland Community Congress has accused lenders of redlining.

The Plain Dealer's study shows there were about 3.5 conventional mortgages for every 100 houses in the 44120 area, which is more than in most East Side zip codes.

But the average mortgage is $32,559.

"The average loan we're talking about is more than the (total) cost of the average home in Buckeye-Woodland," asserted Diann M. Yambor, chairman of the congress' mortgage committee. "There isn't one over $35,000, and most are going for $16,000 to $28,000."

One interpretation, then, is that mortgages made in 44120 are mostly in Shaker Heights, one of the city's most affluent suburbs. It is also integrated.

"The age of housing and the ability to pay are not the only considerations used in making mortgages," said Harry A. Fagan, director of the Commission on Catholic Community Action.

Race of a buyer and location of a house are factors that highly influence lenders, Fagan charged.

"There are some things that don't appear on any form that are considered," he said.

Another zip code where citizen groups were active in the redlining issue is 44113, which takes in the near West Side.

The rate for conventional mortgages was slightly over 3 per 100 houses. But the average loan there was $12,229, indicating figures were not necessarily buoyed unrealistically by the Ohio City redevelopment.

The Rev. Kenneth E. Jones, president of Active Clevelanders Together (ACT), said his group has been studying the disclosure statements of several lenders on the near West Side. It found that lenders who provided 1976 and 1975 data made more mortgages last year, he said.

"I tend to believe that groups like ACT and Buckeye-Woodland have had a positive effect," he said.

One zip code that had fewer loans than expected was 44128, which includes Cleveland's Lee-Harvard and Lee-Seville-Miles neighborhoods, Warrensville Heights and North Randall.

It had 1.9 mortgages per 100 houses, one of the lowest city or suburban rates. All neighborhoods there are basically new. The obvious difference between them and similar sections of the city and the county is racial makeup. The city parts of the zip code are mostly black, and Warrensville Heights has a large number of blacks. North Randall is too small to be a significant factor in figuring the mortgage rate for the zip.

There was no comparison with actual numbers of blacks because accurate figures do not exist. The latest ones available are from the 1970 census, believed to be much outdated.

The city zip with the most mortgage activity was 44102, on the far West Side, just east of Lakewood. Its rate was nearly that of the suburbs, with 6.4 loans per 100 houses.

REDLINING WAS DEFINED WHEN CRITICS EMERGED

A prospective home buyer who meets credit qualifications for a mortgage has his application for the loan rejected—because of the neighborhood in which the house is located.

Or the interest rates, requirements for down payment or length of the mortgage are different from mortgages in suburbs.

Neighborhood groups call these practices redlining—geographic discrimination in making home mortgage or improvement loans.

Often the neighborhood is becoming integrated, and usually it is an older section of the city that is a little frayed at the edges or blighted.

An official of a lending institution may drive through the neighborhood and decide that it would be a risk to make a loan there.

That is how redlining takes place, say community groups.

Redlining has been a major issue among neighborhood groups here for the last two years.

It gained the attention of politicians and, not surprisingly, the lending community.

One of the main antiredlining organizations here is the Commission on Catholic Community Action, which has played a major role in organizing and financing neighborhood organizations.

It studied mortgages in Buckeye-Woodland and the near West Side to identify the extent to which mortgages were being made. The title of the study:

"You Can Bank On It: Redlining In Cleveland."

Neighborhood groups used the study to show redlining and to argue that city residents' deposits were being used to develop the suburbs.

Redlining had been an issue in other cities since 1969, when the Metropolitan Area Housing Alliance in Chicago began pushing for a disclosure ordinance.

City Council passed an ordinance requiring lenders who wanted to handle city funds to show their figures for deposits and mortgages in city neighborhoods.

In Cleveland, the Buckeye-Woodland Community Congress and Active Clevelanders Together have been involved in the redlining issue.

LENDERS BLAME MARKET FACTORS; DENY REDLINING

Home mortgage figures alone do not indicate whether a neighborhood is being denied such loans, said several lenders interviewed by The Plain Dealer.

But if the figures could, they would show that redlining does not exist, they said.

Charles J. Koch, president of the Northeastern Ohio Savings and Loan League, said the Plain Dealer study may show a lack of conventional mortgages in some neighborhoods. but not much else.

There are three things that have to work together to have a normal mortgage activity, said Koch, president of the First Federal Savings & Loan Association of Cleveland.

He listed the three as enough creditworthy prospective buyers and houses for sale; the desirability of a place to live, including municipal services, and available financing.

"All those things have to happen, or you're not going to have a mortgage," he said.

Savings and loans did 89% of the conventional mortgage business in Cuyahoga and western Lake counties.

Lake Giles, executive vice president and secretary of the league, said the Home Mortgage Disclosure Act of 1975 could be a step in a dangerous direction.

"The thing we worry about is that this is the prelude to the allocation of credit," said Giles.

Other lenders interviewed said the only way for a study to show mortgage discrimination is to include the number of mortgage applications and the number of houses for sale.

"This is one of the fallacies of the figures (from the Home Mortgage Loan Disclosure Act of 1975)," said Richard E. Livingston, vice president and manager of the mortgage banking division of Central National Bank.

"We know there are areas where we have very few or no loans," said Livingston. "But we have very few or no applications in those areas."

Giles said Ohio Savings Association, after being accused of redlining by neighborhood groups, did a mail solicitation of 12,000 persons for mortgages. That resulted in only two mortgage applications.

He and others said lenders are involved in neighborhood projects that are not always publicized.

"The Cleveland banks are dedicated to a number of programs dedicated to the housing stock of the city," said Arthur W. Wootton, vice president and manager of the real estate department of Society National Bank.

"That's something that we've not said too much about, but I think it's noteworthy."

For example, he said, the city's five largest banks are involved in a low-income housing project at E. 79th and Euclid Ave. Banks and savings and loans are also participating in the National Housing Services program here, which, is concentrating on revitalizing two sections of the city.

Giles said many of the savings and loans have undertaken projects for more housing in the inner city, especially in Hough.

One of the arguments presented by community groups is that lenders sometimes make loans to ventures that fail—one recent example being real estate investment trusts, some of which have lost millions of dollars for banks.

"When any bank made a loan to a real estate investment trust, no one made it thinking the money would be lost," said Livingston.

"We're looking to make loans that will be repaid," said Koch. He said if any property is worth making a loan for, and if the buyer is credit worthy, a mortgage will be made.

He echoed the general feeling of lenders that they cannot risk savers' deposits and should not be forced to make loans.

Koch and Giles complained that the disclosure legislation was costly because of more paperwork for lenders. The cost is paid by the consumer, they said.

"Do you think the people of Cleveland are getting their money's worth from this disclosure? They're paying for it, after all," said Koch.

THE EARLY CHILDHOOD EDUCATION ACT

Mr. MATHIAS. Mr. President, educational experts have been focusing for a considerable time upon the critical importance of the early years in a child's

development. Dr. Benjamin Bloom, the noted psychologist, estimates that as much as 50 percent of mature intelligence is developed by age 4 and an additional 30 percent by age 8. Dr. Lois-ellin Datta finds that, "Before they enter first grade, most children have developed all of the basic motor skills they will ever learn, many of the linguistic and cognitive skills and have established their temperamental and social characteristics." Appropriate instruction at an early age can pay immense dividends for a child's later performance in school. Professional guidance for a few hours a day in those years can mean success through all a child's year.

Conversely, if the child's development is impeded during those years, it can mean frustration at school and frustration in life. The Federal Government already spends a billion dollars annually for the support of remedial education programs and programs to combat the high dropout rate. This is in addition to the social costs of school failure in terms of welfare, crime, unemployment, and nonproductivity. If we can get children off to a sound start by appropriate efforts at the beginning, we will be repaid many times over through the elimination of some part of those tremendous social costs.

As I announced publicly on December 22, I have proposed legislation which is designed to take advantage of the knowledge that has been developed concerning the educational growth of young children. My early childhood education bill will provide $500 million annually to local departments of education for the purpose of establishing 4-year-old education in our schools. It is limited to assistance for education and is not intended to solve a very serious problem closely related to early childhood education; day care for children of working mothers. I fully support a broad commitment to the care of those children in wholesome educational environments and I recognize the serious need for such care in this country.

Although my bill neither precludes nor replaces efforts aimed at providing funds for care of children of all ages, I do recognize that it may draw attention from that issue. I have decided, therefore, to hold back introduction of my bill until discussion has begun on the other efforts and until the clear distinction between it and my bill can be clearly perceived.

"POLITE" DISCRIMINATION

Mr. BAYH. Mr. President, an article I would like to share with my colleagues appeared in the Washington Post on Monday, January 3. The article, written by Mr. Kirk Douglas, is entitled "Polite Discrimination." It is a sensitive personal account of discrimination in our society. It should be food for thought for us all.

During the 14 years I have been in Congress considerable time has been devoted to legislation which would prevent discrimination by race, religion, nationality or sex. This has been one of our highest priorities and I am proud of our record to date. But legislation cannot solve the problem of judging someone by the color of his skin or religion. All the laws in the world will not be able to change human nature, people have to change from within.

Mr. Douglas's article, written with such insight, illustrates many instances when discrimination takes place during common occurrences of a person's life. In many cases people have not purposefully set out to discriminate, but they do. His article is not aimed at white Protestant males only however. Discrimination exists in us all.

Mr. Douglas's last thought,

It will end when we dare to dislike, as well as like, a person for his or her own sake, not because of color or religion.

I, too, share this belief and hope that the time will come soon when this is reality.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 3, 1977]

"POLITE" DISCRIMINATION

(By Kirk Douglas)

The unseemingly scramble by key members of the incoming administration to resign from their "exclusive" private clubs would be amusing if the sneaking thought didn't occur that members of the outgoing administration are probably eager to get back into theirs.

Although every sort of anti-discrimination law imaginable is now on the books, I have to ask myself how much things really have changed since I was a boy growing up in Amsterdam, N.Y. Then, at least, there was no hypocrisy about it: I couldn't get a job delivering newspapers because I was a Jew, and no Jew was allowed to work at the largest factory in town. No one bothered to hide behind a mask of false piety, however; they were painfully direct.

I was about 11 years old when a bunch of kids pounced on me one day, beating me bloody and yelling: "You killed Jesus Christ." When my mother asked me what happened, I wailed: "They said I killed Jesus Christ and I don't even know who he is."

When I went to college at St. Lawrence University, the fraternities had a big rush week at the beginning of the school term. They pursued the freshmen they wanted as members, and their first step was to invite the prospect to dinner at the fraternity house.

I was invited, so I put on my one suit and tie and waited for the upperclassman who was supposed to come and escort me to dinner. I waited and waited. They had made a mistake in my case: Demsky was my name then, and they had thought I was Polish. When they discovered I was Jewish they lost interest. Nobody came to fetch me. They just left me there waiting.

Later, by a strange fluke—a change in the system of voting—I was elected president of the student body. (The alumni association was furious). After that, though, I was offered "house privileges" at a fraternity. This meant I could pay dues, eat meals, live at the house, even attend fraternity dances. But I could not attend their meetings, and I guess they wouldn't have taught me the secret handshake. I declined the kind invitation.

There weren't many Jewish students at the university, but a group came to me and suggested we form a Jewish fraternity. I thought not. "In destroying the enemy, you'd better be careful not to become the enemy," I said.

Of course, no fraternity men on that campus believed in discrimination. "It's just the rules 'national' hands down," they said.

Today those fraternity members are grown men. And where do they spend their weekends (those, at any rate, not tapped for cabinet posts)? I'll tell you where: at clubs that exclude blacks, Jews and Chicanos.

All I have to do is look around. Not far from my home is the Los Angeles Country Club—a beautiful layout with two 18-hole golf courses in the middle of some of the most desirable land you've ever seen. They exclude not only Jews and blacks but almost everyone from the world of entertainment. Can you imagine blackballing a whole industry?

Jews certainly are not innocent in this silly game. For years fancy Jewish clubs were dominated by German Jews who looked down on Polish and Russian Jews for having arrived in this country after they did. They excluded them from their clubs and avoided "intermarriage" like the plague.

Years ago, I visited former President Eisenhower at his home in the Palm Springs area. What a charming man! He lived at Eldorado Country Club, which doesn't have Jewish members—not even German Jews—or blacks, not even rich ones.

A couple of months ago, President Ford vacationed at Thunderbird Country Club in Palm Springs. It's just as discriminatory. President Ford liked the place so much he may decide to settle down in that highly restricted neighborhood.

And so in many places a "gentleman's agreement" is still in effect. It's all so polite. Rich Jewish members of Hillcrest Country Club have lunch occasionally with rich gentile members of the Los Angeles Country Club. Sometimes they even play golf together.

When will it end? Maybe with the next generation.

Recently my son Peter invited a black friend over to the house to play tennis. They got into a violent argument and Peter kicked him off the court. I don't know who was right or wrong, but I do know that, in their anger, neither one mentioned black or white. It was just two people who were mad as hell. A week later they had settled their differences and were back playing tennis again.

It will end when we dare to dislike, as well as like, a person for his or her own sake, not because of color or religion.

A TRIBUTE TO GUSTAVE LEVY OF NEW YORK

Mr. JAVITS. Mr. President, Gustave L. Levy, a great human being, a great New Yorker, one of the most able and effective philanthropic leaders of our time; as well as one of our country's most emminent financiers, and one of my closest friends passed away on November 3, 1976. I believe that the obituary in the New York Times and the eulogies by Rabbi Ronald B. Sobel, spiritual leader of the deceased's congregation in New York City—Temple Emanu-El, by Terrance Cardinal Cooke, Archbishop of New York, by the Vice President of the United States, Nelson A. Rockefeller, and by a close friend of the deceased, J. W. Burnham, chairman of Drexel Burnham & Co., are worthy of inclusion in the CONGRESSIONAL RECORD.

Mr. President, Gustave L. Levy, made a most significant mark in the life of his city, his State, and his Nation. He walked among the mighty but he dedicated his

life to assisting the humblest among Americans. Gustove Levy was in the tradition of the greatest American philanthropists. He was a friend to those who knew him and a friend to those who never knew him—perhaps not even his name—and equally solicitors of both.

I ask unanimous consent that the obituary and eulogies I have referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGREGATION EMANU-EL
OF THE CITY OF NEW YORK,
New York, N.Y., November 10, 1976.

Mrs. GUSTAVE L. LEVY,
New York, N.Y.

DEAR MRS. LEVY: You and the children have lost a magnificent husband and father and the world has lost a giant.

The quality of Gus' life was, indeed, so extraordinary that the imprint of his achievements will live long in memory. His heart and his soul reflected the best in the human spirit and, at his core, he was a true son of our Jewish people.

Among Gus' many blessings was the fortunate fact that, a long time ago, he fell in love with you. You have been, to him, a magnificent wife and companion and, although your pain is deep and profound, I am confident that the passage of time will transform your bereavement into a sweet treasure house of magnificent remembrance.

Please convey these sentiments to Peter, Betty and the other members of your wonderful family.

I have enclosed the recording of the Service. I have not had an opportunity to listen to the tape myself; hopefully, the transcription will be clear. The last week or so, we have been having some slight difficulties with the recording instrument.

Finally, it is my hope that, in the future, only moments of joy will occasion our being together.

With great respect and deep sympathy, I am

Faithfully yours,

RABBI RONALD B. SOBEL.

[From the New York Times Nov. 8, 1976]

ROCKEFELLER EULOGIZES GUSTAVE LEVY OF WALL STREET AS "FABULOUS FRIEND"

(By George Dugan)

Vice President Rockefeller lauded the late Gustave L. Levy yesterday as a "fabulous friend" imbued with "great compassion."

Mr. Rockefeller delivered the principal eulogy at a funeral service for Mr. Levy, head of of the international investment firm of Goldman, Sachs & Company and one of the most influential men on Wall Street. He died Wednesday at the age of 66.

Mr. Levy was regarded as one of the nations top fund-raisers for philanthropic, religious and civic causes.

He was also a prominent Republican fundraiser, particularly during the political campaigns of Mr. Rockefeller, former Mayor John V. Lindsay and President Ford and former President Richard M. Nixon.

In a voice slowed by emotion, the Vice President told the 2,000 mourners at Temple Emanu-El, Fifth Avenue and East 65th Street, that "we are joined here because of the love we share for Gus Levy."

HIS ADVICE RECALLED

"What a fabulous friend," he said. "You looked at him for advice, and you always got it—not that you always liked it."

Then, with an uncertain smile, Mr. Rockefeller said, "I can still hear him on the telephone saying, 'Nelson, you're out of your cotton-pickin' mind.' "

"What an extraordinary man," the Vice President added. "Woe be it to the time-wasters when Gus said. 'Let's get on with it.' What a great American. His devotion to his country was unmatched. Gus leaves one of those voids no one among us can really fill. His great compassion always comforted you."

Before Mr. Rockefeller spoke, Terence Cardinal Cooke offered a prayer, intoned the 23d Psalm and, in a moment of reflection, recalled his long friendship with Mr. Levy.

"May the Lord give him peace forever," the prelate declared. "This is our prayer for our friend, Gus Levy."

Later the Cardinal met with members of the family at a private room in the synagogue.

"AMERICAN SUCCESS STORY"

In another eulogy, I. W. Burnham, chairman of Drexel Burnham & Company, called Mr. Levy "the great American success story, coming out of his beloved New Orleans to make his way in the big city."

Among his many accomplishments, Mr. Levy served for two years as chairman of the New York Stock Exchange.

The opening and closing prayers at the service were offered by Rabbi Ronald B. Sobel, spiritual leader of Temple Emanu-El.

Burial will be today in New Orleans at Metaire Cemetery, on Pontchartrain Boulevard. The service will be private.

Among the mourners were Senator Jacob K. Javits, Judge Irving R. Kaufman, Chief Judge of the United States Court of Appeals, and Mr. Lindsay.

The former Mayor, in a sidewalk interview after the service, said he was in a "state of shock" over Mr. Levy's death.

"In the years I was Mayor and in Congress,' Mr. Lindsay said, "Gus Levy helped me beyond measure."

[From The New York Times, Nov. 4, 1976]

GUSTAVE LEVY, INVESTMENT BANKER WHO LED GOLDMAN, SACHS, IS DEAD

(By Leonard Sloane)

Gustave Lehmann Levy, one of the most powerful men on Wall Street and head of the international investment banking firm of Goldman, Sachs & Company, died yesterday in Mount Sinai Hospital at the age of 66. Mr. Levy suffered a stroke on Oct. 26 and had been in the hospital's intensive care unit since then.

Perhaps the best-known figure in the monied world of investment banking and brokerage firms, Mr. Levy was also actively involved in a wide variety of corporate and civic endeavors and had long been one of the country's top fund-raisers for philanthropic and Republican causes.

In all of these roles he achieved such a measure of success and wealth that the name and accomplishments of Gus Levy, as almost everyone called him, were recognized far beyond the confines of New York's financial community, where he worked for 48 years.

As the senior partner and chairman of the management committee of Goldman, Sachs, he ran one of the nation's largest investment banking firms that has assets of $1.2 billion and last year raised $16 billion for corporations, states and municipalities. At his death, he was a member of the board of directors of the New York Stock Exchange and had previously been its chairman for two years.

Mr. Levy also served as a director of 16 major industrial corporations and as a trustee of the Bowery Savings Bank. In addition, he was a commissioner of the Port Authority of New York and New Jersey and a trustee of both the Museum of Modern Art and the John F. Kennedy Center for the Performing Arts in Washington.

Because of his expertise in financial matters, he was often elected treasurer of the nonprofit organizations to which he gave many hours, such as the Lincoln Center for the Performing Arts, the International Synagogue and the American Friends of Canada Committee.

For many years, Mr. Levy gave and raised large amounts of money for charitable

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Jewish Appeal of Greater New York and the Federation of Jewish Philanthropies of New York.

CHAIRMAN OF FORD DINNER

He was a prominent Republican fundraiser too, responsible for obtaining money for the campaigns of former Mayor John V. Lindsay on the local level, former Gov. Nelson A. Rockefeller on the state level and former President Richard M. Nixon and President Ford on the national level. Just two weeks before his stroke, he was chairman of a $1,000-a-plate dinner in New York to raise funds for Mr. Ford.

It was on Wall Street, however, that Mr. Levy made his reputation in the high-pressure business of trading securities. He first attracted attention as an arbitrager—a person who takes advantage of simultaneous price variations in securities on different markets—and later broadened, his scope to encompass all kinds of big-block trading, as well as underwriting, corporate finance, mergers and acquisitions and other investment banking activities.

A tall, rugged man with boundless energy, Mr. Levy always sought to be first on the scene whenever a deal could be consummated and frequently achieved his goal to the profit of Goldman, Sachs. A Wall Street story has it that one broker had learned of a multimillion-dollar oil discovery on an Indian tribal reservation in the Northwest and had immediately flown to the area to try to sign up this tribe as a client. But, when he arrived, the chief told him, "Sorry, Gus Levy was here yesterday."

In his office at one end of the Goldman, Sachs trading room on the fourth floor of 55 Broad Street and separated from the commotion there only by a swinging door and a sliding glass panel, Mr. Levy kept aware of the firm's changing ownership positions in various stocks and bonds.

During the last five years, the concern traded an average of more than 100 million shares annually for itself and its clients on the New York exchange and Mr. Levy—basically a trader—was intimately familiar with the important dealings in these blocks of stock. A sign on the trading-room floor says "A 250,000-share Block a Day Keeps Gus Levy Away" and many of his associates believed it to be true.

"People respected him and liked him, but he was tough and difficult," said one of these associates. "He would be direct when you made a mistake, but he didn't hold grudges. He would give you hell at 9:30 and 9:32 talk to you rather calmly about something else."

Gustave Levy was born in New Orleans on May 23, 1910, the only son of Sigmund Levy, a carton manufacturer, and Bella Lehmann Levy, no relation to the Lehman family that founded Lehman Brothers, another leading investment banking concern. His father died in 1923 and his mother took him and his two sisters to live for a while in Paris.

After attending the American School here for a few years, the family returned to New Orleans and Mr. Levy enrolled at Tulane University in 1927. But his stay there was just two months long because his mother could not afford to pay the tuition. He came to New York in 1938 to work, living at first at the 92d Street Young Men's Hebrew Association.

Although he remained a resident of New York since then, a touch of the South remained in his mannerisms, particularly in the sincerity and heartiness of his handshake when greeting acquaintances. "He has had that handshake ever since he went out for football at Tulane," said one friend.

Mr. Levy, who moved out of the 92d Street "Y" still owing it $2, later became a major contributor, a three-time president and a fund-raiser for its parent organization, the Federation of Jewish Philanthropies. "They gave me friendship and confidence in myself at a time when I needed it badly," he said afterward, and made a substantial donation to make up for the $2 debt he had incurred.

His first job in 1928 was on Wall Street—"it was the thing at that time," he said—with the brokerage firm of Newborg & Company. Mr. Levy began as a runner and, as he learned the business, became a trader and then a member of the arbitrage department. He liked to say that he was "one of the few guys who didn't lose any money in the crash because I didn't have any money to lose."

While Mr. Levy worked at Newborg through 1932, he also attended New York University at night, but never graduated. In appreciation for its contribution to his education, he subsequently donated large sums to the university. And for the last five years, he taught, without fee, a once-a-week investment course at its College of Business and Public Administration as a distinguished adjunct professor of finance.

In 1933, Mr. Levy was recommended by a friend to Goldman, Sachs—an old line investment banking firm founded in 1869 in a one-room basement office by Marcus Goldman and his son-in-law, Samuel Sachs—and was hired for $1,400 a year. He quickly demonstrated his ability on the foreign bond desk and then on the arbitrage desk, and moved upward through the ranks.

During World War II, he served in the Army Air Corps as a nonflying officer in Europe and was discharged as a lieutenant colonel. Although Mr. Levy had flown his own Stinson Voyager one-engine plane before the war, he didn't have enough experience to qualify as a military pilot. "At 32, I was too old for training," he observed after leaving the service.

Mr. Levy returned to Goldman, Sachs as a partner in 1945, gradually assuming greater responsibility internally and developing into one of the best new business executives on the street. In 1969, he became its head when Sidney J. Weinberg moved into semi-retirement and was the undisputed boss of the partnership since then with an annual income (much of it retained in the firm) estimated to be in the millions.

Goldman, Sachs and its partners, however, were confronted with some problems during Mr. Levy's years at the helm, of the sort that Wall Street firms frequently face during periods of stock market declines or business downturns.

One continuing problem at Goldman, Sachs has been suits filed against it by companies and individuals who bought the commercial paper—unsecured promissory notes—of the Penn Central Transportation Company from the investment banking house shortly before the giant railroad went into bankruptcy in 1970.

Under Mr. Levy's guidance, Goldman, Sachs moved from what had been a one-man show to a more broadly based operation with the formation of a management committee, first containing six partners and now with eight. At the time of his death, there were 47 general partners and 18 limited partners with total capital of $78 million invested, none of the partners owning more than 10 percent of the firm, Goldman, Sachs's average annual income before partners' taxes over the last five years was more than $25 million.

Mr. Levy was also active in the Securities Industry Association, the trade association of brokerage and investment banking firms. Last summer, he was chairman of a committee that proposed the testing of an electronic order project for exchange specialists as a preparatory step toward the creation of a national market system for securities trading.

With his business affiliations beyond his primary identification with Goldman, Sachs and Wall Street, Mr. Levy—a member of both the New York and American stock exchanges—had great weight in the American industrial world. His directorships included Braniff Airways, Studebaker Worthington Inc. and the Witco Chemical Corporation, all of which are client companies of Goldman, Sachs. He was also a director of such businessmen's groups as the Economic Development Council of New York City and the New York Chamber of Commerce and Industry.

When Mr. Levy turned away from his business pursuits, he devoted much of his time to Mount Sinai Hospital, where he was taken after the Oct. 26 stroke at a commissioners' meeting of the Port Authority in Manhattan. He was chairman not only of the hospital, but also of the Mount Sinai Medical Center and the Mount Sinai School of Medicine. Last June, the school named him an honorary doctor of humane letters, his third honorary doctrate.

Besides his Manhattan apartment at 4 Sutton place, Mr. Levy had a home called Apple Hill Farm in Armonk, N.Y. He enjoyed playing golf at the nearby Blind Brook Club and was known to take the "red eye express"—the overnight flight from Los Angeles to New York—after a business meeting and drive right to the club for a round of golf.

Mr. Levy is survived by his wife, the former Janet Wolf, whom he married in 1934; a son, Peter A., a partner of Goldman, Sachs; a daughter, Betty Levy Hess; five grandchildren and two sisters, Mrs. Cecile Norton and Mrs. Rose Kagan.

Funeral arrangements were incomplete last night.

REMARKS BY TERENCE CARDINAL COOKE

God of our father you have called our brother and our friend, Gus Levy, to your eternal love. He brings with him the wonderful record of all the good he did and all the people whose lives he touched. With your help he lived as a valiant leader in our community and our nation and his love for his neighbor reached out beyond the limits of race or color or religious belief. Welcome him now into everlasting life where there will be no more sorrow, no more weeping or pain, but only peace and joy. This is our prayer for our friend, Gus Levy. May the Lord bless him, may he shine his countenance upon him and be merciful to him, may the Lord give him peace forever. Amen.

REMARKS BY RABBI RONALD B. SOBEL

Friends, the Jewish community, the City of New York, the nation and indeed the world, has lost a very great man. And you who knew him and loved him and respected him and admired him, have come to this great sanctuary in his moment of eternity to say to him a loving and affectionate and a respectful final farewell and good-bye. We have all gathered to pay the tribute of our hearts to everything that was so magnificent in his heart. To remember the unique grandeur of his character, for Gus Levy strode among us as a giant. We are deeply honored, your Eminence, by your presence on our altar in his moment. Your friendship with Gus was very deep and your presence here reflects the universal character of Gus Levy's concerns. To express the thoughts of all of us, to share our feelings, to speak our love, I call upon J. W. Burnham an old and cherished friend for almost half a century, and the Vice President of the United States, one of the great citizens of our world, Vice President Nelson Rockefeller.

REMARKS BY J. W. BURNHAM

Dear Janet, Betty, Peter, Rose, Cecile, Roger, Kim and the grandchildren, devoted partners and employees of Goldman Sachs and Co. and the many many friends of Gus Levy, we are here today to pay our respects to this truly great man who has often used the phrase in jest "has gone to meet his maker." I will not dwell on the details of the career of this outstanding individual. You can read it in the newspapers. I am here just to speak of my friend, our friend. I knew Janet, Skinny, as Gus loved to call her while we were both growing up in Baltimore. And I met Gus later on in 1931 shortly after we both had come to New York.

Three years later Janet and Gus began a love story that will never end. For me and for so many others a friendship that will never end. In truth, this country of ours has lost one of its great citizens, this city one of its greatest financiers and without question its outstanding philanthropic leader. And the national community has lost Gus Levy and that is all one need say. His name, reputation and contributions are legendary. Gus is truly the great American story. Coming from his beloved New Orleans to make his way in the big city and what a job he did.

This city will reclaim the imprint of the great work of Gus Levy long after all of us are gone. I knew Gus when he made his first contribution to Federation. It was $100. What he has done since then in terms of work, time, devotion and gifts to hospitals, universities, museums, the Lincoln Center, and all types of philanthropy regardless of race, religion or color has never been equal in my opinion. This fine brilliant, tender-hearted man could never say no to any friend or worthy organization. Above all Gus was loved and he gave back his love in his own form of friendship. I know he never turned a friend down. And probably there are few in this Temple who haven't at one time or another asked Gus 'can you get my friend into Mount Sinai', 'will you head our drive?', 'will you go on the committee?' 'please sit on the dais', 'we expect you to call the cards'. No one ever questioned that he would give financially and of himself.

Gus was involved and he wanted to be involved in business, politics, philanthropy, the arts, and the hospital. He was a problem solver and in every case he did it well because of his tremendous capacity for concentration, his boundless energy and his devotion to a cause—that of helping people. Gus loved athletics, golf, fishing, he just plain loved life. Above all he loved his devoted Janet, his children Betty and Peter and his five grandchildren. It is to them that all of us express our grief over this sudden tragedy that takes Gus from them and from us at the peak of his career and before any of us could believe he was ready to go.

Gus, old friend, your work is done, you have lived through a tension ridden hectic period of world history and despite all of these problems you, more than any other we know, have enjoyed active participation in that kind of life. Now you can rest. No one who ever knew you will ever forget you. Amen.

REMARKS BY HONORABLE NELSON A. ROCKEFELLER

Faith, hope and love. The Scriptures say that the greatest of these is love. This morning we are joined here together because of the love we share for Gus Levy. And for his faith and hope and his life time of relentless dedication of the well being of all mankind. Today it doesn't seem possible that we are without Gus Levy. That I just can't pick up the phone and call Gus, it just doesn't fit. For as with so many of you Gus was part of my life. What a fabulous friend. You sought him out with problems. He found answers. You looked to him for

advice. You always got it. And there were times when you didn't like it, but it was solid like the man himself.

You turn to him in sorrow, his warmth, his great compassion always comforted you. You called him to share joys and how jubilantly he joined you. His was laughter, open, full and deep. And when he called you with that "Say Nelson I have got something I think you ought do" you knew you were into it. But when his first words were "Say Nelson you're out of your cotton pickin mind" you braced yourself because you probably had it coming. What an extraordinary man. He was so big, yet he took time for the little things that made living worthwhile.

He was so successful that he refused to accept any inevitability of failure. Whether he was attacking complex corporate problems in the boardroom or heart rendering human problems in the hospital wards or the drug addicts. Gus Levy knew there had to be a way if we would but get together to find it. He was prodigious a worker in business, civic affairs, philanthropy, his dedication to Israel, that he provoked others into action with monumental results. If he had any intolerance it was an intolerance for those who had abilities and opportunities that wouldn't use them for themselves, for themselves, for their country and the community. And lo be it to the timewasters. And Gus said "come on, let's get on with it" I've never known a more highly organized or more efficient man. That's why he lived ten lives in one.

What a great American. His love of country was unmatched. He served not only as a soldier in wartime but as a protagonist of democracy throughout his life. He understood America. He knew our freedoms, our civil rights, our religious liberties, our individual economic freedoms, were indivisible. And he not only fought to preserve them but he gave of his means and himself to enhance them. He was a family man. All of us know how close he and Janet have been and how he drew strength from her, from his children and his grandchildren. He was a deeply moral man and he knew and we know how his faith sustained and encouraged him, and gruff sometimes seemed to those who didn't know him, he was a loving man who really enjoyed the company of others and the joy of life.

He was a sentimental man, sentimental about things that really count in life and with it all he had a marvelous sense of humor. Gus leaves one of those voids no one among us can really fill. But that's because he was a man of so many parts, all so admirably played. How are we going to carry on those manifold tasks he shouldered so ably and so long? I can almost hear Gus saying it "Well you sure as hell better get together and do something about it." What a privilege it has been for all of us to have walked with Gustave Lehman Levy.

REMARKS OF RABBI RONALD B. SOBEL

And so the words have been spoken eloquently by the Vice President, by Mr. Burnbarn, we have placed the period at the end of the last sentence. And now the book is about to be closed. But Mrs. Levy and the children and the family, you know as all of us know, that the book that was the life of your beloved will be opened and read and reread with great love and abundant admiration. And so to you, Gustave Levy, the world says lach ba shalom, go in peace. May peace and quiet be thy portion throughout all of eternity. Oh Lord help us to understand that grief and love go hand in hand, the sorrow of loss is but the measure of a love that is stronger than death. And even though we cry now in the silent bereavement of our hearts may we be all of us as children who know that their parents are near and cling unafraid to the trusted hand. It is oh God with this love, with this faith and this trust that we commit him to thy keeping this magnificent son.

FINAL REPORT OF ADVISORY COMMITTEE ON NATIONAL GROWTH POLICY PROCESSES

Mr. HUMPHREY. Mr. President, the final report of the Advisory Committee on National Growth Policy Processes was released at a press conference held here in the Capitol Building this morning.

The committee's report, entitled "Forging America's Future: Strategies for National Growth and Development," is a document well worth reading—cover to cover. While small in size—slightly over 100 pages—it is packed with many important recommendations for improving our Nation's Federal policymaking process. The recommendations are directed toward both the executive branch and the Congress, State, and local government, and the general public.

Mr. President, this committee was created by an amendment of mine that was adopted by the Senate in 1974 to the bill authorizing the creation of the National Commission on Supplies and Shortages. My amendment charged the advisory committee with the responsibility of developing recommendations:

As to the establishment of a policy-making process and structure within the Executive and Legislative branches of the Federal Government as a means to integrate the study of supplies and shortages of resources and commodities into the total program of balanced national growth and development, as a system for coordinating these efforts with appropriate multi-state, regional and state governmental jurisdictions.

I offered the amendment creating this special committee as a result of my growing frustration at our National Government's seeming inability to anticipate and deal with the large problems of our time, and concern that unless such capability is developed—and soon—America's position in the world and here at home could be irreversibly damaged.

As I said when I offered my amendment:

In today's world, everything relates to everything else. No problem, no policy issue, can be totally insulated from other problems and policy issues. What happens in agriculture affects our energy policy, our transportation policy, and our foreign policy. What happens in our energy policy affects our transportation policy, our economic policy and our foreign policy. And the litany of interrelationships between and among policy areas goes on and on.

But unfortunately, our governmental institutions and policy-making processes today are not designed or equipped to reflect those interrelationships or to provide for long-range policy analysis.

Mr. President, while the Advisory Committee on National Growth Policy Processes was given very little time, staff, and budget to perform its mission, it did an outstanding job. The committee, made up of distinguished leaders of business, labor, State and local government, the academic community, and of consumer and public interest groups, had as its Executive Director, Mr. James E. Thornton, who has been pioneering and providing initiatives in national policy planning for the past 10 years.

He and his committee associates have produced a very constructive report and set of recommendations, which if adopted, would greatly enhance our Nations's ability to think ahead and to develop national policy on a more comprehensive and integrated basis.

Present and emerging issues of national growth and development entail some of the most complicated issues and difficult problems our Nation has ever faced. Decisions made to meet them must be farsighted and based upon systematic investigations of their needs and consequences.

The United States in the shrunken, interdependent, complex, and ever-changing world that has developed since the end of World War II has found itself too often floundering in its search for accommodations and answers to problems—new ones and those arising from old decisions.

American citizens, as a whole, are coming dangerously close to disillusionment about Government's ability to govern.

Successive Presidents and their administrations have seemed to react only to fire bells in the night rather than anticipating potential dangers. Congress exhibits concern and frustration about erratic Executive leadership and its difficulties and its own inability to address important national issues more comprehensively. Cities, States, and regions find themselves wrestling with intractable problems that the Federal Government tries to solve with large, but largely palliative, financial assistance.

Domestic problems, that frequently should have been early seen, are dealt with on a piecemeal basis. Foreign influences on domestic prosperity and well-being, too often are not recognized in time.

The institutions and policymaking processes at Government's disposal are not equipped at present to evaluate the interrelationships of domestic and international problems, except perhaps in the area of national security, and do not now have the long-range policy analysis capacity needed.

While the advisory committee has taken no position on the goals of national policy, or about the subjects for which there should be goals, the committee does believe that the Government will discharge its responsibilities better if it and the public have a longer run, more comprehensive and more reliable view of the prospects of the society and of the consequences, direct and indirect of action taken.

There is at present such a lack—although it is not the only reason for deficiencies of public policy—which the committee decided to give the primary part of its attention. Suggestions are made in the committee's report that could be helpful in increasing and improving the amount of information, analysis, and options that should be available to the Executive, Congress, and the public for our governance.

The advisory committee found no lack

of desire among Government organizations to know in advance about emerging problems nor opposition to improving long-range policymaking processes. Nonetheless, they found performance in these areas needs substantial improvement.

Intensive studies have been done but recommendations—by commissions, committees, departments, and agencies—have been either half-heartedly implemented then dropped or completely ignored. Mechanisms that have been created to attack evident problems and policy requirements have been given too circumscribed ambits to effectively do what is needed. The organizations in the Executive Office of the President, are not now equipped to give the President the options he needs for more compresensive and long-range planning and policymaking, although some of them are adaptable to the task. The Advisory Committee directed its attention to the President's Office, rather than those run by his Cabinet members because his office is uniquely situated to bring together the totality of all the country's interests, needs, and desires.

Intergovernmental efforts have been grossly insufficient and fragmented, but some of the existing mechanisms might usefully be further examined in this regard.

As the committee notes in its report, there should be no trepidation about the word "planning." To a large extent, the United States, both in the public and private sectors, relies heavily on planning as a management tool. But most of this planning is narrow in scope, and not policy-directed.

The country can safeguard against the repressive aspects of planning if the planning is done openly with participation by the public as well as its elected representatives and ample provision made for public debate. Such policy planning should be approached with a humble recognition that solutions are not easily found and there are no technocratic absolutes. The consequences of not planning also must be considered and they are ominous.

Needed are new national strategies: recognizing where current policies are leading us, statements of required policies and options for their attainment, and careful monitoring of executive and legislative action taken. The dangers of a "planned" society against a "planning" society could thus be avoided.

There is a large irony that the United States should be concerned with the lack of long-range governmental planning. From the beginning of the Marshall Plan and through the period of intensive economic aid to developing countries, the Federal Government required that detailed, comprehensive and long-range plans for the spending of such assistance be prepared by the recipients before the money was advanced.

These requirements, and foreign countries' reliance on methods used for economic analysis pioneered in the United States, have brought many Western European nations and Japan to a point where their ability to integrate general economic, regional and sectoral development policies seem far to surpass our own.

The Federal Government also provides millions of dollars each year to State and local government to plan. However, for some strange reason it has been reluctant to engage in planning its own policies and activities.

Mr. President, I ask unanimous consent that the committee's recommendations in brief, along with a list of committee members, be printed in the RECORD immediately following the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, I wish to commend and thank all the members of this Advisory Committee for a job well done. I hope both President-elect Carter and the 95th Congress not only read and study the committee's report, but adopt its recommendations. We must begin now to develop the analytical methods, policy development processes, and governmental structures that will eventually give our Nation the national policy planning capability it requires.

Two centuries ago Thomas Jefferson recognized the need to periodically reform our institutions of national governance when he wrote:

I am not an advocate for frequent changes in laws and constitutions, but those institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered, and opinions change with change of circumstances, institutions must advance to keep pace with the times.

The Advisory Committee on National Growth Policy Processes makes the following recommendations in part II of its report.

EXHIBIT 1

THE NATIONAL GROWTH AND DEVELOPMENT COMMISSION

1(a) The Committee recommends that a National Growth and Development Commission be created as an independent agency in the Executive Branch of the Federal government. It should have a broad mandate to examine emerging issues of middle- to long-range growth and development, and to suggest feasible alternatives for the Congress, the President and the public. In creating the Commission, Congress should impose upon itself and upon the President the requirement that both respond to the reports issued by the Commission.

1(b) The Committee recommends that the responsibility for preparing the National Growth Policy Report be transferred from the President to the Commission.

THE EXECUTIVE OFFICE OF THE PRESIDENT

2(a) The Committee recommends broadening the Economic Report of the President so that it includes more analysis by sector and region and sets forth Presidential goals, plans, priorities, and initiatives for programs and policies related to national growth and development.

2(b) The Committee recommends that the staff of the Executive Office of the President be strengthened to help prepare the expanded Economic Report, to advise on technical, sectoral, interdepartmental, and intergovernmental problems, and to probe policy choices.

THE CENTER FOR STATISTICAL POLICY AND ANALYSIS

3(a) The Committee recommends a substantial increase in funds for the collection and analysis of data by Federal agencies.

3(b) The Committee recommends the creation of a Center for Statistical Policy and Analysis to coordinate statistical support for the work of the President and Congress. The Center should be provided funds to contract with other Federal agencies and with outside sources for the design of techniques and the acquisition of data to serve its own needs as well as those of senior Federal officials and other interested public or private institutions.

3(c) The Committee recommends that the Center develop a model of the American economy, broken down by region and sector.

3(d) The Committee recommends that the Center for Statistical Policy and Analysis be an independent agency in the Executive Branch, but outside the Executive Office of the President.

THE CONGRESS

4(a) The Committee recommends that Congress take steps to improve its ability to react to cross-cutting and longer-range problems which cannot be easily dealt with by the present narrowly organized Congressional structure. Party leaders and caucuses in each House should play a larger role than they now do in determining the nature of Congressional response to initiatives from the Executive Branch.

4(b) The Committee recommends that the Senate provide for the creation of ad hoc select committees similar to those that now function in the House.

4(c) The Committee recommends that the Congressional committee report accompanying each bill include an outline of the bill's foreseeable indirect and middle- to long-range effects, as well as a concise statement of the general goals and specific objectives to which the bill is directed.

4(d) The Committee recommends that the Federal Government move towards a multi-year budgetary cycle.

4(e) The Committee recommends that the Joint Economic Committee, which now responds to the Economic Report of the President, be continued, and that its staff and resources be expanded so that it can respond to those sectoral and regional analyses which we have recommended be included in the Economic Report of the President.

PUBLIC PARTICIPATION IN THE FEDERAL POLICY-MAKING PROCESS

5(a) The Committee recommends that responsible public participation in policy-making that affects national growth and development be encouraged by providing for public access at each stage of the process. Tax deductions should be permitted for moderate contributions to membership organizations seeking to influence government decisions, and direct financial assistance should be given to groups which could not otherwise be heard.

INTERGOVERNMENTAL/TERRITORIAL DIMENSIONS OF NATIONAL GROWTH AND DEVELOPMENT

6(a) The Committee recommends that the responsibilities of the Advisory Commission on Intergovernmental Relations be expanded to improve analysis of intergovernmental and territorial policy issues.

6(b) The Committee recommends that the special study of national growth and development problems authorized in the most recent amendments to the Public Works and Economic Development Act explore which regional organizations for cooperative Federal and state development planning are considered most appropriate by the Federal government, the Governors, and the local officials in each section of the country. The

findings and proposals of that study should be enacted as amendments to the Public Works and Economic Development Act.

MATERIALS AND COMMODITIES POLICY

7(a) The Committee recommends that steps be taken to rationalize the activities for data collection and analysis of the Departments of Interior and Commerce and other agencies that now gather information on materials and commodities. Statistical functions should be separated from policy advocacy within the departments, and intergovernmental cooperation should be arranged to make the collection and dissemination of such statistics efficient and comprehensive.

7(b) The Committee recommends that the President designate a Cabinet member or senior personal aide to monitor developments in the field of materials and commodities.

7(c) The Committee recommends that, if economic stockpiles are established, the criteria for creation, expansion, and disposal of stockpiled commodities be clearly defined.

7(d) The Committee recommends that Congress and the President give serious consideration to strengthening our nation's food and agricultural information systems, and to the establishment of a grain stockpile system (utilizing both government and private stocks) for purposes of economic stabilization.

ADVISORY COMMITTEE

James E. Thornton, Executive Director.

Arnold A. Saltzman, Chairman, The Seagrave Corporation.

Roger S. Ahlbrandt, Chairman, Allegheny-Ludlum Industries Corporation.

Norman Beckman, Acting Director, Congressional Research Service.

Jacob Clayman, Secretary-Treasurer, AFL–CIO, Industrial Union.

Carol Tucker Foreman, Executive Director, Consumer Federation of America.

John W. Gardner, Chairman, Common Cause.

Richard Hatcher, Mayor, Gary, Indiana.

Wassily Leontief, Professor, New York University.

Patrick J. Lucey, Governor, State of Wisconsin.

Richard E. Neustadt, Professor, Harvard University.

Charles Pillard, President, International Brotherhood of Electrical Workers.

William M. Roth, Director, Pacific National Life Assurance Company.

Richard B. Scudder, Chairman, Garden State Paper Company.

Herbert Stein, Professor, University of Virginia.

Simon D. Strauss, Executive Vice President, ASARCO, Inc.

Eric A. Walker, President Emeritus, Pennsylvania State University.

Ralph Widner, Director, The Academy for Contemporary Problems.

Harris Wofford, President, Bryn Mawr College.

Leonard Woodcock, President, United Automobile, Aerospace and Agricultural Implement Workers.

CONFLICTS OF INTEREST AND ETHICS; APPOINTEES' GUIDELINES

Mr. PROXMIRE. Mr. President, President-elect Carter has issued a statement on conflicts of interest and ethics applying to officials who will serve in his administration. The text of the rules appeared in the New York Times, January 5. I would like to take this opportunity to commend President-elect Carter for this important public interest action.

I am particularly gratified by President-elect Carter's stand against the revolving door practices whereby Government regulatory agencies have become a training ground for individuals on the way up the economic ladder leading to high paying jobs immediately after Government service in the very industry they regulated. These practices have led to short tenured Government service by many officials and weak regulation which has ill-served the American public.

I commend President-elect Carter's throughtful position on this important matter to my colleagues for consideration.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXTS OF CARTER STATEMENT ON CONFLICTS OF INTEREST AND ETHICS; APPOINTEES' GUIDELINES

PLAINS, GA., *January 4.—Following are the texts of the statement issued today by President-elect Carter on conflicts of interest and ethics, the agreement to be signed by top political appointees and the accompanying guidelines:*

STATEMENT

The transition group has studied existing laws and regulations bearing on conflicts of interest and the regulation of ethics of officials in the executive branch of government. The existing law is extremely strong in prohibiting outside earned income. Governor Carter heavily approves of that law and its policy.

The existing law and regulations do not go as far as Governor Carter felt appropriate as to the public disclosure of sources of income and statements of assets and liabilities. The President-elect, the Vice President-elect and all those appointed to Cabinet and White House posts will voluntarily make such statements available to the public shortly after the inauguration.

Under power delegated to the President by Congress, an executive order will be issued requiring such disclosure by all policy-making officials of the executive branch.

It appears that for those positions requiring confirmation by the Senate, a careful job is done by Senate committees of screening assets and liabilities of nominees for potential conflicts of interests and, in most cases, appropriate divestitures have been made.

However, there appears to be a need for more uniform policies and more thorough screening of assets and liabilities of policy-making officials in posts not requiring Senate confirmation.

Therefore, we are releasing today, guidelines designed to make more uniform the policies relating to divestiture, including policies on the characteristics of trusts. The new administration will give special emphasis to better enforcement of screening procedures for officials in policy-making posts not requiring confirmation by the Senate.

The transition study does not regard present laws on employment subsequent to Government service as adequate. Studies by Congressional committees and citizen groups show that further steps are needed to ensure that former Government officials cannot use their personal contacts gained in public service for private benefit.

Governor Carter has asked all persons nominated to positions in the executive branch and to independent agencies to make voluntary commitments in this regard. Those commitments are contained in an attachment.

It appears that additional legislative action will be needed to satisfactorily close the "revolving door." Such action will need to give separate attention to each agency or department. The Carter administration will work, beginning immediately after the inauguration, with interested citizens groups and the Congress to develop such legislation.

GUIDELINES

It will be the policy of the Carter-Mondale administration to appoint and nominate for appointment only persons of high ability who will carry out their official duties without fear or favor and with an equal hand, unfettered by any actual or apparent conflicts of interest.

To decree that no person can have any financial interests other than a salary from the Government would seriously limit the ability to recruit the most qualified persons.

The Carter-Mondale administration will require full disclosure of all continuing affiliations and of assets and liabilities of nominees and their families. It is hoped that except in rare circumstances, divestiture causing severe tax burdens will be unnecessary if the present laws and regulatory framework are diligently and fairly administered.

The following guidelines pertain to the assets and liabilities of the nominee, the spouse of the nominee and the nominee's minor child or children, partner, or any organization in which the nominee continues to serve as an officer, director, trustee, partner or employee while in the Government service or any private organization with which the nominee has negotiated or has any arrangement concerning prospective employment.

All nominees will be expected to comply with all relevant statutes (particularly 18 U.S.C. Section 208) and rules and practices of the particular department or agency served.

If the person is nominated to a Level I or II position, divestiture should occur if compliance with the provisions of 18 U.S.C. 208 indicates a conflict requiring disqualification from action for the Government more than rarely.

Nominees for positions at Level III and other positions of the Government should require divestiture because of conflicts arising under 18 U.S.C. Section 208 only if use of disqualification will seriously impair the capability of the officer to perform the duties of the office to which nominated.

Beyond the requirements of 18 U.S.C. Section 208, persons nominated to positions at Levels I or II should divest holdings and liabilities where the nature of the holding or liability is such that it will be broadly effected by governmental, monetary and budgetary policies.

Generally excepted from requirements of divestiture (unless the particular position indicates continuing conflicts arising in Government service with respect to a particular interest) will be made for:

A. Real estate interests whether in the form of participations in partnerships.

B. Savings certificates and accounts and U.S. and other governmental securities.

C. Other holdings which are diversified; e.g. less than a 1 percent holding of a world-diversified mutual fund or a total of not more than $500,000 invested in diversified assets.

Blind trusts will be recognized as appropriate methods of divestiture where divestiture is required provided:

A. The trustee is truly independent;

B. The assets transferred in trust are either cash or diversified assets;

C. The trustee is given entire discretion and expressed direction to sell or buy without discussion with the Government officer

or anyone close to such officer and the only reports given to the Government office are the schedules necessary to file with income tax returns (which schedules do not list anything more than total of taxable items from the trust).

The attention of nominees will be directed to the provisions of 18 U.S.C. Section 209 prohibiting receipt of any compensation for Government service from any party other than the United States.

While the matter of payments for services prior to entry into Government service is properly addressed by local counsel to the appointee and the organization making the payment, the following general guidelines seem appropriate:

A. If there is a pre-existing established plan of the particular organization to reward past service, obviously such plan can be recognized and followed.

B. If there is no pre-existing established plan of the particular organization it is suggested that a payment in excess of six months of salary or in excess of a range of $50,000 to $75,000 would need careful examination.

In all events, it is expected that payment of any severence benefits will be completed prior to the nominee's taking office in the Government or within a reasonable time thereafter and that a copy of a favorable opinion of counsel to the nominee and the organization making the payment that it is lawful will be furnished.

While 18 U.S.C. Section 209 (b) allows continuing participation in bona fide pension, retirement, group life, health or accident insurance, profit-sharing, stock bonus, or other employee welfare benefit plan maintained by a former employer, nominees will be asked generally to exercise any stock options prior to commencement of Government service (unless, because of the requirements of the Securities Exchange Act, such exercise should occur within a reasonable period after beginning Government service in which case the Government officer may exercise within such limited period, providing other guidelines are followed concerning conflicts of interest as above stated).

Nominees will also be asked not to have contributions made to profit-sharing plans by former employers based on earnings of the former employer after the Government officer takes office.

Deviations from the foregoing guidelines will only be made with the expressed consent of the President-elect with respect to Level I and II appointments and by heads of departments or agencies with reference to other appointments. The reasons for the deviations will be made public.

It is proposed to ask appointees to enter into a letter of commitment, which, in several respects, calls for the disclosure of financial information beyond the requirements of existing law and regulations.

It is contemplated that the financial disclosure requirements will be made subject to an executive order shortly after the new administration takes office.

The attached letter of commitment also describes certain restrictions requested of nominees following Government service shortly after the new administration takes office. Congress will be requested to take action along the lines spelled out in the attached letter of commitment.

It will be the policy of the new administration to encourage every department and agency of the Government to advise every new employee of existing laws and regulations relating to conflicts of interest and to have a prior screening of such conflicts at the time of the appointment.

It will be a further policy to encourage departments and agencies to institute procedures for continuing policing of conflicts.

It is the objective of the new administration to avoid any conflict which could in any way influence any Government officer except in the even interest of all the people.

AGREEMENT

Honorable Jimmy Carter
President-elect of the United States
Dear Sir:

Sharing your determination to assure the American people of the integrity of your administration and appreciating the confidence you have shown in me by proposing to nominate me to be (to be filled in).

In addition to complying with applicable Federal laws and regulations relating to conflicts of interest, if I am nominated, confirmed and take office, I agree that:

(1) I have already filed or will file within 30 days of taking office with those persons you specify, the following information which may be made available to the public as you may direct:

(A) A complete current net worth statement itemizing all assets and liabilities of myself, my spouse, my minor children, and other members of my immediate household; and

(B) A sources of income statement for the year 1975 and for the period of time ending no earlier than 60 days before the above date listing all sources and amounts of all items of value received by me, my spouse, my minor children and other members of my immediate household including, but not limited to, salaries, wages, fees, honoraria, or other compensation, dividends, interest, rents, royalties, proceeds from the sale or exchange of property, and gifts.

(2) While in office, in addition to complying with 18 U.S.C. Section 208, I will similarly refrain from participating in any particular matter, as that term is used in Section 208, in which any party as here in after specified had a direct and substantial interest:

(A) any party with which I am associated for financial gain within the year prior to taking office as officer, employe, director, trustee, partner, or owner of more than one per cent of value of the outstanding equity ownership; or

(B) with which I am negotiating or have an arrangement whether as a consultant, employe, partner, or any other position to be held for financial gain; has a direct and substantial interest.

(3) In addition to complying with the restrictions which may be imposed on me by Federal law after termination of my Government service, including those contained in 18 U.S.C. Section 207, I will not for two years following such termination, engage in any activity from which Section 207(b) will bar me during the first year after such termination. Also for two years following termination of Government service, I will not, for compensation or financial gain, on behalf of any party other than the United States, make any formal or informal appearance before, or contact with, any officer or employee of the executive branch with respect to any particular matter as defined in Section 207 which was within my official responsibility as defined in 18 U.S.C. Section 202(b) during the 12 months preceding termination of my Government service.

(4) For one year following termination of my Government service I will not, for compensation or financial gain, on behalf of any party other than the United States, make any formal or informal appearance before, or contact with, any officer or employee of the (insert appropriate name of department or agency).

(5) I will, while in Government service and for two years after leaving Government service, file periodically in accordance with regulations to be promulgated by you statements of sources of income more particularly described in subparagraph (1)(b) above.

(6) In accepting the position for which you propose to nominate me it is my intention to serve for the entire term for which you appoint me and, if my term is indefinite, it is my intention to serve as long as you wish me to serve.

Very truly yours,

In order to prevent possible financial conflicts of interest while President, Governor Jimmy Carter is taking the following actions:

1. All common stock is being sold, consisting of 100 shares of Rich's, Inc. and 956 shares of Advanced Investors. A small net loss on this stock is likely.

2. Jimmy Carter's interest in (a) Carter's Warehouse and Carter Farms, Inc., and any funds related to them (b) all property except the private home and personal items, and (c) his father's estate will be transferred to a trust. Income or principal from the trust will be available to Jimmy Carter but only as distributions of cash.

3. No reports will be made to Jimmy Carter from the trustee or any investment advisers other than minimum tax information and an annual statement of the net value of the trust. Such information, when received, will be made available to the public.

4. All salaries, profits and direct or indirect benefits from the farms or warehouse will be terminated as of Jan. 20, 1977, except as described above.

5. Trust agreement will require that investment decisions be delegated to an independent institution if investment assets, other than land, exceed $200,000.

6. Carter Farms, Inc., comprised of all farm land owned by members of the immediate family (Jimmy Carter his wife and children) will be retained by the trust but will be rented and for an annual fixed amount. Annual after tax income to Jimmy Carter will not exceed the amount established during the first year (calendar year 1977). Thus, the Carter family will not be affected financially from profits or losses of any of the farm operations. Jimmy and Rosalynn Carter are resigning as officers and directors of this corporation.

7. Carter's Warehouse, a partnership consisting of Jimmy Carter, his brother Billy and his mother Lillian, will be either leased for four years for a fixed amount or sold, at the discretion of the trustee. Again, neither Jimmy Carter, his wife nor children will be affected financially from profits or losses of any of the warehouse operations.

8. An independent charitable foundation will receive contributions, outright ownership of a book of speeches soon to be published and royalties from "Why Not the Best?" The primary purpose of this foundation will be to establish a future library to house Presidential papers, documents and memorabilia.

RURAL MEDICINE

Mr. LEAHY. Mr. President, the New York Times of January 6, 1977, carried an excellent article entitled "Rural Medicine" by Karen Davis, a senior fellow at the Brookings Institution. Ms. Davis cogently and concisely pointed out the fact that an urban bias exists in many Federal programs for extending health services to disadvantaged Americans, despite the fact that the health needs of many rural Americans are equal to or greater than those of many of our urban dwellers.

The Health Manpower Act of 1976 contained a number of provisions to help alleviate the shortage of physicians and other health professionals in many parts of rural America. In addition, the Department of Health, Education, and Welfare has initiated a number of innovative projects for improving health care delivery in those areas. Notable in that regard is the increased use of nurse-

practitioners who treat patients under the supervision of physicians in nearby communities.

However, present medicare policies prohibit the reimbursement of nurse practitioners unless a doctor is physically present at the time of treatment. Likewise the medicaid programs in most States do not cover these services. These policies obstruct the access of many elderly and impoverished rural Americans to the health care they need. In some cases they have forced badly needed clinics to close down. In others, they do not open in the first place, because of the threat of having to close down 1, or 2 or 3 years after developmental funding runs out.

As Ms. Davis concludes in her article, it is time for these policies to be reversed. There is ample evidence to alleviate past concerns about the quality of care provided by nurse practitioners. There can be little, if any, doubt that medicare and medicaid reimbursement for nurse practitioner services would greatly improve the health of millions of rural Americans.

Mr. President, I commend this article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RURAL MEDICINE

(By Karen Davis)

WASHINGTON.—Federal programs have done much in the last ten years to extend health care to disadvantaged Americans. Unfortunately, these programs contain urban biases that cause them to largely bypass many rural people, who generally have greater health needs and fewer health services than urban residents. These restrictions also have impeded the growth of innovative programs that have emerged to overcome the difficult problems of developing stable rural medical-care delivery systems.

The myth that rural people enjoy good health and need less care persists despite solid evidence to the contrary. Infant-mortality rates are shockingly high in many rural areas. Age-adjusted death rates are higher in non-metropolitan than in metropolitan areas and have been declining at a slower rate. Chronic conditions afflict rural people more frequently and more severely than urban residents. Respiratory illness among adults and occupational accidents are particularly serious problems. Immunization rates and preventive-health services are also deficient.

There are many interrelated reasons for the failure of rural residents to share fairly in the benefits of modern medicine. Poverty rates are higher and private health insurance coverage is more limited. Furthermore, about 35 million rural residents live in areas with a shortage of physicians and other health professionals.

To try to alleviate this shortage, Congress recently passed a major health manpower act increasing the number of scholarships and insured loans to students in the health professions agreeing to practice in underserved areas.

Yet, while the health manpower legislation strongly encourages rural practice, other Federal programs are biased against rural areas. Medicaid, for example, was designed to deal mainly with urban poverty. Furthermore, most of the rural poor live in the South, where Medicaid programs are inadequate.

These factors, together with the shortage of health resources in rural areas, have contributed to great disparities in the distribution of Medicaid benefits: Medicaid payments average $5 annually per child in rural areas, compared to $76 for children in central cities.

Medicare pays rural physicians 60 percent less than their urban counterparts because it compensates physicians on the basis of prevailing charges, which are lower in rural areas. This practice makes it difficult to attract and retain rural physicians.

Several innovative approaches to delivering rural health services have been initiated recently. The Department of Health, Education and Welfare supports a limited number of rural health practices staffed by temporary National Health Service Corps physicians. The Robert Wood Johnson Foundation supports a model rural practice demonstration program. This program establishes nonprofit group health practices staffed by a professional manager, two or more physicians and non-physician health professionals to relieve physicians of some of the burdens of overwork and professional isolation typical in solo rural practices.

Many smaller towns cannot support their own doctor. In a number of communities, health centers have been established with financial support from state governments, the Appalachian Regional Commission, private philanthropy and community fund drives.

These centers are staffed by nurses or other health practitioners who see patients under the supervision of physicians in more distant communities.

Medicare has followed the policy of refusing to pay for patient care provided under these circumstances; most states do not cover these services under Medicaid. These restrictions threaten one of the most economical techniques of providing rural health services in remote areas. Without adequate reimbursement, many primary health centers will close when initial demonstration funds expire.

The experience of the Black Belt Community Health Program in Epes, Ala., exemplifies many of the obstacles that confront innovative rural health projects. Epes is situated in Sumter County, where two-thirds of the residents are black, one-fourth are illiterate and half live in housing without such services as indoor plumbing and telephones. Infant mortality is 2.5 times the national average. Hypertension, diabetes and impetigo are major health problems. The Federation of Southern Cooperatives, in Epes, has struggled since 1972 to establish a health clinic there. After an initial planning grant, the Government has declined to offer any direct assistance. With support from a private foundation, the Black Belt Center opened in April 1976, staffed by a physician from the area and two nurses.

Its financial future is uncertain. While nearly all of its patients are poor, Medicaid covers only one in four.

Without reform of Medicare and Medicaid to cover all the poor and to compensate rural health clinics adequately for the services they provide, the Black Belt Center and similar efforts to bring quality health care to Americans in hundreds of other rural communities will fail.

DEATH OF ROBERT HALE

Mr. MUSKIE. Mr. President, Robert Hale, who served Maine in the House for eight terms, died November 30. A Portland native, graduate of Bowdoin College, and a veteran of World War I, he began his political career in 1923, with four terms in the Maine House of Representatives, including one term as Speaker of the House.

He was elected to the Federal legislature in 1943, and his 16 years are the longest tenure of any member of the House from Maine in this century.

He was a strong and sharp-witted defender of his political philosophy, and as such he gained the respect of people in Maine of all political philosophies.

He served his State well as a member of the Merchant Marine and Commerce Committees, and continued a family tradition of service to Maine in Congress.

I thoroughly enjoyed my association with Bob when he was a member of the Maine congressional delegation during my service as Governor of Maine. He and Mrs. Hale were always warmly hospitable to me and Mrs. Muskie.

Mr. President, I ask unanimous consent that an article on Robert Hale in the December 2 edition of the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROBERT HALE, 87, DIES, LAWYER, FORMER MAINE CONGRESSMAN

Former Rep. Robert Hale (R-Maine), who had maintained a law practice here since leaving the House of Representatives in January, 1959, died Tuesday at George Washington University Hospital after apparently suffering a heart attack.

He was stricken while en route to his office at 1125 15th St. NW. His death came one day after his law associates had honored him at a party marking his 87th birthday.

Mr. Hale, who first took his seat in Congress in 1943, was defeated for reelection in 1958. Just months prior to that last campaign, a House Elections Subcommittee had decided that he had won a bitterly contested 1956 election in Maine's First Congressional District by 111 votes.

During his eight terms in Congress, he was considered a caustic and witty opponent of Democratic administrations.

In 1952, when President Truman ordered government seizure of the nation's steel mills to avert a strike, Mr. Hale joined an unsuccessful move on Capitol Hill to cut off all funds for government operation of the mills.

He introduced a resolution designed to start the ball rolling for impeachment proceedings against the President. But both Republican and Democratic leaders shied away from such a move.

Born in Portland, Maine, a member of a prominent political family, Mr. Hale was a graduate of Bowdoin College. He was a Rhodes scholar at Trinity College, Oxford. He attended Harvard Law School and later practiced law in Boston and Portland.

During World War I, he served as an officer with the American Expeditionary Force in France.

In 1919, he was a legal adviser to the field mission sent by the American Commission to Negotiate Peace to Finland, Estonia, Latvia and Lithuania.

Mr. Hale was a member of the Maine House of Representatives from 1923 to 1930, serving as speaker during the last two years.

Shortly after he left Congress, President Eisenhower appointed him to a commission to conciliate differences between the United States and Switzerland.

Mr. Hale had been an overseer for many years of Bowdoin College and was active in its Washington Alumni Club and the Maine State Society here, which honored him with its "M" for distinguished service.

He was a member of Phi Beta Kappa, the American Bar Association and the Metropolitan Club.

He also had been a member of the Committee of 100 of the Federal City and was past president of the City Tavern Association.

He is survived by his wife, Agnes Burke Hale, of the home, 2722 N St. NW; a daughter, Mrs. Cornelius J. Tyson, of New York City, and six grandchildren.

The family suggests that expressions of sympathy may be in the form of contributions to Bowdoin College.

NATIONAL "PRAYER FOR THE PRESIDENT" DAY

Mr. ALLEN. Mr. President, the members of the South Avondale Baptist Church of Birmingham, Ala., have undertaken the sponsorship of a Prayer for the President Day to be observed on Sunday, January 16, 1977, and they have requested the President to proclaim this day as a national observance, a request in which I have joined.

As a people whose heritage is deeply rooted in religious faith, I believe that it is entirely fitting and proper for Americans to thank God for His past blessings and to pray for His continued guidance for our national leaders and for our country.

I am proud that this congregation in my home State has initiated this Prayer for the President Day, and I join my fellow Alabamians in urging that this observance be nationwide.

Mr. President, I ask unanimous consent that the explanation of this special day be printed in the RECORD, along with a copy of the message from Rev. H. L. Martin, national chairman of Prayer for the President Day and interim pastor of South Avondale Baptist Church, to President Ford.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL PRAYER FOR THE PRESIDENT DAY, JANUARY 16, 1977

Believing that the principles on which this Nation was founded were from God, and also believing that the sustenance of it is dependent upon the leadership of God, we submit the following purposes of this "Prayer for the President Day":

To encourage all churches and other places of worship in America to pray for President-elect Carter and his administration at a worship service on this day.

To ask Americans everywhere to spend more time in personal prayer on this day for President-elect Carter.

To ask Americans to commit themselves to praying daily for America and its leaders.

SOUTH AVONDALE BAPTIST CHURCH,
Birmingham, Ala.

Senator JIM ALLEN,
The Senate Building,
Washington, D.C.:

The following mailgram was sent to President Ford, we will appreciate any support you can give in having the President proclaim this national date of prayer.

Realizing the tremendous responsibility that rest on the leaders of our Nation and realizing the need for God's guidance in these responsibilities, the congregation of South Avondale Baptist Church, Birmingham, Ala., has voted to sponsor a National Prayer for the President Day on January 16, 1977. On this day we want to encourage people all over America to pause and pray for our Nation and its leaders and to commit themselves to continue prayer.

We, as a small congregation, but a congregation feeling strongly, about the power of prayer, ask that you proclaim January 16, 1977, as a National Day of Prayer.

We want to assure you of our gratitude for your great leadership and of our prayers for you and your continued service to our country.

H. L. "LINDY" MARTIN,
Pastor.

STUDIES AND MANPOWER REPORT CONTRIBUTE PERSPECTIVE TO NATION'S UNEMPLOYMENT AFFLICTION

Mr. HUMPHREY. Mr. President, in the past 3 months since we last met, I am happy to report the Republic has survived. But I am unhappy to report that the "economic pause that refreshes" has become the lull that depresses.

Since October, the unemployment rate has risen to 8.1 percent. Growth of the country's output of goods and services has slowed and stagnated. This is in the middle of a supposed recovery. The need for congressional action to alleviate the human suffering has never been more urgent.

What we failed to do in the 94th Congress haunts us today at the beginning of the 95th. We cannot be complacement, but neither should we belabor the past; we should learn from it, and not repeat our policy errors of omission. This can be a Congress of which historians will say, "they cared, they listened, they thought, they acted wisely." And with Mr. Carter in the White House, our opportunities for addressing the domestic crisis of underproduction and underutilization of the Nation's productive labor and capital resources are bountiful. But if we botch it, and miss those opportunities, the blame will be ours as it has never been before.

That is why I wish to share with my colleagues the conclusions of several important studies completed since we adjourned which add to the wealth of evidence supporting a comprehensive commitment to full employment through public policy.

First, I call your attention to the November Labor Department Employment and Training Administration study, "Federal Supplemental Benefits Post-Exhaustion Study."

When I first came to Capitol Hill, I was shocked to learn that economists did not believe we could sustain less than 4 percent unemployment. Gradually, however, some economists have expounded the thesis that that figure has edged up to 5 or 6 percent. And remember that every percentage point is about a million people that need food, shelter, and self-respect. Well, maybe I am old-fashioned, but I pledge never to reconcile myself to that.

Currently, of course, unemployment is higher than anyone's conception of a fully employed economy.

And why? Some economists, typically those who believe the so-called natural rate of unemployment is creeping up, have suggested that extended supplementary unemployment benefits kill the incentive to work, and add a percentage point or more to the unemployment rate. We are all familiar with that contention. If they are right, then we are in a paradoxical situation: relieving the suffering of the unemployed results in more unemployment! But if they are wrong, then we must look elsewhere for the reason why unemployment has stuck of late at the historically high and unacceptable rate of about 8 percent. And, we must look elsewhere for the remedies.

It seems plausible that, if unemployment insurance causes unemployment by inducing people to remain in the labor force without accepting jobs, when benefits cease, they will either accept a job or drop out of the labor force.

The Labor Department started with that hypothesis and then with the cooperation of the State employment security agencies in California, Missouri, Nevada, New York, and Wisconsin, tested it empirically. They found that, within 2 months of exhaustion of benefits, 80 percent of the exhaustees responding were still in the labor force. Sixty-three percent of the exhaustees were still unemployed 2 months later. Thirty percent of those who did leave the labor force cited retirement as the reason. Perhaps most instructive, the study found only 6 percent of the exhaustees relied on welfare after the unemployment benefits ended, and half of those had received it while on unemployment insurance.

According to the study, "the low reemployment rate and the low incidence of labor force withdrawal shortly after exhaustion do not support the hypothesis that longterm beneficiaries 'ride with' the system and then immediately take jobs or leave the labor force."

Another study, this one by a respected private research organization, Mathematica, Inc., entitled "Experiences of Unemployment Insurance Recipients During the First Year After Exhausting Benefits," generally confirms the Labor Department's findings and conclusion. The study was conducted under contract with the Manpower Administration.

This research focuses upon interviews of 2,000 individuals whose unemployment benefits expired in October 1974, in Atlanta, Baltimore, Chicago, and Seattle. Unlike the Labor Department's own study, this included three interviews over the course of a year.

The study found that, "our exhaustees did indeed continue to have labor-market trouble long after the original benefit termination." Within 4 months, re-employment was between 24 and 25 percent. A year after exhaustion, it "had still only reached 36 percent." The study notes that the findings are consistent with earlier post-exhaustion studies. Likewise, labor force attrition was not extraordinary: after 4 months, 14 percent had left the labor force, and after a year, 24 percent had left. "[O]nly among older exhaustees and women of childbearing age are there significant numbers with long periods of nonparticipation" within the course of the year following exhaustion, the study concludes. Of those who find a job within a year, the job is approximately 12 percent less remunerative than their previous employment. Of those who leave the labor force, over 11 percent do so because they retire, 4 percent because of ill health or disability, and 20 percent because of frustration and discouragement at their reemployment prospects. Such frustration seems understandable in a group without work in a hostile labor market for so long.

REPORT OF THE NATIONAL COMMISSION FOR MANPOWER POLICY

Finally, we should pay careful attention to the recommendations of the Na-

tional Commission for Manpower Policy which released its second annual report to the President and Congress last month. The Commission, established under title V of CETA, is chaired by Dr. Eli Ginzberg, professor of economics at Columbia, and counts among its prestigious members Dr. Juanita Kreps, the next Secretary of Commerce.

The 20 recommendations outline an action program fundamentally compatible with the direction charted by the Humphrey-Hawkins Full Employment and Balanced Growth Act which Congressman AUGUSTUS HAWKINS and I will reintroduce in the next few days. The program shares the values embodied in that legislation.

Recommendation No. 1 implores the Congress to recognize the costs of a drifting economy:

Early action by the Congress to insure that full employment is a national commitment. The pursuit of this goal should have priority until it is realized.

There are some differences between the Commission recommendations and the specifics of the Humphrey-Hawkins bill. For example, in striving for full employment, the Commission urges policy targets in three statistical categories: the unemployment rate, the net change in the number of employed persons, and the changes in the unemployment rates of groups characterized by differentially high unemployment. I take these suggestions as constructive criticism which should be thoroughly explored in developing a national full employment strategy. And to the extent they are broader than those embodied in Humphrey-Hawkins, they are permissible under the discretionary provisions of the act. Additionally, the unemployment rate target is 5 percent rather than the implied 4 percent overall rate envisioned in the bill. This is a matter for discussion where reasonable people might differ.

The Commission recommendations contain details for an expanded experimental manpower program so we may learn those things we do not already know about how such efforts are most efficiently designed and administered. Youth unemployment is singled out in an extensive set of subrecommendations which concentrate on ameliorating the well-recognized plight of those "young people, in or out of school, from disadvantaged backgrounds who lack competence and skill and who, if they are not helped, may never make an effective link to the world of work."

I strongly urge all Senators to read the summary of recommendations from the "Second Annual Report of the National Commission for Manpower Policy," it would be well worth the time. I ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

I. SUMMARY OF RECOMMENDATIONS

This summary presents the major recommendations developed by the National Commission for Manpower Policy in its *Second Annual Report*. The full recommendations, together with supporting analyses, are contained in the text of the report.

The Commission recommends the following steps to establish an employment strategy for the United States:

(1) Early action by the Congress to insure that full employment is a national commitment. The pursuit of this goal should have priority until it is realized. The Commission holds that full employment is attained when the number of job opportunities approximates the number of jobseekers able and willing to work at existing wage levels.

Since the number of jobseekers changes in response to a wide range of individual, market, and societal forces, full employment is a movable rather than a fixed, goal. Since the proportion of individuals seeking to work full-time or less than full-time during a year or throughout their active adult lives is likely to change as the society and the economy change, the Commission recommends that:

(2) The Congress, in establishing a national commitment to full employment, adopt a measure other than a specific unemployment rate, which may not be appropriate for some future time when the nation may be closer to a balance between job opportunities and jobseeker.

(3) Since progress toward the goal of full employment requires the establishment of interim targets, each step must be monitored and, when indicated, corrective actions initiated; moreover new targets must be set as earlier ones are reached.

(4) Three measures be used to assess the nation's progress toward full employment: the unemployment rate, the net change in the number of employed persons, and the changes in the unemployment rates of groups characterized by differentially high unemployment.

(5) The President and the Congress set, as a target to be achieved within four years, an unemployment rate of 5 percent and that special efforts be made to reach this objective prior to the end of 1980.

The importance of measuring the progress of the nation in achieving full employment in terms of net new jobs created stems from the fact that the unemployment rate is directly affected by large fluctuations in the numbers who enter and leave the labor force. The President has suggested a job expansion of 2.5 million in 1977. In the Commission's view, achieving this goal would represent a marked improvement in the employment situation. Consequently, the Commission recommends:

(6) Intensive efforts in the four-year period ahead, 1977–1980, by the leaders of government, business and labor working together to establish a climate conducive to achieving a rate of job formation in the range of 2.5 million per year.

Since it is estimated that the labor force will grow in excess of 1.5 million annually, if the nation is to achieve a 5% unemployment target by 1980, it will require a continuing high rate of job expansion.

In the Commission's view, there is little prospect that the nation will achieve a 5% unemployment rate by 1980 through the use of macro-economic instruments—that is, through budget deficits, tax reductions, increased expenditures, and changes in monetary policies—without rekindling the dampened, but not extinct, embers of inflation. Therefore, the Commission urges the considerable expansion of manpower programs which, when carefully correlated with macroeconomic policies, can provide the underpinning for sustainable economic development with significantly lowered unemployment helping to hold the threat of renewed inflation at bay.

The third interim target that must be aggressively pursued is the more rapid reduction in the unemployment rate of disadvantaged groups, particularly those whose members are characterized by low skills, low income, minority status, or limited job experience. The unemployment rate of black adults has been twice the national average over most of the last two decades. Minority youth currently have an unemployment rate five times the national average.

Accordingly, the Commission recommends that:

(7) The unemployment rate for members of disadvantaged groups be carefully monitored by the Joint Economic Committee of the Congress and, unless the gap between their unemployment rate and the aggregate unemployment rate is being narrowed steadily and substantially, their labor market difficulties be reassessed so that federal manpower programs can be rechanneled better to serve their needs.

The Commission believes that there is a need to create employment opportunities for many who currently receive income transfer support. To accomplish this, the Commission proposes an "assured jobs program" which will provide work, on a voluntary basis, for those with low family income and a demonstrated labor force attachment, who have been receiving unemployment compensation for at least 15 weeks.

This program would consist of pilot projects in ten sites to be selected by the Secretary of Labor on the basis of plans submitted in response to his specifications. The principal aims of such a program would be: (a) to learn more about the preferences of unemployed individuals for work, even for modest pay; (b) to test the capability of local governments to prepare worthwhile projects the work forces on which would not compete unfairly with regular employees who receive prevailing wages and benefits; and (c) to learn about some other dimensions involved in the government's capacity to assure jobs, at modest wages, to unemployed individuals with a labor force attachment, (e.g., potential scale, supervision, transition to regular employment, etc.). In order to be eligible for these "assured jobs," applicants would have to meet an income test, such as that recently written into Title VI of the Comprehensive Employment and Training Act (CETA).

The Commission recommends, then, pilot projects at ten sites, at two of which the requirement of prior labor force attachment might be waived, which would create jobs for a maximum total of 50,000 enrollees, at an annual cost of about $6,000 per job. Accordingly, the Commission recommends:

(8) The appropriation of $300 million for a two-year demonstration program of "assured jobs" with a maximum enrollment of 50,000 workers in 10 selected sites.

The Commission notes that the second Congressional Budget Resolution provides for a maximum of 500,000 CETA Title VI public service jobs and that funds have been appropriated up to the present for 260,000. In light of the current disturbingly high unemployment rate, the Commission recommends that:

(9) The Congress, as soon as possible, appropriate funds to increase the level of CETA Title VI public service employment to 500,000.

The Commission makes this recommendation despite its previous warnings about the dangers of a rapid expansion of PSE. In now recommending the expansion of 500,000 PSE jobs, the Commission has been encouraged by recent improvements in the legislation governing PSE, such as the use of the project approach, which minimizes the likelihood of prime sponsors substituting federal dollars for their own thereby eroding the job creating potential; the involvement of nonprofit and community based organizations; the necessity that enrollees meet an income test and that the target populations consist of persons who have been unemployed for 15 or more weeks, exhausted their unemployment benefits, or are on welfare.

The Commission is convinced that none of the objectives cited above, the 1980 5 percent unemployment target, an annual average

rate of job creation in the 2.5 million range and a faster than average reduction in the unemployment rates for disadvantaged groups, can be achieved by the federal government alone. To accomplish each goal will require a national effort which will involve every major sector of our society, including state and local governments, business, labor, nonprofit institutions, and community-based organizations. Since the private sector is the cutting edge of the American economy and since two out of every three jobs are in the private sector, the only prospect of achieving accelerated job expansion, reduction of unemployment, and the absorption of large numbers of the disadvantaged into the regular economy is through the active involvement of business and labor, working in close association with government toward the accomplishment of these priority national goals. Accordingly, the Commission recommends that:

(10) The President-elect, early in his administration, explore with the leadership of the groups named above, particularly the leaders of business and labor, the ways in which they can most effectively participate in helping the nation to achieve its employment objectives. There should be continuing dialogue and interaction in which the private sector is encouraged to make an input into governmental manpower policy at the same time that it agrees to a more active role in implementing manpower programs.

Since almost half of the 7.8 million unemployed are young people between the ages of 16 and 24, the Commission recommends a sizable manpower effort over and above that currently supported under the Comprehensive Employment and Training Act. It further recommends that much of the $2.3 billion of CETA funds now expended on services for youth be reprogrammed along the following lines.

Most young people experience some difficulty in transition from school to work and could profit from a greater infusion of career elements into their educational experience. The center of the Commission's concern, however, is young people, in or out of school, from disadvantaged backgrounds who lack competence and skill and who, if they are not helped, may never make an effective link to the world of work. Accordingly, the Commission recommends:

(11) The development of a stronger youth program focused on improving the employability and employment of the nation's disadvantaged youth. Such an approach should include:

(A) A doubling of the Job Corps level to serve an additional 20,000 youth. This expansion should be contingent on the establishment of training-job linkages, such as those currently in effect whereby construction unions supervise pre-apprenticeship training in selected centers and guarantee employment for graduates.

(B) The conversion of the Youth Conservation Corps program from an eight-week summer program to a year-round training program for 50,000 young people from low income families, particularly (but not exclusively) those from rural backgrounds.

(C) The establishment for 400,000 in-school youth of a year-round, skill training and work experience program which can pay training stipends to disadvantaged youths who otherwise would be unprepared to obtain and keep jobs when they leave school. The success of the effort will require, at a minimum, strong local leadership which should include educators, labor, community based organizations, local government officials and the involvement of employers, both large and small, in every sector—private nonprofit and government—to assure an adequate number of suitable training and work experience opportunities.

(D) The expansion of training and employment programs for out-of-school, unemployed youth between the ages of 18 and 24 who are so discouraged that they have ceased looking for work. The Commission recommends a program which will serve 250,000 youth. The Commission hopes that different communities will explore different program designs to implement this effort. It is convinced that well managed programs which will provide meaningful work, strong training components and, above all, close linkages with employers, will substantially assist these young people to move into regular employment. The combined cost of the four programs focused on assisting disadvantaged youth will require $1.5 billion of new expenditures and a refocusing by the CETA prime sponsors of $1.5 billion of the several billion dollars of CETA funds now expended on services for youth.

The Commission is concerned about the high unemployment rate among young veterans, especially those who belong to minority groups. Accordingly, the Commission recommends that:

(12) The President establish a new interagency committee of representatives from the Departments of Defense, Labor, and Health, Education and Welfare, the Veterans Administration and Office of Management and Budget to determine the scale and scope of training and related manpower services that will enable these young people to make the transition to civilian life and employment. The Commission recommends that Congress appropriate the funds required to the Department of Defense to help prepare prospective returnees.

In 1975, in the face of a deepening recession, the Commission recommended to the Congress that Federal Supplemental Benefits (FSB) be paid to unemployment insurance beneficiaries for an additional 26 weeks, up to a total of 65 weeks. Now, however, the Commission recommends that this legislation, which will expire at the end of March 1977, not be reenacted. In consonance with its belief that it is better for employable persons to work or to be in training for work than to receive extended unemployment compensation benefits, the Commission recommends that:

(13)(A) In lieu of further FSB, which cost about $3.3 billion in FY '76, this funding be rechanneled for manpower services, e.g., public employment jobs, training opportunities, or mobility allowances, to help meet the needs of persons who have exhausted their UI benefits, and who meet an established criterion of need. However, since the FSB program may be terminated prior to the expansion of alternative manpower programs, Congress should consider a brief extension of the FSB program up to September 30, 1977, to permit an orderly phase-down and the transition to manpower programs of those in continuing need of assistance.

(B) The scale of placements in the WIN program be doubled during the coming year, through greater reliance on placing employable WIN enrollees in PSE jobs in local governmental or nonprofit organizations such as schools, child care centers, and hospitals. The cost of such an expanded effort would be in excess of $400 million. In addition to more intensive placement efforts, it would be desirable to provide occupational training for some WIN registrants so that they could compete for more than the lowest paying and least attractive jobs.

At present, registrants under WIN and the Food Stamp program are subject to different work tests but, informed federal officials believe that the over $30 million expended annually on applying the work test to food stamp recipients is not productive. The Commission recommends that:

(14) The two work tests for Food Stamps and WIN be standardized and if the Employment Service cannot find job placements in the private sector, it should refer employable persons to programs (primarily CETA prime sponsors) which provide training or employment in a public service job.

Despite its preference for work instead of welfare, the Commission recognizes that many millions of individuals need extended income transfers for reasons of health, family responsibility, age, or because of a lack of employment opportunities. The Commission therefore recommends:

(15) Early Congressional action to strengthen the existing income maintenance system by establishing a minimum level of federal benefits for all individuals and families.

If the Administration and the Congress seek additional reforms of the income transfer system these should include:

(16) Legislative and administrative changes that would strengthen work incentives by providing income supplementation to the working poor so that they receive more income for working than for not working.

Since the severe recession of 1974–75 demonstrated the need that the nation have an antirecessionary manpower program in place before unemployment rises again, the Commission recommends that:

(17) A permanent, standby antirecessionary program be put into place and that it contain at least the following elements:

(A) Expanded remedial education and basic skill instruction which will be available in a period when the net social cost of training is lower because many potential trainees cannot find jobs.

(B) A program of antirecessionary public service employment, involving federal, state, and local governments, nonprofit agencies and community organizations.

(C) An inventory of selected antirecessionary public works, including community development projects which would employ considerable numbers of unskilled residents in low income areas.

(D) Countercyclical revenue sharing arrangements with the states and localities which will help them maintain basic public services.

Although the federal government became involved in manpower programs in the early 1960s in an effort to provide retraining for skilled workers who had lost their jobs, the Commission believes in the importance of quality training for enhancing the employability and employment of the hard-to-employ who, by definition, lack skills and competences. The quality of the training component in manpower programs has also declined during the recent recession, in part because prime sponsors under CETA have sought to stretch their dollars over the largest number of enrollees. In light of these weaknesses in the training effort, the Commission recommends that:

(18)(A) The Department of Labor, in association with the Department of HEW, provide technical assistance to prime sponsors who desire to strengthen their training facilities and programs.

(B) Congress provide the Secretary of Labor with an additional $100 million for incentive grants to be distributed among prime sponsors, on a competitive basis, who agree to strengthen their training efforts and to reallocate some of their Title I funds to this end.

(C) In view of the substantial reduction in on-the-job training in the private sector during the recent recession, the Secretary of Labor should launch a renewed effort to encourage the nation's major corporations to accept targeted numbers of hard-to-employ persons, including those who have exhausted their unemployemnt insurance benefits, out-of-school youth, and employable persons on the welfare rolls.

The key elements in such a drive would include a basic training subsidy of around $2,000 to $3,000 per person, simplified ad-

ministrative and record-keeping requirements, and an effort to create public understanding and appreciation of the importance of this effort.

Since the outlays for manpower programs in Fiscal Year 1976 totaled around $4.8 billion and since several billion additional dollars are required to implement the recommendations contained in this report, the Commission considers it essential that the knowledge and information base which informs the design, implementation, and evaluation of these manpower programs be broadened and strengthened. The Commission therefore recommends that:

(19)(A) Congress provide that 1% of total program appropriations be devoted to reesarch and 2% be utilized for experimental and demonstration programs. The Commission notes that it is less expensive for the nation to invest small sums in determining whether a new approach would be effective than to establish a new program and to learn later that the approach is inherently flawed.

(B) With respect to experimental and demonstration efforts, the Commission recommends a range of exploratory approaches, including:

New ways to use tax and other financial incentives to encourage employers to hire, train and retrain hard-to-employ persons; the potentialities of "supported work" projects, directed to enhancing the employability and employment of such difficult-to-place groups as ex-offenders, ex-drug addicts, female heads of households who have been out of the labor force, and ex-mental patients; development of part-time employment opportunities in public agencies or community organizations close to the homes of women on welfare with young children and senior citizens who would welcome the opportunity of being engaged in useful work.

The effectiveness with which the federal dollars are translated into manpower services for unemployed and underemployed persons throughout the country depends on the effectiveness with which these programs are designed, coordinated, and delivered. The Commission has been given a continuing responsibility by the Congress to address the effectiveness and coordination of manpower and related programs. In April 1977, it will submit its second major report on the coordination of manpower and related programs. The Commission recommends, at this time and prior to the completion of that report, action along the following lines:

(20)(A) Arrangements within the Executive Branch of the federal government to assure improved coordination at the decision-making level between the macro-economic decisionmakers and those responsible for manpower policies and programs.

(B) The Congress hold periodic meetings of the Joint Economic Committee and the Committees on Labor in the House and Senate to assure simultaneous consideration of macro-economic and manpower policies. To facilitate such coordination, the Employment and Training Report of the President should be recast to provide policy guidance and, together with the reports from the Council of Economic Advisers, serve as a point of departure for Congressional exploration and assessment.

(C) Every level of government (federal, state and local) seek to increase the participation of the principal nongovernmental sectors, particularly business, labor, and community-based organizations in the design, management and operation of manpower programs. The Commission believes that one of the most serious shortcomings in the manpower arena since the early 1960s has been the failure to involve these nongovernmental groups.

The principal program recommendations advanced in this Report of the Commission can be summarized as follows:

An expansion of proven existing programs, such as WIN, the Job Corps, and public service employment;

A rechanneling of financial resources now paid to unemployment compensation beneficiaries for more than 39 weeks to manpower training and employment;

A reprogramming of the summer and in-school youth efforts into a year-round program for in-school youth to provide training and structured work experience;

Creation of a new employment and training program for disadvantaged inner city and rural out-of-school youth.

The financial resources required to accomplish the most expensive of these initiatives, that of expanding the current level of PSE under Title VI of CETA from 260,000 to 500,000 jobs, have already been provided for in the second Congressional Budget Resolution, but the funds must still be appropriated.

The expansion of the services for disadvantaged youth can be largely accomplished by a rechanneling of a significant portion of the almost $2.3 billion currently expended on manpower services on their behalf. Over the next two years, to allow for new and improved mechanisms to be put in place and expanded, additional funds of up to $1.5 billion may be required.

A substantial amount of federal monies are currently expended to provide benefits to those receiving unemployment compensation beyond thirty-nine weeks. Such funding should be used, instead, to expand the training and employment opportunities for those presently receiving Federal Supplemental Benefits.

The total net new appropriations spread over FY '77 and FY '78 would be in the range of $4.5 billion. At the peak level of enrollment, some 780,000 people would be provided services by this increased level of resources, and this could decrease the unemployment rate by about one half of one percent.

The Commission, in recommending sizable additional funding for manpower programs, is not oblivious to the size of the federal deficit and the undesirability of adding to it. However, the Commission is influenced by the following considerations:

High unemployment is a major cause of the large deficit;

Unless the high unemployment rate is reduced, the deficit will increase;

Assisting hard-to-employ persons to acquire skills and enhance their employability would add to the growth potential of the economy which holds the greatest promise of avoiding further deficits.

The Commission's plans for 1977 include a continuing assessment of the actions taken to implement the foregoing recommendations and the progress that is being made to achieve the goals set forth. On the basis of this continuing assessment, it will formulate revised and new recommendations to assure that the nation moves as rapidly as possible towards the achievement of full employment.

The Commission will continue to be responsive to its specific Congressional charges. These include several new mandates: a study of the substitution effects of PSE; advising the newly established National Commission on Employment and Unemployment Statistics; working with the National Advisory Council on Vocational Education; and offering counsel to the new National Commission on Unemployment Compensation when it is established. As noted earlier, the Commission is preparing a major report to the Congress on the delivery and coordination of manpower programs.

The Commission will also pursue investigations in the following aspects of an employment strategy:

Immigration policy and illegal immigrants;

The factors affecting the rate of job expansion, including the influence of foreign trade policy, taxes and other barriers to the expansion of employment;

The employment outlook in health, scientific and other technologically based industries;

The manpower implications of the nation's energy policy;

The experience of Organization for Economic Cooperation and Development countries in dealing with their employment problems and the relevance of this experience for the United States.

PUBLIC CONCERN ABOUT RURAL HEALTH CARE

Mr. CLARK. Mr. President, I am pleased to report signs of progress and reasons for hope in the effort to bring health services to rural America. Within the past several months, citizens from across the Nation have joined in a variety of forums to discuss the path that must be followed to achieve the goal of better access to primary care in rural areas and small towns.

In October, policymakers, health practitioners, and citizens from 14 States met in Nashville for the Southern Rural Health Conference. During that same month, the Senate Rural Development Subcommittee began an inquiry into rural health services through a series of field hearings in Iowa. Last November, a segment of the program at the Second National Conference on Rural America held in Des Moines was devoted to rural health issues. Finally, my office and Rural America, Inc., convened a meeting in December of about 100 congressional aides and interest group representatives to initiate a legislative effort in this area.

Indicative of this new public concern is the increased media attention being given to health problems of rural citizens. I am submitting for inclusion in the RECORD some examples of articles appearing in the past few months.

Two of the articles describe State and regional efforts to bring health manpower to medically underserved areas. A Washington Post article demonstrates how the WAMI program—a regional medical education program sponsored by the States of Washington, Alaska, Montana, and Idaho—provides us with an excellent model that should be duplicated elsewhere.

A recent article in the University of Iowa Spectator outlines the successful efforts of the university's college of medicine in expanding its statewide family practice residency program. During the October rural health hearings, I visited several rural satellite clinics in Iowa that were staffed by young physicians participating in the residency program.

The New York Times published an op-ed piece on rural medicine by Karen Davis, perhaps this country's most knowledgeable expert on the impact of Federal health programs upon rural Americans. Finally, a Washington Post editorial identified discriminatory medicare reimbursement policies as a major obstacle to improving health services in small towns and rural areas.

The Post editorial concluded by stating:

The usefulness of the conference being held in Nashville—the first of its kind—will be measured as much by the follow-up of its recommendations as by the actual discussions.

It is now our responsibility to implement the changes in Federal health programs that are necessary to address the health needs of rural citizens.

I ask unanimous consent that the articles on rural health be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

A DOCTOR'S CHOICE: FORKS, WASH., AND NOT THE BIG TIME

(By Natalie Davis Spingarn)

FORKS, WASH.—One might think this small logging town at the northwestern corner of the United States would have had little trouble attracting a new doctor. It boasts many attractions: Towering dark firs. Clean air. Clear streams and lakes you can fish. Dramatic beaches with huge rocks jutting into the Pacific. A new community hospital and clinic, and the veteran doctor, who had served the 10,000 people hereabouts for a quarter century, getting ready to retire.

But potential replacements came—and did not stay. For more than four years, the hospital stood virtually empty, and people here began calling it the "million dollar band-aid station." Expectant mothers and injured loggers had to travel 60 miles around Lake Crescent to the hospital at Port Angeles. Forks (pop. 2,000) put up a sign at the edge of town: "Welcome to Forks, Doctor Needed."

The faded sign is gone now. Dr. Stephen H. Kriebel settled in after completing his residency in July, 1975. Now this bearded,, 30-year-old physician runs a five-person medical team and serves as chief of staff at the hospital. Before he arrived, not one child had been born at Forks Community Hospital. In the first half of this year, 60 babies were delivered. The number of surgical procedures—appendectomies, hernia repairs, cyst removals—has risen from zero to more than 70.

The doctor's wife, Lela, conducts childbirth education workshops at the clinic for prospective parents. This summer the Kriebels and their 2-year-old daughter moved into a new home on a 15-acre riverside spread just outside Forks. It looks as though Forks has its new young doctor at last.

The success story was due in large part to WAMI, a decentralized regional medical educational program which takes its name from its four participating states—Washington, Alaska, Montana and Idaho. WAMI whetted Kriebel's appetite for modern rural practice and gave him the chance to find out if he was suited for it.

GREEN TWIGS

Whether the overall doctor shortage is a thing of the past is a matter of controversy. But one can definitely say there is a need for more rational doctor distribution. Nearly two and a half times as many physicians practice in metropolitan areas as in small towns and rural America. The proportion of doctors who consider themselves general practitioners dropped from 50 to 16.4 per cent between 1949 and 1974, while the proportion of specialists rose from 37 to 80 per cent.

WAMI was founded in 1971, with funds from a private foundation and the Department of Health, Education and Welfare, as a regional effort to address such problems. It is a vast region with five time zones, 6 million people (most of them in the Puget Sound area), 20 per cent of the U.S. land mass—and one medical school, at the University of Washington in Seattle.

"When the twig is green, we begin to bend it." So says M. Roy Schwarz, the University of Washington physician who runs WAMI. Experience has shown that half the medical students from rural areas return there to practice and 70 per cent of those who complete the last phase of their training in a rural area become country doctors. WAMI is built around these two findings, together with the fact that building a medical school at a cost of $80 to $100 million was simply not an option.

Participants are admitted as regular U. of Washington students, but many begin their education away from Seattle—at the Universities of Alaska and Idaho, Montana State and Washington State at Pullman. There, in addition to their basic science studies, they spend half a day once a week working alongside a local physician or preceptor. They visit remote Alaskan villages, Indian reservations in Idaho and Montana and migrant farm camps in Washington.

Romance is a word Dr. Schwarz uses a good deal when he talks about WAMI: "We don't expect students to learn about diagnosis and treatment of disease in that first year. It's romantic at that point. We only expect doctors to enthuse their students. Show them what rural practice is like. Simply, what's their lifestyle? Are the people happy or aren't they? What do they do for cultural experience and education?"

In the second and third years, students return to Seattle for more traditional training in a major medical center. After the second year they choose a "pathway" or major field of study.

Then, when the students have gained more medical sophistication, they go back into the small communities for from six weeks to several months' clerkships in family medicine, pediatrics, obstetrics/gynecology, internal medicine and psychiatry at community clinical units (CCUs) in 14 towns across the region, towns such as Kodiak, Alaska, or Missoula, Mont. Supervised by community physicians, they work in doctors' offices, in community clinics, hospitals and emergency rooms.

It takes a long time to make a doctor like Stephen Kriebel, and the students who entered WAMI's first year will not finish their training until 1978. But the WAMI clerkships are also open to post-M.D. residents.

Kriebel, a graduate of the University of Pennsylvania medical school in Philadelphia, was tired of the hassle and dirt of urban life when he and Lela moved to Seattle for his residency in family medicine. But he has never seriously considered small town practice—probably, he believes now, because, like most young doctors, he had trained at a big city academic medical center and thought you had to practice near such a center to offer patients the advantages of modern quality care.

MEETING THE COMMUNITY

That changed when he spent two months at the WAMI Community Clinical Unit at Omak, an isolated little town in north central Washington. There WAMI students deal with everyday medical problems: An elderly lady feels queasy; a man suffers severe stomach pains; a new patient comes in for a complete checkup; a baby falls down or suffers convulsions. They work as team members with practicing doctors and other health workers, such as nurse practitioners.

They also get a taste of life outside the office. They attend the county medical society meetings, meet local bigwigs, get to know how the school board and chamber of commerce are structured. They visit the mills and stores where patients work. They sample local hiking, fishing or hunting.

If the WAMI student is married, the program pays transport for his or her spouse to and from the clerkship assignment and provides the couple with a furnished apartment. Dr. Schwarz explained: "If a doctor's wife doesn't like it, he'll either leave or get himself a new wife. Neither is desirable."

Pointing to the conservatism of small towns, Schwarz said, "We have to be careful not to send any 'arrangements' out there." But sometimes different lifestyles can be accommodated. A woman in labor rejected a WAMI student with a lengthy hairdo and other counterculture accoutrements. "I have enough troubles," she told him. "I don't want you and your lifestyle." The student consulted his supervisor, shaved off his beard, changed his clothes—and delivered the baby. Now the two couples—doctor and patient and their respective spouses—are good friends.

What drives most doctors away from rural practice—and what probably kept a new doctor away from Forks for so long—is the isolation; they feel alone out there. At Omak, Kriebel liked his first encounter with a well-run modern rural practice. He was part of a team; he did not feel isolated from the medical mainstream.

Through WAMI's continuing education program, University of Washington faculty members visit the community clinics each month. Courses are offered in subjects from "Alcoholism" to "Treating the Untreatable." In addition, community clinic doctors, holding part-time appointments on the university faculty, visit Seattle for conferences and courses and can consult specialists there through a 24-hour-a-day telephone hookup called Med-Com.

"SPREAD THE WORD"

Before he completed his medical education, Steve Kriebel signed up with the National Health Service Corps, a U.S. Public Health Service program which recruits doctors for underserved areas and guarantees them a minimum salary. Upon completion of his residency, he examined the Corps' list of communities in need, noticed the name of Forks and remembered that years earlier, while passing through on a backpacking trip, he and Lela had noticed that sign: "Welcome to Forks, Doctor Needed." They decided to give it a try.

Steve could have fulfilled Corps regulations by going to work in a city slum or a larger country town. He has, he believes, made the right choice: "The more I live here the more I appreciate it. You have to be honest because everyone knows everyone else. You have to be open and friendly. You can't hold grudges because you run into the same people every day. There's space."

"It's a great place," Lela said. "Spread the word—the people are great, the closeness is nice. You have to be good to your neighbors because they know everything about you. If you need help, people are ready to help."

True, it rains too much, and school is not a big priority; with $100 a day to be made in the woods, there is a high dropout rate. But classes are small and, the Kriebels feel, the teaching is better than in many big city schools. They have had no trouble making friends. The average age in this community is 25, and the doctor and his wife enjoy working with young families. Obstetrics, the doctor said, is a happy part of practice.

Forks too remote? Why, they can get cable TV in town, and travel abroad with more ease than most of us (from Port Angeles to Victoria in British Columbia in two hours.) They can drive to Seattle in four.

Fork's macho reputation? "There's no more frontier violence here than there is in Washington, D.C.," Lela says. You don't have to lock your car or even your house, Steve adds.

Lela's worries center around her husband: "I'm afraid he'll work too hard and we will never see him. I'm afraid that we won't be able to find a doctor who will be willing to stay and share the responsibility." Though veteran Dr. Edwin Leibold has not yet actually retired, he is tapering off and Kriebel had a taste of 20-hour days before Dr. John Hemmen, another NHSC recruit, joined the Forks clinic team this past summer. "You cannot really practice alone here," Kriebel says. But he knows that Dr. Hemmen may

leave for further residency training next summer when he fulfills his work obligation in return for the Corps' financial help toward his medical tuition.

Still, Kriebel is practicing family medicine now in the way he wants, treating patients regardless of age, sex or disease and emphasizing continuous care and maintenance of good health. Patients—about 40 a day—get an introductory slip of paper when they come into the office. "Family Practice," it reads, "is a revitalized concept of General Practice. Professionals being trained in Family Practice today are trained not only for the usual acute type problems, but also for preventive care and behavioral and emotional support for the family."

Kriebl's job satisfaction is partly, he says, a personality thing. "I'm attracted to a challenge" and he finds family practice a challenge. "I like having long-term direct contact with patients, with the whole families and with a community. In other people-oriented specialties, even in psychiatry, you don't get to know people over a whole lifetime."

The hospital emergency room sees about 600 patients a month. Specialists now visit Forks on a regular basis—a general surgeon twice and an orthopedic surgeon once a week, and an optometrist and several pediatricians periodically. But 95 per cent of the care Dr. Kriebel and his team offer is, he says, "definitive." If he needs a consultation, he can get the best via two toll-free lines to Seattle.

The clinic charges patients a fee for services averaging $9.25 per patient visit. Most patients' bills are covered by private or public health insurance, including Medicare, Medicaid and the Indian Health Service.

There are, of course, some problems: slow paying patients, an important local insuror who balks at the rates of paraprofessionals. On the whole, however, the clinic is doing well. It is attracting federal grants, including HEW funds to hire a badly needed counselor for alcoholics, and it is reimbursing the NHSC which supplied the start-up funds most young doctors need to launch a practice. The way things are going, it will turn into a self supporting group practice, with Dr. Kriebel doubling his present $20,000 salary.

A WORKABLE FORMULA

So, no expensive Park Avenue practice, no big shot super-specialty. The Kriebels seem satisfied with that prospect, and they may be more representative of the contemporary ethic than most people realize. Only four or five members of Steve's med school class were attracted to family medicine; this year 60 per cent of all graduating medical students chose to specialize in internal medicine, family medicine, obstetrics/gynecology or pediatrics. "Its a generational thing." Steve believes.

Here in the Northwest, WAMI's leaders are encouraged by results of their program thus far. More medical students are opting for primary care practice; the number in the three classes who chose the family practice "pathway" after WAMI got started was 147 as compared to 88 in the three pre-WAMI groups. Evaluation seems to demonstrate that there is no difference between the academic performance of the students who spend their first year at the medical school in Seattle and those who spend it out at the cooperating universities. And the attrition or drop-out rate is no different (a low 3 per cent across the country). After some misgivings, the University of Washington Medical School faculty has come to accept and support the program, and it has gained accreditation for the full seven years.

Without a cent spent on expensive brick and mortar, the number of far Northwest residents who have had the chance to attend medical school has increased enormously (40 per cent in Washington, 500 per cent in Montana and 900 per cent in Alaska). And almost two out of three of the doctors who, like Kriebel, have been through the WAMI training program and completed their residencies have begun to practice in rural areas—45 per cent in towns of less than 5,000 like Forks, and 15 per cent in towns of 5,000–15,000.

This fall, after three years of wrangling, largely over the extent to which the government can influence medical education, Congress enacted a new three-year, $2.3-billion health manpower act. President Ford signed the measure with some complaints about its size of the funds authorized. Among many other provisions, the act beefs up both the National Health Service Corps program and WAMI-like decentralized education projects called Area Health Education Centers.

Under the law, medical schools continue to receive "capitation" funds for each student enrolled (now more than $1,000 each), and students are not required to join either program. But there is a *quid pro quo;* the medical schools must train a portion of their residents—half by 1980—for primary care.

In the next decade, then, we will probably see many more doctors like Stephen Kriebel practicing in communities that desperately need them—in big city slums as well as isolated rural towns.

[From the University of Iowa Spectator, December 1976]

IOWA'S NEW FAMILY DOCTORS

Ten small Iowa towns have new doctors this year, the beginning of a healthy payoff for College of Medicine officials who've focused their efforts on correcting rural Iowa's doctor shortage.

Six years ago the College set up a family practice specialty training program, then began to develop residency programs throughout the state.

Three years ago a statewide system for training family practice residents was funded by the Iowa Legislature.

This year 24 physicians finished the three-year residency program and 15 of them stayed in Iowa, 10 locating in towns with fewer than 9,000 residents. The doctors settled in Glenwood, Lone Tree, Waukon, Fredericksburg (2), Cresco, Osage, Centerville, Webster City and Fairfield.

When the statewide system is operating fully, 60 family physicians should finish each year. Officials expect to have 175 residents in training two years from now; currently there are 128 residents in the three-year system. Six years ago, officials point out, there were no family practice residents training in Iowa.

Today's statewide program includes seven hospitals in six cities: Cedar Rapids, Davenport, Des Moines, Iowa City, Mason City and Sioux City. An eighth program in Waterloo is scheduled to open next year and a ninth, to train osteopathic medical graduates in Des Moines, is being organized.

In a report to the Board of Regents, Paul Seebohm, associate dean of medicine and chairman of the family practice advisory committee, points both to the 10 new rural-area doctors and to the Iowa medical students' increasing interest in family practice careers as good signs for the future. Last year 36 medical students (25 percent of the graduating class) entered family practice residencies. This year 31 entered family practice residencies, 18 of them in Iowa.

Studies consistently show that doctors are likely to settle in areas where they've trained as residents.

Seebohm reports that more than 150 Iowa communities have indicated an interest in attracting physicians to their towns. The College's office of community-based programs offers information services to residents and to Iowa communities and works to bring the two together.

Seebohm also cited two special models aimed at correcting the geographical maldistribution of physicians:

The Muscatine Community Health Center was started three years ago to provide primary care to a town rapidly losing its doctors. The unit combines the primary care specialities of family practice, internal medicine and pediatrics with physician's assistants. In the past three years, 75 per cent of the Muscatine population has been served in some way, Seebohm says.

A Regional Primary Care Center has been set up in Red Oak (6,000 population) to demonstrate the importance of group practice for physicians recruitment efforts and to test ways of providing service to smaller nearby communities in Southwestern Iowa. This unit has attracted three young board-certified family physicians to return to Iowa, the first in 20 years to start practice in Red Oak, Seebohm reports.

Both of these model programs have received substantial grants from the Kellogg Foundation.

Seebohm's report to the Regents asks that $2.6 million in state funds be provided for the next two years of the statewide residency system. This represents less than 20 per cent of the costs of the network, he reports.

[From the New York Times, Jan. 6, 1977]

RURAL MEDICINE

(By Karen Davis)

WASHINGTON.—Federal programs have done much in the last ten years to extend health care to disadvantaged Americans. Unfortunately, these programs contain urban biases that cause them to largely bypass many rural people, who generally have greater health needs and fewer health services than urban residents. These restrictions also have impeded the growth of innovative programs that have emerged to overcome the difficult problems of developing stable rural medical-care delivery systems.

The myth that rural people enjoy good health and need less care persists despite solid evidence to the contrary. Infant-mortality rates are shockingly high in many rural areas. Age-adjusted death rates are higher in non-metropolitan than in metropolitan areas and have been declining at a slower rate. Chronic conditions afflict rural people more frequently and more severely than urban residents. Respiratory illness among adults and occupational accidents are particularly serious problems. Immuniztion rates and preventive-health services are also deficient.

There are many interrelated reasons for the failure of rural residents to share fairly in the benefits of modern medicine. Poverty rates are higher and private health insurance coverage is more limited. Furthermore, about 35 million rural residents live in areas with a shortage of physicians and other health professionals.

To try to alleviate this shortage, Congress recently passed a major health manpower act increasing the number of scholarships and insured loans to students in the health professions agreeing to practice in underserved areas.

Yet, while the health manpower legislation strongly encourages rural practice, other Federal programs are biased against rural areas. Medicaid, for example, was designed to deal mainly with urban poverty. Furthermore, most of the rural poor live in the South, where Medicaid programs are inadequate.

These factors, together with the shortage of health resources in rural areas, have contributed to great disparities in the distribution of Medicaid benefits: Medicaid payments average $5 annually per child in rural areas, compared to $76 for children in central cities.

Medicare pays rural physicians 60 percent less than their urban counterparts because it

compensates physicians on the basis of prevailing charges which are lower in rural areas. This practice makes it difficult to attract and retain rural physicians.

Several innovative approaches to delivering rural health services have been initiated recently. The Department of Health, Education, and Welfare supports a limited number of rural health practices staffed by temporary National Health Service Corps physicians. The Robert Wood Johnson Foundation supports a model rural practice demonstration program. This program establishes nonprofit group health practices staffed by a professional manager, two or more physicians and non-physician health professionals to relieve physicians of some of the burdens of overwork and professional isolation typical in solo rural practices.

Many smaller towns cannot support their own doctor. In a number of communities, health centers have been established with financial support from state governments, the Appalachian Regional Commission, private philanthropy and community fund drives.

These centers are staffed by nurses or other health practitioners who see patients under the supervision of physicians in more distant communities.

Medicare has followed the policy of refusing to pay for patient care provided under these circumstances; most states do not cover these services under Medicaid. These restrictions threaten one of the most economical techniques of providing rural health services in remote areas. Without adequate reimbursement, many primary health centers will close when initial demonstration funds expire.

The experience of the Black Belt Community Health Program in Epes, Ala., exemplifies many of the obstacles that confront innovative rural health projects. Epes is situated in Sumter County, where two-thirds of the residents are black, one-fourth are illiterate and half live in housing without such services as indoor plumbing and telephones. Infant mortality is 2.5 times the national average. Hypertension, diabetes and impetigo are major health problems. The Federation of Southern Cooperatives, in Epes, has struggled since 1972 to establish a health clinic there. After an initial planning grant, the Government has declined to offer any direct assistance. With support from a private foundation, the Black Belt Center opened in April 1976, staffed by a physician from the area and two nurses.

Its financial future is uncertain. While nearly all of its patients are poor, Medicaid covers only one in four.

Without reform of Medicare and Medicaid to cover all the poor and to compensate rural health clinics adequately for the services they provide, the Black Belt Center and similar efforts to bring quality health care to Americans in hundreds of other rural communities will fail.

[From the Washington Post, Oct. 11, 1976]

RURAL HEALTH CARE

In the past few years, a number of events and movements suggests that rural citizens are learning that problems in such areas as health, housing, education and the environment are more likely to be faced up to when citizens organize their own power. Recent examples are common, from the might of the American Electric Power Company being tempered by some rural North Carolinians who successfully defended their section of the New River, to some tenants in Indiana County in western Pennsylvania who forced their landlord to improve housing conditions. Another event that shows promising of leading to useful reforms is a meeting now under way in Nashville of the Southern Rural Health Conference.

Policy-makers, physicians, nurses and citizens from 14 states have come together to see what can be done about the delivery—or non-delivery—of health services in the rural South. The absence of these services is behind such bleak statistics (according to the conference) as a 22 per cent higher death rate for rural citizens and an infant mortality rate that is 65 per cent higher for rural blacks than rural whites.

Even if every rural community did have its own clinic or hospital, poor health would still be common because of the absence of preventive care. Some of the well-known factors contributing to a greater vulnerability to sickness and disease include: contaminated water, poor housing, inadequate nutrition (children who avoid unhealthy water by drinking sugary soda pop may not get intestinal parasites but they are exposed to dental diseases), occupational hazards (coal dust for miners, inhaling chemicals for farmworkers) and mental depression caused by feelings of political powerlessness.

As for the contributions of public policy, Medicare does not reimburse nurse practitioners or physician assistants. This means that unless a doctor is on hand at a clinic, the clinic cannot be reimbursed for services provided by the nurses or others; it loses money and cannot pay its way. Another cause of poor health care is that medical schools tend to be biased against rural areas. A report presented last year to the task force on Southern Rural Development in Atlanta noted that few scholarships and few internship or residency programs are available for medical students interested in rural practice.

The usefulness of the conference being held in Nashville—the first of its kind—will be measured as much by the follow-up of its recommendations as by the actual discussions. However useful the talk itself may be, it is not exactly a secret among thoughtful HEW policy-makers or staff volunteers in mountain health clinics that a crisis in health care is needlessly victimizing rural Americans.

NEW YORK CITY'S ROCKY ROAD

Mr. PROXMIRE. Mr. President, on Saturday, January 1, the New York Times lead editorial called on embattled New York City to recognize its immense resources and strength and resolve to follow through with the tough sacrifices and painful effort the city has made to succeed in 1977.

The Times picked Cap'n Andy of "Showboat's" shouted New Year's Eve encouragement to Magnolia to smile through her tears and carry on.

Last month the Banking Committee held 2 days of hearings on New York's progress. We found the city because of sacrifices that included cutting city jobs by more than 60,000, freezing wages, stopping almost all capital improvements, and drastically reducing services is well on its way toward an achievement very few Senators thought was possible when we debated and passed the New York City seasonal loan legislation in the last Congress. The good news is that all the evidence indicates that New York City is going to balance its budget in the year beginning next July 1, and that it will have in place at that time an accounting system that will be as honest, credible—as clear and reliable as the accounting system of any big city in the country.

Some of the top financial experts believe that the city will not be able to get fully back in the capital markets to finance its seasonal borrowing needs in 1978 as the legislation passed by the last Congress required.

Frankly, I think New York City will get back in the private markets for one very simple reason: It will have to do so.

And with a balanced budget, with an accounting system that tells the truth, and with private financial resources and a capital market in New York City that is the greatest by far in the world, I simply cannot believe New York cannot do it.

At any rate, the city—its Mayor Beame and Governor Cary as well as many other leaders as well as all its people deserve resounding congratulations on what it has done so far, and a "Smile, Nola, Smile" in the spirit of Cap'n Andy and "Showboat" for its gallant spirit.

I ask unanimous consent that the editorial to which I have referred, from the Saturday, January 1, New York Times, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SMILE, NOLA, SMILE

New Year's Day provides so obvious a psychological point to pivot on that readers and playgoers may wonder why its emotional potential has seldom been exploited in popular art. One use did indeed occur in the old Noel Coward movie, "Cavalcade," which extracted extra sentimental juice from family crises by playing them against a musical background of Londoners singing "Auld Lang Syne." An equally rare New Year moment in the theater that may apply more forcefully in New York occurred in that now-venerable American operetta, "Show Boat."

For those whose memories have failed them, or were not long enough to begin with, it may be recalled that "Show Boat" celebrated the fortunes—some good, more bad—of Magnolia Hawks Ravenal, the fictional daughter of the equally fictional Cap'n Andy Hawks, a showboat impresario whose audiences lived along the banks of the Mississippi. Miss Hawks eloped with the showboat company's juvenile lead, an incurable gambler, named Gaylord Ravenal. At the nadir of Ravenal's worst losing streak, Magnolia realized that she had to earn her own living by returning to the stage, this time on land. She picked for her arena the Trocadero Restaurant in Chicago (vast proliferations of the plot have been eliminated in this harshly pruned summary). She chose to make her debut on New Year's Eve. Without Mrs. Ravenal's prior knowledge, her father, Cap'n Andy himself, sat among the audience, having perhaps imbibed somewhat too freely in honor of the New Year, a weakness to which the other revelers had also succumbed.

Magnolia, or Nola, as she was known to her familiars, was perhaps overawed by the setting, by the impending crisis of her marriage, or, perhaps, her voice was simply drowned out by the natural laughter of the revelers. She could not be heard; people mocked her. As her career lay in ashes about her, and starvation at the hands of her wastrel husband loomed ahead, Cap'n Andy unexpectedly rose to his feet and called to his daughter above the chaos of the room: "Smile, Nola, Smile!"

This precious advice carried the day. Clearly it recalled to Magnolia the tradition of the showboat, her own performing genealogy, her talent, her confidence, and the peculiar skills of the stage personality which she had absorbed since infancy. As the on-stage audience gradually controlled its raucousness, her physical stature grew, her voice swelled, her presence asserted itself, and her

independence from Ravenal was established. Her future career was assured. At the brink of the New Year, certain defeat was turned into gallant victory.

Cap'n Andy's advice — "Smile, Nola, Smile!"—is not irrelevant to present New Yorkers. They too are clearly down on their luck, in part as the result of the gaudy optimism that inspires gamblers like Ravenal. The growl of unfriendly voices and mocking laughter have tended to drown out the efforts of New Yorkers to improve their fortunes. We do not suggest that smiling will carry the day, but rather that the confidence to draw on past strengths and traditions provides, as did Cap'n Andy for Magnolia, the emotional basis for successful exploitation of New York skills.

"Smile, Nola, Smile!" calls on New Yorkers to remember their proven capacity for achievement, the better to prepare for the hard work, the bitter choices, the probably unequal sacrifices that lie ahead. On New Year's Day, "Smile, Nola, Smile!" offers a sentiment, admittedly even a sentimentality, worth remembering.

In the operetta, incidentally, Nola's final triumph left never a dry eye in the house.

PRIMARY HEALTH CARE FOR SMALL COMMUNITIES

Mr. LEAHY. Mr. President, in trying to solve the problem of providing primary health care for small communities, the central characteristic in each successful effort is community support and commitment for whatever combination of medical personnel is utilized in a particular case. I have serious doubts whether we in Washington can design any system of health care on any community if that commitment and support does not exist.

Recently the citizens of Londonderry, Vt., faced with the possibility of having no medical services for the area's 2,346 permanent residents and thousands of vacationers resolved their problem through imaginative logical initiative and hard work. This successful effort is described in the winter 1976 edition of Commitment, a publication of the U.S. Department of Health, Education, and Welfare. The article, entitled "Londonderry Air," by John B. Dunne, points out the need for breaking down some of the barrier erected by the Federal Government which tend to discourage local efforts to provide rural health care, the need for consumer involvement, and for the utilization of nurse practitioners as primary care givers with physician backup.

I believe that this experience in a small community in Vermont can be a valuable guideline in fashioning legislation to provide quality health care for underserved rural communities, and ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LONDONDERRY AIR

(By John B. Dunne, M.P.H.)

The title of this article refers, not to the traditional Irish tune, but to the atmosphere around Londonderry, Vermont, in November of 1972. The air was thick with gloom because the only physician in the area had suffered a second heart attack and it appeared that there would be no medical services for the area's 2,346 permanent residents, the approximately 3,000 summer vacationers and 5,000 more who ski there. The town of Londonderry, 35 miles south of Rutland, lies in the center of the Bromley, Magic and Stratton Mountains—all major ski areas. Also the area long has been a popular summer vacation ground for middle-aged and older New Englanders.

At a meeting of concerned citizens who discussed this acute problem, it was decided to solicit the help of the Connecticut Valley Health Compact, a health planning agency serving southeastern Vermont and southwestern New Hampshire and the Vermont Medical Society. The Compact had been suggested because that agency had demonstrated an interest in advocacy of improved health care for the towns served in this mostly rural section of northern New England.

Another meeting was arranged for the following week and the Londonderry people were urged to invite representatives from the surrounding towns of Landgrove, Peru, Weston, Windham and Winhall. Since the Compact had worked cooperatively with the Dartmouth Medical School Department of Community Medicine on other projects, it was considered beneficial to invite the assistant director, J. Michael Taylor, M.D., to participate in the meeting in Londonderry.

The more than 100 people gathered in the Floodbrook School that night were not deterred by the early snow quite common to Vermont in November. These people came and freely expressed their concern about having no physician to provide medical care when needed. An ad hoc committee was appointed, and Mrs. Jean Julius, a registered nurse who lived in South Londonderry and served in the intensive coronary care unit at the Springfield Hospital, was named its head. This committee was charged with meeting with the Compact and Dartmouth's community medicine department to plan a course of action.

After preliminary exploration, Dr. Taylor and the Compact staff concurred that the Londonderry area might be an ideal setting for a comprehensive health center which would provide physician, nurse practitioner, visiting nurse, mental health clinic, and other backup services. It was decided to recommend that the towns band together and form a health council that would set its sights on the development of a health center. At the next meeting of the ad hoc committee in early 1973 this plan was presented and enthusiastically received. It also was emphasized that obtaining a solo practitioner for the area would not really meet the needs of the communities because such a doctor soon would be overworked and perhaps would become discouraged and leave.

Both Dr. Taylor and the Compact staff emphasized the need to establish a council which would be incorporated as a not-for-profit agency so that it could receive tax deductible contributions from all sources. Also the need for forming task forces was stressed so that work on membership, public relations, fund raising, site selection and building, physician recruitment, and finance could proceed simultaneously. The selectmen of each of the six towns appointed two members to the council. The Compact also had brochures printed for the organization which adopted the name Mountain Valley Health Council.

The enthusiasm of the area citizens increased in intensity as they became aware that a health center was not an impossible dream. The fund raising drive began to show impressive results and there were benefit affairs held throughout the area. The total contributed and pledged exceeded $180,000. This successful effort was climaxed in July of 1974 with the donation by Mr. and Mrs. Willard Kiggins of three prime acres of land across from the Floodbrook School which serves the area.

Ted Lewis, of Fleck and Lewis, resident architect for Dartmouth College, contributed time, efforts and architectural drawings of a building which would blend in with the surroundings and provide a suitable home for the health center.

In January 1975 the Mountain Valley Health Council members determined that they were far enough along to seek approval from the health planning agencies to comply with Section 1122 of the Social Security Amendments, Public Law 92-603. Ms. Jury Bail of the Compact staff assisted in preparing the proposal. An areawide Comprehensive Health Planning (CHP) agency review was held by the Compact March 25, 1975, and the review board approved the proposal for building a comprehensive health center in the town of Londonderry at a cost of $247,000.

(It would be fair to ask how can an agency like the Compact, which provided so much help to assist in developing the council, provide an objective review. This was accomplished by selecting a new review board comprised of persons from as far away from the subject area as possible for each proposal. Two members of this particular board traveled more than 100 miles to participate in the review. In this way there was less chance of conflict of interest, it was determined.)

Chairperson Julius presented to the review board the proposal which said in part:

"With the guidance of Compact, and using the resources of various health agenices, an in-depth study was conducted to assess the health needs of the area. This study covered population (growth and breakdown); area income; area growth and development; geographical restrictions; and physician, hospital and medical services utilization. Most important, the council talked with the people, both residents and transients, about their needs and difficulties in obtaining health care."

"From this we determined the problems of health care delivery within our community to be—

1. Inadequate physician coverage in the community.
2. Topograph—going any direction out of the area necessitates travel on a mountainous road, which our elderly tend to avoid.
3. Distance to physician—the topography and time involved in reaching physician care dissuades the people from seeking early care.
4. Physicians in outlying areas—they hesitate to take new patients, particularly those outside their own communities.
5. Crisis care is prevalent—many wait until they are critically ill before seeking care.
6. High emergency room usage—hospital emergency room is used often for what should have been an office visit.
7. High hospitalization rate—this results because of the delay in seeking early care.
8. High total costs—due to the emergency room usage, the increased cost of gasoline, the toll call to the physician, and missing time away from the job, a visit to a doctor amounts to not only the cost of an office call, but loss of a half-day of wages or more.
9. There is a lack of follow-up on office visits or laboratory work.
10. Many pre-school children do not receive routine physicals and inoculations.
11. Visiting nurse is poorly utilized, there is no central referral service, and outlying physicians are not oriented to her availability here.
12. Mental health—this service is on a limited basis only.
13. Senior citizens—they have no program available and no homemaker activities.
14. Ambulance—while our excellent rescue squad is making a trip to the hospital, the area is uncovered for an hour or more."

The review board heard from several persons from the towns involved. There was only one dissenter among those giving testi-

mony and her interest was in developing a health center in a town outside the area. The Compact review board voted unanimously to approve the proposal.

The proposal then went to the Vermont 314A CHP Agency where it was approved, reportedly after lengthy debate. It was sent to the Department of Health, Education, and Welfare, where final approval was granted, thereby making the health center eligible to receive Medicare and Medicaid payment for services.

During this period Mrs. Julius, at no little sacrifice to herself and family, completed the nurse practitioner course at Maine Medical Center in Portland—where Dr. Taylor had become director of the Department of Community Medicine. She returned to Vermont and served her preceptorship with Warner E. Jones, M.D., in the Springfield Hospital. When the Mountain Valley Health Center opened in temporary quarters, she was on hand to assist Roger Fox, M.D., who had been recruited from Boston to head the center.

Ground was broken in May 1975. A grant for equipment was made by the Vermont Hill-Burton office, and the Northern New England Regional Medical Program assisted with a staffing grant. Funds also were provided for an administrator by the Robert Wood Johnson Foundation Rural Practice Project.

The health center was dedicated on July 24, 1976, and Dr. Fox, Nurse Practitioner Julius, Administrator. J. M. Ross and the entire staff were beaming with pardonable pride. Their elation mirrored that of all the devoted citizen members of the Mountain Valley Health Council.

At the ceremonies, Vermont Governor Thomas P. Salmon paid tribute to the people who contributed time, money, and effort to bring the comprehensive primary care clinic into being. He said that the facility "came about because of the indomitable spirit of Vermonters." He also declared that this was "Dr. Pingree's day," referring to Elizabeth Pingree, a country doctor in the finest tradition and doyenne in the Londonderry area of that vanishing breed. Dr. Pingree, who stood modestly in the crowd until asked to assist in the ribbon-cutting, was credited as being the prime mover behind the clinic.

Now the Londonderry air is different. It is charged with a new sense of accomplishment and a view of the future with a reasonable solution to the health care problems of the area's six rural communities.

It is hoped that by relating the success of the Mountain Valley Health Council, encouragement may be extended to other communities or clusters of towns with similar problems. The cooperative efforts of citizens working in a council are essential if facilities are to be built and physicians and other health personnel are to be recruited for an area to meet the health care needs.

CONSOLIDATING THE COMMITTEE SYSTEM

Mr. TALMADGE. Mr. President, it was my privilege Thursday to have an opportunity to testify before the Committee on Rules and Administration on proposals for reorganizing and consolidating the committee system of the Senate. I have long felt that Congress ought to act to curb the bureaucratic sprawl that we have seen take place in recent years in the Senate and in the House of Representatives. Action is needed to bring about more efficiency, on the part of committees and subcommittees and on the part of individual Members of Congress. Action is needed to help cut the cost of operating Congress and to keep the cost from getting higher and higher year after year.

I support efforts of the Temporary Select Committee to Study the Senate Committee System to achieve these goals.

This is an important issue and the new Congress has an excellent opportunity to take the initiative in this matter.

I bring to the attention of the Senate my statement before the Rules Committee, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HERMAN E. TALMADGE ON SENATE RESOLUTION 4

Mr. Chairman, I am pleased to have this opportunity to share my views on S. Res. 4, introduced by the Chairman of the Temporary Select Committee to Study the Senate Committee System.

First, I would like to commend the Chairman and members of the Select Committee for their conscientious work. Their job was not easy. Any recommendation to reorganize or change the existing order is bound to affect a lot of individual interests.

Committee jurisdictions, whether defined by historical considerations or logical organization, may represent rather sacred ground. But the Select Committee in its report has been able to make sound recommendations while minimizing potential conflicts.

We have heard increasing concern from the public about government bureaucracy and waste, and rightly so. The taxpayer surely must feel frustrated when he sees an ever-growing portion of his paycheck going to support huge and duplicating bureaucracies. And I think we all must admit that such waste is not unique to the Executive Branch of government.

Since 1947, the cost of operating the Senate has grown from $6,708,322 to $137,300,000 last year, an increase of over 2000%.

The number of our employees has increased 335% from 1,710 to 6,733 in the same time.

The number of committees, subcommittees, select committee, special committees and joint committees has almost quadrupled since 1947.

Given our own record, can we, in good conscience, criticize the proliferation of the Executive Branch bureaucracy but turn the other way when it comes to the bureaucracy we have created for ourselves?

Can we tell our constituents that we are in favor of saving money if we let our own budget go out of control?

As I understand it, the Stevenson-Packwood Resolution seeks to increase the effectiveness of the Senate in two ways: First, by reducing the committee workload on individual Senators, and second, by reducing the wasteful duplication in the overall work of committees.

Over the years, as new tasks have come along, it has been easy to create a new committee to take over each new responsibility. Yet priorities change, and rather than change our committee organization to handle new priorities, it has been easier just to create another committee.

Pretty soon we have a proliferation of committees and, of course, supporting staff—to a point where it must look as if we are competing with the Executive Branch to see which of us can create a bigger and more bloated bureaucracy.

Now these little bureaucracies we have created not only represent an inefficient use of the taxpayers' money but also impair the effectiveness of the government.

Treasury Secretary William Simon was quoted recently as saying that he usually spent three days a week testifying before numerous congressional committees. And every time a member of the Executive Branch testifies before a committee or subcommittee, exhaustive preparations must be made at the staff level—both in Congress and in the Administration.

Now, I fully believe that the Administration's officials should be responsive to the Congress but we should consider how much time we will permit them to perform the administrative functions of government in between visits to the Hill.

Another and more direct problem associated with committee proliferation is the workload these committees place on individual members of Congress.

I currently serve on no fewer than a dozen committees and subcommittees. Now all of these are fine committees in their own right. Each was created to respond to very real needs.

But I find that committee meetings absorb a growing and disproportionate amount of my time. Between meetings of my committees, select committees, joint committees, special committees, and subcommittees, I wonder where there is time for anything but going to meetings. Frankly, the only way I can resolve most of these conflicts is, simply, not to attend most of these meetings.

At present, subcommittee hearings and meetings are scheduled without any thought as to the impact of these meetings on the Senator's total legislative workload. Often, we cannot find even one Senator to preside over a hearing, and it sometimes has been necessary to have a committee staff member hear the testimony. I have come to the conclusion that there just has to be a better way to organize the workload of the Senate.

Another problem created by the proliferation of the committee structure has been the difficulty for any one committee in getting its work done. I don't know how many hours of Senators and highly-paid staff have been wasted waiting to get a quorum at committee meetings because members must split so much time between committees. Sometimes when a Senator has two or three committee meetings at the same time, I wonder how much effective attention he can give to any one subject.

Gentlemen, we cannot escape the conclusion: If we try to spread ourselves too thinly, we must end up with a shoddy job.

One solution is to continue to abdicate more and more responsibility to the staff. When I look at the numbers of staff crowding the Senate chamber, and committee meetings and, yes, even chairing public hearings, I can't help but feel that we have created our own monster—a bureaucracy by which we are controlled rather than over which we have control.

If we continue the present trend, we will reduce ourselves to no more than a debating society where the real business is run by staff.

We owe the people who elected us much more than that.

I don't need to remind you of the very low standing the Congress has come to hold in the public's eye. In a recent survey of farmers across the nation, less than 20% rated the Congress as excellent or good, while over 50% gave the Congress a fair to poor rating. The public's belief in the credibility of their leaders is falling to all-time lows.

With a bureaucracy which is proliferating out of control, it is no wonder why.

Two years ago we passed S. Res. 60, a resolution which added over 200 new staff members and almost 4 million dollars to our budget. However, the resolution that was originally introduced would have cost the taxpayer about $30,000,000 annually.

I opposed this resolution because I felt we are treating the symptom rather than the problem, but I was delighted to play a role in reducing its cost.

Each committee, in good faith, must come up with its own solution to certain problems, but because we have so many committees and their responsibilities so frequently overlap, we end up with a lot of duplicating solutions and executive machinery.

It seems, then, that committee proliferation is directly contradictory to what we have been trying to achieve under the Budget Control and Impoundment Act—namely, to establish overall priorities and to reduce the tendency for the budget to become the sum of special interests rather than the balance of priorities.

We just can't afford a large number of committees, each independently establishing priorities and programs. Therefore, we must bring the committee structure under control by rationalizing lines of jurisdiction and providing greater balance of responsibility. Only then can we gain control over the budget and the machinery of government.

This resolution will not be without controversy.

Some groups will feel they are losing "their committees." I would suggest that the recommendations of the select committee will do just the opposite.

The proposed reorganization would restore greater emphasis to the legislative committees—and, thereby, provide more effective forums for real action. Perhaps we would see fewer hearings and less verbiage, but greater potential for getting things done.

Now it might be nice if every special interest group could have a committee it could view as its advocate. But we must be sensible about this. We just can't create a special committee for athletics, fishermen, midgets, bookkeepers, small children, and watchmakers. It is obvious that such an approach would be impossible. Rather, we must make sure that we have a committee system which represents everyone equally, objectively, fairly and without prejudice.

We must insure that we have a committee system that is not so cumbersome that it directs energies away from effective action. We must build a committee system that is able to act positively and effectively in balancing all interests.

I am convinced that is a better way to handle our business and that the report of the Select Committee provides us with good opportunity to move forward with constructive changes. We know that we simply must cut down the number of committee meetings and hearings. This means fewer committees and greater balance in the responsibilities of each committee.

The Select Committee has tried to establish a set of committees which represent balance in terms of workload, attractiveness and jurisdiction. There are some people who will not be completely pleased with the recommendations of the Select Committee. However, I firmly believe that the Congress should have committees where specific groups can be heard and understood but I do not think that it is a good idea to let each interest group have its own committee.

Perhaps an attack on government waste should begin by putting our own House in order.

Gentlemen, we stand before an opportunity to make constructive changes in the way we do business.

We now have an opportunity to reduce the waste and duplication which has emerged since the Senate last embarked on organizational reform over thirty years ago.

We have an opportunity to better organize the work of the Senate to permit better use of each member's time.

We have an opportunity to streamline the committee process to permit more reasonable demands on the high officials of the Executive Branch who must periodically appear before us.

But this opportunity is a fragile one.

Should parochial interests be placed above the need for reform, the work of the Select Committee, which I feel is both sound and reasonable, will come apart.

And should the package come apart the opportunity for reform will likely be passed to another Congress.

As the committees and Senators begin to think of ways they would like to change the report of the Select Committee, I would like them to ask themselves what such changes mean in terms of the overall objectives of committee reorganization. I think we must ask whether such changes will improve the efficiency of the operation of the committee system. We must ask whether such changes will impair the balance of jurisdiction and workload between committees. We must ask whether the changes will result in a more effective organization of work.

Gentlemen, we have increasing concern from the public about government bureaucracy, and rightly so.

It is in the interest of reform, of making better use of the taxpayer's dollar then, that I support the recommendations of the Select Committee to study the Senate Committee system and accept these recommendations as a package.

Mr. Chairman, and members of the committee, I, therefore, urge your favorable consideration of the resolution before you.

ELIMINATION OF DUTY ON DEHYDRATED POTATOES

Mr. HATHAWAY. Mr. President, I was recently informed of an attempt to put dehydrated potatoes on the generalized system of preferences list. This would result in the complete elimination of duties on dehydrated potatoes and would amount to an official U.S. declaration to the world that we seek and court dehydrated potato imports.

At this very moment, Mr. President, a hearing is taking place on this issue in Boise, Idaho. The U.S. International Trade Commission is conducting the hearing and they can be expected to rule on this matter in the near future.

I wish to take this opportunity to warn Members of the Senate, especially those from States in which potatoes are grown or processed, of this threat to the domestic industry. It is a foolish idea to do away with tariffs on dehydrated potatoes and I ask unanimous consent that my letter of December 15 to Ambassador Dent, protesting this proposal, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, *D.C.*,
December 15, 1976.

Hon. FREDERICK DENT,
Special Representative for Trade Negotiations, Washington, D.C.

DEAR AMBASSADOR DENT: The State of Maine is one of the most important potato producing States in the union. I want you to know of my concern over your announcement in the Federal Register of November 19, 1976, that dehydrated potatoes, Tariff Item 140.50, are proposed to be included on the Generalized System of Preferences List. If carried out, this proposal would reduce the present duty of 1.3 cents per pound on imported dehydrated potatoes to zero. This would constitute an official United States invitation to the world to start shipping dehydrated potatoes to our markets.

Today, potato farmers are increasingly dependent upon processors, who generally purchase the growers' crops under contract and manufacture a variety of potato products which have had a growing consumer acceptance. Per capita consumption of potatoes has slowly risen in the past decade primarily because of the increasing popular consumption of processed potatoes. Dehydrated potatoes comprise a significant share of this manufactured output. It is a very important market for Maine potatoes.

This year, our farmers, stimulated by our own Government's policy and responding to the prospect of world hunger, produced the largest potato crop in history. As a result of the anticipated surplus, prices offered to growers fell to distress levels. Were it not for the unusually large export market which has developed as a result of the drought in Europe, growers in Maine would have received returns substantially *below* the cost of production. In addition to such losses, surplus of unsold potatoes would not have been consumed in the fresh, processed or other markets, since the demand for starch is quite narrow and other schemes—e.g., potatoes as cattle feed—face difficult problems of their own.

The unfortunate listing of dehydrated potatoes on the Generalized System of Preferences would mean that the banks in Maine which advance funds to Maine growers would be reluctant and might even refuse to lend money to growers with which to buy their seed and fertilizer for next year and for next fall's harvest. The banks' rationale would be that the potato processors, who absorb a significant part of the Maine crop, might be expected to offer an even lower price in 1977 than in 1976. In turn, the rationale of the processors would be the expectation of a rise in competing imports of foreign dehydrated potatoes at low prices.

Since the purpose of reducing a U.S. duty is to encourage and increase imports, there would be little reason to expect banks and processors to respond in any other way.

It is now virtually certain that Europe won't be subjected to another drought for the third season in a row. As a matter of fact, weather reports from abroad indicate that the drought has broken and normal conditions will follow. Europe therefore will *not* import potatoes from the U.S. as she had the last two years—and other export markets similar to the two-year market in Europe are nowhere to be found. We are on our own again.

I have called your attention to only a few of the many reasons why I urge you to reconsider the listing of item 140.50 on your G.S.P. list. The Kennedy Round of Tariff Negotiations came to be known as the period when U.S. agriculture was "sold down the river." I trust that the current negotiations arising under the Trade Act of 1974 do not demand a recurrence of that judgment.

I ask, then, that you reconsider the listing of item 140.50 on your G.S.P. list. Frankly, I find it very hard to imagine why this proposal should ever have been made or who might be behind it. So in addition to your reconsideration of this ill-conceived matter, I should like to have a written report containing the reasoning upon which this proposal rests and the identities of the parties, domestic or foreign, who have requested the elimination of this duty.

Sincerely,

WILLIAM D. HATHAWAY,
U.S. Senator.

DEATH OF PETER LISAGOR

Mr. MUSKIE. Mr. President, Peter Lisagor's death leaves Washington without one of its most likable, entertaining, and talented institutions. And it is a measure of Peter Lisagor that he would have objected loudly, strenuously, and eloquently to being called an "institution."

I am sure it was difficult for anyone

who met him not to consider him a friend. Those of us who fell under his professional gaze can attest to a "bedside manner" which enabled him to ask sharp questions which did not sting, and to make astute judgments which we respected even when we disagreed.

Pete was a professional. While his commentary was often brilliant, and always witty and informed, he was at base a reporter. His raw material was information. And his talent was in communicating that information simply, understandably and, as a result, eloquently.

Peter Lisagor was a good reporter. He was also an impressive human being. He was an opinionated observer of the national scene. And he had the talent to express those opinions with force while not seeming overly aggressive. He was absolutely unafraid, and completely unaffected by things and people with power or influence. And most importantly, he had that peculiar ability to react to people in Washington on a human as well as a professional level.

It was these qualities, I think, which made him so valuable to Americans. Most people knew him through television—his nasal questioning at Presidential news conferences, his fiesty commentary on news analysis programs, his wit and irreverence on a network panel show.

We saw in him a quintessentially average American, in Washington because that was where the stories were, a man who always looked up, and never down his nose.

America will miss him. And I will miss him.

TRIBUTE TO SENATOR PHILIP HART

Mr. HUMPHREY. Mr. President, the death of Philip Hart is a great loss to the Congress and the Nation. Not only have we lost a personal friend, but this body as a whole has lost a foremost exemplar of justice, integrity, and courage.

Philip Hart was a man for whom justice was an attainable ideal—not a remote abstraction to be acknowledged and forgotten, but a practical goal to be approached more closely every day.

During the great decade of social improvement in the 1960's, when this country recognized its long-overdue moral debt in civil rights, no Congressman was more dependable or more dedicated to that cause than Philip Hart. And no one approved himself to be a more conscientious and able advocate of equality for all than Philip Hart did when he successfully managed the historic passage of the Voting Rights Act of 1965.

For this tireless effort on behalf of human justice, Philip Hart received little public recognition or popular acclaim. But everyone in this Chamber knows that wherever the bright sunshine of human rights is shining, it does so in large part, because of Senator Philip Hart.

He was also a man for whom incorruptible integrity was not a posture, but a part of his character. Over his three terms in this body, Philip Hart authored and sponsored the kind of legislation which has the immediate benefit of our citizens and consumers at heart, often despite the efforts of powerful interests.

As every public servant knows, it is not always easy to promote the welfare of the common man—especially when his interests may run counter to those of powerful political and economic forces in our society. But as strong as the pressures were to relent, Philip Hart fought and continued to fight for improving the quality and safety of our citizens' lives. Much of the time he won, and the fruits of those victories are evident every time a child is saved from harm by a dangerous drug, or a consumer is protected from an unscrupulous manufacturer.

Finally, Philip Hart was a man of profound personal courage. If he appeared gentle and soft spoken to his colleagues and constituents, it was not for want of an iron will and indomitable bravery. He proved that to all of us by facing a terrible and premature death with grace, nobility and a quiet dignity which is the rarest and strongest form of courage.

In the final analysis, it can be said of Philip Hart that in his life he showed us how to live and work with honor. And in his death he showed us how to face the end with wisdom and with strength. That is as much as a man can do with his life.

I am deeply grateful to have had Philip Hart as a friend and a colleague for many years. His memory for me, as for so many Americans, will be all the dearer for knowing that we will not see his like again.

TAX REFORM

Mr. HATHWAY. Mr. President, the 95th Congress and the administration which is about to take office will be addressing themselves to further reform of our system of taxation. Because taxation and lack of taxation constitute such powerful means of encouraging or discouraging various forms of economic activity, it is clear to me that any reforms contemplated or undertaken will have profound effects upon all Americans. Rather than shirk from this task, it is my hope that we shall embrace it and accept its challenge. Toward that end I offer a few of my thoughts on the approaches we might consider taking in our expected attempts at simplification of our tax code and achieving more equitable effects. For make no mistake about it, everyone is affected by the tax laws, whatever their income.

Everywhere we go we hear people criticize the food stamp program or the welfare program, and one would think that these critics were not the beneficiaries of any kind of subsidy at all. But it turns out that almost every man, woman, and child in the United States is the beneficiary of some kind of a Federal subsidy. I think it is important to look at tax reform in this context.

We have a lot of subsidies that are paid out of money that we collect in taxes. We pay them directly with cash subsidies to the shipbuilding industry, irrigation systems, and student grants. We have credit subsidies whereby we guarantee loans to pay up the difference in interest in order that the beneficiary may pay a low-interest rate.

We have benefits in kind whereby we build public housing projects and give away surplus property. We have what we call purchase subsidies whereby we buy farm products at a higher price than the price prevailing in the market. We have what we call regulatory subsidies through our various regulatory agencies. We subsidize the field of transportation, for example.

Then we also have a large number of subsidies out of money that we do not collect—money that we do not collect in taxes as a result of allowing certain individuals and corporations specific deductions, credits, or exemptions for social or economic purposes.

I think that we should recognize that all of these expenditures, whether they are moneys not collected or money paid out directly, by credit, benefits in kind, purchase, or through regulation are expenditures, expenditures, expenditures, regardless of what name they are called.

If a tax break is given to an individual or a corporation, this is really an expenditure out of another taxpayer's pocket, because we have to make up for the revenue that is lost in order to provide that deduction for that specific taxpayer.

In all these expenditures, whether they are tax expenditures or direct expenditures, we first should consider whether or not they are worthwhile; and if they are not, just drop them regardless of whether they are direct or tax expenditures.

Then we should consider whether we can do them directly. Sometimes the bureaucracy that would be created in order to make the expenditures directly would be overburdening and would not be worth the price we have to pay. More often than not, though, it is because it is not politically feasible to make some of these expenditures directly that we resort to the tax code in order to make them.

I think we should examine the entire tax code with those guidelines in mind; first, whether or not a certain deduction does provide for a worthwhile purpose; second, whether or not it should be done by a direct expenditure; and third, whether or not it should be changed from a deduction to a credit.

I would like to point out that if we decide we have to go the tax expenditure route in order to accomplish social or economic objectives, whatever they may be, we should examine it very carefully. Just look at the situation we have now. We allow a $750 exemption for the dependents of any taxpayer.

If we were to say to the American public that we are going to let the poor people of this country have $105 for every dependent they have, and that we are going to allow the wealthier people of this country to have $375 for every dependent they have, you would have people outside of the Capitol steps right now with big signs and clubs.

But that is exactly what we do when we allow the exemption for dependents, because the person in the 14-percent tax bracket, who is taking this exemption as a deduction, does get 14 percent of $750, which is $105, and that is his tax saving. That is the money that the Government does not collect from him or, in effect, gives to him.

The person in the 50-percent bracket, who needs the exemption far less than the person in the 14-percent tax bracket, gets $375 from the Government, and there are many other deductions, of course, as we all know, that produce the same result to give the wealthier taxpayer a bigger break than the poorer taxpayer. We should examine all of these deductions first to determine whether they are worthwhile expenditures, or whether we can accomplish the objective better through a direct rather than through an indirect route. Then we should see if we cannot make the tax expenditure itself more worthwhile by putting it on a more equitable basis, such as a tax credit, which would give each individual taxpayer a certain percentage, say, of his allowed expense to be subtracted from his actual tax bill, rather than deducted from his income.

If we said to every taxpayer of the country, "You can deduct $200 from your tax bill for every dependent that you have," it would be far more equitable than it is at the present time, especially if you made that $200 credit a refundable credit so that the low-income person, if his tax bill were only $150 would still get a $50 check from the Federal Government.

It is my hope that when we come to consideration of measures proposed for the purpose of simplifying our tax code we shall keep in mind the general rule that a tax credit is a more equitable and universal treatment than an increased deduction from income.

But additionally, we must look at the tax expenditure—and its purposes—before mindlessly simplifying its use.

Most tax expenditures are enacted for an indefinite period, and establish a special tax situation for a group that is not only well organized but powerful politically. The result is that they are never the subject of review except when public pressure for tax reform builds to such a point that it is unavoidable.

This is not a rational way to legislate. Most tax expenditures remain in the code long after they have served their original usefulness, simply because the only group for whom they are of particular interest is the group who benefits. There is no Government "bureaucracy" to flog their existence for the public, and the beneficiaries are well equipped to resist the intrusions of outside reformers. Applying sunset legislation to tax expenditures would deal with this situation. To establish a set period for the review of tax expenditure provisions would mean that these vested interests would periodically have to defend their provisions. But by the same token, it would insure taxpayers of the ability to plan ahead, both for their own actions and for the actions of Congress. It would enable Congress, the business community, and private individuals to take taxes into account in planning investment decisions.

Legislation of this type would be similar to a bill introduced jointly in the 92d Congress by Senator MANSFIELD and the then-chairman of the Ways and Means Committee, Mr. MILLS.

As Senator MANSFIELD indicated upon introduction of his proposal in the 92d Congress, the fact that a termination date is attached to each tax expenditure provision does not indicate whether the provision is desirable or undesirable. It merely mandates a review by the Congress to determine whether a given tax expenditure should be retained, modified, or deleted from the tax law in accordance with its effectiveness in promoting its economic objectives.

I would urge the Congress to include tax expenditures within the sunset provisions. To do so implies no position on any of the tax expenditures involved, any more than applying sunset provisions to the appropriations process implies any position on any of the issues involved in those areas. Instead, it merely implies that tax expenditures, like other Federal outlays, should be subject to periodic congressional scrutiny.

The first piece of legislation I introduced as a Senator was a concurrent resolution to scrap the entire Internal Revenue Code and to start over. I had introduced the same piece of legislation as a Congressman in the House. In effect, that is what sunset legislation would enable us to do—it would establish an orderly process for the periodic scrapping and overhaul of the Internal Revenue Code.

And I think that is exactly what it needs, along with simplification of what we retain.

THE GENOCIDE CONVENTION AND THE START OF A NEW CONGRESS

Mr. PROXMIRE. Mr. President, today marks the beginning of the 10th year I have urged the Senate to ratify a very important treaty. That treaty is the Genocide Convention.

This convention has been exhaustively discussed over the years. For the benefit of the new Members of the Senate, and for a better understanding of the convention, I would like to present to you its objectives and provisions.

The treaty, made up of 19 articles, the first 9 being of a substantive nature, the others, procedural.

Article I describes genocide as a crime under international law.

Article II specifies that any of the following acts, if accompanied by the intent to destroy, in whole or in part, a national, ethnic, or religious group, constitutes the crime of genocide: Killing members of one of the above groups; causing serious bodily or mental harm to members of one of the above groups; deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; imposing measures intended to prevent births within the group; and forcibly transferring children of the group to another.

Article III specifies that five acts involving genocide shall be punishable. These acts are: The crime of genocide itself; conspiracy to commit genocide; direct public incitement to commit genocide; attempt to commit genocide; and complicity in genocide. The parties agree in article IV to punish guilty persons, irrespective of their status.

In article V, the parties undertake to enact, "in acordance with their respective constitutions," the legislation necessary to implement the provisions of the convention.

Article VI says that any person charged with the commission of any of the five genocidal acts enumerated in article III shall be tried by a court in the state in which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those states accepting such jurisdiction. Acts of genocide committed in American territory would be tried in American courts.

Article VII specifies that the parties agree to extradite, in accordance with their laws and treaties, persons accused of committing genocidal acts.

Article VIII recognizes the right of any party to call upon the United Nations for such action that may be necessary and appropriate under the charter for the prevention and termination of genocidal acts.

Finally, article IX provides that disputes between parties relating to the interpretation, application, or fulfillment of the convention shall be submitted to the International Court of Justice when any party to a dispute so requests.

Mr. President, with the provisions and articles clarified in this manner, it is my hope that the convention will be better understood by the Senate and that this body will see that the convention simply defines genocide and makes it compulsory for the states to prevent and punish genocide within their own territories.

It is my profound hope that with this better understanding, the United States will act at once and ratify the Genocide Convention.

CONSTITUTION DAY

Mr. CHURCH. Mr. President, with the conclusion of our Bicentennial Year, and the commencement of a New Year with the inauguration of a new President, it is most fitting to look forward to another bicentennial of unique moment in our Nation's history; namely, the 200th anniversary of the signing of our Constitution. The Bonneville Tricentennial Commission, formed in Idaho, the first such commission in the United States, has resolved that this date, September 17, 1987, be made a legal holiday.

I believe that this suggestion has much merit. While our Declaration of Independence stands as the birthstone of our Republic, it is the Constitution which has given us the framework of our freedom.

The centennial celebration of Constitution Day in 1887 was a noteworthy event. In ensuing years, Constitution Day has emphasized patriotism and citizenship, recalling the spirit in which the Constitution was written. Events in recent years, Mr. President, have led to a reaffirmation of the central role of the Constitution in the preservation of our free society. It is, therefore, indeed appropriate that they should culminate in a celebration of our Constitution's bicentennial year. As September 17, 1987, draws nearer, I hope support will grow for the Bonneville Tricentennial Commission's goal for a fitting commemoration.

To this end, I ask unanimous consent that the commission's resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CONSTITUTION DAY

Whereas, We have just celebrated the biggest and best Bicentennial ever dedicated to the birth of freedom and human rights, and

Whereas, July 4th is observed as a National Holiday because it is directly and exclusively the birthday of the first of the two most important, inspired proclamations of religious and political principles, ever declared to be the foundation of a new nation, and

Whereas, the first—the Declaration of Independence—opened the way for the second—the Constitution of the United States, and

Whereas, the Constitution made the magnificent principles enunciated in the Declaration a living reality and became the great and far-reaching step in creating our nation—a Land of Liberty, choice above all lands, and

Whereas, September 17, 1987, will be the 200th anniversary of the adoption of that treasured document of freedom, the United States Constitution,

Now, therefore be it resolved, that the Bonneville Tricentennial Commission (first such commission in America) recommends herewith to the President and the Congress of the United States that commencing with the Bicentennial anniversary of the adoption of the Constitution that *"Constitution day"* be declared a legal holiday in America and be celebrated as such from that date forward each September 17th.

IS THE AIRCRAFT CARRIER STILL NEEDED?

Mr. HART. Mr. President, the New York Times of January 7 contains an editorial on the need for the aircraft carrier, "The Behemoths at Sea," which I wish to bring to the attention of my colleagues.

The aircraft carrier is, with the submarine, the most effective ship in the Navy. It is the ship which potential enemies fear most. Its ability to project a substantial force of tactical aircraft into almost any area around the world makes it a powerful deterrent to Soviet adventurism.

However, as the Times correctly notes, the nuclear powered aircraft carrier is very expensive. If the cost of its task force escorts is added in, the price at least doubles from the $2 billion cost of the carrier itself. And because it is so expensive, we can afford very few carriers—only 13 at the present time.

The debate regarding the carrier should focus on this fact—that we can only afford a small number of large, nuclear powered carriers—rather than just focus on carrier size, propulsion plant, or the type of aircraft carried.

Why? Because the Soviet anticarrier concept, to which a significant portion of their fleet is devoted, depends not on the size of the opposing carrier, or even on the type of aircraft carried. The Soviet anticarrier concept is designed to deal with a small number of aircraft carriers in each tactical situation. The heart of the Soviet concept is having only a small number of opposing carriers. Therefore, numbers are of key importance; if we can force the Soviets to face a large number of carriers, their chances of success diminish rapidly.

It is in this context, the context of the importance of numbers, that the issue of carrier size becomes important. Smaller carriers should be cheaper carriers, therefore, we should be able to afford more of them. The more carriers we have, the weaker the Soviet anticarrier strategy.

I hope that my colleagues, particularly those on the Armed Services Committee, will approach the carrier issue this year with this realization in mind.

I hope the Senate will keep in mind that it is not only the carrier which costs money, but also its escorts. The newest proposed carrier escort, the strike cruiser, will cost between $1 and $1.5 billion—close to the cost of the carrier itself. We must ask if we would not produce a more effective force by giving carriers more defensive armament, and reducing the need for escorts. Any money saved in this manner could, again, be used to raise the number of carriers, and strike at the heart of the Soviet naval concept.

Mr. President, I ask unanimous consent that the New York Times editorial, "The Behemoths at Sea," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BEHEMOTHS AT SEA

Through sea changes in weaponry, in the balance of power and in the number and nature of potential adversaries, our Navy has designed itself for 50 years around 15 mighty capital ships, the ceiling that emerged from the Washington Naval Treaty of 1922. Capital once meant battleships, eventually attack carriers.

The magic, mysterious number 15 became enshrined, but the price thereof, of course, has gone steadily higher along with the ships' combat capacity. When it came time to replace four of the 15 carriers in recent years, the cost was further raised by going from conventional to nuclear power to drive them. In 1975, at the behest of Admiral Hyman Rickover, the Congress overrode Administration objections and stipulated that all future carriers, their escorts and other major combat ships must be nuclear-powered, at a cost of up to 80 percent more than the conventional.

Now comes word that the expiring Ford Administration has rejected a Navy request for yet another nuclear-powered carrier. Unless reversed by the Congress or the Carter Administration, this decision could mark the beginning of the end of the super-carrier era. We hope it will.

It has not been shown—since the destruction of the Japanese fleet three decades ago—what conceivable war requires an American fleet of 15 super-carrier task forces (Russia has none, nor is it building any). Rising costs forced the decommissioning of two of these task forces last year, but the country's carrier admirals, still dominant in the Pentagon, have persisted in wishing to invest the largest part of their resources to preserve the carrier fleet.

The giant nuclear carrier can attain greater sustained speed, carry more high-performance jet fighters and maneuver independently from fleet oilers. But the carrier task force as a whole remains dependent on conventionally powered ships for escort, defense and supply. When nuclear escorts are added to reduce this dependence, the soaring costs reach into outer space.

The conventionally powered carrier John F. Kennedy cost $280 million in 1967. The nuclear-powered Nimitz, completed in 1975, cost almost $2 billion. Former Defense Secretary Schlesinger proposed three years ago that we quit with four nuclear carriers and let the total number of carriers decline to 12, with eight smaller non-nuclear replacements costing only $550 million each.

A return to something like that plan—which would give the fleet, in addition, some "sea control" ships carrying helicopters and vertical take-off planes—would improve the Navy's ability to handle its overriding mission in war: keeping open the sea lanes to our allies in Western Europe. Costly carriers are not effective in that role.

The Congressional Budget Office estimates that $7 billion could be saved over five years by turning from a preoccupation with supercarriers to attack Soviet targets—a mission of doubtful value. The savings could be spent on the smaller warships needed to hold the sealanes against Russian submarines, the main Soviet naval threat.

Defining the right mission for the right weapon must be our chief concern in evaluating military spending. The next Pentagon budget will give the Carter Administration another chance to make sense of the country's $40 billion at year Navy and its ten-year, $70 billion shipbuilding program.

Carriers remain useful floating air bases in an era in which the nation may still want to project its power into troubled waters. By abandoning the mystique of 15—and the obsession with 90,000-ton nuclear-propelled behemoths—the Navy could build the fleet needed for an Atlantic war and the more limited naval challenges that may occur elsewhere.

MAINE ARCHITECTURE FEATURED IN OCTAGON EXHIBIT

Mr. MUSKIE. Mr. President, my home State of Maine is perhaps best known for her coast, and her unspoiled rural beauty. Maine's beauty is, of course, much more than that, as E. B. White's Stuart Little discovered on his trip North:

In the loveliest town of all, where the houses were white and high and the elm trees were green and higher than the houses, where the front yards were wide and the back yards were worth finding out about . . . in this loveliest of all towns Stuart stopped to get a drink of sarsaparilla.

For those of my colleagues who have not had occasion to visit one of our lovely communities, I call their attention to a survey of the achitectural heritage of Maine on exhibit at Octagon House beginning January 12. It is a heritage with which we Mainers are blessed, and of which we are proud, indeed.

Mr. President, I ask unanimous consent that a descriptive announcement of the exhibit be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

MAINE ARCHITECTURE FEATURED IN OCTAGON EXHIBIT

A survey of the architectural heritage of the state of Maine will be the focus of the Octagon's first exhibition in the 1977 program.

The exhibition, entitled "Maine Forms of American Architecture" will be on view from January 12, 1977 through March 10, 1977. Originating at the Colby College Art Museum, Waterville, Maine, the exhibition includes paintings, photographs, architects' drawings, models and three-dimensional objects. Among the artifacts are "View of the Original Statehouse" by Charles Codman, a flag pole model of a Greek Revival church, a quilt patterned by schoolhouse motifs, an isometric view of Poland Hill Village of the Alfred Shaker Community, office signs, sheet music, and architectural features including a wooden fan from a Federal period front door.

"Maine Forms of American Architecture" received the largest single grant awarded by the Maine Bicentennial Commission which

was in turn matched by contributions from the Friends of Art of the Colby College Art Museum and private donors. The exhibition was also the recipient of installation grants from the Maine State Commission on the Arts and Humanities.

The exhibition is accompanied by a book of the same title. A publication of Down East Magazine and edited by Deborah Thompson, the exhibition director, it includes 132 color and black and white illustrations. The catalogue is available for purchase at the Octagon.

Institutional lenders to the exhibition include the Colby College Art Museum, the Avery Architectural Library, Columbia University, the Maine Historical Society, the Maine State Museum and the Henry Francis du Pont Winterthur Museum.

HARRY BYRD: VANISHED POLICIES AND ENDURING PRINCIPLES

Mr. ALLEN. Mr. President, Mr. Douglas Arant, a distinguished and highly respected attorney in Birmingham, Ala., and a long-time friend of mine, has called my attention to the autumn 1976, issue of the Virginia Quarterly Review in which appears an article entitled "Harry Byrd: Vanished Policies and Enduring Principles" which was written by James R. Sweeney. The article reviews the life, philosophy, and accomplishments of the late Senator Harry Flood Byrd, Sr., father of our friend and colleague, the senior Senator from the Old Dominion, Senator HARRY BYRD, Jr.

The history of our great Nation, dating back to the earliest English settlement at Jamestown, is replete with the names of leaders who were native sons of the Virginia Colony and the State of Virginia. Senator Harry Byrd, Sr., is prominent among that long list of outstanding Virginians who have served our country so well.

Mr. President, the 95th Congress, and the new administration which will take office in just a few days, shoulder tremendous responsibilities because the actions which we take, and which President-elect Carter takes after he assumes office, will affect the American people and people throughout the world for generations to come.

I feel that the life story of the late Senator Byrd will prove inspiring to all of those who read it, and it is particularly timely that the Virginia Quarterly Review has just such an article in print.

Mr. President, I ask unanimous consent that the article referred to be printed in the RECORD, so as to make it readily available to all Senators and the general public.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HARRY BYRD: VANISHED POLICIES AND ENDURING PRINCIPLES

(By James R. Sweeney)

No Virginian of the 20th century has left so deep an imprint on the politics of the Old Dominion as did Senator Harry F. Byrd, Sr., who died ten years ago this fall. While some Virginians regarded the aristocratic Byrd as a symbol of reaction, others saw in him the essence of all that was good in Virginia: honor, conviction, courage, and a selfless dedication to the public weal. The decade since 1966 has produced political conflict and change in Virginia beyond anything imaginable in the years when Senator Byrd presided over the state's dominant political organization. The Byrd Machine has disappeared, but the political philosophy of its leader remains powerful in the Commonwealth.

Historically, Senator Byrd has a dual significance. He is remembered not only as the preeminent figure in Virginia politics but also as a leading conservative Democrat in the United States Senate. Ten years can provide only a limited historical perspective. Yet after the unfilled promises of the Great Society, the agony of Vietnam, and the disillusionment of Watergate, Americans are seeking to rediscover the basis of their political beliefs. The political philosophy of Harry Byrd should be reexamined to determine what value it may have for contemporary society.

The basic facts of Byrd's life are well known. Descended from one of Virginia's oldest and most illustrious families, Byrd was aware at an early age of the Commonwealth's place in the nation's history. He was born 22 years after Lee's surrender at Appomattox. The Virginia of Byrd's youth suffered from the physical destruction and impoverishment left by the war. Both his father, Richard E. Byrd, and his uncle, Henry D. Flood, were active in politics. The elder Byrd served as commonwealth's attorney for Frederick County, speaker of the Virginia House of Delegates, and United States district attorney from the western district of Virginia. Flood was a powerful congressman and a confidant of Senator Thomas S. Martin, leader of the Virginia Democratic party.

Although Harry Byrd matured in a political environment, his first success came in the family business. At 15 he left high school to save his father's newspaper the *Winchester Evening Star* from bankruptcy. Hard work and scrupulous avoidance of additional debt enabled the teen-aged businessman to maintain the newspaper's solvency. After his success in publishing, Byrd leased and bought apple orchards in the Shenandoah Valley. His apple business prospered, and eventually he became the largest private apple grower in the world. He entered politics in 1908 when he won election to the Winchester city council. Seven years later he was elected to the state Senate.

When Senator Martin, Congressman Flood, and State Chairman Rorer James died within a two year period (1919–1921), Byrd rose rapidly in the hierarchy of the Democratic organization, As state chairman he led a successful campaign in 1923 to defeat a proposed $50 million bond issue for highway construction. While overseeing political campaigns, the young state chairman was making friends across Virginia. In 1925, he was elected Governor at the politically tender age of 38. During his tenure as governor, he initiated tax reform, reorganization, and simplification of the state government and an ambitious program of highway construction. The roads were built on a pay-as-you-go basis, *i.e.*, as the revenue became available from gasoline taxes. Byrd also signed the most stringent anti-lynching law in the nation. When he left the Governor's mansion in 1930, Harry Byrd did not relinquish his leading role in the Democratic organization. Governor John Garland Pollard appointed him to the United States Senate in 1933. During his 32 years in that body, Byrd gained a reputation as an opponent of fiscal irresponsibility and the centralization of power in Washington. As chairman of the Senate Finance Committee and the Joint Committee for the Reduction of Non-Essential Federal Expenditures, he became a powerful and respected member of the conservative coalition of Southern Democrats and Republicans.

II

Harry Byrd was not a political philosopher so much as a master of the arts of practical politics. Only on rare occasions, such as the 42nd apple orchard picnic held on Aug. 15, 1964, did he discuss his political creed. The annual gatherings at Berryville drew Byrd's friends and supporters from all sections of the state. Standing on the flat bed of an apple truck and clad in his familiar white linen suit, Byrd sounded the theme of "sound progress" on that hot August afternoon. He recalled a remark made by the scholarly editor and historian, Douglas Southall Freeman, who had described him as "a progressive based on fiscal conservatism." He decried the unsound financing and increasing centralization of power in the federal government. To correct these dangerous tendencies and to promote sound progress, the American people must rededicate themselves to "responsible citizenship, good government, and fiscal soundness." Byrd had no difficulty telling his audience what sound progress did not mean; however, he was disconcertingly vague when describing specific programs needed to attain this objective.

A reading of Byrd's speeches during his 32 years in the Senate does not add significantly to the vague and negative precepts he propounded at the apple orchard picnic two years before his death. His letters reveal little about the foundation of his political beliefs. In October 1964, the senator expressed his thoughts on the topic "The Christian and Politics" in a lengthy and profound letter to Dr. Joe W. Sandifer, a Presbyterian minister. This letter makes it clear that Byrd's political convictions were rooted in his religious faith.

At the beginning of his letter to Dr. Sandifer, Byrd quoted Alexis de Tocqueville's comment that "Religion must be regarded as the first of the Americans' political institutions." For Byrd, de Tocqueville's observation was fundamental truth. The great inspiration of our nation, Byrd wrote, was expressed in the preamble to the Constitution—"To secure the blessings of liberty to ourselves and our posterity." Liberty was the sublime purpose of the new nation as conceived by the founding fathers. In this context liberty had a deep religious significance for Byrd. He interpreted liberty to mean "a spiritual refinement of freedom." By accepting the divinity of Christ, we had established a moral authority superior to all earthly political rulers. Henceforth, individual conscience must guide our conduct. All-powerful government and Christianity are mutually contradictory because, as he expressed it: "Absolute rule exalts the state and debases the individual. Christianity dignifies the individual as a child of God." The conservative Virginian was emphasizing the most subversive and radical tenet of Christianity, but he seemed oblivious to the consequences of his beliefs. He cited the American Revolution as an example of Christians' casting off despotic rule and appealing to a higher moral authority. That abolitionists of the 1840's and civil rights workers of the 1960's might also be fulfilling a divine injunction did not occur to him.

Byrd defined liberty as "freedom restrained by responsible self-government." He held that Jesus Christ as Son of God taught that, if men would learn to govern themselves, it would be possible to conduct worldly affairs on the divine pattern. Christianity, then, emphasized self-discipline. The political theory underlying the United States Constitution was a logical development of Christian principles. The Constitution created a governmental system under which individuals might enjoy the liberties of responsible citizens in a society which encourages individuals to restrain themselves under divine guidance. Byrd believed that the characteristic division of powers in the American political system was the ultimate guarantee of liberty and that the people had to be protected from the abuse of authority by the central government. The framers of the Constitution had wisely set narrow limits to the powers granted to the central government so that individual liberty might be safeguarded. The senator stated that the government of the United States is based upon the dignity of the individual and a

moral code of honorable individual conduct. If man is indeed honorable, he said, we must conclude that self-government is desirable. Thus centralization of power in the federal government is both a violation of the Constitution and a repudiation of the teachings of Christ.

Since the success of the American political experiment depends on man's capacity for self-government, Byrd believed that each American must develop the qualities required by our political system. Primarily, the citizens should realize that individual rights can only be justified by the acceptance of individual responsibilities. The exercise of a right, Byrd wrote, was too often more satisfying than the acceptance of the accompanying responsibility. The principal weakness in the American system was "the tendency to claim the right as an individual and pass the inseparable responsibility over to the government." Carried to its logical conclusion this tendency would lead to despotic government and the destruction of liberty. Times and circumstances might change, he concluded, but "fundamental principles, based on eternal truth, do not change."

Before applying Byrd's "fundamental principles" to the political issues of his time, one should reflect on his analysis of the relationship of Christianity to politics. In his concentration of the individual Byrd seemingly overlooked a vital part of Christ's message: love thy neighbor as thyself. Such a love is not selective, and in our complex society it may have to be expressed through the collective action of the citizenry as performed by their agent, the government. The student looks in vain through Byrd's speeches for a recognition of man's social responsibility to his fellow man. His political philosophy developed in the context of late 19th and early 20th-century Virginia. The conservative Democrats who governed the state believed that government should uphold the state's honor, keep order, and safeguard life and property. Byrd retained this limited concept of the role of government throughout his life.

III

Despite Byrd's view of himself as a progressive, political analysts have properly called him a conservative or, equally as often, a reactionary. He was a self-made man, and he believed that, if a person possessed intelligence, ambition, and competence, he would succeed. Many of the Virginian's contemporaries, including President Herbert Hoover and Governor Alfred E. Smith of New York, shared his faith in rugged individualism. By the 1960's, however, Byrd's views were political anachronisms. He clung tenaciously to his fundamental principles and exhibited no flexibility in their application. Thirty years after the New Deal most Americans accepted a more positive role for the Federal government, but Byrd continued to resist that role as a perversion of the Constitution and a barrier to sound progress. Former Virginia Governor Colgate W. Darden, Jr. has reflected on the senator's place in history: "One of the things you have got to remember in assessing Harry's impact is that he was essentially an agrarian. He never understood, nor did he concern himself too much with understanding, the deep problems of an industrial civilization that was beginning to find its place in Virginia." An agrarian, an orchardist, a countryman, Byrd did not understand the metamorphosis of the federal government's relationship to the individual citizen which occurred during his public life. As his friend, James J. Kilpatrick, put it, "his [Byrd's] only serious weakness [was] that change of almost any sort was anathema to him." Unwillingness to change is unfortunate in anyone, but it is especially lamentable in a public servant. Byrd's intransigence obscured what was valuable in his political convictions.

If consistency were the mark of a statesman, Byrd would be ranked among the preeminent leaders in the history of the Republic. On March 19, 1935, after two years of virtual silence, the Virginian made his first major speech in the Senate. He was proposing an amendment to reduce the appropriation for the new Works Progress Administration from four billion dollars to one billion dollars. In a sense the speech was the only one he ever made in the Senate. He stated that the American businessman was troubled by the enormous expenditures of the federal government and confused by the experiments with the free enterprise system which the government was conducting. Temporary and emergency legislation should be terminated and governmental expeditures reduced. Businessmen would gain a new confidence that the government would protect their property rights. This assurance would stimulate new investment, in Byrd's opinion, and new investment would produce economic recovery. A sampling of the senator's speeches across the three subsequent decades confirms the impression that reduction of federal spending and limitation of federal functions were his two unvarying themes.

Decreased federal expenditures obsessed the senator. In 1950, he debated the scholarly Senator Paul H. Douglas of Illinois before the American Academy of Political Science. In those critical days of the Cold War Byrd offered no appeal to the human spirit. He spoke of money, debt, and national insolvency, a condition which he defined as the inability to raise sufficient taxes in peacetime to balance the budget.

Deficit financing and the soaring national debt are, of course, legitimate political issues. Such concerns are even more pressing today as the American people view with apparent indifference budget deficits which dwarf those of the Truman-Eisenhower-Kennedy era. Byrd, however, emphasized the fiscal problem above all others. "Once the American dollar goes down," he wrote, "we will go into an age of international darkness. The American dollar is the only thing today that is holding the world together." Balancing the budget was "the first and foremost priority." The starkness of these statements seems to contradict the religious basis of Byrd's politics. But the Virginia leader regarded federal spending as a moral question. He expressed this view in 1952, to an audience in Norfolk: "I believe improvident political promises and programs are sinful; that they are evils perpetrated on innocent citizens by demagogues."

Byrd's abiding concern with fiscal responsibility deserves further analysis. The history of the Commonwealth and his early business experiences confirmed his faith in frugality. Virginia's post-Civil War poverty was compounded by the burden of a prewar debt incurred in the financing of internal improvements. By 1870 the total state debt exceeded $45,000,000, and the annual budget payments of $2,700,000 consumed a substantial part of the state's revenues. Virginia's conservative leaders, who advocated repayment of the debt in full, temporarily lost control of the state government to the Readjusters, who called for scaling down the debt and spending more money on public schools. Although the Virginia Democratic Party accepted the Readjusters' settlement of the debt question, such conservatives as Flood and Martin reaffirmed their faith in fiscal integrity. Young Byrd's involvement with the *Winchester Evening Star* seemed to demonstrate the validity of that faith. The financially mismanaged newspaper could not even obtain newsprint on credit. Byrd paid cash each morning for only enough newsprint to meet the afternoon's requirement. Restoring fiscal stability to the *Evening Star* made a profound impression on him. In a sense, he never outgrew the political environment of late 19th-century Virginia and the memories of his own struggle to overcome debt.

Byrd's dire warnings of impending financial ruin for America went unheeded. Repetition of the same message year after year dulled the sensibilities of the American people. In his last three years as a senator (1963–1965) the combined federal deficit was 12.3 billion dollars. For the fiscal years 1970–1972, the total deficit was 49 billion dollars. From 1973 to 1975, the combined deficit increased to 62 billion dollars. Byrd decried the domestic programs of President Lyndon Johnson's Great Society as "acorn spending programs . . . from which giant expenditures will develop in the future." He was quite correct in this prediction. The basis for today's deficits can be found in the extraordinary expansion of domestic spending during the Johnson administration. Federal domestic spending rose from $68 billion in fiscal 1965 to $221 billion in fiscal 1975. Much of the increase was unavoidable because it was written into the language of the program legislation. Byrd's fears have been realized. Some of the social programs, however, have responded to human needs. Instead of constantly attacking such federal initiatives perhaps Byrd should have supported them provided they were financed out of tax revenues.

Byrd believed, however, that massive federal spending and centralization of power are inseparable companions. Centralization, in his view, was changing our system of government by subtle, but effective means The device being used was what Byrd described as "so-called federal aids, subsidies, decrees and other tools of Central Government power, force and intimidation." In his debate with Senator Douglas, he remarked, "There is no such thing as a federal grant. We have to get that into the minds of the people of this country." Fourteen years later, in 1964, the senator was still warning of the dangers of federal aid. Speaking to the ceremonial joint session of the Virginia General Assembly at the restored colonial captiol in Williamsburg, Byrd warned that federal control would inevitably accompany federal grants and subsidies. Addressing the Wakefield, Virginia Ruritans at the shad-planking, the annual Southside Virginia political rite of spring, he cast himself as the defender of state rights who along with other conservatives had their "backs to the wall." He paused to wonder "if the people of this country realize how much power over their liberty the Federal Government has usurped in recent years."

The public's failure to respond to his pleas for a halt to centralization must have keenly disappointed Byrd. During the 1960's the American people looked with favor upon an expanding role for the federal government. The anti-Washington mood set in many years later. The senator could only list examples of federal intrusion into areas he believed reserved for the states. He summarized his analysis of contemporary America in his Law Day Address at the University of Virginia in 1963: "We are being enticed into centralization by Federal paternalism, forced into centralization by Federal usurpation of power, and driven to centralization under the burden of public debt."

To some extent Byrd's comments on government centralization and the resultant regimentation of people's lives were prophetic. Two examples of the much wider role played by the federal government in people's lives today are the equal opportunity/affirmative action hiring programs and court-ordered busing to achieve racial balance in public schools. Senator Harry F. Byrd, Jr. contends that his father foresaw the widening of federal authority. The younger Byrd says his father "predicted 25 years ago exactly what would happen if the federal

government became deeply involved in the educational process . . . government decrees and regulations and government domination, and that's exactly what happened."

The elder Byrd did not realize, however, that state rights imply state responsibilities. The federal government has become involved, perhaps too much so, in areas where the states neglected their responsibilities. The senator's stinging criticisms of federal programs might have been heeded more closely if he had suggested alternative solutions to the problems of urban-industrial America in the 20th century. As late as 1963, however, he criticized federal appropriations for public assistance, health, and higher education because these were "things that people should do for themselves."

Harry Byrd's faith in limited government and dedication to fiscal responsibility affected his opinions on foreign as well as domestic issues. He opposed the post-World War II foreign aid programs, including the Marshall Plan and Point Four, as well as extensive military commitments around the world. As he saw it, we had been playing "the role of world banker, world policeman, and world Santa Claus" too long. The result was deficits in our balance of international payments. Foreign aid must be stopped or reduced drastically. Senator Byrd also opposed the Greek-Turkish aid program which President Truman requested in a crisis atmosphere in 1947. His opposition arose from two convictions. He did not approve bypassing the United Nations. "When we acted alone in Greece and Turkey," Byrd demonstrated, "we violated a fundamental principle upon which the new world organization was founded, namely that no member should take single-handed action involving force or military intervention without previous approval by the United Nations." Perceptively he noted that, if the United States took this action unilaterally, we could not consistently condemn Russia or other nations for taking similar action. The second reason for his opposition to the Greek-Turkish aid bill was more characteristic. He believed the program would cost too much and set a dangerous precedent. Sole attempts to "buy off" Communist influence with American dollars would not work. "Our money by itself," Byrd concluded, "is not the panacea for all the ills of the world." Many years and many billions of dollars in aid were required to teach the American people and their leaders that lesson.

Byrd's response to the Indochina crisis of 1954 illustrates the limits he placed on America's role in the world. He opposed military intervention to save the French. "For years," he said, "I have been convinced that Russia deliberately is seeking to sap our strength and weaken us both financially and militarily by trapping us into sideline wars which may be preliminary to direct attack on this country." American intervention in Indochina, in Byrd's opinion, would have been such a "sideline war." We must realize," he concluded, "our resources are not unlimited. We must not undertake commitments we cannot meet." The days after the French defeat at Dienbienphu were critical for the resolution of American policy. No such watershed marked America's deepening entanglement in Vietnam in the 1960's. Unfortunately, President Johnson's escalation of the Vietnam War began during Byrd's last months in the Senate when he was too ill to analyze the question closely and take a resolute stand as he did in 1954.

V

Byrd's position on civil rights may be traced to the post-Reconstruction period of Virginia history. The Virginia Democratic Party recaptured control of the state from the Readjusters in the 1880's with the argument that Democrats must be united to save white civilization from Negro-Republican rule. The constitutional convention of 1901–1902 wrote suffrage restrictions into the state's fundamental law. Poll tax and literacy requirements disfranchised most blacks and many lower-class whites. The Martin organization consolidated its control by means of the restricted and manageable electorate. It is ironic that the race issue continued to play an important role in the history of the Byrd organization because Byrd was from the Shenandoah Valley, where the black population was numerically insignificant. The Democratic organization, however, received its most loyal support from Southside Virginia, a predominantly rural area stretching from Suffolk to Martinsville. Southside had a sizable black population, but political control was in the hands of the white voters who would resist any change in racial segregation. Byrd and the other leaders of the organization upheld the desires of their most devoted supporters.

Harry Byrd's opposition to federal civil rights legislation and to U.S. Supreme Court decisions in civil rights cases was as forceful as it was ultimately futile. He denounced President Truman's mild civil rights proposals of 1948 as "the greatest mass invasion of states rights, local prerogatives, and the privilege of individual self-determination ever perpetrated on this nation." Byrd's most notable—or notorious—stand against national policy followed the Supreme Court's 1954 school desegregation decision. "If we can organize the Southern states for massive resistance to this order," Byrd proclaimed, "I think that in time the rest of the country will realize that racial integration is not going to be accepted in the South." He had uttered the phrase—"massive resistance"—which would signify the white South's defiance of the Supreme Court. Byrd and Senator Strom Thurmond of South Carolina were chiefly responsible for the "Declaration of Constitutional Principles" or Southern Manifesto issued on March 12, 1956 and signed by 101 Southern members of Congress. The manifesto, an attack upon the constitutional basis of the desegregation decision, was a sharp challenge by the leaders of the South to federal law and authority in their states.

Byrd's intransigent stand against the *Brown* decision was prompted by several considerations. Although he was not a virulent racist, he believed in white racial superiority and was convinced of the desirability of maintaining racial segregation. He declared that the Supreme Court decision was illegal and a federal usurpation of power reminiscent of the Reconstruction era. The Supreme Court had transgressed the rights of the states. The issues involved the form of government set up by the Founding Fathers. Almost one hundred years before, Virginia had provided some of the South's ablest leaders in the Civil War. Once again the South looked to Virginia for leadership in the struggle to maintain its way of life against Northern interference. The *Brown* decision had precipitated what Byrd bemoaned as "the gravest crisis since the War Between the States." "If Virginia surrenders, if Virginia's line is broken," he cried, "the rest of the South will go down, too."

As the foremost figure of the organization, Byrd was instrumental in framing the bizarre massive resistance proposals enacted by the Virginia General Assembly in 1956. These laws provided that the governor had to close all schools under court order to integrate. If the local school boards were willing or ordered to open the schools on an integrated basis, state funds were to be denied to all schools in that district. As a result, schools were closed in Warren County, Charlottesville, and Norfolk. In the end, the massive resistance policy accomplished little else but delay. In January 1959, the statutes were declared unconstitutional by the Virginia Supreme Court of Appeals and a three judge federal district court in Norfolk. Senator Byrd's plan had reached a dead end; nevertheless, he was incensed by Governor Lindsay Almond's refusal to carry on the resistance in defiance of the courts and risk imprisonment.

Byrd continued his opposition to federal civil rights legislation until his death. He held that federal interference in the South's racial problems could only retard the Negro's progress. The Civil Rights Act of 1964 was "a monstrous grab for federal power" and the Voting Rights Act of 1965, "an offense to Virginia." Undoubtedly the civil rights laws expanded federal authority and eroded the rights of the states. Yet once more, Byrd offered no alternative state solution to the problem of securing the blacks' rights in American society, and in offering only defiance to the laws of the land, he was offering only another lost cause to the white South.

An assessment of Senator Byrd should include an evaluation of his character. As Virginius Dabney, the former editor of the *Richmond Times-Dispatch*, has written, Byrd set an example in personal integrity for all public officials. No hint of corruption or dishonesty ever touched his public service. At the height of his popularity and power, he declared, "I believe public office in all branches of government is a public trust and that it should be held only by those with rigid codes of honor." He refused more than $200,000 in federal soil conservation payments to which he was legally entitled because he believed that a public servant should not profit from a law for which he had voted. He would not even sell apples from his orchards to the federal government. A senator, Byrd's view, should accept from the federal government only his salary as a member of Congress. He was shocked by the scandals of the Truman Administration, though the influence peddling and graft of that period seem insignificant after the revelations of recent years.

Byrd's high moral standards permeated the Virginia political organization he headed. The machine had many shortcomings—narrowminders, cronyism, indifference to education, lack of concern for social welfare—but it provided honest and relatively efficient government. Graft was almost completely unknown even after Byrd began to concentrate on national affairs and leave the operation of the state organization to subordinates. Writing after Byrd's death, journalist David Lawrence concluded that "simply stated, the departed senator was unequivocally the champion of common honesty in government and the public servant's obligation to spend taxpayer's money and borrowed funds with the same frugality as if it were his own private income."

The perspective of ten years provides a new vantage point to evaluate the philosophy and career of Harry F. Byrd. When the Virginian announced his resignation from the Senate in 1965, columnist Kenneth Crawford casually dismissed his record as "almost totally negative." Byrd's mark in American history, Crawford wrote, was "deep, unambiguous, and consistent . . . the mark left by tenaciously sustained foot-dragging." Such was the verdict of one Washingtonian in the halcyon days of the Great Society. Arthur Krock presented a more thoughtful analysis in the *New York Times*. There could be no doubt, Krock admitted, that at the time of Byrd's resignation his political career appeared to be a failure. The American people seemed to be moving further away from his political views pointed out, Byrd's fundamental principles have "a rugged ancestry . . . and since they have been repudiated before and restored after experimentation with their opposites, the lesson of history is that they may prevail again."

Krock's analysis seems quite relevant in 1976, when many Americans are expressing disillusionment with excessive centralization and massive federal spending programs. California's young Democratic Governor Edmund G. (Jerry) Brown is among the prominent politicans who have voiced this feeling: "I'm a critic of centralization of power in Washington . . . It's not just my own particular feeling, but an increasing number of people are raising serious questions about unlimited growth, about the effectiveness and results of increasing government intervention in our lives." An excerpt from a recent position paper issued by the Conference of Democratic Governors might have been written ten years ago by Byrd himself. The Governors' statement concludes: "The federal government has become so large, unwieldy, and unavailable that it can no longer adequately respond to the basic needs of our citizens or adjust to new conditions and problems."

Yet one must recognize that the new generation of Democratic leaders is not advocating the strictly limited government and the emphasis on state rights that Byrd preached. They are concerned with improving the structure of government so that programs might work more effectively. As Governor Michael Dukakis of Massachusetts has put the problem: "What's needed, quite simply, is a clear and intelligent division of functions between the federal government on the one hand, and state and local governments on the other. The federal government must do what it, and only it, can do well, and free us at the state and local levels to do what we do best." These modern Democrats perceive the limitations of government action and bureaucracy but have not, as did Byrd, abandon the idea of government as an instrument of social justice.

On the other hand, in foreign affairs, both liberals and conservatives in the 1970's seem to be echoing Senator Byrd's warnings against overcommitment overseas. No longer are Americans willing to accept the bold and unlimited pledges of John F. Kennedy's inaugural address—that America would "pay any price, bear any burden . . . to assure the survival and success of liberty" everywhere in the world. The war in Vietnam prompted a reassessment of our commitments which prompted Richard Nixon to declare "the time has passed when America will make every other nation's conflict its own." When conservatives and liberals in the Senate joined to prohibit additional covert American aid to forecs in Angola, Rhode Island Senator Claiborne Pell called for "a new definition of interests and commitments . . . which recognizes the limitations of America's ability to influence events everywhere in the world."

Thus Arthur Krock's prediction that the "rugged ancestry" of Byrd's fundamental principles would in the end endure seems to be borne out. The best of Harry Byrd's qualities—high integrity, dedication to public service, belief in man's capacity for self-government—appear destined to prevail, while the worst—his adherence to racial segregation, his penny pinching, his negative concept of the responsibilities of state and federal governments to provide for the general welfare—hopefully lie buried with his bones.

PRELIMINARY NOTIFICATION OF PROPOSED ARMS SALES

Mr. HUMPHREY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that a number of such notifications were received during adjournment.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

PROTECTING OLDER AMERICANS FROM OVERPAYING THEIR INCOME TAXES

Mr. CHURCH. Mr. President, each year the Committee on Aging—of which I am chairman—publishes a checklist of itemized deductions to protect older and younger Americans from overpaying their income taxes.

This summary also includes a listing of key tax relief provisions to ease the tax burden of the elderly, such as the total or partial exclusion on .the gain of a sale of a personal residence, the elderly credit, and others.

The 1976 Tax Reform Act made major changes in the tax law, including several with a direct impact upon older Americans.

These modifications are included in the committee's checklist.

Hearings conducted by the Committee on Aging have made it clear that many older Americans needlessly overpay their Federal income tax each year. Some are overwhelmed by the complexities in the tax law and the tax forms. But others are simply unaware of helpful deductions, credits, and exemptions which can save them precious dollars.

The summary can also be useful for taxpayers who may subsequently discover that they forgot to claim an allowable deduction on a prior return.

These individuals can still obtain a refund for these expenditures by filing an amended return—form 1040X—for the year in question. Form 1040X, though, must be filed within 3 years after the original return was due or filed or within 2 years from the time the tax was paid, whichever is later.

Mr. President, the Committee on Aging's checklist can be of important value in safeguarding older and young Americans from paying more income tax than the law requires.

For this reason, I ask unanimous consent that this publication—"Protecting Older Americans From Overpayment of Income Taxes"—be printed in the RECORD, as follows:

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

(A revised checklist of itemized deductions for use in taxable year 1976)

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

Medical and dental expenses

Medical and dental expenses (unreimbursed by insurance or otherwise (are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15c, Form 1040).

Insurance premiums

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

Drugs and medicines

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15c, Form 1040).

Other medical expenses

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports (prescribed by a doctor).
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports (prescribed by a doctor).
Artificial limbs and teeth.
Back supports (prescribed by a doctor).
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the inorease in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized.
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lipreading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.

Physical therapist.
Physician.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.
Sacroiliac belt (prescribed by a doctor).
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Supplementary medical insurance (Part B) under Medicare.
Surgeon.
Telephone/teletype special comunications equipment for the deaf.
Transportation expenses for medical purposes (7c per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

Taxes

Real estate.
State and local gasoline.
General sales.
State and local income.
Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes, of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends untaxed under the dividend exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

Contributions

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15c, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7 cents per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case)

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

Interest

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.
Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).
Penalty for prepayment of a mortgage—deductible as interest.
Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.
Other charge accounts for installment purchases—may deduct the lesser of (1) 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) or (2) the portion of the total fee or service charge allocable to the year.

Casualty or theft losses

Casualty (e.g., tornado, flood, storm, fire or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

Credit for child and dependent care expenses

Certain payments made for child and dependent care may now be claimed as a credit against tax instead of as an itemized deduction.

If a taxpayer maintained a household that included a child under age 15 or a dependent or spouse incapable of self-care, a taxpayer may be allowed a 20% credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable the taxpayer to work either full or part time.

For detailed information, see the instructions for Form 2441 on page 17.

Miscellaneous

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.
Union dues.
Cost of preparation of income tax return.
Cost of tools for employee (depreciated over the useful life of the tools).
Dues for Chamber of Commerce (if as a business expense).
Rental cost of a safe-deposit box for income-producing property.
Fees paid to investment counselors.
Subscriptions to business publications.
Telephone and postage in connection with investments.
Uniforms required for employment and not generally wearable off the job.
Maintenance of uniforms required for employment.
Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).
Business entertainment expenses.
Business gift expenses not exceeding $25 per recipient.
Employment agency fees under certain circumstances.
Cost of a periodic physical examination if required by employer.
Cost of installation and maintenance of a telephone required by a taxpayer's employment (deduction based on business use).
Cost of bond if required for employment.
Expenses of an office in your home if employment requires it.
Payments made by a teacher to a substitute.
Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 32, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $25 ceiling ($50 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

Other tax relief measures

Filing status	Required to file a tax return if gross income is at least—
Single (under age 65)	$2,450
Single (age 65 or older)	3,200
Qualifying widow(er) under 65 with dependent child	2,850
Qualifying widow(er) 65 or older with dependent child	3,600
Married couple (both spouses under 65) filing jointly	3,600
Married couple (1 spouse 65 or older) filing jointly	4,350
Married couple (both spouses 65 or older) filing jointly	5,100
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1977, you will be entitled to the additional $750 personal exemption because of age for your 1976 Federal income tax return.

General Tax Credit.—A new general tax credit is available. For this credit, the taxpayer may claim the greater of (1) $35 per exemption shown on line 6d, Form 1040A or Form 1040, or (2) 2 percent of taxable income (line 15, Form 1040A or line 47, Form 1040) but not more than $180 ($90, if married, filing separately).

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976), an election may be made to exclude part of the gain based on a ratio of $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—A new, expanded, and simplified credit for the elderly has replaced the former more complex retirement income credit.

A taxpayer may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if the taxpayer is:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

To be eligible for this credit, taxpayers no longer have to meet the income requirement of having received over $600 of earned income during each of any 10 years before this year.

For more information, see instructions for Schedules R and RP.

Earned Income Credit.—A taxpayer who maintains a household for a child who is under age 19, or is a student, or is a disabled dependent, may be entitled to a special payment or credit of up to $400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if a taxpayer reported earned income and had adjusted gross income (line 15c, Form 1040) of less than $8,000, the taxpayer may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

VIEWS OF DR. WERNHER VON BRAUN

Mr. ALLEN. Mr. President, Senators, and indeed, the American people, are saddened to learn of the continuing serious illness of Dr. Wernher von Braun, who helped pioneer the United States to mastery in space technology, and we pray that he might regain his health.

On October 29 of the past year, Dr. von Braun prepared a philosophical dissertation which was read to a synod of the Luthern Church of America held in Philadelphia. This paper was reviewed by Peter Cobun, a fine young staff writer for the Huntsville Times, of Huntsville, Ala., and his article was printed in the Sunday, December 19, 1976, issue of that newspaper.

Because of the great respect which we hold for Dr. von Braun and because his remarks are pertinent to all of us, I request unanimous consent that the article, "Dr. Wernher von Braun Presents His Views in a Paper Called 'Almost a Confessional,'" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DR. WERNHER VON BRAUN PRESENTS HIS VIEWS IN A PAPER CALLED "ALMOST A CONFESSIONAL"

(By Peter Cobun)

Calling the flush toilet "the most disastrous invention ever made by man" and confessing to doubt the concept of "original sin," Dr. Wernher von Braun expressed these and other intimate thoughts in a lengthy paper delivered this fall.

The 82-page paper was read for Von Braun to a synod of the Luthern Church of America held Oct. 29 at Philadelphia, Pa., and has been termed by one of the space pioneer's colleagues to be "almost a confessional."

Written by Von Braun over a period of several months during hospitalization for a series of operations to curb a spreading cancer, the philosophical dissertation was read to the synod because of Von Braun's inability to attend.

In his introduction, Von Braun alludes to the heavily philosophical nature of the paper, and apologizes.

Yet within its pages Von Braun has articulated a lengthly list of mankind's problems and, in turn, presented his own remedies and views—views sought for months by scholars, scientists and Von Braun's closest friends.

His topics include science, technology and morality and the question of taboos; the motivation for scientific study and research; a list of mankind's most pressing problems; a hierarchy of scientific priorities; and some provocative thoughts on the relationship between science and religion.

Irritated by the oft-asked question, "If we can send men to the moon, why can't we . . .," Von Braun says the endless enumeration "of all the grim problems besetting humanity" lie outside the domain of science and technology. Some of the problems can indeed be solved, he believes, "provided we are willing to spend an adequate amount of effort and money."

But then there is the ethical question: Is everything that is scientifically possible also permissible? Should we attempt, he asks, to develop a set of taboos declaring certain scientific studies off limits?

"I think the majority of scientists are convinced that very wise and cautious statesmanship and ironclad international treaties are absolutely mandatory to protect mankind from the abuse of its newly won scientific capabilities. It appears to me the time to flash up the red no-go sign is not at the very early stages of any basic scientific pursuit," says Von Braun. Quoting Plato: "We can easily forgive a child who is afraid of the dark, the real tragedy of life is when men are afraid of light."

Concerned about the over-enforcement of taboos, he believes laws on science should be established only after the area of potentially dangerous abuse "of an otherwise promising and beneficial scientific discovery can be clearly identified and isolated."

"No judge," he writes, "would condemn a human embryo to death because it has the potential to become a criminal.

"I fervently believe that not everything that is scientifically possible is per se permissible—in the ethical or religious sense. But the stoplight for scientific research should be applied only after we discern the beneficial from the detrimental, the good from evil."

To address what Von Braun terms "the most pressing problems of our generation," he conceives a dome supported by five pillars which encompass and represent the survival of mankind. The five pillars, represent resources survival, environmental survival, spiritual survival, nuclear survival and scientific survival.

And thus for 50 pages of his text, Von Braun goes into an eleborate discussion of human survival, in which he says that science can provide the appropriate solutions to problems which he admits have been festered by science itself.

In addressing each problem area, one intriguing solution repeatedly appears: the reliance on information-gathering satellites.

Data from these satellites—some already in orbit for limited use—"have taken polluters to court, led geologists to oil, given land planners a regional picture faster (at far less cost than traditional surveys), analyzed plant health for farmers and forecasters, corrected maps, and showed the Sahel (African drought-famine region).

"Such information from satellites," says

Von Braun, "has been called as epoch-making as the first use of fire as a tool, or the first practical use of the wheel."

Von Braun calls the brain "man's most precious resource," and is scornful that "the vast majority of mankind uses it most sparingly. The reason," he says, "is inadequate education."

The solution? A communications satellite, such as the one already hovering over India, beaming educational television to 2,500 of India's remotest villages. But then there are the questions of morality. "Can we," asks Von Braun, "or the Indians themselves, really assess the impact of bringing, within the time span of a single generation, literacy to half a billion people? What changes will that cause to the social and political fabric of a predominantly rural country?"

Von Braun admits to being "deeply involved in this particular satellite and the India educational experiment. Speaking for myself, we have no moral right to deny (education) to them."

To buttress this moralistic argument, Von Braun relates a personal experience which occurred during his 20-year residence in Huntsville, where he was first assigned to work on the Army's missile research program, and later became director of the George C. Marshall Space Flight Center.

"Maybe the fact that I spent 20 years of my life in Huntsville has something to do with (my) conclusion. When I arrived there in 1950, the opinion was widespread among the predominantly white population of Huntsville that most black children were either not ready for first-class education, or that a general rise in their educational standards would only lead to trouble with job placements.

"Today," writes Von Braun, "Huntsville has some of the finest integrated schools in the nation, and few, if any, of the predicted problems have arisen."

Optimistic of rapid improvements in the environment within the next decade, Von Braun nevertheless is struck by the irony "that some of civilization's most applauded accomplishments have become the most serious threats to our environment."

He presents, as an example, the flush toilet. "The river, as a convenient sewer, led to the invention of the flush toilet, which some environmental experts in modern sewage treatment now consider one of the most disastrous inventions ever made by man. It led to the habit of committing not just our body wastes, but most of our other wastes as well, to sewage water, which we now find we must remove from that water in expensive sewage treatment plants again before committing it to the river. In retrospect, an earlier invention of the chemical toilet and of energy-producing incineration of dry garbage would have been a better, overall approach."

The dominating Von Braun humor seeps into his discussion of the environment when he writes, "Let me leave you with some food for thought and maybe a smile." Today's environmental impact statements "may be easy to applaud, but not always are they so easy to implement."

His example: Suppose the Elder Henry Ford would have had to file an environmental impact statement to mass-produce his Model "T." Would the critical reviewer have approved the concept if he had known of the "unpleasant odor of exhaust gas" or that in 1975 over 46,000 Americans alone were killed in auto accidents and 2 million injured?

"But I am sure," writes Von Braun, "that both Mr. Ford and his critical reviewer would have missed what was probably the most important item in their impact statement: The fact that the automobile would rid American cities of the housefly." The housefly—dubbed "one of the worst killers known to man" by Von Braun—found its breeding ground in the horse-and-buggy days in the horse stables and the manure-laden streets of the cities. The auto, theorizes Von Braun, thus made the cities healthier.

To those who embrace the ideological concept of "Zero Growth" to curb the world's growing population, Von Braun says pointedly that concept "should be rejected as half-cocked and downright dangerous."

"There is no question," he writes, "that some growth trends should indeed be of great concern, but continued growth in other areas is a vital necessity for the survival of humanity. The indiscriminate philosophy of "No Growth" makes no difference between growth of population and growth as means for continuing survival. We must reject this simplistic concept."

In answering the self-imposed questions of "What drives man to explore the unknown? Why are we flying to the moon? What is the essential justification of the exploration of space?," Von Braun says he is convinced "the answer lies rooted not in whimsy but in the nature of man. I guess it is all just in the basic makeup of man as God wanted him to be. I happen to be convinced that man's newly acquired capability to travel through outer space provides us with a way out of our evolutionary dead alley."

In a lengthy and complex section on nuclear survival, Von Braun writes that it is "hardly surprising that leading nuclear physicists are alarmed and recommended in congressional testimony a complete export ban on certain critical equipment such as plutonium extraction systems, isotope separation plants or technology helpful in the perfection of the still highly experimental breeder reactors.

"But the truly worrisome question is, of course, whether the horse isn't out of the barn already. The thought of nuclear bombs in the hands of terrorist groups or madmen is frightening indeed."

Von Braun is troubled that many scientists cannot visualize God.

"What strange rationale," he asks, "makes some physicists accept the inconceivable electron as real while refusing to accept the reality of God on the ground that they cannot conceive him? One cannot be exposed to the law and order of the universe without concluding that there must be a Divine Intent behind it all. Speaking for myself, I can only say that the grandeur of the cosmos serves only to confirm my belief in the certainty of a Creator. The better we understand the intricacies of the universe and all its harbors, the more reason we have found to marvel at God's creation."

Throughout this obvious painstaking assembling of thoughts, Von Braun often alludes to his relationship with God. All allusions are optimistic; all show evidence that Wernher von Braun has come to terms with his God.

But, however bemusedly, Von Braun adds: "While I am ready to confess that I am a sinner, worse still, that I sometimes even enjoy being one, I must also confess that I have a hard time myself accepting the concept of original sin."

"In this reaching of the new millennium through faith in the words of Jesus Christ," writes Von Braun, "science can be a valuable tool rather than an impediment. The universe revealed through scientific inquiry is the living witness that God has indeed been at work.

"Understanding the nature of the creation provides a substantive basis for the faith by which we attempt to know the nature of the Creator."

COMMITTEE REFORM PROPOSALS

Mr. HATHAWAY. Mr. President, it is my strong hope that the work of the 95th Congress will be facilitated by substantial reform of the Senate committee structure.

The Committee on Rules will be reporting a resolution on or before January 19, and thereafter we shall be considering these proposals in detail.

I believe the Committee on Committees has done an excellent job in highlighting our current difficulties, but I also have a number of alternative proposals which I hope can receive consideration.

In this regard, I testified before the Rules Committee on January 5 and outlined specific recommendations on current shortcomings in the Stevenson-Packwood resolution, and areas for improvement.

Because of the strong interest of my colleagues in these matters, and because this body will be devoting itself to these proposals in a short time, I ask unanimous consent that my testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WILLIAM D. HATHAWAY ON COMMITTEE REORGANIZATION PROPOSALS

Mr. Chairman, I am pleased to have the opportunity to express my views regarding the proposed Resolution to reorganize the Senate committee system which was introduced last week and subsequently referred to this committee.

At the outset, I wish to make clear as a cosponsor of this Resolution jointly authored by Senators Stevenson and Packwood, as well as the prior Stevenson-Brock proposal, that my sole purpose was to bring the broad question of committee reform before the Senate for discussion.

I am not wedded to all of the particulars of the proposal as presently drafted.

In fact, I have a number of criticisms, suggestions, and alternatives. But I do agree that consolidation and reform of the committee structure is necessary and I commend the members of the Committee on Committees for their able work in highlighting the dimension and scope of our present jurisdictional jungle.

1. The Need for Reorganization—

The Senate in unanimously adopting the resolution creating the Committee clearly expressed its view that the present structure with its 31 committees and 174 subcommittees is simply not doing the job as well as it could.

Our present predicament is not unlike that of a police force attempting to function with a cruiser fleet comprised of horse-drawn buggies or model T's—traditional, historical, and quaint, but not very well suited for catching modern day bank robbers.

Furthermore, the bank robbers we must corral—dwindling energy sources, inflation, the staggering economic, social and psychological costs of inadequate job opportunities—are more intractable, deeprooted, and destructive than any gang in the old west.

So, despite our individual proclivities as to what the ideal system might be, it is critically important that we scrap the current structure and reach some consensus as to its replacement.

We must not lose this opportunity, or postpone it under the delusion that a better plan might materialize in the future.

The opportunity for change and improvement has never been better.

On Tuesday 18 new Senators were sworn in. Yesterday we elected new leaders on both sides of the aisle. We have delayed making committee assignments in order to lessen the impact of felt needs to retain newly established bases of power.

On January 20 a new President will be inaugurated who is committed to reorganizing the whole executive branch.

This is a unique opportunity to put our own house in order, to restore it to efficiency and effectiveness. If we take up this challenge and respond to it we would go a long way toward restoring public trust in Congress as an institution and restoring equality among the three branches of our government.

In addition to these more important goals, we should not overlook the impact which reorganization could have on each of us as individual Senators. The Committee on Committees has well documented the current anarchy in the scheduling of committee meetings, meetings with constituents, subcommittee meetings, floor debate, votes and so on.

The teaching of Isaac Newton notwithstanding, we are forced to structure our daily schedules to be three and four places at once, and dash helter-skelter from one side of Capitol Hill to the other. Votes are inevitably missed, meetings cut short or never attended, floor debates occur which are never heard by the vast majority of Senators.

I serve on four full committees—the Committee on Finance, the Committee on Labor and Public Welfare, the Select Committee on Small Business, and the Select Committee on Intelligence. On Finance, I am chairman of the Revenue Sharing Subcommittee, and a member of four other subcommittees —Energy, Financial Markets, Supplemental Security Income, and Health. On Labor and Public Welfare, I am chairman of the Alcoholism and Narcotics Subcommittee and a member of six other subcommittees—Labor; Education; Health; Employment, Poverty and Migratory Labor; Children and Youth; and Arts and Humanities. On Small Business, I serve as chairman of the Subcommittee on Government Procurement, and am a member of the subcommittees on Monopoly, and Financing and Investment. On Intelligence, I am chairman of the Subcommittee on Budget and a member of the Subcommittee on Intelligence and Rights of Americans. Thus, I am chairman of four subcommittees and a member of a total of seventeen subcommittees. These committees, all four of them, often meet at the same time, and given subcommittees of these same committees have been known to schedule simultaneous hearings and markups.

I do not cite these staistics as a personal complaint—rather they are typical of many members of the Senate and a symptom of the overall problem we face. Given the system as presently structured, we must of necessity undertake these extensive duties in order to ensure that in representing our constituents we are doing all we can as individuals to shape the legislation which affects their daily lives. But inevitably, we are spread too thin and our overall effectiveness suffers. The system must change.

2. Consolidation of Existing Committees and Limitation on Committee Assignments—

I strongly favor cutting the present number of 31 standing, joint, select, and special committees approximately in half, and restricting individual Senators to no more than three of these committees and to a total of no more than half a dozen subcommittees.

In a body comprised of 100 members, we cannot justify the existence of 31 separate entities, each with their own staff, policies and functions. The overlap and wasted effort which results now is well known to all of us and must be eliminated if we are to present a credible case to our constituents that we stand for efficient and effective government.

3. Subcommittee Authority and Limitations on Assignments—

The resolution's proposal to limit each Senator to three committee assignments and five subcommittee assignments is laudable.

On the other hand, its exemption of committee chairmen and ranking minority members from the subcommittee assignment limitation is disappointing.

This exemption could result in the chairmen and ranking minority members dominating the subcommittee proceedings and thereby frustrate the original intention of subcommittees—to provide the full committee with a specific, separately arrived at, legislative proposal shaped by the expertise of the individual subcommittee members, which then can be modified as the full committee desires. Allowing chairmen to be members of all the committee's subcommittees could subvert this valuable filtration process.

In addition to bringing all committee members under the subcommittee assignment limitation, any reorganization proposal ought to contain language which specifically recognizes and delineates the functions of subcommittees to hold hearings, make recommendations, and initiate legislation for the consideration of the full committees of which they are a part.

Virtually all of our present standing committees include such provisions in their own rules—but there is one notable exception to this practice—the Committee on Finance, on which I serve.

Not until the 94th Congress were there any subcommittees whatsoever on this critically important committee. But as constituted, these committees exist in name only, with no authority to develop and report legislation. Because the subcommittees lack this power, the full committee does not have the benefit of previously thrashed-out consensus language, but instead must debate in marathon sessions many highly technical provisions of law involving gains and losses of billions of dollars of federal revenue in a virtual vacuum.

4. Mandatory Rotation of Committee Members and Chairmen—

No Senator should serve on any one committee for more than eight years and chairmanships of committees and subcommittees should change at least as often.

In addition to cutting back on day-to-day conflicts and burdens, we should try to maintain a broad exposure to a great many subject areas, which is perhaps the only benefit of the current scheduling chaos.

These seemingly contradictory goals could be accomplished if membership on a given committee were for a maximum of eight years, with one-fourth of the existing membership rotating off the committee every two years, at which time they would be assigned to a new committee.

All of our committees would benefit from this infusion of new ideas and new approaches. Each of us would benefit from being exposed to the problems faced by the different committees and to the viewpoints of more of our colleagues on how these problems might be solved. Committee chairmen should in no way be immune from this proposal, and might well benefit from it to even a greater extent than their junior colleagues.

After having been a member of a particular committee for some time, each of us tends to view national problems from the perspective of that committee's legislative authority and the programs over which it has oversight.

We would greatly benefit from a procedure which would force us to step outside this potentially stultifying perspective, and at the same time we might be less critical of the work of some of the committees with which we might not always agree if we were forced to undertake directly their work from time to time.

There is precedent for such a rotational process in one of our existing committees—the Select Committee on Intelligence as created by Senate Resolution 400 adopted during the last session, and on which I am privileged to serve.

Members were initially appointed to this committee on staggered 2, 4, 6, and 8 year terms with succeeding members to serve a maximum of eight years. The legislative history makes clear that this was done in order to ensure that members of the committee in overseeing the intelligence community did not themselves become a part of the intelligence establishment, and thereby be less vigilant or critical of abuses.

This principle is no less valid with respect to any of our committees. None of our agencies or departments should be able to become comfortable or cozy in dealing with just a few Senators and should be subject to a constantly changing group of Senators which better represent the needs of all parts of our nation.

Committee chairmanships should rotate more frequently, perhaps every four years, in order to foster broad based accountability on which the principle of rotation is based.

5. A Major Standing "Committee on Armed Services and Veterans' Affairs"—

I have been contacted over the last few weeks by a great number of my constituents who are concerned about the resolution's proposal to eliminate the current Veteran's Affairs Committee and instead merge its functions into a new Human Resources Committee. I share their concern.

The proposed Human Resources Committee would have jurisdiction over matters now largely handled by the current Committee on Labor and Public Welfare and would subsume the welfare and assistance programs now under a number of other committees.

The veterans and their families understandably feel that their programs and concerns would not be adequately addressed by an umbrella committee which must also deal with education, aging, health, labor and so on.

As a veteran of World War II, I understand and share this sentiment. The thirty million living veterans and their families and dependents together comprise nearly half the population of the country.

Every citizen of our country owes an inestimable debt to each of these thirty million veterans and to the many million more no longer living and it is appropriate that the Senate of the United States give recognition to this reality in its committee structure.

At the same time it is clear that if we are going to make headway in our efforts to reorganize we must consolidate those committees which are compatible and which would lead to greater economy for us and for the taxpayers we represent. For it does little good to have a separate Veterans Affairs Committee dedicated to the recognition of these vital accomplishments if that committee does not have full equality and legislative functions equivalent to all other committees.

While it is true that the Veterans' Affairs Committee currently has broad oversight over federal programs totaling nearly $20 billion in benefits and services per year, this committee's legislative activity has largely been confined to fine-tuning amendments to existing legislation which has been in effect for over twenty years.

Given the goals of this overall reorganization effort, I can appreciate the desire of the

Committee on Committees to merge the Veterans Committee with another committee. But we ought to merge it with a compatible major committee which would guarantee that the concerns of our veterans would be fully addressed and highlight our concern by incorporating "Veterans' Affairs" into the title of the committee.

I believe that the Committee on Armed Services is such a committee and therefore that a new Committee on Armed Services and Veterans' Affairs would be an acceptable and appropriate entity to all our veterans.

The veterans would benefit from this merged structure in becoming directly associated with the committee which presently has jurisdiction over existing programs of benefit to some of them, such as military retired pay. Through this merger, they could also play a greater role in affecting the deliberations of legislation of interest to all veterans—the overall level of our national security, the relative merits of procuring various weapons systems, the preparedness of our armed forces and so on.

6. A Major Standing "Committee on Small Business and Finance"—

I have also been contacted by many small business men and women who are concerned about the Stevenson-Packwood resolution's proposal to merge the functions of the current Select Committee on Small Business into a new Committee on Agriculture and Small Business. I too share their concern.

As a member of the Select Committee on Small Business, I am well aware of the importance of small business to our economy and society. 97% of businesses in this country can be classified as small business; they employ over half of all employees and account for one-third of our gross national product. They have been responsible for many of our most revolutionary technical advances.

But independent of any statistical analysis, small business is important to our society and preserves and protects many of our most cherished values which might not otherwise survive in our increasingly fragmented and stressful society.

Small business men and women may be unique in today's increasingly mobile society in that they are committed to their geographical area, to their neighborhood schools, their local government, to charities and local hospitals. They are also more likely to build up personal ties with their employees and care about their welfare more deeply than large corporations which hire and fire depending on the cycle of the economy. Given this importance, the Small Business community is entitled to formal recognition in our committee structure and ought to be able to look to one major committee as the logical lighting rod for its complaints and concerns.

This committee must have legislative authority to remedy these complaints and not simply be a sounding board.

As the author of Senate Resolution 104 which gave to the current Select Committee on Small Business and direct legislative authority over the programs of the Small Business Administration I am most sensitive to all of these concerns. That resolution was approved by the Senate last spring by an overwhelming margin and is to take effect in this Congress.

But even this resolution, long-awaited and sought by small business groups succeeded only in giving to the Small Business Committee jurisdiction over just one agency affecting small business and did not guarantee any immediate impact over the dozens of other agencies and departments which affect its operations. We tried for a broader mandate but were required to narrow the scope of the resolution to the point where it is clear that the SBA is the one and only agency which the committee can deal with legislatively.

So, to fulfill the goals of small business and our reorganization goals, we ideally would structure a new committee which gives small business the recognition it deserves and at the same time has substantial legislative responsibilities keyed to remedying the problems felt by small business and would not overlap the programs of any other committee.

But, this is impossible since matters which affect small business inevitably cut across all our current committees and any future committees we might propose.

We must accept the fact that our choice is limited to one between a select committee approach which has legislative authority over the SBA and otherwise acts only as a sounding board *or* merge the select committee functions within a full, standing committee which has substantial legislative authority to affect real improvements in a greater number of areas.

The consolidation route, while admittedly less, than the ideal of small business, seems a far preferable alternative to the present position as a hybrid select committee with extremely limited legislative authority.

But the resolution's proposal to merge the Small Business Committee with the Committee on Agriculture seems ill-advised and unlikely to fulfill this goal.

A merger with the Committee on Finance seems far more logical and likely to benefit small business.

A new Committee on Small Business and Finance, and I use that order of billing deliberately, would be able to consider and legislate tax measures of direct benefit to small business and would also be able to lead the way in simplifying paperwork burdens which are currently strangling small business.

This consolidation would also have a positive impact upon the committee's overall deliberations of tax measures in general. Currently we pay too much attention to the tax proposals fostered by corporate giants and give inadequate emphasis to tax equity for the vast majority of Americans.

This new committee would undertake all of the current duties of the Select Committee on Small Business including legislative authority over SBA and would, I hope, continue to play a vital role in pointing out to all other committees deficiencies in the programs falling under their jurisdiction.

7. A Major Standing "Committee on Agriculture and Rural Development—We already have a Committee on Banking, Housing and Urban Affairs. I therefore propose that there be a new Committee on Agriculture and Rural Development. It makes sense for us to officially give equivalent recognition to the problems of our rural areas. But it should be more than a symbolic or cosmetic gesture. This new Committee should be given the economic development programs currently under the aegis of the Public Works Committee.

8. Elimination of the Appropriations Committee—The Committee on Appropriations ought to be eliminated and all of its various functions transferred to the respective committees having authorization jurisdiction over the programs, departments and agencies involved.

After the enactment of the Congressional Budget and Impoundment Control Act of 1974, there are no valid reasons to continue the existence of the Appropriations Committee.

The Budget Committee now does the job of setting an overall ceiling on outlays which must be approved by the Senate as a whole. These totals are allocated on the basis of functional categories and ensure that our federal spending policies are predetermined and debated and therefore constitute a binding consensus of what our national priorities are, within our ability to fund them.

Given this guidance with these functional ceilings having been imposed, the authorizing committees would be capable of determining to which programs and to what extent federal revenues ought to be obligated. Having considered and approved the authorizing legislation the members of these committees are the ones best prepared to determine how these funds ought to be allocated.

If our goal in this reorganization is to eliminate duplication of effort and overlap of jurisdiction, we should eliminate the most egregious overlap of all in our structure.

The agencies and departments would certainly be grateful—they would no longer be forced to appear before both the authorization and appropriations committees.

Our legislative procedures would be made more understandable to the public at large, and to those seeking legislative redress.

9. A Major Standing Committee on Judiciary and Senate Rules Administration and Standards—If we are sincere in our reorganization goals we ought not to stop at consolidating the groupings of committees which deal with programs of the executive branch and the subject areas of outside interest groups.

We should in addition look for ways the committees dealing with our own internal matters might be adjusted in the same fashion, and whether these functions might be compatible with those of other committees.

The resolution in proposing a new Committee on Rules and Administration and Standards does this to some extent, but this goal could be further fostered if the functions of that committee were also merged with the Committee on the Judiciary to create a new Committee on Judiciary, Rules; Administration and Standards.

This seems a most compatible grouping and would succeed in demonstrating to our constituents that we are in no way exempting the committee dealing with the matters affecting this body or the committee affecting the judiciary from our reorganization efforts.

Matters proposed to be included under the jurisdiction of the resolution's Committee on Rules, Administration and Standards such as federal election law and presidential succession are equally suitable for consideration by the Committee on Judiciary which now has jurisdiction over congressional apportionment, meetings of Congress, attendance, incompatible offices, and constitutional matters in general. Matters affecting the Standing Rules of the Senate would likewise be compatible.

The remaining functions of the Rules Committee including Senate house keeping matters could easily be handled by this merged committee.

10. Need to Streamline Senate Floor Procedure—There is no logical reason to cut short our reform efforts to affect simply the committee structure. It will do little good to have a smoothly functioning, efficient committee setup if chaos remains the rule on the floor.

The resolution has some sound suggestions on scheduling which should be given more teeth.

But additionally the rules affecting floor proceedings are in substantial need of being cleaned up to eliminate unnecessary delay and confusion.

Yesterday I urged the Democratic Caucus to support my proposals to eliminate the possibility for long delay in the daily reading of the Senate Journal, and in quorum calls. I shall be introducing this formal over the next few days and urge that it be incorporated in the final reorganization package.

BELL: "A GOOD MAN FOR A CLEAN-UP JOB"

Mr. TALMADGE. Mr. President, I was very interested to read the Washington Post an editorial article by Eugene Patterson on Judge Griffin Bell, who has been designated by President-elect Carter for the position of Attorney General of the United States.

Mr. Patterson, a native of Adel, Ga., is editor and president of the St. Petersburg Times and one of the Nation's most respected writers and journalists. He succeeded the late, distinguished Ralph McGill as editor of the Atlanta Constitution and served for several years as vice-chairman of the U.S. Civil Rights Commission. Mr. Patterson describes Griffin Bell as "an able and incorruptible lawyer of the highest character and integrity" who is eminently qualified for Attorney General.

I bring this article to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 6, 1977]

BELL: "A GOOD MAN FOR A CLEANUP JOB"

(By Eugene Patterson)

Carter's larger reasoning in picking Griffin Bell, knowing in advance he would draw a troublesome reaction, is more reassuring than disturbing to those of us who have known Bell well over the last 20 years. Carter's whole cautious approach to his Cabinet selections shows he's not inclined to gamble or attract controversy lightly to his appointments. Why, then, did he expose himself deliberately to the heat he knew Bell's appointment as Attorney General would bring, with its surface overtones of political cronyism once again at Justice?

Chances are, the appointment signals a Carter determination to clean house at the department, including the FBI. For, when the dust settles, Bell is likely to be seen for what he is: An able and incorruptible lawyer of the highest character and integrity and a principled man, who on the balance of his actions over the last two decades, can be depended upon to demand that civil rights laws be obeyed.

If this runs counter to the impression given by the single-shotting of his background, his overall record need only be examined.

To comprehend what has happened during the last 15 years in Dixie, it is necessary to understand who, including Carter and Bell, made it happen. These are men who turned against Southern popular custom and their own ancestry to work toward rectification, in one generation, of racial wrongs spanning two centuries. Until that fact sinks in, along with the majestic meaning of it, the nation will continue to find it hard to understand the Southern administration that leads it.

True, there were greater white heroes than Carter and Bell in moving the South toward desegregation in the 1960s. But the pace of the march was less important than the direction the few leaders took in that time when too many politicians and judges were clinging to the safe popularity of the past. To go back from the present and glean isolated errors from the past of such men is to lose sight of their true measure: The sustained thrust of their courage and commitment in a time when it took courage to have courage. Bell qualified, as did Carter, and we Southerners who watched them through those years know them for what they are.

I watched Bell come out of an Atlanta establishment law firm in the 1950s to serve as chief of staff to an upright but segregation-trapped governor of Georgia, Ernest Vandiver. Bell helped ease Vandiver into appointing a blue-ribbon panel, called the Sibley Commission, to hold hearings across Georgia for the purpose of educating the segregationists on the inevitability of public school desegregation. And when Alabama-style riots broke out when the University of Georgia was forced by the courts to desegregate, Bell was among the few who persuaded Vandiver not to follow George Wallace's example of inaction in the Autherine Lucy riot, but to send in the State patrol, which reclaimed the Georgia campus from the mob and protected the black students there.

These were critical, almost politically suicidal steps in that time, primitive as they may seem now. But they marked out the men of the future. Southerners measure men now on where they stood then.

Bell took the Georgia chairmanship of John F. Kennedy's campaign before it was by any means certain a Catholic and a "liberal" on civil rights could carry that state in 1960.

And once on the bench of the federal Circuit Court of Appeals, where he perceived himself to be a moderate bridge between the liberal judges and the conservatives who didn't want to move on civil rights, Bell wrote a strong record of upholding black rights to vote and to go to integrated schools.

Nobody's perfect. I felt Bell voted wrong in finding that the Georgia constitution empowered its legislature to deny a seat to an elected representative, Julian Bond. He didn't address the right or wrong of the legislature's act, as I recall. He simply felt it had the power to act, rightly or wrongly. The Supreme Court reversed him. So he erred. So that was one case. His record shows a voluminous and unswerving series of opinions requiring justice for blacks, including a period when, as he says, he was practically acting as "the superintendent of schools for Mississippi." That record deserves a fair examination by the hawks swooping at his Southern head.

Last February, when Bell resigned from the federal bench to re-enter private practice, I interviewed him and printed his own words, which state his philosophy at a time when he had no pressure on him and no reason to dissemble:

"The type of case coming to us has gotten mighty routine," he said, explaining his resignation at age 57. "I'll bet 40 percent of them are criminal cases involving narcotics. It got to be a production line. There was little time to reflect. This was not the reflective court I went on 14½ years ago, judging great issues. . . . [T]he pace was too slow after the cases I'd known with larger meaning for the society and the nation. . . ."

Bell went on to recall with pride his part in ending the notorious county unit system of elections in Georgia; in helping to reapportion state legislatures and force just representation for all; in giving life to the Voting Rights Act for blacks in the South; and, exceeding all others in stress, in requiring desegregation of the schools of his native South.

"We contained a social revolution," Bell said 11 months ago. "The law did that. It was one of the most remarkable achievements in history when you look back on it. The federal court system proved to be a great instrument for the general good."

Taken whole, Griffin Bell is a level-headed lawyer of dependable character whose tough commitment to the principles of political rectitude and racial justice were case-hardened in the pressures of the 1960s when commitment counted. The Senate and the nation most likely will come to see that the President-elect has nominated a pretty good man for a cleanup job that can lead to restoration of faith in the Justice Department.

STEPS TO PREVENT FUTURE OIL SPILLS

Mr. HUMPHREY. Mr. President, in the last 3 weeks we have witnessed two environmental disasters of potentially enormous magnitude. The wreck of the *Argo Merchant* off Nantucket Island may damage the fishing grounds of Georges Bank resulting in economic ruin for many New England fishermen. The grounding of the *Olympic Games* in the Delaware River is almost certain to cause irreparable damage to much of the wildlife on the river. These catastrophes demonstrate only too clearly the inadequacies and ineffectiveness of our present laws in preventing such disasters and protecting our environment from them.

Reasonable and prudent congressional action needs to be taken to prevent future accidents. In addition, action is needed to insure that the cleanup of any future oil spill proceeds promptly and efficiently and that those persons suffering economic loss from a spill are compensated for their loss. The oil spilled by the *Argo Merchant* and the *Olympic Games* is only a thimbleful compared to that which could be spilled by a supertanker or discharged from an offshore drilling platform. These accidents may be only a sample of things to come.

Mr. President, in an effort to stimulate additional thought and discussion about oil spills, the damage they cause, and means to prevent future accidents, I am drafting a bill which would amend the Federal Water Pollution Control Act. As I see it, such legislation would strengthen existing law by doing the following:

First. Extend provisions of the Federal Water Pollution Control Act relating to the cleanup liability for pollution by oil and other hazardous substances to the outer boundary of the fishery conservation zone. The present law only covers accidents in contiguous waters;

Second. Increase the shipowner's total liability from $14 to $30 million. This sum includes both liability for cleanup costs and liability for economic loss. The current law imposes a liability only for cleanup costs; and,

Third. Request that the President initiate an international conference which would establish formal regulations governing such things as ship structure standards, crew training and qualifications, and navigational and safety equipment.

This proposal is not a panacea. I recognize that it may be only a partial solution to the problem. But, it is a start and it will hopefully stimulate us and other concerned citizens to think about new legislation which would solve the problem. I welcome comments on the proposal I have outlined for discussion from other interested Senators and outside experts.

WAMI: A SOLUTION TO HEALTH MANPOWER PROBLEMS

Mr. CHURCH. Mr. President, WAMI stands for the States of Washington,

Alaska, Montana, and Idaho working in cooperation to establish physicians in areas with health delivery problems. It is a program well-known throughout the country, closely watched for its progress to be applied to the national dilemma perhaps most critical to the realization of adequate health care for all Americans—having manpower so that health care can be delivered

Recently a report by a Liaison Committee on Medical Education, representing the American Medical Association and the Association of American Medical Colleges, completed an extensive survey of the WAMI program. Because this survey is essentially an accreditation procedure, the committees full report will not receive wide public dissemination. But its glowing evaluation of the WAMI program, terming it so successful to be startling in its praise, requires ubiquitous attention. I shall ask unanimous consent that an introductory passage and a lengthy portion of the Committee's report, including several tables, be printed in the RECORD at the conclusion of my remarks.

The WAMI program, Mr. President, proceeded on several straight-forward facts and premises. First, the States of Alaska, Montana, and Idaho have no medical colleges. In Idaho, proposals to establish a medical school have been deemed financially prohibitive. At the University of Washington School of Medicine in Seattle, there has been the typical press of applicants far exceeding capacity, including applicants from the other three States for whom national needs would dictate strong consideration. The resolution WAMI provides has the University Medical School admitting students from all four States, with financial participation by the States' governments, and educational participation by the States' universities. A most important fiscal feature of this aspect of WAMI is the expanded medical school classroom availability provided at other campuses, without any additional capital expenditures, and the concurrent expansion and diversification of faculty and students.

Mr. President, I have been a strong advocate of the WAMI program, but I do not know if anyone can match the enthusiasm the evaluation committee found among the students, faculty, and administrators on its campuses. In fact, the word "enthusiasm" appears again and again in the visitation reports at the universities. Nevertheless, the WAMI program has gone forward with caution, doing detailed analysis of attitudes, problems, and results. Those results, as documented by common tests are outstanding: WAMI students are indistinguishable from students taking courses entirely at the Medical School in Seattle.

At the heart of WAMI is the provision of health care for the many medically underserved areas of the four States involved. In this most crucial facet of the program, WAMI takes its students into community clinical units in these States. Not only does this furnish these students an excellent learning experience, but also it augments—directly and immediately—health manpower and delivery of health care. In the committee's visitation reports on these units, the word again is "enthusiasm," but now coupled with recommendations for more students to them, to add to the significant success that the overall report assessed.

But, again, WAMI proceeds with caution. The ultimate goal is, of course, the establishment of physicians in underserved areas. Although those completing the entire program are still few in number, their decisions so far strongly indicate that the WAMI experience does attract them into permanent practice in such locations.

Mr. President, the reason that WAMI has been followed so closely across the country is best stated by the five goals WAMI set for itself:

First. To increase the number of students from WAMI States who are being admitted to schools of medicine;

Second. To increase the number of primary care physicians being trained;

Third. To bring the resources of the Seattle Medical Center to WAMI communities;

Fourth. To avoid construction of more facilities to educate students; and

Fifth. To improve the poor geographical distribution of physicians by encouraging medical students from rural communities to return to similar communities to practice.

The evaluation committee, from the American Medical Association and the Association of American Medical Colleges, concluded that the first four of these goals are being met, and that the fifth and most important is apparently being met. Its comments on the program are so positive that they must impress even its strongest advocates.

Mr. President, I ask unanimous consent that the report and tables be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD. as follows:

INTRODUCTION AND BACKGROUND OF THIS VISIT

On invitation of the administrative officers of the School of Medicine, the Liaison Committee on Medical Education organized a survey of the Medical School of the University of Washington. The survey was scheduled in 1975 instead of the more "normal" time in 1978 because a re-evaluation seemed timely in view of the development of a major program of decentralized undergraduate medical education in the years since the 1971 survey. Accordingly, a team of nine members conducted the survey during the interval of October 16 to October 25, 1975. The members of the survey team were:

Chairman: Christopher C. Fordham, M.D., Dean, University of North Carolina, School of Medicine.

Secretary: Glen R. Leymaster, M.D., Executive Director, American Board of Medical Specialties.

John A. Dixon, M.D., Dean, University of Utah School of Medicine.

William J. Grove, M.D., Executive Dean, University of Illinois College of Medicine.

Andrew D. Hunt, M.D., Dean, Michigan State University School of Medicine.

Hayden C. Nicholson, M.D., Glen Ellyn, Illinois.

Terence A. Rogers, Ph. D., Dean, University of Hawaii School of Medicine.

W. Albert Sullivan, Jr., M.D., Associate Dean, University of Minnesota—Minneapolis Medical School.

Roy C. Swan, M.D., Chairman, Department of Anatomy, Cornell University Medical College.

The team and the University authorities agreed that while it was necessary to conduct a complete accreditation survey, it was also desirable to concentrate on the WAMI (Washington, Alaska, Montana, Idaho) program.

The team procedure was as follows. The activities described in this section were in addition to an abbreviated evaluation of the University of Washington program in medical education in Seattle. Drs. Fordham, Leymaster and Swan traveled to Fairbanks, Alaska for a one day visit to personnel and facilities at the University of Alaska. The next day they traveled to Anchorage for a visit with the community clinical unit in Psychiatry, interviewing the Director, faculty, students and the resident. On returning to Seattle this group conducted the survey of the Seattle facilities with Dr. Swan returning to Cornell at mid-week.

The entire team of nine assembled for a meeting Sunday night, October 19, to review the objectives and the strategy of the survey. The entire team met with University of Washington personnel, particularly Dean Van Citters and his staff, throughout Monday to receive an overview of the total program.

On Monday evening, Drs. Sullivan and Rogers started their visit, traveling during the ensuing days to Moscow (Idaho) and to Pullman (Washington) where they reviewed the two university programs, namely the Washington State University and the University of Idaho. On Wednesday, October 22 they visited the Obstetrics community clinical unit at Boise, Idaho and on October 23 the Pediatric community clinical unit in Pocatello, Idaho, returning to Seattle in the evening.

On October 21 Drs. Grove and Nicholson journeyed to Bozeman, Montana where they surveyed the medical program at Montana State University. The following day they visited the Pediatric community clinical unit in Great Falls, Montana and the next day journeyed to Missoula, Montana where they visited the Internal Medicine community clinical unit, returning to Seattle in the evening.

On Tuesday, October 21, Drs. Dixon and Hunt traveled to Anacortes, Washington where they visited the Family Medicine community clinical unit then to Omak where they visited the Family Medicine clinical unit on October 22. On October 23 they visited the Wenatchee, Washington Internal Medicine community clinical unit, returning to Seattle on Thursday evening.

By Thursday evening in spite of snow storms, icy roads, and late plane schedules, the team had re-assembled at the hotel where reports were exchanged.

Each team was provided detailed descriptive material of the programs which they were to visit, plus full information regarding the medical school departments at Seattle. If wanted, information was available, on every program to each member of the team. Prior to deployment of the team members to the northwestern United States, the Secretary provided each team member with a brief outline which might guide its fact-finding and evaluative opinions (See Appendix V(a) for copy of Guidelines). Each team was requested to write a brief statement of evaluation for the guidance of the entire team, the readers of the survey report, and the University. Each team did write such reports and they are included, suitably identified, in Appendix V (b, c, d, e). These handwritten reports have been given only the lightest editorial touch since they seem to capture well the enthusiasm of the evaluators for the WAMI program.

The survey team members individually and collectively registered their enthusiasm for the WAMI program. The goals which it seeks to meet are important ones. The program is well planned and executed in an effort which is thought to have an excellent chance of

meeting these objectives. With a few minor exceptions, the program is superbly managed with outstandingly good communications over long distances and among divergent groups of people. Morale on the part of faculty and students seems to be high. Community acceptance seems good. There is no evidence, at least as yet, that the three states other than Washington feel that they are getting anything but full value received for their investment of tax money.

There are relatively minor weaknesses and problems identified in a small number of the individual portions of the WAMI program, as noted in this report. However, they seem to be known to those with primary responsibility for the success of the program and efforts are underway to correct the significant ones.

GENERAL INTRODUCTION

The WAMI territory

The WAMI territory is located in the northwestern portion of the United States and comprises four states or 22 percent of the land mass of the United States. Covering six time zones and containing slightly more than six million people, the states of Washington, Alaska, Montana and Idaho (hence, the acronym WAMI) are, in the main, a sparsely populated, rural region which affords innumerable outdoor recreational opportunities. Rich in natural resources and agriculture, the WAMI territory nevertheless faces serious challenges in the fields of health care and health education.

The challenges

What are the challenges for health professionals in the WAMI territory?

Shortage and maldistribution of physicians. While there is considerable disagreement as to the number of physicians necessary for high quality medical care, there does appear to be a shortage and serious maldistribution of certain kinds of physicians in the WAMI territory. Employing the MD to population ratio as a measure, it is apparent that the WAMI states have fewer physicians per unit population than the national average (Table 1). Furthermore, within a given state this ratio may vary considerably as exemplified by the nine counties in the WAMI territory that are without a physician.

A critical appraisal of the types of physicians in the region leads to the conclusion that there are too few physicians delivering primary care (Table 2). Assuming a 4 percent attrition rate, it will be necessary to add 73 family or general practitioners per year to maintain the present number of physicians without affecting the present deficit.

Access to medical education. From 1963 to 1973 the number of students applying for admission to medical schools in the United States rose from 17,668 to 36,135 (110 percent) and the number of positions in medical schools increased from 9,063 to 14,124 (55 percent). This national phenomenon has been nowhere better exemplified than at the University of Washington School of Medicine (UWSM). As Table 3 indicates, in the 1963 to 1973 10-year period, the number of students from the WAMI territory applying to UWSM has risen 155 percent. In the same 10-year period, the number of positions at UWSM increased from 75 to 125 (67 percent). As a result of this "crunch", competition for admission to medical school has become exceedingly keen. This is especially critical for schools in the West that are expected to educate not only the residents from their own states, but also students who are residents from states without medical schools, including Alaska, Montana and Idaho (the AMI states). As the size of the applicant pool increases, state-supported medical schools can expect progressively greater pressure to admit only residents from their own state. As a consequence of such pressure, residents from the AMI states may expect progressively greater difficulty in being admitted to medical schools.

Demand for Medical Education. Coincidental with the increased demands for undergraduate medical education and the growing class size have come additional demands on medical schools for continuing medical education (CME). These latter demands can be expected to increase for two reasons. First, the possibility of professional recertification will require a more formal emphasis on CME. Second, the establishment of Professional Standards Review Organization (PSRO), which will review the quality of care being delivered, should define the educational requirements to bring the care to predefined levels. Among these needs will be (a) the education of medical school students, residents and physicians concerning Patient Care Appraisal (PCA) a system of medical audit, how it is implemented and how it can improve the quality of medical care; (b) the development of educational courses designed to correct deficiencies defined by PCA and (c) a more formal emphasis on lifelong learning by the physician. In the Pacific Northwest and Alaska, these needs are especially challenging because of the large geographical areas involved and the absence of medical schools in Alaska, Montana and Idaho.

Patients for Medical Training. Over the past decade, the size of medical school classes at UWSM has increased significantly. This increase has placed a significant burden on the patient resources available for clinical training in Seattle.

Costs of Medical Education. Available evidence strongly suggests a progressively greater preoccupation and concern with the costs of medical education. Recently, studies on the costs of medical education were published by the Association of American Medical Colleges (AAMC) and the Institute of Medicine (IOM). The former study reported an average instructional cost of $8,600 per student per year (range $5,700 to $10,200) while the IOM study indicated a net average educational expenditure of $9,700 (range $5,150 to $14,150).

Since the early 1950's, the Western Interstate Commission on Higher Education (WICHE) has facilitated the transfer of funds from states without medical education programs to states with medical schools in return for the admission of residents. In view of the cost studies referred to, it is apparent that the $5,000 per year supplied by the sending state is significantly less than the costs of medical education. In addition, Deans for Admissions at state-supported medical schools in the West have indicated that this cost-sharing arrangement no longer has a significant influence on the admissions process. It is reasonable to conclude, therefore, that unless a new arrangement is forthcoming, state-supported medical schools may be forced to reduce greatly, if not eliminate enrollment of residents from states other than the one supporting the medical school.

It is also apparent that the legislature in a state without a medical school would be reluctant to spend the entire cost of medical education for their residents outside of their state. On the other hand, it is generally accepted that the amount of capital and operating costs necessary for a medical school argues against the development of medical schools in the states of Alaska, Montana, and Idaho.

The WAMI program

To meet these challenges, the University of Washington School of Medicine in 1971 embarked upon an experiment in decentralized medical education. The WAMI program, as it is called, has a number of specific objectives.

Improve the health of citizens in WAMI states through decentralized medical education.

Increase the number of positions in medical schools without major capital construction.

Increase the number of primary care physicians in the WAMI states.

Correct the maldistribution of physicians in the WAMI region.

Broaden the educational experience of future physicians through the use of clinical resources in communities.

Improve and expand continuing education programs for physicians and other health care professionals throughout the WAMI region and integrate these programs into an overall plan which includes undergraduate and residency training.

Expand the financial base for medical education by encouraging all states to pay the full costs of educating their residents.

Assist adjacent states with the development of medical and other health professional education.

The WAMI concept

The WAMI concept consists of two separate phases. In the first or university phase of the WAMI program, students receive the first year of medical school training at the University of Alaska, Washington State University, the University of Idaho, Montana State University or the University of Washington School of Medicine. For this portion of the curriculum, faculties and facilities already in existence are used. Existing courses at the cooperating universities have sufficed in some cases, while in others, new courses have been developed. By decreasing the burden on the resources in Seattle during the first year, it is hoped that the number of students admitted to medical school can be increased.

This plan is consistent with the medical school curriculum which was adopted at the University of Washington in 1968. The curriculum change emphasized an integration of the basic and clinical sciences, stressed flexible career choices at an earlier time in medical education, allowed for graduation in three years and established a Department of Family Medicine.

It was anticipated that following the experience at these universities, the students would join the portion of the class that began in Seattle for the second year of medical education.

At the conclusion of the basic curriculum, the students enter the elective phase of their education, which is predominantly clinical in nature. Under the WAMI concept, students during the elective period would receive a portion of their training at the University of Washington School of Medicine and a portion from physicians in communities of the four-state region (community phase). These community centers of medical education, or community clinical units (CCUs), have been established in those disciplines for which there is a need and in which the physician manpower is currently maldistributed. Included in this category are family medicine, internal medicine, psychiatry, pediatrics and obstetrics and gynecology. It was anticipated that these units could be used for a portion of the residency training in the discipline for which they were established. Since the greatest need of the WAMI region is (and was) for family physicians to practice in rural parts of the WAMI region, the first of the community clinical units were to be established in family medicine in rural communities. Finally, the units provide access to a patient population for instruction which is not presently available in the University of Washington affiliated hospitals.

From the beginning of the planning, it was anticipated that if practicing physicians were to be involved in the community clinical units, they would be required either to increase the number of hours they work or to reduce the scope of their practice. In

either situation, these community teachers would require reimbursement for their educational effort. While some are willing and able to participate, others find it impossible to do so and still supply the health care needs of the community.

In addition, it is generally accepted that residents tend to practice in the area where they received their training. It was anticipated that residents would not only reduce the physician's burden of instruction for the undergraduate medical students and consequently free the physicians for more patient care, but would also allow the resident first-hand experience in how his or her discipline is practiced in a community setting. If the resident was accompanied by spouse and children, they too could become involved in the community and gain an appreciation of the life a physician leads in that community. It was hoped that these experiences would create new attitudes in the future practitioners and their families, and act as a recruiting device for the rural areas in the WAMI region.

The founders of the WAMI program felt that community clinical units could also serve as a focus for the continuing education of physicians in the area. In part, this was to be achieved by having inquisitive students interact with physicians over a period of time. In addition, the visits of the community-based faculty to the medical center and visits of the medical center faculty to the communities would provide a continuing emphasis on learning. Finally, specific programs from the medical center could be transported to the community for use by all physicians in the area. In this way, the continuum of learning throughout professional life could be emphasized. Physicians in training could participate in the development and implementation of new policies and programs which may eventually affect them. In addition, consultation would be available to the communities and the sense of isolation that many rural practitioners feel could be reduced.

In addition to the community clinical units, state universities without medical schools could play a major role in the process of continuing education for health professionals. This goal would be accomplished by periodic visits to the universities by faculty from the University of Washington School of Medicine.

Finally, it was hoped that the community clinical units could eventually be used to train the various health care professionals as a team. This development could lead to a more effective integration of their efforts and an awareness of the roles that each professional may play.

Rationale for WAMI program

Considering the needs for health care in the WAMI territory, a number of justifications emerged for implementing the WAMI experiment.

Provided the university phase of the WAMI program proves to be an effective way to teach the beginning portion of medical education, the WAMI program offers a way to increase the number of physicians in training without requiring new investments in "bricks and mortar". In addition, the WAMI program can reduce the impact that larger numbers of students would have on the medical center in Seattle.

Since physicians, in large part, tend to practice in those areas where they received their training, the decentralization of a portion of the undergraduate clerkships and the residency training programs may reduce the maldistribution of physicians that now exists in the WAMI territory.

It is now generally accepted that the AMI states, or those without medical schools, cannot financially support a medical school, nor are they paying the costs of educating their own residents in medicine. In addition, there appears to be no possibility of developing a single medical school which would serve more than one state in this area, as was proposed by Dr. Ward Darley in 1958 for Montana, Wyoming, Nevada and Idaho. WAMI provides an alternative solution to this dilemma by allowing a portion of educational appropriations of a given state to be spent in that state. Finally, WAMI offers the universities involved an opportunity to broaden their curricular offerings. These components of the WAMI program provide a basis for a partnership and, in turn, justify the expenditure of "state" funds at UWSM to pay the actual costs of medical education. As such, it broadens the base of support for medical education in the WAMI region and distributes the burden in an equitable way.

If the WAMI experiment is educationally sound and financially and logistically feasible, then it will be possible to increase the opportunities for medical training available for students from all of the WAMI states, including the state of Washington.

Through the efforts of the federal government and the medical schools, large numbers of highly trained basic scientists have been educated in the last 10 to 15 years. Some of these scientists are working as faculty members in universities without medical schools and were judged to be effective instructors during their graduate or post-graduate training. In addition, clinical training programs have produced a pool of highly trained manpower which may also be used for instruction. Such teaching represents a resumption of teaching activities required of residents or fellows. The WAMI concept provides a way to involve both manpower pools in the training of physicians without requiring that they be in Seattle.

It was reasonable to assume that the community experiences will be of acceptable academic quality for a number of reasons. (1) The peripheral faculty are thoroughly evaluated before they are chosen to participate in the program. (2) The periodic visits by full-time faculty to the units and by the clinical (part-time) faculty to the medical center provide a continual monitoring of the program. (3) The educational experiences will, for most of the disciplines, occur after the students have received their basic hospital training in that discipline at the medical school. As such, the students will require less supervision in the community setting than they would require if this were their first major exposure to clinical medicine. (4) Since residents in the various disciplines are assigned to the units, they assist in the instruction of the undergraduate students in the same way they do in the medical center. (5) Learning resources support is being developed to amplify and reinforce the concepts and knowledge which are germane to the various curricular objectives.

By decentralizing a portion of the clinical training for medical students and residents, the pressure on the clinical teaching resources at the medical center and affiliated hospitals is reduced. Access to patients in the communities will also provide students experience with diseases which they may not now see in university-related hospitals in Seattle.

A decentralized program of medical education should provide a more effective basis for recruiting students, including disadvantaged students, from the WAMI area. For example, Alaskan native leaders feel the presence of the WAMI program will be instrumental in convincing native students that medicine is a career option for them. This is especially critical since only one Alaskan native is documented as having been admitted to a medical school.

The decentralization of a portion of medical education has expanded the number and kinds of educational experiences available to medical students from the University of Washington. By capitalizing on the assets available inside as well as outside the metropolitan setting, students should have a broader background of knowledge, skills and understanding to apply in their professional lives. This background will also provide a better basis for selecting careers, and where these careers will be pursued, than has been available before.

Should the WAMI concept of decentralized cooperative medical education prove to be viable, then the concept may be transferred to other fields of health professional education. As such, it was expected that the presence of a medical education program in a state would serve as a central point around which a wide range of health-related education programs would develop.

Because the WAMI concept envisioned using the University of Washington School of Medicine as a home base and incorporating facility and faculty resources already in existence elsewhere in the region, it was possible to implement WAMI more rapidly than most new medical education programs. The initial goal was to have the program in operation by 1971, or two years after the birth of the plan. In fact, this was achieved in 15 months.

If even a portion of these expectations for WAMI are realized, it is reasonable to conclude that the overall health of the people in the WAMI territory should be improved. This conclusion rests on the assumption that medical education as presently constituted is ultimately beneficial to the health of the people who make it possible.

Progress to date

University Phase. In September 1971, nine students began the first semester of medical education at the University of Alaska. This experience was repeated in 1972 with 30 students in Alaska and Idaho and at the Washington State University. In 1973 Montana State University, the fourth and final university in the program, was added and 40 students, distributed equally among the four sites, were involved. The entire first year of the curriculum was provided at the University of Alaska beginning in the fall of 1974 and a similar program at the other universities began in 1975.

While in these settings, the students enroll in courses which are equivalent to the courses being taught at the University of Washington Medical School. These courses are conjointly designed by the faculties of all universities involved, including UWSM. In addition, faculty from the University of Washington participate in the teaching program in the four institutions as visiting faculty. These visits and a conjointly designed evaluation of the program including a common examination at the end of each course are being used, along with National Board results and performance in subsequent courses, to assess the quality of education and to compare the performance of WAMI students with students who begin their medical education in Seattle.

During the course "Medicine, Health and Society" the students visit rural villages in Alaska, Indian reservations in Idaho and Montana, migrant farm camps in Washington, and community clinical units in all of the states. These visits are designed to expose students to the problems in the delivery of adequate health care to rural areas of the WAMI region. The students also spend half a day per week working with physicians in the local communities to obtain an understanding of the practice of medicine in that community. The majority of these preceptors are primary care physicians.

Community Phase. The first two community clinical units were established in family medicine in Omak and Grandview, Washington, in March 1971. The selection procedure, which is used in establishing all units, involves informing the members of the

State Academy of Family Physicians of the educational program available. Along with this announcement is a description of the objectives and a proposal which physicians can complete and return if they are interested. A joint selection committee composed of faculty from UWSM and practicing physicians then reviews the proposals and recommends sites to the Dean.

Since 1971, additional units in family medicine have been established in Oak Harbor and Anacortes, Washington and in Whitefish/Kalispell, Montana. In each of the units, two students are now spending six weeks under the supervision of physicians who have been given "clinical" (part-time) appointments in the Department of Family Medicine. Each unit is visited by "home-based" medical school faculty at least once every six weeks. In addition, the community faculty members come to Seattle two to four times a year for orientation, education and planning, and are paid for their educational efforts under a contract with the University of Washington.

In addition to the family medicine units, a unit for obstetrics and gynecology has been established in the Treasure Valley of Idaho and involves the cities of Boise, Caldwell and Nampa. Three additional units in pediatrics are operating in Great Falls, Montana; Pocatello, Idaho and Spokane, Washington. Most recently, units have been established in psychiatry (Anchorage, Alaska) and in internal medicine (Wenatchee, Washington and Missoula and Billings, Montana). The thirteen units will accommodate over 240 students and residents per year. This is equivalent to space tor 26 full-time students and 13 full-time residents.

SUMMARY REPORT OF WAMI

The WAMI Program was initiated in 1971 to address five programmatic goals:

(1) Increase the number of students admitted from the WAMI states.

(2) Increase the number of primary care physicians being trained.

(3) Bring the resources of the medical center to communities in the WAMI territory.

(4) Accomplish the programmatic goals without the requirement of new "bricks and mortar" or capital building programs.

(5) Place physicians in the areas of need or in other words, redress the geographic maldistribution that now exists in the WAMI territory.

The Program consists of two phases, the University and Community Phases. The University Phase was initiated in 1971 at the University of Alaska and subsequently, was expanded to encompass Washington State University, Montana State University and the University of Idaho. In the five years since the WAMI Program has been in operation, a total of 196 students have gone through the University Phase (Table I). An evaluation of the performance of students who participated in the University Phase as compared to their colleagues who began in Seattle, has been on the three main bases over the course material taken at WAMI Universities:

(1) Common exams.

(2) Performance on the National Boards.

(3) Performance on courses taken concurrently once the students have returned to Seattle.

In all three comparisons, we have been unable to detect differences in the performance of the two groups. We concluded from that, therefore, that the students are not educationally disadvantaged because of their experience in the University Phase.

Having completed the University Phase, students return to Seattle where they take a second three quarters of the Human Biology courses, or the basic curriculum. In the latter part of that three quarters they are asked to select Pathways for their clinical, or elective, phase of their undergraduate medical education. As indicated in Table II, 54% of the participants in the WAMI undertaking are choosing Family Medicine vs. 38% of their colleagues who spent their first year in Seattle.

Once the students reach the clinical phase of their training, they have the option to elect participation in the Community Clinical Units of WAMI. At the present time, 13 such Units operate in the states of Washington, Alaska, Montana and Idaho: They are:

Family medicine: Anacortes, Washington; Oak Harbor, Washington; Grandview, Washington; Omak, Washington; Whitefish-Kalispell, Montana.

Internal medicine: Billings, Montana; Missoula, Montana; Wenatchee, Washington.

Pediatrics: Spokane, Washington; Great Falls, Montana; Pocatello, Idaho.

Obstetrics and gynecology: Boise, Idaho.

Psychiatry: Anchorage, Alaska.

Results to date

Goal 1: If the number of residents from the WAMI states that were admitted to the School of Medicine in the five years before the WAMI Program is compared with the number admitted since the advent of the Program, it is clear that all four states profited by the presence of this Program in terms of the number of students admitted. This may be seen on Table III. It can be noted that there has been a 43% increase in Washington residents, a 900% increase in Alaska, a 500% increase in Montana and a 422% increase in Idaho in terms of the number of residents admitted before and after the advent of the WAMI Program. For the states of Alaska, Montana and Idaho, the percentage will grow even larger as increments of 10 (Alaska), 20 (Montana) and 20 (Idaho) students are admitted in the next three years. We conclude that the first goal of the Program has been met.

Goal 2: The WAMI Program has trained an increased number of primary care physicians as evidenced by the number of students selecting the Family Medicine Pathway at the end of their second year (Table II). Since in excess of 95% of these students retain this Pathway expression at the time they select an internship and/or residency program(s), it is attractive to believe that the great majority of them will continue in this "pathway" when they practice.

Goal 3: As indicated in Tables IV and V, over 1400 health professionals received formal education from 28 University of Washington faculty visits to the Community Clinical Units during the 1974–75 academic year. In addition, 1,000 individuals attended the Circuit Course which contacted 17 communities in the WAMI territory. Thus, the Program is bringing the resources of the medical center to the communities in the WAMI states.

Goal 4: No new "bricks and mortar" have been required for the WAMI Program to date. This has been possible by using existing facilities at universities and communities in the WAMI states. As such, this goal has been achieved.

Goal 5: As may be seen on Table VI, a great majority of the products of the Community Phase of WAMI (residents who rotated through the Units as a part of their residence training), a very sizeable percentage, albeit a very small number, have set up their practice in rural locations. In part, this has reflected the presence of the National Health Service Corps that has facilitated such placement. These data, while not convincing, are encouraging.

In summary, then, the Program appears to be meeting at least four of the five goals it set for itself and the preliminary data strongly suggest the possibility that some impact is being made on the fifth, or geographic maldistribution of physicians goal.

TABLE I.—WAMI STUDENTS AT PERIPHERAL UNIVERSITIES

	1971–72	1972–73	1973–74	1974–75	1975–76	Total
University of Alaska	9	11	10	12	15	57
Washington State University		10	10	10	20	50
Montana State University			10	10	20	40
University of Idaho		9	10	10	10	49
Total	9	30	40	42	75	196

TABLE II.—PERCENTAGE INCREASE IN MEDICAL STUDENTS

States	Absolute number		Average number per year		Percent increase
	Pre-WAMI, 1965–70	Post-WAMI, 1971–75	Pre-WAMI	Post-WAMI	
Washington	360	516	72.0	103.2	43
Alaska	3	30	.6	6.0	900
Montana	7	42	1.4	8.4	500
Idaho	9	47	1.8	9.4	442

TABLE III.—CHOICE OF PATHWAYS, 1971–73

	WAMI		Non-WAMI	
	Number	Percent	Number	Percent
Clinical specialist	33	45	152	54
Family physician	40	54	107	38
Behavioral scientist	1	1	4	1
Medical scientist	0	0	19	7
Total	74	100	282	100

TABLE IV.—*Continuing medical education in community, 1974–75*

TWENTY-EIGHT UWSM FACULTY PRESENTED 41 PROGRAMS AT WAMI CCUS

[Aggregate attendance]

CCU faculty	368
Other community physicians	464
Health service personnel	607
Total	1,439

TABLE V.—*CME in community, 1974–75*

[Circuit courses]

5 UWSM faculty.
Attendance—17 communities.
319 physicians.
640 Paramedical personnel.

TABLE VI.—*Location of WAMI trained doctors*

Type of practice	No.	Percent
Rural	20	62.5
Military	4	12.5
Hospital	3	9.4
Group health	2	6.3
Inner city	2	6.3
Faculty	1	3.0
Total	32	100.0

THE STATE OF THE STATE

Mr. ANDERSON. Mr. President, the 70th session of the Minnesota Legislature convened in St. Paul, Minn. on January 4. The next day Gov. Rudy Perpich, my distinguished successor, delivered the traditional state of the State of Minnesota address to a joint session of the legislature.

Governor Perpich is one of Minnesota's most gifted public servants. He has held

elective public office for nearly 20 years as a member of the Hibbing Board of Education, as a member of the Minnesota Senate, as Lieutenant Governor, and now as our State's thirty-fourth chief executive.

Governor Perpich is the son of a proud and remarkable immigrant Croation iron miner. He is the State's first Governor from the Minnesota Iron Range and the first Roman Catholic Governor.

The philosophy of government which guides our imaginative and forceful new Governor was most eloquently and succinctly articulated in Governor Perpich's January 5 state of the State address and I commend his remarks to the Senate and ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATE OF THE STATE ADDRESS BY GOVERNOR RUDY PERPICH

Mr. Chief Justice and Members of the Court, Mr. President, Mr. Speaker, Members of the 70th Minnesota Legislature; fellow constitutional officers, distinguished guests, good friends, and fellow citizens:

This is the beginning of my eighth full day as Governor of Minnesota. It's my first opportunity to appear before you.

Some of you have been my friends and colleagues in this state government for as long as fourteen years.

You have shared the burden—and the satisfaction—of making this the most progressive and successful state in the Union.

To those of you who are also here for the first time, as new members of this outstanding Legislative body, I say "Welcome."

To the veteran Legislators in this Assembly, and to your leaders, I say "Well done."

This is the hardest working, most productive Legislature in the nation.

As one with a deep interest in Minnesota history, I can tell you today that we never had a Governor who accomplished more than Wendell Anderson;

And we never had a Legislature that made as big a mark on the life of Minnesota people as you have made in the past four years.

It is now our challenge to continue that remarkable record.

I am not here today to lay out a detailed Legislative program or budget. We will be back in this Chamber in twenty days to begin that task.

Today I simply want to tell you how I feel about Minnesota, our government, and our people.

This nation has just ended its Bicentennial year. But it is not a conclusion. It is a beginning.

It is time to look ahead, in this first year of America's third century, to what the future holds for the people of our state.

I know our people, and I'm optimistic.

As Minnesota Chairman of the Bicentennial, I traveled to more Minnesota communities and met more Minnesota citizens than any other elected official in our 119-year state history.

They have taught me the meaning of the Minnesota spirit.

The people of this state are an inexhaustible resource of faith and optimism, pride and high expectations.

They try hard. They work hard. They look forward to better lives for themselves and their children, and better lives for those who haven't been so fortunate.

Our people are committed to education and to opportunity. They believe you can succeed if you work at it.

They know Minnesota is not perfect. But they think we do better than just about anybody else. They are proud of the Minnesota effort to build and maintain a high quality of life.

They support the Minnesota partnership for progress—with personal effort and the hard cash of their tax dollars. They think it's worth it.

But they expect our leaders to live up to their promises—and live up to their ability.

We can do that. And now is the time to begin.

Minnesota is just emerging from a damaging national recession. Our economy has done better than the nation's. Our unemployment is far below the national average. Our state budget is balanced, and our state credit is good.

But too many Minnesota workers still do not have jobs. And a savage, unrelenting drought has struck a tragic blow to farm families, their communities, and our vital farm economy.

Raging forest fires have severely damaged our important timber, resort, and outdoor recreational industries.

The most important thing we have to do this year is put people back to work—provide jobs where we can, use the help of the federal government where we can, give real help to those who really need it.

We can *do* that:

First, through an even stronger state housing effort, to create productive jobs for construction workers and help people find decent places to live.

Second, through the Governor's Task Force on drought aid we established last week, to bring state and federal resources to bear on the immediate problems of our farmers.

Third, through using special resources to provide temporary work for farm families and others in need of help.

Today I am announcing a special $2 million work program for hard-pressed farm families in our worst drought areas.

We will use federal funds from the 1976 Public Works Employment Act.

We will offer public service jobs for up to 15 weeks at prevailing wages.

The Governor's Manpower Office and the State Department of Agriculture will put this program into operation next week.

These are not state government jobs. They will not affect our state budget. But they are a responsible and productive way to make use of federal help.

These temporary jobs will help our farm area families who are suffering the most. They will help farmers through the winter to spring planting time. And that is what we must do.

Fourth, we can, and must, do much more to develop good economic information and sound economic planning in Minnesota. In the long run, that is how we can insure permanent jobs and stable economic growth.

We can do better. I will ask the Minnesota State Planning Agency to see that we do.

The main emphasis of my message today is jobs. But we can also do better in health.

This state is blessed with many of the best health care resources in the nation.

We have excellent professional training. We work hard to improve the environment in which our people live. We have superior health facilities.

But we are missing some great opportunities.

Health care costs are too high.

We don't put enough emphasis on illness prevention, or physical fitness, or active recreation.

And we have done too little to help the nation make progress against serious and crippling diseases.

I want to take steps, through our state departments, the University, and the Mayo Clinic, to use our opportunities. That will take your help.

One of the recommendations I will make to you is to support a new research effort in basic health and health care delivery.

Minnesota can and should be a model of excellence in health research. We can make it one, if we invest state funds carefully in the fine resources we now have.

In the process, we can alleviate pain and suffering and heartbreak that too many of our people experience when a loved one is struck down by one of the crippling diseases.

We have made many important state commitments in the past six years. This year we need to dedicate a portion of our human and financial resources to finding some of the answers to better health for more people.

Every dollar of our investment will bring five or six or seven additional dollars of federal, private, and foundation funds. I believe we can keep such a commitment, and I hope that you will help me do it.

Minnesota's environmental quality and energy crisis also demand our serious attention.

The Dakota Indians named the state Minnesota—"Minne" for water and "Sota" for white.

The Indians understood the environment, lived in it, and loved it.

Perhaps the most tragic story of all in our decades of environmental exploitation is the story of how we destroyed the land, the independence, and the way of life of American Indians who preceded us by centuries on this land.

This administration will give special emphasis to improving state services for Indians. My recommendations will be included in the budget message.

Jobs are a major concern for all of us—what we can do to get people back to work.

But there is no need to abuse the environment to protect jobs. In fact, Minnesota history shows that the destruction of our natural resources means the destruction of industries that put people to work.

Our first major industry in what we now call Minnesota was furs—there were more than 150 fur outposts in Minnesota.

In that era, our leaders thought there was no end ever to the fur-bearing animals. They would continue to multiply no matter how many pelts were taken.

Wars were fought over the fur industry. This area was colonized because of its fur-bearing animals.

There was no thought of tomorrow, and so those animals were destroyed. They are just starting to come back.

Less than a century ago, miles and miles of white pine stretched all the way from southeastern Minnesota to the Canadian border. Thousands were employed as mill hands or lumberjacks in a great timber industry.

Our leaders in the 1880's were convinced there was no end to the white pine industry in Minnesota.

Most of those early lumberjacks were farmers. They harvested crops in the fall, trees in the winter.

Farmers planted crops. But nobody planted trees. Government could have demanded that one section be replanted as soon as cutting started on another. If that had been the law, we might still have a white pine industry in Minnesota, and majestic white pine trees today.

Bu no one made them do it. And 67 million board feet of lumber left Minnesota. So did a major industry, and the jobs that went with it.

Commercial fishing is the same story. That industry in Minnesota, for all practical purposes, is gone—because nobody thought ahead.

When the fish are gone, the jobs are gone.

When the trees are gone, the jobs are gone.

When the fur-bearing animals are gone, the jobs are gone.

Minnesota's natural iron ore took 1.5 bil-

lion years to form. In one person's lifetime—75 years—we mined all the natural ore in Minnesota.

Nothing was done to preserve the environment in Northern Minnesota. Nothing was done about mine reclamation.

Minnesota's natural ore mines employed many more people than we have working now in the taconite industry. When the ore was gone, the jobs were gone. If we had just demanded mine reclamation, there would be more jobs in Minnesota—jobs that restore our environment.

Today we are witnessing the destruction of another magnificent natural resource—Lake Superior. In 20 years, we have polluted Lake Superior. It will take 500 or 1,000 years before the asbestiform fibers settle out of the water.

But we still have not found a way to stop Reserve Mining Company from dumping into that Lake, and preserve the jobs of 3,000 Minnesota human beings at the same time.

We must do that, and we will, together, in this Legislative session.

Lately we have started to do better.

But we've been lucky. We've had a second chance to turn environmental exploitation into environmental protection.

Minnesota developed a way to use low-grade ore, and revitalized our mining industry.

Minnesota is looking carefully at how we can use our vast copper-nickel reserves and our vast peat reserves—without destroying the environment. We are assessing the environmental, social, and economic effects of developing these great resources. I'm proud of those efforts, and I will continue to support them.

We are also facing the terrible effects of drought on our water resources. They must be preserved and perpetuated.

The first step is to find out what we really have. We must finish the public water inventory of surface waters now underway. And we must start as soon as possible to make a comprehensive inventory of our underground water.

The record has improved in recent years.

Our air is better. Our natural beauty is better protected. Our water is cleaner. We have a better forest management, better outdoor recreation.

But most important, our attitude is better. We are trying harder to keep what we have left.

We must also try much harder to preserve what we have left of our national energy resources.

That means we must stop wasting energy. Except for peat, Minnesota has no natural energy resources at all.

Energy conservation must become a major state goal. Not because it's the proper thing to do, but because it's the only sane thing to do. Our quality of life depends on it.

We have some of the nation's pioneer energy conservation measures.

But they are not enough.

This year I will ask the Legislature to approve the farthest-reaching and most comprehensive energy conservation program ever considered by any state.

It won't be an easy program to pass. It will affect a great many people.

It will require some difficult changes for all of us. But there is no alternative—except disaster.

My proposals will include another state government energy conservation program to cut our own energy use by another ten percent. It will require consideration of alternative energy in any new state buildings.

Conservation can do more than save energy. It can give us the time to develop alternative energy sources.

We must support plans to bring Alaska's oil and natural gas into Minnesota. We must also support the proposed coal use plan of Minnesota's Environmental Quality Council.

And I pledge today that I will do everything I can to continue the Anderson Administration's effort to bring the new National Solar Energy Institute to Minnesota.

We have an opportunity to become a model state in energy conservation and research. I can't imagine a more important goal.

But whatever we do to conserve energy, we are still going to need more of the electrical power it provides.

Because of your good work, we now have state laws that regulate the siting of power plants or power lines in this state. But some of our citizens think they are unfair.

You already have Governor Anderson's recommendations before you.

And I want to announce today that Speaker Sabo and Majority Leader Coleman have agreed to hold joint hearings on power line siting within the next two weeks.

They will be held in the area affected by the UPA–CPA line. Lieutenant Governor Olson will represent me at those hearings, and he will give the power line conflict priority attention.

So will I. We will need more electric power in Minnesota. We must be sure that we get it the right way.

Our energy and environmental needs require a new commitment of government, industry, and the people of Minnesota to form a partnership for the future.

In the long run, our high quality of life depends on our ability to keep a healthy environment, healthy people, and a healthy economy.

To do that, we must also have a healthy relationship with the federal government in Washington.

That's why I have assigned Lieutenant Governor Olson to improve state-federal cooperation and coordination.

Vice President Mondale comes from this state. We have two strong Senators, and real Minnesota leadership in the U.S. House of Representatives.

They can help us, and I know they will.

Not only to bring more federal dollars to Minnesota.

But also to help cities and counties and school districts keep doing a good job for our people.

We can speak for all of Minnesota government, state and local. And that is what I am asking Alec Olson to do.

The State of Minnesota does a good job for its people.

We have identified and assisted those with special needs.

We have developed many programs and improved many others. We have invested heavily in opportunity for our people.

We have tried to make state and local government work well, and give our people more equal services through fair taxes and fair funding.

We have also improved our management of state funds and state budgets.

We have been able to do our work and serve our people without increasing any major state taxes during the past two Legislative sessions.

And we will not increase them in this session either.

We will have enough revenue to keep our state budget balanced for the next two years. That makes us more fortunate than many other states.

But there will be no extra money.

The resources provided by our taxpayers are precious. They come from people who work hard for a living.

We already ask more from them than most states do. They expect us to be prudent with their money.

It is time for us to enter a new era in Minnesota state government.

The time is coming when Governors and Legislators will no longer be judged on the number of their new proposals or their success in passing them.

Instead the test will be our wisdom and skill in making present laws work for our people.

There will continue to be a need for some new laws, and for refinement of the laws we have.

But our highest priorities should be management, responsiveness, cooperation instead of competition—the best possible service at the lowest possible cost.

We must pay as much attention to the quality of our stewardship as we do to the nobility of our purpose.

That is what our people want, and that is what they deserve from us.

For my part, I do not intend to make promises that we cannot fulfill.

We already have excellent state government leadership. The condition of the Executive Branch is far better than it was when I became Lieutenant Governor—thanks to Governor Anderson, the Leap Program, and this Legislature.

Our financial stability has earned this state government a triple A credit rating, the highest there is.

Because of administrative and organizational reforms, we have better tools than we have ever had.

Now, together, it is time to use these tools.

We do *not* need more state employees.

We *do* need to get full value for every dollar we spend.

All of us meet today to celebrate the Minnesota spirit—that people are the strength and purpose of government.

As I see it, I have three tasks before me:

To run the Executive Branch honestly, efficiently, openly, and compassionately;

To cooperate with you, the Legislature, in making sound policy and carrying it out well.

Above all, to listen to, and talk with, the people.

As I try to do that, my goal will be government that works hard for people and not for self-preservation.

My goal will be government that responds more imaginatively to the needs—and the rights—of the people of Minnesota.

The number of women and minority citizens in positions of responsibility is insignificant compared with their contributions to society. I pledge to bring more minorities and women into major policy positions in state government.

I will also work for more participation and involvement of the people who give us their resources and our strength.

Many people have volunteered to help. And I have no doubt that they can help.

They have much to show us. And we have much to show the nation by making good use of them.

I am determined to do that.

I am also determined to give individual Minnesota citizens the information and help they need from our state agencies.

This state has pioneered open meetings. But real openness means being willing and prepared to answer the questions of citizens with great respect and greater speed.

It also means listening to complaints and suggestions, taking recommendations seriously.

The openness of government people to the public is the key to responsive, compassionate, and truly effective government.

I approach my new tasks with great enthusiasm for what has been accomplished, and great excitement for what still remains to be done.

I promise today to work untiringly with you to fulfill our Minnesota spirit.

I've worked in this building for a long time. Most of you know me well, and the rest soon will. My office and my staff will help you in any way we can.

But I also need your help. I ask for it, and I welcome it. We can all succeed if we work together.

We have been blessed by the land in this state. Our resources have given us productive farms and forests, mines and other industries.

But our state has not been made great just because of those resources. It is our people who have made those resources productive—farmers and forest managers, miners and factory workers, good business people, good Legislators, good public officials.

The real resource of this successful society is our people—and the Minnesota spirit they have produced.

Have a good session.

Thank you very much.

SOLAR ENERGY

Mr. DOMENICI. Mr. President, virtually everyone agrees that we must make increased use of the limitless potential of solar energy in meeting the future energy needs of this country. However, a vast gulf exists between the rapidly developing research and development programs carried out in our scientific laboratories and the day-to-day energy demands of our society. We must bridge this gulf if the solar energy technology now on hand or soon to be developed is to have any significant influence in reducing our dependence on present sources of energy. The problems of widespread deployment of new energy technologies are complex, and participation of private industry at an early stage is essential.

In this regard I would like to call the attention of my colleagues to an article in last Friday's Washington Post describing a proposal by the Public Service Co. of New Mexico for adding a solar booster to a conventional gas or oil fired powerplant. The solar addon would permit generation of electricity for use directly in the commercial power grid under peak load conditions. This would result in an immediate savings of the additional fossil fuel usually consumed for this purpose. I believe this represents an excellent example of the sort of government-industry partnership essential for rapid commercialization of solar technology.

Mr. President, in order that all Senators will have an opportunity to see this article, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOLAR ENERGY: DOING IT WITH MIRRORS

(By Hal Willard)

A New Mexico electric utility company has developed a "booster" system for existing power plants that would use acres of mirrors in a field to reflect the sun's heat to a boiler full of water atop a 1,000-foot tower.

The water would turn to steam and run generating turbines.

By adding such a solar energy system to a power plant fueled by natural gas or oil, consumer costs and fuel usage would be reduced whenever the sun shined.

A proposal to build a demonstration project was submitted to the Energy Research and Development Administration on Wednesday by Public Service Co. of New Mexico and was received "positively," according to George Kaplan of ERDA's solar division.

"We were aware they were working on it and encouraged them," Kaplan said. "We feel very positive about this not only because we feel it will work, but it is being done at the initiative of a utility company and they are willing to spend some of their own money."

ERDA itself has been pushing a project to build an experimental electricity generating plant powered entirely by solar energy and yesterday picked a site at Barstow, Calif., for the station—which will be operated by a team of utility companies.

That plant also would work on the "power tower" principle, Kaplan said.

He said the sole physical proof the system will work was a small experiment made successfully in France last summer under ERDA auspices, but there was "no reason to doubt" its practicality.

The New Mexico plan envisions a maximum cost of $30 million to add the solar system to existing plants, which cost hundreds of millions of dollars to build—in the case of a one-unit nuclear plant, $1 billion.

J. D. Maddox, spokesman for the New Mexico firm and principal developer of the proposal, said the biggest obstacle to success is the cost of solar components, primarily heliostats—mirror devices that would reflect the sun's rays to the power tower.

Approximately 5,000 of them would be needed for a demonstration project, Maddox said, and with the plant itself they would cover at least 170 acres of land.

While not every existing power plant has a minimum of 170 acres surrounding it, Maddox said his firm had identified about 600 plants in the Southwest alone that could be adapted to what he calls the "solar hybrid repowering system."

Maddox said the "booster" concept is designed primarily for plants fueled by natural gas and oil because those fuels cost the most and are in short supply.

"There is a point at which using the solar hybrid idea becomes economical," Maddox said. "If coal was in short supply, and we ran out of uranium, the idea would become economical for coal-fueled plants and nuclear plants as well."

The power tower concept is necessary, the New Mexico firm explained, because the heat must be concentrated to raise the temperature of the water to about 1,000 degrees Fahrenheit as required by steam cycle power plant generators.

The usual solar energy method of collecting heat from the sun and transmitting it to water and then to a storage tank dilutes the sun's energy and produces temperatures of 200 degrees or less, the firm said.

The height of the tower is governed by the number of heliostats, and therefore the amount of power, needed: the higher the tower the more heliostats it can handle.

Maddox said the project his firm intends to develop with ERDA assistance would use three towers 430 feet high instead of a single 1,000-footer, considered the maximum height.

A small test facility to experiment with the power tower concept is being built at Sandria Laboratories in Albuquerque, but the facility will not generate electricity.

The New Mexico firm's proposal calls for an appropriation by ERDA of $800,000 for a year's planning, involving economic and feasibility studies, Maddox said. After that, it would take about 2½ years to build the demonstration facility and test it. It would be about 20 times the size of the model being built by Sandria, Maddox said.

Public Service Co. of New Mexico is one of a handful of electric utility companies with full scale programs for development of solar energy.

The firm's president, J. D. Geist, said five homes were being built to demonstrate various types of solar heating and allow the company "to make specific recommendations to customers based on cost, performance, and expected backup energy requirements."

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 2 p.m. today.

The motion was agreed to, and at 1:39 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HART).

ORDER FOR RECESS UNTIL 3 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 3 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TUESDAY UNTIL 8 P.M. WEDNESDAY, JANUARY 12, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow it stand in recess until the hour of 8 p.m. on Wednesday, January 12, 1977.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING A PERIOD FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders or their designees have been recognized under the standing order there be a period for the transaction of routine morning business of not to exceed 1 hour with statements limited therein to 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is understood that no controversial matter will be taken up on tomorrow but that the session will be purely for the making of speeches, the introduction of bills and resolutions, and so on.

ORDER DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS ON WEDNESDAY, JANUARY 12, 1977, AND ORDER FOR ADJOURNMENT UNTIL FRIDAY, JANUARY 14, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the

standing order, there be a brief period for the transaction of routine morning business with statements limited therein to 2 minutes each, such period not to extend beyond the hour of 8:30 p.m. at which time there be a quorum call and that when the President has completed his state of the Union message on that evening the Senate stand in adjournment until the hour of 12 o'clock noon on Friday, January 14, 1977.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, on Wednesday evening the Senate will convene at 8 p.m. and after the two leaders or their designess are recognized under the standing order there will be a brief period for the transaction of routine morning business permitting Senators to make statements and introduce bills and resolutions, such statements not to extend beyond 2 minutes each, but at no later than the hour of 8:30 p.m. a quorum call will be had and the Members of the Senate will join in a body at approximately 8:40 p.m., and that time may be changed, but circa 8:40 p.m. to march in a body to the hall of the House of Representatives to hear the State of the Union address by the President of the United States, Mr. Ford. Following that address the Senate then will stand in adjournment until the hour of 12 noon on Friday.

RETIREMENT OF SENATOR CARL T. CURTIS

Mr. BAKER. Mr. President, it has been brought to my attention today that one of our most distinguished and long-serving colleagues, Senator CARL CURTIS of Nebraska, has announced that he will not be a candidate for reelection to the office of U.S. Senator from that State.

I am sure I express the sentiments of all Republicans and indeed I believe all Members of the Senate when I say that we will sorely miss CARL CURTIS, who served not only for a great length of time in the Congress of the United States but with great distinction in both bodies.

I have known CARL CURTIS since before I came to the Senate and grown to admire him for his competence, skill, and diligence. I believe few of us can ever claim to the distinction of representing our States with the fidelity and efficiency that CARL CURTIS has.

Mr. President, there are many things I could say about our good friend and our distinguished colleague, and I am sure others will wish to say them as the next 2 years proceed and before he leaves us at the expiration of this term.

I am sure all of us will express in our own way our reluctance to see him go and our regret that he is ending a distinguished career at this time.

Mr. President, for the moment, then, I will content myself by asking unanimous consent, which I now do, to print in the RECORD a compendium of the long and distinguished service of CARL CURTIS which may appear appropriately in the RECORD for today.

There being no objection, the compendium was ordered to be printed in the RECORD, as follows:

AN ALL-TIME RECORD IN PUBLIC SERVICE WILL BE ESTABLISHED

At the completion of Carl T. Curtis' present term of office, he will have served 40 years in the Congress of the United States. No other Nebraskan has served that long in Congress or in a statewide elective office.

A tabulation of the election results in the races for the U.S. House of Representatives and the U.S. Senate in which Carl T. Curtis has been involved is as follows:

1938 Election results for the Fourth Congressional District

(Republican primary of August 9)

Howard W. Churchill of Fairfield	5,513
E. E. Jackman of Grant	9,709
Carl T. Curtis of Minden	11,144

(General Election of November 8)

Charles G. Binderup of Minden	42,957
Carl T. Curtis of Minden	59,794

1940 Election results for the Fourth Congressional District

(Republican Primary of April 9)

Howard W. Churchill of Fairfield	4,260
Fred G. Johnson of Hastings	6,070
Carl T. Curtis of Minden	3,846

(General Election of November 8)

Charles G. Binderup of Minden	19,807
R. O. Canady of Hastings (formerly of Minden)	29,311
Carl T. Curtis of Minden	66,966

1942 Election results for the First Congressional District

(Republican Primary of August 11)

William Edward Johnson of Lincoln	1,677
Lloyd E. Chapman of Lincoln	3,343
Oren S. Copeland of Lincoln	10,835
Carl T. Curtis of Minden	18,803

(General Election of November 3)

Claude C. Earley of Lincoln	3,534
Ralph G. Brooks of Wymore	31,422
Carl T. Curtis of Minden	69,651

1944 Election results for the First Congressional District

(Republican Primary of April 11)

Carl T. Curtis	22,515

(General Election of November 7)

Charles A. Chappell of Minden	43,401
Carl T. Curtis of Minden	100,816

1946 Election results for the First Congressional District

(Republican Primary of June 11)

William Morphew of Lincoln	4,395
Carl T. Curtis of Minden	36,109

(General Election of November 5)

William H. Meier of Minden	37,280
Carl T. Curtis of Minden	73,602

1942 Election results for the First Congressional District

(Republican Primary of August 11)

William Edward Johnson of Lincoln	1,677
Lloyd E. Chapman of Lincoln	3,343
Oren S. Copeland of Lincoln	10,835
Carl T. Curtis of Minden	18,803

(General Election of November 3)

Claude C. Earley of Lincoln	3,534
Ralph G. Brooks of Wymore	31,422
Carl T. Curtis of Minden	69,651

1944 Election results for the First Congressional District

(Republican Primary of April 11)

Carl T. Curtis	22,515

(General Election of November 7)

Charles A. Chappell of Minden	43,401
Carl T. Curtis of Minden	100,816

1946 Election results for the First Congressional District

(Republican Primary of June 11)

William Morphew of Lincoln	4,395
Carl T. Curtis of Minden	36,109

(General Election of November 5)

William H. Meier of Minden	37,280
Carl T. Curtis of Minden	73,602

1954 Election results for U.S. Senator

(Republican Primary of August 10)

Walter A. Neilsen of Omaha	2,592
James L. Harrison of Omaha	2,782
David Martin of Kearney	18,283
Terry Carpenter of Scottsbluff	30,767
Robert B. Crosby of North Platte	43,580
Carl T. Curtis of Minden	64,410

(General Election of November 2)

Keith Neville of North Platte	162,990
Carl T. Curtis of Minden	255,695

1960 Election results for U.S. Senator

(Republican Primary of May 10)

Carl T. Curtis of Minden	125,741

(General Election of November 8)

Robert B. Conrad of Genoa	254,837
Carl T. Curtis of Minden	352,748

1966 Election results for U.S. Senator

(Republican Primary of May 10)

Carl T. Curtis of Minden	161,331

(General Election of November 8)

Frank B. Morrison of McCook	187,950
Carl T. Curtis of Minden	296,116

1972 Election Results for U.S. Senator

(Republican Primary of May 9)

Otis Glebe of Lincoln	8,143
Christine Millard Kneifl of Omaha	10,941
Ronald L. Blauvelt of Thedford	30,138
Carl T. Curtis of Minden	141,213

(General Election of November 7)

Terry Carpenter of Scottsbluff	265,922
Carl T. Curtis of Minden	301,841

In four of Carl Curtis' eight elections to the House of Representatives, he was opposed in the general election by Democrat candidates who originated in the City of Minden and by one petition candidate who was also a Mindenite. Curtis' predecessor in the House of Representatives was Charles G. Binderup of Minden, who served for four years. Minden has been represented by one of its citizens in the House of Representatives or in the Senate since the election of 1934.

At the end of the present 95th Congress, 10,739 individuals will have served in the House of Representatives and/or the Senate since the convening of the first Congress at the founding of the Republic in 1789. At the end of his present term, Senator Curtis' record for length of service will be twenty-second from the top. In other words, only twenty-one of 10,739 individuals will have served in the Congress longer than Senator Curtis.

PROMISES ARE KEPT

Senator Curtis always has campaigned as a conservative. As he was seeking office, he pledged to the voters of Nebraska his efforts against deficit spending, against the expansion of government, against the welfare state and against the excesses of the union bosses. Senator Curtis' record in Washington completely conforms to the commitment he has made to the voters of Nebraska. This consistency of promises and performance has earned for him the respect of all including those who disagree with him.

An overall view of a member's voting record can best be had by looking at the ratings given to him both by conservative organizations and by liberal organizations. The two leading conservative rating organizations are the Americans for Constitutional Action (ACA) and the American Conservative Union (ACU). The two principal liberal organiza-

tions which issue voting records are the Americans for Democratic Action (ADA) and the AFL–CIO Committee on Political Education (COPE).

The cumulative ratings of Senator Curtis throughout the years that these organizations have been rating members of Congress tell the story.

The Conservative score for Senator Curtis is: ACA, 96 percent; ACU, 95 percent.

The Liberal score for Senator Curtis is: ADA, 2.3 percent; COPE, 5 percent.

In January of 1976, *Human Events* magazine reported that Senator Curtis over the years voted against the excesses of union bosses more times than any other member of Congress, according to COPE's own ratings.

A PLACE OF LEADERSHIP

With the Democrats in control of the Congress, no Republicans serve as chairmen of Senate committees. Members of the minority party cannot hold a position above that of ranking minority member of a committee. During his time in the Senate, Senator Curtis has served as the ranking Republican member of four full committees:

The Committee on Rules and Administration

The Committee on Aeronautical and Space Sciences

The Committee on Agriculture and Forestry

The Committee on Finance

As a member of the Committee on Finance he has earned a reputation for expertise in the field of taxes and in the field of Social Security.

At the beginning of the 94th Congress, Senator Curtis was elected by his Republican colleagues to the post of Chairman of the Republican Conference. In addition to his duties as the party's presiding officer, the Chairman appoints the Republican Committee on Policy, the Senatorial Campaign Committee, and the Committee on Committees.

Because of Senator Curtis' seniority and the respect which he commands, he was designated by the President of the United States to represent the President at Presidential inaugurations in Nicaragua and Argentina. In the fall of 1976 he headed a Presidential mission to the People's Republic of China, having been appointed by President Ford.

PAY-AS-YOU-GO CONSTITUTIONAL AMENDMENT

Most American homes are feeling the continued upward spiraling cost of living most seriously. This inflation is linked directly to the huge spending of the Federal government with the resulting annual deficits and mounting national debt. A constitutional restraint against spending that would compel pay-as-you-go operation of the Federal government is desperately needed. For more than a quarter of a century Senator Curtis has sponsored such a contitutional amendment.

It is a difficult battle, but Senator Curtis has advanced it farther than any other individual in America. The Curtis proposal has more than twenty Democrats and Republicans as cosponsors. In the committee hearings in the 94th Congress, a formidable record was assembled.

A nationwide organization has been formed. It is called the Americans for a Balanced Budget and has more than 40 members representing every state. It was organized by Senator Curtis, a Republican, and State Senator James C. Clark of Maryland, a Democrat. State Senator Clark has served five terms in the Maryland Senate, where he is Chairman of the Finance Committee.

In a speech on the Senate floor in 1975, Senator Curtis said that "it is totally immoral and dishonest to vote for more welfare state programs than (the Congress) is willing to collect the taxes to pay for. Our only salvation lies in the adoption of an amendment to the Federal constitution that will compel the Federal government to go on a pay-as-you-go basis. If the government in Washington must collect the taxes and end the borrowing, the Congress and the executive will trim down and eliminate many government programs."

Among those who have testified in favor of the Curtis proposed constitutional amendment are some of the most eminent authorities in the country including economists Roger A. Freeman of the Hoover Institute at Stanford University, C. Lowell Harris of Columbia University and James M. Buchanan of Virginia Polytechnic Institute and State University at Blacksburg, Virginia.

An all-out drive will be made in the 95th Congress to advance this pay-as-you-go constitutional amendment and secure its adoption.

FEDERAL ESTATE TAX RELIEF

The 1976 Tax Reform Act did not carry any relief from the Federal Estate Tax when it passed the House of Representatives. Senator Curtis, as the ranking minority member of the Senate Finance Committee, was able to get the Committee to adopt his proposal for Federal Estate Tax relief as an amendment to the House-passed bill. The Senate passed the Curtis Amendment and the Conference between the House and Senate approved the relief. When the bill becomes fully effective, the present $60,000 exemption will be raised to the equivalent of $175,000. The marital deduction, which at the present time is one-half of the estate, was increased to $250,000 or one-half the estate, whichever is the greater. There is also a provision which requires that consideration be given to what a property will earn in determining its value as contrasted to having to accept a valuation based solely on inflated selling prices. This Curtis accomplishment will prevent the forced sale to pay estate taxes of many small businesses and farms.

INDIVIDUAL RETIREMENT ACT

Over the years, an individual who was not covered by a company pension had a great disadvantage in saving money for his own retirement. He had to pay income tax on all of his earnings. If he were able to save something from his earnings, the income on these savings likewise was taxed.

On the other hand, company pensions received very favorable tax treatment. Money placed in the pension fund was tax-free. The earnings of the pension fund were likewise free from tax.

The Curtis Individual Retirement Act which was passed in 1974 gives individuals who do not have the advantage of a company pension the same tax break. The Curtis Act makes a tax benefit for saving for retirement available to farmers, professional men, businessmen, and other self-employed persons and employers as well as employees who are not covered by a company pension plan. In fact, it benefits one-half of the population of the country who were otherwise treated unfairly before it was enacted. This is perhaps the greatest single item of tax reform in the history of the Federal Income Tax Law.

The following example illustrates what was accomplished by the Curtis Individual Retirement Act:

Take the case of an individual who does not have the benefit of a company pension plan. Assume that he earns $50 for saving and that he is in the 19 percent tax bracket. His $50 earned would be reduced to $40.50 because of the income tax. Assume that his savings earn 5 percent interest and that the interest earned is likewise taxed. If such an individual earned $50 per month for saving and kept it up from age 35 for 30 years or until he was 65, he would accumulate $27,498. This would pay him a lifetime annuity at age 65 in an estimated amount of $221 a month.

Now if the same individual earns $50 to be saved and has the benefit of the Curtis Individual Retirement Act, the $50 is not taxable and so the full amount goes into his retirement fund. The earnings from his $50-a-month saving likewise are tax-free. This person with the generous tax treatment would, over the same 30-year period, accumulate $39,864, or enough to pay him a lifetime annuity at age 65 in an estimated amount of $319 a month.

The Curtis act makes it possible for individuals to save for their own retirement in spite of the high taxes.

A POSITIVE RECORD FOR SOUND SOCIAL SECURITY

Senator Carl T. Curtis made the first all-out effort to extend Social Security to all the people, including those who were already aged, and he introduced the first bill in the Congress of the United States to extend Social Security to self-employed persons and to state and municipal employees. These efforts are best described by quoting from a speech given by the Senator in 1972:

"When I became a Member of Congress, only a portion of our people were covered by Social Security. These were those who fell in the category of employees. There was no Social Security for the corner grocer who ran an unincorporated store, the farmer, the man who ran a shoe repair shop, the school teacher, the state, city and county employees and officials, the college instructor, the janitor at the schoolhouse, the people who were already old and many other categories. Yet at that same time, a corporation director was covered by Social Security because the Social Security Administration held that his director's fees were wages and, therefore, he was an employee. With all humility I can say that I have had a significant part as a former member of the House and Ways Committee and now as a member of the Senate Committee on Finance in extending Social Security to these forgotten Americans. There isn't a college professor, school teacher, farmer or municipal employee in the State of Nebraska whose Social Security coverage was not brought about in part by my efforts."

As a Congressman, he began an intensive and continuing study of our Social Security system. The Social Security Act was passed in 1935 before he became a Member of Congress. Fifteen years after the enactment of Social Security we had 12.4 million individuals in the United States 65 years of age or over. Only 1.3 million were drawing Social Security. Another 900,000 were eligible but were not drawing benefits. This meant that 10.2 million individuals 65 and over were totally outside of the Social Security program. With all wage earners and employers paying the Social Security tax but with only a small portion of the aged receiving a benefit, an unrealistic, distorted and unwise financing system developed.

For years the maximum annual Social Security tax on an employee was only $30. Mr. Curtis was a lone voice in Washington pointing out that there was trouble ahead and that the Social Security taxes would become unbearably heavy in a few short years. That time has arrived. At the present time there are employees in Nebraska who pay as much as $965.25 per year in Social Security taxes and self-employed Nebraskans who pay as much as $1,303.50 per year in Social Security taxes.

In the early years of Social Security there were great numbers of individuals who retired and received the maximum Social Security benefit and who had paid less than $100 in Social Security taxes in their entire lifetime. For years after the payment of So-

cial Security benefits started the greater share of the individuals retiring had paid in only enough money, including their employer's share, to provide their benefits for a few months. Yet at that time a man 65 years of age had a life expectancy of 12 years and a woman's life expectancy was 14 years.

A staff and committee of the U.S. Chamber of Commerce had likewise studied Social Security financing. The U.S. Chamber of Commerce proposed that all the aged be made eligible for a minimum Social Security benefit. Mr. Curtis who was then a Congressman introduced the proposal recommended by the U.S. Chamber of Commerce.

If it had been enacted, it would have rendered justice to all of our aged and it would have forced the Social Security program into a sound financing system. It would have ended the distortion of taxing the many and paying benefits to only a few. It would have saved the general Federal budget billions of dollars each year which had been paid out in old age assistance.

The work of the U.S. Chamber of Commerce on Social Security was in 1953 and 1954, when Mr. Curtis served as Chairman of a subcommittee of the House Committee on Ways and Means which studied the system. The U.S. Chamber of Commerce plan which had been introduced by Mr. Curtis to extend Social Security to the then aged was not enacted, but the Social Security Act of 1954 did carry out many of the Curtis recommendations. The Amendments of 1954 extended Social Security to more than 10 million additional citizens. They liberalized the work clause and raised the benefits. They included a Curtis amendment which extended benefits to approximately 100,000 widows and aged parents and 100,000 children who were denied benefits by an inequity in the program.

The cost of the Medicare program is paid for by the Social Security tax. This is one of the factors which has made the Social Security tax very high. Under the Medicare program, the hospital and medical bills are paid by the Social Security taxpayers for all beneficiaries including the very wealthy who have high incomes and unlimited property. When the Medicare program was adopted, Senator Curtis offered an amendment which would have geared the Medicare benefits to an individual's income. It would have lessened the cost of Medicare greatly and would have affected only those persons of considerable property and income. It would not have affected the Medicare benefits to 80 percent of our citizens over 65 years of age. The Curtis amendment lost on the Senate floor by a vote of 51 to 41.

Senator Curtis has voted for innumerable bills that have increased Social Security benefits. He has opposed some of those bills when he was convinced they were unsound or inadequately financed. In 1972 the Committee on Ways and Means of the House voted to raise Social Security benefits by 5 percent and provided the necessary revenues for the increase. Later the Senate voted to raise the Social Security benefits by 20 percent but made no provision for the extra revenue needed for the increase from 5 to 20 percent. Although the election of 1972 was at hand, Senator Curtis voted against the 20 percent increase in benefits because, in his opinion, it would jeopardize the Social Security Fund and was unfair to all citizens who look to the Social Security program for future benefits. The reserve in the Social Security Fund had dropped so low that the money there would pay benefits for less than a year.

It is not always easy to take a stand for sound financing of Social Security. It is not always popular. It provides an opportunity for an irresponsible demagogue to charge falsely that a conscientious legislator is against Social Security.

LABORED WITHOUT FANFARE OR COMPENSATION OF ANY KIND

On January 7, 1975, American Beef Packers, Inc., of Omaha and its wholly-owned subsidiary, Beefland International, Inc., of Council Bluffs filed for bankruptcy in Federal Court at Omaha. The livestock industry throughout a 13-state area including Nebraska went into shock. Cattle feeders faced losses of approximately $22 million when checks paid to them for livestock they had sold to American Beef Packers, Inc., bounced. Many family farmers faced financial ruin unless recovery could be made through a reorganization of the company under the supervision of the Federal court and a renewed line of credit that would enable the company to pay its bills.

Affected farmers and feeders organized a creditors' committee but the picture remained dark for any recovery from assets of American Beef Packers, Inc., as the company proceeded to bankruptcy. Consultations were held with Senator Curtis and his advice was sought. The Senator went directly to top officials of the General Electric Credit Corporation, the largest creditor. He pointed out the great losses faced by individual feeders and farmers and by the economy of Nebraska. He made an appeal to General Electric Credit Corporation suggesting that good corporate citizenship would require the firm to put some more money into the packing company to keep it opearting so that farmers could get their money or at least part of it. General Electric Credit Corportion had the option of doing nothing, thereby merely allowing the bankruptcy proceeding to go ahead. Through its president, the General Electric Credit Corporation responded to Senator Curtis' request. There were several meetings and countless telephone calls extending over several months. At one point, it appeared that all efforts for a settlement whereby General Electric Credit Corporation would advance some more money to be used for payment on the claims of the farmers and feeders were about to fail. The discouraged creditors' committee again consulted with Senator Curtis. He asked that officials of General Electric Credit Corporation meet with him. The meeting was held in the Senator's Washington office. The officials of General Electric Credit Corporation, although they had a legal "out" and could not have been compelled to do anything, resumed negotiations and participated in a settlement to the end that the farmers and feeders received a payment under an arrangement whereby it is hoped most of them will recover all of their losses from the earnings of the reorganized company.

By the end of 1975, the final plan had been worked out and approved by all parties. Farmer-feeders with claims up to $5,000 against American Beef Packers, Inc., were given the option of immediate settlement at the rate of 80 cents on the dollar or of extended settlement on the same basis as those having losses in excess of $5,000. Those having losses in excess of $5,000 were given an initial payment of 55 cents on the dollar, with provision for collecting the remaining 45 cents as cash is generated plus interest up to seven percent if sufficient revenues are attained.

On February 12, 1976, the National Livestock Feeders Association, meeting at Omaha, presented a certificate to Senator Curtis "in recognition of our appreciation for valuable services." The certificate stated that "without the able and dedicated assistance of Senator Curtis, a Plan of Arrangements to pay Creditors would not have been successfully consummated following the American Beef Packers, Inc., bankruptcy."

In presenting the award at a luncheon session, Herb Albers, Jr., of Wisner, a director of the Association and Chairman of the Official Creditors' Committee, said of Senator Curtis: "He is one who labored without fanfare or compensation of any kind. . . ."

Mr. Albers further described the Senator's role: "It is doubtful the country, or the creditors of American Beef Packers, Inc., themselves, for that matter, will ever fully realize the delicate balance which existed between complete failure and possible success at any number of points in time during the proceedings. Sending the firm crashing down the road toward straight bankruptcy—under which livestock creditors would have recovered little, if any, of their losses—was a very real threat at recurring times during the negotiations.

"I am sure all of you can appreciate the fact that the parties directly involved in such an exhausting and crucial exercise can very easily reach an impasse. This did occur at various times among the parties directly involved in the American Beef Packers, Inc., proceedings.

"You are also aware that a third party can often be very effective in getting the parties back together, and in so doing, 'get the show back on the road', so to speak.

"At said times, Senator Curtis graciously performed an effective, timely, and essential mediation role. The degree of his success was evidenced by the willingness of the president of General Electric Credit Corporation to discuss the matters at issue with him and, in fact, to openly accept his services in this regard and to use his office for this purpose.

"Senator Curtis, I want to add my personal thanks to you for helping turn the American Beef Packers, Inc., disaster into something less damaging to livestock creditors, and on behalf of the creditors and the National Livestock Feeders Association, I present to you this certificate of recognition and appreciation."

PACKER BONDING

As a result of the American Beef Packers, Inc., financial collapse, Senator Curtis cosponsored with Senator Dick Clark of Iowa a bill in the Senate to require bonding of meat packers under the Packers and Stockyards Act. Congressman Charles Thone of Nebraska led the effort in the House.

The new law requires bonding of packing firms that handle more than $500,000 in livestock purchases annually. Packer assets are held in trust until all payments are made to the farmers and feeders.

This law will protect the producers from losses in the event of future failures of packing plants.

IRRIGATION, FLOOD CONTROL AND SOIL AND WATER CONSERVATION

Senator Curtis was first elected to Congress from the old Fourth Congressional District in the wake of the devastating flood of 1935 in the Republican River Valley at which time 110 Nebraskans lost their lives. He sought and obtained a place on the House Committee on Flood Control. Senator Curtis, who was then a Congressman, introduced resolutions for the investigations and studies of the Republican Valley. He was the author of the resolution requiring a report from the Army Corps of Engineers that resulted in the Missouri River Basin Plan, also known as the Pick-Sloan plan. This was the first major Army Corps of Engineers-Bureau of Reclamation basin-wide project ever authorized.

The Pick-Sloan plan for the Missouri River Basin and its tributaries including the Republican River was authorized by the Flood Control Act of 1944. Senator Curtis sponsored the legislation relating to the Missouri River Basin and served on the conference committee. In addition to the mainstream structures on the Missouri River and the development of the tributaries, the act adopted provided for use of the electrical power revenues from upper basin mainstream generation to subsidize irrigation projects on

the tributaries. This has made possible the financing of all Bureau of Reclamation projects in Nebraska which have been constructed since the 1944 act.

Since his earliest days in Congress, Senator Curtis has been actively involved in Federal legislation and programs that would provide flood protection, irrigation, recreation, hydroelectric power, fish and wildlife, and general conservation of resources—all to the benefit of Nebraskans and Nebraska.

Elmwood Dam

One of Senator Curtis' most recent accomplishments in the field of irrigation was the approval of a plan and a Bureau of Reclamation loan of about $10 million for construction of the Elwood Dam. This is an addition to the Central Nebraska Public Power and Irrigation District project which was a PWA project of the 1930's. The Elwood Dam is now under construction. It will provide full water service to 33,642 acres now receiving partial water and will add 9,158 acres of new irrigation. The Elwood Dam was made a reality because of Senator Curtis' 1974 appeal to President Richard Nixon for the project. President Nixon's approval constituted the go-ahead for the Bureau of Reclamation and the Office of Management and Budget.

Two major new developments for Nebraska which Senator Curtis sponsored and helped to get funded are the O'Neill and North Loup irrigation projects. Funds for actual construction of these projects were provided in fiscal 1976, and they were the only Bureau of Reclamation projects on which construction was begun in the entire United States in 1976.

O'Neill unit

An important meeting was held early in 1972 which resulted in getting the O'Neill project moving. The plans had been in the Bureau of Reclamation a long time but had not been transmitted to Congress. The case made by Senator Curtis and the group from O'Neill before the Reclamation officials and Budget officials resulted in the transmittal of the project to the Congress. Congressman Dave Martin introduced the House bill and Senator Curtis the Senate bill authorizing this project. The project was authorized in 1972.

In fiscal year 1976, the first funds for actual construction were appropriated in the amount of $1,102,000. Fiscal 1977 appropriations included $1,519,000 for construction. When completed, the O'Neill unit will provide water for 77,000 acres of farmland in north-central Nebraska.

North Loup project

Senator Curtis and others made a presentation to officials of the Office of Management and Budget and other agencies in behalf of the North Loup project. Nebraskans who were in Washington for this meeting pointed out that the presentation made was responsible for the transmission of the Bureau of Reclamation's North Loup project plans to the Congress. Again Congressman Dave Martin ably handled the matter in the House of Representatives, while Senator Curtis sponsored the project in the Senate. The North Loup project was authorized for construction in 1972. In fiscal 1976, the first year of construction funding, North Loup received $603,000. Fiscal 1977 appropriations included $1,199,000 for construction. When built the North Loup project will supply water to 52,570 acres of farmland in central Nebraska.

Ainsworth project

In 1956 Senator Curtis was instrumental in securing the passage of Public Law 84–531 which approved for construction the Ainsworth irrigation project. Major construction was completed in 1966. Located in north-central Nebraska, the Ainsworth project provides irrigation for nearly 34,000 acres of cropland.

Farwell project

Senator Curtis introduced the legislation in the Senate that authorized construction of the Farwell irrigation project in 1956. The project provides surface irrigation for 52,530 acres of farmland. The major construction on the project was completed by 1964 and included the Sherman Reservoir, the Arcadia Diversion Dam on the Middle Loup River, and the main canals and laterals to deliver water to the many farms.

Mid-State project

This was a project planned for the main stem of the Platte River, encompassing land in Buffalo, Hall and Merrick Counties. The project would have added to the surface irrigation and supplemented existing irrigation. On November 14, 1967, the Public Law was signed which authorized the Mid-State project. Senator Curtis introduced the Senate bill which brought about this authorization. He participated in countless committee hearings, departmental discussions and other meetings in connection with the project. The project is not to be built, however, because of local controversy and environmental opposition.

Republican Valley development

Senator Curtis has been the chief legislative sponsor of all the legislation that has brought flood protection and provided for irrigation on the Republican River and its tributaries. Today the Republican Valley has almost total protection from floods. The program consists of the Frenchman-Cambridge and Bostwick Irrigation projects and includes Harlan County Dam and Reservoir, the Trenton Dam and Reservoir, the Enders Dam and Reservoir, the Cambridge Dam and Harry Strunk Lake, the Red Willow Dam and Reservoir, and the Bonny Dam and Reservoir.

Since construction of the Republican River projects, thousands of acres of farmland have received irrigation water each year while fishing, boating, hunting and other recreational benefits have increased. Although very few recreational benefits were attributed to the costs of construction of the Republican River projects, recreation has become a major benefit. Harlan County Reservoir has had nearly one million visitors annually for the past few years. The recreational benefits have become so important that Senator Curtis has asked the Corps of Engineers for an extensive study to upgrade recreational facilities, and he is pursuing legislation for a special recreational improvement project. Additional improvements are being sought in the Republican River projects by Senator Curtis including the conversion of 55 miles of open laterals in the Frenchman-Cambridge irrigation district to pipe. The first funds for this project were provided in fiscal 1977 appropriations.

Salt Creek flood control

Sound conservation requires foresight and long-range planning. On June 21, 1944, the Flood Control Committee of the House of Representatives approved a resolution introduced by Congressman Curtis calling for a survey and an investigation by the Army Engineers to bring flood protection to the Salt Creek Basin. The Army Engineers then started their work. Senator Curtis has been a participant in all the legislation and all the efforts that have followed. This program is a reality, having been completed in 1970. The Army Engineers have built ten dams in the Salt Creek Basin. These dams give flood protection to hundreds of acres of farm land and flood protection to several sizeable areas in Lincoln and vicinity. This program also provides opportunities for boating, fishing, and other water sports and recreational activities.

Gering Valley flood control

After a history of severe flooding that caused millions of dollars in damages, studies were undertaken by the Army Corps of Engineers to develop a flood protection plan for the Gering Valley in the Nebraska Panhandle. Senator Curtis introduced bills in the Senate to authorize the project, and in 1958 the Gering Valley Flood Control Project was authorized by Congress in the Omnibus Rivers, Harbors and Flood Control Bill. A unique project, Gering Valley is one of the few major flood control works of its kind that was a joint venture of the Army Engineers and the Agriculture Department's Soil Conservation Service. By the late 1960's the major works of the project were completed and in place, providing flood protection for thousands of acres of farmland and the city of Gering.

Papillion Creek

Papillion Creek, oftentimes referred to as the Papio, has flooded many times in recent years. The problem has become more acute by reason of the intensive development in that watershed. Much of this area, which not too long ago was primarily farmland, is built up with factories and other businesses, houses and apartments, and new roads and streets, all of which accelerate the force of the run-off from rain.

Senator Roman Hruska took the lead in the Senate in developing a project to solve the flooding problem in the Papio Basin. Senator Curtis has supported the efforts of Senator Hruska.

The Papillion Creek project was authorized by the Flood Control Act of 1968. It was signed into law on August 13, 1968, and became Public Law 90–483. It provided for the construction of a series of flood control dams located from northwest to southwest of metropolitan Omaha. It would provide protection for the City of Omaha and neighboring communities of Douglas and Sarpy Counties.

Initial construction funds for the Papio project were provided in fiscal year 1972. Two dams have been completed and a project reviewed by the Corps of Engineers in 1975 resulted in the planned replacement of nine dams with a single larger dam in the upper basin of the Big Papillion Creek. The Corps review also resulted in the elimination of five smaller structures of a total of eight that were planned for the West Branch of the Papio. As a result of the review by the Army Engineers, considerable controversy arose over the project. Senator Curtis has met with officials from the three eastern Nebraska counties involved and has attended meetings and hearings with Federal officials and committees. He continues to work with local and Federal officials to help resolve the dispute so that flood protection can be provided for the area without unnecessary loss of land.

Platte and Elkhorn Rivers and Tributaries

Floods have been frequent on the Platte and Elkhorn Rivers and their tributaries. A flood that caused much property damage occurred on the Elkhorn in 1971 and considerable flooding occurred on the North Platte and Platte Rivers in the early 1970's. Senator Curtis has spent a great deal of time visiting the area, conferring with individuals and attending meetings. He called for a study by the Corps of Engineers of the Elkhorn basin, but no proposal had been submitted which, in the opinion of the local people, would bring about the development they then desired. It became apparent that an over-all plan involving all Federal and State agencies was needed and that studies and investigations would be directed to this end.

Senator Curtis participated with Senator Hruska and Nebraska Congressmen Charles Thone, John McCollister and Dave Martin in securing an appropriation of $350,000 in 1971 for an over-all study of the Platte River Basin, which included the Elkhorn and Tributaries. The comprehensive study of the Platte River Basin was completed in 1976. It is the major Federal-state reference to iden-

tifying and implementing future water resource projects and developments, including flood control, irrigation, recreation, fish and wildlife, and domestic water supplies.

Missouri River Flooding

Although the major works of the Missouri River have been completed, an area in northeast Nebraska was threatened with serious flooding in 1975 because of record upstream river flows. A 55-mile segment of the Missouri River stretching from Gavins Point Dam to South Sioux City was not included in the navigation or agricultural levee programs for the basin. Senator Curtis participated in meetings in Nebraska as well as hearings and meetings in Washington to get a project approved to provide flood protection for this final segment of the Missouri River in Nebraska.

He worked to get appropriations approved in fiscal year 1977, and contracts were awarded in late 1976 for construction of demonstration projects under the Streambank Erosion Control Evaluation and Demonstration Act of 1974. Senator Curtis continues to work for completion of a total system of flood control for Nebraska along the Missouri River.

Local flood protection projects

Among some of the other flood control projects for which Senator Curtis has worked are the Norfolk flood control project on the Elkhorn River which was completed in 1969, the Columbus flood control dike on the Loup River which was completed in 1971, the Fairbury project completed in 1971, and the Broken Bow project completed in 1975. Senator Curtis has worked on numerous other projects which have been completed including those at Bartley, Indianola, Pierce, Schuyler, Waterloo, West Point, Macy, Meadow Grove, Hooper, Madison and Seward. Still many other local flood control projects are under study, and Senator Curtis is committed to working for Federal approval and funding of these projects where local communities do not have the resources or funds to construct necessary protective works.

Small Watershed Act

Senator Curtis was the author of a proposal that helped shape the Small Watershed Act. This is the law that authorizes the Department of Agriculture to jointly build projects with the Natural Resources Districts which are too large for an individual farmer or an individual district to handle alone. It involves ponds, retention dams, water courses, plus the terracing, contouring, and other conservation and erosion control work. It is a partnership arrangement, and the localities share the costs with the individual landowners and the Federal government. Senator Curtis introduced one of the bills in the House. When the bill was passed it bore the name of the Chairmen of the Agriculture Committees and was called the Hope-Aiken bill, referred to as the Public Law 566 Small Watershed Program. The program was initiated by sixty-two pilot projects for the entire nation. Of this number, four were located in Nebraska.

Since the inauguration of this program there have been more than 100 applications for studies of watershed projects in Nebraska. A total of 62 watersheds covering 6,575,385 acres have reached the approval stage for planning or beyond. Nineteen projects covering 465,406 acres have been completed; another 26 covering 2,173,803 acres have been approved for construction; and 29 others covering 3,936,176 acres are in various stages of planning.

FOOD STAMPS AND WELFARE

Since it began in 1964, the Food Stamp program has grown faster than any Federal program in modern history. In the first year the program cost $30 million and had 360,000 beneficiaries. Now there are approximately nineteen million people drawing food stamps—a number more than twice the total number of farmers in the entire country—and in 1976 the program cost almost $6 billion.

In 1976 Senator Curtis led efforts on the floor of the Senate to amend the Food Stamp Act to tighten qualifications and eliminate food stamps for persons who are abusing the program. He pointed out that the food stamp program—conceived as nutritional aid and administered by the Department of Agriculture—was designed to assist the poor of this nation to obtain sufficient food to prevent hunger and malnuorishment and it was not intended as a program of supplemental income for anyone who could use it.

Senator Curtis offered ten amendments to reform the food stamp program. One of his amendments would have prevented food stamps from going to strikers. Another Curtis amendment would have denied food stamps to students. The taxpayers are paying the costs of building and operating universities, and many programs for grants and loans are available to students. Senator Curtis did not believe free food should be provided for all students who decided to take up housekeeping. Similarly, the other eight amendments were directed at specific abuses. A roll call was had on each of the ten amendments. Senator Curtis' amendments were voted down but had they been enacted into law, they would have reduced the food stamp program by more than $2 billion.

Senator Curtis was the principal Senate sponsor in the 94th Congress of the National Welfare Reform Act, which would have saved approximately $1.7 billion to $2.2 billion—again, funds that could be used to meet more adequately the needs of legitimately deserving persons and their families who are truly needy.

MEAT IMPORTS

Almost 70 percent of the income from the sale of agricultural products for the State of Nebraska comes from livestock. Thousands of Nebraskans make their livelihood in the meat-packing industry. Additional thousands are engaged in the transportation, buying and selling of livestock, and in other related activities.

All of agriculture gains when meat imports are limited and all of agriculture loses when meat imports are increased. It is not only the cattle rancher and the cattle feeder who suffer a loss, but grain farmers likewise suffer a loss. It is estimated that it takes about 16 to 17 pounds of grain to place a pound of meat on the table. If that meat is produced outside the country, a significant market for grain is lost.

Within a few years after the ending of World War II, meat imports increased very rapidly and cattle prices tumbled. From 1957 to 1963, beef and veal imports from foreign countries jumped from 2½ percent to nearly 11 percent of United States consumption.

On July 1, 1964, the Senate Committee on Finance approved by a record vote of 12 to 2 the Curtis amendment to the measure then before the committee. The Curtis proposal limited imports and provided for quotas. The bill as amended by Senator Curtis passed the Senate on July 28, 1964.

Because of the opposition of the State Department and Agriculture Secretary Orville Freeman, the House Conferees resisted the Senate bill and the measure agreed upon by the conference was not as strong as the original Curtis language, but it is the law under which the country is operating at the present time, and it is of great benefit to the economy of Nebraska. It is known as Public Law 88-482.

In 1976 a loophole was developed in the meat import law which was very damaging to all agriculture in the United States. Australia had lost a good part of its markets for meat in Europe and Japan, and was desperate to exceed the United States quota. The Meat Import Quota Law applies to fresh, frozen and chilled meats. Processed meats are not covered by the quotas. An operation was set up in Mayaguez, Puerto Rico, in which huge quantities of Australian meat were shipped into the Mayaguez Free Trade Zone. This meat was cut up in small cubes and packaged. It was then brought into the United States as processed meat. The cutting up and packaging of this meat was not processing. It was clearly a loophole.

The Senate Committee on Finance approved a proposal offered by Senator Curtis that closed the Mayaguez loophole—a loophole through which 100 million pounds of meat would have entered the United States from January 1, 1976, to February 1, 1977. The Senate passed the Curtis measure, but the Congress adjourned sine die before the bill was completed in the House of Representatives and in Conference Committee. The Senate having spoken on the matter, the Department of Agriculture by executive action issued a regulation which closed the Mayaguez loophole. It was the efforts of Senator Curtis which brought this about.

CONSERVATION AND HISTORICAL PRESERVATION

On May 21, 1976, the U.S. Senate passed a bill introduced by Senator Curtis to establish the George W. Norris Home National Historic Site at McCook. The House of Representatives had not acted on the bill by the end of the 94th Congress, and the Senator is continuing his efforts to have the Norris Home in McCook established as a historic site in the National Park System. Senator Curtis had an unprecedented 55 cosponsors in the U.S. Senate on his bill.

Senator Norris served in Congress 39 years and 10 months, from March 4, 1903 to January 3, 1943," and was recognized for his leadership and sponsorship of the rural electrification program, the Tennessee Valley Authority and the 20th Amendment to the Constitution.

In 1965 Senator Curtis joined Senator Roman Hruska and Congressman Dave Martin in sponsoring legislation to establish the Agate Fossil Beds National Monument in Western Nebraska. Public Law 89-33 was signed on June 5 that year. It set up the monument to preserve outstanding paleontological sites and geological and archaeological phenomena near Agate Springs Fossil Quarries in Sioux County. In 1976, studies by the National Park Service cleared the way for construction of permanent facilities at the monument. There will replace the present temporary facilities, and will include a visitors' center, display facilities, headquarters, lodging and maintenance facilities.

Senator Curtis introduced the legislation in the Senate in 1971 that led to the establishment of the Samuel R. McKelvie National Forest in Nebraska. Located near Valentine, the McKelvie Forest was named to honor another of Nebraska's outstanding leaders.

Along with other members of the Nebraska Congressional delegation, Senator Curtis has been involved in the efforts pertaining to the Fort Niobrara National Wildlife Refuge, the Northern Plains Fishery Station near Valentine, the Nebraska National Forest, the Fort Niobrara and Crescent Lake National Wildlife Refuges, the Valentine Migratory Waterfowl Refuge, the Oglala National Grasslands, and the national historical sites in Nebraska, including Scotts Bluff National Monument near Scottsbluff and Gering, Homestead National Monument near Beatrice, and Fort McPherson National Cemetery near North Platte.

SOUTH SIOUX CITY BRIDGE

The bridge across the Missouri River at South Sioux City was more than 100 years

old and a new one was desperately needed. The bridge was vital to the local traffic but was necessary and important also to state and interstate traffic. Its replacement under the regular highway program would have been an unjust burden on the state and local interests. In 1966 Senator Curtis conceived of the idea of an extension of Interstate 29, that served western Iowa, so that northeast Nebraska would have access to the Interstate, and at the same time provide a much-needed bridge for the South Sioux City area. Some people ridiculed the Curtis proposal but he went to work on it. He enlisted the aid of Chairman Jennings Randolph of the Senate Public Works Committee and other officials. The 2.4 miles of Inter-State highway and the four-lane bridge at a cost of $39,101,656 were completed and opened to traffic on November 22, 1976. Ninety percent of the costs came from the Federal Highway Trust Fund.

ECONOMIC DEVELOPMENT

Tax-free industrial development bonds have enabled establishment of many industries in Nebraska, resulting in the employment of great numbers of our citizens. During the Johnson Administration, a Treasury ruling brought an end to the use of such bonds for industrial development. It was through the efforts of Senator Curtis in getting a measure through the Congress that the tax-free status of industrial development bonds was established in law. At the present time, there is a $5 million limit per issue. Senator Curtis has continued to press for a substantial raise in the limit.

It was at the request of Senator Curtis that the President of the United States established a Cabinet Committee on Rural Affairs. Later, the Senate Agriculture Committee on which Senator Curtis serves launched a rural development program. Senator Curtis was the ranking minority member on the subcommittee chaired by Senator Humphrey that held extensive hearings in Washington and over the country on rural development. Nebraska was one state chosen for hearings, which were held at McCook. A rural development program was finally enacted into law, and it has assisted many communities materially. It is administered by the Farmers Home Administration.

TRANSPORTATION

While agriculture is the backbone of Nebraska's economy, and small business and manufacturing play an important role, transportation is of equal importance.

It provides the vital link to connect the farms with the markets, the industries with the distributors, and the small businesses with the consumers. Transportation is vital to the entire economy of Nebraska, and Senator Curtis has been involved in development and maintenance of a good transportation network for the state that includes highways, commercial air service, and railroads.

Senator Curtis led in the efforts that resulted in air service for out-state Nebraska. He assisted the out-state cities in organizing and presenting their case before the Civil Aeronautics Board in 1957. He made the principal presentation and argument before the Civil Aeronautics Board. The effort succeeded, resulting in CAB approval in 1958 of scheduled commercial air service for a number of our out-state cities.

At the present time, air service is provided at Columbus, Grand Island, Hastings, Kearney, North Platte, McCook, Scottsbluff, Alliance, Chadron, and Norfolk, as well as Omaha and Lincoln. Senator Curtis has continued with efforts to maintain the service and improve the schedules.

Over a period of years, Nebraska's agricultural economy has been threatened and jeopardized by a lack of railroad grain cars. The situation has improved considerably through the efforts of Senator Curtis, who secured tax changes providing for rapid amortization of the cost of manufacturing more grain cars, who supported legislation that compelled a return to the western railroads of the grain-hauling cars they owned, and who was in constant contact with and appealed to regulatory agencies for assistance.

When the National Railroad Passenger Corporation was established, Senator Curtis worked with Senator Hruska to ensure that at least one Amtrak route would serve and cross Nebraska. Amtrak did locate an east-west route across southern Nebraska, linking Chicago with Denver via Omaha with stops in Lincoln, Holdrege and McCook along the Burlington Northern Railroad line. There has been considerable interest in locating a second Amtrak route across Nebraska and Senator Curtis has supported efforts for such a new route on the Union Pacific line serving Columbus, Grand Island, Kearney, North Platte and Sidney.

COLLEGES AND FOUNDATIONS

Senator Curtis is a champion of the private and church colleges and universities. He believes in their mission. Also, he is aware that the private and church colleges in Nebraska are providing an education to 13,554 students. This means that if the private and church colleges were to disappear, the burden upon the Nebraska taxpayers would be increased greatly. These colleges and universities cannot continue to exist if the tax incentives for giving are decreased or materially diminished. Neither can they exist without the benefit of foundations. In his work on tax-writing committees, Senator Curtis consistently has opposed efforts that would lessen the tax incentives for giving and for philanthropy in general.

In the 1976 Tax Reform Act, Senator Curtis was the author of two amendments relating to foundations which were successful. The foundations were faced with a mandatory pay-out requirement which in many instances would destroy the corpus of their funds. Also, they were faced with an auditing tax of 4 percent when the amount needed for auditing by the government was less than 2 percent. Senator Curtis proposed to limit the mandatory pay-out to 5 percent and to reduce the tax from 4 percent to 2 percent. Both of the Curtis amendments were approved by the Committee on Finance and passed by the Senate. In the conference between the House and the Senate, the pay-out limitation was retained but the reduction in the tax was rejected.

POSTSCRIPT

This summmary of Senator Carl T. Curtis' record could be extended to include many additional items such as his consistent support of farm legislation and rural electrification as well as the very important position that he has held in the fight to preserve private enterprise and to resist destructive and complicated tax proposals. All of this will have to be done at a later time.

PRESIDENTIAL TASK FORCE ON MIA'S AND POW'S

Mr. DOLE. Mr. President, I send a concurrent resolution to the desk and ask unanimous consent that immediate consideration be given to my concurrent resolution.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 3) to urge the establishment of a Presidential task force on MIAs and POWs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

Mr. CRANSTON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The resolution will go over under the rule.

MISSING AMERICAN SERVICEMEN AND THE PARDON

Mr. DOLE. Mr. President, I am proposing a concurrent resolution to support creation of a Presidential task force on missing American servicemen in Southeast Asia.

Being more than simply a reaffirmation of congressional commitment to the families of our MIA's, this resolution actively promotes a tangible force for seeking out remaining information about those never accounted for. It does not itself, of course, create the task force. The resolution simply calls for Presidential creation of an MIA task force at the same time that any Executive pardon is issued for Vietnam-era draft evaders. The President-elect has indicated on several occasions that he intends to issue such a pardon within a week following his inauguration.

Ironically, the anticipated blanket pardon will occur almost 4 years to the day that the Paris peace accord was formally signed. As we all know, that document did not merely promise release of captive prisoners. It guaranteed that all parties—including North Vietnam—would "help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action." Neither the letter nor the spirit of that pledge was fully met by Hanoi. Indeed, the full-scale invasion of South Vietnam by the North in 1975 ridiculed the entire peace accord.

The North Vietnamese have disseminated available information about our MIA's at sporadic intervals arbitrarily determined by no one but themselves. As recently as last September, the Hanoi regime released additional information about 12 American MIA's which conclusively established their deaths. This most recent leak of available information was juxtaposed with renewed calls by Hanoi for American war reparations and with revived efforts to gain admission to the United Nations. Clearly, the North Vietnamese possess further information about Americans who disappeared within their borders, but demand a price for its release.

WHY SET UP A TASK FORCE?

The last military unit searching for missing Americans in Indochina left the area last June. The House Select Committee on MIA's has recently expired after indicating in its final report that additional information on MIA's is probably available. Thus, this would be a most appropriate time for the President to establish a special task force of his own to continue the efforts already started by earlier military and congressional groups.

Information obtained by those units clearly indicated that additional information about missing servicemen does exist.

The efforts of a Presidential task force could do much to assist the Department of Defense in its reclassification efforts which are expected to resume this year. In the long run, those efforts would also serve to remove existing obstacles to improved relations with Vietnam, including consideration of trade, diplomatic recognition, and U.N. membership.

It is also important, I think, to point out that the concept of a Presidential task force endorsed by this resolution appears to have broad bipartisan acceptability. Both the Democrat and Republican party platforms of 1976 endorsed further accounting efforts. Both President Ford and President-elect Carter, during the recent campaign, called for creation of a special task force or delegation to seek further information about missing servicemen. Indeed, sincere and effective efforts to locate our MIA's must continue to reflect a nonpartisan character.

WHY TIMING WITH THE PARDON IS IMPORTANT

The President-elect has indicated his desire to close the final chapter of the Vietnam war, and to heal the wounds it created. I submit that these worthy objectives cannot be achieved without equal consideration being given to all those affected by the war to our forgotten Americans and their families, as well as to those who forgot America.

Establishment of the task force during January would provide timely continuity with the expiring House select committee, and would give early notice to Hanoi of the new administration's intention to pursue accounting efforts. The issuance of a Presidential pardon alone would symbolize little more than an apology for the American effort in Vietnam. This resolution will put Congress on record as supporting continued efforts to account for MIA's and will add measurable authority to future diplomatic efforts to achieve that accounting.

PERSONAL OPINION ABOUT PARDON

For the record, I want to make it clear that I personally am opposed to issuance of a blanket pardon for all Vietnam-era draft evaders. I would not want this resolution to be interpreted as supporting the pardon. The wording of the resolution neither supports nor opposes issuance of the pardon. It merely takes cognizance of the fact that the President-elect has announced that he intends to exercise his constitutional authority to grant an Executive pardon before the end of January. Since the President is not required by law to obtain congressional approval for such an act, he will presumably proceed on this matter as his own conscience dictates. This resolution simply calls for commensurate executive attention to the MIA matter.

I personally believe the MIA issue deserves early priority action while the pardon issue does not. But those who cosponsor and support this resolution do so for their own considerations which do not necessarily match my own on the pardon issue. I intend to elaborate on my own reasons for opposing the Presidential pardon of draft evaders later this week.

THE TASK FORCE CONCEPT

This resolution simply mandates creation of the task force simultaneously with issuance of the pardon. It does not directly outline the composition and precise duties of the force, which would be points of Presidential discretion.

However, my own concept is of a special commission of civilians—perhaps headed by the Vice President—who are knowledgeable about the MIA issue. Members of the National League of Families should have direct input into the activities of the task force, given their long experience and particular knowledgeability about the subject area. The force should initially review and consolidate all previous reports and findings on missing U.S. servicemen before undertaking their own investigation, to prevent duplication of efforts and to provide a context for their own work.

The task force may want to reanalyze earlier conclusions and recommendations on the MIA issue, but should concentrate on seeking the means to obtain additional existing information about the fates of these missing servicemen. Interviews and perhaps on-site inspections should be conducted. The force should make periodic progress reports to Congress and the President, along with appropriate recommendations for Government policy and negotiations relating to MIA's.

Only with an intensive investigation of this sort—supported by Executive mandate—can we hope to account as fully as possible for the 2,500 Americans still officially classified by the Department of Defense as having "not returned" from Vietnam, Laos, and Cambodia. Only with a final accounting can we truly hope to fully "heal the wounds" of the Vietnam war. I hope my colleagues on both sides of the aisle will give their support to expeditious approval of this resolution, and thereby encourage the new President to establish an MIA task force early in his administration.

Mr. President, I ask unanimous consent that the full text of this resolution be printed at the completion of my remarks.

S. CON. RES. 3

Whereas there are approximately 12,000 convicted or indicted American draft resisters who refused to accept their military responsibility during the Vietnam War era, and who rejected an earlier opportunity to lists approximately 2,500 United States service for this country;

Whereas the Department of Defense still lists approximately 2,500 United States servicemen missing or not returned from Southeast Asia; and

Whereas the governments of Vietnam, Laos, and Cambodia have failed to abide by basic humanitarian principles to provide the fullest possible accounting for all Americans listed in a missing status in their respective territories: Now therefore, be it

Resolved, That it is the sense of the Congress of the United States that there should be established, simultaneously with the issuance of a general amnesty or pardon for United States draft evaders of the Vietnam War era, a Presidential Task Force on Prisoners of War and Missing in Action to propose courses of action to achieve the fullest possible accounting for all Americans listed in a missing status in Southeast Asia, including the return of remains, and to make recommendations concerning Federal policies relating to prisoners of war and missing in action.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HART). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Does any Senator seek recognition at this time?

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will shortly stand in recess until the hour of 3 o'clock p.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order on tomorrow, there will be a period for the transaction of routine morning business of not to exceed 1 hour, with statements therein limited to 15 minutes each. If additional time is needed on tomorrow for statements, the leadership on this side of the aisle will certainly be agreeable to accommodating such Senators.

Bills and resolutions, of course, and statements may be introduced into the RECORD tomorrow as late as 5 o'clock p.m., by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Then when the Senate completes its business on tomorrow, and no rollcall votes are expected on tomorrow, the Senate will stand in recess until the hour of 8 o'clock p.m. on Wednesday, thus allowing committees to meet tomorrow morning without interruption and floor action, and allowing committees to meet all during the day on Wednesday without interruption from the floor.

After the two leaders or their designees have been recognized on Wednesday evening, there will be a very brief period for the transaction of routine morning business, with no votes anticipated, for the purpose only of allowing bills and resolutions, petitions and memorials, and statements to be introduced into the RECORD, and then a quorum call will be had, during which Senators will meet to march in a body to the Hall of the House of Representatives to hear a State of the Union Address by the President of the United States, and upon the conclusion of that address the Senate will stand in adjournment until the hour of 12 o'clock noon on Friday.

It is possible that rollcall votes could occur on some matter on Friday, but as for tomorrow and Wednesday, I would anticipate no rollcall votes.

Let me reiterate that the leadership is attempting, as best it can, to have as few floor sessions as possible within the months of January and February, so as to allow the committees of the Senate to meet, to conduct hearings on nominations and on legislation, and to begin to report legislation to the Senate for action.

This does not mean that unforeseen occasions may not arise which would necessitate Senate sessions more often. But it is the desire of the leadership on this side of the aisle to forego having Senate sessions as much as possible during the months of January and February, so as to allow committees to meet, and when Senate sessions are deemed necessary, it will be my intention and desire to convene the Senate, whenever possible, especially during those 2 months, at an hour not earlier than 12 o'clock noon and more nearly to 1 p.m. or even 2 p.m. during the afternoon, conceivably even 3 p.m., so as to give committees all the possible time that they can be given; and I hope all committee members and committee chairmen will take advantage of this opportunity during January and February to hold committee hearings, with the assurance that they will be interrupted as little as possible.

Mr. BAKER. Mr. President, will the Senator yield briefly?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, I find it difficult to express the extent of my agreement and appreciation for what the majority leader has said about the nature and type of Senate schedule for the next 2 months. I think all of us have understood the necessity for earlier sessions of the Senate and for long sessions of the Senate, but I think there is good logic, and this is a good beginning, in having as few legislative sessions of the Senate as possible in these first 2 months.

I hope that our colleagues will understand that doing this intensifies the necessity and desirability for them being in attendance on the floor when we are in session. I think one of the best things we can do to improve the deliberations of the Senate is to regularize our schedule so there is time for committee work and time for floor work, and that we devote ourselves to them, respectively, and not try to do it, unless necessary, simultaneously.

So I commend the majority leader for this schedule for the first 2 months. I pledge to him our support in that respect, and I hope it will serve as a good example for ordering our time thereafter.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader, and I am glad he emphasized the desire of the joint leadership to have as many Senators as possible on the floor when sessions are being conducted. I join him in urging all of us to take advantage of opportunities when the Senate is not in session, including Saturdays, to conduct hearings, so that we can get legislation, and especially nominations, to the floor at the earliest possible moment, because the more work that is done now and the more expeditious we are in handling our business now, there will be pay dirt at the end of the session, hopefully, down the road along about the 1st of October.

Mr. BAKER. Hopefully pay dirt in terms of home dirt.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Going home.

Mr. ROBERT C. BYRD. Yes.

RECESS UNTIL 3 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 3 o'clock tomorrow afternoon.

The motion was agreed to; and, at the hour of 2:18 p.m., the Senate recessed until tomorrow, January 11, 1977, at 3 p.m.

NOMINATIONS

Executive nominations received by the Senate January 10, 1977;

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Edwin C. Brown, Jr., of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice George W. Draper II, deceased.

Robert McCance Scott, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Richard R. Atkinson, retired.

Robert Alan Shuker, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Harry T. Alexander, retired.

Annice McBryde Wagner, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Theodore R. Newman, Jr., elevated.

CORPORATION FOR PUBLIC BROADCASTING

The following-named persons to be members of the board of directors of the Corporation for Public Broadcasting for terms expiring March 26, 1982:

Charles H. Crutchfield, of North Carolina, vice Robert S. Benjamin, term expired.

Leslie N. Shaw, of California, vice Virginia Bauer Duncan, term expired.

Paul M. Stevens, of Texas, vice Jack Wrather, term expired.

IN THE DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion in the Foreign Service to the classes indicated:

Foreign Service officers of class 1:
David Anderson, of New York.
George R. Andrews, of Tennessee.
Diego C. Asencio, of New Jersey.
Helene A. Batjer, of Nevada.
Harry E. Bergold, Jr. of Florida.
Roger C. Brewin, of Ohio.
Carroll Brown, of Alabama.
Frederick Z. Brown, of Pennsylvania.
Harry A. Cahill, of Virginia.
Eugene E. Champagne, Jr., of Pennsylvania.
George T. Churchill, of Virginia.
Robert S. Dillon, of Virginia.
L. Milner Dunn, of California.
Hunter L. Estep, of Texas.
Alan W. Ford, of California.
David L. Gamon, of Florida.
Paul F. Gardner, of Texas.
John L. Gawf, of Colorado.
Alan A. Gise, of California.
Raymond E. González, of California.
John V. Hedberg, of Maryland.
Harold E. Horan, of Texas.
Ernest B. Johnston, Jr., of Alabama.
David Adolph Korn, of Maryland.
Dennis H. Kux, of New York.
Earl H. Lubensky, of California.
Alan W. Lukens, of Pennsylvania.
Francis J. McNeil III, of Florida.
Hawthorne Q. Mills, of California.
Robert C. Mudd, of Virginia.
Charles Willis Naas, of Maryland.
Harvey F. Nelson, Jr., of California.
Daniel A. O'Donohue, of Maryland.
Lawrence Pezzullo, of New York.
Anthony C. E. Quainton, of Washington.
Francis X. Ready, of New Hampshire.
Robert G. Rich, Jr., of Florida.
Stephen H. Rogers, of Virginia.
Edward M. Rowell, of California.
Robert J. Ryan, Jr., of Massachusetts.
John D. Scanlan, of Hawaii.
Peter Sebastian, of Florida.
David E. Simcox, of Kentucky.
Christopher A. Squire, of the District of Columbia.
Roger W. Sullivan, of Massachusetts.
Joseph Terranova, Jr., of Arizona.
Charles R. Wilds, of Georgia.
William M. Woessner, of Virginia.
Charles T. York, of Maryland.
Albert L. Zucca, of Florida.

Foreign Service officers of class 2:
Alfonso Arenales, of Texas.
James E. Baker, of California.
William G. Barraclough, of Pennsylvania.
John P. Blane, of Alabama.
Michael P. Boerner, of New Jersey.
John Condayan, of Virginia.
Goodwin Cooke, of New York.
Willard B. Devlin, of Pennsylvania.
Theodore B. Dobbs, of Virginia.
William L. Dutton, Jr., of Iowa.
William J. Dyess, of Alabama.
James M. Ealum, of California.
Joseph O. Eblan, of New Hampshire.
James R. Falzone, of California.
James P. Farber, of Florida.
Harvey J. Feldman, of Illinois.
John R. Ferchak, of Virginia.
Robert L. Flanegin, of Illinois.
Alexander S. C. Fuller, of Connecticut.
Russell C. Heater, of California.
Martin G. Heflin, of Florida.
Ashley C. Hewitt, Jr., of California.
George Borman High, of Illinois.
Alton L. Jenkens, of West Virginia.
Betty-Jane Jones, of Wisconsin.
Lowell C. Kilday, of Wisconsin.
James E. Kiley, of California.
Sheldon Jack Krys, of Maryland.
Herbert Levin, of Vermont.
David E. L'Heureux, of New Hampshire.
Samuel Eldred Lupo, of California.
Stephen R. Lyne, of the District of Columbia.
Richard C. Matheron, of California.
Wade H. B. Matthews, of Texas.
Charles W. McCaskill, of Texas.
Joseph Meresman, of New York.
William F. Miller, of Massachusetts.
John D. Negroponte, of New York.
Leonardo Neher, of Illinois.
Joseph B. Norbury, Jr., of Arkansas.
Joseph E. O'Mahony, of Maryland.
J. Theodore Papendorp, of New Jersey.
Edward L. Peck, of California.
J. William Plez, of Colorado.
Larry G. Piper, of Texas.
Henry Precht, of Georgia.
Lawrence R. Raicht, of New York.
Gerald A. Rosen, of New York.
James D. Rosenthal, of California.
John Hall Rouse, Jr., of Maryland.
Lawrence D. Russell, of Florida.
Frederick H. Sacksteder, Jr., of New York.
George B. Sherry, of the Virgin Islands.
John W. Simms, of Pennsylvania.
R. Peter Spicer, of Ohio.
James Stromayer, of Illinois.
Wayne A. Swedenburg, of Virginia.
James L. Tull, of Iowa.
Marten H. A. van Heuven, of Connecticut.

Richard Noyes Viets, of Texas.
James R. Wachob, of Maryland.
Lannon Walker, of Maryland.
Frank E. Wallace, of Tennessee.
Albert W. Whiting, of Texas.
Albert N. Williams, of Michigan.
Arthur H. Woodruff, of Florida.
Warren Zimmermann, of Virginia.

Foreign Service officers of class 2 and Consular Officer of the United States of America:
Harry R. Melone, Jr., of New York.
Richard B. Owen, of Michigan.
Woodward Romine, of Indiana.

Foreign Service officers of class 3:
Francesco J. Alberti, Jr., of California.
Dexter Anderson, of New Jersey.
Richard C. Barkley, of Michigan.
Frank C. Bennett, Jr., of California.
Jack R. Binns, of Washington.
Robert D. Blackwill, of Nevada.
C. Thomas Bleha, of Michigan.
Merwin Carl Blust, of the District of Columbia.
Gordon S. Brown, of the District of Columbia.
Kenneth L. Brown, of California.
Richard C. Brown, of New Mexico.
Thomas R. Buchanan, of Maryland.
Pierce K. Bullen, of Florida.
James R. Bullington, of Tennessee.
Ann P. Campbell, of Connecticut.
Martha C. Carbone, of Washington.
Thomas J. Carolan, Jr., of Maryland.
David J. Carpenter, of Maryland.
Anne L. Carroll, of Idaho.
Joseph P. Cheevers, of Kansas.
William P. Clappin, of Virginia.
Warren Clark, Jr., of New York.
Harry L. Coburn, of New York.
Richard E. Combs, Jr., of California.
Elinor G. Constable, of New York.
Marion V. Creekmore, Jr., of Tennessee.
Thomas E. Cummings, of California.
Carl C. Cundiff, of Nevada.
Stephen P. Dawkins, of New Jersey.
Richard S. Dawson, Jr., of California.
John J. Degan, Jr., of New York.
Richard N. Dertadian, of California.
Jerrold Mark Dion, of Washington.
Richard J. Dols, of Florida.
Michael L. Durkee, of New York.
Richard A. Dwyer, of Indiana.
Regina Marie Eltz, of Alabama.
Dayid A. Engel, of New Jersey.
Henry A. Engelbrecht, Jr., of Virginia.
David C. Fields, of California.
Ronald D. Flack, of Minnesota.
Ludlow Flower III, of the District of Columbia.
Martin C. Forrester, of Maryland.
Anthony G. Freeman, of New Jersey.
Charles W. Freeman, Jr., of Rhode Island.
Jay P. Freres, of Illinois.
Roger R. Gamble, of New Mexico.
Coradino E. Gatti, of Connecticut.
Paul John Glasoe, of Ohio.
Michael H. Goldman, of Maryland.
Augustine J. Gorman, of Massachusetts.
Richard C. Graham, of Virginia.
John O. Grimes, of Virginia.
William H. Gussman, of New York.
Donald Keith Guthrie, of New Mexico.
Donald F. Hart, of Maryland.
Douglas James Harwood, of Connecticut.
James D. Hataway, Jr., of Georgia.
Donald D. Haught, of California.
John H. Hawes, of New Jersey.
Charles Higginson, of Massachusetts.
John L. Hirsch, of New York.
Harry D. Hobbs, of Florida.
Marvin J. Hoffenberg, of Maryland.
Wallace F. Holbrook, of Massachusetts.
David C. Holton, of Virginia.
Richard B. Howard, of Florida.
Frances Dodd Howell, of North Carolina.
Michael P. E. Hoyt, of Indiana.
James F. Hughes III, of New York.
George Merwin Humphrey, of New Jersey.
Arnold M. Isaacs, of Illinois.
Harriet W. Isom, of Virginia.
Grafton Harry Jenkins, of the District of Columbia.
Peter B. Johnson, of California.
Andrew R. Kay, Jr., of Virginia.
John E. Kelley, of Hawaii.
Carolyn E. Kingsley, of Nebraska.
Francis M. Kinnelly, of Maine.
Harmon E. Kirby, of Ohio.
Charles J. Konya, of Maryland.
Kenneth A. Kurze, of Rhode Island.
James S. Landberg, of Washington.
Vladimir Lehovich, of New York.
Melvyn Levitsky, of Maryland.
Hallock R. Lucius, of New York.
Hugh Cooke MacDougall, of New York.
Edward M. Malloy, of New York.
Gerald Eugene Manderscheid, of California.
John J. Maresca, of Connecticut.
James A. Mattson, of Minnesota.
Howard M. McElroy, of New York.
George A. McFarland, Jr., of Texas.
Donald F. Meyers, of Wisconsin.
Thomas F. Milliren, of Pennsylvania.
Harlan G. Moen, of the District of Columbia.
Gerald Joseph Monroe, of New Mexico.
Robert B. Morley, of New Jersey.
Byron B. Morton, Jr., of New Jersey.
Lillian Peters Mullin, of Illinois.
George Clay Nettles, of Alabama.
Jerrold M. North, of Illinois.
F. Pierce Olson, of Wyoming.
Gerald G. Oplinger, of Pennsylvania.
Allan W. Otto, of Illinois.
Gus P. Peleuses, of Ohio.
Robert H. Pelletreau, Jr., of Connecticut.
Vernon D. Penner, Jr., of New York.
Gary S. Posz, of California.
Arthur L. Price, of Tennessee.
Frederick D. Purdy, of Pennsylvania.
Reynold A. Riemer, of California.
Chandler P. Roland, of California.
Alan D. Romberg, of Maryland.
David Rowe, of Maryland.
Ernest C. Ruehle, of Missouri.
Theodore E. Russell, of Maine.
John J. St. John, of Pennsylvania.
Irving L. Sanders, of Washington.
James Sartorius, of New Jersey.
Teresita C. Schaffer, of New York.
Andrew D. Sens, of the District of Columbia.
Pierre Shostal, of New York.
Lester P. Slezak, of Pennsylvania.
Elaine Diana Smith, of Illinois.
Robert R. Strand, of Ohio.
Gordon L. Streeb, of Minnesota.
Charles T. Sylvester, of Rhode Island.
Daniel Taher, of New Jersey.
Carl Taylor, of Vermont.
Clyde Donald Taylor, of Maine.
Francis Hugh Thomas, of Pennsylvania.
John B. Tipton, of Illinois.
George A. Trail III, of Pennsylvania.
Frederick S. Vaznaugh, of California.
Sandra Louise Vogelgesang, of Ohio.
Howard K. Walker, of Maryland.
James A. Weiner, of California.
Martin A. Wenick, of New Jersey.
Herbert E. Wilgis, Jr., of Maryland.
H. L. Dufour Woolfley, of Louisiana.
William B. Young, of New Hampshire.

Foreign Service officer of class 3 and a Consular Officer of the United States of America:
James Francis Shea, of Maryland.

Foreign Service officers of class 4:
Marc Allen Baas, of Michigan.
F. Brenne Bachmann, of New Jersey.
Ward Davis Barmon, of New York.
Bruce Anthony Beardsley, of Nevada.
Joseph F. Becelia, of New York.
Robert W. Beckham, of Florida.
Alan H. Bergstrom, of North Dakota.
J. Richard Bock, of Washington.
David L. Boerigter, of Michigan.
James F. Brackman, of West Virginia.
Timothy Michael Carney, of Florida.
Hervey Parke Clark, Jr., of California.
Thomas M. Coony, of Connecticut.
James P. Covey, of New York.
Charles L. Daris, of California.
Rust M. Deming, of the District of Columbia.
James P. Dodd, of Kentucky.
Daniel Linus Dolan, of Pennsylvania.
Charles H. Dudley, of Florida.
Morton R. Dworken, Jr., of Ohio.
Wesley W. Egan, Jr., of North Carolina.
Dennis Finnerty, of New Jersey.
Galen W. Fox, of Hawaii.
Leon S. Fuerth, of Florida.
Edward F. Fugit, of New Jersey.
Harold W. Geisel, of Illinois.
Jon M. Gibney, of New York.
Frank Ralph Golino, of Pennsylvania.
G. Gene Griffiths, of Tennessee.
Manuel R. Guerra, of Texas.
J. Guy Gwynne, of Arkansas.
George H. Haines III, of Rhode Island.
Ovsanna Harpootian, of Rhode Island.
Roger G. Harrison, of California.
Dennis G. Harter, of New Jersey.
W. Donn Heaney, of Maryland.
Alan Shaw Hegburg, of Florida.
Thomas C. Hubbard, of Alabama.
J. Alexander Mannings Jackson, of Pennsylvania.
Donald L. Jameson, of California.
Jo Ann M. Jenkins, of Virginia.
Gregory L. Johnson, of Washington.
Mark Johnson, of Montana.
Stephen Tillman Johnson, of California.
Douglas R. Keene, of Massachusetts.
John H. King, of New Jersey.
Douglas S. Kinney, of Florida.
Donald R. Knight, of Iowa.
Donald Kreisberg, of New York.
Gilbert D. Kulick, of California.
Joseph Edward Lake, of Texas.
Douglas Langan, of New Jersey.
David Burton Langhaug, of Michigan.
Robert M. Maxim, of New York.
Rafael L. Marin, of New York.
Richard A. McCoy, of New Jersey.
Robert Bruce McMullen, of Illinois.
Joseph H. Melrose, Jr., of Pennsylvania.
Mary Ann Meysenburg, of Nebraska.
David Norman Miller, of Nebraska.
Murrow B. Morris, of Virginia.
Robert C. Myers, of Virginia.
James P. Nach, of New York.
Sheila-Kaye O'Connell, of Massachusetts.
Robert E. Park, of California.
Wesley H. Parsons, of Arizona.
B. Lynn Pascoe, of New York.
David R. Patterson, of Arkansas.
Charles E. Pedonti, of Massachusetts.
Anthony Carson Perkins, of the District of Columbia.
Lee M. Peters, of Virginia.
Donald J. Planty, of New York.
Mark J. Platt, of Connecticut.
Gene R. Preston, of California.
James J. Reid, of Texas.
Algirdas J. Rimas, of Virginia.
Lionel A. Rosenblatt, of Pennsylvania.
Theodor Rumme, of Massachusetts.
Dorothy M. Sampas, of Maryland.
James T. Schollaert, of Pennsylvania.
William F. Schrage, of Illinois.
Richard T. Scully, of Virginia.
Edric Sherman, of Washington.
Michael M. Sherman, of California.
Samuel Vick Smith, of Washington.
E. Michael Southwick, of California.
Kenneth A. Stammerman, of Kentucky.
David H. Stebbing, of the District of Columbia.
William W. Struck, of Kentucky.
Larry C. Thompson, of Oklahoma.
Ward C. Thompson, of New Hampshire.
William S. Tilney, of California.
Thomas F. Timberman, of Maryland.
Tain Pendleton Tompkins, of California.
Stanislaus R. P. Valerga, of Texas.
Phyllis S. F. Villegoureix-Ritaud, of Massachusetts.
John Way Vincent, of Illinois.
James Donald Walsh, of Pennsylvania.
Frank P. Wardlaw, of Texas.
Louis B. Warren, Jr., of New Jersey.
Daniel F. Waterman, of New York.
Irving A. Williamson, Jr., of Missouri.
Andrew Jan Winter, of New York.
Lacy A. Wright, Jr., of Illinois.

Donald J. Yellman, of Iowa.

Foreign Service officers of class 5:
David Michael Adamson, of New York.
Leslie M. Alexander, of New York.
Norman Alexander, Jr., of Louisiana.
Alan Whittier Barr, of California.
Robyn M. Bishop, of Florida.
James E. Blanford, of Wyoming.
Robert A. Bradtke, of Pennsylvania.
Ralph Lynn Braibanti, of North Carolina.
Kevin C. Brennan, of California.
Donald S. Bryfogle, of Virginia.
Ralph M. Buck, of Florida.
Roger E. Burgess, Jr., of Nevada.
David L. Cardwell, of Pennsylvania.
Frederick R. Cook, of Illinois.
Brian Dean Curran, of the District of Columbia.
Charles Gilman Currier, of New York.
Karl Imants Danga, of New York.
Gary D. DeVight, of Hawaii.
George Anthony Dies III, of New York.
Richard M. Dotson, of Michigan.
Michael J. Duffy, of Massachusetts.
H. Roy Eidem, of Illinois.
Michael F. Gallagher, of Pennsylvania.
Daniel C. Gamber, of Florida.
John Michael Garner, of Texas.
Robert Lindsey Glass, of Massachusetts.
Russell Frost Graham, of Connecticut.
Bruce N. Gray, of California.
Andrew Grossman, of New York.
Eileen M. Heaphy, of Connecticut.
Janet L. M. Henneke, of Texas.
Michael J. Hogan, of Utah.
Thomas L. Holladay, of Arizona.
William J. Hudson, of California.
Rodney L. Huff, of Maryland.
Marie T. Huhtala, of California.
Sandra Nelson Humphrey, of New Jersey.
Ferris Richard Jameson, of Ohio.
Gilbert Matthew Johnson, of Michigan.
Judith R. Kaufmann, of New Mexico.
Patrick Francis Kennedy, of Illinois.
Ronald K. Kirkpatrick, of Wisconsin.
Robert J. Kott, of New York.
William Karl Krauss, of New Jersey.
Albert D. Krehbiel, of Hawaii.
James A. Larocco, of Illinois.
Alan P. Larson, of Iowa.
Frederic William Maerkle III, of California.
Luciano Mangiafico, of Connecticut.
Dana M. Marshall, of New York.
Joseph Neal McBride, of Massachusetts.
Paul M. McGonagle, of Virginia.
John P. McGuinness, of Ohio.
Douglas B. McNeal, of New York.
Michael W. Michalak, of Ohio.
Robert A. Millspaugh, of New York.
John Scott Monier, of Illinois.
Russell E. Morrow, of Texas.
Paul T. Murphy, of Connecticut.
Mark Robert Parris, of Virginia.
David Pfotenhauer, of Iowa.
John A. Polansky, Jr., of Texas.
David C. Pugh, of Florida.
John R. Ratigan, of Virginia.
Thomas Lee Robinson, of Michigan.
John F. Scott, of Iowa.
Jeffrey R. Siegel, of New Jersey.
Karl H. Sprick, of California.
Bruce D. Strathearn, of Wisconsin.
Richard J. Tierney, of Massachusetts.
Eric D. Tunis, of California.
Helen Weinland, of the District of Columbia.
Dean L. Welty, of Indiana.
James D. Whitten, of California.
Dan A. Wilson, of Texas.
Walter James Woolwine, of West Virginia.
Gerald A. Wunsch, of Indiana.

Foreign Service officers of class 6:
Jeffrey A. Bader, of Florida.
Robert A. Benzinger, of Arizona.
Thomas V. Biddick, of California.
James D. Bindenagel, of Illinois.
John William Blaney, or Virginia.
Steven Robert Buckler, of Michigan.
Harold Tony Angelea Burgess, of Connecticut.
Shaun M. Byrnes, of Indiana.
John Campbell, of Virginia.
James J. Carragher, of California.
Wendy Chamberlin, of Illinois.
Carolyn S. Christian, of California.
Gary W. Christian, of Missouri.
Laura A. Clerici, of South Carolina.
Oscar Willard Clyatt, Jr., of Florida.
Frederick Bishop Cook, of Florida.
Jerry V. Cook, of Texas.
Caryl M. Courtney, of West Virginia.
Robert B. Courtney, of West Virginia.
Howard Caldwell Davis, of Oklahoma.
John R. Dawson, of Michigan.
Georgia J. DeBell, of California.
Lynwood M. Dent, Jr., of Virginia.
James R. Doyle, of Massachusetts.
Timothy John Dunn, of California.
Peter D. Eicher, of Connecticut.
Stephen E. Eisenbraun, of Florida.
Robert W. Fitts, of New Hampshire.
George Ernest Hamilton, of Texas.
James D. Hansen, of New Mexico.
Stephen Michael Harner, of California.
Timothy P. Hauser, of Illinois.
Kenneth Richard Hedstrom, of California.
Donna Jean Hrinak, of Pennsylvania.
Nancy Hudson, of Texas.
Paul F. Hurley, of Massachusetts.
Charles Kartman, of the District of Columbia.
Charles F. Keil, of Texas.
Susan M. Kling, of New York.
Michael Klosson, of Maryland.
Margaret Teresa Kromhout, of Minnesota.
Joseph A. Limprecht, of California.
Michael W. Marine, of Connecticut.
Dianne E. Markowitz, of Pennsylvania.
Linda M. Mathews, of California.
Edmond Anthony McGill, Jr., of Pennsylvania.
Edward McKeon, of the District of Columbia.
Margaret K. McMillion, of Pennsylvania.
Thomas W. Mears, Jr., of Maryland.
Clifford W. Mecklenburg, of Ohio.
William F. Menold, Jr., of Minnesota.
Dennis A. Michaud, of the District of Columbia.
Barbara R. Miller, of New York.
Jeffrey V. S. Millington, of New Jersey.
Mark C. Minton, of Indiana.
Christine Shelly Monroe, of Kentucky.
William A. Muller, of Michigan.
John Malcolm Ordway, of California.
Douglas E. Paradis, of New York.
Charles N. Patterson, Jr., of Texas.
John J. Pavoni, Jr., of Connecticut.
Mary Ann Peters, of Florida.
Robert A. Proctor, of California.
Angel M. Rabasa, of Florida.
Brenda Therese Saunders, of Ohio.
Nancie Anne Schalk, of Virgina.
Peter G. Schoettle, of California.
James F. Schumaker, of California.
Denise A. Silber, of New York.
Robert F. Simmons, Jr., of New York.
Anthony Spakauskas, of Virginia.
John C. Spiegel, of Illinois.
Yvonne Frances Thayer, of California.
James E. Tobin, of Iowa.
Daniel A. Vernon, of Alabama.
John W. Vessey III, of Virginia.
Marc M. Wall, of Virginia.
Richard H. Wallen, of Colorado.
Earl A. Wayne, of California.
Wayne Edward White, of Pennsylvania.
Thomas Kenneth Wukitsch, of Illinois.

Foreign Service officers of class 7:
Deborah Anne Bolton, of Pennsylvania.
John Patrick Caulfield, Jr., of New Jersey.
William J. Duffy, of Michigan.
Mark Craig Eaton, of South Dakota.
Carolyn H. Ervin, of California.
Gerald Michael Feierstein, of Pennsylvania.
Gregory T. Frost, of Iowa.
Thomas Patrick Furey, Jr., of Oregon.
Susan Angela Haggerty, of Virginia.
Wendy Marie Hansen, of New Mexico.
John W. Helm, of Tennessee.
Richard Charles Hermann, of Iowa.
David T. Hopper, of New Jersey.
Allan G. Jury, of Missouri.
Edward T. Kelsch, of Kentucky.
Gregory B. Kenny, of New York.
Thomas A. Lynch, Jr., of Maryland.
Linda McIntosh, of the District of Columbia.
David Alan Nall, of Georgia.
John Jacob Norris, Jr., of Virginia.
John F. Noss, of Alaska.
Robert G. Paiva, of Connecticut.
James A. Pierce, of the District of Columbia.
Kathryn Dee Robinson, of Tennessee.
Clayton F. Ruebensaal, Jr., of Maryland.
Timothy M. Savage, of Iowa.
Terry R. Snell, of Washington.
Raymond R. Snider, of California.
Adrienne M. Stefan, of Florida.
Donald K. Steinberg, of California.
Curtis M. Stewart, of Colorado.
Theodore R. Tench, of Florida.

IN THE DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service information officers for promotion in the Foreign Service to the classes indicated:

Foreign Service information officers of class 1:
David G. Briggs, of Rhode Island.
Richard H. Curtiss, of California.
Richard M. Key, of New York.
Bernard J. Lavin, of Hawaii.
Joann Lewinsohn, of Oklahoma.
Morton S. Smith, of Maryland.

Foreign Service information officers of class 2:
Robert Andre Dumas, of Pennsylvania.
Edward J. Findlay, of Minnesota.
Ben F. Fordney, of Virginia.
Howard W. Hardy, Jr., of New Jersey.
Harry H. Kendall, of Louisiana.
Kenneth D. Koch, of Michigan.
Michael A. Kristula, of Virginia.
Arthur Winston Lewis, of Vermont.
Leslie M. Lisle, of West Virginia.
Herwald H. Morton, of Illinois.
Flemming E. Nyrop, of Virginia.
Eugene Frederick Quinn, of Connecticut.
G. Michael Razi, of Maine.
Dorothy Robins-Mowry, of the District of Columbia.

Foreign Service information officers of class 3:
Gilbert R. Callaway, of Arkansas.
Michael P. Canning, of North Dakota.
Duane C. Davidson, of Colorado.
William J. Dieterich, of Ohio.
William H. Durham, of Virginia.
Mary E. Gawronski, of the District of Columbia.
Alan L. Gilbert, of Ohio.
Francis D. Gómez, of Washington.
Robert R. Gosende, of Massachusetts.
Sally M. Grooms, of Illinois.
William E. Jones, of Ohio.
Howard A. Lane, of Illinois.
Frederick Griswold Mason, Jr., of Florida.
H. James Menard, of California.
James L. Meyer, of California.
Dell F. Pendergrast, of Virginia.
Harold F. Radday, of California.
Carl D. Schultz III, of the District of Columbia.
Donald F. Sheehan, of New York.
Christopher Snow, of Utah.
Louis M. Steed, of Virginia.
William Stephens, Jr., of Pennsylvania.
Elton Stepherson, Jr., of California.

Foreign Service information officers of class 4:
Barbara Joan Allen, of Missouri.
John L. G. Archibald, of Virginia.
Brian E. Carlson, of Virginia.
Csaba T. Chikes, of New Hampshire.
Harriet L. Elam, of Massachusetts.
James W. Findley, of West Virginia.
David F. Fitzgerald, of Massachusetts.
C. Roy Fleming, Jr., of Tennessee.
William Henry Graves, of California.
Philip C. Harley, of North Carolina.
Bernard M. Hensgen, of Virginia.
Patrick Tadashi Hodai, of Washington.
Gerald E. Huchel, of Illinois.
Edward S. Ifshin, of Florida.
William P. Kiehl, of Pennsylvania.
David H. Lambert, of California.

Ray V. McGunigle, Jr., of Pennsylvania.
Robert D. Miller, of Pennsylvania.
Jane Prindeville Newman, of Maryland.
Eugene A. Nojek, of Illinois.
Marjorie Ann Ransom, of the District of Columbia.
Stanley N. Schrager, of Illinois.
Jack A. Sears, of South Dakota.
Robert K. Thomas, of Washington.
John C. Thomson, of California.
David P. Wagner, of Florida.
Leonardo M. Williams, of Minnesota.

Foreign Service information officers of class 5:

David L. Arnett, of Louisiana.
Sheridan W. Bell III, of Pennsylvania.
Donna Millions Culpepper, of Washington.
Mark A. Giago, of Virginia.
J. Daniel Howard, of Tennessee.
Alan M. King, of Tennessee.
Patricia H. Kushlis, of California.
Virginia M. L. Loo, of Hawaii.
Diana Moxhay, of New York.
Lezetta J. Moyer, of Massachusetts.
Stephan Strain, of New York.

Foreign Service information officers of class 6:

Kenneth R. Audroué, of Massachusetts.
Ellen S. Berelson, of New York.
Rose Susan Berstein, of Rhode Island.
William D. Cavness, Jr., of Georgia.
Patrick J. Corcoran, of New York.
Mary Lou Edmondson, of Colorado.
Francis K. Gilliland, of Virginia.
John Davis Hamill, of Ohio.
Lloyd W. Neighbors, Jr., of Texas.
J. Brooks Spector, of Maryland.
Joseph Dean Straubhaar, of California.
John Walsh, of New Jersey.
Douglas B. Wilson, of Arizona.

Foreign Service information officers of class 7:

Morgan Liddick, of Washington.
Jane Daniel Wilson, of Arizona.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. John R. Deane, Jr., [redacted], Army of the United States (major general, U.S. Army).

IN THE NAVY

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the line and staff corps of the Navy, subject to the qualifications therefore as provided by law:

Jimmy L. Aaron
Michael D. Adams
Franklin M. Adelman
Mark K. Adrick
Jeffrey E. Aggas
Daniel T. Aide
Gary G. Ajemian
Thomas M. Algeo
Bert R. Algood
Frederick D. Allard, Jr.
Douglas J. Allen
Gregory J. Allen
Maxwell Allen
Jerry B. Alverson
Edward A. Anderson
Michael E. Anderson
Nicholas A. Anderson
Phillip D. Anderson
Steven W. Anderson
Gene J. Andreoletti
Thomas L. Andrews III
William R. Arguello
Edward D. Armbruster
Ernest C. Armond, Jr.
Alfred E. Artho
Daniel Q. Aucremanne
Craig K. Austad
Alan J. Avera
Kimball C. Ayers
Helen J. Bach
John T. Bader
Dennis R. Baer
Philip W. Bagwell
Tony M. Bailey
Richard S. Bakalar
Dwight E. Baker
James M. Baker
Terrance L. Baker
John L. Ball
Richard J. Ball, Jr.
Mark W. Balmert
Denise M. Banghart
George Baranchulk
Edward M. Barber
Timothy W. Bardell
John F. Baretich
James E. Barnes
Steven B. Barnes
Robert D. Baron
Steven A. Barton
Wesley A. Barton
John E. Batten IV
Douglas O. Beck
Jeffrey A. Beckman
Michael I. Beckner
Theodore W. Beidler
Gregory R. Bell
Melvin Bell
Robert B. Bell
Willie J. Bell III
Allan J. Bellacicco
George E. Bennett
John S. Bennett
Vincent J. Bennett
William W. Bennett
Charles E. Bentsen
Julia J. Bentzinger
Gustave L. Berg III
Charles R. Bernstein
Russell S. Beyer
Donel S. Bianchi
Timothy F. Biggins
George R. Bilowus
Thomas J. Bily
David W. Birt
David N. Bize III
Gerald K. Blaine
Thomas H. Blake
David H. Blalock
Samuel E. Bland
Fred W. Blower
Mark D. Blue
Brian J. Bogart
Robert A. Bogdanowicz
John R. Bolton
Thomas J. Bonanno
Michael J. Borza
Richard S. Botkin
Randall K. Bowen
Samuel L. Bowers
Robert K. Bowser
Austin W. Boyd, Jr.
David O. Boyd
Kenneth P. Boyette
Frederick P. Brackett, Jr.
George M. Bradley
John C. Brandt III
Robert C. Brantley, Jr.
William D. Brauer
Arthur C. Braun
Michael J. Brenner
Charles L. Brescia
James R. Brewer
Benjamin Brown
Martin J. Brown
Matthew L. Brown
Terry L. Brown
Timmy J. Brown
William G. Brown
Barney A. Brumley
David P. Bruni
Peter S. Brunstetter
William R. Bucher
Thomas M. Buckingham
Albert L. Buckner
Terry B. Buczkowski
Gregory J. Budweg
Richard W. Bump
Mark K. Bunker
*Coningsby E. Burdon, Jr.
Kevin R. Burke
Stanley H. Burney
Philbert A. Burrell
Larry D. Burrill
Richard B. Burroughs III
Richard A. Caddell
William R. Cady
Gary W. Caille
David G. Campbell
David R. Campbell
David W. Campbell
Kenneth W. Campbell
Dana L. Canter
Thomas A. Cantillo III
Jack M. Capella
John M. Caram
Kendell L. Card
Eric W. Carlson
George K. Carnes, Jr.
John J. Carroll, Jr.
William K. Carver
John J. Cenney, Jr.
Patrick M. Centolanzi
Richard E. Chamblee
James R. Cheever
Lionel L. Cheri, Jr.
Mark E. Cheston
Anthony H. Chifari
Robert L. Church
Randall C. Cieslak
Raymond E. Claflin III
Bradford K. Clark
Colin D. Claus
Mark S. Clay
Bruce W. Clingan
Stephen E. Clinko, Jr.
Michael J. Clow
Bobby L. Coakley
Scott A. Cochrane
Michael P. Cogswell
Gregory L. Colchin
James P. Cole III
Charles J. Coleman
Charles Coleman, Jr.
Joseph M. Collett
Roosevelt Collier, Jr.
Michael H. Conway
Gary G. Connelly
Stephen L. Connors
Daniel M. Corpman
Bruce A. Cotton
Darryl R. Cox
Arthur J. Coyle, Jr.
Jeffrey B. Crane
Joseph F. Craven, Jr.
Paul B. Cravens
Lawrence L. Crawford, Jr.
Robert J. Crossan
Ronald A. Crowell
Kevin L. Coxen
Matthew D. Culbertson
Robert L. Cullinan
Brian J. Curran
William S. Currie
James M. Curry
Daniel E. Cushing
David W. Cuttino III
Ronald L. Cypert
Peter H. Daly
John W. Daniels
Richard W. Darlington
John A. Darnell
John K. Daurora
Mark W. Davidoski
Daniel E. Davidson
Mark E. Davidson
Clint A. Davis
George D. Davis III
Richard M. Davis, Jr.
Robert E. Davis
Joseph A. Day
Linda M. Day
Harry A. Deamer
Fred A. Debold
Peter F. Della Vedova
Ronald N. Delpapa
Edward J. Demartini, Jr.
Brian S. Devitt
William E. Dewes
William A. Dickup
Marlin G. Diller
Donald R. Ditko
John S. Dittmeier
Joseph A. Divito
George B. Dom
Scott L. Donaldson
Bernie G. Donathan
Thomas P. Donnelly
Thomas H. Dooling
David P. Dorfman
David S. Douglas
Daniel L. Downey
Terrence M. Doyle
John F. Dragovits
Jason A. Drake
Mark M. Drake
Lawrence J. Dreher
Richard B. Drescher
Patrick G. Driscoll
Winslow K. Duff
Thomas H. Duhn
James D. Dunn
Richard J. Dunseith
Thomas A. Dupree
Peter J. Durand
Gary B. Dye
Charles R. Ebersole
John H. Edmunds
Steven Z. Elbinger
John M. Elliott
Michael P. Elmer
Robert E. Elmore
Martin R. Elsken
William M. Elvey
Ralph U. Elwell
Michael R. Ely
Mark M. Emery
William C. Emrick
George P. Emsurak, Jr.
Craig R. Enos
Barry C. Erb
David E. Erickson
Dennis D. Erot
William D. Escue
Richard T. Estes
Richard E. Evans
Richard T. Evans
Robert E. Faria
Jay C. Farrar
Richard J. Feauto, Jr.
Martin J. Fenelon III
Christopher G. Fennig
Douglas H. Ferguson
Edwin E. Fielder, Jr.
Daniel H. Fisher
Daniel T. Fitzgerald
Marc A. Fleming
Daniel H. Flom
David S. Floyd
Duncan K. Fobes
David J. Fontaine
Mark S. Fontes
Bruce H. Ford
Robert L. Ford
Gregory W. Forgala
Thomas R. Fornof
Philip T. Forsling, Jr.
Robert D. Frank
Jack E. Frazier
Boyd M. Freeborough
Robert J. Freeburn, Jr.
David W. Freeman
Richard C. Freeman
Anthony A. Frias
Dominique F. Frizzell
Peter J. Frothingham
Barry A. Fulwiler
Daniel R. Galindau
Christopher J. Gallagher
Albert J. Gallardo, Jr.
James R. Gallman III
Neal D. Galloway
Donna A. Ganzer
Albert Garcia III
John E. Gardner
Richard Gartmayer
Steven P. Gaskin
Peter P. Gaughan
Daniel E. Gear
Jeffrey L. Gembler
Joseph T. Gengo
James M. George
Roscoe D. George III
Paul S. Gerard
Mark K. Gerfin
Douglas M. Gerstner
Anthony W. Giles
Jeffrey R. Ginnow
Igor M. Gladstone, Jr.
Kimberly S. Glasgow
Howard E. Glassman
Joe M. Gleason
Robert A. Glenn
Robert M. Glidden III
Greg J. Goeks
Thomas M. Gold
Timothy A. Golden
Richard A. Goldsmith
Keith B. Good
Robert W. Goranson
John B. Gore
Paul A. Gottschalk
Richard F. Goward, Jr.
Joseph K. Graff
Andrew J. Graham
William M. Graham
Philip W. Grandfield
Kimberly J. Grant
Thomas R. Grant
Frank R. Grasso
Cary S. Graus
Harry A. Gravely
Ray H. Gray III
Tony A. Grayson
Richard E. Green
Scott W. Green
Michael J. Green
Carter M. Greenwood
Olvice L. Greenwood
James H. Greunke
Thomas A. Grieger
Michael F. Gromek
Carleton R. Grose
Robert W. Grose
Randall T. Grossman
Raymond L. Gruben
James K. Gruetzner
William T. Guice
William J. Gunderman
Gary W. Gunther
Caron J. Hackbart
Frederick H. Hagreen III
Charles W. Hallford
David D. Hallock
Donald K. Hamann
Richard F. Haney
Philip H. Hannigan
Carl B Hansen
Raymond N. Hansen
Robert M. Hansen
William F. Harbison
Michael C. Hardcastle
Charles R. Harman
Craig F. Harris
Thomas P. Harrison
Dwight D. Hart
Darrell R. Hartsig
Gregory H. Hartung
Todd N. Hathaway
Timonthy X. Hauck
Larry W. Hauth
Robert W. Harkins
*Frank M. Hawley
John S. Hawley
Clayton C. Hayden
David M. Hayden
David P. Hayes
Stuart A. Hayes
Richard D. Hayes III
Christopher S. Haynes
Edwin A. Haynes
Brian F. Heagney
Richard W. Heathcote
Dirk P. Hebert
Scott D. Hendrick
Thomas H. Henkle III
Jerrell C. Henley
Leon M. Henry
Terry L. Henry
Edward N. Hering
Leendert R. Hering
John C. Herman
Dennis M. Herrick
Douglas J. Hess
Charles L. Hewell
Larry R. Heyen
Thomas R. Hickey
Michael W. Hickinbotham
Keith G. Highfill
Kenneth L. Hileman
Robert W. Hill
William J. Hill
Louis H. Hlebiczki
Edward Hoeffner
James D. Hoffman, Jr.
Mark A. Hoffman
Theodore J. Hoffman
Donald B. Hoffman
Patrick G. Hogan
David W. Holland

*Appointment sent out Ad Interim (during the recess of the Senate).

Ernest M. Hollingsworth
Robert M. Holloway
Paul E. Honeycutt
Robin Hooton
Paul M. Hornback
James C. Hoskins
Leslie E. Hosmer
Jeffrey R. Hosner
Robert J. Houser
Michael R. Howard
Michael L. Hoyt
Glenn S. Huang
Russell J. Huber
David J. Hudacek
Robert K. Hudgens
Richard H. Huebner
Alan L. Huerth
Richard J. Huetteman
Andrew D. Huff
Richard J. Humenuck
Robert P. Humphrey
Ronald D. Hungerford
John J. Hurley, Jr.
Alan P. Hynes
James W. Ingraham
John E. Jackson III
Robert F. Jackson
Thomas L. Jacobs
John R. Jacobson
Gary S. James
John S. Janisch
John E. Jaynes
James D. Jeffrey
Jay R. Jennings II
John D. Jensen
Thor K. Jensen
Richard O. Jesup
Manuel J. Joaquin, Jr.
Arvin W. Johnsen
David L. Johnson
Mark A. Johnson
Michael B. Johnson
Paul A. Johnson
Philip N. Johnson
Robert G. Johnson
Stephen E. Johnson
Bruce H. Jones
Griffith G. Jones
Henry B. Jones III
Jennifer L. Jones
Leon W. Jones
Robert A. Jones
Carl W. Jordan
Joyce L. Jordan
Jeffrey M. Jupena
Christopher Kaczmare
Carl Kalota
Stephen R. Kasputis
David M. Kasun
Michael A. Kaufman
Gary J. Keil
Stephen W. Keith
Richard P. Kelly
Brian R. Kelm
Brian A. Kelmar
Michael J. Kempf
David L. Kennedy
Peter C. Kennedy
Patrick J. Kerins
Linda D. Kerley
Christopher A. Keswick
Richard V. Kikla
Joseph F. Kilkenny
Patricia C. Kim
Kelvin D. King
Robert H. King
Stephen S. King
Brian M. Kirk
Robert E. Kirkland
Mark R. Kirst
Vincent J. Kiselica
Darl D. Kline, Jr.
Keith A. Knoblauch
George A. Knott
Carl W. Knuckles
Danny C. Knutson
Thomas G. Koelzer
Scott A. Kolar
Keith F. Koon
Robert E. Kornman
Albert Koscal, Jr.
Stephen S. Koscielny
Jerome H. Kostro
Randal R. Kot
Robert T. Kraemer, Jr.
Bruce R. Krakau
Charles E. Kreidinger
John M. Krekeler
Karl J. R. Kristiansen
Frank K. Kruse
Richard C. Krysiak
Richard K. Kurrus
Steven J. Kurth
Thomas A. Kush
Merlin W. Ladner
Lawrence B. Lane
Bradley N. Lanzer
John F. Laski
Jerry L. Laughrun
Courtland R. Lavallee,
Robert S. Lawrence
James T. Laws
Joseph M. Lawson, Jr.
Charles A. Layne
Robert J. Lemyre
Robert L. Lence
Vivian L. Leonard
Scott P. Letellier
Alan O. Lewis
Dale A. Lewis
David G. Lewis
Thomas P. Lhuillier
David L. Lieberman III
Sircedrick L. W. Liggens
Andrew W. Lindahl
Carl R. Lindmark
Joseph K. Lipton
Jeffrey J. List
Alan C. Littlejohn
Richard D. Llewellyn
William V. Lloyd III
Lawrence Lollar
Paul S. Lozano
Robert N. Luce
Eric W. Lund
Joseph M. Lynch III
Gregory A. Lyons
John N. McCarthy
John L. McClaine
Patrick T. McCurry
Robert M. McDonnel
Robert S. McEwen
Brent D. McGee
John P. McGinn, Jr.
Thomas P. McGuiness, Jr.
Reed E. McGuire
Gerard McHale
Michael J. McIntyre
Harold J. McKelvey
Mark J. McKenney
James H. McKinney, Jr.
Albert P. McLaughlin
Charles D. McLaurin, Jr.
Patrick M. McMillin
Stephen P. McMullin
John T. McMurtrie, Jr.
Peter J. McNally
Richard L. McNutt, Jr.
William H. McRaven
James M. McTernan
Gregg W. MacDonald
Stephen M. Maconi
James H. Madden
Robert C. Madson
William A. Maier
Michael P. Malanoski
Gary O. Mallo
John E. Manigo
Ronald N. Maree
Michael F. Marino
Robert C. Marshall
Frank L. Martin III
Raymond Martinez, Jr.
Donald C. Martz, Jr.
Miles H. Masek
Anthony J. Massino
Edward Masso
Frank F. Masterson, Jr.
Colin F. Mayo
Michael R. Maxfield
Marshall T. Mays, Jr.
Gregory S. Meadows
Mark T. Meahl
Gary J. Melssen
William M. Mengel
William M. Menger
Michael J. Metts
Robert L. Metzger
David L. Metzig
James C. Michaels
Joseph S. Mikac
Joseph M. Milke
Gerald H. Miller
Guy E. Miller III
Mark W. Miller
Leroy M. Mills
Walter J. Milowic
Paul C. Minicller
Thomas Mischke
Charles J. Mitchell, Jr.
Jeffrey C. Mitchell
Robert L. Mitchell
Roger K. Mitchell
Thomas N. Mitchell
Thomas N. Micuch
Joseph A. Molinari
Frank C. Monfeli
Ronald M. Monroe
Stephen P. Monroe
Rory C. Montero
Daniel L. Moon
Curtis M. Moore
Daniel E. Moore, Jr.
Gary D. Moore
Rodolfo Morales
Jay R. Morford
Gregory J. Morgan
Gregory Z. Morgan
Allan D. Morris
Alan C. Moser
Robert L. Moses
John P. Motz
Stephen C. Motz
Alan C. Moudy
Charles K. Mount
Duane L. Mumper
John E. Munnik
Paul D. Munz
Bryan P. Murphy
Thomas J. Murphy
Francis M. Murray
James W. Murray
Timothy P. Murray
Liesel R. Muth
Peter G. Myer
Patrick D. Myers
Steven W. Myhre
Clifford L. Napier, Jr.
Leslie L. Nedbalek
Manuel E. Negron
Kurt W. Nelson
Richard W. Nelson
Stuart A. Nelson
Michael C. Neuman
Colleen Nevius
Brian P. Newell
Stuart T. Newman
Dale C. Newton
Bruce J. Nichols
Floyd B. Nichols, Jr.
Barbara A. Nicholson
Cloyd E. Nickless
John E. Nolan
Daniel T. Norton
Charles J. Norwood
Lon O. Noyes
Patricia A. L. Nunley
Samuel A. Nunn
Stephen A. Nyberg
Robert E. Nystrom
Stephen C. Ober
Kurt D. Oberhofer
Richard D. Ogden
Michael J. O'Hare
Randal K. Oliver
Richard J. Orchard
Michael H. Orfini
Mark J. Orr
Harry J. Osborne, Jr.
James S. Osborne, Jr.
Gary A. Oshida
Craig P. Ostrem
Francis P. Ostronic
Gary L. Overfield
Martin D. Owens, Jr.
Paul E. Ozura
Jeffrey A. Paiste
Michael D. Palatas
Frederick A. Palkovic II
William H. Panabaker III
Anthony W. Papso
Bruce E. Parker
Daniel B. Parker
Roy O. Parker, Jr.
Timothy J. Parmentier
Charles V. Parr
Mark W. Parrish
Michael J. Pavlick
Richard A. Payne
Stanley W. Peake
Franklin D. Pearce
Steven S. Pelham
John F. Pelican
Grady J. Pennell, Jr.
Thomas J. Peters
Daniel T. Peterson
Jeffrey E. Peterson
Jeffrey S. Peterson
Steven W. Peterson
Steven K. Petroski
Steven R. Pfanenstiel
Steven J. Phalon
Michael D. Phillips
Ernest H. Pickle
Stephen R. Pietropaoli
William A. Pincus
Ronald C. Pirek
Walter J. Pish
David L. Pittman
George K. Plasket III
Kenneth J. Plunkett
Johnny W. P. Poole
Steven M. Pope
Charles R. Porter
Lawrence H. Porter
Steven R. Porter
Jeffrey L. Pottinger
Samuel J. Potts
Daryl L. Powell
Richard M. Prevatt III
James P. Price
Stephen R. Price
Reuben P. Prichard III
Kenneth M. Prince
John T. Pyron
William B. Qualls
Michael F. Query
Thomas F. Quigley III
Michael R. Quinn
Robert J. Quinn
William C. Quinn
Randolph A. Quinto
Edward J. Ram
Jeffrey S. Rampone
Michael L. Rasmussen
John Q. Ratajczak
Jarvis D. Rathbone
Richard W. Rathbun
William G. Ratliff
Thomas S. Rau
Frank J. Ray, Jr.
Hugh E. Reams
Thomas C. Rearer, Jr.
Harold J. Reddish
Sigmund M. Redelsheimer
Fred E. Rehrig
Carl E. Reiber
Steven W. Remmenga
Ronald C. Repper
John W. Requarth
Henry E. Reynolds III
Russell H. Rhea
Michael R. Rhudy
Pamela J. Rhyner
Frank R. Rice III
Earl A. Richardson
Mannie E. Rickenbaker
Robert I. Rishel
Lyle R. Roatcap
Curtis F. Robbins
Jeffrey G. Robbins
Steven W. Roberts
Jan A. Robertson
John R. Robertson
Robert N. Robertson
Richard R. Robidoux
Joseph W. Rodrigues, Jr.
William D. Rodriguez
Glenda J. Rollins
Charles A. Romans, Jr.
Gary E. Rose
Kim N. Rose
Robert A. Ross
Laurence J. Roth
Robert E. Rothrock
William H. Rowell
Dennis A. Rudloff
Gregory P. Rudy
Thomas E. Rush
Jim H. Russell
Henry G. Russell
John L. Russell
Rickie L. Russell
Steven L. Russell
Linda S. Rutledge
Charles P. Salsman
Michael W. Samson
Frederick Sanguiliano III
Alan D. Sargeant
Mark S. Sassaman
Gregory D. Saul
John T. Saunders
Thomas E. Saunders
Kenneth M. Sautter
Mark D. Savignac
Scott C. Sayler
Matthew L. Schaefer
Martin L. Schaffer III
Christopher Schanze
Dale K. Scheffs
Kenneth E. Scheffter
William D. Schill
Steven L. Schilling
Seth B. Schlam
Edward J. Schmitt, Jr.
Christopher P. Schnedar
Joseph M. Schneider
Leo F. Schneider
William J. Schneider
Linda A. Schvehla
Ronald H. Schwartz
Walter G. Scull III
Kim H. Searfoss
Lloyd D. Secrest III
Randall L. Segert
Steven A. Segien
Richard J. Self
James D. Sencindiver
Michael P. Sepelyak
Karl R. Sette
Michael W. Settle
David J. Sewell
Robert L. Shafer
James F. Shanely
Frank C. Sharpe
Glenn A. Sheffield
Jon J. Sheppard
Michael H. Sheridan
William O. Shewchuk
Karl O. Shipps
William B. Short
Bruce C. Shrader
Timothy J. Shriner
Bruce A. Shumate
Eric R. Shutler
Philip K. Siddons
John Siembieda
Robert W. Silber, Jr.
Michael S. Silvers
Richard M. Simcsak
Daniel R. Simms
Patrick K. Simpers
George O. Sims III
William E. Sizemore
Ann L. Smith
Clifford W. Smith
Craig D. Smith
David B. Smith
David L. Smith
Guy E. Smith
James O. Smith, Jr.
Lawrence J. Smith, Jr.
Randy K. Smith
Robert B. Smith
Robert G. Smith, Jr.
Stockton N. Smith
Gene Snider
Randy G. Soderholm
Michael T. Solvig
Shamtnu L. Soni
Michael G. Sonleitner
David M. Souders
Christopher F. Sparks
John D. Sparks
Robert E. Spiller
Daniel J. Spooner
Monecia R. Spraglin
George E. Spring, Jr.
Mark S. Stafiej
William F. Stanbridge
Thomas D. Standre
Calvin C. Staudt, Jr.
Peter O. Steffen
Thomas E. Steffen
Roger C. Stehman
Arthur L. Stephens
Daniel K. Stephenson
Marc S. Stewart
James S. Stirling
Mark R. Stith
Robert A. Stobaugh
Scott Storey
John W. Stotz
James E. Stratton II
Christopher G. Strayve
David R. Streeter
David W. Strong, Jr.
Mark A. Sturnick
Timothy P. Sullivan
Mark A. Summers
William J. Sumner
Patricia J. Sunkle
Jeffrey M. Swalchick
Gregory A. Swan
Stephen J. Swirka
Stanley S. Takahashi
Daniel A. Tansey
John J. Tartaglione
Patricia E. Teigeler
John H. V. Tennent
Stephen M. Tharp
Marc J. Thomas
Timothy M. Thomas
Mitchell L. Thompson
Rodney M. Thompson
Allen V. Thummel
Gregory P. Timoney
Henry H. Tingler
Jim W. Tisher
Geoffrey C. Torrance
John N. Treffeisen
James H. Trice
Thomas W. Trotter
Jay R. Trowbridge
Marc F. Tripp
John J. Troy
Michael E. Tucker
David L. Tuebner

*Appointment sent out Ad Interim (during the recess of the Senate).

Robert P. Tumiski
Lawrence D. Tupper
David E. Turner
Daniel B. Tuttle
Gregory S. Uchimura
David D. Underwood
Ernest L. Valdes
Christopher P. Vance
David J. VanPetten
William H. Vaughan
Roger D. Vawter
Michael C. Vitale
Peter S. Vonloesecke
Richard P. Vonsalzabrown
Robert G. Wadeson, Jr.
Michael A. Wahler
Mark G. Wahlstrom
Steven C. Walker
William H. Walker
Melody A. Wall
James W. F. Wallace IV
Paul D. Wallace, Jr.
Dennis A. Walpole
Alfred F. Walz, Jr.
Michael F. Wanjon
Daniel A. Wardrop
Stewart T. Warren
David J. Washatka
John C. Waters
Michael K. Waters
Dwain P. Watson
Robin M. Watters
John L. B. Wayne
James L. Weaver
Michael S. Weglicki
Carl S. Weigandt
Robert K. Weimer
Richard W. Weissinger
William G. Welch
Michael N. Wellman
David D. Welter
Gerald E. Weltner
Timothy S. Wetter
Wallace T. Wheelis
Carl A. Whitaker, Jr.
Jill A. White
Paul G. White, Jr.
Tyrrell G. White
Robert N. Whitkop
John B. Whitsell
Robert C. Whitten III
Paul A. Wiggins
Pames J. Wigglesworth
James R. Wilkins
Harvey E. Wilkinson, Jr.
Charles A. Williams
David W. Williams
Gary E. Williams
Kenneth A. Williams
Thomas H. Williams
Dennis A. Wilson
Eldon J. Wilson
John R. Wilson
Keith B. Wilson
Reed M. Wilson
Stephen R. Wilson
James A. Wiltshire
Robert J. Wiseman
James D. Withers
Stephen T. Witkowski
Gregory J. Wolfe
Michael J. Wolfe
Hendrik J. Wolfs, Jr.
Donald L. Wolven
Dean W. Woodard
Lance W. Woodring
Wayne T. Woolweber
Jens P. Yeager
William E. Yeager
Albert W. Yoder
David P. Young
Neil M. Young
Paul E. Young
Thomas J. Yurik
James M. Zahornacky
David M. Zath
David S. Zebrowski
Bruce T. Zewicke
Carol J. Zink
David A. Zumbrunnen

The following-named naval enlisted scientific educational program candidates to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Joseph L. Abel
Theodore S. Adamczyk
Bradley K. Allen
Robert J. Banker, Jr.
Alan D. Benson
Patrick M. Blake
Kenneth W. Blevins
Richard L. Booth
John L. Bowles
David B. Britt
John M. Budgins
Richard F. Burna
Orns F. Burns
*Orris E. Burns III
John W. Buttles
James C. Byer
Bruce A. Carpenter
William F. Cheeseman
Allen D. Cone
Joseph R. Conradi
Duann A. Cooke
Douglas W. Craig
Sharron K. Crowder
Lynn S. Cupp
William T. Curry
Larry J. Dale
Robert A. Davie
Lee F. Demott
Michael L. Dickinson
James A. Dietz
James M. Doherty
James R. Edwards
James E. Elmes
Theodore R. L. Fann
David B. Ferguson
Michael D. Fettes
Richard J. Fontinha
James G. Frey
James H. Gagnon
John S. Galembush
Peter R. Gerdeman
Elton R. Gibson
John P. Gombeda
Clarke E. Goodman
Ronald M. Graves
Melvin C. Green
David L. Griffith
Robert E. Gumpright
Mark S. Hale
Zachary Hamilton
Thomas A. Hartley
Richard W. Hartman II
Larry K. Hartwig
Terry O. Haskins
George J. Havlik
Gary J. Heiney
William A. Hennig
David E. Hildreth
Thomas L. Hitchcock
Ted E. Houeh, Jr.
Robert L. Howard III
Ben B. Jepson, Jr.
Clifford D. Johnson
Jeffrey D. Johnson
Robert C. Johnson
Dorsett W. Jordan
Larry B. Kile
Terry P. Kinnaman
Robert P. Klauer
Keith D. Klose
Michael J. Konkel
Robert R. Korol
Gary L. Krohn
Jeffrey P. Kulpa
Terance Laney
Ralph K. Larson
Gary R. Leopold
John T. Lewis
Robert A. Lian
Randall B. Lofton
Phillip T. Lones
Jones E. Lubbers
Lance D. McCracken
Robert M. McKee
Jack A. McKinnon
Jerry W. McLemore
Robert W. McMeekin
Thomas D. McNutt
James S. Mackin
Paul J. Mallon
Eugene E. Marcinkowski
Charles S. Marschall
William A. Mason, Jr.
Jerome J. Mathews
Robert E. Merton
Michael E. Meyer
Roy L. Miller
James H. Moody
John E. Oakes
Bradley R. Ogg
William C. O'Neal
Kenneth E. Parker
James H. Patrick
John R. Pearson
Gary A. Pfannestiel
Michael L. Poole
Robert A. Pornaras
Anthony F. Presto
Walter N. Prue
Ted E. Pruitt
Joseph M. Quinn
Carl W. Reynolds
Thomas C. Ridgeway
Eddie R. Riley
Robert E. Rutkowski
Jimmie D. Saunders
Phillip R. Scanlan
Gary L. Schaumberg
Leonard F. Schempp
Frederick A. Schmorde
Donald F. Schorr
Thomas W. Seubert
Michael S. Shelton
Forrest J. Smith
Robert E. Smith
Michael E. Sohas
Harold E. Spears, Jr.
James R. Sprenkle
William R. Stark
Dennis D. Stayton
William E. Summers
Kenneth M. Sutton
Michael R. Syvertsen
Robert R. Taylor
Thomas Taylor
William M. Teig
Ronald D. Thomas
Glen F. Tilley
William J. Turk
Dave J. Urick
Joseph D. Valenzuela
Sammy J. Vanhoose
Bernard J. J. Vansell
Charles F. Vaughan
Charles E. Vogel
Lawrence M. Walworth
Charles H. Weiss, Jr.
Gerald E. Wheeler
Carl E. Williams
David E. Williams
Robert E. Williams
Lawrence L. Willner
William F. Wolf

The following-named (Naval Reserve officer) to be appointed a permanent captain in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

*Capt. Ollie B. Emerine, MC, USNR.

The following-named (Naval Reserve officers) to be appointed permanent commanders in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

*CDR James C. Baker, MC, USNR.
*CDR James H. Black, MC, USNR.
*CDR David G. Harper, MC, USNR.
*CDR Thomas W. Henn, MC, USNR.
*CAPT Donald D. Hutchings, MC, USNR.
*CDR Michael A. Maginnis, MC, USNR.
*CDR Arthur F. Miller, MC, USNR.
*CDR Charles D. Pickett, MC, USNR.

The following-named (Naval Reserve officers) to be appointed permanent lieutenant commanders in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

*CDR Sylvian A. Borel, MC, USNR.
*LCDR Joseph A. Harris, MC, USNR.
*LCDR Joseph P. Iacolucci, MC, USNR.
*CDR Calvin T. Jewell, MC, USNR.
*CDR Ray M. Johnson, MC, USNR.
*LCDR Robert S. Juskevich, MC, USNR.
*CDR Carl W. Kesner, MC, USNR.
*LCDR Raza M. Khan, MC, USNR.
*LCDR Rodney A. Marcom, MC, USNR.
*CDR Miguel P. Medina, MC, USNR.
*LCDR Ernest H. Mitchell, Jr., MC, USNR.
*LCDR Lawrence W. Shivertaker, MC, USNR.
*LCDR Emmett L. Taylor, Jr., MC, USNR.

The following-named (Naval Reserve officers) to be appointed permanent lieutenants in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR James W. Bailey, MC, USNR.
*LCDR John C. Shaffer, MC, USNR.

The following-named temporary Chief Warrant Officers to be appointed permanent Chief Warrant Officers, in the U.S. Navy, subject to the qualifications therefor as provided by law:

Lyle N. Aardahl
Orland I. Adams
Daniel W. Adcock
Leroy E. Addison II
Edward J. Adkins
Moses D. Alston
Don J. Alvarez
Russell B. Angel
Jack D. Atwood
Theodore Austell, Jr.
Peter J. Azzole
Dallam Bailey
Robert D. Baker
Troy G. Baker
Gary E. Ball
James R. Bampfield
Bruce M. Barclay
Edward B. Barger, Jr.
James F. Beavers
Thomas H. Best, Sr.
Jerry B. Bigelow
Thomas O. Blackmore
Richard Blair
Arthur E. Blausey
Alfred J. Bocchino
David L. Bond
Gene R. Boon
Jerry L. Bottorff
Glenn L. Bowser
Robert J. Boyle
Frederick C. Bradley
Donald F. Brandt, Jr.
Don Breland
John H. Brink
George W. Brinkley
Richard J. Brissette, Jr.
Edward J. Budway
Donald F. Burbach
Benjamin L. Cage
James R. Callaway
Ruben Callejas
Joseph J. Caramello
Morris E. Carlson
David F. Carnes
Jeffery R. Carpenter
Robert W. Carpenter
Harold E. Cart
James M. Cassoutt
Frederick R. Catchpole
G. H. Childress
Robert L. Clark
Earl K. Clayborne
David L. Cobb
Harold G. Coday
Anthony A. Coley
James O. Cope
David R. Cordray
James W. Cranford
Oliver A. Crossman
Curtis W. Crowe
Arthur L. Culberson
Harold R. Curtis
Arthur F. Cutter, Jr.
John E. Dalrymple
James F. Davidson
Billy G. Davis
Clayton R. Davis
Francis P. Davis
Kirk W. Dazelle
Arthur W. Devine
Donald F. Devlin
John M. Dillingham
John P. Donnelly
Henry F. Dove, Jr.
Joseph O. Downs
Carroll D. Dozier
David M. Doyle
Robert K. Dunn
John W. Edwards
Boyce W. Elliott
Herman C. Elrod
Richard Ephraim
Joe K. Eshleman
Thomas L. Evans
John B. Faircloth
William R. Faries
Craig L. Farr
Robert L. Faulk
Robert A. Feuillepat
William M. Fitzsimmons, Jr.
Walter Floyd, Jr.
Lee M. Foley
William T. Forsmark, Sr.
Gene G. Fowler
William S. Fowler
Robert E. Frederick
Richard D. French II
William J. Fuller
Eugene Gaines
Gerald G. Gascho
Franklin C. Gates
Ronald E. Gentry
Leighton S. Gibson II
Steve H. Good
Michael G. Graham
Dell J. Guidry, Jr.
Paul J. Hadel
Dudley R. Hale
Terry A. Hall
Lyston L. Hallman
Gary Hampton
Robert I. Hanley
Alvin C. Hanson, Jr.
Glover L. Harris
Leslie A. Harris
Robert R. Harris
Thomas T. Hartman
James H. Haskins
Robert T. Hastings
Robert J. Haupt
Lee A. Hawver
Richard D. Hedelund
Lewis F. Hedgreth, Jr.
John V. Holkum
Adrian F. Hoover
Donald F. Hough
William J. Howard
Roy L. Hunt
Douglas M. Iles
Ronald W. Ingram
Leroy D. Isaacson
Robert G. Iverson
James A. Ivey
Curtis D. Jacks
Edwin M. James, III
Marion R. Jenkins
Gary C. Johnson
Ronald P. Johnson
Warren P. Johnson
William S. Johnson
Sydney L. Johnston
Buck P. Jones
Edgar J. Jones
Donald D. Kaye
Claybourne A. Kennedy
Paul C. Kinney
Alfred O. Kirst
John L. Kisslinger, Jr.
Larry B. Klinehoffer
Daniel J. Knall
Edward E. Komzelman
Frederick L. Kruger II
William R. Laird, Jr.
James R. Lake
Richard A. Lambert
Benjamin C. Lane
Monroe A. Lane
Jerome G. Larson
Vernon P. Laughinghouse
Glenn H. Lawler
Rodger M. Leasure
Deloss M. Lester
Larry J. Litchford
Ronald A. Llewellyn
James M. Lord
Loran L. Luce II

*Appointment sent out Ad Interim (during the recess of the Senate).

James W. S. Ludwig
Philip E. Lutz
Archibald A. McAllister
Richard W. McCarstle
Brian S. McConville
Daniel C. McGinnis
James E. Mack
Joseph A. Marchi
James F. Marshall
Philip L. Martin
Richard F. Martin
Leo Mason
Michael J. Meaker
Joseph L. Messinger
Frederick T. Milan
Charles R. Miller
Harry F. Miller, Jr.
Paul E. Miller
Richard E. Miller
Lester D. Mills, Jr.
Lowell C. Mills
James F. Mixon
Frank L. Mixson
James A. Monday III
Paul A. Moore, Jr.
Leland Morris
Ronald G. Morrison
George H. Morton
George W. Morton
Raymond E. Murphy
James G. Naylor
James S. Newman
James A. Newton
Jimmie L. Nuss
Alan P. Oberst
Warren H. Olson
Charles R. Onken
Charles W. Owen
Raymond P. Owens
Russell D. Oxford
Mitchael R. Page
Dewey E. Painter
John F. Paulikonis
Richard A. Pearson
Kenneth D. Peitzmeyer
Thomas W. Perks
Thomas M. Pesses
Lyle R. Petska
Donald L. Porter
John W. Pribesh
Monte E. Pryor
William E. Pudsey
Alvin B. Pulley
Calvin H. Querry
Michael E. Quigley
James R. Raley
Charles R. Randall
Richard A. Ratte
Jerry F. Rea
Miles L. Reilley
Richard D. Reitz
Jerry R. Richards
Donald R. Roberts
Gerald L. Robinson
James V. Rohrscheir
Steven S. Ross
William H. Rowell, Jr.
Conrad L. Rundgren
Robert D. Russell
William M. Russell
Stewart F. Saig
Thomas E. Sawyer
Roscoe R. Sayre
August Scalia
Travis E. Scarbrough
Michael R. Schaefer
John T. Schropp
John J. Schultz, Jr.
Daniel D. Scott
Marion L. Seegar
Gary L. Seitz
Frank J. Shesla
Harold D. Shick
William D. Shutters
Charles E. Sinclair
Larry Singer
Michael R. Somogyi
William W. Speer
James L. Sperlich
Michael B. Steiner
Luther G. Stephenson, Jr.
Billy W. Stevenson
Kenneth R. Stiles, Jr.
Charles W. St. John
John R. Sturm
Thomas W. Suhr
Melvin C. Swartz, Jr.
Carl F. Swepston
Joseph L. Taskoski
Robert L. Theobald
Henry S. Thrift, Jr.
Walter C. Treziok
Thomas A. Trimmer
Ronald M. Ursery
Raymond R. Vandermeer
Keith C. Vanhook
Jarvis W. Vann
Michael P. Varvel
Lawrence F. Viar
Roger L. Vick
John M. Walker
Carl F. Ward
Richard S. Weckerle
Courtland C. Weeder
Alvin L. Weidetz, Jr.
Lawrence N. Welch
Kenneth H. Welsh
Spencer T. West, Jr.
Allen E. White
George W. Whitted
Francis M. Wickersham
Jeffrey B. Widmann
Gary R. Wildey
Gordon M. Wilkerson
Nathaniel Williams, Jr.
Thomas J. Williams
Harold K. Wilson
Ronald W. Woods
David J. Wrightson
Henry S. Wykowski, Jr.
Richard W. Yeatman
John H. Young
Leroy Young
Michael J. Zakrajsfk
Ralph H. Zengen
James H. Zimmerman

The following-named (U.S. Navy officer (Ret.)) to be reappointed from the temporary disability retired list as a permanent lieutenant commander, in the line, in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR Ronald M. Goodman, USN (Ret.).

The following-named (U.S. Navy officer (Ret.)) to be reappointed from the temporary disability retired list as a permanent lieutenant, in the line, in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR Jeremy D. Jones, USN (Ret.).

The following-named (Naval Reserve officer) to be appointed a temporary captain in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

*CAPT Donald D. Hutchings, MC, USNR.

The following-named (Naval Reserve officers) to be appointed temporary Commanders in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

*CDR Sylvian A. Borel, MC, USNR.
*CDR Calvin T. Jewell, MC, USNR.
*CDR Ray M. Johnson, MC, USNR.
*CDR Carl W. Kesner, MC, USNR.
*CDR Miguel P. Medina, MC, USNR.

The following-named (Naval Reserve officers) to be appointed temporary lieutenant commanders in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR James W. Bailey, MC, USNR.
*LCDR John C. Shaffer, MC, USNR.

The following-named temporary chief warrant officers to be appointed lieutenants (junior grade) in the U.S. Navy, for limited duty, for temporary service, in the classification indicated, subject to the qualifications therefor as provided by law:

Deck (surface)

Dallam Bailey
Joe K. Eshleman
Lee M. Foley
Lyston L. Hallman
Edgar J. Jones
Joseph L. Messinger
Lowell C. Mills
Calvin H. Querry
Jerry F. Rea
Daniel D. Scott
William D. Shutters
Larry Singer

Operations (surface)

Lyle N. Aardahl
Bruce M. Barclay
Edward B. Barger, Jr.
Benjamin L. Cage
Harold G. Coday
David M. Doyle
John W. Edwards
Craig L. Farr
Eugene Gaines
Franklin C. Gates
Michael G. Graham
Dell J. Guidry, Jr.
Douglas M. Iles
Marion R. Jenkins
James W. S. Ludwig
Ronald G. Morrison
Miles L. Reilley
Jerry R. Richards
Travis E. Scarbrough
Billy W. Stevenson
Ronald M. Ursery
Francis M. Wickershan
Richard W. Yeatman

Engineering repair (surface)

Edward J. Adkins
James F. Beavers
Alfred J. Bocchino
David L. Bond
Glenn L. Bowser
Robert L. Clark
Anthony A. Coley
John E. Dalrymple
Clayton R. Davis
John P. Donnelly
Paul J. Hadel
Ronald W. Ingram

Engineering repair (surface)

Leroy D. Isaacson
Robert G. Iverson
Sydney L. Johnston
Claybourne A. Kennedy
Daniel J. Knall
Philip L. Martin
Michael J. Meaker
Donald R. Roberts
William H. Rowell, Jr.
Harold D. Shick
Robert L. Theobald
Allen E. White
Thomas J. Williams
Leroy Young
James H. Zimmerman

Nuclear power (surface)

Keith C. Vanhook

Ordance (surface)

Thomas H. Best, Sr.
David L. Cobb
Robert K. Dunn
Ronald E. Gentry
Lee A. Hawver
William S. Johson
Loran L. Luce II
Philip E. Lutz
Daniel C. McGinnis
Richard F. Martin
James R. Raley
Conrad L. Rundgren
Stewart F. Saig
John J. Schultz, Jr.
Carl F. Swepston
Nathaniel Williams, Jr.

Electronics

Arthur E. Blausey
Donald F. Brandt, Jr.
Francis P. Davis
William J. Fuller
Richard D. Hedelund
Lewis F. Hedgreth, Jr.
William R. Laird, Jr.
Jerome G. Larson
James M. Lord
George W. Morton
John F. Paulikonis
Thomas W. Perks
Robert D. Russell
Marion L. Seegar
Frank J. Shesla
Luther G. Stephenson, Jr.
Thomas A. Trimmer
Richard S. Weckerle
Spencer T. West, Jr.
George W. Whitted
Henry S. Wykowski, Jr.
Michael J. Zakrajsfk

Deck (submarine)

Richard W. McCarstle

Operations (submarine)

Charles R. Randall
Raymond R. Vandermeer

Engineering repair (submarine)

Edwin M. James II

Nuclear power (submarine)

Richard Blair
James W. Cranford

Nuclear power (submarine)

Warren P. Johnson
Paul A. Moore, Jr.
Gary R. Wildey
Gordon M. Wilkerson

Ordnance (submarine)

Jerry L. Bottorff
Frederick C. Bradley
Arthur L. Culberson
Gerald G. Gascho
Paul E. Miller
Mitchael R. Page
John W. Pribesh
Michael B. Steiner

Electronics (submarine)

Donald F. Devlin
Deloss M. Lester
Joseph A. Marchi
Kenneth D. Peitzmeyer

Aviation deck

Thomas T. Hartman

Aviation operations

Theodore Austell, Jr.
Frederick R. Catchpole
James F. Davidson
Richard D. French II
Rodger M. Leasure
Charles W. Owen
Lawrence F. Viar
Harold K. Wilson

Aviation maintenance

Daniel W. Adcock
Leroy E. Addison II
Don J. Alvarez
Jack D. Atwood
George W. Brinkley
James R. Callaway
Morris E. Carlson
James M. Cassoutt
Earl K. Clayborne
James O. Cope
Billy G. Davis
William R. Faries
Gene G. Fowler
William S. Fowler
Robert E. Frederick
Gary Hampton
Francis J. Haupt
Buck P. Jones
Alfred O. Kirst
John L. Kisslinger, Jr.
Edward E. Komzelman
Ronald A. Llewellyn
Brian S. Mcconville
Frederick T. Milan
Charles R. Miller
Richard E. Miller
James F. Mixon
James G. Naylor
James A. Newton
Warren H. Olson
Michael E. Quigley
Steven S. Ross
William W. Speer
Charles W. St. John
Jeffrey B. Widmann

Aviation ordnance

Richard J. Brissette, Jr.
Edward J. Budway
Curtis W. Crowe
Henry F. Dove, Jr.
Boyce W. Elliott
Herman C. Elrod
Richard Ephraim
Robert A. Feuillepat
Robert I. Hanley
Vernon P. Laughinghouse
Lester D. Mills, Jr.
Raymond E. Murphy
Charles R. Onken
Richard A. Pearson
Donald L. Porter
Roscoe R. Sayre
James L. Sperlich
Melvin C. Swartz, Jr.
Jarvis W. Vann
John H. Young

Avionics

Orland I. Adams
James R. Bampfield
Robert J. Boyle
John H. Brink
Ruben Callejas
Harold E. Cart
Harold R. Curtis
John M. Dillingham
Joseph O. Downs
Carroll D. Dozier
John V. Holkum
Ronald P. Johnson
Larry B. Klinehoffer
Harry F. Miller, Jr.
Alan P. Oberst
Gerald L. Robinson
August Scalia
Michael R. Somogyi
Roger L. Vick
John M. Walker

Administration

Moses D. Alston
Russell B. Angel
Troy G. Baker
Gary E. Ball

*Appointment sent out Ad Interim (during the recess of the Senate).

Thomas O. Blackmore
Don Breland
Joseph J. Caramello
G. H. Childress
David R. Cordray
Kirk W. Dazelle
Steve H. Good
Dudley R. Hale
Alvin C. Hanson, Jr.
Robert R. Harris
Adrian F. Hoover
Roy L. Hunt
Richard A. Lambert
Benjamin C. Lane
Glenn H. Lawler
Leo Mason
Lyle R. Petska

Administration

Richard A. Ratte
Michael R. Schaefer
Alvin L. Weidetz, Jr.
Kenneth H. Welsh

Data processing

Grover L. Harris

Bandmaster

Thomas M. Pesses

Cryptology

Peter J. Azzole
Robert D. Baker
Jerry B. Bigelow
Jeffery R. Carpenter
Thomas L. Evans
William M. Fitzsimmons, Jr.
William J. Howard
Frederick L. Kruger II
Monroe A. Lane
George H. Morton
James S. Newman
Raymond P. Owens
Monte E. Pryor
Thomas E. Sawyer
Kenneth R. Stiles, Jr.
Thomas W. Suhr
Joseph L. Taskoski
Lawrence N. Welch
David J. Wrightson
Ralph H. Zengen

Intelligence

David F. Carnes

Meteorology

Leland Morris

Photography

Arthur F. Cutter, Jr.
William T. Forsmark, Sr.
Archibald A. McAllister
William E. Pudsey
John R. Sturm

Explosive ordnance disposal

Gene R. Boon
Paul C. Kinney
James R. Lake
John T. Schropp
Henry S. Thrift, Jr.
Ronald W. Woods

Supply

Donald F. Burbach
Robert W. Carpenter
Oliver A. Crossman
Arthur W. Devine
John B. Faircloth
Robert L. Faulk
Walter Floyd, Jr.
Leighton S. Gibson II
Terry A. Hall
James H. Haskins
Robert T. Hastings
James A. Ivey
Curtis D. Jacks
Gary C. Johnson
Larry J. Litchford
James E. Mack
James F. Marshall
Frank L. Mixson
James A. Monday III
Russell D. Oxford
Dewey E. Painter
Alvin B. Pulley
Richard D. Reitz
James V. Rohrscheir
William M. Russell
Charles E. Sinclair
Walter C. Treziok
Michael P. Varvel
Carl F. Ward
Courtland C. Weeder

Mess management (Supply Corps)

Leslie A. Harris
Donald F. Hough
Gary L. Seitz

Civil engineer

Donald D. Kaye

The following-named Navy enlisted candidates to be appointed ensigns in the U.S. Navy, for limited duty, for temporary service, in the classification indicated, subject to the qualifications therefore as provided by law:

Deck (surface)

Gene R. Allen
William C. Fitzgerald
Henry McLemore, Jr.
James N. Majority
James A. Milstead
Guadalupe Thomas
Kenneth N. Warr

Operations (surface)

Donald R. Beckstrom, Jr.
William R. Carter, Jr.
William Casanova
James W. Foster
James R. Gray
Robert W. Hamilton
Clarence D. Hill
Daniel E. Judy
William J. Klansnic
Richard K. Long
Vito Losardo, Jr.
William C. Murray
Thomas K. Noble, Jr.
Georgi W. Risko
Burhl E. Strother, Jr.
John K. Vanderveer
George K. Zane

Engineering/repair (surface)

Ralph L. Atchison
Thomas P. Bailey
David R. Baldassano
Richard S. Barnes
Johnny Bellard
Bruce A. Boyles
Arnold J. Bickmann
William G. Bowen
John G. Bradhurst
David A. Brewer
Harry L. Brittan
Gerald C. Brown
Edward O. Burton
Joseph E. Callaway
Juan L. Chavez
Gustav A. Denecamp III
Wayne D. Deryck
Ellis H. Doane III
David R. Dumpert
Perry B. Edwards
Donald P. Eschete
Gary L. Forgach
William E. Fox, Jr.

Engineering/Repair (Surface)

Rene M. Fry
Bruce J. Gill
Roger S. Gruben
Jimmy L. Han
Lawrence J. Harris
Jack N. Hood
Peter T. Howarth
Anthony Jacob
Edward M. Kruk
John F. Kuntz
Thomas H. McCaskill
Neal S. Miles
Wayne C. Mohs
Martin F. Neeley
James D. Newlan
William J. Nidel
Ronnie K. Parker
Dennis M. Polak
Richard W. Preston
Samuel D. Pulley
Cosmo Rinaudo
Michael J. Roadinger
Kenneth W. Russell, Jr.
David B. Seay
Richard T. Sullivan
Bobby J. Taylor
David W. Tucker
Michael C. Turpen
Phillip E. Wagner

Ordnance (Surface)

William W. Berry
Shelton Bertrand
William J. Burton
Willie L. Deloach
William H. Dodds, Jr.
William S. Fortner
Dave E. Lewis
James W. Luckenbach
Marshall N. Ramsey
George M. Swear
Randall E. Tanner
William R. Vansickle

Electronics (Surface)

William H. Cheatham
Ronald J. Christopher
Philip F. Desilva, Jr.
Jerry L. Dufeck
Jesse B. Ford
Gary C. Felder
John W. Fisher
Anthony A. Francia
Wilford V. Hada
Charles I. Houghton
John R. Howard
Robert P. Kenner
Robert C. Long
Raymond F. Lopez, Jr.
Charles R. Lyon
Ernst O. Ploeger III
Russell F. Rouse

Electronics (surface)

David P. Sanderson
Roger A. Sargent
Frank A. Severance
Melford E. Smyre
John F. Sweeney
Robert B. Teats

Deck (submarine)

Lance L. Brown
Jerry A. Koebel
Thomas J. Meyer
Joseph R. Polio

Operations (submarine)

Richard K. Burke
William J. Kelley

Nuclear power (submarine)

Richard L. Arlen
Lonny D. Brown
Richard R. Burleigh
Joseph E. Burrill
Bruce T. Canfield
David W. Cannon
Michael L. Coppinger
Albert D. Ferris III
Bruce E. Fountain
Ralph R. Frisch
James L. Gregory
Cecil L. Hampton
Joseph A. Hansen
John M. Harmon
Lawrence R. McCoy
Charles J. Miller
Rudolph A. Paez
Gary W. Pehling
Everett E. Reilly, Jr.
Robert W. Ruple, II
John A. Spinelli, Jr.
John A. Stone
William B. Stone
Harry N. Tenard
Gary L. Willis
William R. Willis

Ordnance (submarine)

George E. Beaton
Ronnie N. Catherman
Jack L. Dundee
David A. Elford
Bruce T. Gamble
Richard E. Lambard, Jr.
Thomas J. McAuliffe
Edwin J. Maguire
Robert J. Patrick, Sr.
Ronald C. Pittman
John T. Prudot
Gary M. Trammell
Daniel J. Westhusin

Aviation operations

Frederick F. Lineburg
David R. Sharpes

Aviation maintenance

Edward M. Boyd
James J. Bradley
Clevie L. Clemons
Richard A. Coble
Terry L. Fulton
Robert C. Mock
David A Ringering
George F. Walters

Aviation ordnance

Lonnie P. Harrison
Michael C. King
Tyrone Lockwood
Phillip D. Milling

Avionics

Tommy E. Bouquet
Isaac Bristow
Paul A. Brown
Richard C. Brown
Lino J. Celli
Roy Clingpeel
John W. Goldberg
Hilding A. Holmberg
Joseph F. Jaggard, Jr.
Stephen C. Jones, Jr.
James E. McManigle
Michael L. Moore
David W. Peterson
John E. Pierson
John N. Rains
Donald L. Ruby
John P. Shelton
Frank W. Smith
Thomas F. Stevens
Thomas F. Vorndran

Administration

Andrew J. Allen
John G. Barkman, Jr.
Ronald L. Brewbaker
Richard L. Curtis
Leon D. Davis, Jr.
Hans G. Fett
David C. Gardner
Richard C. Herbel
John A. Koritar
Herbert J. McAllister
Steven D. McNabb
Theodore G. Miller
William B. Patnode
Nelson A. Sipin
Terry D. Smock
Bobby R. Stacy
James B. Thomas
Ralph C. Wells

Cryptology

Thomas J. Botulinski
Kenneth P. Boyer
James R. Chalker
Robert J. Culver
Kent H. Kraemer
Harry S. Myers
Waymon A. Smith

Meteorology

Herman G. Bancroft III
Franklin E. Dell
Walter B. Kindergan
Roland R. Picard
Michael D. Pind
Rodney J. Salts
Barre L. Shepp

Photography

Barry E. Argalas
Carl R. Begy
Edward L. Dotson
Michael E. Fox
Harold J. Gannon, Jr.
Gunter Haag
David J. Harris
Dedrich C. Hohorst
Douglas F. Keever
John W. White

Explosive ordnance disposal

Ricky I. Albrecht
Patrick D. McKinney
Thomas L Moore

Supply

Jackie D. Adams
Harold R. Arnold
Lawrence W. Asp
Jerry L. Bird
David C. Brooks
Einar L. Corelli
John V. Delaney III
Rufino M. Tomas
Thomas R. Deno
Dennis Haines
William G. Hughes, Jr.
John C. Humphries
Nathan M. Jio
Robert A. Konrad
Ronald C. Kuskie
Ronald J. Lauster
Jack E. Miller
Richard A. Nelson
Jerry L. Noel
Jack M. Rickel
William J. Stowell
Crispin A. Toledo
Gary T. Wolfe

Mess management (supply corps)

Edmund M. Loftus, Jr.
Artemio P. Zabala

Civil engineer

Robert M. Smith

The following-named enlisted candidates to be appointed temporary chief warrant officers, W–2, in the U.S. Navy, in the classification indicated, subject to the qualifications therefor as provided by law:

Boatswain (surface)

Mark L. Alford
James M. Anderson
Anthony R. Bailey
Ronald L. Baker
Francis A. Brassard, Jr.
Billy R. Buck
Richard D. Cedola
Eddie J. Cornelius
William J. Gray
Phillip C. Haines
Eugene W. Hendrickson
Ralph L. Jones
Robert D. Kazinski
Donald L. Kopp *
Edward J. Lackey
Gerald E. Loporto
Patrick M. Martinez
Paul S. Penczek
James M. Price
Richard H. Robbins
Frederick L. Schaner
Dale R. Schinn
George R. Smith
James L. Smith
William J. Tatum
John F. Thibadeau
Manuel V. Villa

*Appointment sent out Ad Interim (during the recess of the Senate).

Operations technician (surface)

Buford Baily
Jack A. Barton
Sammy R. Beem
Edward J. Berger
Jerold B. Berliner
John W. Borns
James W. Bowser
Gary L. Cain
Richard W. Cannon
Bennie F. Cantrell
Jeremiah M. Curley
Joseph J. Dansereau
Robert A. Dixon
Frank Evans
David R. Fischer
Jerry M. Ford
Samuel R. Garner
John A. Giovanelli
Jerry W. Hagler
Walter W. Harsila, Jr.
William J. Hebert
Harold E. Hense
James M. Hill
Donald J. Hilton
Wesley G. King
James R. Lockhart
William C. McFarlane
Jesus Mendoza
George W. Miller
Terry J. Orvis
Charles M. Paris
Dennis M. Porter
Burton L. Prince
Robert Q. Ramirez
Floyd D. Ramsey
John S. Trolinger, Jr.
Gary D. Tucker
James L. Williams
Kenneth E. Williams
Edward A. Woodbury

Engineering technician (surface)

Anthony P. Battaglia
Thomas E. Bazzel
Donald G. Bear
Santiago Benavides
Herman M. Benjamin
James O. Benton
Robert D. Blossom, Jr.
Jessie D. Bohannon
Philip A. Bondi
Richard E. Botteron
James Brown
Stephen R. Burgess
Claude H. Carpenter
Rodolfo R. Castillo
Terence E. Cracknell
Carroll B. Danielson
James W. Dayton
Joseph N. Demain
Vondall D. Derington
Leroy Devries
Alvin Edwards
Jerry L. Gall
Kenneth A. Gengler
Gary F. Hart
Robert D. Hinds
Richard A. Hodges
Ned R. Hollar
Donald C. Hoskinson
Charles T. Hughes
John R. Huskey
Cesar O. Ilagan
Lawrence A. Jarrins
Paul C. Kizer
Jack B. Lake, Jr.
Donald W. S. Lee
Roy Little, Jr.
Richard Lopez
Amado T. Lustina
David C. Lutzow
Robert J. McClaskey
Dennis D. McCracken
Lawrence W. Martin
Thomas H. Mize
Donald E. Moore, Jr.
Robert A. Moore
James W. Morris
Oscar A. Nelson
Robert M. Oliver
Carlton L. Payne
Richard M. Perry
Curtis K. Pester, Jr.
Clyde V. Peters
David O. Powell
Edward N. Preston
Lon K. Redman, Jr.
Jerry D. Reid
Robert D. Rial
Sydney I. Rice
Clifford D. Sarrault
George W. Schafer
Charles L. Schweda
Gustavo Segovia, Jr.
David W. Shockley
Frederick J. Shortreed, Jr.
Stephen D. Soldner
Gerald G. Sorrell
Jimmie D. Stephens
Russell F. Stout, Jr.
David F. Traylor
Johnnie White, Jr.
Jerry W. Whitesides
Edward P. Yankovich, Jr.

Repair technician (surface)

Harold L. Cullins
Rufus M. Feazelle
Paul R. Friel
John A. Gust
Tommy G. Hunter
Edgar McQuay
Ronald G. Peterson
Charles F. Schaefer
Robert J. Schlink
Jerry W. Sturgill
William L. Vaughn
Thomas R. White
Tyrone C. Williams
William A. Woods
John W. Zink

Nuclear power technician (surface)

Samuel H. Stapp

Ordnance technician (surface)

William P. Alcorn
Carl H. Altenburg
Robert L. Arrington
Charles L. Beaton
John Bochnovich
Joseph P. Cahill
John W. Cryderman
Norman P. Eltringham
Thomas R. Ford
Daniel E. Fugate
Louis R. Galennie
Arthur D. Gandy
Carlton L. Griesinger
Ernest J. Heassler
Donald W. Hill
Donald D. Hollis
Paul E. Kane
Elihu E. Kincaid
John R. Knight
Willard S. Laird, Jr.
Harold R. Litty
John R. McGinn
John T. Peebles
Daniel A. Pinto
Richard L. Rohr
Thomas F. Rupert
James M. Sandidge
Joseph H. Sheets
John E. Smith
Gary F. Walkley
Daivid W. Youngblood

Underwater ordnance technician (surface)

Kenneth F. Harder
Joe Sapien

Electronics technician

Jerry L. Adcock
Robert L. Aitchison
Donald W. Bachman, Jr.
Harvey T. Barlow, Jr.
Dennis G. Becker
Edward L. Beckmann
John R. Brinkheide
Gary R. Casper
Larry A. Clayton
Charles A. Crews
Paul R. Crisp
Paul G. Donnelly
Delbert D. Edwards
Richard W. Field
Manford J. Fontenot
David M. Gibbs
Charles M. Hibbetts
James L. Hogan
Philip Holder
Edward C. Horton, Jr.
Jennings A. Johnson
Walter H. Krause, Jr.
Larry E. Lambert
Stephen C. Leshinski
Arthur F. McKinnell
Paul Maynard
Terry L. Metz
Mark N. Moore
David Q. Morris
John J. Morrissey, Jr.
Robert V. Orr
Cloyce W. Outram
Dale E. Painter
Anthony W. Paxton, Jr.
Leland E. Richmond
Arthur F. Robb
George C. Sarff
Carl E. Sells
Jimmy L. Slatton
David G. Spear
Raymond L. Stewart
Edward W. Stillwell
Robert R. Sturm
James E. Teague
Dean M. Thompson
Patrick J. Waldron
Allan J. Warden
Lyle M. White
Warren F. Willis
Jack D. Wills

Boatswain (submarine)

Francisco P. Magaraci
Robert C. Raesemann

Operations technician (submarine)

David H. Keasler

Engineering technician (submarine)

John M. Pearce

Repair technician (submarine)

William T. Cureton

Nuclear power technician (submarine)

Henry P. Sharum, Jr.
James G. Taylor
Terry L. Vandevoort

Ordnance technician (submarine)

Irwin W. Reuck

Underwater ordnance technician (submarine)

Richard W. Corey

Electronics technician (submarine)

Larry O. Sparks

Aviation boatswain

James G. Boothby
James W. Brock, Jr.
Frank A. Camnetar
Dale D. Coryell
Johnny D. Gaither
Cloyde D. Gregory
Creighton D. Kreider
Robert L. Martin
James J. Potthoff
Leonard Rizzuto
William R. Sowers
Lawrence E. Spicher
Lawrence A. Vernon
Gerald W. White

Aviation operations technician

Patrick J. Casey
Jerry L. Fortenberry
Jonathan L. Harnden
Larry P. Jordan
Richard J. Rhatigan
Daniel R. Sedergren
Dennis D. Teemley
Brian K. Webb

Aviation maintenance technician

Kenneth J. Altherr
John A. Augsburger
Paul D. Bateman
Charles W. Beckett
Larry J. Bonar
Michael J. Bonner
Frederick H. Bryant, Jr.
Max D. Chenault
Jesus T. Cruz
Adolfo B. Cui
Evan L. Echols
Richard D. Fluaitt
Leonard J. Fortuna
Tommie W. Fudge
Roberto Galvan
Clayton E. Hansen
David J. Hillhouse
Wilbur G. Hinkle
Roger L. Hudson
Hiram B. Hyde
Charles C. Jenkins
Jesse L. Johnson, Jr.
Robert H. Kauffman
Wayne J. Patrick
Frederick E. Renckert
Charles S. Snow
John E. Steyne
Terry G. Tyrer
Donald C. Varner
Robert L. Vaughn
James J. Venables
Leland W. Waldrup
Lincoln Wilson, Jr.

Aviation ordnance technician

John T. Bingen
James C. Bulick
Jerre L. Edmonson
Larry G. Hardin
Arnold E. Huuki
Troy C. Moore
Billy Murphy
Larry J. Numa

Aviation electronics technician

Kenneth C. Aymond
Ronald F. Bailey
Donald F. Borsch
Jimmie S. Burgess, Jr.
William H. Burks
Okey S. Cart, Jr.
Joseph F. Dual, Jr.
Harvey W. Garner
Richard Gibson
Rodric G. Hammond
Elmer D. Hanners
Joe F. Kilpatrick
Adrian M. McChesney, Jr.
Dewey M. Mixon, Jr.
Jack E. Molder
Larry R. O'Shaughnessy
Gary L. Pickett
Jasper N. Roth
Wayman C. Scott
Dimon K. Schaad
Jacob L. Shealy, Jr.
James H. Sherman
William L. Skinner
Bowman E. Stewart
William C. Stone III
Ivy C. Topping, Jr.
Coy J. Walter
Phillip G. Wendling
Ronald M. Whited

Ship's clerk

Gary W. Babb
David M. Beniash
James F. Blache
Worcester Bouch II
John L. Bright
Monte B. Burkey
Herbert H. Davis
Richard L. Dixon
Peter W. Fenger
Richard H. Fischer
Ivar E. Freeburg, Jr.
Robert M. Freed
Alexander W. Hazuda, Jr.
Eugene F. Hunst
Eugene Hunt
Ralph E. Huskey
Richard L. Koca
John M. Lardner
Donna M. Loomis
Frederick R. Lord, Jr.
Michael W. McCall
Roland O. McLain, Jr.
Michael J. Modrell
Frank D. Mucheck
Paul R. Ogg
Alan B. Rowley
Thomas E. Seater
Gordon D. Smith
Roger L. Speir
Ronald E. Switzer
Wade L. Van Dewark, Jr.
Wallace W. Van Selow
Donald R. Vaughn
Boyd A. Walker
Allen L. Wells
Theodore Wernli
Vernice D. Williams
Herbert C. Winston

Data processing technician

Freeman K. Jones
Harry E. Keys
Ernesto M. Nucup
Richard F. Runager
Alain A. Slagle
Fredrick C. Thompson

Bandmaster

Benjamin M. McHornye

Communications technician

Joel J. Buschmann
Henry I. Cowart
Gary O. Dowler
Patrick K. Dunkle
William S. Epling
Cleo P. Gipe
John H. Hall
Tommie L. Hawkins
Frederic S. Jaus
Gaylord A. Kennedy
David W. King
Thomas L. Lewis
Clifford B. Neal
James N. Reeb
Ronald L. Rich
William A. Rock, Jr.
Gary I. Schulz
Vernon E. Sherrill
Albert A. St. Onge
Lester E. Stormes
Andrew D. Strong
Richard White

Intelligence technician

Stephen F. Morse, Jr.
Clarence A. Thomas, Jr.
Edward T. Wooleaver, Jr.

Aerographer

Charles M. White

Photographer

Dale H. Cramer
Charles J. Fitzgerald
Edmund G. Norris

Explosive ordnance disposal technician

Clarke L. George
George T. Ingram II
Daniel W. Knight, Jr.
John R. Meyers
Salvatore A. Molle
Paul W. Stone
Teddy L. R. Varnell
Wayne A. Wright

Supply corps warrant

John A. Pemberton

Food service warrant (supply corps)

David B. Schwartz

Civil engineer corps warrant

Robert H. Obey

The following-named (U.S. Navy officer (Ret.)) to be reappointed from the temporary disability retired list as a temporary com-

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*Appointment sent out Ad Interim (during the recess of the Senate).

mander, in the line, in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR Ronald M. Goodman, USN (Ret.)

The following-named (U.S. Navy officer (Ret.)) to be reappointed from the temporary disability retired list as a temporary lieutenant commander, in the line, in the U.S. Navy, subject to the qualifications therefor as provided by law:

*LCDR Jeremy D. Jones, USN (Ret.)

The following-named (U.S. Navy officer (Ret.)) to be reappointed from the temporary disability retired list as a Lieutenant Commander, in the U.S. Navy, for limited duty, for temporary service, in the classification indicated, subject to the qualifications therefor as provided by law:

Deck (surface)

*LCDR Orlin A. Kohl, USN(T) (Ret.)

The following-named (chief warrant officer (Ret.)) to be reappointed from the temporary disability retired list as a temporary chief warrant officer, W-3, in the U.S. Navy, in the classification indicated, to correct grade, subject to the qualifications therefor as provided by law:

Electronics technician (surface)

*CWO3 Donald E. Henrikson. USN(T) (Ret.)

The following-named (civilian college graduate) to be appointed a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

*Talaat H. Mohamed

The following-named (civilian college graduate) to be appointed a permanent commander in the line in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

Thomas E. Henry

The following-named officers to be appointed temporary commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

*CDR Charles L. Ham, MC, USN
*CDR William C. Welch, MC, USN
*CDR Paul E. Johnson, MC USN

The following-named (Ex-USN officer) to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

*Robert B. Dunn

The following-named (ex-USAFR officer) to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

* Arlen D. Winsky

The following-named (civilian college graduate) to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

* Narciso L. Ngo

The following-named officers to be appointed temporary commanders in the Dental Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

* CDR Verlin W. Balsiger, Jr., DC, USN
* CDR Robert C. Hirst, DC, USN
* CDR Kent L. Taylor, DC, USN

The following-named officer to be appointed a temporary commander in the line in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

* CDR Thomas G. W. Knepell, USN

IN THE COAST GUARD

The following-named commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of captain:

Allen H. Gifford
Andrew W. Flood
John A. Marshall
Alfred J. Seyins, Jr.
Richard H. Schuerholz, II
Wendell L. Sittser
Allen E. Griffin
Douglas W. Fredericks
Michael D. Schwartz
Francis N. Crawford
Ned K. Kulp
Parker D. Morris
Jerome L. Grill
Stanley R. Hyle
Gilbert T. Dunn
Edward C. Bryant
Herbert R. Force
John G. Orewiler
William R. Brinkmier
Roger P. Vance
Peter K. Lyse
William M. Alexander
Leonard E. Korenek
William S. Hewlett
Leroy Reid
Justin M. McCarthy
Thomas F. Sullivan, Jr.
Peter P. Leto
Franklin J. Barbosa
Louis A. Chaddick, Jr.
Donald L. Burry
Alvin D. Hersh
Robert L. Carlise
Robert B. Legge
Gerald H. Rockelli
Daniel J. Murphy
Matthew G. Raulf
Jerome F. Lundgren
Gene W. Miller
Damon G. Nalty
Richard L. Whynot
Edgar A. Ebey
Robert A. Detzel
Marvin F. Burgess
Robert W. Sprick

*Appointment sent out Ad Interim (during the recess of the Senate).

SENATE—*Tuesday, January 11, 1977*

(Legislative day of Monday, January 10, 1977)

The Senate met at 3 p.m., on the expiration of the recess, and was called to order by Hon. WENDELL R. ANDERSON, a Senator from the State of Minnesota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Trust in the Lord with all thine heart; and lean not unto thine own understanding.

In all thy ways acknowledge Him, and He shall direct thy paths.—Proverbs 3: 5, 6.

O God, make us to know Thy presence, not only in the moment of prayer, but also in the hours of work. Show us how to worship while we work. Make us aware of Thee in our homes, in our travel, in our social occasions, in our rest, and in our play. May there be no time apart from Thee.

Alert us to the greatness of our opportunity—to make these days the dawn of a new era when vision is expanded, goals are lifted higher, and past failures are redeemed; when in the unity of the spirit and the bonds of peace we concert our best efforts for the common good.

May we find Thy highways through the fields of time and sense. Breathe through the things that are seen, the peace of the unseen and the eternal.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND):

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., January 11, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL R. ANDERSON, a Senator from the State of Minnesota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ANDERSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, January 10, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 27—ELECTING A DEPUTY PRESIDENT PRO TEMPORE OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That Hubert H. Humphrey of Minnesota be, and he is hereby, elected Deputy President pro tempore of the United States Senate, effective January 5, 1977.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 27) was agreed to.

SENATE RESOLUTION 28—AMENDING PARAGRAPH 2 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That paragraph 2 of Rule XXV of the Standing Rules of the Senate is amended by striking out of the item relating to Budget, the number "14" and inserting in lieu thereof "16".

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, before the Chair acts, I might simply say for the benefit of the Senate that the majority leader and I have conferred on this point. This raises the number of designees to the Budget Committee by two and gives three committees two additional members. I intend to make a nomination for two additional vacancies in

other committees. I understand the majority leader will have no objection to that.

I have no objection at this point.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 28) was agreed to.

SENATE RESOLUTION 29—MAKING TEMPORARY MAJORITY APPOINTMENTS TO THE COMMITTEE ON THE BUDGET

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That Senator Anderson of Minnesota (temporary) and Senator Moynihan of New York (temporary) be, and they are hereby, assigned to service on the Committee on the Budget.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 29) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

Mr. BAKER. Mr. President, I reserve my time under the standing order.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour, with statements therein limited to 15 minutes.

S. 143—MEDICARE- MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

Mr. TALMADGE. Mr. President, I am introducing today amendments to the medicare and medicaid programs intended to put more teeth into Federal and State efforts designed to detect and punish fraud and abuse in those programs.

Congressional hearings and investigations during the past several years have revealed widespread and deep-rooted fraud in medicare and medicaid.

Those hearings have underlined how pervasive and how costly fraud is.

Fraud cheats virtually all of us.

It cheats the taxpayers of this Nation who see billions of dollars going down the drain.

It cheats the poor and elderly who often receive what can best be characterized as marginal care from the fast buck artists. It cheats our State and local governments, many of which are desperately trying to maintain fiscal stability.

And, it cheats the large majority of health care practitioners and institutions who are doing an honest professional job.

While the large majority of doctors, hospitals, and others are honest, it should be noted that those who practice fraud and abuse receive a disproportionate amount of payments.

I believe that what we need in this country is an administrative and reimbursement system—including effective law enforcement—under which the detection and punishment of fraud and abuse becomes a probability instead of only a possibility, as is the case today.

Following up on this, I introduced in the last Congress a bill designed to bring about comprehensive medicare and medicaid reform.

That proposal, S. 3205, was designed to do everything we can within the existing medicare and medicaid structure to bring about necessary tightening up.

Perhaps S. 3205 did not go as far as we should go.

Perhaps, in the final analysis, some kind of federalization of medicaid is what will be required to assure an equitable and satisfactory program of health coverage for our low-income population.

It is my intention to reintroduce legislation designed to bring about comprehensive administrative and reimbursement reform in medicare and medicaid.

In view of the fact that President-elect Carter, during the campaign, endorsed S. 3205's provisions in general, I intend to delay reintroduction of the proposal until I have had a chance to consult in detail with the new administration.

My objective in that regard will be to see whether we can agree on a bill which would be supported by the administration.

As I have noted, Mr. President, truly basic reforms are required in medicare and medicaid.

Perhaps 90 percent of our problems with medicaid stem from a generally ineffective administrative structure.

In my opinion, effective administration would resolve most of these problems, including fraud and abuse.

It might be reasonable to ask: What can we do now?

Well, Mr. President, what we can do is to give a clear, loud signal to the thieves and the crooks and the abusers by making a start now—no matter how small a beginning.

The medicare and medicaid antifraud amendments I am introducing today make that point.

The Senate will recall that many Senators joined with me last September in introducing and supporting S. 3801, the antifraud and antiabuse amendments.

The Senate recognized the urgency of the problem.

The provisions of S. 3801 were approved by the Finance Committee as amendments to another bill and promptly approved by the full Senate.

Unfortunately, due to procedural difficulties, those necessary amendments were not brought up before the full House in this past Congress.

During the adjournment period it has been my pleasure to work closely with the chairman of the Subcommittee on Health of the Committee on Ways and Means, Congressman DAN ROSTENKOWSKI, and with the chairman of the Subcommittee on Health of the Interstate and Foreign Commerce Committee, Congressman PAUL ROGERS, in developing an improved version of S. 3801.

That cooperative effort has, I believe, resulted in an even better bill.

Representatives ROSTENKOWSKI and ROGERS introduced our antifraud and antiabuse amendments in the House last Tuesday. It is their intention to hold joint hearings on the bill in early February.

The bill which I introduce today is identical in every respect with the Rostenkowski-Rogers amendments, excluding section 5 of the House proposal.

Section 5 of that bill includes a series of comprehensive changes in the PSRO program.

Many of those changes appear necessary.

However, it is my belief that they cannot truly be characterized as antifraud and antiabuse provisions and, for that reason, they are not included in the Senate version.

Additionally, the Permanent Subcommittee on Investigations of the Senate Government Operations Committee, under the leadership of Senator SAM NUNN and Senator CHARLES PERCY, has worked long, hard, and effectively in disclosing serious and, quite possibly, criminal activities in the administration of the HMO program.

In particular, their efforts have uncovered activities in the prepaid health plans in California which have been shocking.

It is my intention, working with the members of the Permanent Subcommittee on Investigations, to develop a number of additional changes designed to clean up fraudulent and abusive activities such as those which have been disclosed by the Permanent Subcommittee on Investigations.

At a subsequent time we will, therefore, offer an additional section to the bill which I introduce today.

Mr. President, I ask unanimous consent that a summary of the medicare and medicaid antifraud and antiabuse amendments appear in the RECORD immediately following these remarks.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

(See exhibit 1.)

Mr. TALMADGE. Mr. President, I am pleased to offer this vitally needed change on behalf of myself and Senators LONG, RIBICOFF, DOLE, ROTH, HARRY F. BYRD, JR., GRAVEL, HASKELL, NUNN, ALLEN, BURDICK, CHILES, CHURCH, DOMENICI, EASTLAND, HOLLINGS, HUDDLESTON, INOUYE, JAVITS, KENNEDY, MORGAN, PELL, PERCY, RANDOLPH, STEVENSON, STONE, THURMOND, TOWER, WEICKER, BENTSEN, HATHAWAY, CURTIS, and ANDERSON.

EXHIBIT 1

SUMMARY OF MEDICARE-MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

Section 1.—The Medicare-Medicaid Anti-Fraud and Abuse Amendments.

Section 2.—Would modify existing law in both Titles XVIII and XIX to clarify the ban on the use of factoring arrangements in the payment of Medicare and Medicaid monies to physicians or other persons providing services under either program. The provision would make clear that a power-of-attorney could not be used to circumvent existing antiassignment rules.

Section 3.—Would require providers (other

than individual physicians) and suppliers participating in either program to disclose upon request specified ownership information and information pertaining to business transactions with related parties.

This provision would also define a "shared health facility" (a so-called "Medicaid mill") so that Professional Standards Review Organizations can increase their review given to this type of ambulatory facility.

Section 4.—Would clarify and upgrade the criminal penalties for fraudulent activities under Medicare and Medicaid. Except for penalties involving Medicare beneficiaries or Medicaid recipients, all penalties would be upgraded to felonies.

Section 5.—Would give the General Accounting Office subpoena power to assist it in its monitoring, review and oversight activities related to the Social Security Act programs.

Section 6.—Would require the Secretary of Health, Education and Welfare to suspend individual practitioners from the Medicare program who are convicted of a criminal offense related to their involvement in either Medicare or Medicaid. Similarly, Medicaid would be modified to require that States suspend from Medicaid, any individual practitioner who is convicted of a criminal offense related to his involvement in either Medicare or Medicaid.

Section 7.—Would require prospective providers of services or those seeking recertification under either Medicare, Medicaid, or Title XX social services to disclose in the application for program participation the name of any person who has a five percent or more ownership or controlling interest in the applicant provider and who has been convicted of a criminal offense relating to a prior involvement with a program authorized under either Title XVIII, XIX, or XX of the Social Security Act. The Secretary of Health, Education and Welfare or appropriate State agency is not required to enter into any agreement or contract with a provider who, although otherwise qualified, has an owner who meets such criteria. In the case of an application disclosing an ownership or control interest outlined above, the Secretary or appropriate State agency shall notify the Inspector General of both the receipt and disposition of such application.

Section 8.—Would allow Federal access to the books of providers of services under Medicaid in the same manner that such access is presently provided to State agencies.

Section 9.—Would allow 75 percent Federal matching towards the cost of operating an approved Medicaid claims processing and information system if the system provides explanation of benefits information to a sample group of individuals. This modifies present law which only allows the higher matching if the explanation is furnished to all recipients. The strict matching requirements of existing law have limited the growth of this type of claims processing and information system.

Mr. TALMADGE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Delaware (Mr. ROTH).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR ROTH

MEDICARE AND MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

I am today joining Senator Talmadge in sponsoring legislation to eliminate any fraud and abuse that exists in the Medicare and Medicaid program. These two programs will soon account for almost $45 billion in State and Federal expenditures. I believe that it is our obligation to assure the taxpayers that this money is spent efficiently, effectively, and with integrity.

The purpose of the Medicare and Medicaid programs is to provide needed medical services for the elderly, disabled and poor, who otherwise would not be able to afford quality health care. As we have seen in the past year, the Medicare-Medicaid programs have been found to be riddled with fraud and abuse, and senior citizens and taxpayers have been the victims of this fraud. We must take steps to curb these abuses in order to insure that every federal and state dollar is used to provide the greatest possible medical services.

It is important to stress that the majority of physicians and beneficiaries of the programs are honest and are not taking advantage of the system. A great number of doctors deserve recognition for their service and sacrifices to provide quality health care to those who cannot afford it. However, we must move promptly to assure that those who are defrauding these programs are caught and punished, and that any future possibilities for abuse are eliminated.

The Medicare and Medicaid Anti-fraud and Abuse Amendments would clarify and upgrade criminal penalties, and provide for more comprehensive monitoring, review and oversight activities of the programs. While this legislation is not a complete answer to all of the problems that exist in these programs, it will be a starting point. As a member of the Finance Committee, I intend to address other areas of inefficiency, waste and abuse as the session progresses.

MEDICARE-MEDICAID ANTIFRAUD AMENDMENTS

Mr. RIBICOFF. Mr. President, today I am cosponsoring with Senator TALMADGE and Senator LONG legislation to combat fraud and abuse in the medicare and medicaid programs.

Widespread and costly fraud and abuse in these programs has been documented in congressional hearings, investigations, and news stories. This fraud and abuse is an affront to honest physicians and hospitals. It is an affront to the poor and elderly who receive mediocre care from chiselers. And it is an affront to State and local governments who are trying to hold the line on costs.

Fighting fraud and abuse in health programs is an important first step in this Congress. We cannot deal with the gaps in medicare and medicaid coverage until we reform the administrative and reimbursement system.

The amendments I am cosponsoring today address a part of this problem. They put teeth in the Federal and State efforts to find and to punish fraud and abuse. Health service providers would be required to disclose ownership information. Fraudulent activities would become felonies.

These provisions will make the detection of abuse easier. When fraud moves from misdemeanor status to fraud status, prosecution becomes more worthwhile, and punishment more severe.

These amendments send a clear signal that we will not tolerate the subversion of worthy health programs by shysters.

These amendments are very similar to provisions approved by the Senate late during the last Congress. They have already been introduced in the House of Representatives by Congressman DAN ROSTENKOWSKI and Congressman PAUL ROGERS.

We will continue work on a comprehensive medicare-medicaid administrative reform bill. These antifraud amendments are an important start.

TENNESSEE-TOMBIGBEE

Mr. EASTLAND. Mr. President, I was shocked Monday morning to read a newspaper account of a court trial in my State in which there were suggestions of impropriety on the part of one of the Senate's senior and most respected Members.

At the trial in Jackson, Miss., witnesses hinted that in order to obtain Federal approval of construction projects, payments were made to Senator JENNINGS RANDOLPH, chairman of the Senate Public Works Committee. Mr. President, nothing could be farther from the truth. I have known JENNINGS RANDOLPH for many years. I know the manner in which he operates and I know that the very idea of receiving money to influence legislation is as repugnant to him as it is to me.

The trial in Mississippi ended last Saturday with the conviction of our former State highway director of embezzling $100,000 in State highway funds. According to an account in yesterday's New York Times:

> The defense several times implied that the money had been used to gain the influence of Senator Jennings Randolph, Democrat of West Virginia, Chairman of the Senate Public Works Committee.

One witness was quoted as having been told by the defendant, E. L. Boteler, Jr., that Senator RANDOLPH "takes his pound of flesh out of every public works contract."

Mr. President, JENNINGS RANDOLPH has long been a friend of the State of Mississippi, but he has been understanding and considerate of the needs of every State in our country. He is a man who believes strongly in the importance of public works to help build a strong and healthy America.

There is no evidence that I have ever seen indicating that he has not acted with the greatest integrity in discharging his responsibilities as the chairman of the Committee on Public Works.

The Mississippi trial related to efforts to obtain Federal funds to build highway bridges across the Tennessee-Tombigbee Waterway in my State. I strongly supported this effort as did my distinguished colleague, Senator JOHN STENNIS. Federal funding of this purpose is entirely consistent with current Federal policy and was provided in the Federal Aid Highway Act of 1976 which became law last May.

A brief review of this issue is necessary so that we may understand that this legislation was handled in a straightforward manner. The Congress first approved the Tennessee-Tombigbee project in 1946. Its cost at that time was estimated at $117 million and the States of Mississippi and Alabama would have been required to spend $3.5 million for new roads and bridges associated with the project. In 1972 when construction began, the cost estimate had increased to $390 million. It is now more than $1.6 billion.

In 1952, Congress passed legislation authorizing the Federal Government to pay for replacement of existing bridges on future waterway projects. Having been authorized in 1946, the Tennessee-Tombigbee bridges were not eligible for this full Federal funding. Cost of the

bridges is now estimated at $220 million, of which $180 million is in Mississippi and clearly beyond the financial capability of my State. The Federal Aid Highway Act of 1976 authorized Federal funds of $100 million to be provided in fiscal year 1977 and 1978 to help pay for these bridges. This amendment was placed in the Highway Act by the House of Representatives and not by the Public Works Committee of the Senate. The conferees, however, did accept the amendment by the House of Representatives. The act made existing law retroactive in this instance in recognition of the heavy increase in costs. It made the 1952 act applicable to the Tennessee-Tombigbee Waterway and this was additionally valid when we consider that actual construction did not begin until considerably after 1952.

Mr. President, I regret the embarrassment that surely has been caused to the distinguished senior Senator from West Virginia by the suggestions made in a Mississippi trial. The record must show that there has been no impropriety on the part of Senator RANDOLPH. The investigation which led to the prosecution of Mr. Boteler was carried out by the Legislative Audit Committee of Mississippi. This committee does all investigations of improprieties in our State government. That committee met in special session yesterday and issued this statement:

Due to recent publicity concerning U.S. Senator Jennings Randolph of West Virginia, the Legislative Audit Committee (Peer), State of Mississippi, feels compelled to issue a statement.

The Audit Committee investigation "— and they are the ones that pointed the finger at Mr. Boteler—", revealed no evidence indicating Senator Jennings Randolph received any money whatsoever emanating from the $200,000 misappropriated from the Mississippi Highway Department.

That was signed by Representative Doug Abraham, chairman.

In addition, the attorney general of the State of Mississippi, the chief law enforcement officer of our State, made a complete and exhaustive investigation of the matter and sought only one indictment, that of Mr. Boteler.

General Summer, commenting to local newsmen, stated:

We traced and documented all of the missing money for which Mr. Boteler went to trial and the evidence we found did not remotely implicate anyone else.

I will state that again:

We traced and documented all of the missing money for which Mr. Boteler went to trial and the evidence we found did not remotely implicate anyone else.

That is the attorney general of the State of Mississippi.

In conclusion, I think it should be said that since there was an intimation that these misappropriated Highway Department funds were used for lobbying in connection with the Tennessee-Tombigbee Waterway, Mr. President, there have never been any so-called lobbying expenses connected with this project. There is a five-State compact ratified by Congress, composed of the States of Kentucky, Tennessee, Mississippi, Alabama, and Florida. The representatives of the compact have been the sole persons involved in the promotion of this waterway and these activities have been limited to appearances before congressional committees. There has been none of the so-called lobbying activities connected with this association.

Mr. STENNIS. Mr. President, will the Senator yield to me, briefly?

Mr. EASTLAND. I yield.

Mr. STENNIS. Mr. President, together with my colleague from Mississippi, I was greatly disturbed when I heard of this slander and libel—a combination of both—that has been thrown in the direction of our colleague from West Virginia. He needs no defense among those of us who know him.

This testimony is hearsay at the very best. No one swore to this testimony; not even the defendant swore to it. Of course, he is afraid to—if he were inclined otherwise.

These charges do not fit the Senator from West Virginia. He is cut out of the other cloth. He has been in Congress for more than 30 years. I have worked with him for many of those years. We now work on public works matters together. He is chairman of the Committee on Public Works.

I have had the privilege of handling the money bill. I sent for him and asked him to come and help us. We rely on his judgment and take his word totally—of course, I do.

I regret exceedingly that this matter came up in this way and then was transmitted to the public, who do not have personal knowledge of the Senator.

Our investigating committee down there had traced this money and developed all the testimony. Nothing, absolutely nothing, pointed toward the Senator. The attorney general of the State was looking after the actual prosecution. They are sure that they covered all the money that is missing, and nothing points toward the Senator from West Virginia.

I denounce such statements, as any person who knows the facts would, but especially I am grieved that they relate to our friend from West Virginia and that this came out of an unfortunate matter in our State. Senator EASTLAND and I and many others on the floor know all about the legislation and what happened. The record of the Senator from West Virginia is as clean as a pin.

I thank the Senator for yielding to me. It is a privilege to be able to make these remarks.

Mr. President, I ask unanimous consent to have printed in the RECORD a telegram I have received from the Legislative Audit Committee, Jackson, Miss. with reference to this matter.

There being no objection, the telegram was ordered to be printed in the RECORD as follows:

TELEGRAM

Due to recent publicity concerning United States Senator Jennings Randolph of West Virginia, the Legislative Audit Committee (Peer, State of Mississippi) feels compelled to issue a statement: The Audit Committee Investigation revealed no evidence indicating Senator Randolph received any money whatsoever emanating from the 200,000.00 misappropriated from the Mississippi Highway Department.

DOUG ABRAHAM,
Chairman.

Mr. SPARKMAN. Mr. President, will the the Senator yield to me, briefly?

Mr. EASTLAND. I yield.

Mr. SPARKMAN. I wish to add to that.

Of course, I have been interested in the Tennessee-Tombigbee project throughout the years. Not only that, but I have served 30 years with JENNINGS RANDOLPH. I served with him in the House of Representatives. We were on two committees in that body.

This charge is ridiculous on its face, and I do not think anybody would take it seriously at all.

I have been interested in the Tennessee-Tombigbee project. I was in the House of Representatives in 1946 when we authorized it for the first time. I have worked for it, have worked on the program through the years. I am as certain as I am standing here that this charge is absolutely baseless, and I want the Senator from West Virginia to know this.

Mr. FORD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BUMPERS). Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. EASTLAND. I yield.

Mr. FORD. Mr. President, first, I compliment the two Senators from Mississippi, because I think it is important that we in this body correct any wrong that might be stated or printed about our colleague. I compliment these two fine gentlemen for coming to the aid of the distinguished Senator from West Virginia.

I have worked with the distinguished Senator from West Virginia, and as Governor of Kentucky I have been involved in the Tennessee-Tombigbee. Never during that time has there ever been a suggestion of wrongdoing.

This man has worked hard and diligently during all his legislative years to see that not only his State but also this Nation prospers.

I wish to add my words to the words of the other Senators who have preceded me. I think that the distinguished Senator from West Virginia has been put upon by those in a trial in Mississippi.

Mr. PERCY. Mr. President, will the Senator yield, so that this colloquy may be bipartisan?

Mr. EASTLAND. I yield.

Mr. PERCY. Mr. President, in the decade that I have known JENNINGS RANDOLPH, I have never known a man of more impeccable integrity, decency, and judgment. I cannot believe that there is a shred of truth to the allegations that have been made.

I thank my distinguished colleague.

Mr. EASTLAND. The Senator is correct.

The people who did the investigating and the chief law enforcement officer of the State say there is not a word of truth in the allegations. They have traced every dollar that was misappropriated.

Mr. PERCY. I thank my distinguished colleague for leading this colloquy.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. SPARKMAN. Yes, I yield.

Mr. CRANSTON. I wish to join in the expression of admiration of the two Senators from Mississippi for what they have done today and for the Senator from West Virginia (Mr. RANDOLPH) whose integrity is well known to all of us who have served with him.

It is an honor to serve with him, and I know these charges must be baseless.

The PRESIDING OFFICER (Mr. FORD). The Senator from West Virginia.

Mr. RANDOLPH. The Senator from West Virginia, who is in his 33d year of service in the House and in the Senate, is very, very appreciative of the statements of Senator JAMES EASTLAND and Senator JOHN STENNIS, both of the State of Mississippi. I am exceedingly grateful for their expressed confidence and their spoken trust.

I am also very appreciative of the comments of Senator JOHN SPARKMAN, Senator CHARLES PERCY, Senator WENDELL FORD, and Senator ALAN CRANSTON.

In the years I have served not only in the two bodies on this historic hill but particularly in the area of public works legislation, I want the record this afternoon to include these words: I have never received a single dollar, an amount of money in any degree, in connection with any public works project in the State of Mississippi or in any State of the Union. I have acted with, I hope, a reasoned understanding of the importance of these projects. I have advocated their construction and development.

But I regret that the situation which developed in Mississippi has caused me to stand at my desk and to speak the words I have spoken.

I underscore my appreciation for the initiative and action of the two Senators from Mississippi in making these statements today and in placing in the RECORD the findings of the audit committee of the State of Mississippi, and the declaration made by the attorney general of that State.

I thank the Chair.

Mr. BAKER. Mr. President, I listened with great interest to the preceding colloquy with respect to our esteemed and distinguished colleague from West Virginia (Mr. RANDOLPH), and I found it a source of amazement that any such suggestion would be made. It would be extraordinary to me if many of us were not compelled, as I am now, to rise to our feet and pay tribute to Senator JENNINGS RANDOLPH not only for his long service and his distinguished career but because of our absolute belief in his integrity and the absolute absence of any credibility to any suggestions or innuendos of any impropriety which may have been involved in any lawsuit.

I have known JENNINGS RANDOLPH for 10 years. It has been my privilege to serve with him, as the ranking Republican on the Public Works Committee when he was chairman of the Public Works Committee, and I can testify firsthand not only to his consideration and his courtesy, as I attempted to lead the minority on the Public Works Committee, but to the absolute reliability of this man, who is our chairman, and the integrity of every action that he took.

I know of no man in this body who deserves our respect and our trust more than Senator RANDOLPH of West Virginia, and I wish to take this opportunity to express my absolute confidence in him and to pay my respect to him as an honest, decent man, and a great Senator.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I was shocked and outraged when the distinguished Senator from Mississippi (Mr. EASTLAND) reported that charges had been made in a trial in the State of Mississippi alleging improprieties on the part of the distinguished senior Senator from West Virginia (Mr. RANDOLPH).

Senator RANDOLPH needs no defense by me or for that matter by any Member of the Senate because his honor, integrity, and character need no defense because I know of no man in the Senate or in the entire world, for that matter, who has greater character, more integrity, or greater honor than does the distinguished Senator from West Virginia (Mr. RANDOLPH). I have known Senator RANDOLPH, it is strange to say, for some 35 years, but have known him more intimately since I have been in the Senate during the last 8 years. I have been a member of the Senate prayer breakfast groups with Senator RANDOLPH. He is a God-fearing man, and he walks close to his God. I would have no hesitancy whatsoever in staking my life on the honor, integrity, and character of this great man. He is above anything that is petty. He is above anything that is not in line with the highest principles and the highest tradition of the great and honorable life that he has lived.

So I think it is certainly a sad day when this great and honorable man has been accused, though certainly without any merit whatsoever, by someone who has leveled false charges at him in order to try to curry some sort of favorable position for himself.

We all have the greatest of confidence in the distinguished senior Senator from West Virginia. We honor him. We pay tribute to him. We know that he is a most honorable man, and certainly it is an honor and a privilege to be able to serve in the Senate with him and to be one of his colleagues.

Mr. ROBERT C. BYRD. Mr. President, for more than 18 years, it has been my privilege and opportunity to work with my cherished colleague from West Virginia, JENNINGS RANDOLPH, in the Senate. Our association, however, goes back much further than our service in this body. Other Senators have spoken today of their trust and esteem for JENNINGS RANDOLPH. I concur with their expressions of confidence.

It is difficult to describe in mere words the dedication of a man of the stature of JENNINGS RANDOLPH. West Virginia and our country are the better for his constant devotion to duty. His life has been one of dedication to service and it has been service of a selfless kind.

Individuals and official bodies of responsibility in the State of Mississippi have formally attested to the noninvolvement of Senator RANDOLPH in the embezzlement case in that State. To anyone who knows him, it is inconceivable that Senator RANDOLPH would act improperly. He is committed to building a better America and to helping provide a better life for our Nation's citizens. I have implicit confidence and trust in him.

Mr. RANDOLPH. Mr. President, I reinforce what I have earlier said in appreciation to those who have spoken. I am also very grateful to Senator HOWARD BAKER of Tennessee and to Senator JAMES ALLEN of Alabama. I treasure the words of my friend and colleague from West Virginia, Senator ROBERT C. BYRD.

And again, I indicate to my colleagues very genuine thanks for what has been said at this time.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT—PM 13

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I herewith transmit the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1975, in accordance with section 6 of the Trading With the Enemy Act.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

ENERGY CONSERVATION AND PRODUCTION ACT OF 1976—MESSAGE FROM THE PRESIDENT—PM 14

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Government Operations:

To the Congress of the United States:

Under the provisions of section 162(b), P.L. 94-385, the Energy Conservation and Production Act of 1976, I am required to submit recommendations to the Congress on the reorganization of Federal energy and natural resources activities.

A study of alternative organizational arrangements has been underway since May 1976 under the leadership of the

Office of Management and Budget and the Energy Resources Council.

After considering the alternatives, I have decided to recommend that the Congress approve creation of a Department of Energy. The details of the proposed organization, together with the necessary legislation, are included in the enclosed report which was prepared by the Office of Management and Budget and the Energy Resources Council.

I commend the report to the attention of the Congress and urge prompt action to create a Department of Energy.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

REPORT OF THE SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT—PM 15

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit herewith the Second Report of the United States Sinai Support Mission. This report, following that which I forwarded on April 30, 1976, describes the manner in which the Mission is carrying out its responsibility for operating the early warning system in the Sinai, as specified in the Basic Agreement between Egypt and Israel and its Annex signed on September 4, 1975. This report is provided to the Congress in conformity with Section 4 of Public Law 94–110 of October 13, 1975.

The Report includes a summary of the operations of the early warning system since its inauguration on February 22, 1976, and a description of the Mission's permanent base camp facilities which were officially dedicated on July 4.

With the completion of major construction activity, it has been possible to reduce somewhat the number of Americans working in the Sinai in accordance with the wishes of the Congress. The United States Sinai Support Mission will continue to analyze carefully all aspects of the Sinai operation to identify ways whereby the numbers might be further reduced.

The proposal to establish an American-manned early warning system in the Sinai was made at the request of the Governments of Egypt and Israel. With the concurrence of the Congress, we accepted this undertaking because the United States strongly seeks the achievement of peace and stability in the Middle East.

The United States Sinai Support Mission plays an important role in support of the Basic Agreement. Both sides have recently reaffirmed their confidence in the manner in which the United States has been carrying out its responsibilities in the Sinai, and as long as it continues to enjoy this support, the United States role will represent a meaningful contribution to the prospects for attaining a just and lasting peace in the Middle East.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

REPORT OF COUNCIL ON WAGE AND PRICE STABILITY—MESSAGE FROM THE PRESIDENT—PM 16

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States which was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

In accordance with section 5 of the Council on Wage and Price Stability Act, as amended, I hereby transmit to the Congress the eighth quarterly report of the Council on Wage and Price Stability. This report contains a description of the Council activities during the third quarter of 1976 in monitoring both prices and wages in the private sector and various Federal Government activities that lead to higher costs and prices without creating commensurate benefits. It discusses in some detail the Council's study of collective bargaining negotiations for 1976, health costs, aluminum prices, and chlorine, caustic soda prices as well as its filings before various Federal regulatory agencies.

During the remainder of 1976, the Council on Wage and Price Stability will continue to play an important role in supplementing fiscal and monetary policies by calling public attention to wage and price developments or actions by the Government that could be of concern to American consumers.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. FORD:

S. 140. A bill for the relief of Dr. Kok Liong Tan, and his wife, Gloria Siao Tan; and

S. 141. A bill for the relief of Dr. Orlando Fusilero Bravo; to the Committee on the Judiciary.

By Mr. ZORINSKY:

S. 142. A bill for the relief of Gaspar Louis Sayoc; to the Committee on the Judiciary.

By Mr. TALMADGE (for himself, Mr. LONG, Mr. RIBICOFF, Mr. DOLE, Mr. HATHAWAY, Mr. ROTH, Mr. HARRY F. BYRD, JR., Mr. GRAVEL, Mr. BENTSEN, Mr. CURTIS, Mr. HASKELL, Mr. NUNN, Mr. ALLEN, Mr. BURDICK, Mr. CHILES, Mr. CHURCH, Mr. DOMENICI, Mr. EASTLAND, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JAVITS, Mr. KENNEDY, Mr. MORGAN, Mr. PELL, Mr. PERCY, Mr. RANDOLPH, Mr. ANDERSON, Mr. STEVENSON, Mr. STONE, Mr. THURMOND, Mr. TOWER, and Mr. WEICKER):

S. 143. A bill to strengthen the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs, and for other purposes; to the Committee on Finance.

By Mr. GOLDWATER:

S. 144. A bill for the relief of Samuel S. H. Leung, his wife Carol O. K. Leung, and his sons Johnny C. Y. Leung and Jimmy C. M. Leung; to the Committee on the Judiciary.

S. 145. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters; to the Committee on Commerce.

By Mr. GOLDWATER (for himself, Mr. STONE, Mr. BARTLETT, Mr. YOUNG, Mr. MORGAN, Mr. MCCLELLAN, Mr. LAXALT, Mr. DOMENICI, Mr. NUNN, Mr. RIBICOFF, Mr. STAFFORD, Mr. LEAHY, Mr. ABOUREZK, Mr. WEICKER, Mr. GARN, and Mr. INOUYE):

S. 146. A bill to repeal the earnings limitation of the Social Security Act for all workers age 65 and over; to the Committee on Finance.

By Mr. BENTSEN:

S. 147. A bill for the relief of Dr. Antonio Panganiban Serrano, his wife, Dr. Lesley B. Tiongko Serrano, and their son, Kenneth Neil Serrano; and

S. 148. A bill for the relief of Dr. Laurence T. Gayao, his wife, Edith Gayao, and their child, Lorraine Gayao; to the Committee on the Judiciary.

S. 149. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for employers who increase the number of individuals they employ, or who, in periods of high unemployment, maintain full employment levels; to the Committee on Finance.

By Mr. STEVENS:

S. 150. A bill for the relief of Lawrence Fox: to the Committee on the Judiciary.

By Mr. PEARSON:

S. 151. A bill to amend section 403 of the Congressional Budget Act of 1974 to require cost estimates of proposed legislation covering a 5-year period and to include costs to be incurred by nongovernmental entities; and to require Federal regulatory agencies to estimate and report on public and private costs of proposed regulations; to the Committee on Government Operations.

By Mr. YOUNG:

S. 152. A bill for the relief of Loi Lin Irene Chung (Tsui); and

S. 153. A bill for the relief of Dr. Timothy Kam-Hung Chung; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 154. A bill for the relief of Dea Lay-Hong;

S. 155. A bill for the relief of Antonio Zamora-Mendoza, his wife, Josefina Padilla Zamora, and their sons, Alberto Antonio Zamora-Padilla, Victor Zamora, Leopoldo Zamora, Jaime Zamora, and Jose Zamora;

S. 156. A bill for the relief of George L. Smith;

S. 157. A bill for the relief of Rose Gipson; and

S. 158. A bill to amend the Immigration and Nationality Act with respect to the waiver of certain grounds for exclusion and deportation; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. TOWER):

S. 159. A bill for the relief of Ciola J. Stewart, Lois Souby, Jane Robertson, and Norma Jean Ridgeway; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 160. A bill to amend the Arms Export Control Act to require approval by joint resolution of any governmental or commercial sale of any defense article or service for $100,000,000 or more; to the Committee on Foreign Relations.

By Mr. HEINZ:

S. 161. A bill to establish a program for repairing and replacing unsafe highway bridges; to the Committees on Public Works and Finance jointly by unanimous consent.

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 162. A bill to exempt normal farming and forestry activities from permit requirements for discharges of dredged or fill materials, and other purposes; to the Committee on Public Works.

By Mr. STEVENS:

S. 163. A bill to amend the National Forest Management Act of 1976 to classify the

State of Alaska as all other States are classified with respect to the building of certain roads by the Secretary of Agriculture for purchasers of timber qualifying as "small business concerns"; to the Committee on Agriculture and Forestry.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 164. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 165. A bill for the relief of Miss Sue Ae Park.

S. 166. A bill for the relief of Miss Germa Videta Rowe; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

S. 167. A bill to provide for a congressional scholarship program; to the Committee on Labor and Public Welfare.

By Mr. STONE:

S. 168. A bill to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. CRANSTON (for himself and Mr. WILLIAMS):

S. 169. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Labor and Public Welfare.

By Mr. HUMPHREY (for himself, Mr. JAVITS, Mr. ABOUREZK, Mr. MATSUNAGA, Mr. CASE and Mr. INOUYE):

S. 170. A bill to provide meaningful and productive work for the Nation's youths and to provide comprehensive job counseling and placement services for youths, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. BARTLETT:

S. 171. A bill for the relief of Richard A. S. Moore; to the Committee on the Judiciary.

S. 172. A bill to amend title 2 of the Social Security Act to repeal the earnings limitation for all workers age 62 and over, and to increase to $4,200 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is admitted an individual each year without any deduction from benefits thereunder; to the Committee on Finance.

By Mr. KENNEDY:

S. 173. A bill to establish the birthplace of Susan B. Anthony in Adams, Mass., as a national historic site, and for other purposes.

By Mr. CLARK (for himself, Mr. BROOKE, Mr. HUMPHREY, Mr. MCGOVERN, Mr. PERCY, Mr. CRANSTON, Mr. JAVITS, and Mr. KENNEDY):

S. 174. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Relations.

By Mr. SCHWEIKER (for himself and Mr. RANDOLPH):

S. 175. A bill to provide a special program of financial assistance to Opportunities Industrialization Centers in order to provide new skills training opportunities, and to other National Community Based Organizations to provide comprehensive employment services to create one million new training and job opportunities; to the Committee on Labor and Public Welfare.

By Mr. BROOKE:

S. 176. A bill to amend title XVIII of the Social Security Act to provide for payment for out-of-hospital prescription drugs and eyeglasses; to the Committee on Finance.

S. 177. A bill to eliminate the requirement of a 3-day prior hospitalization to be eligible for home health care and extended care services; to the Committee on Finance.

S. 178. A bill to assure low-income households the opportunity to participate in the food stamp program by eliminating the requirement that eligible households be charged for their food stamp allotment; to the Committee on Agriculture and Forestry.

By Mr. BARTLETT:

S. 179. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; and

S. 180. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. KENNEDY (for himself, Mr. MCCLELLAN, Mr. ABOUREZK, Mr. BAYH, Mr. HASKELL, Mr. MATHIAS, Mr. STEVENSON, Mr. HUMPHREY, and Mr. MATSUNAGA):

S. 181. A bill to amend title 18, United States Code, as as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 182. A bill to amend the Ports and Waterways Safety Act of 1972 in order to establish comprehensive liability and compensation for damages from oil spills, and for other purposes; to the Committee on Commerce.

By Mr. KENNEDY (for himself and Mr. BROOKE):

S. 183. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 184. A bill to authorize the acquisition and maintenance of the Goddard Rocket Launching Site in accordance with the Act of August 25, 1916, as amended, and supplemented, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CHURCH (for himself and Mr. WILLIAMS):

S. 185. A bill to amend the Social Security Act to roll back the deductible and coinsurance charges under part A of medicare to the 1976 levels, and for other purposes; to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. JACKSON, and Mr. HATFIELD):

S. 186. A bill to amend the Water Resources Planning Act, the Water Resources Research Act of 1964, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself and Mr. STEVENS):

S. 187. A bill to establish a program to revitalize the U.S. commercial fishing industry; to the Committee on Commerce.

By Mr. KENNEDY (for himself and Mr. BROOKE):

S. 188. A bill to establish the Boston Harbor National Recreation Area in the Commonwealth of Massachusetts; to the Committee on Interior and Insular Affairs.

By Mr. STONE:

S.J. Res. 5. A joint resolution relating to the compensation of Members of Congress; to the Committee on the Judiciary.

By Mr. HELMS:

S.J. Res. 6. A joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GOLDWATER:

S. 145. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters; to the Committee on Commerce.

EMERGENCY LOCATOR TRANSMITTER ACT OF 1977

Mr. GOLDWATER. Mr. President, on September 15 of last year, the Senate passed a very simple bill which would have provided aircraft operators with relief from a strict technical requirement that all civil aircraft be equipped with emergency locator transmitters, regardless of the justification for making a temporary exemption. The bill had been reported by the Senate Commerce Committee and passed by the Senate in response to numerous complaints from aircraft operators who pointed out that their aircraft was being grounded needlessly and arbitrarily due to the complete lack of any flexibility in the statute. Unfortunately, the corrective legislation passed by the Senate, and which was based upon a bill I had introduced early in 1975, was so burdened down with a number of unrelated aviation amendments added in the House of Representatives that it failed of enactment. What happened is that the House amended the original simple bill 1 day before the close of the session and then adjourned sine die before the Senate message concurring in the House amendments with an amendment had been received.

Mr. President, today I am reintroducing the bill as reported by the Senate committee and without any of the extraneous amendments. I might suggest that those provisions are much better suited for inclusion in an omnibus aviation bill than in the measure I am introducing.

Now, to explain, all this bill would do is simply to give discretionary authority to the Administrator of the Federal Aviation Administration so that he could authorize the temporary operation of civil aircraft without an ELT, if it is out of the aircraft for repair or replacement. The problem is that under existing law, there is no room for an exemption of any kind. Yet many aircraft operators are experiencing defective ELT units or running into service difficulties. These delays may run into a few weeks at best to a couple of months or more at worst. All the while, the aircraft is grounded, imposing great hardship on the operator.

Mr. President, the bill does not remove the general requirement that ELT's be installed on private aircraft. It will only permit aircraft to be operated temporarily in those cases when the FAA determines that a limited exemption is in the public interest.

Mr. President, the original bill itself is noncontroversial and I do not think there was one objection to it at the hearings which were held in September of 1975. I hope that the bill will receive favorable action by both the Senate and the House early in this session of Congress.

By Mr. GOLDWATER (for himself, Mr. STONE, Mr. BARTLETT, Mr. YOUNG, Mr. MORGAN, Mr. MCCLELLAN, Mr. LAXALT, Mr. DOMENICI, Mr. NUNN, Mr. RIBICOFF, Mr. STAFFORD, Mr. LEAHY, Mr. ABOUREZK, Mr. WEICKER, Mr. GARN, and Mr. INOUYE):

S. 146. A bill to repeal the earnings limitation of the Social Security Act for

all workers age 65 and over; to the Committee on Finance.

REPEAL THE ROBBERY OF OUR SENIOR CITIZENS

Mr. GOLDWATER. Mr. President, I call today for the complete repeal of the means test on social security benefits paid to workers who are aged 65 and older. I am joined in this proposal by Senators STONE, BARTLETT, YOUNG, MORGAN, MCCLELLAN, LAXALT, DOMENICI, NUNN, RIBICOFF, STAFFORD, LEAHY, ABOUREZK, WEICKER, GARN, and INOUYE.

By "means test," I refer to the penalty imposed on persons who are otherwise fully eligible for social security checks, but who earn more than $3,000 a year.

Although there have been improvements in recent years, because of the automatic provision for cost-of-living increases in the earnings test, social security recipients still have $1 deducted from their checks for every $2 earned over the $3,000 exempt amount. The only exclusion is for persons 72 and older.

Mr. President, the social security means test is a shameful robbery by the law of money belonging to our senior citizens. This money is not the Government's to keep. It is the employees', who have paid their "premiums" all of their lives.

According to the best figures I can get from the Social Security Administration and economists, at least 2 million elderly citizens and their families are injured by the earnings limitation. Some 1.4 million persons lose all or some of their benefits. Another group of about 600,000 Americans are now not working, or are holding their incomes below the ceiling, on account of the means test.

Whatever the numbers affected, I believe the earnings penalty is wrong. In my opinion, it stands as a broken promise to the American working men and women who have been led to believe benefits will be paid "as a matter of right," because of the payroll contributions which they and their employers have made over lifetimes of work. Whatever the Social Security Administration and its defenders can say about what "a matter of right" means to them, as understood by employees it is a pledge that the scheduled benefits will be paid automatically to workers once they reach the statutory age.

Also, I oppose the means test, because it transforms a contributory program into a welfare program. A worker must prove he has a need for benefits, because of a loss in earnings, in order to qualify for them.

Mr. President, there are many other reasons why the means test should be repealed. It arbitrarily forces early retirement upon great numbers of workers who wish to continue employment, and in doing so, it may shorten the lifespan of those persons. There is no question, but that the income test has an important effect on the accelerated rate of retirement. Census data on labor force participation by age shows a striking drop at age 65—the age when persons become eligible for full social security benefits. Expert studies prove that only a small portion of the drop is the result of health reasons. Up to half of the decline in working may be attributable to the earnings limitation.

Other studies find that the means test has the same effect upon discouraging employment, but they reach this conclusion from a different approach. Instead of examining the declining work rate of persons who reach 65, which is the onset of the earnings test, these studies analyze the labor force participation of workers who reach age 72, the age at which they become eligible for social security benefits regardless of their work income. Far from finding a steadily declining rate for persons who reach age 72, as one might expect if age and health were a decisive factor in keeping older persons from working, the opposite result was discovered. There is a sharp increase in the labor force participation of persons entitled to social security benefits once they reach age 72. This is strong evidence of the tragic impact of the means test upon persons who are ages 65 through 71.

Next, I oppose the means test, because it discriminates against the poor who cannot afford to retire. It penalizes wage earners only. Under the means test, a family's total cash flow does not matter so long as it is from nonwage income. Interest, rentals, dividends, and so forth, will have no effect upon a person's right to receive social security benefits. Now, the answer is not to double the error by taking away the social security checks of those with nonwage income. Rather, the proper solution is to repeal the means test for everyone.

Finally, I would point out that the earnings limitation does not only have an impact upon the human beings who are forced to retire or to hold down their incomes, but there is a very real cost to the U.S. economy from this law. One economist has made an estimate of the cost in real output of the means test and he has calculated that for a 12-year period, it may have caused a reduction in the GNP of up to 2.4 percent—a two-tenths percentage point decline in the annual growth rate. If true, this means that although one of the major objections to the elimination of the means test has been its cost, the present cost of the income test in terms of smaller economic output will be saved by eliminating it.

And speaking of costs, Mr. President, the highest estimate that the Social Security Administration has given me is that the present contribution rate of employers and employees would have to be increased by two-tenths percent, if the means test were eliminated. This would cost $28 a year maximum to present workers. Of course, payroll taxes need not be increased at all, if general revenues are used. In contrast, the Social Security Administration has been requested to estimate, but never calculated for me, the amount of additional social security taxes that would flow into the Treasury, because of additional earnings stimulated by eliminating the test. Nor has it come up with an estimate of the additional Federal income taxes which elimination of the earnings limitation, and the resultant increase in work, would generate.

And, when the opponents of repealing the means test talk about cost, they ignore the value that must be placed upon the well-being of those elderly persons who are now suffering physical and mental harm by being forced to retire sooner than they wished, solely because of the earnings ceiling. The opponents also ignore the loss to the U.S. economy of an important productive resource, the skills, and labor of the elderly.

Mr. President, the decision to repeal the means test cannot be put upon a cost-effectiveness basis. The test is wrong. It is illogical. And it should be repealed immediately.

SOCIAL SECURITY RETIREMENT TEST

Mr. RIBICOFF. Mr. President, today I am pleased to cosponsor legislation to repeal the so-called retirement test in the social security program.

Every year working men and women who have paid social security taxes their whole lives reach the age of 65 only to discover that their wages make them "too rich" for the social security benefits they thought they had earned.

These working men and women discover that they must choose between earning less than $3,000 and getting their social security or earning more than $3,000 and giving up some of those benefits. In addition, they must continue to pay social security taxes.

Yet the man next door who draws interest income or a high private pension suffers no reduction in his social security benefits.

This retirement test means the social security program discriminates against those who must continue to work. The retirement test is not a true means test: Only wages and not interest or dividend or pension income count.

Today we talk about the damage done by forced retirement to the morale and the physical health of workers. Yet every year we force working men and women into an early retirement. In doing this, our country loses the benefit of their skills and their labor.

The social security system is supported by millions of working Americans, because they think they are buying the right to receive payments at age 65. How long can we expect men and women to support a system which misleads them—which taxes them for a benefit it promises, but does not deliver?

Now is the time to eliminate this inequity.

By Mr. BENTSEN for himself and Mr. PERCY):

S. 149. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for employers who increase the number of individuals they employ, or who, in periods of high unemployment, maintain full employment levels; to the Committee on Finance.

A NEW POLICY TOOL FOR ECONOMIC STABILIZATION

Mr. BENTSEN. Mr. President, today I am introducing the Employment Tax Credit Economic Stabilization Act of 1977 to promote economic stability by giving American business tax incentives to maintain and enlarge their work forces during periods of high unemployment.

The experience of the last 2 years should convince every American that new ideas are sorely needed to help solve our twin problems of high unemployment and rapid inflation. In the last 2 years,

joblessness has reached levels unknown since the Great Depression. Millions of bread winners and their families have suffered great hardships. But this tragic waste of human productive capacity has itself not produced stable prices. Inflation remains one of our most serious social problems. It continues to adversely affect the budget of every American family and it continues to wipe out much of the purchasing power of the savings of those who have been thrifty. Most importantly, inflation is still eroding the confidence the people have in our economic system. Without that confidence, our free market system cannot function effectively.

Economists have given the economic condition of the last 2 years a new name—stagflation. We do not, however, have to live permanently with stagflation. There is a way to create jobs and hold down prices in the bargain. Moreover, these jobs do not have to be expensive public service ones which cost the taxpayers anywhere from $8,000 to $12,000 a piece. I am talking about a way to put our machine tool operators, our foundry workers, our heavy equipment operators back where they really want to be and should be—at the highly skilled and highly productive jobs in the private sector that they were trained to do.

We give business tax credits to encourage the purchase of machinery. Why not give similar tax incentives to employers who invest in our most precious national resource, the working men and women of America? Employers should be given tax incentives to keep workers on the payroll during times when business is bad and to hire more workers when business begins to pick up. These tax reductions would reduce layoffs, create jobs, and temper inflation by lowering labor costs to business.

How would my system of employment tax credits work? It is simple. When the national rate of unemployment reaches or exceeds 5 percent for 3 consecutive months, the system would go into effect automatically. Employers receive a tax credit amounting to 5 percent of the wages of all workers hired or retained over an employment base which rises and falls automatically according to the level of unemployment. At 5 percent, the employment base would be the number of full time workers on the payroll for the 12 months preceding the triggering of the system. When the unemployment rate reaches the 6 percent for 3 consecutive months, the employment base would be 95 percent of that number and a 7 percent or more unemployment rate for 3 consecutive months would produce an employment base 90 percent of that number. Any employer, for example, who had 100 people on his payroll for the 12 months preceding the triggering of the system would be entitled to the credit for all workers over the base of 90 if the rate of employment equaled or exceeded 7 percent for 3 consecutive months.

As unemployment declines, the system gradually phases itself out. When the unemployment rate dips below 5 percent, the system is completely phased out.

This variable base employment tax credit system provides an incentive for firms to retain workers during a downturn since each worker laid off would reduce the firm's tax credit. It would work to encourage so-called labor hoarding which goes on even without this system during recession periods. There is a great deal of evidence indicating that firms do treat short-run cyclical downturns as in fact what they are, short-run downturns. Therefore, some relatively unproductive labor may be maintained to avoid the long run nonwage costs of rehiring, retraining, and perhaps of losing valuable workers to other firms or occupations. That is why labor productivity tends to fall off during an economic downswing. The evidence is that when the ratio of nonwage to wage costs is high, much labor hoarding goes on. The variable base employment tax credit, by lowering wage costs, would increase the ratio of nonwage to wage costs.

This variable base system would also give firms an incentive to speed hiring during periods of recovery since each new worker hired would increase the value of the credit.

Can a system so simple work? An employment tax credit lowers effective wage rates. This is the mechanism which is peculiar to this kind of tax cut. To suggest that this mechanism will not work is to say that wage rates do not influence a manager's decision to hire new workers or to retain old ones during a downswing. Commonsense would suggest that one important variable which management has to consider in its employment decision is the wage rates it pays its workers. This is particularly true in the service sector of the economy and that sector is becoming the dominant employer in the economy.

A recent study by Profs. Gary Fethke and Sam Williamson at the University of Iowa concludes that 2 million more people would have jobs today if a system similar to the one I described above had been in effect in the fall of 1975. And inflation would be almost 2 percent lower.

How can a program which creates jobs also lower inflation? The answer is easy—by lowering the cost of labor to business. A tax reduction given to a firm for hiring a new employee or keeping an old one on the payroll in effect lowers the wage the firm pays the worker without reducing the worker's income. This means that industry's labor costs fall. In turn, this encourages employment and it also reduces inflationary pressures in the economy.

How much would my bill cost? That would depend on the severity of the downswing. At the current rate of unemployment, the direct Treasury revenue loss would be about $3 billion annually. But this revenue loss is only a fraction of the tax reductions historically enacted as countercyclical stimulus during periods of recession. Moreover, the direct revenue loss from my bill would be temporary since the system phases out as the economy recovers. Most importantly, as the Fethke-Williamson study shows, the net cost would be very close to zero when the revenue gains produced by reduced unemployment are included in the calculation. Finally, the direct Treasury revenue loss per job created under my proposal would be about $1,500 and this compares very favorably with the $8,000 to $12,000 cost of each public service job.

Tax credits for human investment create jobs with a future in America's private industry. Government sponsored public service jobs may be necessary as a last resort in emergency situations. But Government job programs invariably mean expanded Government bureaucracy. Tax incentives to stimulate employment, on the other hand, will not enlarge the size of Government.

An employment tax credit system has never really been tried in this country. Our economic problems are as difficult and perplexing as any we have faced in our 200-year history. That is why it is necessary for us to move from the outmoded policies of the past to imaginative, innovative policies which address the new economic realities we now confront.

I ask unanimous consent that the fact sheet on the Employment Tax Credit Economic Stabilization Act be printed in the RECORD at this point together with the bill.

There being no objection, the bill and fact sheet were ordered to be printed in the RECORD, as follows:

S. 149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Employment Tax Credit Economic Stabilization Act of 1977".

SEC. 2. CREDIT ALLOWED FOR INCREASED EMPLOYMENT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allotted) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B. EMPLOYMENT TAX CREDIT.

"(a) GENERAL RULE.—If the rate of unemployment for the United States is 5 percent or more for any 3 consecutive months of the taxable year, there is allowed to an employer as a credit against the tax imposed by this chapter for that taxable year, an amount equal to 5 percent of the employment factor of that employer for the taxable year.

"(b) DEFINITIONS; SPECIAL RULES.—

"(1) RATE OF UNEMPLOYMENT.—The term 'rate of unemployment' means the unemployment rate for the United States calculated as a percentage of the civilian labor force for all individuals 16 years of age and over as determined by the Bureau of Labor Statistics of the Department of Labor.

"(2) EMPLOYER.—The term 'employer' is defined in section 3401(d).

"(3) EMPLOYMENT FACTOR.—

"(A) IN GENERAL.—The employment factor of a taxpayer for the taxable year is the product of—

"(i) average annual gross wages, multiplied by

"(ii) the number by which the number of fulltime employees of the taxpayer for the taxable years exceeds the number of fulltime employees of the taxpayer for the preceding taxable year.

In determining that number, parttime employees, and employees who are employed for less than 10 months of the year shall, under regulations prescribed by the Secretary, be treated as proportionate fulltime employees for the taxable year.

"(B) AVERAGE ANNUAL GROSS WAGES.—The term 'average annual gross wages' means the Annual Average Gross Eearnings-Total Private Non-Agricultural as determined by the Bureau of Labor Statistics of the Department of Labor for the calendar year end-

ing with or within the taxable year of the taxpayer.

"(C) NEW FIRMS.—An employer who was an employer for less than 6 months during the preceding taxable year shall be considered, for purposes of subparagraph (A), to have had a number of employees for the preceding taxable year equal in number to 95 percent of the number of employees he has for the current taxable year.

"(D) ADJUSTMENT FOR HIGH RATES OF UNEMPLOYMENT.—If the rate of unemployment for the United States for any period of 3 consecutive months during the taxable year is equal to, or more than 6 percent but less than 7 percent, the number of fulltime employees of the taxpayer for the preceding taxable year shall be reduced (for purposes of making the computation required by subparagraph (A)) by 5 percent, if such rate for any such period during the taxable year is equal to, or more than, 7 percent, the number of fulltime employees of the taxpayer for the preceding taxable year shall be reduced (for purposes of making the computation required by subparagraph (A)) by 10 percent.

"(E) EMPLOYEES.—The term 'employee' means an individual who is an employee within the meaning of section 3121(d) who is employed in the United States or its possessions.

"(c) CONGRESSIONAL REVIEW.—The Congress hereby declares its intention to review the operation of the provisions of this section before January 1, 1980, and before every third January thereafter for the purpose of determining whether the credit allowed by subsection (a) should be allowed for taxable years beginning after December 31, 1979.".

(b) REFUNDABILITY.—

(1) Section 6401(b) of such Code (relating to amount treated as overpayments) is amended—

(A) by inserting "44B (relating to employment tax credit)," before ", exceeds", and

(B) by striking out "and 43" the second time it appears and inserting in lieu thereof a comma and "43 and 44B".

(2) Section 6201(a)(4) of such Code (relating to assessment authority) is amended—

(A) by striking out "39 or 43." in the caption of such section and inserting in lieu thereof "39, 43, or 44B.", and

(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof a comma and "section 43 (relating to earned income), or section 44B (relating to employment tax credit),".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"SEC. 44B. EMPLOYMENT TAX CREDIT.".

(2) Section 6096(b) of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

(d) EFFECTIVE DATE.—The amendments made by this section apply with respect to taxable years beginning after December 31, 1976.

THE EMPLOYMENT TAX CREDIT ECONOMIC STABILIZATION ACT OF 1977

GENERAL DESCRIPTION

The bill would give any firm or other employer a tax credit against its Federal income tax for every worker hired or maintained on its payroll above its employment base. The amount of the credit is 5 percent of the annual average gross earnings for production and non-supervisory workers as determined by the Bureau of Labor Statistics for each qualifying worker (currently) the credit would be about $500 per qualifying worker).

The employment base rises and falls automatically according to the level of unemployment. Unemployment of 5 percent or more for three consecutive months triggers the system. The employment base becomes the number of full-time employees on the payroll in the 12 months preceding the triggering of the system. A business would be eligible for the tax credit only by expanding the size of its work force. When the unemployment rate reaches 6 percent for three consecutive months, the employment base would be 95 percent of the number of full-time workers on the payroll for 12 months preceding the triggering of the system and a 7 percent or more unemployment rate for three consecutive months would produce an employment base 90 percent of that number. Any employer, for example, who had 100 people on his payroll for the 12 months preceding the triggering of the system would be entitled to the credit for all workers over the base of 90 if the rate of unemployment equaled or exceeded 7 percent for three consecutive months.

The system phases itself out as unemployment declines with a complete phase out occurring when unemployment falls below 5 percent.

SPECIFIC PROVISIONS

1. The tax credit applies for taxable years beginning after December 31, 1976. All business firms and other employers who pay Federal corporate and other income taxes are eligible. The Congress is mandated to review the operation of the tax credit system before January 1, 1980 and every three years thereafter to determine whether it should continue.

2. To make the bookkeeping requirement as simple as possible for qualifying firms and to provide the greatest incentive to hire or retain low wage relatively unskilled workers who are generally laid-off first during a recession, the amount of the credit is computed as 5 percent of "the annual average gross earnings for production and non-supervisory workers" as determined by the Bureau of Labor Statistics for each qualifying worker.

3. Employees qualifying for the credit are defined as those hired or retained on the payroll above the firm's employment base.

(a) If unemployment equals or exceeds 5 percent for three consecutive months, the employment base is equal to the average number of full-time employees on the payroll for the 12 months preceding the triggering of the system. If unemployment equals or exceeds 6 percent for three consecutive months, the employment base is 95 percent of that number and if unemployment equals or exceeds 7 percent for three consecutive months, the employment base is 90 percent of that number.

(b) To provide a reasonable amount of certainty for firms using the tax credit system, once an employee qualifies for the credit he or she remains creditable for, at least, one year regardless of the National rate of unemployment.

(c) The tax credit formula automatically pro-rates the credit earned for employees not on the payroll for the entire year.

(d) New firms—a new firm will be considered to have an employment base equal to 95 percent of the number of full-time workers on its payroll for the first year of its operation.

(e) Only workers employed in the United States or its possessions could qualify for the employment tax credit.

4. Because some firms may not have sufficient earnings during a downswing, the credit is refundable.

EMPLOYMENT EFFECT AND COST

A recent econometic study by Professors Gary Fethke and Sam Williamson at the University of Iowa concludes that two million more people would have jobs today if a system similar to the one described above had been in effect in the Fall of 1975. And inflation would be almost 2 percent lower. The direct Treasury revenue loss will depend on the severity of the downswing.

At the current rate of unemployment, the direct Treasury revenue loss would be about $3 billion annually. But this revenue loss is only a fraction of the revenue loss which results from the tax reductions which have been historically enacted as countercyclical stimulus during periods of recession. Moreover, the direct revenue loss from the bill would be temporary since the system phases out as the economy recovers. Most importantly, as the Fethke-Williamson study shows, the net cost would be very close to zero when the revenue gains produced by reduced unemployment are included in the calculation. Finally, the direct Treasury revenue loss per job created under my proposal would be about $1,500 and this compares very favorably with the $8,000 to $12,000 cost per public service job.

By Mr. PEARSON:

S. 151. A bill to amend section 403 of the Congressional Budget Act of 1974 to require cost estimates of proposed legislation covering a 5-year period and to include costs to be incurred by nongovernmental entities; and to require Federal regulatory agencies to estimate and report on public and private costs of proposed regulations; to the Committee on Government Operations.

ECONOMIC IMPACT STATEMENT ACT OF 1977

Mr. PEARSON. Mr. President, today I am introducing a bill designed to strengthen the Congressional Budget Act of 1974, and to extend the legislative cost analysis concept contained in the act to Executive regulatory action. My intention is to require a thorough review of all Government action to determine, as accurately as practicable, the total cost of Government, not only in direct expenditures, but also in terms of consumer and industry impact.

As you know, Mr. President, the Congressional Budget Act already requires that an estimate be made to reflect the cost, to the Federal Government, of proposed authorization legislation during a 5-year period. This provision served us well during the 94th Congress. But the provision overlooks an important and quantifiable cost of legislation. In addition to measuring Federal cost, we must also project what a bill is going to mean to State and local governments and to the private sector.

To correct this oversight, one provision of my bill requires the Director of the Congressional Budget Office to prepare an estimate of cost to be incurred not only by the Federal Government, but also by State and local governments and by nongovernmental entities. In this way, we can begin to measure a legislative proposal's long-term fiscal impact in the public and private sectors. Hopefully, we can avoid unnecessarily escalating Government imposed costs with resulting unintended inflationary pressure.

Including all Government and private sector costs in economic analysis of legislation is, I believe, a logical expansion of the provisions already adopted in the Congressional Budget Act. I also believe that requiring similar executive branch analysis for proposed regulations is a rational and essential concomitant to this expanded cost-analysis requirement.

For that reason, Mr. President, my proposal mandates Federal regulatory agency consideration of the economic impact of future regulations that they

may promulgate. The health, safety, or other goals behind regulations are important ones, but it is also important that Congress be aware of the cost that these actions impose on regulated industries and, of course, ultimately on the consumer. Such an economic analysis will encourage an agency to consider less costly means of achieving its regulatory goals. My bill simply requires agencies proposing a rule to give Congress an estimate of the cost to be incurred by the Government and by the private sector, including businesses and individual consumers. In this way, for the first time, the American public will know the cost, as well as the benefits of regulatory action.

It is my understanding that through Executive Order 11821 all executive branch agencies must now analyze at least the inflationary impact of major regulations that they propose. The Council on Wage and Price Stability and the Office of Management and Budget have conceived and implemented procedures for compliance with this Executive order and have begun to develop the expertise for undertaking economic analysis.

Their experience indicates that analyses such as I propose can be effectively conducted and profitably shared with Congress.

Mr. President, my proposal is, therefore, a modest one. It calls for a more complete evaluation of the cost of legislative action and, for the first time, a reporting to Congress on the cost of regulatory action. The benefits seem to be obvious. We will be able to make better informed judgments on the propriety and advisability of our legislative acts. The American people, through their elected officials, will be able to measure the cost and benefits of regulatory action. By bringing the action of regulators into account by elected officials, I am confident that we will have better regulation and more cost effective implementation of congressional intent.

Mr. President, since the goal appears attainable and is clearly desirable, I urge favorable consideration of this bill. I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Economic Impact Statement Act of 1977".

SEC. 2. Section 403(1) of the Congressional Budget Act of 1974 is amended to read as follows:

"(1) an estimate of the costs which would be incurred by the Federal Government, by state and local governments, and by nongovernmental entities in carrying out such bill or resolution in the fiscal year in which it is to become effective and in each of the four fiscal years following such fiscal years, together with the basis for each such estimate; and".

SEC. 3. The provisions of section 904 of the Congressional Budget Act of 1974 shall apply to the amendment made by section 2 as if such amendment were included in section 403 of such Act at the time of its enactment.

SEC. 4. Whenever any officer or agency in the executive branch of the Federal Government (including any independent establishment of the United States) proposes to prescribe or place in effect any rule or regulation to be used in the administration or implementation of any law of the United States or any program established by or under such a law, or proposes to make or place in effect any change in such a rule or regulation, such officer or agency shall submit the proposed rule, regulation or change to the appropriate committee or committees in each House of Congress having jurisdiction over the matters contained in such rule, regulation or change together with a report containing a full explanation thereof. Such report shall include, but not be limited to, a summary of such rule, regulation or change, a description of the effect of such rule, regulation or change on interstate commerce, and an estimate of the costs to be incurred by the Federal Government, by state and local governments, by nongovernmental entities, and by individuals, including consumers of such products or services affected by such rule, regulation or change, in carrying out such rule, regulation or change in the fiscal year in which it is to become effective and each of the four fiscal years following such fiscal year, together with the basis for each such estimate.

By Mr. BUMPERS:

S. 160. A bill to amend the Arms Export Control Act to require approval by joint resolution of any governmental or commercial sale of any defense article or service for $100 million or more; to the Committee on Foreign Relations.

ARMS SALES OF $100 MILLION OR MORE

Mr. BUMPERS. Mr. President, the grim realization that this country has no arms export policy was dramatically and abruptly brought home to me last September when the administration in one fell swoop, proposed sales of $6 billion to 11 countries. The cynical tack of the administration was all too clear at that time: to inundate us at the session's 11th hour with a flood of sales that we could not hope to examine properly before adjournment. Swamped as we were and encouraged by Mr. Kissinger not to question the sales, we bent under the pressure and refused to hold the transactions up to the light and give them the close scrutiny they deserved.

Prior to that time I had doubted those Jeremiahs who heatedly proclaimed that our unprecedented arms sales were morally indefensible and essentially out of control. I am convinced that there is no more important task facing the 95th Congress than to bring our arms sales back within the ambit of responsible planning and reasonable restraint.

My distinguished colleagues, Senators HUMPHREY and NELSON, together with many others have been active for years in efforts to control arms exports. Largely through their efforts, Congress now has the authority to halt by concurrent resolution arms sales of $25 million or more, or sales involving major weapons systems with development costs of $7 million or more. I championed the establishment of that authority in the Congress. It was long overdue. Unhappily, as witnessed by 2 years of operation under Nelson amendment procedures, we in Congress have proven reluctant to invoke our powers and halt those arms transactions which seemed clearly contrary to our own best interests, and to global peace.

My bill, therefore, would force a more active role by the Congress in formulating arms export policy. It would supplement the Nelson amendment by requiring both Houses and the Executive to approve by joint resolution all arms sales of $100 million or more to a single country. Without such approval, the transactions could not be consummated. Approval would be necessary both in the case of government-to-government sales and commercial sales.

To give you some idea of the number of congressional resolutions that would be required, in 1975 and in the first three quarters of 1976 there were 146 filings of government-to-government sales with the chairman of the Foreign Relations Committee under the Nelson amendment. Of those sales, 49 involved arms to individual countries valued at $100 million or more.

Moreover, of the $6 billion package made public last September, the following sales would not have been finalized under my bill without congressional and Executive action:

Iran, $3.8 billion for F–16 fighters, various missiles and support equipment.

Saudi Arabia, three contracts totaling $605 million for training and military construction.

Norway, $100 million for missiles.

Singapore, $109.7 million for F–5 jet fighters.

There are two significant questions inherent in what I am proposing that I would urge my colleagues on the Foreign Relations and Armed Services Committees to examine. First, to what extent should this legislation be adhered to when an ally is at war and in need of immediate armaments? Obviously, one opponent to the sales in the Senate or the House could delay and perhaps ultimately impede consideration of the transfer simply by parliamentary maneuvering.

Second, care must be taken to prevent piecemeal sales for the purpose of avoiding the requirements of this bill, when sales in the aggregate would total $100 million or more.

Mr. President, I have every confidence that the new administration will be as anxious as I am to stop this current orgy of weapons activity. We all know the tragic statistics which depict the recent trends in arms trade:

Sales in excess of $14.4 billion in 1976—in 1970, sales of equipment totaled less than $1 billion.

American sales representing over 50 percent of the worldwide market.

Eighty percent of our arms sales today going to the Persian Gulf States and to the Middle East.

Iran alone purchasing $13.8 billion in military goods since 1972.

Added to this depressing array of figures is the fact that in the last 30 years there have been 119 armed conflicts involving 69 nations.

How we can we pretend to be a leader for world peace when we, by our daily actions, are making it that much easier for rival nations to roll the iron dice, as Adlai Stevenson once described it, and run this disturbing total up even higher.

Since our catastrophic involvement in Southeast Asia our foreign policy, under Mr. Kissinger's aegis, has undergone a palpable shift. Rather than a policy

predicated on our own armed interventions on behalf of friends, we have opted for the safer course of arming our allies to the teeth through these mammoth weapons transactions. It has been argued by the proponents of this policy shift that this strategy benefits everyone. It means a generally healthier economy with more jobs at home and a better balance-of-payment posture. At the same time we are shoring up our friends and the bulwark they represent to international communism.

But the essential inconsistency with our avowed goal of international peace remains. It is far better in my opinion to promote the strength and beauty of American democracy by sharing our bounty with the world than by trading willy nilly in death and destruction. If balance of payments is all we are worried about, let us increase our agricultural production and our food exports, which is exactly what farmers in my State would like. That would be eminently preferable to trafficking in Sidewinder missiles and F–16's.

There are other drawbacks to our present course. We are so seriously depleting our own inventories that Pentagon officials are beginning to question the wisdom of this pellmell rush to sell our latest weapons systems. Training of foreign armed services represents another problem. As American "advisers" continue to burgeon in Iran, Saudi Arabia, and elsewhere, the risk of American entanglement in another foreign conflict grows commensurately.

We in Congress can be justly proud of our recent reassertion of our constitutional powers, particularly in the area of foreign affairs. The war powers resolution was a dramatic illustration of this. Our subsequent actions with respect to appropriations for Southeast Asia and Angola also attest to it, as does the arms export legislation.

I urge my colleagues to continue in this vein with the adoption of my bill. Time is short. The sheer volume of our current arms sales suggests the absence of any rhyme or reason. Aggressive congressional direction, quite simply, is essential in this critical policy area. If we do not come to grips with the issue—if we continue to permit these sales to spin aimlessly out of control, we will have failed in an area where it is imperative that we succeed.

Mr. President, I ask that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 36 of the Arms Export Control Act is amended by adding at the end thereof the following new subsection:

"(e) In the case of a letter of offer to sell any defense articles or services under this Act for $100,000,000 or more, and in the case of an application by a person (other than with regard to a sale under section 21 or 22 of this Act) for a license for the export of any defense articles or defense services sold under a contract in the amount of $100,000,000 or more, no such letter of offer or license (as the case may be) may be issued unless approved by joint resolution.".

By Mr. HEINZ:

S. 161. A bill to establish a program for repairing and replacing unsafe highway bridges; to the Committee on Public Works and Finance, jointly, by unanimous consent.

BRIDGE SAFETY ACT OF 1977

Mr. HEINZ. Mr. President, today I am introducing the Bridge Safety Act of 1977. This legislation is the result of months of study and consultation with highway and transportation officials throughout the country. It recognizes that the problem of unsafe bridges in the United States is so great that it will never be solved by piecemeal legislation.

This bill builds on the present Federal Aid Highway Assistance Act and makes the amount of money, $720 million per year, committed to the special bridge reconstruction and replacement program realistic and commensurate with the magnitude of the nationwide problem it is intended to solve.

It extends the highway trust fund through 1990, a time sufficiently long to get the job done. Most importantly, this legislation encourages the immediate repair of existing bridges, thus reducing the threat to human life. Also, by repairing these bridges now, the effect of inflation and cost of total replacement later will be greatly reduced.

As we begin to establish our priorities for the 95th Congress, I hope we take the time we need to act on legislation that is urgently needed to resolve the problem of unsafe bridges.

The current special bridge reconstruction and replacement program was established by Congress almost 10 years ago. The act was a direct result of the tragic collapse of the Silver Bridge in West Virginia which resulted in the deaths of 46 people. Since then estimates of critically deficient bridges have varied from 89,000—1970 Highway Needs Report—to 35,000—1975 Federal Highway Administration data.

Unsafe bridges have attracted the attention of the public. But I am afraid that Congress will not be moved to act on this critical issue until another major bridge disaster occurs and more lives are lost. We have already waited too long. It was as early as 1975 GAO reported to Congress that the bridge problem was—

. . . of such magnitude that the marshalling of all pertinent highway programs, including the safety programs, is needed to make any prompt progress.

At $180 million a year—about half the amount needed to replace or repair the bridges in Allegheny alone, my home county in Pennsylvania—the present program has not had sufficient funding. Nor does it have a workable matching ratio. The special bridge replacement program is not presently sufficient to meet today's needs. The estimated cost of replacing those bridges identified as being unsafe has been estimated between $10 and $31 billion plus additional costs as others become unsafe. It is unreasonable to believe that these costs could be met within this century without a massive increase in the annual funding level of the existing program. But without a change in the existing law, we are inviting tragedy. The potential danger of collapse, the traffic hazards at narrow and poorly aligned bridges reduce both the safety and the economic efficiency of the Federal-aid system.

To date, there have been only 670 bridges replaced under the Federal program, an annual rate of about only one bridge in each State. At this rate it will take a minimum of 80 years to bring our Nation's bridges to a standard of safety which citizens of this country have every right to expect. For those who remember the Silver Bridge and other disasters, 80 years is too long a time to gamble that more rotting bridges will not collapse.

The bill I introduce today will be of great benefit to all States. However, the bill recognizes that for various reasons, including their essentiality for public use, topography, population, length span, and load carrying capacity, certain States and counties depend on bridges much more than others. This bill directs the Department of Transportation to identify these areas and give first priority to those with the most critical need. Moreover, a certain percentage of the total appropriation each year will be set aside so that individual counties may apply for emergency funds, without respect to their State's appropriation.

I first introduced this legislation in the 94th Congress and received strong support from such well-respected groups as the National Association of Counties, Pennsylvania Parent-Teachers Association, the American Road Builders Association, and the Iron and Steel Institute. This support, I believe, is based on the fact that this bill would not only attack the problem of unsafe bridges but would also have a direct impact on unemployment. In fact, a Library of Congress analysis estimated that this legislation would create approximately 34,000 jobs of 1 year's duration.

This would include 17,136 onsite jobs and 17,280 offsite jobs per year. Also, it has been estimated that an additional 48,000 jobs might be created over a several year period for each $720 million outlay, due to the multiplier effect of such an expenditure.

Mr. President, the Bridge Safety Act of 1977 is aimed at solving a national problem. All over this country unsafe "killer bridges" present a clear and present danger. Immediate action on a comprehensive solution is absolutely vital.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill introduced by the Senator from Pennsylvania (Mr. HEINZ) be referred jointly to the Committee on Public Works and the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 162. A bill to exempt normal farming and forestry activities from permit requirements for discharges of dredged or fill materials, and for other purposes; to the Committee on Public Works.

Mr. HUDDLESTON. Mr. President, despite strong efforts by many during the last Congress, a clear-cut decision could not be reached on how best to implement or revise the regulations promulgated under section 404 of the Federal Water Pollution Control Act (P.L.

92–500). My colleagues will remember section 404 as that section of Public Law 92–500 listing the requirements for the permits necessary for so-called dredge and fill operations affecting navigable waters and adjacent wetlands. As it now stands the Corps of Engineers is responsible for regulation of such activities.

Quite unfortunately in my view, the corps now has in place regulations which demand extensive conditions to be met before any type of dredge and fill operations can be used in the production of food, fiber, and forest products. In a U.S. Department of Agriculture analysis it is estimated that our Nation's farmers must file some 360,000 permit applications each year in order to meet present corps' requirements. Alone, the delays in farming production activities caused by the processing time for these applications 4 months or more, highlight the absurdity of the present situation.

The bill I introduce today will exempt from the corps' burdensome requirements agricultural, ranching, or sivilcultural lands. Also excluded from the permit requirements are federally assisted projects which must already file tremendous amounts of environmental justification material with the Congress, which in turn must approve or reject funding the project on its merits.

It is not my intention to tamper with the definition of navigable waters, nor is it my intention to open the door to widespread dumping of dredge and fill material.

Rather, what I want to do is simply this—allow farming, soil and water conservation, and forestry practices to be undertaken without unnecessary burdensome Federal regulation.

I believe it is outrageous that under present regulations farmers in the western portion of my State, much of which is a wetlands area, can now be forced to obtain a Federal permit before fencing, constructing a farm building, or installing a conservation measure in their drive to increase production of food and fiber products.

My bill sets reasonable parameters within which farmers can operate without exposing our Nation's wetlands to danger from discharges of excessive amounts of dredge and fill materials. Therefore I urge prompt action on this bill by the committees of jurisdiction.

By Mr. STEVENS:

S. 163. A bill to amend the National Forest Management Act of 1976 to classify the State of Alaska as all other States are classified with respect to the building of certain roads by the Secretary of Agriculture for purchasers of timber qualifying as small business concerns; to the Committee on Agriculture and Forestry.

Mr. STEVENS. Mr. President, today I am introducing a bill which would amend the National Forest Management Act, Public Law 94–588, to allow lumber companies in Alaska, which qualify as small business concerns to request that the U.S. Forest Service construct logging roads.

This bill simply classifies Alaska in the same category as the rest of the States in the Union. When the National Forest Management Act passed in the 94th Congress, the act allowed in section 14(i)(1) timber companies, which qualify as small businesses in the rest of the United States, to request that the Forest Service construct logging access roads for them. However, Alaska was excluded during the conference committee which was held on this bill. No explanation was given in the bill or its report for this exclusion and there is no justification for this exclusion. Therefore, I am introducing this bill to correct the matter.

Loggers in Alaska need the benefits of this provision as much, if not more, than other States, since our cost of living is much higher. Also it costs Alaska loggers much more than their competitors to ship to markets.

It is extremely important to Alaska to give our developing timber industry the same advantages as the rest of the United States. In order for Alaskan industry to compete in the national market we must not hinder their access to the resources. Allowing the Forest Service to construct logging roads for small timber companies in Alaska will not only allow them to compete economically, it will also insure that the roads are built in the most ecologically sound manner possible.

I hope to see quick consideration for this bill during this session.

I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(1)(1) of the National Forest Management Act of 1976 (P.L. 94–588; 90 Stat. 2949) is amended by striking out the colon and all remaining material in paragraph (1) and substituting in lieu thereof a period.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 164. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, I am pleased to introduce today for myself and my colleague, Senator GRAVEL, a bill to establish the Seward National Recreation Area.

The bill would establish a Seward National Recreation Area encompassing spectacular forests, glaciers, lakes, rivers, wildlife, and other resources in the Chugach National Forest and nearby lands on the Kenai Peninsula in Alaska. It would contain approximately 1.4 million acres and would be administered by the Secretary of Agriculture as a part of the Chugach National Forest.

Rich in history, spectacularly beautiful, the Seward National Recreation Area contains a wealth of recreation resources and opportunities. Its boundary lies about an hour's drive away from Anchorage, which is Alaska's most populous city, and the air crossroads of the world.

The story of civilization within the proposed recreation area began in the late 1700's. The fur of the sea otter attracted Siberian fur hunters and Russian traders, who enlisted as hunters the original inhabitants of the region—the Kenaitze Indians. In the 1850's, gold was first discovered, and in 1880, the town of Hope welcomed discovery at Resurrection Creek which started a human stampede in search of the precious metal.

Wildlife is a main attraction of the area. Moose wander near the main roads at certain times of the year, and Dall sheep and mountain goats can be seen on the steep mountain slopes. There are black bear, brown bear, and abundant porcupines and grouse. Hunting is good and fishing very popular, particularly when the salmon are running.

Most of the recreation area is rugged mountainous terrain with a maximum elevation of around 6,000 feet. The combination of mountain, lakes, streams, glaciers, and a variety of vegetative cover, produce a striking and varied landscape.

Ice fields and glaciers are prevalent. The recreation area includes one of the largest ice deposits in North America, the Harding Ice Field. It also contains one of the major established glacial attractions in Alaska—the Portage Glacier. This outstanding geological feature draws thousands of persons each year from all sections of the Nation and from many parts of the world. From a parking lot observation point on the western edge of Portage Lake one can get an excellent view of the face of the glacier, the expanse of the lake itself, and the steep surrounding mountains. The unique feature of this panorama, however, is the floating mass of gigantic icebergs which regularly calve off the face of the glacier. These irregular chunks of ice drift across the lake and come within close range of the observation point. Few other places in the world afford such a closeup view of icebergs from a vantage point on land.

This bill is patterned after legislation which established other national forest recreation areas. During the 94th Congress this bill passed in the Senate in the form of S. 847. The bill directs the Secretary of Agriculture to manage recreation areas for public outdoor recreation benefits and conservation of biotic, scenic, scientific, geologic, historic, and other values. Management, utilization, and disposal of natural resources are permitted so long as they are compatible with the recreational purposes and programs in the area. Minerals are withdrawn from location and entry under the mining laws, but can be leased or removed under permits by the Secretary of the Interior if the Secretary of Agriculture determines these would have no significant adverse effects on administration of the area. Permits and leases can contain conditions prescribed by the Secretary of Agriculture to protect the area's resources.

The Secretary is also directed to cooperate with the State of Alaska and its subdivisions in administering the area.

Copies of a map of the proposed national recreation area are available in the office of the Chief of the Forest Service in Washington and in the Alaska Regional Forester's office in Juneau.

Mr. President, enactment of this bill will bring an important new concept to bear in the management of Federal recreation resources in Alaska. This will establish the 1st Federal recreation area in the 49th State. We hope for and look forward to its early consideration.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide for the public outdoor recreation use and enjoyment of certain spectacular forested areas, geological areas, lakes, rivers, and streams, and other recreational features and resources on the Kenai Peninsula in the State of Alaska by present and future generations and the conservation of scenic, scientific, historic, geologic, and other values contributing to public enjoyment of such lands and waters, there is hereby established, subject to valid existing rights, the Seward National Recreation Area (hereinafter referred to as the "recreation area"), comprising approximately one million four hundred thousand acres. The boundaries of the recreation area shall be those shown on the map entitled "Proposed Seward National Recreation Area", dated November 1975, which is on file and available for public inspection in the Office of the Regional Forester, Alaska Region, and in the Office of the Chief, Forest Service, United States Department of Agriculture.

SEC. 2. The administration, protection, and development of the recreation area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to the national forest system, in such manner as in his judgment will best provide for (1) public outdoor recreation benefits; (2) conservation of biotic, scenic, scientific, geologic, historic, and other values contributing to public enjoyment; and (3) such management, utilization, or disposal of natural resources as in his judgment will promote or are compatible with, and do not significantly impair the purposes for which the recreation area is established.

SEC. 3. Within one year after the effective date of this Act, the Secretary shall publish in the Federal Register a detailed description of the boundaries of the recreation area and such description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description may be made.

SEC. 4. Within the boundaries of the recreation area the Secretary is authorized to acquire lands, waters, or other property, or any interest therein, in such manner as he considers to be in the public interest to carry out the purposes of this Act. Any lands, waters, and interests therein owned by or under the control of the State of Alaska or any political subdivision thereof may be acquired by donation only. Lands acquired by the Secretary within the recreation area shall become part of the recreation area and of the Chugach National Forest.

SEC. 5. The Secretary shall permit hunting, fishing, and trapping on the land and waters under his jurisdiction within the recreation area in accordance with applicable Federal and State laws; except that the Secretary may issue regulations designating zones where and establishing periods when no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. Except in emergencies, any regulations pursuant to this section shall be issued only after consultation with the Alaska Department of Fish and Game.

SEC. 6. The lands within the recreation area, subject to the valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws. The Secretary of the Interior, under such regulations as he deems appropriate, may issue permits or leases for the removal of the nonleasable minerals from lands or interests in lands within the recreation area, and he may permit the removal of leasable minerals from lands or interests in lands within the recreation area in accordance with the Mineral Leasing Act of February 24, 1920, as amended (30 U.S.C. 181 et seq.), or the Acquired Lands Mineral Leasing Act of August 7, 1947 (30 U.S.C. 351 et seq.), if the Secretary of Agriculture finds that such disposition would not have significant adverse effects on the administration of the recreation area: *Provided,* That any lease respecting such minerals in the recreation area shall be issued only with the consent of the Secretary of Agriculture and subject to such conditions as he may prescribe. All receipts derived from permits and leases issued under the authority of this section for removal of nonleasable minerals shall be paid into the same funds or accounts in the Treasury of the United States and shall be distributed in the same manner as provided for receipts from national forests. Any receipts derived from permits or leases issued on lands within the recreation area under the Mineral Leasing Act of February 25, 1920, as amended, or the Act of August 7, 1947, shall be disposed of as provided in the appliable Act.

SEC. 7. The jurisdiction of the State of Alaska and the United States over waters or any stream included in the recreation area shall be determined by established principles of law. Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

SEC. 8. The Secretary shall cooperate with the State of Alaska or any political subdivisions thereof in the administration of the recreation area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Alaska or any political subdivision thereof of, its right to exercise civil and criminal jurisdiction within the recreation area, or of its right to tax persons, corporations, franchises, or other non-Federal property, including mineral or other interests, in or on lands or waters within the recreation area.

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. MATSUNAGA:

S. 167. A bill to provide for a congressional scholarship program; to the Committee on Labor and Public Welfare.

CONGRESSIONAL SCHOLARSHIP ACT

Mr. MATSUNAGA. Mr. President, to enable many deserving high school seniors with outstanding records of scholastic achievements to pursue advanced training and education in institutions of higher learning, I am introducing today a bill to establish a congressional scholarship program.

Patterned after the selection process for military academy appointees, the program would be open to all qualified applicants, regardless of financial status. The emphasis will be on recognition and encouragement of scholastic achievement.

Inflated and rising costs of a college education presently thwart many deserving high school graduates from pursuing advanced training and learning in their prime areas of interest and talent because their family resources disqualify them for public and private scholarship awards or loans.

The program, as designed by my bill, would grant an annual award of $5,000 for a maximum of 4 years to a total of 5 qualified young people from each congressional district, including the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and the Commonwealth of the Northern Marianas. This award would be based on academic achievement, scholastic aptitude test, and preliminary scholastic aptitude test scores. The student's financial need would play no part in the selection process. Scholarship recipients would be selected by a committee comprised of the school superintendents and principals from each congressional district.

The bill would be in keeping with the overall purpose and objective of providing quality education to meet the needs of all students, regardless of their financial resources. It would aim to train, educate, and develop those who have shown the greatest potential for academic excellence and national leadership in their respective fields.

By Mr. STONE:

S. 168. A bill to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress; to the Committee on Post Office and Civil Service.

Mr. STONE. Mr. President, in July 1975, Congress voted to link the salaries of Members of Congress to those of general schedule Federal employees for the purpose of obtaining automatic, annual cost-of-living increases. No one would argue that Members' salaries do not need periodic revision, but in this instance, when the country was in the grips of recession and everyone agreed Federal spending had to be kept to a minimum, the timing and the method could not have been worse. It looked particularly odious to the public to see newly elected, first-term Members voting themselves a raise.

In September of 1975 a bill was introduced which would have amended the Legislative Reorganization Act of 1946 to prevent Members of Congress from receiving salary increases during the Congress in which the increase was enacted. The bill provided that a general election must fall between the time when a congressional pay increase is voted upon and the time when it goes into effect. I am introducing a similiar bill this session. This legislation does not address itself to the merits of any specific

increase, just the timing of any future ones.

In conjunction with this bill I am also reintroducing a resolution to amend the Constitution with regard to Members' salaries. The amendment that I am proposing is not new. The idea of placing constitutional restraints on Members' ability to increase their own salaries is almost as old as the Constitution itself.

Nearly 200 years ago, in the House of Representatives, James Madison proposed a number of amendments to the newly adopted U.S. Constitution. Twelve of these amendments were passed by the House and the Senate and sent on to President Washington in 1791 for transmission to the States. Ten of the amendments were ratified by the requisite 11 States and became our Bill of Rights. One of the two amendments that failed should have been ratified, in the opinion of this Senator. The text of that amendment was simple and direct; it provided that:

No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened.

There are several reasons why I feel a constitutional amendment is needed in addition to the change in the 1946 Reorganization Act. The first is the permanence of a constitutional amendment. Only once in our history has an amendment to the Constitution been repealed. The accompanying bill, which would be instrumental in implementing the amendment once it is ratified and which would fill the gap between the time of passage by the Congress and ratification by the States, could be changed as easily as the Federal Salary Act of 1967 was in July 1975.

The second reason is to rectify a mistake made back in the early history of our Nation. Only 6 of the then 14 States ratified the amendment when it was offered back in 1791. The 12 amendments were offered as a group. They were to be a "bill of rights" which many States felt was a necessary addition to the Constitution. The two amendments which failed were not regarded as fundamental individual rights and, therefore, were not considered proper for a "bill of rights." Additionally, some States did not think that there should be any amendments to the Constitution because they feared it would endanger the stability of the new Government. Three of these original States did not ratify any of the first 12 proposed amendments until 1939.

My third reason for introducing a constitutional amendment is that the two approaches—statutory and constitutional—are not mutually exclusive, but are complementary. Approaching the problem in two ways makes it more likely that one of the approaches will succeed.

Public sentiment is now clearly antagonistic to Government. When Congress acts as it did last session to tie its salary to general schedule Federal employees for the purpose of obtaining cost-of-living increases, the public has reason to feel distrustful. I do not think that the Congress has often abused its power in this regard, but many people in this country are wary of the potential for abuse. As James Madison said in his statement of introduction to the amendment in the House of Representatives:

Perhaps of all the powers granted, it is least likely to abuse; but there is a seeming impropriety in leaving any set of men without control to put their hand into the public coffers, to take out money to put in their pockets; there is a seeming indecorum in such power, which leads me to propose a change.

Time has borne out Madison's sense of the impropriety of the situation. Obviously Congress must always take ultimate responsibility for increasing Members' salaries. My amendment would not take away that responsibility, but it does relieve newly elected Members of having to vote on immediate salary increases for themselves and, theoretically at least, relieves all Representatives of necessarily voting themselves a raise.

Mr. President, I ask unanimous consent that the text of the bill and the joint resolution be printed in the RECORD.

There being no objection, the bill and joint resolution were ordered to be printed in the RECORD, as follows:

S. 168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601 (a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) is amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding paragraphs (1) and (2) of this subsection, section 225 of the Federal Salary Act of 1967, or any other provision of the law, an individual referred to in paragraph (1) may not have his rate of pay increased—

"(A) by or under any law passed during a Congress;

"(B) under paragraph (2) of this section (except to the extent subparagraph (A) of this paragraph applies), if an alternative plan transmitted by the President under section 5305(c)(1) of title 5, United States Code, does not take effect by reason of the adoption during a Congress of a resolution disapproving such plan; or

"(C) under recommendations taking effect under section 225 of the Federal Salary Act of 1967 which were transmitted by the President during a Congress;

unless such increase is to take effect not earlier than the first day of the next Congress."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to laws passed by either House of Congress after June 30, 1975, and alternative plans and recommendations regarding pay transmitted by the President after such date.

S.J. RES. 5

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date and final passage if this joint resolution:

"ARTICLE —

"SECTION 1. No law varying the compensation for the services of the Senators and Representatives, shall take effect until an election of Representatives shall have intervened.

"SEC. 2. Congress shall have the power to enforce this article by appropriate legislation.".

By Mr. CRANSTON (for himself and Mr. WILLIAMS):

S. 169. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Labor and Public Welfare.

MOBILE TEACHERS' RETIREMENT ASSISTANCE ACT

Mr. CRANSTON. Mr. President, I am today introducing the Mobile Teachers' Retirement Assistance Act of 1977.

Joining me as cosponsor is the distinguished chairman of the Senate Committee on Labor and Public Welfare, Senator HARRISON A. WILLIAMS, JR.

The bill is to protect the retirement benefits of teachers who move across State lines to teach. It is identical to legislation I cosponsored with Senator WILLIAMS in the 92d, 93d and 94th Congresses.

It is my fervent hope, Mr. President, that the 95th Congress will enact this legislation. It addresses a serious and growing problem: The inability of teachers to carry earned retirement benefits with them across State lines, thereby hampering employment opportunities wherever they might occur.

Mr. President, the Federal interest in quality education is not limited to materials and programs. The Congress has made a definite and continuing commitment—through the Education Professions Development Act of 1967, the Smith-Hughes Act of 1917, and the National Defense Education Act of 1958—to the development and maintenance of a skilled national teaching force to serve every level of American education.

There are some serious problems in the teaching profession right now. There are problems of severe unemployment, inequitable pay, of class size, and of working conditions, particularly in our inner cities.

And one of the most serious problems, Mr. President, is the long-standing difficulty of mobility within the profession itself. The average American family moves once every 5 years. That means that a great many American children change schools every year and often more than once within a single year. And more and more, as we address the problem of equality of educational opportunity, we have to think in terms of a national supply and demand in the education professions, with all the problems of the labor marketplace. I believe it is both unrealistic and costly, Mr. President, to recognize—and in many ways, promote—a national mobility, without making sure that the teachers of the Nation's children have the ability

to move, unimpeded, where the demand for their skills is greatest or where their professional interests direct them. That is not possible now. And that is why I am introducing this bill.

In California, about half of California's 218,895 elementary, secondary, and community college teachers taught in other States before moving to California. Nationally, 26 percent of America's teachers have taught in at least two States. Those teachers, who spent an average of 8 years working in other States, lost their retirement benefits when they moved. That loss of benefits means reduced pensions when they retire and discourages teachers with special talents from moving to locations where these talents can be better utilized.

Right now, teachers who become mobile do so at the price of sacrificing hard-earned retirement rights—and, with them, benefits and financial security for their retirement years. The loss of these retirement credits comes about for two reasons: The "outgoing" State may not allow for early vesting of retirement credit for years of teaching service performed outside its jurisdiction. A good example of the effect of this is the college teacher in a public college who wishes to cross State lines to accept a special research function in another State college. Without the provisions just outlined, he is forced to reject the offer or lose his retirement rights in accepting it. His counterpart in the private college is generally free to move as he is needed and not sacrifice retirement rights. Another drastic example is the need for specialized teachers or administrators in our deprived urban and rural areas. Even social security is denied many American teachers with participation denied them in 14 States, because of their participation in a State retirement program that lacks that portability of a Federal pension program.

Several effects of this misguided policy are immediate and clear:

Teachers may choose not to cross State lines to teach, even though their skills and interests beckon elsewhere.

Teachers may choose not to retire when they would like, but keep teaching, to accumulate more years of credit—particularly if they have lost years of credit by making a move. Teachers are penalized, then, for advancement within their own profession, and younger teachers are kept unemployed by colleagues who would rather retire.

The dilemma is no better expressed than by teachers themselves. Listen to these comments from letters written me by California teachers.

From San Diego:

I have been teaching for eighteen years and find myself with only four years credited to my eventual retirement. . . . My previous teaching was done in Iowa and in American Samoa, and when I accepted a teaching position in the San Diego Unified system I lost the contributions made toward retirement made by those systems.

From Fresno:

My Washington teaching was during the low wages era ($750–$2000 annually) with big classes, poor equipment, long hours. . . . Our married years in Los Angeles, I did classroom volunteer work among several handicapped children, daily until my husband's death. . . . Now I am penalized with few retirement years' credit, thus an inadequate pension . . .

Or from Long Beach:

When I had been out of Missouri 5 years, I was contacted and asked to draw my accumulated retirement out . . . the amount was of no concern to me then, or now, but the 9 years of teaching experience means a great deal.

Mr. President, I believe this situation is not only unfair, but unwise. By failing to act on this problem, now we deny our active public teachers the ability to provide equitably for their retirement. At the same time, I believe we are storing up for the future a massive national problem, as increasing numbers of mobile teachers, denied the benefits of social security because of their participation in a State retirement program, come to retirement with inadequate resources to meet the basic needs of everyday living.

The bill I am introducing today is of enormous importance to teachers across the Nation. Teachers constituents of every Senator and Congressman would be profoundly affected by passage of my bill. In my State of California alone, over 100,000 teachers have taught in other States, but cannot obtain credit under the California State Teachers Retirement System. Though no State corrective legislation has been passed, the California Assembly has adopted a resolution supporting the bill I am introducing today.

The bill would establish a Federal-State program to assist in the funding of these benefits for public schoolteachers. It would enable teachers who have taught in two or more States to retire at the end of their careers with benefits substantially the same as they would have received by teaching in a single State for their entire careers.

The bill would extend Federal funds to aid in the financing of recognized out-of-State service credit for those States who wish to participate. In order to qualify for Federal funds, participating States must by law: First, permit teachers to purchase at least 10 years of out-of-State public school teachings not vested elsewhere, whereby the teacher and the employer share in the cost; and second, provide for vesting of retirement rights after not more than 5 years of service in the retirement system.

The stranglehold on the natural mobility of the teaching profession will be greatly alleviated by this sharing of cost in purchasing out-of-State credit and the security of early vesting for deferred benefits.

Many of our fine State retirement systems have made attempts toward alleviating this problem, but the State based nature of American education and the limited funds available have not permitted the States to make any great strides in this direction. Some States utilize the basic concept of out-of-State credit; however, in nearly all cases, the teacher must pay the employer's share, his own share, and an interest fee, which, taken together, are usually financially beyond the limits of the teacher's income.

It should be noted that in any State where an attempt is made to preserve the retirement credits for mobile teachers the methods used are the methods used in this bill. The teacher retirement administrators throughout the country have supported these concepts for nearly a quarter of a century. However, the States, and rightly so, realize that their primary commitment is to utilize their financial resources for improving education within their own boundaries. Therefore, it seems both fitting and proper that the Federal Government assist the States in solving this important interstate problem.

As pointed out by James R. Kirkpatrick, associate secretary of the American Association of School Administrators—an organization supporting the bill—mobility is very much a part of the American way of life. This freedom of movement has often been employed to solve imbalance of labor shortages and needs in various parts of the country. Until now, however, retirement considerations have hindered the staffing problems in many school districts, which mobility might solve.

These considerations have been a significant deterrent for many school districts in achieving the staff skills and qualities that are critical to our educational system.

As one witness observed when hearings were held in the House, the bill is sensitive to State prerogatives and the value of State retirement systems. It is not compulsory. It is an incentive bill, which I believe to be most appropriate for Federal legislation in this and other areas of education.

The bill is a result of long and hard work by education organizations, Members and committees of Congress, and representative teacher groups. It carries the full support of the National Education Association's Representative Assembly, the National Council on Teacher Retirement, and other groups.

I feel this bill, if enacted, could be the most significant piece of legislation directly affecting teachers yet to emerge from the Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD, following my remarks, the text of the bill, a statement of purpose and provisions, and a table showing the current status of vesting and out-of-State retirement systems to which teachers belong.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mobile Teachers' Retirement Assistance Act".

FINDINGS AND STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the transfer of qualified teaching personnel between schools operated by public educational agencies in one State and schools operated by public educational agencies in another

State is seriously impeded because of the possibility of forfeiture of retirement benefits in the system from which a teacher transfers and that the resulting immobility of teachers impedes the mobility of the Nation's work force by hindering the growth and development of new communities. It is therefore the purpose of this Act to protect commerce by facilitating the interchange of teaching personnel from a public educational agency in one State to a public educational agency in another State by providing Federal financial assistance in the transfer of credits from one State to another State.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) The term "State retirement system" means a State retirement system established under State law, or local public retirement system recognized or established by State law, in which teachers participate.

(2) The term "teacher" means an individual who is employed in a professional educational capacity by a board of education.

(3) The term "covered teacher" means a teacher who is a member of a State retirement system.

(4) The term "board of education" means any board, committee, commission, or agency authorized by State law to direct a public educational system, school, or institution of higher education.

(5) The term "State" includes the District of Columbia and Puerto Rico, and any other territory of the United States which has a public retirement system which includes teachers.

(6) The term "Commissioner" means the United States Commissioner of Education.

(7) The term "out-of-State service" means public teaching service performed in another State or in elementary or secondary schools operated by the United States Department of the Interior and United States Department of Defense and recognized by the system in which the teacher is a member for the purpose of service credit under the terms and conditions of the law governing the operation of such system.

(8) The term "vesting" means a right of a teacher who separates from covered employment after having at least the minimum years of credited service required under the State retirement system, and has left his contributions in the retirement fund of such system, to a retirement benefit upon reaching an age specified in the law governing the terms and conditions of the system, which benefit is based at least in part on public contributions.

SEC. 4. (a) In order to participate in the program provided for in this Act, a State retirement system must—

(1) provide for payment of retirement benefits on account of out-of-State service by a covered teacher as required in section 5(c),

(2) allow covered teachers at least ten years of out-of-State credit for public teaching service not covered by the system which is not vested under another State retirement system, upon payment by the covered teacher by the date of retirement of a portion of the cost involved and payment from public funds of the remainder,

(3) require no more than one year of in-State service for each year of out-of-State service credit granted,

(4) provide that the teacher's payment for out-of-State service credit shall not exceed 25 per centum of the total cost of the out-of-State service credit,

(5) provide for vesting after not more than five years of creditable service in the State retirement system,

(6) provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this Act, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such report.

(b) If the Commissioner determines a State retirement system meets the requirements of subsection (a), he shall approve it for participation in the benefits of this Act.

OUT-OF-STATE CREDIT PROVISIONS

SEC. 5. (a) The Commissioner shall, as soon as practical after the end of each calendar year, make a Federal contribution to each State retirement system which he has approved under section 4(b) on account of each covered teacher who is a member of the system who retired during the fiscal year (or other twelve-month period designated by the system) which ended in such calendar year with credited out-of-State service as a teacher. The Federal contribution on account of each year of each such teacher's credited out-of-State service as a teacher shall be an amount equal to 50 per centum of the total cost as determined by the retirement system at such teacher's age on date of retirement: *Provided*, That if the teacher has not reached age sixty, the cost shall be determined as if the teacher were age sixty.

(b) The Federal contribution under this section to a State retirement system shall be limited to the reserve required to provide not more than ten years of out-of-State service credit: *Provided*, That the Commissioner may determine maximum reserve factors at each age, beginning at age sixty, for purposes of the Federal contribution.

(c) The Federal contribution under this section to a State retirement system shall be used for the same purposes, and subject to the same terms and conditions, as are funds of the system derived from other sources. Retirement benefits under such system attributable to service credited under this section shall not be paid on a basis less favorable to the retired teacher than the payments made under such system which are attributable to service other than that so credited.

COST OF ADMINISTRATION

SEC. 6. The Commissioner shall each fiscal year make a grant to each State retirement system which is approved to participate in this Act. Each such grant shall be an amount equal to 2 per centum of the Federal contribution made under section 5.

EFFECTIVE DATE

SEC. 7. This act shall become effective October 1, 1977, with respect to teachers who retire on or after such date.

APPROPRIATIONS AUTHORIZED

SEC. 8. For the purpose of making such Federal payments, there is hereby authorized to be appropriated for the fiscal year ending September 30, 1978, and for each succeeding fiscal year the amount necessary to effectuate the provisions of this Act.

MOBILE TEACHERS' RETIREMENT ASSISTANCE ACT

PURPOSE

To permit teachers to change employment across State lines without substantial loss of retirement benefits.

To participate in the program provided for in this act, a State retirement system must:

(1) Provide for payment of retirement benefits on account of out-of-State service by a covered teacher;

(2) allow covered teachers at least 10 years of out-of-State credit for public teaching service not covered by the system which is not vested under another State retirement system, upon payment by the covered teacher by the date of retirement of a portion of the cost involved and payment from public funds of the remainder;

(3) require no more than 1 year of in-State service for each year out-of-State service credit granted;

(4) provide that the teacher's payment for out-of-State service credit shall not exceed 25 percent of the total cost of the out-of-State service credit;

(5) provide for vesting after not more than 5 years of creditable service in the State retirement system;

(6) provide for making such reports, in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this act.

OUT-OF-STATE CREDIT PROVISIONS

(a) The Commissioner will make an annual Federal contribution to each qualified State retirement system on account of each covered member teacher with credited out-of-State service who has retired during any 12-month period as designated by the system. For each year of credited out-of-State service, the Federal payment will be an amount equal to 50 percent of the total cost as determined by the retirement system at such teacher's age on date of retirement, provided that if the teacher has not reached age 60, the cost shall be determined as if the teacher were age 60.

(b) The Federal contribution to a State retirement system shall be limited to the reserve required to provide not more than 10 years of out-of-State service credit; provided that the Commissioner may determine maximum reserve factors at each age, beginning at age 60, for the purpose of the Federal contribution.

(c) Federal contributions to a State retirement system must be used for the same purposes and be subject to the same terms and conditions as funds derived from other sources and may not be paid on a basis less favorable to the retired teacher.

TABLE 1.—VESTING PROVISIONS AND MAXIMUM OUT-OF-STATE SERVICE IN STATE AND LOCAL RETIREMENT SYSTEMS TO WHICH TEACHERS BELONG

Retirement system (1)	Type of membership [1] (2)	Years of service and/or age requirements for vesting [2] (3)	Maximum years of out-of-State service creditable (4)
1. STATEWIDE RETIREMENT SYSTEMS			
Alabama	T	(a) 15 years at any age; (b) 10 years if in service at age 55.	None.
Alaska [3]	T	10 years	10 years.
Arizona	P	5 years	None.
Arkansas	T	(a) 20 years at any age; (b) 10 years, age 60.	10 years.
California [3]	T	5 years	None.
Colorado [3]	P	do	Do.
Connecticut [3]	T	10 years	10 years (reciprocal).
Delaware	P	20 years	None (4 years may be counted toward 30 years' service retirement requirement).
Florida [4]	P	10 years	None.
Georgia	T	20 years	10 years (reciprocal).
Hawaii	P	5 years	None.
Idaho	P	10 years	Do.

Footnotes at end of table.

TABLE 1.—VESTING PROVISIONS AND MAXIMUM OUT-OF-STATE SERVICE IN STAT E AND LOCAL RETIREMENT SYSTEMS TO WHICH TEACHERS BELONG—Continued

Retirement system (1)	Type of membership [1] (2)	Years of service and/or age requirements for vesting [2] (3)	Maximum years of out-of-State service creditable (4)
Illinois [3]	T	5 years	10 years.
Indiana	T	(a) 15 years' service and age 50; (b) 10 years at age 65.	8 years (limit may be exceeded under certain circumstances.)
Iowa	P	(a) 8 years; (b) age 55 regardless of years of service.	None.
Kansas	P	10 years	Do.
Kentucky [3]	T	5 years	8 years.
Louisiana [3]	T	(a) 20 years; (b) 10 years if teacher withdraws to enter public-school teaching in another State.	None.
Maine [3]	P	10 years	10 years.
Maryland	T	15 years	5 years.
Massachusetts [3]	T	(a) 20 years; (b) 6 years if if position is abolished or the teacher not reemployed.	10 years.
Michigan	S	(a) 25 years; (b) 10 years and age 50.	15 years.
Minnesota	T	10 years	None.
Mississippi	P	(a) 20 years for full vesting; (b) 16 years for partial vesting.	Do.
Missouri	T	20 years	10 years.
Montana	T	5 years	5 years.
Nebraska	S	5 years	10 years.
Nevada	P	(a) 20 years for full vesting; (b) 15 years with partial benefit.	None.
New Hampshire	P	15 years	Do.
New Jersey	T	do	10 years.
New Mexico	S	5 years	5 years.
New York	T	10 years	10 years.
North Carolina	P	12 years	None.
North Dakota	T	No vesting	Unlimited.
Ohio	T	5 years	None (unlimited credit allowed to meet the eligibility requirements for retirement in Ohio).
Oklahoma	S	20 years	5 years.
Oregon	P	5 years	None.
Pennsylvania	S	10 years	12 years.
Rhode Island	P	do	5 years.
South Carolina	P	15 years	Unlimited.
South Dakota	T	10 years	None.
Tennessee	T	(a) 10 years; (b) 4 years for college and university.	Do.
Texas	S	10 years	10 years.
Utah	P	No vesting	None.
Vermont	T	15 years	None (10 years toward 15-year eligibility for disability retirement).
Virginia	P	5 years	None.
Washington	T	do	Do.
West Virginia	S	20 years	Varies; on same terms as other States provide credit for West Virginia public school service.
Wisconsin	T	Immediate	None for members of combined group (with social security); out-of-State credit available to some separate group members under certain circumstances.
Wyoming	P	4 years	None.
Puerto Rico	T	10 years	Do.
2.-LOCAL RETIREMENT SYSTEMS			
California:			
Los Angeles	T	5 years	Do.
San Francisco	P	(a) 10 years; (b) if accumulated contributions exceed $1,000.	Do.
Colorado: Denver	S	10 years	None.
District of Columbia: Washington.	T	5 years	10 years.
Illinois: Chicago	T	(a) 20 years; (b) 10 years and age 55.	Do.
Iowa: Des Moines	T	20 years and age 45	None.
Maryland : Baltimore	P	No vesting	Do.
Michigan: Detroit	S	(a) 15 years' continuous service and age 50; (b) 25 years, with last 10 years continuous; (c) 15 years' continuous service and subsequent retirement from another public agency.	10 years; 15 years if service is in Michigan.
Minnesota:			
Duluth	T	No vesting	None.
Minneapolis	T	7 years	Do.
St. Paul	T	10 years	5 years.
Missouri:			
Kansas City	S	5 years and age 40	None.
St. Louis	S	5 years	Do.
Nebraska: Omaha	S	20 years	5 years.
New York: New York City.	T	15 years	15 years.
Oregon: Portland	T	5 years	None.
Tennessee: Knoxville	P	15 years	Do.
Wisconsin: Milwaukee	T	Immediate	Do.

[1] In this column, T=teachers and professional school employees only; S=all school employees; P=teachers and other public employees.
[2] The requirements listed are other than those needed for early retirement.
[3] No social security coverage.
[4] In December 1970, Florida consolidated its retirement systems. All new teachers will become members of this system and will automatically be covered by social security. Teachers under the old system had the opportunity to elect coverage in the new system and with it social security coverage.

By Mr. HUMPHREY (for himself, Mr. JAVITS, Mr. ABOUREZK, Mr. MATSUNAGA, Mr. CASE and Mr. INOUYE):

S. 170. A bill to provide meaningful and productive work for the Nation's youths and to provide comprehensive job counseling and placement services for youths, and for other purposes; to the Committee on Labor and Public Welfare.

COMPREHENSIVE YOUTH EMPLOYMENT ACT OF 1977

Mr. HUMPHREY. Mr. President, on Monday I introduced the Full Employment and Balanced Growth Act of 1977. This new version of the Humphrey-Hawkins bill establishes goals for full employment and for reducing inflation, and establishes new mechanisms for directing our economic policy toward achieving those goals

One of the most important sections of the Humphrey-Hawkins bill calls for Congress and the President to develop a comprehensive and effective program to reduce youth unemployment and to help youths cope with the many problems they face when they first enter the job market.

To fulfill this section, I am today introducing a companion bill to alleviate the problem of high unemployment among our Nation's youths—the Comprehensive Youth Employment Act of 1977.

My good friend, Senator JAVITS, who has been one of the most ardent and effective champions of young people during his distinguished career in the Senate, has worked very closely with me in preparing this legislation, and I am proud to be associated with him on this bill.

In addition, this bill has benefited from valuable discussions and comments from many State and local government officials across the Nation, from many youth service workers who have daily contact with unemployed and discouraged young people, and from concerned private citizens who have taken the time to write and talk about this problem.

PROVISIONS OF THE ACT

The Comprehensive Youth Employment Act of 1977 has three very important parts.

The first amends the Comprehensive Employment and Training Act by creating a new title VII—"Youth Employment and Community Service Programs"—which provides CETA prime sponsors with funds to establish a wide variety of programs for alleviating the employment problems faced by youths today. Enactment of this new title to CETA would provide four major new youth programs:

Youth community service. This program will give our Nation's unemployed youths the opportunity to work on useful and productive projects in their local communities. It will guarantee to young people who choose to participate an opportunity to do meaningful work and to gain job training and work experience. It will provide many youths with a sense of accomplishment and worth that could be the start of a lifetime of real productive contributions to our society. Furthermore, the program will provide important benefits to local communities receiving the human, social, and community services performed by the young people. The Youth Community Service will focus on work—good, hard productive work—for young people. And it will be meaningful work, accomplishing visible goals within the youth's own community.

Youth opportunities in private enterprise. The best training ground for many young workers is right where they will work as adults—in private enterprise. Our Nation's dynamic private businesses have an unlimited potential for providing productive, meaningful, and well-paid work for youths. What we must do is provide the right climate to bring employers together with the many young people who are ready, willing, and able to work but just need a little help.

Under the youth opportunities in private enterprise program, CETA prime sponsors will provide youths, and disadvantaged youths in particular, with all the support services they need to find and perform a job in private enterprise, such as counseling, remedial education, and transportation expenses, and will provide employers with all the services they need to hire and train a youth for a job.

In addition, prime sponsors can develop new work-study and apprenticeship arrangements under this program, and can subsidize the on-the-job training costs of youths.

Work experience for in-school youth. During the past few years, we have discovered that a great chasm exists between our schools and the workplace. Too many young people believe that school offers nothing that can be of use at work, and drop out with little or no preparation for a job. Many others graduate with no skills. And almost all have so little contact with work that they cannot make informed career choices, too often ending up in low-paying, dead-end jobs.

This program aims toward solving this problem by providing in-school youths with work experience through education-related part-time jobs with public and private employers. Training costs, guidance, counseling and other support services would be subsidized. The program would be directly administered by local educational agencies and would be fully integrated with, and give added meaning to, their educational programs.

Occupational information and career counseling. This program under the CETA prime sponsors, will focus entirely on the job counseling, job information, and job placement needs of our Nation's youths and young workers. It will place trained professional job counselors in our Nation's high schools and junior colleges, so that every youth will have ready access to someone who can help with career plans, educational plans, and job information, and someone who can actually help young people find the jobs they want and need. It will establish a national databank on entry-level jobs for youths; it will provide training opportunities for counselors; it will establish counseling offices in urban and rural neighborhoods to bring job counseling and placement services to areas where youth unemployment is disgracefully high; and it will put computer terminals into high schools and other convenient service offices so that interested youths can readily obtain information on job openings, job requirements, and job rewards.

The second part of the bill establishes a National Conservation Corps. The NCC would provide youths up to the age of 24 years with work and training on projects in our national parks, national forests and other public lands and waters, performing a wide variety of conservation work, such as reforestation, fire prevention, campground improvement, and soil erosion control. Most National Conservation Corps projects will be under the Secretaries of Agriculture and Interior, but State governments may apply for funds to carry out projects on State-owned parks and forests, and an innovative provision of this proposal would allow local governments to apply for funds to improve and conserve urban parkland. Any youth may participate in the corps, but preference is given to youths from areas with substantial or persistent unemployment.

The third part of the bill provides funds to double the size of the very successful Job Corps, in order to increase the assistance going to disadvantaged youths who need the most help to become employable.

THE PROBLEM OF YOUTH UNEMPLOYMENT

Mr. President, this is a particularly difficult time for a young person to be planning a career and looking for work in this country. Teenagers and young adults suffer from higher unemployment rates than any other group of workers. For example, almost 20 percent of our Nation's youth were unemployed at any one time during 1976, triple the rate for adults. For black youths in our central cities, the unemployment rate averaged a staggering 40 percent last year. This enforced idleness struck 3.5 million youths on the average last year—almost half the total number of jobless American workers. And the rest of this decade portends more of the same.

This is a terrible burden to place on our young people and our economy. It denies youths the opportunity to learn the responsibilities and rewards of work; it denies them job skills; and it tells them they have no productive role to play in our society. It wastes $40 billion in potential output per year. It means that future workers will be less skilled and less productive. And, it denies them the opportunity to begin moving up the ladder to more productive, more interesting, and more rewarding jobs.

Joblessness tells these young people that they have no productive role to fill in our society, that they have been rejected by society even though they desperately want to participate and have talents and energy galore to offer.

We may not be able to see the psychological and emotional damage, the insecurity, and the alienation unemployment causes young people, but we can see the skyrocketing crime rate it has caused among those under 25, and the increased drug and alcohol abuse among our Nation's youths.

It is also a terrible waste for our Nation's employers, who will find the young workers needed to expand production in the future less well-trained, less skilled, and less attuned to the needs of the workplace.

From any point of view, we have sorely neglected the job needs of our youths and it has been a big mistake.

A NATIONAL CALL FOR A YOUTH EMPLOYMENT ACT

It is time to correct this mistake.

Economic recovery alone will not solve the tragic problem of youth unemployment. Much youth unemployment is structural—the result of decaying cities, failing businesses, poor work skills and education, and artificial barriers which must be dealt with directly through specially-targeted youth employment programs. The vicious circle, whereby youths are denied jobs because they lack sufficient work experience and are thus unable to obtain the requisite experience, must be broken.

The severity of this problem has made passage of a comprehensive youth employment program a priority for a number of nationwide organizations that are directly concerned with the unemployment problems of youths.

Recently, the National Collaboration for Youth—an organization representing a number of nationwide youth groups, including the Boy Scouts, the Girl Scouts, the Boys Clubs, the Girls Clubs, the YMCA, the YWCA, the Red Cross, and other organizations—issued a position paper on youth which makes an eloquent plea for enacting a youth employment program. I would like to quote from this position paper:

Fundamental to finding and keeping a decent job is having adequate skills. The responsibility for developing the necessary competencies of reading, writing, comprehension and computational skills is clearly the responsibility of the publicly-financed education system. There is a growing consensus that changes are necessary in the general education system so that it will more effectively fulfill its mission to meet the needs of youth. Such preparation will reduce the number of young people who find themselves out of school and out of work—usually both—because of lack of adequate skills. Public support for the education system should stress this basic responsibility, with the recognition that the task may be more difficult than ever before as increased numbers of students stay longer in school without regard to their abilities, motivation or family encouragement.

If young people are kept in situations in which they are denied mature responsibilities and from which they are expected not to intrude on the adult world, they cannot gain the experience needed to become mature, self-reliant adults. They need opportunities for experiences that develop responsibility, self-reliance and initiative. Such opportunities abound in the programs of voluntary agencies, cooperative education programs and the full range of service opportunities. Expanded opportunities for community service, as part of the transition from school to work, would offer an individual the chance to develop a sense of responsibility and self-worth. Such service by young people, if responsive to community needs, might also engender more receptive attitudes towards young people among employers.

Another issue has been the failure to provide appropriate categories of employment for youth. Examples are part-time employment, jobs in which it is understood that training and development of workers is as important as immediate productivity, and jobs in which it is accepted that the young worker is experimenting with an occupation to explore its possibility for career commitment. There may be other alternative ways of structuring jobs so that there is a place for young people entering the job market. Federal funding could be used to ex-

plore alternatives and stimulate the development of such openings.

Finally, there is considerable evidence that employer attitudes toward young people may limit the hiring of them for any kind of job. Too often the individual employer views young people as a class lacking in maturity. Personnel practices will reflect that attitude. Direct appeals to employers with or without innovative government programs must be part of a national approach to the youth employment question.

At its 1976 convention, the U.S. Conference of Mayors—the organization which represents the elected officials who must live with the consequences of youth unemployment, the high crime, vandalism, alcoholism and drug abuse, and rising taxes—passed a major resolution on youth unemployment, and I would like to read that resolution for my colleagues:

Whereas, the future of our nation depends on the development of our youth; and

Whereas, chronic unemployment, now reaching a rate of 30–40%, exists among the youth of our cities; and

Whereas, youth are inadequately prepared during the school years for the world of work; and

Whereas, youth access to work and service experiences affording productive earning and learning opportunities is overly restricted; and

Whereas, there is an underdevelopment of both youth advocacy and representation of legitimate youth interest and needs; and

Whereas, conditions of poverty, unemployment, and dependency leave urban youth permanently disenchanted with the idea of full participation in the economic and social structure of this society; and

Whereas, our approach to youth problems is characterized by a patchwork of services and programs,

Now, therefore, be it resolved that the United States Conference of Mayors calls for Congress and the President to establish a comprehensive youth services policy, directed toward the educational, training, employment, and social needs of youth; and

Be it further resolved that such policy include:

Emphasis on improving and expanding the role of education in transitioning youth from school to work and in helping youth develop and achieve broader career objectives throughout their work years;

Programs combining training, work and service in both the public and private sectors;

Opportunities for work on urban restoration projects, community service programs, and rural conservation projects;

Improved access to health, recreational, social service, juvenile justice, and other programs available in the interest of health and productivity;

Development of research tools to measure the needs of youth and the kinds of resources required.

Be it further resolved that the United States Conference of Mayors supports increased funding of current employment programs under Title 111 of the Comprehensive Employment and Training Act of 1973; and

Be it further resolved that youth programs must include private sector and labor union involvement and experiences; and

Be it further resolved that the United States Conference of Mayors calls for the creation of a youth advocacy function—with policy and program responsibilities—at the highest levels of Federal Government with both private and public leaderships involved; and

Be it further resolved that the United States Conference of Mayors supports local youth programming to be managed by a wider authority, based on collaborative relationships among Local Elected Officials and their representatives, business, industry, educators, voluntary organizations, parents, youth, and committed citizens.

Finally, Mr. President, I want to call the attention of my colleagues to some of the comments and recommendations on youth unemployment contained in the December 1976 report to the President and Congress by the National Commission for Manpower Policy, entitled "An Employment Strategy for the United States, Next Steps." Here is what the report said:

A large proportion of the nation's youth are failing in or being failed by, the labor market. At any one time in 1975, 3.6 million jobseekers between the ages of 16 and 24 were unable to find jobs. The unemployment rate for teenagers (16–19 years old) was almost three times that for persons 25 and over, while the rate for young adults (20 through 24 years old) was more than twice the rate for older adults. The absolute and relative rates of youth joblessness in the United States are significantly above those in most other industrialized nations.

The situation is much more critical for minority youth, especially those living in central cities and those residing in low-income rural areas. Nearly three of every ten non-whites under the age of 25 who seek work cannot find it. This unemployment rate is almost double that for young whites.

The employment problems of young people cannot be blamed solely on the poor state of the economy. Their problems have been severe for many years. A major factor has been the rapid growth of the youth cohort. Between 1960 and 1975, the number of 16 to 24 year-olds rose by nearly seventy percent, or more than triple the increase in persons over 25. Despite the increasing numbers who remain in school longer, the labor force participation rate for the 16 to 24 year-olds rose from 56 to 65 percent. The youth portion of the labor force grew from 17 percent in 1960 to 24 percent in 1975. Clearly, much of the current difficulty that youths face in seeking and holding jobs is the result of the vast increase in the numbers who are entering the labor force who have neither skills nor experience.

The Commission distinguishes among the following aspects of youth employment:

The transitional aspect characteristic of all youth as they move out of the educational-training system into the world of work. The age at which most youth complete the transition is between 16 and 24 with large numbers leaving high school in their eighteenth year to continue their education or training or to seek a job.

The special difficulties that many youths, particularly those from low income families and minority groups, face because of the dysfunctional nature of their family, school or community experiences which leave them lacking in basic skills, competences and experience that employers seek.

The large number of youths who are no longer in school but who have failed to make a satisfactory transition into the regular job market. Many are unemployed; some are so discouraged that they no longer look for jobs; others find only short-term employment that pays little and leads nowhere, with the result that they quit or are discharged.

Transitional difficulties and erratic labor market the behavior are also characteristic of many young people from middle and even high income families, a considerable proportion of whom flounder for years before they find themselves.

Another problem that many young people face during their high school years or post-secondary education is the difficulty of finding part-time jobs during the school year and full-time work during their vacations.

There are no precise measures of the number of youths experiencing different types and degrees of labor-market difficulties. However, the Commission believes that the number in need of manpower services is manageable. In the Commission's view, a reasonable estimate is that there are currently about 400,000 youths in need of intensive training and employment services. Probably two to three times that number could profit from assistance in the form of occupational training and placement services. Finally, there are large numbers of youths who need or want part-time and/or summer jobs.

At the end of last year, the Joint Economic Committee held a day of hearings on the problem of youth unemployment. We had excellent witnesses—Congressman ANDREW YOUNG; Pittsburgh Mayor Pete Flaherty; Howard Samuel, vice president of the Amalgamated Clothing and Textile Workers Union, AFL–CIO; Beatrice Reubens, professor of economics at Columbia University; Bernard Anderson, professor of economics at the Wharton School; and Paul Barton, executive director of the National Manpower Institute—and all of them agreed that youth unemployment has reached a crisis stage in this country and that it will be a great national tragedy if we fail our young people.

The difficulty of solving this problem was illustrated in the remarks before the Joint Economic Committee of my friend and colleague, Congressman ANDREW YOUNG:

In a recent editorial in the New York Times, Roger Wilkins made the shocking statement that it may be harder to deal with the problems of unemployed young people than it was to deal with the problem of integrating former slaves into our society at the end of the Civil War. For the former slaves were economically participants in the system, and it was simply a matter of beginning to set up political and educational opportunities. But their economic wellbeing and work was already established. That is not today the fact with our young people, black and white, from the ages of 18 to 21. They are perhaps the group in our society that we spend the least amount of money on, unless they stay within the public education system.

Congressman YOUNG presented the alternative we will soon face if we fail to provide decent job opportunities for these young people:

When we are talking about roughly 50 percent of our youth population who are not now a part of the ongoing economy of this Nation, we are running the risk of having them set up a criminal counter-economy. They will not be inactive. This is the most active stage in life. They will do something. The question, I think, that is put before the Government is, will they be encouraged to do something constructive and creative, or will they be allowed to sink into chaos and destructive activity and become part of a criminal counterculture that we will spend far more money to try to counteract. I think very simply that is the choice that is before us.

We can no longer fail our youth. For too long, this Nation has ignored its

youth, and the result has been rising crime, rising drug abuse, rising youth disaffection, and a rising drain on our national resources.

The Comprehensive Youth Employment Act would signal a new commitment to developing and using the talents of our young people and a new dedication to the goals and needs of our Nation's youth.

I ask unanimous consent that a summary of the bill be printed in the RECORD together with the bill, following the speech by my good friend and colleague, Senator JAVITS.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. JAVITS. Mr. President, today I join with my colleague, Senator HUMPHREY in introducing the Comprehensive Youth Employment Act of 1977.

For some time, Mr. President, it has been my belief that the serious and persistent problem of youth unemployment in the United States could be ameliorated only by enactment of comprehensive national legislation designed to address the disparate causes and several characteristics of youth unemployment.

Shortly after the Joint Economic Committee held hearings on youth unemployment in September 1976, I requested the minority staff on manpower of the Committee on Labor and Public Welfare, to undertake research on this vexing problem with a view towards the development of a major piece of legislation to be introduced early in the 95th Congress. Our efforts to this end were nearing fruition in early December when Senator HUMPHREY suggested we join in forging a single comprehensive bill, which would fuse together the major elements of our separate initiatives. The Comprehensive Youth Employment Act is the product of our coauthorship, and I am pleased to introduce it with Senator HUMPHREY today.

Mr. President. It is time we began to relieve some of the disproportionate burden of joblessness borne by young Americans. Joblessness among the young people of our country is a once ubiquitous problem that has reached crisis proportions. Six quarters of economic recovery have left our youth almost as badly off in terms of employment as they were during the 1973–1975 recession. And, for all practical purposes, that recession was a depression as far as youths were concerned. Hence, youth unemployment is a problem that will not just "go away," regardless of the vigor of economic growth in the next few years and needs special measures.

At the present time, fully one-half of the total number of unemployed persons in the United States are under the age of 24. The National Commission for Manpower Policy reports that "at any one time in 1975, 3.6 million jobseekers between the ages of 16 and 24 were unable to find jobs." In November, 1976, the unemployment rate of teenagers stood at 19 percent, three times greater than the unemployment rate of those over 20 years of age.

Since even this abnormally high rate represents average unemployment among all youths in the United States, it is necessary to disaggregate the total and to focus upon the specific categories of youth unemployment, in order to observe the severity of unemployment among the more disadvantaged groups. While the unemployment rate of white teenagers held at the unacceptable crisis level of 17.1 percent last November, the unemployment rate of black teenagers exceeded 35 percent nationally. In many cities, it is not unusual for the unemployment rate of black youths to exceed 50 percent. And reliable estimates have placed the unemployment rate of metropolitan poverty area blacks to approach 60 percent.

It is significant to emphasize that the absolute and relative rates of youth unemployment in the United States are far above those recorded in most other industrialized nations.

The following table, included in a recent report on this problem by the Congressional Budget Office indicates the relative severity of this problem in the United States.

INTERNATIONAL COMPARISON OF UNEMPLOYMENT RATES, AVERAGE OF 1968, 1970, 1974

	Teenagers (1)	All working ages (2)	Difference (1)−(2)	Ratio (1)÷(2)
United States	14.7	4.7	10.0	3.1
Australia	5.0	1.7	3.3	2.9
Canada	12.6	5.4	7.2	2.3
France [1]	7.3	2.6	4.7	2.8
Germany [2]	2.5	.9	1.6	2.8
Great Britain [3]	7.0	3.8	3.2	1.8
Italy [4]	15.0	3.8	11.2	3.9
Sweden	5.6	1.9	3.7	2.9
Japan	2.3	1.3	1.0	1.8

[1] Average of 1968 and 1970 only.
[2] Average of 1968, 1970 and 1973.
[3] 1971 annual data.
[4] Average of 1968, 1970 and 1972.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology.

Note: Teenage defined as 16–19 years old in United States, France, and Sweden; 15–19 in Australia, Canada, Germany, Great Britain, and Japan; and 14–19 in Italy.

Clearly, with teenage unemployment rates of 5, 7.3, 2.5, 7, 5.6, and 2.3 percent in Australia, France, Germany, Great Britain, Sweden, and Japan respectively, the 14.7 percent rate in the United States must be considered extraordinary. Of course, many factors may account for these international differences. But the fact remains that in the United States this group is in urgent need of immediate Government help, to relieve the disproportionate burden they bear.

As egregious as the official statistics demonstrate the U.S. youth unemployment problem to be, they actually understate the problem. This is because many youths finally have given up the frustrating and debilitating task of job search and have dropped out of the labor force. These discouraged workers are not listed as jobseekers and are thus not counted as unemployed. In 1975, according to the Manpower Commission:

> There were 600,000 youths outside the labor force who reported that they wanted a job but were not looking for one.

Although it is impossible to determine with any degree of confidence exactly how many of these youths would reenter the labor force if a job were offered to them, clearly the official data fail to take account of these labor force dropouts.

Official statistics tend to underestimate the youth unemployment problem also because many youths holding part-time jobs—and thus counted as employed—want to work full time. Although these youths are classified as "on part-time jobs for economic reasons" they are actually underemployed. The Manpower Commission estimates that in 1975 there were 1.3 million such persons under age 25.

If these discouraged and part-time workers seeking full-time work were added to the 1975 total of 3.6 million unemployed youth, I believe the total would have approached 5.5 million young people, and the youth unemployment rate then would have been approximately 35 percent nationally. I have no doubt whatsoever that the recorded unemployment rate of inner city black youth would then have reached 75 percent.

What is even more disturbing about this problem if that is possible, is that it appears to be worsening secularly, irrespective of the condition of our national economy.

In good times as well as in bad, abnormally high youth unemployment, especially of inner-city black youths, has persisted and, indeed, has become more severe in recent years. I believe the structural unemployment problems of youth have become less and less related to the business cycle and to general economic conditions. Examination of the long term trends of youth unemployment leads me to conclude that American youths will not benefit significantly even from economic recovery between now and 1980.

The following table demonstrates that the teenage unemployment rate has risen perceptibly since the 1950's, peaking in 1975, and that the ratio of teenage unemployment to adult unemployment has declined consistently. If these trends persist, and we have no reason to doubt that they will, youth unemployment will remain abnormally high through 1980.

UNEMPLOYMENT RATES FOR TEENAGERS COMPARED WITH NONTEENAGE UNEMPLOYMENT RATES IN THE UNITED STATES, 1950–75

Year	Age 16–19 (1)	Age 20+ (2)	Difference (1)−(2)	Ratio (1)÷(2)
1950	12.2	4.8	7.4	2.5
1951	8.2	3.0	5.2	2.7
1952	8.5	2.7	5.8	3.1
1953	7.6	2.6	5.0	2.9
1954	12.6	5.1	7.5	2.5
1955	11.0	3.9	7.1	2.8
1956	11.1	3.7	7.4	3.0
1957	11.6	3.8	7.8	3.1
1958	15.9	6.2	9.7	2.6
1959	14.6	4.8	9.8	3.0
1960	14.7	4.8	9.9	3.1
1961	16.8	5.9	10.9	2.8
1962	14.7	4.9	9.8	3.0
1963	17.2	4.8	12.4	3.6
1964	16.2	4.3	11.9	3.8
1965	14.8	3.6	11.2	4.1
1966	12.8	2.9	9.9	4.4
1967	12.9	3.0	9.9	4.3
1968	12.7	2.7	10.0	4.7
1969	12.2	2.7	9.5	4.5
1970	15.2	4.0	11.2	3.8
1971	16.9	4.9	12.0	3.4
1972	16.2	4.5	11.7	3.6
1973	14.5	3.8	10.7	3.8
1974	16.0	4.5	11.5	3.6
1975	19.9	7.3	12.6	2.7

Source: Cols. (1) and (2), Bureau of Labor Statistics, from the data base of Data Resources, Inc. (DRI).

The youth unemployment problem in the United States has several distinct

and intractable causes which demand the enactment of comprehensive remedial legislation. To be sure, the vicissitudes of the business cycle are responsible for a portion of teenage unemployment, perhaps 5 to 6 percentage points of the total. But a large part of the problem cannot be attributed to recession. The nonwhite unemployment rate, for example, has demonstrated an upward trend for the past 20 years. Recent Labor Department data are indicative of this secular trend.

Year:	*Nonwhite youth unemployment rate (both sexes 16–19)*
1954	16.5
1955	15.8
1956	18.2
1957	19.1
1958	27.4
1959	26.1
1960	24.4
1961	27.6
1962	25.1
1963	30.4
1964	27.2
1965	26.2
1966	25.4
1967	26.5
1968	25.0
1969	24.0
1970	29.1
1971	31.7
1972	33.5
1973	30.2
1974	32.9
1975	36.9

The unemployment problems of youth have been exacerbated by several noncyclical factors, such as regional disparities in economic development, technological innovations requiring greater educational qualifications, a sharp increase in the supply of young jobseekers, and racial discrimination in labor markets.

Widespread idleness among the young people of the United States reflects the failure of our economy to generate sufficient opportunities for gainful employment. Although the problem affects every area of our country, it tends to be most severe in our cities, especially those of the Northeast and Midwest, where recession, inflation, the corporate exodus, and a high concentration of poverty-stricken families have continued to depress general business conditions, overburden local resources and, thus, erode employment opportunities for young people.

The urban crisis that plagues so many of our cities is responsible to a large degree for the unemployment problems of American youth. If the economies of the older cities of the Northeast and Midwest continue to deteriorate, insufficient jobs will be created for youths. The outmigration of a good many major national employers from our cities and the reluctance of others to locate new facilities or expand existing plants in the older cities have depressed urban labor markets. In addition, the financial crisis afflicting State and local governments has impeded their ability to provide employment and job training for youths.

Finally, even in expanding inner-city occupations, the changing structure of labor demand militates against unemployed youths. Increasingly, employment opportunities offered by companies in major metropolitan areas require a level of education and/or skills which exceeds the skills possessed by many inner city youths. These youths are caught in a vicious circle, in which they are unable to obtain work experience and, thus, lack the requisite experience to qualify for jobs in the private sector. We must act now to break this vicious circle and insure that our young people are able to obtain the work experience required of them.

Since the severe unemployment problems of youth cannot be attributed, in the main, to the behavior of the national economy, it is safe to assume that economic recovery will not, in and of itself, put an end to this endemic problem. On the contrary, it is likely that the failure of the labor market to generate adequate employment opportunities for youth will continue, even with a favorable macroeconomic environment. In the absence of specific structural programs for youth, therefore, the teenage unemployment rate will remain much higher than the adult rate for the foreseeable future.

The legislation I have authored with Senator HUMPHREY would establish a number of programs to deal with the structural unemployment problems of youth.

First, our bill would establish a youth community service program to provide employment opportunities for up to 1 million youths on public projects providing needed public services to local communities. The allocation formula in our bill would distribute funds appropriated for youth jobs on the basis of relative youth unemployment and economic disadvantage. In addition, our bill would mandate establishment of education-work committees of CETA prime sponsors' planning councils, to review and make recommendations concerning youth employment plans.

Second, the Comprehensive Youth Employment Act of 1977 would establish a program of youth opportunities in private enterprise to prepare and place up to one-half million youths in productive employment in the private sector. Our bill would allow prime sponsors to contract with nonprofit private agencies, such as community service agencies, as well as with private-for-profit employers, to train unemployed youths for private sector jobs.

Specifically, the bill would permit reimbursement for on-the-job training expenses incurred by profit-making enterprises. Special consideration would be given to those employers who agree to subcontract with community based organizations for referral of youths ready for on-the-job training.

I believe this program will be one of the pillars of our youth employment initiative. We must remember that five of every six jobs in the United States are located in the private sector of our economy. If unemployed youths are to obtain nonsubsidized full-time employment as adults, they should have some work experience in the private sector and should be provided with the skills required for gainful employment with private enterprises. Our bill would provide funds to upgrade the employability of youths, including counseling, remediation, and skill training. More significantly, we would authorize reimbursement of extraordinary nonwage expenses—including training expenses—incurred by profit-making employers, who hire disadvantaged youths.

In a speech before the Chicago Executive Club last October I urged the business leaders of America to come forward and make a commitment to help alleviate our unemployment problems. If the Comprehensive Youth Employment Act becomes law, U.S. businesses will have an opportunity to demonstrate their commitment to the principles and purposes of U.S. economic democracy by doing their fair share to hire unemployed youth.

I reiterate what I said to America's business leaders last fall, become full and equal partners with Government; partners in the preservation of free enterprise; partners in the achievement of full employment; and partners in the extension of U.S. economic democracy to all Americans.

Third, we propose to establish a program of work experience for inschool youth, designed to provide youths with job experience prior to secondary school completion.

In recent years, Mr. President, much has been said and written about the need to improve the transition of young people from the world of education to the world of work. W. Willard Wirtz has written that young people are locked into a time trap that excludes them from the experience of work while they are enrolled in school full-time. High school graduates are then placed cold into the world of work and are expected to perform as effectively as adults. Inschool youth need to be exposed to working life while they are still students so they can make informed career choices and appreciate what the world of work is all about.

Under our bill, CETA prime sponsors would enter into agreements with local education agencies, which in turn would contract with public and private employers to provide part-time work specifically related to the education program of the secondary school student. Upon certification by the school based counselor that the work is an appropriate component of the student's total program, reimbursement would be provided for training and recruitment expenses incurred by employers.

The education-work committees of the CETA planning councils would have authority to approve or disapprove agreements between local education agencies and prime sponsors. These committees would be designed to enlist the participation of the broader community in improving the youth transition from school to work.

I believe our bill initiates the kind of collaborative processes among educators and employers that are required in order to build bridges between the world of education and the world of work. I am confident that employers will perceive their responsibilities to our Nation's youth and offer their participation in this worthwhile endeavor to enhance

the career preparation of our high school students.

Finally, the Comprehensive Youth Employment Act of 1977 would significantly expand our Nation's occupational information and career counseling effort. Our bill would permit CETA prime sponsors to arrange with public and private nonprofit agencies, the U.S. Employment Service, or local education agencies for programs to place trained counselors in the schools and junior colleges. In addition, a National Occupational Information and Career Guidance Service would be established to coordinate and compile education and work data, improve State and area data collection, and compile national and local occupational information data concerning present and future labor market trends.

This Service would expand the functions of the presently constituted Occupational Outlook Service of the Bureau of Labor Statistics. Instead of performing only medium range estimates of national labor demand by occupation, the new Occupational Information and Career Guidance Service would be given a mandate financially and technically to assist States and localities in carrying out local area projections.

In addition to labor demand estimates, the Service would be directed to take an inventory of present labor supply conditions and estimate the relative balance that can be expected to occur between labor supply and demand in the labor market by occupation and by region. This information is essential to enable vocational counselors to inform young people about expected trends in occupations for which they intend to prepare themselves. The superfluities that now characterize the supply of labor in some occupations and regions testify to the need for this kind of national labor market planning.

Mr. President, I believe enactment of these four programs is essential if we are to ameliorate the youth unemployment problem. If enacted into law, the Comprehensive Youth Employment Act of 1977 would represent our conviction that our Nation's youth have, in fact, the opportunity to make the productive contribution to American society they are prepared to make.

I understand that some may argue that high youth unemployment rates can be tolerated indefinitely and that it is unnecessary to enact comprehensive remedial legislation. They maintain that the official and unofficial statistics on youth unemployment do not of themselves compel immediate action. I could not disagree more strongly.

Continued toleration of persistent and endemic youth unemployment could not be more improvident. I believe that we will be courting future disaster if we continue to neglect youth joblessness. By our inaction we are telling our young people that they have no place in American society and we are permitting a malignancy of idleness to spread across the lives and futures of a generation of Americans. What possible significance can the American dream have for our youth when they are assigned to the unemployment lines until they reach adulthood? No less an authority than Dr. Eli Ginzberg, the Chairman of the National Commission on Manpower Policy, has stated that—

If we want trouble, the way to get it is to ignore the seriousness of this problem. We'll have living hell.

Our Nation's young people enter the labor market with all the eagerness and enthusiasm they can summon. They want jobs, not welfare; they seek work, not handouts; they want to work to earn the good things they have been promised our economic system offers as rewards for hard work. They do not, I am convinced, embark on lives of crime except out of sheer desperation.

Mr. President, persistent idleness in these early, formative years of labor market participation exerts pervasive and depressive effects on our Nation's young people. Unemployed youth become disillusioned with our economic system and with its promises of rewards for perseverance and diligence; they become discouraged by a seemingly endless series of rejections and layoffs; they become skeptical about their own usefulness in a world that places primary emphasis on obtaining and holding a productive job and making a real contribution. Disillusionment, discouragement, and lack of confidence in turn breed alienation and dissatisfaction, and the resultant disaffection often leads to alcoholism, drug addiction, and criminality.

Frequent and lengthening spells of unemployment among youth establish a pattern of joblessness that persists into adulthood; a pattern that creates attitudes of self-depreciation and unlessness that are totally alien to our American system.

Mr. President, we cannot stand idly by or rely on present programs to remedy this intolerable situation. Prudence would dictate that we take judicious action to demonstrate our commitment to this generation; to guarantee that the opportunities our young people rightfully anticipate will, in fact, await them. The Humphrey-Javits Comprehensive Youth Employment Act of 1977 symbolizes our determination to keep the promises we have made to our young people. We can do no less.

The Comprehensive Youth Employment Act of 1977 is an investment in human capital we cannot afford to postpone. As such it will be one of the most fructifying investments we will make as a nation in this decade. The returns on this investment will far exceed the costs and will continue to be generated beyond our lifetimes. I urge my colleagues to consider this bill and add their strong support.

Mr. President, I ask unanimous consent to have printed in the record of these proceedings, two recent newspaper articles on this subject.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

REAL JOBS FOR YOUTH

(By Peter B. Edelman)

ALBANY.—Thinking about delinquency prevention is a bit like being thrust onto a roller coaster just as it is beginning its deepest plunge.

America is facing its greatest economic crisis since the Depression, and unemployment is a way of life for more than half the young people in our inner-city neighborhoods. The high hopes of the 1960's have come and gone, leaving hopelessness and desperation, made all the more intense by the memories of hope that still persist. And where there are jobs, there will be more crime. For still more youth, a profound cynicism born of the Vietnam war and the removal of a President from office have neutralized the spirit of public service of the '60s.

We simply must respond to the needs of these unemployed and disaffected youth. While we can act individually, in our localities, and as states, we need most of all a national response. Challenged in World War II, we assembled our greatest scientists and unlocked the atom. When we proposed to reach the moon, science fiction became the Space Age.

Now we are challenged again, with the safety of our communities and the life possibilities of millions of young people at stake. A response worthy of our communities and our youth can be forged on three basic premises.

First, there is real work to be done. Some of it is in caring for others. Literally millions of people in America cannot care for themselves—old people, for instance, shut in homes for the aged and nursing homes, and retarded people, especially children, kept in institutions. We must also rebuild the vast abandoned areas of our inner cities and restore the scarred forests and often muddy hollows of our rural areas. So let no one talk of leaf raking; there is real work to be done.

A second premise is that the worlds of education and work should cohere as one life opportunity. We have in the past assumed that so many years of continuous schooling should and would be followed by a life of work. But we have learned from the 1960's that there can be no clear line between the worlds schooling and work.

A third premise is that young people grow up and mature faster in this electronic age. In the last century, with college reserved for the smallest elite, youth began as farmers and apprentices early in life.

For a variety of reasons, partly humanitarian, we gradually extended schooling to where it has for many young people come to be a period of marking time. Now the pendulum is swinging back, and properly so, for young people are chafing, ready to assume productive effort sooner than we have been willing to provide it.

To respond to this challenge we should gather all the funds now in small receptacles labeled Neighborhood Youth Corps, Vista, University Year for Action, College Work Study, and all the rest; combine them into a new significantly enlarged program of work, public service, and educational opportunity; and make it widely available to young people.

One national agency might be given a large appropriation to distribute on a formula basis to states and localities, which would in turn allocate funds on a competitive basis to public agencies, private nonprofit agencies and private businesses, and sometimes to groups of young people directly, so long as each project combined work with education.

A state department of mental health might apply for funds to employ young people in programs for the mentally retarded. Or a local social-service agency might use young workers to extend the effectiveness of drug- and alcohol-abuse counselors, early-childhood teachers, parole and after-care workers, and others whose case loads are so large they cannot adequately serve all in need.

Such programs would provide high school equivalency to those who lack it and arrangements for simultaneous college enrollment for those who wish it, so that youths entering them would be assured not dead-end jobs as ward attendants or aides but rather careers as professionals if educational opportunities are pursued and competencies demonstrated.

A local housing agency or private community development corporation might apply, indicating a vacant area of a city to be rebuilt, housing to be restored, or a rural area needing a road, school or community center. Local trade unions should be involved in the training and supervision of the young workers, with provision made for funds for building materials and other capital necessities, and for career opportunities thereafter.

We could also use the private sector, not on a last-in first-out basis, but as a vehicle through which government might subsidize the employment of young people as they acquire needed further education, in return for a commitment to continue a just percentage of them as a part of the permanent labor force.

Guidelines for the overall program would be needed to insure that those most in need are the majority of those served, but it should be emphasized that young people of all backgrounds can work side by side in jobs that begin productive careers for themselves and serve society at the same time.

"THE SYSTEM" KEEPS THE YOUNG WAITING

(By A. H. Raskin)

Of all the gloomy statistics in the monthly reports on national unemployment, the most somber always are those dealing with joblessness among teen-agers. The November report, issued last week by the Federal Bureau of Labor Statistics, was no exception. It showed 1.7 million youths between 16 and 19 looking for work they could not find.

That was almost one out of five among the nine million young men and women in the labor force, a jobless rate two and a half times as high as the national average for all workers. The idleness rate among black teenagers was double that of white youths, and the official figures did not count many slum dwellers, mostly black, who are so locked in hopelessness that they have become dropouts from the labor market as well as from school.

Abnormally high levels of youth unemployment have persisted in good times as well as bad during the last decade. Even when hundreds of thousands of young men were being drafted for combat duty in the Vietnam war, the level of youth unemployment stayed far above the adult rate. In 1969, when the overall rate dropped to a low of 3.5 percent, one teen-ager in every eight was jobless. The chronic nature of the problem has caused President-elect Jimmy Carter to instruct his economic aides to consider measures to cope with it above and beyond the general priority his administration intends to assign to generating new private and public jobs and reviewing the stagnant economy.

The search for programs specifically designed to build better bridges between school and work, especially for those who are misfits in the existing educational system, follows upon the central conclusion of the National Commission for Manpower Policy, the official body set up by the Ford Administration and Congress two years ago to recommend a long-term strategy.

Prof. Eli Ginzberg of the Columbia Graduate School of Business, the commission's chairman, warns that even the broadest programs for employment expansion through general economic stimulus will never touch the hard core of unemployed teen-agers in urban ghettoes and rural slums. He estimates the number of young people in this category at 400,000 to 500,000, a figure widely accepted by other manpower experts in and out of government. "The numbers are not so large that we can't really design special programs that will help motivate these young people, give them elementary educational and vocational competence and provide them with work experience," Professor Ginzberg said. "If we want trouble, the way to get it is to ignore the seriousness of this problem. We'll have living hell."

The spillover of frustration could take the form of ghetto riots of an increase in crime. Already, in Professor Ginzberg's view, many thousands of idle urban youths have taken up an underworld fringe existence—running numbers, pushing dope or other rackets—lucrative enough to kill their interest in such low-paid, dead-end jobs as are eventually available to them in the "straight" economy.

The belief that the group in most urgent need of Government help is under a half-million or less than one-third of all the young men and women counted as unemployed, stems from a recognition that many of the others are high school and college students looking for part-time employment. But the inclusion of such students in the idleness count, tending to unduly magnify the dimensions of the problem requiring attention, is balanced by the failure to include the large number of hard-core jobless youth who have lost hope.

Federal statisticians estimate the teen-agers account for slightly under 200,000 of the 800,000 workers they officially recognize as too discouraged to look for jobs. But Sar A. Levitan, director of George Washington University's Center for Social Policy Studies, declares that at least as many more hang out on street corners and are unknown to the collectors of official statistics.

Robert T. Hall, executive director of the Manpower Policy Commission and a member of President-elect Carter's transition team, believes that the hard-core problem could be tackled effectively by adding about $1 billion to improve youth job programs under the Comprehensive Employment and Training Act and other Federal legislation. Currently, $2 billion is being spent annually on these programs.

One proposal along these lines, advocated by Mr. Levitan, would revamp the Job Corps, a component of President Lyndon B. Johnson's "war on poverty" that was cut in half early in the Nixon Administration. He would restore it to its old level of 45,000 jobs and keep young people in training programs for at least six months. Another Levitan suggestion is for sharply expanded apprenticeship programs combined with Federal subsidies.

But the most innovative program under study is of overseas origin. An economic recovery law adopted in Belgium last March requires every company or government bureau with more than 100 employees to expand its payroll by 1 percent to create probationary jobs for people up to the age of 30. They are to be kept employed for at least six months at 75 percent of the normal starting rate for their jobs. If they are kept another six months, the required minimum goes up to 90 percent.

Thus far about 8,000 young men and women out of a total of 132,000 unemployed under 30, have been hired. The Belgian government has just recommended that the law be extended to companies with as few as 50 workers. A government subsidy of $800 for each young employee is offered to encourage job expansion in smaller businesses. Another part of the law is aimed at spurring early retirement of older workers through a tax-supported "solidarity fund" that gives them 80 percent of their normal take-home pay until they reach the standard pension age of 65 for men and 60 for women. Nearly 3,000 have retired to date under that provision, the Belgian Embassy in Washington reports; employers are obliged to take one young employee for every oldster who leaves.

EXHIBIT I

S. 170

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Youth Employment Act of 1977".

TITLE I—YOUTH EMPLOYMENT AND COMMUNITY SERVICE PROGRAMS

YOUTH EMPLOYMENT AND COMMUNITY SERVICE PROGRAMS AUTHORIZED

SEC. 101. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VII, and all references thereto, as title VIII; by redesignating sections 701 through 714, and all references thereto, as sections 801 through 814, respectively; and by inserting after title VI the following new title:

"TITLE VII—YOUTH EMPLOYMENT AND COMMUNITY SERVICE PROGRAMS

"PART A—YOUTH COMMUNITY SERVICE

"PURPOSE

"SEC. 701. This part establishes a Youth Community Service in order to enable all youths, and low income youths in particular, to have the opportunity for performing useful and productive work on projects serving their local community and the Nation as a whole; to assist youths in the acquisition of basic education and development of basic work skills; to enable youths to develop a sense of responsibility, initiative, self-reliance and self-worth; to provide youths with an opportunity to gain work experience and occupational information; to provide local communities and the Nation with valuable services; and to bring together all sectors of the economy in an effort to give youths a meaningful place in society, the economy, and the Nation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 702. (a) There are authorized to be appropriated to carry out the provisions of this part $100,000,000 for the fiscal year 1977; $1,250,000,000 for the fiscal year 1978; and for each of the succeeding calendar quarters (beginning with the calendar quarter beginning on October 1, 1978)—

"(1) $250,000,000 plus

"(2) $62,500,000 multiplied by the number of one-half percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended before the beginning of such calendar quarter exceeded 4 per centum.

"(b) The Secretary shall prepare and transmit to the Congress, prior to or during any period specified in subsection (a), such estimates of unemployment as may be necessary or appropriate for determining amounts to be appropriated for such period or allocated pursuant to this Act; and appropriations and allocations for any such period may be made prior to or during such period on the basis of such estimates.

"(c) Any amounts appropriated for any such period which are not obligated prior to the end of such period shall remain available for obligation in the succeeding fiscal year after the period for which such amounts were appropriated.

"ALLOCATION

"SEC. 703. (a)(1) Eighty percent of the amount available for this part in any fiscal year shall be allotted in accordance with the provisions of this subsection.

"(2)(A) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative number of youth, aged 16–21, in low income families within each State as compared to such numbers in all States;

"(B) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative share of unemployed youth within each State as compared to such numbers in all States.

"(3) The sum allotted to each State shall be allotted by the Secretary among areas within the State on an equitable basis based upon the factors set forth in paragraph (2).

"(b) The remainder of the amount available for this part shall be available to the Secretary to be distributed at his discretion taking into account the severity of unemployment among youths in areas under the jurisdiction of each prime sponsor.

"(c) As soon as practicable after funds are appropriated to carry out this part for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsection (a) of this section.

"YOUTH COMMUNITY SERVICE PROGRAM AUTHORIZED

"SEC. 704. (a) Each prime sponsor shall make grants to, or enter into arrangements with, eligible applicants in accordance with the provisions of this part in order to make financial assistance available for the purpose of providing Youth Community Service employment for youths in jobs required to carry out eligible community service projects.

"(b)(1) Of the funds allocated to each prime sponsor, no more than 25 per centum may be used for administrative expenses, equipment, supplies, supporting services or supervisory personnel necessary to the carrying out of the eligible project, and not less than 75 per centum shall be expended only for wages and employment benefits to youths employed pursuant to this part.

"(2) Nothing in this part is intended to prohibit the use of funds from other sources, including other Federal programs, in combination with funds appropriated under section 703, for purposes of carrying out approved Youth Community Service projects which meet the requirements set forth in this part.

"APPLICATIONS

"SEC. 705. (a) Financial assistance under this part may not be made for any Youth Community Service project unless the prime sponsor approves an application pursuant to section 706 which is submitted by an eligible applicant.

"(b) Each such application shall—

"(1) set forth a full description of the eligible project consistent with the provisions of section 706(b);

"(2) describe the age and school status of the youth population to be served, and describe what emphasis the eligible project shall place on school retention or reenrollment, vocational exploration, and skill development;

"(3) provide a description of the jobs to be filled, a listing of the major kinds of work to be performed to carry out the eligible project and the approximate duration, not to exceed 12 months, for which participants would be assigned to such jobs;

"(4) provide a description of job training, educational, and skill development opportunities that will be made available to participating youths, as well as a description of plans to coordinate the training activities of the eligible project with training activities provided for under other provisions of this Act;

"(5) describe (A) whether jobs provided by the eligible project shall consist primarily of part-time jobs to be filled by youths who are still in school or who will return to school, with more extensive work provided during the summer months, or primarily of full-time jobs to be filled by youths who are out of school, or a combination of full-time and part-time jobs; (B) provisions designed to assist and encourage school retention or reenrollment, or both, vocational exploration, or skill development; and (C) other supportive activities to participating youths, such as counseling, remedial reading, and other work-related assistance;

"(6) describe the wages or salaries to be paid youths and other persons employed in jobs and supervisory positions assisted under this part, if such wages and salaries are not set by the prime sponsor;

"(7) set forth assurances that the activities and services agreed to under this part will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services;

"(8) set forth assurances that no youth hired under this part will be employed to fill a job opening created by the action of an employer in laying off or terminating the employment of any regular employee not supported under this part in anticipation of filling the vacancy so created by hiring a youth to be supported under this part;

"(9) set forth assurances that the eligible project applicant will advise participating youths of the availability of other training and manpower resources provided under this Act, and other resources available in the local community to assist such youths in obtaining unsubsidized employment upon completion or termination of the eligible project;

"(10) set forth assurances that all persons employed in an eligible project under this part, other than necessary technical supervisory, supportive service, and administrative personnel, will be selected from among youths, and that members of the immediate families of the eligible applicant or its officers, owners, directors, or elected officials will not be employed with funds provided by this part;

"(11) set forth assurances that there will be adequate supervisory personnel on an eligible project, as required under section 706(b)(3);

"(12) in the case of an eligible applicant that is a local educational agency, set forth assurances that (A) the jobs provided will be used to encourage youths to remain in school, (B) the agency will provide supporting services to participants, such as counseling, remedial reading, and other work-related assistance, and (C) the project will provide both part-time work during the school year plus more extensive work during the summer;

"(13) set forth assurances that no person with responsibilities in the operation of the project will discriminate with respect to any participant or applicant for participation in such project because of race, creed, color, national origin, sex, political affiliations, or beliefs and that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(14) set forth assurances that jobs assisted under this part are in addition to jobs that would be assisted by the eligible applicant in the absence of assistance under this part;

"(15) set forth assurances that any income generated by the project will be applied toward the cost of the project; and

"(16) set forth assurances that, to the extent feasible, a durable sign, describing the nature of the eligible project, the number of youths employed and the fact that the project is a Youth Community Service project will be conspicuously displayed at the project site;

"(17) describe how the eligible project will result in visible and tangible improvements to the local community or the Nation or will provide useful services to the citizens; and

"(18) set forth such other assurances, arrangements, and conditions consistent with the provisions of this part, including the special conditions required under section 772, as the Secretary deems necessary in accordance with such regulations as the Secretary shall prescribe.

"APPROVAL OF APPLICATIONS

"SEC. 706. (a) An application, or an amendment or modification of an application, under this part may be approved by the prime sponsor only if the prime sponsor determines that—

"(1) the application meets the requirements set forth in this part; and

"(2) the application fully describes an eligible project which complies with the provisions of subsection (b) of this section.

"(b) No application shall be approved by the prime sponsor unless the prime sponsor determines that the eligible project described in that application will—

"(1) be initiated within sixty days of the date on which it is approved;

"(2) provide work that is socially valuable, including, but not limited to, any public service;

"(3) provide no fewer than one supervisor for each ten participating youths, and provide that the supervisory personnel are adequately trained in skills needed to carry out the project and can instruct participating youths in skills needed to carry out the project, except that the prime sponsor may permit fewer supervisors for individual projects whenever a prime sponsor determines that such modification will contribute to the objectives of this part.

"(c) In approving applications under this part the prime sponsor shall to the fullest practical extent give priority to applications which will—

"(1) most contribute to reducing unemployment among youths, and low-income youths in particular;

"(2) result in the production of goods or services of greatest value to the local community or to the Nation; and

"(3) contribute to providing a broad range of part-time and full-time jobs, in order to meet the employment needs of both youths in school and those out of school, as provided in section 705(b)(5).

"(d) Each prime sponsor shall, to the fullest extent consistent with its responsibilities under this title, give special consideration to applications submitted by eligible private nonprofit organizations, and aim to make the maximum use of such organizations which have demonstrated effectiveness in job creation, job-related skills training, and comprehensive employment services.

"(e) In the case of an application which fails to meet the requirements set forth in this part, the prime sponsor may—

"(1) reject the application, or

"(2) return the application to the eligible applicant, and

"(A) present the eligible applicant with reasons why the application failed to meet the requirements of this part;

"(B) at the request of the eligible applicant, provide assistance in the preparation of a revised application; and

"(C) reconsider the revised application.

"YOUTH PARTICIPANTS

"SEC. 707. To the maximum extent possible, youth participants in eligible Youth Community Service projects shall be identified by and selected from names submitted by the existing manpower delivery system established under title I of this Act, the United States Employment Service, schools of local educational agencies, and public agencies and private nonprofit organizations.

"PART B—YOUTH OPPORTUNITIES IN PRIVATE ENTERPRISE

"PURPOSE

"SEC. 721. It is the purpose of this part to establish a Youth Opportunities in Private Enterprise program in order to—

"(1) reduce unemployment among the

Nation's youths, particularly low income youths, by providing the incentive and opportunity for private enterprise to hire such youths for productive and responsible jobs;

"(2) provide youths with basic work skills and to make it possible for them to compete effectively for jobs in private enterprise;

"(3) reduce the barriers to youth employment in private enterprise;

"(4) demonstrate the ability of youths to work effectively in private enterprise;

"(5) restore the confidence of private employers in youthful employees;

"(6) foster cooperation between the public and private sectors in the development of job opportunities for youths;

"(7) provide special employment assistance to low income youths and to improve job opportunities for low income youths; and

"(8) help young Americans develop rewarding careers in private enterprise.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 722. (a) There are authorized to be appropriated to carry out the provisions of this part $100,000,000 for the fiscal year 1977; $500,000,000 for the fiscal year 1978; and $750,000,000 for each succeeding fiscal year thereafter.

"(b) Any amounts appropriated for any fiscal year which are not obligated prior to the end of such period shall remain available for obligation in the succeeding fiscal year after the period for which such amounts were appropriated.

"ALLOCATION OF FUNDS

"SEC. 723. (a) Of the funds appropriated under section 722 for any fiscal year—

"(1) 70 per centum shall be allocated among prime sponsors in the same proportion as funds allocated under section 703(a) of this Act;

"(2) 10 per centum may be distributed by the Secretary at his discretion for the purpose of establishing additional Youth Opportunity in Private Enterprise programs in rural areas;

"(3) 20 per centum may be distributed by the Secretary at his discretion for the purpose of establishing additional Youth Opportunity in Private Enterprise programs for low income youths.

"(b) As soon as practicable after funds are apportioned to carry out this part for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsection (a) of this section.

"YOUTH OPPORTUNITY IN PRIVATE ENTERPRISE PROGRAM AUTHORIZED

"SEC. 724. (a) Each prime sponsor shall make grants to, or enter into arrangements with, eligible applicants in accordance with the provisions of this part in order to make financial assistance available for, or to establish, Youth Opportunity in Private Enterprise programs, for the purposes of—

"(1) placing youths in jobs in private enterprise;

"(2) providing financial assistance to eligible applicants for costs incurred in training youths for jobs under this part, and making arrangements with employers organized for profit for on-the-job training programs;

"(3) providing special assistance to low-income youths needed to enable them to adequately perform jobs in private enterprise; and

"(4) providing useful or necessary supportive services to participating youths and employers.

"(b) The prime sponsor shall give special consideration to applications for on-the-job training programs submitted by employers organized for profit if such application provides that the services listed in subsection (c) shall be provided by community based organizations. Costs incurred by community based organizations in providing such services shall be an allowable cost of the on-the-job training program *provided that* the total payment to any employer organized for profit shall not exceed the difference between the costs of recruiting, training, and providing supportive services for youths eligible under this title and those regularly employed.

"(c) The services referred to in subsection (b) are recruiting, including outreach, counseling, basic or remedial education, supportive services, including necessary child care, and such training as may be delegated by the employer.

"(d) Nothing in this part is intended to prohibit the use of funds from other sources, including other Federal programs, in combination with funds appropriated under section 722, for the purpose of carrying out approved Youth Opportunity in Private Enterprise programs which meet the requirements set forth in this part.

"ELIGIBLE ACTIVITIES

"SEC. 725. Each Youth Opportunity in Private Enterprise program assisted under this part may include, but shall not be limited to—

"(1) provision for reimbursement of private employers organized for profit for costs incurred for on-the-job training programs;

"(2) provision for counseling, remedial education, supportive services and placement services needed to enable participating youths to obtain, and adequately perform, a job in private enterprise;

"(3) provision for opportunities for participating youths to develop basic work skills and basic job skills needed to obtain, and adequately perform, a job in private enterprise;

"(4) provision for information, assistance and services to participating employers needed to develop job opportunities for youths and to structure newly-developed jobs to fit the needs and abilities of youths;

"(5) provision to participating employers of supportive services, such as follow-up counseling with participating youths and employers, assistance in developing job ladders or new job opportunities for participating youths, and for other assistance needed to improve work relationships between participating employers and youths;

"(6) provision of arrangements to assist and encourage school retention or reenrollment, or both, vocational exploration, or skill development among participating youths;

"(7) reimbursement to participating youths for necessary transportation, clothing, or other costs of employment;

"(8) in cooperation with State and local educational agencies, development of cooperative work-study programs to enable youths in school to combine formal education with part-time employment in the private sector;

"(9) internship programs to permit youths to experience a variety of work experiences with one or more employers;

"(10) in cooperation with the Bureau of Apprenticeship and Training of the Department of Labor, development of apprenticeship programs in occupations where they do not currently exist;

"(11) any other activity or program to place or assist youths in jobs in private enterprise; or

"(12) any combination of any activities or programs to place or assist youths in jobs in the private sector.

"APPLICATIONS

"SEC. 726. (a) Financial assistance under this part may not be made for any Youth Opportunity in Private Enterprise program unless the prime sponsor approves an application pursuant to section 727 which is submitted by an eligible applicant.

"(b) Each such application shall—

"(1) set forth a full description of the eligible Youth Opportunity in Private Enterprise program, including a description of all activities which will be included in the program;

"(2) estimate the number of youths to be served by the eligible program;

"(3) provide a description of job training, educational, and skill development opportunities that will be made available to participating youths, as well as a description of plans to coordinate the training activities of the eligible program with training activities provided for under other provisions of this Act;

"(4) describe (A) whether jobs provided under the eligible program shall consist primarily of part-time jobs to be filled by youths who are still in school or who will return to school, with more extensive work provided during the summer months, or primarily of full-time jobs to be filled by youths who are out of school, or a combination of full-time and part-time jobs; (B) provisions designed to assist and encourage school retention or reenrollment, or both, vocational exploration, or skill development; and (C) other supportive activities to participating youths, such as counseling, remedial reading, and other work-related assistance;

"(5) set forth assurances that jobs provided under this part will be productive and useful, will contribute to a sense of achievement among participating youths, and will require at least one month of training and work experience, but no more than one year, for adequate job performance;

"(6) set forth assurances that youths will not be placed in jobs in which wages are based primarily on commissions, in jobs for which training may be more effectively or economically conducted under other Federal or State programs, or in jobs in shortage occupations where such shortage is caused by poor working conditions;

"(7) set forth assurances that the activities and services agreed to under this part will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services;

"(8) set forth assurances that no youth hired under this part will be employed to fill a job opening created by the action of an employer in laying off or terminating the employment of any regular employee in anticipation of filling the vacancy so created by hiring a youth under this part;

"(9) set forth assurances that the eligible applicant will advise participating youths of the availability of other training and manpower resources provided under this Act, and other resources available in the local community to assist such youths in obtaining employment;

"(10) set forth assurances that participating youths will be adequately supervised by participating employers;

"(11) in the case of an eligible applicant that is a local educational agency, set forth assurances that (A) the jobs provided will be used to encourage youths to remain in school, (B) the agency will provide supportive services to participants, and (C) the program will, where appropriate, provide both part-time work during the school year and full-time summer employment;

"(12) set forth assurances that the eligible applicant shall, to the maximum feasible extent, endeavor to place participating youths in small businesses;

"(13) set forth assurances that no person with responsibilities in the operation of the program will discriminate with respect to any participant or applicant for participation in such program because of race, creed, color, national origin, sex, political affiliations, or beliefs and that participants in the program will not be employed on the construction, operation, or maintenance of so

much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(14) set forth assurances that jobs provided by participating employers under this part are in addition to jobs that would be provided by the employer in the absence of programs assisted under this part; and

"(15) set forth such other assurances, arrangements, and conditions consistent with the provisions of this part, including the special conditions required under section 772, as the Secretary deems necessary in accordance with such regulations as the Secretary shall prescribe.

"APPROVAL OF APPLICATIONS

"SEC. 727. (a) An application, or an amendment or modification of an application, under this part may be approved by the prime sponsor only if the prime sponsor determines that—

"(1) the application meets the requirements set forth in this part; and

"(2) the application fully describes an eligible project which complies with the provisions of subsection (b) of this section.

"(b) No application shall be approved by the prime sponsor unless the prime sponsor determines that the eligible Youth Opportunity in Private Enterprise program described in that application will—

"(1) be initiated within sixty days of the date on which it is approved; and

"(2) provide meaningful work that will give participating youths a sense of satisfaction and self-worth.

"(c) In approving applications under this part the prime sponsor shall to the fullest practical extent give priority to applications which will—

"(1) most contribute to reducing unemployment among youths, and low-income youths in particular; and

"(2) contribute to providing a broad range of part-time and full-time jobs, in order to meet the employment needs of both youths in school and those out of school; and

"(3) assist and encourage school retention or reenrollment, or both, vocational exploration, or skill development.

"(d) Each prime sponsor shall, to the fullest extent consistent with its responsibilities under this title, give special consideration to applications submitted by eligible private nonprofit organizations, and aim to make the maximum use of such organizations which have demonstrated effectiveness in job creation, job-related skills training and comprehensive employment services.

"(e) In the case of an application which fails to meet the requirements set forth in this part, the prime sponsor may—

"(1) reject the application, or

"(2) return the application to the eligible applicant, and

"(A) present the eligible applicant with reasons why the application failed to meet the requirements of this part;

"(B) at the request of the eligible applicant, provide assistance in the preparation of a revised application; and

"(C) reconsider the revised application.

"YOUTH PARTICIPANTS

"SEC. 728. To the maximum extent possible, youth participants in eligible Youth Opportunity in Private Enterprise programs shall be identified by and selected from names submitted by the existing manpower delivery system established under title I of this Act, the United States Employment Service, schools of local educational agencies, and public agencies and private nonprofit organizations.

"PART C—WORK EXPERIENCE FOR IN-SCHOOL YOUTH

"STATEMENT OF PURPOSE

"SEC. 741. It is the purpose of this part to establish a Work Experience for In-School Youth program, to provide youths who are in secondary schools with the opportunity to gain meaningful work experience which is fully integrated with their course of education, by assisting local educational agencies and employers to develop part-time action-learning jobs for such youths.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 742. (a) There are authorized to be appropriated to carry out the purposes of this part $50,000,000 for the fiscal year 1977, $150,000,000 for the fiscal year 1978, and $200,000,000 for each succeeding fiscal year thereafter.

"(b) Any amounts appropriated for any fiscal year which are not appropriated prior to the end of such fiscal year shall remain available for obligation in the succeeding fiscal year after the fiscal year in which such amounts were appropriated.

"ALLOCATION OF FUNDS

"SEC. 743. (a)(1) Eighty percent of the amount available for this part in any fiscal year shall be allotted in accordance with the provisions of this subsection.

"(2)(A) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative number of youth enrolled in secondary schools within each State as compared to such numbers in all States.

"(B) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative number of low income youth enrolled in secondary schools within each State as compared to such numbers in all States.

"(3) The sum allotted to each State shall be allotted by the Secretary among areas within the State on an equitable basis based upon the factors set forth in paragraph (2).

"(b) The remainder of the amount available for this part shall be available to the Secretary to be distributed as follows:

"(1) Five percent to States to encourage coordination between existing employment service functions and prime sponsor programs funded under this part.

"(2) Fifteen percent to be distributed by the Secretary at his discretion.

"(c) As soon as practicable after funds are appropriated to carry out this part for any fiscal year the Secretary shall publish in the Federal Register allotments required by subsection (a) of this section.

"WORK EXPERIENCE FOR IN-SCHOOL YOUTH AUTHORIZATION

"SEC. 744. The Secretary shall, in accordance with the provisions of this part, make payments to prime sponsors for applications approved under section 746 in order to make financial assistance available to local educational agencies for the purpose of providing youth who are in secondary schools with job experience prior to the completion of secondary school.

"APPLICATIONS

"SEC. 745. (a) Financial assistance under this part may not be made for any Work Experience for In-School Youth program unless the prime sponsor submits to the Secretary an application at such time and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Each such application shall—

"(1) set forth a Work Experience for In-School Youth program administered by a local educational agency or local educational agencies within the jurisdiction of the prime sponsor which shall provide part-time employment opportunities with public and private employers in action-learning positions for youths enrolled in or reentering a full-time educational program in a secondary school;

"(2) set forth a description of jobs to be performed by participating youths;

"(3) describe wages or salaries to be paid by participating employers to participating youths;

"(4) set forth assurances that participating youths will be provided meaningful work experience, which shall improve their ability to make career decisions and which shall provide them with basic work skills needed for regular employment not subsidized under this part;

"(5) set forth assurances that the program will be administered under contracts with the prime sponsor by a local educational agency or local educational agencies within the jurisdiction of the prime sponsor, and that such contracts have been reviewed and approved by the full membership of the Education-Work Committees established in section 773 of this title;

"(6) set forth assurances that job information, counseling, guidance and placement services shall be made available to participating youths and that funds provided under this part shall be available to, and utilized by, the local educational agency or agencies to the extent necessary to pay the cost of school-based counselors to carry out the provisions of this part, including the certification process required under section 747;

"(7) describe arrangements for reimbursing employers for necessary costs of training participating youths for jobs provided under this part;

"(8) set forth assurances that jobs provided under this part shall be certified by the participating local educational agencies as relevant to the educational and career goals of the participating youths;

"(9) set forth assurances that youths will not be placed in jobs in which wages are based primarily on commissions, in jobs for which training may be more effectively or economically conducted under other Federal or State programs, or in jobs in shortage occupations where such shortage is caused by poor working conditions;

"(10) set forth assurances that the activities and services agreed to under this part will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services;

"(11) set forth assurances that the eligible applicant will advise participating youths of the availability of other training and manpower resources provided under this Act, and other resources available in the local community to assist such youths in obtaining employment;

"(12) set forth assurances that participating youths will be adequately supervised by participating employers;

"(13) set forth assurances that no person with responsibilities in the operation of the program will discriminate with respect to any participant or applicant for participation in such program because of race, creed, color, national origin, sex, political affiliations, or beliefs and that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(14) set forth assurances that jobs provided by participating employers under this part are in addition to jobs that would be provided by the employer in the absence of programs assisted under this part; and

"(15) set forth such other assurances, arrangements, and conditions consistent with the provisions of this part, including the special conditions required under section 722, as the Secretary deems necessary in accordance with such regulations as the Secretary shall prescribe.

"APPROVAL OF APPLICATIONS

"SEC. 746. Applications, or an amendment or modification of the application, for payments to prime sponsors under this part may be approved by the Secretary only if he determines that the application meets the requirements set forth in section 745.

"YOUTH PARTICIPANTS

"SEC. 747. Youth participants in Work-Experience for In-School Youth programs shall be—

"(1) chosen, to the maximum extent possible, from among youths who are in low-income families and who need work to remain in school; and

"(2) selected by the appropriate local educational agency, based on the certification for each participating youth by the school based guidance counselor that the work experience provided is an appropriate component of the overall educational program of the youth.

"PART D—OCCUPATIONAL INFORMATION AND CAREER COUNSELING PROGRAM

"PURPOSE

"SEC. 751. It is the purpose of this part to establish an Occupational Information and Career Counseling Program under which effective and comprehensive job counseling, job information and job placement services are made available to the Nation's youth, in order to reduce the unemployment rate among youths and young workers; to improve the ability of youths to obtain useful, productive and remunerative jobs; to ease the transition of youths from school to work; to improve communication and cooperation between State and local educational agencies, State employment services, youths and businesses; to increase, improve, and make more readily available to youths necessary information on jobs, careers, and employment prospects; to improve the long-run career plans of youths and the way career plans are developed; and to improve the matching of long- and short-run employment desires of youths with the technical, managerial and labor skills needed to sustain the long-run growth and prosperity of the American economy.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 752. (a) There are authorized to be appropriated to carry out the provisions of this part $75,000,000 for the fiscal year 1977, and $100,000,000 for each succeeding fiscal year thereafter.

"(b) Any amounts appropriated for any fiscal year which are not appropriated prior to the end of such fiscal year shall remain available for obligation in the succeeding fiscal year after the fiscal year in which such amounts were appropriated.

"ALLOCATION OF FUNDS

"SEC. 753. (a)(1) Seventy percent of the amount available for this part in any fiscal year shall be allotted in accordance with the provisions of this subsection.

"(2)(A) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative number of youth, aged 16–21, inclusive, in low-income families within each State as compared to such youths in all States.

"(B) Fifty percent of the amount allotted under this subsection shall be allotted among States on the basis of the relative share of unemployed youth within each State as compared to such youths in all States.

"(3) The sum allotted to each State shall be allotted by the Secretary among areas within the State on an equitable basis based upon the factors set forth in paragraph (2).

"(b) The remainder of the amount available for this part shall be available to the Secretary for the following purposes:

"(1) Ten percent to be distributed to the States for the development of technical systems to translate national projections of occupational and skill reuirements to a regional and local basis; and

"(2) Twenty percent for programs authorized under section 757, section 758 and section 759.

"(c) As soon as practicable after funds are apportioned to carry out this part for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsection (a) of this section.

"OCCUPATIONAL INFORMATION AND CAREER GUIDANCE PROGRAMS AUTHORIZED

"SEC. 754. (a) Each prime sponsor shall make grants to, or enter into arrangements with, eligible applicants in accordance with the provisions of this part in order to make financial assistance available to establish and carry out Occupational Information and Career Guidance programs, for the purposes of—

"(1) reducing the rate of unemployment among youths by increasing their access to available job opportunities;

"(2) improving the information available to youths on job and career opportunities, including such information as short- and long-run employment opportunities in various careers, skill and education requirements of various jobs and employers, location of job opportunities, and compensation and benefits of various jobs;

"(3) providing for better matching of youth job and career desires with available jobs as well as with perspective job opportunities over the long run;

"(4) furnishing job counseling and placement services to youths who are actively seeking employment, as well as to those forming career plans;

"(5) furnishing preemployment counseling to youths in intermediate and secondary schools; and

"(6) furnishing information to youths, both in school and out of school, on post-secondary educational opportunities, job training and vocational education programs, manpower development programs, and Federal, State, and local assistance available to youths for participation in such programs and opportunities.

"(b) Programs assisted under this part may include, but shall not be limited to—

"(1) programs for counseling and employment services for youths in secondary and postsecondary schools in cooperation with State and local educational agencies;

"(2) in cooperation with community-based organizations, farm, labor, and other interested organizations, programs of neighborhood, rural, mobile and seasonal counseling and employment services for youth, to bring job counseling and placement services assisted under this part to disadvantaged, rural, and minority youths who would not otherwise have access to such services;

"(3) in cooperation with State and local correctional agencies, programs of counseling and employment services for youth in correctional institutions;

"(4) programs of computer on-line terminals and other facilities to utilize and implement occupational and career outlook information and projections supplied by State Employment Service offices and to improve the match of youth career desires with available and anticipated labor demand;

"(5) in cooperation with State and local educational agencies, programs to bring employment and career counseling to presecondary youths;

"(6) in cooperation with the Department of Defense, programs of counseling and employment services for youth on military bases, on a full-time or part-time basis;

"(7) programs designed to encourage public and private employers to list all available job opportunities for youths with the appropriate eligible applicant conducting Occupational Information and Career Counseling programs and to encourage cooperation and contact between such eligible applicants and employers; and

"(8) such other programs as the Secretary determines will carry out the purposes of this part.

"APPLICATIONS

"SEC. 755. (a) Financial assistance may not be made under ths part for any Occupational Information and Career Counseling program unless the prime sponsor approves an application pursuant to section 756 which is submitted by an eligible applicant.

"(b) Each such application shall—

"(1) set forth a full description or the Occupational Information and Career Counseling program;

"(2) set forth assurances that the activities and services for which payment is sought under this part will be administered by or under the supervision of the applicant, identifying any agency, institution, or enterprise designated to carry out such activities or services;

"(3) set forth assurances that the eligible applicant will advise youths of the availability of other training and manpower resources provided under this Act, and other resources available in the local community to assist youths in obtaining employment;

"(4) set forth assurances that no person with responsibilities in the operation of the program assisted under this part will discriminate with respect to any youth or applicant because of race, creed, color, national origin, sex, political affiliations, or beliefs; and

"(5) set forth such other assurances, arrangements, and conditions consistent with the provisions of this part, including the special conditions required under section 772, as the Secretary deems necessary in accordance with such regulations the Secretary shall prescribe.

"APPROVAL OF APPLICATIONS

"SEC. 756. (a) An application, or an amendment or modification of an application, under this part may be approved by the prime sponsor only if the prime sponsor determines that the application meets the requirements set forth in this part.

"(b) In the case of an application which fails to meet the requirements set forth in this part, the prime sponsor may—

"(1) reject the application, or

"(2) return the application to the eiligible applicant, and

"(A) present the eligible application with reasons why the application failed to meet the requirements of this part;

"(B) at the request of the eligible applicant, provide assistance in the preparation of a revised application; and

"(C) reconsider the revised application.

"NATIONAL OCCUPATIONAL INFORMATION AND CAREER GUIDANCE SERVICE

"SEC. 757. (a) The Secretary is authorized to establish a National Occupational Information and Career Guidance Service in the Department of Labor to undertake estimates of present and future occupational needs, to compile data on the numbers of people engaged in education and training, to assist States in the preparation of individual state and area projections of occupational outlook, and to serve as the informational and statistical base required for matching career preparation with future career prospects.

"(b) It shall be the purpose of the Service to—

"(1) make estimates of present and projected labor demand on an occupational and geographical basis;

"(2) complete surveys of the number of people engaged in all types of education and training;

"(3) develop comprehensive occupational outlook and career information;

"(4) encourage and assist local areas to adopt methods of translating national aggregate occupational outlook data into local terms; and

"(5) assist in the development of State Occupational Information Systems, to be used in the maintenance of local computer-

ized job banks and job vacancy reports, and accessible via computer terminals located in school district offices.

"COUNSELING AND PLACEMENT PERSONNEL TRAINING GRANTS

"SEC. 758. (a) The Secretary is authorized to make grants to public agencies, colleges, and nonprofit private organizations for the purpose of providing training and retraining for job counseling and placement personnel. Such grants may be used for—

"(1) improving and upgrading counselor training, improving the skills of counselors and placement personnel, and improving training programs;

"(2) providing opportunities for the establishment and development of preservice and inservice training and retraining for job counseling and placement personnel; and

"(3) providing training programs for paraprofessionals and support personnel to aid professionals working in job counseling and placement.

"(b) For purposes of this section, the term 'job counseling and placement personnel' includes professionals, including counselors who meet certification requirements; administrators, and other professional school personnel such as teachers and pupil personnel specialists, who work directly with the programs or with students involved with the programs; and counselors in related settings such as community agencies, community-based organizations, job training programs, United States Employment Service, and affiliated State employment service agencies, rehabilitation centers, career resource centers, and post-secondary educational institutions.

"DEMONSTRATION AND EVALUATION PROGRAMS

"SEC. 759. (a) The Secretary is authorized to carry out a program of demonstration and evaluation projects for the purpose of—

"(1) developing and demonstrating new job counseling, job information, and job placement programs and techniques for youth;

"(2) promoting demonstration activities in job counseling and job placement for youths, through the encouragement of pilot projects and the publication of development in new technology, personnel utilization, facilities utilization, and delivery systems with innovative administrative and structural designs;

"(3) providing for evaluation of the programs and services offered to determine their effectiveness and efficiency in meeting the needs of youths; and

"(4) providing for the communication of proven effective and efficient job counseling, job information, and job placement programs for youths.

"(b) Demonstration and evaluation projects under this section may include, but shall not be limited to—

"(1) establishing innovative job counseling, job information, and job placement programs and techniques for youths;

"(2) creating new data and data sources, and updating and communicating information, on job and career opportunities;

"(3) identifying effective methods of establishing programs, and for communicating on how to establish programs, of job counseling and job placement that meet the needs of youths and make the most efficient and effective use of job counseling and placement personnel;

"(4) developing multimedia materials which (A) provide information on such areas as career and job opportunities, projected needs for specific skills and occupations at the local, State, and National levels, and educational and training opportunities and which (B) assist youths in making career and job decisions and in obtaining jobs;

"(5) identifying more effective methods for the training and retraining of job counseling and job placement personnel;

"(6) establishing local councils of educators, employers, union members, community organization members, students, parents, and other interested citizens to bring together sectors of the community concerned with youth, to advise on, oversee, or carry out job counseling and placement projects and programs;

"(7) contracting with other agencies, community-based organizations, private employment services or other groups with job counseling and placement experience, to provide such services on a demonstration basis;

"(8) establishing a demonstration public or private television program at the local level, on a scheduled basis, which would solicit job listings from employers and give regular job availability bulletins, interview employers about job offerings and requirements, present occupational information, and present other job market information that would be useful to youths;

"(9) developing a local and State occupational inventory of entry-level jobs, as well as summer and part-time jobs;

"(10) establishing demonstration projects to measure educational and skill requirements of entry-level jobs in various occupations, with publication of findings; and

"(11) establishing any other project which the Secretary finds may improve, or provide information which may improve, the job counseling, job information or job placement services available to youths.

"(c) The Secretary shall prepare and submit a report annually to the Congress on projects undertaken under this section, containing a description of each project undertaken, the purpose of each project, and an evaluation of each project.

"PART E—GENERAL PROVISIONS

"DEFINITION

"SEC. 771. As used in this title—

"(1) 'eligible applicant' means any public agency, including any department or agency of the Federal Government, any State or local government agency, and any local educational agency; and any private or public nonprofit organization, including any voluntary organization, any neighborhood organization, any community-based organization, and any labor union;

"(2) 'prime sponsor' means any prime sponsor qualified under title I of this Act;

"(3) 'secondary school' means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12; and

"(4) 'action-learning-job' means any job with a public or private employer or community service organization, in which an individual performs a needed service while acquiring and developing skills which will enable the individual to obtain permanent employment on or before the conclusion of employment provided for in this title.

"SPECIAL CONDITIONS

"SEC. 772. (a) Within a reasonable time after receiving funds under parts A and B of this title, the prime sponsor shall—

"(1) place a notice in each daily or weekly newspaper servicing the area under the jurisdiction of the prime sponsor which announces the program under each such part and provides basic information concerning each such program, including an address where more detailed information and application forms may be obtained;

"(2) prepare and make available application forms and others relevant material for eligible applicants which, to the fullest extent practicable, minimize the paperwork burden on each such applicant and are designed to encourage applications from eligible applicants not currently carrying out programs for the prime sponsor; and

"(3) conduct a reasonable number of public meetings at convenient places within the area under the jurisdiction of the prime sponsor to provide information concerning the program.

"(b) A prime sponsor shall not provide any financial assistance to any eligible applicant under parts A, B, and C of this title unless the prime sponsor determines, in accordance with such regulations as the Secretary shall prescribe, that—

"(1) the project or program (A) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (B) will not result in the displacement of currently employed workers, including partial displacement such as a reduction in the hours of non-overtime work or wages or employment benefits, (C) will not impair existing contracts for services or result in the substitution of Federal or other funds in connection with work that would otherwise be performed, and (D) will not substitute jobs assisted under this part for existing federally funded jobs;

"(2) youths employed in jobs assisted under parts A, B, or C will be paid wages which will not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, as amended, or (B) the State or local minimum wage for the most nearly comparable covered employment;

"(3) persons employed in necessary technical, administrative, supervisory, or support positions assisted under part A shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, (C) (i) in the case of those applicants which are States, political subdivisions, local educational agencies, or public institutions of higher education, the prevailing rates of pay for persons employed in similar public occupations by the same employer or, (ii) in the case of those applicants which are nonprofit private organizations or institutions, the appropriate prevailing wages determined in accordance with the Service Contract Act of 1965, or the prevailing rates of pay for persons employed in similar occupations by the same employer, whichever is higher, or (D) in the case of persons performing work of the type to which the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5) applies, the prevailing wage determined in accordance with that Act; except that the provisions of this paragraph shall not apply if the necessary technical, administrative, supervisory, or support personnel are regularly employed by the eligible sponsor and are employed by funds not appropriated under this part, in which case the wages of the technical, administrative, supervisory, or support personnel shall be governed by the provisions of law applying to their regular, employment;

"(4) appropriate workmen's compensation, health insurance, and other benefits will be provided to youths and other persons employed in jobs assisted under such parts, except that, pursuant to regulations of general applicability prescribed by the Secretary, the Secretary may arrange for the direct Federal provision of such benefits whenever he determines that an eligible applicant by reason of size or resources is ill equipped to provide such benefits;

"(5) the provisions of section 2(a)(3) of Public Law 89–286 (relating to health and safety conditions) shall apply to programs and projects assisted under such parts; and

"(6) every youth employed in programs

and projects assisted under such parts will be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

"(b) The Secretary shall prescribe regulations to insure that programs and projects assisted under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of such assistance, except that no regulations prescribed under this subsection shall impose unreasonable burdens upon eligible applicants that are ill equipped by reason of size or resources to comply.

"(c) The Secretary shall prescribe regulations to insure that periodic reports will be submitted to him by prime sponsors containing data designed to enable the Secretary and the Congress to measure the relative effectiveness of this title and other federally funded job programs for youths. Such data shall include information on—

"(1) characteristics of participants including age, sex, race, health, educational level, and previous wage and employment experience; and

"(2) total dollar cost per participant, including breakdown between wages, training, all fringe benefits, supplies and equipment, and administrative costs;

except that no regulations prescribed under this subsection shall impose unreasonable burdens upon eligible applicants that are ill equipped by reason of size or resources to comply.

"(d) A prime sponsor shall not provide financial assistance for any program or project under this title which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof shall be in any way or to any extent engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code. The Secretary shall prescribe regulations to carry out the provisions of this subsection.

"(e) Each prime sponsor may by regulation, permit youth who have attained 14 years of age but not 16 years of age and who are enrolled in school, to participate in any program or project under part A, B, or C of this title if—

"(1) the job for which assistance is provided under each such part is a part-time job; and

"(2) the job is reasonably related to the continuation of such a youth in secondary school.

"EDUCATION WORK COMMITTEE OF PRIME SPONSOR'S PLANNING COUNCIL

"SEC. 773. (a) Each prime sponsor shall establish an Education-Work Committee of the planning council of such sponsor established under section 104. Each such committee shall be convened by the prime sponsor, and shall be composed of members who are representative of: (1) the prime sponsor; (2) the local educational agency or agencies; (3) local business and industry; (4) local labor organizations; and (5) the local U.S. Employment Service office or offices.

"(b) (1) The representative of the prime sponsor shall serve as the chairman of the Committee.

"(2) The prime sponsor shall provide such professional, technical and clerical staff as is necessary to serve the Committee.

"(c) The Committee shall advise in the development of the terms and conditions of the contracts between the prime sponsor and the local educational agency or agencies under part C of this title. In addition, each member of the Committee shall approve of, such contracts. When approval is withheld, the withholding member must state in writing the reasons and provide the Committee in writing a suggested alternative which he would approve. No such contract under part C shall be carried out without the approval of each member of the Committee.

"(d) The Committee shall make recommendations concerning the approval of programs and projects under parts A, B and D of this title, and assist in organizing and coordinating activities at the local community level which strengthen the process of transition from school to work for youth.

"(e) The Committee shall prepare a local career development plan which includes a general plan of the programs to be carried out under this title, and make recommendations for coordinating such activities with other related activities which are carried out by organizations represented on the Committee.

"(f) Except with respect to programs conducted under part C of this title, any final decision with respect to recommendations submitted by the Committee shall be made by the prime sponsor.

"PAYMENTS

"SEC. 774. (a) The prime sponsor shall pay to each eligible applicant having an application approved under this title by the prime sponsor, the amount which the applicant is entitled to receive under this title.

"(b) Payments made to eligible applicants, may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"RESPONSIBILITY TO YOUTHS

"SEC. 775. (a) Nothing in this title shall be construed by any prime sponsor as reducing the responsibility of that prime sponsor to youths under any other title of this Act.

"(b) Each prime sponsor shall endeavor to coordinate activities and programs authorized under this title with similar activities or programs authorized under other provisions of this Act and other relevant provisions of Federal laws.

"DEFINITION OF YOUTH

"SEC. 102. Section 801(a) of such Act (as redesigned by section 101 of this Act) is amended by adding at the end thereof the following new paragraph:

"(15) 'Youth' means any individual who has attained sixteen years of age but not twenty-two years of age.".

TITLE II—NATIONAL CONSERVATION CORPS

SHORT TITLE

SEC. 201. This title may be cited as the National Conservation Corps Act of 1977".

PROGRAM AUTHORIZED

SEC. 202. The Act entitled "An Act to establish a pilot program in the Departments of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes", enacted August 13, 1970 (84 Stat. 794; 42 U.S.C. prec. 2711 note; 16 U.S.C.A. 1701–06) (hereafter in this Act referred to as the Youth Conservation Corps title), is amended by adding at the end thereof the following new title:

"TITLE II—NATIONAL CONSERVATION CORPS

"FINDINGS AND PURPOSE

"SEC. 201. (a) The Congress finds—

"(1) that young American workers bear an excessive burden of unemployment and have a difficult time finding productive and useful jobs;

"(2) that young workers experience unemployment more often and for longer periods of time;

"(3) that prolonged periods of unemployment for young workers limit their ability to obtain job skills, work experience, and work attitudes needed for more skilled, more productive, and higher-paying jobs in the Nation's economy, resulting in a significant economic loss both to young workers and the Nation's economy;

"(4) that high unemployment among the Nation's youths strains the social service resources at the Federal State and local levels and reduces tax revenues;

"(5) that large inventories of conservation work and other work of a public nature exists within the national park system, the national forest system, the national wilderness system, and on State, municipal and other public land and water areas of the United States which require a large investment of labor and relatively small investment of capital to be successfully carried out;

"(6) that much of the conservation work of a public and environmental nature on the lands and waters of the United States, such as reforestation, timber stand improvement, first prevention, trail and campground improvement, and insect, soil erosion and flood control, can be accomplished by youths working under adult supervision at a minimal cost to the Nation; and

"(7) that work on such projects can provide significant economic benefits to youths and the Nation by providing youths with job skills, work experience, and work attitudes which they might not otherwise obtain.

"(b) It is the purpose of this title to provide useful employment and a decent income, valuable work experience and job skills, and good work habits to youths on projects which reduce the current inventory of conservation work or which provide a public benefit on the public lands and waters of the United States or any subdivision thereof.

"NATIONAL CONSERVATION CORPS

"SEC. 202. The Secretary of the Interior and the Secretary of Agriculture (hereinafter in this title referred to as the 'Secretaries') shall establish a National Conservation Corps (hereinafter in this title referred to as the 'Corps') for the purpose of providing employment and training for youths in projects which reduce the inventory of conservation, protection, reforestation, regeneration, improvement, development, utilization, maintenance, or enjoyment of the natural resources of lands and waters under the ownership or control of the United States, any agency thereof, or of any State or any subdivision thereof.

"NATIONAL CONSERVATION CORPS MEMBERSHIP

"SEC. 203. (a) Individuals employed as Corps members under this title—

"(1)(A) shall have attained age nineteen but not attained age twenty-four or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(2) shall be physically capable, as determined under regulations established by the Secretaries, to carry out the work of the Corps;

"(3) shall be given preference for employment if any such individual resides in any labor market areas having substantial or persistent unemployment as determined by the Secretary of Labor and;

"(4) may be employed for a total period of not more than twelve months, with such maximum employment period consisting of one continuous twelve-month period or of two or more periods which together total twelve months.

"(b) Individuals shall be employed as Corps members without regard to race, color, religion, sex, or national origin, and without regard to the civil service or classification laws, rules, or regulations.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 204. (a) In carrying out this title, the Secretary of the Interior and the Secretary of Agriculture shall—

"(1) determine, with the cooperation of other Federal agencies, the areas under the administrative jurisdiction of the Secretaries or other areas as provided under section 206 (b) which are appropriate for carrying out programs or projects employing members of the Corps;

"(2) place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available;

"(3) employ such individuals in such projects as—

"(A) tree nursery operations, planting, pruning, thinning, and other silvicultural measures;

"(B) erosion control and flood damage;

"(C) wildlife habitat improvements;

"(D) range management improvements;

"(E) recreation development, rehabilitation, and maintenance;

"(F) forest insect and disease control, road and trail improvements, and wildlife preservation;

"(G) general sanitation, cleanup, and maintenance of State and public lands; and

"(H) other similar conservation projects;

"(4) in determining appropriate work projects for Corps members, give priority to projects that—

"(A) are relatively labor intensive;

"(B) have work plans or for which work plans could be readily developed;

"(C) may be initiated promptly; and

"(D) are productive;

"(5) provide no fewer than one supervisor for each ten participating youths, and provide that the supervisory personnel are adequately trained in skills needed to carry out the program or project and can instruct participating youths in skills needed to carry out the program or project;

"(6) to the maximum extent practicable employ such individuals in areas where existing residential facilities are available;

"(7) to the maximum extent practicable employ such individuals in activities similar to activities of those employed in seasonal and part-time employment, in the case of the Secretary of the Interior, in the National Park Service, Bureau of Outdoor Recreation, the United States Fish and Wildlife Service, the Bureau of Reclamation, the Bureau of Land Management, and the Bureau of Indian Affairs, and, in the case of the Secretary of Agriculture, in the Forest Service and the Soil Conservation Service;

"(8) determine rates of pay for Corps members by giving consideration to housing, transportation, food, medical, and other direct benefits of employment (except that supplies and equipment shall not be benefits of employment), but in no event shall the rates be set at less than the current Federal minimum wage, set forth in section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended;

"(9) provide for the safety, health, and welfare of Corps members;

"(10) assure to the maximum extent feasible that the Corps program—

"(A) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits);

"(B) will not impair existing contracts for services or result in the substitution of Federal or other funds in connection with work that would otherwise be performed; and

"(C) will not substitute jobs of Corps members for existing federally assisted jobs; and

"(11) promulgate regulations for the implementation and administration of the provisions of this title, within sixty days of its enactment.

"(b) Existing but unoccupied Federal facilities and surplus or unused equipment, or both, of all types including military facilities and equipment may be used by Corps members, where appropriate and with the approval of the Federal agency involved, except that in carrying out this title, the Secretaries shall provide, to the maximum extent practicable, that Corps members under this title shall not, at the same time, share common facilities or work on common projects with Corps members under title I of this Act.

"(c) The Secretaries are authorized to contract with any public agency or organization which has been in existence for at least five years prior to the date of enactment of this Act, for the operation of any Corps project.

"(d) The Secretaries are authorized to enter into such agreements with Federal, State, and local agencies (public or private) as may be necessary for the purpose of utilizing the services and facilities thereof to support Corps projects. To the extent not otherwise available on a nonreimbursable basis, the Secretary may reimburse such agencies for services and facilities provided under this section.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 205. Except as otherwise specifically provided in the following paragraphs of this section, Corps members shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), Corps members shall be deemed employees of the United States and any service performed by a person as a Corps member shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter 1 of chapter 81 of title 5 of the United States Code, relating to compensation to Federal employees for work injuries, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and provisions of that subchapter shall apply, except that the term 'performance of duty' shall not include any act of a Corps member while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Secretary.

"(3) For purposes of chapter 171 of title 28 of the United States Code, relating to tort claims procedure, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee of the Government' as defined in section 2671 of title 28, United States Code, and provisions of that chapter shall apply.

"(4) For purposes of section 5911 of title 5 of the United States Code, relating to allowances for quarters, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in that section, and provisions of that section shall apply.

"GRANTS FOR STATE AND MUNICIPAL PROJECTS"

"SEC. 206. (a)(1) The Secretaries are authorized to make grants to the States and to subdivisions thereof to assist them in employing youths to carry out projects described in section 204 of this title on non-Federal public lands and waters.

"(2) For the purposes of this section, the term 'States' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

"(b)(1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretaries. Such application shall be in such form, and submitted in such manner, as the Secretaries shall by regulation prescribe, and shall contain—

"(A) assurances satisfactory to the Secretaries that the applicant shall administer the project for which application is submitted in accord with the provisions of section 204;

"(B) assurances satisfactory to the Secretaries that individuals employed under the project for which application is submitted shall meet the eligibility requirements of section 203; and

"(C) such other assurances and information as the Secretaries may require.

"(2) The Secretaries may approve applications which they determine—

"(A) meet the requirements of paragraph (1) of this subsection, and

"(B) describe projects similar to projects described in section 204 of this title on non-Federal public lands or waters within the jurisdiction or control of the applicant.

"(c) Of the sums appropriated under section 209(b) for the fiscal year beginning October 1, 1977, not more than twenty-five per centum shall be made available for grants under this section. Of the sums appropriated under section 209(b) for the fiscal year beginning October 1, 1978, not more than thirty per centum shall be made available for grants under this section. Amounts reserved for this section in any subsequent fiscal year shall be determined by the Congress after receiving the recommendations of the Secretaries of Agriculture and Interior in the report required by section 207. Within 90 days from the date such report is referred to the House Committee on Education and Labor and the Senate Committee on Interior and Insular Affairs, each such committee shall report legislation providing authorizations for the fiscal year to which the report refers.

"(d) The States and political subdivisions thereof, in employing youths in the grant programs authorized by this section, shall have the same duty, with respect to common facilities and projects, as is imposed on the Secretaries under section 204(b).

"(e)(1) The amount of any grant under this section shall be determined by the Secretaries, except that no grant for any project may exceed 80 per centum of the cost (as determined by the Secretaries) of such project.

"(2) Payments of grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretaries find necessary.

"SECRETARIAL REPORTS

"SEC. 207. The Secretaries shall prepare jointly and submit to the President and the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the date of enactment of this Act. The Secretaries shall include in such report such recommendations as they deem appropriate for changes in the percentage of funds allocated to States and political subdivisions thereof, under section 206(c).

"TIME PERIOD FOR PLANNING AND PREPARATION

"SEC. 208. (a) During the period beginning on the date of enactment of this title and ending on October 1, 1977, the Secretaries shall prepare a plan to carry out the activities authorized by this title and prepare the site locations, facilities, and equipment selected in the plan. Such plan shall contain an estimate of the annual costs of carrying

out the activities authorized by this title, a procedure for selecting candidates for the Corps, a list and description of the work projects initially selected by the Secretaries for the Corps to carry out under this title, and a list and description of site locations, facilities, and equipment initially selected by the Secretaries for work camps to be used by the Corps under this title. In preparing such plan, the Secretaries shall plan for a capacity of the Corps to employ one hundred thousand youths under this title during its first fiscal year of operation, two hundred thousand youths during its second fiscal year of operation, two hundred and fifty thousand youths during its third fiscal year of operation, and three hundred thousand youths during its fourth fiscal year of operation.

"(b) No youths shall be employed in the Corps under section 202 and no grants shall be made to the States, and political subdivisions thereof, under the grant program of section 206 until January 1, 1978.

"(c) The Secretaries shall submit to the Congress the plan required by susbection (a) no later than October 1, 1977. If neither House of Congress disapproves such plan within sixty days after its submission, such plan shall be deemed approved.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 209. (a) There is authorized to be appropriated to the Secretaries for preparing the plan required under section 207 of this title, and for preparing the sites, facilities, and equipment selected in such plan (utilizing persons eligible for employment under this title, where practicable), $50,000,000 for the period beginning on the date of enactment of this title and ending on the two hundred and fortieth day after such date.

"(b) There are authorized to be appropriated in addition to the amounts appropriated under subsection (a) for the purpose of carrying out this title, such sums as may be necessary for the fiscal year beginning October 1, 1977, and for each of the three succeeding fiscal years.".

TECHNICAL AMENDMENTS

SEC. 203. The Youth Conservation Corps Act is further amended by—

(1) inserting immediately after the enacting clause the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) redesignating sections 1 through 6 as sections 101 through 106, respectively;

(3) striking out "section 6" in section 104 (d) (as redesignated by clause 2 of this section) and inserting in lieu thereof "section 106";

(4) striking out "Act" each place it appears in sections 101 through 106 (as redesignated by clause 2 of this section) and inserting in lieu thereof "title"; and

(5) adding after section 106 (as redesignated by clause 2 of this section) the following new section:

"SHORT TITLE

"SEC. 107. This title may be cited as the 'Youth Conservation Corps Act'".

TITLE III—JOB CORPS

INCREASED APPROPRIATIONS

SEC. 301. Title IV of the Comprehensive Employment and Training Act of 1973 is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 420. In addition to amounts authorized by any other provisions of this Act, there are authorized to be appropriated $150,000,000 for the fiscal year 1978 and for each succeeding fiscal year thereafter to carry out the provisions of this title.".

EXHIBIT 2

COMPREHENSIVE YOUTH EMPLOYMENT ACT OF 1977

SUMMARY

Title I of this bill amends the Comprehensive Employment and Training Act of 1973 (CETA) by creating a new Title VII—"Youth Employment and Community Service Programs". This new title enables CETA prime sponsors to establish four new job creation and counseling programs for youths—

Youth community service. This nationwide youth service program will create employment opportunities for youths on specially-created projects providing needed services to their local communities. The program would be open to all youths, although the allocation formula channels extra funds to prime sponsors having large numbers of low-income or unemployed youths. Community service projects may be proposed by any State or local agency, or any public or private non-profit organization, including youth service agencies, community-based organizations, labor unions, and many others, and must satisfy a number of standards, including the provision of at least one supervisor for every ten youths. Participating youths will be paid no less than the minimum wage, and will receive training needed for their projects. The requirement that projects originate within the local community with prime sponsor approval insures that participating youths will experience useful, productive and fulfilling work on Youth Community Service projects. Education-Work Committees of local CETA planning councils are established to advise and make recommendations concerning prime sponsors' youth employment plans.

Youth opportunity in private enterprise. Under this program, CETA prime sponsors can contract with public and private nonprofit agencies to develop programs to place youths in jobs in private enterprise and to provide necessary counseling, training and supportive services to participating youths and employers. Aimed primarily at low-income and disadvantaged youths who require remedial education, counseling, and development of basic work skills to become work-ready, the Youth Opportunity in Private Enterprise program enables sponsors to develop a wide variety of means of preparing and placing youths in jobs in private enterprise—providing comprehensive counseling and guidance, providing remedial education, and developing new work-study and apprenticeship arrangements. In addition the bill would authorize the use of funds appropriated under this title for payment of on the job training costs.

Work experience for in-school youth. This program is designed to provide in-school youth with job experience prior to secondary school completion, and without interrupting their educational program. CETA prime sponsors would enter into agreements with local education agencies, which would contract with public and private employers to provide part-time work specifically related to the education program of the secondary school student. The school based counselor must certify that the work is an appropriate component of the student's total program, and would also supply necessary guidance and counseling services. Participating employers would be paid for all training and recruitment costs incurred, but not for actual wages paid to students. Local education agencies would be supported for the administrative costs and the guidance, counseling and related components of operating the program. An Education-Work Committee of the existing local CETA planning councils must approve each agreement between local education agencies and prime sponsors. This agreement shall include a "career development plan" which shall specify the general plan of the program and coordinate the operation of this program with related activities carried out by the Committee members in the local area. As in the proposed Youth Community Services program, the Education-Work Committee would be composed of the representatives of the prime sponsor, the local education agency, labor organizations, the U.S. Employment Service and employers. Any youth enrolled full time in a participating secondary school who can benefit from the program shall be eligible to participate. Funds shall be allotted based on the number of students enrolled in secondary schools, with additional funds allotted to areas based on enrollment of disadvantaged youth.

Occupational information and career counseling. This program is designed to provide all the Nation's youths—and particularly work-bound high school, junior college, and out of school youths—with the job information, job counseling and job guidance they need to make informed and intelligent career choices. The CETA prime sponsors, under this program, may arrange with public and private non-profit agencies, the United States Employment Service, or local education agencies for programs to place trained counselors right in high schools and junior colleges; establish counseling centers in low-income, rural or urban neighborhoods; develop comprehensive catalogues of entry-level jobs at the local level; develop pre-employment counseling programs for junior high school students; develop programs for training and retraining counselors with skills needed to assist workbound, as well as college-bound, youths; and develop innovative and demonstration counseling and guidance programs.

A National Occupational Information and Career Guidance Service is established within the Labor Department to coordinate and compile education and work data, to improve State data collection, to provide local programs with up-to-date occupational information and projections, and to provide supporting services to local programs.

Title II of the Comprehensive Youth Employment Act establishes a National Conservation Corps which would provide youths up to the age of 24 years, with work and training on projects in the national parks, national forests, or other public lands and waters, performing a wide variety of important conservation work, such as reforestation, fire prevention, campground improvement, and soil erosion control. The National Conservation Corps will be directed by the Secretaries of Agriculture and Interior, and projects may be located on Federally-owned lands as well as on lands owned by States or municipalities. Youths may participate in the National Conservation Corps for up to one year. Any youth may participate, although preference is given to those from areas with substantial or persistent unemployment. The existing Youth Conservation Corps is retained, with its emphasis on providing summer work for teenagers, as part of the National Conservation Corps.

Title III of the Comprehensive Youth Employment Act would significantly expand the Job Corps by providing an additional $150 million yearly above the current funding level.

During the remainder of this fiscal year, the Comprehensive Youth Employment Act will provide about $200 million for the start-up costs of these programs. For fiscal 1978, the authorization would be $2 billion for the CETA and Job Corps programs, plus the funds needed to provide 100,000 jobs in the National Conservation Corps. For succeeding fiscal years, the authorization level would be determined by a formula, based on the na-

tional unemployment rate, that would provide about $3.5 billion at 7 percent unemployment and $4.0 billion at 8 percent unemployment for the CETA and Job Corps programs, plus the funds needed to provide up to 300,000 jobs in the National Conservation Corps.

By Mr. BARTLETT:

S. 172. A bill to amend title 2 of the Social Security Act to repeal the earnings limitation for all workers age 62 and over, and to increase to $4,200 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is admitted an individual each year without any deduction from benefits thereunder; to the Committee on Finance.

Mr. BARTLETT. Mr. President, one of the primary points of discussion in remodeling our welfare and unemployment programs is the removal of work disincentives. The stories are numerous, and well publicized, about individuals and families that find it more beneficial to stay on Government support programs rather than lose money by returning to the work force.

The taxpaying public is outraged by these circumstances, because they are the source of the public support, and they own the businesses, both large and small, that have difficulty in finding enough employees to fill their current vacancies.

There is one area that has been ignored, that being the earnings limitation under the Social Security Act. It is forgotten that social security is a form of Government support paid for out of tax dollars. This oversight is based on the fact that social security payments are looked on differently than welfare and unemployment payments.

This earning limitation does not seem as insidious as the programs that cause people to intentionally withhold themselves from the job market to secure ever-increasing benefits on a "Government dole," but it does deprive the employer of a source of employees. These are employees already trained and with a good deal of experience. It also deprives the retiree of the opportunity to remain employed and to work as much as he or she may desire.

This desire to work on the part of the retiree can either be from the drive to avoid idleness or from a more common need of economic necessity.

Obviously many people are satisfied to retire and spend their time resting or pursuing long-postponed hobbies and pleasures, but there are many who do not want to discontinue employment merely because their employer of many years has a mandatory retirement policy.

This country is in part based on the concept of "individual freedom of choice." The retiree should have the opportunity to work as little or as much as he or she desires.

Those persons who have previously investigated this area estimate that there would be a loss in excess of $3 billion for the first year; however, this figure is only based on the "benefit dollars" that would no longer be withheld. It does not take into account the revenues that would enter the system both in general tax dollars and specific withholding for social security. I do not attack the statisticians for the limited information available, because the fact is, there is no way to determine the income, since there is no evidence as to how many persons would take advantage of the removed limitation.

The second title of my proposed legislation raises the earnings limit for all other subject individuals to $4,200 per year. These are the persons that are most obviously in the work force and should be encouraged toward employment. This substantial group of people rely on social security benefits, because they are responsible for dependents or are in fact dependents themselves attending schools or following courses of higher education. Certainly to encourage those that are in the mainstream of the Nation's work force is a primary concern of our society, and we as Members of Congress should do all that we can to foster this ideal.

Both the retiree and other beneficiaries of the Social Security System need to maintain economic independence. Looking to the future, we know that the retiree will be an ever-increasing part of our society, and it behooves us to anticipate alternative means of supporting these people outside of tax revenues. Their independence from the vagaries of public financing should be uppermost in our minds, and I, therefore, encourage my fellow Senators to support this legislation, and to look toward new and innovative means of assisting particularly the retiree as well as others eligible for social security.

By Mr. KENNEDY:

S. 173. A bill to establish the birthplace of Susan B. Anthony in Adams, Mass., as a national historic site, and for other purposes.

BIRTHPLACE OF SUSAN B. ANTHONY

Mr. KENNEDY. Mr. President, I am introducing today legislation to establish the birthplace of Susan B. Anthony as a national historic site. I ask unanimous consent that the text of the bill be printed in the RECORD.

Susan B. Anthony's birthplace is in Adams, Mass., and it is to the people of Adams that we owe a great debt for the preservation of this site to the present day. The time has come for us to make a national tribute to this outstanding American leader in the women's rights movement, and I am hopeful that the Senate will act quickly to assure that the birthplace of Susan B. Anthony is protected for generations to follow us.

I ask unanimous consent that an article about Susan B. Anthony from the New York Times of April 1, 1945, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE WOMEN PERSONS?

This year marks the 125th anniverary of the birth of militant suffragist, Susan B. Anthony. This Quaker maiden who eventually "changed the mind of a nation," was one of the outstanding women of her century—the century that freed American women from their economic and legalistic shackles.

Although she was educated in the proper Quaker manner—studying mortality, humility, love of virtue, and modesty—she was not a proper Quakeress, even as a child. She was too curious. She was too logical. She was too passionate.

At 17, she left the small Massachusetts town of her birth and found a job as a school teacher in Canajoharie, N. Y. She was already a violent Daughter of Temperance, an Abolitionist, and her conviction that women were the moral and intellectual equals of men marked her as a social revolutionary even at that early age. Miss Anthony grew up in a period of social reform and represented much of the spirit of that reform.

She was five feet six inches tall, with broad shoulders. Her brown hair was thick and shiny. Her eyes were brilliant, and her lips were soft and red. In those days she was called "a fine figure of a woman"—and she was known as "the smartest woman who had ever come to Canajoharie."

She fought off proposals of marriage, for she already had begun to visualize her career as an organizer of women. Women, at that time, were perpetual minors in the eyes of the law. They existed legally through their husbands. They could be taxed, but they couldn't vote. They could earn money, but they couldn't own it. They were expected to have children, but they had no legal rights over them. And Susan B. Anthony's young soul rebelled against this inequality and the laws and traditions which maintained it.

Thus when the first woman's convention was held in Seneca Falls, N. Y., Susan attended it breathlessly. For five years thereafter she participated in all forms of women's rights demonstrations and meetings, most of which were aimed at minor reforms. She soon realized, however, that ambuscades and limited war on specific injustices were not enough—that women would have to fight for total freedom, and that the ballot was the key to that freedom.

She wrote letters, circulated petitions, begged editors for publicity. She tramped the streets, arguing with apathetic women, and women who slammed the door in her face, saying that THEY had husbands, thank goodness, to protect their rights. She called meetings and introduced bills into Congress and State Legislatures. She started a newspaper called Revolution, with the motto: "The true Republic—men, their rights and nothing more; women, their rights and nothing less."

The leading men of the nation shuddered to hear an unmarried female "advocate such destructive changes in the protected status of loved and cherished wives."

The women's movement, mocked, censured from all sides, continued growing, led by a mature Susan Anthony, who worked at it constantly. With the Civil War, the feminine seekers after the vote fought ardently for Negro suffrage—assuming that when the former slaves received the franchise, certainly all women would too.

They were mistaken. The Fourteenth Amendment to the Constitution was passed—but women did not get to vote.

"Still another form of slavery remains to be disposed of," declared Susan B. Anthony at this time. "The old idea yet prevails that woman is owned and possessed of man to be clothed and fed and cared for by his generosity. The present agitation rises from the demand of the soul of woman for the right to own and possess herself."

At approximately this period, Susan Anthony clashed with Horace Greeley. "Miss Anthony," said Greeley at a suffragist convention, "you are aware that the ballot and the bullet go together. If you vote, are you also prepared to fight?"

"Certainly, Mr. Greeley," lashed out Susan sharply. "Just as you fought in the late war—at the point of a goose-quill."

But words could not do the trick. The Fourteenth Amendment had to be put to

the test. It plainly stated that persons born or naturalized in the United States were citizens, and that no law could be passed abridging the privileges of such citizens. Susan realized that her fight depended on the meaning of the word persons. Were women persons?

She put the case to the test. In 1872 she cast a vote in the Presidential election—bullying an election board to whom she read the Fourteenth Amendment into giving her a ballot—and was arrested. Her trial was at least as famous as that of the Dred Scott case. She was denied a jury, and was forbidden to testify in her own behalf. The judge ruled that women were less than persons, that they were not citizens—and at the close of a dramatic session found her guilty and fined her $100. Said Susan: "May it please your Honor, I will never pay a dollar of your unjust penalty." She never did.

For forty years she traveled over the United States, calling women's conventions, lecturing, debating with legislators. She traveled in Europe, her reputation making way before her, and discussed women's suffrage with the crowned heads of Germany and England.

When she died at 86, hundreds of columns were written, praising her work and thought. A few smug editors said: "She was the champion of a lost cause"; "Her peculiar views on this question will soon be forgotten."

But Susan B. Anthony, who had been called both "Saintly Susan" and "Napoleon" by her disciples, could have referred to her favorite motto: "Failure is impossible." Fourteen years later, in 1920, American women were enfranchised.

By Mr. CLARK (for himself, Mr. BROOKE, Mr. HUMPHREY, Mr. MCGOVERN, Mr. PERCY, Mr. CRANSTON, Mr. JAVITS, and Mr. KENNEDY):

S. 174. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Relations.

RHODESIAN SANCTIONS

Mr. CLARK. Mr. President, it is a critical time for the future of Zimbabwe, or Rhodesia. In the next few weeks and months that country will either enter into a peaceful transition to full and equal participation by all its people in its government; or it will enter irrevocably into a prolonged race war. Most agree that if the Geneva negotiations are not successful, there will be no further negotiations until the liberation movements win a long and tragic struggle.

At present, the greatest barrier to a negotiated settlement is the unwillingness of Rhodesia's Prime Minister, Ian Smith, to extend to the 96 percent of the population that is black full political rights and participation. His intransigence is supported by his hope that the United States will in the end "come to its senses," as he would put it, and support his minority, racist regime.

This Congress must send a clear message to Rhodesia as soon as possible that the United States is firmly on the side of a rapid, peaceful transition to freedom and full racial equality in that country. Congress can do this by restoring U.S. compliance with international economic sanctions against Rhodesia.

Today, we are introducing a bill identical to one being introduced in the House to repeal the so-called Byrd amendment. This is the legislation that has put the United States in violation of United Nations sanctions against Rhodesia for the last 5 years. The Senate has once acted to repeal the Byrd amendment—in December 1973 by a vote of 54 to 37. Now, at the zero hour, Congress as a whole must act to strengthen peaceful international pressure on the minority regime in Rhodesia.

U.S. violation of international sanctions has undermined the effort to bring to bear effective peaceful pressure for change in Rhodesia.

Violation of sanctions has put the United States on the side of racial discrimination and minority rule in Rhodesia and has set us against justice and equality.

Violation of sanctions has hurt America's image in Africa than any other single aspect of our policy.

Violation of sanctions has undercut our ally, Great Britain, in its long effort to peacefully resolve the Rhodesia problem.

Violation of sanctions has seriously damaged our relations with the nationalist leaders of Zimbabwe—the future leaders of the country. They have looked to the United States for understanding and support for their efforts to gain freedom and racial equality. The United States has responded with a refusal to make even a minor economic sacrifice for freedom.

Mr. President, time is fast running out. If there is not a negotiated settlement of the Rhodesia problem soon, there will be no alternative to a long, tragic race war. Such a war will have serious consequences throughout the world; and the United States will be powerless to stop it.

If the United States is to effectively promote a peaceful solution to the Rhodesia problem in the coming months, there must be no confusion about this country's position. Congress can do much to make it clear that this country stands for human rights, racial equality and rapid peaceful change by restoring its compliance with international economic sanctions against Rhodesia.

By Mr. SCHWEIKER (for himself and Mr. RANDOLPH):

S. 175. A bill to provide a special program of financial assistance to opportunities industrialization centers in order to provide new skills training opportunities, and to other national community based organizations to provide comprehensive employment services to create 1 million new training and job opportunities; to the Committee on Labor and Public Welfare.

OPPORTUNITIES INDUSTRIALIZATION CENTERS SKILLS TRAINING AND NATIONAL COMMUNITY BASED ORGANIZATIONS JOB CREATION AND EMPLOYMENT ACT OF 1977

Mr. SCHWEIKER. Mr. President, on behalf of myself and my distinguished colleague from West Virginia (Mr. RANDOLPH) I send to the desk for appropriate reference a bill to provide a special program of financial assistance to opportunities industrialization centers in order to provide new skills training opportunities, and to other national community based organizations to provide comprehensive employment services to create 1 million new training and job opportunities.

Everyone in this Chamber knows that we have a tragic unemployment problem in this country. According to some economists, millions of Americans can expect to be unemployed for the foreseeable future and virtually no one is predicting full employment around the corner. In my view, our unemployment rate has become a national disaster. The ravages of high unemployment are well documented in terms of its impact on a mounting Federal deficit and in terms of its devastating effects on the lives of millions of Americans. We cannot afford, either in economic or human terms, to come to accept high unemployment as a fact of life.

There is no one solution to the problem of unemployment. Some people are unemployed simply as a result of adverse economic conditions. Others who make up the monthly unemployment statistics have been encouraged to reenter the labor market by reports of an improving economy, and still others among the unemployed have voluntarily left jobs to seek better positions or were employed in cyclical industries. For these people, measures to stimulate the economy through tax cuts and other macroeconomic policies may be sufficient to brighten the employment picture significantly. However, there are a vast number of Americans who will not benefit from measures designed to stimulate demand and thereby spur the growth of employment. These are people who have little training and even less experience. They are the young, the minorities, and those who are entering the labor market for the first time. For these people many of the jobs listed in the classified sections of our newspapers have little relevance, for they have neither the skills nor the experience to fill them. I believe this type of unemployment is our most nagging problem and one which we must begin to address effectively.

The legislation we introduce today will deal with this problem. It will do so by providing this Nation's most successful manpower training programs, those operated by Rev. Leon Sullivan's opportunities industrialization centers and other national community based organizations of demonstrated effectiveness in the delivery of employment services, with the tools to continue and to expand their efforts in the areas of job creation and job training. These organizations have resources at the national, State, and local levels and have enjoyed great success in providing manpower developmental experiences to the hard-to-employ which have facilitated their transition to regular employment.

When Congress passed the Comprehensive Employment and Training Act of 1973, it recognized the importance of community based organizations in our battle against unemployment. OIC, Jobs for Progress, Mainstream, and Community Action Agencies were cited by name in that act and these organizations and others have since assumed an important

role in our Federal manpower training programs. I believe their continuing success in addressing the employment needs of those whose needs are greatest justifies the special program of assistance established by this legislation.

The bill we introduce today contains the following major provisions: first, it authorizes the Secretary of Labor to enter into contracts with OIC and with other national community based organizations, to provide jobs, training, and comprehensive employment services to eligible persons, in coordination with private industry and specified public programs; second, this measure prescribes a number of required contract provisions designed to insure that the jobs created and filled are meaningful jobs leading to permanent employment and that veterans and hardcore unemployed receive preference; third, the bill requires nondiscriminatory program administration, with emphasis in both urban and rural areas.

Mr. President, during the next few months the Members of this body will engage in an ongoing debate on the most effective methods of dealing with unemployment. I urge my colleagues to make this bill a part of that debate, for I believe its enactment would be a significant step toward launching a successful attack on unemployment.

By Mr. BROOKE:

S. 176. A bill to amend title XVIII of the Social Security Act to provide for payment for out-of-hospital prescription drugs and eyeglasses; to the Committee on Finance.

MEDICARE SHOULD FURTHER AID OUR ELDERLY

Mr. BROOKE. Mr. President, we all want to live full, long, and healthy lives. The recent advances of medical science have enabled more and more of our fellow Americans to do this.

One disease that remains unsolved is old age, and of the many changes attendant upon advancing years, the most distressing may be the failing of the senses. Our senses are the crux of all that we are. To the extent that they are impaired, we are further removed from some aspect of life.

All of our senses decline with age. As the senses become weaker, less accurate, the ability to enjoy life is diminished.

The natural tragedy of this process is compounded by the fact that today, as the result of startling technological innovations, much of the sense impairment is unnecessary. We have been able to augment failing senses and thus restore individuals to a productive and enjoyable life. But the availability of these devices—eyeglasses, for example, and prosthetic devices—are very expensive.

One of the most serious gaps in our medicare program is the lack of coverage for vision services for the elderly. For the most part, medicare currently excludes optometrists from the definition of recognized practitioners under the program and prohibits payments for eyeglasses and eye examinations. And tragically enough, our persons over 65 years of age comprise the greatest bulk of the population needing vision care. Over 20 percent of this age group compared to less than 1 percent of the total population suffer visual impairment. Over 92 percent of our elderly have corrective lenses compared to roughly 50 percent of the population.

I feel we cannot allow the absence of necessary vision services to impede even a single person from functioning to the full extent of his capabilities, and therefore, I am today introducing a bill to amend medicare to include coverage of vision services, as well as out-of-hospital prescription drugs and prosthetic devices.

Prescription drugs are another crucial problem for our elderly. As they become older many elderly develop chronic illnesses whose pain and discomfort can be eased by today's miracle drugs. But they too are expensive, and the older persons on a fixed income should not be forced to make the choice between a needed prescription and food for the table. But this happens and it must stop. Therefore, we must amend our medicare program to enable our elderly to live in dignity and security, and as comfortably as possible.

By Mr. BROOKE:

S. 177. A bill to eliminate the requirement of a 3-day prior hospitalization to be eligible for home health care and extended care services; to the Committee on Finance.

HOME HEALTH SERVICES MUST BECOME MORE AVAILABLE

Mr. BROOKE. Mr. President, I am very concerned about the underutilization of home health services, primarily because of the stringent requirements set forth in the Social Security Act under medicare. Home health services are comprised of an array of therapeutic and preventive services provided to patients in their home or foster homes because of acute illness, exacerbations of chronic illness, and disability. These services vary depending on need. The Department of Health, Education, and Welfare has described three levels of home health care: First, Concentrated or intensive services; second, intermediate services; and finally, third, basic services, defined as "a simple combination of health supervision and maintenance designed to maintain individuals who have long-term-care needs in their own home, thus preventing or postponing the need for institutionalization."

These basic services have the greatest potential for utilization by large segments of the population, and are designed to support and maintain daily living activities of individuals who might otherwise require care in an institution.

One way we can encourage the use of home health services is to pass legislation that would waive the 3-day prior hospitalization requirement—or 3-day stay in a skilled nursing facility—that presently is mandatory for receiving home health care benefits in the medicare program. Today I am introducing legislation to amend the Social Security Act to waive this requirement.

There is a widespread consensus that we are overutilizing our institutional care. It has been estimated that as much at 25 percent of our elderly currently institutionalized could be happier and just as comfortable with the help of home health care in their homes. I urge my colleagues to support this legislation. These services are less costly, and more appropriate for large numbers of our elderly.

By Mr. BROOKE:

S. 178. A bill to assure low-income households the opportunity to participate in the food stamp program by eliminating the requirement that eligible households be charged for their food stamp allotment; to the Committee on Agriculture and Forestry.

FOOD STAMP ACT AMENDMENTS OF 1977

Mr. BROOKE. Mr. President, at the outset of the Senate's new session we must address a key issue that we must deal with as soon as possible: Food stamp program reform. I would like to start that process by introducing a bill today. While this legislation does not speak to all the intracies of our prospective legislative chore, it does propose a reform which I feel must be the basis of our lawmaking in this important area—the elimination of the food stamp purchase requirement.

Many of my colleagues will remember the efforts we undertook last year to reform the food stamp program. Indeed, under the capable leadership of the distinguished gentleman from Georgia, Mr. TALMADGE, who chairs the Senate Agriculture Committee, we acted upon a compromise measure offered by him, Mr. DOLE, and Mr. MCGOVERN, among others. It was a good measure, one that a majority of the Senate supported. Unfortunately, however, the House of Representatives failed to act on this legislation prior to adjournment.

So this year we again must look at this program for low-income citizens and fashion legislation that addresses their needs and the demand for trimmed-down, efficient, and effective program operation.

THE NATURE OF REFORM

There is no question that the food stamp program needs reform. However, I believe we now know that "reform" is not synonymous with "cutbacks."

We now know that the program is serving the role we had envisioned. We now know that the food stamp program is essential in staving off hunger and serious malnutrition for millions of people caught in the squeeze of recession. We now know that the program expansion of a year ago was not a sign of a program "out of control;" it was indication of a program working successfully to meet the increased needs of hungry Americans. We now know that the program works, not solely for the long-term poor who need food assistance to improve their diets, but also for the short-term needy who require a quick burst of purchasing power to keep food on the table.

In May 1975, when unemployment was at its peak of 8.9 percent, the food stamp program was serving approximately 19.3 million people. Since that time, unemployment has dropped and food stamp program participation has decreased by

over 2 million people, to 17 million participants in October 1976. At the time we last considered legislation, we were told that program costs could escalate to $7 billion a year, a figure which gave us all pause and caused a good deal of alarm among the public and many Members of Congress. Now, however, we are told that program costs will likely drop, continuing the trend of the last year. The program will probably cost under $5.5 billion in fiscal year 1977, and even less in fiscal year 1978.

Hence, we can now take a reasoned look at the food stamp program and the people who need its assistance, and make a clear judgment as to the best ways of improving the program. Fortunately, we are not burdened by the myths that enveloped our considerations last year. We have access to informative studies prepared by the Department of Agriculture, the Census Bureau, and the House Agriculture Committee which we can use to better target our legislative efforts. Thus, it is my hope that this year reform will be more constructively construed than last year. Reform must be aimed at making the program work as effectively as it can, reaching those people who need its assistance, with a concern toward improving the entire delivery system of income transfers that we have established.

ELIMINATION OF THE PURCHASE REQUIREMENT—EPR

Mr. President, the bill I am introducing today helps to begin the process of reform which I believe is necessary. It is only a first step; I am confident that it will be but one of many amendments to the act this year.

This reform is an essential element of any subsequent legislative effort to truly reform the program. Indeed, I agree with many of my constituents when they argue that there can be no meaningful reform without taking the step I am proposing today. Without it, the rest of our work in this area will be only cosmetic in nature.

My bill does only one thing: it eliminates the food stamp purchase requirement. It is not a novel idea. Such a provision was included in the Dole-McGovern food stamp legislation last year, as well as the bills introduced by Senators JAVITS and CHURCH.

This basic reform, by itself, does not address how much a household receives in food stamp assistance; it only involves the methods by which it receives such aid. For example, under the current system a household of four with a net income of $250 a month would pay $71 in cash each month to receive its coupon allotment of food stamps valued at $166. Thus, this household would receive a bonus of $95, the difference between the purchase price and the coupon allotment.

If there were no purchase requirement, the recipient household would receive only the bonus of $95 in food stamps, without having to pay the $71 to buy into the program.

Currently, the average household pays approximately 26 percent of its net income for its food stamps, with some households paying the maximum of 30 percent. My bill changes the portion of net income that would be invested if a purchase price were retained. It requires that the household's coupon allotment be reduced by 30 percent of its net income, instead of 26 percent, the current average. I have made this adjustment for one simple reason. Elimination of the purchase requirement, or EPR as we call it, has as its main goal to bring poor people into the food stamp program for the first time and, as such, adds cost to the program. A 30-percent benefit reduction rate lowers the cost of EPR so as to meet what I see as certain political realities.

I do want it clearly understood, however, that the use of this 30-percent benefit reduction rate for food stamps would be entirely unacceptable if the purchase price were not eliminated, in which case 25 percent—the figure in last year's legislation—would be more appropriate. In addition, EPR, with a 30-percent benefit reduction rate, requires that standard deductions, if adopted, be set high enough so that current recipients do not lose substantial amounts of assistance.

THE NEED FOR EPR

Why is EPR so important? Why do I consider it the backbone of any legislative reform?

The food stamp program's major failure is its inaccessibility to large numbers of eligible needy households. The program is not reaching a high percentage of the people who we have decided should have the opportunity to receive assistance.

More significantly, we are not even reaching many of the "poorest of the poor," those households with incomes below the poverty line. According to a recently-released special study by the Bureau of the Census, food stamp participation among the very poor is extremely low. Only about 40 percent of the households with incomes below the poverty level use food stamps. The elderly poor participate even less. Of the elderly with poverty-level incomes or lower, only 12.1 percent of the men and 20.4 percent of the women use food stamps. For households of two or more headed by an elderly person, participation is only slightly higher.

If we look at the supplemental security income, or SSI program, we see that the program's elderly, blind, and disabled participants—all of whom are categorically eligible for food stamps—do not participate to a very high degree at all. My understanding is that only about a third of the Nation's SSI recipients use food stamps.

I do not think there is one simple answer which explains why people do not use food stamps. There are a blend of factors. It was thought that one reason was because people did not associate what they heard about food stamps with the fact they might be eligible. So, we wrote an "outreach" clause into the legislation. While this provision was largely ignored for years, there has been some outreach work as of late. Although it has helped bring needy people into the Program, lack of outreach alone cannot explain the low participation of the poor.

Another oft-cited explanation for low participation is the administrative morass that surrounds program application and certification procedures. As advocates from my State have explained it to me, applicants for assistance have had such a frustrating experience that they both refuse to return to finish the tedious process and they tell their friends of their experience, thus discouraging others from applying. It is my hope that our legislation will address these problems by implementing a standard deduction, mandating tighter time frames in which applications must be acted upon, and generally making the process administratively accessible to low-income people, especially in rural areas where offices are often too distant for people without public transportation.

Still another reason for low participation is the stigma people feel when using food stamps in stores, where it is often called "funny money." This has increased, I suspect, since the program and its participants were so publicly, and wrongly, labeled "chiselers and rip-off artists" last year. It is especially true for the elderly who complain that the public assumes all the stamps are free, when in truth an elderly participant may well have paid $40 in cash to get $50 in coupons.

THE PURCHASE PRICE BARRIER

However, there is one cause of low participation that transcends these others and which is the most frequently voiced. The poor simply cannot afford to buy their food stamps. Many eligible people, especially the poorest households, have a cash-flow problem. It is terribly difficult for them to lay out 30 percent of their income for food stamps when a host of other expenses could crop up at any time. Many of the people to whom we want to target benefits are unable to tie up their limited amount of cash in coupons that cannot be used to meet other unanticipated needs. And it is not a budgetary problem; it is not that poor people cannot manage their affairs. Indeed, it is because of their ability to manage month after month, bill after bill; putting a little toward this, and a bit toward that; that they are often unable to put out large chunks of cash at one time.

Permit me to illustrate the problem. Food stamp users usually get two "authorization-to-purchase" cards a month. Food stamp vendors use these cards presented by a recipient to make an exchange of cash for coupons that is specified on that card. The cards are supposed to come on the 1st and 15th of the month, and the household plus accordingly. Let us say the card is delayed 5 days, as is often the case, because of the mail, holidays, weekends, whatever. For those 5 days, our imaginary household must use cash to buy food. Too often, by the time the food stamp card arrives, that household—living on an extraordinarily tight budget—can no longer afford the outlay of cash that it could have afforded 5 days earlier. They used a portion of it for 5 days worth of food. So, they do without the extra purchasing power that food stamps would have offered.

Another example is the person on fixed income, whether it be a social security check or public assistance. What happens

when their check arrives at a different time than their authorization-to-purchase card? It does not do such a person very much good to have received the card on time, only to have to wait until the check arrives. Moreover, even if the card and check did arrive simultaneously, there could still be insufficient cash with which to buy stamps. Usually, the bulk of household expenses such as rent and utilities must be met from the first of two semimonthly checks. In many cases this means recipients can only buy their stamps for the last half of the month, if at all.

Perhaps the problems caused by the food stamp purchase requirement can best be understood by comparing the purchase of food stamps to the food budgeting process of a nonpoor household. A nonpoor household can budget its food purchases according to the frequency of its receipt of income. Thus, shopping trips can be planned on a biweekly or weekly basis, with more frequent purchases for small items. Food stamp households on the other hand, have this flexibility only once they have made the significant cash outlay to buy their stamps. This purchase in most cases, has no relationship to the receipt of income or the ability of that household to make the purchase. The food stamp household is thus forced into an expenditure pattern that does not reflect either the availability of income or the needs of the household.

Simply stated, using food stamps is a difficult way to make sure you have enough food on the table. And I am confident that the purchase requirement is the overwhelming reason why poor people do not participate in such high numbers. We have decided, on the one hand, that people in certain financial situations should receive some assistance. Then we turn with the other hand and structure the mechanism for providing the assistance so that a large portion of our target population cannot avail themselves of it.

If the States and community advocates' outreach efforts achieved one thing above all else, it was to show that the basic structure of the food stamp program itself—specifically, the purchase requirement—was the major obstacle to participation. Until we remove that barrier, we will not—indeed cannot—correct the problem.

If the proponents of EPR are correct, and I believe they are, vital food stamp program benefits will become available to the poorest of the poor for the first time. And, certainly, this will add to the cost of the program considerably. But I submit, Mr. President, that this is money well-spent. It is money going to people who should always have been in the program but who were forced out by a purchase price they could not afford. And let me reiterate that this will not add a penny to the benefits accorded current recipients; in fact, the increase in the benefit reduction rate to 30 percent of net income will cut benefits slightly. We should no longer maintain a program that systematically keeps the very poor people we seek to aid from receiving its assistance.

OTHER BENEFITS OF EPR

While I feel strongly that the foregoing argument is compelling enough to warrant the adoption of EPR, there are some other benefits to the program and its participants as well.

First of all, EPR makes other changes in the program more practicable. For example, it seems clear that any reform legislation will include a standard deduction to replace the many itemized deductions now used to determine one's disposable income. Such a standard deduction, combined with the purchase requirement as it is currently constructed, could serve to keep even more people out of the program. If the standard in any way reflects the average deductions—for medical costs or shelter households with higher than average deductions presently claimed, all those costs, as examples—would have to pay more for their food stamps. I am especially concerned about people in a State like Massachusetts where housing and utility costs are quite high. The only way that a standard deduction can work well is to eliminate the purchase requirement, so even if recipients with higher-than-average deductions lose benefits, they will still get some aid.

Second, EPR will cut administrative costs for the current caseload and reduce appreciably the potential for abuse among vendors who sell food stamps. No longer will there be any cash in the program, and the opportunity for unscrupulous vendors to borrow cash for periods of time and earn interest on it will be ended. No longer will the cash have to be counted, reconciled with coupons, matched with purchase cards, and generally assume a significant amount of administrative time and trouble. Most importantly, the States can distribute the stamps themselves, without having to pay banks or post offices to handle the exchange of cash for coupons. Currently, the States must pay from 70 cents to well over $1 to vendors each time there is a transaction, which is usually twice a month.

Third, there will be less food stamps in circulation. Not only will this greatly reduce the printing costs, but it will also help to abet the embarrassment felt by some participants—especially the elderly—when all they have for food purchases is food stamps.

Finally, EPR moves us in the direction of welfare reform. It does not require needy households to tie up so much cash in in-kind programs, and allows them more freedom in tailoring their budgets to their specific situations. Since we can safely assume that welfare reform will mean more cash and less in-kind benefits, EPR represents a step towards giving households more control of their budgets. More importantly, EPR narrows the gap between those presently receiving Federal benefits and those who would be eligible for assistance under any welfare reform plan. As such, it makes welfare reform more manageable and, certainly, less abrupt. EPR is a rational way of easing into welfare reform without burning any bridges.

THE CRITICS' ARGUMENTS

When my colleagues consider the numerous arguments in favor of eliminating the purchase requirement, Mr. President, I am confident they will not find the position of its critics persuasive. Those who favor continuation of the current purchase requirement argue two major points: First, that the food stamp program is a nutrition program and not an income supplement program, and the EPR ends its usefulness as the former; and second, that once the money which now constitutes the purchase requirement is no longer required, it would not be spent for food at all but for other household needs.

I believe these two arguments are really the same question: "How can we be sure that people will spend as much on food once we eliminate the purchase requirement?" The answer is, "We can't." It is impossible. At present, people are, in theory, purchasing a nutritionally adequate diet through the use of food stamps. But we know that, in practice, this happens only if the recipients buy exactly the right foods specified in the extremely meager and esoteric thrifty food plan, and if the poor participate in the food stamp program at all.

Certainly, the purchase requirement does nothing to help increase the nutritional well-being of a poor family if that family is excluded from the program precisely because of the purchase requirement.

Certainly, the purchase requirement forces people to spend the full coupon allotment for food—assuming the stamps are not lured away by an enterprising grocer offering 60 percent of their value in cash. But that purchase requirement does absolutely no good for the family that cannot afford it. That family goes without any help at all because of our notion of what people need to live correctly. It is certainly possible that food stamp recipients will spend less for food if we eliminate the purchase requirement. Some argue that they will spend only the Federal "bonus." But the average benefit of 27 cents per person per meal—the Federal bonus—does not go very far; it demands supplementation.

However, the question really is: At what price do we force people to shape their budgets the way we think they should? It simply is more important to me that we offer some assistance to all those we believe needy rather than continue a system, albeit designed with the highest goals, that keeps them out.

EPR will, in reality, give poor people the opportunity to increase their food purchasing power. It does move the program more toward an income supplement—because people could move some food money to other household needs—but it is an income supplement for food. The assistance will still be in food stamps and, as such, is a compromise step between in-kind benefits and straight cash assistance.

Yes, to answer the critics' final argument, it adds cost to the program. But

this cost is only the money we would be spending if so many millions of people had not been denied access to the program. And, as I have said, it is money that is well spent insofar as it goes directly to the poorest among us and serves as the most basic kind of injection to local economies.

Mr. President, EPR is an idea that we should adopt when we consider food stamp reform this year. It is a most sensible provision. It is a reasonable, but cautious, next step in the development of our Federal benefit programs. Most importantly, it will help to implement a policy whose thrust has thus far been blunted: that of ending hunger and malnutrition in this land.

The food stamp program is the only vehicle for addressing the needs of millions of households in nutritional need. It is failing largely because of the exclusionary purchase requirement. Eliminating that obstacle is the only way of making the program achieve its objectives. It is an idea whose time has come.

By Mr. BARTLETT:

S. 179. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Labor and Public Welfare.

S. 180. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Labor and Public Welfare.

Mr. BARTLETT. Mr. President, I am today introducing two bills which would amend the Occupational Safety and Health Act of 1970. The first would exempt from OSHA's coverage all farm employers who employ less than 12 persons on the average during any calendar year. The other bill would exempt small business from OSHA's coverage, as well as making other changes of general applicability in the operation of the Occupational Health and Safety Act.

No agency or bureau in Washington has stirred more public comment and criticism in recent years than has the Occupational Safety and Health Administration. Most bureaus must exist several years before they develop a vocal group of critics; with OSHA it took only a few months.

In the case of OSHA and its effect on agriculture, the criticism has been intense, and for the most part, fully justified. This measure, if passed, would protect the family farmer from the need to master and comply with a bewildering multitude of regulations that have been, or are likely to be, handed down by OSHA. Experience in other industries has shown that the dollar cost of complying with OSHA's regulations is extremely high. With the low wheat and beef prices our farmers and ranchers are receiving for their products today, the last thing they need is more regulations which would boost their cost of production.

The agricultural exemption bill which I have introduced makes it clear that the bill applies to custom harvesters of grain products as well. If OSHA regulations are applied to custom cutters, the likely result would be a substantial increase in their costs of operation—an increase that would ultimately be passed on to the individual farmer.

While OSHA's track record has been pretty poor in general, its record in attempting to improve agricultural health and safety is especially disappointing.

Consider, for example, OSHA's proposed field sanitation regulations which provided that an employer must provide toilet and handwashing facilities within a 5-minute walk of each employee's place of work. With the large combines in use today, it does not take long for a custom harvester with two or three machines to cut a quarter of wheat. Therefore the effect of the OSHA regulations would be to require each custom cutter to have one man working virtually full time just setting up, taking down, and moving toilets. The obvious result is an unnecessary increase in the cost of harvesting that will be passed on to the farmer.

These examples point up clearly the futility of trying to legislate health and safety from a bureaucrat's desk in Washington. The plain fact is that neither farm employers nor farm employees need that kind of protection. I think it is equally plain that it is time for the bureaucrats to get out of the farming and ranching business and back to more useful ways to spend their time. The bill I have introduced will get OSHA out of agriculture. Hopefully we can then return to a commonsense approach to farm and ranch safety.

I might add that this bill substantially tracks the restrictions written into last year's Labor-HEW appropriations bill. Those restrictions were strictly a 1-year restriction. The adoption of the bill which I have introduced would make permanent those restrictions.

The other measure which I have introduced exempts from OSHA's jurisdiction small businesses which employ less than 25 employees on the average during the calendar year. Many of the same reasons exist for this exemption that I mentioned in connection with the agricultural exemption bill. The high cost of compliance with OSHA regulations and the difficulty of mastering a multitude of regulations are both very critical in assessing the impact of OSHA on small business.

In addition to the small business exemption contained in the bill, this bill also makes several changes of a general nature in OSHA procedures. Section 3 of the bill requires that the Secretary of Labor make an assessment of the financial impact of a proposed OSHA standard before that standard is issued. It also provides that no OSHA standard shall be applied so as to require the replacement of nonobsolete equipment unless a serious threat to employee health is posed by its continued use. The effect of these changes would be to minimize the cost-increasing aspects of OSHA regulations.

Section 4 of my bill would direct the Secretary or his representative, to suggest a means to correct any violation that is found on an inspection of a work site. It also prevents an employer from being assessed a civil penalty on the subsequent inspection if the employer fully complied with the OSHA inspector's suggested corrective acts suggested during a prior inspection. In addition, this section sets up three other affirmative defenses the employer could assert to prevent the assessment of a civil penalty: First, that implementing the OSHA requirement would not really improve employee health safety; second, that alternative procedures have been employed which are just as effective; or third, any violation of a standard was due to the action of an employee which the employer could not reasonably have prevented. The purpose of these changes is to render more equitable the operation of OSHA penalties and to afford covered employers a reasonable means for effecting compliance with the standards.

Section 5 of the bill makes various changes in the civil penalties which may be assessed for OSHA violations. Section 6 specifically authorizes onsite consultation by OSHA inspectors. This would allow an employer to request a preliminary inspection for the sole purpose of allowing that employer to effect compliance with OSHA standards. Such a consultative visit could not serve as the basis for a citation or penalty unless an eminent or serious danger to employee health was revealed by the inspection. Even the employer would have a reasonable time in which to correct the violation before a penalty would be imposed. This section provides for separation of the consultative and enforcement arms of OSHA, though it does make a consultative report binding in the enforcement inspection.

Mr. President, I believe the effect of these bills will be to develop a more equitable and workable set of procedures for OSHA to operate under. They would also exempt from OSHA's coverage those operations which find compliance most burdensome and unnecessary. In that connection, I call to the attention of the Senate certain safety statistics released last year by the Department of Labor. In its report "Chartbook on Occupational Injuries and illnesses, 1974," the Department indicated that out of eight categories based on number of employees in the business, those businesses employing from one to nineteen employees had the lowest incidence of job-related injuries or illnesses of any of the categories.

In fact, this group was substantially lower than any of the other groups based on number of persons employed by the concern. The same report showed that agriculture, forestry, and fisheries accounted for the smallest percentage of work-related injuries, illnesses, and fatalities of any occupational group classed by type of work. These figures thus indicate that whatever may be the justification for Federal safety standards in our economy generally, that justification is far less persuasive in the cases of farming, ranching, and small business than for other sectors of the economy. That fact, coupled with the difficulty of small businessmen and farmers trying to comply with the multitude of regulations, amply justifies the enactment of laws exempting these concerns from OSHA's scope.

Mr. President, I urge the adoption of these measures.

By Mr. KENNEDY (for himself, Mr. MCCLELLAN, Mr. ABOUREZK, Mr. BAYH, Mr. HASKELL, Mr. MATHIAS, Mr. STEVENSON, Mr. HUMPHREY, and Mr. MATSUNAGA):

S. 181. A bill to amend title 18, United States Code, so as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

ESTABLISHING SENTENCING GUIDELINES

Mr. KENNEDY. Mr. President, today I reintroduce comprehensive bipartisan legislation designed to deal with a problem which is crippling the fair and effective administration of criminal justice—the wide disparity in the sentences imposed in criminal cases. During the last session of Congress similar legislation was introduced as S. 2699.

In the last year study after study has been published documenting the nature and scope of sentencing disparity in the Federal courts. Some of the leading authorities of our criminal justice system—Dean Norval Morris of the University of Chicago Law School, the Honorable Marvin E. Frankel, U.S. district judge for the southern district of New York, Alan Dershowitz of the Harvard Law School, and Andrew von Hirsch of Rutgers University—have written about the critical flaws which threaten the Federal criminal sentencing process. And a few weeks ago, the Chief Justice of the U.S. Supreme Court, Warren E. Burger, in his annual yearend report on the state of the Nation's judicial system, commented that "some form of review procedure is needed to deal with this dilemma" of sentencing disparity.

All too often two convicted defendants with similar backgrounds, convicted of the same crime, receive widely differing sentences. One defendant may receive a term of probation while the other is sentenced to a long term of imprisonment Such disparity cannot be justified in reason or logic. The facts underlying the commission of the crime are identical; the defendants have similar criminal histories and community ties; the presence or absence of aggravating or mitigating factors apply to both defendants. Yet one offender goes free while the other confronts years of confinement.

The magnitude of the problem cannot be underestimated. Recent statistics, for example, demonstrate that in 1974 Federal bank robbers received an average term of imprisonment of over 11 years nationwide, but received 17 years in the northern district of Georgia but "only" 5½ years in the northern district of Illinois. And a widely distributed study done in 1972 by a former distinguished U.S. attorney points out the following:

TABLE—DISPARITY IN SENTENCING BETWEEN THE SOUTHERN DISTRICT OF NEW YORK AND THE NATIONAL AVERAGE FOR FEDERAL COURTS.

Offenses	Likelihood of imprisonment (percent)		Averaged length of prison sentences (months)	
	Southern District of New York	All Federal courts	Southern District of New York	All Federal courts
Bail jumping	66.7	66.2	10.0	25.6
Bank embezzlement	23.2	19.5	18.0	21.3
Bank robbery	82.8	91.8	69.6	124.1
Bribery	25.0	42.5	11.0	15.1
Counterfeiting	51.7	53.7	14.8	40.3
Forgery	41.6	42.8	16.8	32.0
Gambling	37.2	29.9	3.3	14.5
Guns	50.0	45.3	28.2	32.1
Immigration	50.0	42.8	2.5	6.4
IRS	35.4	36.5	9.9	10.4
Interstate	54.8	43.7	18.1	33.8
Narcotics	77.0	70.6	62.4	45.4
Perjury	50.0	53.0	5.2	28.0
Postal	44.3	40.7	18.8	32.5
Embezzlement	43.7	19.0	5.0	11.6
Other	46.3	47.3	20.1	50.5
Rackets and extortion	55.5	47.1	46.2	31.2
Securities	70.4	55.4	31.8	38.7
Fraud	66.7	21.5	20.5	
Theft	100.0	57.4	36.5	38.7
Selective Service	63.3	27.8	12.4	22.2
Total	54.1	43.8	35.2	38.1

Note: The figures for the Southern District of New York are based on sentences imposed in a 6-mo period in 1972. The national figures cover the fiscal year ending June 30, 1972.

Sources: Reprinted from Whitney North Seymour, Jr., 1972 Sentencing Study for the Southern District of New York, 45 N.Y.S. B.J. 163 (1973).

Such disparity is unacceptable in a nation that prides itself on the principle of equal justice under law.

Just 3 months ago a new study funded by the Federal Law Enforcement Assistance Administration, entitled "Sentencing Guidelines: Structuring Judicial Discretion," once again called for prompt action, pointing out that—

> We are sentencing differently, not out of malice, but out of sheer ignorance, or to put it another way, without guidelines—without the tool that tells each of us what the other is doing.

Mr. President, unjustified sentencing disparity can be traced to the absence of any congressional guidelines or directives. We have given our Federal judges largely unbridled, unreviewable discretion in sentencing the convicted offender. Is it any wonder that disparity exists when a Federal judge is faced with a range of permissible punishment in bank robbery cases of anywhere from probation to 25 years? It is ironic that during the last few years we have witnessed the development of elaborate procedures to safeguard the rights of those who stand trial; but the Congress and the courts have abdicated their responsibility in reforming the process by which it is decided whether, and for how long, the convicted offender will be imprisoned or otherwise dealt with. This neglect can no longer be tolerated. Arbitrary sentencing practices—based on ignorance not malice—must cease.

Mr. President, my bill is the beginning of a concerted legislative effort to deal with sentencing disparity. The bill does the following: First, it establishes for the first time certain uniform general criteria which all Federal courts must consider in formulating a sentence for a convicted defendant. These criteria refer the court generally to the nature of the offense, the history and characteristics of the defendant, the need for the sentence imposed to reflect the seriousness of the offense, the need for just punishment, the need to protect the public from further crimes of the defendant, and the requirement that the sentence imposed act as a deterrent. These criteria, uniformly applied, assure that all Federal courts will consider the same general factors and goals of sentencing.

Second, the bill requires that the court, in sentencing the defendant to a term of imprisonment, give its reasons for the sentence imposed in open court so that the justifications and reasons underlying the sentence become part of the public record and can be reviewed by an appellate court.

Third, it marks an important break with tradition by providing for limited appellate review of sentences. No longer will the trial court act unilaterally without the possibility of a judicial check on the exercise of discretion.

Finally, and most importantly, the bill establishes an independent Federal sentencing commission with a mandate to promulgate and distribute to all Federal courts suggested sentencing ranges for specific offenses, guidelines to aid judges in the sentencing process, and general policy statements related to sentencing. The bill also lists various factors to be considered by the Commission in determining appropriate sentencing ranges. These factors include such matters as the grade and circumstances of the offense, the nature and degree of the harm inflicted, the gravity of the offense, the public concern generated by the offense, the deterrent effect of the particular sentence, the current incidence of the offense, the age and mental and physical condition of the defendant, the criminal history of the defendant, the defendant's role in the commission of the offense, and the defendant's degree of dependence upon criminal activity for a livelihood.

The Federal courts will be required to consider these specific sentencing guidelines promulgated by the Commission and not sentence outside of the guidelines without giving a detailed written explanation of reasons. Again, appellate review would follow for sentences imposed outside of the presumptive guidelines.

Any guidelines promulgated by the Commission would be subject first to congressional review. The procedure followed would be similar to congressional review of any new Federal Rules of Criminal Procedure.

Mr. President, our present laws leave to the sentencing judge a range of choice that should be unthinkable in "a government of laws not of men." This bill is designed to narrow that choice.

I ask unanimous consent to have printed in the RECORD the full text of the bill establishing sentencing guidelines

and a copy of my article in the December 1976 edition of Judicature magazine dealing with this serious problem.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 181

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3579. Imposition of a sentence of imprisonment

"(a) The court, in determining whether to impose a term of imprisonment within a range authorized under this title and, if a term of imprisonment is to be imposed, in determining the length of that term within such range, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed (A) to reflect the seriousness of the offense and promote respect for law by providing just punishment for the offense, (B) to afford adequate deterrence to criminal conduct, and (C) to protect the public from further crimes of the defendant;

"(3) whether other less restrictive sanctions have been applied to the defendant frequently or recently; and

"(4) any sentencing guidelines established by the United States Commission on Sentencing.

"(b) In every case in which the court imposes a term of imprisonment within the guidelines for sentencing promulgated by the Commission, the court shall makes as part of the record, and disclose in open court to the defendant at the time of sentencing, a brief statement of the reason or reasons for the sentence imposed. A court may impose a term of imprisonment outside of the guidelines for sentencing promulgated by the Commission if it makes as a part of the record, and discloses to the defendant in open court at the time of sentencing, a statement of the specific reason or reasons for the particular sentence of imprisonment imposed. Failure to so comply shall be grounds for vacating the sentence and resentencing the defendant.".

(b) The analysis of such chapter is amended by adding at the end thereof the following:

"3579. Imposition of a sentence of imprisonment.".

SEC. 2. (a) Chapter 229 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3621. Imposition of a sentence of fine

"The court in determining whether to impose a fine within a range authorized by this title, and, if a fine is to be imposed, in determining the amount of the fine within such range, the time of payment, and the method of payment, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed (A) to reflect the seriousness of the offense and promote respect for law by providing just punishment for the offense,

(B) to afford adequate deterrence to criminal conduct and (C) to protect the public from further crimes of the defendant;

"(3) whether other less restrictive sanctions have been applied to the defendant frequently or recently; and

"(4) any sentencing guidelines established by the United States Commission on Sentencing.".

(b) The analysis of such chapter is amended by adding at the end thereof the following:

"3621. Imposition of a sentence of fine.".

SEC. 3. (a) Chapter 231 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3657. Imposition of a sentence of probation

"The court, in determining whether to impose a term of probation in accordance with the provisions of this chapter, and, if a term of probation is to be imposed, in determining the length of such term and the conditions of probation in accordance with such provisions, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed (A) to reflect the seriousness of the offense and promote respect for law by providing just punishment for the offense,

(B) to afford adequate deterrence to criminal conduct, and (c) to protect the public from further crimes of the defendant;

"(3) whether other less restrictive sanctions have been applied to the defendant frequently or recently; and

"(4) any sentencing guidelines established by the United States Commission on Sentencing.".

(b) The analysis of such chapter is amended by adding at the end thereof the following:

"3657. Imposition of a sentence of probation".

SEC. 4. (a) Chapter 235 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3742. Review of Sentence

"(a) Subject to the provisions of section 3576 of this title in any case in which a sentence is imposed for an offense, except a case in which the sentence is equal to or less than that recommended or not opposed by the attorney for the Government pursuant to a plan agreement under the rule 11(e)(1)(B) of the Federal Rules of Criminal Procedure or a case in which the sentence is equal to that provided in an accepted plea agreement pursuant to rule 11(e)(1)(C) of the Federal Rules of Criminal Procedure, an appeal to a United States court of appeals for review of such sentence may be filed by—

"(1) the defendant, within the time specified for the filing of a notice of appeal, if the sentence includes a fine or term of imprisonment more than the maximum established by the guidelines for sentencing promulgated by the United States Commission on Sentencing or a maximum established by this title; or

"(2) the United States within the time specified for the defendant's filing of notice of appeal, if the sentence includes a fine or term of imprisonment less than the minimum established by the guidelines for sentencing promulgated by the United States Commission on Sentencing or a minimum established by this title.

"(b) Upon an appeal being filed pursuant to subsection (A) of this section, the clerk of the court that imposed the sentence shall certify to the court of appeals that portion of the record in the case that includes the presentence report, the information submitted during the sentence proceeding, and findings of the court upon which the sentence was based, the statement of reasons for the sentence imposed by the sentencing court and any additional portions of the record designated by the court of appeals.

"(c) Upon review of the record, the court of appeals shall determine whether the sentence imposed is not within the guidelines for sentencing promulgated by the United States Commission on Sentencing (hereinafter referred to as the 'Commission') and is unreasonable having regard for—

"(A) the reasonableness of the district court's application of the guidelines established by the Commission;

"(B) the opportunity for the district court to observe the defendant; and

"(C) any findings upon which the sentence was based.

"(d) If the court of appeals determines that—

"(1) the guidelines for sentencing promulgated by the Commission were properly applied by the district court, the court of appeals shall affirm the sentence if the sentence imposed outside the guidelines for sentencing is not unreasonable; or

"(2) the guidelines for sentencing promulgated by the Commission were clearly erroneously applied by the district court, the court of appeals shall set aside the sentence and remand the case for further sentencing proceedings;

"(3) the guidelines for sentencing promulgated by the Commission were properly applied by the district court, but that the sentence imposed outside the guidelines for sentencing was otherwise unreasonable, the court of appeals—

"(A) in the case of an appeal of a sentence by the defendant, may—

"(i) remand the case of imposition of a lesser sentence to be determined by the district court; or

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a lesser sentence;

"(B) in the case of an appeal of a sentence submitted by the United States, may—

"(i) remand the case for imposition of a greater sentence to be determined by the district court; or

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a greater sentence.".

(b) The analysis of such chapter is amended by adding at the end thereof the following:

"3742. Review of sentence.".

SEC. 5. Part II of title 18, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 238—UNITED STATES COMMISSION ON SENTENCING

"Sec.
"3801. Definitions.
"3802. United States Commission on Sentencing; structure and composition.
"3803. Powers and duties of Commisison.
"3804. Powers and duties of Chairman.
"3805. Annual report.
"3806. Congressional Review.

"§ 3801. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Commission on Sentencing;

"(b) 'Commissioner' means any member of the United States Commission on Sentencing;

"(c) 'rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 3803 of this title.

"§ 3802. United States Commission on Sentencing; structure and composition.

"There is hereby established as an independent Commission in the judicial branch, a United States Commission on Sentencing which shall be comprised of not less than

five members appointed by the United States Judicial Conference. The Commission shall from time to time designate by majority vote one of its members to serve as Chairman and shall delegate to him the necessary administrative duties and responsibilities. The term of office of a commissioner shall be three years, except that the term of a person appointed as a commissioner to fill a vacancy shall expire at the end of three years from the effective date of this statute. A member of the Commission who is an employee of the Federal Government shall serve without compensation in addition to that received for his services as an employee of the Federal Government, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of duties vested in the Commission. A member of the Commission who is not a Federal employee shall receive the highest daily rate now or hereafter prescribed for grade 18 of the General Schedule pay rates (5 U.S.C. 5332) when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

"§ 3803. Power and duties of Commission

"(a) The Commission, by majority vote, and pursuant to rules and regulations, shall promulgate and distribute to all Federal Courts suggested sentencing ranges for specific offenses and guidelines shall be considered by the sentencing court in determining the appropriate sentence for a defendant and general policy statements regarding application of the guidelines or any other aspect of sentencing that in the view of the Commission would further the purposes of this title.

"(b) In promulgating suggested sentencing ranges for specific offenses and guidelines for sentencing the Commission shall consider, but shall not limit its consideration to:

"(1) the grade of the offense;

"(2) the circumstances under which the offense was committed which mitigate or aggravate the seriousness of the offense;

"(3) the nature and degree of the harm caused by the offense, including whether it involved property, irreplaceable property, a person, a number of persons, or a breach of public trust;

"(4) the community view of the gravity of the offense;

"(5) the public concern generated by the offense;

"(6) the deterrent effect a particular sentence may have on the Commission of the offense by others; and

"(7) the current incidence of the offense in the community and in the nation as a whole.

"The Commission shall also consider, but shall not limit its consideration to a defendant's age, mental and emotional condition, physical condition, particularly drug dependence, role in the offense, criminal history, including prior criminal activity not resulting in prior convictions and prior sentences, and degree of dependence upon criminal activity for a livelihood."

"(c) The Commission, by majority vote, and pursuant to rules and regulations, shall have the power to—

"(1) establish general policies and promulgate such rules and regulations for the Commission as are necessary to carry out the purposes of this chapter;

"(2) deny, revise, or ratify any request for regular, supplemental, or deficiency appropriations prior to any submission of such request to the Office of Management and Budget by the Chairman;

"(3) procure for the Commission temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code;

"(4) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(5) without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission, with any public agency, or with any person, firm, association, corporation, educational institution, or nonprofit organization;

"(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 655(b));

"(7) request such information, data, and reports from any Federal agency or judicial officer as the Commission may from time to time require and as may be produced consistent with other law;

"(8) arrange with the head of any other Federal agency for the performance by such agency of any funtcion of the Commission, with or without reimbursement;

"(9) issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates directly to a matter with respect to which the Commission or any Commissioner or agent of the Commission is empowered to make a determination under this chapter; such attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearings within the United States;

"(10) establish a research and development program within the Commission for the purpose of—

"(A) serving as a clearinghouse and information center for the collection, preparation, and dissemination of information on Federal sentencing practices;

"(B) assisting and serving in a consulting capacity to Federal courts, departments, and agencies in the development, maintenance, and coordination of sound sentencing practices;

"(11) collect systematically the data obtained from studies, research, and the empirical experience of public and private agencies concerning the sentencing processes;

"(12) publish data concerning the sentencing processes;

"(13) collect systematically and disseminate information concerning sentences actually imposed, and the relationship of such sentences to the criteria set forth in sections 3579, 3621, and 3657 of this title;

"(14) collect systematically and disseminate information regarding effectiveness of sentences imposed;

"(15) devise and conduct, in various geographical locations, seminars and workshops providing continuing studies for persons engaged in the sentencing field;

"(16) devise and conduct a training program of short-term instruction in sentencing techniques for judicial and probation personnel and other persons connected with the sentencing process;

"(17) make recommendations to Congress concerning modification or enactment of sentencing and correctional statutes which the Commission finds to be necessary and advisable to carry out an effective, humane, and rational sentencing policy;

"(18) appoint and fix the salary and duties of the Staff Director of the Commission, who shall serve at the discretion of the Commission.

"(d) The Commission shall have such other powers and duties and shall perform such other functions as may be necessray to carry out the purposes of this chapter or as may be provided under any other provisions of law and may delegate to any Commissioner or designated person such powers as may be appropriate other than the power to establish general policies, guidelines, rules, and factors under subsection (b)(1).

"(e) Upon the request of the Commission, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Commission in the execution of its functions.

"(f) The Commission shall meet not less frequently than quarterly to establish its general policies and rules.

"(g) Except as otherwise provided by law, the Commission shall maintain and make available for public inspection a record of the final vote of each member on any action taken by it.

"§ 3804. Powers and duties of Chairman

"The Chairman shall—

"(a) preside at meetings of the Commission;

"(b) assign duties among the regional offices, if any, in order to assure efficient administration;

"(c) direct (1) the preparation of requests for appropriations for the Commission, and (2) the use of funds made available to the Commission;

"(d) appoint and fix the basic pay of personnel of the Commission.

"§ 3805. Annual report

"The Commission shall report annually to each House of Congress, the United States Judicial Conference, and the President of the United States on the activities of the Commission.".

"§ 3806. Congressional Review

"Such sentencing ranges for specific offense and guidelines for sentencing as are promulgated and distributed by the Commission pursuant to and in accordance with the provisions of this title shall not take effect until they have been reported to Congress by the Commission at or after the beginning of a regular session thereof but not later than the first day of May, and until the expiration of one hundred and eighty days after they have been thus reported. All laws in conflict with such sentencing ranges and guidelines for sentencing shall be of no further force or effect after such sentencing ranges and guidelines have taken effect.

[From the Judicature, December 1976]

CRIMINAL SENTENCING: A GAME OF CHANCE

(By Edward M. Kennedy)

Last June the main figure in a federal investigation into nursing home abuses and Medicaid fraud in New York was sentenced to four months imprisonment after pleading guilty to conspiracy and filing a false income tax return. The hue and cry which followed his sentencing lasted for weeks and was highlighted by a public debate in the New York Times.

Highly critical of the sentence, the Times argued that "one of the most prominent current theories is that sentences should serve to deter others from committing similar crimes . . . Yet, [the defendant] now joins a parade of formerly respectable white collar criminals who have received sentences which make the odds on white collar crime look rather good . . . [the sentence] can only reinforce cynicism about the realities of equal justice under law."[1]

Others came to the defense of the judge, pointing out that "sentencing is the most sensitive and difficult responsibility we impose on the courts . . . A sentence under our system must fit not just the crime but the individual."[2]

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[1] *Equal Justice?* (an editorial), N.Y. Times, June 18, 1976, p. A22.

[2] Arthur Liman, Esq., *Letters to the Editor: About the Bergman Sentence*, N.Y. Times, June 23, 1976, p. 38.

In my view, the public outcry over the sentence was misdirected. The nursing home investigation had been in the public eye for many months; the sentencing of the main defendant was a highly visible event, bound to cause controversy.

THE SENTENCING DEBATE

The real debate, which has been going on for some time now among judges, lawyers, corrections officials, law enforcement officers and the academic community, involves the much broader issue of comprehensive criminal sentencing reform. This debate has focused primarily on two interrelated problems—the total absence of any prescribed guidelines to aid judges in sentencing and the wide disparity in the sentences judges impose.

The federal code contains no list of criteria to be considered by the sentencing judge in deciding whether to impose a term of imprisonment. The result has been chaotic—one judge may sentence in order to rehabilitate, another to deter the offender (or the potential offender) from committing a similar crime, a third to incapacitate and a fourth simply to "punish." One judge may place a convicted defendant on probation, arguing that rehabilitation should never be a justification for imprisonment; another judge may justify a sentence of probation on the ground that "deterrence doesn't work."

The arguments in the New York Times mentioned above demonstrate the lack of any agreed upon goal of imprisonment. The Times maintained that four months imprisonment hardly constituted an effective deterrent. Defenders of the sentence, however, argued that deterrence was not the major goal of sentencing, that sentencing "must fit not just the crime but the individual." This view seems to reflect the more conventional notion that sentencing is a rehabilitative tool, and the sentence must be fashioned to meet the needs and characteristics of the offender.

DIFFERENT PRISON TERMS

The absence in the federal criminal code of any articulated purposes or goals of sentencing has, unfortunately, led to a situation where different judges often mete out different sentences to similar defendants convicted of similar crimes, depending on the sentencing attitudes of the particular judge.

The resulting sentencing disparity is a national scandal. In 1974, the average federal sentence of imprisonment was 42.2 months. But in the Southern District of Georgia the average was only 18.4 months, while in the Western District of Michigan it was 94.9 months. Bank robbers receive an average sentence of over eleven years nationwide but in the Northern District of Georgia they receive seventeen years and in the Northern District of Illinois the average is only five and one-half years.[3]

A landmark study by the United States Attorney's office for the Southern District of New York demonstrated wide disparity in federal court sentences for different types of offenses.[4] These are listed in the table.

And, in 1974, a study by the Federal Judicial Center affirmed the existence of "glaring disparity."[5] Fifty federal judges, most from the Second Circuit, were given twenty identical files drawn from actual cases and asked what sentence they would impose on each defendant. Disparity was found in almost all cases. In one extortion case the range of sentences varied from twenty years imprisonment and a $65,000 fine to three years imprisonment and no fine!

A cursory examination of the Southern District study yields two immediate conclusions: sentencing disparity exists whether the cases involve violent or white collar crime, and white collar offenders traditionaly receive more lenient sentences.

NO IMPRISONMENT AT ALL

The disparity in the average length of prison sentences is bad enough, but much more troublesome is the disparity in the likelihood of any imprisonment at all. One may argue about what constitutes a "long" or a "short" prison term, but at least in such cases some term of imprisonment is imposed. The critical problem confronting our criminal justice system is that some convicted offenders (including repeat offenders) escape jail altogether while others—convicted of the same crime—go to jail for excessively long periods.

For example, less than 30 per cent of convicted armed robbers with prior records received a prison sentence in Los Angeles County during 1975. In my own state of Massachusetts the odds are even more biased in favor of the criminal—less than one-half of one per cent of all crimes reported in Massachusetts in 1970 resulted in some kind of imprisonment—a 50 per cent drop in certainty of punishment from 1960. Similar figures exist throughout most of the nation.

The impact of such statistics on our criminal justice system is real and immediate. An important prerequisite of any effective crime-fighting program—certainty of punishment—is absent. In addition, the criminal justice system appears arbitrary and unjust, a game of chance in which the potential offender may "gamble" on receiving not just a lenient term of imprisonment but no jail sentence at all. Disparity encourages the white collar offender to commit crimes and gives the impression that justice is something different for the rich and the poor. It nurtures an already growing public cynicism about our own institutions, a cynicism which inhibits corrective action and stimulates others to cut corners and commit crime.

Sentencing disparity also strikingly demonstrates the fallacy of fighting crime by increasing the maximum sentences which can be imposed. Counterfeiting carries a maximum penalty of fifteen years imprisonment; not only is the average sentence actually imposed less than five years, but almost 50 per cent of convicted counterfeiters receive no imprisonment at all. Simply increasing maximum penalties is an exercise in futility.

Such sentencing disparity cannot be traced to "weak" judges who "coddle criminals." The great majority of our federal judges perform their sentencing duties in a responsible and diligent manner. But these judges must act without any guidelines or review because Congress has never built any standards or safeguards into the sentencing process. Indeed, the federal criminal code invites disparity by conferring unlimited discretion on the sentencing judge to impose a sentence within wide statutory limits, ranging from probation to lengthy prison terms.

THE SENTENCING GUIDELINES BILL

What can be done? I have introduced legislation in the United States Senate which would make long overdue reforms in the criminal sentencing process. Entitled the Sentencing Guidelines bill (S. 2699, 94th Cong. 2d Sess.), it would bring welcome uniformity to the sentencing process by articulating for the first time the general purposes and goals of sentencing the judge should consider before imposing a sentence of imprisonment. The bill also provides for appellate review of sentences and creates a United States Commission on Sentencing to establish specific, fixed sentencing ranges for similar defendants who commit similar crimes. The sentencing judge would be required by statute to impose a sentence within the range established by the Commission or submit a written justification for sentencing outside the range.

This legislation would have a profound impact on the related problems of the absence of any sentencing purposes or goals and the existence of sentencing disparity.

What are the general purposes and goals to be considered by the judge in imposing a sentence of imprisonment? Four are listed in the bill:

(1) the nature and circumstances of the offense and history and characteristics of the defendant;

(2) the need for the sentence imposed to reflect the seriousness of the offense and promote respect for law by providing just punishment for the offense, and to afford adequate deterrence to criminal conduct;

(3) whether other less restrictive sanctions have been applied to the defendant frequently or recently; and

(4) any sentencing guidelines established by the United States Commission on Sentencing.

The bill adopts the concept of imprisonment as punishment. Rehabilitation as a justification for imprisonment, as opposed to a beneficial side effect, is conspicuously absent. This view of imprisonment as a vehicle to punish rather than cure the offender is consistent with the recent conclusions of Marvin Frankel, Norval Morris, Alan Dershowitz and others.[6]

The concept of rehabilitation is grounded in the optimistic belief that criminals have simply "gone wrong" and can be "cured", much as disease can be cured. But prison rehabilitation programs have not been successful—at least in those cases where such programs are compulsory in nature and are forced on the prisoner as a precondition of his release.

I am not, of course, advocating the abolition of prison rehabilitation programs. Indeed, I believe they should be encouraged and expanded. What I am advocating is an end to the comforting but totally unrealistic notion that rehabilitation of the convicted criminal can serve as a justification for imposing a prison sentence. Not only is such a sentence unfair to the individual, it doesn't seem to do much good in "curing" the offender.

The bill concentrates, therefore, on the other major justifications for imposing a term of imprisonment—incapacitation, specific deterrence, general deterrence and retribution. A sentence of imprisonment might be imposed to deter or incapacitate the offender himself (necessitating an inquiry into the personal history of the defendant, especially any previous record of "less restrictive sanctions" imposed). Imprisonment might also be designed to provide an example to others (general deterrence) or might be based on the need for society to exact a fair penalty for the crime ("retribution," couched in terms of promoting "respect for law" by providing "just punishment").

CRITICISMS

Two immediate criticisms can be leveled at the Sentencing Guidelines bill. First, some

[3] Franklin D. Kramer, Different Judges, Different Justice, Washington Post, November 14, 1975, p. 26.

[4] Whitney North Seymour, Jr., 1972 Sentencing Study for the Southern District of New York, 45 N.Y.S. B. J. 163, (1973). Reprinted in THE CONGRESSIONAL RECORD, H 1313, March 1, 1973.

[5] Anthony Partridge and William B. Eldridge, THE SECOND CIRCUIT SENTENCING STUDY, A REPORT TO THE JUDGES OF THE SECOND CIRCUIT (Washington, D.C.: The Federal Judicial Center, August, 1974).

[6] *See* Marvin E. Frankel, Criminal Sentences: Law Without Order (New York: Hill and Wang, 1973); Norval Morris, The Future of Imprisonment (Chicago: The University of Chicago, 1974); Alan Dershowitz, Let the Punishment Fit the Crime, N.Y. Times, § 6 (Magazine) at 7. See also, Andrew von Hirsch, Doing Justice: The Choice of Punishments (New York: Hill and Wang, 1976).

might oppose the bill for abandoning the concept of rehabilitation as the major justification of imprisonment. But, in practice, the great majority of courts have already rejected rehabilitation as the primary reason for imprisonment, so these should be little objection to actually codifying this view.

Many would also argue that listing the general goals and purposes of sentencing will do little to eliminate disparity; that general considerations of incapacitation, deterrence and retribution already enter into sentencing judgments and that disparity results not from disagreement over the general purposes of imprisonment but from the wide range of punishments available to the court. It is this unbridled, unreviewable discretion to impose such punishment which results in different judges imposing different sentences. S. 2699 deals with this problem in three ways:

It marks an important break with tradition by providing for appellate review or sentences. No longer would the court impose a sentence without the possibility of judicial review. Appellate courts would be able to examine the lower court's exercise of discretion, decide whether the sentence imposed was proper in light of all the circumstances and, if the facts warranted, reverse and remand for resentencing.

The bill also requires that the court, in sentencing the offender to prison, give written reasons for the sentence so that these reasons become part of the public record to be reviewed on appeal. This is not required today.

Most importantly, the bill creates a federal commission to establish sentencing ranges for specific crimes. This would not be just another commission. Its members would be appointed by the United States Judicial Conference. Membership would not be limited to sitting judges but would also include correctional officials, members of the practicing bar and academic communities, and police representatives. Given an initial life of three years, the commission would be responsible for fixing the parameters of exactly what sentences should be imposed for what crimes in what situations.

THE SENTENCING COMMISSION

One of the strengths of the bill is that the commission, not the Congress, would determine the guidelines. The Congress does not have time to establish sentencing ranges for all the criminal situations which could develop. Nor is there much chance that it could avoid politicizing the entire issue of sentencing with vocal debate centering around harsher versus more lenient punishment. If the subjects of capital punishment, gun control, and criminal code reform offer any indication of how Congress would deal with the sensitive area of sentencing, the commission approach is much to be preferred.

In determining this sentencing range, the commission would consider the general criteria spelled out in the statute, available sentencing statistics and recidivism rates and, especially, the various aggravating and mitigating circumstances surrounding the crime itself. These might include, for example, leadership in the criminal enterprise, particularly cruel treatment of the victim, previous record of the offender and the degree of coercion imposed on the offender. The commission would then establish the sentencing ranges or guidelines. The sentencing judge would be required by statute to impose a sentence within the range established unless he could demonstrate in writing a justification for sentencing outside the range. Appellate review would follow.

For example, the sentencing range for burglary might be as follows:

1. When committed while the home is occupied and when the defendant brandishes a weapon in the presence of the occupants: 2.8 years to 3.5 years;

2. When committed while the occupants were at home but where the defendant, although armed with a weapon, did not brandish it: 1.5 years to 2 years;

3. When committed in an unoccupied dwelling by a defendant armed with a weapon: 6 months to 1.2 years;

4. When committed in an unoccupied dwelling by an unarmed defendant: 3 months to 1 year.

Variations within the prescribed range would depend on the existence of other aggravating or mitigating factors.

Such guidelines would apply with equal force to white collar and government corruption crimes. Thus, a sentencing range for the crime of bribery might be as follows:

1. A government officer holding a position of high public trust who solicits and/or accepts something of value in return for a particular agreed-upon action in his official capacity: 3.0 years to 4.0 years;

2. A government officer holding a position of high public trust who solicits and/or receives something of value knowing its illegal purpose but enters into no specific agreement with the briber about how the payment will be earned: 2.0 years to 3.0 years.

It is important to point out that the fixed sentencing range agreed upon by the commission and imposed by the court would be very close to the actual sentence now served by the offender. It is likely that the guidelines would mandate sentences substantially less than the maximums now authorized by law. But in terms of actual time served I do not see a radical change. Nor do I perceive the possibility of the guidelines approach increasing prison populations. I suspect that sentences of imprisonment would be reserved for the more serious crimes, with petty offenders—too often the cause of overcrowded prisons—avoiding lengthy prison terms.

END TO LIMBO

In the sentencing system I have described, in which guidelines assure similar sentences for similar offenders convicted of similar crimes, the traditional practice of making a prisoner eligible for parole after serving a portion of his sentence also becomes obsolete. The commission itself would take into account the fact that most prisoners are released on parole before the expiration of their full sentence and would adjust the sentencing range accordingly. The parole board's role would be limited to computing a prisoner's "good time" (based on fixed formula), modifying the sentence upon discovering new aggravating or mitigating facts unknown to the judge at the time of sentence, or releasing the offender because of compelling medical reasons.

Once the concept of sentencing guidelines is accepted, altering the role of the parole board logically follows. Since rehabilitation is no longer a justification to imprison a person, it could no longer be used by the board as a reason to retain him until he is "cured." This change would eliminate one of the major objections to our current corrections system—the arbitrary power of the parole board to hold a prison release date over the head of the prisoner until they are satisfied of his "rehabilitation."

The guidelines approach would also eliminate indeterminate or open-ended sentencing. Under such a system, the prisoner's actual term of imprisonment is set, not by the sentencing judge, but by an agency such as the parole board. The prisoner often finds himself in a state of limbo, unable to determine his own prison release date.

Indeterminate sentencing has been sharply criticized in recent years as based on a faulty premise—that a prisoner's behavior while in a prison rehabilitation program is an accurate predictor of how he or she will behave in the community once released. In his classic treatise *The Future of Imprisonment*, Normal Morris convincingly points out that such predictions cannot readily be made and that the uncertainty of release proves counter-productive to any hoped-for rehabilitation.

Indeterminate sentencing must be replaced by fixed sentences so the convicted offender knows *at the time sentence is imposed* when he will probably be released. S. 2699 would assure this.

OTHER PROBLEMS

It is obvious that correcting the arbitrary and capricious method of sentencing will not eliminate our nation's crime problem. Other critical problems beset the administration of criminal justice—overloaded courts unable to cope with mounting caseloads, archaic prisons and jails which are little more than breeding schools for crime, and an outdated and confusing federal criminal code. A strong argument can be made, for example, that one cause of sentencing disparity may be the reluctance of judges to sentence offenders to overcrowded and understaffed prisons.

But the shameful disparity in criminal sentences imposed in the federal courts is a major flaw which encourages the potential criminal to "play the odds" and, through luck and circumstance, "beat the system." Sentencing disparity is unfair; it cannot help but have an impact on a prisoner who views his offense as no more reprehensible than that of another offender placed on probation after committing the same crime.

The Sentencing Guidelines bill would help the sentencing judge decide not only how long an offender should be imprisoned but whether he should be imprisoned at all. The bill thus articulates a federal sentencing philosophy for the first time. The specific guidelines established by the sentencing commission would also help eliminate disparity and bring some desperately needed credibility to the system. "Different judge, different sentence" would be replaced by uniform sentencing, with variations from the sentencing range being based on clearly defined written reasons and being subject to judicial review. Sentences would thus become predictable; they are not predictable today.

S. 2699 deals only with that point in the criminal justice system where sentence is actually imposed on the convicted offender. But the concept of commission guidelines may ultimately prove valuable in other areas of the criminal justice system where unfettered discretion now exists—the decision to detain prior to trial, the decision to prosecute, the selection of the appropriate charge, the decision to "plea bargain" and the decision to revoke probation or parole. Indeed, some would argue that until these other areas are reformed and the decision-making process so limited, arbitrariness will continue to plague the system. The entire system cannot, however, be cured overnight. A logical starting point is the formal sentencing process, where the visible weight of the state is most apparent.

We boast that ours is a "government of laws not of men." This time-honored principle may generally be followed in treating the accused before conviction but it has somehow been neglected where it would seem to be most necessary—in the sentencing judge's determination of the range of permissible punishment. This neglect can no longer be tolerated. The Sentencing Guidelines bill offers a blueprint for reform—a fair, sound, practical solution to the problem of how we sentence the criminal offender.

By Mr. KENNEDY:

S. 182. A bill to amend the Ports and Waterways Safety Act of 1972 in order to establish comprehensive liability and compensation for damages from oil spills, and for other purposes; to the Committee on Commerce.

FEDERAL TANKER SAFETY AND MARINE ANTI-POLLUTION ACT OF 1977

Mr. KENNEDY. Mr. President, I am sending to the desk a bill to amend the Ports and Waterways Safety Act of 1972 in an effort to minimize the risks of future oil tanker disasters.

We have had a virtual epidemic of tanker accidents over the past month which has made it evident we cannot afford a single additional delay without remedial legislation.

We ended last year with the Nation's worst oil spill in our waters off Nantucket and we began the new year with tankers breaking up, exploding, or disappearing in the North Atantic.

After the *Argo Merchant* disaster, my Subcommittee on Administrative Practice and Procedure held hearings into that disaster. I stated then my intention to introduce new legislation.

This bill will do the following:

It will establish an FAA-style traffic control system for oil tankers off our shores.

It will mandate full disclosure of tanker ownership.

It will establish mandatory navigational equipment requirements, construction standards including double-bottoms, personnel and operating standards. Retrofitting of existing tankers for the most essential of these requirements will be phased over a 5-year period.

These standards will apply both to U.S. tankers and foreign tankers which desire to enter our ports.

It will establish mandatory shipping lanes covering the approaches—out into international waters wherever a hazard may exist to require such action—to our major harbors. The shipping lanes will be within the 200-mile fishing conservation zone established last year.

There will be annual inspections as well as surprise inspections.

The time has passed when we could await final international action on adequate standards, self-policing by tanker owners, or vigorous enforcement by foreign flag countries.

Last year, I was pleased to work with the chairman of the Senate Commerce Committee and other distinguished colleagues in enacting the 200-mile fishery conservation zone. That historic effort is in danger of being covered over with black muck as a result of the epidemic of oil tanker accidents and spills.

In my own New England region, the livelihood of some 32,000 fishermen and an annual catch of some $142 million from the Georges Bank have been placed in jeopardy by the recent spill of the *Argo Merchant*.

We enacted the 200-mile limit in part to preserve the Georges Bank from overfishing. Now we see a new threat from pollution and the inadequate tanker safety and control systems that exist.

The Environmental Protection Agency, the Office of Technology Assessment and public interest observers all have criticized the past 5 years of failure to adequately implement the Port and Waterways Safety Act of 1972. That landmark legislation, which Senators MAGNUSON and HOLLINGS championed, established a discretionary authority with the Secretary of Transportation and the Coast Guard to issue much-needed regulations affecting the design, operations, equipment, speed and practices of the tankers that move continually toward the United States.

That authority was given after the hearings demonstrated that tankers had been designed and built almost exclusively for the economic benefit of vessel owners. No one spoke for the marine and coastal environment, for the fishermen or for the public.

The Ports and Waterway Safety Act provided that authority. Unfortunately, as the Senate Commerce Committee hearings in 1975 and 1976 demonstrated, and as the recent weeks' tragedies underscored, that discretion has been abused. Safe tanker operations—as a result of improved standards—remains a distant hope. Not only have accidents and oil pollution continued, they have increased, as the recent report by the Tanker Advisory Center, which I ask to be printed in the RECORD, underscores.

To date, acting under the 1972 authority, only two sets of regulations have gone into effect. One effective on December 13, 1976 requires segregated ballast systems but only for new tankers over 70,00 dwt; the other effective January 26, 1976 requires that new tankers over 10,000 dwt be equipped with inert gas systems. Both rules have followed internationally agreed standards on these matters which were negotiated more than 3 years ago by the world maritime nations. No other nation, least of all Liberia, whose tankers carry half of our imported oil, has adopted even these minimum standards. US regulations have not been made final on maintenance, navigational equipment, propulsion, personnel, or any of the other safety features for which regulations are authorized under the Act.

The hearing which I conducted in Boston into the causes of the *Argo Merchant* disaster and the role of the Federal Government in this area of concern demonstrated again the need for new legislation in this area.

For that reason, I am introducing the Federal Tanker Safety and Marine Anti-Pollution Act of 1977.

This bill requires the Secretary of Transportation to issue the safety and pollution-minimizing standards which were discretionary under the previous law.

By amending the 1972 act to make mandatory its thrust, we will avoid another 5 years of delay.

First, the bill will mandate the establishment of a traffic control system modeled on the air traffic control system we have in effect today both here and abroad. Either through satellite radar or other monitoring, we can follow every tanker on its course in the 200-mile zone. The *Argo Merchant* was not being monitored when it turned off its planned course—because there are no mandatory shipping lanes and no system in place to monitor tanker movements at the present time. This bill requires the system to be established.

The Coast Guard not only will know when a ship is out of those lanes, but it will be able to inform the ship's captain. We know that human error is a factor in some 85 percent of the vessel accidents occurring in the world. This system will be a doublecheck on the human being. And it will make no distinction between foreign and domestic tankers. It was a Liberian tanker which broke up on the Nantucket shores. But could just as well have been a Panamanian or Honduran tanker as well.

Once a ship enters our 200-mile limit, the need to begin the monitoring process is clear. We want to be able to insure that shipping lanes will be established as far out to sea as necessary to insure that a tanker—once it has been advised it is outside the lane—will have time to stop before hitting something. Many of the larger tankers have a stopping distance of 15 times their own length.

Second, in addition to monitoring the ships when they are making their approaches, my bill will require that a full traffic control system, to minimize the danger of collisions, be in place in every major U.S. port. We now have inport systems in place in Puget Sound, Houston, and San Francisco. Two others are to be opened this year.

This bill would mandate extension to the other major ports including Boston. It includes monitoring entry, movement, departure, routing, and other maneuvering and anchoring and mooring requirements.

Third, shipboard navigational equipment of the most modern category would be required, including loran C and radio communications, as well as the transponder system needed to permit the identification of each ship by the traffic control system.

Fourth, new tankers over 20,000 deadweight tons, rather than the 70,000 now in effect, would have to be equipped with segregated ballast capacity and double bottoms. Existing tankers would have to be retrofitted over a 5-year period with similar requirements, although the Secretary could waive that requirement where it would not void the safety purposes of the legislation. Other construction standards would include inert gas systems.

Fifth, propulsion and maneuvering systems would be assessed as well and tug assistance required when those systems are found not to be adquate.

Sixth, annual inspections as well as spot inspections would be carried out by the Coast Guard to cover all aspects of the new standards.

Seventh, additional personnel licensing and training requirements would be required for U.S. tankers based on National Academy of Sciences reports. Equivalent standards would be required of foreign flag tanker crews.

Eighth, the Secretary of Transportation, through the Coast Guard, would undertake a new and intensive oil spill research and prevention program to develop the technology of how to deal with potential spills.

This would include experimenting with the most effective combustion agents and congealing agents to reduce spill when a ship has grounded as well as when the spill already has begun.

Ninth, the bill establishes a $250 million liability fund with unlimited liability for cleanup, absolute liability for damages in the case of violation of any standards or gross negligence and no-fault damage liability of at least $50 million.

Tenth, the bill requires full disclosure of ownership each year or at the first entry of a ship into the United States.

These are the provisions that are contained within this legislation. It will be a major step toward hopefully reducing the risk of a black Christmas next year. We must take every precaution to prevent further future spills such as the one last month that sent 7.6 million gallons of thick, black oil pouring into the waters off New England.

Mr. President, I ask unanimous consent to have the bill printed in the RECORD and other news articles.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Tanker Safety and Marine Anti-Pollution Act of 1977".

SEC. 2. Section 4417a of the Revised Code of the United States as amended by section 201 of the Ports and Waterways Safety Act of 1972 (46 U.S.C. 391a) is amended by striking paragraph (1) and inserting in lieu thereof the following:

"(1) STATEMENT OF POLICY.—(a) the Congress hereby finds and declares—

"That the carriage by vessels of certain cargoes in bulk creates substantial hazards to life, property, the navigable waters and the waters of the fishery conservation zone as established by the Fishery Conservation and Management Act of 1976 (including the quality thereof) and the resources contained therein and on the adjoining land, including but not limited to fish, shellfish, and wildlife, marine and coastal ecosystems and recreational and scenic values, which waters and resources are hereafter in this section referred to as the 'marine environment'.

"That existing standards for the design, construction, alteration, repair, maintenance, and operation of such vessels must be improved for the adequate protection of the marine environment.

"That it is necessary that there be established for all vessels carrying such cargoes and desiring to enter United Sattes ports, the navigable waters of the United States or the fishery conservation zone comprehensive minimum standards of design, construction, alteration, repair, maintenance, and operation to prevent or mitigate the hazards to life, property, and the marine environment.

"That it is clear the costs of failing to impose such standards and requirements are sufficient to justify requiring these standards on a unilateral national basis while maintaining continuing efforts to achieve adequate and uniform international standards.

"That it is necessary to develop effective and efficient traffic control systems both in the approaches to United States ports and within such ports to prevent or mitigate the hazards to life, property and the marine environment."

SEC. 3. (a) Section 201(2) of the Ports and Waterways Safety Act of 1972 (46 U.S.C. 391a) is amended by inserting after "the navigable waters" the following: "or the fishery conservation zone".

(b) Such section is further amended by striking paragraph (3) and inserting in lieu thereof the following:

"(3) In order to secure effective provision for vessel safety, and for protection of the marine environment, the Secretary of the department in which the Coast Guard is operating (hereafter referred to in this section as the 'Secretary') shall for the vessels to which this section applies—

"(A) establish operate, and maintain mandatory vessel traffic services and systems including mandatory ship lanes wherever potential hazards are present;

"(B) require all vessels to comply with such services or systems, including the carrying or installation of electronic or other devices necessary for the use of the service or system;

"(C) establish an onshore traffic monitoring system utilizing satellite, radar, or other appropriate technologies to insure the capability of warning ships which stray out of the mandatory ship lanes with sufficient time to permit them to correct their course prior to damage occurring to them, to other vessels or structures, or to the marine environment, and such a system shall begin to operate in the approaches to Boston, Puget Sound, and Houston within one year from the date of enactment of the Federal Tanker Safety and Marine Anti-Pollution Act of 1977 and be phased in at other major ports over the five-year period following such date of enactment;

"(D) control vessel traffic for major ports, harbors, and other waters subject to congested vessel traffic by—

"(i) specifying times of entry, movement, or departure to, from, within, or through ports, harbors, or other waters;

"(ii) establishing vessel traffic routing schemes;

"(iii) establishing vessel size and speed limitations and vessel operating conditions;

"(iv) restricting vessel operation, in a hazardous area or under hazardous conditions, to vessels which have particular operating characteristics and capabilities which he considers necessary for safe operation under the circumstances;

"(v) direct the anchoring, mooring, or movement of a vessel when necessary to prevent damage to or by that vessel or her cargo, stores, supplies, or fuel; and

"(vi) requiring pilots on self-propelled vessels engaged in the foreign trades in areas and under circumstances where a pilot is not otherwise required by State law to be on board until a State having jurisdiction of an area involved establishes a requirement for a pilot in that area or under the circumstances involved;

"(E) require the most effective ship-board navigational equipment including but not limited to—

"(i) dual radar systems with both short range and long range capability;

"(ii) long range navigational aids for accurate positioning including Loran-A and Loran-C combined with radio communications with on-shore traffic control centers;

"(iii) introduction of transponder equipment as soon as practical aboard each tanker which would automatically report Loran-C position and tanker identification information to on-shore traffic control centers;

"(iv) collision avoidance radar systems for all new tankers and all existing tankers over 20,000 dwt; and

"(v) gyro compass, fathometer, instruments, charts, plotting equipment, control and communication systems and other facilities;

"(F) require any vessel of more than twenty thousand deadweight tons, if the construction of such vessel is contracted for or actually commenced after June 30, 1977, to be equipped with a segregated ballast capacity which is determined to be appropriate by the Secretary, and such capacity shall be achieved in part by fitting, throughout the cargo length of each such vessel, a double bottom;

"(G) establish for vessels constructed or commenced to be constructed prior to June 30, 1977, similar requirements, where feasible from an engineering standpoint, to be applicable no later than 5 years from the date of enactment of the Federal Tankers Safety and Marine Anti-Pollution Act of 1977 except that the Secretary may waive the requirements for retrofitting of a double bottom where he finds it necessary and not in conflict with the purposes of this legislation;

"(H) require inert gas systems for vessels under the same time provisions as in paragraphs (F) and (G);

"(I) require all tankers to be assessed as to the adequacy of propulsion and maneuvering systems especially in confined waters and under congested port conditions, and such assessment shall determine whether such tanker has sufficient control capabilities to safely enter and maneuver in prevailing conditions of each port it is cleared to enter, and if the capabilities are not sufficient, such vessel shall use tug assistance of suitable size at all times;

"(J) require all tankers entering U.S. ports to have annual inspections by an agent designated by the Secretary and have the condition of each tanker and any deficiencies recorded, and require that all deficiencies shall be corrected prior to entry into the area to which this section is applicable and all corrective work documented, with tanker structure, machinery, navigation equipment, pollution control equipment, electrical systems, control systems and other equipment certified as to condition and operability, with tankers over 10 years of age having a special inspection particularly on structural integrity, and the Secretary shall issue special reports on structural adequacy of tankers over 10 years of age and consider whether to limit operations or loading conditions or to require structural modifications to each such tankers;

"(K) require all tankers to be manned by personnel licensed and trained in accordance with United States Coast Guard standards, 4) or, where the Secretary determines that foreign training and licensing standards are equivalent to United States Coast Guard Standards, such foreign standards for foreign flag tankers, and such standards shall include, as a minimum, the following:

"(i) instruction in all aspects of ship handling, navigation and emergency situations related to normal operations in coastal and confined waters and special operations under casualty conditions;

"(ii) formal training with modern equipment and ships or simulators for specific positions and ship types;

"(iii) regular training for upgrading positions or changing ship types and responsibility;

"(iv) licenses, conditions of licensing and period of licensing determined by experience, training and retraining accomplished and regular performance testing."

(c) Such section is further amended by striking paragraphs (5), (6), and (7) and by inserting in lieu thereof the following:

"(5)(A) ENFORCEMENT AND INSPECTION.—No vessel subject to the provisions of this section shall, after the effective date of the rules and regulations established hereunder, enter a United States port with such cargo, until a certificate of inspection has been issued to such vessel in accordance with the provisions of title 52 of the Revised Statutes of the United States and until a permit has been endorsed on such certificate of inspection by the Secretary, indicating that such vessel is in compliance with the provisions of this section and the rules and regulations established hereunder, and showing the kinds and grades of cargo that such vessel may have on board or transport. Such permit shall not be endorsed by the Secretary on such certificate of inspection until such vessel has been inspected by the Secretary and

found to be in compliance with the provisions of this section and the rules and regulations established hereunder. The Secretary shall issue such certificates for a period not extending beyond one year.

"(B) The Secretary shall begin publication as soon as practicable of proposed rules and regulations under this section as amended by the Federal Tanker Safety and Marine Anti-Pollution Act of 1977. Such rules and regulations shall take effect not later than September 30, 1977.

"(c) The Secretary shall cause proposed rules and regulations published by him pursuant to this section to be transmitted to appropriate international forums for consideration as international standards.

"(D) Rules and regulations previously promulgated remain in effect unless subsequently amended pursuant to the provisions of the Federal Tanker Safety and Marine Anti-Pollution Act of 1977."

"(E) Any rule or regulation promulgated pursuant to this section shall be equally applicable to foreign vessels and United States flag-vessels covered by this section. If a treaty, convention, bilateral or international agreement provides for reciprocity of recognition of certificates or other documents to be issued to vessels by countries party thereto, which evidence compliance with rules and regulations issued pursuant to such treaty, convention, or agreement, the Secretary, if he finds that such provisions are equivalent to rules and regulations issued pursuant to this section, in his discretion, may accept such certificates or documents as evidence of compliance with such rules and regulations.

"(F) The Secretary shall carry out such other inspections as he may deem necessary to insure compliance with the rules and regulations or to insure the purposes of this act. Violation of such rules or regulations or the presence of a condition threatening to life, property, or the marine environment shall be considered sufficient cause for such vessel to be denied entrance into U.S. navigable waters or U.S. ports until the Secretary determines the violation or threat has been removed.

SEC. 5. The Ports and Waterways Safety Act of 1972 is further amended by adding at the end thereof the following new titles:

"TITLE IV—OIL SPILL PREVENTION AND CLEAN-UP

"SEC. 401. (a) The Secretary is directed to establish a coordinated program of experimentation with methods to reduce the risk of oil spill and to improve the technology for clearing up after oil spills. Such efforts shall include:

"(1) Experimenting to determine the most effective combustion agents for burning petroleum products and crude oil once a ship has grounded and a spill appears likely.

"(2) Experimenting with solidifying petroleum products and crude oil through use of congealing agents while oil is aboard ship.

"(3) Experimenting with combustion agents once oil has spilled into the marine environment.

"(4) Experimenting with various clean-up procedures both in enclosed marine environment and on the high seas.

"(b) Such funds as may be necessary are authorized for this purpose.

"(c) Such efforts shall be undertaken after consultation with the Administrator of the Environmental Protection Administration, the National Science Foundation, and the Administrator of the National Oceanic and Atmospheric Administration.

"TITLE V—FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION

"SEC. 501. STATEMENT OF POLICY.—(a) The Congress hereby finds and declares that—

"(1) The damages and cleanup costs resulting from offshore oil spills are matters of major national concern.

"(2) The transportation, production, and handling of oil in, on, or near inland and ocean waters create environmental risks, and may impair the rights of shoreline property owners and harm the general health and welfare of citizens of the United States.

"(3) Existing law with respect to liability and compensation for oil pollution damage is inconsistent, inadequate, incomplete, inefficient, and inequitable.

"(4) The legal rules applicable to oil pollution liability and compensation need to be rationalized and reformed to assure that adequate and timely compensation is available for oil pollution from all sources.

"(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to—

"(1) enact a comprehensive national law governing offshore oil pollution liability and compensation;

"(2) maximize the incentive for all persons producing, transporting, or handling oil to take all steps necessary or appropriate to prevent the discharge of oil;

"(3) establish a strict liability standard for cleanup costs and damages resulting from the discharge of oil;

"(4) create a single and all-inclusive compensation fund to pay for all clean up and damages resulting from such a discharge;

"(5) provide adequate funds and an expeditious procedure to compensate those injured by such a discharge; and

"(6) provide for the restoration, rehabilitation, or replacement of the natural resources damaged by a discharge of oil.

"DEFINITIONS

"SEC. 502. As used in this title, unless the context indicates otherwise, the term—

"(1) "Administration" means the Federal Oil Pollution Liability and Compensation Administration;

"(2) "Administrator" means the chief executive of the Administration;

"(3) "aquatic and terrestrial environment" includes but is not limited to the navigable waters of the United States (including the lands therein and thereunder), the adjacent shorelines (including waters therein and thereunder), the waters of the contiguous zone, the waters within the safety zone around a deepwater port, and the waters superjacent to the Continental Shelf of the United States, the fish, wildlife, and other living resources of such lands and waters; and the recreational and scenic values of such lands, waters, and resources;

"(4) "barrel" means 42 United States gallons at 60 degrees Fahrenheit;

"(5) "cleanup costs" means all actual costs, including, but not limited to, administrative and other costs to the Federal Government, to any State or local government, to any foreign governments, or to their contractors or subcontractors, of (A) removing or attempting to remove, or (B) taking other measures to prevent, reduce, or mitigate damages to the public health or welfare, or to public and private property including but not limited to shorelines, beaches, and the natural resources of the aquatic and terrestrial environment;

"(6) 'contiguous zone' means the entire zone established or to be established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone (15 UST 1606; TIAS 5369) or otherwise by law or treaty, and includes the fishery conservation zone established pursuant to the Fishery Conservation and Management Act of 1976;

"(7) 'damages' means all direct and proximate damages, except cleanup costs, suffered by any person as a result of a discharge of oil, including—

"(A) the value of any loss or injury at the time such loss or injury is incurred, with respect to any real or personal property that is damaged or destroyed as a result of a discharge of oil;

"(B) the cost of restoring, repairing, or replacing any real or personal property that is damaged or destroyed by a discharge of oil; any income necessarily lost during the time such property is being restored, repaired, or replaced; and any reduction in the value of such property thereafter, by comparison with its value prior to such discharge;

"(C) any loss of income or impairment of earning capacity due to damages to real or personal property, including natural resources, without regard to ownership of such property or resources, that is damaged or destroyed by a discharge of oil, if the claimant derives at least 50 per centum of his earnings from activities which utilize the property or natural resources;

"(D) any costs and expenses incurred by the Federal or any State government in the rehabilitation of natural resources that are damaged or destroyed by a discharge of oil;

"(E) any loss to citizens of any use of real property or of natural resources as a result of a discharge of oil, if such property or resources are owned, managed, held in trust, or otherwise controlled by the Federal or any State government; and

"(F) any loss of tax revenue by a State or local government due to injury to real or personal property directly resulting from oil contamination.

"(8) 'deepwater port' has the meaning set forth in section 3(10) of the Deepwater Port Act of 1974 (33 U.S.C. 1502(10));

"(9) 'discharge' includes, but is not limited to, any spilling, leaking, pumping, pouring, emptying, or dumping, regardless of whether it occurred intentionally or unintentionally;

"(10) 'facility' includes, but is not limited to, any oil refinery, drilling platform, oil storage or transfer terminal, pipeline, or any appurtenances related to any of the foregoing, that is used, or is capable of being used, to refine, drill for, pump, produce, store, handle, transfer, process, or transport oil; the term does not include a vessel or a deepwater port;

"(11) 'Fund' means the Federal Oil Pollution Compensation Fund;

"(12) 'licensee' means a person who holds a valid license for the ownership, construction, and operation of a deepwater port;

"(13) "natural resources" means land, fish, wildlife, biota, air, water, and other such resources owned, managed, held in trust, or otherwise controlled by the Federal or any State government;

"(14) "offshore facility" means any facility located in, on, or under the navigable waters of the United States or waters of the contiguous zone, or any facility utilized in oil exploration or production activities on the Outer Continental Shelf of the United States;

"(15) "oil" means petroleum, including crude oil or any fraction or residue therefrom;

"(16) "owner and operator" means (A) with respect to a vessel, any person owning, operating, or chartering by demise, such vessel; (B) with respect to an offshore facility, any person owning or operating such facility, whether by lease, contract, or other form of agreement; and (C) with respect to any abandoned facility, the person who owned or operated such facility immediately prior to such abandonment;

"(17) "person" means an individual, a public or private corporation, partnership or other association, or a government entity;

"(18) "person in charge" means the individual immediately responsible for the operations of a vessel, offshore facility, or deepwater port;

"(19) "safety zone" means the safety zone around a deepwater port as defined pursuant

to section 10(d) of the Deepwater Port Act of 1974 (33 U.S.C. 1509(d));

"(20) "Secretary" means the Secretary of Transportation;

"(21) "State" includes each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone;

"(22) "transfer" or "transferred" includes, but is not limited to, both onloading and offloading between a facility and a vessel, between vessels, between facilities; or between a vessel and a deepwater port; and

"(23) "vessel" means every description of watercraft or other contrivance that is used, or capable of being used as a means of transportation on water, whether self-propelled or not.

"PROHIBITION, NOTIFICATION, AND CLEANUP

"SEC. 503. (a)(1) The discharge of oil into the aquatic and terrestrial environment in harmful quantities as determined by the President under section 311 (b)(4) of the Federal Water Pollution Control Act is prohibited.

"(2) The owner or operator of a vessel, offshore facility, or licensee of a deepwater port, from which oil is discharged in violation of this section shall be assessed a civil penalty of not more than $10,000: *Provided, however,* That such owner, operator, or licensees shall not also be assessed a civil penalty, under section 311(b)(6) of the Federal Water Pollution Control Act or section 18(a)(2) of this Act, for the same discharge.

"(b) Any person in charge of a vessel, offshore facility, or deepwater port shall, as soon as he has knowledge of any discharge of oil from such vessel, facility, or port in violation of this section, immediately notify the appropriate agency of the United States Government of such discharge. Any such person who fails to notify immediately such agency of such discharge shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than 1 year, or both: *Provided, however,* That no person convicted under this section shall also be convicted for the same failure to notify under section 311 (b)(5) of the Federal Water Pollution Control Act or under section 18(b) of this Act. Notification received pursuant to this section or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

"(c)(1) Whenever any oil is discharged, the President shall act to remove or arrange for the removal of such oil, unless he determines such removal will be done properly and expeditiously by the owner or operator of the vessel, offshore facility, or deepwater port, from which the discharge occurs.

"(2) Removal of oil and actions to minimize damage from oil discharged shall, to the greatest extent possible, be in accordance with the National Contingency Plan for removal of oil and hazardous substances established pursuant to section 311(c)(2) of the Federal Water Pollution Control Act.

"(3) Whenever the President acts to remove a discharge of oil pursuant to this subsection, he is authorized to draw upon the money available in the Fund established pursuant to this title. Such money shall be used to pay promptly for all cleanup costs incurred by the President in removing or in minimizing damage caused by such oil discharge.

"LIABILITY FOR DISCHARGE OF OIL

"SEC. 504. (a) All cleanup costs, incurred by the President, Secretary or any other Federal, State, or local official or agency, or any other person, in connection with a discharge of oil in violation of this title shall be borne by the owner and operator or licensee of the vessel, facility or deepwater port from which the discharge occurred.

"(b)(1) Notwithstanding any other provision of law and except as provided in subsection (d), the owner and operator of a vessel shall be jointly and severally liable, without regard to fault, for damages which result from a discharge of oil in violation of this title from such vessel. Such liability shall not exceed $150 per gross ton, or $50,000,000, whichever is greater, except that if it can be shown—

"(A) that such discharge was the result of gross negligence or willful misconduct, within the knowledge and privity of the owner, operator, or person in charge;

"(B) that such discharge was the result of a violation of applicable safety, construction, or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of cleanup costs and damages.

"(2) The owner and operator of a vessel carrying oil which has been transported through the trans-Alaska pipeline and loaded on such vessel at the terminal facilities of the pipeline, shall be jointly and severally liable, without regard to fault, subject to the limits and conditions contained in this subsection, to residents or the Government of Canada for cleanup costs and damages resulting from the discharge of oil from such vessel.

"(c) Notwithstanding any other provision of law and except as provided in subsection (d)—

"(1) The owner and operator of an offshore facility shall be held jointly and severally liable without regard to fault, for damages which result from a discharge of oil in violation of this title from such facility. Such liability shall not exceed $50,000,000, except that if it can be shown that (A) such damages were the result of gross negligence or willful misconduct within the privity and knowledge of such owner or operator, or the person in charge of such facility; or (B) that such discharge was the result of a violation of applicable safety, construction, or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of such damages.

"(2) The licensee of a deepwater port shall be liable without regard to fault for damages which result from a discharge of oil in violation of this title from such deepwater port. Such liability shall not exceed $150,000,000, except that if it can be shown that such damages were the result of gross negligence or willful misconduct within the privity and knowledge of the licensee or any person in charge of such port, or that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations, such licensee shall be liable for the full amount of such damages.

"(d) Liability for costs and damages resulting from a discharge of oil shall not be imposed on any person pursuant to subsection (a), (b), or (c), if the owner, operator, or licensee involved establishes that such discharge was caused solely by an act of war. In addition, liability with respect to damages claimed by a damaged party shall not be imposed under subsections (b) and (c) of this section if the owner, operator, or licensee involved establishes that such discharge was caused solely by the negligence or international act of such damaged party.

"(e)(1) In any case in which the owner and operator of a vessel are held liable, pursuant to subsection (a) or (b), for costs and damages resulting from a discharge of oil, such an owner or operator shall be subrogated, if such discharge was caused by negligence on the part of the owner or operator of an offshore facility or on the part of the licensee of a deepwater port, to the rights of any person who is entitled to recover any damages against such owner, operator, or licensee.

"(2) In any case in which the owner and operator of an offshore facility are, or in which the licensee of a deepwater port, is held liable, pursuant to subsection (a) or (c), for cleanup costs and damages resulting from a discharge of oil, such an owner, operator, or licensee shall be subrogated, if such discharge was the result of the unseaworthiness of a vessel or the negligence of a vessel's owner or operator, to the rights of any person who is entitled to recover any damages against the owner or operator of such vessel.

"(3) The provisions of this section shall not in any way affect or limit any rights that an owner or operator of a vessel, an offshore facility, or a licensee or that the Fund may have against any third party whose acts may have caused or contributed to a discharge of oil.

"(4) In any case in which the owner and operator of a vessel, or an offshore facility are, or in which the licensee of a deepwater port, is held liable, pursuant to subsection (a), (b), or (c), for costs and damages resulting from a discharge of oil that was caused solely by negligence on the part of the Federal Government in failing to maintain adequate aids to navigation, such owner, operator, or licensee shall be entitled to recover cleanup and damage expenditures from the Federal Government. In such cases, the Fund shall also be entitled to seek recovery from the Federal Government for cleanup and damage expenditures by the Fund.

"THE FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ADMINISTRATION

"SEC. 505. (a) There is hereby established in the Department of Transportation an agency which shall be known as the Federal Oil Pollution Liability and Compensation Administration.

"(b)(1) There shall be at the head of the Administration the Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates (5 U.S.C. 5315). The Administrator shall report and be responsible to the Secretary, except that decisions of the Administrator shall not be subject to review, delay, reversal, or other action by the Secretary or any other officer or employee of the Department of Transportation.

"(2) There shall be in the Administration a Deputy Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Deputy Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316). The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

"(3) There shall be in the Administration a General Counsel who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316).

"(c) FUNCTIONS.—The Administrator shall—

"(1) establish and maintain the Fund, in accordance with section 506;

"(2) act as trustee of the natural resources of the marine environment, in accordance with section 507;

(3) require financial responsibility, in accordance with the provisions of section 508;

"(4) establish regulations and provide for the fair and expeditious settlement of claims, in accordance with section 509;

"(5) provide public access to information and conduct public education programs, in accordance with section 510;

"(6) submit an annual report, in accordance with section 511; and

"(7) perform such other functions as are prescribed by law or by the Secretary.

"(d) POWERS.—In the performance of his functions, the Administrator is authorized to—

"(1) appoint, fix the compensation, and assign the duties of such officers and other personnel as may be necessary or appropriate, and to delegate authority of the Administrator to any such personnel;

"(2) utilize, with the consent of the agency concerned, the services or personnel, on a reimbursable basis or otherwise, of any Federal Government agency, of any State or local government agency, or of any organization, to perform such functions on behalf of the Administrator as are necessary or appropriate;

"(3) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this title;

"(4) conduct such studies and investigations, obtain such date and information, and hold such meeting or public hearings as may be necessary or appropriate to facilitate the exercise of any authority granted to, or the performance of any function imposed on, the Administrator under this title;

"(5) enter into such contracts, agreements, and other arrangements as are deemed necessary or appropriate for the acquisition of material, information, or other assistance related to, or required by, the implementation of this title; and

"(6) issue and enforce orders during proceedings maintained pursuant to this title including, but not limited to, issuing subpenas, administering oaths, compelling the attendance and testimony of witnesses and the production of books, papers, documents, and other evidence, and the taking of depositions.

"THE FEDERAL POLLUTION COMPENSATION FUND

"SEC. 506. (a) There is established within the Administration a Federal Oil Pollution Compensation Fund. The Fund shall be a nonprofit corporate entity which may sue or be sued in its own name.

"(b)(1) Moneys in the Fund shall be disbursed for the following purposes and no others:

"(A) administrative and personnel expenses of the Fund, after appropriation in an appropriation Act;

"(B) cleanup costs resulting from the discharge of oil incurred (i) pursuant to section 502 of this Act, (ii) pursuant to section 311 of the Federal Water Pollution Control Act, (iii) pursuant to any State or local law, or (iv) by the owner or operator of a vessel offshore facility or a licensee of a deepwater port if it can be shown that such discharge was caused solely by an act of war or negligence on the part of the Federal Government is establishing and maintaining aids to navigation;

"(C) all damages not actually compensated pursuant to section 502 of this Act, and for damages whenever the source of the discharge cannot be determined or is beyond the jurisdiction of the United States; and

"(D) research into methods for preventing, containing, and removing discharges of oil.

"(2) Payment of compensation by the Fund shall be subject to the Fund acquiring by subrogation all rights of the claimant to recovery cleanup costs or damages from the discharger. The Fund shall diligently pursue recovery for any such subrogated rights.

"(3) Notwithstanding the above, the Fund shall not be liable to pay cleanup costs and damages of any claimant whose negligence or intentional act was the sole cause of the discharge.

"(c) In all claims or actions by the Fund against any owner, operator, licensee, or other person providing financial responsibility, the Fund shall recover (1) the amount the Fund has paid to the claimant or to any governmental entity undertaking cleanup operations, without reduction, and (2) interest on that amount, at the existing commercial interest rate, from the date upon which the request for reimbursement was issued from the Fund to the owner, operator, licensee, or other person, to the date upon which the Fund is paid by such owner, operator, licensee, or other person.

"(d)(1) The Fund shall be provisioned through the levy and collection by the Administrator of a 5-cent-per-barrel fee imposed on the owner of oil when the oil is transferred between (A) a vessel and an offshore facility, (B) offshore facilities, or (C) a vessel and a deepwater port. All moneys in the deepwater port liability fund shall be placed in the Fund. Any oil upon which a fee has once been levied pursuant to clause (A), (B) or (C) of this paragraph shall not be subject to a subsequent levy under this paragraph.

"(2) The collection of the fee shall continue until the fund reaches $250,000,000 whereupon collection shall be suspended. The collections shall be resumed when the Fund is reduced below $200,000,000 and shall continue until the Fund again reaches $250,000,000. All sums recovered by the Fund from the party or parties responsible for a discharge under the provisions of this Act shall be deposited in the Fund and included in calculating the balance. All sums not needed for the purposes specified in subsection (b) of this section shall be prudently invested in income-producing securities issued by the United States and approved by the Secretary of the Treasury. Income from such securities shall be applied to the principal of the Fund.

"(3) Each person responsible for contributing to the Fund in accordance with this subsection shall keep such records and furnish such information as the Administrator shall prescribe in regulations. Collection will be at such times and such manner as shall be prescribed in such regulations.

"(4) Whenever the money in the Fund is less than the claims for cleanup costs and damages for which it is liable under this section, the Fund shall borrow the balance required to pay such claims from the United States Treasury at an interest rate determined by the Secretary of the Treasury.

"SEC. 507. The Administrator, or the authorized representative of any State, shall act on behalf of the public as trustee of the natural resources to recover for damages to such resources. Sums recovered shall be used to restore, rehabilitate, or acquire the equivalent of such natural resources by the appropriate agencies of Federal or State government.

"FINANCIAL RESPONSIBILITY

"SEC. 508. (a) Each owner or operator of a vessel or an offshore facility and each licensee shall establish and maintain under rules and regulations prescribed by the Administrator, evidence of financial responsibility based on the tonnage of the vessel, the capacity of the facility or deepwater port, and other relevant factors. Financial responsibility may be established by any one, or a combination of, the following methods acceptable to the Administrator: (1) evidence of insurance, (2) surety bonds, (3) qualification as a self-insurer, or (4) other evidence of financial responsibility satisfactory to the Administrator.

"(b) Any claim for cleanup costs and damages by any claimant or by the Fund may be brought directly against the bond, the insurer, or any other person providing financial responsibility.

"(c)(1) Any person who fails to comply with the provisions of this section or any regulation issued hereunder shall be subject to a fine of not more than $25,000.

"(2) The Secretary of the Treasury may refuse the clearance required by section 4197 of the Revised Statutes of the United States, as amended (46 U.S.C. 91), to any vessel subject to this section which has not furnished evidence of financial responsibility to the Administrator.

"(3) The Secretary, in accordance with regulations promulgated by him, shall (A) deny entry to any port or place in the United States or navigable waters to and (B) detain at any port or place in the United States from which it is about to depart for any other port or place in the United States any vessel subject to this section which, upon request, does not produce evidence furnished by the Administrator that the financial responsibility provisions of paragraph (a) of this section have been complied with.

"(d) The Administrator shall increase the requirements established under section 506 and under subsection (b) and (c) of section 504 annually, by an amount equal to the annual percentage increase in the Consumer Price Index.

"CLAIMS, SETTLEMENT, AND ADJUDICATION

"SEC. 509. (a) The Administrator shall prescribe and may from time to time amend regulations for the filing, processing, settlement, and adjudication of claims for cleanup costs and damages resulting from the discharge of oil.

"(b)(1) Upon receiving information regarding a discharge of oil, the Administrator shall publish and distribute in the area of the discharge information and material on the filing of claims.

"(2) Claims shall be filed with the Administrator not later than 2 years after the date of discovery of damage nor later than 6 years after the date of the incident which caused the damage. The Administrator shall prescribe appropriate forms and details for such claims, which shall include a provision requiring the claimant to make a sworn verification of the claim to the best of his knowledge. Each person's damage claims arising from one incident shall be stated in one form. Damages not included in the claim at the time compensation is made shall be deemed waived. Upon receipt of any claim, the Administrator shall as soon as practicable inform all affected parties of the claim.

"(3) If the source of the discharge can be determined and liability is conceded, the claimant and the Administrator or the person responsible for the discharge may arrange a settlement which shall be final and binding upon the parties. If liability is not conceded or if a settlement on the amount of damages cannot be negotiated, any party may request a hearing before an Administrative Law Judge.

"(4) If the source of the discharge is unknown or cannot be determined, the claimant and the Administrator shall attempt to arrange a settlement under procedures contained in regulations promulgated by the Administrator. If a settlement cannot be negotiated, the claim shall be submitted to an Administrative Law Judge.

"(c)(1) The Administrator shall promulgate regulations for hearings before an Administrative Law Judge. The Administrative Law Judge shall have the power to administer oaths, and subpena the attendance and testimony of witnesses, the production of books, records, and other evidence relative or pertinent to the issues presented for determination.

"(2) Upon receipt of a request for a hearing, the Administrative Law Judge shall promptly schedule a hearing to determine the amount and validity of the damage claim. The hearing shall be held in the area where the damage occurred.

"(3) Upon a decision by the Administrative Law Judge and without a request for judicial review, the amount shall be certified to the Administrator who shall promptly disburse the award. Such decision shall not be reviewable by the Administrator or the Secretary.

"(d)(1) Any person suffering legal wrong, or who is adversely affected or aggrieved by the decision of an Administrative Law Judge may, no later than 60 days after such decision is made, seek judicial review of such decision in the United States court of appeals for the circuit in which damage occurred or for the District of Columbia.

"(2) In any case in which the person responsible for the discharge, or the Administration, seeks judicial review, attorneys' fees and court costs shall be awarded to the claimant if the decision of the Administrative Law Judge is affirmed.

"(e)(1) The Attorney General may act on behalf of any group of damaged citizens the Administrator determines would be more adequately represented as a class in the recovery of claims under this section. Sums recovered shall be distributed to the members of such groups.

"(2) If, within 90 days after a discharge of oil in violation of this title has occurred, the Attorney General fails to act on behalf of a group who may be entitled to compensation in accordance with section 502 any member of such group may maintain a class action to recover such damages on behalf of such group. Failure of the Attorney General to act in accordance with this subsection shall have no bearing on any class action maintained in accordance with this subsection.

"(3) In any case where the number of members of the class exceeds 1,000, publishing notice of the action in the Federal Register and in local newspapers serving the areas in which the damaged parties reside shall be deemed to fulfill the requirement for public notice established by rule 23(c)(2) of the Federal Rules of Civil Procedure.

"(f) The Administrator shall initially request the Attorney General to promptly institute court actions and to appear and represent the Administration or the Fund for all claims under this title. Unless the Attorney General notifies the Administration that he will institute such action or will otherwise appear within a reasonable time, attorneys appointed by the Administrator shall appear and represent the Administration.

"PUBLIC ACCESS TO INFORMATION

"SEC. 510. (a) Copies of any communication, document, report, or information transmitted between any official of the Federal Government and any person concerning liability and compensation for damage resulting from the discharge of oil shall be made available to the public for inspection, and shall be available for the purpose of reproduction at a reasonable cost, to the public upon identifiable request.

"(b) Nothing contained in this section shall be construed to require the release of any information of the kind described in subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

"ANNUAL REPORT BY ADMINISTRATOR

"SEC. 511. Within 6 months after the end of each fiscal year, the Administrator shall submit to the President of the Senate and the Speaker of the House of Representatives (1) a report on the administration of the fund during such fiscal year; (2) a summary of the management and enforcement activities of the Administration; and (3) recommendations to the Congress for such additional legislative authority as may be necessary to improve the management of the fund and the administration of the liability provisions under this title.

"DISCLOSURE

"SEC. 512. Disclosure of such aspects of ownership and management as the Secretary may determine of each tanker entering U.S. waters shall be provided no later than 60 days after enactment and no later than January 30 of each calendar year, by all companies owning or operating such tankers which entered U.S. ports during the previous year. Tanker operators and owners whose tankers are not covered by the previous sentence and enter a U.S. port during the following year shall provide full disclosure of operating companies and owners upon entering any U.S. port for the first time in a given year.

"RELATIONSHIP TO OTHER LAW

"SEC. 513. (a) This title shall not be interpreted to preempt the field of liability or to preclude any State from imposing additional requirements or liability for any discharge of oil resulting in damages or cleanup costs within the jurisdiction of any State.

"(b) Any person who receives compensation for damages or cleanup costs pursuant to this title shall be precluded from recovering compensation for the same damages or cleanup costs pursuant to any other State or Federal law. Any person who receives compensation for damages or cleanup costs pursuant to any other State or Federal law shall be precluded from receiving compensation for the same damages or cleanup costs under this title.

"(c) The United States district courts shall have original jurisdiction of cases and controversies arising under this title, and proceedings with respect to any such case or controversy may be instituted in the judicial district in which any defendant resides or may be found, or in the judicial district in which the damages occurred.

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 514. There is authorized to be appropriated for the administration of this Act $5,000,000 for the fiscal year ending September 30, 1977; $5,000,000 for the fiscal year ending September 30, 1978; and $5,000,000 for the fiscal year ending September 3, 1979.".

WORLDWIDE TANKER CASUALTY RETURNS: THIRD QUARTER 1976

OVERALL RESULTS

Two unfortunate records have been established during the first nine months of this year. 13 tankers, with a total capacity of 940,000 deadweight tons, were declared a total loss. This exceeds the 815,000 deadweight tons lost during the entire year of 1975, which had the all time record. Two of the 13 vessels in these catastrophes were larger than 200,000 deadweight tons. The second record was set by the spilling of 198,277 tons of oil in nine months. The number of reported casualties continues to drop, probably because deductibles of up to $60,000 per incident are now included in tanker hull and machinery insurance policies. Other factors contributing to the reduction in accidents is the slow down of nearly all operating tankers and the lay up of over 400 surplus oil carrying vessels.

WEATHER DAMAGE

The perils of the sea apparently overtook the twentyone year old *Cretan Star*, of 29,000 dwt. flying the flag of Cyprus, when she ran into bad weather, while loaded, about 450 miles from Bombay. After reporting severe weather conditions and being struck by a huge wave, no further communications could be established with the tanker. She is listed as missing with all 36 crew members unaccounted for.

STRANDINGS

Thirteen of the reported seventeen strandings occurred in rivers or harbors. The other four misadventures happened in coastal areas outside of restricted inland waterways.

COLLISIONS

The Philippine flag *Diego Silang* of 10,000 dwt., while loaded, was in collision with two other vessels in the Straits of Malacca and as a result lost 6,000 tons of crude oil overboard. Malaysian government officials said the Philippines will have to pay over $600,000 for the cost of fighting the spill.

CONTACT

Fifteen of the forty accidents in this category were caused by striking bottom (sometimes referred to as groundings). Eleven incidents were reported as hitting a dock, buoy or fixed structure. The others were suffered while lightering, etc.

FIRES AND EXPLOSIONS

One of the twentytwo fires and/or explosions that happened in the third quarter took place in a cargo tank while the vessel was repairing at Hong Kong, with 14 men overcome by the fire. Another fire occurred in the pumproom of a tanker. All other calamities were in the main engine, boilers, engine room, accommodations or other spaces.

MACHINERY DAMAGES

There was a continued reduction in reporting these type of mishaps.

OTHER CASUALTIES

Nine of the total of forty-two events were due to engine trouble.

Six accidents were caused by crew negligence. Anchors were lost by four tankers. Seven vessels broke down at sea. Two suffered steering gear troubles and three had the bad luck of spilling oil. The remainder had a variety of reported problems.

All the casualty data was obtained from Lloyd's List published by Lloyd's of London. Tankers ore/oil carriers and bulk/oil vessels of 6,000 deadweight tons and over were included in the statistics. And liquid gas carriers of 6,000 deadweight tons and over were included if their liquid gas capacities were less than 80% of their total cargo capacity.

NOTICE

A valuable management tool to assist in the selection of tankers for charter is a tabulation of the reported casualties to that tanker and/or that owner.

This tabulation can be obtained from the Tanker Advisory Center. A data bank containing over 19,000 tanker casualties, reported in Lloyd's List since 1964, is maintained by the Tanker Advisory Center.

Get this management tool from the Tanker Advsory Center Select tankers and owners with excellent casualty records.

	3d quarter associated—						1st 9 months associated—					
	Number of losses		Personnel casualties		Oil spills		Number of losses		Personnel casualties		Oil spills	
	Partial and total [1]	Total	Dead	Injuries	Number	Tons	Partial and total [1]	Total	Dead	Injuries	Number	Tons
Weather damage:												
1976	17	1	36		1	28,595	51	1	36		1	28,595
1975	15				1	?	56	2	1		7	32,150
1974	17	1			1	?	77	1			2	30
1973	23			2			100	2		2	2	19,590
Strandings (underway then stuck fast on bottom):												
1976	17						55	2	3		4	95,000
1975	10	3			1	?	58	8	8	4	4	92,090
1974	29	1			4	59,400	85	2			8	59,700
1973	28	1			1	2,500	103	4	4	49	7	57,300
Collisions (both vessels in motion):												
1976	8				2	6,000	15	1			2	6,000
1975	11						40	1			1	?
1974	27		1		4	400	56	1	14	8	7	1,270
1973	16				2	800	49	1	14	43	5	2,300
Contact (hit bottom, dock, moored vessel; hit while moored or anchored, etc.):												
1976	40				3	275	164	4			7	675
1975	64	1	6	2	2	1,000	221	2	36	3	12	1,840
1974	42						168				3	220
1973	61						189		13		5	1,800
Fire and explosions:												
1976	22	1	1	16			50	5	41	36	2	68,000
1975	13	1	1	1			41	4	5	4		
1974	19	3	23	2			55	5	53	21		
1973	24	1	5	18			66	2	20	41		
Damage to machinery, shafts, propellers, etc.:												
1976	39						138					
1975	50						183					
1974	111						314					
1973	108						264		2	6		
Other casualties (lost anchor; crew negligence; engine trouble; etc.):												
1976	42				2	7	131				5	7
1975	35				2	14,801	119	1	35		12	58,911
1974	41				9	576	146		1		19	1,016
1973	46			1	6	1,095	162		4	7	11	1,225
Totals:												
1976	185	2	37	16	8	34,877	604	13	80	36	21	198,277
1975	198	5	7	3	6	15,801	718	18	85	11	36	184,991
1974	286	5	24	2	18	60,376	901	9	68	29	39	62,236
1973	306	2	5	21	9	4,395	933	9	57	148	30	82,215

[1] Includes actual and constructive total losses.

[From the New York Times, Jan. 5, 1977]

NO MORE "ARGO MERCHANTS"

Four years ago Congress passed, and the President signed, a Ports and Waterways Safety Act. That law sponsored chiefly by Senator Magnuson of Washington, gave the Coast Guard power to issue rules and regulations designed to minimize shipping hazards, including dangers to the coastal environment.

Specifically, they were to reduce the chance that ships improperly equipped and manned would collide or go aground, as the Argo Merchant did two weeks ago, laying down a hundred-mile ribbon of oil in the North Atlantic off Nantucket—and as another Liberian tanker did several days later at great cost to the bird life of the Delaware River.

The Coast Guard has moved to carry out its duties under the law at a leisurely pace that reflects its original reluctance to take them on in the first place. It has formulated rules and regulations for American vessels in domestic trade, but has yet to make final those covering foreign ships or American ships in foreign trade. In any case, none of the regulations are regarded as nearly adequate by those who took part in the legislative fight for the 1972 act. A major factor in the failure, besides the usual bureaucratic delays, is an evident reluctance by the Administration to press ahead for fear of retaliatory action in foreign ports. But if there is to be a competition in safety regulations, that can only be for the good.

This country has yet to ratify a 1973 international convention calling for segregated ballast and other safety measures. No other maritime power has done so either. But the chief purpose of the Ports and Waterways Safety Act was to go beyond that extremely mild agreement and give a much-needed lead to other seafaring nations. Indignant at the failure of the Coast Guard to achieve what it is clearly empowered to do, Russell E. Train, administrator of the Environmental Protection Agency, is entirely warranted in demanding "more stringent regulations"—now.

Some of the most essential improvements cannot be made on old ships—and the tankers of the world are an old fleet, with shipbuilding, everywhere at a dismally low level of production. Recognizing that fact, the government of Saudi Arabia has recently promulgated a law (designed to relieve crowding and delays in its harbors rather than save the environment) that the United States and other nations would do well to emulate. No vessels more than 15 years old may discharge cargo at a Saudi port unless a survey, made at the shipowner's request and expense, shows them capable of quick loading and unloading.

Passage of an analogous American law, plus enforcement of the existing law, should make it feasible to require suspect vessels to demonstrate that they are soundly constructed, properly loaded, navigationally equipped and adequately manned. Even American shipowners who benefit from lower standards by putting their vessels under "flags of convenience" should now recognize the urgency—and profit to their trade—of reducing the threat to navigation, to offshore fisheries and to the integrity of our coasts.

[From the New York Times, Jan. 6, 1977]

CONGRESS PLANS NEW LEGISLATION TO CURB OIL SPILLS

(By John Kifner)

WASHINGTON, Jan. 5.—Members of Congress from coastal states, amid growing concern over a series of oil spills and accidents involving Liberian-flag tankers, are proposing new legislation aimed at curbing spills and are scheduling hearings on the Argo Merchant disaster.

The lawmakers are entering an area—the shipping of oil into the United States on foreign-flag vessels, including "flags of convenience"—that has been, for all practical purposes, without regulation.

The issues involved range from charges that oil and shipping interests have, in the past, been able to tailor regulations to their own specifications or to avoid them entirely by registering under foreign flags, to such technical design points as the relative worth of double-hulled ships and segregated ballast.

Senator Warren G. Magnuson, Democrat of Washington, has scheduled two days of hearings next week on the breakup last month of the Argo Merchant off Nantucket Island, which resulted in the spilling of 7.5 million gallons of oil, the largest oil spill off the nation's coast. Within days after the ship went aground, there were five other maritime mishaps involving Liberian-flag vessels.

Representative Gerry E. Studds, Democrat of Massachusetts, whose district includes Cape Cod, the offshore islands and the fishing ports threatened by the Argo Merchant spill, has reintroduced legislation that died last year to create a liability fund to pay for damages caused by oil spills.

Senator Edward M. Kennedy, Democrat of Massachusetts, is preparing legislation to set up a traffic control system for tankers, similar to that used for aircraft. The legislation, which is to be submitted next week, would also require tankers coming into American waters to be equipped with standard electronic navigational equipment.

PART OF A LARGER PROBLEM

The series of accidents that have focused Congressional concern are only part of a larger problem. The National Academy of Sciences reported in 1975 that some two million tons of oil were spilled in the world's oceans each year.

According to Coast Guard figures, there were 27 spills of 100,000 gallons or more in 1974. About 97 percent of the oil spills, the

Coast Guard says, occur in ports and harbors. However, experts say there is an even more serious pollution problem from the constant, although smaller, discharges of oil from leaking vessels and from such common practices as flushing ballast tanks near shore.

The spillage is likely to increase as more oil is shipped and as more tankers put in more than 10 years of service and reach the point at which metal fatigue makes them more liable to breakups, experts in the field say. Lloyd's Registry of Shipping reports that approximately 300 ships are lost at each each year.

About 95 percent of the oil imported into the United States comes on foreign-flag vessels, and 84 percent of the ships owned by members of the American Petroleum Institute—the association of United States oil companies—sail under foreign flags, according to figures supplied by Mr. Studds' office.

There has been little or no American control over the safety of the foreign-flag vessels.

WORLD'S LARGEST TANKER FLEET

The most popular "flag of convenience" is that of Liberia, which now has the largest merchant marine and largest tanker fleet in the world. By registering under the Liberian flag, American shipowners avoid paying American corporate profit taxes. In addition, they avoid American safety inspections and the necessity of more expensive American shipyards and union crews. Some shipowners in Greece, Hong Kong and Taiwan also register vessels in Liberia for similar reasons.

The ships under Liberian flag range from the giant supertankers operated by Exxon and other American oil companies, to those run by such smaller operators as Amerships Inc., which operates a fleet of eight second-hand ships, each owned on paper by a separate Liberian corporation, including the ill-fated Argo Merchant.

There is mounting criticism of the Coast Guard in Congressional circles for an alleged reluctance to set or enforce safety standards. Senator Ernest F. Hollings, Democrat of South Carolina, who is a member of the Senate Commerce Committee, which will hold next week's Argo Merchant hearings, said today that Congress would have to mandate stricter standards "if the Coast Guard won't use the authority it already has."

[From Time magazine, Jan. 10, 1977]

OIL IS POURING ON TROUBLED WATERS

In the storm-tossed waters off Massachusetts last week, 7.6 million gal. of oil slid slowly seaward. In the Delaware River, southwest of Philadelphia, 134,000 more gal. of deadly goo spread toward rich tidal marshes. In Los Angeles, the wreck of a blast-shattered tanker still lay smoldering at its berth. Suddenly, on East Coast and West, the U.S. was undergoing an ordeal by oil.

The disasters began more than two weeks ago, when the Liberian-flag tanker *Argo Merchant*, well off course, ran hard aground on the Nantucket shoals, a well-charted section of the sea just southeast of Nantucket Island. After a week's battering by wind and waves, the 640-ft. ship began breaking up, spilling its entire cargo into the frigid Atlantic. Immediately endangered were not only the sandy strands of Nantucket and Cape Cod but also the rich fishing grounds of Georges Bank. Shortly after the *Argo Merchant* grounding, another Liberian ship, the *Sansinena*, exploded in Los Angeles' harbor with a blast that rattled windows for miles and killed at least five people (four crewmen are still missing).

HEAVY TRAFFIC

Last week two more accidents occurred. Another Liberian tanker, the *Daphine*, ran aground off Puerto Rico and still another, the *Olympic Games*, grounded and suffered a hull puncture during a docking maneuver at Marcus Hook, Pa. Moving downstream in a slick 32 miles long, its cargo seeped into marshes, coating wintering waterfowl with a sticky layer of oil that matted their feathers and robbed them of their insulating properties. Tens of thousands of birds were endangered.

Because the catastrophes were clustered so closely, their drama was heightened. But they may be only a sample of things to come. The transportation of oil by sea has increased enormously in the years since World War II, and oil tankers, once a little-noticed breed of ship, now constitute more than half of the world's merchant-ship tonnage. In U.S. ports, tanker traffic has increased proportionately as the nation has turned heavily to imports to meet its growing thirst for fuel. In 1966 the U.S. imported 940 million bbl. of oil and petroleum products. Now nearly three times as much is arriving in U.S. ports—about 300 million gal. a day.

Oil pollution can only increase. Of the estimated 5 million tons of oil dumped into the oceans annually, tankers—partly by deliberately flushing cargo tanks before reloading—account for nearly one-third. This figure is sure to rise.

In 1950 a tanker of 28,000 tons was considered so impressive that Britain's Princess Margaret formally launched it. By 1960, tankers of more than 100,000 tons were becoming commonplace. Now the supertankers make the 18,743-ton *Argo Merchant* seem like a skiff by comparision. Over 30% of the world's tanker fleet consists of ships with capacities of over 200,000 tons. Japan's *Globtik Tokyo* (length: 1,243 ft.; draft: 91 ft. 11 in.) can carry a whopping 476,292 tons. The hazards such ships pose are correspondingly enormous (*see box*).

Fortunately, major accidents involving tankers have been infrequent, but those that do occur are spectacular. The Liberian ship *Torrey Canyon* spilled over 30 million gal. of oil when it went aground off England's Cornwall coast in 1967. The *Metula* dumped about 16 million gal. of Persian Gulf crude when it grounded in 1974 in the Strait of Magellan, polluting an area where Charles Darwin had gone ashore more than a century earlier to study animals and plants. The *Jacob Maersk* lost or burned some 26 million gal. when it exploded off Portugal in 1975.

The effects of such spills remain to be fully determined. Little long-term damage seems to have resulted from the *Torrey Canyon* disaster; indeed, the most serious effects on marine organisms have been blamed not on the oil but on the detergents used to disperse it. Spills closer to shore can have much more dramatic effects. Large numbers of fish, shellfish, crustaceans and marine worms were killed almost immediately whan a barge capsized and spilled over 200,000 gal. of oil into Buzzards Bay, off Falmouth, Mass., in 1969. Eighteen months later, scientists from Woods Hole Oceanographic Institution reported that the oil was still spreading along the bottom at 40-ft. depths, covering more than 5,000 acres offshore and polluting 500 acres of tidal rivers and marshes.

ECOLOGICAL HAZARD

No scientists are willing to forecast the effects of the oil now spreading seaward from the *Argo Merchant*. Most believe that if the globs of oil, called oilbergs because most of their mass is below the surface, continue to move east, the damage will be held to a minimum. But shifting winds could still bring the oil ashore, fouling beaches and causing massive ecological damage. The spill has already driven hundreds of sea birds ashore, bedraggled and helpless. The oil could also threaten humpback whales, which migrate through the affected area, and imperil the already endangered gray seals that winter off Nantucket. But of the greatest concern is the threat to the Massachusetts fishing industry, which employs some 30,000 men and has been slowly coming back after a long period of economic depression. "We fear damage will be long-lasting and pervasive," said Governor Michael Dukakis in a letter requesting federal aid for his state's fishermen. The fishermen's reaction was even stronger: a class-action suit for $60 million in damages has been filed against the *Argo Merchant's* owners on behalf of twelve groups of fishermen.

Cleaning up oil spills is still very much a developing science. Such devices as booms to contain spilled oil and vacuum cleaners that suck it off the surface may work fairly well in the quiet waters of harbors or slow-flowing rivers. But the open ocean poses all but insuperable problems. Coast Guardsmen lost $200,000 worth of equipment when stormy seas forced them to abandon attempts to take off the *Argo Merchant's* cargo. The pounding waves rendered booms useless and stymied the Coast Guard's attempts to set the oil on fire.

Efforts to prevent spills seem to be equally ineffective. The U.S. is doing a decent job of regulating American flagships, mandating such things as crew qualifications and training, navigational and safety equipment. But it has done little to regulate foreign ships, many of which are registered in Liberia and Panama to avoid U.S. or European taxes, wage scales and expensive—hence profit-cutting—regulations on crews and equipment. Liberia, which has no natural harbor, has the world's largest tanker tonnage—with some of its ships American-owned. Such ships and their crews frequently fail to meet adequate safety standards. The *Argo Merchant*, for example, was involved in 18 "incidents"—including two previous groundings—before the Nantucket disaster. Her captain since June, Georgios Papadopoulos, 43, admitted at a hearing last week that his ship carried no LORAN (long-range navigation) equipment. His gyrocompass, he said, was not being used just prior to the accident because it was six degrees off, and the helmsman was steering by magnetic compass. He himself had not had an accurate fix on his position for more than 15 hours. Even if he had known his position, he might still have been in trouble. The water current charts he was using were November's, not December's, an important difference.

Environmentalists have used the accidents to call again for action to control the risks posed by oil carriers, and they are urging the U.S. to adopt stricter tanker regulations. Some charge that the Coast Guard has ample authority under the Ports and Waterways Safety Act of 1972 to upgrade the standards of foreign ships entering U.S. waters, and accuse the service of moving too slowly to use this power. "The Coast Guard has been almost negligent," claims Jeffrey Knight, legislative director for Friends of the Earth. "It has been since 1972, and that's a long time to twiddle your thumbs." Environmental Protection administrator Russell Train is more charitable. Says he: "I think the Coast Guard is essentially conservative."

Rear Admiral William Benkert, chief of the Coast Guard's Office of Merchant Vessel Safety, indignantly denies the environmentalists' charges. "We haven't been sitting on our dead ass," he protests. But someone is. The U.S. has yet to ratify the liability convention adopted by the Inter-Governmental Maritime Consultative Organization in 1969. Congress has yet to see the Administration's bill carrying out IMCO's 1973 convention on ocean pollution. Nor was the U.S. successful in pushing for the adoption of rules requiring newly constructed tankers to have double bottoms. Such a construction feature is now mandatory on all craft carrying chemicals and liquified, flammable gas, and, according to a federal law enforcement officer, would have prevented the oil spill in the Delaware grounding. "It is," said Train, "damned hard to move anything in these international forums."

For spills inside the U.S. or within twelve miles of its shores, the federal Water Pollution Control Act now imposes strict liability on any ship that dumps oil; it requires offenders to pay for cleaning up the mess. The captain of *Olympic Games* was arrested last week and held on $50,000 bail under provisions of this law. "For the first time," said U.S. Attorney David W. Marston, "we are providing with this legal action a real incentive for captains, pilots and owners to meet a higher safety standard when they use U.S. waters."

SOMBER THOUGHT

Some officials argue that stricter controls will discourage shipowners from sending their fleets to U.S. ports, with the result that the country will be unable to get the oil it needs. But others disagree. Over a period of years, the U.S. has adopted international conventions governing safety at sea and now reqiures all ships calling at U.S. ports to pick up passengers to meet the same strict standards. At first many shipowners objected. But those eager for a share of a lucrative market quickly complied. Oil shippers would almost surely do the same.

Futurists add one final somber thought: The world's oil will eventually run out and be replaced by something else. The seas—and their resuorces—are irreplaceable.

[From Time magazine, Jan. 10, 1977]

TOMORROW'S DISASTER: "GIGANTIC"

As long as the Empire State Building is tall, the ships in the new generation of supertankers are nothing if not impressive. But are they safe? Not according to Noël Mostert, a South African-born journalist. In his 1974 bestseller *Supership*, Mostert warned that these brobdingnagian tankers were accidents looking for places where they could happen. Nothing since then has altered his gloomy prediction. At his new home in Tangier, Mostert told TIME last week:

"The sort of accidents that have been happening to small ships will in the future be happening to the very biggest ships, the so-called VLCCs (very large crude carriers). We may confidently expect a rising rate of major big-ship disasters in the decade ahead.

"VLCCs were initially built without any experience or any attempt to really understand what was involved in such sizes. There have been improvements, but the fundamental structural problem of the ships is unchanged. For example, a VLCC must be able to steam through a monsoon one week, subantarctic storms off the Cape of Good Hope the next, pass through the tropics, then the Biscay or North Atlantic coast gales. These subject its great length to severe hogging and sagging, with its broad decks constantly subjected to the weight of tremendous quantities of sea water because of the low freeboard of the loaded ship.

"Among other stresses and strains are those that occur when a vessel that was empty a few hours before has up to 200,000 tons of oil suddenly poured aboard under rapid loading conditions. At some discharge ports, very big ships can dock only at high tide. Delays can mean the ship sits on her bottom plates in shallow water before the draft can be lightened sufficiently. Such structural strains are repeated and severe, and, coupled with the tremendous rate of corrosion, they shorten the life of the vessels and constantly weaken them.

"One of the principal factors in the loss at sea of loaded older tankers has been their sudden breakup because of their worn structures. In the recent past these accidents have happened principally to smaller ships. But now the first generation of VLCCs is nearly ten years old; the world is being serviced increasingly by gigantic ships that have entered the critical and dangerous period of tanker life.

"Moreover, the psychological burden on crews, which was always severe, is now worse because the ships are steaming more slowly and the men thus spend even longer periods on board. As their own efficiency deteriorates, the efficient management of the ships must too.

"It is my view that some strong form of control is desperately needed for the tanker industry. Since any international application of maritime rules is almost impossible, the controls should be unilaterally imposed."

[From the Washington Star, Jan. 3, 1977]

SHRUGGING OFF OIL SPILLS

There's no point in becoming terribly indignant over the 7.5 million gallons of oil drifting dangerously at sea off Nantucket Island. Or the 25-mile polluting slick on the Delaware River from 134,000 gallons of spilled crude. Do not wring hands either over the record deficit in the U.S. trade figures in November, contributed to by heavy imports of foreign oil as a hedge against the OPEC price rise; after all, we now are importing nearly 45 per cent of domestic consumption, significantly above the level prior to the oil embargo—for those with very long memories.

There's certainly no point in lapsing into ruffled sleep over these little old oil-spill accidents—not so long as Detroit finds its subcompacts a glut on the market as we mindlessly continue to demand more cylinders and vehicular amenities; not so long as "Energy Conservation" is confused with a now-defunct rock group.

Still, reading the news reports of these two latest troubles, it is hard not to wince. There is something mildly disturbing about a tanker that goes around 24 miles off course; its skipper's testimony in court that his gyrocompass had not been functioning properly and he had stopped using it to navigate the day before the accident; that something also might have been amiss with the Liberian-flag vessel's radio direction finder; and reports that the ship, the Argo Merchant, had been involved in 19 previous high-seas mishaps since 1964.

The Deleware River incident, too, was annoying. The ship involved there, the Olympic Games, also sailing under the Liberian flag, ripped its bottom while docking. Russell Train, the administrator of the Environmental Protection Agency, called it "a hell of a mess," which is the kind of direct analysis it is refreshing to hear from government. Mr. Train again called for tauter control over foreign shipping in U.S. ports. "If the Olympic Games had had a double bottom, this wouldn't have happened. The United States has been reluctant to set standards, but with the vast amount of oil coming into the country, the time has come to set more stringent regulations," he said. There is disagreement that this is the correct remedy but it may be time to get the debate moving right along.

Each time one of these potential disasters happens, there seems to be a tendency to rediscover fire—goodness, the vessel did not have a double bottom or the equipment aboard the tanker was suspect. Noel Mostert's excellent book, Supership, published two years ago, was eloquent on the dangers inherent in the massive interocean transportation of petroleum—warning, for example, about design features such as single bottoms, poor maintenance, sloughing off aging tankers to less than impeccably concerned owners who would then register them under flags of nations with convenient standards or enforcement.

The information in Supership was hardly a bulletin in 1974, at least to those in the oil and shipping businesses. We have been derelict in acting on the information, however, once it became widely available—though railing against the 55 m.p.h. speed limit still is a chorus.

Oil accidents are a difficult problem, no question. Mr. Mostert did not believe it insoluble: "Any major oil importer would soon make its impact felt upon all new ships, and upon all older ships that would justify the expense of reconstruction." The United States, of course, is a major importer.

No need to try to construct a syllogism of these elements. We would note George Pleckanov's comment, though: "Error has its logic as well as truth."

[From the New York Times, Jan. 1, 1977]

HEARING ON NANTUCKET SPILL ENDS; DIRECTION-FINDER PROBLEM HINTED

(By Arnold H. Lubasch)

Officers and crewmen of the oil tanker *Argo Merchant* ended a week of testimony yesterday for a hearing designed to determine why the ship ran aground near Nantucket Island on Dec. 15.

According to the testimony, presented in Federal District Court in Manhattan, the *Argo Merchant* was on the right course as late as the afternoon of Dec. 14. Then, before 6 a.m. the next day, the Liberian-flag tanker strayed 24 miles off course and struck the Nantucket Shoals.

The *Argo Merchant* was supposed to steer directly toward the Nantucket Lightship, a key navigational mark, then turn right on a routine course to bypass the shoals and head for Salem, Mass. But the captain never sighted the lightship, so the tanker failed to turn right and steamed straight into the shoals, running around and causing a huge oil spill.

TRIED TO FIND LIGHTSHIP

In the final hours before dawn, Capt. Georgios Papadopoulos and his chief officer were on the bridge trying to find the lightship. They testified that their radio direction finder, an instrument to pick up short-range radio signals for determining a ship's position, had indicated that the lightship was directly ahead of them.

The officers were so intent on looking for the lightship, according to the testimony, that they stood on the outer deck of the bridge and failed to watch the tanker's radar and depth finder. Both these instruments were turned on, they said, and could have indicated that the tanker had gone astray.

The testimony was that the tanker had not been equipped with a long-range electronic navigation system, although most ships carry such equipment for determining their positions at sea instead of the much less reliable radio direction finder used by the *Argo Merchant*.

Captain Papadopoulos acknowledged that, as he approached the Nantucket area, something must have been wrong with either the direction finder or the way he used it. If he knew what was wrong, he added, the tanker would not have gone aground.

The captain and others also testified that the gyrocompass on the Argo Merchant became erratic the evening before the grounding and that a less sophisticated magnetic compass was used for steering. The officers also said that they had used an out-of-date chart for the currents around Nantucket because their chart was for November instead of December.

TESTIMONY ON BOILER PROBLEMS

Testimony about malfunctioning boilers was elicited by insurance lawyers who sought to show that faulty equipment had affected the tanker's speed and direction. The lawyers, seeking damages from the owner of the Argo Merchant, hoped to show that the tanker was not seaworthy.

The Thebes Shipping Company, listed as the tanker's owner, has filed a petition to limit the company's liability to the present value of the wrecked ship, which is worthless. A Federal judge is expected to decide later if the petition should be granted, based

on whether or not the tanker was seaworthy at the start of her final voyage.

The taking of the testimony, known as depositions, will resume Monday morning under the supervision of Sol Schreiber, a Federal magistrate, at the court in Foley Square. All the testimony will be transcribed for use in a later trial on this issue of whether the shipowner's liability should be limited.

Lawsuits have been filed in Boston by commercial fishermen seeking $120 million from the owner and the captain for damages from the oil spill, but the Boston claims have been held up pending a decision on limiting the liability.

[From the Washington Post, Dec. 24, 1976]

OIL ON THE OCEAN

The wreck of the Argo Merchant off Nantucket presents the government with two quite different problems. The first, and most urgent, is to do all it can to minimize the damage that the oil floating around in the ocean may do to fisheries, wildlife and beaches. The second, and in the long run the more important, is to get serious about protecting this planet's marine world against pollution.

It will be some time before anyone can know definitively how much damage will be caused by the 7,500,000 gallons of industrial fuel oil spilled out of the wrecked ship. Where and what that oil will strike depends on the winds and the waves. How much damage it will do depends on how quickly nature can overcome its impact as well as how much man can do to help in that task. There will be damage—that much oil floating around that close to shore, subject to the whim of wind and tide, is certain to harm fishing banks, birds and marine life, and the shoreline, if it should be blown ashore.

But it is worth remembering that even the experts were amazed at nature's recuperative powers after the wreck of the Torrey Canyon off the English coast in 1967. Some 33,000,000 gallons of crude oil—an oil more toxic and more viscous than that carried by the Argo Merchant—were spilled in that wreck but within three years the effects were hardly noticeable. Of course, nature got a strong helping hand from the English and French who used huge amounts of detergents to break up the oil, trucked oily sand away from the beaches, and dumped large quantities of various materials into the sea to encourage the oil to sink. Those are the kinds of measures that the American government may now have to undertake once the sea settles down a little and the oil becomes accessible.

Disasters like this one, of course, are not new and may never be totally avoidable. As long as ships are used to transport oil, the seas will occasionally seize a victim, whether it be through human error as seems to be the case in this instance, or whether it be through a storm too violent for a ship to survive. Since there is no end in sight for the need to transport oil in ships—and in the area off the East Coast the use of tankers may increase rather than decrease with offshore drilling—it is all the more urgent for the government to take steps that can minimize accidents. The Argo Merchant, for example, seems to have been accident prone. Its history, reported in Thursday's newspapers, suggests it was scarcely seaworthy. The American government can do something about that, if it wants to. It can establish certain standards of seaworthiness that ships registered in other countries must meet if they are to use American ports.

There are other steps the government can take. Russell E. Train, administrator of the Environmental Protection Agency, suggested some of them in his statement in Boston Wednesday. An international agreement on ocean pollution was drawn up in London in 1973 but remains largely unratified by many nations that signed it, including the United States. Negotiations on a new law of the sea are still dragging on. A 1969 international agreement on liability for oil-pollution damage has never been ratified by this nation. There now exists the technological capability to monitor the course of ships at sea so they can be warned if they have drifted off course, as did the Argo Merchant.

It is not clear to us precisely what steps the government ought to take. It does seem probable, however, that there is more that could be done to decrease the odds of potentially catastrophic oil spills and that the menace is real enough to justify Mr. Train's call for a presidentially appointed task force to develop a comprehensive national policy for dealing with the transportation of oil by ships. The oceans, and the rest of nature, do have truly remarkable recuperative powers. But there obviously is a limit to the amount of man-made mess that nature can tolerate without lasting injury. The United States ought to be the world's leader is seeing that this limit is never reached by doing all that can be done to minimize pollution before it occurs.

[From the Washington Post, Jan. 11, 1977]

SIX SAVED, ONE LOST AS STORM BREAKS TANKER

GLOUCESTER, MASS., Jan. 10.—One seaman was missing and presumed drowned and six were rescued after an empty American oil tanker broke up Monday in a raging winter storm off Cape Ann.

Waves 35 feet high and winds roaring at 70 miles an hour ripped apart the tanker Chester A. Poling about six miles off the coast.

The storm, the third in less than two weeks and the second in four days, pelted the area with snow, sleet and freezing rain.

The 43-year-old 281-foot ship, based in New York, was running empty from Boston to Newington, N.H., when it plowed into the storm.

When the Poling broke up, two crewmen were on the bow section and the other five clung to the stern.

As the bow sank, the two plunged into the freezing waters. They were rescued by the Coast Guard cutter Cape George.

A Coast Guard helicopter lowered a rescue basket to the bobbing stern section, and in desperation one tanker crewman leaped for it too soon. He missed the basket and fell into the water.

"We tried to get the basket close to him, but he couldn't maneuver, and it looked like he was unconscious," said Lt. Rick McLean, copilot of the helicopter. "It was so cold that the mind is working OK, but the body doesn't want to move."

The helicopter then lifted off another crewman succesfully. But the stern began to sink, and the three others leaped into the water.

"We picked one up out of the water, and the cutter Cape Cross picked up the other two," said McLean.

Coast Guard officials said that one of the two rescued men showed no signs of life when he was brought aboard the cutter. However, on the way to the hospital he revived.

Two men treated at a hospital and released were identified as Harry Selleck, 45, of Bricktown, N.J., and John Gilmete, 47, of Jersey City, N.J.

Admitted to the hospital were the captain, Charles Burgess, 56, of England; Charles Lord, 52, of Bailey Island, Maine; Guy Cronsija, 42, of Saddle Brook, N.J., and Philip Becker of Hauppage, N.Y.

The missing man was identified as Joao DaRosa, 41, of Pawtucket, R.I.

A total of 12 oil carriers have been involved in accidents in or near U.S. waters since Dec. 15, including seven Liberian tankers, two Panaminian and three U.S. vessels—the Poling and two diesel oil barges.

* * * no serious trouble before, according to a spokesman for the ship's owner, Poling Transportation Corp. of New York.

"Nothing other than what you might call the normal hazards of the trade," the company spokesman said.

He said he last heard from the tanker during the morning.

"At 7 o'clock, she called ship to shore to New York. She said she was proceeding as normal. She mentioned there was rough weather. She was to arrive at 2 o'clock at Newington," he said.

The spokesman said the Chester A. * * *.

The foundering of the Poling was the third mishap off New England.

The 640-foot Argo Merchant broke up off Nantucket Island on Dec. 21 after running aground on sandy shoals six days earlier.

The Panamanian tanker Grand Zenith with a crew of 38 and 8 million gallons of oil has been overdue since Jan. 2 and is believed lost in the stormy North Atlantic off New England. Searchers have found only some debris and life jackets labeled "Grand Zenith."

The Coast Guard received a distress call from the Poling at 10:37 a.m.

When the first cutter arrived, the helpless tanker was barely intact and 25-foot waves were lashing its sides. The vessel was en route from Boston, about 30 miles away, to Atlantic Terminals in Newington, N.H.

Forty-three years old and rebuilt in 1956, the Chester A. Poling was one of a fleet of 15 tankers that runs along the East Coast between Norfolk, Va., and the Canadian border.

Coast Guard Capt. Bernard Hoyland, who has directed the Grand Zenith search since it began a week ago, said the effort will be halted "if we get a decent search" and nothing is found. The tanker had been due to dock at Somerset, Mass., Jan. 2.

Prior to the wreck of the Poling, the latest tanker accident was the grounding of the 340-foot Panamanian registered Esso Casetellon at Corpus Christi, Tex. The vessel, carrying 21 million gallons of oil, was pulled free by tugboats Sunday after it broke its moorings and blocked the Corpus Christi ship channel for 10 hours. Almost no oil spilled.

The incidents involving foreign registry ships have led to a call for greater regulation of such ships while operating in U.S. waters under international safety regulations less stringent than U.S. standards.

Meanwhile, Transportation Secretary-designate Brock Adams said today that preventing oil spills in or near America's waters is "one of the most difficult problems we face."

Adams said he will meet with the commandant of the Coast Guard soon to discuss possible ways of averting future spills.

"We must move on it immediately," Adams said. "We must move much further in protection of America's shores from oil spills."

Adams said his Department of Transportation will hold hearings and may well recommend legislation to Congress.

[From the Christian Science Monitor, Dec. 24, 1976]

TANKER DISASTER HAS WASHINGTON CHURNING

(By Lynde McCormick)

In the wake of the nation's worst oil spill—off Nantucket, Massachusetts—these are among important new developments:

Environmental Protection Agency (EPA) Administrator Russell Train has called on the Secretary of the Interior to delay offshore lease sales for New England pending further investigation of oil spill hazards.

Rep. Gerry Studds (D) of Massachusetts plans a House subcommittee inquiry into navigational aids aborad ships, technology of

cleanup equipment, whether "suspect" ships such as the Argo Merchant should be allowed in U.S. ports, and Coast Guard response to the accident.

An aide to Representative Studds expects new momentum for a bill that would attach direct liability for cleanup costs and damages of such spills to the vessel's owners. The bill has languished in House committees for two years, the aide says, because of stiff opposition from oil companies and the Ford administration.

TOUGHER DRILLING RULES

Sources say the New England congressional delegation will petition the Interior Department for tougher regulations and restrictions in its leasing procedures for Georges Bank drilling tracts.

Capt. Frederick Schubert, chief of the Coast Guard's Marine and Environmental Protection Division, says that, while the agency plans a "long hard look at how we handled this situation once it's all over," he does not see how the procedure could have been much different.

"It all comes back to the weather. If we had had more men, more equipment, the result would have been the same. It is just impossible to do anything out there with waves and winds of that strength," he said.

In response to comments from some officials that the Coast Guard might have done more, if equipment had been on the scene sooner, Captain Schubert said "the cost of putting equipment and teams in every spot where there might be a spill would be prohibitive. We can only centralize our bases and move to specific locations as quickly as possible."

Many observers expressed admiration for members of the agency's Atlantic Strike Team and their nonstop efforts to free the ship from the Nantucket Shoals.

"Those are brave, brave men," said one Massachusetts environmental official. "I can't apply the word enough."

In addition to investigations of possible new regulations and procedures for tankering oil and cleaning up spills, the Argo Merchant accident has thrown more fuel on controversy over oil drilling off New England's coast.

Lease sales are schduled this spring for drilling tracts throughout Georges Bank—the prime fishing grounds now threateend by the oil spilled by the Argo Merchant.

Industry and public officials alike acknowledge that tankers at least as big as the Argo Merchant would be used in the Georges Bank operations, exposing the fishing grounds to continual oil pollution dangers.

SATELLITE NAVIGATION

Following unsubstantiated reports that the tanker was run aground deliberately, comes the comment of one of the men who developed a satellite navigation system for ocean-going vessels:

Dr. Richard V. Kershner, assistant director of John Hopkins University's Applied Physics Laboratory, says he is horrified that the system is not required aboard such tankers, according to the Associated Press. "The costs [of such a navigational system aboard a tanker] compared with the cost of a disaster are trivial."

[From the Journal of Commerce, Jan. 6, 1977]

KEY FACTOR IN TANKER DISASTER HAS EMERGED

(By Alan F. Schoedel)

An erroneous celestial "fix" of the tanker Argo Merchant's position emerged in testimony Wednesday as perhaps the key factor in the grounding of the ship on Nantucket shoal Dec. 15 and the subsequent spill of her cargo of 7.6 million gallons of oil into the Atlantic off the New England coast.

Captain George Papadopoulos, master of the Liberian-flag tanker, said it was agreed among the officers on the bridge that the ship, laden with Venezuelan oil being transported to Salem, Mass., was several miles behind what was her real position.

Under questioning by James M. Eastabrook, of the law firm of Haight, Gardner, Poor and Havens, Captain Papadopoulos acknowledged that even though the ship's fathometer registered a depth of only 15 to 20 fathoms beneath the keel, in an area which showed even shallower water ahead—as well as some deeper areas—he continued without slowing the vessel, in the belief that he shortly would obtain a "true fix" when a clearer horizon and more light would make this possible.

Questioned by Joseph C. Smith, attorney for Thebes Shipping Co., owners of the now sunk and shattered tanker, Captain Papadopoulos said he was "99 per cent sure" that he would have changed course or anchored, to wait until a true position could be determined, had he realized the error in calculating the position of the vessel.

Speaking through an interpreter, Captain Papadopoulos testified in U.S. District Court that "we couldn't take soundings constantly" and that "we had to rely on radar as well."

The tanker's master, interrogated by Douglas Jacobsen, attorney for the insurers of the cargo, said he relied about 10 times as much on the Decca radar as on the Raytheon radar on the bridge, because the Decca gave a clearer image. He acknowledged too that he could have used one radar for short-range and the other for long-range in the hours of trying to locate the Nantucket light-ship, target of their course from Cape Hatteras.

On Tuesday afternoon, Captain Papadopoulos was asked by Magistrate Sol Schreiber, who is conducting the taking of depositions in the federal court, that the reason the Argo Merchant did not head straight for Boston from the Mona Island passage from the Caribbean, was that she was loaded to summer lines on the Plimsoll marks. This meant that she could carry several thousand tons more oil by moving up the coastal route—some 300 miles west of her direct course—than if she had steamed directly from Mona Island to Boston across the open North Atlantic, lashed by winter storms, where winter load lines prevail.

[From the New York Times, Jan. 6, 1977]

MISCALCULATION LAID TO TANKER OFFICER

(By Arnold H. Lubasch)

A mathematical error resulted in a serious miscalculation about the position of the oil tanker Argo Merchant shortly before the ship ran aground, according to testimony yesterday by Capt. Georgios Papadopoulos, the ship's master.

The error was made by the chief mate, Georgios Ypsilantis, who calculated the Argo Merchant's position at 5:30 A.M. on Dec. 15, half an hour before the tanker went aground near Nantucket. Mr. Ypsilantis testified earlier that he had made an error in adding up some figures when he calculated the ship's position by the stars before dawn on Dec. 15.

30-MILE ERROR

The significance of the error was brought out in the questioning of Capt. Papadopoulos by Joseph C. Smith, a lawyer for the Thebes Shipping Company, the listed owner of the Liberian-flag tanker. Mr. Smith showed the captain a chart indicating that the error had made it appear that the tanker was more than 30 miles short of her actual position.

If he had known that the Argo Merchant had gone so far on the northeasterly course, the captain testified, he would have turned the tanker around or stopped completely, to wait until he could make a more accurate calculation of the position.

Mr. Smith's questioning of the captain appeared to be designed to indicate that understandable human error, rather than faulty equipment, had led to the grounding of the Argo Merchant. The testimony is being taken in Federal District Court in Manhattan for a hearing on the ship-owner's liability for damages.

Thebes, the owner, filed a petition to limit the liability to the present value of the wrecked tanker, which is worthless. Under a Federal law, the owner must show that the ship was seaworthy at the start of the final voyage, in order to limit liability to the vessel's value.

Douglas A. Jacobsen, a lawyer opposing the owner's petition, has been questioning the captain and the crew in an attempt to show that the Argo Merchant was not properly equipped and manned. Mr. Jacobsen represents the Continental Insurance Company, which seeks more than $2 million in damages for lost oil.

After going aground 27 miles southeast of Nantucket, the Argo Merchant broke apart in rough seas, spilling a cargo of 7.5 million gallons of heavy oil into the Atlantic. The oil cargo was insured by Continental, which must pay the oil's owner more than $2 million.

[From the Washington Post, Jan. 6, 1977]

TANKERS' TROUBLES SPREAD GLOBALLY; ONE MISSING 7 DAYS

The three-week saga of oil tanker mishaps stretched from the Atlantic to the Pacific to the Caribbean yesterday.

Coast Guard planes searched the North Atlantic for an aging Panamanian tanker missing for seven days with a cargo of 8.2 million gallons of thick industrial fuel oil aboard.

"At 8 o'clock tonight, it's going to be a 10 per cent chance that she's still afloat and a 90 per cent chance that we're looking for people in rafts and lifeboats," said Coast Guard Capt. Bernard Hoyland, chief of search and rescue operations in the Boston Area.

The lost tanker Grand Zenith carried a crew of 38 Nationalist Chinese.

In California, an oil spill stretched along six miles of San Francisco Bay after about 2,100 gallons of petroleum spilled during loading of the U.S-registered tanker Austin at Shell Oil facilities in Martinez.

The Greek oil tanker Lykomegis lay off the Caribbean entrance to the Panama Canal, barred from the waterway until certification that an oil leak has been repaired.

Near Philadelphia, barge crews, with a boost from high tide, helped pull the grounded Liberian tanker Universe Leader out of Delaware River mund without spilling any of the vessel's 21 million-gallon cargo after millions of gallons of oil had been pumped out of the vessel.

In Washington, Sen. Ernest F. Hollings (D-S.C.), citing oil spills by Liberian flag tankers, called yesterday for tougher safety standards for foreign merchant ships operating in U.S. waters.

Hollings also charged that the Coast Guard was not enforcing tanker safety standards authorized by the Ports and Waterways Safety Act of 1972.

Hollings, who heads the Senate National Ocean Policy Study, said Congress should mandate tougher standards "if the Coast Guard won't use the authority it already has."

The search area for the Grand Zenith, centered on major Atlantic shipping lanes into Boston and New York, was nearly the size of California.

The temperature of the ocean in the search area hovered around 40 degrees. An unprotected man immersed in the water would lose consciousness in less than 20 minutes and die within an hour, the Coast Guard said.

The tanker was en route from England

to Providence, R.I., with a delivery of industrial fuel oil to generate electricity.

As search operations continued, chances eased that sticky industrial oil from the Liberian tanker Argo Merchant, wrecked three weeks ago in the same area, would reach the shores of Nantucket.

Wind shifted to the north, a Coast Guard official said, buoying hopes that the sheen of oil 15 miles south of the island would move away from the exclusive summer resort. The bulk of the ship's 7.6-million-gallon cargo has moved out to sea in a 270 to 300-mile-long oil slick

The Delaware River grounding of the Liberian tanker Universe Leader, was the sixth Liberian flag tanker accident in or near U.S. waters since mid-December. The 824-foot ship went aground Tuesday night trying to avoid a collision with another vessel.

A leak that developed as the 616-foot Lykomegis approached Christobal on the Caribbean was reported under control. But Canal Zone officials said they still did not want to risk a mishap which could flood any part of the canal locks or Gatun Lake with petroleum.

The Lykomegis is carrying 26,000 tons of fuel oil from Amuay, Venezuela, bound for the port of Acajutla, on the Pacific coast of El Salvador.

A chronological listing of tanker mishaps since Dec. 15.

Dec. 15—The Liberian-registered tanker Argo Merchant ran aground 27 miles southeast of Nantucket Island and broke up six days later, spilling 7.6 million gallons of oil into the Atlantic.

Dec. 17—The 810-foot Liberian-registered tanker Sansinena exploded in Los Angeles Harbor, leaving nine dead, and 50 injured.

Dec. 24—The Liberian-registered Oswego Peace spilled 2,000 gallons of oil in the Thames River near Groton, Conn.

Dec. 27—The Liberian-registered Olympic Games ran aground in the Delaware River near Philadelphia, spilling 133,000 gallons of oil and fouling the shorelines of three states.

A Coast Guard inquiry was told yesterday that the Olympic Games may have run aground in a channel that had become too shallow for its 39 foot depth requirement. Soundings taken Nov. 30 by the Army Corps of Engineers found that part of the channel 34.2 feet deep.

Dec. 29—The Liberian-registered Daphne ran aground in Guauanilla Bay, Puerto Rico, but spilled no oil.

Dec. 30—The Panamanian-registered Grand Zenith, carrying a crew of 38 and 8.2 million gallons of oil, radioed it had encountered heavy weather 50 miles south of Cape Sable, Nova Scotia. It hasn't been heard from since.

Jan. 4—The Liberian-registered tanker Universe Leader ran aground in the Delaware River and was refloated Jan. 5 with no spill reported.

Jan. 5—The U.S. registered tanker Austin spilled 2,100 gallons of oil into San Francisco Bay while loading at Martinez, Calif. The Greek tanker Lykomegis was prevented from entering the Panama Canal until it could be ascertained that a leak was fixed.

[From the Washington Star, Jan. 5, 1977]

SIXTH TANKER MISHAP—NO SPILL SO FAR

In the sixth Liberian-flag tanker accident in or near U.S. waters since mid-December, the 824-foot ship Universe Leader ran aground in the Delaware River last night. No spillage of the tanker's 21 million gallon oil cargo was reported.

A barge pumped oil from the Universe Leader today in an effort to lighten the load and get the vessel afloat once again.

The accident occurred off Salem, N.J., about 20 miles down river from Marcus Hook, Pa., where another Liberian-registered tanker, the Olympic Games, ran aground Dec. 27 and spilled 133,500 gallons of oil.

A Coast Guard spokeswoman said the Universe Leader became stuck in mud about one mile southeast of the entrance to the Chesapeake-Delaware Canal, en route to a Gulf Oil Co. refinery near Chester, Pa.

She said the Universe Leader ran aground while avoiding a collision with another tanker, the Texaco California, which was heading down the river.

"The grounding resulted from a meeting situation in the channel," the spokeswoman said. The weather was clear at the time.

The ship was carrying 21 million gallons of crude oil from Nigeria, the Coast Guard said.

The accident was the sixth in three weeks involving tankers registered under a Liberian "flag of convenience." The first was on Dec. 15, when the Argo Merchant ran aground off Nantucket Island, Mass., leading to a 7.6 million gallon oil spill called the worst ever on the Atlantic coast.

The Sansinsena exploded two days later in Los Angeles harbor, killing nine men and injuring more than 50. The Oswego Peace spilled 2,000 gallons of oil in Connecticut's Thames River on Dec. 24. The Daphne ran aground in Guauanilla Bay, Puerto Rico, Dec. 29 but was refloated without a spill.

In a mystifying tanker episode, a Panamanian-registered ship, the Grand Zenith, carrying a Chinese crew of 38 and 8.2 million gallons of oil, has been missing for six days in the North Atlantic.

The Liberian-flag tanker accidents have sparked high-level governmental investigations into the overall question of their safety. Proceedings are also under way in the Argo Merchant and Olympic Games mishaps.

The captain of the Argo Merchant, George Papadopoulos, testified yesterday the helmsman who steered the tanker aground was not being supervised at the time.

In previous testimony, the Greek captain said helmsman Jose Rivera was being supervised by the ship's boatswain. Other Argo Merchant officers will testify later this week in the hearing in U.S. District Court in New York.

Vassilios Vlismas, captain of the Olympic Games, told a Coast Guard board of inquiry in Philadelphia yesterday that a faulty maneuvering valve malfunctioned while he was attempting to turn, causing the vessel to go dead in the water and drift aground.

Vlismas is free on $50,000 bail on charges of violating federal pollution statutes. The board planned to call two of the ship's engineers to testify today.

[From the New York Times, Jan. 4, 1977]

PILOT IN DELAWARE RIVER OIL SPILL SAYS HE COULD NOT PREVENT ACCIDENT BECAUSE OF POWER LOSS

(By Donald Jansen)

PHILADELPHIA, Jan. 3—The pilot on the Liberian-registered tanker Olympic Games when she went aground last week in the Delaware River, spilling 134,000 gallons of oil, testified today that he was unaware that a buoy he was using as a navigational aid had been moved 75 yards shoreward from its usual location.

Even so, said Curtis C. Chamberlain, the pilot, he could have done nothing different because the 780-foot tanker had lost all maneuvering power just before the grounding.

"Engine failure caused the whole thing," the slight, 61-year-old river pilot from Audobon, N.J., said on the opening day of testimony in the Coast Guard investigation into the cause of the accident.

The Olympic Games' captain, Vassilios H. Vlismas of Ithica Island, Greece, then took the stand in the courtroom of the United States Custom House here and corroborated the power failure.

Mr. Vlismas testified through an interpreter, but only after his attorney, Henry C. Lucas 3d, said that testifying posed "a dilemma" for him because anything he said could be used against him at a forthcoming hearing on Federal criminal charges of polluting the Delaware River and failure to notify the Coast Guard promptly of the spill.

The 40-year-old captain said that he had been master of the ship for only 10 days and had never been up the Delaware before. But Mr. Vlismas, who has been a ship's master since 1968, said that he did as he always did and relied entirely on pilots in inland waters.

Mr. Chamberlain said that the ship was operating well in all respects when he took command off Claymont, Del. But he said that when he ordered the ship's engine room to start backing down to aid in turning and docking at the British Petroleum Company pier at Marcus Hook, Pa., he got no response.

"I knew I had a dead ship on my hands," he said.

The tide and forward movement of the ship carried her past the dock. Then Mr. Chamberlain said, she veered five degrees toward the Pennsylvania side of the river and soon afterward the mate on the tug Tania Nine reported to him that there was oil in the water.

Mr. Chamberlain testified that the ship was still in the river channel. He said that he knew this because she was still on the channel side of Buoy M-9 upriver from Marcus Hook.

QUESTION OF BUOY'S LOCATION

Lieut. Comdr. Richard E. Peyser, the Coast Guard hearing officer, interrupted to ask the pilot if he was aware that the buoy was not in its usual location last Monday.

"No," Mr. Chamberlain said, "this is the first time I had heard that."

Commander Peyser read into the record a notice to mariners dated Dec. 15 stating that the buoy had been moved 75 yards toward the Pennsylvania shore from its normal place at the western edge of the river channel in order to facilitate dredging.

"If that is right," Mr. Chamberlain said under questioning by an attorney for Standard Oil of Ohio, "then I was outside the channel when we grounded."

Benjamin F. Stahl Jr., the attorney for Standard of Ohio, said in an interview that the company he represented had leased the Olympic Games from the owner, the Redbank Shipping Company of Panama, which he said was owned by the Aristotle Onassis shipping interests in Greece, either directly or through another corporation.

[From the New York Times, Dec. 23, 1976]

TANKER BOW SPLITS, SPILLING LAST OF OIL IN SEA OFF NANTUCKET

(By John Kifner)

BOSTON, Dec. 22—The bow of the broken Liberian-flag tanker Argo Merchant, grounded off Nantucket Island, split in half today and spilled the remainder of the vessel's 7.5 million gallons of thick, gummy oil into the sea.

The breakup thwarted the Coast Guard's plans to recover the approximately 1.5 million gallons of oil left on the ship.

The oil spill was thus left to the mercy of the high winds and rough seas. There was no way, experts in the field said, to recover the oil.

Fortuitous winds during the day continued to move the oil slick toward the east and south, away from the resort islands of Nantucket and Martha's Vineyard, the New England shores and beaches and away from most of the prime fishing grounds in the area of Georges Bank.

The slick was running in a cone-shaped pattern, extending for about 100 miles, with a width of about 35 miles at its biggest point

to the east by southeast of the stricken ship, the Coast Guard operations center at Otis Air Force Base on Cape Cod said tonight.

WINDS OF 29 MILES AN HOUR

The wind was holding from the west-northwest at 29 miles an hour, the National Weather Service reported, continuing to push the oil slick away from the areas of major concern.

The aging, 640-foot tanker, with a long record of maritime mishaps, ran aground on the Nantucket shoals last Wednesday morning, 27 miles southeast of Nantucket. As the oil seeped from its hull, a special Coast Guard task force struggled to pump out the heavy No. 6 oil, but was driven off by storms and heavy seas. Yesterday, the hull broke in half, spilling the bulk of the cargo.

The impact of the spill remained uncertain today as fisheries experts, marine researchers and state and Federal environmental protection officials gathered here to assess the magnitude of the disaster. In volume, it is believed to be the 10th biggest spill in history.

Robert White, the director of the National Oceanic and Atmospheric Administration, asked at a news conference this afternoon how bad the situation was, replied "I don't know."

Russell Train, the head of the Federal Environmental Administration, told the same conference at Boston's Logan Airport that "the potential is there for serious, adverse ecological effect."

Mr. Train said that a preliminary analysis indicated that a substantial amount of the oil was suspended just below the surface of the water.

At the National Marine Fisheries Services offices in Woods Hole, Mass., Julius Posegay said that the rough weather had hampered research efforts and that it was too early to tell what the effect of the spill would be. But, he cautioned, "there is a problem in separating what may be the short term effects from the long-term effects."

Research vessels from Woods Hole and from the University of Long Island sailed into the oil spill area today to collect samples of the oil and of marine life. In Boston, about 50 scientists from government agencies and universities gathered at the offices of the Environmental Protection Agency to begin efforts to assess the situation. Along the New England coast, volunteers and state workers set up watches along the beaches in case the oil begins to wash ashore.

The break-up of the bow of the Argo Merchant in the cold, pounding seas was discovered by the first Coast Guard flight over the area at mid-morning.

The bow had been afloat, the prow pointing upward at a sharp angle, twisted around so that it lay almost next to the awashed stern of the ship.

The bow had split just in front of the forward deck house, leaving the ship in three pieces, according to Petty Officer Richard Griggs, a Coast Guard spokesman. It appeared, he said, that virtually all of the oil had spilled out. The seas were too rough to maneuver the tug Sheila Moran, which alcng with the Coast Guard Cutter Vigilant, has been standing by the stricken vessel. The wind this morning was at 50 knots, with 15-foot seas and freezing spray.

Last night, Captain Lynn Hien, in charge of the Coast Guard salvage effort, laid plans to attempt to refloat the sections of the ship, which still had oil in the tanks, and tow them out to sea and sink them.

The No. 6 oil, used to fuel industrial power plants is diffcult to ignite, and because the patches are spread apart in rough seas, a fire would probably soon be extinguished. And, in one attempt to use such a technique off the coast of Spain in 1969, the burning oil caused a fire storm that sucked air into a vertical column, carrying unburned oil with it which fell, days later, as a greasy rain, ruining farmland.

The heavy seas and the far-ranging size of the spill also meant that attempts to pick up the oil slick with skimmers or to break it up with chemical dispersants could not be used, Mr. Keough said.

[From the Christian Science Monitor, Dec. 22, 1976]

NANTUCKET SPILL DEFIES PRESENT CLEANUP SKILLS

(By Lynde McCormick)

Despite technological advances and ecological restraints, massive oil spills off the U.S. coast can still spell disaster or major problems for the ecology and fishing industry.

In the wake of a tanker breakup off the shore of Nantucket Island, marine biologists and other experts admit that their knowledge of the impact of oil spills on marine life and their ability to contain oil at sea under strong wind and wave conditions continue to be limited.

The dumping of 7.6 million gallons of heavy industrial crude in the Atlantic after the Liberian oil tanker, Argo Merchant, ran aground and eventually split open is seen as one of New England's worst offshore disasters. It is being likened to the much-heralded blowout under a drilling rig in the Santa Barbara, California, channel in the Pacific in 1969 that blackened beaches, decimated wildlife, and spawned a strong citizens lobby against offshore exploration.

Marine biologists, however, differed in projecting the long-range effects of the spill on the underwater ecology. "There's really no way to estimate what's going to happen," said Richard Hennemuth of the National Marine Fisheries Service. "If the oil breaks up and spreads out, there may not be any detectable impact six months from now," he says.

On the other hand, "if the slick concentrates and settles in one area, which right now seems unlikely, the impact would be highly significant," he added.

Evelyn Murphy, state secretary of environmental affairs, said she was alarmed "at the inability of the Coast Guard to get out there quickly and handle the spill. It took several days to get just some of the equipment out to the tanker, and by then the ship had broken up."

Oil pollution control equipment does not work in high seas, leaving the Coast Guard "pretty much helpless to stop the mess," she said.

An oil skimmer is currently under construction in Massachusetts that could handle spills in rough seas, but experts say the current "state of the art really doesn't work with any seas over about four feet."

Dr. Henry Menard of the Scripps Institution of Oceanography in La Jolla, California, sounded a bright note, however. Dr. Menard was a member of the presidentially appointed commission that investigated the 1969 oil well blowout in Santa Barbara.

"There was a big mess and then it vanished," he told the Monitor. "A lot of seabirds died, but not enough to wipe out a species or keep one from replenishing. But right now there is virtually no trace of the spill."

Thick, caramel-like oil slicks up to 65 miles wide headed east at times for the lucrative Georges Bank fishing grounds and southwest at other times—out to sea or toward the shore, depending on shifting winds.

Of primary concern to Massachusetts officials was the oil's possible impact on Georges Bank and the coming fish spawning season. If the fish eggs and larvae of herring, cod, and haddock are wiped out, experts say, it would severely deplete economically vital fish stocks for years to come.

Hundreds of dead, oil-coated seabirds washed ashore on Nantucket Island Tuesday and Wednesday, and one fishing vessel had to throw overboard several tons of scallops from the seabed because they were coated with oil.

MAJOR SETBACK POSSIBLE

Scientists fear that the oil, three-quarters of which is expected to sink to the bottom of the sea, will coat and kill the bottom life, including lobster, clams, oysters, scallops, and the microscopic organic life that is a vital link in the ocean's food chain.

According to Dr. Howard Sanders of the Woods Hole Oceanographic Institution, fish larvae, which float to the surface, may also suffocate if caught in the oil slick.

The Massachusetts assistant secretary of environmental affairs, Russell Sylva, says the spill could set back commercial fishing on Georges Bank several years, noting that fish might, as a result, have far fewer offspring this season than normal—a situation that could not be remedied for several years.

TOXICITY NOT HIGHEST

Biologists at Woods Hole also noted that the No. 6 grade crude oil is not as toxic as more refined products, such as the No. 2 grade diesel oil that spilled off Massachusetts in 1969. That small spill, about 170,000 gallons, wiped out shellfish beds and other sea life, says Dr. Sanders, and many of the beds are still unproductive.

Meanwhile, Secretary Murphy and Massachusetts Gov. Michael S. Dukakis asked President Ford in a letter to declare Cape Cod a disaster area, making it eligible for emergency relief funds.

By Mr. KENNEDY (for himself and Mr. BROOKE):

S. 183. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes; to the Committee on Interior and Insular Affairs.

NANTUCKET SOUND ISLANDS TRUST

Mr. KENNEDY. Mr. President, I am introducing today for myself and Senator BROOKE legislation to establish the Nantucket Sound Islands Trust. Companion legislation is being introduced in the House of Representatives by Congressman GERRY E. STUDDS.

A bill very similar to the one we introduce today was unanimously approved by the Senate on December 8, 1975, but was not acted on by the House during the last Congress. Amendments to the legislation have been included to clarify the role of local residents in the preservation and conservation of these remarkably beautiful islands.

Senate approval of the Nantucket Sound Islands Trust legislation in the last Congress was a significant landmark in congressional efforts to find appropriate ways to preserve those fragile areas along the east coast which have been partially developed over the last 200 years to provide homes and services in the most densely populated section of this country. Much of the development in these lovely areas has contributed to the charm and character familiar to many Americans as the "New England town." The families who settled Nantucket and Martha's Vineyard and the Elizabeth Islands have taken special care over the years to assure that the qualities which make these islands uncom-

monly attractive—the rare scenic beauty, the unique land and water resources, the special sense of community living in an island environment—would be protected against the selfish and shortsighted goals of developers who view these islands only as a source of profit.

In the last decade we have seen local and State laws and local citizen efforts to control and plan community growth outstripped and undercut by developers who leave in their wake rows of shoddily planned buildings and the broken dreams of local residents.

Since April 11, 1972 when the Nantucket Sound Islands Trust legislation was first introduced, we have worked with the residents of the Nantucket Sound Islands to refine the bill we introduce today to accomplish four important objectives:

First, the rights of local residents to plan community growth in an orderly manner are enhanced and protected by the establishment of local commissions which will draw up plans to meet long-range planning goals;

Second, the desires of those young residents who wish to build and maintain homes on the islands are protected because future development is planned, not prohibited;

Third, visitors to the Nantucket Sound Islands from all over this Nation will be assured that those qualities which are the source of their attraction will be preserved for generations to come;

And fourth, the islands and all they represent, the woods and moors and shores, the scenic, ecological, cultural, and historic resources of the islands will be protected against time and against the profit seekers.

The legislation we introduce today is the result of 5 years of work by the residents of Nantucket, Martha's Vineyard, and the Elizabeths. They have worked with local, State, and Federal government agencies in an effort to get effective assistance in protecting the islands.

Senator JACKSON has assured us that the Senate Interior Committee will consider the Nantucket Sound Islands Trust bill very early in this new Congress. And I am hopeful that the House of Representatives will act quickly as well.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 183

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND STATEMENTS OF POLICY

SECTION 1. The Congress finds and declares—

(a) that the Nantucket Sound Islands in the Commonwealth of Massachusetts, known generally as the Islands of Nantucket, Tuckernuck, Muskeget, Martha's Vineyard, Noman's Land, and the group of islands known collectively as the Elizabeth Islands, possess unique natural, scenic, marine, ecological, scientific, cultural, historic, and other values and resources;

(b) that there is a national interest in preserving, conserving and enhancing these unique values and resources for the present and future well-being of the Nation and for present and future generations;

(c) that in some portions of the Nantucket Sound Islands these unique values and resources are being irretrievably damaged and lost through growth pressures leading to ill-planned development, and that such development thereatens heretofore successful local government and private voluntary preservation, conservation and planning efforts;

(d) that the growth pressures resulting in the rapid and ill-planned development in some portions of the islands are partially the result of the use of the islands by citizens of many States and regions of the United States;

(e) that the present State, regional and local powers and authorities for controlling land and water uses are inadequate to insure the prduent use of resources and the preservation, conservation and enhancement of the values and resources of the said islands, and it is in the national interest to establish a new system to assist the Commonwealth of Massachusetts, regional agencies, and local governments to preserve and manage the values and resources of the islands;

(f) that the key to more effective preservation and conservation of the unique values and resources of the Nantucket Sound Islands is a program encouraging coordinated action by the Federal and State Governments, acting in trust, to assist local governments (in partnership with private individuals, groups, organizations, and associations) to administer sound acquisition and management policies regulating and guiding development on the Nantucket Sound Islands;

(g) that such a new system for the protection and management of the values and resources of the islands requires the establishment by the Commonwealth of Massachusetts of local commissions as operational entities to give effect to the trust relationship;

(h) that such a program can protect and enhance the natural character and cultural and historic heritage of the Nantucket Sound Islands consistently with the maintenance of sound local economies, private property values, and efficient public services, thus preserving and conserving unique values and resources of the islands;

(i) that because expanded access to the said islands would seriously impair their unique values and resources and contravene the purposes of this Act, it shall be national policy that no bridge, causeway, tunnel, or other direct vehicular access be constructed from the mainland to the islands; and

(j) that any island not wishing to participate in the Nantucket Sound Islands Trust may indicate this by not forwarding to the Governor the land use control plan as outlined in Section 5.

NANTUCKET SOUND ISLANDS TRUST

SEC. 2. (a) In order to protect the national interests in the preservation and conservation of the unique natural, scenic, ecological, scientific, cultural, historic, and other values and resources of the Nantucket Sound Islands, there is established in the Commonwealth of Massachusetts the Nantucket Sound Islands Trust (hereinafter referred to as the "trust"), comprising the area described in section 3 herein.

(b) Pursuant to the said trust relationship, the Secretary of the Interior (the "Secretary") shall be responsible for the following:

(i) distribution of appropriations under this Act to said commissions for the development of land use control plans and for the costs of the implementation and enforcement of such plans by the commissions; and

(ii) approval of any land use control plans adopted by the respective commissions under this Act, and of any revisions to any such plans to the extent that any such revisions substantially affect the expenditure of funds granted pursuant to section 11 herein or the land classifications established pursuant to section 5 herein.

(c) Pursuant to the trust relationship, and in consideration of the funds received in relation thereto, the individual commissions shall be responsible for the following:

(i) the development and adoption of land use control plans as authorized and described in section 5 herein;

(ii) the administration and implementation of said plans; and

(iii) the monitoring of said administration and implementation.

(d) The administration of the trust relationship by the commissions shall at all times be consistent with the policies of this Act, to wit: to conserve and protect the unique values and resources of the trust area in a manner designed to encourage prudent stewardship of land and water resources while being responsive to the need to maintain sound local economies and efficient public services.

(e) The commissions may take such actions, adopt such procedures, and assume such powers as are reasonably necessary to carry out this Act including the following:

(i) be designated by any State or Federal agency to participate in or receive funds and technical assistance from any State or Federal programs, especially as those programs relate to environmental protection, conservation, land use planning, water and air quality control, economic development, transportation or the development of regionwide public services;

(ii) receive for the purposes of this Act any funds or moneys from any source, including grants, bequests, gifts, fees, or contributions made by any individuals, association, corporations, or by municipal, county, State, or Federal governments;

(iii) authorize debt by a majority vote of the commission in anticipation of revenue to an amount not in excess of that to be received during the current fiscal year from all Federal, State, county, and local sources;

(iv) transfer moneys from its accounts to the accounts of a municipal agency in reimbursement of such costs, where the imposition of a regulation promulgated by a commission imposes costs on a municipal agency;

(v) purchase or accept gifts of land or interests in land, or accept grants, bequests, gifts, or contributions for the purpose of acquiring land or interests in land;

(vi) sue and be sued; and

(vii) assume the duties, powers and responsibilities given it by action of State, local, or county government, provided that they are not inconsistent with the functions of the commissions under this Act.

(f) Pursuant to the said trust relationship, the Governor of the Commonwealth of Massachusetts shall be responsible for approval of the commissions and enforcement of the land use control plans of the commissions and of the policies and guidelines of this Act.

SEC. 3. (a) The area comprising the trust shall encompass the lands and waters in the counties of Dukes and Nantucket in the Commonwealth of Massachusetts.

(b) NOMAN'S LAND.—The lands and waters of Noman's Land Island are hereby declared part of the National Wildlife Refuge System and the Secretary is directed to prepare and execute forthwith the necessary documentation to give effect to such declaration. The Secretary and the Secretary of Defense shall, within twelve months after the date of enactment of this Act, survey Noman's Land Island and the surrounding waters for unexplored military ordnance and render such ordnance, wherever it may be found, harmless; and thereafter, Noman's Land Island shall be administered pursuant to the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd).

NANTUCKET SOUND ISLAND TRUST COMMISSIONS

SEC. 4. (a) Within three months after the date of enactment of this Act, the Governor shall establish trust commissions which shall be known collectively as the Nantucket Sound Islands Trust Commissions (hereinafter the "commissions") and individually as the Nantucket Trust Commission, the Martha's Vineyard Trust Commission, and the Elizabeth Islands Trust Commission. After any commission has been established pursuant to this Act, it shall have the responsibilities specified in this Act for that portion of the trust area assigned to it.

(b) NANTUCKET TRUST COMMISSION.—The Nantucket Trust Commission shall have the responsibilities as established herein over the lands and waters in Nantucket County, and shall consist of eleven members approved by the Governor. The members shall serve three-year staggered terms which shall commence on the first Monday in April. Members shall be nominated and/or elected as follows:

(1) one member appointed by the Governor;

(2) two members nominated by the Board of Selectmen of the Town of Nantucket, who shall be members of the Board of Selectmen;

(3) two members nominated by the Board of Selectmen of the Town of Nantucket within two weeks after the annual town meetings, who shall be seasonal resident property owners;

(4) two members who shall be qualified voters of the town and who shall be elected at the annual election which is a part of the annual town meeting;

(5) four members, one each nominated by the Nantucket Planning Board, the Nantucket Conservation Commission, the Nantucket Historic Districts Commission, and the Nantucket Housing Authority, within two weeks after the annual town meeting, each of whom shall be a qualified voter of said town.

(c) MARTHA'S VINEYARD TRUST COMMISSION.—The Martha's Vineyard Trust Commission shall have the responsibilities as established herein over the lands and waters in Dukes County, excepting the Elizabeth Islands, and shall consist of twenty-one members approved by the Governor, twelve of whom shall be appointed and nine elected. The members shall serve two-year staggered terms which shall commence on January 1 of each year. Members shall be nominated and/or elected as follows:

(1) one member appointed by the Governor;

(2) one member nominated by the board of selectmen of each town on Martha's Vineyard; who may be a selectman, a member of a planning board, or of any other municipal agency, board, department, or office of that town;

(3) one member nominated by the Dukes County commissioners, who may be a Dukes County commissioner;

(4) nine members elected at large in an islandwide election, with not less than one member nor more than two members to be elected from any one town on Martha's Vineyard; elections held subsequent to the initial election of members shall be held concurrent with the biannual elections for State and county offices; and

(5) four members whose principal residence is not Martha's Vineyard but who are seasonal residents, who shall be appointed by the Governor: *Provided*, That such members shall have voice but no vote in deciding matters before the commission.

(d) ELIZABETH ISLANDS TRUST COMMISSION.—The Elizabeth Islands Trust Commission shall have the responsibilities as established herein over the lands and waters of the Elizabeth Islands, and shall be composed of six members appointed by the Governor. The members shall serve three-year staggered terms which shall commence on the first Monday in April. Members shall be nominated and/or elected as follows:

(1) one member appointed by the Governor;

(2) one member elected at the annual election which is a part of the annual town meeting;

(3) two members nominated by the board of selectmen to represent the Island of Cuttyhunk, one of whom shall be a permanent resident of Cuttyhunk and one of whom shall be a seasonal resident of Cuttyhunk; and

(4) two members nominated by the board of selectmen to represent the other islands in the Elizabeth Islands, one of whom shall be a permanent resident of one of such other islands, and one of whom shall be a seasonal resident of one of such other islands.

(e) Each commission shall elect from its members at lease the following officers: Chairman, vice chairman, and clerk-treasurer.

(f) Pursuant to subsection (a) of this section, the Governor may establish the Martha's Vineyard Commission, established by Chapter 637 of the Acts and Resolves of 1974 of the Massachusetts Legislature, as amended, as the Martha's Vineyard Trust Commission in lieu of the commission otherwise to be established pursuant to subsection (c) of this section.

PREPARATION OF LAND USE CONTROL PLANS

SEC. 5. (a) Each commission shall, within six months of its formation, develop a land use control plan to govern the preservation, conservation, and enhancement of the unique values of the trust area, the use and development of lands and waters within the trust area, and the provision of efficient public services, where appropriate, within the trust area. A land use control plan shall consist of three parts:

(i) part I: such maps, text and statements of general policies and specific implementation programs as each commission shall deem necessary to carry out the policies of this Act;

(ii) part II: the assignment of lands and waters within the trust area, except as may be excluded by specific provisions of this Act, to one of the classifications designated in subsection (b) of this section; and

(iii) part III: regulations which shall apply to the preservation, conservation, use and development of lands within each classification.

(b) Lands and waters within the trust area shall be assigned by each commission to one of the following classifications as part of the land use control plan:

(1) OPEN LANDS.—Lands and waters so classified shall remain forever free of improvements, as defined hereinafter, of any kind except as provided herein. If improvement exist on any lands so classified on the date of enactment of this Act, then there shall be permitted a right of use and occupancy to the legal or beneficial owner or owners thereof, or their successors or assigns, members of the same family or families as for so long as such successors or assigns are the legal or beneficial owner or owners. If, however, the legal or beneficial owner or owners seek to sell or otherwise convey the improvement with or without the land thereunder to others than legal or beneficial owners or members of the same family or families as the legal or beneficial owner or owners, then the commissions shall have an exclusive option to purchase said improvement with or without the land thereunder at full and fair market value, which shall be promptly determined, and such option shall exist for sixty days after such determination. If such option is exercised, then the land acquired shall be held by the commissions in trust for the Secretary, and administered pursuant to the land use control plan, and if such option is not exercised, then the sale or other conveyance may proceed in the ordinary course. For the purposes of this paragraph, family shall mean siblings of a legal or beneficial owner or owners, lineal descendants natural or adopted, or relatives by marriage. Any substantial change in access to and/or use of lands classified as Open Lands must be approved by the commissions if such change is substantially contrary to a respective land use control plan.

(2) RESOURCE MANAGEMENT LANDS.—Lands and waters so classified shall not be developed beyond their present intensity of use except as provided in this paragraph. Owners of such lands, or of improvements thereon, or of both, may transfer, sell, assign, or demise such land or improvements, or both. Reasonable replacement and extension of improvements shall be permitted, under the regulations approved and/or issued by the commissions. Development on lands so classified beyond their present intensity of use shall be permitted only under regulations approved and/or issued by the commissions, which shall be consistent with the following policies:

(i) the overall intensity must take into account the capability of the land for such development, which shall include consideration of existing land use, intensity and types of uses in the immediate vicinity, areawide water quality and quantity, soil conditions, roadway utilization, and visual and topographic conditions;

(ii) overall intensity regulations shall not create uniform lot sizes and shall be defined and applied with flexibility to encourage sound land use planning respecting the varying natural values of the different geographical areas of land; and

(iii) the area upon which intensity is calculated shall not include bodies of water or wetlands classified as such under Massachusetts Wetlands Protection Act (131 M.G.L.40).

Said regulations shall be adopted only after (i) public hearing or hearings and (ii) approval by the Secretary of the relevant portions of the land use control plan. The Secretary shall indicate his approval or suggested modifications to such regulations of each commission within 90 days of receipt. After the Secretary has given his final approval of the relevant portions of the land use control plan of the respective commissions, construction of improvements on the lands or in the waters classified as Resource Management Lands within the jurisdiction of each commission may thereafter be permitted only upon the granting of a permit therefor by each commission acting pursuant to its regulations: *Provided*, That such a permit may be granted only if all other necessary local and State approval have been received.

(3) CLASS C: TOWN ZONED LANDS.—Lands and waters so classified shall remain under the jurisdiction of the town in which located for purposes of planning and zoning ordinances and other land use regulations: *Provided*, That such planning and zoning ordinances and other land use regulations shall be reviewed and commented upon by the commissions as to consistency with the purposes of this Act prior to the adoption of such ordinances or regulations or amendments thereto: *And provided further*, That the commissions may review and comment upon the variances and special permits proposed to be granted pursuant to any local zoning ordinance.

(c) The land use control plan adopted by each commission shall be consistent with the policies, objectives, and guidelines contained in this Act, and shall include, but not be limited to, the following components which shall be contained in part I of the plan:

(1) a program for the preservation of significant, natural, scenic, ecological, scientific,

cultural, marine, or historical resources, including areas which, because of their local, regional, or other importance, should be preserved in their natural state (such lands may include, but need not be limited to, lands assigned by the commissions to the "Open Land" classification under this Act). This program may include regulation of uses of land and water pursuant to the constitutional authority of the State; other noncompensatory land use regulations which may be appropriate; compensatory land use regulations; tax incentives and payments in lieu of taxes; acquisition of the fee title or of lesser interests in lands and/or waters; or any combination of land use control methods which best meets the purposes and policies of this Act;

(2) a program for the development of public recreational facilities;

(3) a program and regulations for the preservation of beaches and for the development of public access to beaches and passages along them consistent with such preservation;

(4) a transportation program including regulations for and a review of all existing public and private access by air and water to lands within the trust area, and a review of public and private transportation systems for land transportation on each of the major islands. Said review shall be accompanied by recommendations for legislative and administrative action to harmonize such access, and the use of land and facilities incident thereto, with the conservation and preservation policies of this Act, and shall further include a system for regular reviews of such access and of their impact on development pressures on the trust area. This review shall also include recommendations for the development of trails, bicycle paths, observation points and exhibits deemed by each commission to be appropriate for the public enjoyment of and understanding of the values and resources of the trust area;

(5) a program for the identification and promotion of new employment opportunities for residents of the trust area which would be consistent with the policies of this Act, which shall include recommendations for action by the Commonwealth and the Secretary and other Federal agencies; and

(6) a program for the development of resident homesites for year-round residents of the islands in the trust area, said program to include recommendations for action by Federal agencies and for the expenditures of appropriations under this Act, upon approval of the Secretary, for the resident homesite plan. A resident homesite plan shall mean a plan established by the appropriate commission designating parcels of land which may be acquired by the commission at fair market value and resold at a lower price to year-round residents who meet criteria established by the commission.

(d) Improvements the construction of which shall begin between the date of enactment and the effective date of land use control plans or interim regulations issued by the commissions shall be exempt from involuntary acquisition if constructed pursuant to a certificate of need issued by the appropriate local governing body. Construction shall be deemed to have begun on the date of issuance of the last required permit under local regulations.

(e) Any acquisition by the commissions of a fee or less than fee interest, including the purchase of development rights, shall be for fair market value to conform with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601), which is hereby incorporated by reference.

(f) A land use control plan developed by a commission may utilize land use control regulations developed by regional or county authorities pursuant to applicable State laws; and the land use control methods made a part of the program authorized by section 5(c)(1) of this Act may be utilized to supplement or complement such regulations.

PRIVATE NONPROFIT ORGANIZATIONS

SEC. 6. (a) In order to encourage and provide an opportunity for the establishment of natural and scenic preserves by voluntary private action of owners of lands and waters in the trust area, and notwithstanding any provision in this Act or in any other provision of law, the authority established by this Act to acquire lands or interests therein for preservation and conservation purposes without the consent of the owner shall be suspended when—

(i) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are irrevocably in the ownership of private nonprofit conservation, preservation, historic, or other organizations or associations, and the restrictions against the development of such lands meet the standards of the land use control plan; or

(ii) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are to the satisfaction of the commissions, the Governor, and the Secretary and within twenty-four months after such designation, irrevocably committed to be sold, donated, demised, or otherwise transferred to such organizations or associations.

(b) The provisions of this section shall be applied only to those organizations and associations which are determined to be bona fide and general purpose.

(c) All of the provisions of this Act, except sections 1, 2, and 3, shall be suspended with respect to any lands, waters, or interests therein so long as such lands, waters, or interests therein are within twenty-four months of the enactment of this Act subject to a revocable or irrevocable conservation restriction created, approved, and recorded under sections 31 through 33 of chapter 184 of the General Laws of Massachusetts, which forbids, or in the judgment of the commissions, and the Secretary, as evidenced by their joint written approval of such restriction, substantially limits all or a majority of the land uses referred to in clauses (a) through (g) of the first paragraph of said section 31. With respect to any revocable restriction, notice of the intention to revoke must be given to the appropriate commission and the Secretary not less than twelve months prior to the proposed effective date of the revocation unless the lands, waters, or interests therein are in whole or in part made subject to a taking by eminent domain. The entity carrying out such eminent domain proceedings with respect to property covered by such a conservation restriction shall give notice of such proposed taking to the commission having jurisdiction over the property proposed for condemnation.

INDIAN COMMON LANDS

SEC. 7. (a) The Martha's Vineyard Commission is directed to establish as part of its land use control plan an orderly program for determining the precise extent of Indian Common Lands on Martha's Vineyard. The program shall include a survey or surveys and such other research or field work as may be necessary to establish the boundaries of the Common Lands belonging to the Wampanoag Tribe of Gay Head and known generally as the Cranberry Bogs, the Clay Cliffs, and Herring Creek. The commission is further directed to determine the location, boundaries, and owners of record title of the monuments and burial grounds of the Wampanoag Tribe of Gay Head on Martha's Vineyard. Funds to carry out the program may be drawn from those authorized to be appropriated by section 13.

(b) Upon completion of the program described in subsection (a) of this section, lands determined to be Indian Common Lands shall be acknowledged as an Indian reservation owned by the Wampanoag Tribe of Gay Head pursuant to recognized Indian title and entitled to the full protection of Federal laws pertaining to Indian lands.

(c) Nothing contained in this Act shall be construed to prejudice or limit any claims which the Wampanoag Tribe of Indians, or any member of that tribe may have for past violations of their rights as Indians, including but not limited to claims arising under the Indian Trade and Intercourse Act (25 U.S.C. 177).

COOPERATION OF OTHER AGENCIES

SEC. 8. The Governor and the heads of all State agencies, and the Secretary and the heads of other Federal agencies shall cooperate with the commissions in the formulation of their land use control plans upon the request of the respective commissions and to the extent of available funds.

COMMISSION EXPENSES AND PROCEEDINGS

SEC. 9. (a) Members of the commissions who are employees of a State or local government shall serve without additional compensation as such. All other members may, if a commission so votes, receive $50 per diem when actually engaged in the performance of the duties of the commissions.

(b) The Secretary shall reimburse all commission members for necessary travel and subsistence expenses incurred by them in the performance of the duties of the commissions.

(c) Financial and administrative services (including those relating to payment of compensation, budgeting, accounting, financial reporting, personnel, and procurement) shall be provided by the Secretary from the funds appropriated to carry out the provisions of this Act.

(d) The commissions shall have the power to appoint and fix the compensation of such additional personnel, including experts and professionals, and for such temporary and intermittent services as may be necessary to carry out their duties, without regard to the provisions of the civil service laws and the Classification Act of 1949, and they shall have the power to hold hearings and administer oaths.

(e) The commissions shall act by affirmative vote of a majority thereof. Vacancies shall be filled in the same manner as the original appointment.

SUBMISSION AND APPROVAL OF PLANS

SEC. 10. (a) Each commission within six months of being established, shall submit a land use control plan to the Governor who shall, within 120 days of the day it is received by him, either approve or disapprove it. The plan must be complete, or if divided into phases, must clearly state the reasons for the division into phases and the date or dates by which subsequent phases will be submitted. Approval or disapproval of phases or resubmissions shall be made within 120 days of receipt by the Governor.

(b) The Governor shall approve the plan if he finds that (1) the commission has afforded adequate opportunity in the area within its jurisdiction for public comment (including public hearings) on the plan, and such comment was received and considered in the plan or revision as presented to him, and the commission has established adequate local appeal procedures; (2) State and local units of government identified in the plan as responsible for implementing any portion of its provisions have the necessary legislative authority to do so, and the chief executive officers of local units of government have indicated their commitment to utilize such authority in implementation of the plan in accordance with the program established by the commission; (3) the plan will preserve

significant natural, cultural, marine, or historical values; (4) the plan is consistent with the preservation, conservation and enhancement policies of this Act and will fulfill the objectives of the land classifications and policies established in section 5 of this Act.

(c) If the Governor disapproves a plan, a phase of a plan, or any revisions thereto he shall advise the commission of the reasons therefor and convey his recommendations for revision. The plan, phase, or revision, following its disapproval, may be resubmitted to the Governor for his approval as soon as the commission is able to make revisions which are responsive to the Governor's recommendations.

(d) Upon approval of a plan, the Governor shall transmit such plan to the Secretary. Upon a finding that the plan is fully consistent with the Act, the Secretary shall publish a notice thereof in the Federal Register and shall transmit copies of the plan together with his comments to the President of the Senate and the Speaker of the House of Representatives.

(e) No substantial revision to an approved plan or land classification assignments, may be made without the approval of the Governor. The Governor shall either approve or disapprove such a proposed revision within ninety days from the date on which it is submitted to him. Whenever the Governor approves a revision, he shall transmit such revision to the Secretary. Upon a finding that the revised plan is fully consistent with the Act, the Secretary shall publish a notice thereof in the Federal Register.

TRUSTS GRANTS BY THE SECRETARY

SEC. 11. Upon approval of a plan, the Secretary shall make implementation grants in the total amount of $30,000,000 to the commissions. Prior to submission of a plan, the Secretary may, upon application therefor, make grants to the commissions for the development of a land use control plan; *Provided*, That such development grants shall not exceed $1,000,000 of the total $30,000,000. Such development or implementation grants shall be supplemental to any other Federal financial assistance for any purpose, and shall be subject to such reasonable terms and conditions as the Secretary deems necessary to effectuate the purposes of this Act. In making the grants, the Secretary shall take into consideration that there are three commissions with responsibilities pursuant to this Act, and shall insure that the grant funds are equitably distributed among the three commissions, taking into account such factors as population, acreage, land and water resources, existing and projected development, and the special tasks imposed by this Act relative to Indian Common Lands.

TRUST ACCOUNT

SEC. 12. There is hereby established a special account in the Treasury of the United States for the purpose of holding moneys to be used for trust grants, pursuant to section 11 of this Act, to the commissions. There shall be covered into such special account $30,000,000 from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462) as amended and/or under the Act of June 4, 1920 (41 Stat. 813) as amended, which would otherwise be credited to miscellaneous receipts of the Treasury. Moneys covered into the account shall be used only for grants made pursuant to section 11 of this Act and shall be available for expenditure only when appropriated therefor.

APPROPRIATIONS

SEC. 13. There are authorized to be appropriated to defray the expenses of the commissions, established pursuant to section 3, including salaries and other expenses incident to the operation of the commissions, such sums annually as may be necessary; and for grants to the commissions to develop and implement land use control plans and regulations approved pursuant to this Act, $30,000,000 from the special account created in section 12 of this Act.

Mr. BROOKE. Mr. President, all across the Nation some of our most precious and beautiful land is being threatened by relentless development. And Massachusetts is no exception. Whether it be in the Berkshires, the Connecticut River Valley, or on Cape Cod, development is on the increase. But nowhere has this increase been quite as acute as on the lovely islands of Martha's Vineyard, Nantucket, and the Elizabeth Islands.

Created nearly 50,000 years ago in the wake of giant glaciers, the Nantucket Sound islands form veritable jewels off our southeastern coast. Like so many coastal islands, they are home to a relatively small permanent population only to have that population swell dramatically with the coming of summer. On Martha's Vineyard alone, the 6,000 yearround residents find their ranks inflated to nearly 50,000 at the peak of the summer months. Yet as happens in too many similar summer retreats, the sheer numbers of summer residents and visitors pose a grave threat to the very things they come to discover: the island's natural beauty, serenity, and fragile ecology.

To accommodate, as well as to encourage, the burgeoning summer visitors, the islands have been subjected to a tremendous development by developers who possess no sense of place, only, in too many cases, a sense of profit. Tract after tract of land has been devoured to accommodate more and more people.

Last year, the Senate wisely passed the Nantucket Sound Islands Trust legislation introduced by Senator KENNEDY and myself. This proposal, which was unfortunately never reported out of the House Interior Committee, represents a fundamental part of a coherent Federal, State, and local response to the readily identifiable threats posed by overdevelopment. The local citizenry has been untiring in its efforts to come to grips with this threat. So, too, has the Commonwealth of Massachusetts. Indeed the State passed a very important land use measure which opened the door for even more citizen participation in the future planning of Martha's Vineyard.

It is clear, to all of us, that the process of protecting and preserving these lovely islands is a task too large for even the combined resources of our State and local governments. A Federal presence is needed, for only through a true partnership of Federal, State, and local participation will islanders really possess the means to preserve and protect their islands.

Critics of the legislation have argued that the Federal bill is nothing more than a Federal land use plan. But the truth is that the bill does not establish any such land use planning. Rather, it maximizes local control of development decisions. The islands' communities have the right to propose as well as to oversee all the details of any and all preservation and protection plans. The role of the Federal Government is simply to certify that planning goals, and their implementation are being conducted in the national interest as spelled out in the legislation. All initiative and all responsibility for engaging the Federal, State, and local governments in carrying out the plans lie only with the island residents. In short, the Federal bill is nothing more than an effort to help the local citizenry help themselves.

This legislation is by no means perfect. But it is a creative attempt to fuse Federal, State, and local governments in a way that genuinely serves the public interest in these areas of such overwhelming scenic and ecological interest. Not only will it help islanders preserve and protect the Nantucket Sound Islands, but it will help citizens in other areas—not just in Massachusetts but throughout the Nation, to develop effective limits to the burgeoning growth that threatens both the natural beauty and fragile ecology of so many of our scenic natural areas.

I share Senator KENNEDY's pleasure that the distinguished chairman of the Interior Committee has assured us of prompt consideration of this measure so that our colleagues in the House may take it up promptly and give to the Nation the legacy of these lovely islands in their full beauty.

By Mr. KENNEDY (for himself and Mr. BROOKE):

S. 184. A bill to authorize the acquisition and maintenance of the Goddard rocket launching site in accordance with the act of August 25, 1916, as amended, and supplemented, and for other purposes; to the Committee on Interior and Insular Affairs.

GODDARD ROCKET LAUNCHING SITE

Mr. KENNEDY. Mr. President, I introduce for myself and Senator BROOKE to authorize the acquisition of the Goddard rocket launching site in Auburn, Mass., by the National Park Service. I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, it was so ordered.

Mr. KENNEDY. It was in Worcester, Mass., where Robert Goddard was born, that he first envisioned the possibility of navigation in space at the age of 16. Robert Goddard fired a powder rocket in the basement of the physics building at Worcester Polytechnic Institute in 1907 after which he was asked not to fire rockets in the campus buildings. Despite this very temporary setback and a long and serious illness, Goddard continued his study and research and teaching at Clark University. On March 16, 1926, Dr. Goddard fired the first liquid fuel rocket in Auburn, Mass. This rocket which flew 184 feet in 2.5 seconds changed the course of history for this Nation and for all the world.

With this legislation, we have the opportunity to commemorate our achievements as a nation and pay tribute to an outstanding man. As children of the space age, we celebrate the development of our space program, our landing on the Moon, our exploration beyond the boundaries of the Earth and beyond the dreams of our founders. We would have no space age, no Moon landing, and

no vision of the universe beyond our planet if it were not for Dr. Robert Goddard, and it is most fitting that we celebrate his achievements by establishing the Goddard Rocket Launch Historic Site in Auburn.

We know, through Mrs. Goddard, his widow, and those who were privileged to be his friends and coworkers that Dr. Goddard's vision and creative ability were equaled by his determination and persistence and methodical, scientific dedication. During his life he sought neither publicity nor monetary rewards. He did not falter when he was publicly ridiculed in 1920 for suggesting the possibility of reaching the Moon; and he did not give up during 2 years of recovery from tuberculosis. Dr. Robert Goddard reminds us of our potential and represents the best qualities of the American character.

I am hopeful that despite the recent recommendation of the Department of Interior against the establishment of this historic site that the Senate Interior Committee will act quickly and favorably on this legislation.

S. 184

A bill to authorize the acquisition and maintenance of the Goddard Rocket Launching Site in accordance with the Act of August 25, 1916, as amended and supplemented, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve for the inspiration of present and future generations the site in the town of Auburn, Massachusetts, on which Doctor Robert H. Goddard launched the first liquid-propelled rocket on March 16, 1926, the Secretary of the Interior is authorized to acquire and maintain such site in accordance with the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

SEC. 2. There are hereby appropriated such sums as are necessary to carry out the purposes of this Act.

Mr. BROOKE. Mr. President, someday Auburn, Mass., will take her place among our other historic sites like Plymouth, Concord, and Lexington as a place where events occurred which were to alter the course of human civilization. And July 17, 1929, in Auburn, Mass., will be remembered just as December 17, 1903, in Kity Hawk, N.C., is recalled as a moment of technological breakthrough.

Robert Goddard's first liquid fuel rocket flight that day lasted less than 3 seconds, but it set into motion a chain of scientific discoveries which irrevocably altered the destiny of the planet and the human species. Of course, the world was slow to understand and acknowledge Goddard's achievement.

When the wire services picked up the story of the launching, they reported tongue-in-cheek that Goddard's "rocket to the Moon" had exploded some 230,000 miles short of its target. The outraged fire marshal of Massachusetts forbade Goddard to fire his rockets within the borders of our State again. But completely overlooked in all this uproar was the fact that the rocket had carried an instrument package that contained an aneroid barometer, thermometer, and a camera that was triggered to operate when the parachute opened. That package and its data were recovered completely intact, and the experiment was a success.

As we all know now, Goddard struggled for years with little support and less public understanding. Only the valiant efforts of Guggenheim Foundation, Clark University, and Charles Lindbergh kept his work alive during the difficult prewar years. Goddard's patriotic efforts to keep his discoveries from the growing German war machine further limited his personal prominence and the dissemination of his findings.

Mr. President, Robert Goddard never lived to see his dream of space travel taken seriously by the world. Indeed, were it not for the dedicated and sophisticated work of his widow, Esther Goddard, all of us here might still believe his dreams were fantasies. But her efforts gave the physicists and engineers who followed Goddard the tools to put Americans on the Moon.

In the last 15 years, our Nation has begun to recognize Robert Goddard as the giant in our Nation's history, which, in fact, he was. But in Auburn, Mass., at the site where that first crucial test flight was launched, there is only a marker placed there privately by the American Rocket Society. This legislation filed by Senator KENNEDY and myself would make this spot a national historic site, as it should be. This designation would be a fitting capstone to the series of tributes offered this pioneer by a grateful nation.

By Mr. CHURCH (for himself and Mr. WILLIAMS):

S. 185. A bill to amend the Social Security Act to roll back the deductible and coinsurance charges under part A of medicare to the 1976 levels, and for other purposes; to the Committee on Finance.

ROLL BACK MEDICARE PART A HOSPITAL DEDUCTIBLE AND COINSURANCE CHARGES TO 1976 LEVELS

Mr. CHURCH. Mr. President, on behalf of myself and Senator WILLIAMS, I introduce for appropriate reference a bill to roll back the medicare hospital insurance deductible and coinsurance charges to the 1976 levels for aged and disabled Americans. Representative CLAUDE PEPPER, the chairman of the House Select Committee on Aging, is introducing a companion bill today.

On September 30, 1976, the Department of Health, Education, and Welfare announced a 10-percent hike in the medicare part A deductible, from $104 to $124. This increase became effective in January of this year.

In addition, other related hospital and skilled nursing coinsurance charges also rose by 19 percent.

For example, the daily charge for qualifying skilled nursing care increased from $13 to $15.50 for patients who are in long term care facilities from 21 to 100 days.

Patients now pay $31 a day if they are hospitalized from 61 to 90 days or $5 more than in 1976. Medicare beneficiaries who must draw upon their 60-day lifetime reserve pay a daily coinsurance charge of $62, compared with $52 in 1976.

Unfortunately, it was not possible to enact legislation in 1976 to block these 19-percent increases because HEW's announcement came shortly before the Congress adjourned.

This is the reason that we are introducing legislation now to roll back the medicare hospitalization deductible from $124 to $104. The effective date would be retroactive to January 1, 1977.

A similar percentage reduction would also be applicable for other hospital and skilled nursing charges under part A.

It is high time that we put a lid on the rising hospitalization deductible, which oftentimes hits those the hardest who can least afford this cost.

The 19-percent hike in hospital and nursing home charges comes hard on the heels of the $6 annual increase in the supplemental medical insurance premium for medicare beneficiaries.

For most social security beneficiaries the $124 initial payment for hospitalization is a major expenditure. Average benefits for retired workers, for example, now amount to $218 a month.

Social security is the economic mainstay for the vast majority of older Americans. It represents over one-half the income for 7 out of 10 individual beneficiaries and 1 out of 2 couple beneficiaries.

Older Americans constitute 10 percent of our total population, but account for 29 percent of personal health care expenditures in the United States.

In fiscal year 1976 per capita health care costs for older Americans amounted to $1,360, or nearly 3 times as great for persons aged 19 to 64 and more than 6 times the level of those under 19.

The harsh reality is that the elderly's out-of-pocket payments for medical care are 2.6 times as great as when medicare became operational. In fiscal 1975 their per capita direct payments totaled $476, compared with $182 in fiscal 1966.

Nearly 6 million aged and disabled medicare beneficiares are expected to receive reimbursable services under the hospital insurace program in 1977. These individuals deserve and need all the help they can receive.

A rollback in their deductible and coinsurance payments would provide welcome relief at a time when their purchasing power is being eroded by rising prices.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) section 1813(b)(1) of the Social Security Act is amended by—

(A) striking "$40" and substituting "$104"; and

(B) striking "1969" and substituting "1978".

(2) Subsection (b)(2) of such section is amended by—

(A) striking "1968" and substituting "1977";

(B) striking "$40" and substituting "$104"; and

(C) striking "1966" and substituting "1975".

(b) The amendments made by subsection (a) shall be effective with respect to any spell of illness beginning after December 31, 1976.

SEC. 2. (a) Section 1401(b) of the Internal Revenue Code of 1954 (relating to rate of hospital insurance on self-employment income) is amended—

(1) in clause (3), by striking "1978" and substituting "1977";

(2) in clause (4)—

(A) by striking "1977" and substituting "1976", and

(B) by striking "1981" and substituting "1980";

(3) in clause (5)—

(A) by striking "1980" and substituting "1979", and

(B) by striking "1986" and substituting "1984"; and

(4) in clause (6), by striking "1985" and substituting "1984".

(b) Section 3101(b) of such Code (relating to rate of hospital insurance tax on employees) is amended—

(1) in clause (4) by striking "1980" and substituting "1979";

(2) in clause (5)—

(A) by striking "1981" and substituting "1980", and

(B) by striking "1985" and substituting "1983",

(3) in clause (6), by striking "1985" and substituting "1984".

(c) Section 3111(b) of such Code (relating to rate of hospital insurance tax on employers) is amended—

(1) in clause (4), by striking "1980" and substituting "1979",

(2) in clause (5)—

(A) by striking "1981" and substituting "1980", and

(B) by striking "1985" and substituting "1983",

(3) in clause (6) by striking "1985" and substituting "1984".

Mr. WILLIAMS. Mr. President, I wish to join my colleague from Idaho (Mr. CHURCH) in proposing a bill to roll back the medicare hospitalization insurance deductible and coinsurance charges to the 1976 levels. In the past, I have sponsored legislation to freeze rising medical costs. Therefore, I give my strongest support for this legislation to reverse administration attempts to make medicare and copayment charges even more expensive to elderly participants than they now are.

As a member of the Senate Committee on Aging, I have held many field hearings in New Jersey on the needs of our senior citizens. Perhaps the most heartwrenching testimony relates to the increasing costs of medical care. Time and time again, the elderly expressed their inability to meet the costs of rising medical bills.

On September 30, 1976, the administration stated that the medicare part A hospitalization deductible would increase by 19 percent, from $104 to $124, on January 1, 1977. Under the administration's plan, the out-of-pocket expenses for medicare patients for hospital care have soared. Although this increase is mandatory under existing law, I feel it would be unacceptable to allow such increases in health care while the elderly struggle to adjust to steadily rising prices in budget areas of special importance to older Americans—food, shelter, and energy.

Despite its valuable protection, medicare still covers only 40 percent of the elderly's medical costs. It is, indeed, a bitter bullet to bite to shrink medicare coverage even further. Increasing the deductible from $104 to $125 would result in increased coinsurance charges for nursing home care and lengthy hospitalization. To older persons trying to live at today's prices, such increases would result in a reluctance to seek proper medical care.

Increases in coinsurance charges will create additional hardships on the elderly's budget. Aged persons would see their coinsurance charge raised from $26 to $31 for hospitalized care for periods of 61 to 90 days. For extended nursing home care after release from the hospital, the beneficiary will be charged $15.50 compared with the present $13 for the 21st through 100th day. Medicare also provides a lifetime reserve of 60 extra days that a beneficiary can use when he needs more than 90 days to recover from an illness. These beneficiaries drawing upon their 60-day lifetime reserve would have their copayment charge raised from $52 to $62 per day. These increases, accompanied by present inadequate compensation for losses in real income, will severely limit availability of health care services to the aged.

This legislation will offer an immediate solution to proposed increases in the medicare part A deductible. It simply rolls back the deductible at the 1976 rate of $104 and heads off the increases in coinsurance payments which follow.

Mr. President, senior citizens are least able to do anything to help themselves due to their limited incomes. We cannot ask them to absorb additional increases in health care. Therefore, I urge quick adoption of this measure to forestall further hardships on the elderly.

By Mr. CHURCH (for himself, Mr. JACKSON, and Mr. HATFIELD):

S. 186. A bill to amend the Water Resources Planning Act, the Water Resources Research Act of 1964, and for other purposes; to the Committee on Interior and Insular Affairs.

WATER RESOURCES PLANNING AND RESEARCH ASSISTANCE ACT AMENDMENTS OF 1977

Mr. CHURCH. Mr. President, the Senator from Washington (Mr. JACKSON) and the Senator from Oregon (Mr. HATFIELD) join with me in introducing legislation to amend the Water Resources Planning Act of 1965 and the Water Resources Research Act of 1964. The proposal which we submit today is almost identical to legislation which we introduced during the last Congress (S. 3142, 94th Congress).

The subject matter of this bill is the product of several public hearings conducted by the Subcommittee on Energy Research and Water Resources, which I chair. In addition, the revisions called for by this measure, have been the focal point of considerable discussion by many parties interested in our Nation's water resources. Because much of the preliminary examination has already been accomplished, I am hopeful that the Senate might receive any suggested changes at an early date and that the new administration will see fit to support this measure so that we can enact these amendments during this session of the new Congress.

At the outset, I want to emphasize that this proposal does not preempt the decision of President-elect Carter to reorganize the executive branch of Government. Where any provisions of this act become inconsistent with any final reorganization plans of the new administration, particularly with respect to the membership on the Water Resources Council, every effort will be made to quickly conform these amendments to any newly created structures within the executive branch. These amendments constitute a modest attempt to make an interdepartmental coordinating body more efficient and effective. It also recognizes, I believe, that certain changes and demands over the past decade have been made upon institutions which address questions dealing with water resources planning and research, and that the organic legislation which governs these activities should be revised to reflect these changed circumstances. Finally, water resources research and planning cuts across the activities of a great many departments and agencies, including the Departments of Interior, Transportation, HUD, and the Environmental Protection Agency. Congress sought to establish the coordination of water resources activities at the national level through passage of the Water Resources Planning Act. That same objective of a comprehensive, coordinated water resources program is no less important today than it was more than one decade ago when the Planning Act was first signed into law.

During fiscal year 1976, Federal departments and agencies obligated more than $10 billion in projects relating to water. Seven different Federal departments, seven different agencies, and 18 different offices within those departments and agencies administer programs in water and related land resources. By anyone's standards, this is an immense Federal presence and one which dictates that there be complete coordination in the planning of all water-related projects and in the setting of all Federal policies related to the Nation's water courses.

In recognition also that water resources activities and decisions must be grounded in factual information, the Congress enacted the Water Resources Research Act of 1964. This act contemplated the creation of water resources research institutes and provided additional grant programs by which public and private entities could conduct research and development work related to water and related natural resources. Both the Water Resources Planning Act and the Water Resources Research Act have assisted States in developing planning and research capabilities so that they are better able to participate with the Federal Government as an equal partner in the determination of uses for waters which flow within and past their boundaries.

In light of the all-pervasive nature of

Federal water programs and the needs of States to competently address issues which affect their water, it is very important that both the Water Resources Planning Act and the Water Resources Research Act are achieving the goals envisioned by the Congress when first enacted.

After more than a decade since passage of these important acts, it is now time to take a second look at the strengths and weaknesses and to make those changes in the laws which will rectify failings and shortcomings that have been identified. This legislation attempts to address these problem areas.

This bill incorporates most of the major suggestions made in previous hearings, including those made by various States, river basin commissions, the Western States Water Council, the Interstate Conference on Water Problems, and others.

The most significant changes made by this bill to the Water Resources Planning Act and the Water Resources Research Act are the following:

First: The Water Resources Council is established in the Executive Office of the President and its Chairman is appointed by the President with the advice and consent of the Senate.

Second: The duties of the Council are significantly expanded and made more explicit. In addition to other duties so specified, the Water Resources Council will advise the President on national matters related to water resources and planning and on the budgets of all Federal water-related agencies; the Council will also coordinate the planning activities of the Council with other water resources planning bodies and will attempt to assist States by making it possible to consolidate grant applications.

Third: A non-Federal advisory committee is established to provide greater voice for the States and others interested in Council deliberations and decisions.

Fourth: An annual report is required of the Council, with provision for inclusion of separate comments by the non-Federal Advisory Council, to provide more current publication of data, identification of issues and evaluation of policy.

Fifth: An Office of Water Research is established within the Water Resources Council to be directed by a deputy director who is appointed by the President. This amendment would transfer the State Water Research Institute program from the Department of Interior to a new Water Resources Council.

Sixth: A strengthened role in the coordination of planning done by various Federal water-related agencies is provided for the river basin commissions.

Seventh: Centralized funding to the river basin commissions is established for level B and other planning processes conducted under the auspices of the river basin commissions.

Eighth: Increased funding under the grants to States programs is provided for on a uniform, continuing basis; specifically, the bill provides $200,000 per State so long as the States will match every $2 of Federal funds for $1 of State funds.

Ninth: Accountability requirements placed on the States are strengthened through the provision that the States undertake the development of comprehensive State water plans.

These proposed changes, some of which are far reaching, would, I believe, strengthen State and Federal water programs by assuring that there will be no duplication of effort, that all water planning efforts, especially those relating to water quantity and water quality, will be coordinated, and that the taxpayer will get the greatest benefit from each dollar spent.

The need for water resources planning and research is made more imperative by the energy crisis and the worldwide food shortage. The world energy crisis heightened the need to develop our domestic fossil fuel resources, especially coal. Energy planners, in focusing attention upon our fossil fuel resources, have realized that, unless proper planning takes place, utilization of these energy sources will introduce new complexities into the already critical water needs of much of the country, especially the arid West. State and local governments will have to anticipate the consequences of energy development and the impact it will have upon traditional water uses.

Just as serious is the need to increase food production. Famine haunts many people throughout the world, and the American farmer, by far the most productive of any of his world counterparts, will be called upon to fill the breadbaskets of these near-starving nations. Water is the key to productive crops and success in agriculture. Only with proper planning will we insure that agriculture is not thirsting for water.

The energy shortfall, the worldwide food shortage, and the water needs of the Nation are tied together. The key to successful resolution of these needs is proper planning. This measure, if enacted, would go far toward assuring that the tools are available to make informed decisions.

I am hopeful that the Senate can begin early consideration of this measure. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 186

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resources Planning and Research Assistance Amendments Act of 1977".

SEC. 2. Section 2 of the Water Resources Planning Act (42 U.S.C. 1962) is hereby amended to read as follows:

"SEC. 2. In order to meet the Nation's water quantity and quality requirements, it is hereby declared to be the policy of the Congress to encourage the conservation, development, and utilization of water and related land resources of the United States on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprise with the cooperation of all affected Federal agencies, States, local governments, individuals, corporations, business enterprises, and other concerned entities.".

SEC. 3. Subsection 3(b) of the Water Resources Planning Act (42 U.S.C. 1962–1(b)) is amended by inserting immediately after "preparation" a comma and the following: "coordination,".

TITLE I—AMENDMENTS TO TITLE I OF THE WATER RESOURCES PLANNING ACT—THE WATER RESOURCES COUNCIL

SEC. 101. Section 101 of the Water Resources Planning Act (42 U.S.C. 1962a) is amended to read as follows:

"SEC. 101. (a) There is created in the Executive Office of the President a Water Resources Council (hereinafter referred to as the 'Council').

"(b)(1) The Council shall be composed of—

"(A) a chairman appointed by the President, by and with the advice and consent of the Senate, who shall also serve as Director of the Council and who shall not, during the period of his service on the Council, hold any other position as an officer or employee of the United States, except as a retired officer on retired civilian employee of the Federal Government;

"(B) one member from each of the following departments, who shall, at the time of his appointment, hold the position of Assistant Secretary of such department and whose duties, as such, encompass water and related matters, such member to be appointed by the head of such department and to serve as the representative of such department:

"(i) Department of the Interior;

"(ii) Department of Agriculture;

"(iii) Department of the Army;

"(iv) Department of Commerce;

"(v) Department of Housing and Urban Development; and

"(vi) Department of Transportation;

"(C) an Assistant Administrator of the Environmental Protection Agency designated by the Administrator;

"(D) a member of the Federal Power Commission designated by the Chairman; and

"(E) those members (if any) appointed pursuant to the provisions of paragraph (2) of this subsection.

"(2) Whenever the President determines that any program or other action under consideration by the Council directly affects—

"(A) any department of the United States, he shall designate such department as being one which is entitled to representation on the Council during the period (as determined by the President) for which such program is in effect or such program or action is under consideration, and the head of such department shall, at the earliest practicable date after such department is so designated, appoint an Assistant Secretary thereof whose duties involve water-related matters as a member of the Council to represent such department thereon, or

"(B) any agency of the United States, he shall designate such agency as being one which is entitled to representation on the Council during the period (as determined by the President) for which such program is in effect or such action is under consideration and the head of such agency shall, at the earliest practicable date after such agency is so designated, appoint an assistant administrator or assistant director thereof whose duties involve water related matters as a member of the Council to represent such agency thereon.

"(3) Any person appointed by the President as Chairman of the Council shall be a person who, as a result of his training, experience, and attainments, is exceptionally well qualified to analyze and interpret trends and information in water and related land resources; to appraise programs and activities of the Federal Government in light of the policy set forth in this Act; and to formulate and recommend national policies to

promote the orderly conservation and utilization of water and related land resources.".

SEC. 102. (a) Section 102(a) of the Water Resources Planning Act (42 U.S.C. 1962a–1 (a)) is amended by striking out "and" after "therein;".

(b) Section 102(b) of such Act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon.

(c) Section 102 of such Act is further amended by adding at the end thereof the following new subsections:

"(c) assist and advise the President in the preparation of the water resources report required by section 106 of this Act;

"(d) periodically review the principles, standards, and procedures required by section 103 of this Act;

"(e) transmit to the President for his review and transmittal to the Congress such reports on long-range schedules of priorities as are submitted by each river basin commission consistent with the provisions of section 201(b)(3) of this Act;

"(f) review and appraise the various water and related land resources programs and activities of the Federal Government in the light of the policy set forth in this Act for the purpose of determining the extent to which such programs and activities are contributing to the achievement of such policy, and to make recommendations to the President wtih respect thereto;

"(g) advise the President on matters of national concern related to water resources research and planning and the development and management of the Nation's water and related land resources;

"(h) promote the advancement of scientific knowledge relating to water and insure the transfer of technology to potential users as required by section 201 of the Water Resources Research Act of 1964, as amended;

"(i) advise the President on water resources planning, research and development considerations with regard to Federal budgets and provide the President with an annual review and analysis of funding proposed for water resources planning, research and development in the budgets of all Federal agencies;

"(j) encourage, insofar as it is practicable, the establishment of river basin commissions as provided in section 201 of this Act, and where such commission does not exist to encourage in consultation with the Governors of affected States the establishment of a means for effective Federal-State cooperation in major water resources regions of the United States;

"(k) coordinate planning processes and activities of the Council with other interested Federal and State agencies, river basin commissions, as established by section 201 of this Act, interstate compact commissions, interagency basin committees, and the Tennessee Valley Authority;

"(l) assist State and local governments submitting applications for Federal assistance for water resources planning to the extent possible to consolidate applications for funds from various appropriate Federal agencies and to submit such consolidated applications to the Council for the coordination of review and approval by responsible Federal agencies: *Provided*, That in those regions where river basin commissions exist, as established by section 201 of this Act, such coordination shall be done in collaboration with the affected river basin commission; and

"(m) meet in open public session no less than four times annually.".

ANNUAL REPORT

SEC. 103. Title I of the Water Resources Planning Act (42 U.S.C. 1962) is amended by adding at the end thereof the following new section:

"ANNUAL REPORT

"SEC. 106. The President shall transmit to the Congress annually, beginning one year after the date of enactment of the Water Resources Planning and Research Assistance Amendments Act of 1976, a Water Resources Report (hereinafter referred to as the 'report') which shall set forth the following:

"(1) ar evaluation of existing and potential problems concerning water resources planning, research, development, and management deserving of national attention;

"(2) evaluation of the scale, quality, and effectiveness of Federal and State efforts in water resources planning and research;

"(3) a review of the programs and activities (including regulatory activities) of the Federal Government, the State and local governments, and nongovernmental entities or individuals, with particular reference to their effect on water resources quantity and water quality and the conservation, development, and utilization of water and related land resources;

"(4) such additional views and comments as may be submitted by the non-Federal advisory board established by section 107 of this Act; and

"(5) a program for remedying the deficiencies of existing programs and activities, together with recommendations for legislation.".

NON-FEDERAL ADVISORY COMMITTEE

SEC. 104. Title I of the Water Resources Planning Act (42 U.S.C. 1962) is further amended by adding at the end thereof the following new section:

"NON-FEDERAL ADVISORY COMMITTEE

"SEC. 107. (a) The non-Federal vice chairman of each river basin commission, the chairman of any interagency basin committee or the United States commissioner of any interstate compact commission, and the Chairman of the Tennessee Valley Authority shall appoint a non-Federal representative to an advisory board (hereinafter referred to as the 'advisory board') established by this section. The Chairman of the Council shall also appoint no more than three other non-Federal representatives to such advisory board as he may deem advisable: *Provided*, That any such representative shall, as a result of training and experience, be knowledgeable of water and related land resources programs: *Provided further*, That any such representative shall, as a result of training and experience, be knowledgeable of water and related land resources programs: *Provided further*, That any such representative shall represent those interests concerned with water and related land resources which may not otherwise be represented on the advisory board.

"(b) The term of office of each member appointed to the advisory board shall be for three years: *Provided*, That of the members initially appointed to the board, the term of office of approximately one-third of the membership shall be for one year, the term of office of another one-third of the membership shall be for two years, and the term of office of the remaining members shall be for three years.

"(c) Such advisory board shall—

"(1) advise the Council with respect to the activities and programs conducted by the Council and the coordination of such activities and programs with the activities and programs of Federal, State, and local governments;

"(2) make such recommendations as it deems appropriate regarding the implementation and improvement of planning procedures, studies and other activities and programs undertaken by the Council and new activities and programs which the Council should undertake or support; and

"(3) cause to be published in the report established by section 106 of this Act, such views and recommendations as the advisory board may deem appropriate relating to the functions set forth by this section.

"(d) The advisory board shall meet not less than twice each year.

"(e) The advisory board shall elect a chairman from among its appointed members. The chairman of the advisory board shall be allowed to participate as an observer and nonvoting delegate to all Council meetings except those meetings in which the Council will make policy or budget recommendations to the President. The members of the advisory board shall be notified in advance, in a timely fashion, of all items to be discussed or considered by the Council.

"(f) Any specific recommendations made by the advisory board pursuant to subsection (c)(2) of this section shall be considered by the Council. The Chairman of the Council shall, within ninety days after receipt of such recommendation, respond to the Council and the advisory board, in writing, setting forth the action taken or the reason for rejecting the recommendation.

"(g) Funds provided under section 401(b) of this Act may be used to pay the travel and such other related costs as shall be authorized by the Chairman of the Council which are incurred by the members of the advisory board incident to their attendance at any meetings of the advisory board or the Council except that the amount of travel and related costs paid under this subsection to any member of the advisory board with respect to this attendance at any meeting of the advisory board or the Council may not exceed the amount which would be payable to such member if the law relating to travel expenses for persons intermittently employed in Government service applied to such member.

"(h) The Chairman of the Council shall be an ex officio member of the advisory board.".

OFFICE OF WATER RESOURCES RESEARCH

SEC. 105. Title I of the Water Resources Planning Act (42 U.S.C. 1962) is further amended by adding at the end thereof the following new section:

"OFFICE OF WATER RESOURCES RESEARCH

"SEC. 108. There is established within the Council an Office of Water Resources Research (hereinafter referred to as the 'Office') which office shall be directed by a Deputy Director of the Water Resources Council. The Deputy Director shall be appointed by the President to serve at his pleasure, and shall be under the general direction of the Chairman of the Council.".

AMENDMENT TO THE WATER RESOURCES RESEARCH ACT OF 1964

SEC. 106. (a) Section 100 of the Water Resources Research Act of 1964 (42 U.S.C. 1961a), is amended as follows:

(1) in subsection (a) thereof, by striking out "Secretary of the Interior" and inserting in lieu thereof "Water Resources Council", and by striking out "Secretary's" and inserting in lieu thereof "Water Resources Council Chairman's"; and

(2) in subsection (b) thereof, by striking out "Secretary" whenever it appears and inserting in lieu thereof "Council".

AMENDMENT TO THE WATER RESOURCES RESEARCH ACT OF 1964

SEC. 107. Section 101 of the Water Resources Research Act of 1964 (42 U.S.C. 1961a–1) is amended as follows:

(1) in subsection (a) thereof, by striking out "Secretary of the Interior" and inserting in lieu thereof "Water Resources Council"; and

(2) in subsection (b) thereof, by striking out "Secretary" and inserting in lieu thereof "Chairman of the Water Resources Council".

AMENDMENT TO THE WATER RESOURCES RESEARCH ACT OF 1964

SEC. 108. Section 102 of the Water Resources Research Act of 1964 (42 U.S.C. 1961a–2), is amended by striking out "Secretary"

whenever it appears and by inserting in lieu thereof "Chairman of the Water Resources Council" and by striking out "September" in the second sentence and inserting in lieu thereof "December".

AMENDMENT TO THE WATER RESOURCES RESEARCH ACT OF 1964

SEC. 109. Section 104 of the Water Resources Research Act of 1964 (42 U.S.C. 1961a–4), is amended as follows:

(1) in the first paragraph thereof by striking out "Secretary of the Interior" and inserting in lieu thereof "Water Resources Council", by striking out "He" wherever it appears and inserting in lieu thereof "The Chairman of the Water Resources Council", by striking out "him" and inserting in lieu thereof "the Chairman of the Water Resources Council", and by striking out "the United States Department of the Interior,"; and

(2) in the second paragraph thereof by striking out "July" and inserting in lieu thereof "October", and by striking out "Secretary" and inserting in lieu thereof "Chairman of the Water Resources Council".

DEVELOPMENT PROGRAMS

SEC. 110. Title II of the Water Resources Research Act of 1964 (42 U.S.C. 1961b), is amended to read as follows:

"DEVELOPMENT PROGRAMS

"SEC. 200. (a) The Council, acting through the Office of Water Resources Research (hereinafter referred to as the 'Office') established by section 108 of the Water Resources Planing Act, as amended, is authorized to make grants and finance contracts and matching or other arrangements with qualified educational institutions, private foundations, or other institutions, with private firms, with local, State, and Federal agencies and individuals to undertake research into water resources problems of national interest which it may deem to be desirable.

"(b) The Council, acting through the Office, is further authorized to conduct a water resources research technology development program which pursues research results through the development of effective structural or nonstructural techniques, methods, procedures, and equipment, and through testing, evaluation, and demonstration, to a point where such results can be adopted for practical application to problems of national interest.

"(c) Water resources research and technology development programs carried out in accordance with this section may include, without being limited to: saline water conversion; irrigation and other water use efficiencies; water for energy; water and related land use planning, operations, management, and legal systems; protection and enhancement of the water-based environmental institutional arrangements; saline water conversion technologies for water reclamation and reuse; salinity management; and economic, social, and environmental impact assessment. Due consideration shall be given to priority problems identified by water and related land resources planning, data acquisition, and like studies conducted by other agencies and organizations. The Office shall cooperate fully with the chief administrative officer of all Federal agencies engaged in water research and development to insure that water resources and development work performed under the Act makes the fullest possible contribution to the improvement of water resources processes and techniques and to avoid in the performance of this Act the duplication of the experience, expertise, and data regarding water resource technologies which have been acquired.

"SEC. 201. To carry out the water resources research and technology development programs authorized by this Act, the Office may:

"(1) Engage, by competitive contract or otherwise, chemists, physicists, engineers, and such other personnel as may be deemed necessary, and any educational institution, scientific organization or individual, Government agency, or private firm deemed suitable to do any part of the research, technology development, or other work authorized by this Act, and correlate and coordinate the research and technology development work of such educational institutions, scientific organizations, and private firms.

"(2) Develop and implement technology transfer methodologies as required to assure that the results of research and development undertaken pursuant to this Act can be adopted for practical application by others, including but not limited to the reduction of scientific and technical reports into suitable and understandable formats, and conduct assessments of the impacts of other technology on water resources.

"(3) Accept financial and other assistance from any local, State, Federal, and other agency in connection with studies or surveys relating to water problems and facilities, and enter into contracts with regard to such assistance.

"(4) Acquire processes, technical data, inventions, patent applications, patents, licenses, land, and interest in land (including water rights), research and technology development equipment and facilities, and other property or rights by purchase, license, lease, or donation.

"SEC. 203. There are authorized to be appropriated to the Water Resources Council $10,000,000 for each of the fiscal years 1977 to 1987, inclusive, from which appropriations the Council may carry out the provisions of this title.".

SEC. 111. Section 300 of the Water Resources Research Act of 1964 (42 U.S.C. 1961c) is amended by striking out "Secretary of Interior" and inserting in lieu thereof "Water Resources Council" and by striking out "He" and inserting in lieu thereof "The Chairman of the Water Resources Council".

SEC. 112. Section 301 of the Water Resources Research Act of 1964 (42 U.S.C. 1961c–1) is amended by striking out "Secretary of Interior" and inserting in lieu thereof "Water Resources Council".

SEC. 113. Section 305 of the Water Resources Research Act of 1964 (42 U.S.C. 1961c–5) is amended by striking out "by such means as he deems appropriate" and inserting in lieu thereof "with the advice and assistance of the Water Resources Council".

SEC. 114. Section 307 of the Water Resources Research Act of 1964 (42 U.S.C. 1961c–7) is amended by striking out "Secretary" and inserting in lieu thereof "Water Resources Council".

SEC. 115. Section 308 of the Water Resources Research Act of 1964 (42 U.S.C. 1961c–8) is amended by striking out "Secretary" wherever it appears and inserting in lieu thereof "Chairman of the Water Resources Council".

TITLE II—AMENDMENTS TO TITLE II OF THE WATER RESOURCES PLANNING ACT—RIVER BASIN COMMISSIONS

SEC. 200. Section 201 of the Water Resources Research Planning Act (42 U.S.C. 1962b) is amended as follows:

(1) in subsection (b)(1) thereof by striking out "plans" and inserting in lieu thereof "planning" and by inserting immediately before the semicolon at the end thereof a comma and the following: "and where a river basin commission exists, serve to coordinate all federally assisted State programs for water related planning"; and

(2) in subsection (b)(2) thereof by striking out ", coordinated, joint" and inserting in lieu thereof "regional or river basin" and after "*Provided*, That" by inserting "the plan is prepared in a comprehensive, coordinated, joint planning process and that".

SEC. 201. Section 202(a) of the Water Resources Planning Act (42 U.S.C. 1962b–a) is amended to read as follows:

"(a) A chairman appointed by the President who shall also serve as chairman and coordinating officer for comprehensive planning of the Federal members of the commission and who shall represent the Federal Government in Federal-State relations on the commission and who shall not, during the period of his service on the commission, hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the Federal Government;".

SEC. 202. (a) Section 204 of the Water Resources Planning Act (42 U.S.C. 1962b–3) is amended as follows:

(1) after "Sec. 204." thereof by inserting "(a)"; and

(2) in subsection 204 (3) thereof by striking out ", coordinated, joint" and inserting in lieu thereof "regional or river basin".

(b) Section 204 of such Act is further amended by adding at the end thereof the following new subsection:

"(b) For the purpose of this title the phrase 'water and related land resources' may be construed broadly so as to permit the River Basin Commission to perform its functions with respect to such natural resources issues as may be appropriate for its region subject to provision of section 3 of this Act.".

TITLE III—AMENDMENTS TO TITLE III OF THE WATER RESOURCES PLANNING ACT—FINANCIAL ASSISTANCE TO STATES

SEC. 300. Section 301 of the Water Resources Planning Act (42 U.S.C. 1962c) is amended as follows:

(1) in subsection (a) by striking out "fiscal years 1977 and 1978, $5,000,000 in each such year for grants to States to assist them in developing and participating in the development of comprehensive water and related land resources plans." and inserting in lieu thereof "the next fiscal year beginning after the date of enactment of this Act, and for the four succeeding years thereafter, sums adequate to provide up to $200,000 annually to each of the several States to assist each State in developing a comprehensive State water plan in coordination with national and regional or river basin water resources plans. Such sums are to be made available on the basis of two dollars of Federal funds to one dollar of State matching funds.";

(2) by redesignating subsection (b) thereof as (c); and

(3) by adding a new subsection (b) thereof to read as follows:

"(b) Of those sums authorized to be appropriated for grants to the several States by subsection (a) of this section, wherever such sums are not so utilized, they shall remain available to match, on a dollar for dollar basis, funds made available by any State to meet the expenses of additional planning activities not adequately provided for in subsection (a) of this section.";

(4) in subsection (b) thereof, by inserting "under section 208 of the Federal Water Pollution Control Act Amendments of 1972, and" immediately after "section 701 of the Housing Act of 1954 and".

SEC. 301. Section 302 of the Water Resources Planning Act (42 U.S.C. 1962c–1) is hereby repealed.

SEC. 302. Section 303 of the Water Resources Planning Act (42 U.S.C. 1962c–2) is amended as follows:

(1) in paragraph (1) thereof, by striking out "comprehensive planning with respect to" and inserting in lieu thereof "the development of a comprehensive State water resources plan, which includes but is not limited to consideration of,"; and

(2) in subsection (2) thereof, by adding "or under section 208 of the Federal Water Pollution Control Act Amendments of 1972," after "1965,".

SEC. 303. The Water Resources Planning Act (42 U.S.C. 1962) is further amended by adding at the end thereof a new section as follows:

"SEC. 405. Notwithstanding any other provision of law, Federal appropriations for all resource planning studies to be conducted by and through the Council shall be made to the Council and the Council shall be responsible for assigning studies and apportioning funds: *Provided*, That for Level B studies and other studies administered by a river basin commission such funds shall be assigned through the Council to said river basin commission.".

SEC. 304. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(105) Chairman of the Water Resources Council.".

SEC. 305. Unless otherwise so specified, the provisions of this Act shall become effective October 1, 1977.

Mr. HATFIELD. Mr. President, I am pleased to join with the distinguished Senator from Idaho (Mr. CHURCH) and the distinguished Senator from Washington (Mr. JACKSON) in cosponsoring the Water Resources Planning and Research Assistance Amendments Act of 1977.

In my judgment, this Nation faces very serious questions with regard to future patterns of water use and conservation. We need to insure that we have the framework necessary to assist in making those decisions and this legislation would go a long way in providing that framework. It builds upon past legislation to elevate the Water Resources Council into the Executive Office of the President, a change which should bring about better coordination of water resource planning efforts among the Federal agencies. In addition to upgrading water resource planning at all levels, important increases in water resources research programs is provided by this legislation.

I am convinced of the need for the Congress to address water resource issues in a comprehensive manner soon. We need to learn more about the impact of the development of energy resources on water supplies for agriculture and other purposes. While I come from a State which is sometimes thought of as a water-surplus area, I would point out to my colleagues that there simply are no water-surplus regions in the Nation and cannot be until we learn more about the utilization of this key resource in all regions. Recent studies in the Pacific Northwest indicate that much more remains to be done to irrigate the arid lands there for agricultural purposes.

The legislation we are introducing today provides the Congress with a starting point for consideration of one of the most important and pervasive resource issues in this country. I hope that hearings can be scheduled soon so that we can take a comprehensive look at water resource policy and its implications on other resource use and conservation.

By Mr. KENNEDY (for himself and Mr. STEVENS):

S. 187. A bill to establish a program to revitalize the U.S. commercial fishing industry; to the Committee on Commerce.

COMMERCIAL FISHING INDUSTRY REVITALIZATION

Mr. KENNEDY. Mr. President, this Congress made a significant commitment to the revitalization of the American fishing industry when it overwhelmingly passed legislation establishing an interim 200-mile fishing zone for the United States. That law has two principal aims: First, to protect the fish stocks jeopardized by the overfishing practices of foreign nations, and second, to insure for our domestic fishermen an opportunity to rebuild their own industry. The bill that I introduce today for myself and Senator STEVENS is the second step that Congress must take, using existing funds and an existing framework to assure the revitalization of the American fishing industry.

The bill which we introduce today provides that 100 percent of tariffs on imported fish products and fines collected under the Fishing Conservation and Management Act of 1976 will be utilized by the regional councils set up to implement the 200-mile limit for grants, loans, and loan guarantees for fishermen in their region. At the present level of imports, this could mean over $3 million annually would be available to the New England council for assistance to the fishing industry, in addition to a share of the fines resulting from violations of the 200-mile limit.

At the present time, 30 percent of tariffs collected on fish products imported into the United States are transferred into the Saltonstall-Kennedy fund which was intended by the Congress under the leadership of Senators Leverett Saltonstall and John F. Kennedy to used primarily for increased marketing opportunities for American fish producers. Over the years, the original intent of the Congress has been ignored as these additional funds were used to replace the operating budget of the National Marine Fisheries Service. We fully intend to pursue full funding for the excellent programs administered by NMFS while we insure that the tariffs funds are used as originally intended to provide additional assistance to the fishing industry in the United States which has been devastated by the overfishing practices of foreign fishing nations.

The legislation we have drafted will assure that these funds collected on imported fish will go directly to the regional councils for those programs which have the highest priority for the renewal of the fishing industry in that area of the country. In New England, the replacing of old and inefficient vessels and equipment and the industry's ability to deal with spiraling insurance rates will undoubtedly be major concerns over the next several years as the industry begins to grow. The New England Regional Fisheries Management Council could determine to spend all of its resources available under this act to meet these problems.

Senator STEVENS and I recognize that the implementation of the 200-mile-limit fishing zone will not solve all the problems of the fishing industry. The legislation we cosponsor is the logical second step in the process of revitalizing America's oldest industry. We look forward to hearing from all our fishermen who helped us so much in perfecting the 200-mile-limit bill for their suggestions on this bill. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 187

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Kennedy-Stevens Commercial Fishing Industry Revitalization Act of 1977.

SEC. 2. FINDINGS.

(a) The Congress finds and declares the following:

(1) The commercial fishing industry constitutes a major source of employment and contributes significantly to the welfare of the Nation, including that of the many coastal areas whose economies are highly dependent upon fishing.

(2) Competition from uncontrolled foreign overfishing off the coasts of the United States has severely retarded the growth of the United States fishing industry, by depleting the stocks of fish and creating an unfavorable investment climate. As a result of such fishing activity, the United States is not capable of efficiently harvesting many fisheries off the Nation's coasts.

(3) The Fishery Conservation and Management Act of 1976 provides for conservation and management of the fisheries, and proper supervision of foreign fishing activities, but direct Federal financial assistance is needed to modernize and improve the United States fishing fleet sufficiently to enable it to compete successfully with foreign fishing fleets and meet American requirements to displace foreign fleets from the fishery resources of the United States.

(b) It is therefore the purpose of the Congress in this Act to dedicate certain revenues to the revitalization of the United States fishing industry, so that United States fishermen can fully utilize all of the fishery resources of the Nation.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) The term "aquaculture and hatchery facilities" means any facility used, or capable of being used, for—

(A) the culture or husbandry of aquatic animals or plants by private industry for commercial purposes, or by public agencies, State, or local governments for scientific purposes; or

(B) the culture and growing of fish by private industry, public agencies, or a State or local government, for the purpose of creating or augmenting publicly owned and regulated stocks of fish in streams or rivers.

(2) The terms "Council" and "Regional Fishery Management Council" mean any of the Regional Fishery Management Councils established pursuant to section 302 of the Fishery Conservation and Management Act of 1976. The term "Councils" means all of the Regional Fishery Management Councils so established, considered collectively.

(3) The term "fully utilized", with respect to a fishery, means that the amount of fish harvested by United States fishermen is equal to the optimum yield of such fishery.

(4) The term "Fund" means the Fishing Industry Revitalization Fund established pursuant to section 2 of the Saltonstall-Kennedy Act, as amended (15 U.S.C. 713c–3).

(5) The term "optimum yield" has the meaning prescribed for such term in section 2 of the Fishery Conservation and Management Act of 1976.

(6) The term "Secretary" means the Secretary of Commerce.

(7) The term "unutilized", with respect to a fishery, means that United States fishermen do not harvest any of the stocks within such fishery.

(8) The term "underutilized", with respect

to a fishery, means that United States fishermen harvest some, but less than the optimum yield of, the stocks within such fishery.

SEC. 4. AMENDMENT OF THE SALTONSTALL-KENNEDY ACT AND RELATED LEGISLATION

(a)(1) The Saltonstall-Kennedy Act (15 U.S.C. 713c-3) is amended to read as follows:

"SEC. 2. (a) There is appropriated for each fiscal year, beginning with the fiscal year commencing January 1, 1977, an amount equal to 100 percent of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals and any products thereof, including processed and manufactured products) during the calendar year which includes the first day of the fiscal year involved. Such amounts shall be maintained in a separate fund in the Treasury of the United States to be known as the "Fishing Industry Revitalization Fund". All funds in the Fishing Industry Revitalization Fund shall be made available by the Secretary of Commerce to the Regional Fishery Management Councils established pursuant to title III of the Fishery Conservation and Management Act of 1976. Such Councils shall use such sums to carry out the Kennedy-Stevens Commercial Fishing Industry Revitalization Act of 1976 and for no other purpose.".

(b) There is futher appropriated for each fiscal year, beginning with the fiscal year commencing October 1, 1976, an amount equal to the penalties, fines, and forfeitures assessed pursuant to section 308, 309, and 310 of the Fishery Conservation and Management Act of 1976 collected during the calendar year which includes the first day of the fiscal year involved. Such amounts shall be deposited and maintained in the 'Fishing Industry Revitalization Fund'.".

(2) The amendment made by paragraph (1) of this subsection shall take effect October 1, 1976.

(b) Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) is amended by striking out the period at the end of the first sentence and inserting in lieu thereof the following: "; except that, beginning with the fiscal year commencing January 1, 1977, the provisions of this section shall not apply to duties collected under such laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals and any products thereof, including processed and manufactured products).".

(c) The amendments made by this section shall not be construed to indicate any intent on the part of Congress to reduce the amounts of funds appropriated annually for the use of the National Marine Fisheries Service.

SEC. 5. ALLOTMENT OF FUNDS FOR COMMERCIAL FISHING INDUSTRY REVITALIZATION.

The Secretary shall, for each fiscal year commencing on or after January 1, 1977, allot to each Council a proportion of the amount appropriated for such fiscal year pursuant to the Saltonstall-Kennedy Act (15 U.S.C. 713c-3). Each such allotment shall be determined in accordance with rules which the Secretary shall promulgate (and may thereafter revise) within 120 days after the date of enactment of this Act. Such rules shall provide that the amount of each Council's allotment under this section shall be based upon the Secretary's determination as to—

(1) the potential value of the fish which could be harvested by United States fishermen in any unutilized and underutilized fishery within the geographical area of authority of such Council; and

(2) the potential reduction in the per unit cost to United States fishermen of harvesting fish in any fully utilized fishery within the geographical area of authority of such Council.

Funds allotted to a Council under this section shall be used by such Council solely for purposes authorized by this Act, and no such funds may be used to pay any administrative expenses of such Council or of the Secretary except administrative expenses incurred directly in administering the provisions of this Act. Any unutilized portion of any such allotment shall remain available without fiscal year limitation. The allotments to the Councils under this section shall be in addition to and not in substitution for any other appropriations authorized for activities of the Councils, the National Oceanic and Atmospheric Administration, or any unit of such Administration.

SEC. 6. AUTHORITY OF THE REGIONAL FISHERY MANAGEMENT COUNCILS.

(a) Each Council may provide financial assistance in the form of grants and loans, from funds allotted to it under section 5 such financial assistance shall be provided in accordance with this title for the sole purpose of carrying out approved programs or projects which are likely to increase the efficiency or otherwise improve the capability of United States commercial fishermen and of the United States commercial fishing industry to harvest, process, and market fish and fish products.

(b) The Secretary shall, subject to the provisions of subsection (c) and rules and regulations, guarantee, or enter into commitments to guarantee, the payment of interest on, and the principal amount of, any loan or other evidence of indebtedness the proceeds of which are used to carry out any program or project approved under subsection (a). In developing rules and regulations under this subsection, the Secretary shall, to the extent practicable, request the views of, or consult with, the councils and appropriate persons knowledgeable or interested in the fishing industry including the Councils.

(c)(1) Loans or other evidences of indebtedness guaranteed under subsection (b) shall be guaranteed on such terms and conditions as the Secretary shall prescribe, except that—

(A) no guarantee shall be made unless the indebtedness involved will be completely amortized within a reasonable period, not to exceed 30 years;

(B) no guarantee shall be made unless the Secretary determines that such loans or other evidences of indebtedness will—

(i) be issued only to investors who meet the requirements prescribed by the Secretary, or, if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(ii) bear interest at a rate found not to be excessive by the Secretary; and

(iii) contain, or be subject to, repayment, maturity, and other provisions which are satisfactory to the Secretary;

(C) the approval of the Secretary of the Treasury shall be required with respect to any such guarantee, unless the Secretary of the Treasury waives such approval; and

(2) The full faith and credit of the United States is pledged to the payment, under paragraph (5), of any default on any indebtedness guaranteed under subsection (b). Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation involved for such guarantee, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation, except for fraud or material misrepresentation on the part of the holder, or known to the holder at the time acquired.

(3) The Secretary shall prescribe and collect fees in connection with guarantees made under subsection (b). These fees may not exceed the amount which the Secretary estimates to be necessary to cover the administrative costs pertaining to such guarantees.

(4) The interest paid on any obligation which is guaranteed under this section and which is received by the purchaser thereof (or the purchaser's successor in interest), shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954.

(5)(A) Payments required to be made as a result of any guarantee made under subsection (b) shall be made by the Secretary from sums appropriated to the Fund or from moneys obtained from the Secretary of the Treasury pursuant to paragraph (6).

(B) If, there is a default by any person receiving financial assistance in any payment of principal or interest due under a loan or other evidence of indebtedness guaranteed by the Secretary under subsection (b), any holder of such loan or other evidence of indebtedness may demand payment by the Secretary of the unpaid interest on and the unpaid principal of such obligation as they become due. The Secretary, after investigating the facts presented by the holder, shall pay to the holder the amount which is due such holder, unless the Secretary finds that there was no default by such person or that such default has been remedied.

(C) If the Secretary makes a payment to a holder under subparagraph (B), the Secretary shall—

(i) have all of the rights granted to the Secretary or the United States by law or by agreement with the obligor; and

(ii) be subrogated to all of the rights which were granted such holder, by law, assignment, or security agreement between such holder and the obligor.

The Secretary may accept, in complete or partial satisfaction of any such rights, a conveyance of property or interests therein. Any property so obtained by the Secretary may be completed, maintained, operated, held, rented, sold, or otherwise dealt with or disposed of on such terms or conditions as the Secretary prescribes or approves. If, in any case, the sum received through the sale of such property is greater than the amount paid to the holder under subparagraph (B) plus costs, the Secretary shall pay any such excess to the obligor.

(D) The Attorney General shall, upon the request of the Secretary, take such action as may be appropriate to enforce any right accruing to the Secretary or the United States as a result of the making of any guarantee under subsection (d)(2). Any sums received through any sale under subparagraph (C) or recovered pursuant to this subparagraph shall be paid into the Fund.

(6) If the moneys available to the Secretary are not sufficient to pay any amount which the Secretary is obligated to pay under paragraph (5), the Secretary shall issue to the Secretary of the Treasury notes or other obligations (only to such extent and in such amount as may be provided for in appropriation Acts) in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury prescribes. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States on comparable maturities during the month preceding the issuance of such notes or other obligations. Any sums received by the Secretary through such issuance shall be deposited in the Fund. The Secretary of the Treasury shall purchase any notes or other obligations issued under this paragraph, and for this purpose such Secretary may use a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under that Act are

extended to include any purchase of notes or other obligations issued under this paragraph. The Secretary of the Treasury may at any time sell any of the notes or other obligations so acquired under this paragraph. All redemptions, purchases, and sales of such notes or other obligations by the Secretary of the Treasury shall be treated as public debt transactions of the United States.

SEC. 7. ADJUSTMENT ASSISTANCE.

If the Secretary, upon petition and after an investigation, finds that any person receiving financial assistance under section 6 is unable to meet such person's obligations pursuant to a loan guarantee made under such section, the Secretary may take any of the following actions.

(A) Modify appropriately the terms and conditions of such loan or guarantee.

(B) Refinance such loan.

(C) Make a supplemental loan to such person the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee.

(D) Make a grant to such person the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee.

SEC. 8. APPROVAL OF ASSISTANCE FOR PROGRAMS AND PROJECTS.

Any person (including a governmental entity) may apply for financial assistance under section 6 for any program or project which is likely to increase the efficiency or otherwise improve the capability of United States commercial fishermen, including the harvesting, processing or marketing capability of the United States commercial fishing industry. Each application for such assistance shall be prepared in such form and shall include such content as the Secretary prescribes by regulation. Each such application shall be submitted and acted upon pursuant to the following provisions:

(1) The application shall be submitted to the appropriate Council.

(2) The Council involved shall refer the application to the appropriate committee or panel of such Council (established pursuant to section 302 of the Fishery Conservation and Management Act of 1976) for study, evaluation, and a recommendation as to whether the program or project described in such application should be approved, disapproved, or approved with specified modifications. Such committee or panel shall report thereon to such Council as soon as practicable after such referral.

(3) Upon receipt of a report prepared under paragraph (2), the Council involved shall consider such report and any other information and shall determine whether to approve the application involved, in whole or part. Each application so approved shall be submitted to the Secretary, with a recommendation that the Secretary approve the program or project therein described as approved by such Council.

(4) If the Secretary disapproves any proposed project or program submitted under paragraph (3) by a Council, the Secretary shall return the application involved to such Council together with the reasons for such disapproval.

(5) Upon receipt of any returned application under paragraph (4), the Council involved may—

(A) prepare a new program or project description correcting the deficiencies delineated by the Secretary and may resubmit such application as so redrafted to the Secretary with a recommendation that it be approved by the Secretary; or

(B) request that the Secretary schedule a hearing, in accordance with section 553 of title 5, United States Code, following which the Secretary shall determine the validity of the program or project described in such application.

(6) The review of the Secretary under paragraph (4) or (5) shall be limited to determining whether or not the program or project involved is consistent with the purpose of this Act and not duplicative of any existing program or project.

SEC. 9. REGULATIONS GOVERNING PROGRAMS AND PROJECTS.

The Secretary shall promulgate such regulations governing programs and projects carried out pursuant to this Act as the Secretary determines necessary to carry out the purpose of this Act and to protect the financial interests of the United States. Such regulations shall include provisions for—

(1) such fiscal control and fund accounting procedures (by each Council and each recipient of assistance under section 6 and 7) as may be necessary to assure proper disbursement of, and accounting for such funds;

(2) such reports from each Council and recipient of assistance under sections 6 and 7, in such form and containing such information as the Secretary may reasonably require to determine the extent to which funds allotted and provided under this Act have been effective in carrying out the purpose of this Act; and

(3) such additional staff as the Councils need to carry out the purpose of this Act.

SEC. 10. STAFF AND ADMINISTRATION.

Except as otherwise provided, the provisions of section 302(f) of the Fishery Conservation and Management Act of 1976 (relating to staff of, and administrative services for, the Councils in carrying out their functions under such Act) shall also apply to the functions of the Councils under this Act. The Secretary shall, by rule in accordance with section 553 of title 5, United States Code, authorize the Councils to employ, and shall compensate, such additional personnel thereof as are necessary and appropriate to carry out the functions of the Councils under this Act.

Mr. STEVENS. Mr. President, I thank my colleague Mr. KENNEDY for his kind words. He and I are today filing a bill which I believe will be a landmark in the history of American commercial fishing. The Kennedy-Stevens Act is a legislative proposal to revitalize the floundering American commercial fishing industry through the use of regionally controlled financial assistance funded from the import duties on fisheries products.

Over the last 20 years the increase in foreign fishing activity off the coast of the United States has decimated our stocks of commercial fish. Some 14 species are listed as depleted and a host of others are fully utilized by foreign fishermen. Destruction of the stocks off the U.S. coast naturally enough has lead to a decline in the investment climate for commercial fishing operations. In many parts of the country, such as my home State Alaska, foreign capital has been used to fill the void created by lack of investment from American sources. It is our hope that this legislation will act in part as an investment incentive for major sources of private sector American capital.

The efficiency of foreign fishing fleets is overwhelming. Two and three hundred foot highly mechanized trawlers scour the ocean bottom for fish. These trawlers off-load their catch onto huge mother ships the size of oceanliners which process and freeze its produce. The nets of ocean-going foreign commercial fishing vessels often extend 10 miles in length. The technology employed by such vessels is highly sophisticated and the amount of investment capital required to reach such a state of the art is enormous.

In order for American fishermen to become competitive with foreign fishermen, they must learn to fish more efficiently. They must learn to employ new fishing techniques and must develop new types of fishing equipment and mechanized processing plants. At the present time, the private sector is unwilling to make the necessary investments in research and development and capital construction costs to meet this objective.

I believe that fishing, like so many other ocean industries, holds tremendous potential for the future. Last year off my home State the Japanese, Soviets, and Koreans accumulatively harvested almost 3 billion pounds of pollock, a species of fish not harvested by Americans. The harvest of pollock could be a $100 million a year fishing industry. One of the primary purposes of this legislation is to enable American fishermen to develop the capacity to harvest, process, and market species such as pollock.

I wish to point out that this is not an industry subsidy bill. This legislation creates a fund, administered by the Secretary of Commerce, which the regional councils, created under the Fishery Conservation and Management Act of 1976, can draw upon for use in industry enhancement projects. These projects must improve either the capability of the United States to harvest, process, and market underutilized species, or increase U.S. efficiency in harvesting, processing, or marketing fully utilized species. Increasing the capacity of American fishermen to use the resources off the coast of the United States is the objective of this legislation. I am sure that the taxpayers will be happy to know that no general revenue funds will be used by this proposal. All of the projects funded under this bill are done so through the use of import taxes already levied on fisheries products. Incidentally, last year the U.S. trade deficit in fisheries products was $1.5 billion.

The programs funded under this proposal would be in addition to and not in lieu of the excellent work currently conducted by the National Marine Fisheries Service. This legislative proposal would in no way diminish the need for broad national programs such as those carried out by the Fisheries Service and I intend to see that the programs carried out by that agency continue to be fully funded.

Mr. President, this legislation reflects the high quality of work which can result when Members from both sides of the aisle sit down in full cooperation with one another to work out legislative proposals on a bipartisan effort. It has been a pleasure for me and my staff to work with Senator KENNEDY and his people in the construction of this legislative proposal. I particularly would like to thank Mary Murtagh of Senator KENNEDY's staff for her tremendous assistance in the preparation of this bill.

Mr. President, I would urge each of my colleague here in the Senate to support this legislation.

By Mr. KENNEDY (for himself and Mr. BROOKE):

S. 188. A bill to establish the Boston Harbor National Recreation Area in the Commonwealth of Massachusetts; to the Committee on Interior and Insular Affairs.

BOSTON HARBOR ISLANDS RECREATION AREA

Mr. KENNEDY. Mr. President, I am introducing today for myself and Senator BROOKE legislation to establish the Boston Harbor Islands Recreation Area. Similar legislation is being introduced in the House of Representatives by Congressman JOE MOAKLEY.

Boston Harbor includes 47 square miles of water, 180 miles of shoreline and 30 islands. Three million people live within 25 miles of the Harbor, and since 1965 a concerted effort has been made at all levels of government to restore Boston Harbor Islands to these citizens for their use and enjoyment. Congressman JOE MOAKLEY, who is introducing identical legislation in the House of Representatives, began the struggle to preserve and protect these Harbor Islands in the Massachusetts Legislature by securing passage of State legislation to acquire the islands.

Since that time, the Massachusetts Area Planning Council completed its comprehensive report on the recreational potential of the islands and proposed plans on how to achieve the revitalization of the Harbor. Efforts to clean up the Harbor and its waters are being accelerated.

The Environmental Protection Agency and the Commonwealth recently announced agreement on a 10-year, $800 million construction program to improve water pollution control facilities, representing the largest single water pollution control effort ever undertaken in the New England area.

Only two additional items are needed to make the Boston Harbor National Park a reality—a coordinated commission with sufficient authority to develop a comprehensive plan for the recreation area and adequate funding to implement such a plan.

At the present time, at least 17 agencies of Federal, State, and local government have jurisdiction over aspects of the harbor or the islands. While all of these agencies are anxious to assist in restoring the harbor, a unified and coordinated authority is critical to avoid a piecemeal approach to the problems of the harbor. The legislation we introduce today establishes a commision which will be responsible for harmonizing these programs and developing a comprehensive plan.

As our distinguished colleagues in the Senate will recognize, there is a national interest in providing funding to establish the Boston Harbor Recreation Area because of its location in the densely populated area of the east coast where the opportunities for the Federal Government to assist in developing recreational facilities is so limited by lack of available space.

The legislation we submit today is a blueprint on which we hope all the elected officials, Government agencies, and citizens neighboring the harbor will sketch their hopes and their plans. We look forward to working closely with all of these concerned groups and individuals to refine and perfect this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND STATEMENTS OF POLICY

SECTION 1. The Congress finds and declares—

(a) that the Boston Harbor area including the Boston Harbor Islands, in the Commonwealth of Massachusetts, possesses unique scenic, natural, cultural, historic, and recreational values and resources;

(b) that there is a national interest in preserving and enhancing these unique values and resources for the present and future well-being of the Nation and for present and future generations;

(c) that the present, State, regional, and local authority and funding capabilities are inadequate to insure the preservation and enhancement of the values and resources of said islands, and it is in the national interest to establish a new system to assist the Commonwealth of Massachusetts, regional agencies, and local governments to preserve and manage the values and resources of the Boston Harbor area and the Boston Harbor Islands;

(d) that the key to more effective preservation and conservation of the unique resources and values of the Boston Harbor area and the Boston Harbor Islands is a program encouraging coordinated action by the Federal and State Governments to assist local governments to administer sound management policies regulating and guiding development in the Boston Harbor area and on the Boston Harbor Islands;

(e) that such a new system for the protection and management of the values and resources of the islands requires the establishment by the Commonwealth of Massachusetts of a Boston Harbor Commission to give effect to the trust relationship;

(f) that because expanded access to the Boston Harbor Islands is crucial to the development of the Boston Harbor area as a recreational area for the Nation, any plan for the development of the Boston Harbor National Recreation Area must include provisions for expanded access to and between the Boston Harbor Islands, including such shoreline, island, and water facilities as are needed to encourage public visitation of the islands.

SEC. 2. The purposes of this Act are (1) to provide for the preservation of the outstanding natural features and the land and water resources of the Boston Harbor Area including the Boston Harbor Islands, and (2) to provide adequate recreation facilities and opportunities for the people of the Boston Metropolitan area and the Nation.

SEC. 3. There is hereby established the Boston Harbor National Recreation Area (hereinafter referred to as the "recreation area"). The boundaries of the recreation area shall be Boston Harbor, from Winthrop to Hull, Massachusetts, its shores and its islands.

SEC. 4. PLANNING COMMISSION.—Within one year of enactment of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish a planning commission for the recreation area (hereinafter referred to as the "Commission").

SEC. 5. The Commission shall be composed of not more than 25 members appointed by the Secretary from recommendations submitted to him by the Governor of the Commonwealth of Massachusetts and the chief executive officers of such local units of government, including counties and municipalities, which have jurisdiction over the recreation area: *Provided*, That the Secretary shall insure in representation, a balance of members who will be responsive to the natural, historical, aesthetic, cultural, and recreation needs of the Boston Harbor area. The Secretary shall designate a member of the Commission to serve as Chairman.

SEC. 6. The Governor of the Commonwealth of Massachusetts may recommend for membership on the Commission, the members of any commission established under state law whose purposes are the same as those outlined in Section 2 of this Act, in lieu of the commission otherwise to be established pursuant to Section 5 of this Act.

SEC. 7. The function of the Commission shall be to develop a plan for the development of the Boston Harbor National Recreation Area.

SEC. 8. The plan shall include, but need not be limited to—

(a) recommendations for the development of public recreational facilities, including but not limited to visitor center, picnic, swimming, and camping facilities;

(b) provision for the preservation and conservation of significant natural resource areas;

(c) provision for expanded access to and between the Boston Harbor Islands for the public, including plans for such shoreline, islands, and water facilities as may be necessary to provide frequent and inexpensive access to the islands;

(d) identification of the units of State or local government which will be responsible for implementing the Plan: *Provided*, That the plan may not propose an expenditure of Federal funds greater than $20,000,000 exclusive of funds available under existing federal programs.

SEC. 9. The Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

SEC. 10. (a) Members of the commission who are employees of a State or local government shall serve without additional compensation as such. All other members may, if a commission so votes, receive $50 per diem when actually engaged in the performance of the duties of the commission.

(b) The Secretary shall reimburse all commission members for necessary travel and subsistence expenses incurred by them in the performance of the duties of the commission.

(c) Financial and administrative services (including those related to payment of compensation, budgeting, accounting, financial reporting, personnel, and procurement) shall be provided by the Secretary from the funds appropriated to carry out the provisions of this Act.

(d) The commission shall have the power to appoint and fix the compensation of such additional personnel, including experts and professionals, and for such temporary and intermittent services as may be necessary to carry out their duties, without regard to the provisions of the civil service laws and the Classification Act of 1949, and they shall have the power to hold hearings and administer oaths.

(e) The commission shall act by affirmative voter of a majority thereof. Vacancies

shall be filled in the same manner as the original appointment.

SEC. 11. (a) The commission within six months of being established, shall submit its plan to the Secretary who shall within one hundred and twenty days of the day it is received by him, either approve or disapprove it.

(b) The Secretary shall approve the plan if he finds that (1) the commission has afforded adequate opportunity for public comment on the plan, and such comment was received and considered in the plan or revision as presented to him; (2) State and local units of government identified in the plan as responsible for implementing any portion of its provisions have the necessary legislative authority to do so, and the chief executive officers of the State and local units of government have indicated their commitment to utilize such authority in accordance with the program established by the commission; (3) the plan will preserve the unique scenic, natural, cultural, historic and recreational values of the Boston Harbor area including the Boston Harbor Islands; and (5) the plan includes adequate provisions for expanded and sufficient public access to and between the Boston Harbor Islands to insure expanded public use of the Boston Harbor area and the Boston Harbor Islands.

(c) If the Secretary disapproves the plan, he shall advise the commission of the reasons therefor and convey his recommendations for revision. The revision may be resubmitted to the Secretary for his approval.

(d) Upon approval of the plan, the Secretary shall publish a notice thereof in the Federal Register and shall transmit copies of the plan together with his comments to the President of the Senate and the Speaker of the House of Representatives.

(e) No substantial revision to the plan may be made without the approval of the Secretary.

SEC. 12. Upon approval of the plan, the Secretary shall make grants in the total amount of $20,000,000 to the State or local units of government identified in the approved plan for the recreation area as having responsibility for implementing its provisions. Such grants shall be made upon application of such State or local units of government, shall be supplemental to any other Federal financial assistance for any purpose, and shall be subject to such reasonable terms and conditions as the Secretary deems necessary to effectuate the purposes of this Act.

SEC. 13. There is hereby established a special account in the Treasury of the United States for the purpose of holding moneys to be used for grants, pursuant to section 12 of this Act, to the State or local units of government. There shall be covered into such special account, $20,000,000 from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462) as amended and or under the Act of June 4, 1920 (41 Stat. 813) as amended, which would be otherwise credited to miscellaneous receipts of the Treasury. Moneys covered into the account shall be used only for grants made pursuant to Section 12 of this Act and shall be available for expenditure only when appropriated therefor.

SEC. 14. APPROPRIATIONS.—There are authorized to be appropriated to defray the expenses of the Commission established pursuant to Section 3, including salaries and other expenses incident to the preparation of the plan, such sums annually as may be necessary, and for grants to the State and local units of government to implement a recreation area program approved pursuant to Section 11 of this Act, $20,000,000 from the special account created in Section 13 of this Act.

By Mr. HELMS:

Senate Joint Resolution 6. A joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

HUMAN LIFE AMENDMENT

Mr. HELMS. Mr. President, the highest level of moral culture is that at which the people of a nation recognize and protect the sanctity of innocent human life. All nations in which freedom and justice have governed the affairs of the people have upheld this principle, giving it the highest priority in their laws and customs. Indeed, this principle is the bedrock of Western civilization—the one principle, above all others, which has distinguished free and democratic systems from the barbaric regimes of the past and the totalitarian systems of today.

It is for this reason that abortion—the taking of innocent human life—has, until very recent times, been viewed as violative of this basic principle of the Western tradition. And it is no mere coincidence that the modern practice of abortion first appeared as a policy of government in Nazi and Communist dictatorships, where contempt for the dignity of human life is widely demonstrated.

Two hundred years ago, a great nation was founded on principles of human rights—the right of life, liberty, and the pursuit of happines. These are the lofty principles which appear in one of the most important documents in history, the Declaration of Independence of the United States of America. Three years ago, a dark shadow was cast over this document when the highest tribunal in the land, the Supreme Court, ruled that an unborn child in the womb is not a person entitled to the right to life, and may be deprived of life by the mother and her attending physican. The decision has thrown America into a moral crisis.

Between 1967 and 1970, a number of States adopted liberalized abortion laws. During 1971, 30 State legislatures considered repealing their respective statutes, and every State rejected such proposals. In 1972, Connecticut adopted a more restrictive law, and the New York Legislature repealed its liberal statute—an act which was subsequently vetoed by Governor Rockefeller. Also in 1972, Michigan and North Dakota rejected liberalized abortion by wide margins in popular referendums. Clearly, the American public had refused to continue to accept liberalized abortion and perhaps had even decided that the earlier acceptance of such laws had been premature. However, in 1973, the Supreme Court removed consideration of the issues involved in this national abortion debate from the States and the public by its rulings in Roe against Wade and Doe against Bolton. Because of the absolute position taken by the Court in the abortion cases and its rigid adherence to, and indeed expansion of, that position in its subsequent opinions, it has become obvious that only a constitutional amendment will restore legal protection to unborn children in the United States. Furthermore, only the amendment process will return the issue of abortion to the people for resolution through the ratification procedure.

II. THE SUPREME COURT ABORTION CASES

In Roe against Wade, the Supreme Court invalidated a Texas statute which prohibited abortions except those necessary to save the life of the mother. In its companion decision, Doe against Bolton, the Court similarly invalidated as too restrictive a liberal Georgia statute based upon the Model Penal Code of the American Law Institute. The Georgia statute permitted abortion in circumstances where:

(1) A continuation of the pregnancy would endanger the life of the pregnant woman or would seriously and permanently injure her health; or
(2) The fetus would very likely be born with a grave, permanent, and irremediable mental or physical defect; or
(3) The pregnancy resulted from forcible or statutory rape.

The Court ruled that the ability of the State to regulate abortion depends upon the stage of pregnancy at which such action is taken. During the first 3 months of pregnancy, a State may not interfere with the abortion decision of the woman and her physician. During the next 3 months the State may adopt regulations regarding the abortion procedure, but only in ways related to maternal health. Only during the final 3 months of pregnancy may the State regulate abortion except when such action would interfere with the health of the mother.

The Court then made such distinctions meaningless, as a practical matter, by defining the health of the mother to include her "psychological as well as physical well-being." And by further instructing that the medical judgment of the woman and her physician be made in light of the physical, emotional, psychological, familial, and age factors relevant to the well-being of the mother. In short, the Court's definition of health resulted in abortion on demand being elevated to a constitutional right.

The Court based its decision on the recently articulated constitutional right of privacy. In the majority opinion, Justice Blackmun wrote:

> This right of privacy, whether it be founded in the Fourteenth Amendment's concept of personal liberty and restrictions upon state action, as we feel it is, or . . . in the Ninth Amendment's reservation of rights to the people, is broad enough to encompass a woman's decision whether or not to terminate her pregnancy.

However, aside from the issue of the woman's right to privacy, the other constitutional issue raised in the abortion cases related to the life of the unborn child and its constitutional protection. In determining the constitutional standing of the unborn child, the Court laid great emphasis upon the fact that "no case could be cited that holds that a fetus is a person within the meaning of the 14th amendment." It was further impressed by the use of the word person in the Constitution, finding that "it has application only postnatally" and by its view of prevailing abortion practices during the 19th century. One analysis of the Court's reasoning outlined its holding and commented as follows:

> Since the text of the Constitution itself does not define unborn as persons; and since American anti-abortion laws were once less

restrictive than they became in the latter half of the nineteenth century; and since the courts have not before clearly upheld Fourteenth Amendment rights for the unborn—they do not have such rights.

Curious reasoning for the modern Supreme Court. Has it hesitated, in the areas of civil rights, busing, apportionment and any number of others, to find "rights" not explicitly mentioned in the Constitution; "rights" consistently abridged by any other court? The modern, activist Supreme Court has not hesitated to do all these things.

In part the Court reached its decision denying constitutional protection to the unborn upon its refusal to deal with the issue of the biological humanity of the unborn child. The Court maintained that—

We need not resolve the difficult question of when life begins. When those trained in the respective disciplines of medicine, philosophy, and theology are unable to arrive at any consensus . . .

Doctors, philosophers and theologians, however, are generally agreed that "to be willing to kill what for all we know could be a person is to be willing to kill it if it is a person." This is the essential conclusion of the Supreme Court's abortion cases and as such it foreshadows danger for other groups of human being whose humanity may at a future time be questioned by some advocates.

III. THE NEW LIBERTY UNDER THE 14TH AMENDMENT

The 14th amendment states that—

No State shall deny any person life, liberty, or property without due process of law.

For the past 50 years, the Supreme Court has been broadly interpreting the word liberty contained in that amendment to include the liberties guaranteed by the Bill of Rights. Through the so-called doctrine of incorporation, the Court has taken it upon itself to incorporate nearly all of the Bill of Rights into the word liberty of the due process clause of the 14th amendment. In this manner, the Court has succeeded in nationalizing the Bill of Rights so as to make its provisions applicable to the States.

What is disturbing about the doctrine of incorporation is that is not only undermines federalism and the grand design of the Bill of Rights, but it also permits the Court, on its own authority, to interpret the word liberty in any manner that it chooses. The Court has advanced beyond the stage of interpreting the word liberty in light of the liberties guaranteed by the Bill of Rights to the point where it is now fabricating new liberties not contained in the Constitution.

In the abortion cases, seven Justices on the Court argued that the word liberty in the due process clause establishes a right of privacy and that this includes the right to have an abortion. The basis for this interpretation of the word liberty cannot be inferred from the language of the Constitution. It cannot be inferred from the legislative history of the 14th amendment. It cannot be attributed to the social customs of the American people. The abortion decisions, as a Member of the Court itself declares, are simply an exercise in "raw judicial power."

JUDICIAL CREATION NOT INTERPRETATION

The justices themselves openly admitted that this new right of privacy was a judicial creation. Justice Blackmun wrote:

The Constitution does not explicitly mention any right of privacy.

Justice Douglas stated that—

There is no mention of privacy in our Bill of Rights.

Justice Stewart maintained:

There is no constitutional right of privacy, as such.

In his dissenting opinion, Justice White states:

The Court simply fashions and announces a new constitutional right for pregnant mothers.

Justice Rehnquist also dissented saying:

I have difficulty in concluding, as the Court does, that the right of "privacy" is involved in this case . . . Nor is the "privacy" which the Court finds here even a distant relative of the freedom from searches and seizures protected by the Fourth Amendment to the Constitution which the Court has referred to as embodying a right to privacy.

Many who support this type of judicial activism do so by maintaining that the Constitution is a living document and that the Court must be permitted to interpret it with the widest possible flexibility. To this proposition I respond by agreeing with Senator Sam Ervin that:

When they say the Constitution is a living document, they really mean that the Constitution is dead, and that activist justices as its executors may dispose of its remains as they please. I submit that if the Constitution is, indeed, a living document, its words are binding on those who pledge themselves by oath or affirmation to support it.

One essential problem confronting an activist judiciary is when to stop, once it is admitted that any activity can be viewed as a liberty under the 14th amendment. Did the framers and ratifiers of the 14th amendment intend to deny personhood to the unborn? Such an interpretation flies in the face of the facts. There is not an ounce of evidence to support such an interpretation. Indeed the widespread adoption of State laws regulating and prohibiting abortion and the later judicial interpretations of these statutes as intending to protect the lives of unborn children suggest that the framers of the 14th amendment felt that the provisions of that amendment were consistent with such legislation.

FOURTEENTH AMENDMENT PROTECTS HUMAN BEINGS

The Roe against Wade and Doe against Bolton decisions are not the first time in American legal history that a Supreme Court ruling opposed the social and moral customs of a majority in American society. It was little more than a century ago that the Supreme Court handed down the decision of Dred Scott against Sanford. Arrogating to itself the awesome power of deciding who is a person in our society, the Court ruled that the free descendants of slaves could never be citizens and that slaves were not even persons under the law.

Not every Member of the Court accepted this legal fiction; and Justice Benjamin Curtis deeply resented the attempt by the Court to impose an interpretation of the Constitution that was derived from nonlegal considerations. He stated that:

Political reasons have not the requisite certainty to afford rules of judicial interpretation. They are different in the same men at different times . . . we are under the government of individual men, who for the time being have power to deduce what the Constitution is, according to their own views of what it ought to mean.

After much bloodshed and death, the Dred Scott case was finally reversed by the 14th amendment. No one would have dreamed in 1868 that the life and liberty guaranteed to all persons by the due process clause of the 14th amendment meant the right to have an abortion. Similarly, no one would have imagined that an amendment designed to protect an oppressed minority in 1868 would be used in 1973 to remove another minority from the protection of the law.

Professor Joseph Witherspoon has observed that the intended reach of the 13th and 14th amendments would include the unborn child.

The legislative history of these two amendments fully demonstrates that the central purpose of their framers was, indeed, to protect every class of human beings, including unborn children, with respect to their rights to life, liberty, and the pursuit of happiness. They intended to establish a definition or concept of human beings based upon biological reality and common sense or scientific truth. In their view, whoever is a human being in fact is a human being or person in law protected by these two amendments.

The concept of person used in the Due Process and Equal Protection Clauses and the concept of human being embodied implicitly in the Thirteenth Amendment were precisely chosen or focused upon by these framers for the purpose of establishing this definition of the concept of person or human being, the two terms being thereafter wholly interchangeable with each other. It was their purpose by this definition to take away the power that had been exercised by legislatures, courts, chief executives, and administrative agencies in the past of treating or defining as a nonhuman being one who is a human being in fact or reality and by this sophisticated technique of legal devaluation divesting that human being of legislative and constitutonal protections designed for human beings.

Clearly the intent of these amendments is to protect those who are human beings in reality against the attempts to define away their personhood through legal abstraction or other techniques. The legislators who adopted these amendments had uncontradicted evidence before them that the fetus was indede a human being. In 1868, the very year in which the 14th amendment was submitted to the States for ratification, Dr. Horatio Storer wrote in his book, "Criminal Abortion," that—

Physicians have now arrived at the unanimous opinion, that the foetus in utero is alive from the very moment of conception . . . (T)he willful killing of a human being, at any stage of its existence, is murder . . . (A)bortion is, in reality, a crime against the infant, its mother, the family circle, and society.

Moreover, the abortion cases are not only a subversion of the Constitution,

they are also a subversion of our democratic system of government. They represent the Court's disregard for the customs of the American people and its willingness to impose its own view of wise social policy upon the people of this country, the States, and even the Congress. Abortion is not a social custom of the American people, nor has it ever been. The right to an abortion has never been held to be contained within the concept of ordered liberty implicit in the American tradition of justice.

IV. THE RADICALISM OF THE ABORTION DECISIONS AND THEIR AFTERMATH

Justice Byron White, in his dissent against the abortion decisions, described the Court's action as "raw judicial power." An analysis of the firmly established precedents overturned and the method used by the Court in accomplishing this end makes clear the full force of Justice White's statement. The sweeping language of the abortion decisions means that human life has less protection in the United States today than in any country in the Western World.

Western man has opposed abortion as far back as 1728 B.C., when the Code of Hammurabi was promulgated. The Oath of Hippocrites, which we trace to ancient Greece, requires the doctor who is entering the practice of medicine to swear that, "I will not give to a woman a pessary to produce abortion." The Mosaic Law of the Old Testament exacts a severe punishment for someone who injures a pregnant woman and causes her to lose her child. The contemporary writings of the early Christian communities, such as the Teaching of 12 Apostles, states that—

> You shall not slay the child by abortions. You shall not kill what is generated.

Early Christian writers such as Clement of Alexandria, Tertullian, Cyprian, John Chrysostom, Jerome, and Augustine all condemned abortion.

Although historically there has not always been universal agreement regarding the necessity to protect unborn human life from abortion, there has definitely been an emerging moral imperative to do so beginning with the codes of Hammurabi, Moses, and Hippocrites. True, the Greco-Roman world was not unfamiliar with abortion. But neither was it unfamiliar with slavery, infanticide, torture, tyranny, and other similar perversions of human nature. With the emergence of the Judeo-Christian view of the nature, value and equality of each person, society strongly embraced the notion that the unborn person in the womb must be protected. Prof. John Noonan, in his comprehensive analysis of the history of abortion describes this attempt to protect unborn human life as "an almost absolute value in history." It is not an exaggeration to view the historical development of society's treatment of abortion as one toward greater protection of the child as society's understanding of medicine and biology as well as its regard for the value and equality of each individual increased.

Significant contemporary moral theologians continue this tradition of opposition to abortion.

For example, Karl Barth in his "Church Dogmatics" for the Evangelical Church writes:

> The unborn child is from the very first a child. It is still developing and has no independent life. But it is a man and not a thing, not a mere part of the mother's body . . . He who destroys germinating life kills a man.

And Rev. Dietrich Bonhoeffer defended the sanctity of human life amidst the turmoil of Nazi Germany in his book, "Ethics":

> Destruction of the embryo in the mother's womb is a violation of the right to live which God has bestowed upon this nascent life. To raise the question whether we are here concerned already with a human being or not is merely to confuse the issue. The simple fact is that God certainly intended to create a human being and that this nascent human being has been deliberately deprived of his life. And that is nothing but murder.

In his opinion, Justice Blackmun analyzed English common law and statutory law as well as American case law and statutory law. Detailed and comprehensive critiques of Mr. Justice Blackmun's reading of history have been made by many constitutional scholars and I do not intend to repeat them at length here. The underlining thrust of the Court's argument is that abortion was a right in England beginning with the 14th century and in America during the 19th century and as such is so fundamentally established by social and legal custom as to be somehow contained in the Constitution. After a lengthy examination of the Court's reasoning, Robert Destro, writing in the California Law Review, states that abortion "was never a right recognized by the common law, it cannot be considered to be a ninth amendment right retained by the people. The newly created right to procure an abortion is the creature of the substantive due process arguments and erroneous interpretations of history relied upon by the Court in Roe; it is not a right which may be characterized as 'so rooted in the traditions and conscience of our people to be ranked as fundamental.'" Elsewhere, Mr. Destro writes:

> The cases do not support the Court's interpretation. The Court's uncritical acceptance of an advocate's interpretation of the common law only served to confuse the issues and to rest an important constitutional holding on an erroneous historical foundation.

EARLY AMERICAN STATUTES

The first modern statute in Anglo-American law prohibiting abortion was the English Act of 1803. The first American statutes against abortion appeared in the early 19th century: Alabama, 1841; Arkansas, 1838; Connecticut, 1821; Illinois, 1827; Indiana, 1835; Iowa, 1839; the Kingdom of Hawaii, 1850; Maine, 1840; Massachusetts, 1845; New Hampshire, 1848; New York, 1828; Vermont, 1846; Virginia, 1848. By the end of the 19th century, almost every State has adopted statutes regulating abortion. Although it was alleged by Justice Blackmun in his opinion in Wade that the primary reason for such regulation was the protection of the mother, a close examination leads one to agree with Prof. Robert Byrn "that a major purpose—of these statutes—was the protection of unborn children without regard to age." Among these early statutes, the one adopted by Colorado was not untypical. In 1872, the Supreme Court of Colorado held that its abortion statute was "intended specially to protect the mother and her unborn child from operations calculated and directed to the destruction of the one and the inevitable injury of the other."

Many of these early statutes were adopted as a result of the reform activity of medical societies eager to see the law reflect medical knowledge concerning the unborn child. In 1859, the American Medical Association spoke out against abortion as the "unwarrantable destruction of human life." In 1867, the New York Medical Society condemned abortion as "murder" regardless of the stage of gestation when the operation was performed.

On January 22, 1973, the people of all 50 States had statutes in force that regulated abortion. All of them, either in whole or in part, have suddenly become violations of the Constitution. A decision of the Court declaring an end to freedom of the press or the free election of the people's representatives would have as much basis in our legal heritage as the abortion decisions.

Some of the most notable constitutional scholars of the country have expressed shock and dismay regarding the reasoning employed by the Court in the abortion decisions. Prof. John Noonan of the University of California, Berkeley, has stated that—

> Nothing in long-established precedent, nothing in the traditions of our people, nothing in history justified the majority's interpretation of liberty.

John Hart Ely, Professor of Constitutional Law at the Harvard Law School, has declared that Roe against Wade is a "very bad decision. It is bad because it is bad constitutional law, or rather because it is not constitutional law and gives almost no sense of an obligation to try to be." Prof. Harry Wellington, Phelps Professor of Law at the Yale Law School, rightly insists that the Supreme Court had "no such mandate" from the Constitution to establish this peculiar "concept of liberty in the 14th amendment." Prof. Charles Rice of the Notre Dame Law School has stated that Roe against Wade is "the most outrageous decision ever handed down by the Court in its entire history."

Prof. Robert Byrn of the Fordham University Law School is of the view that the Court's decision was premised on "multiple and profound misapprehensions of law and history." And Prof. Archibald Cox of the Harvard Law School finds that the Court failed "to lift the ruling above the level of a political judgment." Prof. Joseph Witherspoon of the University of Texas Law School has stated that the abortion cases "are unquestionably the most erroneous decisions in the history of constitutional adjudication by the Supreme Court."

DANFORTH CASE A BLOW TO FAMILIES

The abortion cases have also had a profound and radical influence upon decisions of the Federal and State courts in such areas as the marital relationship, parental rights, state and local public welfare programs, and the congressional appropriation power.

In Planned Parenthood of Missouri against Danforth, the Supreme Court recently struck down as unconstitutional a Missouri law which required that the consent of the husband be obtained before his wife could undergo an abortion unless the operation was necessary to save her life and that the consent of an unmarried minor's parents be obtained before she could receive an abortion. The Court made clear that it considered Danforth "a logical and anticipated corollary to Roe against Wade and Doe against Bolton."

In deciding that the State may not constitutionally require the consent of the spouse or a parent as a legal condition for obtaining an abortion, the Court in effect ruled that the right of the mother to abort her child is superior to that of the child's right to life, the right of the father to protect his child and that of the State to protect human life. Indeed, the decision in Danforth would suggest that the right of the woman to take the life of her unborn child through abortion is a constitutionally superior right to any other interest or combination of interests. Prof. Francis Canavan summarized the Court's holding as follows:

The only admissible object of public policy, in the Court's jurisprudence, is protection of the mother's untrammeled right to decide on the life or death of her child. The law may show no bias in favor of life, even if the male parent wants to preserve it, but must zealously safeguard the female parent's right to kill it. But this legal indifference is a specious neutrality: a legal system that refuses to have, or is not allowed to have, a bias in favor of life winds up with a bias against it.

The Court's decision, however, reached beyond the issue of abortion and signaled a radical departure from traditional notions regarding the nature of the family. It marked the beginning of what could become a grave assault upon existing legal protection of marriage and the family.

The family as an independent institution within society, which in the past the State has sought to protect, simply was ignored by the Court in dealing with an issue which could only have a dramatic effect upon that relationship. In the Court's review, "(n)othing was involved but a conflict between individuals: wife against husband, unmarried minor against parent." Citing Eisenstadt against Baird, the Court stated that:

The marital couple is not an independent entity with a mind and heart of its own, but an association of two individuals each with a separate intellectual and emotional makeup. If the right of privacy means anything, it is the right of the *individual*, married or single, to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision whether to bear or beget a child.

This new constitutional standard leaves great doubt as to the constitutionality of much of the existing State regulation designed for the protection of the family. Indeed it is not unreasonable after Danforth to wonder whether the family does have continued legal existence, at least in those situations where an individual's action is sought to be limited to preserve the family unit. The treatment of marriage by the Court reflects a philosophy on the part of the Justices which views society as fundamentally atomistic. The radical autonomy and individualism of each citizen has displaced every other social institution except the power of the State.

The Court's opinion in Danforth, however, leaves unclear whether the right of the mother to bear her child is of equal superiority to her right of abortion. By substantially weakening the right of those who have traditionally protected the right to life in society, the Court's decision in Danforth when viewed in light of its prior holding on the abortion issue amounts to a questionable victory for individual liberty. In Roe against Wade, Justice Blackmun wrote:

Appellants and some *amici* argue that the woman's right is absolute and that she is entitled to terminate her pregnancy at whatever time, in whatever way, and for whatever reason she alone chooses. With this we do not agree . . . In fact, it is not clear to us that the claim asserted by some *amici* that one has an unlimited right to do with one's body as one pleases bears a close relationship to the right of privacy previously articulated in the Court's decision. The Court has refused to recognize an unlimited right to this kind in the past . . . *Buck* v. *Bell*, 272 U.S. 200 (1927).

The case relied upon by the Court in maintaining that the individual's freedom to control her own body is not an absolute right involved a young girl named Carrie Buck whom the State required to be sterilized under a law requiring the mandatory sterilization of mentally defective persons. The Supreme Court ruled that the State could require the girl's sterilization while Justice Oliver Wendell Holmes observed that in her family's situation "(t)hree generations of imbeciles are enough." The Court's reliance upon Buck surprised many constitutional scholars who thought that the opinion's viability as constitutional principle had long ago ended. This revival of the constitutionality of a State's use of coercive methods of birth control to implement a eugenics policy and reduce its public welfare expenditures perhaps foreshadows increased attempts by the State to mandate population controls.

The Court's opinion in Danforth results in the contradictory situation where the husband's objection to his wife's intended abortion is of no legal significance due to the current constitutional holding that the husband does not possess an interest in his unborn child and the child does not possess a right to life. Yet, in the situation where the husband does not agree with his wife's refusal to permit a blood transfusion to save the unborn child's life, he may petition the court to order such a transfusion on the basis of his interest in the child and supposedly also on the child's right to life.

FEDERAL COURTS CLAIM APPROPRIATION POWER

The right of the State to limit payments under its medicaid program to medically necessary abortions was not at issue in the Roe against Wade and Doe against Bolton cases. However, since those cases were decided, certain lower Federal courts have held that such restrictions are unlawful. These courts have in part held that the equal protection clause of the 14th amendment requires States which participate in the medcaid program to pay for abortions that are not medically necessary. The basis of the courts' rulings is that the State violates the equal protection clause by discriminatorily dividing pregnant women into two classes and then treating each class differently. The decisions rest upon a decision by the court that there is no difference between the State's financing medically necessary procedures and financing those which are elective and nontherapeutic. The courts' decisions amount to a determination that if any medical assistance for pregnancy is to be paid, then all medical assistance—even that which is not necessary—must also be paid. These decisions rest on a misapplication of the equal protection clause. That constitutional principle does not require that people in different situations be treated similarly. Treating welfare recipients who require medical assistance differently than those who want unnecessary treatment does not amount to a violation of the equal protection of the laws.

These cases deal with two broad groups of patients: those who require medical treatment and those who simply request treatment that is not medically necessary. The women seeking abortions form small segments of each group; and the State action in denying medical treatment for nontheraputic abortions is a result of a policy determination which applies equally to all recipients, including those requesting cosmetic surgery. Three of those cases are currently pending before the Supreme Court for a final determination of this issue.

During 1976, the Congress adopted a limitation on the use of Federal funds to pay for the performance of abortions under public welfare programs financed through the Department of Labor and the Department of Health, Education, and Welfare Appropriations Act. This limitation known as the Hyde amendment resulted from a compromise of the proposal originally submitted by Representative Hyde and stated that:

None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Immediately upon the Hyde amendment becoming law, an injunction was sought and granted in Federal district court prohibiting its enforcement. Although suits seeking to enjoin the Hyde amendment were filed in three Federal district courts, only one granted a preliminary injunction barring enforcement of the limitation.

Judge Dooling of the U.S. District Court for the Eastern District of New York entered an order enjoining the application of the Hyde amendment and mandated the expenditure of Federal matching medicaid funds for nonmedically necessary abortions just as before the enactment of the Hyde amendment. Judge Dooling ruled that the Hyde amendment amounted to an unconstitutional denial of the equal protection of the laws to women seeking elective abortions. Although his memorandum accompanying the injunction order was less than clear in specifically anchoring the decision to constitutional principle and Supreme Court holdings, Judge Dooling did cite the prior decision of his court, Klein against Nassau County Medical Center, in which he took part. There, the New York State Commissioner of Social Services ruled that "elective abortions not medically indicated" were not to be covered through New York's welfare program covered by medicaid. In Klein, the Federal district court ruled that such a restriction was unconstitutional. This reliance upon Klein signified a confusion of the regulatory action of a State commissioner with an appropriation of Congress. The Hyde amendment was incorporated into a 1 year appropriations measure.

It did not adjudicate, nor did it regulate. It did not prohibit any act or activity. It simply refused to appropriate money to be used for a specific purpose. To equate the appropriation power of Congress with an administrative agency's regulation is to brush away the central issue presented by the case.

Senator James Buckley, Representative HENRY HYDE and I intervened as party defendants to the New York suit on the grounds that as Members of Congress who voted for this limitation, we sought to protect this legislation from judicial nullification and to protect our interests as citizen-taxpayers. Like the Department of Justice, representing the Department of Health, Education, and Welfare, we argued essentially that the plaintiffs did not have standing to bring the suit since they could not show that the State welfare program would discontinue financing the performance of nontherapeutic abortions in the absence of Federal reimbursement. Specifically, the State of New York was already under a Federal court order to provide such funding whether or not Federal funds were available. However, we entered the case to put forward the independent argument that article I, section 9, clause 7 of the Constitution grants to Congress the exclusive power of appropriation and that a judicial invalidation of the Hyde amendment would amount to a judicial appropriation of funds in violation of the Constitution. Such an order could only amount to an unlawful attempt to appropriate funds from the Treasury which could not be sustained. We argued that in adopting the Hyde amendment:

> Congress made one inescapable fact absolutely clear: It was not appropriating, it refused to appropriate, any Federal funds for elective abortions. In brief, there has not been, and there is not now, any appropriation for the period October 1, 1976 through September 30, 1977, or funds for elective, nonmedically dictated abortions. It is beyond the competence of any court, State or Federal, to sit in judgment respecting the wisdom of Congress when Congress refuses to make appropriations.

It was also evident to us that if a Federal court could judicially appropriate money to subsidize a woman's right to have a nontherapeutic abortion, then the Federal judiciary would soon be asked to require that other constitutional rights also be subsidized by the Federal Government. A decision invalidating the Hyde amendment could only open the door to a radically new function for the Federal judiciary and, as such, would constitute a substantial injury to the authority of Congress and the separation of powers doctrine.

A NEW ABORTION MENTALITY

Recently, the impact of these court decisions was brought sharply into focus by a report by the District of Columbia that abortions among residents during 1975 in that city for the first time exceeded births. And that approximately 85 percent of those abortions were performed at Government expense through either the city's free public hospital or the medicaid program.

Dr. Louis Hellman of the Department of Health, Education, and Welfare has estimated that the Department is currently financing between 250,000 and 300,000 abortions annually at a cost of $45 to $50 million. Elsewhere, it has been estimated that about 275,000 unmarried teenagers obtained abortions during 1974, many of which were financed through the medicaid program. The Center for Disease Control in Atlanta reports that the national abortion ratio increased from 6.3 per 1,000 live births in 1969 to 241.6 in 1974, the latest year for which national figures are available.

One major consequence of the abortion cases is that the practice of abortion has shifted from one used essentially as a last resort, in the so-called hard cases, to a primary means of family planning. In fact, certain studies indicate that abortion on demand will replace other methods of family planning. For example, a study of the abortion trends at Harlem Hospital Center in New York City by members of its own Obstetrics and Gynecology Department found that in the years of 1962 through 1969, the number of abortions declined from 1,581 in 1962 to only 507 in 1969, the year before the implementation of the liberalized New York abortion statute. During the same time period, the number of family planning visits made by residents of the area increased from none in 1962 to 15,982 in 1969. The study itself concluded that "as family planning services expanded in our hospital and area, the number and severity of abortion cases declined significantly." Another study of abortion in Hawaii, the first State to adopt abortion on demand, found that most of the women obtaining abortions under the new statute "were using it as a primary means of birth control, rather than as a backup to failed birth control." This dramatic upsurge in the number of abortions indicates the emergence of a new abortion mentality. Elsewhere, it has been suggested that this "abortion mentality is a dangerous communicable disease—one that spreads throughout a country once the abortion laws have been liberalized." The symptoms of this social disorder consist of a swift increase in the abortion rate, the acceptance of abortion as a commonplace medical procedure of no more gravity than other means of family planning, and finally the subsequent decline in respect for human life. This new abortion epidemic is nothing less than "a revolution against the judgment of generations."

Prof. John Noonan has outlined the principal consequences of the abortion cases as follows:

> First, the subversion of the structure of the family in that a father now has no protectable legal interest in its unborn offspring; second, the mandated public funding of abortion; so it is unlikely that a national health bill can be enacted, which constitutionally excludes abortion from the surgical services to be federally financed; and third, and worst of all, the unmaking of human beings, the acceptance of the principle that the law can say who is not a human being. All of our constitutional liberties are nothing if we can be defined out of the human species.

V. A CONSTITUTIONAL AMENDMENT IS NECESSARY

Congress can respond to the abortion cases in one of three ways. Article III, section 2, of the Constitution authorizes Congress to regulate the jurisdiction of all Federal courts, including the Supreme Court. By ordinary legislative action, Congress could, therefore, withdraw Federal jurisdiction in all cases involving abortion statutes and allow State supreme courts to be the courts of final jurisdiction.

However, this would only provide an incomplete remedy, since all prior Federal court decisions would remain in force as precedent; and some State courts could be expected to adopt the reasoning of the Supreme Court in its abortion decisions and, therefore, thwart the primary reason for withdrawing Federal jurisdiction. Still, this proposal should be seriously considered as a practical first step toward protecting human life.

Congress also has the power to enforce the 14th amendment by appropriate legislation.

The suggestion has been made that Congress should, therefore, reverse the abortion decisions simply by enacting a statute defining the word "person" in the 14th amendment to include the child in the womb. Again, this would be only a partial remedy and would possibly be subject to judicial veto. The Supreme Court, for example, might rule that such a statute was unconstitutional on the theory that a child in the womb was inherently incapable of personhood under the 14th amendment.

For these reasons, a constitutional remedy through the amendment process is the only course of action to provide the fullest protection of human life. It is a more difficult and time-consuming method of redress, but it has the virtue of ending all doubt about the constitutional issues of personhood and abortion. It would allow the American people to

declare for themselves their opposition to the widespread practice of abortion, and their dedication to the principles of "life, liberty, and the pursuit of happiness."

Following our Bicentennial celebrations, nothing would be more appropriate than a 27th amendment to our Constitution declaring our allegiance to the ideal of the sanctity of human life promulgated 200 years ago in our Declaration of Independence.

VI. WHICH AMENDMENT IS NECESSARY?

A constitutional amendment must be worded, like the Constitution itself, in terms of general principles. It is not a criminal code and should not be drafted in the detailed language of such a code in anticipation of every possible evasion or situation.

With this consideration in mind, I have proposed a constitutional amendment which provides as follows:

Section 1. With respect to the rights to life guaranteed in this Constitution, every human being, subject to the jurisdiction of the United States, or of any State, shall be deemed, from the moment of fertilization, to be a person and entitled to the right to life.

Section 2. Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

A number of other proposed constitutional amendments attempting to restore the right to life have been offered to remedy the Supreme Court abortion decisions. I, myself, offered amendments during the 93d and 94th Congresses. Since then, the Senate Subcommittee on Constitutional Amendemnts and the House Subcommittee on Civil and Constitutional Rights have held extensive hearings on many aspects of this complicated problem. I testified before the Senate subcommittee and spoke out on several occasions indicating that I was putting forth my amendments to stimulate discussion and criticism, and that they were not necessarily final drafts. After much reflection upon the differing criticisms that were brought out against the wording of my original proposal and against that of other amendments submitted, I am now persuaded that this amendment is a great improvement over every other proposal that has been considered. I firmly believe that it is an amendment which all Americans can unite behind in the common effort to end the destruction of innocent human life in the United States.

Today the central and primary issue threatening the absolute sanctity of human life is abortion. However, one should not expect that by the time the long process of ratification is completed, abortion will remain the central threat to the sanctity of human life. It is very possible that besides abortion, euthanasia, eugenics, human experimentation, and other problems resulting from future scientific developments will equal or surpass abortion as a threat to human life. Therefore, it is necessary that whatever amendment is adopted be one that protects human life in the most complete sense and not one limited exclusively to the problem of abortion.

STATES' RIGHTS AMENDMENT DEFICIENT

It has been suggested that a constitutional amendment which removes Federal court jurisdiction from the issue of abortion and allows the States to be the final arbiter on the subject is the most desirable resolution of the abortion controversy. Such a proposal is deficient in several aspects. Essentially, such an amendment will not answer the central issue of the abortion debate—are we as a nation going to legally protect unborn human life? The so-called States' rights amendment establishes as a constitutional principle that the intentional destruction of innocent human life is legally proper since it would permit the adoption of State statutes consistent with the Supreme Court decisions. This is not a compromise of the prolife and proabortion positions. It is in fact the adoption of the proabortion position. Second, such an amendment is not broad enough to include other problems concerning the value of human life in American society which may indeed surpass abortion by the time such an amendment is ratified.

On the surface, it would appear to be an attractive and easy solution to turn this problem back to the States. Yet, it is simply wrong in principle to subject the right to life of innocent human beings to the variant determinations of different legislatures. The right of innocent life is inviolable. And it is indivisble. Moreover, the situation today is not the same situation as before the Supreme Court acted. Despite the due process and equal protection clauses of the 14th amendment—which would seem on their face to protect the lives of all persons—the Court attacked the rights of the unborn by narrowly defining "person." The States' rights amendment does not disturb the Supreme Court's decree that the unborn child is a nonperson.

Since the States' rights amendment does not overrule the Supreme Court rationale that the child in the womb is a nonperson, there is nothing in such an amendment to prohibit a State court from adopting the reasoning of the Supreme Court to reach the same conclusion. It is likely that a State court would consider itself at least implicitly bound by that Supreme Court interpretation of what due process means.

The State court, therefore, would conclude that the child in the womb is a nonperson under the due process clause of the State constitution, just as he is now a nonperson under the 14th amendment. Since the unborn child is a nonperson, the State court might very well conclude that a State law restricting abortion would infringe the mother's right of privacy and would therefore be invalid as a violation of the due process clause of the State constitution.

Furthermore, State supreme courts are under an obligation to enforce the U.S. Constitution and the principles of constitutional law articulated by the Supreme Court. Article VI, clause 2 of the Constitution states that:

This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby; any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.

The supremacy clause mandates that State courts follow not only the Constitution, but its meaning as interpreted by the U.S. Supreme Court. Often State courts have even determined that they are bound by the decisions of lower Federal courts as well. Even when a State court rules that it need not follow the ruling of a Federal court, it may still give such opinions some consideration as legal authority. Often Federal court rulings will be found "persuasive and entitled to great weight."

Since a States' rights amendment would have no effect upon prior decisions of the Supreme Court and Federal judiciary, the rules outlined in Roe against Wade and Doe against Bolton would be binding under the supremacy clause upon State courts. Although the State court of highest jurisdiction would be the final arbiter of this matter and appeal could not be taken to the U.S. Supreme Court, a State court would still be under compelling pressure to abide by the rulings in the Roe and Doe decisions.

Those who favor abortion would have every reason to support the States' rights amendment. Those who believe that the killing of the unborn is incompatible with our constitutional freedoms would be bitterly disappointed if the amendment became law. By failing to overturn the truncated definition of person set up in Wade, such an amendment would leave the Supreme Court's doctrine permanently engrafted in our constitutional law, with its implications against the lives of the unborn, the aged, and the incapacitated.

No decision of the Supreme Court has so profoundly affected American society as have the abortion cases since the Dred Scott case. And just as American society refused to exist as half slave and half free, it will not accept the position that it exist where the sanctity of human life is protected in some States and threatened in others. The American people will not accept a second Missouri Compromise in regard to the right to life.

VII. PERSONHOOD

The essential purpose of any human life amendment is to insure that all human beings enjoy the protection of the right to life. This can be accomplished by establishing the principle that all human beings are considered "persons" with respect to the right of life under the protective due process clause of the fifth and 14th amendments.

The Supreme Court itself directs us to this point in Roe against Wade where the Court states:

The appellee and certain amici argue that the fetus is a "person" within the language and meaning of the Fourteenth Amendment. In support of this they outline at length and in detail the well-known facts of fetal development. If this suggestion of personhood

is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the amendment.

If personhood is established by a constitutional amendment, then the Supreme Court itself admits that the right to life of the unborn child will be protected.

It is important that the beginning of life, and therefore the beginning of the constitutional protection of that life, be defined with precision and clarity by any proposed amendments. Our scientific knowledge today is sufficient to provide such a definition. To be consistent with that knowledge, the amendment language must not be so loose or general that the way is opened for arguments that the period of protected life should be shortened for the sake of convenience. On the other hand, it is not necessary to encumber the unborn child with all of the constitutional rights of an adult. The human life amendment's essential intended effect is limited to the right to life.

The substance of my amendment is that is makes the unborn child a person only "with respect to the right to life guaranteed in this Constitution." Thus, only the right to life becomes a constitutional right. Other rights could be assigned to the unborn by legislation or judicial interpretation, as seen by the large body of law on inheritance and tort claims. But such laws are not mandated by my amendment. The amendment would allow for the further development of laws consistent with pre-Wade judicial thinking. For example, Dean William Prosser summerized the tort law regarding the unborn child's right to recover for an injury sustained before birth as follows:

So far as duty is concerned, if existence at the time is necessary, medical authority has recognized long since that the child is in existence from the moment of conception, and for many purposes its existence is recognized by the law . . . So far as causation is concerned, there will certainly be cases in which there are difficulties of proof, but they are no more frequent, and the difficulties are no greater, than as to many other medical problems. All writers who have discussed the problem have joined in condemning the old rule, in maintaining that the unborn child in the path of an automobile is as much a person in the street as the mother, and in urging that recovery should be allowed upon proper proof.

At the same time, it is clear that an unborn child under my amendment would not be subject to census, registration, passports, taxation, and other such requirements imposed upon residents of the United States. Our laws take notice of the age of citizens and make reasonable distinctions based upon such considerations. For example, broad distinction is made between adults and minors; and even minors are subdivided according to mental responsibility. Yet, all enjoy the fundamental right to life which is just as reasonably accorded to the born and the not yet born.

VIII. WHEN HUMAN LIFE BEGINS

My amendment clearly states that life begins at the moment of fertilization. The word "fertilization" has been specifically employed because it is more precise than the word "conception," which in common parlance is often used interchangeably. "Conception," however, is a word whose use and associations antedate our scientific knowledge. In certain proabortion circles, an effort has been made to equate conception with implantation. The Court itself refers sympathetically to "new embryological data that purport to indicate that conception is a 'process' over time, rather than an event." To stop early as well as late abortions, the amendment's protection must apply from the moment of fertilization. It is true, of course, that many fertilized ova are never implanted. But rather than suggest that "implantation" be adopted as the constitutional standard, this fact is only evidence of the reality that a human being can die at any time in his lifespan.

In seeking to protect human life, the amendment language must relate to our present scientific knowledge. Although the amendment's protection is in part dependent upon the accepted findings of science, the determination of when human life should be constitutionally protected cannot be left to depend totally upon a scientific judgment.

In arriving at the determination of when human life should be legally safeguarded, the word "fertilization" is the most scientific and unambiguous one that can be employed while still maintaining the greatest legal protection. The biological evidence clearly establishes that the fertilization of the egg is the beginning of human development. Gideon Dodds writes in his textbook, "The Essentials of Human Embryology" that the "fertilized egg is the beginning of a new individual." Jan Langman states in his book, "Medical Embryology," that "the development of a human being begins with fertilization."

The fertilized ovum is genetically complete and independent of the mother. Prof. Jerome LeJeune observes in "Ethical Issues in Human Genetics" that "if a fertilized egg is not by itself a full human being, it could never become a man, because something would have to be added to it, and we know that does not happen." The human life that begins at fertilization is a continuum, unbroken at any point by radical change. William James Hamilton states in his textbook, "Human Embryology," that "there are no essential differences between prenatal and postnatal development; the former is more rapid and results in more striking changes in shape and proportions; but in both, the basic mechanisms are very similar if not identical."

The word "moment" in the amendment makes it clear that a given point in time is legally established. If the language of the amendment should allow for a "process of development" standard, then an interpretation of that language could set any point in that process, such as implantation, "viability," or even birth, as the point at which the protection of life begins. Indeed a court implementing that language would be forced to judicially determine at what stage in the process of development legal protection would be granted. It is simply not enough to protect each person at every state of his biological development unless we know with certainty at what stage human development begins.

IX. ABORTION TO SAVE THE LIFE OF THE MOTHER

Once the principle of the primacy of life of every human being has been established, the problem will arise of the so-called hard cases in which pregnancy places the life of the mother in danger. Today, such cases exist as medical rarities. Although convincing evidence indicates that abortion is no longer medically required in these cases, it would be unfortunate to amend the Constitution in such a way that a doctor attempting to care for his patients is placed in legal jeopardy. It would also be unfortunate to amend the Constitution in such a way that an exception clause to provide for these hard cases would allow widespread abuse under the cover of law. The resolution of this problem has been a principal aim of my amendment.

My amendment contains no specific exception clause because such a clause is not necessary. As the amendment is presently drafted, the difficult cases can be handled under traditional concepts of due process and equal protection of the laws.

State criminal laws have long recognized the legal principles of self-defense and necessity or choice-of-evils without their specific incorporation into the Constitution. Certainly, they form a part of the American legal tradition which predates the Constitution itself. At times these doctrines have been held to be contained within the due process clause of the Constitution; but the silence of the Constitution on these principles has not detracted from their vitality. There is no reason to suppose that a similar resolution of the problem of procedures to save the life of the mother would not be developed by the States.

Although this amendment definitely prohibits abortions in every case where the mother's life is not at stake, it is not intended to invalidate future laws in the States which permit procedures to save the life of the mother.

This amendment leaves the difficult cases to be determined by an even-handed application by the courts and State legislatures of constitutional principles applying to all human beings. It establishes the basic life principle, that the destruction of the child in the womb is a violation of every human being's constitutional right to life. The amendment would, however, insure equal protection. Nor is it intended to prevent State legislatures and courts reviewing State laws from continuing to regard abortions to save the life of the mother as a matter of self-defense and therefore legally justifiable according to the general principles of self-defense that apply to all human beings. The amendment takes cognizance of substantive due process as it has been developed in Anglo-Saxon jurisprudence. Although the amendment does not encourage exceptions, it admits to exceptions in the light of legal precedents, such as "the doctrine of necessity," established in rare and unusual circumstances.

Not every abortion, of course, results in the death of the child; controversies are in the papers daily about the efforts

or lack of efforts to insure the survivability of such children outside the womb. For example, a recent survey of major medical centers by the Washington Post discloses that premature babies weighing under 2 pounds at birth now have over a 60-percent chance of survival.

The University of Colorado Medical Center reports that 66 percent of the babies born there at 27 to 28 weeks of age are surviving as compared with 2 years ago when the survival rate was only 10 percent.

Dr. Watson Bowes, chief of obstetrics and gynecology at the Colorado Center attributes this development to a change in attitude on the part of doctors caring for these infants. In the past, he said:

> We felt there was so little chance of a baby (so small) surviving that we didn't put any effort into it. These were cases that we felt we were going to (in effect) abort. (Today,) we are being more aggressive. We're doing things for these tiny, little babies that we've always done for the bigger babies.

Reports from other hospitals confirm that this apparent breakthrough in survival rates for premature infants is not the result of new developments in medical technology, but "because obstetricians are beginning to realize that they can survive, and are expending the same effort to save these tiny babies that they expend to save an infant born at full term." Although this study is certainly not conclusive, it does strongly suggest that the medical evidence relied upon by the Supreme Court in its abortion cases is not out of date.

Indeed, this new ability to save such premature babies leads to the further question of whether the abortion procedure must terminate a pregnancy by causing the death of the child. Dr. Andre Hellegers, director of the Kennedy Institute for the Study of Human Reproduction and Bio-Ethics, raises the central question regarding later term abortions:

> In the process of abortion do you subsume that the mother has a right to the death of the fetus; or is abortion only to be seen as a process of separating the mother and the fetus in the resolution of a conflict of interest.

My amendment would be consistent with State laws permitting the premature termination of a pregnancy where the life of the unborn child is not threatened by such a procedure.

ABORTION AND MATERNAL DEATH

Opposition to the Human Life Amendment often rests upon the assupmtion that anything less than abortion on demand will result in an epidemic of abortion-related maternal deaths.

For example, estimates that 5,000 to 10,000 women died each year from illegal abortion before the abortion cases are frequent. However, studies of the problem have reached different conclusions.

Dr. Alex Barno reported in a study of Minnesota cases that if the 10,000 figure were correct, Minnesota's share would be 200 per year. Instead, the average number of deaths in Minnesota due to criminal abortions during the study period was 1.3 per year. If this number were projected to the country as a whole, the average number of illegal abortion deaths would be 65 per year.

This projection is relatively consistent with the finding of the Center for Disease Control in Atlanta which reported that 48 women died of complications of abortion in 1974—the most recent year for which figures are available. Legal abortions accounted for 24 of those 48 maternal deaths, spontaneous abortions for 18 deaths, and illegal abortions for only 6 deaths. The specter of an epidemic of maternal deaths due to illegal or "backroom" abortions is simply unfounded.

Neither does abortion on demand reduce maternal deaths. The number of maternal deaths from abortion has steadily declined from 1942 when there were 1,231 abortion-related deaths. By 1962, when the American Law Institute's Model Penal Code was proposed with its abortion on request provisions, but before it had been adopted by any State, maternal deaths were reduced to 305 for the year.

In 1967, the year preceding the first major liberalization of State abortion laws, maternal deaths had been reduced to 160. And during the period of 1968 through 1971, that is during the period when liberalized abortion laws adopted by 16 States became effective, the number was reduced from 133 deaths in 1968 to 120 in 1971.

STATES WILL DETERMINE EXCEPTIONS

The question of to what extent the human life amendment would allow medically necessary procedures to save the life of the mother is one of constitutional and criminal law. However, the rise to the exception is one of fact to be determined by State legislatures, courts, and medical communities.

In the past, some in the medical community maintained there were far more medical situations necessitating abortion to protect the mother's health than exist today.

With the recent developments in medical procedures concerning such threatening conditions and the tendency to treat the unborn child as a patient, the necessity for abortion has been greatly reduced. While not being an expert in the field, I would not venture to say that the evidence is conclusive, but the evidence does show that medical science has all but eliminated the necessity for abortion.

For some time, pregnancy was thought to be a great risk to patients suffering with heart disease; yet, recent advances in treatment make "therapeutic abortions due to heart disease now rare compared to 20 or 30 years ago." Today, some experts maintain that "any patient with heart disease seen early enough to be aborted was seen early enough to be carried successfully through the pregnancy if she would abide by certain rules."

Renal—that is, kidney—disease is sometimes listed as a justifiable reason for abortion. Hereto, developments in treatment, namely with antibiotics, have substantially reduced abortion in these circumstances. For patients suffering from severe or progressive kidney deterioration, the effects of pregnancy on the disease may aggravate that deterioration; and hence, abortion has been recommended by some physicians.

Pulmonary tuberculosis was once considered an indication for abortion; however, "pregnancy does not affect the course of the disease, nor is the course of the disease improved by abortion." Today, tuberculosis is no longer a reason for abortion. The effect of pregnancy upon various forms of cancer or diabetes is still unclear. and further study is needed to determine whether abortion is really medically indicated in these situations. However, some types of cancer mandate the removal of the uterus and hence the fetus. Neurologic diseases, such as multiple sclerosis, epilepsy, and muscular dystrophy are "sometimes made worse by pregnancy." As a general proposition, their effect is still considered unpredictable. There is insufficient evidence to conclude that these diseases increase the woman's risk during pregnancy.

Presently, there is general agreement in the medical community that removal of the fetus is indicated in cases where the fetus is dead or has been reabsorbed, where cancer or a tumor necessitates the removal of the uterus, and where implantation has occurred outside the uterus, as in an ectopic pregnancy. Although some of these cases require procedures to terminate a pregnancy, they are not usually considered as abortions. For example, an ectopic pregnancy is usually treated as an emergency requiring major abdominal surgery.

Psychiatric or emotional disorders have in the past been cited as reasons for abortion. Presently, the weight of scientific authority indicates that such disorders do not require abortion as a solution. For example, Dr. Samuel Nigro, professor of psychiatry at Case Western Reserve University School of Medicine writes that:

> (t)here are no clear-cut psychiatric indications for therapeutic abortion.

Dr. Irving Bernstein, professor of psychiatry at the University of Minnesota Hospital, states that:

> (f)rom the psychiatric point of view of the psychiatrist, there are no indications for recommending therapeutic abortions.

He summarized his testimony before the Senate Subcommittee on Constitutional Amendments as follows:

> In summary, there are no psychiatric indications for therapeutic abortion because (a) therapeutic abortion is not effective treatment for the patient or for the situation; (b) abortion will not solve the "battered child" syndrome problem; (c) suicide is less of a risk in pregnant women than in non-pregnant women; (d) it is impossible to predict who will develop a post-partum psychosis; (e) therapeutic abortion has its own psychiatric morbidity; (f) adequate treatment methods are available to handle psychiatric difficulties occurring during pregnancy.

Many physicians find that there are no medical conditions which require abortion as a treatment. Since none of these conditions can be improved or cured through abortion, they maintain that this procedure results only in the death of the unborn child with no medical benefit to the mother. Dr. Roy Heffer-

nan of Tufts University has stated that "anyone who performs a therapeutic abortion is either ignorant of modern medical methods or unwilling to take the time and effort to apply them." Dr. David Wilson maintains that "proper management will permit a successful termination of pregnancy regardless of the physical and mental diseases of the patient." Even such a steadfast proponent of abortion on demand as Aian Guttmacher states that—

It is possible for almost any patient to be brought through pregnancy alive unless she suffers from a fatal illness such as cancer or leukemia; and if so, abortion would be unlikely to prolong, much less save life.

ABORTION IS DANGEROUS TO THE MOTHER

Alongside the social and legal consequences of abortion, the individual medical and psychiatric consequences of the procedures are also hazardous. Whatever personal advantages some may claim for abortion, the serious consequences of the procedure very often offset any claimed benefits. One leading gynecologist states that:

(t)here is now ample evidence to show that abortion is neither safe nor simple. The long-term complications alone condemn its use as a contraceptive method.

Another study of the long term effects finds that:

Especially striking is an increased incidence of ectopic pregnancy. Furthermore, as noticed recently, a high, incidence of cervical incompetence results from interruption of pregnancy that raises the number of spontaneous abortions subsequently to 30–40 per cent.

A British study of the effect of abortion on subsequent pregnancies recommended that:

Any patient who has a previous history of an abortion should be regarded as a high risk patient.

The psychological complications resulting from abortion are also significant. The Scientific Study Group of the World Health Organization reports that there is "no doubt that the termination of pregnancy may precipitate a serious psychoneurotic or a psychotic reaction in a susceptible individual." Other studies find that abortion "even if therapeutic, may in itself produce a psychosis" and that abortion "frequently carries with it a degree of emotional trauma far exceeding that which would have been sustained by continuation of pregnancy."

Prof. Alfred Kotasek, Chief of the Department of Gynecology and Obstetrics at Charles University, Prague, Czechoslovakia, reported to the Fourth International Congress on Perinatal Medicine in 1975 that the medical complications following first trimester abortions were: First, immediate complications: death, excessive blood loss, injuries to the cervix, perforation of the uterus; second, early complications: fever, bleeding, retained products of conception, infection, "the postabortal pain syndrome"; third, late complications: chronic inflammation, menstrual disorders, psychological complications, sterility; fourth, complications during subsequent pregnancy: extra-uterine pregnancy—that is, ectopic pregnancy—cervical incompetence—spontaneous abortions—perinatal mortality—still birth—premature births, hemorrhage during pregnancy, longer average duration of labor. Professor Kotasek also reports that mid-trimester abortion is "three to four times more risky than early abortion."

PROHIBITS FETAL EUTHANASIA

Although the human life amendment would allow a resolution of the problem of a pregnancy threatening the life of the mother consistent with traditional legal and ethical thinking, it would not allow abortions for purposes of eugenics or euthanasia. "Fetal euthanasia" is sometimes advocated as a solution to Tay-Sachs disease or when the mother has had rubella in early pregnancy.

Dr. Watson Bowes of the University of Colorado Medical Center has observed that such a proposal amounts to "treating a disease by killing the patient with the disease." Some have described abortion in these circumstances as nothing less than euthanasia. But the practice of abortion is in these cases substantially different than the practice of euthanasia. Here the life of the patient is terminated not because he is in great pain or has contracted a fearful, terminal disease, but only because it is probable or even just possible that he may contract the disease.

Often, perfectly normal and healthy children are aborted for no more reason than that they might inherit a disease or condition. For example, one study of "therapeutic" abortions done because the mother had contracted rubella during pregnancy "found no evidence of the disease in 32 percent" of the unborn children, while others who had the disease would have recovered and been born normal.

According to Jerome Lejeune, professor of genetics at the Medical College of Paris, France; Tay-Sachs disease could be prevented entirely by simply discovering which people carry that specific genetic trait and encouraging them not to marry a person with the same trait. That certainly would be a more humanitarian solution to the problem than killing unborn children suspected of having the disease.

An exception clause contained in the human life amendment to provide for the legalization of abortion in the case of rape is both unnecessary and unenforceable. After the proper and normal medical treatment for rape has been obtained, the possibility of pregnancy is nonexistent. And even when the woman has not received treatment a number of medical studies of pregnancy resulting from untreated rape found that such pregnancies are exceedingly rare. Studies of the actual number of pregnancies resulting from rape in several American cities indicate that, as a practical matter, the problem does not exist. A 1969 study of pregnancies resulting from rape in Buffalo, N.Y., found that there were no pregnancies from confirmed rape in over 30 years. A study of 3,500 cases of rape in Minnesota also reported no resulting pregnancies. Dr. Carolyn Gerster observes that there are two irrefutable arguments against making an exception in the case of rape:

(1) Pregnancy from reported, medically treated rape is zero—rendering the exception clause unnecessary. (2) Unreported rape—after all evidence of penetration has disappeared and without corroborating witnesses—cannot be proved rendering the law unenforceable.

Hopefully as a consequence of this prohibition of abortion in cases of rape, victims will be encouraged to seek medical attention and report offenses, thus reducing the great number of estimated cases which go unreported. Hopefully too, this increased attention will lead to improvements in society's treatment of the rape victim. A society which promotes justice, as well as compassion, will support more severe penalties for the rapist and more humane treatment for his victim rather than encourage the killing of the innocent child conceived during the criminal act of another.

X. STATE AND FEDERAL JURISDICTION

Upon adoption of a human life amendment, the Federal Government would not preempt the power of States to prohibit abortion, prescribe penalties, or regulate abortion procedures and facilities. States would continue to act in the fields of State interest. Section 2 of my amendment preserves the concurrent jurisdiction of Congress and the States over abortion and recognizes the fact that the regulation of abortion is primarily a State responsibility.

The Federal Government could act to outlaw interstate commerce in drugs, instruments, and equipment used for abortions, as well as the use of interstate commerce to procure an unlawful abortion. However, any Federal action promoting abortions, including funding of actual abortions, use of Federal facilities or personnel, and research on abortions, particularly research that involves clinical testing, would be clearly a violation of the constitutional rights of the unborn.

The States in turn would have similar powers in regulating abortions under their criminal codes. They would again have the power to delineate spheres of culpability with regard to those who participate in abortions. They would have the authority to prescribe penalties and enforce criminal statutes against abortion.

Although the human life amendment requires that abortion done for reasons other than to save the life of the mother be treated as a serious crime, it does not require that such abortions be considered as first degree murder.

Since abortion is the taking of a human life, it would constitute a homicide. However, just as State criminal codes treat different types of homicides differently, the States would be able to grade the crime of abortion on the basis of the circumstances accompanying the act, such as the intent of the mother, her emotional situation, and other relevent factors. Whether the killing of an unborn child is to be treated as an offense equal to that of killing a child after birth is a legislative judgment. And nothing contained in the human life amendment would prohibit treating these acts as different degrees of homicide. As Prof. Robert Byrn has stated:

The purpose of a Human Life Amendment is not to legislate degrees of homicide, nor will that be its effect.

XI. EUTHANASIA

There is little doubt that the Supreme Court's ruling in the abortion cases raises the specter of euthanasia. If by judicial mandate, persons exists only at birth, then another majority of the Court can establish the principle that a person ceases to exist on account of age, illness, or incapacity. The Supreme Court itself has made the realistic possibility of such a conclusion inescapable through the use of the "capacity of meaningful life" standard and the reference to the unborn child as less than a "person in the whole sense" in the Roe opinion.

Until recently, American law forbade euthanasia by considering it as the active intervention to terminate life and therefore as an unlawful homicide. Encouraged by the abortion cases, proponents of euthanasia are intensifying their efforts to change the law on a national level. Already attempts have been made in some States to establish a form of voluntary euthanasia, the idea being that a person should have the liberty to decide when to die. Recently, the New Jersey Supreme Court held that the life support systems of a comatose patient could be lawfully terminated if the attending physician and the hospital ethics committee agreed "that there is no reasonable possibility of—the patient's—emerging from her present comatose condition to a cognitive, sapient state." Citing Eisenstadt against Baird, Griswold against Connecticut, and Roe against Wade, the Court held that there was a constitutional right to end any "artificial life-support systems as a matter of self-determination." The court further ruled that this new right of self-determination "should not be discarded solely on the basis that her condition prevents her conscious exercise of the choice."

The ruling of the New Jersey Supreme Court is even more surprising when considered in light of the findings of fact made by the lower court. That court held that the patient under consideration "is by legal and medical definition alive" and that to remove the life support systems would under the law of New Jersey amount to homicide.

The attending physician testified that due to the absence of a prehospital medical history and to the fact that other patients have survived longer coma period, and even though he could not say how his patient's condition could be reversed, he was unwilling to state that it was an irreversible condition. He also concluded that to shut off the respirator under these circumstances would be "a substanital devitation from medical tradition" that it would be based on a so-called "quality of life" test and that he would not do so.

In 1976, California adopted a so-called "Natural Death Act" which authorized the withholding or withdrawal of life-sustaining procedures from adult patients in terminal condition who had executed a directive authorizing such action. This legislation relieved health professionals and facilities from civil liability and criminal prosecution for actions made pursuant to the patient's directive.

Although different procedures may exist under various legislative formulations of the "living will" concept, a number of substantial legal problems still may be expected to attend such laws including the one adopted by California. Medical personnel under the California formulation are relieved of liability irrespective of whether the doctor acts in bad faith or in a grossly negligent manner. If the patient has signed the authorizing directive, the doctor must terminate life-sustaining procedures or transfer the patient to a doctor who will.

If he fails to act promptly, there is a possibility he may face legal action. In short and most importantly, the doctor, in attempting to comply with the requirements of the California Natural Death Act and, one suspects, under any "living will" formulation, can only be penalized if the patient lives, but not if the patient dies. The act also excludes members of the patient's family from the life or death decision.

From this point, it is not a long distance to the argument adopted in the Quinlan case; namely, that euthanasia should be extended to include those who cannot communicate their desire to die. Eventually, we shall arrive at the final stage where "undesirables," such as the sick, the aged, the senile, and the retarded are eliminated—not because they want to die, but because they would want to if they knew what was good for them. As outlandish as this may sound today, it is nevertheless a foreseeable problem because of the language and the new concept of liberty in the Supreme Court abortion decisions.

Prof. Charles Rice has observed that:

[a]n acceptance of the basic error that there is such a thing as a life not worth living can only end in involuntary elimination of the worthless ones. Once the basic fallacy is adopted, the tendency is to slide into involuntary elimination of the aged, the helpless, and finally the socially or politically undesirable. The lesson of Nazi Germany is indelibly clear on the point. The mass exterminations there began with incurable physical or mental illness.

History is replete with examples of where such reasoning has led in the past. One observer commented on the German experience under the Nazi regime as follows:

... The beginnings at first were merely a subtle shift in emphasis in the basic attitude of the physicians. It started with the acceptance of the attitude basic in the euthanasia movement, that there is such a thing as life not worthy to be lived. This attitude in its early stages concerned itself merely with the severely and chronically sick. Gradually the sphere of those to be included in this category was enlarged to encompass the socially unproductive, the ideologically unwanted, the racially unwanted, and finally all non-Germans. But it is important to realize that the infinitely small wedged-in lever from which this entire trend of mind received its impetus was the attitude toward the non-rehabilitable sick.

One State supreme court has already adopted the proposition that other human beings have a legal right to decide when someone's life should be terminated. This is a principle that we can never finally admit to in our society. It is indeed the same principle involved in the destruction of the unborn. In anticipation of these developments, my amendment recognizes that the right to life is a broad right that cannot be abridged on account of age, illness, or incapacity. By emphasizing that every human being is a person, from the moment of fertilization and is entitled to the right to life, this amendment protects all persons against euthanasia.

XII. CONCLUSION

An amendment to the Constitution is not something to be undertaken lightly, or to be interposed every time one is dissatisfied with a decision of the U.S. Supreme Court. But we are dealing here with an issue so basic and so essential to our rights that it cannot be sidestepped without drastic impairment to the whole range of our freedoms and responsibilities as embodied in the Constitution. As Prof. Archibald Cox observed in his recent work on the Supreme Court, its abortion decision "fails even to consider what I would suppose to be the most important compelling interest of the State in prohibiting abortion: the interest in maintaining that respect for the paramount sanctity of human life which has always been at the center of Western civilization." The right to life is the very precondition of all our other rights. If the right to life is diminished or restricted, every other right is open to attack. If we wish to preserve our fundamental American freedoms, then the right to life must be inviolable.

Mr. President, I ask unanimous consent that the text of my joint resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 6

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to to Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution only if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. With respect to the right to life guaranteed in this Constitution, every human being, subject to the jurisdiction of the United States, or of any State, shall be deemed, from the moment of fertilization, to be a person and entitled to the right to life.

"SEC. 2. Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.".

ADDITIONAL COSPONSORS

S. 50

At the request of Mr. HUMPHREY, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 50, the Full Employment and Balanced Growth Act of 1977.

S. CON. RES. 2

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be made a cosponsor of Senate Concurrent Resolution No. 2, the Helms-Dole amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. RES. 18

Mr. ALLEN. Mr. President, I ask unanimous consent that the name of the distinguished Senator from New Mexico (Mr. DOMENICI) be added as a cosponsor of Senate Resolution No. 18, having to do with the sense of the Senate in opposition to pardon or amnesty for Vietnam draft dodgers and deserters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 4—SUBMISSION OF A CONCURRENT RESOLUTION REGARDING AMNESTY

(Referred to the Committee on the Judiciary.)

Mr. BROOKE (for himself, Mr. McGOVERN, and Mr. NELSON) submitted the following concurrent resolution, which was referred to the Committee on the Judiciary:

Whereas American participation in the war in Vietnam ended nearly four years ago; and

Whereas it is in the best interest of this Nation and of its people to heal the wounds caused by the divisiveness of that war; and

Whereas such healing can only be accomplished by restoring to the rights and benefits of full citizenship the large number of Americans whose lives were unfairly and adversely affected as a result of their violation during the war of the selective service laws and regulations their desertion or absence without leave during the war, or military discharge procedures and standards which, during the reduction in the strength of the Armed Forces toward the end of the war, frequently resulted in less than honorable discharges where no military offense was alleged or proved; and

Whereas a less than honorable discharge, though not intended to be punitive, imposes a severe stigma on a young person entering the job market and is especially burdensome and unfair in a time of high unemployment: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress endorses the program publically announced by the President-elect to, upon taking office, pardon each person who, during the Vietnam era, failed to report for induction into, or refused induction into, the Armed Forces of the United States in violation of the Military Selective Service Act and who has not been prosecuted for such violation, and the Congress commends the President-elect for having publically committed himself to such a program.

SEC. 2. The Congress urges and requests the President-elect to extend his Vietnam-era reconciliation program and complete the reconciliation process by, upon taking office—

(1) granting amnesty to all persons convicted under the Military Selective Service Act of offenses committee during the Vietnam era or against whom charges arising from failure to register in accordance with such Act during the Vietnam era are outstanding; and

(2)(A) upgrading all general and undesirable discharges issued to former members of the Armed Forces who served in the Armed Forces during the Vietnam era to honorable discharges;

(B) reviewing on a case-by-case basis each bad conduct and dishonorable discharge issued to a former member of the Armed Forces during the Vietnam era to determine in each instance whether such discharge should be upgraded; and

(C) granting amnesty to each member and former member of the Armed Forces who—

(i) during the Vietnam era deserted in violation of article 85 of the Uniform Code of Military Justice (10 U.S.C. 885) and has not been tried by a court martial for such violation;

(ii) during the Vietnam era deserted in violation of such article 85 and has been tried and convicted by a court martial for such violation; or

(iii) during the Vietnam era was absent without leave in violation of article 86 of the Uniform Code of Military Justice (10 U.S.C. 886) and has been tried and convicted by a court martial for such violation.

Mr. BROOKE. Mr. President, I am today introducing with Senators McGOVERN and NELSON a resolution which, if adopted, would bring this country one step closer to the needed goal of unconditional amnesty for those who evaded the draft; refused induction into, or deserted, the armed services; or received general and undesirable discharges while serving during the war.

The resolution has two parts. First it puts the Congress on record as fully supporting President-elect Carter's announced plan to pardon those who failed to report for induction, or refused induction, into the armed services.

Second, it urges and requests that Mr. Carter extend his declaration to cover those who deserted the Armed Forces, or who were charged with or convicted of violating the Selective Service Act. It would urge the upgrading of all general and undesirable discharges for all former members of the Armed Forces who served during this period. And finally it urges that he mandate a case-by-case review of each bad conduct and dishonorable discharge to determine if that discharge should be upgraded.

Mr. President, my introduction of this resolution reflects my continuing belief that unconditional amnesty is the only way to heal the very deep scars of the Vietnam war. It has been nearly 2 years since we witnessed its last agonizing days. Quite understandably most Americans are tired of that tragic war and all too willing to forget it. But in our haste to forget, we should not forget that the war is not yet over. Yes, our soldiers are home. Our guns are silent. Yet, for many the war lingers on.

Somewhere here in this country or abroad thousands of young men still live in virtual exile: Evaders of a draft they believed unconstitutional and immoral, deserters of an army for which they could not in good conscience fight, or victims of undesirable discharges which have left them virtually second-class citizens.

The Vietnam war cannot and will not be over until we bring these men home. I believe that to bring them home and to finally unite our people after our most tragic foreign war, our Government should extend unconditional amnesty to each and every American who evaded the draft or deserted from his military duties. I also believe that all general or undesirable discharges should be upgraded to honorable discharges for Vietnam era veterans. And I believe this should be done now. For, in my opinion, these steps are not only the best way to heal the wounds of the Vietnam war, they are the only way to heal the wounds of the Vietnam war.

To many amnesty has a forbidding ring. But we should recognize the American history is replete with examples of amnesty. To be sure there has never been an amnesty on the scale of what is needed today. But the question before the American people is not one of numbers. It is one of principle. And that principle is soundly embedded in our history. Indeed, since 1795 there have been 38 amnesties or general pardons. And in no instance has alternative service been a requirement.

We were perhaps most magnanimous after our own Civil War. Torn apart by a bloody, brutal struggle which set neighbor against neighbor, friend against friend, family against family, our Nation cried out for compassion, for healing, for reunification. And no one knew this better than Abraham Lincoln, who said in his second inaugural:

> With malice toward none; with charity for all; with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle and for his widow and his orphan—to do all which may achieve and cherish a just and a lasting peace, among ourselves and with all nations.

Some argue that there is a great distinction between a civil war and a foreign war and that the two are in no way comparable. I do not deny the distinctions. But at the same time I do not think that anyone can deny that the Vietnam war has torn at our delicate social fabric like no war since the Civil War. And I submit that just as amnesty repaired our social fabric then, it can repair our social fabric now.

I do not know if many in my generation can grasp the enormity of the difference between Vietnam, and, say the Second World War. And perhaps that is why so many more veterans of my vintage oppose amnesty than veterans of the Vietnam era. But that difference is crucial to understanding why we need unconditional amnesty to heal the Nation's wounds. For the fact is that the Vietnam war was so intertwined with the attendant domestic upheaval that we cannot now or ever hope to sort out the complex conscientious decisions of the thousands of young men who felt they could not fight. Indeed, we should not even try.

And the beauty of amnesty is that we do not try. For amnesty is a process of forgetting, nor forgiving. We do not say a man was right; we do not say a man was wrong. What we do say is that a compassionate and understanding people are willing to forget a man's past actions in order to reunite our Republic. It is a magnanimous act by a courageous people.

Mr. President, I might add that one of the great spokesmen for amnesty in this Chamber, Philip A. Hart, died the day after Christmas. He had been the first to file legislation which would have accomplished the act we seek today. And he spoke out on this issue whenever and wherever the opportunity arose. It would

be a fitting tribute to Senator Hart if we could resolve quite soon the issue with which he so forcefully involved himself.

A similar resolution has been introduced in the House by Congressman KOCH. I hope both can be considered and passed expeditiously so that we can finally put the tragedy of the Vietnam war behind us.

NOTICE OF MOTION TO AMEND SENATE RULES

Mr. ALLEN submitted the following notice in writing:

In accordance with the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend Rule XLIV of the Standing Rules of the Senate in the following particulars, namely:

Paragraph 3 of Rule XLIV of the Standing Rules of the Senate is amended to read as follows:

"3. Each Senator or person who has declared or otherwise made known his intention to seek nomination or election, or who has filed papers or petitions for nomination or election, or on whose behalf a declaration or nominating paper or petition has been made or filed, or who has otherwise, directly or indirectly, manifested his intention to seek nomination or election, pursuant to State law to the office of United States Senator, shall file with the Secretary of the Senate, before the 15th of May in each year, the accounting required by rule XLII for all contributions received by him during the preceding year, except that contributions in the aggregate amount or value of less than $50 received from any single source during the reporting period may be totaled without further itemization."

Rule XLIV of the Standing Rules of the Senate is amended to add at the end thereof the following new paragraph:

"6. Notwithstanding the provisions of Title 2, United States Code Section 4411, no Senator or person who has declared or otherwise made known his intention to seek nomination or election, or who has filed papers or petitions for nomination or election, or on whose behalf a declaration or nominating paper or petition has been made or filed, or who has otherwise, directly or indirectly, manifested his intention to seek nomination or election, pursuant to State law, to the office of United States Senator, and no officer or employee of the Senate shall accept any honorarium for any appearance, speech, or article, nor shall any such person accept reimbursement for expenses, including actual travel and subsistence expenses, incurred by him in connection with any appearance, speech, or article."

The purpose of the proposed amendment is—

(1) to modify paragraph 3 of Rule XLIV by eliminating therefrom the requirement that candidates for the Senate, Senators, and certain Senate employees file with the Secretary of the Senate a report of the amount or value and of the source of each honorarium of $300 or more received by him and by conforming the remaining provisions of the paragraph by dropping from the terms thereof officers or employees of the Senate who are compensated at a rate in excess of $15,000 a year; and

(2) to add a new paragraph to Rule XLIV to forbid the acceptance of any honorarium by any candidate for the Senate, Senator, or officer or employee of the Senate.

PROHIBITING HONORARIA

Mr. ALLEN. Mr. President, for some time I have sought a change in the statutes governing the conduct of Members of Congress and candidates for public office to prohibit the acceptance of honoraria. During Senate consideration of the Federal Election Campaign Act Amendments of 1974, I offered an amendment to that measure to forbid any Member of Congress to accept any honorarium, fee, or payment from any source whatsoever in connection with any speech, article, or appearance other than his official salary or official reimbursements or allowances from the U.S. Treasury. I regret to say, Mr. President, that my amendment was rejected even though I pointed out in arguing for its adoption that in 1972 Members of the Senate had received more than $160,000 in honoraria or payments for speeches or appearances. I have today checked with the Secretary of the Senate, and I am sorry to report that 1975's receipts by Senators totaled $634,735.49 reflecting perhaps recent increases in honoraria limits.

But, Mr. President, I do feel that the Senate should go ahead now and entirely eliminate the practice of accepting honoraria, and for that reason I am today giving notice of my attention to move to amend the Senate Rules to forbid the practice.

Mr. President, recognizing that some staff members are also in demand for public appearances and speaking engagements, I have extended my proposed rule change to include Senate officers and employees. I believe all of us whether Senators or Senate staff should be compensated for our duties in connection with our public office only from the Treasury of the United States and that we ought not in any other way to profit from the public office we hold.

Mr. President, there well may be some attempt made in this Congress to place further restriction on the receipt of honoraria by Federal employees. As Senators know, 2 U.S.C. Section 441(i) already forbids the acceptance of an honorarium in excess of $2,000 and puts an absolute ceiling on the total honoraria which may be received in any 1 year at $25,000. We would do well to enact a statute forbidding the acceptance of honoraria by all Federal employees, or at a minimum restricting further the amounts permitted.

But I recommend, Mr. President, that the Senate go ahead now and set the example in the legislative branch of Government by imposing an absolute prohibition on honoraria. Certainly it is within the power of the Senate under the Constitution to amend its rules to impose a prohibition of that nature, and I urge that the rules change I propose be adopted promptly. In no event should action on the question be delayed since our reluctance to act will be interpreted as reluctance to face the issue. It is an issue we ought to face along with others because, in my judgment, now is a time in which we must reexamine carefully all of the standards of conduct set forth in the Standing Rules of the Senate, and we ought to reexamine those standards in the spirit of the preamble to the Senate resolution of March 22, 1968, in which this body declared it to be the policy of the Senate that the concept of public office expressed by the words, "a public office is a public trust," signifies that "the officer has been entrusted with public power by the people; that the officer holds this power in trust to be used only for their benefit and never for the benefit of himself or a few; and that the officer must never conduct his own affairs so as to infringe on the public interest."

AMENDMENTS SUBMITTED FOR PRINTING

REORGANIZATION OF SENATE COMMITTEE SYSTEM—SENATE RESOLUTION 4

AMENDMENT NO. 1

(Ordered to be printed and to lie on the table.)

Mr. HASKELL. Mr. President, Senators LAXALT, MCINTYRE, and I are introducing an amendment to Senate Resolution 4, the committee reorganization resolution, which will provide for an independent Small Business Committee. We have been joined in this effort by Senators ABOUREZK and THURMOND. We expect a long list of cosponsors for our amendment because we know that the 13 million small businesses in America enjoy great support from both sides of the isle and from all political perspectives in the Senate.

Our amendment calls for the creation of a 15th standing committee—Senate Resolution 4 calls for 14—on small business. It splits small business from the Agriculture and Small Business Committee which would be created under Senate Resolution 4. It allows Senators to sit on two other standing committees in addition to small business, similar to the exemption which is provided members of the proposed Rules, Administration, and Standards Committee.

I am inserting a technical explanation of the amendment for the consideration of my colleagues. Further, I am inserting a copy of my statement before the Rules Committee which is currently considering Senate Resolution 4 and a paper containing background information on the present Select Committee on Small Business.

Finally, I would like to ask unanimous consent that these items be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF HASKELL-LAXALT-MCINTYRE AMENDMENT TO S. RES. 4

The purpose of Amendment numbered 1 is to establish a standing Committee on Small Business, with the same number of members (17) and the same legislative jurisdiction as the existing select Committee on Small Business. Under this amendment, a member of the Small Business Committee, like a member of the Rules Committee under S. Res. 4, would be permitted to serve on two other standing committees.

A technical explanation of the several parts of the amendment follows.

First, on page 2 of S. Res. 4, at lines 3 and 4, the amendment would change the name of the proposed new Committee on Agriculture and Small Business to the existing name, Committee on Agriculture and Forestry.

Second, on page 3 of S. Res. 4, at line 2 and at lines 10 through 13, the amendment would delete from the language describing the jurisdiction of the Agriculture Committee all references to small business. The last four clauses (page 3, lines 3 through 6) in the

itemized list of subjects within the jurisdiction of the Agriculture Committee would be renumbered to accord with the deletion of clause 17, small business.

Third, on page 5 of S. Res. 4, at line 15, the amendment would amplify the third clause in the itemized list of subjects within the jurisdiction of the proposed new Committee on Banking, Housing and Urban Affairs. That clause reads, in its entirety, "Financial Aid to Commerce and Industry." The amendment would change that to read, "Financial Aid to Commerce and Industry, other than matters relating to such aid which are specifically assigned to other committees under this rule." The language provided by the amendment is identical with the historic language for the corresponding clause in the list of subjects within the jurisdiction of the present Banking Committee. Without the qualifying phrase, the Banking Committee and the Small Business Committee under this amendment (or the Banking Committee and the Agriculture and Small Business Committee, under S. Res. 4 as introduced) would apparently have concurrent jurisdiction over financial aid to commerce and industry emanating from the Small Business Administration.

Hence, this particular part of the amendment should be adopted even if the rest of the amendment is not, to serve the purpose of S. Res. 4 to reduce or eliminate duplications in committee jurisdictions.

Fourth, on page 20, after line 2, the amendment would insert a new subparagraph (o) in proposed revised paragraph 1 of Rule XXV of the Standing Rules of the Senate. The new subparagraph would establish a standing Committee on Small Business, which would have legislative jurisdiction identical to that now possessed, under S. Res. 104 of the 94th Congress, by the existing Select Committee on Small Business. That jurisdiction is confined to matters affecting the Small Business Administration. The committee would retain the power to investigate and report, otherwise than by bill, on other matters affecting small business, but could report by bill only legislation directly pertaining to the Small Business Administration. The language of subparagraph (o) differs from the substantive language of S. Res. 104 only to the extent necessary to conform in style with the balance of S. Res. 4.

Fifth, the table following line 16 on page 20 of S. Res. 4 would be amended to show the Small Business Committee as a committee having 17 members, the size of the existing select committee.

Sixth, on pages 23 and 24, the proposed new subparagraph (f) of paragraph 1 of Rule XXV, as revised by S. Res. 4, would be broken up into two subparagraphs, (1) and (2). Subparagraph (f)(1) would be identical to the language of S. Res. 4 at page 23, line 21, through page 24, line 4, providing that members of the Rules Committee may serve on two other standing committees. Subparagraph (f)(2), which this amendment would add, would provide, in language identical to that applying to the Rules Committee, that members of the Small Business Committee may also serve on two other standing committees.

Seventh, on page 26, at line 20, the amendment would make a technical correction of S. Res. 4, to repeal S. Res. 272, 81st Congress, as well as S. Res. 58, 81st Congress. S. Res. 58 of the 81st Congress establishes the select Committee on Small Business and describes its continuing mission, while S. Res. 272 confers on the committee its administrative powers. Both resolutions appear among the standing orders of the Senate and, if one is repealed, it is logical that the other should be too.

Testimony of Senator Floyd K. Haskell Before the Rules Committee

Mr. Chairman:

It is a pleasure to appear before this committee and I am grateful for the opportunity to offer my thoughts on S. Res. 4.

I applaud the efforts of the members of the Stevenson Committee for their tireless work on a very difficult and thankless task. I know that the members of the Committee on Committees have had to make many difficult political decisions, bear the wrath of many threatened constituencies, and in some cases, make personal sacrifices in the interest of reform.

There is no doubt that the current Senate committee system is unruly and at times chaotic. There is no doubt that consolidation of jurisdiction and reduction of subcommittee proliferation is a useful, necessary exercise. However, I am troubled by some elements of the reorganization proposed by S. Res. 4. I fear that constituencies which have been able to receive a fair hearing in a select committee or friendly subcommittee may lose their forum through this reorganization.

In the present system, an interest group can frequently seek more than one forum. If a public health insurance proponent receives a cold reception in the Health Subcommittee of Finance, he can go to the Health Subcommittee of Labor and Public Welfare, and vice versa. If a business oriented group is frustrated by Labor and Public Welfare, it can come to the Small Business Committee. If tax reform advocates feel unrepresented by the Finance Committee, they can raise their issues with the Budget Committee. For many, this is exactly the situation which needs remedy. For others, it is a creative chaos which allows for real representation. Quite honestly, I do not think that this chaos has any political bias. It does allow just about everyone to have a hearing and so its political bias, if any, is to promote a more representative body of public information. But I do not think it favors conservative views over liberal views or vice versa. The proliferation of committees and subcommittees might slow down the work of the Senate somewhat. But the Senate is not an executive body. It is the body politic of our government. It should be organized to be a deliberative and, to the extent possible and practical, broadly representative institution.

With only fourteen committees, will there be a home for small business in the Senate? Let us consider the small business constituency. Small businesses account for more than half of the jobs in the private sector, over half of all inventions and innovations, 48 percent of the business output, and 43 percent of the GNP. Beyond this, they are the vehicles for the hopes and dreams and the grantors of self-reliant status for million of Americans and their families. The IRS indicates that there are about 13.3 million businesses in America, 97 percent of which are small by SBA definition.

Small business issues cut across the entire committee system. Finance, Labor, Judiciary, Interior—all these committees constantly make policy which have tremendous effects on the small business community. But ordinarily, these committees concern themselves with the problems of big business and big labor, while the problems of small business are entirely different. We need a separate forum, uncomplicated with many other jurisdictional responsibilities, where these very distinct problems will receive adequate consideration.

S. Res. 4 provides for the elimination of this constituency's one friendly forum in the Senate, the Select Committee on Small Business. It gives the jurisdiction over small business issues to the Agriculture Committee, and changes that committee's name to the Agriculture and Small Business Committee. But a superficial reading of the resolution itself indicates that the new title, which denotes some sort of equality, is in fact, a sham. The new committee is assigned 21 subjects of legislative jurisdiction. Small business is subject number 17 nestled right after the food stamp program and right before "food from fresh waters and the sea". Just as it takes you a while to find small business in the list of agricultural subjects in the resolution, it is going to be a long time before a committee which has historically been committed to the very real and pressing problems of the farmer is going to be able to focus properly on the issues which affect the small businessman. And I do not believe the small businessman can afford to wait.

In 1960 small and medium sized manufacturing firms accounted for 50 percent of the assets and 41 percent of the manufacturing profits. By 1972 these figures had dropped to 33 percent of the assets and 28 percent of the profits.

The Agriculture Committee now has 14 members. The new committee will have two additional members. Will Gaylord Nelson move to the Agriculture Committee? What other one Senator who has championed the small business causes in the Senate will move to the Agriculture Committee?

I would like to emphasize that I have great respect for the Agriculture Committee and the very greatest respect for the farmer, especially the family farmer. And it is precisely because of my respect and affection for the farmer that I would not like to see his committee spending a great deal of time on small business issues. As I said, I do not think this would be likely, anyway, but it is one more reason why the amalgamation doesn't make sense.

I would like to emphasize that the atlernative of dumping small business into some other committee is equally unacceptable. Consider the Finance Committee, of which I am a member. According to the Treasury, .2 percent of the nation's corporations received 71 percent of the benefits from the investment tax credit in 1972. Similarly, the total benefit of ADR, Accelerated Depreciation Range, which is a gimmick designed for capital intensive industry, went to 1.5 percent of the nation's corporations in 1973. Small business is labor intensive as a rule. They need help in reducing federal payroll taxes which in FY 1976 accounted for $48 billion while corporate taxes accounted for only $41 billion. Do any of you ever recall any proposals coming out of the Finance Committee to reduce capital accumulation devices which subsidize the cost of machinery and use the proceeds to reduce the cost of labor via payroll taxes?

The only sensible and fair way to handle the small business issue is to leave small business as a separate committee. I am offering an amendment to S. Res. 4 to that effect. I am joined in this effort by Senators Laxalt and McIntyre.

We hope that the Rules Committee will report a resolution which will provide for an independent Small Business Committee. But if it does not, we are prepared to go to the floor. Our amendment provides for a 15th standing committee. Like the proposed Rules, Administration, and Standards Committee, membership on the Small Business Committee would not prevent a senator from sitting on two other committees.

I thank you for considering my views.

Background of the Small Business Committee

Since its creation in 1950, the Select Committee on Small Business has had a continuing, permanent character. With the acquisition of legislative authority over matters relating to the Small Business Administration, effective January 1977, the Small Business Committee possesses virtually all of the characteristics of a standing committee (see appendix I for background).

Under the reorganization plan, the independence of the Small Business Committee (along with that of 4 standing, 3 other select, and 7 joint committees) will be abolished. The Small Business Committee is one of the few select and joint committees which have legislative jurisdiction. Out of the current 12 so-called non-legislative select, special, and joint committees, 4 of those committees (3 select and 1 joint committee) possess legislative authority—Select Small Business, Select Intelligence, Select Standards and Conduct, and Joint Atomic Energy.

For the first time in its 26-year history, the Small Business Committee will exercise legislative authority, beginning with the 95th Congress, over matters relating to the Small Business Administration (S. Res. 104, which granted this authority, passed the Senate by an overwhelming vote on April 29, 1976). The committee's oversight capabilities and efforts will intensify as of the 95th Congress with the goal of improving current SBA programs and the delivery of federally-sponsored services and assistance to this important segment of our economy. The committee's work in other vital areas affecting the small business community will also continue. An outstanding example of the committee's efforts on behalf of the small business community is its work in the area of tax reform for small businesses. Twelve days of hearings held in 1975 laid the basis for the subsequent introduction and advocacy during the 94th Congress of numerous bills designed to provide tax equity for smaller and medium-sized businesses and much needed relief and reform in a variety of business tax fields. These bills included two to provide corporate tax rate reductions for small and medium-sized businesses (S. 1119 and S. 2149); five estate and gift tax reform bills (S. 2394, S. 2764, S. 2819, S. 3140, and S. 3478); amendments to the tax reform bill relating to preservation of incentive stock options for growing firms (No. 2075), subchapter S improvements (No. 2076), and deficiency dividend procedure for small business investment companies (No. 2077), and a split estate tax credit favoring small business and family farms (No. 318); and graduated excise taxes for certain industries.

Many of the small business tax proposals were contained in the two major tax bills signed into law in the 94th Congress—the Tax Reduction Act signed in March 1975, and the Tax Reform Act of 1976 signed in October 1976. The 1976 Act has been referred to as the most far-reaching tax revision legislation since 1954. It extends, for 1976 and 1977, the most significant income tax relief for smaller corporations of the past 25 years; and enacts the most sweeping estate tax relief in 34 years.

It is impossible to overestimate the importance of small business and family farming to our economy and society. 97% of the nation's businesses and corporations are classified as small businesses. Small business accounts for more than 52% of business jobs, 48% of business output, 43% of the Gross National Product. Several recent studies have affirmed that individual inventors and small firms continue to account for more than one-half of all inventions and innovations.

The Small Business Committee has been very active under the leadership of Chairman Gaylord Nelson, chairman since January 1975. In the 94th Congress, the Small Business Committee held 107 hearings (63 in calendar year 1975; and 44 in calendar year 1976). It issued 38 publications in 1975 (35 printed hearing volumes and 3 reports) and will have issued 30 more (29 hearing volumes and 1 report) for hearings and studies conducted in 1976. How does this workload compare with that of the other standing, select and joint committees most directly affected by the reorganization plan?

With regard to the standing committees, Aeronautical and Space held 21 hearings and reported 2 bills in the 94th Congress; D.C. held 23 hearings and reported 19 bills in the 94th Congress; Post Office and Civil Service held 22 hearings and issued 31 reports in the 94th Congress; Veterans held 26 hearings and reported 17 bills in the 94th Congress.

With regard to the other select committees, Nutrition held 16 days of hearings and issued 28 reports in the 94th Congress; Aging held 59 hearings and issued 28 reports in the 94th Congress; Standards and Conduct issued 1 report and 1 resolution and held meetings and issued individual opinions in the course of the 94th Congress; Intelligence, which was constituted in 1976 and will remain unchanged in the 95th Congress, held 4 open hearings and several more closed hearings and meetings.

With regard to the joint committees, Atomic Energy (the only joint committee with legislative jurisdiction) held 70 hearings and reported 25 bills in the 94th Congress; Economic held 127 hearings and issued 43 committee prints; Defense Production held 22 hearings; and Internal Revenue Taxation issued 87 reports in the 94th Congress.

For an example of the Small Business Committee's work program, see the "memo on committee activity" for calendar year 1975, which is attached. The subjects of the 44 hearings held in 1976 included oversight of specific SBA programs (16 days), problems of minority small businesses, problems facing small businesses as a result of government regulation and paperwork (e.g., the effect of pension plan and OSHA regulations), the survival of the family farm in America, product liability insurance problems of small business, competitive problems in certain industries (e.g., the cosmetic industry, the drug industry, supplemental airlines).

APPENDIX I

SELECT COMMITTEE ON SMALL BUSINESS

Authority for the select committee is contained in S. Res. 58 (1950), as amended by S. Res. 272 (1950), 64 Stat. 595 (1950), S. Res. 120 (1955), S. Res. 25 (1959), and S. Res. 104 (1976). Brief descriptions of these items follow.

S. Res. 58 (1950)—Created the select committee with the duty of studying and surveying all problems of small business and provided that the committee shall not have legislative jurisdiction. The resolution provided for the appointment of the committee's members "at the commencement of each Congress", providing the basis for a continuing, permanent select committee.

S. Res. 272 (1950)—Granted additional powers to the select committee with respect to the conduct of meetings and certain procedures therefor and staffing authority. S. Res. 58 and S. Res. 272 appear in the Standing Orders of the Senate as separate sections.

64 Stat. 595 (1950)—Language contained in this General Government appropriations bill provided that the rates of compensation for employees of the Select Committee on Small Business shall be fixed in accordance with the Legislative Reorganization Act "with respect to standing committees".

S. Res. 120 (1955)—Amended the language of S. Res. 58 pertaining to the appointment of the committee's membership to read: "that the Chairman and members of the Select Committee on Small Business, . . . shall be appointed in the same manner and at the same time as the chairman and members of the standing committees . . . at the beginning of each Congress."

S. Res. 25 (1959)—Amended the language of S. Res. 58 pertaining to the size of the membership of the committee (increased from 13 to 17 Senators).

S. Res. 104 (1976)—Amended the language of S. Res. 58 to provide the committee with legislative jurisdiction over "all proposed legislation primarily relating to the Small Business Administration" and authority for referral in cases where appropriate.

COMMENTS

Over the years, the Select Small Business Committee has acquired most of the features of the standing committees, despite the fact that its authority is contained in the nonstatutory Standing Orders, not the Standing Rules, of the Senate, unlike the standing committees. The committee has had a continuing, permanent character ever since its creation in 1950 (see language of S. Res. 58); and its membership, staff, and funding are treated no differently than that of standing committees. With the acquisition of legislative authority (limited though it is) in January 1977, the Select Small Business Committee possesses virtually all of the characteristics of a standing committee.

It is interesting to note part of the apparent rationale underlying the reform committee's recommendation to disband "select" and "special" committees. On September 30, 1976, Senator Stevenson explained portions of the reorganization plan making reference to four "temporary committees" (Small Business, Standards and Conduct, Aging and Nutrition) whose work will be consolidated into standing committees. He stated that these temporary committees are "limited to studies and investigations and do not report legislation, often duplicating the work of standing committees." (*Congressional Record*, September 30, 1976, S17459).

It is also important to point out a statement in the "First Staff Report" of the reform committee in July 1976 that the terms "select" or "special" "generally designate a temporary panel without legislative authority." Yet that report does recognize that the Senate has granted limited legislative authority to the Select Small Business Committee and that the Senate has in fact created permanent select committees, expressly naming Intelligence, Small Business, and Standards and Conduct. ("First Staff Report to the Temporary Select Committee to Study the Senate Committee System", July 1976, p. 23.)

Mr. LAXALT. Mr. President, I support many of the suggestions for reform recommended by the temporary Select Committee on Committees. It would be wrong to assume that the following remarks reflect a blanket indictment of this effort. Nevertheless, I am very concerned about the proposed disposition of the Senate Select Committee on Small Business.

Under the suggested guidelines for committee restructuring, the Senate Select Committee on Small Business will be merged, or to put it more accurately in my opinion, submerged into a larger committee. Meaningful solutions to the problems faced by small businesses cannot be dealt with adequately in a small subcommittee that must compete with other subcommittees for the attention of a full committee that already has broad jurisdiction and many other pressing problems to deal with. Considering the condition of the small business sector in our economy today, I believe this would be extremely unwise.

Those who support such consolidation do so principally on the grounds that it is the road to efficiency. We may succeed superficially in molding and squeezing the needs of small business to conform to the pecularities of this body, but is it not more important to accommodate the Senate to the requirements of small business?

Mr. President, this country was built on a foundation of small businessmen and yeoman farmers. Throughout our history small firms have remained the basic economic unit. Yet, small busi-

nesses are being severely pressed in our present economy. In my view, it is not enough to deal with small businesses and their problems piecemeal. We must recognize the uniqueness of small business and deal with it as a separate entity.

It is evident that the sheer size and impact of the American small business community is staggering. Consider the following:

Twelve million businesses, 96.7 percent of the total are considered small;

Small businesses account for 43 percent of the gross national product;

Small businesses account for 48 percent of the gross business product—excludes government and farm portions of GNP;

Small businesses provide 55 percent of the total U.S. business employment;

Small businesses directly or indirectly provide livelihoods for 100 million Americans; and

More than 90 percent of all corporations are small businesses.

These few statistics indicate the importance of small business in our economy, and, by themselves, would seem to merit greater recognition by Congress of the small business sector. Yet today, only 8 months after the Senate finally recognized the importance of small business through passage of Senate Resolution 104, granting limited legislative authority to the Senate Select Committee on Small Business, the very existence of the committee is threatened in the proposed committee reorganization.

My distinguished colleague, Senator HASKELL, has already presented an explanation of the Haskell-Laxalt-McIntyre Amendment to Senate Resolution 4 which would establish a standing committee on small business. In my view, an independent small business committee would better serve the community of small firms, the Senate and the Nation by providing a focal point for the role of small business in keeping with our traditional values and the contributions which new and small enterprise has made and can make to our economy and our society.

In conclusion, Mr. President, we talk a good bit here in the Senate about the need to address critical emerging issues and setting up a committee system to serve that exact purpose. Well, I contend we currently have a critical issue in the form of a struggling small business sector demanding close attention and there is no reason to lessen the focus on this problem by deemphasizing the stature of the present committee.

Mr. President, I urge favorable consideration of the Haskell-Laxalt-McIntyre amendment to maintain an independent voice for small business in the U.S. Senate.

AMENDMENTS NOS. 2 THROUGH 11

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. SPARKMAN. Mr. President, on behalf of the distinguished senior Senator from New Jersey (Mr. CASE) and myself, I send to the desk sundry amendments to Senate Resolution 4, reorganizing the committee system of the Senate, and for other purposes. I ask that they be printed and referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. These amendments are designed essentially to preserve the jurisdiction of the Committee on Foreign Relations and to make explicit in the Senate rules what has been the long-standing practice with respect to such matters as international organizations and international law. The amendments would not take away jurisdiction from any other Senate committee.

I ask unanimous consent that the amendments, together with a brief explanation of each, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 2

On page 3, lines 8–10, strike out "matters relating to food, nutrition, and hunger, both in the United States and in foreign countries," and insert "matters relating to food, nutrition, and hunger.".

This would take away from the new Committee on Agriculture and Small Business oversight of matters relating to "food, nutrition, and hunger, both in the United States and in foreign countries." It would leave Agriculture with oversight of these matters in the United States, but not in foreign countries.

AMENDMENT NO. 3

On page 5, line 2, strike out "'9. Foreign military sales (joint)."

On page 5, line 3, strike out "10" and insert "9".

On page 12, line 17, strike out "(joint)".

This amendment would strike the provision giving Armed Services and Foreign Relations joint jurisdiction over military sales and would leave that subject entirely in Foreign Relations.

AMENDMENT NO. 4

On page 5, line 3, strike out "National security" and insert "Military".

On page 12, after line 17 insert the following: "'11. International aspects of atomic energy."

This amendment is designed to insure that if the Joint Committee on Atomic Energy is abolished and its jurisdiction parcelled out among other committees, the jurisdiction of the Foreign Relations Committee is protected with respect to the international aspects of the matter.

S. Res. 4 gives Armed Services jurisdiction over the "national security aspects of atomic energy." The amendment would change that to the "military aspects."

The amendment would give Foreign Relations more explicit authority over such matters as nuclear proliferation, nuclear export policy, and nuclear arms control generally.

AMENDMENT NO. 5

On page 5, lines 13 and 14, strike out "'2. International finance, including international financial and monetary organizations."

Renumber succeeding paragraphs accordingly.

This amendment would delete the provision of S. Res. 4 giving Banking Committee jurisdiction over international financial institutions.

AMENDMENT NO. 6

On page 6, lines 6 and 7, strike out "international economic policy,".

This amendment would delete "international economic policy" from the matters over which the Banking Committee is given oversight.

AMENDMENT NO. 7

On page 12, line 14, strike out "United Nations and its affiliated organizations" and insert "International organizations".

The purpose of this amendment is twofold: (1) to protect the jurisdiction of the Foreign Relations Committee over international financial institutions; and (2) to clarify the Committee's jurisdiction over non-UN international organizations.

The present rule gives Foreign Relations jurisdiction over "United Nations Organization and international financial and monetary organizations."

S. Res. 4 would give the Committee jurisdiction over "United Nations and its affiliated organizations."

The phrase "affiliated organizations" would embrace the World Bank and the Monetary Fund, both of which officially are specialized agencies of the UN, in the same class as the Food and Agriculture Organization, UNESCO, etc. S. Res. 4, however, specifically gives Banking jurisdiction over "international financial and monetary organizations." (This transfer to Banking is dealt within another amendment.)

But neither the present rule nor S. Res. 4 is explicit with respect to international organizations outside the UN family, such as NATO and the OAS. There has never been any question about that. This amendment would insure that there would not be.

AMENDMENT NO. 8

On page 12, after line 17, insert the following: "'11. Foreign loans."

This amendment would retain the provision of the present rules giving Foreign Relations jurisdiction over foreign loans.

S. Res. 4 does give the Committee jurisdiction over "foreign economic, military, technical, and humanitarian assistance." It could be argued that this would include foreign loans, but in some cases it could also perhaps be argued that it does not. Nothing is lost by making the rule explicit.

AMENDMENT NO. 9

On page 12, after line 17, add the following: "'11. International law."

This amendment would give the Foreign Relations Committee jurisdiction over matters relating to international law.

This would protect the Committee's interest in the foreign relations aspects of matters such as oceans and the outer continental shelf jurisdiction over which is specifically placed in other committees by S. Res. 4.

AMENDMENT NO. 10

On page 12, line 20, strike out "policy" and insert "and foreign policies".

The purpose of this amendment is to spell out the Foreign Relations Committee's oversight responsibilities for foreign policy as well as national security policy.

S. Res. 4 directs the Committee to "study and review, on a comprehensive basis, matters relating to the national security policy of the United States."

The amendment would make this read "the national security and foreign policies of the United States."

AMENDMENT NO. 11

On page 13, line 8 strike out the period, insert a comma, and add the following: "but not including foreign information activities."

The purpose of this amendment is to protect the jurisdiction of the Foreign Relations Committee over international information programs of the United States Government, specifically USIA.

S. Res. 4 gives the new Committee on Governmental Affairs jurisdiction over "government information, including freedom of information." The amendment would make it clear that this is limited to domestic mat-

ters and does not include USIA or other foreign information programs such as Radio Free Europe and Radio Liberty.

ADDITONAL STATEMENTS

TRIBUTE TO ALICE PAUL

Mr. BAYH. Mr. President, today is a very special day. It is the 92d birthday of Alice Paul, the author of the equal rights amendment and founder of the National Women's Party. It is a privilege for me to join with others across the Nation in wishing Alice Paul a 93d year as rich and full as have been all those that have gone before.

Alice Paul worked for many years to obtain passage of legislation to get women the vote. She realized that obtaining the vote was not the end of their work, however, but only the beginning. In 1923 she wrote the equal rights amendment which was brought before every session of Congress until its passage in 1972. Since that time, 34 States have ratified the amendment, and ratification by only 4 more States is needed to complete the process of guaranteeing equal rights to all Americans. In my own State of Indiana the State House of Representatives is voting on the amendment tomorrow. I can think of no better present for this remarkable woman who has contributed so much to our Nation than its passage in Indiana. I congratulate Alice Paul for her dedicated service for all people of this country.

This tribute to Alice Paul is well timed though her birthday is on of the few anniversaries observed by the women's movement for which she cannot take credit.

Mr. President, I ask unanimous consent that articles from Life magazine's "Special Report on Remarkable Women" and the New York Times on Alice Paul's life be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Life Magazine Special Report]

"REMARKABLE AMERICAN WOMEN 1776–1976"

[By Vivian Gornick]

A woman sits in a ground-floor room in a large old house in Connecticut that has been turned into a nursing home. She is small and painfully frail, her body withered with great age. All around her, in the hall beyond this room and in the room itself, is the smell and feel of age and death. I stare at the woman. I have seen photographs taken of her when she was young: the body slim and strong, the eyes luminous, the hair rich, massive, piled high on her beautiful head. Now she sits before me in a wheelchair: the lovely dark eyes dim and colorless, the massive hair thin and white, the arms ropy, the mouth clumsy, as though filled with wooden teeth. I ask a vague, general question: how does she feel? The woman remains silent for a long while as though she either hasn't heard or hasn't understood my question. Then she answers: abrupt, irritated, lapsing immediately back into silence, shrinking even further into her chair. Another question of the same sort . . . another answer of the same sort. Then I ask her a specific question. The question is not about her health or any general sense of "life" she might have. The question is about the political movement she has given her entire life to. Her head straightens slowly on her neck, like a bird's feeling its way into safety, again an extraordinary silence lasts a very long while, and then she begins to speak. This time there is an amazing difference in her speech. Her voice grows full and strong, her words quicken with thought and memory, her sentences begin to shine with lucidity. An atmosphere accumulates around her: calm, grave, steady. The atmosphere is transforming. The woman has become a presence, a force, a being alive with meaning beyond her tiny, withered self.

Alice Paul is 91 years old. The movement she has given her life to is the woman's rights movement. The party that has been her instrument of political work is the National Woman's Party. The issues of her life have been womans' suffrage and the Equal Rights Amendment. She, the movement, the party, the issues are one. Inside her an entire history lives. It is not only the history of the woman's movement in this country, but the history, as well, of the narrow, concentrated power of the human will in lifelong conflict with social injustice.

Alice Paul was born in January of 1885 in Moorestown, N.J. Her parents were well-to-do, middle-class Quakers whose lives were actively informed by the moral and humane principles of the religious sect to which they belonged. In later years when Alice Paul was asked what brought her to feminism, she said that it had always been there—in her home, in her young life. That is, she grew up with the assumption that men and women were equal, and only when she went out into the larger world did she discover this was not so. The discovery came as a visceral shock, the kind of shock that gives sudden form to that which has been inchoate. She realized that she was political to the bone, that her deepest being was aroused by the political. She saw the disenfranchised condition of women in the light of political struggle, and she would never again see it otherwise.

She was very bright and full of intellectual curiosity; there was never any question of her not going to school. She began collecting degrees when she was 20 years old and didn't stop until she was 43 (B.A., Swarthmore, 1905; M.A., University of Pennsylvania, 1907; Ph.D., University of Pennsylvania, 1912; LL.B., Washington College of Law, 1922; LL.M; D.C.L., American University, 1927–28).

She emerged from Swarthmore in 1905 as a social worker and became in that year a resident worker in the New York College Settlement. Her instinctive energy for the poor, the disorganized, those without voice or power was as yet diffused. But that vital sense of disenfranchisement that she carried with her into the sweatshops of New York and later into the slums of London was steadily narrowing. Its clarification required only an igniting experience. And that experience, when it came in England, showed her who and what she was: a single-minded, single-hearted revolutionary who would travel one road only for the rest of her life.

Alice Paul went to England in 1907 at the age of 22 to study at the Woodbrooke Settlement for Social Work in Birmingham. In his incomparable history of feminism in America, *Everyone Was Brave*, William L. O'Neill writes: "She came to England at a time when the fantastic Pankhursts were in full cry. Under the leadership of Emmeline Pankhurst and her daughter Christabel, the suffragist movement had been divided . . . and a spectacular minority called suffragettes, who employed a kind of guerrilla warefare," had emerged. "Beginning in a small way with verbal protests, public demonstrations and the like, the suffragettes ultimately practiced arson and sabotage, mutilated artworks and physically assaulted cabinet ministers. When jailed they went on hunger strikes which compelled the government either to force-feed or release them. If let go they promptly began committing outrages again."

For Alice Paul the Pankhursts were electrifying. She instantly felt at one with them. They were the clarifying experience. They made her not only a lifelong suffragist, but a very particular kind of suffragist. In one swift visionary moment they showed her that women must adopt revolutionary methods, that no one was ever going to give them the vote; they must *take* the vote.

Alice Paul worked with the Pankhursts in England for three years; they proved to be the most formative years of her political life. Here in England she learned everything she, in fact, was going to learn about how to wage organized and vivid warfare for suffrage. She also learned how much punishment she could, and needed to, withstand: she demonstrated, she went to jail, she was forcefed. She returned to America in 1910 a dedicated, militant suffragist, ready to lay her talents and her experience before her own suffrage movement. But the American movement was so demoralized it was unable to make use of her.

In 1910, four years after Susan B. Anthony's death, active struggle for a federal Constitutional amendment on woman's suffrage had all but come to an end. The suffrage amendment had never been brought to a vote in the House of Representatives, and in the Senate it had been voted on only once, in 1887. Nationally, not one politician was interested in or supportive of suffrage. Each President, in turn, had been oblivious to its merits if not downright antagonistic. Thus the National American Woman Suffrage Association (NAWSA) had in effect turned its entire attention to the states, hoping to make each state in turn enfranchise its women. The result was that between 1890 and 1911 the franchise had been granted in six Western states—Wyoming, Colorado, Utah, Idaho, Washington, California—and then: nothing. For years, nothing. The suffragists themselves were still vital, but the organization was all but moribund.

Alice Paul had become convinced in England that the only way to gain suffrage in America was through federal amendment; a continuation of state campaigns, she felt, was a crucial waste of time and energy. What's more, the traditional genteel methods NAWSA employed were not sufficient; something *more* was required. She went before NAWSA to persuade the organization to send her to Washington to work for a federal amendment. It took her two years to do so, and then it was only with the influential support of Jane Addams that she was able to make the national organization capitulate to her scheme—on the condition that she never ask them for money or support of any kind.

She arrived in Washington in December of 1912 with a list of names in one pocket, about three dollars in the other pocket, and two co-workers: Lucy Burns and Crystal Eastman. These three together became the Congressional Committee of NAWSA. Within the next four years, as Alice Paul and her followers continued to come into conflict with the parent organization, the Committee became the Congressional Union and then, finally, the independent National Woman's Party. Throughout each of its incarnations the committee, the union, the party—indisputably—was Alice Paul.

She proved to be an extraordinary organizer, fund-raiser and politician. She permitted nothing into her life or her con-

sciousness that did not have a direct bearing on suffrage. She lived in a cold room so she wouldn't be tempted to read novels late at night. She worked for months at a time without removing her hat. Her manner was so intent, so direct that it was often experienced as abominable rudeness. This manner induced in those around her either awe and loyalty or amazement and distaste. Once, when a volunteer who had worked very hard suddenly disappeared from headquarters, Alice Paul inquired after the woman. She was told that the volunteer was offended by Alice Paul's failure to thank her for her work. Alice Paul replied in wonder: "But she did not do it for me. She did it for Suffrage. I thought she would be delighted to do it for Suffrage."

Suffrage. That was the holy word. And precisely because it *was* a holy word for her she was able to swell the ranks of the Woman's Party to 50,000 in a few short years and induce an extraordinary solidarity in those who followed her. She brought to the flagging suffrage movement two things: the boldness of outrageous tactics and the idea—brought from England—that the suffragists must hold the party in power responsible for not passing the federal amendment. She organized massive demonstrations, the most famous of which took place on Pennsylvania Avenue in March of 1913, the day before Wilson's inauguration. Five thousand women marched. They were attacked by hoodlums, were not defended by the police and the next day hit the front page of every newspaper in America, thereby immediately putting woman's suffrage back on the American political map.

Alice Paul continuously organized disruptions at meetings, rallies, functions of all kinds. She threw a picket line around the White House—hers were the first suffragists ever to picket the White House—that consisted of women carrying signs that asked: "Mr. President, how long must women wait for liberty?' She and her followers got arrested, went to jail, hunger-struck, were force-fed, again made front pages across the country—and gained consistently growing attention and sympathy. For eight solid years Alice Paul and the Woman's Party kept up this kind of battering political activism—plus endless meetings, conferences, conventions, local and state demonstrations—never stopping, never relenting, creating an insistent atmosphere of social turmoil that demanded and gained national attention.

To Carrie Chapman Catt, the head of NAWSA, Alice Paul and the Woman's Party were anathema. Mrs. Catt, the most powerful political leader the woman's rights movement ever had, saw herself as comparable to presidents and heads of state, with the same responsibility to use traditional methods of political bargaining and compromise. To her, Alice Paul was an irresponsible radical whose idea of holding the party in power responsible was utterly wrongheaded and whose actions were detrimental to the cause of suffrage. In short, the Woman's Party was to NAWSA as—in our own time—the Radical Feminists are to NOW. The tragedy—then as now—was that neither the radicals nor the traditionalists saw that they were each necessary to the other. Carrie Chapman Catt could not seee that Alice Paul's activism revitalized NAWSA and brought to an entire nation the urgency of woman's suffrage as probably no other kind of action could have. Alice Paul, for her part, never understood the need for conservative political behavior that determined Mrs. Catt's NAWSA policies. But beyond question, it was the two kinds of leaders, organizations and policies that together pushed the cause of suffrage through to its victorious conclusion.

In one vital sense, however, Alice Paul's vision had an edge over Mrs. Catt's. Mrs. Catt was, at all times, prepared to use political expediency to gain suffrage. This required that she never challenge the myriad "protective" laws that governed American women's lives with regard to work, property, marriage, place of domicile and obligations of citizenship. From the very first, Alice Paul saw suffrage and these protective laws as all of a piece, as all together speaking to the question of full citizenship for women. She said in 1913—and she kept on saying it—"Equality not protection." Mrs. Catt and NAWSA saw this statement as revolutionary and divisive nonsense. She told herself and her followers that once they gained suffrage all else would follow. Alice Paul said no, we'll have to fight for it just as we're fighting for suffrage.

In 1923, three years after suffrage was granted, Alice Paul and the Woman's Party drafted the Equal Rights Amendment, which stipulates that no right be abridged by either the federal government or the states on account of sex. That amendment was meant to be—and, indeed, certainly is—the proper accompaniment to the suffrage amendment; it is the other side of the coin of enfranchisement. Yet the struggle for suffrage had exhausted both the nation and the suffragists; most people simply did not have the emotional energy for the ERA. Only Alice Paul had the energy. For nearly 20 years she was able to keep the issue of the ERA alive before the Congress and before many state legislatures, but with the onset of the Second World War the entire question was submerged. The new wave of feminism in the late 1960s brought the ERA surging back into American life. It was there, ready and waiting to be rediscovered, only because of all those long years of steady, plodding work on the part of Alice Paul and her party.

The steadiness, Alice Paul said once in answer to a question about her unwavering steadiness in the cause of woman's rights: "Well, I always thought once you put your hand on the plough you don't remove it until you get to the end of the row." The 91-year-old woman sitting in the ground-floor room in the nursing home in Ridgefield, Conn. still has her hand on the plough. For her, there is no past; there is only an ever-accumulating present. Every day of her life she lives with the ongoing need to see the Equal Rights Amendment become federal law. This overriding "reality" is what made her a leader 60 years ago, it is what will make her a leader until the last breath passes from her body. A number of years ago, from the nursing home telephone, she directed the struggle for the passage of the ERA in the Maine legislature. When I visited her she organized *me*. Halfway through one of our conversations she suddenly leaned across the little table on which her frail arms rested and said to me: "My dear, do you think you could get yourself elected to the New York State Legislature? We *need* someone there." And then again, when I was leaving her and promising to return in a week, her last words to me were: "Could you bring me news of what's happening in Indiana? It's a very important state, you know."

Her life has in no way been either ordinary or proportionate. She has been neither mother, wife nor lover. Neither is she socially adept or culturally sophisticated. Her sense of historical balance is limited. She has no particular affection or understanding for the current generation of feminists; she does not see that the young radicals among them are exactly what she herself was 60 years ago. The gift of perspective is not hers.

What she has been, though, and what she is at this moment, is the embodiment of the revolutionary's narrow intensity and burning energy for "the cause." Her life has been a vessel into which the necessity of woman's rights has been poured. She *is* the cause itself. And if Alice Paul had not lived, and been exactly what she is, we, the women of America, would not be today exactly what we are.

[From the New York Times, Jan. 10, 1977]

A SALUTE TO ORIGINATOR OF E.R.A. IN 1923

(By Dee Wedemeyer)

Alice Paul, who has spent almost her entire life working for two Constitutional amendments, will celebrate her 92d birthday tomorrow, an occasion feminists are saluting and using as a rallying point for ratification of the proposed equal-rights amendment that Miss Paul drafted more than 50 years ago.

"A lot of us really did not know that the E.R.A. has been around since 1923," said Elaine Hendrie of Sayville, L.I., a coordinator of the Alice Paul Birthday Salute sponsored by the National Organization for Women. "She's 92. She ought to have her amendment ratified before she dies.

"We have come to think it's important to show Alice Paul that all the 54 years she worked so hard has really been worth it."

NOW is sponsoring a birthday party benefit in Washington for the proposed amendment. It will be at the headquarters of the National Woman's Party, which Miss Paul founded.

STATE EVENTS PLANNED

Some chapters of NOW will be holding other events in her honor ranging from parades to state-capitol vigils, and in the 16 states where the E.R.A. has not been ratified, supporters have been urged to write legislators asking for ratification as a birthday present for Miss Paul.

Alice Paul Day is being proclaimed in two states: by the Governor of Pennsylvania, the state where she earned a bachelor's degree at Swarthmore College and a master's and doctorate at the University of Pennsylvania, and by the Governor of New Jersey, where she was born, Jan. 11, 1885, and now lives in Moorestown.

Alice Paul came from a well-to-do Quaker family. As a young graduate student in England, she joined the British Suffragists, was arrested seven times, jailed three times, refused to eat and was force-fed by nasal tube twice a day for four weeks, a painful and bloody experience.

When she returned to this country she brought the more militant and colorful British tactics to the American Suffrage movement. She founded and became chairman of the National Woman's Party, which had 50,000 members.

'NEW LIFE' FOR SUFFRAGE FIGHT

Dr. Rosalind Rosenberg, assistant professor of history at Columbia University, noted that there were larger organizations and leaders with more grass-roots support, including the National American Woman Suffrage Association, headed by Carrie Chapman Catt. But Miss Paul, Dr. Rosenberg went on, "really brought new life into the battle for suffrage from 1913 on by focusing interests on a Federal amendment rather than by fighting a state-by-state battle."

Almost immediately after the women's suffrage amendment was ratified in 1920, she turned to the equal-rights amendment, which she is credited with drafting (al-

though in 1943 it was rewritten in the Senate Judiciary Committee).

When the amendment was proposed, nearly every woman's organization in the country, including the National League of Women Voters—now a supporter—opposed it on the ground that women needed protection under the law, not equality.

"I think it is fair to say she was ahead of her time," said Dr. Barbara Solomon, who teaches a women's history course at Harvard University. "And if you believe in E.R.A., we are still trying to catch up."

INFLUENCE ON U.N. CHARTER

During the last 50 years, Miss Paul steadfastly refused efforts to have a biography done, but Amelia Fry, an oral historian at the University of California at Berkeley, finally got her to sit for interviews in 1972 and 1973—but only after the E.R.A. passed Congress, the step necessary before its submission to state legislatures.

In the 1920's Miss Paul earned three law degrees. She went to Europe and organized the World Woman's Party. She lobbied in the League of Nations for sex equality and was instrumental later in having a reference to sex equality included in the preamble to the United Nations Charter.

When World War II broke out, Miss Paul returned to Washington and resumed her efforts on behalf of the E.R.A. In 1972 she left her home in the National Woman's Party headquarters and moved to her cottage in Ridgefield, Conn., where she worked by telephone for ratification until 1974, when she suffered a stroke.

Miss Paul lives in the Greenleaf Extension Nursing Home, a small Quaker home in Moorestown. She is small and stooped, and her immediate concerns are those caused by the inconvenience and discomfort of a worn body that confines her to a wheel chair and makes it difficult for her to find her eyeglasses, even when they are a few feet away.

Her nurses say that she loves lavender water and visits with a cousin, who is also in the home, and that sometimes she asks to see the medals she has received in recent years. When a group from Yale called to give her a medal recently, a nurse said she rose to the occasion and told them that it was a fine school and that it was too bad she could not have gone there when she was a young woman.

She said she felt unprepared to give a newspaper interview but, after being coaxed by a favorite nurse's aide, she agreed to answer a few questions. She then asked some of her own: Was there news of more than 34 states ratifying the E.R.A.? Did the interviewer believe in protective legislation for women?

The interview was tiring for Miss Paul, but as she went on, she recited dates, spelled names, even recalled that she had joined the British suffragists by paying a shilling and signing her name.

SURPRISED BY TRIBUTES

"You say people are going to celebrate all over the country?" she asked. "I'm very surprised to hear it."

No, she was not disappointed that the E.R.A. had not yet been ratified and, yes, she did believe it would be ratified by four more states to make it law.

"By this time there has been so much support," she said, and stopped to refer to a telegram sent last year by Betty Ford. "All these [letters and telegrams] show the great amount of support accumulated behind E.R.A., so I'm not disappointed because the volume of support exceeds what I dared hope for.

"The whole drawer there is full of support, each one saying they are working so hard and doing so much, so I think we are going to get it."

Her guiding principle: "I've just had the guiding principle of complete equality under the law."

The high point of her life, she said, was helping to pass the 19th Amendment, which gave the vote to women. "The thing I think that was the most useful I ever did was having a part in getting the vote for all the women, because that was a big transformation for the country to have one-half the country enfranchised. While I didn't do it alone, I got a good deal of the credit because I happened to be there."

And if she had time for a third campaign? She replied by asking to have the E.R.A. read aloud. "It seems to me," she said. "It sounds to me kind of complete."

WRITER NOTES HER TENACITY

William L. O'Neill, writing in "Everyone Was Brave," described Miss Paul as "probably the only charismatic figure generated by the feminist movement in its salad days."

"Once committed to a project, not ridicule, criticism or repeated failure could shake her conviction," he wrote.

Inez Haynes Irwin, in "The Story of the Woman's Party," said that it was impossible to say no to Miss Paul, that she had a way of getting people who never planned to work or give money, to volunteer. Once she asked Maud Younger to deliver the memorial address for the women's-rights leader Inez Milholland and Miss Younger replied: "I can't. I don't know how to do it."

"Oh," said Alice Paul, "just write something like Lincoln's Gettysburg Address."

Miss Paul said that through the British suffragists she learned the strategy of putting responsibility on the governing powers, no matter which party.

The day before President Woodrow Wilson arrived in Washington for his inauguration, she organized a march that catapulted the suffrage cause onto front pages of newspapers when the women's banners were torn apart by rowdies and a woman injured.

Early in the Wilson Administration she led a small group of women to visit the President. "We told him how we felt," Miss Paul recalled. "I remember he replied. He said, 'Well, I'm only one man. I'm a Democrat and I'm bound by the Democratic Party, and the Democratic Party hasn't come out for it.' So he said, I can remember the words were: 'Concert public opinion . . . then I, as a humble member of the Democratic party, can help.'"

Newspapers of the day are full of Miss Paul's efforts to "concert" public opinion and of her arrests at demonstrations. Under her direction, members of the National Woman's Party became "Silent Sentinels" outside the White House, where they would stand wearing white dresses and carrying purple, white and gold banners that expressed such sentiments as, "How Much Longer Must Women Wait?" or "An Autocrat at Home Is a Poor Champion of Democracy Abroad."

In 1921 Miss Paul and Mrs. Oliver H. P. Belmont of New York announced plans to reconstitute the National Woman's Party. Mrs. Belmont donated funds to buy the headquarters building in Washington. They announced a campaign to work for blanket equality.

In 1923, on the 75th anniversary of the first women's rights convention at Seneca Falls, N.Y., Miss Paul spoke at a meeting at which the organization formally voted to work for E.R.A.

"I was standing on the platform in a white dress, I remember, all nice and fluffy," the frail woman recalled in the interview last week, "and they brought an enormous basket full of ideas of what we ought to do. As I read them, they all said women have been spending quite a long time celebrating getting the vote. We can't take out the little slip of paper, the ballot, and give that to our children. We want something to eat, something they can grow strong on. We hope you have something better to offer than paper ballots.

"I read those notes out to the audience, and I said of course I agree we can't take these little ballots and give them to our children, and so I want to submit to you a program for complete equality in every field."

The women voted, she said, to make the equal rights amendment their next campaign. At a Congressional hearing, she recalled, woman after woman got up and opposed the amendment, largely because it would mean the loss of protective labor laws for women.

"And then," she said. "We started a long campaign of educating women."

DISASTROUS OIL SPILLS

Mr. RIBICOFF. Mr. President, since December 15, 1976, some 11 oil tanker mishaps have occurred off the American coastline. Since the incident involving the *Argo Merchant*, millions of gallons of oil have spilled into the ocean, rivers, and bays, primarily in the east coast. Oil slicks have moved ashore and have killed countless waterfowl and have threatened to cause irreparable damage to delicate ecosystems along the shoreline and in tidal estuaries.

In addition to the environmental damage and potential economic losses to fishing and tourist industries in areas affected by the oil spills, a sizable sum of money is involved in the cleanup operations. All too frequent, private citizens and local jurisdictions must absorb the cost of the cleanup themselves. This is clearly unfair and provision must be made for just compensation for those injured by spills. Thus, I am pleased to join with our distinguished colleague from Delaware, Senator BIDEN, in introducing the Federal Oil Pollution Liability and Compensation Act of 1977.

Provision must be made to cover the cost of cleaning up after oil spills and to penalize those responsible for permitting such spills to occur. This legislation establishes a $250 million Federal Oil Pollution Compensation Fund which will assure payment of any cleanup costs and oil spill damages. This urgently-needed measure also imposes unlimited liability for all cleanup costs on the owner and operation of the vessel, facility, or port from which a spill occurs. Other damages beyond cleanup costs resulting from a spill would also be imposed.

Mr. President, a very timely and well-written article on the recent spate of oil spills and the problems associated with the cleanup operations appears in the current issue of Sports Illustrated. The conditions on Nantucket are representative of similar problems on the Thames in Connecticut and in the Chesapeake Bay. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TROUBLED BY OILED WATERS

(By Dan Levin)

There is something surreal about Nantucket in winter, especially this winter. In Nan-

tucket town, all ancient cobblestone and brick, a pianist plays Clair de Lune during dinner at the Jared Coffin House, Neither he nor the music seems to belong, so far away in a deary sea. Candlelight flickers around him, reflected in fine old mirrors, and the voices of the diners are hushed, but they speak of an ugly thing, the wreck of the 641-foot Liberian tanker *Argo Merchant*. Its 7.6 million gallons of No. 6 oil are streaming out to sea, for now, at least, but it is Nantucket's sea, and that does not seem real.

The *Argo Merchant* ran aground in a storm on Dec. 15, 27 miles southeast of Nantucket, and the mishap seemed to set a pattern for what was left of 1976, as Liberian oil tankers all but laid siege to the western Atlantic. On Dec. 24 more than 7,000 gallons from the *Oswego Peace* seeped into Connecticut's Thames. Three days later the tanker *Olympic Games* spilled 134,000 gallons of oil into the Delaware River at Marcus Hook, Pa. Then on the 29th the tanker *Daphne* went aground off Puerto Rico, with 14 million gallons aboard, unspilled but menacing. But the greatest outrage is the *Argo Merchant's*—the worst oil spill in U.S. history. Conservationists are fuming, and on the Delaware and Thames and off Nantucket, birds are dying.

It was not just how much oil; it was also where it spilled. Nantucket had always seemed inviolate. Some 120 miles to the northeast is one of the world's most productive commercial fishing grounds, Georges Bank, with stores of cod, haddock, pollock, flounder, lobster and sea scallops. Some scientists are predicting doom for Georges if the oil gets there and sinks. Some say it already has. But there is agreement as to the devastation of the area's bird life, especially the diving birds—the loons, the auks and the murres.

Dozens of scientists have arrived in Nantucket to study oil-soaked birds, which are coming ashore sick and dying, and to prepare for the oil slick, if it should follow. The man coordinating the scientific effort is Dr. Wesley Tiffney, an ecologist, who says, "Nantucket is the most unpolluted ecosystem on the New England coast. That is why a lot of people are up here and willing to work very hard."

The longer the slick stays at sea and the more it spreads out, the faster it will break up and dissipate. But the unseasonable west winds that have been nudging it southeast for the past two weeks will certainly not blow forever. A typical New England winter nor' easter could come at any time, and the island built by whale oil could be undone by a very different kind.

If the oil from the *Argo Merchant* reaches the shores of Nantucket it will cause a disaster. There are two means of livelihood on the island, a $1 million bay scallop industry, and tourism; summer visitors who stay from one to seven days are worth $10 to $15 million to the island's economy, and most come for the beaches and the fishing. The scallops might not survive a blanket of oil, and the tourists might just stay away. And no one knows how Nantucket's famed bluefish and striped bass runs would be affected.

The *Argo Merchant's* oil has been variously described as having the consistency of chocolate pudding, Vaseline and Jell-O. In any case, it is the kind that squishes between your toes and sticks. Three pollution-control firms have been retained by the Coast Guard, and they are standing by to boom off coastal areas. But they cannot protect all the miles of shore at the same time, or any shore in the high winter surf that is the rule on much of the island.

On Nantucket, though, life goes on as always. It is hard to fear something you cannot see. To find out where the slick is on any given day, a Nantucketer must buy an off-island newspaper or call the Coast Guard at Otis Air Force Base, 35 miles away on Cape Cod. On Jan. 2 the slick was 27 miles off the island covering an area 200 miles long and 100 miles wide. A Coast Guard plane goes out each day to locate the slick—and it usually takes most of the day to do so—and to plot its expanding perimeter. Guard spokesmen claim that the slick poses no threat to either Nantucket or Georges Bank, but the Guard took a lot of flak for failing to prevent the spill, and there are those who fear its optimism is mere whistling in the dark. Still, for now, the only tangible reminder of what waits off-shore is oil-soaked birds.

To capture them, and to save some, five Nantucket sportsmen have volunteered to patrol the island's shorelines in four-wheel-drive vehicles—the 80 miles of sound and ocean beach and six great ponds. They have plenty of assistants—some days 60 or more—and the assistants have been warned to leave the birds alone. One young girl was badly bitten on the nose by a gull, and too many exhausted birds are being chased back into a rough surf to die. But rescuing birds is a crusade on Nantucket. On Christmas Day, Bob Marks, one of the five coordinators, had 36 calls from people who had spotted oiled birds. One caller said he had been waiting 4½ hours for Marks to make his patrol. "Don't you want to pick it up?" he yelled. "It's Christmas," Marks said. "Well, the birds don't have Christmas," replied St. Francis of Nantucket.

They didn't. Not this year, at least. As the slick spread, their hazards grew; the birds are attracted to it. For one thing, oil calms the seas and provides a place to rest. For another, diving, fish-eating birds, like loons, auks, and murres, seem to associate slicks with feeding predators and scraps of fish. The various species of sea gulls have suffered the least, because they do not dive. But many diving birds have become completely coated with oil, which creates a variety of problems. Oil destroys the insulating capacity of their feathers, and the hollow cores, normally warm, become cold. Many birds contract pneumonia and freeze to death. Others spend so much time preening—trying to clean themselves—that they are too exhausted to feed, and starve to death; or they are poisoned when they swallow the toxic oil.

The rescue efforts began on Dec. 23, eight days after the *Argo Merchant* ran aground, and by Jan. 2, 88 dead birds had been found and 55 live ones captured. Few were ducks, because they are rarely found far at sea, and there has been little effort made to catch the numerous gulls. They are also relatively hard to catch. Efforts have been concentrated on the loons, because they are almost helpless on land, and the murres and auks, which are much less numerous than gulls.

Most of the birds have been found by Marks, a federal game warden who manages 1,540 acres of Nantucket moor, dunes and beach. His patrol area includes Nantucket's southeast shore, the corner of the island closest to the slick. One day last week he left his home at 8 a.m. in a cold drizzle and drove east through the moors, a solemn umber now, past lone, distant houses—typical Nantucket winter scenery. He stopped in the tiny oceanside village of Siasconset, called Sconset, where roses cover all in June and where the words quaint and picturesque most certainly were coined. Marks pointed out to sea and said, "*Argo Merchant*, 27 miles." Once again it did not seem real.

On the beach Marks first stopped 50 feet from a common murre, which was picking oil from its wings. "That's what'll mess him up," he said. The murre looked like a small penguin, about a foot high, white chest and black back, its body vertical; if any bird ever wore a facial expression, this one did. It was one of bewilderment. Marks swiped at it with his long-handled fishing net, but the murre escaped to the water.

It was a bad day for gathering oiled auks and murres. But that any were seen tells the scientists on Nantucket a great deal. It is so rare for them to come ashore that Tiffney surmises that tens of thousands may have died in the slick. "That's the reason why we spend so much time," he says. "It may be a drop in the bucket, but it's all we can do."

Marks picked up a dead gull and brought it to a hangar at the Nantucket Airport, where all the island's bird casualties are weighed and identified. The dead ones are flown to a laboratory on Cape Cod, the live ones packed in ventilated boxes for the daily flight to the Felix Neck Wildlife Sanctuary, 12 miles west on Martha's Vineyard; there are no facilities on Nantucket for nursing oiled seabirds.

On the Vineyard a detergent called Poly-Complex A–11 is used to remove the oil. It was developed to wash out the bilges of ships, so it is not surprising that only 25 of the 35 birds treated liven through the cleansing process. It is estimated that 75% to 80% of those will survive. Some will have to remain in captivity for up to a year, through a complete molting cycle, because A–11 removes the natural oils from the birds' feathers, making them incapable of flight.

By that time the cost per bird, involunteer man-hours, in materials, and in airplane time, will be enormous. But the knowledge gained will be invaluable. Sanctuary director Augustus Ben David II says, "I think society owes at least this much to the birds. We inflict the damage, don't we?"

Back on Nantucket, Tiffney's team of scientists has prepared for the worst, trying to gain a greater understanding of Nantucket's ecology without oil. He says, "Pollution of any kind throws a natural ecosystem off-center, as if you took a sledgehammer to a clock. Given a disaster of this kind, we try to understand how the clock works before the hammer hits. That will help us to predict how long it will take for it to keep good time again. Of course, all our efforts could be a waste of time, and we hope they will be."

On Nantucket last week, on the brick sidewalks and under the ancient elms, and in the fairy-tale lanes of Siasconset, it was assumed they would be. How could they not?

MINING IN ALASKA—THE EFFECTS OF WITHDRAWALS

Mr. STEVENS. Mr. President, Federal withdrawals in Alaska for the implementation of the Alaska Native Claims Settlement Act, including lands for study as potential additions to the National Forest, Wildlife Refuge, Parks, and Wild and Scenic Rivers Systems, create an uncertain situation for Alaska's economic future. The application of the mining and mineral leasing laws to these future dispositions of these withdrawals is an important issue to Alaska.

The December 1976 issue of the American Mining Congress Journal carried an article concerning these withdrawals. The article details the different Federal withdrawals now extent in Alaska and discusses future land policies concerning different withdrawals.

I commend this article to the Members

of the Senate to give some idea of the problems accompanying Federal withdrawals in Alaska. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINING IN ALASKA—THE EFFECTS OF WITHDRAWALS

(By H. Stanley Dempsey)

A review of the withdrawal in Alaska of lands from mineral activity is extremely timely for Alaska presents a vivid case study of much that troubles the mining industry and our nation.

Domestic mineral availability is a subject that has received increasing amounts of attention in the past few years. And appropriately so. We are a nation whose economy is based on minerals. Yet today we must import a substantial percentage of our domestic needs. And projections indicate that this trend will continue to accelerate.

U.S. Geological Survey forecasts of our national dependence on foreign mineral supplies for the year 2000 are grim. They indicate that we shall be completely dependent on imports for 12 commodities, more than 75 percent dependent for 19 other commodities, and more than 50 percent dependent for 26 additional commodities.

ALASKA VIRTUALLY UNEXPLORED

The vast, virtually unexplored, state of Alaska offers hope that the mining industry can prove USGS projections take too bleak a view of the situation.

In Alaska a combination of vast land area, small population—with its equally small amount of political leverage—and inadequate attention by the mining industry has made it possible for heroic gestures to be made on behalf of wilderness and wildlife. The industry must become involved to prevent these gestures from becoming permanent fixtures on Alaskan land use maps.

Alaska is approximately one-fifth the size of the lower 48 United States. Its land area is about 375 million acres. The states of Colorado, Utah, New Mexico and Arizona could easily be placed within its borders—and there would be enough vacant acreage left to include the entire state of California. Superimposed over a map of the lower 48, Alaska stretches from the Atlantic coast of South Carolina to the border between Canada and Minnesota. The Aleutian Islands extend on this overlay from the eastern border of New Mexico to the Pacific coast of California.

STATE IS A LAND OF SUPERLATIVES

Alaska is truly a land of superlatives. We believe this will be true, too, of the state's mineral potential. Regional geology, plus the discoveries of economic ore bodies in such widely separated areas as the Brooks Range and southeast Alaska lead geologists to believe Alaska's mineral potential is comparable to that of western Canada and the western United States. At present we do not have adequate geologic information to further quantify this potential.

Alaska's population is 302,000—a population density of approximately one person for each two square miles. If Massachusetts had a comparable population density, it would have a state-wide population of 4,000. Colorado's population on the same basis would be 54,000. Alaska is a big—largely uninhabited—land.

Prior to the granting of statehood to Alaska in 1959, the land ownership picture was extremely simple. Less than one percent of the state was in private ownership. Over 99 percent was public domain, most of which was open for mineral activities. The major exception was Naval Petroleum Reserve No. 4 ("Pet 4"), an area of almost 24 million acres withdrawn from mineral leasing in 1923.

Today—17 years later—probably no more than 20 percent of Alaska is open to location for metalliferous minerals. Less than 10 percent is available under the various federal mineral leasing acts, and several legislative proposals, which would reduce even further the amount of land available for mineral activity in Alaska, are presently before the Congress.

ALASKA NATIVE CLAIMS SETTLEMENT ACT MAIN CAUSE OF COMPLEXITIES

The Alaska Native Claims Settlement Act, which was enacted in 1971, is the primary cause of the existing complexities of Alaskan land ownership. The act was designed to settle aboriginal claims to the land by acknowledging legitimate and reasonable native requests for a sufficient land and economic base to permit them to become economically self-sustaining. The settlement calls for payment of almost $1 billion to Alaskan natives and the grant of 40 million acres to them. These grants and conveyances are to be made to the natives through 12 Regional Corporations and more than 200 Village Corporations.

In considering availability of lands for mineral purposes, it is necessary to look only at the conveyances of land to the Native Regional Corporations. Lands transferred to the village corporations in almost all instances do not carry mineral rights with them. Those mineral rights remain vested in the regional corporation for that area.

It is also unnecessary for the purposes of the present discussion to review the complexities of the land transfer scheme called for under the Native Claims Settlement Act. In general the act authorized the withdrawal from all forms of appropriation, including mineral leasing and mining, of over 102 million acres for purposes of native selection. These withdrawals were made through a series of Land Orders issued in March 1972. The village corporation selections were completed by December 18, 1974. The regional corporations selections had to be completed within the following year—or by Dec. 18 1975.

NATIVE CORPORATIONS OVERSELECTED LAND ENTITLEMENTS

The act provides that conveyances of selected lands to native corporations will be subject to existing rights at the time of selection and that such lands be surveyed prior to conveyance. Because of the possibility of the presence of preexisting rights within areas selected, and also to anticipate the likelihood that areas—once surveyed—would be smaller than anticipated, the native corporations overselected.

The regional corporations have selected 41.3 million acres—or more than twice their 18 million acre entitlement. The village corporations have selected 24.5 million acres. As a consequence, 65.8 million acres—out of the original 102 million acres—remain withdrawn for native selection purposes. The balance—36.2 million acres—reverted to a (d)(1) or "public interest" classification. More about (d)(1) withdrawals later.

As mentioned previously, one of the purposes to be served in the Native Claims Settlement Act was to provide the natives, through their land holdings, with an economic base. The regional corporations were quick to appreciate the opportunity they had been given to select land of economic potential. In many cases they have done extensive surveying of the mineral potential of the lands available for their selection. And selection decisions frequently have been prompted by favorable evidence of mineralization. The regional corporations can be expected to generally favor the development of their mineral resources. As the eventual owners or managers of the mineral rights to 40 million acres the regional corporations will be key players in the efforts of the mining industry to develop the mineral potential of Alaska.

SECTION 17(d) HAS GREATEST IMPACT ON LAND AVAILABILITY

Section 17(d) of the Native Claims Settlement Act no doubt has had a greater adverse impact on the availability of public lands in Alaska for mining purposes then any other provision of that act—or any other act, for that matter.

Section 17(d) contains two subparts. Seventeen (d)(1) authorizes the Secretary to withdraw any unreserved lands in Alaska if he should determine that such a withdrawal is necessary "to insure that the public interest in these lands is properly protected." These withdrawals are to be made under the Secretary's "existing authority," such as the Pickett Act. Consequently, Section (d)(1) withdrawals in general do not withdraw land from metalliferous location, although they do withdraw it from mineral leasing. Under this provision, 65.8 million acres have been withdrawn indefinitely.

The excess lands set aside for native selection—36.2 million acres—also reverted to (d)(1) status, as previously noted. However, when these lands were withdrawn for native selection, they were withdrawn from all forms of mineral entry—including entry for metalliferous location. Absent executive action to restrict the extent of withdrawal, these lands revert to a (d)(1) category with their withdrawn status completely intact. Consequently, at the moment 36.2 million acres are in this category and are not open to leasing or to location. As native selections continue to be processed, this category of (d)(1) lands will grow.

AREA AS BIG AS FLORIDA ALREADY WITHDRAWN UNDER (d)(1)

To put the (d)(1) situation into perspective—an area the size of the state of Florida presently has been withdrawn from metalliferous location under this provision. An area the size of Ohio would be added to this withdrawal upon completion of the native selection processes. The withdrawal from both location and leasing will total 62 million acres.

Lands equalling in size the state of California have been withdrawn to date from all forms of mineral leasing under Section (d)(1). These leasing withdrawals will total 128 million acres after native selection—or an area approximately equal in size to the combined areas of Colorado and Wyoming.

SECRETARY TO WITHDRAW 80 MILLION ACRES UNDER (d)(2)

The second part of Section 17—Subsection (d)(2)—directs the Secretary to withdraw up to 80 million acres—twice as much land as was given to Alaska natives under the act—from all forms of appropriation—including the mining and mineral leasing laws—while the suitability of these lands for inclusion into one or four systems is determined. These four systems are National Parks, National Forests, Wildlife Refugees or Wild and Scenic Rivers.

Pursuant to this statutory directive, Rogers Morton, then Secretary of the Interior, withdrew about 80 million acres, and he submitted the Administration's (d)(2) proposal to Congress in 1973. That proposal is called the "Alaska Conservation Act of 1975."

I am not going to discuss this bill in great detail but I do want to make a few comments about it.

PRESIDENT PROPOSES TO DOUBLE NATIONAL PARK ACREAGE

Early this fall at Yellowstone National Park, President Ford announced his "Bicentennial Land Heritage Act." He proposed doubling the size of our National Park System and the National Wildlife Refuge System. This would be accomplished, his message makes clear, by favorable congressional action on the Administration's (d)(2) proposal. Our new parks and refuges will be created in Alaska.

The National Park System presently includes 31 million acres. The administration's (d)(2) bill would add 32 million acres to this system. Thirty-two million acres presently are set aside for National Wildlife Refuges. The administration's bill would add 31.5 million acres to this total.

The magnitude of the Administration's (d)(2) proposal is perhaps better understood by looking at the numbers of parks and refuges involved. At present there are 287 sites in the National Parks System. The proposed doubling would create only nine new parks. It would add 3 million acres to Mt. McKinley National Park. Today there are 378 National Wildlife Refuges. The President's bill would double the acreage with nine new refuges in Alaska.

The proposed Alaska Conservation Act also would add 18 million acres to the National Forest System and 834,000 acres to the National Wild and Scenic River System.

Mining would be handled in the following manner in these four systems. The national parks would be withdrawn from leasing and from entry under the mining laws. Valid existing claims would have to be recorded in a manner to be prescribed by the Secretary and failure to apply for patent within three years after recording would create a rebuttable presumption that the claim was invalid.

Wildlife refuges also would be withdrawn from entry or appropriation under the mining laws. The Secretary would have discretionary power to issue permits for exploration and development of mineral resources—presumably under a leasing system yet to be devised—although he is directed to allow only a minimum use of surface area. Claims would have to be taken to patent in the same manner as they would be in the national parks.

Existing law would continue to govern with respect to access to the 18 million acres of new national forests. However, it is expected that certain portions of these forests would be set aside for wilderness study within three years after enactment of the act.

The Wild and Scenic Rivers generally also would be withdrawn from mineral activities.

In summary, the administration's (d)(2) bill would place 64 million acres (or 78 percent of all of the (d)(2) lands)—an area slightly larger than the state of Wyoming—into systems which would withdraw them from mineral energy. Of the remaining 18 million acres (or 22 percent of such lands) to be administered for multiple use by the Forest Service, it can be anticipated certain areas will be set aside for Wilderness study.

ADMINISTRATION BILL ONE OF SEVERAL PROPOSALS

The Administration's bill is only one of several (d)(2) proposals the Congress is now reviewing. Congressman Udall's proposed "National Interest Lands Reservation Act"—H.R. 2063—would set aside 106 million acres—an area larger than the state of California. One percent of that land—1.6 million acres—would be added to the national forest system and mining would be permitted within the forests only by a permit and lease system and only if the Secretary determines that the minerals are sought for a critical national need, that no suitable alternative exists, and that the area would not be permanently impaired. Mining would be prohibited on the remaining 104 million acres.

The state of Alaska has suggested a (d)(2) bill which would place only 37 million acres into the four systems. An additional 62 million acres would be designated "Alaska Resource Lands" and would be jointly administered by the state and the federal government. These would be administered on the basis of prime use, and inconsistent uses would not be permitted. We hold out no great hope that mining would be declared the prime use for much of these 62 million acres. Thus under the state's proposal, 99 million acres—less that portion of the 37 million acres dedicated to national forest use—would likely be withdrawn.

If the 80 million acres presently proposed for (d)(2) purposes are permanently withdrawn for mineral activity, the U.S. Geological Survey estimates the loss in mineral production to the U.S. may be $30 to $40 billion in the next 100 to 125 years, although the potential value probably never will be known after withdrawal.

As mentioned earlier, the impulse to make heroic gestures on behalf of wildlife and wilderness in Alaska seems irresistible. But heroism for the American consumer, and for American working men and women seems about to be lost in the shuffle.

CONGRESS MUST ACT BY DECEMBER 1978 ON (d)(2) LANDS

The Native Claims Settlement Act requires that Congress act on the (d)(2) lands by December 1978. There are guesses that the only action Congress will take by that time is an amendment to the Native Claims Settlement Act which will give them additional time to solve the (d)(2) problem. In the meantime, of course, those lands will be closed to entry under the mining and mineral leasing laws.

While the Native Claims Settlement Act is the major matter affecting the availability of public lands in Alaska, there are others.

STATE ENTITLED TO 35 MILLION ACRES MORE

The state of Alaska is entitled to select an additional 35 million acres—the balance of the 103 million acres granted under the statehood act. State selections were not possible in the late 1960's and early 1970's when pressure from the natives caused Secretary of Interior Udall to withdraw from possible selection all otherwise unreserved lands pending resolution of the native claims. Limited selections have been made since passage of the settlement act, but the final selections must await adjudication of native corporation selections and changes in withdrawal status.

The fact that the state of Alaska has selection rights for some of the lands presently withdrawn under the Native Claims Settlement Act adds substantial uncertainty to the future availability of public lands for mineral activities. Lands presently withdrawn for (d)(2) consideration might lose their (d)(2) status but be subject to a subsequent withdrawal if they should become state select lands.

One further example—the Forest Service, after three years of study, designated as a Wilderness Area 40,000 acres out of the 400,000-acre West Chichagof-Yakobi study area. The state of Alaska and the Sierra Club are protesting the decision. And Congressman Udall was the principal sponsor of a legislative proposal entitled the "Endangered American Wilderness Act" (H.R. 14524) which would turn the entire area into a wilderness area. This legislation is of special interest to a major copper company which is working on copper-nickel deposits on Yakobi Island.

EXTENSIVE WITHDRAWALS SEEN AS NEGATIVE LAND USE PLANNING

What is taking place in Alaska cannot be called "land use planning." The extensive use of withdrawals is, at best, a negative land use policy which precludes wise use of resources. Land use planning requires an evaluation of facts. So far as knowledge of mineral resources in Alaska is concerned, few of the facts are in. We have barely scratched the surface. We simply do not know how extensive Alaska's mineral resources are, and we do not know where they are. The Bureau of Mines has been given $600,000 for purposes of evaluating the 80 million acres withdrawn for (d)(2) selection. It is doubtful that the results of their studies will contribute in any measurable ways to our appreciation of the mineral potential of these vast areas. Certainly it would seem unwise to withdraw these large areas irrevocably from mineral activities after such a cursory glance at their potential. Nevertheless this is happening.

To the extent Congress or the Executive Branch of the state of Alaska close the door to mineral activity in Alaska, they are locking up uninventoried resources. If history is any guide on the matter, we can presume that the door once locked will not be opened again. Not only is this poor land use—it is action directly contrary to the directives of the Minerals Policy Act.

MULTIPLE USE IS MOST REASONABLE APPROACH

Multiple use management seems to me to be the most reasonable approach to the apparent conflict between possible mineral development and preservation. It allows an evaluation of land use alternatives and enables land use managing agencies to make decisions on the basis of all the facts. This is the concept which the United States Forest Service has made work to the benefit of the general public on national forest lands. It is a model worth emulating in Alaska.

NEW FACE OF DEFENSE

Mr. PROXMIRE. Mr. President, an article in the January 10, 1977 issue of Business Week. Titled "The New Face of The Defense," makes a number of interesting points about defense-industry relationships.

The first conclusion is that foreign military sales will fall due to the fact that European arms technology is improving. The Europeans will increasingly develop their own weapons systems and sell these weapons on the world market, thus competing with American arms sales.

The second point is that defense industry profits are much better than they were several years ago. The Pentagon has more money to spend now. Because of a backup in contract awards, weapons purchasing could reach $20.4 billion dollars in fiscal year 1977, a 24-percent increase over fiscal 1976. In addition, new Pentagon policies are designed to increase profits.

Third, it appears that U.S. procurement will increase sharply for American forces. Twelve major weapons systems that were under research in the early 1970's are now ready for production. These systems will have longer production runs. The Navy, for instance, plans to expand its fleet by over 100 ships. This will require an increase in procurement

levels from $6.2 billion in this fiscal year to $8 billion in the next fiscal year.

The article's fourth point is that new procurement policies will provide more Government sharing of both research costs and the cost of equipment. Companies can now charge the Government for the cost of leasing or buying plant and equipment. Development and production bids are awarded separately, thus lessening the effects of inflation and unforeseen costs. Further, the Department of Defense guarantees development expenses under cost-plus-fee arrangements. Fixed-price bids are required for later production only, when the price of production can be estimated better.

One final point the article makes is that overcapacity is not a serious problem for Defense contractors because it exists mostly in Government owned plants. With the Pentagon encouraging contractors to use private plants, this overcapacity will decrease, according to Business Week.

Mr. President, I ask unanimous consent that the Business Week article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NEW FACE OF THE DEFENSE INDUSTRY

As the Carter Administration takes office on Jan. 20, the Pentagon's weapons buyers will be setting out on their biggest shopping spree in nearly a decade. Their pockets are jingling with more cash than they have seen since 1970, when the Vietnam buildup climaxed and weapons procurement entered a six-year slump. Barring a radical shift in policy by President Carter—a move most observers do not expect—the Pentagon will be spending its new wealth on nearly a dozen advanced weapons systems that have been simmering in research and development for the first half of the 1970s and are now ready for production

True, the surge in weapons buying will be modest when compared with the wartime buildups of Korea and Vietnam: The outgoing Administration expects hardware budgets to rise only 6% to 8% a year for the next four or five years. After inflation, that equals "real growth" of only about 3%. But any increase at all is a welcome turnaround for an industry whose major customers have suffered years of belt-tightening. And because of a backup in contract awards, the money will really flow in the present fiscal year, which began on Oct. 1. Weapons buying in fiscal 1977, according to Pentagon estimates, could surge to $20.4 billion, 24% ahead of fiscal 1976.

All this, of course, adds up to some very good news for the nation's defense industry. Although most company executives will not begin celebrating until they see how President-elect Jimmy Carter and his choice for Defense Secretary, Harold Brown, treat some of the new weapons programs during their early months in office, the industry's mood is more optimistic than it has been in years. "We're upbeat," says Laurence J. Adams, president of Martin Marietta Aerospace Corp., which stands to get a big chunk of the Army's $5 billion Patriot missile program, formerly known as SAM-D. Says Dolor P. Murray, executive vice-president of McDonnell Douglas Corp.: "The defense industry is in a very healthy position."

The Pentagon's expected largesse looks unusually attractive to defense companies for several reasons:

HIGHER PROFITS

Basic changes in Defense Dept. procurement policies mean that new production contracts should generate higher profits than the meager levels of recent years. For example, most contracts signed after Oct. 1 will allow companies to charge the government for the cost of money used to buy or lease plant and equipment. This new interest allowance "is really a step in the right direction," says Thomas R. Stuelpnagel, general manager of the Hughes Helicopter Div. of Summa Corp., which last month won an initial $317 million contract to build a new attack helicopter for the Army. "It will encourage us to modernize and improve productivity.

LESS RISK

Gone are the days of "total package procurement," when former Defense Secretary Robert McNamara forced companies to lump development and production in one fixed-price bid. Inflation and unforeseen costs often led to big losses, as with Lockheed's C-5A transport plane and Grumman's F-14 fighter. Now the Pentagon guarantees development expenses under cost-plus-fee arrangements, and it even holds contractors' hands during early production runs—requiring fixed-price bids only for later production, when costs can be better estimated.

LONGER RUNS

The high development costs of the new weapons the Pentagon will be launching mean that more of them should enjoy longer production runs. That, in turn, means greater income stability for their manufacturers. The new main battle tank that the Army has chosen Chrysler Corp. and Avco Corp. to build, subject to a final go-ahead in 1979, may stay in production until the end of the century, with a $5 billion domestic market and an even greater foreign potential. Avco, like many companies, had been trying to diversify away from the defense business. "But now I'm glad to be in it," says James R. Kerr, chairman. "It's a lot better business than it used to be."

However, some defense companies may not be that enthusiastic after the Pentagon has passed out its new crop of weapons contracts. The trend is toward bigger but fewer programs because of their high cost and long lead times. Clearly, there will not be enough programs to go around.

FOREIGN MARKETS

Industry "haves" such as McDonnell Douglas—blessed with two big fighter programs—will be sitting pretty for the long pull. But such "have nots" as LTV Vought Corp., whose backlog has slid to $552 million from $824 million over the past year, and which has no major new prime contracts in view, may be forced to work as subcontractors, to merge, or to drop out of the business altogether.

Some segments of the defense business have already shrunk during the post-Vietnam slump. For example, there are now only 12 missile builders and 7 shipyards building Navy ships; 10 years ago there were 15 of each.

And one or more military helicopter producers also could be casualty candidates sometime very soon. The award of the AH-64 attack helicopter contract to Hughes Helicopter last week provided that company with its first Pentagon production contract since 1969 and probably saved it as a defense contractor. But last week, too, Boeing's Vertol subsidiary lost out to United Technologies Corp.'s Sikorsky Aircraft Div. in its bid to build the UTTAS troop-hauling helicopter, and that leaves Vertol in a very difficult position. "With no new military helicopter on the horizon, Boeing is going to have a tough decision to make," notes one close industry observer. "But I'll bet it decides to phase Vertol out within the next year or so."

Even some surviving contractors may face new problems. Financing could be one, warns economist David E. Raphael of Stanford Research Institue. The working capital of the aerospace industry, the largest segment of the defense business, will have to rise to $8.8 billion in 1980 and $15 billion in 1985, from $5.9 billion last year, he says. "We face a general capital shortage, and these companies are just the type that will suffer most," Raphael points out. "They're cyclical, they have a poor track record in profitability, and they don't represent a growth sector."

Another industry worry is that European armsmakers will soon start winning a growing share of international business. Foreign countries have sustained the U.S. industry through the famine years: They ordered $9 billion worth of U.S. military hardware in fiscal 1976; the year before $12 billion in military deliveries went abroad.

But European arms technology is improving, and last year Congress won the right to approve most U.S. arms exports—a development that has already delayed some big orders. Moreover, President-elect Carter has vowed to scrutinize future weapons exports carefully. "Without Carter, foreign sales would have leveled off," says George Sloan, director of strategic planning for McDonnell Douglas. "With Carter, they will decline." A Pentagon source predicts that they may not reach $8 billion in the present fiscal year.

Carter's attitude toward domestic and foreign arms spending constitutes the biggest imponderable that defense companies face. Industry executives these days are combing through Carter's campaign oratory and collaring his advisers for clues to how the new President may treat Pentagon buying plans.

THE INDUSTRY "HAVES"

It may be whistling in the dark, but most of those executives seem convinced that Carter will achieve his celebrated campaign vow to cut defense spending $5 billion to $7 billion by bringing troops back from abroad, firing generals, and executing bookkeeping gymnastics, and that he will not substantially dampen the Pentagon's planned shopping spree in doing so. "He can shift hardware expenditures from one year into the next with the stroke of a pen," says James M. Beggs, executive vice-president of General Dynamics Corp., whose F-16 fighter program is one of the juiciest new defense plums. "There are lots of ways to wiggle off the hook."

Carter will want to wiggle, believes D. Brainerd Holmes, president of Raytheon Co., now that he has started to receive Central Intelligence Agency briefings on the magnitude of the Soviet Union's current arms buildup. In the past 10 years the Soviets have shot way out ahead of the U. S. in numbers of strategic missiles and military cargo planes. They are currently building six times as many tanks as the U.S., three times as many armored personnel carriers, 30% more fighter planes, and 70% more naval ships. "The Soviets are the U. S. defense industry's greatest ally—their hard line is quickly translated by Congress," maintains Holmes.

Robert Anderson, president of Rockwell International Corp., prime contractor for the B-1 bomber, which officially moved into production only last month, agrees. "I have a very strong feeling that the Russians are pulling ahead," he says.

Some executives think that Carter, who graduated from Annapolis and served in the Navy, could be so impressed by a close look at Soviet strength that he might even ask

for a higher defense procurement budget. Avco's Kerr, a liberal Democrat who supported Carter's election, is one who holds this view. And G. William Miller, chairman of Textron Inc., believes that more hardware spending "would not be inconsistent" with Carter's basic aim of improving military efficiency.

These executives think that Carter will realize that a number of U. S. weapons systems, such as the B–52 bomber and the Minuteman intercontinental missile, are growing obsolete. And on strictly economic grounds, holding weapons spending down would make his twin goals of stimulating growth and slashing unemployment much more difficult. The B–1 bomber, considered the most vulnerable program on the Pentagon's shopping list, is expected to generate 69,300 direct jobs and 291,000 supporting jobs at its 1980 production peak—the year when Carter will presumably be standing for reelection.

The B–1 could provide the first test of the Carter Administration's defense policies. The plan was in early development when Harold Brown was Air Force Secretary. And soon after Brown takes over as Defense chief, he will have to recommend to President Carter whether to shift the bomber from limited production into full production.

Although Carter's negative campaign statements suggested that he might kill the $23 billion program, the current consensus is that at worst Brown will recommend that he return it to R&D for a while longer, even though this will add to the plane's cost. "There is no way they will kill the B–1," declares Avco's Kerr, whose company would build the bomber's wings.

Avco, with its potential roles in the new Chrysler tank, the B–1, and a proposed $1 billion wing retrofit on Lockheed's C–5A, is one of the new "haves" that are emerging in the defense business. Its changing fortunes are typical of the swings that defense companies must learn to live with to survive: Pentagon business accounted for 32% of Avco sales in 1971, 13% in 1974, and has now risen again to 18%. If its three major programs survive Carter's scrutiny, says Kerr, Avco's defense sales will double in dollar value by 1981.

Fairchild Industries Inc. is another turnaround case. The company burst out of the defense doldrums in 1973, when the Air Force chose it over Northrop Corp. to build the A–10, an antitank aircraft. Fairchild should book an impressive $4.4 billion in A–10 sales to the Pentagon through 1981, plus possible foreign sales.

There are other probable big winners in the defense industry's new "production era":

GENERAL DYNAMICS CORP.

Its new F–16 Air Force fighter, due to enter production in 1978, will generate sales of $7 billion or more to the Pentagon and to countries in the North Atlantic Treaty Organization, although the company will share production with those countries. Trident submarines, which GD's Electric Boat Div. began building last year, will produce sales of $13 billion by 1981. GD's Tomahawk cruise missile could be a top seller, but it faces competition from an airborne cruise missile that Boeing Co. has developed. And future arms limitation talks with the Soviet Union could kill off both contenders.

M'DONNELL DOUGLAS CORP.

Its F–18 Navy fighter, to be built jointly with Northrop starting in 1979 or so, could produce sales of $10 billion or more. The company's F–15 fighter, in midproduction, should book $11 billion into the early 1980s. Its vertical-takeoff, British-licensed Harrier has good Marine Corps prospects, and its Harpoon missile could bring in $2 billion.

NORTHROP CORP.

Its share of the F–18 may prove a bonanza for this relatively small company whose expected sales for 1976 are $1.2 billion. A land-based version of the Navy's aircraft-carrier jet, to be built with Northrop acting as prime contractor, has huge foreign potential: Iran alone wants 160 planes, worth $3.2 billion. Northrop's sales of F–5 fighters should continue for some time. As of last month, it had delivered 3,000 of them.

RAYTHEON CO.

This missile builder's quiver is filled with many products, including two large new ones. The Army's Patriot antiaircraft missile, due to start a long production life in 1979, should win $5.6 billion in U.S. orders, plus foreign business. The improved Hawk missile won a $1.1 billion order from Saudi Arabia last summer, and Japan, too, looms as a customer, possibly in 1978.

UNITED TECHNOLOGIES CORP.

Its Pratt & Whitney Aircraft Div. has contracts to build the engines for three out of four new U. S. fighters—the F–14, F–15, and F–16. And its Sikorsky Aircraft Div., still building the CH–53 (a sealift helicopter) for the Navy, now enjoys the prospect of collecting $3.4 billion over the next eight years as a result of winning the UTTAS production contract last week.

Several other companies have good near-term prospects, but they face uncertainties later. Grumman Corp., for example, is still building the F–14 under an $8 billion Navy program, but it has no new weapons under contract, and the F–14 will be running out in 1980. President Joseph G. Gavin, Jr., however, thinks the F–14 and three other Grumman planes still in production will win follow-on orders. "Some analysts have extended into the future the point at which Grumman supposedly goes off the edge of the cliff," says Gavin. "I think that point is going to keep moving out."

Lockheed Aircraft Corp., the biggest defense contractor in 11 of the past 15 years, starts production next year on some $7 billion worth of missiles for the Trident submarine. Work continues into the early 1980s on $3.4 billion worth of P–3 antisubmarine planes for the Navy, and foreign prospects for the plane are looking good. But Lockheed, which is now running a full billion dollars a year behind McDonnell Douglas in defense business, will have to hustle to keep that business from shrinking further in the 1980s. "It is fair to ask if we will be less dominant," concedes William R. Wilson, Lockheed's senior vice-president for marketing. "There will be real competition between us and Boeing and McDonnell Douglas."

WAITING IN THE WINGS

Other companies may still strike it rich in a number of competitions and program decisions to be settled over the next year or so. General Electric Co.'s aircraft engine division, which has been losing contracts to Pratt & Whitney, still has the engine contract for the F–18. And it will be in better shape if the GE-powered B–1 bomber survives, or if it manages to beat out P&W to re-engine Grumman's underpowered F–14.

Boeing, which dropped from second to sixth largest defense contractor last year, probably has the biggest stake in coming awards. Except for a $4 billion airborne electronic-warning program based on the 707 airliner, for which it expects to receive another $2.4 billion order from NATO, most of Boeing's military work is winding down. Thus, says Thornton A. Wilson, Boeing's chairman and chief executive officer, "it is important for us to win" one or more big new contracts.

Boeing is currently fighting McDonnell Douglas for several big ones. One is a short-takeoff-and-landing transport plane to replace the aging Lockheed C–130 Hercules. That contract has a sales potential of $6.3 billion. Boeing is also fighting for a tanker-cargo version of the 747 that could bring in $8 billion.

The fate of all these programs, plus a number of others waiting in the wings, will hinge at least partly on the Carter Administration's defense and foreign policies. Though few observers expect major shifts, defense analyst David E. Benson of Stanford Research Institute feels that if a choice must be made, Carter will incline toward strengthening conventional forces rather than funding strategic new weapons.

BATTLING THE NAVY

Of the U.S. conventional forces, none is in greater need of strengthening than the Navy's fleet of warships. They number 485, the lowest figure since 1941 and down from 900 in 1970. Of course, newer vessels have greater capability than old ones. Still, the Navy aims to expand its fleet to at least 600 ships by the early 1980s—which means a huge potential for orders with U.S. shipyards.

For example, Newport News Shipbuilding & Dry Dock Co., a subsidiary of Tenneco Inc., is building two nuclear-powered aircraft carriers and has long-lead-time funding for a third, to cost $1.8 billion. According to the Navy's timetable, procurement will rise to $8 billion next year from $6.2 billion in the current fiscal year. But there is a major stumbling block: The Navy and the shipyards are at each others' throats over $2 billion that the yards claim the Navy owes them for past work.

Two big yards, Newport News and Litton Industries Inc.'s Ingalls, are building ships, but some of them only under court order, and they are not anxious to take new jobs unless the Navy changes its contracting procedures. The main change, says Litton President Fred W. O'Green, must be an end to the Navy's right to order changes in ships without immediate compensation. "They say, 'You proceed and we'll settle later,'" complains O'Green. "That means we're funding their programs—and we're not going to do that any more." Efforts by outgoing Deputy Defense Secretary William P. Clements Jr. to reach a compromise on the claims have collapsed.

Meanwhile, several shipbuilding programs have fallen behind—by as much as four years in the case of 30 destroyers that Litton is building. Because of its problems with private yards, the Navy wants to reopen production facilities in two or three of its own shipyards, not used since the mid-1960s (BW—Dec. 6). Says Litton's O'Green, who is currently dickering to build destroyers for Iran: "Carter has got this issue right squarely in front of him."

Not all shipbuilders are mad at the Navy. Gorden E. MacDonald, general manager of General Dynamics' Electric Boat Div., says the Navy's contracting style has improved dramatically on the Trident submarines that the division began building last year. The Navy guarantees to cover inflation-induced cost overruns—a major source of shipyard misery—instead of restricting escalation payments to the builder's original projections of inflation, as it does under older contracts. GD is building 18 attack submarines under an old contract, and the limitation on escalation threatens to make that program a money-loser. Because of the escalation change, says MacDonald, "we'll be happy to bid on future Navy contracts."

Defense contractors outside shipbuilding also are pleased by shifting Pentagon policies designed to encourage greater industry profitability. Defense companies have long complained about their low profit levels,

often with little justification. The defense industry's return on sales, currently around 5% before taxes, is admittedly low. But the figure is not a fair yardstick because much of the industry's plant and equipment is owned by the government and risk is often less than in commercial business.

During the 1960s the aerospace industry, defense's biggest segment, generally kept pace with a more indicative measure—the return on equity capital of all U.S. manufacturing—and sometimes exceeded it. In aerospace's peak profit year, 1965, the industry enjoyed a 15.1% aftertax profit on equity, compared with 13% for all manufacturing industries. But the post-Vietnam slump pushed the industry down to a 5.8% return by 1971. Last year it had recovered to 10.6%, compared with 13% for other manufacturing companies—with foreign sales the main impetus.

Even without special government efforts, the defense industry's profits should rise further in coming years. The major reason: Production contracts generally produce a higher return than the less risky, cost-plus R&D contracts. Rockwell's Anderson, for example, figures that his company will make an 8% profit on sales on its B–1 production, compared with about 4% on the bomber's development program.

A MORE STABLE INDUSTRY

But the government is trying to help the industry further. Early this year the Defense Dept. launched a major inquiry, called "Profit 76," to document defense industry profitability and to devise ways to improve it. A prime Pentagon motive is to encourage industry to invest in more productive equipment, and to use its own facilities rather than government-owned plants. The Pentagon is still mulling the question, but in October it decreed two important initial changes.

The first is allowing interest costs on plant and equipment used on a program to be charged to the government. Second, the Pentagon has introduced a new capital-investment factor into the "weighted guidelines" that contracting officers must follow in setting profit levels on new contracts.

Previously, only program costs and risk counted in making profit calculations. Now companies that plan to make capital investments on any program can earn up to 10% more profit on it, depending on how much of their own investment they are willing to gamble. Risk will also weigh more heavily than in the past. It has previously weighed only 30% in setting profit levels, but this has been raised to 40%. And costs now count for only 50% of profit calculations, down from 70%.

Jacques S. Gansler, Deputy Assistant Secretary of Defense for installations and logistics, says the weighting for a company's own capital investment will be increased beyond 10%. By 1980, he predicts, the defense industry will be averaging 6% on sales instead of 5%. Gansler hopes that he can also find ways to encourage multiyear procurement. "This would provide greater stability of production," he says, "which should in turn reduce the contractor's risk and encourage his investment in plant and equipment."

Such plans, of course, must receive Jimmy Carter's blessing. Warns an official of the Aerospace Industries Assn.: "Democratic Administrations have tended to be less flexible in negotiating profits."

Nonetheless, most defense companies are cheered by the "new spirit" at the Pentagon. "Now if you're good you can make a buck," says Adams of Martin Marietta. Beggs of General Dynamics agrees: "The DOD has learned its lesson that profit swings in the industry can cause a lot of trouble," he says. "I see a more stable industry now."

IMPROVING THE MARGINS

A prominent dissenter is Thomas V. Jones, chairman and chief executive of Northrop, who has long argued that defense companies should own all their facilities and accept free-market risks in return for bigger profits. "The Pentagon is making it too easy," he says. "I like to see fixed-price contracts, even for development. If you manage well, you get rewarded."

Grumman's Gavin, however, disagrees. "A development program isn't worth undertaking unless there is a certain level of uncertainty," he says. "The only real way the Pentagon can encourage contractors to push the state of the art in designing new weapons is to share financial risks."

There is general agreement, however, that managerial skill, not considered a prime defense-industry asset in the past, has improved recently. Most contractors have given cost controls special attention in the wake of the huge overruns of the total-package-procurement era. McDonnell Douglas, for example, now uses a companywide accounting system that compiles a weekly computer record of all costs and how they are allocated. "We couldn't compare one division's performance with another before," says John E. Forry, controller, "Now we can make real-time decisions on costs."

Rockwell's Anderson, a veteran of the company's automotive operations, recalls that when he sat in on meetings at Rockwell's North American Aircraft Operations in the late 1960s, "there'd be 60 or 70 guys talking technical problems, with never a word on profits." Such inattention to financial management helped Rockwell lose the F–15 fighter to McDonnell Douglas, Pentagon sources say. Anderson brought in profit-oriented executives, and he has now transformed North American's staff meetings to the point that "you seldom hear talk of technical problems any more," he says. "It's all financial."

The Pentagon is taking management into account increasingly in selecting contractors. At its behest, accountants Peat, Marwick & Mitchell Inc. right now are conducting "management audits" of two companies that are competing for a big defense order. Such exercises could become routine.

Overcapacity is a recurrent trait of the defense industry, as it is in any cyclical business, and at the moment it may be as high as 40%. But the phenomenon does not trouble most companies—one reason being that much of the current overcapacity is in government-owned plants. "In peacetime you can't expect us to use full capacity," says Grumman's Gavin. "In fact, you'd be greatly concerned if you were at full capacity because you'd have no margin for accelerating in emergencies."

The Pentagon has been studying the question this year and it tends to agree. A report due later this month will estimate that the government could save up to $400 million a year in aircraft programs if it eliminated unneeded capacity. But the Defense Dept.'s Gansler notes that closing plants would "endanger competition on future contracts." He will suggest to the Carter Administration only a modest tightening of capacity—a move that might save $100 million annually.

A more worrisome subject for the Defense Dept. is a decline in the ranks of defense subcontractors since Vietnam. No one keeps precise count of their number, but Pentagon officials and industry executives say that fewer have been bidding for contract work in recent years. Many apparently have switched to commercial products offering higher profit margins.

To lure them back, Gansler says, the Pentagon is "making our military specifications more flexible, encouraging greater use of commercial parts, and urging multiple sources of supply." The problem could partly solve itself in coming years as the dwindling number of new defense programs pushes some former prime contractors into subcontracting roles.

In fact, the prime contractor and subcontractor roles in the defense business could become blurred in the future as more companies turn to the joint-venture approach that is gaining currency. Northrop and McDonnell Douglas, for example, bid jointly on the F–18 and are developing it together. McDonnell will manage the U.S. Navy version and then switch roles with Northrop on a land-based foreign version.

SHARED PRODUCTION

Hughes Helicopter has gone even further, stitching together a team of 14 companies on the Army's attack helicopter. Member companies will enter production data weekly into a central computer, and any partner will be able to consult the data bank from briefcase terminals. Reason for the arrangement: "We don't want to build another facility we won't need," explains Stuelpnagel.

More international partnerships are likely to blossom, too. As Europe's defense industry gains muscle, it is insisting on building a share of the U.S. hardware that the European countries buy. Planners on both sides of the Atlantic are realizing that making NATO weapons standard is one way to save big money.

The new Chrysler-Avco tank, for example, is likely to carry a German gun and turret in exchange for an agreement from Bonn to use the Avco turbine engine and a General Motors Corp. transmission in its Leopard II tank. And to win NATO orders for its F–16, General Dynamics had to agree to heavy European coproduction. "Naturally we'd rather build it all," says GD's Beggs, "but there's no choice." The positive U.S. "arms balance of payments" within NATO has fallen from 10–to–1 to 8–to–1, and, because of such deals, will undoubtedly decline further.

Long-range, this could mean a contraction of overseas business for many U.S. armsmakers, and that prospect is forcing them to look to areas such as the Far East and Africa, where the arms market has barely been tapped. Such new markets will take a different type of selling, because orders will be small. And financing could prove difficult.

However, although foreign prospects are not as rosy as they were, the new thrust at the Pentagon is quite enough to cheer industry leaders. The impending go-aheads on major weapons systems, together with the Pentagon's more liberal procurement policies, they believe, should make defense work a good deal more attractive in coming years.

HOW OPEC'S HIGH PRICES STRANGLE WORLD GROWTH

Mr. STEVENSON. Mr. President, the December 29 issue of Business Week carries an article about the economic implications of OPEC priced oil which is worth reading. Even without the recent price increase, OPEC had created worldwide inflation and left many nations at the brink of insolvency. The increase, received with relief in some quarters, in fact spells economic distress for the non-OPEC and non-Communist world, with grave political implications. The Banking Committee wisely made this subject its first order of business in this Congress.

Mr. President, I ask unanimous consent that the article, "How OPEC's High Prices Strangle World Growth" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Business Week, Dec. 20, 1976]

HOW OPEC'S HIGH PRICES STRANGLE WORLD GROWTH

Ever since James Watt's steam engine in 1769 launched the Industrial Revolution, Western capitalism has managed to surmount its economic and social problems with a simple formula: dramatic reduction of energy costs to make economic growth possible at extremely rapid rates.

Three years ago, when the Organization of Petroleum Exporting Countries launched its own revolution, there was a general feeling the quantum jump in the real cost of energy prices need be nothing more than a pause in industrial progress around the world. Now, however, there is a growing realization that the quantum jump in the real cost of energy has invalidated the formula that had worked so well since Watt's breakthrough. The result has been to create a crisis whose dimensions are only now becoming fully visible:

The economic growth rate that is achievable by the industrial world has been permanently lowered. This intensifies the unemployment if governments refrain from economic stimulus, but to inflation if they resort to demand-boosting measures.

The less developed countries have piled up $170 billion in external debt—an amount that far exceeds their capacity by any normal standard to repay. Thus an orderly rescheduling of debt is required. And that will further impair the improvement of living standards in the advanced nations because the developed countries will have to subsidize the Third World. The only real alternative would seem to be a massive repudiation of Third World indebtedness, and that would be a threat to the structure of international finance.

So far the U.S. and its allies have virtually acquiesced in OPEC's price policies, making no attempt to break up the cartel. But the economic consequences of high oil prices now appear so severe and the political implications so explosive that experts are beginning to say that the risks of acquiescence far outweigh the risks of a determined effort to get the price of oil down.

Later this month the 13 oil ministers of the cartel will be meeting in the Persian Gulf shiekdom of Qatar to decide on yet another price increase. The betting is that OPEC will settle on a price hike of 8% to 10%. But even if the cartel comes in with an increase of only 3% or decides to postpone any decision until sometime in 1977, it is clear that such "moderation" would be due to the flagging economic recovery rather than to any weakness in the cartel. Moderation would be evidence that even OPEC realizes that it may have already pushed the oil-consuming countries too far too fast.

If OPEC decides on a small increase or no increase at all the world will breathe a lot easier. But not for long. If the consuming nations continue to tolerate the cartel's policies, once the economic recovery picks up some steam, OPEC will be back to take its share—and more.

Thus the endless speculation on what OPEC will or will not do in Qatar is beside the point. "The question is not whether a 5% or 10% increase in the price of oil is absorbable," says Robert Hormats, a senior economist at the National Security Council. "The question is how to survive the disaster that has already been inflicted upon us."

THE COST SO FAR

And "disaster" may not be too strong a word. In the three years since OPEC jumped the price of crude from $2.75 to almost $12 a bbl., the consuming nations have paid an enormous price. They have given OPEC an additional $225 billion for its oil. They have lost $600 billion in output. To finance their balance-of-payments deficits (chart, page 46), the less developed countries have amassed that $170 billion in external debt. Some industrial nations as well as some LDCs are hanging by their financial fingernails, and default or moratorium may be closer than the international bankers dare admit.

Even the U.S., the strongest of the industrial nations and among the least dependent on foreign crude, bears the scars of OPEC-inflicted wounds. Using the Federal Reserve Board's econometric model, George Perry of the Brookings Institution estimates that the fourfold increase in oil prices has cost the nation—this year alone—more than $60 billion in gross national product and more than 2 million jobs. These losses occurred because the price hike triggered a decline in real disposable income, leading in turn to a cut in consumption and investment spending.

Perry's estimates, moreover, show just part of the picture. The economy was also battered by the belt-tightening response to OPEC's price increase. U.S. policymakers launched their "attack" against OPEC by instituting tight monetary and fiscal policies in an effort to damp the inflationary impact of the oil price rise. And this sent the economy spinning even faster and deeper into a recession from which it has not yet recovered.

Although the economic experts will long debate whether the U.S. response was too restrictive, the fact remains that governments throughout the world reacted to the inflationary impact of the oil price by squeezing their economies. To the degree that the industrial world will continue to react to OPEC-induced inflation, the 13 oil ministers have become the macro-managers of the world, superseding policymakers in even the strongest industrial nations. The European Economic Commission admits that the Common Market "has been unable to define or apply a common strategy to deal with the economic effects of the rise in oil prices."

A common strategy may be impossible to devise. The basic problem is that OPEC has both reduced the productivity of the world's existing industrial capital and has added energy efficiency to the problems of scientists and engineers who are seeking new labor-saving inventions that would increase productivity and growth. Edward R. Fried and Charles L. Schultze of Brookings, writing in the recently published *Higher Oil Prices and the World Economy*, put the first problem this way: "Existing investments in energy-intensive machines and industrial processes that were once profitable when energy prices were low suddenly became obsolete and have to be retired prematurely. As demand shifts from one kind of output to another, workers can lose the advantage of previously acquired skills, and even when they have been reemployed, they may suffer losses in productivity and earnings."

A CEILING ON WORLD GROWTH

Nowhere has the oil price hike had a more devastating impact on the capital stock of an industrial region than on Europe's once humming and profitable refineries. The refining industry there is operating at only 60% to 65% capacity, and a 20% to 30% surplus in capacity is expected to persist well into the 1980s. The industry now also finds itself wrongly structured. It is geared to refining too much heavy oil and not enough light oil, and it desperately needs to undertake expensive reconversion of its plants to stay competitive with refined imports.

In Japan, the new five-year economic plan unveiled last May calls for a restructuring of the entire domestic Japanese industry away from the energy-intensive industries. Japan is totally dependent on foreign crude, so such heavy energy users as steel, aluminum, and other metals industries are being encouraged by the government to build new capacity in countries that have either oil or hydropower. The Japanese are currently planning a major project in Indonesia, while other large-scale projects in Canada are being given careful study.

It would be a mistake, however, to conclude that once the industrial world adjusts its capital stock to the higher energy prices, output will once again flow more or less in line with historical growth rates. Says Dale Jorgenson of Harvard University, "The ability of the 'new adaptive' capital stock of the world to produce has been permanently lowered."

In Jorgenson's view, energy and capital march arm in arm and are substitutable for labor. So the impact of the higher energy cost is to decrease the energy intensity of production and thus reduce the capital intensity of production. This means that the productivity of the economy is decreased. "The new combination of labor, capital, energy, and materials is less productive than it was before OPEC emerged," says Jorgenson.

Not only does some of the existing capital stock planned when oil was $2.75 per barrel become obsolete but now investments that would have been attractive at the old energy prices are no longer attractive at $12 per barrel. "The overall capital intensity of the economy as well as the energy intensity declines," argues Jorgenson. "The average job in the economy will be less capital-intensive and therefore less productive."

Here, indeed, may lie a good part of the explanation of why the long-awaited world recovery in capital spending has not materialized. Since mid-1975, economists have been doggedly predicting that the revival in consumer spending would soon be joined by a burst in capital spending to produce a vigorous and sustainable overall economic recovery. This has not happened, and the recovery has flagged accordingly. Previous economic downturns were followed by strong capital expansions, but the OPEC recession has resulted in a fundamental change in the capital intensity of production, perhaps foreshadowing sluggish capital spending for many years.

BALKING EFFICIENCIES

Historically, new technologies have always made existing capital obsolete. The steam engine replaced the windmill and the water wheel and in turn was supplanted by the gasoline engine. The semiconductor replaced the vacuum tube. By lowering costs and raising efficiency, these technologies spurred growth in investment and buying power. The OPEC monopoly, in contrast, has increased costs and lowered efficiency by forcing the development of new, higher-priced energy and production methods. That spells only one thing: lower growth for the world economy.

"OPEC has pushed everyone onto a new and harder growth line," says Brandeis economist Anne Carter, who worked closely with Nobel winner Wassily Leontief in developing an input-output model of the world economy. "Resources cost more, and that means growth will be slower." She maintains that a nation has a certain amount of manpower and capital from which it satisfies its immediate needs and from which it grows. Tax it with a quadrupled oil price, and it no longer has the same amount left for its growth. "Look at it this way," says Carter. "With my current income, if my landlord quadruples my rent, I'll adjust. But I'll never live as well. One grows out of saving after satisfying current needs."

Indeed, the "rent" has been going up since 1974 as the world has become more dependent on OPEC oil. Moreover, the "landlords," the OPEC countries, are not simply gaining what the oil-consuming nations are losing. "Because the monopoly has ratcheted prices up," says Harvard's Jorgenson, "total world production—including OPEC's—is less than what it would be."

Jorgenson's Harvard colleague Hendrik S. Houthakker notes that OPEC is spending a good part of its added income on armaments. "There's no gain to the world from that at all," he says. "It involves an inordinate amount of waste, with one country buying fighter planes, another buying missiles to knock down the fighter planes, and still another buying systems to jam the missiles. What a waste!"

The waste is likely to continue. Says Lawrence R. Klein of the University of Pennsylvania: "Armaments become outdated. It's like a college professor's text. The new editions of military hardware will certainly be attractive."

The conventional wisdom holds that the world has adjusted to the initial OPEC price rise and that any problems now will be caused by future price increases. But John Hulley, former coordinator of the energy task force for the World Bank, rebuts this: "The world has not yet adjusted to the first increase. It is outrageous to suggest any further increase. What's needed urgently is a rollback." And Peter Kenen of Princeton University seems to agree when he says: "The difficulty of adjustment has been successfully buried behind a lot of recession and a lot of lending. And it will reemerge."

AN UNMANAGEABLE SITUATION

What really worries the experts is the fragile international financial structure that has been built up by huge borrowing to finance balance-of-payments deficits. Says the National Security Council's Hormats: "What we have is a situation which is unmanageable in structural terms. The international economy simply cannot take collective balance-of-payments deficits of $40 billion to $60 billion a year indefinitely without a massive redistribution of that surplus to the developing countries and the weaker industrial nations, such as Britain and Italy. Just who will continue to lend to the weaker countries on that scale?"

To Kenen, the world has already reached the flash point "where if you are not able to throw good money after bad, then you are not going to be able to retrieve what you lent in the first place." It is not only the less developed countries, such as Zaire and Peru, that may be approaching the point of no return. Italy faces the scheduled repayment of almost $20 billion in foreign loans and interest over the next three years. The government—at the insistence, it says, of foreign lenders—has embarked on a severe austerity program to suppress import demand. Guido Carli, former head of the Bank of Italy and now chief of Confindustria, Italy's association of manufacturers, contends that by braking too hard, the government is flirting with recession.

The fragile new democracy of Spain, with an annual bill of $4 billion for imported oil, has outstanding debt of about $12 billion, of which major U.S. banks hold about 30%. With the balance-of-payments deficit topping $3 billion for the third straight year and with inflation raging at 20%, the Spanish government may soon sharply devalue the peseta.

Even in Brazil, where most economists had projected economic growth of almost 10% in 1977, the cost of OPEC oil has taken a huge toll. The nation's bill for foreign oil is up to $4 billion from $1 billion in 1973, yet the economy is still at a development stage where it requires heavy imports of capital goods. Thus the country's foreign debt has ballooned to $28 billion. Says Claudio Margueron, director of Arthur D. Little's Rio de Janeiro office: "The per capita income is just too low here to absorb such a rapid increase in oil costs." The government is clamping down to cut 1977 growth to less than half of expectations and thus reduce imports—in turn, sharply affecting the industrial nations through their export markets.

NO REALISTIC WAY OUT

"It will be almost impossible for the LDC's to achieve the growth rates of 1960's, given the current price of oil," says Brandeis' Carter. It could be accomplished, she says, only if the LDCs were to receive massive loans to cover their payments deficits and if they were able to increase their exports substantially to the industrial nations. Neither of these things is going to happen. A drive by the LDCs to expand their share of the world export market would bring them into direct conflict with Western Europe and Japan and perhaps incur import quotas in retaliation. Already there is rising resentment in Europe over the tendency of the European Community, under pressure from OPEC, to increase imports or refined oil products from the LDCs. And massive new loans to the debt-ridden LDCs are out of the question. Says the NSC's Hormats, "Ultimately we either have to roll back the price of oil or get OPEC to finance the deficits directly or through international institutions on giveaway terms."

The huge payments surpluses building up in the treasuries of the Arab nations are themselves a menace to the already shaky international financial structure, especially when they slosh around the money market from one currency to another.

In 1974, for example, $24 billion of OPEC money went into sterling. That caused the British pound to be over-valued, undermining Britain's competitive position in world markets and thus increasing its trade deficits. When sterling began to weaken in mid-1975, OPEC nations deserted the pound en masse, and a sustained run on sterling began, taking the pound down to $2 at the beginning of 1976 and to about $1.50 by last month. So far, the international monetary managers have come up with ways to bail out troubled currencies, but economists fear that the world cannot go indefinitely from one crisis to another.

As damaging as OPEC's economic and financial impacts are, its political impact on the world may be even more telling. "We have not adjusted to the crisis," says Yves Laulan, head of the studies section of the French bank, Société Générale. "The crisis is not behind us—it is in front of us. More countries like France will move further to the left as people try to escape in the wrong direction." Some experts believe that the Socialist-Communist coalition may well win the French legislative elections in 1978.

THE POLITICAL THREAT

Others see the specter of fascism. Says Guido Brunner, research and development commissioner of the Common Market: "Something is happening here which is reminiscent of past developments in Europe's political history when discontent arose. The impression has been created that the political leaders of the democratic governments no longer have control of the changes in the world in which we live."

OPEC's price rise and the lack of effective U.S. reaction to it have seriously weakened the political cohesion of the West and the prestige of the U.S. among developing countries, says a high State Dept. official. The LDCs no longer have confidence in Washington's ability to help them solve their problem, he says. "The bleak fact is that so far the U.S. government has done nothing of any consequence to counter the most serious blow to a free and prosperous world since World War II," laments this Washington official.

Moscow is making capital of the West's discomfort over the oil embargo and OPEC's quadrupling of crude prices, says retired Lieutenant General Daniel O. Graham, now of the Center for Advanced International Studies at the University of Miami. Graham says not enough attention has been paid to Moscow's glee over the West's predicament and its encouragement to OPEC to be even more militant.

"Among other things," Graham says, "Moscow has urged steady increases in oil prices, nationalization measures, assumption of greater and greater control of downstream operations, and, most important, use of the 'oil weapon' to further political ends." He says Moscow has proclaimed virtually a new era in the worldwide "anti-imperialist struggle," with the countries producing raw materials "joining ranks with the oil-producing countries."

As if OPEC has not already more than evened the score with the industrial nations, Tass, the Soviet news agency, said just last month that a further boost in oil prices by OPEC states would serve to "end their dependence on imperialist monopolies." The price boosts help the Soviet Union, too. It has increased production 40% in the past five years and is now the world's largest oil producer and a net exporter of crude and refined products. Indeed, by selling some oil to the Eastern bloc countries below OPEC's price, Russia has tightened its grip on its satellites.

The Russians are finding, however, that OPEC's success cuts two ways. The Arab oil countries have become far more conservative and less dependent on socialist political solutions. "When OPEC raises prices, the Arab states turn right, and that has played hell with the Soviet Mideast policy," says a Western analyst in Moscow.

However, John Hulley also sees sinister implications for U.S. foreign policy. Says he, bitterly: "It has already turned around our policy toward Israel. It gives Kissinger and his successors, and their banker friends, a huge slush fund in the hands of the Arabs, which can be drawn upon to finance their little schemes around the world without asking Congress for money. That potentially subverts democratic control over U.S. foreign policy."

There is no question that OPEC now wields enormous political power. Because the Arab and African oil producers are the major buyers of Italian plants and machinery, they can get Italy's backing on virtually any political issue. And while they do it with more grace, most European countries bow to OPEC. The cartel has held the LDCs in its hip pocket by promising concessions on oil prices and arranging some barter deals for oil. OPEC has twisted the Paris Conference on International Economic Cooperation, called to discuss world energy problems, into a confrontation between rich and poor nations. OPEC's goal seems to be to form an OPEC-LDC bloc with even more political clout.

A TIME OF NO DECISIONS

While OPEC meets in Qatar, the oil-consuming nations sit back and await the verdict without doing anything for themselves. Guido Brunner complains: "Virtually nothing has been done in the energy sector in the Common Market. We have no decision on a crisis mechanism, no decision over Euratom loans, no decision on subsidies for coal, no decision on energy saving, no decision on the extent of the development of alternative energy sources."

By being more compliant than constructive, U.S. energy policy also is in effect supporting the cartel, economists fume. "We are subsidizing imported crude because we average domestic crude with foreign, so prices are lower and we import more from OPEC," says Jorgenson. Since the embargo, U.S. dependence on OPEC crude has risen from 36% to 42%. Jorgenson wants to take off all price regulation and allow domestic prices to float up to the OPEC prices. And if that means windfall profits for producers of domestic oil, he advocates taxing those profits. "It is not an ideal policy," he admits, "but it's better than the one we have now."

Such criticism is made more bitter by the belief that a concerted effort by the West could weaken OPEC's grip. Analysts point out two key factors:

At current prices, OPEC oil is almost entirely profit. Selling for $11.51 a bbl., f.o.b. the Persian Gulf, it is produced for about 25c a bbl. As a result of the high price, OPEC cannot sell nearly all the oil that can be produced, and any of its members could cut the price in half and still make a healthy profit.

OPEC's unity extends only to price-setting. And its members include both countries whose revenues greatly exceed their current needs, such as Saudi Arabia, and others with development needs that far outrun their revenues from abroad, such as Iraq and Indonesia. Proposals to disrupt the cartel are therefore aimed at exacerbating the problem of production allocation, either by cutting total demand for OPEC oil or by opening up channels for individual nations to expand their market shares through surreptitious price cuts.

For example, Joseph Lerner, a former adviser to the Office of Emergency Preparedness, the Federal Trade Commission and the Treasury, argues for a low-interest loan program to give government encouragement to companies to convert from oil or natural gas to coal. He also thinks the government should begin to phase in a gasoline rationing system for auto travel. He favors a system where ration tickets could be traded in the so-called white market to people willing to pay the price of driving more. A 30% cut in automobile driving could lead to a 10% reduction in OPEC imports, say the experts, and rationing would spur the abortive move to more efficient small cars.

The big trouble in trying to undermine the OPEC cartel is official lack of willingness, Lerner says. "The Ford Administration did not want OPEC to fall apart, and it remains to be seen what Carter will do," he declares.

Maurice A. Adelman, oil expert at Massachusetts Institute of Technology, also charges the U.S. government with having encouraged OPEC with "empty bombast and quiet capitulation." And he also feels that OPEC has weaknesses at current production levels, about 75% of capacity. He proposes that an "entitlement ticket" be required for every barrel of oil imported and that these be auctioned off by the government to middlemen each month in a quantity based on estimated domestic needs for the period. A 1-bbl. ticket would be worth about $11 to an OPEC nation because that is the difference between the current OPEC price and the cost of production. As Adelman sees it, oil-producing nations eager to expand their sales would bid up the price of entitlements. "With tickets bought anonymously, not even the buyer of oil would know that the producing nation had chiseled," he says. And the auctions would draw some of the OPEC nations' bounty back to the U.S. Treasury.

Hendrik Houthakker proposes a tax of $2.50 or more per bbl. on imports of crude, both to cut demand and to encourage domestic production. Brookings economists Fried and Schultze think a tax on imports would force OPEC actually to cut prices because of internal disagreements over which nations should absorb the production cuts induced by a drop in demand.

For three years, such proposals have been advanced by acknowledged experts in the field of international energy markets, and they may finally be winning more serious consideration. Moreover, large new oil supplies from the North Sea and Alaska's North Slope will be coming on stream in 1978, and the oil-consuming nations can look forward to a brief period of lessened vulnerability to OPEC's threats.

Thus it is possible that the basic question on the minds of OPEC's oil ministers as they assemble in the palace at Qatar may not be how big a price increase to impose now. It may be, rather, that the inability of the world economy to grow and the U.S. change of Administration signal the approach of an energy users' counterrevolution.

COMPUTER ABUSE

Mr. RIBICOFF. Mr. President, since May 10, 1976, the staff of the Senate Government Operations Committee has been conducting a preliminary investigation into problems of computer applications in the Federal Government.

In June of 1976, the committee issued a 448-page committee print entitled "Problems Associated With Computer Technology in Federal Programs and Private Industry."

The committee print was well received in the computer community, both in the public and private sectors.

The staff's preliminary investigation has gone forward. Within the next 2 weeks, the committee will issue a staff study entitled "Computer Security in Federal Programs."

The staff study is a comprehensive review of how Federal agencies approach the very serious problem of securing their computer systems and the highly sensitive data contained therein.

One of the principal considerations in any effective approach to the securing of automated data processing systems is the personnel factor. As the Washington Post pointed out December 31, 1976, in an editorial entitled "Crime by Computer," it is people, not the computers, who initiate the crimes and abuses.

The Post editorial noted:

It is a contest of wits—not between men and the machines but between the people who devise computer safeguards and the equally ingenious people who seek to penetrate them. At considerable expense, some systems in the most sensitive Federal agencies have been made relatively secure. Better programing and policies in the business world would help to curb computer crimes. The risks cannot be eliminated, though. As long as the technology is subject to human control, every system will be as reliable or corruptible as the people who hold the keys. That may be frustrating. But it is better than the theoretical alternative—a world in which computers would program and govern themselves, and would be free to perpetrate their own varieties of crimes.

In that regard, the staff study the committee will issue will devote attention to personnel policies in Federal computer programs. Many aspects of the personnel security issue will be examined as statements from the Department of Justice, the Federal Bureau of Investigation, the office of the U.S. attorney, District of Maryland, the Department of Defense, the Central Intelligence Agency, the Internal Revenue Service, the Department of Health, Education, and Welfare, the National Bureau of Standards, the General Services Administration, the Office of Management and Budget, the Bureau of Prisons, the Civil Service Commission, and other Federal agencies will be included in the staff study.

Mr. President, I ask unanimous consent that the Washington Post editorial of December 31, 1976, entitled "Crime by Computer," and a column from the Hartford Courant of January 5, 1977, entitled "Grand Larceny Via Computer," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 31, 1976]

CRIME BY COMPUTER

By cracking down on a major debt-collection agency, the Federal Trade Commission has dealt with some specific problems and dramatized a general one. The consent order between the FTC and National Account Systems, Inc., a wholly owned subsidiary of Diners Club, Inc., bars NAS and its subsidiaries from two kinds of abusive practices: getting credit information under false pretenses and using unfair and deceptive tactics to collect debts. The latter involves some heavy-handed practices that used to be routine, but are no longer generally legal and acceptable. According to the FTC's complaint, NAS's debt collectors had been misrepresenting themselves as lawyers and insurance agents, harassing debtors with phone calls at work or late at night, and threatening them with loss of credit, garnishment of wages and even jail terms if they did not pay up—when in fact those penalties were not going to be imposed.

The matter of NAS's access to credit information involves a newer kind of concern. According to the FTC, NAS personnel had somehow obtained the code books used by subscribers to computerized credit-reporting agencies. The debt collectors were thus able to tap the supposedly confidential data banks for current addresses, credit ratings and other information on people whom NAS wanted to pursue. This is a flagrant violation of the Fair Credit Reporting Act, which was enacted to protect consumers against such invasions of their privacy. To add insult to injury, NAS agents managed to get the data at no cost; the service charges were levied against the legitimate subscribers whose codes the data thieves had used.

The case raises obvious questions about computer security, a subject of great concern to everyone—citizens, businesses, government and the computer industry itself. The surge in electronic data-handling has been accompanied by a tremendous increase in what has been labeled computerized crime. The appropriation of records by unauthorized people is one kind of offense. Another common variety was dramatized by the massive Equity Funding fraud, in which computers were used to create 64,000 phony insurance policies, which were sold for $2 billion. The General Accounting Office recently identified 69 computer crimes that, over the last two years, cost federal agencies at least $2 million. The losses suffered by banks and other private companies are much higher and may be getting astronomical—but no one knows because many computer crimes go undetected even by the most careful auditors.

It is a contest of wits—not between men and the machines, but between the people who devise computer safeguards and the equally ingenious people who seek to penetrate them. At considerable expense, some systems in the most sensitive federal agencies have been made relatively secure. Better programming and policing in the business world would help to curb computer crimes. The risks can not be eliminated, though. As long as the technology is subject to human control, every system will be as reliable or corruptible as the people who hold the keys. That may be frustrating. But it is better than the theoretical alternative—a world in which computers would program and govern themselves, would be free to perpetrate their own varieties of crimes.

[From the Hartford (Conn.) Courant, Jan. 5, 1977]

GRAND LARCENY VIA COMPUTER

(By Jack Mabley)

How many Trojan horses have been programmed into computers in America? Nobody knows. Maybe none. Maybe hundreds.

A Trojan horse, in the data processing world, is a scheme to steal. It might involve money, or it might be directions to the computer to route certain goods to a certain place at a future time when the goods will be physically stolen.

The marvelous computers can accept these directions and keep them in their innards until triggered to action. Normal crime takes place in what they call "real" time, that is, right now when a man points a gun at you, or a teller dips his hand into the cash box. With a Trojan horse crime, the perpetrator simply places a secret code in an otherwise innocuous program, and waits.

He also can program the computer to erase records of the crime. That's one reason why computer crime is so attractive to criminals who like new challenges.

The most famous computer thief was, or is, Jerry Schneider, who as a teen-ager in Los Angeles in the early '70s programmed a phone company computer to deliver thousands of dollars worth of equipment to a loading dock at 2 each morning. Schneider bought an old phone company truck and picked up his loot each morning.

He was caught, sent to jail, came out, and decided to sell his services legitimately, on the theory it takes one to catch one. He's doing well.

Another kind of computer crime is known as a salami. It means stealing a thin slice off a large number of accounts—such as a cent a day off 60,000 accounts. It can be detected by auditors if an auditor is fortunate enough to audit the one account in 100,000 that's getting the crooked penny a day.

Donn B. Parker of Stanford Research Institute, a leading expert on computer crime, suggested in an interview that "losses are going to go up very significantly in the future."

A major problem, he said, is "on line" computers.

"Big retailers use computers hooked up to the telephone.

"Any person from anywhere in the world with phone service theoretically has access to the computer. To communicate to the computer, you have to know the correct procedure and the password.

"The computer doesn't know who's out there. If it receives the correct combination, it asks what you want it to do."

The password, naturally, is closely guarded. But ex-employees or disgruntled employees or crooked employees are vulnerable. Schneider impressed a prospective client by picking up a phone and calling a computer at random. Schneider told the computer operator he was a client, had misplaced the password, and fast-talked him into giving it to him.

Parker said "Data processing people can be so naive about these things you might be able to pay $10 and get the information you need."

These obvious crimes are simple and rare. At least it is thought they are rare. Most companies shut up about thefts from their computers unless millions are involved. Even then a large loss may be covered and not show up until five years later in a bank's annual statement.

"Computer programming is what I call a cottage craft," Parker said. "It's an art form. We're trying very hard to make it strictly technical, but it isn't.

"If someone should manage a major computer crime against the federal government, you could be talking about literally billions of dollars.

"The Defense Department is spending a significant amount of money protecting their computers. They also severely limit the use of computers in secret projects.

"Defense isn't going to put a computer on a telephone line, for instance."

Crime is done by people, not by computers, he emphasized.

"The discovery of such crime has to be through people and through their weaknesses. These machines do not make errors, and they do not perpetrate crimes."

SENATOR CARL CURTIS

Mr. MCCLURE. Mr. President, it was with the greatest regret that I heard the announcement of Senator CURTIS' impending retirement. My feelings in this are personal, because no other Member of this body has worked more closely with me and been more helpful.

In a larger sense, however, Senator CURTIS' decision is a loss for all Americans. The very fact that only 21 others have served longer in Congress than he is proof of the confidence the people of Nebraska have in him. It is also testimony to the impact he has had on the well-being of our Nation. CARL CURTIS is a great man and will be missed by all of us.

We want to wish the Senator and his lovely wife Mildred their happiest and most fulfilling retirement years.

BILL TO PROTECT HAWAII FROM OCEAN COMMERCE DISRUPTION

Mr. MATSUNAGA. Mr. President, yesterday I joined my colleague from Hawaii, Hon. DANIEL K. INOUYE, in introducing for the consideration of the Senate a bill, S. 23, familiar perhaps to many Members of this body, which continues to be considered by a broad-based majority of the people of Hawaii as one of the most important matters before Congress since the issue of statehood. This, the proposed Hawaii and Pacific Islands Surface Commerce Act, represents the continuation of an effort in which I and other members of Hawaii's congressional delegation have been deeply involved since the 93d Congress, and the situation which has caused us to make this issue one of our very highest priorities for the last 4 years is still very much present.

In short, that situation is the result of Hawaii's basic and irreversible dependency on shipping for the maintenance of its economy and lifestyle. Surrounded by over 2,000 miles of water on all sides, 99 percent of our imports are transported by ocean-going vessels. About 95 percent of this shipping is from the west coast.

When that shipping is interrupted for any reason, our "lifeline" is for all practical purposes severed. The source of 80 percent of our commodities is suddenly gone. Our construction industry slows or shuts down due to the lack of building materials. Inventories are kept at 250 percent higher than the national average to guard against shipping disruption, with Hawaii's consumer paying this price of dependency.

Since 1946, the major cause of such disruption, a labor-management dispute shutting down west coast ocean commerce, has occurred seemingly countless times. In fact, shutdown time has totaled more than 4 years, or more than 10 percent of the post-World War II period. The most recent strike, 134 days from late 1971 through early 1972, exemplified the severe results of such prolonged interruption of interstate and foreign commerce between Hawaii and elsewhere. Bankruptcies, especially of small, family-owned businesses financially unable to maintain sizable inventories, were numerous. For the first time since statehood. Hawaii's unemployment rate exceeded the national average.

The remedies available to Hawaii in times of such disruption are few and inadequate. Community pressure, normally a powerful force in bringing about labor-management dispute settlements, is ineffective in Hawaii's case. Almost every major stoppage has come from a dispute over which we in Hawaii have had little control, public opinion in Hawaii being ineffective in causing business and labor leaders in San Francisco to settle their differences. Another possible solution which I have urged in past strikes is voluntary agreement between west coast business and labor leaders to continue service to Hawaii in the event of a strike—service, I emphasize, which would involve only 3 percent of the west coast longshore workforce and which, therefore, in no way would diminish the effectiveness of the collective bargaining process But both sides have rejected the proposal in past strikes, and will not promise such agreement for future disruptions.

Because of this unique situation, a way must be found to protect Hawaii's lifeline without interfering with the rights of workers to bargain collectively with management for the resolution of differences. I believe that the bill which I and my colleagues introduced yesterday represents the most reasonable approach to the problem. Identical to our 94th Congress initiative and similar to that of the 93d Congress, it proposes that if a west coast longshore or shipping strike should halt the movement of cargo between the west coast and Hawaii, the Governor would be permitted to ask a Federal court to order its resumption. The court, in turn, would be empowered to do so only if it found that the health or well-being of the people of Hawaii was threatened by the disruption, and even then only for a period of not more than 120 days.

As in the past, I take pains to emphasize that the injunction to be sought would not enjoin the strike itself; it is not a "cooling-off" device. The strike would continue, collective bargaining would continue, with only that part of the cargo destined for or shipped from Hawaii being affected. The impact on the strike of the movement of such a small fraction of west coast shipping trade—as I have said, about 3 percent—would be virtually unnoticeable. As a cogent example of this fact, during the 1971–72 west coast dispute, about 7 percent of the workforce, double that which moves goods to Hawaii, voluntarily moved military cargo to Vietnam. The effectiveness of the strike was not compromised, the collective bargaining process unhindered,

and a final settlement was reached to the satisfaction of the parties.

Mr. President, the facts I have outlined herein are not new to the Senate. In the 93d Congress, a similar bill, cosponsored by my present colleague and by former Senator Hiram L. Fong, passed this body by a wide margin. Most unfortunately, however, the bill failed in the House due to its misrepresentation as an antilabor proposal. Because the threat of a future destructive disruption continues without the provision of fair protection for the people of Hawaii, I appeal again to the reason of the Senate in this matter. The people of Hawaii cannot wait for resolution of this problem until a further disruption brings the issue to the attention of the Congress. As I have said many times before, the proposal is neither antilabor nor antimanagement; it is merely pro-Hawaii. I urge its expeditious consideration by the Senate.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 23

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hawaii and United States Pacific Islands Surface Commerce Act of 1977".

SEC. 2. The Congress hereby makes the following findings:

(a) that the unique geographical situation of the State of Hawaii and of the Territories of Guam and American Samoa, and the Trust Territory of the Pacific Islands, which are physically isolated and separated by thousands of miles of water from both Alaska and the forty-eight contiguous State, generates a unique dependence on ocean shipping as a means for maintaining normal commerce between any of the United States Pacific Islands and the rest of the United States;

(b) that disruption of the normal flow of maritime interstate commerce which results from a strike or lockout affecting the longshore or maritime industries on the west coast imperils the health and well-being of the people of the United States Pacific Islands;

(c) that the people of the United States Pacific Islands have frequently been innocent third parties in, and suffered enduring harm from, disruptions in maritime interstate commerce described in subsection (b);

(d) that a disruption described in subsection (b) means suffering for the people of the United States Pacific Islands comparable to that which the people of any other State would suffer if all domestic surface transportation serving such State were halted, thereby constructing a barrier around such State and preventing both the entry and exit of all goods transported thereto and therefrom by rail, truck, ship, barge, and any other means of interstate surface commerce, permitting only extremely expensive long-distance air transport into and out of such State;

(e) that the use of present Federal emergency dispute procedures for resolving disputes affecting the west coast longshore or maritime industries has not prevented serious disruptions in the normal flow of maritime commerce which has imperiled the health and well-being of the people of the United States Pacific Islands; and

(f) that provision for the continuation of normal maritime interstate commerce between west coast ports and the United States Pacific Islands is necessary in order to protect the health and well-being of the people of the United States Pacific Islands.

SEC. 3. (a) No strike or lockout in the longshore or maritime industries in the State of Washington, Oregon, or California (hereafter in this Act such States are referred to as the "west coast") which imperils the health or well-being of the people in any United States Pacific Island shall be permitted to interrupt normal shipping from any port on the west coast to any United States Pacific Island, or from any United States Pacific Island to any port on the west coast for a period of one hundred and twenty days.

(b) The Governor of Hawaii, Guam, or American Samoa, or the High Commissioner of the Trust Territory of the Pacific Islands, or the designated representative of any such Governor or of such Commissioner (if such a strike or lockout interrupts normal shipping of any United States Pacific Island where such Governor or High Commissioner is the executive) may petition any United States district court having jurisdiction of the parties to any disruption described in section 2(b) of this Act to enjoin that part of any strike or lockout or continuation thereof which interrupts normal shipping between the west coast and any United States Pacific Island, and if the court finds that such actual strike or lockout meets the condition described in section 3(a) the court shall have jurisdiction to enjoin that part of any such strike or lockout or continuation thereof which interrupts normal shipping between the west coast and any United States Pacific Island, and to make such other orders as may be appropriate, in accordance with the provisions of this section. Any such injunction and temporary restraining order shall in the aggregate remain in effect one hundred and twenty days unless discharged prior to expiration of such period with discontinuance of the disruption of maritime interstate commerce.

SEC. 4. (a) Any employee (the terms or conditions of whose position of employment are governed by the agreement entered into between the employer and the labor organization prior to such strike or lockout described in section 3(a) of this Act) who performs work or services for his employer during the term of the injunction or temporary restraining order referred to in subsection 3 (b) shall perform such work or services pursuant to wages, hours, and other terms and conditions of employment of the last agreement between such employer and labor organization prior to such strike or lockout.

(b) Each employee shall receive additional wages for performing work or services described in subsection (a) to fully compensate him for the difference between the hourly wage he actually was paid for performing such work or services and the hourly wage he would have been paid under the agreement which resolves the labor dispute had it been in effect.

SEC. 5. The provisions of the Act entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (29 U.S.C. 101–115), shall not apply to any injunction issued under section 3(b) of this Act.

SEC. 6. For the purposes of this Act—

(a) the term "interrupt normal shipping" means—

(1) a refusal to permit the receipt or processing of cargo or its loading aboard a ship at a port on the west coast if such cargo is destined for use in Hawaii or any United States Pacific Island; or

(2) a refusal to permit the unloading of cargo from a ship or its processing and delivery at a port on the west coast if such cargo was shipped from Hawaii or any United States Pacific Island; or

(3) a refusal to operate (or to permit the operation of) a ship from a port on the west coast with cargo destined for use in any United States Pacific Island or a ship from Hawaii or any United States Pacific Island with cargo destined for a port on the west coast;

(b) the term "strike" has the same meaning as it has in section 501(2) of the Labor Management Relations Act, 1947; and

(c) the terms "employer", "employee", and "labor organization" have the same meanings as such terms have in section 2(2), (3), and (5), respectively, of the National Labor Relations Act.

(d) the term "United States Pacific Island" means the State of Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands.

(e) the term "west coast" means any port or ports located in the States of California, Oregon, and Washington.

(f) the term "maritime interstate commerce" means that cargo destined for use in or shipped from any United States Pacific Island from or to the west coast by surface transportation.

SEC. 7. The provisions of section 3 of this Act shall take effect on the date of its enactment unless a strike or lockout in the longshore or maritime industry on the west coast is occurring on such date of enactment, in which case such provisions shall take effect on the fifth day after such date of enactment.

THE GENOCIDE CONVENTION AND EXTRADITION

Mr. PROXMIRE. Mr. President, opponents of the Genocide Convention have often expressed the fear that U.S. ratification of this document would result in the extradition of American citizens to foreign countries for trial if they are accused of genocide.

There is in fact no basis for the charge that the Genocide Convention would establish a situation which does not already exist. Even with no treaty in force an American citizen can be charged in a foreign country with any offense from loitering to murder. He can also be tried on that charge if he is physically present in the foreign nation. The Genocide Treaty does not alter this and does not extend the jurisdiction of foreign courts in any way. Furthermore, under the Genocide Convention, extradition would take place only in accordance with laws and treaties already in force. The United States does not make extradition treaties with countries whose legal systems do not afford basic procedural safeguards. Moreover, we do not grant extradition in any event unless a prima facie case is established against the person charged and unless the accused will be afforded by the requesting state the due process provided by our own law.

Article VII of the Genocide Convention states:

> The contracting parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

Therefore, the Genocide Convention itself does not alter extradition procedures; it stipulates they will be conducted the way our existing treaties specify. At present, we have no extradition treaties dealing with genocide, and they would be made in the future with the advice and consent of the Senate on the condition that basic procedural protections would have to be built into the treaty at the beginning.

As a further safeguard, according to George Aldrich, Deputy Legal Adviser of the Department of State:

Any extradition treaty will require the state requesting extradition to produce sufficient evidence that the person sought would be held for trial under U.S. law if the offense had been committed here.

The Genocide Treaty is, then, not in itself an extradition treaty. Since there is no reason to think that the extradition arrangements we would make concerning genocide would particularly differ from the existing extradition arrangements we have with 97 nations, criticism on these grounds is unfounded. I urge the Senate to ratify the Genocide Convention without further delay.

THE DEHUMANIZATION OF MEDICINE

Mr. KENNEDY. Mr. President, in the December 30 edition of the Washington Post I read with great interest an article by Prof. Alan Meisel of the University of Pittsburgh regarding the dehumanization of medicine. This extraordinary article insightfully describes how the medical care system in our Nation too frequently is flawed by lack of compassion.

As chairman of the Senate Health Subcommittee, I commend Professor Meisel's article to my colleagues. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEDICINE BY MACHINES

(By Alan Meisel)

No one who has recently been in a hospital or visited a patient there can doubt that medicine is now a joint enterprise between man and machine, with the machine swiftly becoming the senior partner.

Not so long ago—in fact, as recently as the early part of this century—the doctor's main weapon against pain and suffering was his ability to comfort the ill and dying. Doctors could rarely take direct medical action against disease, and often when an accepted medical practice was used, the patient fell victim to the treatment itself.

The medical profession now has the capability to achieve good results more frequently than bad ones. But this shift in the odds of success has not been without its price—and the price seems to be increasing along with that of everything else. One of the prices of high-quality medical care is that machinery of a highly sophisticated and complex nature has begun to play an increasing role in medicine. Treatment often emanates from a machine in the form of lasers, radioisotopes, synthetic chemicals and sonar.

The result is that many doctors view themselves as the operators of medical machines designed to process an endless flow of patients, rather than as healers of human beings. Cadres of technicians have also been cultivated to operate the machines, inserting another barrier between the doctor and the patient.

Medicine has come to resemble an assembly line, with a stream of interchangeable patients parading by white-coated doctors. Like an industrial assembly line, the medical assembly line occasionally suffers a breakdown when one of the patients refuses to behave like the inanimate object that the doctor thinks he is. It is not uncommon, for example, that diabetic patients who develop gangrene in their feet or toes may need amputation. Yet they often refuse it, even maintaining their refusal when the gangrene becomes so serious that it threatens them with more extensive amputation or posibly with death. Yet all that is needed to get the patient to cooperate is for the doctor to explain the reason that the amputation is necessary.

When an industrial assembly line breaks down, the workers on the line are sometimes unable to fix the problem themselves and must call in a specialist to get the line started up again. The doctors who perform various operations on patients moving rapidly along the medical assembly line are also often unable to get the line moving again when it has run amok. A specialist must be called in. The medical specialist must talk to patients, find out what's troubling them, and treat them as if they were the humans that they actually are, rather than as an "appendectomy" or an "amputation" or a case-of-this or a case-of-that.

Because the practice of assembly-line medicine is so well accepted among doctors, even among those who do not approve it, the doctor often cannot understand why a patient rebels. Doctors tend to avoid the obvious reason that the patient is actually a human being who dislikes being treated like a piece of broken machinery and would welcome the opportunity to have his doctor spend a few minutes explaining why a particular kind of treatment is needed. The doctor instead views the patient's refusal to cooperate as an illness in itself.

Thus the specialist who is called in to get the line running again is frequently a psychiatrist, both because he is trained in the art of talking to people (which most other doctors have long ago forgotten how to do) and because a patient's uncooperativeness is viewed as an illness. It is the psychiatrist's job to try to talk the patient into hopping back on the assembly line.

In light of the fact that only in the last 50–75 years have doctors been able to be of much benefit to their patients other than by talking to them, it is ironic that medicine has become so mechanized that we now have specialists whose job it is to talk to patients. Worse, the mechanization of medicine is so thorough that psychiatry has begun to succumb to its own form of dehumanization, if not outright mechanization.

Because psychiatrists are doctors, too, they are often not happy about having to talk to patients either. While machines have not yet been developed to do psychotherapy, psychiatrists have created the equivalent of a new class of technicians to talk to patients, so their own time may be used to attend to more important "scientific" aspects of psychiatry like chemotherapy, electroshock, biofeedback and research. Thus nurses and social workers are often given the job of trying to explain to the patient what the doctors will be doing to him, and how and why.

This sad irony has finally begun to permeate the dense ivory walls of academia. Spurred by financial incentives from the government, medical schools are again trying to train doctors to view patients as people and treat them the same way. One technique is encouraging young doctors to become general practitioners—in part by sprucing up the image by changing the name to "family practitioner." Another encouraging sign is that medical students are being taught to "interview" patients. What would be even better if medical schools tried to admit students who naturally know how to talk to other people and do not need to be taught how to do so.

It is probably not possible or wise to try to set back the clock and expect modern medicine to get along without the machine. We can no more live without medical machines than we can without doctors.

And that is the problem, because for some time we have increasingly been having to get along without doctors—that is, without persons who are able to perform the caring, as well as the mechanical aspects of medicine. Our well-being will as surely be compromised by the dehumanization of medicine as it would by a return to horse-and-buggy medicine. If we are unwilling to tolerate the latter, why is it that we put up with the dehumanizing mechanization of medicine?

ENERGY OUTLOOK CONUNDRUM

Mr. BARTLETT. Mr. President, as the domestic energy issue is of imminent importance to the Congress and the American people, I feel that a recent statement by Mr. C. H. Keplinger of Tulsa, Okla., is timely and will be of interest to my colleagues. In a statement dated November 23, 1976, Mr. Keplinger gives an overview of the U.S. energy outlook and correctly predicts the OPEC price rise of last month. What he has to say is pertinent and clear. I ask unanimous consent that Mr. Keplinger's statement, "Energy Outlook Conundrum," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ENERGY OUTLOOK CONUNDRUM

The energy picture is in the minds of all citizens—both the petroleum oriented and the business oriented. It requires energy to make our nation build and grow. With the change in administrations on January 20, 1977, there are some petroleum economists and energy specialists who feel the future is shrouded in mystery. Others talk with nervous optimism. My remarks will be based on what we know, and it strongly suggests a positive, dynamic energy picture in the future. Both Carter and Congress are well aware of the pitfalls and possible recession unless we provide a workable energy policy. Carter has promised decontrol of new gas prices which will stimulate exploration for new reserves, and he has also suggested gradual decontrol of oil prices.

As Appendix 1, I am attaching a letter dated October 19, 1976, from President-elect Carter to our great Governor David Boren in the State of Oklahoma. This letter clearly sets out three important steps for a national oil policy. First would be to decontrol new natural gas prices; secondly, he would encourage enhanced recovery from wells already in production, and thirdly, he would encourage the shift from the use of oil and gas to coal. He points out that the administration will work for a stable regulatory climate so that coal producers can expand their production to make America less dependent on foreign oil.

The members of Congress are very cognizant of a need for reducing dependence on foreign oil and took a forward stride when they released "stripper" oil from price controls in the United States and made it competitive in price with imported oil.

The Federal Power Commission, in its actions, is pushing for decontrol of new gas prices and has ordered new gas prices be set at $142 per thousand cubic feet, which is a step forward. Overall, I feel we have the making of strong leadership which will enhance the future energy supply picture in America.

Because we are dependent on about 40 percent of our crude supply from imported oil, I will discuss trends in world prices and world oil reserves as it relates to the overall energy outlook. Since 1970, the price of world oil has come under the influence of the OPEC (Organization of Petroleum Exporting Countries) countries who have unilaterally raised

the price of oil and also gas. Today, we have an administered oil price in which the OPEC functions as a pseudo cartel. The effect of this has been to disproportionately raise the price of oil in the world market without giving free play to oil discovery and producing costs.

We know that the discovery of new oil since 1970 to January 1, 1976, on a worldwide basis has exceeded production during the period by approximately two times. The estimated crude oil reserves in the principal producing countries, as of January 1, 1976, were 578,978,591,000 barrels and the 1975 oil production rate was 19,229,705,990 barrels. The reserve-production ratio was 30 years.

It is important to note that the oil reserves which have been found since 1970 have been concentrated in the OPEC countries. We know, based on January 1, 1976, oil reserve data, that 79 percent of the free world oil reserves are in the Middle East and Africa with Saudi Arabia controlling 109 billion barrels and having high producing capacity in excess of 10,000,000 barrels per day.

The Organization of Petroleum Exporting Countries was formed in September, 1960, by five major crude oil exporting countries: Saudi Arabia, Kuwait, Iran, Iraq, and Venezuela. They have since been joined by most of the exporting oil countries and have a permanent General Secretariat in Vienna. Since 1970, many major oil price developments have been attributable to OPEC. It started with an increased tax from 50 to 55 percent in Libya on August 1, 1970, with producer government revenues per barrel (Arabian Light 34° gravity) increasing from $0.91/barrel on January 1, 1970, to $11.00/barrel on October 1, 1975, as indicated on the attached Table 1. These producer government revenues were taken for every barrel produced (a 12-fold increase in revenue per barrel of oil) without any expenditures for oil exploration by the oil producer governments. During the period, greater government participation was forced upon the oil producing companies.

We know that the oil-producing cartel probably will raise prices by some percentage at its meeting next month in Qatar. Based on a 10 percent increase, which only Saudi Arabia might accept, the increase would put the reference price of Arabian Light crude, the basis on which all crude oil prices are fixed, up from $11.51 per barrel to $12.66 FOB port of delivery to which transportation charges must be added. This would increase OPEC revenue by over $11 billion annually at current output levels.

We know that the argument of the OPEC nations and some of their American advisors is that industrial countries of the world should not be allowed to achieve prosperity by means of cheap petroleum, oil, gas, or products, while they withhold their own energy reserves such as coal, oil shale, lignite, tar sands, geothermal energy and other substitutes for energy. The basic economic theme which has been put forth in numerous communications from the OPEC countries is that the price of oil should be equivalent to substitute energy supplies.

We know that the world oil price is above the cost of many alternative energy sources. Coal-mining costs in the U.S. is an excellent example with present costs less than 50 percent of the world oil price. But the problem is only that coal and other energy sources cannot be produced in adequate quantities quickly enough. For the short term, we will have to rely on the statesmanship of OPEC to produce oil and sell it at prices which will not disrupt world economic progress. The leaders of OPEC are our friends in the free world. But until U.S. alternative energy such as coal, nuclear, oil shale, etc., is expanded dramatically by strong presidential leadership, OPEC will be the key to supply and price. From what we know, it is evident for the immediate future that the world price of oil and the price of imported oil to the U.S. will remain strong.

As to the U.S. energy supply, we know that oil production and oil reserves are declining. Recently, the American Petroleum Institute reported U.S. oil production in 1975 was the lowest since 1966, despite increased drilling—oil drilling was up 17.5 percent. Domestic oil production in 1975 was 2.9 billion barrels while new discoveries added only 1.3 billion barrels, a shortage of 1.6 billion barrels less than produced.

The history of U.S. production and discoveries indicates that yearly discoveries of oil have not equaled yearly oil production for many years. Based on recently released oil reserve data, total U.S. production over a 16-year period was 48.9 billion barrels with discoveries being only 23.3 billion barrels. The U.S. is consuming almost twice as much oil as it produces.

The U.S. oil reserves are declining every year. This is a cheerless oil supply picture with about 50 percent dependence expected on imported oil in the immediate future.

We know that gas production and gas reserves are declining. Recently, the American Petroleum Institute reported that the remaining natural gas reserves declined by 8.9 trillion cubic feet during 1975 to a year-end level of 228.2 trillion cubic feet, the lowest in 21 years. The remaining gas reserve divided by 1975 gas production gives a future life slightly in excess of 11 years with over 10 percent of the remaining gas reserve at the Arctic Circle in Alaska and not connected. The past production gas history and discoveries indicate that yearly discoveries of gas have not equaled production since 1962 in the lower 48 states.

Gas production in 1975 amounted to 19.7 trillion cubic feet, but discoveries were only 10.8 trillion cubic feet. The U.S. is particularly sensitive to the declining natural gas supplies. The importance of one trillion cubic feet of gas is better understood when you consider that it is equivalent to 170,000,000 barrels of oil in heating value. The 1975 gas production was equivalent to 3.35 billion barrels of oil which, in energy value, exceeds the U.S. 1975 oil production of 2.9 billion barrels by 15.5 percent.

It should be pointed out that the estimated supply of natural gas is far below the demand and that there are serious curtailment problems now for the interstate gas pipelines because of gas shortages.

We know that the total energy outlook through at least 1980 is alarming. Domestic oil and gas will be supplying a smaller percentage of the energy to the U.S. economy in the years to come. Coal usage will increase dramatically from the estimated equivalent of 6.5 million barrels per day in 1976. In addition to increased use for direct firing, coal will be utilized for coal gasification and coal syncrude.

To meet the nation's energy requirements, foreign imports of oil are increasing rapidly. Today's cost for imported oil is over $14.00 per barrel. The imported oil outlook for 1976 is a record 7.3 million barrels of oil a day compared to 6.1 million barrels per day in 1975, or up 20 percent. The dependence on foreign oil will be increasing until Congress releases price controls on oil and gas because the finding and development costs exceed the regulated prices allowed.

To complete the supply picture, although the energy supply from nuclear sources at present is only 1.1 million barrels per day of equivalent oil, the future use of nuclear power is encouraging. Hydroelectric sources supply 1.5 million barrels per day. The Nation's increasing energy demand requires that alternate energy supplies be developed. With proper incentives in the short-term period, oil and gas supplies are expected to increase, but due to the known oil and gas reserve information, we cannot expect large increases in the oil and gas supply picture. Much of the long-term supply of future U.S. energy requirements will have to come from alternate sources. The two principal energy sources to supplement oil and gas are coal and nuclear sources. Other sources which are expected to help are hydroelectric, geothermal, oil shale, tar sands of Utah, and the utilization of the sun's omnipresent energy.

There are large undeveloped coal reserves in the U.S. which are equipment and capital intensive and will require a long development time period. Coal producers must be sure of the rules of the game before committing large investments for expansion. Without government leadership, we know coal production will grow from the 640 million tons in 1975 to approximately 1,000 million tons in the late 1980's. However, with government cooperation in relaxation of environment restrictions and Federal coal leasing, the expansion of coal productive capacity could be much greater.

Coal can be used for electrical power generation to replace oil and gas, for coal gasification to replace natural gas, and for coal liquefaction to replace oil for gasoline manufacture. The possibilities for coal are bright but the potentially serious delay problems require that a pragmatic estimator of the future of coal should forecast that the contribution of coal to the total U.S. energy requirements will stay relatively constant in the next 5-year period. We know coal can replace oil and gas for boiler fuel. Recently, I made an inspection of the South African coal gasification and liquefaction facility and we know it is technically and economically feasible to replace oil and gas by coal conversion.

The importance of nuclear power in replacing oil and gas is material. Although previous projections of nuclear growth have been reduced to environmental restrictions, this form of energy supply will continue to develop. The California referendum on June 8, 1976, supported future nuclear development. In the near future the supply of nuclear electric power will be more constrained by environment, regulatory, and engineering factors than by a shortage of basic nuclear fuel. Growth will be dependent upon the ability of government leadership to minimize delay in construction and licensing.

We know that other alternative sources of energy will make a limited contribution to U.S. short-term 5-year energy supply Oil shale, with huge resource potential, has been slowed down because of environment problems and lack of government financial sponsorship to support commercial plants of 50,000 to 100,000 barrels per day capacity. Tosco and Atlantic Richfield have withdrawn their plans for commercial oil shale operations after failure to get government loan support. Shell Oil Company has temporarily stopped oil shale development because its evaluation of economic, political, environmental, and technical considerations in near term caused withdrawal.

The western part of the U.S. has many known geothermal areas. Areas of volcanism and drastic earth movements have permitted molten rock to move relatively close to the surface. The resulting heat has been transferred by conduction to nearby permeable or fractured water-bearing reservoirs. Many tectonic geologic trends are well-known and are manifested on the surface by hundreds of thermal springs.

A limited exploration effort has led to promising discoveries outside The Geysers area. And geothermal electric plants likely will be constructed in New Mexico, Utah, and Southern California in the near future.

In the geothermal field, the government's ERDA group is implementing an active Geothermal Loan Guarnty Program (GLGP). The purpose is to accelerate commercial development of geothermal energy in the pri-

vate sector. As of June 25, 1976, ERDA could accept applications from Borrowers and Lenders to guarantee loans up to $25 million per project. As of November 5, 1976, ERDA has received three applications for geothermal loan guaranty. ERDA has identified projects which, if they were submitted as currently conceived, would have a guaranteed loan value of more than $200,000,000.

The profitability of geothermal electric power development has been proven in The Geysers field 80 miles north of San Francisco where Pacific Gas and Electric Company, the steam purchaser, has planned additional electrical generator installations by 1980 which will increase field capacity to approximately 900 megawatts compared to the present 522 megawatt capacity.

In conclusion, we know that the government's role of the Carter administration should be the following to develop a viable energy policy for the U.S.:

1. Deregulate the new price of natural gas to stimulate exploration of oil and gas.
2. Give incentives for secondary and tertiary oil recovery by decontrol of the oil price as Congress has done for U.S. stripper oil.
3. Relax environmental restrictions and federal lease policies for coal development.
4. Support private enterprise research and programs to handle the utilization of high sulphur coals.
5. Support the private industry nuclear program to increase electrical capacity and production by positive action.
6. Provide loan guarantees and price support for oil shale plants, coal gasification projects, and coal liquefaction projects as has been done for the geothermal industry.
7. Promote meaningful energy conservation and efficiency in all sectors of the economy.

[APPENDIX 1]

OCTOBER 19, 1976.

GOV. DAVID BOREN,
State Capital Building,
Oklahoma City, Okla.

DEAR GOVENOR BOREN: The formulation of a workable national energy policy implemented by a responsive, understandable governmental structure will be of highest priority in a Carter administration. If we are to reach our goals of full employment and a healthy, growing economy, we must reduce our dangerous dependence on foreign oil and we must develop our own domestic energy supplies. These resources must be produced and used in an environmentally acceptable manner at a cost that the consumer can afford to pay.

A sound energy policy must aggressively promote conservation of our scarce oil and gas resources. This is the only way in which we can hope to make ends meet in our energy budget. But, coupled with energy conservation, our policy must encourage additional production of our domestic reserves.

Eight years of Republican administration have failed to produce an energy policy. Demand for new energy supplies has increased by over 4% per year since 1969—even though demand was reduced considerably during the recession triggered by the Arab oil embargo. At the same time, domestic production and resources have decreased substantially, and dependence on foreign supplies has increased from 35% prior to the embargo to over 40% today.

To increase our domestic production, I have proposed three important steps.

First, I will work with the Congress, as the Ford administration has been unable to do, to deregulate new natural gas. The decontrol of producers prices for new natural gas would provide an incentive for new exploration and would help our nation's oil and gas operators attract needed capital. Deregulation of new gas would encourage sales in the interstate market and help lessen the prospect of shortages in the nonproducing states which rely on interstate supplies. While encouraging new production, this proposal will protect the consumer against sudden, sharp increases in the average price of natural gas.

Second, I believe we should act to encourage enhanced recovery from wells already in production. As you well know, an average of 60% of our oil remains in the ground after standard recovery methods have been exhausted. It is estimated that up to 60 billion barrels of crude could be added to our supply if enhanced recovery techniques are used. Since the environmental costs have already been largely paid on these resources, both consumers and producers alike benefit from development of this resource.

Third, I favor a substantial shift from the use of oil and gas—our highest quality energy sources—to coal, which we have in abundance. We must immediately begin a program to encourage conversion from the use of petroleum and natural gas to coal in those applications for which coal is an acceptable substitute. Our present demand for coal is limited by two important factors. First, we have geared our technological growth to oil and gas for well over 100 years. Second, we have failed to establish a stable regulatory climate in which coal producers are sure of the rules of the game before they make investments in expanded production or new mines. Switching to the use of coal will require strong presidential leadership and proper federal incentives to encourage the conversion process. A Carter Administration will provide this leadership.

I hope that these policy recommendations will help to put my views on the supply aspects of the energy problem into focus. Without a strong commitment to increasing our domestic production, while maintaining basic environmental principles, we cannot hope to reverse the unhealthy trends which the lack of leadership of the current administration has produced.

Sincerely,

JIMMY CARTER.

TABLE 1

Producer Government revenue per barrel Arabian Light 34

Period:	*Dollars in billion*
January 1, 1970	0.91
November 14, 1970	0.98
February 15, 1971	1.27
January 20, 1972	1.45
June 1, 1973	1.82
October 16, 1973	3.45
January 1, 1974	9.31
July 1, 1974	9.41
October 1, 1974	9.74
November 1, 1974	10.14
October 1, 1975	*11.00

*Based on technical costs of 28¢/Bbl. All others based on 10¢/Bbl.

S. 3—THE HEALTH SECURITY ACT

Mr. KENNEDY. Mr. President, yesterday, I introduced the Health Security Act, S. 3, which was referred to the Senate Committee on Labor and Public Welfare and the Senate Finance Committee.

One of the most pressing challenges America is facing today is providing quality health care for every citizen. This is the goal of the Health Security Act of 1977.

The 95th Congress and the new administration have many difficult issues to deal with and one of our priorities has to be the Nation's health care needs. I personally will cooperate in every way I can with the administration's proposals for a national health insurance program as they take shape.

I believe, however, that the guiding principles of national health insurance, which are reflected best in S. 3, should be upheld as the standard for the continuing debate and a tribute to all the years of effort by the people and organizations concerned with this vital issue. I am, therefore, privileged to reintroduce the proposal in the 95th Congress.

The health security program is the result of more than 6 years of intensive study and development by the Committee for National Health Insurance, composed of 100 American leaders from a variety of fields, citizen groups, church groups, labor consumers, and health professionals.

The formulation of this proposal has been guided by two basic beliefs:

First. A national program of health security benefits should be created as part of the social security system to provide comprehensive health care for everyone living in the United States.

Second. The program should be developed to bring about major improvements in the organization, financing and the providing of health care.

The need for a national health insurance program for the United States is urgent. Its time has come because our present methods of getting and paying for health care are dangerously near collapse.

Continuing inflation is driving health care costs to prohibitive levels for more and more Americans. The most recent statistics reveal that more than 38 million Americans have no health insurance and that millions of additional working people and their families lack the security of knowing their hospital and medical costs will be paid during layoffs and periods of unemployment.

Two-thirds of those who are covered by a health insurance plan still have to pay for office visits to their doctors and almost none are covered for preventive health care.

In a nation that has one of the highest per capita incomes in the world, a chronic or catastrophic illness can exhaust a lifetime of savings and reduce a person or family, with even an above-average income, to seeking public or private assistance.

New breakthroughs are being made every day in medical research. Where we have achieved such heights in medical knowledge, and where every citizen should be able to benefit from these accomplishments, there is no room for apprehension concerning health care.

Private health insurance has failed, however, to come to grips fully with the Nation's need for adequate health care coverage. In fact, less than one-third of the health costs are now paid by private health insurance. The remainder comes either from our own pockets or is paid by Government.

As the statistics show, larger and larger proportions of our more and more limited dollars are being spent for health. As a result, the problem of paying for adequate health care has become increasingly difficult for many American families and impossible for some.

An example of this inflationary spiral can be seen in the rising costs of hospital care. According to the Department of Health, Education and Welfare, the average cost of a hospital room in 1974 was $125 per day. In 1976, the average cost of a hospital room was in excess of $200 a day.

During fiscal year 1975, the per capita cost for medical care for Americans was $547, and the projected cost for fiscal year 1976 is more than $600 per person. On a national scale, total health costs are reaching crisis proportions.

According to the Congressional Budget Office—CBO, total medical care costs for Americans in fiscal 1975 was $118.5 billion, and for fiscal 1976, the CBO is predicing a cost of $139 billion. This represents 8.6 percent of the Gross National Product—GNP—devoted to health care in fiscal 1976.

Compared to our neighbor, Canada, which has had a national health care program for the past 10 years, the United States has not fared as well. Only 6 years ago, the United States and Canada were both spending approximately 6 percent of their GNP's for health care. However, between 1971 and 1975, Canada's health care costs have remained at between 6.1 percent and 7 percent of its GNP while the United States' health costs rose to 8.4 percent by 1975 and 8.6 percent in 1976.

And the end is not in sight. The CBO estimates that by 1981, the cost of health care in the United States will be in the neighborhood of $252 billion.

America's public/private partnership in health has never been an easy relationship in the past, and it is not an easy one today. The relationship is full of tension, because it is never easy in our society to draw rigid lines or build high walls between the public and private sectors. In our generation, as in past generations, there are critical choices at hand, and we are facing those choices now.

Simply stated, the critical challenge America is facing is one of providing health care to all citizens. Health care should be a "right" in the sense that to the greatest practical extent, society guarantees quality health care to each citizen under law.

We should make it a right for individuals, regardless of their income, jobs, residence, age, medical history, or any other factor. We should eliminate every contingency under our control that deprives any citizen of quality care. Essentially, health should be like education—a need too basic to depend on a person's income.

A national consciousness of the parity between health and education is dawning on this country, and it would be shameful not to encourage it to the limit of our resources. In short, our national health policy must express this growing belief that health care is right.

Moreover our goal must be to strengthen the public/private partnership in medicine, not to end it, or undermine it, or even to make the Government the senior partner. We must develop a new and more coherent national policy toward health, a policy that expresses and enhances our deepest values about the quality of health care that should be available in our society.

The essence of the Health Security Act is basically a rearrangement of how health care costs are paid. Instead of the individual family being responsible for health and medical costs, the costs will be shared by all citizens on an equitable basis. Necessarily higher tax costs will be offset by the seldom mentioned fact that individuals will not have to pay fees to doctors, charges to hospitals, and premiums to insurance companies.

Benefits under the health security program will cover the entire range of personal health care services, including catastrophic illnesses; full physicians' services; inpatient and outpatient hospital services; home health care services; optometry and podiatry services, and medical devices and appliances.

Dental care, at the outset of the program, will be provided to children 15 years old and under, with the eventual goal of providing dental coverage to the entire population.

Psychiatric services, nursing home care and drugs would be provided under the program, with limitations.

The money people will save by not making payments to doctors, hospitals, or insurance companies will equal, or more than equal, the higher taxes required for national health insurance. In a very few years, a national health insurance program such as health security will reduce the amount the American people will otherwise pay for health care by putting firm controls on the reckless rise in medical and hospital costs which we are now experiencing.

If this legislation is enacted, no American ever again will have to pay a doctor's bill or a hospital bill. Payment in full will be made through a health security trust fund, with Federal general revenues providing half of the necessary financing and the other half acquired as follows:

One percent payroll tax on individual earned or unearned income up to $21,500 per year—for a maximum tax on the individual of $215 per year.

Three and one-half percent tax on employers' payrolls, which will be largely or entirely offset by the elimination of premium payments for private health insurance.

Two and one-half percent tax on the self-employed up to $20,000 income.

Whether working, laid-off, not working or retired, all residents of the United States will be entitled to the benefits as a matter of right.

The Congressional Budget Office has estimated that a tax-financed plan such as health security, with strong built-in cost controls, can save the American people over $23 billion a year by fiscal year 1981, while providing access to care for all citizens.

We need a viable health security program that will not only establish a method of paying the bills for doctors, hospitals, and other services, but that will also make an improved quality of health care available to all Americans.

The health security program, S. 3, goes further than any other proposal to control health care costs and assure every citizen the health care they need. I believe the principles of this legislation can unite the Congress better than any other proposal.

Mr. President, I ask unanimous consent that there be printed in the RECORD a statement on the health security program, a section-by-section analysis of the bill, and a copy of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT ON THE HEALTH SECURITY

HEALTH SECURITY IN BRIEF

Eligibility.—Everyone living in the United States would be eligible for Health Security benefits.

Benefits.—The Health Security Program would pay for nearly the entire range of personal health care services including catastrophic coverage. The covered services would include full physicians' services; inpatient and outpatient hospital services; home health services; optometry and podiatry services, and devices and appliances. It would also cover, at the outset, dental care for children up to age 15 and eventually cover the entire population. And, with limitations, psychiatric services, nursing home care and drugs would be covered. It would establish large pilot projects to determine the feasibility of home maintenance care for the chronically ill or disabled.

Administration.—Health Security would be administered by a five-member Health Security Board as part of the Department of Health, Education, and Welfare. The Board would establish policy, standards and regulations for the program.

Financing.—The program would be financed from a Health Security Trust Fund created by a special tax on employers, employees and the self-employed, with the entire amount matched by Federal general revenues.

Cost and Quality Controls.—Health Security would establish a Quality Control Commission to develop cost control features, including national standards for health care providers.

Payments to Providers.—Physicians, dentists, hospitals, nursing homes and other health care providers would be paid in full directly from the Health Security Trust Fund. The patient could not be charged more.

Consumer Participation.—Health Security would assure effective participation of consumers in policy, development and administration of the program on the national, state and local levels. It would encourage consumer organizations to establish health care plans. Procedures would be built into the entire system to assure public accountability for its operation.

Manpower Support.—Health Security would actively encourage more efficient organization of existing health manpower and provide funds for special training of health professionals and allied personnel.

Resources Development Fund.—To improve the providing of health care, a Resources Development Fund would be established to support innovative health programs, particularly in manpower, education, training and group practice development.

Incentives.—Financial, professional and other incentives would be built into Health Security to move the health care delivery system toward organized arrangements for patient care, such as health maintenance organizations and other prepaid groups practice plans or professional foundations. It would also establish programs for preventive care, early diagnosis of illness and medical rehabilitation.

BENEFITS

Everyone living in the United States would be entitled to have all health care—with few exceptions—paid for by the Health Security Program.

The Program would have no exclusions for pre-existing conditions; no limits on preventive medical services; no co-insurance; no deductibles; no waiting periods.

Here are the details of the services which would be available:

Physicians Services.—Professional services by physicians, furnished in their offices or elsewhere, would be covered in full. This includes general medical and specialized services.

All major surgery and other specialized care would be covered if performed by qualified specialists.

Psychiatric services would be provided to outpatients if given for active treatment of emotional or mental disorders and if provided by comprehensive mental health organizations. Otherwise, there would be a limit of 20 consultations by a psychiatrist during a benefit period.

Dental Services.—At the start, Health Security dental benefits would be limited primarily to children up to age 15, with the coverage including preventive, diagnostic and therapeutic services.

Adults would be entitled initially to certain emergency and rehabilitative services, such as oral surgery to correct accident damage.

The age of eligibility for full dental care would be extended to persons up to age 25 during the first five years of the program's operation and the younger people would remain eligible throughout their lives. The increase of coverage could be accelerated if the Health Security Board believes it is feasible.

Institutional Services.—Health Security would provide full payment for hospital services; skilled nursing home care up to 120 days per benefit period or for an unlimited time if the home is owned or managed by a hospital; other approved non-custodial health services; and, home health services.

The program would also include pathology and radiology services and all other necessary services whether furnished by a hospital or other institution or by others under arrangements with such institutions.

The program would also include recognition as providers of authorized free-standing alcohol, drug abuse, family planning and rehabilitation centers.

Drugs.—Health Security would cover drugs for hospital inpatients and outpatients and for persons enrolled in comprehensive group practice plans and professional foundations as long as the drugs were from an approved list.

For others, drugs would be covered if they were necessary for specified chronic diseases and conditions requiring long or costly drug therapy.

The purpose of the approved drug list—and regular reviews of the list—would be to assure the safety, effectiveness and reasonable cost of the prescribed drugs.

Devices, Appliances and Equipment—Health Security would provide coverage of therapeutic devices, appliances—including eyeglasses, hearing aids and prosthetic devices—and equipment. An approved list of covered items would be prepared and reviewed regularly.

Other Professional and Supporting Services.—Health Security would cover:

1. Professional services of optometrists and podiatrists;

2. Diagnostic services of independent pathology laboratories;

3. Diagnostic and therapeutic services of independent radiologists;

4. Mental health day care services furnished by a health maintenance organization or comprehensive community health center, or 60 days of care furnished, during or following a benefit period, by a hospital or a center affiliated with a hospital;

5. Ambulance services;

6. Other professional services such as psychological counseling, physiotherapy, nutrition, social work and home care or health education when furnished as part of institutional services or through health maintenance organizations;

7. Diagnostic and therapeutic services of free-standing alcohol, drug abuse, family planning and rehabilitation centers.

Social Care Services.—Grants would be provided to local nonprofit organizations to develop social care services to aid chronically ill, aged and other homebound patients. Under this section, while some measure of local financing is developed, Health Security would cover homemaker services, transportation and other social care services as a demonstration of the usefulness of such benefits in reducing unnecessary long-term institutional care.

ADMINISTRATION

Health Security would be administered at four levels—national, regional, area and local—with some important functions carried out by States.

National.—Overall Health Security policy and regulation would be established and carried out by a five-member, full-time Health Security Board appointed by the President and under the supervision and direction of the Secretary of Health, Education and Welfare.

The members normally would be appointed for five-year terms, with one member serving as chairman and with no more than three members from the same political party. The program would be administered through an Executive Director appointed by the Board.

To assist the Board in carrying out its functions and to advise and recommend various changes or actions, a 21-member National Health Security Advisory Council would be established. A majority of the membership of the Council would be consumers of health services. The Council would be authorized to appoint professional and technical committees to help carry out its functions.

The Secretary, Board and Executive Director would all work to assure effective coordination of Health Security with existing HEW programs—and with programs in the regions and States—for the development of health facilities and manpower resources, medical research and public and community health services.

The Health Security Board would control expenditures from the Health Security Trust Fund, establish national benefit patterns, set standards of participation and develop policy guidelines. The Board would also have the responsibility to assure effective consumer participation and public accountability at all levels.

The Board would also have responsibility for studying systems of paying for services and for planning new developments and improvements for health services.

A Commission on Quality of Health Care would be established and charged with assuring and developing standards for care of high quality.

Regional and Health Service Areas.—At the second and third level of administration for the Health Security Program, 10 regional Health Security offices would be established within the regions of the Department of Health, Education and Welfare and approximately 100 health service areas would be established paralleling the natural medical delivery patterns in the United States.

The health service areas normally would consist of a State or part of a State. Interstate areas would be established where the Board found that patterns of health service organization and patient flow made an interstate area a more practical unit of administration.

Local.—As the fourth level of administration, the Health Security Board would establish in each health service area a local Health Security office and any necessary branch offices.

These offices would assist health service consumers and providers and serve an ombudsman function by investigating complaints concerning administration of the program. They would also have informational and other administrative functions.

States.—States would participate in Health Security in a number of ways. They would participate in planning, training, coordination for quality controls and manpower increases, health education, utilization review and the inspection of providers.

The Health Security Board would establish appropriate payment arrangements with the States for the services.

To improve the supply and distribution of health personnel and facilities and the organization of health services, the Board would work with State comprehensive health planning agencies and with regional medical programs.

Existing Programs Affected.—A number of major Federal health programs would be superseded in whole or in part by Health Security.

Medicare.—Everyone 65 or over, along with the rest of the population, would be entitled to Health Security coverage. Because the benefits of Health Security would be broader than those offered under Medicare, the Medicare program would be terminated.

Medicaid.—Most of the benefits of State Medicaid programs would be available under Health Security. Such benefits would be deleted from Medicaid, leaving it as a supplementary program to Health Security. States would claim partial reimbursement for Medicaid services they provided which exceeded those available under Health Security. This would include long-term nursing home care, drugs for certain purposes and adult dental care. Providing the services would be at the option of the individual States.

CHAMPUS.—Under the Civilian Health and Medical Program of the Uniformed Services, the Defense Department reimburses civilian hospitals and private doctors for the health services of servicemen, their dependents and retirees. Most of CHAMPUS benefits would be available under Health Security; CHAMPUS would provide only those benefits not covered by Health Security.

The Department of Defense program for care in military hospitals of servicemen, their dependents and retirees, would continue unaffected by Health Security.

Workmen's Compensation.—Because separation of the health service benefits of Workmen's Compensation programs from cash payments would unduly complicate the eligibility determination process, Workmen's Compensation would continue unaffected by Health Security.

Other Programs.—Maternal and Child Health Programs, Crippled Children Programs, Office of Economic Opportunity Health Programs and Medical Vocational Rehabilitation provide a range of various services to specific groups. In addition to a personal health service component, each program covers other types of health and community service, such as research and vocational training.

Personal health services provided by these programs would be transferred to Health Security, while all other benefit features would remain with the existing program.

Future Plans.—In order to broaden the scope and benefits of Health Security to remove its initial limitations, the program would undertake various studies, including long-term care, coordination of Veterans Administration health care programs with Health Security, and the provisions of Health Security benefits to United States citizens in other countries.

FINANCING

The financing of Health Security would be through a Health Security Trust Fund, similar to the Social Security Trust Fund.

Fifty percent of the money would come from:

1. A 3.5 percent tax on employer payroll.

2. A 1 percent tax on the first $20,000 a year in wages and non-earned income.

3. A 2.5 percent tax on the first $20,000 a year of self-employment income.

The remaining 50 percent would come from Federal general revenues.

If an employer's existing obligations for the purchase of health benefits for his employees are greater than 3.5 percent of payroll, the excess would be applied toward the 1 percent which would otherwise be withheld from an employee's wages.

The first $3,000 income for persons over 60 would be exempt from Health Security tax.

The total of these taxes and the Government matching funds would be the total available ot pay for personal health services in each fiscal year.

After setting aside contingency reserves and money for the development of additional health resources, the remaining money would be divided among the ten regions of the country. This would be done with regard for recent and current use and expenditure patterns for services covered by the program.

Initially, the Health Security Board would look to the latest expenditure, figures available before the program starts, making appropriate adjustments among the region for figures higher or lower than the average. After that, the allocation among regions would be guided by actual expenditures and estimates of what was needed to meet the program's obligations and objectives.

The Board would budget funds for each of the HEW regions in each category of covered service from the total sum allocated to the region. There would be authority for each region to determine its own needs and priorities in supoprt of services.

Operation of the Health Security Trust fund would be taken out of the consolidated budget, except for Government contributions to the trust funds.

COST AND QUALITY CONTROLS

The central cost control feature of the Health Security program is that the health care system would be anchored to a budget established in advance.

The program's main quality control feature would be the establishment of national standards for participation both for individual and institutional providers.

To develop and enforce such standards, a Commission on the Quality of Health Care would be established. It would be a quasi-independent board reporting to the Health Security Board, but with authority to appeal to the Secretary of Health, Education, and Welfare if it believes the Board has failed to implement or enforce effective quality standards.

Here are the details:

Budgeting.—The Health Security Program would establish an advance budgeting procedure for the ocsts of personal health services.

Each year an advance determination would be made of the total amount to be spent in the various regions on physicians' services, institutional services and other categories of services provided in local communities.

The cost of each kind of service and the overall cost of the program would be alllowed to increase only on a controlled and predictable basis.

The program would use the budgetary process not merely to control costs, but also to strengthen local, State and regional planning, stimulate more efficient institutional administration; and gradually reverse the current undesirable emphasis on inpatient hospital and other institutional services. This would be done by stressing preventive and early curative services and by making alternative levels and forms of care available outside of institutions.

In approving budgets for institutions, the program would consider recommendations and decisions of State and other health planning authorities, administrative efficiency of the institution, scope of care provided and the need to achieve an equitable distribution of resources throughout the region and country.

Wasteful duplication of services and facilities would be gradually eliminated by withdrawal of funding. Institutional budgets would be increased to allow for the provision of services needed for a balanced development of regional resources.

National Standards.—The national standards for provider participation would be designed to upgrade the quality of care, encourage appropriate use of health manpower and promote orderly planning of facilities.

Physicians, dentists, osteopaths, optometrists and podiatrists licensed to practice in a state when the program begins would be eligible to take part in the program as long as they met continuing education requirements.

The Health Security Board would be authorized to establish national standards for professional personnel licensed after the program begins and to set requirements for their continuing education.

Hospitals, skilled nursing homes, home health agencies, specified free-standing centers, medical or dental foundations and health maintenance organizations would be eligible to participate if they met national standards established by the Board.

Federal law would supersede state statutes which restrict the development of group practice programs.

Institutions would be required to establish working relationships with other providers of care so that a patient would have continued and appropriate treatment. Institutions which refused to comply with local and regional plans required by the Board would not be eligible to participate in the program.

PAYMENTS TO PROVIDERS

Hospitals, skilled nursing homes and other types of institutional providers would operate on an approved budget basis rather than being able to charge whatever they decided.

Using the precious year's fiscal experience and taking into account standards of participation, range of desirable services and quality controls required by Health Security, the institutions would develop proposed budgets for the next fiscal year. They would be assisted by the regional and local offices of Health Security in preparation of their budget requests. The budgets would be reviewed and given final approval at the regional office level.

Money allocated for payment of individuals, such as physicians, dentists, podiatrists, etc., would be distributed to local areas within the region. This would be done on a per capita basis with adjustments for differences in the cost of goods and services. The budgeted per capita amount for each type of covered service would be divided between the categories of providers according to the number of individuals who elected to receive care from those providers.

For example: In a city of 100,000 people, 25,000 may be enrolled in health maintenance organizations. If the amount budgeted for physicians services in that area is $65 per capita, the Board would pay the HMOs $1,625,000—$65 x 25,000—for physicians services. Since the other 75,000 individuals elected to receive care from solo, fee-for-service practitioners, the Board would create a fund of $4,875,000—$65 x 75,000—to pay all fee-for-service bills submitted by physicians in the community.

Other independent providers such as pathology laboratories, radiology services, pharmacies and providers of appliances, would be paid through methods adapted to their characteristics.

Under Health Security, providers would have to agree not to charge individuals for all or part of any service provided. Payment in full would be made directly by the program to the provider or to the agency representing him. There would be no billing of the patient or indemnity payment to him.

Health maintenance organizations and professional foundations accepting responsibility for providing or securing all covered services for a defined population would receive the total amount budgeted and negotiated as payment. They would share also in the savings they helped to achieve by preventing unnecessary hospitalization of their enrollees.

CONSUMER PARTICIPATION

Health Security would rely heavily on the development of new, comprehensive care organizations such as health maintenance organizations (HMOs) and other forms of prepaid group practice plans to improve consumer opportunities for better health care and provide alternatives for better patient care.

Such organizations will be required to provide or arrange for all covered services except mental and dental services. Professional foundations would be required to provide the same range of services as HMOs and to meet the same strict quality standards.

The manner in which services would be paid for recognizes the added value of the comprehensive care programs as more efficient and higher quality to, and satisfaction of, the consumer.

Consumer organizations would be encouraged to give health care a high priority in their overall activities and to sponsor and develop comprehensive community-wide health care organizations. Along with health maintenance organizations to be developed by hospitals, physician groups and combinations of professionals, the programs developed by consumer-sponsored organizations would be supported and recognized by Health Security.

The Health Security Board would assure effective participation by consumers at all levels of policy formulation and program development. There would be a majority of consumer representatives on the National Advisory Council assisting the Board in its continuing administration of the program, and on regional and local advisory councils. The makeup of the councils would have to reflect the composition of the state or community served. There would be public control of the basic policies governing the program and full public accountability for its finances and operations.

MANPOWER SUPPORT

Health Security would actively encourage more efficient organization of existing health manpower, provide funds for special training of physicians, dentists and other health personnel, and apply financial incentives to stimulate the movement of health manpower to medically deprived areas.

Health Security would recognize costs incurred by HMOs in supporting the training and appropriate utilization of allied health professionals. It would pay the full cost of employing support personnel, such as nurse practitioners, public health nurses, nutritionists and community health workers, thus extending the ability of physicians to provide care and giving the consumer access to a wider range of services.

Training funds could be used for the retraining of health workers to enhance or refresh skills or for new positions of greater responsibility.

Money would be available through the Resources Development Fund to stimulate the expansion of training programs for new categories of health professionals, especially those required as members of primary health care teams—such as pediatric nurse practitioners, physicians' assistants and dental hy-

gienists. Emphasis would be placed upon demonstration programs for the training and placement of allied health workers, and support would be available to institutions for the special costs of educating and training minority group and economically deprived students.

The assured purchasing power of a national health program would help to overcome many of the present barriers to recruiting and holding needed health workers in disadvantaged and remote areas. Substantial efforts would be made to enhance the desirability of practice in such areas by improving local resources and providing money for special communication, transportation and consultation costs.

In addition, special incentives would be used to increase the attractiveness of practice in rural or deprived areas for health workers and their families. There would be financial disincentives for the disproportionate clustering of physicians and dentists in a few metropolitan or suburban areas and corresponding incentives for their location in other areas.

RESOURCES DEVELOPMENT FUND

A substantial Resources Development Fund—Administered by the Health Security Board—would help to increase the resources for services and to bring new organized programs of health service into being and to expand existing ones.

The Resources Development Fund would be formed, first, by appropriations from Federal general revenue for the period between enactment and when benefits began, so that system improvements could get underway promptly, and subsequently, by taking a percentage of the annual income of the Trust Fund (2 percent the first year, increasing in regular intervals to a maximum of 5 percent a year).

A priority would be given in grants and loans to stimulate the development and growth of health maintenance organizations. Essentially, the fund would recognize the responsibility of Health Security to assure the availability of covered health services, and not merely to pay for them. And, it would have concern for the development of services to meet the changing needs of people in the most effective and efficient manner, not merely to build on already overburdened and often wastefully expensive services.

INCENTIVES

Payment for services provided under Health Security would give special incentives to health maintenance organizations and medical or dental foundations.

Physicians who became members of primary health care teams and established working relationships with specialists and with such patient-care resources as hospitals, skilled nursing homes and home health facilities, would be reimbursed for the costs of such linkages and would be encouraged to extend their services through such support arrangements.

Health Security would provide support for continuing studies and demonstrations of new and promising methods of organizing health services.

Members of the Committee of 100 who have, over the past eight years conducted intensive studies and have developed the Health Security Program, include:

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SECRETARY

Lane Kirkland, Secretary-Treas., AFL–CIO.

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I. S. Falk, Ph.D., Community Health Center Plan.

Max W. Fine, Executive Director, Committee for National Health Insurance.

Murray H. Finley, President, Amalgamated Clothing & Textile Workers.

Frank E. Fitzsimmons, General President, International Brotherhood of Teamsters.

Emerson Foote, Carmel, New York.

David French, M.D., M.P.H., Director Project for Strengthening Health Delivery Systems in Central West Africa.

Rudolph H. Friedrich, D.D.S., Executive Secretary, New York Academy of Medicine.

Frank Furstenberg, M.D., Associate Director for Program Development, Sinai Hospital of Baltimore.

John Kenneth Galbraith, Professor, Harvard University.

Most Rev. Raymond J. Gallagher, Bishop of Lafayette, Lafayette, Indiana.

General James M. Gavin, Cambridge, Massachusetts.

H. Jack Geiger, M.D., Chairman, Health Sciences Center, Stony Brook, New York

Count D. Gibson, Jr., M.D., Professor and Chairman, Stanford University School of Medicine.

Melvin A. Glasser, Director, Social Security Department, United Auto Workers of America.

Arthur J. Goldberg, Caplan & Drysdale, Washington, D.C.

Mike Gorman, Executive Director, National Committee Against Mental Illness.

Patrick E. Gorman, International Secretary/Treasurer, American Meat Cutters & Butcher Workers.

Martha W. Griffiths, Farmington Hills, Michigan.

A. F. Grospiron, President, Oil, Chemical & Atomic Workers Union.

William Haber, Professor of Economics, University of Michigan.

The Right Reverend Donald H. V. Hallock, Diocese of Milwaukee.

George Hardy, International President, Service Employees Inter. Union, AFL-CIO.

Robert G. Harmon, M.D., Johns Hopkins School of Public Health.

LaDonna Harris, McLean, Virginia.

James G. Haughton, M.D., Deputy Administrator, City of New York Health Services Administration.

Hubert Hemsley, M.D., Director, Watts Health and Family Planning Group.

Terry E. Herndon, Executive Secretary, National Education Association.

John L. S. Holloman, Jr., M.D., New York City Health and Hospital Corporation.

James T. Housewright, President, Retail Clerks Union.

Keith W. Johnson, President, International Woodworkers of America.

Vernon E. Jordan, Jr., Executive Director, National Urban League.

Joseph Kellman, President, Globe Glass and Trim Company.

Sen. Edward M. Kennedy, U.S. Senate.

Clark Kerr, Chairman, Carnegie Council on Policy Studies on Higher Education.

James R. Kimmey, M.D., Administrator, Policy and Planning, State of Wisconsin.

Lambert King, M.D., Cook County Hospital, Chicago.

Mrs. Martin Luther King., Jr., Southern Christian Leadership Conference.

Lane Kirkland, Secretary/Treasurer, AFL–CIO.

Mathilde Krim, Ph. D., New York, New York.

Mrs. Albert D. Lasker, President, Albert & Mary Lasker Foundation.

Russell V. Lee, M.D., Palo Alto, California.

Gov. Patrick J. Lucey, State of Wisconsin—Governor.

Mrs. Jean MacVicar, R.N., University of Southern Mississippi.

Frank Martino, President, International Chemical Workers Union.

E. F. Marriner, M.D., Medical Director, Chicopee Manufacturing Company.

E. G. Marshall, Mt. Kisco, New York.

Charles H. Mayo II, M.D., White Bear Lake, Minnesota.

Emil Mazey, Secretary/Treasurer, International Union, United Auto Workers of America.

Francis McClosky, Ninth Assembly, State of New York.

W. W. McCrory, M.D., Professor and Chairman, Cornell Medical School.

George R. Metcalf, Auburn, New York.

Arnold Miller, President, United Mine Workers of America.

David Miller, Chairman, International Union UAW, Retired, Workers Advisory Council.

Fitzhugh Mullan, M.D., Rockville, Maryland.

Harold F. Newman, M.D., Executive Vice President, Group Health Cooperative of Puget Sound, New York, New York.

Gov. Philip W. Noel, Governor, State of Rhode Island.

Robert Partridge, General Manager, National Rural Electric Coop Association, Washington, D.C.

Charles H. Pollard, President, International Brotherhood of Electrical Workers.

Robert L. Popper, White Plains, New York.

Howard Rome, M.D., Mayo Clinic, Rochester, Minnesota.

Alan Sagner, Commissioner of Transportation, State of New Jersey, Trenton.

Terry Sanford, President, Duke University.

Ernest Saward, M.D., Associate Director, Extramural Affairs, University of Rochester.

William B. Saxbe, Washington, D.C.

Max H. Schoen, D.D.S., M.P.H., UCLA School of Dentistry.

Ray Schoessling, General Secretary/Treasurer, International Brotherhood of Teamsters.

Charles I. Schottland, Brandeis University.

David Seldon, National Institute of Education.

Albert Shanker, President, American Federation of Teachers.

William Sidell, President, United Brotherhood of Carpenters & Joiners of America.

John Siegenthaler, Editor, The Nashville Tennessean.

Mayor Harvey I. Sloane, M.D., Mayor, City of Louisville, Kentucky.

Floyd E. Smith, President, International Association of Machinists.

Oren Lee Staley, President, National Framers Organizations.

Jesse L. Steinfeld, M.D., Dean, Medical College of Virginia.

Carl B. Stokes, NBC Television Network.

The Most Rev. Walter F. Sullivan, Bishop of Richmond, Richmond, Virginia.

Gerald Teplitz, B.S., D.O., Brooklyn, New York.

Myron Wegman, M.D., Dean, School of Public Health.

Jacqueline Wexler, President, Hunter College.

Roy Wilkins, Executive Director, National Association for the Advancement of Colored People.

T. G. G. Wilson, Ph. D., M.D., Director of Clinical Research, Addiction Research Foundation.

Leonard Woodcock, President, United Auto Workers of America.

Jerry Wurf, International President, AFSCME.

Ralph W. Yarborough, Attorney at Law, Austin, Texas.

Alonzo Yerby, M.D., M.P.H., Professor and Head, School of Public Health, Harvard University.

SECTION-BY-SECTION ANALYSIS OF THE HEALTH SECURITY ACT—S. 3

TITLE I—HEALTH SECURITY BENEFITS

Part A—Eligibility for benefits

(Sections 11–12.) Every resident of the U.S. (and every non-resident citizen when in the U.S.) will be eligible for covered services. Reciprocal and "buy in" agreements will permit the coverage of groups of non-resident aliens, and in some cases benefits to U.S. residents when visiting in other countries.

Part B—Nature and Scope of Benefits: Covered Services

(Section 21.) Every eligible person is entitled to have payments made by the Board for covered services provided within the United States by a participating provider.

(Section 22.) All necessary professional services of physicians (including preventive care) are covered wherever furnished, with one quantitative limitation. Psychiatric services to an ambulatory patient are covered without limit if the patient seeks care in the organized setting of a group practice organization, a hospital out-patient clinic, or other comprehensive mental health clinic. In these kinds of organized settings, peer review and budgetary controls can be expected to curtail unnecessary utilization.

If the patient is consulting a solo practitioner, however, there is a limit of 20 consultations per benefit period. In communities where psychiatric services are in especially short supply, the Board may prescribe referrel or other non-financial conditions to give persons most in need of services a priority of access to solo practitioners.

(Section 23.) Comprehensive dental services (exclusive of most orthodontia) are covered for children under age 15, with the covered age group increasing by two years each year until all those under age 25 are covered. (Persons once covered remain covered for the rest of their lives). This benefit is limited initially because, even with full use of dental auxiliaries, there is insufficient manpower to provide dental benefits to the entire population. However, the Board is authorized to expand the benefits more rapidly if availability of resources warrants, and the Board is required within seven years of the effective date of the legislation, to establish a timetable for phasing in benefits for the entire population. To encourage the development of groups which provide comprehensive medical and dental services or comprehensive dental services, the Board is authorized to phrase in full dental benefits more rapidly for the enrollees of those groups than for the general population.

(Section 24.) In-patient and out-patient hospital services and services of a home health agency are covered for the duration of the services, and skilled nursing home services are covered for limited periods. Pathology and radiology services are specifically included as parts of institutional services, thus reversing the practice of Medicare. Domiciliary or custodial care is specifically excluded in any institution, thus necessitating the two important restrictions on payments for institutional care:

(1) Payment for skilled nursing home care is limited to 120 days per benefit period, except that this limit may be increased either when the nursing home is owned or managed by a hospital and payment for care is made through the hospital's budget, or for all nursing homes affiliated with hospitals. It is not practical to assume that the majority of nursing homes and extended care facilities in the country will be able to implement effective utilization review and control plans in the first years of Health Security. The demand for essentially domiciliary or custodial care in nursing homes is so overwhelming that an initial arbitrary limit on days of coverage is necessary. Extension of the benefit is authorized when this becomes feasible.

(2) Many state hospitals do not provide optimal active treatment to their psychiatric patients but rather maintain them in a custodial setting. If Health Security provides unlimited coverage for patients in these hospitals, it might tend to freeze the level of care instead of stimulating these institutions to upgrade their medical care performance. Therefore, the psychiatric hospital benefit is limited to 45 days of *active treatment* during a benefit period.

(Section 25.) The bill provides coverage for two categories of drug use: prescribed medicines administered to in-patients or out-patients within participating hospitals or to enrollees of comprehensive health service organizations, and drugs necessary for the treatment of specified chronic illnesses or conditions requiring long or expensive drug therapy. This will provide coverage of most drug costs for individuals who require costly drug therapy.

The bill requires the Board and the Secretary of HEW to establish two lists of approved drugs. There will be a broad list of approved medicines available for use in institutions and by comprehensive health service organizations and a more restricted list which is available for use outside such organized settings. The restricted list shall stipulate which drugs on it shall be available for treatment of each of the specified chronic diseases. No such restrictions shall be placed upon drug therapy within an institutional setting.

Use of the restricted list will meet the most costly needs for drug therapy while restraining unnecessary utilization. The benefit is more liberal where adequate control mechanisms exist.

(Section 26.) The appliances benefit is similar in concept and operation to the drug benefit, subject to a limitation on aggregate cost. The Board shall prepare lists of approved devices, appliances or equipment which it finds are important for the maintenance or restoration of health, employability or self-management (taking into consideration the reliability and cost of each item). The Board will also specify the circumstances or the frequency with which the item may be prescribed at the cost of the Health Security program.

(Section 27.) The professional services of optometrists and podiatrists are covered, subject to regulations, as are diagnostic or therapeutic services furnished by independent pathology laboratories and radiology services. The care of a psychiatric patient in a mental health day care service is covered for up to 60 days (day care benefits are unlimited if furnished by a group practice organization, by a comprehensive mental health center, or by an approved mental health day care service). Ambulance and other emergency transportation services are covered, as well as non-emergency services where (as in some sparsely settled areas) transportation is essential to overcome special difficulty of access to covered services.

Supporting services such as psychological, physiotherapy, nutrition, social work and health education are covered if they are part of institutional services or are furnished by a group practice organization, individual practice association or certain public or non-profit organizations. This establishes the important principle that these and other supporting services should be provided as part of a coordinated program of health maintenance and care. Psychologists, physical therapists, social workers, etc. will not be permitted to establish independent practices and bill the program on a fee-for-service basis. This is intended to assure that whenever services of this nature are provided they are part of an organized plan of treatment and are germane to the overall care of the patient.

In addition to services available from hospitals, mental health centers or other providers, free-standing alcohol, drug abuse, family planning and rehabilitation centers would be recognized as providers if such centers have an agreement with the Board under section 49(a)(5), (6) and (7).

(Section 28.) Health services furnished or paid for under a workmen's compensation law are not covered. Reimbursement for loss of earnings is so closely interlocked with the health services aspects of workmen's compensation that absorption of the health services portion of workmen's compensation by Health Security could have the effect of delaying findings of eligibility for income payments.

School health services are covered only to the extent provided in regulations.

The Board may exclude from coverage medical or surgical procedures which are essentially experimental in nature. Individuals who enroll in a comprehensive health service organization or enroll themselves with a primary practitioner accepting capitation payments are not entitled to seek covered services from other providers of services (except as specified in regulations). Surgery primarily for cosmetic purposes is excluded from coverage.

The services of a professional practitioner are not covered if they are furnished in a hospital which is not a participating provider. This is intended to discourage physicians from admitting patients to hospitals which cannot or will not meet standards for participation in the program.

Part C—Participating providers of services

(Section 41(a).) Participating providers are required to meet standards established in this title or by the Board under Part H relating to quality of care. In addition, they must agree to comply with such requirements as the Board finds necessary, to assure to their employees, employment rights and working conditions similar to the guarantees of other workers. In addition, they must agree to provide services without discrimination, to make no charge to the patient for any covered service, and to furnish data necessary for utilization review by professional peers, statistical studies by the Board and by the Commission on the quality of the care and verification of information for payments.

(b) A provider's participation may be terminated under procedures described in part G of the bill.

(c) If a provider is merged, consolidated or reorganized, pre-existing employment rights shall be subject to reasonable requirements by the Board for protection of employees' rights.

(Section 42 (a).) Professional practitioners licensed when the program begins are eligible to practice in the State where they are licensed. All newly licensed applicants for participation must meet national standards established by the Board in addition to those required by his State. While stopping short of creating a Federal licensure system for health professionals, this will guarantee minimum national standards. A state-licensed practitioner who meets national standards will be qualified to provide Health Security covered services in any other state. (See also Section 56(a)(1)).

(b) For purposes of this title a doctor of osteopathy is a physician, as is a dentist when performing procedures which, in generally accepted medical practice, may be performed by either a physician or a dentist.

A doctor of optometry or podiatry qualified in accordance with subsection (a) is a physician when furnishing services which are covered services in accordance with regulations issued under Section 27(a) and which he is legally qualified to furnish in the state in which he furnished them.

(Section 43.) This section establishes conditions of participation for general hospitals similar to those required by Medicare. Two requirements not found in the Medicare program are: (1) that the hospital must not discriminate in granting staff privileges on any grounds unrelated to professional qualifications; (2) that the hospital establish a pharmacy and drug therapeutics committee for supervision of hospital drug therapy. Medicare allows any hospital accredited by the Joint Commission on the Accreditation of Hospitals (if it provides utilization review) to participate in the program, thus in effect delegating to the Commission the determination whether the standards are met. This title requires all participating hospitals to meet standards established by the Board.

(Section 44.) Psychiatric hospitals will be eligible to participate only if the Board finds that the hospital (or a distinct part of the hospital) is engaged in furnishing active diagnostic, therapeutic and rehabilitative services to mentally ill patients. Psychiatric hospitals are required to meet the same standards as those prescribed for general hospitals in Section 43, and such other conditions as the Board finds necessary to demonstrate that the institution is providing active treatment to its patients. These standards will exclude costs incurred by state mental institutions to the extent they serve domiciliary or custodial functions.

(Sections 45 and 46.) Section 45 establishes conditions of participation for skilled nursing homes similar to those established for extended care facilities under Medicare. Important differences, however, are the requirement for affiliation with a participating hospital or group practice organization (see Section 51(b)) and changes in the requirements for utilization review (see Section 50). Under Section 46 participation by home health agencies will be limited to public agencies and non-profit private organizations—proprietary home health agencies are specifically excluded.

(Section 47.) Subsection (a) describes a group practice organization (one type of health maintenance organization) which undertakes to provide an enrolled population either with complete health care or, at the least, with complete Health Security services (other than mental health or dental services) for the maintenance of health and the care of ambulatory patients. The bill, in its aim to improve the methods of delivery of health services, places much emphasis on the development of new organizations of this kind and the enlargement of old ones.

Other requirements are spelled out in this section: The organization must furnish medical services (and dental services if they are included) through prepaid group practice. Other services must be furnished by staff of the organization or by contractors for whom the organization assumes responsibility, except that institutional services may be provided by arrangements with other participating providers at the expense of the group practice organization. The organization must be non-profit, but it may utilize proprietary providers in fulfilling its responsibilities.

All persons living in or near a specified service area will be eligible to enroll during an annual open enrollment period, subject to the capacity of the organization to furnish care. Services must be reasonably accessible to persons living within the specified service area. Periodic consultation with representatives of enrollees is required, and they must be given opportunity to participate in policy formulation and in evaluation of operation. Professional policies and their effectuation, including monitoring the quality of services and their utilization, are to be the responsibility of a committee or committees of physicians (and other health professionals where appropriate). Health education and the use of preventive services must be stressed, and lay persons are to be employed so far as is consistent with good medical practice. Charges for any services not covered by Health Security must be reasonable. Finally, the organization must agree to pay for services furnished by other providers in emergencies, either within the service area of the organization or elsewhere, but may meet this requirement to the extent feasible through reciprocal service arrangements with other organizations of like kind.

Subsection (b) makes clear that the organization, or professionals furnishing services for it, may also serve non-enrollees, with payment to be made to the organization, or, at its request, to such professionals.

(Section 48.) An individual practice association (another type of health maintenance organization) must be a non-profit organization, sponsored by a county or other local medical society, which meets all the conditions for participation by a group practice organization other than the requirement of group practice. All physicians practicing in the area (and all dentists if dental services are furnished) must be permitted to become professional members, subject only to criteria, approved by the Board, relating to professional qualifications. For professional services to enrollees, professional members may be compensated by the foundation by whatever method, including fee-for-service, may be agreed upon by it and its members.

Subsection (b) provides that a professional member may furnish services to persons not enrolled in the association and receive payment from the Board on the same basis as independent practitioners, except that if he is paid by capitation, salary, or stipend by the association, the payment for services to non-enrollees is to be made to the association.

(Section 49.) This section deals with several classes of health organizations that vary widely, even within a single class, in their structure and in the scope of the services which they offer. Because statutory specifications cannot well be tailored to so many variables, the section sets forth only a general statement of the kinds of organizations to which it relates and leaves participation of each organization to a case-by-case decision of the Board on such terms as the Board deems proper.

Subsection 49(a)(1) permits the participation of community health centers of the like which, though furnishing a broad range of ambulatory services, do not serve an enrolled or otherwise predetermined population and may not meet some other requirements of section 47(a). Subsection (a)(2) authorizes the Board to deal separately with the primary care portion of a system of comprehensive care where it is necessary to rely on arrangements with other providers, rather than on a unified structure, to round out the other elements of the system. Where organizations meeting the extensive requirements of section 47(a) or 48(a) are not available, these two paragraphs of section 49(a) will give the Board flexibility in furthering one of the bill's prime objectives, the development and broad availability of comprehensive services furnished on a coordinated basis.

Because of the extent to which mental health services are separated from other health care, subsection (a)(3) permits the Board to contract directly with public or other nonprofit mental health centers and mental health and day care services.

If a state or local public health agency is providing preventive or diagnostic services, such as immunization or laboratory tests, the Board may under subsection (a)(4) contract with it for the continuance of these services.

In accordance with regulations, the Board may contract with free standing ambulatory treatment centers for alcoholism and/or drug abuse; for family planning services; and for rehabilitation services.

In the field of private practice, physicians or dentists or other practitioners may group themselves in a clinic, nonprofit or proprietary, or in any number of other ways, and it may be more convenient both to them and to the Board to regard them as an entity than to deal with each practitioner separately. Subsection (a)(8) permits this. The Board will have wide discretion in contracting with such entities subject only to the limitation that, like other organizations described in section 49(a), the entity may not (under section 88(a)) be paid on a fee-for-service basis. Practitioners who elect that method of payments may of course pool their bills for submission to the Board, but there is no reason to contract with a unit for the payment of fees to it.

Subsection (b) makes clear that agreements with the Board under this section shall not (unless expressly so stipulated) preclude practitioners furnishing services under the agreements from furnishing other services as independent providers.

(Section 50.) This section specifies the broad and general conditions under which independent pathology laboratories, independent radiological services, providers of drugs, devices, appliances, equipment, or ambulance services may qualify as providers under Health Security. As under Medicare, a Christian Science Sanatorium qualifies if

operated, or listed and certified, by the First Church of Christ, Scientist, Boston.

(Section 51.) The requirements of utilization review in hospitals and skilled nursing homes are in the main similar to those which Medicare has, since 1966, imposed with respect to services to aged patients. In Health Security the requirements will of course apply to the entire population. As in Medicare, the review is designed to serve a dual purpose: identification of certain specific misuses of the institutional services with a view to their termination, and a focusing of continuing attention and concern of the medical staff on the necessity for efficient utilization of institutional resources. Section 51(a) strengthens the educational aspect of the process by requiring specifically that records of reviews be maintained and statistical summaries of them be reported periodically to the institution and its medical staff (and, on request, to the Board). As under Medicare, the review committee will consist of two or more physicians, with or without other professional participation; and in the case of hospitals, will normally be drawn from the medical staff unless for some reason an outside group is required. For skilled nursing homes, on the other hand, section 51(c) departs from Medicare by permitting as an alternative that the Committee be established by the State or local public health agency under contract with the Board, or failing that, by the Board. If the nursing home operates under a consolidated budget with a hospital, the review will be made by the hospital committee. Like Medicare, Section 51(d) and (e) call for review of specific long-stay cases as required by regulations, and notification to the institution, the attending physician, and the patient when a decision adverse to further institutional services is made.

(Section 52.) Subsection (a) of Section 52 is also like Medicare in requiring a participating skilled nursing home to have in effect an agreement with at least one participating hospital for the transfer of patients and medical and other information as medically appropriate. Subsection (b) introduces a requirement, applicable two years after the effective date of health benefits to both skilled nursing homes and home health service agencies, of affiliation with a participating hospital or group practice organization. Unless the medical staff of the hospital or organization undertakes to furnish the professional services in the nursing home or the professional services of the home health service agency, that medical staff or a committee of it must assume responsibility for these services. Subsection (c) allows the Board to waive the application of either of these requirements to a skilled nursing home or a home health agency which the Board finds essential to the provision of adequate services, if (but only for as long as) lack of a suitable hospital or organization within a reasonable distance makes a transfer or an affiliation agreement impracticable.

(Section 53.) If the construction or substantial enlargement of a hospital, skilled nursing home, or ambulatory care facility has been undertaken after December 31 of the year of enactment, without either a State certificate of need or a prior approval by a planning agency designated by the governor of the State or the Board, section 53 precludes the institution from participating in the Health Security program, except that in case of enlargement, the Board may permit participation subject to reduction in reimbursement for services. This should greatly strengthen state and local planning authorities.

(Section 54.) This section prohibits double recovery in malpractice litigation by stipulating that no damages will be awarded to the injured party for remedial services which are available without cost under the Health Security program.

(Section 55.) Institutions of the Department of Defense and the Veterans' Administration, and institutions of the Department of Health, Education, and Welfare serving merchant seamen or Indians or Alaskan natives, are excluded by section 55 from serving as participating providers, as is also any employee of these institutions when he is acting as an employee. The Board will, however, provide reimbursement for any services furnished (in emergencies, for example) by these institutions or agencies to eligible persons who are not a part of their normal clientele. It will also provide reimbursement for services furnished by the Public Health Service under the Emergency Health Personnnel Act of 1970.

(Section 56.) This section overrides, for purposes of the Health Security Program, State laws of several kinds which inhibit the utilization or the mobility of health personnel, cloud the legality of so-called "corporate practice" of health professions, or restrict the creation of group practice organizations. The authority of Congress to do this, in conjunction with a program of Federal expenditure to provide for the general welfare, flows from the Supremacy Clause of the Constitution and seems now to be clearly established. *Ivanhoe Irrigation District* v. *McCracken*, 357 U.S. 275 (1958); *King* v. *Smith*, 392 U.S. 309 (1968).

The first three paragraphs of subsection (a), while stopping short of creating a system of Federal licensure for health personnel, will greatly facilitate both the interstate mobility of State licensees and the effective use of ancillary personnel in the furnishing of health care. The dispensations contained in these paragraphs will be available to persons who meet national standards established by the Board.

Paragraph (1) permits a physician, dentist, optometrist, or podiatrist, licensed in one State and meeting the national standards, to furnish Health Security benefits in any other state, the scope of his permissible practice being governed by the law of the State in which he is practicing. This paragraph obviates the difficulty and cost which a practitioner may encounter, especially where reciprocity of licensure is not available, in taking up practice in a State in which he has not been licensed.

Paragraph (2) grants a similar authority to other health professional and non-professional personnel. For occupations such as pharmacy and professional nursing, which are subject to licensure in all States, a person can avail himself of this paragraph only if he is licensed in one State and meets the national standards; in other cases, where licensure is not universally required, compliance with national standards is sufficient. Here again, impediments to mobility created by existing licensure laws will be removed.

The restrictions which many professional practice acts impose on the use of lay assistants, and the legal uncertainties which often deter such use, discourage practices that can increase greatly, without sacrifice of safety, the volume of services which professionals can render. Accordingly, paragraph (3) of subsection (a) enables the Board to permit physicians and dentists, participating in public or non-profit hospitals and group practice organizations, to use ancillary health personnel, acting under professional supervision and responsibility, to assist in furnishing Health Security benefits. Such assistants may do only things which the Board has specified, and may be used only in the context of an organized medical staff or medical group. Persons employed as assistant must not only meet national standards for their respective occupations, but must also satisfy special qualifications that the Board may set for particular acts or procedures.

In the interest of encouraging salaried practice and the integration of professional practitioners from well-structured organizations for the delivery of health services, paragraph (4) of subsection (a) does away with the "corporate practice" rule insofar as it concerns participating public or other non-profit hospitals and group practice organizations. These institutions may employ physicians or make other arrangements for their services, unless in the unlikely event that the lay interference with professional acts or judgments should be threatened. No conflict of interest results from such arrangements; in the non-profit setting loyalty to employer and loyalty to patient run parallel.

Some state laws place restrictions of one kind or another on the incorporation of group practice organizations. When these restrictions prevent the State incorporation of an organization meeting the strict requirements of the Health Security Act, section 56(b) empowers the Secretary to incorporate it for purposes of the Act. Except for the special restrictions, State law will govern the corporation.

Part D—Trust Fund; Allocation of Funds for Services

(Section 61.) By section 406(a) of the present bill, section 1817 of the Social Security Act, creating the Federal Hospital Insurance Trust Fund, is amended and transferred to become section 61 of the Health Security Act. The fund will thus become the Health Security Trust Fund, succeeding to the assets and liabilities of both Medicare trust funds, and receiving the proceeds of the health security taxes imposed by title II of the Health Security Act and the authorized appropriations from general revenues equal to 100 percent of those tax receipts.

The Fund will also receive recoveries of overpayments, and receipts from loans and other agreements. To implement the role of the Trust Fund, the Managing Trustee (the Secretary of the Treasury) will make payments from the Trust Fund provided for under Title I, as the Board certifies, and with respect to administrative expenses as authorized annually by the Congress.

(Section 62.) The Health Security program in intended to operate on a budget basis overall. Accordingly, subsection (a) requires the Board to determine for each fiscal year the maximum amount which may be available for obligation from the Trust Fund. The amount so determined in advance (by March 1 preceding each fiscal year) shall not exceed the smaller of two stated limitations. The first limit is fixed on 200% of the expected net receipts from all the Health Security taxes (i.e., the tax receipts augmented by 100% thereof, to be appropriated into the Fund from general revenues of the Government.) The second limit, applicable to each fiscal year after the first full fiscal year of benefit operation (i.e., after fifteen months' availability of covered services), is an amount equal to the estimated obligations of the current year (within which the estimate is being made), subject to certain adjustments. Such adjustments will reflect change expected in: (A) the price of goods and services; (B) the number of eligible persons; (C) the number of participating professional providers, or the number or capacity of institutional or other participating providers so far as such changes are not already adequately reflected; and (D) the expected cost of program administration.

In the interest of prudent fiscal management, subsection (b) requires the Board to restrict its estimate of the amount available for obligation in the next fiscal year (in accordance with subsection (a)) if the Board estimates that the amount in the Trust Fund

at the beginning of the next fiscal year will be less than one-quarter of the total obligations to be incurred for the current year, and that such restriction will not impair the adequacy or quality of the services to be provided. Also, the Board is required to reduce its alternative estimate of the maximum amount to be available if it finds that the aggregate cost to be expected has been reduced (or an expected increase has been lessened) through improvement in organization and delivery of service or through utilization control.

Subsection (c) provides against various other contingencies which may result in increase or decrease in the estimate of the maximum amount to be available for obligation in a next fiscal year. The amount may be modified before or during the fiscal year: if the Secretary of the Treasury finds that the expected Health Security tax receipts will differ by 1 percent or more from the estimate used under subsection (a); or if the Board finds that either its factors of expected change or the cost of administration is expected to differ from the estimate by 5 percent or more; or if an epidemic, disaster or other occurrence compels higher expenditure than had been expected. If, as a result, the maximum estimate has to be increased (rather than being decreased), the Board (through the Secretary) shall promptly report its action to the Congress with its reasons.

(Section 63.) Subsection (a) provides that separate accounts shall be established in the Health Security Trust Fund—a Health Services Account, a Health Resources Development Account, and an Administration Account, as well as a residual General Account. Subsection (b) provides that in each of the first two years of program operation, 2 percent of the Trust Fund shall be set aside for the Health Resources Development Fund; and the allocation shall increase by 1 percent at two-year intervals to 5 percent within the next 6 years. The money in this account will be used exclusively for the planning and system improvement purposes described in part F.

(c)(d) After deducting the amount approved by Congress and transferred to the Administration Account, the remainder of the monies shall be allocated to the Health Services Account, and shall be used exclusively for making payment for services in accordance with part E.

(Section 64.) This section provides for allocation of the Health Services Account among the regions of the country. (a) The allocation to each region shall be based on the aggregate sum expended during the most recent 12-month period for covered services (with appropriate modification for estimated changes in the price of goods and services, the expected number of eligible beneficiaries, and the number of participating providers). (b) In allocating funds to the regions the Board shall seek to reduce, and over the years gradually eliminate, existing differences among the regions in the average per capita amount expended upon covered health services (except when these reflect differences in the price of goods and services). To accomplish this, the Board will curtail increases in allocations to high expenditure regions and stimulate an increase in the availability and utilization of services in regions in which the per capita cost is lower than the national average. (c) A contingency reserve of up to 5% may be withheld from allocation. If the remaining funds available are inadequate, allocations will be reduced pro rata. (d) Allocations may be modified before or during a fiscal year if the Board finds this is necessary.

(Section 65.) The Board will divide the allocation to each region into funds available to pay for: institutional services; physician services; dental services; furnishing of drugs; furnishing of devices, appliances and equipment; and other professional and supporting services, including subfunds for optometrists, podiatrists, independent pathology laboratories, independent radiology services, and other items. The percent allocated to each category of service may vary from region to region. In determining allocation to these funds they will be guided by the previous years' expenditures for each category of service but also take into account trends in the utilization of services and the desirability of stimulating improved utilization of resources. It will encourage a shift from heavy reliance on institutional care to better utilization of preventive and ambulatory services.

(Section 66.) These regional funds will be sub-divided among the health service areas in each region, primarily upon the basis of the previous years' expenditure for each kind of service. Again, the Board will gradually attempt to achieve the equalization of services within each region by restraining the increase of expenditures in high cost areas and channeling funds into health service areas with a low level of expenditures.

(Section 67.) Before or during a fiscal year, the division of regional funds by classes of service or the allotments to health service areas may be modified if necessary or if indicated by newly acquired information.

(Section 68.) By the time Health Security benefits become available, the Government will be opreating on a fiscal year beginning on October 1. This section accordingly allows the Board to make the initial determinations and allocations under this part either for the three-month period from the effective date of benefits on July 1 until the beginning of the next fiscal year or for the fifteen-month period which includes the next fiscal year.

Part E—Payment to Providers of Services

(Section 81.) Payments for covered services provided to eligible persons by participating providers will be made from the Health Services Account in the Trust Fund.

(Section 82.) This section delineates methods of paying professional practitioners. Every independent practitioner (physician, dentist, podiatrist, or optometrist) shall be entitled to be paid by the free-for-service method (subsection (a)), the amounts paid being in accordance with relative value scales prescribed after consultation with the professions (subsection (g)). Each physician engaged in general or family practice of medicine in independent practice may elect to be paid by the capitation method if he agrees to furnish individuals enrolled on his list with all necessary and appropriate primary services, make arrangements for referral of patients to specialists or institutions when necessary, and maintain records required for medical audit; and independent dentist practitioners may elect the capitation method of payment similarly (susection (b)).

These requirements in connection with capitation payments are intended to assure that the physician (or dentist) provides to his patients all professional services within the range of his undertaking and secures other needed services by referral. Through regular medical audits, the Board will monitor the level and quality of care provided.

When necessary to assure the availability of services in a given area, subsection (c) permits paying an independent practitioner a full-time or part-time stipend in lieu of or as a supplement to other methods of compensation. This method of payment will be used selectively by the Board, mainly to encourage the location of practitioners in remote or deprived areas. Practitioners may also be reimbursed for the special costs of continuing education required by the Board and for maintaining linkages with other providers—for example, communication costs. Incentives operative under this provision will encourage physicians to improve the quality and continuity of patient care, even if the physician does not participate in a group practice. The Board may pay for specialized medical services on a per session or per case basis, or may use a combination of methods authorized by this section.

Subsection (d) defines the capitation method of payment.

Subsections (e), (f), (g). These subsections describe the method to be used in applying, as between practitioners electing the various methods of payments, the monies available in each health service area for payment to each category of professional providers. From the amount allocated to each service area, the Board will earmark funds sufficient to pay practitioners receiving stipends and for the professional services component of institutional budgets, such as hospitals. The remainder of the money will be divided to compute the per capita amount available for each category of service (i.e., physicians, dentists, podiatrists, optometrists) to the residents of the area. This per capita amount in each category will fix the capitation payments to organizations that undertake to provide the full range of services in that category to enrolled individuals. Lesser amounts will be fixed for more limited services. For example, if the per capita amounts available for physician and dental services are $65 and $25, respectively, primary physicians accepting capitation payments will receive the percentage of that $65 which is allocated for primary services, a medical society-sponsored individual practice association would receive the entire $65 for physician services, dentists furnishing all covered services would receive the $25 allocated for dental services, and organizations which undertake to provide all physician and dental services to enrolled individuals will receive $90 for each enrolled individual.

The budget per capita amount for each type of covered service (physician, dental, etc.) will be divided between the categories of providers of service according to the number of individuals who elect to receive care from those providers. For example, in a city of 100,000 people, 25,000 may enroll in a group practice organization. Using the figures cited in the example above, the Board will pay the group practice organization $1,625,000 ($65 x 25,000) for physician services. The other 75,000 individuals elect to receive their physician services from solo, fee-for-service practitioners. The Board will create a fund of $4,875,000 ($65 x 75,000) to pay all fee-for-service bills submitted by physicians in that community, in accordance with relative value scales and unit values fixed by the Board. The fund for fee payments will be augmented to the extent that some capitation payments have been lowered because they cover only primary services, and may be augmented further where a substantial volume of services is furnished, on a fee basis, to non-residents of the area.

Subsection (h) authorizes the Board to experiment with other methods of reimbursement so long as the experimental method does not increase the cost of service or lead to overutilization or underutilization of services.

(Section 83.) Hospitals will be paid on the basis of a predetermined annual budget covering their approved costs. To facilitate review of these budgets, the Board will institute a national uniform accounting system. Subsection (b) stipulates that the costs recognized for purposes of the budget will be those incurred in furnishing the normal services of the institution except as changed by agreement, or by order of the Board under section 134. This will enable the Board, on the basis of State and local planning, to eliminate, gradually, wasteful or duplicative services, and also to provide for orderly expansion of hospital services where needed.

Physicians and other professional practitioners whose services are held out as avail-

able to patients generally (such as pathologists and radiologists) will be compensated through the institutional budget, whatever the method of compensation of such practitioners and whether or not they are employees of the hospital. This departs from the practice in Medicare which allows independent billing by such physicians. The institution's budget may also be increased to reflect the cost of owning or operating an affiliated skilled nursing home, or home health service agency. Hospital budgets will be reviewed by the Board, locally or regionally, which may permit participation by representatives of the hospitals in each region. Budgets may be modified before, during, or after the fiscal year if changes occur which make modification necessary.

(Section 84.) If an entire psychiatric hospital is found by the Board to be providing active treatment to its patients, and the institution is therefore primarily engaged in providing covered services to eligible beneficiaries, it will be paid on the same basis as a general hospital (on the basis of an approved annual budget). Otherwise the Board will negotiate a patient-day rate to be paid for each day of covered service provided to an eligible beneficiary.

(Section 85.) This section provides that skilled nursing homes and home health agencies will be paid in the same manner as a general hospital (on an approved annual budget basis). The Board may specify use of nationally uniform systems of accounting and may prescribe by regulation the items to be used in determining approved costs and the services which will be recognized in budgets.

(Section 86.) Reimbursement for drugs will be made to the dispensing agent on the basis of an official "product price" for each drug on the approved list, plus a dispensing fee in the case of an independent pharmacist. The official product price will be set at a level which will encourage the pharmacy to purchase substantial quantities of the drug (this should result in significant reductions in the unit cost of each drug). The official price may be modified regionally to reflect differences in cost of acquiring drugs. The Board will establish dispensing fee schedules for reimbursing independent pharmacies. These schedules will take into account regional differences in costs of operation, differences in volume, level of services provided and other factors.

(Section 87.) Subsections (a) and (b) provide that a group practice organization or individual practice association will be paid a basic capitation rate multiplied by the number of eligible enrollees. The amount of the capitation rate will be determined by the per capita amounts available for the several professional services in the area, and a rate fixed by the Board as the average reasonabe and necessary cost per enrollee for other covered services.

Subsection (c) fixes capitation amounts for institutional services based on per diem rates derived from the budgets of participating institutional providers or institutions with which the organization or association may have a contractual agreement. The organization or association will be entitled to share in up to 75% of any savings which are achieved by lesser utilization of institutional services by its enrollees. Entitlement to such savings is conditional upon a finding by the Board that the services of the organization or association have been of high quality and adequate to the needs of its enrollees, and that the average utilization of hospital or skilled nursing services by the enrolleees of the organization or association is less than the use of such services by comparable population groups not so enrolled but under otherwise comparable circumstances. This money may be used by the organization or association for any of its purposes, including the provision of services which are not covered under the Health Security program.

Subsection (e) directs the Board to allow organizations and associations to reinsure with the Board against catastrophic costs incurred on behalf of any one enrollee, against some or all of the costs of institutional care which it contracts out, and against some or all of the costs of out-of-area services.

Subsection (f) permits the Board to make an additional payment to a group practice organization for the cost of clinical education or training provided by the organization.

(Section 88.) Subsection (a) provides that an organization or agency with which the Board has entered into an agreement under section 49 (such as a neighborhood health center, a non-profit mental health center, or local public health agency furnishing preventive or diagnostic services) may be paid by any method agreed upon other than fee-for-service.

Subsection (b) provides that independent pathology or radiology services may be paid on the basis of an approved budget or such other methods as may be specified in regulations.

Subsection (c) leaves the method of payment for other types of supporting services to be specified in regulations.

(Section 89.) This section provides that the Board will reduce payments to institutional providers in accordance with findings by the Secretary that a facility or any part of a facility has not been built in compliance with the area health plan.

(Section 90.) All participating providers will be paid from the Health Services Account in the Trust Fund at such time or times as the Board finds appropriate (but not less often than monthly). The Board may make advance payment to supply providers with working funds when it deems advisable.

Part F—Development fund

Subpart 1—Planning: Funds to Improve Services and to Alleviate Shortage of Facilities and Personnel

(Section 101.) This section sets forth the general purposes of subpart 1 of Part F. The subpart enables the Board, through selective financial assistance, to stimulate and assist in the development of comprehensive services, the education and training of health personnel who are in especially short supply, and the betterment of the organization and efficiency of the health delivery system. In carrying out these functions, the Board is to be guided by the planning with respect to health facilities and the organization of services which will be conducted under the recently enacted title XV of the Public Health Services Act, when and as the new processes become operative. In the meantime it will be guided by such planning as is conducted by the Secretary under section 102. With respect to the supply and distribution of health personnel, the Board will also rely on planning conducted by the Secretary.

(Section 102.) Subsection (a) directs the Secretary in effect, to fill in the gap in facility and services planning until the new processes can begin to produce results, addressing himself immediately to the most acute shortages and maldistributions of facilities and the most serious deficiencies in organization. He is directed to consult with, and utilize the experience and recommendations of, both existing State and local health planning agencies and the new agencies as they emerge.

Subsection (b) places on the Secretary a continuing duty to plan for improvement of the supply and distribution of health personnel, and to do this in consultation both with the health planning agencies and with appropriate professional organizations.

Thus, the bill takes advantage of the new legislation strengthening State planning agencies, focusing in them eventually the responsibility, visualized in the "Partnership-for-Health" legislation but in many States not realized as an operating reality, for pulling together all health planning efforts within their territories. Recognizing, however, that it will take time to make the new arrangements effective, the bill charges the Secretary with bringing all available experience and skills to bear on the immediate need to identify the most pressing requirements in preparation for the availability of Health Security benefits. These tasks will not be easy, but they are lent new urgency by the Health Security Program.

(Section 103.) In administering subpart 1, this section stipulates, the Board will give priority to improving comprehensive health services for ambulatory patients through the development or expansion of group practice organizations and community health centers, and primary care centers (where full service organizations are impractical), the recruitment and training of personnel, and the strengthening of coordination among providers of services. Funds will not be used to replace other Federal financial assistance, and may supplement other assistance only to meet specific needs of the Health Security program. Other Federal assistance programs are to be administered when possible to further the objectives of Part F, and the Board may provide loans or interest subsidies to help the beneficiaries of other programs to meet the requirements for non-Federal funds.

(Section 104.) Help of several kinds will be available under this section for the creation or the eniargement of group practice organizations to serve an enrolled population on a capitation basis, agencies such as neighborhood health centers which need not require enrollment in advance, primary care centers, or organizations furnishing comprehensive dental services. Grants may be made to any public or other non-profit organization (which need not be a health organization) to help meet the cost, other than construction cost, of establishing such organizations, and to existing organizations to help meet the cost of expansion: the maximum grants being, in the former case 90 percent of the cost, in the latter 80 percent. The Board may also provide technical assistance for these purposes. Loans may be made for the cost of necessary construction, subject to the same 90 and 80 percent limitations on amount. Finally, start-up costs of operation of these organizations may be underwritten, for five years in the case of organizations which must build up an enrollment to assure operating income, and in other cases until the Health Security program begins payment for services in the first year of entitlement to benefits. The effect of these several provisions is to reduce sharply, if not eliminate, the financial obstacles which have heretofore impeded the growth of group practice and similar organizations.

(Section 105.) This section contains a series of provisions to assist in the recruitment, education, and training of health personnel. The Board will establish priorities to meet the most urgent needs of the Health Security system, but the priorities will be flexible both as between different regions and from time to time. Professional practitioners will be recruited for service in shortage areas, both urban and rural, and in group practice organizations, and such practitioners may be given income guarantees. Other Federal assistance for health education and training will be availed of, but the Board may supplement the other assistance if the Board believes it inadequate to the needs, until Congress has had opportunity to review its adequacy. The training authorized includes retraining. It also includes the development of new kinds of health personnel to assist in furnishing comprehensive services, and the training of area residents to participate in personal health education and to serve liaison functions and serve as representatives

of the community in dealing with health organizations. Grants may be made to test the utility of such personnel, and to assist in their employment before the effective date of health benefits. Education and training are to be carried out through contracts with appropriate institutions and agencies, and suitable stipends to students and trainees are authorized. Physicians will be recruited and trained to serve as hospital medical directors. Finally, special assistance may be given, both to institutions and to students, to meet the additional costs of training persons disadvantaged by poverty, membership in minority groups, or other cause.

(Section 106.) This section authorizes special improvement grants: first, to any public or other nonprofit health agency or institution to establish improved coordination and linkages with other providers of services; and, second, to the organizations described in section 104 to improve their utilization review, budget, statistical, or records and information retrieval systems, to acquire equipment needed for those purposes, or to acquire equipment useful for mass screening or for other diagnostic or therapeutic purposes.

(Section 107.) This section provides that loans under part F are to bear 3 percent interest and to be repayable in not more than 20 years. Other terms and conditions are discretionary with the Board, except for required compliance with the Davis-Bacon Act. Repayment of loans made from general appropriations will go to the general fund of the Treasury; repayment of later loans will revert to the Health Resources Development Account in the Trust Fund.

(Section 108.) This section specifies that payments under part F shall be in addition to, and not in lieu of, payments to providers under part E.

Subpart 2—Programs of Personal Care Services

(Section 111.) The purpose of this subpart is stated in this section, to encourage and assist in the development of community programs of maintaining in their own homes, by means of comprehensive health and personal care services, disabled or chronically ill persons who otherwise require or are likely to require institutional care. It is intended that a grant be made in any community that can develop a satisfactory program and such non-Federal financing as the Board finds appropriate.

(Section 112.) This section authorizes grants to public or nonprofit agencies for this purpose, each program being designed to serve a substantial urban or rural population. Grants may be made for up to four years, and shall be irrevocable except for cause.

(Section 113.) The services to be provided include, in addition to covered health services, combinations of personal care services (such as homemaker and home maintenance services, laundry, meals-on-wheels and other dietary services, help with transportation and shopping, and other appropriate services). Different services may be provided in different programs. Full coordination with existing community health or personal care programs is required. Committees are to be established, consisting of professionals and representatives of users of the services, to screen applications for assistance and monitor utilization.

(Section 114.) Grantees must evaluate their programs with respect both to benefits to users of the services and to the fiscal impact on the Health Security system. The Board is also to evaluate each program and summarize its conclusions in its annual reports to Congress.

(Section 115.) Within three years the Board is to make a comprehensive report to Congress on this program with an evaluation of its operation. The Board is to submit also its recommendations of methods of developing, as widely and rapidly as practicable, personal care services where they are then lacking, with a view to making such services generally available throughout the United States; its recommendations with respect to the continuing financial support of such programs; and its recommendations on the proper role of the Health Security program in providing long-term institutional care and in providing personal care services in lieu thereof.

Subpart 3—Availability of funds

(Section 120.) For the two-year "tooling-up" period, appropriations of $200 and $400 million are authorized for financial assistance. Beginning with the effective date of health benefits, percentages of the Trust Fund expenditures will be earmarked for such assistance (section 63). From that date on, the leverage of these expending funds will supplement and reinforce the incentives, which are built into the normal operation of the Health Security program, for improvement of the organization and methods of delivery of health services.

Part G—Administration

This part of the bill creates an administrative structure within the Department of Health, Education, and Welfare with responsibility for administration of the Health Security program. Program policy will be made by a five-member Board, under the supervision of the Secretary of HEW. The Board will be assisted by a National Health Security Advisory Council which will recommend policy and evaluate operation of the program, and an Executive Director who will serve as Secretary to the Board and chief administrative officer for the program. Administration of the program will be greatly decentralized among the HEW Regional Offices. Regional and local health services advisory councils will advise on all aspects of the program in their regions and local areas. The Board may also appoint such professional or technical committees as it may deem necessary.

(Section 121.) This section establishes a five-member full-time Health Security Board serving under the Secretary of Health, Education, and Welfare. Board members will be appointed by the President with the advice and consent of the Senate, for five-year overlapping terms. Not more than three of the five appointees may be members of the same political party. A member who has served two consecutive terms will not be eligible for reappointment until two years after the expiration of his second term. One member of the Board shall serve as chairman at the pleasure of the President.

(Section 122.) This section charges the Secretary of HEW and the Board with responsibility for performing the duties imposed by this title. The Board shall issue regulations with the approval of the Secretary. It is required to engage in the continuous study of operation of the Health Security program; and, with the approval of the Secretary, to make recommendations on legislation and matters of administrative policy, and to report to the Congress annually on administration and operations of the program. The report will include an evaluation of adequacy and quality of services, costs of services and the effectiveness of measures to restrain the costs. The Secretary of HEW is instructed to coordinate the administration of other health-related programs under his jurisdiction with the administration of Health Security, and to include in his annual report to the Congress a report on his discharge of this responsibility.

The Civil Service Commission is instructed to make every effort to facilitate recruitment and employment, to work in the Health Security Administration, of persons experienced in private health insurance administration and other pertinent fields.

Subsection (g) authorizes the Board to establish fifty positions, carrying salaries in the GS–16 to GS–18 range, in the professional, scientific, and executive service, to meet the need for highly qualified personnel both in research and development activities and in administration. It is expected that about half of these positions would be used for high-level administrative assignments, and the other half for the most responsible professional and scientific work of the Board.

(Section 123.) This section creates the position of an Executive Director, appointed by the Board with the approval of the Secretary. The Executive Director will serve as secretary to the Board and shall perform such duties in administration of the program as the Board assigns to him. The Board is authorized to delegate to the Executive Director or other employees of HEW any of its functions or duties except the issuance of regulations and the determination of the availability of funds and their allocations to the regions.

SEC. 124. This section provides that the program will be administered through the regional offices of the Health Security Board. It also directs the Board to establish local health service areas which shall be the same as the health service areas under the new title XV of the Public Health Service Act, except that with the approval of the Secretary the Board may divide such an area into two or more areas for the purposes of the health security program. These areas are to serve as local administrative units, with a local office in each, and perhaps suboffices. One of the responsibilities of these offices will be to investigate complaints about the administration of the program.

(Section 125.) Subsection (a) establishes a National Health Security Advisory Council, with the Chairman of the Board serving as the Council's Chairman and 20 additional members not in the employ of the Federal Government. A majority of the appointed members will be consumers who are not engaged in providing and have no financial interest in the provision of health services. Members of the Council representing providers of care will be persons who are outstanding in fields related to medical, hospital or other health activities or who are representatives of organizations or professional associations. Members will be appointed to four-year over-lapping terms by the Secretary upon recommendation by the Board.

Subsection (b) authorizes the Advisory Council to appoint professional or technical committees to assist in its functions. The Board will make available to the Council all necessary secretarial and clerical assistance. The Council will meet as frequently as the Board deems necessary, or whenever requested by seven or more members, but not less than four times each year.

Subsection (c) provides that the Advisory Council will advise the Board on matters of general policy in the administration of the program, the formulation of regulations and the allocation of funds for services. The Council is charged with responsibility for studying the operation of the program, and utilization of services under it, with a view to recommending changes in administration or in statutory provisions. They are to report annually to the Board on the performance of their functions. The Board, through the Secretary, will transmit the Council's report to the Congress together with a report by the Board on any administrative recommendations of the Council which have not been followed, and a report by the Secretary of his views with respect to any legislative recommendations of the Council.

(Section 126). To further provide for participation of the community, the Board will appoint an advisory council for each region and local area. Each such Council would have a composition parallel to that of the National Council; and each will have the function of advising the regional or local representative of the Board on all matters directly relating to the administration of the program.

(Section 127). The Board is authorized to appoint standing committees to advise on the professional and technical aspects of administration with respect to services, payments, evaluations, etc. These committees will consist of experts drawn from the health professions medical schools or other health educational institutions, providers of services, etc. The Board is also authorized to appoint temporary committees to advise on special problems. The committees will report to the Board, and copies of their reports are to be made available to the National Advisory Council.

(Section 128). Subsection (a) requires the Board to consult with appropriate State health and other agencies to assure the coordination of the Health Security program with State and local activities in the fields of environmental health, licensure and inspection, health education, etc.

Subsection (b) requires the Board, whenever possible, to contract with States to survey and certify providers (other than professional practitioners) for participation in the program. This is similar to Medicare except that the Board is given authority to establish the qualifications required of persons making the inspections.

Subsection (c) authorizes the Board to contract with State agencies to undertake health education activities, supervision of utilization review programs, and programs to improve the quality and coordination of available services in that State.

Subsection (d) requires the Board to reimburse States for the reasonable cost of performing such contract activities and authorizes the Board to pay all or part of the cost of training State inspectors to meet the qualifications established by the Board.

Subsection (e) directs the Board to make inspections if a State is unable or unwilling to do so.

Subsection (f) calls for the publication of the results of the inspections.

(Section 129). The Board is authorized to provide technical assistance either directly or through contract with a State to skilled nursing home and home health service agencies to supplement the skills of their permanent staff in regard to social services, dietetics, etc.

(Section 130). Subsection (a) charges the Board with responsibility for informing the public and providers about the administration and operation of the Health Security program. This will include informing the public about entitlement to benefits and the nature, scope, and availability of services. Providers would be informed of the conditions of participation, methods and amounts of compensation, and administrative policies. In support of the program's effort to improve drug therapy, the Board is authorized with the approval of the Secretary, to furnish all professional practitioners with information concerning the safety and efficacy of drugs appearing on either of the approved lists (Section 25) indications for their use and contraindications. Information of this nature is not now always available to practitioners.

Subsection (b) requires the Board to make a continuing study and evaluation of the program, including adequacy, quality and costs of services. Subsection (c) authorizes the Board directly or by contract to make detailed statistical and other studies on a national, regional, or local basis of any aspect of the title, to develop and test incentive systems for improving quality of care, methods of peer review of drug utilization and of other service performances, systems of information retrieval, budget programs, instrumentation for multiphasic screening or patient services, reimbursement systems for drugs, and other studies which it considers would improve the quality of services or administration of the program.

Subsection (d) authorizes the Board to enter into agreements with providers to experiment with alternative methods of reimbursement which offer promises of improving the coordination of services, their quality or accessibility.

(Section 131). Severe discrepancies exist today between the national need for various kinds of health manpower and the availability of clinical facilities to train such personnel. Certain specialties (such as surgery), in which there is a surplus of manpower, monopolize clinical training facilities to the disadvantage of specialties in short supply (such as primary or family practice), thus perpetuating the imbalance between supply and demand. This section gives the Board authority to bring the availability of clinical training facilities into balance with national or regional manpower needs by issuing training priorities for institutional providers participating in the program.

(Section 132). This section grants authority to the Board, in accordance with regulations, to make determinations of who are participating providers of service, determinations of eligibility, of whether services are covered, and the amount to be paid to providers. The Board is granted authority to terminate participation of a provider who is not in compliance with qualifying requirements, agreements, or regulations. But unless the safety of eligible individuals is endangered, the provider shall be entitled to a hearing before the termination becomes effective.

(Section 133). This section establishes procedures for hearings and for judicial review, similar to those under the Social Security Act.

(Section 134). This section has one of the bill's most important provisions with respect to achieving improvement in coordination, availability, and quality of services. It greatly strengthens state and local planning agencies and gives the Board authority to curtail inefficient administration of participating institutional providers.

The Board is authorized to issue a direction to any participating provider (other than an individual professional practitioner) that, as a condition of participation, the provider add or discontinue one or more covered services. For example, if two community hospitals are operating maternity wards at low occupancy rates, the Board may require that one hospital cease to provide such service. A provider may be required to provide services in a new location, enter into arrangements for the transfer of patients and medical records, or establish such other coordination or linkages of covered services as the Board finds appropriate.

In addition, if the Board finds that services furnished by a provider are not necessary to the availability of adequate services under this title and that their continuance is unreasonably costly, or that the services are furnished inefficiently (and that efforts to correct such inefficiency have proved unavailing) the Board may terminate participation of the provider.

No direction shall be issued under this section except upon the recommendation of, or after consultation with, the appropriate state health planning agency. And no direction shall be issued under this section unless the Board finds that it can be practicably carried out by the provider to whom it is addressed. The Board is required to give due notice and to establish and observe appropriate procedures for hearings and appeals, and judicial review is provided.

Part H—Quality of care

This part authorizes the Board, and charges it with the duty, to maintain and enhance the quality of care furnished under the Act. Section 141(a) sets forth this authority and this duty, to be discharged with the advice and assistance of, and in close collaboration with the Commission on the Quality of Health Care created by an amendment of the Public Health Service Act contained in title III of the present bill.

Regulations under the part are to be issued before health security benefits become effective, and thereafter to be upgraded as rapidly as is practicable. Subsection (b) states as the objective the highest quality of care attainable throughout the nation, with exceptions to quality requirements only when, and as long as, they are necessary to avoid acute shortages of services. Subsection (c) calls for collaboration with the Commission, and stipulates that any failure to follow its recommendations shall be submitted to the Secretary and that, unless he directs the Board to adopt the recommended regulations, the reasons for not doing so must be published by the Board.

(Section 142). The Board is to issue regulations requiring continuing professional education for physicians, dentists, optometrists, podiatrists. Reports of compliance with the regulations will be required and, after warning, practitioners may be disciplined for failure to comply.

(Section 143). Subsection (a) provides that major surgery, and other procedures specified in regulations, are not covered services unless they are performed by a specialist, and (except in emergencies) are, to the extent prescribed in regulations, performed on referral by a physician engaged in general practice. Specialists, according to subsection (b) are those certified by the appropriate national specialty boards, with a five-year period allowed board-eligible physicians to obtain certification, and with a "grandfather" exception for certain physicians practicing when health security benefits go into effect. Subsection (c) authorizes the Board to require, except in acute emergencies, consultation with an appropriate specialist, as a prerequisite to specified surgical procedures; in such cases subsection (d) enables the Board to require pathology reports and clinical abstracts or discharge reports.

(Section 144). Subsection (a) requires that practitioners furnishing services on behalf of institutional or other providers meet the same qualifications that are demanded of independent practitioners. Subsection (b) authorizes the Board to make additional requirements, in the interest of the quality care and of safety of patients, for all providers other than professional practitioners. This is like the authority given the Secretary under the Medicare law, but with the notable difference that standards of the Joint Commission on the Accreditation of Hospitals constitute a minimum for Board requirements, rather than a maximum as under Medicare. Exceptions are permitted only, as stated in section 141, to avoid acute shortages of services.

(Section 145). Although the provisions relating to professional standard review organizations, recently added to the Social Security Act, are repealed by section 405 of the present bill, the Board is authorized, on recommendation of the Commission on the Quality of Health Care, to use organizations previously designated by the Secretary for the purposes of monitoring the quality of services, either institutional or noninstitutional. The Board may also use for this purpose similar organizations approved by it in the future.

(Section 146). In exercising its authority under part H the Board is directed to take into account the findings of the Secretary's

Commission on Medical Malpractice, and to seek to reduce the incidence of malpractice and to improve the availability of malpractice insurance.

Part I—Miscellaneous provisions

(Section 161). This section contains definitions of certain terms used in the title.

(Section 162). This section creates the offices of Deputy Secretary of Health, Education and Welfare and an Under Secretary for Health and Science in the Department of Health, Education and Welfare, and abolishes the office of Under Secretary of Health, Education and Welfare.

(Section 163). This section stipulates that the effective date for entitlement for benefits will be July 1, of the second calendar year following enactment.

(Section 164). Subsection (a) provides that an employer will not be relieved, by the enactment of the Health Securtiy Act, of any existing contractual or other nonstatutory obligation to provide or pay for health services to his present or former employees and their families. An employer whose cost under such a contract, immediately before health security taxes go into effect, exceeds the cost to him of paying these taxes is required by subsection (b) to apply the excess, during the remaining life of the contract, first to the payment of health security taxes on behalf of his employees. If an excess still remains after meeting this obligation, and after an allowance for the cost of any continuing obligation to pay for health services not covered by Health Security, subsection (c) requires the employer to pay the amount of this remaining excess to those employees, former employees, and survivors who are beneficiaries of the pre-existing contract; but by agreement with the employees or their representatives, these funds may be applied to other employee benefits. Computations of the amounts involved are to be made on a per capita basis, as defined in subsection (d).

TITLE II—HEALTH SECURITY TAXES

Part A—Employment taxes

(Section 201). Effective on January 1 of the second year after enactment, subsections (a) and (b) convert the existing Medicare hospital insurance payroll taxes into Health Security taxes and raise the rates to 1 percent on employees and 3.5 percent on employers. Subsection (c) sets the wage base for the employment tax at 150 percent of the Social Security wage base (or a tax base at present of $21,150 in conformity with the recent automatic increase of the Social Security tax base). This subsection also defines covered employment to include all substantial groups now excluded from social security tax coverage, except that State and local governments are excluded from the tax on employers.

(Section 202). This section makes a number of conforming and technical amendments. Chief among these are provision for refund of excess taxes collected from an employee, who has held two or more jobs, on wages aggregating in a year more than the amount of the new wage base; exclusion of Health Security contributions from agreements with State governments for the social security coverage of State and Municipal employees (since these employees will contribute to Health Security through payroll taxes); and exclusion of Health Security contributions from agreements for the coverage of United States citizens employed by foreign subsidiaries of United States corporations (since these empioyees will not benefit materially from Health Security in its present form).

(Section 203). This section excludes from the gross income of employees, for income tax purposes, payment by their employers of part of all of the Health Security taxes on the employees.

(Section 204). This section spells out the effective dates of the new payroll tax provisions.

Part B—Taxes on self-employment income and unearned income

(Section 211). Effective at the beginning of the second calendar year after enactment, this section converts the existing Medicare self-employment tax into a Health Security self-employment tax, sets the rate at 2.5 percent, and sets the maximum taxable self-employment income at $21,150 (with the same upward adjustment as in the employee tax for subsequent rises in average wage levels).

(Section 212). Effective on the same date, this section adds a new 2½ percent Health Security tax on unearned income (unless such income is less than $400 a year), subject to the same maximum on taxable income as is applicable to the employee and self-employment taxes. Taxable unearned income is adjusted gross income up to the stated maximum, minus wages and self-employment income already taxed for Health Security purposes (excluding certain items of income (notably social security benefits) specifically excluded from the other taxes and excluding $5,000 in unearned income for persons over age 60.)

(Section 213). This section makes appropriate changes in nomenclature and in the requirements of tax returns, including reports of estimated tax liability under the new tax on unearned income.

(Section 214). This section details the specific effective dates of the taxes imposed by this part.

Part C—Income tax deductions for medical care

(Section 221). This section amends the Internal Revenue Code so that no medical deductions shall be allowed for the cost of medical care which is covered by the Health Security Act on or after the effective date of health security benefits.

TITLE III—COMMISSION ON THE QUALITY OF HEALTH CARE

(Section 301). The purpose of Title III is to create a Commission on the Quality of Health Care in order to improve health care in the United States. The Commission's function is:

To develop methods of measuring health care;

To develop standards for promoting health care of high quality;

To encourage the use of such measurements and standards under the provisions of the Health Security Act.

(Section 302). This section adds to the Public Health Service Act a new Title XVII, entitled "Commission on the Quality of Health Care."

(Section 1701, Public Health Service Act). Subsection (a) establishes a Commission on the Quality of Health Care within the Department of Health, Education and Welfare. The Commission will consist of eleven members who are to be appointed by the Secretary after consultation with the Health Security Board. The Commission is required to carry out the functions set forth under new sections 1702 and 1703.

Subsection (b) describes the requirements for the membership of the Commission. Seven of the members appointed must be representatives of health service providers or representatives of non-governmental organizations that are engaged in the process of developing standards relating to the quality of health care. Four members must be representatives of consumers who are not engaged in and have no financial interest in the delivery of health care services. Commission members will be appointed to serve five year overlapping terms. Subsection (c) requires the Secretary to designate the Chairman of the Commission, who serves at the pleasure of the Secretary. Subsection (d) authorizes the Commission to employ needed personnel and appoint advisory committees. It also stipulates the conditions of employment and rates and terms of compensation.

(Section 1702, Public Health Service Act.) Subsection (a) defines the primary responsibilities of the Commission. The Commission is directed to initiate and continuously develop methods to assess the quality of health care delivered under the provisions of the Health Security Act; and to initiate and develop ways to use such assessments in order to maintain and improve the quality of health care delivered under the Act. The Commission is required to submit its findings and recommendations to the Secretary and the Health Security Board.

Specifically, the Commission is required to:

(1) collect data on a systematic and nationwide basis that will provide information on the (A) qualifications of health personnel and the adequacy and ability of health care facilities to provide quality health care; (B) the patterns of health care practices in actual episodes of care; (C) the utilization patterns for components of the health care system; and (D) the health of patients during and at the end of actual episodes of care and the relationship of the various factors outlined above to the health of such patients;

(2) use the data it collects to develop statistical norms and ranges to describe the factors outlined in paragraph (1). Such norms and ranges may be developed on a national or regional basis, for particular population groups, or on any other basis deemed most useful by the Commission;

(3) use such statistical norms and ranges as a basis for developing standards (and acceptable deviation from such standards) that will be useful in measuring, controlling, and improving the quality of health care; and

(4) make recommendations to the Secretary and the Health Security Board on the proper use of standards developed under the provisions of paragraph (3) in connection with the Board's continuing responsibility for the maintenance and improvement of the quality of the health care delivered under the Health Security Act. Such recommendations may also be used by the Secretary or the Board when developing proposals to amend the Health Security Act.

When carrying out its duties under the provisions of this subsection, the Commission is directed to give first priority to the quality of care delivered for those illnesses or conditions which have high incidence of occurrence within the population and which are responsive to medical or other treatment.

Subsection (b) requires the Commission to conduct a broad health care research program. Specifically, the objectives of the program are to:

(1) improve technologies for assessing health care quality;

(2) compare the quality of health care under alternative health delivery systems and methods of payments;

(3) analyze the effects of consumer health education and preventive health services;

(4) continue the studies made by the Secretary's Commission on Medical Malpractice. In this respect, the Commission is also required to evaluate any of the recommendations of the Secretary's Commission which the Health Security Board has put into effect or any other measures that the Board has established, which pertain to the incidence of malpractice, malpractice insurance, or malpractice claims;

(5) obtain other information that will be useful in order to accomplish the purposes of this new title of the Public Health Service Act and title I, part H, of the Health Security Act (concerning the maintenance and improvement of the quality of health care delivered under the Health Security Act).

Subsection (c) authorizes the Commission to provide technical assistance to enable participating providers to furnish the Board with information required by it for purposes of the Commission. The Commission is also authorized to provide technical assistance to participating providers who are developing and carrying out quality control programs.

(Section 1703, Public Health Service Act). This section directs the Commission, even before it has developed standards under the preceding provisions, to give advice and recommendations to the Health Security Board concerning quality health care regulations.

(Section 1704, Public Health Service Act). This section authorizes the Secretary to establish twenty-five positions on the staff of the Commission, carrying salaries in the GS–16 to GS–18 range, in the professional, scientific, and executive service, to meet the need for highly qualified personnel in the research and development activities of the Commission.

TITLE IV—REPEAL OR AMENDMENT OF OTHER ACTS

(Section 401). This section repeals the Medicare and Federal Employee Health Benefit statutes on the date Health Security benefits become effective, but stipulates that this shall not affect any right or obligation incurred prior to that date.

(Section 402). This section requires that after the effective date of benefits, no State shall be required to furnish any service covered under Health Security as a part of its State plan for participation under Medicaid, and that the Federal government will have no responsibility to reimburse any State for the cost of providing a service which is covered under Health Security. After the effective date of benefits, the Secretary of HEW shall prescribe by regulation the new minimum scope of services required as a condition of State participation under Title XIX. To the extent the Secretary finds practicable, the new minimum benefits will be designed to supplement Health Security—especially with respect to skilled nursing home services, dental services and the furnishing of drugs.

(Section 403.) This section provides that funds available under the Vocational Rehabilitation Act or the Maternal and Child Health title of the Social Security Act shall not be used to pay for personal health services after the effective date of benefits, except (to the extent prescribed in regulations by the Secretary of HEW) to pay for services which are more extensive than those covered under Health Security.

(Section 404). This section makes applicable to Health Security the provisions recently added to the Social Security Act requiring reduction in reimbursement for care in facilities which have made substantial capital expenditures found by a State planning agency to be inconsistent with standards developed pursuant to the Public Health Service Act. Because the provision will continue to apply to the residual programs under titles V and XIX of the Social Security Act, the reductions will continue to be determined by the Secretary and his determinations are made binding on the Board, as provided in section 89 of the bill.

(Section 405). This section repeals the provisions recently added to the Social Security Act relating to professional standards review organizations. Section 145 of the bill permits the use of such organizations already designated by the Secretary, and approval by the Board and use of similar organizations in the future.

(Section 406). Subsection (a) amends section 1817 of the Social Security Act, creating the Federal Hospital Insurance Trust Fund, and transfers it to become section 61 of the Health Security Act under the title "Health Security Trust Fund". The effect of this transfer is summarized in the description of title I, part D, of the present bill. Subsection (b) extends to the Health Security system the provisions of section 201(g) of the Social Security Act, authorizing annual Congressional determination of amounts to be available from the respective trust funds for the administration of the several national systems of social insurance. Subsections (c) and (d) contain conforming and technical provisions.

(Section 407). This section makes a number of changes in title XV of the Public Health Service Act, which is the planning portion of the recently passed National Health Planning and Resources Development Act of 1974. Subsections (a) and (b) provide that the Secretary's guidelines on national health planning policy should be issued in twelve, rather than eighteen months, and that they must emphasize the need for prompt action to meet the demands of the health security program.

Under subsection (c), the DHEW Under Secretary for health and science replaces the Assistant Secretary on the National Council on Health Planning and Development, and the Chairman of the Health Security Board is added to the Council. Subsection (d) strikes out a requirement of coordination with Professional Standards Review Organizations, in view of the repeal of the PSRO provisions of the Social Security Act. Review and approval or disapproval of Federal grants and contracts by health systems agencies (subject to final decision by the Secretary) is extended, by subsection (e), to include Health Security Board grants and contracts under Part F of title I. Finally, section 1526 providing for grants for State demonstrations in rate regulation is repealed, since the Health Security Board will be fixing the amount of payments to participating providers of services.

(Section 408). This section establishes the salary levels for the Deputy Secretary and the Under Secretary for Health and Science, Department of Health, Education, and Welfare, the Chairman of the Health Security Board, members of the Health Security Board and members of the Commission on the Quality of Health Care, and the Executive Director of the Health Security Board.

(Section 409). This section removes the operations of the Health Security Trust Fund from the administrative budget of the United States, and directs that these operations be reported and projected in a separate statement, as was done with the Social Security trust funds until recently. The Government contribution to the Health Security system will continue to be shown as an expenditure in the administrative budget.

TITLE V—STUDIES RELATED TO HEALTH SECURITY

(Section 501). This section directs the Secretary of Health, Education, and Welfare in consultation with the Secretary of State and the Secretary of the Treasury to study the coverage of health services for United States residents in other countries.

(Section 502). Subsection (a) directs the Secretary of HEW to study means of coordinating the federal health care programs for merchant seamen, and for Indians and Alaskan natives, with the Health Security benefits program. The Secretary and the Administrator of Veterans' Affairs shall conduct a similar joint study of the means of coordinating veterans health care programs with the Heatlh Sceurity benefits program. A similar study is to be conducted, jointly with the Secretary of Defense, relating to the program of care, in civilian facilities, of the dependents of military personnel. Reports to the Congress and any legislative recommendations arising from the studies are required within three years after the enactment of the Health Security Act.

Subsection (b) requires the respective Secretaries and the Administrator to consult with representatives of the affected beneficiary groups, and to include a summary of their views in the reports to Congress.

With respect to the joint study to determine the most effective method of coordinating the Veterans' Administration Health Program with the Health Security program established under this bill, it is important to understand that there is no intention to require either the integration of the VA program into the Health Security Program, or even the consideration of such integration. Rather, the section recognizes that any national health security or health insurance program would be so pervasive as to require other federal health programs such as those of the Veterans' Administration to be effectively coordinated with them. Through such coordination, needless duplication and expenditures should be avoided.

(Section 503). This section authorizes the appropriation of money needed for conducting the studies authorized in this title, and the use of experts and consultants and advisory committees, and of contracts for the collection of information or the conduct of research.

A bill to create a national system of health security

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Health Security Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the health of the Nation's people is the foundation of their well-being and of our Nation's strength, productivity, and wealth;

(2) adequate health care for all of our people must now be recognized as a right; and

(3) a national system of health security is the means to implement that right.

(b) The purpose of this Act is—

(1) to create a national system of health security benefits which, through national health insurance, will make comprehensive health services available to all residents of the United States, will distribute the cost of health care more equitably in relation to income, and will provide major protection against catastrophic costs, and

(2) through the operation of the system, to effect modifications in the organization and methods of delivery of health services which will increase the availability and continuity of care, will enhance its quality, will emphasize the maintenance of health as well as the treatment of illness and, by improving the efficiency and the utilization of services and by strengthening professional and financial controls, will restrain the mounting costs of care while providing fair and reasonable compensation to those who furnish it.

INITIATION OF HEALTH SECURITY PROGRAM

SEC. 3. Health security taxes will become effective on January 1, and health services will become available on July 1, of the second calendar year after the year in which this Act is enacted. Except for the benefit and related fiscal provisions, title I of this Act is effective upon enactment. Certain federally financed or supported health programs will be terminated or curtailed when health benefits under this Act become available.

Effective dates of the several provisions of this Act are set forth in sections 163, 204, 214, 221, 401 to 406 inclusive, and 409.

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TITLE I—HEALTH SECURITY BENEFITS

PART A—ELIGIBILITY FOR BENEFITS

BASIC ELIGIBILITY

SEC. 11. Every resident of the United States and every non-resident citizen thereof is eligible, while within the United States, to receive health services under this Act; except that an alien employee (as defined in regulations) of a foreign government, of an instrumentality of a foreign government exempt from the taxes imposed by section 3111(b) of the Internal Revenue Code of 1954, or of an international organization (as defined in the International Organizations Immunity Act) is eligible only in accordance with an agreement under section 12. An alien admitted as a permanent resident and living within the United States, an alien admitted for employment and employed within the United States, or a refugee lawfully in the United States is for the purpose of this title a resident of the United States.

AGREEMENTS FOR ELIGIBILITY OF OTHER PERSONS

SEC. 12. The Health Security Board (hereafter referred to as the "Board"), with the approval of the Secretary of Health, Education, and Welfare and the Secretary of State, is authorized to enter into agreements with foreign governments, international organizations, or other entities to extend benefits of this title to persons within the United States not otherwise eligible therefor, in consideration of payment to the United States of the estimated cost of furnishing the benefits to such persons, or of an undertaking to furnish in a foreign country similar benefits to citizens of the Unted States, or of a combination of payment and such an undertaking.

PART B—NATURE AND SCOPE OF BENEFITS: COVERED SERVICES

ENTITLEMENT TO HAVE PAYMENT MADE FOR SERVICES

SEC. 21. Every eligible person is entitled to have payment made by the Board for any covered service furnished within the United States by a participating provider if the service is necessary or appropriate for the maintenance of health or for the diagnosis or treatment of, or rehabilitation following, injury, disability, or disease. Participating providers are providers, described in part C, who meet the conditions stated in section 41. Covered services are services described in sections 22 to 27, inclusive, but are subject to the exclusions stated in section 28 and to limitations prescribed by or pursuant to part H (relating to the quality of care).

PHYSICIAN SERVICES

SEC. 22. (a) Professional services of physicians, furnished in their offices or elsewhere, are covered services. Covered physician services include services and supplies of kinds which are commonly furnished in a physician's office, with or without separate charge, as an incident to his professional services.

(b) Covered physicians' services consist of (1) primary medical services, which are the services (as defined in regulations, but including preventive services) ordinarily furnished by physicians, whether general practitioners or specialists, engaged (as determined in accordance with standards for such practice prescribed in regulations) in general or family practice for adults or for children or for both, and (2) specialized services.

(c) Psychiatric (mental health) service to an outpatient is a covered service (1) only if it constitutes an active preventive, diagnos-

tic, therapeutic, or rehabilitative service with respect to emotional or mental disorders, and (2) only (A) if the service is furnished by a group practice organization, by a hospital, or by a community mental health center or other mental health clinic which furnishes comprehensive mental health services, or (B) if the service is furnished to a patient of a day care service with which the Board has an agreement under section 49(a) (3), or (C) to the extent of twenty consultations during a benefit period (as defined in regulations), if the service is furnished otherwise than in accordance with clause (A) or (B). In any community in which the available psychiatric services furnished otherwise than in accordance with clause (A) or (B) are found by the Board to be insufficient to meet the needs of the community, the Board may limit the coverage of such services by prescribing referral or other nonfinancial conditions in order to give priority of access to the services to those persons most in need of them.

DENTAL SERVICES

SEC. 23. (a) Professional services (described in subsection (c)) of a dentist, furnished in his office or elsewhere, are covered services if they are furnished to a person who, at the time when the services are furnished, is entitled to such services in accordance with subsection (b). Covered services include services, materials, and supplies which are commonly furnished in a dentist's office, without separate charge, as an incident to his professional services.

(b) Persons who, on the effective date of health benefits, are less than fifteen years of age are entitled to covered dental services, and will remain so entitled throughout their lives. On July 1 of each of the five years immediately succeeding the year in which the effective date occurs, the following persons will become (and thereafter remain) entitled to such services: on July 1 of the first succeeding year, persons who are then less than seventeen years of age; on July 1 of the second succeeding year, persons who are then less than nineteen years of age; on July 1 of the third succeeding year, persons who are then less than twenty-one years of age; on July 1 of the fourth succeeding year, persons who are then less than twenty-three years of age; and on July 1 of the fifth succeeding year, persons who are then less than twenty-five years of age.

(c) Covered dental services are preventive services (including personal dental health education), diagnostic services, therapeutic services (exclusive of orthodontic services other than for handicapping malocclusion), and services required for rehabilitation following injury, disability, or disease.

(d) The Board is authorized, if it finds that the availability of funds and of facilities and personnel makes it possible, to provide by regulation for acceleration of the entitlement (by age groups) to covered dental services as set forth in subsection (b). Not later than seven years after the effective date of health benefits, the Board shall by regulation provide that entitlement to dental services shall be extended, over such period of time and by such age or other groupings as it finds calculated to make the best use of available resources and personnel, to all persons not otherwise entitled to such services; and it may thereafter, from time to time, amend such regulations on the basis of further experience in the furnishing of dental services as covered services. In exercising its authority under this subsection the Board shall seek to encourage the furnishing of dental services as a part of comprehensive health services, or the furnishing of them by organizations furnishing comprehensive dental services (which meet requirements set forth in regulations under section 104 (a)); and to that end, the Board may limit additional entitlement to dental services, in whole or in part and temporarily or permanently, to services so furnished.

INSTITUTIONAL SERVICES

SEC. 24. (a) Inpatient and outpatient services of a psychiatric or other hospital, the services of a skilled nursing home, and the services of a home health service agency, which are ordinarily furnished by the institution to patients for the purposes stated in section 21, are covered services, subject to the limitations stated in this section. Covered services include services furnished generally to the patients served by an institution, including pathology and radiology services and all other necessary services, whether they are furnished by the institution or by others under arrangement with the institution. To the extent provided in regulations, inpatient services of a Christian Science sanatorium are covered services.

(b) Covered services do not include personal comfort items or, unless required for medical reasons, the additional cost of accommodations more expensive than semiprivate accommodations; and do not include domiciliary or custodial care, or institutional care of a person while he is not receiving active medical treatment.

(c) Covered services do not include care in a skilled nursing home for more than one hundred and twenty days during a benefit period (as defined in regulations); except that the Board may, on such conditions as it finds appropriate to assure effective control of utilization, extend the duration of covered services, either for a stated number of days in a benefit period or indefinitely—

(1) in all skilled nursing homes for which consolidated budgets with hospitals have been approved under section 83(f), or

(2) in all participating skilled nursing homes having in effect affiliation agreements under section 52(b),

if the Board finds that adequate funds and resources are available therefor and that such action will not lead to excessive utilization of nursing home services.

(d) Covered services do not include institutional care of a person as a psychiatric patient while the patient is not receiving active treatment for an emotional or mental disorder; and do not include care of a person as a psychiatric patient for more than forty-five inpatient days in either a psychiatric or another hospital during a benefit period (as defined in regulations).

(e) Covered services do not include institutional care of an inpatient unless a physician has certified to the medical necessity of the patient's admission to the institution, and do not include such care (during a continuous stay in the institution) after such period (if any) as may be specified in regulations unless a physician has certified to the continued medical necessity of such care. Regulations may specify the classes of cases in which certification of continued necessity is required, may specify different periods for different classes of cases, and may permit retroactive certification under such circumstances and to such extent as the Board deems appropriate.

(f) Covered services do not include the services of a psychiatric or other hospital or skilled nursing home, during a benefit period (as defined in regulations), after the third day following receipt by the institution and the patient of notice of a finding by a utilization review committee pursuant to section 51(e) that further stay in the hospital or further stay in the nursing home, as the case may be, is not medically necessary.

PHARMACEUTICAL BENEFITS

SEC. 25 (a) The Board shall establish and disseminate (and review at least annually) (1) a list of drugs for use in participating institutions, group practice organizations, and individual practice associations, and (2) a list (for use outside such institutions, organizations, and associations) of diseases and conditions for the treatment of which drugs may be furnished as a covered service, and a specification of the drugs that may be so furnished for each disease or condition listed. Subject to the provision of subsections (b) and (c), the furnishing of a drug to an eligible person is a covered service if it is furnished by or on prescription of a participating physician or dentist, or by or on prescription of a physician or dentist acting on behalf of a participating institutional or other provider.

(b) The list of drugs referred to in subsection (a)(1) shall be designed to provide physicians and dentists with an armamentarium necessary and sufficient for rational drug therapy incident to comprehensive medical services or incident to covered dental services. The furnishing of a drug on this list is a covered service if it is furnished to a person who is enrolled in a participating group practice organization or individual practice association, or is administered within a participating hospital to an inpatient or an outpatient or is administered to an inpatient of a participating skilled nursing home operated by a participating hospital or having in effect an affiliation agreement in accordance with section 52(b).

(c) The list of diseases and conditions referred to in subsection (a)(2) shall include those chronic diseases and conditions for which drug therapy, because of its duration and cost, commonly imposes substantial financial hardship; and may include other diseases and conditions for which the Board finds costly drug therapy to be commonly required and effective. To assure proper utilization of drugs for specific diseases or conditions, the Board may require that the physician or dentist furnishing or prescribing a listed drug be a specialist qualified to diagnose and treat that disease or condition. The furnishing of a drug (although not to a person or under circumstances described in subsection (b)) is a covered service if (1) the physician or dentist furnishing or prescribing it identifies the disease or condition for which it is furnished or prescribed, and the disease or condition is one appearing on the Board's list, (2) the physician or dentist meets specialist qualification, if any, required by the Board, and (3) the drug is specified on the Board's list as one available for treatment of the disease or condition identified by the physician or dentist.

(d) The Board shall not list a drug under this section unless (1) the Secretary has found that it is safe and efficacious for the purposes for which it is recommended and (on the list established under subsection (c)) for the treatment of each disease or condition for which it is specified on the list, and (2) the Board finds that it is available at a reasonable cost (considering, among other factors, the existence or absence of competition in the production, distribution, and sale of the drug). Drugs shall be listed by their established names (as defined in section 502(e) of the Federal Food, Drug, and Cosmetic Act) and also, to the extent the Board deems appropriate, by trade names.

(e) In reviewing and revising lists established under this section the Board shall take into consideration (1) current information about the safety and efficacy of listed drugs, and about their cost, (2) the results of review of drug utilization under this title, (3) experience bearing on the determination of what diseases and conditions meet the criteria stated in subsection (c), and (4) such other factors as the Board deems pertinent. Drugs shall be added to or eliminated from the lists as the Board finds best calculated to effectuate the purposes of this section.

DEVICES, APPLIANCES, AND EQUIPMENT

SEC. 26. (a) The Board shall esablish and disseminate (and review at least annually)

lists of the therapeutic devices, appliances, and equipment (including eyeglasses, hearing aids, and prosthetic appliances), or classes thereof, which it finds are important for the maintenance or restoration of health or of employability or self-management. The Board shall take into consideration the efficacy, reliability, and cost of each item listed, and shall attach to any item such conditions as it deems appropriate with respect to the circumstances under which or the frequency with which the item may be prescribed. In establishing and revising lists under this section the Board shall seek to avoid a rate of expenditure for the furnishing of devices, appliances, and equipment in excess of 2 per centum of the rate of expenditure for all covered services.

(b) The furnishing of a device, appliance, or equipment prescribed by a participating physician or dentist, or by a physician or dentist acting on behalf of a participating institutional or other provider, is a covered service if the item appears on a current list established under subsection (a) and the prescription falls within any conditions attached, on the list, to the prescribing of that item. The furnishing of any other device, appliance, or equipment so prescribed is also a covered service if, in accordance with regulations, the furnishing of it has been approved in advance by the Board. Regulations under this section may list items or classes of items which, because of lack of efficacy or reliability or because of cost, the Board had determined may not be furnished as covered services.

OTHER PROFESSIONAL AND SUPPORTING SERVICES

SEC. 27. (a) To the extent provided in regulations, the following are covered services:

(1) the professional services of optometrists in the examination, diagnosis, and treatment of conditions of the vision system;

(2) the professional services of podiatrists;

(3) the diagnostic services of independent pathology laboratories, and diagnostic and therapeutic radiology furnished by independent radiology services;

(4) the care of a patient in a mental health day care service (A) for not more than sixty full days (or its equivalent) during or following a benefit period (as defined in regulations), when furnished by a hospital or a service affiliated with a hospital, or (B) if furnished by a group practice organization or by a community mental health center or other mental health center which furnishes comprehensive mental health services, or (C) if furnished by a mental health day care service with which the Board has an agreement under section 49(a)(3);

(5) in addition to the services available from hospitals, mental health centers, or other providers, the active treatment of a person with an established diagnosis of alcoholism or drug abuse, as an outpatient, in a free-standing ambulatory center (that is, a center the services of which are not furnished on behalf of another provider) with which the Board has an agreement under section 49(a)(5) for the treatment of persons with such diagnosis;

(6) in addition to the services available from other providers, family planning services furnished by a free-standing family planning center with which the Board has an agreement under section 49(a)(6);

(7) in addition to the services available from other providers, rehabilitation services furnished by a free-standing rehabilitation center with which the Board has an agreement under section 49(a)(7); and

(8) ambulance and other emergency transportation services, and such nonemergency transportation services as the Board finds essential to overcome special difficulty of access to covered services.

(b) Supporting services (such as psychological, physiotherapy, nutrition, social work, or health education services) are covered services when they are furnished on behalf of an institutional provider or when, with the approval of the Board, they are furnished on behalf of a group practice organization or individual practice association, or of an organization, agency, or center with which the Board has an agreement under section 49(a); but only if the persons furnishing the supporting services are compensated on a salary, stipend, or capitation basis by the provider on whose behalf they are furnished.

EXCLUSIONS FROM COVERED SERVICE

SEC. 28. (a) Health services furnished or paid for under a workmen's compensation law of the United States or a State, or legally required to be so furnished or paid for, are not covered services. Such services, if furnished by a participating provider to an eligible person, shall nevertheless be treated as covered services in accordance with this part unless and until a determination has been made pursuant to the workmen's compensation law that the services are covered by that law, and any resulting overpayment under this title shall, when payment is made under the workmen's compensation law, be recouped in the same manner as other overpayments.

(b) Health services furnished in a primary or secondary school are covered services only to such extent and on such conditions as may be specified in regulations.

(c) Surgery performed solely for cosmetic purposes (as defined in regulations), and hospital or other services incident thereto, are not covered services.

(d) The furnishing of a drug otherwise than in accordance with section 25 is not a covered service. The furnishing of a device, appliance, or equipment otherwise than in accordance with section 26 is not a covered service unless it is furnished, in accordance with section 22(a) or section 23(a), as an incident to professional services.

(e) The Board may by regulation exclude from covered services medical or surgical procedures (and services incident thereto) which it finds both (1) are essentially experimental in character, and (2) because of cost or because of shortage of qualified personnel or facilities cannot practicably be furnished on a nationwide basis.

(f) Except as provided in regulations, services are not covered services if (1) they are furnished by another provider to a person who has enrolled in a participating group practice organization or in a participating individual practice association, and are within the range of services which the organization or association has undertaken to furnish, or (2) they are primary physicians' services or covered dental services and are furnished by another provider to a person who has chosen to be on the list of a physician or a dentist electing to be paid by the capitation method. Regulations under this subsection shall permit termination of the enrollment referred to in clause (1), or of the choice referred to in clause (2), after the enrollment or choice has been in effect for twelve months, or at an earlier time for such reasons as may be specified in the regulations.

(g) The services of a professional practitioner are not covered services if they are furnished in a hospital which is not a participating provider, or are furnished to a psychiatric inpatient of an institution at a time when the institutional services to the patient are, by reason of section 24(d), not covered services.

PART C—PARTICIPATING PROVIDERS OF SERVICES IN GENERAL: AGREEMENTS WITH THE BOARD

SEC. 41. (a) A person, corporation, or other entity furnishing any covered service is a participating provider if he or it (1) is a qualified provider of that service, as determined in accordance with this part, and meets such requirements as are prescribed by or pursuant to part H (relating to the quality of care), (2) furnishes the service as an independent provider and not (as employee or otherwise) on behalf of another provider entitled under part E to payment for the service, and (3) has filed with the Board an agreement (A) that services to eligible persons will be furnished without discrimination on the ground of race, color, or national origin, (B) that no charge will be made for any covered service other than for payment authorized by this title, (C) that the provider will furnish such information and reports as may be required under this title for the making of payments, or as the Board may reasonably require for utilization review by professional peers or for statistical or other studies of the operation of the title (including information and reports required for the purposes of the Commission on the Quality of Health Care), and will permit such examinations of records as may be necessary for verification of information on which payments are based, and (D) in the case of an institutional provider, a group practice organization, an individual practice association, or other provider specified in regulations of the Board, that it will comply with such requirements as the Board finds necessary to assure to the employees of the provider protection of employment rights and working conditions, including the right to collective bargaining, equal, as nearly as may be, to the protection generally available to industrial employees under Federal law or under the law of the State in which the provider is situated.

(b) Participation of a provider may be suspended or terminated pursuant to section 132 or section 134.

(c) If a provider subject to Clause (D) of subsection (a)(3) is merged, consolidated, or otherwise reorganized in a manner affecting the employment or rights of its employees, the Board shall require, as a condition of participation by the merged, consolidated, or reorganized provider, that it undertake to comply with reasonable requirements of the Board for the protection of the pre-existing rights, benefits, and privileges of the employees of the provider or providers involved in the merger, consolidation, or reorganization. If a provider subject to clause (d) which is an agency of a State or local government, is closed, the Board is authorized, for the purpose of this subsection, to treat the closure as a consolidation with such other agency or agencies of the same unit of government as it finds will perform the principal functions of the provider which has been closed.

PROFESSIONAL PRACTITIONERS

SEC. 42. (a) A physician, dentist, optometrist, or podiatrist, legally authorized on the effective date of health security benefits to practice his profession in a State is a qualified provider of covered services within the State. A practitioner first so authorized by a State after the effective date is a qualified provider in that State if, in addition, he meets national standards established by the Board (taking into consideration the criteria applied by any recognized national testing organization) for the practitioner's profession. A practitioner who is a qualified provider in one State, if he meets the national standards, is also in any other State (in accordance with the provisions of section 56(a)(1)) a qualified provider of services which (1) are covered services to persons entitled thereto under this title, and (2) are of a kind which such other State authorizes to be furnished by practitioners of his profession.

(b) For the purposes of this title—

(1) a doctor of osteopathy legally authorized to practice medicine and surgery in a State is a physician;

(2) a dentist qualified in accordance with subsection (a) is a physician when perform-

ing oral surgery or other procedures which, in accordance with generally accepted professional standards, may be performed by either a physician or dentist; and

(3) a doctor of optometry or podiatry qualified in accordance with subsection (a) is a physician when furnishing services which are covered services in accordance with regulations issued under section 27(a) and which he is legally authorized to furnish in the State in which he furnishes them.

GENERAL HOSPITALS

SEC. 43. Subject to the provisions of section 53, a hospital (other than a psychiatric hospital) is a qualified provider if it is an institution which—

(a) is primarily engaged in providing to inpatients (other than mentally ill persons) diagnostic, therapeutic, and rehabilitation services, furnished by or under the supervision of physicians, for medical diagnosis, treatment, care, and rehabilitation of injured, disabled, or sick persons;

(b) maintains adequate clinical records on all patients;

(c) has bylaws in effect with respect to its staff of physicians, and has filed with the Board an agreement that in granting or maintaining medical staff privileges it will not discriminate on any ground unrelated to professional qualifications;

(d) has a requirement that every patient must be under the care of a physician;

(e) provides twenty-four-hour nursing service rendered or supervised by a registered professional nurse, and has a licensed practical nurse or registered professional nurse on duty at all times;

(f) has a pharmacy and drug therapeutics committee which establishes policies for the selection, acquisition, and utilization of drugs;

(g) has in effect a hospital utilization review plan which meets the requirements of section 51; and

(h) meets all applicable requirements of the law of the State in which it is situated.

PSYCHIATRIC HOSPITALS

SEC. 44. Subject to the provisions of section 53, a hospital which is primarily engaged in furnishing psychiatric services to inpatients who are mentally ill is a qualified provider if it (or a distinct part of it) is an institution—

(a) in which diagnostic, therapeutic, and rehabilitative services with respect to mental illness are furnished by or under the supervision of physicians;

(b) which satisfies the requirements of subsections (b) through (h) of section 43;

(c) which, on the basis of staffing and other factors it deems pertinent, the Board finds is qualified to furnish active treatment; and

(d) which maintains such records as the Board finds necessary to determine the degree and intensity of the treatment furnished.

SKILLED NURSING HOMES

SEC. 45. Subject to the provisions of sections 52 and 53, a skilled nursing home is a qualified provider if it (or a distinct part of it) is an institution which—

(a) is primarily engaged in providing to inpatients (other than mentally ill persons) skilled nursing care and related services for patients who require medical and nursing services;

(b) has written policies, which are developed (and reviewed from time to time) with the advice of a group of professional personnel, including one or more physicians and one or more registered professional nurses, to govern the services it provides;

(c) has a medical staff, a physician, or a registered professional nurse responsible for the execution of such policies;

(d) unless it is operated by a participating hospital, operates under the supervision of an administrator licensed by the State in which the institution is situated;

(e) has a requirement that the health care of every patient be under the supervision of a physician, and provides for having a physician available to furnish necessary medical care in case of emergency;

(f) maintains adequate clinical records on all patients;

(g) provides twenty-four-hour nursing service sufficient to meet nursing needs in accordance with the policies developed as provided in subsection (b), and has at least one registered professional nurse employed full time;

(h) provides appropriate methods and procedures for the dispensing and administering of drugs;

(i) has in effect a utilization review plan which meets the requirements of section 51; and

(j) meets all applicable requirements of the law of the State in which it is situated and, unless the Board finds that such law provides equivalent protection, meets the provisions of the Life Safety Code of the National Fire Protection Association (other than any provision of the code authorizing waiver of its requirements) applicable to nursing homes.

HOME HEALTH SERVICE AGENCIES

SEC. 46. Subject to the provisions of section 52, home health service agency is a qualified provider if it is a public agency or a nonprofit private organization, or a subdivision of such an agency or organization, which—

(a) is primarily engaged in furnishing, on an intermittent and visiting basis in patients' homes, skilled nursing and other therapeutic services to patients (other than mentally ill persons) who are under the care of physicians;

(b) has written policies developed (and reviewed from time to time) by a group of professional personnel associated with the agency or organization, including one or more physicians and one or more registered professional nurses, to govern the services which it furnishes, and provides for supervision of such services by a physician or registered professional nurse;

(c) maintains adequate clinical records on all patients;

(d) meets all applicable requirements of the law of the State in which it furnishes services; and

(e) has written policies and procedures which provide for a systematic evaluation of its total program at appropriate intervals in order to assure the appropriate utilization of services.

GROUP PRACTICE ORGANIZATIONS

SEC. 47. (a) A group practice organization (a type of health maintenance organization) is a qualified provider if—

(1) it is a public or other nonprofit organization which furnishes health services to persons enrolled in the organization;

(2) it provides at least annually an open enrollment period of not less than thirty days, during which all eligible persons living within a defined service area (or living near enough thereto to have reasonably ready access to the services of the organization), up to the capacity of the organization to furnish services, are accepted for enrollment in the order in which they apply, except that priority may by given to persons living within the service area; and it does not terminate any enrollment because of the enrollee's health status or his need or demand for health services, or for any other reason except repeated and serious violation of reasonable rules of the organization;

(3) it undertakes to provide to its enrollees, at its expense and in accordance with paragraphs (4) and (5), all of the covered services described in part B, including such supporting services as the Board may have approved under section 27(b); except that it may exclude some or all mental health services or dental services if it assures referral of its enrollees to providers of such excluded services when medically appropriate and maintains arrangements with such providers for the availability of the services to its enrollees;

(4) all physician services, and dental services if the organization undertakes to provide them, are (except for infrequently used services) furnished by a medical group which meets the following conditions, or by two or more groups each of which meets such conditions—

(A) the group consists of physicians, or of physicians and dentists, with or without other professional health personnel, sufficient in number and possessing among them the necessary qualifications to furnish all covered physician services and the dental service (if any) which the group practice organization undertakes to provide (except infrequently used services); and

(B) the members of the group (i) as their principal professional activity practice their profession as a group responsibility in furnishing services to enrollees of the group practice organization, (ii) pool their income from practice as such members (unless they are compensated by salary or stipend by the group practice organization) and distribute it among themselves in accordance with a prearranged salary, percentage, or similar plan, and (iii) jointly use medical and other records, a substantial part of their major equipment, and the services of professional, technical, and administrative staff (including personnel furnishing supporting services approved under section 27(b));

(5) all services, other than physician services and dental services, which the organization undertakes to provide (except infrequently used services) are furnished through its own staff and facilities (or are furnished by others under contract, if the organization retains control of, and full responsibility for, the availability and quality of the services); except that institutional services may be provided through arrangements with other participating providers (either nonprofit or for-profit) for the availability of services;

(6) the organization encourages health education of its enrollees (including education in the appropriate use of health services) and the development and use of preventive health services, and furnishes and arranges services and (to the extent practicable) arranges its system of medical records in such a manner as to facilitate continuity of care, and to the maximum extent feasible makes all services (including emergency services at all times) readily accessible to enrollees who live in its service area;

(7) it makes available to its enrollees and to the public full information about the services it provides and their availability, and such other information about its operations and the utilization of services as the Board may by regulation require;

(8) it provides an opportunity for representatives of its enrollees to participate effectively in the formulation of policies of the organization and in the evaluation of its operation, and provides fair and effective procedures for resolving disputes between enrollees and the organization or providers with whom it has contracted or has arrangements for the furnishing of service;

(9) it provides that a committee or committees of physicians (with other health professionals where appropriate) associated with the organization promulgate professional standards, oversee the professional aspects of the delivery of care, perform the functions of a pharmacy and drug therapeutics committee, and monitor and review the utiliza-

tion and quality of all health services (including drugs);

(10) to the extent practicable and consistent with good medical practice, it employs allied health personnel and subprofessional and lay personnel in the furnishing of services;

(11) it assumes the financial responsibility, without benefit of insurance except in accordance with section 87(e), for assuring to its enrollees the services which it has undertaken to provide;

(12) its premiums or other charges for any services not paid for under this title are reasonable; and

(13) it undertakes, to the extent required by regulations with respect to services of the kinds it has undertaken to provide, to arrange for reciprocal out-of-area services by other group practice organizations, or to pay for health services furnished to its enrollees by other participating providers, in emergencies, within or outside the service area of the organization.

(b) A group practice organization, or with its approval a professional practitioner who furnishes services on its behalf, may furnish services to persons who are not enrolled in the organization. Payment for such services, if they are covered services to eligible persons, shall be made by one of the methods provided in part E for payment to independent practitioners, and shall be made to the organization unless the organization requests that it be made to the practitioner who furnishes the services and he is a participating provider.

INDIVIDUAL PRACTICE ASSOCIATIONS

SEC. 48. (a) An individual practice association (a type of health maintenance organization) is a qualified provider if—

(1) it is an organization sponsored by a county or other local medical society, with a service area coextensive with the area of its sponsoring society, which meets the conditions set forth in section 47(a) (relating to group practice organizations) other than paragraph (4) thereof;

(2) all physician services, and dental services if the association undertakes to furnish them, are (except for infrequently used services) furnished by professional members of the association, who are compensated by whatever method or methods (including fee-for-service) may be agreed upon by the association and its professional members; and

(3) the association permits any physician (or dentist, if the association undertakes to furnish dental services) practicing in its service area, whether or not a member of the sponsoring society, subject only to criteria (approved by the Board) of professional qualifications, to become a professional member of the association to furnish services on its behalf.

(b) A professional member of an association, unless he has agreed otherwise with the association, may furnish services to persons who are not enrolled in the association, and payment for the services, if they are covered services to an eligible person, shall be made by one of the methods provided in part E for payment to independent practitioners. The payment shall be made to the professional member, except that if he is compensated by the association for services to enrollees on a salary, stipend, or capitation basis (or if he is not a participating provider) the payment shall be made to the association.

OTHER HEALTH SERVICE ORGANIZATIONS

SEC. 49. (a) Pursuant to an agreement with the Board containing such terms and conditions, and prescribing such standards, as the Board deems proper, any of the following is a qualified provider of such services as are specified in the agreement—

(1) a public or other nonprofit agency or organization (including a hospital) which furnishes all of the covered services described in part B, including such supporting services as the Board may have approved under section 27(b), except that it may exclude some or all institutional services, mental health services, or dental services if it assures referral of its patients to providers of such services when medically appropriate and maintains arrangements with such providers for the availability of the services to its patients;

(2) a public or other nonprofit center (including a satellite center established by a hospital) which (A) furnishes, as a minimum, the services of two or more physicians engaged in general or family practice, the services of nurses and supporting personnel, and basic laboratory services, which the Board finds sufficient for the primary medical care of a substantial population living in the vicinity of the center, and (B) has arrangements with other providers of services which the Board finds assure to the population served by the center, on a coordinated basis, all components of the covered health services described in part B;

(3) a public or other nonprofit mental health center or mental health day care service;

(4) a State or local public health agency furnishing preventive or diagnostic services, or a public agency furnishing covered health services in a primary or secondary school in accordance with regulations issued under section 28(b);

(5) a free-standing ambulatory treatment center for the treatment of alcoholism or drug abuse, or both;

(6) a free-standing center for the furnishing of family planning services;

(7) a free-standing center for the furnishing of rehabilitation services; or

(8) a medical or dental group practice or clinic, a dental foundation, or another organization or agency furnishing health services to ambulatory patients.

(b) An agreement under this section shall not, except to the extent that it specifically so provides, preclude a professional practitioner who furnishes services on behalf of the provider from furnishing also; either on behalf of the provider or as a participating independent practitioner, services which are of a kind not within the scope of the agreement or are furnished to persons not within its scope. Unless the agreement provides that payment for covered services furnished to eligible presons shall be made to the provider who has entered into the agreement, payment shall be made to the practitioner by one of the methods provided in part E for payment to independent practitioners.

OTHER PROVIDERS

SEC. 50. (a) An independent pathology laboratory (as defined in regulations) is a qualified provider of diagnostic pathology services if (whether or not it is engaged in transactions in interstate commerce) it meets the requirements established by or pursuant to section 353 of the Public Health Service Act. An independent radiology service (as defined in regulations) is a qualified provider of diagnostic and therapeutic radiology if it meets all applicable requirements of the law of the State in which the services are furnished.

(b) A provider of drugs, devices, appliances, or equipment is a qualified provider if he meets all applicable requirements established by or pursuant to the Federal Food, Drug, and Cosmetic Act and all requirements of the law of the State in which the provider is situated.

(c) A provider of ambulance or other covered transportation services is a qualified provider if he meets all applicable requirements of the law of the State in which the services are furnished.

(d) A Christian Science sanatorium is a qualified provider of services specified in regulations prescribed under section 2(a) if it is operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts.

UTILIZATION REVIEW

SEC. 51. A utilization review plan of a psychiatric or other hospital or a skilled nursing home shall be considered sufficient if it provides—

(a) for the periodic review on a sample or other basis (and the maintenance of adequate records of such review) of admissions to the institution, the duration of stays, and the professional services (including drugs) furnished, (1) with respect to the medical necessity of the services, and (2) for the purpose of promoting the most efficient use of available health facilities and services; and provides for periodic reports, to the institution and the medical staff (and, when requested, to the Board), of statistical summaries of the review;

(b) in the case of a psychiatric or other hospital, for such review to be made either (1) by a staff committee of the hospital composed of two or more physicians (consulting, with respect to drug utilization, with the pharmacy and drug therapeutics committee), with or without participation of other professional personnel, or (2) by a group outside the hospital which is similarly composed and which, if practicable, is established by the local medical society and hospitals in the locality, or is established in such other manner as may be approved by the Board; but clause (1) of this subsection shall be inapplicable to any hospital where, because of its small size or for such other reason as may be specified in regulations, it is impracticable for the hospital to have a properly functioning staff committee for the purposes of this section;

(c) in the case of a skilled nursing home, for such review to be made by a committee, composed and established as provided in subsection (b), or by a committee so composed which is established by the State or local public health agency pursuant to a contract with the Board, or by the Board; except that if a consolidated budget has been approved for the nursing home and a hospital, under section 83(f), the review shall be made by the utilization review committee of the hospital;

(d) for such review, in each case of inpatient hospital services or skilled nursing home services furnished to a patient during a continuous period of extended duration, as of such days of such period (which may differ for different classes of cases) as may be specified in regulations, with such review to be made as promptly as possible after each day so specified, and in no event later than one week following such day; and

(e) for prompt notification to the institution, the patient, and his attending physician of any finding (made after opportunity for consultation afforded to such attending physician) by the physician members of such committee or group that any admission, further stay, or furnishing of particular services in the institution is not medically necessary.

TRANSFER AND AFFILIATION AGREEMENTS

SEC. 52. (a) A skilled nursing home is a qualified provider only if it has in effect (or there is in effect a finding under subsection (c) temporarily dispensed with) a transfer agreement with at least one participating hospital, providing for the transfer of patients and of medical and other information between the institutions as medically appropriate.

(b) After two years following the effective date of health benefits, a skilled nursing home or a home health service agency will be a qualified provider only if it has in effect (or there is in effect a finding under subsection (c) temporarily dispensing with) an affiliation agreement with a participating hospital or a participating group practice organization, under which the medical staff

of the hospital or organization (or a committee thereof) will furnish, or will assume responsibility for, the professional services in the skilled nursing home, or the professional services furnished by the home health agency, as the case may be.

(c) The requirement of a transfer agreement under subsection (a), or of an affiliation agreement under subsection (b), shall not be applicable in any case if there is in effect a finding by the Board that the lack of a suitable hospital or organization within a reasonable distance makes such an agreement impracticable, and that the services of the skilled nursing home or the home health agency are essential to avoid a critical shortage of services to eligible persons. Such a finding shall be reviewed periodically, and shall be revoked whenever the Board finds it practicable to do so.

NEWLY CONSTRUCTED FACILITIES

SEC. 53. A psychiatric or other hospital or a skilled nursing home, or a provider operating a facility for ambulatory care, is not a participating provider if construction or substantial enlargement of the facility (whether or not in replacement of another facility) was undertaken (as defined in regulations) after December 31 of the year in which this title is enacted unless (a) the construction or enlargement is in accord with a State certificate of need, or has been found by a State agency designated by the Governor of the State for this purpose, or has been found by the Board, to be needed for the furnishing of adequate services to persons residing in the area to be served by the institution, or (b) in the case of enlargement of an existing facility, the Board has found (regardless of the need for the enlargement) that the facility is needed for that purpose. (For provision relating to reduction in payments in certain cases referred to in clause (b), see section 89.)

LIMITATIONS ON MALPRACTICE JUDGMENTS

SEC. 54. In any litigation in any court of the United States or any State seeking damages for injury caused by negligence or other fault in the furnishing of any service covered by this Act, no damages shall be awarded for the cost of remedial services for which the injured party was or is entitled to have payment made under this Act (or for which he would have been, or would be, entitled to have payment made upon obtaining the services from a participating provider).

EXCLUSION: FEDERAL PROVIDERS OF SERVICES

SEC. 55. No institution of the Department of Defense, no institution of the Veterans' Administration, no institution of the Department of Health, Education, and Welfare engaged in the provision of services to merchant seamen or to Indians or Alaskan natives, and no employee of any of the foregoing acting as employee, is a participating provider. The Board shall, however, reimburse the proper appropriation for any covered services furnished by any such institution or employee to an eligible person who is not, under any Act other than this Act, eligible to receive the service from the institution or employee. The Board shall also reimburse the proper appropriation for any covered services furnished to eligible persons pursuant to section 329 of the Public Health Service Act, such reimbursement to be in lieu of payments required by section 329(b) of that Act.

RESTRICTIVE STATE LAWS INOPERATIVE

SEC. 56. (a) In the furnishing of covered services to eligible persons (any law of a State or political subdivision to the contrary notwithstanding)—

(1) A physician, dentist, optometrist, or podiatrist who is legally authorized by a State to practice his profession and who meets national standards established by the Board pursuant to section 42(a) is hereby authorized to furnish in any other State, either as an independent participating provider or on behalf of an institutional or other participating provider, the services which such other State authorizes to be furnished by practitioners of his profession.

(2) A professional nurse, or a practitioner of another health profession or occupation designated in regulations, who meets national standards established by the Board for his profession or occupation is hereby authorized to furnish in any State, on behalf of participating providers of services, the services which that State authorizes or permits to be furnished by practitioners of his profession or occupation. National standards applicable to professional nursing, or to any other profession or occupation the practice of which is subject in all States to licensure or similar authorization, shall contain a requirement of licensure or authorization by at least on State.

(3) In a participating public or other nonprofit hospital or a participating group practice organization, a practitioner of any health profession other than medicine or dentistry or of any nonprofessional health occupation who meets national standards established by the Board for his profession or occupation, and meets any additional qualifications established by the Board for the performance of particular acts or procedures, is hereby authorized to perform, under the supervision and responsibility of a physician or dentist, such of the acts which might lawfully be performed by the physician or dentist as are specified in regulations.

(4) A participating public or other nonprofit hospital or a participating group practice organization is hereby authorized (whether or not the arrangement may be deemed to constitute corporate practice of a profession) to employ physicians, dentists, or other professional practitioners, or to obtain and compensate their services in any other manner, and the practitioners are authorized to serve such a hospital or organization as employees or in any other manner; but only if the employment or other arrangement is not of a kind which the Board finds is likely to cause lay interference with professional acts or professional judgments.

(b) If the Board finds that a proposed corporation will meet the requirements of section 47(a) for participation as a group practice organization, but that it cannot be incorporated in the State in which it proposes to furnish services because the State law requires that a medical society approve the incorporation of such an organization, or requires that physicians constitute all or a majority of its governing board, or requires that all physicians in the locality be permitted to participate in the services of the organization, or makes any other requirements which the Board finds incompatible with the purposes of this title, the Board may issue a certificate of incorporation to the organization, and it shall thereupon become a body corporate. The powers of the corporation shall be limited to the furnishing of services under this title, and the doing of things reasonably necessary or incident thereto. So far as the Board finds to be compatible with the purposes of this title, the certificate of incorporation shall accord with, and the corporation shall be subject to, provisions of the State law which are applicable to nonprofit corporations generally. The corporation shall not be deemed to be an instrumentality of the United States for purposes of exemption from any Federal or State law.

PART D—TRUST FUND; ALLOCATION OF FUNDS FOR SERVICES

HEALTH SECURITY TRUST FUND

SEC. 61. (For the text of section 61, see section 406, transferring section 1817 of the Social Security Act to this Act, redesignating it as section 61, and amending it.)

ANNUAL DETERMINATION OF FUND AVAILABILITY

SEC. 62. (a) For each fiscal year the Board shall, not later than June 1, next preceding the beginning of the fiscal year, fix the maximum amount which may (except as provided in subsection (c)) be obligated during the fiscal year for expenditure from the Trust Fund. The amount so fixed—

(1) shall not exceed 200 per centum of the expected net receipts during the fiscal year (as estimated by the Secretary of the Treasury) from the taxes imposed by sections 1401(b), 1403, 3101(b), and 3111(b) of the Internal Revenue Code of 1954, and

(2) for any fiscal year (except for the period between the effective date of health benefits and the end of the first fiscal year beginning thereafter), shall not exceed the aggregate obligations, as estimated by the Board, incurred and to be incurred by the Trust Fund during the fiscal year current at the time when the determination is made, adjusted to reflect (A) any estimated change expected in the prices of goods and services which enter into the cost of living, (B) the expected change in the number of eligible persons, (C) any expected change (to the extent that the Board finds it not otherwise adequately reflected) in the number of participating professional providers, or in the number or capacity for the provision of services of institutional or other participating providers, and (D) any change in the cost of administration of this Act indicated in the President's budget estimates pursuant to section 201(g) of the Social Security Act.

(b) In fixing the amount to be available for obligation during a fiscal year, pursuant to subsection (a)—

(1) if and to the extent that (A) the Board estimates that the amount in the Trust Fund at the beginning of the fiscal year will be less than one-quarter of the obligations incurred and to be incurred during the fiscal year current at the time when the determination is made, and (B) the Board finds that the restriction of the amount be available for obligation will not materially impair the adequacy or quality of services to eligible persons, the amount fixed under subsecsection (a) shall be less than the maximum stated in paragraph (1) of that subsection; and

(2) if and to the extent that the Board finds that improvement in the organization and delivery of services or in the control of their utilization has lessened their aggregate cost (or has lessened an increase in their aggregate cost), the amount fixed under subsection (a) shall be less than the maximum stated in paragraph (2) of that subsection.

(c) The amount to be available for obligation during a fiscal year, fixed pursuant to subsection (a), may be modified before or during the fiscal year if the Secretary of the Treasury finds that the tax receipts referred to in subsection (a)(1) will differ from the estimate by 1 per centum or more, or if the Board finds that any of the factors of expected change referred to in subsection (a)(2), or action on the budget estimate for the cost of administration, will differ from the estimate by 5 per centum or more; or if an epidemic, disaster, or other occurrence increases the need for health services to an extent which the Board finds requires the expenditure of additional funds. If the amount fixed pursuant to subsection (a) is increased, the Board shall promptly report its action to the Congress with a statement of the reasons therefor.

HEALTH SERVICES ACCOUNT, HEALTH RESOURCES DEVELOPMENT ACCOUNT, ADMINISTRATION ACCOUNT, AND GENERAL ACCOUNT

SEC. 63. (a) There shall be established in the Trust Fund a health services account, a health resources development account, an administration account, and a general account (consisting of all moneys in the Trust

Fund which have not been transferred to another account).

(b) For each fiscal year there shall from time to time be transferred from the general account to the health resources development account the following percentage of the amount to be available for obligation during that year (as determined pursuant to section 62 (a) and (b)): for the fiscal year beginning on the effective date of health benefits, and for the next succeeding fiscal year, 2 per centum; for each of the next two succeeding fiscal years, 3 per centum; for each of the next two succeeding fiscal years, 4 per centum; and for each fiscal year thereafter, 5 per centum. Funds in the health resources development account shall be used exclusively for the purposes of part F, and shall remain available for such uses until expended.

(c) The remainder of the amount to be available for obligation during the fiscal year, after deducting the amount of the President's budget estimates for the cost of administering this Act, shall from time to time be transferred from the general account to the health services account. Funds in the health services account shall be used exclusively for making payments for covered services in accordance with part E, and shall remain available for such payments until expended.

(d) As amounts available for a fiscal year for the administration of this Act are determined by the Congress, the amount available for the administration of the title shall be transferred from the general account to the administration account.

(e) From time to time any necessary adjustments shall be made in the amounts transferred to the several accounts, and in allocations previously made from the health services account.

REGIONAL ALLOCATIONS FROM HEALTH SERVICES ACCOUNT

SEC. 64. (a) For each fiscal year the Board shall, not later than June 1, next preceding the beginning of the fiscal year, make allocations to the regions of the Department from the funds to be available for the fiscal year in the health services account. The allocation to each region shall be equal to the estimated aggregate expenditures in the region for services, described in part B as covered services, in the most recent twelve-month period for which reliable data are available, adjusted to reflect the factors of change referred to in clauses (A), (B), and (C) of section 62(a)(2), and further adjusted in accordance with subsections (b) and (c) of this section.

(b) It shall be the objective of the Board to reduce gradually, and ultimately to eliminate substantially, existing differences among the regions of the Department in the average per capita cost of health services, except as such differences reflect differences in the prices of goods and services which enter into the cost of living for people in the several regions. To this end the Board shall modify the allocations for each fiscal year determined under subsection (a) in order (1) to reduce, or to lessen any increase in, the cost of covered services in regions in which the average per capita cost is higher (to an extent greater than the difference in the estimated weighted average cost of goods and services) than the national average per capita cost, to such an extent as the Board finds practicable without impairing materially the adequacy or quality of services to eligible persons, and (2) to stimulate, to such extent as the Board finds practicable and desirable, increases in the availability and utilization of covered services in regions in which the average per capita cost is lower (to an extent greater than the difference in the estimated weighted average cost of goods and services) than the national average per capita cost. In modifying allocations to the regions, the Board shall take account of regional differences in the composition of populations, in the prevalence and incidence of morbidity indicating need for covered services, in the available and needed resources in personnel or facilities for provision of covered services, in the costs of providing covered services, and in such other factors as the Board may deem pertinent, to the extent that such regional differences are not reflected in allocations under subsection (a) and have not already been taken into account, under this subsection, in modifying these allocations.

(c) The Board shall withhold from allocation to the regions a reserve for contingencies, in an amount not more than 5 per centum of the funds to be available for the fiscal year in the health services account. If the remaining amount to be available for the fiscal year in the account is less than the sum of the regional allocations determined pursuant to subsections (a) and (b), the allocations shall be reduced proportionately.

(d) Allocations under this section may be modified before or during a fiscal year if the amount to be available for obligation is modified pursuant to section 62(c). The contingency reserve shall be available to increase one or more regional allocations, as the Board may find necessary. From the contingency reserve, or from additional funds in the general account made available for obligation, one or more allocations may also be increased if an epidemic, disaster, or other occurrence increases the need for health services to an extent which the Board finds requires the expenditure of additional funds.

DIVISION OF REGIONAL FUNDS BY CLASSES OF SERVICES

SEC. 65. (a) For each fiscal year the Board shall, not later than July 1, next preceding the beginning of the fiscal year, divide the allocation to each region into funds to be available, respectively, to pay the cost within the region of the following classes of services: (1) institutional services, (2) physician services, (3) dental services, (4) the furnishing of drugs, (5) the furnishing of devices, appliances, and equipment, and (6) other professional and miscellaneous services.

(b) The content, for purposes of the division of funds, of each class of services shall be defined in regulations. Within the funds to be available for miscellaneous services, the regulations shall establish subfunds, respectively, for the making of incentive payments not otherwise provided for, for supporting services described in section 27(b), for payments to optometrists, for payments to podiatrists, for payments to independent pathology laboratories, for payments to independent radiology services, and for such other purposes as the Board may determine.

(c) The amounts assigned to the several funds and subfunds in each region shall be determined in accordance with regulations, which shall take into account, in addition to the factors considered in making the regional allocations, trends in utilization of the several services and, to the extent the Board finds it practicable, the creation of incentives to the improved utilization thereof.

FUNDS FOR HEALTH SERVICE AREAS

SEC. 66. (a) For each fiscal year the Board shall, not later than July 1, next preceding the beginning of the fiscal year, allot among the health service areas established in each region under section 124(a), each of the funds established for the region pursuant to section 65 for a class of services. If an interstate health service area lies partly in each of two or more regions, appropriate allotments of funds from each region shall be made to it.

(b) The amount allotted to each health service area from each regional fund shall be equal to the aggregate expenditures in the area for services of the class for which the fund is to be available, as determined (or if necessary, estimated) by the Board for such twelve-month period as may be specified in regulations; modified to take account of the factors considered in making regional allocations and in dividing such allocations by classes of services (including modifications designed to further the objective of equalization within each region, in the manner set forth in section 64(b) with respect to interregional equalization).

(c) Payment for services, in accordance with part E, shall be made to participating providers in each health service area by such officer of the Board as it may designate for the purpose. There shall be established for each area such accounts as the Board may find convenient for making payment to providers of more than one class of services (such as an account for payment to hospitals, or an account for payment to group practice organizations), in which shall be deposited the appropriate portions of the funds for the several classes of services to be furnished by such providers.

MODIFICATION OF FUND ALLOTMENTS

SEC. 67. Before or during a fiscal year the division of funds by classes of services pursuant to section 65, or the allotment of funds to health service areas pursuant to section 66, may be modified if the regional allocations are modified, or if the Board finds that modification is required by events occurring or information acquired after the division and allotment were made.

INITIAL ACTIONS UNDER PART D

SEC. 68. In the determination of fund availability, regional allocations, and all other actions required by this part to be taken on a fiscal year basis, the Board may in its discretion take initial actions either for the three-month period between the effective date of health benefits and the beginning of the next fiscal year, or for the fifteen-month period between such effective date and the end of such fiscal year, making in either case appropriate adjustments in the amounts of such determinations, allocations, or other actions.

PART E—PAYMENT TO PROVIDERS OF SERVICES IN GENERAL

SEC. 81. Payment shall be made to participating providers, in accordance with this part, for covered services furnished to eligible persons. Payments shall be made from the amounts allocated from the health services account in the Trust Fund, in accordance with part D, for the respective areas and purposes.

METHODS AND AMOUNT OF PAYMENT TO PROFESSIONAL PRACTITIONERS

SEC. 82. (a) Every independent professional practitioner shall be entitled, at his election, to be paid by the fee-for-service method, consisting of the payment of a fee for each separate covered service.

(b) Every physician engaged as an independent practitioner in the general or family practice of medicine (as determined in accordance with regulations under section 22(b)), and every dentist engaged as an independent practitioner in the furnishing of covered dental services, shall be entitled, at his election, to be paid by the capitation method if he has filed with the Board an agreement (1) to furnish all necessary and appropriate primary medical services (as defined in such regulations) or covered dental services, as the case may be, to persons on a list of persons who have chosen to receive all such services from the practitioner, (2) to maintain arrangements for referral of patients to specialists, institutions, and other providers of covered services, and (3) to maintain such records and make such reports of services furnished as may be required by regulations for purposes of medical audit. A practitioner electing the capita-

tion method is entitled to be paid by the fee-for-service method for services furnished to eligible persons who are not on his list, but not (except as provided in regulations) for specialized services furnished to persons who are on his list.

(c) When the Board deems it necessary in order to assure the availability of services or for other reasons, the Board (1) may pay an independent practitioner a full-time or part-time stipend in lieu of or as a supplement to the foregoing methods of compensation, and it may reimburse a practitioner for special costs of continuing professional education and of maintaining linkages with other providers of services (such as costs of communication and of attendance at meetings or consultations), and (2) may pay for specialized medical services a stated amount per session or per case or may utilize a combination of the methods authorized by this section.

(d) The capitation method of payment for a specified kind and scope of covered services consists of the payment to a provider of such services, of an annual capitation amount (determined for a health service area) for each person who has chosen to receive all such services from the provider.

(e) The amounts allotted for a fiscal year pursuant to part D for each health service area for physician services, for dental services, for optometrist services, and for podiatrist services, respectively, shall each be used (1) to provide for payments for professional services (made either directly to practitioners or as reimbursement to hospitals or other providers for the compensation of practitioners) to be made by the Board on a budget or stipend basis or any basis other than capitation, fee-for-service, or per case, and (2) from the remainder, to make available (for each kind of professional services) an equal per capita amount for each person resident in the area who is entitled to such services. In any area in which the Board finds that a substantial volume of services is furnished to nonresidents, it may reduce the per capita amount to such extent as it finds necessary to effect an equitable distribution of funds.

(f) The per capita amount shall constitute the annual capitation amount for purposes of payment to any organization, individual practice association or other provider furnishing all covered services (described in part B) of the kind for which the allotment is available. Lesser capitation amounts shall be fixed, on the basis of the relative cost of the services, for primary medical services, and, as may be required, for any scope of services (less than comprehensive) which is furnished by any institutional or other provider. If the Board finds that the population served by a provider requires on the average, because of age distribution or other factor, a volume of services significantly greater or smaller than the average requirement of the population of the local health service area, the Board may, after consultation with the provider, make an appropriate adjustment in the capitation amount payable to him.

(g) For the compensation of professional practitioners who are to be paid by the Board (directly or through a delegation under this subsection) on a fee-for-service or per case basis, there shall be available—

(1) the per capita amount determined under subsection (e), multiplied by the number of residents of the health service area for whom no capitation payment (for services of the kind for which the allotment is available) is to be made under subsection (f),

(2) increased to reflect any excess resulting from a lowering of the per capita amount under subsection (e) on account of services furnished to nonresidents or from the fixing of lesser capitation amounts under subsection (f) for services less less than comprehensive, and

(3) increased or reduced to reflect adjustments under subsection (f), on the ground of age distribution or other factor, in capitation amounts payable to other providers.

The amount of payments under this subsection shall be determined in accordance with relative value scales prescribed by the Board after consultation with representatives of the respective professions in the region, State, or area, and in accordance with unit values prescribed by the Board from time to time. The Board may, on such terms as it deems appropriate, delegate to a professional society or to an agency designated by representatives of a profession in the region, State, or area the payment of fees and per session amounts under this subsection.

(h) The Board may, on an experimental or demonstration basis, enter into an agreement with a statewide or local professional society or other organization representative of independent professional practitioners to substitute another method of compensation for those set forth in this section (either for all such practitioners, for all who have elected the fee-for-service method of payments, or for all who have elected another method), if the Board is satisfied that the substitute method will not increase the cost of services and will not encourage overutilization or underutilization of covered services. The Board shall review from time to time the operation of such an agreement, and shall, after reasonable notice, terminate it if the Board finds it to have led to increased cost or to overutilization or underutilization of covered services.

PAYMENT TO GENERAL HOSPITALS

SEC. 83. (a) A participating hospital (other than a psychiatric hospital) shall be paid its approved operating costs, determined in accordance with regulations, in the furnishing of covered services to eligible persons, as such approved costs for a fiscal year are set forth in a prospective budget approved by the Board. Regulations under this section shall specify the method or methods to be used in determining costs, including, but not limited to review of (1) total hospital income from all sources, (2) total hospital expenditures, and (3) the volume of hospital services; and the regulations shall also prescribe a nationally uniform system of cost accounting.

(b) The costs recognized in each hospital budget shall be those, determined in accordance with subsection (a), to be incurred in furnishing the covered services ordinarily performed by the hospital and ordinarily financed from payments by or on behalf of patients (including the clinical aspects of education or training of professional or other health personnel), except as the scope of services or of other functions may be modified (1) by agreement of the Board and the hospital, (2) by application of guidelines for the clinical education or training of health personnel established pursuant to section 131 for the region or State in which the hospital is situated, or (3) by direction of the Board pursuant to section 134. The budget shall recognize any increase or decrease of cost resulting from a modification of the scope of services or of other functions, either by agreement or by direction of the Board.

(c) The costs recognized in the budget shall include the cost of reasonable compensation to (and other costs incident to the services of) pathologists, radiologists, and other physicians and other professional or nonprofessional personnel whose services are held as generally available to patients of the hospital or to classes of its patients, whatever the method of compensation of such physicians and other personnel, and whether or not they are employees of the hospital.

(d) The Board shall review, through such of its officers or employees or through such boards, and in such manner, as may be provided in regulations, proposed budgets prepared and submitted to it by hospitals, and may provide for participation in such review by representatives of the hospitals in the region or health service area in which the hospital is situated. Each officer of the Board charged with final action on hospital budgets shall receive and consider written justifications of budget proposals, and may provide oral hearings thereon.

(e) A hospital budget approved under this section for a fiscal year may, in such manner as is provided in regulations, be amended before, during, or after the fiscal year if there is a substantial change in any of the factors relevant to budget approval.

(f) If a hospital (other than a psychiatric hospital) operates or has an affiliation agreement (described in section 52(b)) with a participating home health service agency, the Board may, on request of the institution or institutions and in accordance with regulations designed to reflect the cost of a combined operation, approve a consolidated budget and make all payments thereunder to the hospital.

PAYMENT TO PSYCHIATRIC HOSPITALS

SEC. 84. A participating psychiatric hospital which is primarily engaged in furnishing covered services shall be paid in the same manner as other hospitals. Any other participating psychiatric hospital shall be paid an amount determined in accordance with regulations for each patient day of covered services to an eligible person. Such regulations shall take into account, with respect to any distinct part of the hospital which meets the requirements of section 44, the factors to be considered in the approval of the budgets of hospitals other than psychiatric hospitals, but with such adjustments as are necessary to provide equitable compensation to the psychiatric hospital.

PAYMENT TO SKILLED NURSING HOMES AND TO HOME HEALTH SERVICE AGENCIES

SEC. 85. (a) A participating skilled nursing home or home health service agency shall be paid, in the same manner as a hospital (other than a psychiatric hospital), except as provided in subsection (b) of this section its approved operating costs in the furnishing to eligible persons of skilled nursing home services or home health services, as the case may be.

(b) Regulations under this section shall, for skilled nursing homes and for home health service agencies, respectively, specify the method or methods to be used, and the items to be included, in determining costs; may, to the extent the Board deems desirable, specify nationally uniform systems of cost accounting; and, taking into account the prevailing practices of such homes or such agencies, may specify services which will be recognized in budgets and services which will not be so recognized.

PAYMENT FOR DRUGS

SEC. 86. (a) For each drug appearing on either of the lists established pursuant to section 25, the Board shall from time to time determine a product price or prices which shall constitute the maximum to be recognized under this title as a cost of the drug to a provider thereof. Product prices shall be so fixed as to encourage the acquisition of drugs in substantial quantities, and differing product prices for a single drug may be established only to reflect regional differences in cost or other factors not related to the quantity purchased.

(b) Payment for a drug furnished by an independent pharmacy shall consist of its cost to the pharmacy (not in excess of the applicable product price) plus a dispensing

fee. The Board, after consultation with representatives of the pharmaceutical profession, shall establish (and from time to time review) schedules of dispensing fees, designed to afford reasonable compensation to independent pharmacies after taking into account variations in their cost of operation resulting from regional differences, differences in the volume of drugs dispensed, differences in services provided, and other factors which the Board finds relevant.

PAYMENT TO GROUP PRACTICE ORGANIZATIONS AND INDIVIDUAL PRACTICE ASSOCIATIONS

SEC. 87. (a) Payment to a group practice organization or to an individual practice association for covered services to its eligible enrollees shall consist of basic capitation payments (if any) determined in accordance with subsection (d).

(b) The basic capitation payment shall consist of a basic capitation amount multiplied by the number of eligible persons enrolled in the organization or association. The basic capitation amount shall be the sum of the appropriate capitation amount or amounts for professional services or class of services which it has undertaken to furnish.

(c) Capitation amounts for institutional services shall be based on per diem rates derived from the budgets (approved under this part) of participating institutional providers or, if the services are furnished through institutions operated by the group practice organization or individual practice association (or are furnished by contract with institutions which are not participating providers), derived from budgets prepared and approved in like manner as for participating institutions. Per diem rates shall be determined for each fiscal year, and for that year shall be modified only if the institutional budgets are amended or if modification is necessary to avoid substantial inequities.

(d) If it appears to the satisfaction of the Board (1) that the average utilization of hospital and skilled nursing home services by eligible persons enrolled in the organization or association (in whatever manner such services are provided) has, during a fiscal year, been less than the average utilization of such services under comparable circumstances by comparable population groups not enrolled either in group practice organizations or in individual practice associations, and (2) that the services provided by the organization or association have been of high quality and adequate to the needs of its enrollees, the Board shall make an additional payment to the organization or association equal to 75 per centum of the amount which the Board finds has been saved by such lesser utilization of hospital and skilled nursing home services. The amount of any such additional payment may be used by the organization or association for any of its purposes, including the application of such amounts to the cost of services not covered by this title.

(e) The Board shall, in accordance with regulations, make available to group practice organizations and individual practice associations, in consideration of premiums to be deducted from amounts otherwise payable to them under this section, insurance against (1) the cost, in excess of an amount fixed by the Board (which shall be not less than $5,000), of services furnished during a calendar year to any one enrollee, (2) some or all of the cost of institutional services provided through arrangements with other participating providers in accordance with section 47(a) (5), and (3) some or all of the cost, for which the organization or association is responsible in accordance with section 47(a) (13), of services provided by other participating providers. Premium rates for such insurance shall reflect the expected utilization of services by the enrollees of the organization or association insured.

(f) In addition to the payments required by this section, the Board may pay to a group practice organization the cost of clinical education or training provided by the organization (otherwise than in a hospital) which the Board finds to be in accordance with guidelines established pursuant to section 131 for the region or State in which the organization is situated.

PAYMENT TO OTHER PROVIDERS

SEC. 88. (a) An agency, organization, or other entity with which the Board has entered into an agreement under section 49 (a) shall be paid by such method (other than the fee-for-service method) as, in accordance with regulations, may be set forth in the agreement.

(b) An independent pathology laboratory or an independent radiology service shall be paid on the basis of a budget approved by the Board, or on such other basis as may be specified in regulations.

(c) Payment for devices, appliances, and equipment, payment for ambulance or other covered transportation services, and payment for the services of a Christian Science sanatorium shall be made on such basis as may be specified in regulations.

REDUCTION IN PAYMENTS ON ACCOUNT OF UNNECESSARY CAPITAL EXPENDITURES

SEC. 89. Whenever the Secretary, pursuant to section 1122 of the Social Security Act (relating to reduction in Federal reimbursement in cases of unnecessary capital expenditures) issues a direction to the Board with respect to any health care facility owned or operated by a participating provider, the Board shall reduce accordingly amounts otherwise payable under this part to the provider.

METHODS AND TIME OF PAYMENT

SEC. 90. The Board shall periodically determine the amount which should be paid under this part to each participating provider of services (with adjustment for payments by one participating provider to another), and the provider shall be paid, from the health services account in the Trust Fund, at such time or times as the Board finds appropriate (but not less often than monthly) and prior to audit or settlement by the General Accounting Office, the amount so determined, with adjustments on account of underpayments or overpayments previously made (including appropriate retrospective adjustments following amendment of approved institutional budgets). Payment may be made in advance in such cases and to such extent as the Board finds necessary to apply providers with working funds, on such terms as it finds sufficient to protect the interests of the United States.

PART F—DEVELOPMENT FUND

Subpart 1—Planning; funds to improve services and to alleviate shortages of facilities and personnel

PURPOSE OF SUBPART 1

SEC. 101. (a) The purpose of this subpart is—

(1) prior to the effective date of health security benefits, to inaugurate a program of strengthening the Nation's resources of health personnel and facilities and its system of delivery of health services, in order to enable the providers of health services better to meet the demands on them when benefits under this title become available, and to that end to provide financial and other assistance (A) in alleviating shortages and maldistributions of health personnel and facilities in order to increase the supply of services, and (B) in improving the organization of health services in order to increase their accessibility and effective delivery; and

(2) after the effective date, to reinforce the operation of the health security program under this title as a mechanism for the continuing improvement of the supply and distribution of health personnel and facilities and the organization of health services, and to that end to assist in meeting those costs of improvement of personnel, facilities, and organization that are not met either through the normal operation of the health security program under this title or from other sources of public or private assistance.

(b) With respect to health facilities and the organization of health services, the Board shall be guided by the national health priorities established by section 1502 of the Public Health Service Act, the guidelines issued by the Secretary under section 1501 thereof, and State health plans which have been developed for the respective States and found by the Secretary to be adequate under title XV of that Act. Pending findings of adequacy of State health plans, the Board shall be guided by planning of the Secretary pursuant to section 102(a) of this Act.

(c) With respect to the education and training of health personnel, the Board shall be guided by planning of the Secretary pursuant to section 102(b) of this Act.

PLANNING BY THE SECRETARY

SEC. 102. (a) Pending findings of adequacy of State health plans, the Secretary shall conduct within the Department studies addressed to identification of the most acute shortages and maldistributions of facilities and the most serious deficiencies in the organization for delivery of services covered under this Act, and of means for the speedy alleviation of these shortcomings. In carrying out this function, the Secretary shall consult with, and utilize the experience and recommendations of, existing State, regional and local health planning agencies, and State and local planning agencies and centers for health planning established pursuant to title XV of the Public Health Service Act.

(b) The Secretary shall have the continuing duty of planning for improvement of the supply and distribution of health personnel. He shall conduct such planning on a national, regional, state, or local basis as he may consider most appropriate for each kind of personnel, and in consultation with planning agencies referred to in subsection (a) to such extent as he deems desirable, and with appropriate professional organizations.

GENERAL POLICIES AND PRIORITIES

SEC. 103. (a) In providing assistance under this subpart, the Board shall give priority to improving and expanding the available resources for, and assuring the accessibility of, services to ambulatory patients which are furnished as part of coordinated systems of comprehensive care. To this end the Board shall encourage and assist (1) the development or expansion of group practice organizations meeting the requirements of section 47(a), (2) the development or expansion of agencies, organizations, and centers described in section 49(a) (1) or (2) to furnish services to persons in urban and rural areas who lack ready access to such services, (3) the recruitment and training of professional personnel to staff such organizations, agencies, and centers, (4) the recruitment and training of subprofessional and nonprofessional personnel (including the development and testing of new kinds of health personnel) to assist in the furnishing of such services, to engage in education for personal health maintenance, and to furnish liaison between such organizations, agencies, or centers and the people they serve, (5) the strengthening of coordination and linkages among institutional services (including linkages with educational institutions), among non-institutional services, and between services of the two kinds, in order to improve the continuity of care and the assurance that patients will be referred to such services and at such times as may be medically appropriate, (6) the strengthening of coordination and cooperation between hospital medical staffs and hos-

pital administrators, and (7) the inclusion of dental services in systems of comprehensive health care.

(b) Funds available to carry out this part shall not be used to replace other Federal financial assistance, or to supplement the appropriations for such other assistance except to meet specific needs of the health security program under this title (such as the training of physicians or medical students for the general or family practice of medicine). In administering other programs of federal financial assistance the Secretary and other officers of the executive branch, on recommendation of the Board, shall to the extent possible utilize those programs to further the objectives of this part. To this end the Board, on such terms as it finds appropriate, may lend to an applicant or grantee not more than 90 per centum of the non-Federal funds required as a condition of assistance under any such program, and may pay all or part of the interest in excess of 3 per centum per annum on any loan made, guaranteed, or insured under any such program.

ORGANIZATION FOR THE CARE OF AMBULATORY PATIENTS

SEC. 104. (a) The Board is authorized to assist, in accordance with this section, the establishment, expansion, and operation of (1) group practice organizations which meet or will meet the requirements of section 47 (a), (2) public or other non-profit agencies, organizations, and centers described in section 49(a) (1) and (2), and (3) nonprofit organizations furnishing comprehensive dental services, which meet requirements set forth in regulations of the Board.

(b) The Board is authorized to make grants (1) to any public or non-profit agency or organization (whether or not it is a provider of health services), for not more than 90 per centum of the cost (excluding costs of construction) of planning, developing, and establishing an organization or agency described in subsection (a) of this section; or (2) to an existing organization or agency described in subsection (a), for not more than 80 per centum of the cost (excluding costs of construction) of planning and developing an enlargement of the scope of its services or an expansion of its resources to enable it to serve more enrollees or a larger clientele. In addition to grants under this subsection, or in lieu of such grants, the Board is authorized to provide technical assistance for the foregoing purposes.

(c) The Board is authorized to make loans to organizations and agencies described in subsection (a) of this section to assist in meeting the cost of constructing (or otherwise acquiring, or improving or equipping) facilities which the Board finds will be essential to the effective and economical delivery, or to the ready accessibility, of covered services to eligible persons. No loan to a newly established agency or organization shall exceed 90 per centum and no loan to any other agency or organization shall exceed 80 per centum of such cost, or of the non-Federal share if other federal financial assistance in meeting such cost is available.

(d) The Board is authorized to contract with an organization or agency which is described in subsection (a) of this section and which has been either newly established or substantially enlarged, to pay all or a part of any operating deficits, for not more than five years in the case of an organization described in subsection (a)(1), and until not later than the effective date of health security benefits in the case of an agency or organization described in subsection (a)(2) or (a)(3). Any such contract shall condition payments upon the contractor's making all reasonable effort to avoid or minimize operating deficits and (if such deficits exist) making reasonable progress toward becoming self-supporting.

RECRUITMENT, EDUCATION, AND TRAINING OF PERSONNEL

SEC. 105. The Board shall promptly establish (and from time to time review) schedules of priority for the recruitment, education and training of personnel to meet the most urgent needs of the health security program. The schedules may differ for different parts of the United States.

(b) The Board is authorized to provide, to physicians and medical students, training for general or family practice of medicine and training in any medical specialty in which the Board finds that there is, for the purpose of this title, a critical shortage of qualified practitioners.

(c) The Board shall provide education or training for those classes of health personnel (professional, subprofessional, or nonprofessional) for whom it finds the greatest need, if other Federal financial assistance is not available for such education or training; and if other assistance is available but the Board deems it inadequate to meet the increased need attributable to the health security program, it may, with the approval of the Secretary, provide such education or training pending action by the Congress on a recommendation promptly made by the Secretary to increase the authorization of appropriations (or, if the authorization is deemed adequate, to increase the appropriations for such other assistance).

(d) The training of personnel authorized by this section includes the development of new kinds of health personnel to assist in the furnishing of comprehensive health services, and also includes the training of persons to provide education for personal health maintenance, to provide liaison between the residents of an area and health organizations and personnel serving them, and to act as consumer representatives and as members of advisory bodies in relation to the operation of this title in the areas in which they reside. The Board may make grants to public or other non-profit health agencies, institutions, or organizations (1) to pay a part or all of the cost of testing the utility of new kinds of health personnel, and (2) until the effective date of health security benefits, to pay a part of the cost of employing persons trained under this subsection who cannot otherwise readily find employment utilizing the skills imparted by such training.

(e) Education and training under this section shall be provided by the Board through contracts with appropriate educational institutions or such other institutions, agencies, or organizations as it finds qualified for this purpose. The Board may provide directly, or through the contractor, for the payment of stipends to students or trainees in amounts not exceeding the stipends payable under comparable Federal education or training programs.

(f) The Board shall undertake to recruit and train professional practitioners who will agree to practice, in urban or rural areas of acute shortage, in group practice organizations or in agencies, organizations, or centers referred to in section 49(a) (1) or (2). A practitioner who agrees to engage in such practice for at least five years and who enters upon practice in the area before the effective date of health benefits may until that date be paid a stipend to supplement his professional earnings, and in an appropriate case the Board may make a commitment to compensate the practitioner after that date in accordance with section 82(c).

(g) The Board shall undertake to recruit physicians to serve hospitals as their medical directors and to train such physicians (among other matters) in advising on and managing the development and implementation of medical policies and procedures and their coordination with planning and operational functions of the hospital, with its financing, and with its program of utilization review.

(h) In administering this section the Board shall seek to encourage the education and training, for the health professionals and other health occupations, of persons disadvantaged by poverty, inadequate education, or membership in ethnic minorities. To this end the Board may, through contracts in accordance with subsection (e), provide to such persons remedial or supplementary education preparatory to or concurrent with education or training for the health professions or occupations, and may (directly or through such contracts) provide to such persons stipends adequate to enable them to avail themselves of such education or training.

(i) Training which the Board is authorized by this Section to provide shall include retraining, either to refresh and enhance skills of trainees for positions they already hold or to equip them for positions of greater responsibility.

SPECIAL IMPROVEMENT GRANTS

SEC. 106. (a) The Board is authorized to make grants to public or other non-profit health agencies, institutions, and organizations to pay part or all of the cost of establishing improved coordination and linkages among institutional services (including linkages with educational institutions), among non-institutional services, and between services of the two kinds.

(b) The Board is authorized to make grants to organizations, agencies, and centers described in section 104(a) to pay part or all of the cost of installation of improved utilization review, budget, statistical, or records and information retrieval systems, including the acquisition of equipment therefor, or to pay part or all of the cost of acquisition and installation of diagnostic or therapeutic equipment.

LOANS UNDER PART F

SEC. 107. (a) Loans authorized under this part shall be repayable in not more than twenty years, shall bear interest at the rate of 3 per centum per annum, and (subject to the provisions of subsection (b)) shall be made on such other terms and conditions as the Board deems appropriate. Amounts paid as interest on any such loan or as repayment of principal shall, if the loan was made from funds appropriated pursuant to section 120(a), be covered into the Treasury as miscellaneous receipts, and if the loan was made from funds in the health resources development account, be deposited in the Trust Fund to the credit of that account.

(b) No loan for the construction or improvement of a facility shall be made under this part unless the borrower undertakes that all laborers and mechanics employed by contractors or subcontractors in the performance of construction or improvement on the project will be paid wages not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a–276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this subsection the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix 133z-15) and section 2 of the Act of June 13, 1934, (40 U.S.C. 276c).

RELATIONS OF PARTS E AND F

SEC. 108. Payments by the Board under this subpart pursuant to any grant or loan to, or any contract with, a participating provider of services shall be made in addition to, and not in substitution for, payments to which the provider is entitled under Part E.

Subpart 2—Programs of personal care services

PURPOSE OF SUBPART 2

SEC. 111 (a). The purpose of this subpart is to encourage and assist in the development of community programs for maintaining

in their own homes, by means of comprehensive health and personal care services, persons who, by reason of disability or other health-related causes, would in the absence of such assistance require in-patient institutional services or might be expected to require such institutional services in the near future.

(b) It is the intent of the Congress that a grant under section 112 be made in any community to an eligible applicant which satisfies the Board that the applicant will be able (1) to develop, reasonably promptly, comprehensive services in accordance with this subpart, and (2) to develop non-Federal sources for the financing thereof to such extent as the Board finds appropriate in light of the economic resources of the community and resources otherwise available to it for this purpose.

GRANTS

SEC. 112. (a) The Board is authorized to make grants, for the development and conduct of programs in accordance with this subpart, to participating public or other non-profit hospitals or group practice organizations, or to other public or non-profit agencies or organizations which the Board finds qualified to conduct such programs. Each program shall be designed to serve a substantial population, defined in the grant, in either an urban or a rural community.

(b) A grant under this section may be made to pay a part or all of the estimated cost of a program (including start-up cost) for a period of not more than four years, payable in such installments as the Board may determine, and may provide for meeting a decreasing share of the cost over the period of the grant. A grant shall be irrevocable except for nonperformance by the grantee or violation of the terms of this subpart or of the grant, or for other cause which would justify the termination or rescission of a contract. If it appears during the period of the grant that the cost of the program will exceed the estimate, the Board may increase prospectively the amount of the grant.

SCOPE OF SERVICES AND ELIGIBILITY THEREFOR

SEC. 113. (a) The services to be provided shall include, in addition to all covered health services (other than inpatient institutional services) described in part B (which may be provided by arrangement with participating providers), such groups or combinations of services as the Board deems necessary or appropriate to enable persons, eligible for the services in accordance with subsection (b), to continue to live in their own homes or other noninstitutional places of residence. The personal care services may include homemaker and home help services, home maintenance, laundry services, meals-on-wheels and other nutrition services, assistance with transportation and shopping, and such other services as may be appropriate in particular cases. The Board may prescribe different ranges of services in different programs.

(b) For each program the Board shall prescribe criteria (consistent with section 111(a)) for the approval of the application for assistance, and such criteria may be different in different programs, but all programs shall be required to assure adequate coordination with all agencies in the community furnishing health or personal care services to beneficiaries of the program. Each grant shall require the grantee to establish, or arrange for the services of, a committee to screen applications for assistance under the program, in accordance with the applicable criteria, and no assistance shall be given until an application has been approved by the committee. The committee shall also maintain a constant review of utilization of the services provided by the program, and assistance to any person shall be terminated whenever the committee finds that he no longer meets the applicable criteria. The composition of the committee shall be subject to approval by the Board, and it shall include at least one physician, one professional nurse, one professional social worker, three representatives of the users of the services, and such other qualified persons as the Board may prescribe.

EVALUATION

SEC. 114. Each grant shall require the grantee to establish procedures for the evaluation of the program, with respect both to the benefits accruing to persons receiving assistance and to the fiscal impact of the program on the health security system. The Board shall also make its own evaluation of each program, and shall include a summary thereof in its annual report to the Congress.

RECOMMENDATIONS TO THE CONGRESS

SEC. 115. Before the end of the third calendar year after the enactment of this Act, the Board shall transmit to the Congress a comprehensive report on the operation of this subpart and the Board's evaluation of such operation, and shall submit its recommendation of (a) methods for the development, as widely and rapidly as practicable, of personal care services in communities lacking programs therefor or lacking adequate programs, to the end that such services in leu of institutional care be made generally available throughout the United States, and (b) methods for the continuing financial support of such services; together with the Board's recommendations with respect to the proper role of the health security system in providing long-term institutional care and in providing personal care services in lieu thereof.

Subpart 3—Availability of funds

AUTHORIZATIONS OF APPROPRIATIONS; EXPENDITURES FROM TRUST FUND

SEC. 120. (a) For the purposes of this part there are hereby authorized to be appropriated $200,000,000 for the fiscal year beginning on July 1 of the year in which this title is enacted, and $400,000,000 for the succeeding fiscal year. Funds appropriated under this subsection shall remain available until expended.

(b) For the purposes of this part, the Board is authorized after the effective date of health benefits, to make expenditures from the health resources development account in the Trust Fund, established pursuant to section 63.

PART G—ADMINISTRATION

ESTABLISHMENT OF THE HEALTH SECURITY BOARD

SEC. 121. (a) There is hereby established in the Department of Health, Education, and Welfare a Health Security Board to be composed of five members to be appointed by the President, by and with the advice and consent of the Senate. During his term of membership on the Board, no member shall engage in any other business, vocation, or employment. Not more than three members of the Board shall be members of the same political party.

(b) Each member of the Board shall hold office for a term of five years except that (1) a member appointed to fill a vacancy occurring during the term for which his predecessor was appointed shall be appointed for the remainder of that term, and (2) the terms of office of the members first appointed shall expire, as designated by the President at the time of their appointment, at the end of one, two, three, four, and five years, respectively, after the date of enactment of this Act. A member who has served for two consecutive five-year terms shall not be eligible for reappointment until two years after he has ceased to serve.

(c) The President shall designate one of the members of the Board to serve, at the will of the President, as Chairman of the Board.

DUTIES OF THE SECRETARY AND THE BOARD

SEC. 122. (a) The Secretary of Health, Education, and Welfare, and the Board under the supervision and direction of the Secretary, shall perform the duties imposed upon them, respectively, by this title. Regulations authorized by this title shall be issued by the Board with the approval of the Secretary, in accordance with the provisions of section 553 of title 5, United States Code (relating to the publication of, and opportunity to comment on, proposed regulations).

(b) The Board shall have the duty of continuous study of the operation of this Act and of the most effective methods of providing comprehensive personal health services to all persons within the United States and to United States citizens elsewhere, and of making, with the approval of the Secretary, recommendations on legislation and matters of administrative policy with respect thereto. The Board shall make, through the Secretary, an annual report to the Congress on the administration of the functions with which it is charged. The report shall include, for periods prior to the effective date of health benefits, an evaluation by the Board of progress in preparing for the initiation of benefits under this title, and for periods thereafter, an evaluation of the operation of the title, of the adequacy and quality of services furnished under it, of the adequacy of compensation to providers of services, and of the costs of the services and the effectiveness of measures to restrain the costs.

(c) The Board shall from time to time conduct studies of the adequacy and equity of the financing of the national system of health security established by this Act and shall, with the approval of the Secretary, report its findings to the Congress, together with any recommendations for amendment of this Act or of the provisions of the Internal Revenue Code of 1954 pertaining to such financing. The first report under this subsection shall be submitted not later than two years after the effective date of health benefits, and thereafter reports shall be submitted at intervals not greater than four years.

(d) In performing his functions with respect to the Commission on the Quality of Health Care, and his functions with respect to health manpower education and training, health research, environmental health, disability insurance, vocational rehabilitation, the regulation of food and drugs, and all other matters pertaining to health, as well as in supervising and directing the administration of this title by the Board, the Secretary shall direct all activities of the Department toward mutually complementary contributions to the health of the people. He shall include in his annual report to the Congress a report on his discharge of this responsibility.

(e) The Secretary shall make available to the Board all information available to him, from sources within the Department or from other sources, pertaining to the functions of the Board.

(f) The Civil Service Commission, in consultation with the Board, shall to the greatest extent practicable facilitate recruitment, for employment by the Board in the competitive service, of qualified persons experienced in the administration or operation of private health insurance and health prepayment plans, or experienced in other fields pertinent to the administration of this title.

(g) The Secretary is authorized to establish on the staff of the Board, and to fix the compensation for, not more than fifty positions in the professional, scientific, and executive service, each such position being established to effectuate those research and development activities of the Board which require the services of specially qualified scientific professional, and administrative per-

sonnel. The rates of compensation for positions of this subsection shall not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, nor more than the highest rate of grade 18 of the General Schedule of such Act, and the rates of compensation for all such positions shall be subject to the approval of the Civil Service Commission. Positions created pursuant to this subsection shall be included in the classified civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proposed appointee's qualifications by the Civil Service Commission or such officers as it may designate for this purpose.

EXECUTIVE DIRECTOR; DELEGATION OF AUTHORITY

SEC. 123. (a) There is hereby established the position of Executive Director of the Health Security Board. The Executive Director shall be appointed by the Board with the approval of the Secretary, and shall serve as secretary to the Board and perform such duties in the administration of this title as the Board may assign to him.

(b) The Board is authorized to delegate to the Executive Director or to any other officer or employee of the Board or, with the approval of the Secretary (and subject to reimbursement of identifiable costs), to any other officer or employee of the Department, any of its functions or duties under this title other than (1) the issuance of regulations, or (2) the determination of the availability of funds and their allocation, under sections 62, 63, and 64.

REGIONS AND HEALTH SERVICE AREAS

SEC. 124. (a) This title shall be administered by the Board through the regions of the Department (as they may be established from time to time) and, within each region, through health service areas. The areas shall be the same as the health service areas established by the Secretary under section 1511 of the Public Health Service Act, except that with the approval of the Secretary the Board may divide an area established under section 1511 into two or more areas for purposes of this title.

(b) The Board shall establish in each local health service area a local health security office and such branch offices as the Board may find necessary. The local offices and branch office, in addition to such informational and other administrative duties as the Board may assign them, shall have the function of receiving and investigating complaints by eligible persons and by providers of services concerning the administration of this title and of taking or recommending appropriate corrective action.

NATIONAL HEALTH SECURITY ADVISORY COUNCIL

SEC. 125. (a) There is hereby established a National Health Security Advisory Council, which shall consist of the Chairman of the Board, who shall serve as Chairman of the Council, and twenty members, not otherwise in the employ of the United States, appointed by the Secretary on recommendation of the Board, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall include persons who are representative of providers of health services, and of persons (who shall constitute a majority of the Council) who are representatives of consumers of such services. Each appointed member shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring during the term for which his predecessor was appointed shall be appointed for the remainder of that term, and (2) the terms of members first taking office shall expire, as designated by the Secretary at the time of appointment, five at the end of the first year, five at the end of the second year, five at the end of the third year, and five at the end of the fourth year after the date of enactment of this Act. Members of the Council who are representative of providers of health care shall be persons who are outstanding in fields related to medical, hospital, or other health activities, or who are representative of organizations or associations of professional health personnel; members who are representative of consumers of such care shall be persons, not engaged in and having no financial interest in the furnishing of health services, who are familiar with the needs of various segments of the population for personal health services and are experienced in dealing with problems associated with the furnishing of such services.

(b) The Advisory Council is authorized to appoint such professional or technical committees, from its own members or from other persons or both, as may be useful in carrying out its functions. The Council, its members, and its committees shall be provided with such secretarial, clerical, or other assistance as may be authorized by the Board for carrying out their respective functions. The Council shall meet as frequently as the Board deems necessary, but not less than four times each year. Upon request by seven or more members it shall be the duty of the Chairman to call a meeting of the Council.

(c) It shall be the function of the Advisory Council (1) to advise the Board on matters of general policy in the administration of this title, in the formulation of regulations, and in the performance of the Board's functions under part D, and (2) to study the operation of this title and the utilization of health services under it, with a view to recommending any changes in the administration of the title or in its provisions which may appear desirable. The Council shall make an annual report to the Board on the performance of its functions, including any recommendations it may have with respect thereto, and the Board through the Secretary, shall promptly transmit the report to the Congress, together with a report by the Board on any recommendations of the Council for administrative action which have not been followed, and a report by the Secretary of his views with respect to any legislative recommendations of the Council.

(d) Appointed members of the Advisory Council and members of technical or professional committees, while serving on business of the Council (inclusive of traveltime), shall receive compensation at rates fixed by the Board, but not in excess of the daily rate paid under GS-18 of the general schedule under section 5332 of title 5, United States Code; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

REGIONAL AND LOCAL ADVISORY COUNCILS

SEC. 126. (a) The Board shall appoint for each of the regions of the Administration and for each health service area a regional or local advisory council, consisting of the regional or local representative of the Board as chairman and (in such numbers as the Board may determine) representatives of providers of health services and representatives (who shall constitute a majority of the members of each council) of consumers of such services. So far as possible, representatives of providers shall be so selected as to represent professional, subprofessional, and nonprofessional personnel, and representatives of consumers shall be so selected as to represent the major segments of the population to be served. Each council shall meet as often as its members may decide, but in no event less than four times each year. It shall be the function of each such council to advise the regional or local representative of the Board, as the case may be, on all matters directly relating to the administration of this title in the region or area, including methods and procedures followed in the handling of complaints.

(b) The provisions of section 125(d) shall be applicable to the members of councils appointed under this section.

PROFESSIONAL AND TECHNICAL ADVISORY COMMITTEES

SEC. 127. (a) The Board shall appoint such standing professional and technical committees as it deems necessary to advise it on the administration of this title with respect to the several classes of covered services described in part B. Each such committee shall consist of experts (in such numbers as the Board may determine) drawn from the health professions, from medical schools or other health educational institutions, from providers of services, or from other sources, whom the Board deems best qualified to advise it with respect to the professional and technical aspects of the furnishing and utilization of, the payment for, and the evaluation of, a class of covered services designated by the Board, and with respect to the relationship of that class of services to other covered services.

(b) The Board is authorized to appoint such experts and consultants (employed in accordance with section 3109 of title 5, United States Code), and to appoint such temporary professional and technical committees, as it deems necessary to advise it on special problems not encompassed in the assignments of standing committees appointed under subsection (a), or to supplement the advice of standing committees.

(c) In connection with its duties under section 122(c), the Board is authorized to appoint such standing or temporary committees of fiscal, actuarial, and other experts as it deems necessary.

(d) Committees appointed under this section shall report from time to time to the Board, and copies of their reports shall be transmitted by the Board to the National Advisory Council.

(e) The provisions of section 125(d) shall be applicable to experts and consultants and to the members of committees appointed under this section.

PARTICIPATION BY STATE AGENCIES

SEC. 128. (a) The Board shall consult from time to time with State health agencies (including agencies established pursuant to title XV of the Public Health Service Act) or other appropriate State agencies in preparing for and in administering health security benefits, with a view to coordinating the administration of this title with State and local activities in the fields of health planning, environmental health, licensure and inspection, education for the health professions and other health careers, and other fields relating to health. Insofar as practicable, the Board shall conduct such consultation through the regional offices of the Administration.

(b) The Board shall make an agreement with any State which is able and willing to do so under which the State health agency or other appropriate State agency will be utilized by the Board in determining whether providers of services meet or continue to meet the qualifications and requirements established by or pursuant to part C or part H. Such an agreement shall fix the frequency of inspection of the several classes of providers, other than professional practitioners, and shall establish the qualifications required of persons making the inspections. Determinations by State agencies based upon inspections made in accordance with such agreements, and determinations with respect to professional practitioners, may be given by the Board the same effect as determination by the Board.

(c) An agreement under subsection (b) may provide that a State agency, either directly or through local public agencies, will

undertake activities, specified in the agreement, directed to the health education of the residents of the State, the maintenance and improvement of the quality of covered services furnished in the State, the maintenance of effective utilization review, or the better coordination of services of different kinds.

(d) The Board shall pay to a State, in advance or otherwise as specified in the agreement, the reasonable cost of services and activities pursuant to an agreement under this section; and may pay a part or all of the cost of training (or may train) State personnel to enable them to meet the qualifications established by the Board for inspectors.

(e) In any State which is unable or unwilling to make inspections in accordance with subsection (b), the Board shall make such inspections either through its own personnel or through contract with an organization or organizations which it finds qualified to perform this function.

(f) Within ninety days after the completion of an inspection of any provider under subsection (b) or subsection (e), the Board shall make public in readily available place and form the findings of such inspection which pertain significantly to compliance with the qualifications and requirements established by or pursuant to part C or part H; except that if the State agency or the Board, on the basis of such inspection, has made a determination respecting compliance by the provider, the publication shall be based on such determination.

TECHNICAL ASSISTANCE TO SKILLED NURSING HOMES AND HOME HEALTH SERVICE AGENCIES

SEC. 129. The Board is authorized, either directly or through agreements with State agencies under section 128, to provide technical assistance to skilled nursing homes and home health service agencies to supplement, in regard to social services, dietetics, and other matters, the skills of the groups referred to in sections 45(b) and 46(b).

DISSEMINATION OF INFORMATION; STUDIES AND EVALUATIONS: SYSTEMS DEVELOPMENT; TESTS AND DEMONSTRATIONS

SEC. 130. (a) The Board shall disseminate, to providers of services and to the public, information concerning the provisions of this title, the persons eligible to receive the benefits of the title, and the nature, scope, and availability of covered services; and to providers of services, information concerning the conditions of participation, methods and amounts of compensation to providers, and other matters relating to their participation. With the approval of the Secretary, the Board may furnish to all professional practitioners information concerning the safety and efficacy of drugs appearing on either of the lists established under section 25, the indications for their use, and contraindications.

(b) The Board shall make, on a continuing basis after the effective date of health security benefits, a study and evaluation of the operation of this title in all its aspects, including study and evaluation of the adequacy and quality of services furnished under the title, analysis of the cost of each kind of services, and evaluation of the effectiveness of measures to restrain the costs.

(c) The Board is authorized, either directly or by contract—

(1) to make statistical and other studies, on a nationwide, regional, State, or local basis, of any aspect of the operation of this title, including studies of the effect of the title upon the health of the people of the United States and the effect of comprehensive health services upon the health of persons receiving such services;

(2) to develop and test, for use by the Board, records and information retrieval systems and budget systems for health services administration, and develop and test model systems for use by providers of services;

(3) to develop and test, for use by providers of services, records and information retrieval systems useful in the furnishing of health services, and equipment (such as equipment for the monitoring of patients' functions, or for multiphasic screening) useful in the furnishing of preventive or diagnostic services;

(4) to develop, in collaboration with the pharmaceutical profession, and test, improved administrative practices or improved methods for the reimbursement of independent pharmacies for the cost of furnishing drugs as a covered service; and

(5) to make such other studies as it may consider necessary or promising for the evaluation, or for the improvement, of the operation of this title.

(d) The Board is authorized to develop, and to test and demonstrate through agreements with providers of services or otherwise, methods designed to achieve, through additional incentives or in any manner, improvement in the coordination of services furnished by providers, improvement in the adequacy, quality, or accessibility of services, or decrease in their cost; methods of peer review and peer control of the utilization of drugs, laboratory services, and other services not subject to utilization review under section 51; and methods of peer review of quality. Agreements with providers for tests or demonstrations may provide for alternative methods of reimbursement in lieu of methods prescribed by part E, but, in the case of independent professional practitioners, only in accordance with section 82(h).

GUIDELINES FOR HEALTH MANPOWER EDUCATION AND TRAINING

SEC. 131. The Board shall make a continuing evaluation of the adequacy of the various classes of professional and health personnel to furnish services under this title and, after consultation with national and other organizations concerned with education and training of such personnel, and with the approval of the Secretary, shall from time to time issue guidelines designed to relate the clinical education and training conducted by providers of services more closely to the relative need for the several classes of such personnel. The guidelines shall seek to further national health manpower objectives, but shall be adapted for each region or State to take account of the capacity of providers to conduct such clinical education or training, and (to the extent the Board deems appropriate) to take account of any special manpower needs within the region or State.

DETERMINATIONS; SUSPENSION OR TERMINATION OF PARTICIPATION

SEC. 132. (a) Determinations of entitlement to benefits under this title, determinations of who are participating providers of services, determinations whether services are covered services, and determinations of amounts to be paid by the Board to participating providers, shall be made by the Board in accordance with regulations. A provider or other person aggrieved by a determination under this subsection shall, in such cases and on such conditions as are specified in regulations, be entitled to an administrative appeal from it.

(b) If the Board finds that a participating provider of services no longer meets the qualifications and requirements established by or pursuant to part C and subpart 1 of part H for services of the kinds furnished by him, or for some classes of such services, or that he has intentionally violated the provisions of this title or of regulations, or that he has failed substantially to carry out the agreement filed by him pursuant to section 41(a)(3), the Board may issue an order suspending or terminating (absolutely or on such conditions as the Board finds appropriate) the participation of the provider, or suspending or terminating it with respect to particular classes of services.

(c) If the Board has reason to believe that a participating professional practitioner, or a professional practitioner furnishing covered services on behalf of an institutional or other participating provider, has in a substantial number of cases—

(1) furnished professional services, or caused the furnishing of institutional or other services, which were not medically necessary but for which payment was claimed under this title,

(2) furnished to eligible persons covered services which were not of a quality meeting professionally recognized standards of care, or

(3) neglected to furnish necessary services to eligible persons who were his patients, under circumstances such that the neglect constituted a breach of his professional obligation,

or has reason to believe that a participating provider other than a professional practitioner has in a substantial number of cases—

(4) furnished services, for which payment was claimed under this title, known to the provider not to be medically necessary, or

(5) furnished to eligible persons covered services which were not of a quality meeting professionally recognized standards of care, the Board shall submit the evidence in its possession either to an appropriate professional organization or to a committee constituted by the Board after consultation with such an organization (which committee may, when the Board deems it proper, include nonprofessional persons). The Board shall request the organization or committee, with or without further investigation, to recommend what action, if any, should be taken by the Board. Taking into consideration any recommendation so made to it, the Board may issue an order suspending or terminating (absolutely or on such conditions as the Board finds appropriate) the participation of the practitioner or other provider or, in the case of a practitioner furnishing services on behalf of another provider, requiring the other provider, as a condition of continued participation, to suspend or discontinue (absolutely or on conditions) the furnishing of covered services by the practitioner.

(d) The Board shall, either in advance or by way of reimbursement, pay to an organization or committee making a recommendation under subsection (c) its reasonable cost incurred in so doing.

(e) No determination under subsection (a) that a person, previously determined to be eligible for benefits, is not eligible therefor, and (unless the Board finds that eligible persons are endangered) no order under subsection (b) or (c), shall be effective until after the person or provider has been afforded a hearing under section 133 or an opportunity therefor.

HEARINGS: JUDICIAL REVIEW

SEC. 133. (a) A provider of services or other person who is dissatisfied with a determination made or an order issued under section 132 shall, upon request therefor filed in accordance with regulations, be entitled to a hearing before a hearing officer or a hearing panel of the Board. The hearing shall be held as promptly as possible and at a place convenient to the provider or other person requesting the hearing. For the purpose of reviewing the determinations of hearing officers or panels, the Board shall establish appeals tribunals (which may include regional or other intermediate appeals tribunals), and shall by regulation prescribe the jurisdiction of such and procedures for appeal to them. Decision of hearing officers or hearing panels shall, subject to appeals under this subsection, constitute final decisions to the Board.

(b) In any case in which the Board finds (on the basis of the request for hearing and the records of the Board) that a substantial issue of professional practice or conduct, in a health profession specified for this purpose in regulations, will be involved in the hearing, the hearing shall be held either before a person who is qualified in an appropriate health profession or before a panel which includes a person or persons so qualified, and an appeal in such a case shall be heard before an appellate tribunal (or a panel thereof) which includes a person or persons so qualified. In any case in which a single person qualified as a health professional, or a panel composed entirely of persons so qualified, conducts a hearing or hears an appeal, the Board shall assign an attorney to assist in the conduct of the hearing or the appeal and to advise upon the decision of issues of law.

(c)(1) Any provider of services or other person, after any final decision of the Board made after a hearing to which he was a party, irrespective of the amount in controversy, may obtain a review of such decision by a civil action commenced within sixty days after the mailing to him of notice of such decision or within such further time as the Board may allow. Such action shall be brought in the district court of the United States, for the judicial district in which the plaintiff resides or has his principal place of business, or, if he does not reside or have his principal place of business within any such judicial district, in the District Court of the United States for the District of Columbia. As part of its answer the Board shall file a certified copy of the transcript of the record, including the evidence upon which the findings and decision complained of are based.

(2) The Court shall have power to enter, upon the pleadings and transcript of the record, a judgment affirming, modifying or reversing the decision of the Board, with or without remanding the cause for a rehearing. The findings of the Board as to any fact, if supported by substantial evidence, shall be conclusive.

(3) Where a claim has been denied by the Board, or a decision is rendered which is adverse to a provider or other person who was a party to the hearing before the Board, because of failure of the claimant or such provider or other person to submit proof in conformity with any regulation prescribed by the Board, the court shall review only the question of conformity with the regulation and the validity of the regulation. The court shall not review a finding by the Board under subsection (b), or a refusal to find, that a substantial issue of professional practice or conduct will be involved in a hearing.

(4) The court shall, on motion of the Board made before it files its answer, remand the case to the Board for further action by the Board, and may, at any time on good cause shown, order additional evidence to be taken before the Board. The Board shall, after the case is remanded, and after hearing such additional evidence if so ordered, modify or affirm its findings of fact or its decision, or both, and shall file with the court any such additional and modified findings of fact and decision and a transcript of the additional record and testimony. Such additional or modified findings of fact and decision shall be reviewable only to the same extent as the original findings of fact and decision.

(5) The judgment of the court shall be final except that it shall be subject to review in the same manner as judgments in other civil actions.

DIRECTIONS BY THE BOARD FOR THE BETTER ORGANIZATION AND COORDINATION OF SERVICES

SEC. 134. (a) The Board is authorized, in accordance with this section, to issue to any participating provider of services (other than an individual professional provider) a direction that the provider shall—

(1) discontinue (for the purposes of payment under part E) one or more services which the provider is currently furnishing;

(2) initiate one or more covered services which the provider is not currently furnishing;

(3) initiate the furnishing of one or more covered services at a place where the provider is not currently furnishing the services; or

(4) enter into arrangements with one or more other providers of services (A) for the transfer of patients and medical records as may be medically appropriate, (B) for making available to one provider the professional and technical skills of another, or (C) for such other coordination or linkage of covered services as the Board finds will best serve the purposes of this title.

A direction under this subsection shall specify a future date on which, if the direction has not been complied with, the provider to whom it is addressed shall cease to be a participating provider.

(b) If the Board finds (1) that the services furnished by a provider of services (other than an individual professional provider) are not necessary to the availability of adequate services under this title and that their continuance as covered services is unreasonably costly, or (2) that the services are furnished inefficiently and at unreasonable cost, that effort at correction has proved unavailing, and that necessary services can be more efficiently furnished by other providers, the Board may issue a direction that on a specified date the provider shall cease to be a participating provider.

(c) No direction shall be issued under this section except on the recommendation of, or after consultation with, the State health planning and development agency (if such an agency has been established pursuant to title XV of the Public Health Security Act) of the State in which the direction will be operative. No direction shall be issued under subsection (a) unless the Board finds that it can practicably be carried out by the provider to whom it is addressed.

(d)(1) No direction shall be issued under this section until the Board has published notice, in the service area of the provider or providers affected, describing in general terms the proposed action, giving a brief statement of the reasons therefor, and inviting written comment thereon. The notice shall be published in at least one newspaper circulating in the area, and the Board shall use such other means as it finds calculated to inform residents of the area of the proposed action.

(2) If objection to the proposal is made by any interested provider of services (other than an individual professional practitioner) or by an interested health planning agency or by a substantial number of interested professional practitioners or of residents of the area, the Board shall call a public hearing before a hearing officer or hearing panel meeting the requirements of section 133(b). At the hearing the Board shall present evidence in support of the proposal, and any interested provider of services or health planning agency or any other interested person shall be entitled to participate in the hearing and to present evidence or argument or both. On the basis of evidence presented at the hearing, the hearing officer or hearing panel shall make recommended findings of fact and a recommended determination either to issue the proposed direction, to modify and issue it, or to withdraw the proposal. The final determination shall be made by the Board or by a special panel designated by it for the purpose, and shall be subject to judicial review in accordance with section 133(c).

PART H—QUALITY OF CARE

PURPOSE AND GENERAL POLICIES

SEC. 141. (a) The Board, with the advice and assistance of the Commission on the Quality of Health Care (established by section 1701 of the Public Health Service Act), shall have the continuing responsibility to maintain and enhance the quality of health care furnished under this Act, and to that end shall:

(1) prior to the effective date of health benefits, issue regulations authorized by this part, (A) to supplement the qualifications required by part C of providers of services as a condition of participation, and (B) to strengthen existing mechanisms for the control and enhancement of quality; and

(2) thereafter continuously review such regulations with a view to (A) upgrading such requirements as rapidly as the Board finds practicable, and (B) developing recommendations to the Congress for amendments of this Act designed further to assure and enhance the quality of care.

(b) In discharging its responsibility under this part, it shall be the objective of the Board to require the highest practicable quality of care that is attainable in substantially all parts of the United States. Exceptions to requirements under this part shall be permitted only when necessary to avoid critical shortages of services, and shall be reviewed from time to time and shall be eliminated whenever, and as soon as, the Board finds it practicable to do so.

(c) The Board shall assist the Commission on the Quality of Health Care in obtaining reports and information required for the purposes of the Commission, and the Commission shall advise the Board in the development and issuance of regulations under this part and in the development of recommendations to the Congress. If the Board fails to adopt, by regulation issue under this part, a standard which the Commission has recommended be so adopted, the matter shall be reported to the Secretary and, unless he directs the Board to follow the recommendations of the Commission, the Board shall publish a statement of the recommendation and of its reasons for failing to adopt the standard.

CONTINUING PROFESSIONAL EDUCATION

SEC. 142.(a) Not later than two years after the effective date of health benefits, the Board shall by regulation establish for physicians, dentists, optometrists, and podiatrists such requirements of continuing education (taking into consideration standards approved by appropriate professional organizations) as it finds reasonable to maintain and enhance the quality of professional services furnished under this Act.

(b) Regulations under this section shall require the filing of such periodic reports as the Board finds necessary to assure that participating practitioners, and practitioners furnishing services on behalf of participating institutional and other providers, are in compliance with requirements established under subsection (a). The Board shall give warning to any practitioner whom such reports show to have failed to comply substantially with the requirements, and, before taking action under section 132(b), shall afford him an opportunity to explain or correct the deficiency.

MAJOR SURGERY AND OTHER SPECIALIZED SERVICES

SEC. 143. (a) Major surgery and other specialized services designated in regulations are not covered services unless they are furnished by specialists and, to the extent specified in regulations, are either emergency services or services furnished on referral by a physician engaged in general or family practice (as determined in accordance with regulations under section 22(b)).

(b) A physician is a specialist, for the purposes of subsection (a), only if he holds a certificate from the appropriate national specialty board; except that (1) a physician who possesses the qualifications requisite to such certification may furnish services as a spe-

cialist during a period of five years after attaining such qualifications (or, if later, after the effective date of health benefits), and (2) a physician may be authorized by the Board to furnish services as a specialist if (A) prior to the effective date he has engaged in furnishing such services as a specialist or as a substantial part of his medical practice, (B) he meets standards established by the Board, and (C) where appropriate, authorization to him to furnish services as a specialist is recommended by a participating hospital in which he has engaged substantially in furnishing such services.

(c) The Board may by regulation exclude from covered services specified surgical procedures, when not required by life threatening or other acute emergencies, which have not been preceded by consultation with, and recommendation of surgery by, such appropriately qualified specialists as may be required by the regulations. Hospital and other services incident to surgery excluded by regulations under this subsection are not covered services.

(d) With respect to the performance of surgical procedures specified in regulations under subsection (c), including emergency procedures, the Board may require as a condition of payment to the provider that there be submitted to the Board a pathology report on tissue removed and a clinical abstract or discharge report of the case.

ADDITIONAL REQUIREMENTS FOR PARTICIPATION

SEC. 144. (a) No provider on whose behalf one or more physicians, dentists, optometrists, or podiatrists furnish professional services described in section 22 or section 23 or in regulations issued under section 27(a)(1) or (2) shall be a participating provider unless every practitioner furnishing such services is a qualified provider in accordance with section 42 and meets such requirements, applicable to practitioners of his profession, as are prescribed by or pursuant to this part.

(b) The Board may by regulation establish, as conditions, of participation by providers other than independent professional practitioners, requirements (additional to those specified in part C and those otherwise prescribed by or pursuant to this part) which the Board finds necessary in the interest of the quality of care and the safety of eligible persons. In establishing requirements under this subsection, the Board shall take into consideration standards or criteria established or recommended by appropriate professional or other associations or organizations. The Board shall establish such requirements as it finds necessary to assure that participating hospitals and skilled nursing homes meet the requirements prescribed from time to time for accreditation by the Joint Commission on the Accreditation of Hospitals, but the authority of the Board is not limited to the requirements of the Joint Commission. Exceptions to requirements established under this subsection shall be permitted only in accordance with section 141(b).

PROFESSIONAL STANDARDS REVIEW AND SIMILAR ORGANIZATIONS

SEC. 145. On recommendation of the Commission on the Quality Health Care, the Board may contract with a Professional Standards Review Organization heretofore designated or conditionally designated as such by the Secretary, or with an organization performing similar functions hereafter approved for the purpose by the Board, to monitor the quality of some or all institutional and other services furnished under this Act within the area of operation of such organization, and to report to the Board its findings with respect to conformity to the requirements relating to quality prescribed by or pursuant to this Act. Any such contract shall be so designed as to supplement, and not duplicate, inspections by State agencies under section 128(b) or by the Board under section 128(e). The Board shall pay to the organization, in advance or otherwise as specified in the contract, the reasonable cost of services and activities of the organization under the contract.

FINDINGS OF COMMISSION ON MEDICAL MALPRACTICE

SEC. 146. In exercising its authority under this part the Board shall give consideration to the findings, report, and recommendations of the Commission on Medical Malpractice established by the Secretary, and within the authority conferred by this or any other Act shall put into effect such of the recommendations of that Commission and such other measures as in the judgment of the Board will tend to reduce the incidence of malpractice, to lessen the cost or increase the availability of malpractice insurance, or to facilitate the speedy, equitable, and economical adjudication of malpractice claims.

PART I—MISCELLANEOUS PROVISIONS

DEFINITIONS

SEC. 161. When used in this title—

(a) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) The term "United States" when used in a geographical sense means the States, as defined in subsection (a).

(c) The term "Secretary", except when the context otherwise requires, means the Secretary of Health, Education, and Welfare.

(d) The term "Department", except when the context otherwise requires, means the Department of Health, Education and Welfare.

(e) The term "Board" means the Health Security Board established by section 121.

DEPUTY SECRETARY OF HEALTH, EDUCATION, AND WELFARE; UNDER SECRETARY FOR HEALTH AND SCIENCE

SEC. 162. (a) There shall be in the Department of Health, Education, and Welfare, in addition to the Assistant Secretaries now provided for by law, a Deputy Secretary of Health, Education and Welfare and an Under Secretary for Health and Science each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions (related to health and science, in the case of such Under Secretary) as the Secretary may prescribe. The provisions of the second sentence of section 2 of Reorganization Plan Numbered 1 of 1953 shall be applicable to such Deputy Secretary to the same extent as they are applicable to the Under Secretary of Health, Education, and Welfare and shall be applicable to the Under Secretary for Health and Science to the same extent as they are applicable to the Assistant Secretaries authorized by that section.

(b)(1) The office of Under Secretary of Health, Education, and Welfare, created by section 2 of Reorganization Plan Numbered 1 of 1953 (67 Stat. 631), is hereby abolished.

(2) The President may authorize the person who immediately prior to the date of enactment of this Act occupies the office of Under Secretary of Health, Education, and Welfare to act as Deputy Secretary of Health, Education, and Welfare until that office is filled by appointment in the manner provided by subsection (a) of this section. While so acting, such person shall receive compensation at the rate now or hereafter provided by law for the Deputy Secretary of Health, Education, and Welfare.

SEC. 163. The effective date of health security benefits under this title shall be July 1 of the second calendar year after the year in which this title is enacted, and no service or item furnished prior to that date shall constitute a covered service. Section 406, transferring and amending section 1817 of the Social Security Act and redesignating it as section 61 of this Act, shall be effective on the effective date of health benefits, and part D (including section 61) shall be effective with respect to fiscal years beginning on or after that date. In all other respects this title shall be effective upon enactment, and appropriations for the purposes of this title (including action pursuant to section 201(g) of the Social Security Act, as amended by section 406 of this Act, to make funds available on and after the effective date of health benefits) are authorized to be made prior to the effective date of health benefits.

EXISTING EMPLOYER-EMPLOYEE HEALTH BENEFIT PLANS

SEC. 164. (a) No provision of this Act other than this section, and no amendment of the Internal Revenue Code of 1954 made by this Act, shall affect or alter any contractual or other non-statutory obligation of an employer to pay for or provide health services to his present and former employees and their dependents and survivors, or to any of such persons, or the amount of any obligation for payment (including any amount payable by an employer for insurance premiums or into a fund to provide for any such payment) toward all or any part of the costs of such services.

(b) Any contractual or other nonstatutory obligation of the employer to pay all or part of the cost of the health services referred to in subsection (a) shall continue, and shall apply as an obligation to pay the taxes imposed on his employees by section 3101(b) of the Internal Revenue Code of 1954 (as amended by section 201(a) of this Act), but the sum of the per capita monthly amount involved in the payment of such taxes by the employer on behalf of his employees, and the per capita amount of the liability for taxes imposed on an employer by section 3111(b) of such Code (as amended by section 201(b) of this Act) shall not exceed the per capita monthly amount of the cost to the employer of providing or paying for health services (either through insurance premiums or into a fund) on behalf of persons referred to in subsection (a), for the month prior to the effective date of health security taxes (as defined in section 3121(u) of such Code, added by section 201(c) of this Act.)

(c) At least for the duration of any contractual or other nonstatutory obligation of an employer referred to in subsection (a), an employer shall arrange to pay to eligible employees, former employees, and survivors referred to in subsection (a) such amounts of money by which the per capita monthly costs to the employer of providing or paying for health services refered to in subsection (a) in the month immediately preceding the effective date of health security taxes, exceed the sum of the per capita monthly costs to the employer of the taxes imposed by section 3111(b) of such Code (as amended by section 201(b) of this Act), the employer's liability referred to in subsection (b) of this section, and any other employer contributions for health insurance premiums or health benefits or services provided by the employer after the effective date of health security benefits. By agreement between the employer and his employees or their representatives, an employer may provide other benefits of an equivalent monetary value in lieu of such payments.

(d) For purposes of subsections (b) and (c), the per capita amounts and per capita costs for an employer shall be determined by dividing the aggregate amounts and the aggregate costs by the number of eligible employees, former employees, and survivors on the date as of which the determination is made.

TITLE II—HEALTH SECURITY TAXES

PART A—EMPLOYMENT TAXES

RATE AND COVERAGE

SEC. 201. (a) Section 3101(b) of the Internal Revenue Code of 1954 (imposing a hospital insurance tax on employees) is amended to read as follows:

"(b) Health security.—In addition to the tax imposed by the preceding subsection, there is hereby imposed on the income of every individual a tax equal to 1 percent of the wages (as defined in section 3121(r)) received by him on or after the effective date of health security taxes (as defined in section 3121(u)) with respect to employment (as defined in section 3121(s))."

(b) Section 3111(b) of such Code (imposing a hospital insurance tax on employers) is amended to read as follows:

"(b) Health security.—In addition to the tax imposed by the preceding subsection, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to 3.5 percent of the wages (as defined in section 3121(r)) paid by him on or after the effective date of health security taxes (as defined in section 3121(u)) with respect to employment (as defined in section 3121(s))."

(c) Section 3121 of such Code (containing definitions applicable to social security payroll taxes) is amended by adding at the end thereof the following subsections:

"(r) Wages for purposes of health security taxes—For the purpose of section 3101(b), and for the purpose of section 1402(b) as applied to section 1401(b), the term 'wages' shall have the meaning set forth in subsection (a) of this section (as that subsection would apply to employment as defined in subsection (s)), except that in applying paragraph (1) of subsection (a) the term 'the health security contribution base (as defined in subsection (t))' shall be substituted for the term 'the contribution and benefit base (as determined under section 230 of the Social Security Act)' each place it appears therein. For the purpose of section 3111(b), the term 'wages' shall have the same meaning, except that paragraph (1) of subsection (a) shall not be applied.

"(s) Employment for purposes of health security taxes.—For the purposes of sections 3101(b) and 3111(b), the term 'employment' shall have the meaning set forth in subsection (b) of this section except that—

"(1) clause (B) preceding paragraph (1) of subsection (b) shall not be applied to an employee whose principal post of duty is outside the United States;

"(2) the exclusions contained in the following paragraphs of subsection (b) shall not be applied: paragraph (1) (relating to foreign agricultural workers), paragraphs (5) and (6) (relating to employment by the United States or its instrumentalities) other than paragraph (6)(C)(i) (relating to the President, the Vice President, and Members of Congress) and paragraph (6)(C)(iii) through (v) (relating to certain minor employments), paragraph (8) (relating to employment by charitable and similar organizations), paragraph (9) (relating to employment covered by the railroad retirement system), and paragraph (17) (relating to employment by subversive organizations);

"(3) subsection (m) of this section (including services by members of the uniformed services in the term 'employment') shall not be applied; and

"(4) for the purposes of section 3101(b), the exclusion contained in paragraph (7) of subsection (b) of this section (relating to employment by States and their political subdivisions and instrumentalities) shall not be applied, other than paragraph (7)(C)(i) through (iv) (relating to certain minor employments by the District of Columbia).

"(t) Health security contribution base.—The term 'health security contribution base' means, for any calendar year, 150 percent of the contribution and benefit base (as determined under section 230 of the Social Security Act) which is effective for such calendar year.

"(u) Effective date of health security taxes.—The term 'effective date of health security taxes' means January 1 of the second calendar year after the year in which the Health Security Act is enacted."

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 202. (a) Section 3121(1) of the Internal Revenue Code of 1954 (relating to coverage of services performed in the employ of foreign subsidiaries of domestic corporations) is amended by striking out "sections 3101 and 3111" in paragraph (1)(A) and inserting in lieu thereof "sections 3101(a) and 3111(a)", and by inserting at the end of the subsection the following paragraph:

"(11) Notwithstanding the provision of any agreement entered into under this subsection, no domestic corporation shall be under any obligation to pay the Secretary, with respect to services covered under the agreement and performed on or after the effective date of health security taxes (as defined in subsection (u) of this section) amounts equivalent to the taxes which would be imposed by sections 3101(b) and 3111(b) if such services constituted employment as defined in subsection (b) or subsection (s)."

(b) Sections 3122 and 3125 of such Code are amended by striking out "section 3111" wherever it appears and inserting in lieu thereof "section 3111(a)".

(c) (1) Section 3201 (relating to tax on railroad employees) and section 3211 (relating to tax employee representatives) of such Code are each amended by striking out "plus the rate imposed by section 3101(b)."

(2) Section 3221(b) of such Code (relating to tax on railroad employers) is amended by striking out "plus the rate imposed by section 3111(b)."

(d) (1) Section 6413(c)(1)(D) of such Code is amended by inserting "(i)" immediately after "(H)", by striking out "section 3101" and inserting "section 3101(a)" in lieu thereof, and by inserting immediately before the period at the end thereof: "; and (ii) during any calendar year beginning on or after the effective date of health security taxes (as defined in section 3121(u) the wages received by him during such year exceed the health security contribution base (as defined in section 3121(t)) for that year, the employee shall be entitled (subject to the provision of section 31(b)) to a credit or refund of any amount of tax, with respect to such wages, imposed by section 3101(b) and deducted from the employee's wages (whether or not paid to the Secretary or his delegate), which exceeds the tax with respect to an amount of such wages received in such calendar year equal to the health security contribution base for such year."

(2) Section 6413(c)(2)(A) of such Code is amended by striking out "includes for the purposes of this subsection the amount" and inserting in lieu thereof "includes for the purposes of this subsection (i) with respect to the taxes imposed by section 3101(a), the amount"; and by striking out "determined by each such head" and inserting in lieu thereof "and (ii) with respect to the taxes imposed by section 3101(b), the amount for any calendar year equal to the health security contribution base (as defined in section 3121(7)) for such calendar year; each such amount to be determined by each such head".

(e) Section 218 of the Social Security Act (relating to agreements for the coverage of services performed in the employ of States and their political subdivisions and instrumentalities) is amended—

(1) (A) by striking out, in subsection (e)(1)(A), "sections 3101 and 3111" and "section 3121" and inserting in lieu thereof, "sections 3101(a) and 3111(a)" and "section 3121(b)", respectively:

(B) by striking out, in subsection, (e)(2)(B), "section 3111" and inserting in lieu thereof, "section 3111(a)"; and

(C) by adding at the end of subsection (e) the following paragraph:

"(3) Notwithstanding the provisions of any agreement entered into under this section, no State shall be under any obligation to pay to the Secretary of the Treasury, with respect to service covered under the agreement and performed on or after the effective date of health security taxes (as defined in section 3121(u) of the Internal Revenue Code of 1954), amounts equivalent to the taxes which would be imposed by sections 3101(b) and 3111(b) of such Code if such service constituted employment as defined in section 3121(b) or section 3121(s) of such Code."; and

(2) by striking out in subsection (h)(1), "and the Federal Hospital Insurance Trust Fund", and striking out in such subsection "subsection (a)(3) of section 201, subsection (b)(1) of such section, and subsection (a)(1) of section 1817, respectively" and inserting in lieu thereof "subsections (a)(3) and (b)(1) of section 201."

EXCLUSION FROM GROSS INCOME

SEC. 203. (a) Section 106 of the Internal Revenue Code of 1954 (excluding from gross income employer contributions to accident and health plans for their employees) is amended by inserting immediately before the period at the end thereof: ", and payments by the employer (without deduction from the remuneration of the employees) of the tax imposed upon his employees by section 3101(b)".

(b) The heading of section 106, and the line referring to that section in the table of contents in subtitle A, chapter 1, subchapter B, part III of such Code, are each amended by adding at the end: "and employer payment of health security taxes".

EFFECTIVE DATES OF PART A

SEC. 204. The amendments made by section 201 of this Act, and the amendments made by subsections (b) and (d) of section 202, shall be effective only with respect to remuneration received, and remuneration paid, on or after the effective date of health security taxes (as defined by section 3121(u) of the Internal Revenue Code of 1954, added by section 201(c) of this Act), and section 3121(s) of such Code shall be applicable only with respect to remuneration for services performed on or after that date. The amendments made by subsections (a), (c), and (e) of section 202 shall be effective only with respect to remuneration for services performed on or after such effective date. The amendments made by section 203 shall apply to taxable years beginning on or after such effective date.

PART B—TAXES ON SELF-EMPLOYMENT INCOME AND UNEARNED INCOME

TAX ON SELF-EMPLOYMENT INCOME

SEC. 211. (a) Section 1401(b) of the Internal Revenue Code of 1954 (imposing a hospital insurance tax on self-employed individuals) is amended to read as follows:

"(b) Health security.—In addition to the tax imposed by the preceding subsection, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax equal to 2.5 percent of the self-employment income for such taxable year."

(b) Section 1402(b) of such Code (defining self-employment income) is amended—

(1) by striking out "except that such term shall not include—" and inserting in lieu thereof "except that—," and by amending so much of clause (1) as precedes subclause (A) to read as follows:

"(1) for the purposes of section 1401(a), such term shall not include that part of the

net earnings from self-employment which is in excess of—";

(2) by inserting, immediately after the word "wages" in each of the subclauses of clause (1), "(as defined in section 3121(b))";

(3) by striking out "or" at the end of clause (1) and inserting "and" in lieu thereof, and by striking out clause (2) and inserting in lieu thereof the following:

"(2) for the purposes of section 1401(b), such term shall not include that part of the net earnings from self-employment which is in excess of (A) an amount equal to the health security contribution base (as defined in section 3121(t)) for the calendar year in which the taxable year begins, minus (B) the amount of wages (as defined by section 3121(r) for the purposes of section 3101(b)) paid to such individual during the taxable year; and

"(3) for the purposes of both section 1401(a) and section 1401(b), such term shall not include any net earnings from self-employment if such net earnings for the taxable year are less than $400."; and

(4) by striking out "(A)" in the sentence following clause (3), and by changing the comma following the term "section 3121(b)" in that sentence to a period and striking out the remainder of the sentence. (c) Section 1402(d) of the Code is amended by striking out "and the term 'wages'", and striking out "AND WAGES" in the subsection heading.

TAX ON HEALTH SECURITY UNEARNED INCOME

SEC. 212. Section 1403 of the Internal Revenue Code of 1954 is redesignated as section 1404, and the following new section is inserted immediately after section 1402:

"Sec. 1403. TAX ON HEALTH SECURITY UNEARNED INCOME

"(a) Imposition of tax.—In addition to other taxes, there shall be imposed for each taxable year beginning on or after the effective date of health security taxes (as defined in section 3121(u)), on the income of every individual residing in the United States whose health security unearned income (as defined in subsection (b) of this section) for the taxable year is $400 or more, a tax equal to 2.5 percent of the amount of such health security unearned income for such taxable year.

"(b) Definition of health security unearned income.—The term 'health security unearned income' means an amount determined by deducting from the adjusted gross income of an individual for the taxable year any part of such income (whether from wages or any other source) in excess of the amount of the health security contribution base (as defined in section 3121(t)) for the calendar year in which such taxable year begins, and deducting from the remainder any part of the adjusted gross income which—

"(1) consists of wages taxable under section 3101(b), or

"(2) consists of self-employment income taxable under section 1401(b), or

"(3) consists of remuneration for services performed in the employ of the United States as President or Vice President of the United States or as a Member, Delegate, or Resident Commissioner of or to the Congress, or as a member of a uniformed service on active duty, or

"(4) consists of remuneration (not taxable under section 3101(b)) for service performed by an alien in the employ of a foreign government, an instrumentality of a foreign government, or an international organization, or

"(5) consists of payments excluded from wages taxable under section 3101(b) by reason of paragraphs (2) through (13) of section 3121(a) as incorporated in section 3121(r), or

"(6) in the case of a taxpayer who has attained the age of 60 years before or during the taxable year, consists of any other income in an amount not exceeding $5,000."

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 213. (a) The heading and table of contents of chapter 2 of subtitle A of the Internal Revenue Code of 1954 are amended to read as follows:

"CHAPTER 2—TAXES ON SELF-EMPLOYMENT INCOME AND HEALTH SECURITY UNEARNED INCOME

"Sec. 1401. Rates of tax on self-employment income.

"Sec. 1402. Definitions relating to self-employment income.

"Sec. 1403. Tax on health security unearned income.

"Sec. 1404. Miscellaneous provisions."

(b) Section 1401 of the Code, as amended by section 211(a) of this Act, is further amended by striking out the heading of the section and inserting in lieu thereof:

"Sec. 1401. RATES OF TAX ON SELF-EMPLOYMENT INCOME"

(c) Section 1404 of the Code (as redesignated by section 212 of this Act) is amended by striking out "Self-Employment Contributions Act of 1954" and inserting in lieu thereof, "Self-Employment and Health Security Contributions Act."

(d) Section 6015 of the Code (relating to declarations of estimated income by individuals) is amended by striking out in subsection (c)(2) "the amount of the self-employment tax imposed by chapter 2" and inserting in lieu thereof "the amount of the taxes imposed by chapter 2".

(e) Section 6017 of the Code is amended—

(1) by striking out the heading of the section and inserting in lieu thereof,

"Sec. 6107. SELF-EMPLOYMENT AND HEALTH SECURITY TAX RETURNS.";

(2) by inserting, immediately after the first sentence of the section, the following sentence: "Every individual residing in the United States and having health security unearned income of $400 or more for the taxable year shall make a return with respect to the health security unearned income tax imposed by chapter 2."; and

(3) by striking out "the tax" in the sentence immediately following the insertion made by paragraph (2) and inserting in lieu thereof "the taxes", and by inserting immediately before the period at the end of that sentence, "or on the separate health security unearned income of each spouse, as the case may be".

EFFECTIVE DATES OF PART B

SEC. 214. The amendments made by sections 211, 212, and section 213(d) and (e) (other than section 213(e)(1)) shall be effective with respect to taxable years beginning on or after the effective date of health security taxes (as defined by section 312(u) of the Internal Revenue Code of 1954, added by section 201(c) of this Act). The amendments made by section 213 (a), (b), (c), and (e)(1) shall be effective on such effective date.

PART C—INCOME TAX DEDUCTIONS FOR MEDICAL CARE

DENIAL OF DEDUCTIONS FOR SERVICES COVERED BY HEALTH SECURITY ACT

SEC. 221. (a) Section 213 of the Internal Revenue Code of 1954 (relating to income tax deductions by individuals for the cost of medical care) is amended—

(1) by inserting, immediately after the words "for medical care" in paragraph (1) of subsection (a), "(other than any amount paid for medical care covered by the Health Security Act)";

(2) by striking out, in subsections (e)(1)(C), "(including amounts paid as premiums under part B of Title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged)"; and

(3) by adding at the end of subsection (e) the following paragraph:

"(5) The term 'medical care covered by the Health Security Act' means health services for which the individual receiving medical care was entitled to have payment made under title I of the Health Security Act (or for which he would have been entitled to have payments made upon obtaining the services from a participating provider of services under such Act), including the costs of insurance against expenses incurred for any such services."

(b) Section 162 of such Code (relating to income tax deduction for trade or business expenses) is amended by redesignating subsection (f) as subsection (g), and inserting immediately after subsection (e) the following subsection:

"(f) No deduction shall be allowed for the cost of medical care covered by the Health Security Act (as defined in section 213(e)(5))."

(c) The amendments made by subsections (a) and (b) shall be applied with respect to medical care received on or after the effective date of health security benefits, as set forth in section 163 of the Health Security Act.

TITLE III—COMMISSION ON THE QUALITY OF HEALTH CARE

STATEMENT OF PURPOSE

SEC. 301. It is the purpose of this title to improve the quality of health care in the United States by establishing a Commission on the Quality of Health Care to develop parameters and standards for care of high quality, and to promote the application of such parameters and standards in assessing and enhancing the quality of care furnished under the Health Security Act.

AMENDMENT OF THE PUBLIC HEALTH SERVICE ACT

SEC. 302. The Public Health Service Act is amended by inserting after Title XVI the following new title:

"TITLE XVII—COMMISSION ON THE QUALITY OF HEALTH CARE

"ESTABLISHMENT OF THE COMMISSION

"SEC. 1701. (a) There is hereby established in the Department of Health, Education, and Welfare a Commission on the Quality of Health Care (hereinafter in this title referred to as the 'Commission'), consisting of eleven members to be appointed by the Secretary after consultation with the Health Security Board, which shall perform the functions set forth in sections 1702 and 1703.

"(b) The Commission shall consist of persons who are especially qualified by education and experience to perform the functions of the Commission, including seven persons who are representatives of providers of health services or representatives of nongovernmental organizations engaged in developing standards pertaining to the quality of health care, and four persons who are representatives of consumers of health care (who shall be persons not engaged in, and having no financial interest in, the furthering of health services). Each member shall hold office for a term of five years, except that (1) any member appointed to fill a vacancy occurring during the term for which his predecessor was appointed shall be appointed for the remainder of that term and (2) the terms of the members first taking office shall expire, as designated by the Secretary at the time of appointment, three at the end of the first year, two at the end of the second year, two at the end of the third year, and two at the end of the fourth year after the appointment and qualification of at least six members of the Commission. A majority of the members who have been appointed and qualified shall constitute a quorum for the transaction of business.

"(c) The Secretary shall designate one of the members of the Commission to serve, at

the will of the Secretary, as Chairman of the Commission.

"(d) Subject to general policies established by the Secretary, and to the availability of funds, the Commission is authorized to employ such personnel as it finds necessary, including experts and consultants employed in accordance with section 3109 of title 5, United States Code, and to appoint one or more advisory committees (including a committee on the preparation and analysis of statistics) which may include officers or employees of the United States or of State or local governments. Members of committees who are not otherwise in the full-time employ of the United States, and experts and consultants employed pursuant to this subsection, while serving on business of the Commission (inclusive of travel time), shall receive compensation at rates fixed by the Commission, but not in excess of the daily rate paid under GS–18 of the General Schedule under section 5332 of title 5, United States Code; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"FUNCTIONS OF THE COMMISSION

"Sec. 1702. (a) The primary responsibility of the Commission shall be the initiation and continuing development of methods of assessing the quality of health care furnished under the Health Security Act and methods of utilizing such assessments for the maintenance and improvement of quality, and the submission to the Secretary and the Health Security Board of its findings and recommendations. In discharging this responsibility the Commission shall—

"(1) undertake the systematization and nationwide collection of data bearing on (A) the qualification of health personnel and the adequacy of health facilities to furnish care of high quality, (B) the patterns of medical and other health practice in actual episodes of care, (C) the patterns of utilization of the components of the health care systems, and (D) the health of patients during and at the conclusion of episodes of health care, and the relation of the foregoing elements of health care thereto;

"(2) develop from such data (on a national or regional basis, for particular population groups, or otherwise, as the Commission may deem most useful) statistical norms and ranges with respect to aspects of health care which are comprised by each of the four elements listed in paragraph (1);

"(3) develop, on the basis of these norms and ranges, such standards (together with acceptable deviations therefrom) as will afford useful gages of the quality of care and useful instruments for the control and improvement of quality; and

"(4) make recommendations to the Secretary and the Health Securtiy Board for the use of standards developed under paragraph (3) in the exercise by the Board of its authority under title I, part H, of the Health Security Act, or for their use in the development of recommendations to the Congress for amendment of the Health Security Act.

"In carrying out its duties under this subsection, the Commission shall emphasize, and give first consideration to, care furnished for those illnesses and conditions which have relatively high incidence in the population and which are relatively amenable to medical or other care.

"(b) The Commission shall, through its staff or by contract (or both), conduct a program of research with the objectives of—

"(1) improving the technology of assessing the quality of health care, with regard for both the service input and the end result of such care;

"(2) comparing the quality of health care furnished under different systems of delivery and methods of payment;

"(3) analyzing the effects of consumer health education, and of utilization of preventive health services;

"(4) continuing the studies made by the Secretary's Commission on Medical Malpractice, and appraising the effect of measures taken by the Health Security Board pursuant to section 146 of the Health Security Act; and

"(5) obtaining other information which the Commission believes will be useful in effectuating the purpose of this title and of title I, part H, of the Health Security Act.

"(c) The Commission is authorized to provide technical assistance to participating providers of health services under title I of the Health Security Act (1) in furnishing to the Health Security Board information required for purposes of the Commission, and (2) in developing and carrying out programs of quality control.

"ADVICE TO HEALTH SECURITY BOARD PENDING DEVELOPMENT OF STANDARDS

"Sec. 1703. Pending the development of standards and recommendations pursuant to section 1702(a), the Commission shall, both before and after the effective date of health benefits under title I of the Health Security Act, on the basis of such knowledge as is available from time to time, furnish advice and recommendations to the Health Security Board on the issuance of regulations under part H of such title.

"Sec. 1704. The Secretary is authorized to establish on the staff of the Commission, and to fix compensation for, not more than twenty-five positions in the professional, scientific and executive service, each such position being established to effectuate those research and development activities of the Commission which require the services of specially qualified scientific, professional and administrative personnel. The rates of compensation for positions established pursuant to the provisions of this subsection shall not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, nor more than the highest rate of grade 18 of the General Schedule of such Act; and the rates of compensation for all such positions shall be subject to the approval of the Civil Service Commission. Positions created pursuant to this subsection shall be included in the classified civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proposed appointee's qualifications by the Civil Service Commission or such officers or agents as it may designate for this purpose."

TITLE IV—REPEAL OR AMENDMENT OF OTHER ACTS

REPEAL OF MEDICARE AND FEDERAL EMPLOYEE HEALTH BENEFIT STATUTES

Sec. 401. (a) Effective on the effective date of health security benefits (set forth in section 163)—

(1) Title XVIII of the Social Security Act, except section 1817 thereof, is repealed.

(2) The Act of September 28, 1959 (5 U.S.C., chap. 89), and Public Law 86–724 are repealed.

(b) Subsection (a) shall not affect any right or obligation arising out of any matter occurring before the effective date of health security benefits or any administrative or judicial proceeding (whether or not initiated before that date) for the adjudication or enforcement of any such right or obligation.

MEDICAID STATUTE

Sec. 402. After the effective date of health security benefits no State (as defined in section 1101(a)(1) of the Social Security Act) shall be required, as a condition of approval of its State plan under title XIX of that Act, to furnish any service which constitutes a covered service under title I of this Act, and any amount expended for the furnishing of any such service to a person eligible for services under title I of this Act shall be disregarded in determining the amount of any payment to a State under such title XIX. The Secretary of Health, Education, and Welfare shall by regulation prescribe the minimum scope of services required (in lieu of the requirements of section 1902(a)(13) of the Social Security Act) as a condition of approval, after the effective date of health security benefits, of a State plan under such title XIX. Such minimum scope of services shall, to the extent the Secretary finds practicable, supplement the benefits available under title I of this Act, including supplementation with respect to the duration of skilled nursing home services during the benefit period and with respect to the furnishing of dental services and of drugs (appearing on the list established under section 25(b) of this Act) to persons not entitled to such services, or not entitled to such drugs, under title I of this Act.

VOCATIONAL REHABILITATION ACT; MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES

Sec. 403. Funds made available under the Vocational Rehabilitation Act or under Title V of the Social Security Act shall not be used, after the effective date of health security benefits, to pay for personal health services available under title I of this Act, but they may, in accordance with regulations of the Secretary of Health, Education, and Welfare, be used (a) to pay for institutional services which are either more extensive or more intensive than the services recognized in institutional budgets approved under title I of this Act, or (b) to pay for special medical or other procedures peculiar to vocational rehabilitation, or peculiar to the correction or amelioration of defects or chronic conditions of crippled children, as the case may be.

AMENDMENT OF SECTION 1122 OF THE SOCIAL SECURITY ACT

Sec. 404. (a) Section 1122 of the Social Security Act is amended—

(1) by striking out the words "titles V, XVIII, and XIX" whenever they appear in the section and inserting in lieu thereof "titles V and XIX of this Act and title I of the Health Security Act", and striking out "title V, XVIII or XIX" in subsection (d)(2) and inserting in lieu thereof "title V or XIX of this Act or title I of the Health Security Act";

(2) by striking out the words "in determining the Federal payments" wherever they appear in subsections (d)(1) and (e) and inserting in lieu thereof "for the purpose of determining the Federal payments";

(3) by striking out in subsection (d)(1) "not include any amount" and "exclude an amount" and inserting in lieu thereof, respectively, "not include, and shall direct the Health Security Board not to include, any amount" and "exclude, and shall direct the Health Security Board to exclude, an amount";

(4) by striking out in subsection (i)(2) "the Health Insurance Benefits Advisory Council" and insert in lieu thereof "the National Health Security Advisory Council".

(b) The amendments made by subsection (a) shall be effective upon the effective date of health security benefits except that prior to that date the Secretary of Health, Education, and Welfare may issue to the Health Security Board directions for reductions in payments to be made on and after the effective date.

REPEAL OF TITLE XI, PART B, OF THE SOCIAL SECURITY ACT

Sec. 405. Part B of title XI of the Social Security Act (relating to Professional Standards Review), and section 249F of the Social Security Amendments of 1972 (which added that part to the Act) are repealed, effective on the effective date of health security benefits.

TRANSFER AND AMENDMENT OF SECTION 1817, AND AMENDMENT OF SECTION 201(g), OF THE SOCIAL SECURITY ACT

SEC. 406. (a) Section 1817 of the Social Security Act (creating the Federal Hospital Insurance Trust Fund and appropriating to the fund the proceeds of the hospital insurance payroll taxes and the hospital insurance self-employment tax) is redesignated as section 61 and is transferred to this Act, to appear under the heading "HEALTH SECURITY TRUST FUND" as the first section of part D of title I; and is amended—

(1) by striking out the section heading, and by striking out the name of the trust fund appearing in subsection (a) and inserting in lieu thereof, "Health Security Trust Fund";

(2) by striking out paragraph (2) of subsection (a) (appropriating to the Trust Fund the proceeds of the self-employment tax for hospital insurance) and inserting in lieu thereof:

"(2) the taxes imposed by section 1401(b) of the Internal Revenue Code of 1954 with respect to self-employment income, and by section 1403 of the Code with respect to unearned income, reported to the Secretary of the Treasury or his delegate on tax returns under subtitle F of such Code."

(3) by striking out subsections (g) and (h), and inserting in lieu thereof:

"(g) On the effective date of health benefits, there shall be transferred to the Trust Fund all of the assets and liabilities of the Federal Supplementary Medical Insurance Trust Fund. The Health Security Trust Fund shall remain subject to the liabilities of the Federal Hospital Insurance Trust Fund existing immeditaely prior to such effective date.

"(h) In addition to the sums appropriated by subsection (a), there are authorized to be appropriated to the Trust Fund from time to time, out of any moneys in the Treasury not otherwise appropriated, a Governmental contribution equal to 100 per centum of the sums appropriated by subsection (a). There shall be deposited in the Trust Fund all recoveries of overpayments, and all receipts under loans or other agreements entered into, under this title.

"(i) The managing trustee shall pay from time to time from the Trust Fund such amounts as the Board certifies are necessary to make payments provided for by this title, and the payments with respect to administrative expenses in accordance with section 201(g) of the Social Security Act."

(b) Section 201(g) of the Social Security Act (providing for annual authorization by the Congress of payment, from the respective trust funds, of the cost of administering the several national systems of social insurance) is amended—

(1) by striking out in paragraph (1)(A) "the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund" and inserting in lieu thereof: "the Health Security Trust Fund";

(2) by striking out the words "title XVIII" wherever they appear in the subsection and inserting in lieu thereof: "title I of the Health Security Act"; and

(3) by striking out the words "for which the Secretary of Health, Education, and Welfare is responsible" wherever they appear in paragraph (1)(A), and inserting in lieu thereof, "for which the Secretary of Health, Education, and Welfare and the Health Security Board are responsible".

(c) All references to the Federal Hospital Insurance Trust Fund or the Federal Supplementary Medical Insurance Trust Fund, appearing in any Act other than this Act or the Social Security Act, shall be deemed to refer to the Health Security Trust Fund.

(d) For the effective date of subsections (a) and (b), see section 163. Subsection (c) shall be effective on and after the effective date of health benefits.

AMENDMENTS OF TITLE XV OF THE PUBLIC HEALTH SERVICE ACT

SEC. 407. (a) Section 1501(a) of the Public Health Service Act is amended by striking out "within eighteen months" and inserting in lieu thereof "within twelve months".

(b) Section 1501(b) of such Act is amended by adding after paragraph (2) thereof the following sentence:

"Such guidelines shall emphasize the need for prompt action to enable providers of health services better to meet the demands upon them when benefits under title I of the Health Security Act become available."

(c) Section 1503(b) of such Act is amended by striking out "and the Assistant Secretary for Health of the Department of Health, Education, and Welfare" and inserting in lieu thereof, "the Under Secretary for Health and Science of the Department of Health, Education, and Welfare and the Chairman of the Health Security Board".

(d) Section 1513(d) of such Act is amended by striking out paragraph (1) thereof and redesignating paragraphs (2), (3) and (4) as paragraphs (1), (2) and (3), respectively.

(e)(1) Section 1513(e)(1) of such Act is amended by inserting immediately after "1970", a comma and the following: "or made available under part F of title I of the Health Security Act,".

(2) Section 1513(e)(2) of such Act is amended by striking out "the Secretary" in the first and second sentences thereof, and inserting in lieu thereof in each instance "the Secretary or the Health Security Board"; by striking out "he" in the second sentence and inserting "the Secretary" in lieu thereof; and by inserting after "may make" in the fourth sentence "(or authorize the Health Security Board to make)".

(f) Section 1526 of such Act is repealed.

SALARY LEVELS

SEC. 408. (a) Section 5313, title 5, United States Code (relating to executive pay rates for positions at level II) is amended by adding at the end thereof the following new clause:

"(23) Deputy Secretary of Health, Education and Welfare."

(b) Section 5314, title 5, United States Code (relating to executive pay rates for positions at level III) is amended by striking out clause (7) and inserting in lieu thereof:

"(7) Under Secretary for Health and Science, Department of Health, Education, and Welfare."; and by adding at the end thereof the following new clause:

"(61) Chairman, Health Security Board, Department of Health, Education, and Welfare."

(c) Section 5315, title 5, United States Code (relating to executive pay rates for positions at level IV), is amended by adding at the end thereof the following new clauses:

"(105) Members (other than the Chairman), Health Security Board, Department of Health, Education, and Welfare (4)."

"(106) Members, Commission on the Quality of Health Care, Department of Health, Education, and Welfare (11)."

(d) Section 5316, title 5, United States Code (relating to executive pay rates for positions at level V) is amended by adding at the end thereof the following new clause:

"(137) Executive Director, Health Security Board, Department of Health, Education, and Welfare."

AMENDMENT OF BUDGET AND ACCOUNTING ACT

SEC. 409. (a) Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by striking out "The Budget" in the second sentence of subsection (a) and inserting in lieu thereof "Except as provided in subsection (d), the Budget"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Budget shall set forth the items referred to in paragraphs (4), (5), (6), (7), (8), (9), and (12) of subsection (a) which are attributable to receipts of and expenditures from the Health Security Trust Fund, and shall set forth separately such items (commonly referred to as the 'administrative budget') attributable to all other operations of the Government."

(b) The amendments made by subsection (a) shall be effective with respect to the fiscal year beginning in the first calendar year after the calendar year in which this Act is enacted, and to all subsequent fiscal years.

TITLE V—STUDIES RELATED TO HEALTH SECURITY

STUDY OF THE PROVISION OF HEALTH SECURITY BENEFITS TO UNITED STATES CITIZENS IN OTHER COUNTRIES

SEC. 501. The Secretary of Health, Education, and Welfare, in consultation with the Secretary of State and the Secretary of the Treasury, shall study (a) the practicability and the means of making prepaid health services (or prepaid indemnification for the cost of health services) available, more widely than can be done under section 12 of this Act, to citizens of the United States who are resident in other countries or are temporarily visiting such countries, by supplementing the authority for reciprocal arrangements under section 12 with authority for payments from the Health Security Trust Fund, and (b) means of equitably financing such services (or indemnification) through the extension of health security taxes; and not later than five years after the enactment of this Act shall report to the Congress his findings and recommendations.

STUDY OF COORDINATION WITH OTHER FEDERAL HEALTH BENEFIT PROGRAMS

SEC. 502. (a) The Secretary of Health, Education, and Welfare shall conduct studies of the most satisfactory means of coordinating the program for the health care of merchant seamen, the program for the health care of Indians and Alaskan natives, or both, with the system of health security benefits created by this Act; the Administrator of Veterans' Affairs and the Secretary shall conduct a joint study of the most satisfactory means of coordinating with that system some or all of the programs for the health care of veterans; and the Secretary of Defense and the Secretary of Health, Education, and Welfare shall conduct a like joint study with respect to the program of health benefits furnished by civilian facilities and personnel to dependents of members of the Armed Forces. Reports of these studies, and legislative recommendations to achieve improved coordination, shall be submitted to the Congress not later than three years after the enactment of this Act.

(b) In conducting the studies required by this section, the Secretaries and the Administrator, as appropriate, shall consult with representatives of the respective beneficiary groups, and shall include in their reports to the Congress summaries of the views of such representatives.

GENERAL PROVISIONS

SEC. 503. (a) There are hereby authorized to be appropriated such sums as may be necessary for the conduct of the studies authorized by this title.

(b) In conducting such studies the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans' Affairs are each authorized (1) to appoint such experts and consultants (employed in accordance with section 3109 of title

5, United States Code) and such advisory committees as they may deem necessary; and (2) to enter into contracts with public or private agencies or organizations for the collection of information, the conduct of research, or other purposes related to the respective studies. Experts and consultants and members of advisory committees appointed under this subsection, while serving on business related to the studies (inclusive of travel-time), shall receive compensation at rates not in excess of the daily rate paid under GS–18 of the General Schedule under Section 5332 of title 5, United States Code; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

JOINT REFERRAL OF A BILL—S. 70

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 70, relating to the Homebuyers Assistance Act, which was referred yesterday to the Committee on Banking, Housing and Urban Affairs, be jointly referred to that committee and the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SENATORS TO PROCEED IN A BODY TO THE HOUSE OF REPRESENTATIVES AT 8:40 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at no later than 8:40 p.m. tomorrow, the Senators proceed in a body to the Hall of the House of Representatives to hear the President of the United States deliver his state of the Union message.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will meet at 8 o'clock p.m. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business not to extend beyond the hour of 8:30 p.m., with statements therein limited to 2 minutes each. Senators may introduce bills, statements into the RECORD, and petitions and memorials, but as of now I know of no business that will be transacted. Certainly no rollcall votes will occur.

At the hour of 8:40 p.m. the Senators will move in a body to the Hall of the House of Representatives to hear the address by the President of the United States on the State of the Union. Following that address, the Senate will stand in adjournment until the hour of 12 o'clock noon on Friday.

RECESS UNTIL 8 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 8 o'clock tomorrow evening.

The motion was agreed; and at 3:55 p.m. the Senate recessed until tomorrow, January 12, 1977, at 8 p.m.

NOMINATIONS

Executive nominations received by the Senate January 11, 1977;

SECURITIES INVESTOR PROTECTION CORPORATION

The following-named persons to be directors of the Securities Investor Protection Corporation for the terms indicated:

For a term expiring December 31, 1977:

F. Barton Harvey, Jr., of Maryland, vice Henry W. Meers, term expired.

For a term expiring December 31, 1978:

J. W. Van Gorkom, of Illinois (reappointment).

H. C. Piper, Jr., of Minnesota, vice Glenn E. Anderson, term expired.

FEDERAL INSURANCE ADMINISTRATOR

J. Robert Hunter, of Virginia, to be Federal Insurance Administrator, Department of Housing and Urban Development (new position).

IN THE NAVY

Vice Adm. Marmaduke G. Bayne, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. Bernard B. Forbes, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

HOUSE OF REPRESENTATIVES—*Tuesday, January 11, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,
Washington, D.C., January 11, 1977.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Dr. John A. Wood, pastor, First Baptist Church of Paducah, Ky., offered the following prayer:

Heavenly Father, we pray for each Member of this body, its officers, and all who share in its labors. Make us responsive to the opportunities of serving our country and mankind. May each Member put his heart into his work, that the work may get into each Member's heart.

We pray for this session. Make this a sacred moment, a moment when men are aware of their need of God. A moment when answers come and guidance is given. We know that a different world cannot be built by indifferent leaders. Refresh us with Thy spirit to quicken our thinking and make us sensitive to Thy will. May the faith stamped on our coins be expressed in our lives. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

DR. JOHN A. WOOD

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it is indeed a pleasure to have with me in the Chamber today as our guest minister to give the invocation, a longtime friend, Dr. John Wood, pastor of the First Baptist Church of Paducah, Ky.

This native Texan, who has previously declined opportunities to serve as pastor of some of the largest Baptist churches in the United States, continues in his 13th year as the effective minister of the Paducah church. The church of which Dr. Wood is pastor has the largest membership of any church in my congressional district, is among the most beautiful church buildings in the Nation, and their ministry includes televising their Sunday morning service into four States over station KFVS, Cape Girardeau, Mo.

Dr. Wood is a graduate of Baylor University in Waco, Tex., and the Southern Baptist Theological Seminary of Louisville, Ky. His degrees include a doctor of ministry degree at Southern Baptist Theological Seminary, which he earned, and the degree was awarded him in 1976. He is a past president of the Kentucky Baptist Convention.

Again, it is a personal joy to have Dr. Wood and his son Alex with me today.

PROPOSED DESIGNATION OF VA HOSPITAL IN TAMPA AS THE JAMES A. HALEY VA HOSPITAL

(Mr. IRELAND asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, today I am introducing a bill to designate the Veterans' Administration hospital in Tampa, Fla., as the James A. Haley Veterans' Hospital. Jim Haley, who retired January 3, represented Florida's Eighth Congressional District the past 24 years. During all of those years, he championed the rights of veterans and his dedicated service is recognized nationwide. I am sure the Congress will agree with me that this honor will be a proper and fitting tribute to this distinguished American who served the Nation so well.

I am happy to state that the entire Florida House delegation has joined me in cosponsoring this bill. We will, of course, be happy to have other friends of Jim Haley join as cosponsors of this legislation for deserved recognition of a job well done.

I am providing details of Mr. Haley's service, with particular reference to his contributions to veterans' legislation, at another point in the body of the RECORD, and I request unamimous consent that those who desire to do so may join in revising and extending their remarks at that point in the RECORD.

PROPOSED DESIGNATION OF VA HOSPITAL IN TAMPA AS THE JAMES A. HALEY VA HOSPITAL

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, I am very pleased that the first bill of our colleague from Florida, the Honorable ANDY IRELAND, has chosen as his first legislative effort to introduce legislation honoring our former colleague, his predecessor, a great Congressman, Jim Haley. The bill would designate the Veterans' Administration Hospital in Tampa, Fla., as the James A. Haley Veterans' Hospital. I sponsored this proposal last year and, although it was approved in the House, the Senate failed to complete action on the measure before the 94th Congress adjourned. The entire Florida House delegation cosponsored this bill last year and again this year.

Now, let me take a moment to express my great pleasure at the responsible manner in which ANDY IRELAND has assumed the important work of a Member of Congress. He has clearly demonstrated leadership capability and a faculty for working cooperatively with other members of our delegation and of the Congress. I am convinced that he will quickly establish himself as one of the new and progressive young leaders in the House.

The honor which is proposed for our former colleague, Jim Haley, will be a proper and fitting tribute for a man who championed the rights of veterans all the years he was in the Congress. Through his tireless efforts and years of dedicated service on the Veterans' Affairs Committee, the veteran population throughout the Nation now has access to greatly improved medical programs and significantly expanded hospital facilities.

Prior to Mr. Haley's service in Washington, he was an outstanding member of the Florida Legislature and his leadership talents there also were directed in considerable measure to legislation benefiting veterans and their families.

When Mr. Haley came to Congress in 1953, he was assigned to the House Committee on Interior and Insular Affairs and the Committee on House Administration. In 1955, he accepted an assignment to the House Committee on Veterans' Affairs. As a veteran, he had a deep and sincere interest in all veterans and their dependents. As a Floridian, he felt that Florida's rapidly growing veteran population should have representation on a committee which is so very important to his State. He served on the Hospitals Subcommittee for 18 years and was chairman of the subcommittee the last 8 years. This subcommittee has oversight over the 166 VA hospitals and the entire VA medical program throughout the United States.

After becoming chairman of the Interior and Insular Affairs Committee in 1973, Mr. Haley relinquished his seat on the Veterans' Affairs Committee. His new responsibilities would leave him but little time for any other committee assignment and, in his characteristic unselfish way, he wanted to provide an opportunity for another Member with fewer responsibilities to devote more time to the needs of the Nation's veterans.

During his service on the Hospitals Subcommittee, Mr. Haley helped bring about the construction of three new Florida Veterans' Administration hospitals—Gainesville, Miami, and Tampa—and the modernization of the VA hospital facilities at Lake City and Bay Pines. During this same period, Florida's VA hospital beds were increased from 1,353 to 3,501. Congressman Haley's work nationwide was equally important. He helped to build needed hospitals and to improve veteran facilities in other areas, and he was instrumental in preventing the closing of VA hospitals and regional offices in areas where he considered their contributions essential.

In short, Mr. Speaker, Jim Haley fully deserves this recognition. His many years of hard work and concentrated efforts on behalf of all veterans has earned their respect and admiration. I am very hopeful that the Veterans' Affairs Committee will quickly favorably report this proposal to bestow the name of a very distinguished Floridian on a needed veterans' hospital as proper recognition for his long years of service to America's veterans and their families. I am confident the bill will again receive the approval of the House and hopefully the Senate will concur. I know that all of you join me in wanting Jim Haley to be able to smell the flowers he so richly deserves.

Mr. FREY. Mr. Speaker, due to the preadjournment rush, the Senate was unable to act on a bill to name the Veterans' Administration hospital in Tampa, Fla., the "James A. Haley Veterans Administration Hospital." Congressman ANDY IRELAND who now represents Jim Haley's district, is today introducing this measure to honor a gentleman who was instrumental in modernizing two veteran facilities in Florida and helped to bring about the construction of three VA hospitals in Florida.

A hard worker for all veterans, this measure is a most fitting tribute to former Congressman James A. Haley. I hope all my colleagues will join me in supporting its passage.

GENERAL LEAVE

Mr. IRELAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of designating the veterans hospital in Tampa, Fla., the James A. Haley Veterans Hospital.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

NATIONAL PARK SYSTEM WILDERNESS

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEBELIUS. Mr. Speaker, I am today introducing 27 individual bills, each of which proposes the designation of wilderness at a particular unit of the national park system. These bills represent the recommendations which have come from the studies conducted by the National Park Service as required by the Wilderness Act of 1964. All of these bills and 13 others were introduced by me in the 94th Congress. The 13 others were enacted into law in modified form by the 94th Congress. Hence, I am reintroducing these remaining 27 bills with the hope and expectation that many, if not most, of these can be acted on by the 95th Congress.

I recognize that each of these bills involves matters of consideration of other Members in whose congressional district these wilderness proposals are located. I introduce these bills without knowledge of the position of the affected Members, and I take no advocacy position on any of these bills by virtue of my introduction of them. However, as the ranking minority member of the Interior Committee's Subcommittee on National Parks and Recreation during the last Congress, I was quite interested and involved in the consideration of wilderness legislation. I introduce these bills again today for the principal purpose of bringing this backlog of wilderness legislation back before the committee for its consideration. I would hope and urge that prompt action might be taken on these bills as a priority item this year.

FULL OPPORTUNITY FOR DEBATE NEEDED ON REESTABLISHING COMMITTEE ON ASSASSINATIONS

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, it is my

information that the majority leadership has decided to pull from today's Suspension Calendar the resolution which would recreate the Select Committee on Assassinations.

I am further informed that this resolution will be referred to the Committee on Rules which will be reconstituted. I hope that full hearings will be held before that body prior to that resolution being brought to the floor. Further, when the resolution does come to the floor, I hope that all Members are given a chance to not only debate the merits of this committee and its continuation, but the opportunity to offer amendments so that the committee is circumscribed in the scope of its investigations and also the activities of its staff.

Those of us who supported the creation of the committee originally are not necessarily opposed to the idea of such an investigation but we definitely want the integrity of the House of Representatives to be upheld. I believe that the withdrawal of this resolution today is one small step in that direction.

ELECTION OF DEMOCRATIC MEMBERS OF COMMITTEE ON THE BUDGET

Mr. FOLEY. Mr. Speaker, as Chairman of the Democratic Caucus, and by direction of the Democratic Caucus, I offer a privileged resolution, House Resolution 95, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 95

Resolved, That the following-named Members be, and they are hereby, elected to the Committee on the Budget: Robert N. Giaimo (chairman), Connecticut; Jim Wright, Texas; Thomas L. Ashley, Ohio; Robert L. Leggett, California; Parren J. Mitchell, Maryland; Omar Burleson, Texas; Louis Stokes, Ohio; Elizabeth Holtzman, New York; Butler Derrick, South Carolina; Otis G. Pike, New York; Donald M. Fraser, Minnesota; David R. Obey, Wisconsin; William Lehman, Florida; Paul Simon, Illinois; Norman Y. Mineta, California; Joseph L. Fisher, Virginia; Jim Mattox, Texas.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF REPUBLICAN MEMBERS OF COMMITTEE ON THE BUDGET

Mr. DEVINE. Mr. Speaker, I offer a privileged resolution, House Resolution 96, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 96

Resolved, That the following-named Members be, and are hereby elected members of the House Committee on the Budget: Delbert L. Latta, James T. Broyhill, Barber B. Conable, Jr., Marjorie S. Holt, John H. Rousselot, John J. Duncan, Clair W. Burgener, and Ralph S. Regula.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SECOND REPORT OF UNITED STATES SINAI SUPPORT MISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–41)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to transmit herewith the Second Report of the United States Sinai Support Mission. This report, following that which I forwarded on April 30, 1976, describes the manner in which the Mission is carrying out its responsibility for operating the early warning system in the Sinai, as specified in the Basic Agreement between Egypt and Israel and its Annex signed on September 4, 1975. This report is provided to the Congress in conformity with Section 4 of Public Law 94–110 of October 13, 1975.

The Report includes a summary of the operations of the early warning system since its inauguration on February 22, 1976, and a description of the Mission's permanent base camp facilities which were officially dedicated on July 4.

With the completion of major construction activity, it has been possible to reduce somewhat the number of Americans working in the Sinai in accordance with the wishes of the Congress. The United States Sinai Support Mission will continue to analyze carefully all aspects of the Sinai operation to identify ways whereby the numbers might be further reduced.

The proposal to establish an American-manned early warning system in the Sinai was made at the request of the Governments of Egypt and Israel. With the concurrence of the Congress, we accepted this undertaking because the United States strongly seeks the achievement of peace and stability in the Middle East.

The United States Sinai Support Mission plays an important role in support of the Basic Agreement. Both sides have recently reaffirmed their confidence in the manner in which the United States has been carrying out its responsibilities in the Sinai, and as long as it continues to enjoy this support, the United States role will represent a meaningful contribution to the prospects for attaining a just and lasting peace in the Middle East.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

REPORT OF OFFICE OF ALIEN PROPERTY FOR FISCAL YEAR ENDED JUNE 30, 1975—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations:

To the Congress of the United States:

I herewith transmit the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1975, in accordance with section 6 of the Trading with the Enemy Act.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 6(e) of rule XV, the Chair cannot entertain a point of order of no quorum at this time.

Under that rule the Chair does, however, recognize the gentleman from California (Mr. DANIELSON) to move a call of the House at this time.

Mr. DANIELSON. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 5]

Adams	Foley	Shipley
Allen	Ford, Tenn.	Snyder
Anderson, Ill.	Fraser	Staggers
Andrews, N.C.	Frey	Stanton
Armstrong	Giaimo	Stark
Bergland	Gibbons	Teague
Bingham	Heckler	Traxler
Broyhill	Hillis	Udall
Burton, John	Jeffords	Ullman
Byron	Lundine	Van Deerlin
Cleveland	McEwen	Walsh
Dent	Moss	Watkins
Dicks	Railsback	Weaver
Diggs	Rhodes	White
Dornan	Roberts	Wydler
Eckhardt	Rogers	Young, Ga.
Erlenborn	Ruppe	
Florio	St Germain	

The SPEAKER pro tempore. On this rollcall 382 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EIGHTH QUARTERLY REPORT OF COUNCIL ON WAGE AND PRICE STABILITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs:

To the Congress of the United States:

In accordance with section 5 of the Council on Wage and Price Stability Act, as amended, I hereby transmit to the Congress the eighth quarterly report of the Council on Wage and Price Stability. This report contains a description of the Council activities during the third quarter of 1976 in monitoring both prices and wages in the private sector and various Federal Government activities that lead to higher costs and prices without creating commensurate benefits. It

discusses in some detail the Council's study of collective bargaining negotiations for 1976, health costs, aluminum prices, and chlorine, caustic soda prices as well as its filings before various Federal regulatory agencies.

During the remainder of 1976, the Council on Wage and Price Stability will continue to play an important role in supplementing fiscal and monetary policies by calling public attention to wage and price developments or actions by the Government that could be of concern to American consumers.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

PROVIDING FOR ESTABLISHMENT OF A SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Rules be discharged from further consideration of the resolution (H. Res. 77) providing for the establishment of a Select Committee on Narcotics Abuse and Control, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 77

Resolved, That (a)(1) there hereby is established in the House of Representatives a select committee to be known as the Select Committee on Narcotics Abuse and Control (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of eighteen Members of the House.

(2) Members of the select committee shall be appointed by the Speaker of the House. One member of the select committee shall be designated by the Speaker to serve as chairman of the select committee.

(3) At least one member of the select committee shall be chosen from each of the following committees of the House: The Committee on Armed Services, the Committee on Government Operations, the Committee on International Relations, the Committee on Interstate and Foreign Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and the Committee on Ways and Means.

(4) Any vacancy occurring in the membership of the select committee shall be filled in the same manner as the original appointment.

(b) The chairman of the select committee may establish such subcommittees of the select committee as he considers appropriate. Any such subcommittee shall be composed of not less than four members of the select committee.

SEC. 2. The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing comprehensive study and review of the problems of narcotics abuse and control, including, but not limited to, international trafficking, enforcement, prevention, narcotics-related violations of the Internal Revenue Code of 1954, international treaties, organized crime, drug abuse in the Armed Forces of the United States, treatment and rehabilitation, and the approach of the criminal justice system with respect to narcotics law violations and crimes related to drug abuse; and

(2) to review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting narcotics abuse or control.

SEC. 3. (a) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee, may sit and act at such times and places as it considers appropriate whether the House is sitting, has recessed, or has adjourned.

(b) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee to hold hearings, may hold such hearings, and may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it considers necessary. Subpenas may be issued under the signature of the chairman of the select committee or any member of the select committee designated by him, and may be served by any person designated by such chairman or member.

(c) A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may designate a lesser number as a quorum for the purpose of taking testimony. The chairman of the select committee, or any member of the select committee designated by him, may administer oaths or affirmations to any witness.

(d) The select committee and any subcommittee thereof and its staff may conduct field investigations or inspections. Members and staff of the select committee may engage in such travel as may be necessary to conduct investigations relating to the purpose of this resolution.

SEC. 4. The select committee may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee or any subcommittee thereof held in the District of Columbia.

SEC. 5. The provisions of clause 2(g)(1) of rule XI of the rules of the House shall apply to the select committee.

SEC. 6. (a) The select committee shall report to the House with respect to the results of any investigation conducted by the select committee, or any subcommittee thereof, under section 3(d).

(b) The select committee shall submit an annual report to the House which shall include a summary of the activities of the select committee during the calendar year to which such report applies.

(c) Any report of the select committee under this section which is submitted during a period in which the House is not in session shall be filed with the Clerk of the House.

Mr. BRADEMAS (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILMAN. Mr. Speaker, I rise in support of the proposal offered by my esteemed colleague, the gentleman from New York (Mr. WOLFF) which calls for the continuation of the House Select Committee on Narcotics Abuse and Control. This committee received a mandate from the Members of the House last year when the measure introduced by Mr. WOLFF, House Resolution 1350, passed the House by a vote of 361 to 10 last July. The bill, which had over 200 cosponsors, created the Narcotics Select Committee, which, to date, has conducted several extensive, informative hearings in Washington and New York, and which has been instrumental in the dissemination and publication of material which focuses the attention on the need for stricter, more responsible regulation of drug trafficking and abuse.

The members of the select committee have garnered many salient facts about the national and international narcotics problem in the brief months of the committee's existence, but there is still so much more which must be done. The need for cooperation and coordination within the many Government agencies presently involved in narcotics control has been attested to in testimony delivered by many outstanding witnesses from various Federal and State agencies and departments: the CIA, the Department of State, the League of Cities, the U.S. Justice Department, DEA, the office of New York's special narcotics prosecutor, and many others who have given their time, expertise, and assistance to the members of this committee.

It is urgent that this committee receive the same kind of mandate that was given last July. The narcotics problem in our Nation has reached crisis proportions. The severity of the problem grows every day. This committee was envisioned by the House as a tool which would be used to pry open sources of information which would shed light on the reasons why America's present narcotics effort has, to a large extent, been ineffective in the widescale war on drugs. The recommendations and conclusions of this House select committee will prove, I believe, invaluable to the Members of Congress, and to the entire Nation which is so directly affected by the rampant abuse of narcotics in our society.

I urge my colleagues to join in support of the gentleman's recommendation that the life of this House select committee be further extended.

Mr. AMBRO. Mr. Speaker, today the House is discussing a resolution to reconstitute the Select Committee on Narcotics Abuse and Control. While I would have liked to engage in a dialog on certain aspects of the select committee's activities, the unanimous consent parliamentary procedure makes this a difficult task. However, I would like to bring to my colleagues' attention a situation in La Paz, Bolivia, which bears on U.S. efforts to control drug trafficking.

I might preface my remarks by saying that certainly no one has any quarrel with the objectives of eliminating drug trafficking. However, when these objectives are implemented by government departments, agencies and officials, both foreign and U.S., the spirit and intent of Congress in the enacting legislation are often distorted.

For example, if it is incumbent upon a foreign country to cooperate in the U.S. drug control efforts in order to continue to receive foreign aid moneys, a country might merely arrest a group of

Americans to establish a record, so to speak, saying in effect that the arrests are tangible evidence of their cooperative efforts. Such an aberration appears to be taking place in Bolivia. The situation is exacerbated when corruption is rife with respect to drug traffic among Bolivian officials who have political influence and protection and, in order to placate loud voices in Congress and the United States, they arrest young people from the United States to give the perception of complying with U.S. desires.

In short, the Bolivian narcotics law promulgated 3 years ago—some say at U.S. Drug Enforcement Administration initiation and insistence—is a bad law. This is openly admitted by both U.S. and Bolivian officials, and yet U.S. officials contend that there is little they can do when a narcotics violator is arrested. If the United States, through the DEA, is going to participate in raids on American citizens in Bolivia, it seems to me that the United States must take some responsibility for what happens afterward.

I commend to my colleagues' attention a recent column by Jack Anderson, which, I am told by persons who have firsthand knowledge of conditions in Bolivia, is an accurate portrayal of the situation as it exists in general and which I have inserted in the RECORD following my statement.

Unsaid, but clearly implied in the Anderson column, is the hardship and deprivation suffered in human terms by those incarcerated, their families and loved ones.

The Bolivians, ostensibly reluctant to try people under an extremely harsh law, which until last month, did not even distinguish between a casual user and the trafficker, have postponed, shuttled and otherwise delayed cases endlessly. These American prisoners, typically 20 to 30 years of age, are drained of money by lawyers who can do nothing for them. Additionally, those incarcerated require $100 to $200 per month to merely exist in jail, for if they had to depend on the prison allowance for sustenance, disease and malnutrition would quickly overcome them. The American prisoners, obviously small fry, are, however, forced to live in abject despair with little or no hope for the future. Rehabilitation programs, or even "busy work" are alien to their prison experience, and they literally sit around a courtyard all day long, retiring to their rooms in the evening.

Meanwhile, the actual drug traffic is unaffected. Typically, the jailed Americans are minor users, some of whom have never been near cocaine. Others who themselves never even experimented with drugs but were merely in the company of minor users and, therefore, arrested are wholly innocent of any drug-related experience. While the drug traffic prospers, the prisoners are stagnating, and their incarceration is destroying them. Some are held without any hope of bail and in the absence of arraignment, indictment, or trial.

In conclusion, while reiterating support of the noble objectives of germane legislation, it seems to me that the Bolivian story must be told and addressed in the human terms of wasted lives for the wrong reason and the Select Committee on Narcotics Abuse and Control should take a long, hard look at these factors as they undertake their formidable task.

IN LATIN AMERICAN PRISONS: BUT SOME STILL LANGUISH

(By Jack Anderson)

Hundreds of American youths spent the Christmas holidays in dismal, dingy Latin American prisons.

Most of them were arrested on drug charges, usually for possessing a few pinches of marijuana, but sometimes merely for attending a party where marijuana was smoked. Often the evidence against them was dubious.

The U.S. government has done little to get them out. What they may not know is that the U.S. government helped to put them in.

For Washington officialdom, in its zeal to halt the drug traffic from Latin America, brought pressure on various governments to crack down on drug violators. Unfortunately the dragnets caught few smugglers but many users, including more than a few innocents.

We have written in the past about the plight of the young Americans who have received stiff sentences in Latin America for drug offenses that would have been excused in the United States. A couple of summers ago, our associate Joe Spear interviewed several of them in Mexican jails. Their arrests were the direct result of pressure from Washington.

Today, we turn the spotlight on Bolivia, whose harsh narcotics laws failed to distinguish between pushers and users until a few weeks ago. Thus a person caught with a gram of cocaine could be sentenced to 25 years in miserable Bolivian jails.

These tough, new narcotics laws were drafted in 1973 by a special Bolivian commission. The United States actually helped to pay the salaries of the Bolivian attorneys who were appointed to the commission. The United States also dispatched a Justice Department lawyer to Bolivia with a proposed narcotics code.

Thereafter, Bolivian and American narcotics agents worked closely together. This cooperation earned Bolivia some generous U.S. financial aid. The United States, for example, is planning to supply the Bolivian police with vehicles, telecommunications, contract advisers and investigative equipment.

The United States will also help train the police and will pay part of their operational costs. No less than Secretary of State Henry Kissinger, after meeting with the Bolivian leaders, urged U.S. support of the Bolivian narcotics campaign.

This campaign, meanwhile, has caught several American youths who swear they are guilty of no more than minor misdemeanors or are innocent altogether. The narcotics penalties were so harsh, according to our sources, that Bolivian judges have been unwilling to sentence the young Americans to long sentences.

Many Americans, therefore, are waiting in legal limbo for hearings. Several have joined in sending President-elect Carter a poignant plea for help.

"We are presumed guilty until we prove ourselves innocent," they write. "Some people have not had a hearing in over a year. It seems that the Bolivian officials do not know what to do with us . . . We are all young . . . some of us with children, and all of us with families we love and miss."

Sensitive sources inside Bolivia tell us, for example, that one 21-year-old woman has been in jail for six months. Yet she was detained on purely circumstantial grounds.

She had been invited to the hotel room of friends to listen to music. According to sources, the entire group was arrested 30 minutes later by Bolivian police, who found 40 grams of cocaine underneath a mattress. One man confessed that the cocaine belonged to himself alone. The entire group, nevertheless, has been jailed.

The young woman was sent to a prison-convent. Each day she is locked in an outside courtyard and then herded inside at night. The Bolivian government contributes 12 cents a day to her support; it takes a monthly check from her parents to feed her.

There are many similar stories, which don't make pleasant reading during the Christmas season.

Footnote: In fairness, it should be reported that the State Department has quietly urged Bolivia to soften its drug sentences. This quiet diplomacy was probably responsible for a revision of the law on December 17. Hereafter, simple cocaine possession will be punished in Bolivia by a minimum of two years and a maximum of eight years behind bars. This is better, at least, than 25-year sentences.

Mr. WOLFF. Mr. Speaker, House Resolution 77, which I introduced on January 4, will reestablish the Select Committee on Narcotics Abuse and Control during the 95th Congress, in order to continue the work so fruitfully begun at the direction of the 94th Congress.

The initial purpose of the select committee will continue to be to help coordinate congressional policy on all aspects of drug abuse. It will continue to help the seven standing committees of the House which currently exercise jurisdiction over the many facets of drug abuse legislation to formulate comprehensive plans and responses to the problem.

On the basis of our work to date, it is clear that we must strike a balance between what are now independent anti-drug abuse approaches. Federal programs which aim at reducing supply must be balanced against those which are geared toward eliminating demand. Programs of enforcement must be coordinated with programs of treatment and prevention.

During the 5 months of the 94th Congress in which the committee was in operation, we held 9 days of hearings and issued four substantive reports. We have begun the task of analyzing the Federal strategy to combat drug abuse and will shortly issue our report and recommendations.

We are now at a critical time in this Nation's effort to control drug abuse which at the present time is at historically high levels. Drug related crime, numbers of addicts, overdoses, and other indicators have never been as high as they are at present.

It is essential that the House of Representatives take a lead role in formulating a comprehensive policy to deal with the national nightmare of drug abuse. It is our hope that our soon-to-be-issued report and recommendations will take an important step in this direction.

I am joined today by the other members of the select committee who have worked so hard during the closing months of the 94th Congress, and already this year. We have been able to meet, through the staff, with members of the President-elect's transition team to discuss the mutual effort of making the Federal strategy to combat drug abuse

more effective, and to discuss the results of our initial series of hearings here and in New York City.

I would like to take this opportunity to commend the work of the other Members who have worked over the years on this most urgent issue.

During the debate on the resolution to create the select committee the chairman of the Judiciary Committee, Mr. RODINO, made the following observation:

For a great many years, we in government have decried the dangers posed by narcotics, yet we have failed to act in a systematic coordinated fashion. The results have not satisfied any of us.

This fact alone is enough to justify the extraordinary step in creating a Select Committee of the House to focus our best efforts upon this terrible and crippling problem.

Mr. Speaker, we have begun upon this great and significant effort and I, therefore, ask that the House give its support in the same overwhelming manner in which it acted in the national interest last July. I invite my colleagues to join with me in supporting the reestablishment of the Select Committee on Narcotics Abuse and Control.

Mr. BADILLO. Mr. Speaker, I hope that my colleagues will vote to overwhelmingly support the reestablishment of the Select Committee on Narcotics.

As a member of the committee, I can attest that although it has been in existence for only a short period of time, its accomplishments are impressive. Subject to final membership approval, it will issue its first comprehensive and informative report, on hearings it held last fall on the subjects of law enforcement and rehabilitation. It has begun to compile a complete bibliography—which will be published—of resource materials in the area of drug abuse that presently exist. A report on a seven-nation factfinding trip by the committee's esteemed chairman, LESTER WOLFF, and three of our colleagues, Representatives JIM SCHEUER, CARDISS COLLINS, and BENJAMIN GILMAN has been published. And, in addition, under the leadership of my colleague from New York, Representative CHARLES RANGEL, a report on drug law enforcement and drug abuse in the New York City schools is being developed.

We have drawn up an equally impressive agenda for this session of Congress. It includes, among other things:

A study into the possibility of reducing demand for drugs through an increase in the effectiveness of current treatments, which will explore the types of programs available and the possibility of further, and more intense educational programs to alert our youth to the dangers of drug abuse.

An investigation of possible criminal justice system reform, with special emphasis on bail reform, sentencing, alternative modes of rehabilitation and decriminalization.

A study of the reduction of the supply of drugs, focusing on such areas as international trafficking, crop and income substitution for nations whose present heavy involvement in narcotics production derives from their need for a source of ready revenue.

In addition, the committee proposes to explore present law enforcement efforts, the interrelation between narcotics traffic and organized crime, levels of existing narcotics research, and efficacy of narcotics intelligence gathering and information sharing.

Mr. Speaker, I am enthusiastic about the progress achieved by our committee during its brief existence. I consider it to be an honor to be a member, and I urge my colleagues to allow its significant work to progress.

Mrs. COLLINS of Illinois. Mr. Speaker, narcotics abuse is indisputably one of the major problems facing the Nation today. It destroys our youth and increases criminal activity. It is a worry facing both big cities and small towns across the Nation and one that cuts across economic lines.

House Resolution 77, which reconstitutes the House Select Committee on Narcotics Abuse and Control, deserves the support of every Member. The committee, in its 5 month existence, has already collected valuable data, held hearings, released useful reports, and acquired information that will be important in determining better ways to combat narcotics use and abuse. The committee is essential for coordinating congressional policy and the direction it should take in helping to solve the drug abuse problem.

Narcotics abuse is not a problem that is going to be solved easily and nobody is pretending that it will. Through the efforts of the committee, however, the Congress may be able to come closer to positive steps aimed at coming to grips with narcotics abuse and its related and resulting consequences.

It is with these facts in mind that I am pleased to commend and to support the House Select Committee on Narcotics Abuse and Control.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING ESTABLISHMENT OF AD HOC SELECT COMMITTEE ON THE OUTER CONTINENTAL SHELF FOR CONSIDERATION OF H.R. 1614

Mr. BRADEMAS. Mr. Speaker, by direction of the Speaker, I offer a privileged resolution (H. Res. 97) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 97

Resolved, (a) That pursuant to Rule X, clause 5, the Speaker is authorized to establish an ad hoc Select Committee on the Outer Continental Shelf to consider and report to the House on the bill H.R. 1614, a bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf, to protect the marine and coastal environment, to amend the Outer Continental Shelf Lands Act, and for other purposes; and on any related bill or matter on this subject which the Speaker determines falls within the jurisdiction of the select committee as formulated in subsection (b) of this section.

(b) The select committee shall be composed of Members of the House appointed by the Speaker from the Committee on Interior and Insular Affairs, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and such other Members from other committees as the Speaker may appoint so as to insure the expeditious consideration and reporting of appropriate legislation. The Speaker shall designate one of the Members as chairman.

SEC. 2. In so far as applicable, the provisions of rule XI, clauses 1 and 2, shall apply to the select committee.

SEC. 3. To enable the Select Committee to carry out the purposes of this resolution, such Committee is authorized to utilize the services of the staffs of those standing committees of the House from which Members have been selected for membership on the Select Committee.

SEC. 4. (a) The Select Committee is authorized and directed to transmit its findings and report to the House such matters as may have been referred to it and on which it has acted as soon as practicable, but no later than the last day of the First Session of the 95th Congress.

(b) Any bill and accompanying report of the Select Committee shall be subject to the rules of the House in the same manner as though such bill and report had been reported from a standing committee of the House.

SEC. 5. The Select Committee shall expire upon completion of the legislative process, including final disposition of any veto message, with respect to all legislation reported by the Committee.

SEC. 6. The effective date of this resolution will be January 3, 1977.

Mr. BRADEMAS (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. MICHEL. Mr. Speaker, reserving the right to object, having not seen the resolution, may I simply inquire whether or not the language of the resolution is consistent with the language of the privileged resolution we had before in the last Congress constituting the makeup of that committee?

Mr. BRADEMAS. Mr. Speaker, if the gentleman from Illinois will yield, I would like to ask the gentleman from New York (Mr. MURPHY) to answer that question.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Speaker, the language is basically consistent with the resolution creating this ad hoc select committee in the past Congress.

The membership of this committee will be the same as it was in the last Congress, with the exception of one majority member who did not stand for reelection. With the committee changes that are taking place right now involving individual members, there may be a difference in the full committee membership as to the service of those individual members. However, the membership will be basically the same as it was in the last Congress.

Mr. MICHEL. Will the ratio of membership as between the majority side and the minority side remain the same?

Mr. MURPHY of New York. There will be no difference between the ratio of membership on the majority and minority sides.

Mr. MICHEL. Is the jurisdiction of this ad hoc committee confined to consideration of H.R. 1614?

Mr. MURPHY of New York. That is the bill number to which the resolution refers.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, I thank the gentleman.

I would like to advise the gentleman from Illinois (Mr. MICHEL) that in addition to one majority member who did not seek reelection, a member of the minority side, the present Governor-elect of the State of Delaware, is also no longer a potential member of this committee. I would be curious to know whether or not the minority members will be elected the same as before. In other words, will we have a right to name a replacement for Mr. du Pont?

Mr. MICHEL. Well, of course, no members have formally been chosen yet for that matter, and I would insist that we retain the right that we had before in the selection of our own members to serve on that committee.

Mr. Speaker, I might inquire of the gentleman from New York (Mr. MURPHY), am I right in that assumption?

Mr. MURPHY of New York. Mr. Speaker, if the gentleman will yield, the minority membership is, of course, the business of the minority side.

Mr. FISH. Mr. Speaker, if the gentleman from Illinois will yield further, my question comes now as to whether the ratio of the minority and the majority sides will remain the same as it was the last time.

Mr. MICHEL. Yes. I inquired of the gentleman from New York (Mr. MURPHY) earlier, and it was my understanding that the ratio was to remain as it was in the last Congress. Is that correct?

Mr. MURPHY of New York. The gentleman is correct.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, the only question I have regarding the continuation of this select committee on which I have had the honor to serve with our distinguished chairman is regarding its tenure, its existence, and the length of time it will remain as a committee.

Mr. Speaker, we reached a conclusion and wrote a bill and resolved most of our differences. We debated the bill on the floor here, and it was recommitted only at the very end.

Mr. Speaker, it seems to me that the committee would not be needed for a 2-year life; the legislation is already in form, and there should be a more limited time assigned to its existence.

Mr. MURPHY of New York. If the gentleman will yield further, Mr. Speaker, I understand that, as a consequence, authorization was asked for only until the end of the first session, however, we expect to finish by the 30th of June since there was a feeling that basically the work was done. It is a question of the other body's ability to meet with us as well as the holding of hearings, to enable this administration to have enough time, and to see just what the ramifications of the legislation are.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from New York.

Mr. MICHEL. Mr. Speaker, further reserving the right to object, I ask one more question. I note that the language in section 4 refers only to the first session of the 95th Congress. Am I to assume that the ad hoc committee then would cease to exist after the 1st session, or would it be ongoing through the 2d session of the 95th Congress?

Mr. MURPHY of New York. If the gentleman will yield, we would anticipate that it would be done by the 30th of June, in the first session.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New Jersey.

Mr. THOMPSON. Mr. Speaker, I thank my friend, the gentleman from Illinois (Mr. MICHEL), for yielding.

I have discussed this matter at length with the whip, with the distinguished chairman, and also with my friend and colleague, the gentleman from New Jersey (Mr. FORSYTHE).

We have kept a careful eye on the expenditures. The work is progressing very well in a highly cooperative atmosphere.

Mr. Speaker, I therefore would assure the gentleman that I think this is a reasonable request. They do not want to stay in business any longer than is necessary to do the job which they are doing and doing very, very well.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for his comments, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. WRIGHT). Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I think the dialog that we just had under the reservation of objection to my unanimous-consent request has afforded an opportunity for a discussion of the merits of this resolution.

Mr. MURPHY of New York. Mr. Speaker, I introduce for appropriate reference a bill to amend the Outer Continental Shelf Lands Act of 1953. When enacted, this bill will be the first major revision of the present statute since its initial passage almost a quarter of a century ago. It will establish a new statutory regime for the development of the oil and natural gas resources of the Outer Continental Shelf extending outward from the American coastline—a regime that will promote the rapid, efficient, and orderly development of the energy resources of the Continental Shelf in ways that are compatible with the protection of our coastal and marine environment.

There is no doubt that the 1953 act worked well for a considerable length of time. But the simple fact is that in today's world, the present statute is no longer adequate to the task of developing the energy resources of the Outer Continental Shelf. The act's leasing arrangements give the Federal Government no flexibility so that it may adjust the way in which it awards leases to changing economic conditions. And the act is silent about the participation of the States in the Federal regulatory process, about the protection of the coastal and marine environment, and about the safety of the worker. The bill I am introducing today would change all this. Using the present statute as its takeoff point, it would bring the Outer Continental Shelf Lands Act into the modern world. It is in this sense that I speak of a new statutory regime.

The bill I am introducing today is the same bill that was before the House at the end of the last working session of the Congress. In the closing days of the session, the bill was recommitted to a conference committee of the Senate and the House. There was no time for further action, and none was taken. The recommittal was inspired by a diehard minority of the House, assisted by the Secretary of the Interior and the major oil companies. Their tactics were delay and distortion. Their ultimate hope was that the bill would never be revived. But time has its own irony, and the 3-month period since recommittal has only served to underscore the importance of the bill.

In this 3-month period, the United States was made acutely conscious of its dependence on imported oil. In the spring of 1975, the House created the Ad Hoc Select Committee on the Outer Continental Shelf to consider and report to the House on the predecessor of the bill I am introducing today. The select committee was drawn from the membership of three standing committees, all of whom had jurisdiction over one important aspect or another of the bill: Merchant Marine and Fisheries, Judiciary, and Interior and Insular Affairs. When the select committee began its work, the United States was importing approximately 35 percent of the oil it consumed. Today, slightly less than 2 years later, the Nation is importing approximately 44 percent. This is a dangerously high percentage and places our national economy at severe risk.

When the oil ministers of the Organization of Petroleum Exporting Countries—OPEC—met last month to consider a price increase for their oil, a majority of OPEC, led by Iran, suggested that the price be increased by 15 percent. The suggestion sent a shiver through the American business world. As things turned out, a two-tier price was established because of the restraint of Saudi Arabia, OPEC's largest producer. The lower tier had a price increase of only 5 percent, which can be absorbed with relative ease. But had the majority prevailed, the consequence for the American economy would have been inflation and its concommitant effects.

A DECLINE IN CONSUMER SPENDING AND A LOSS OF JOBS

And we should never forget that it is OPEC and not the United States that possesses the ultimate economic weapon—an oil embargo. If there is another embargo, there is no doubt that the economic dislocation in our country will be considerably more severe than it was after the 1973 embargo—and that we will feel its effects for a long time.

The high level of our oil imports has also had a deleterious effect on our balance of payments. In 1975, the United States had a trade surplus of $11 billion. In the first 11 months of 1976, it had a

deficit of $5 billion. There are many commodities involved in American world trade and hence many reasons for the shift. But oil imports are the single largest factor. In the first 11 months of 1976, our import bill was $29.1 billion. For the same period in 1975, it was $22.6 billion. The jump was $6.5 billion.

There has been much discussion of the threat to our national economy posed by our growing dependence on OPEC oil. There has been little discussion—much too little, in my view—of the threat to our national security. In the last analysis, it is oil that runs the wheels of our National Defense Establishment, and more and more of the oil we import is coming from distant localities. Before the 1973 oil embargo, only about 15 percent of the total oil we imported came from the Arab countries bordering the Persian Gulf and the Mediterranean. The figure is now 34 percent. Only about 17 percent came from Iran, Indonesia, and Nigeria. The figure is now 29 percent. In the meantime, our oil imports from Venezuela have declined from 21 to 10 percent: from other Latin American countries, from 19 to 13 percent; and from Canada, from 22 to 9 percent. What this means is that our oil lifelines are now longer than they were 4 or 5 years ago and cannot be as easily defended. A foreign superpower with large naval strength could cut these lifelines with relative ease in the event of conflict. Today we are very much concerned about the continuous expansion by the Soviet Union of its military and naval forces. We should be equally concerned about the vulnerabiilty of our oil lifelines. One answer is the development of the oil resources off our own shores so that we may reduce our dependence on OPEC oil.

But the rapid development of offshore oil and gas must never be at the expense of the quality of the coastal and marine environment. Last month there were two large oil spills from tankers—one off Nantucket and the other at the mouth of the Delaware River. I do not mean to equate tanker operations with offshore drilling. The evidence is that there is considerably less risk of an oil spill in the case of offshore drilling than in the case of tanker transportation of oil. But the two tanker spills teach us a very important lesson—that a spill, when it does occur, can be very costly, in both social and economic terms. It can foul beaches and destroy the beauty of a coastline for hundreds of miles. Here the loss is not only esthetic, but also economic. In many coastal areas, tourism is the main source of income, and the destruction of recreational areas means severe economic hardship for those who depend on tourism for their income. A spill can also destroy the spawning grounds of fish and shellfish and their ocean habitats. For our commercial fishing industry, the loss may be measured in millions of dollars a year.

Over the long term, the preservation of the living resources of the oceans will become increasingly important. It is estimated that the world's population will double over the next 25 years and endanger the world's capacity to feed itself. The fish and shellfish that spawn and dwell off our shores will be a vital source of food—not only for our nation, but for the world at large. And so as we proceed to develop the energy resources of the Continental Shelf, we must insure that the marine environment is adequately protected.

The threat of a large OPEC price rise and the tanker spills were dramatic events and were extensively covered by the American press. But there has been a third event to remind us of the importance of the bill I am introducing today. It has not been a dramatic event; it has swept over us slowly. I am referring to the cold winter along the eastern coast of the United States. Over the past few years, there has been talk of a shortage of natural gas, although none materialized. This year, as the cold increases the demand for heating supplies, the threat will probably become a reality in the northeast. The bill I am introducing today has an important provision designed to deal with the chronic threat of a natural gas shortage. It would require the Federal Power Commission to permit a natural gas distributor involved in the development of offshore oil and gas to transport any gas it obtains from its lease area to its service area. Without this mandate, a State regulatory agency may well be reluctant to authorize a natural gas distributor to participate in offshore activities. The mandate, by making the distributor's service area the ultimate beneficiary, will help overcome this reluctance.

This is only one of the many ways in which the bill would modernize the Outer Continental Shelf Lands Act of 1953. Another important way is the set of provisions dealing with the economic arrangements for the leasing of Outer Continental Shelf Lands. We all recognize that in the development of offshore oil and gas, the oil companies will be called upon to risk their capital. They are entitled to earn a fair return on their capital investment.

But we should never forget that these lands are the property of the Federal Government and belong to the Nation at large. The Government should be able to recapture at least a reasonable portion of any windfall profit the producing companies earn. When the Government leases Outer Continental Shelf Lands for the exploration and production of oil and gas, it must strike a proper balance between profits to the oil companies and a fair return to the Government as the owner of these lands.

I do not think that the leasing arrangements of the Outer Continental Shelf Lands Act, as it stands today, meets this standard. The present statute offers only two methods of auctioning leases. One is to fix a royalty of not less than 12½ percent of what is produced and award leases to the company bidding the largest cash bonus. The other is to fix the cash bonus and to award leases to the company bidding the largest royalty percentage. The second is probably useless, and the first has proven to be the method historically chosen by the Secretary of the Interior. The cash bonus bid system worked reasonably well, at least until the early 1970's; but in today's world, it no longer seems to be the best method. One difficulty is that each bid will require a very large amount of front money—at a time when the economy is facing a severe shortage of investment capital. This may very well mean fewer bidders per tract, which should worry any auctioneer, including the Federal Government. Large cash bonuses may also mean less capital for exploration. There is also increasing awareness that large cash bonuses may be an invitation to early abandonment of an exploratory effort. If a company were to bid $100 million, sink a few exploratory wells, and find nothing, the company might be tempted simply to take an immediate tax writeoff and forget the whole thing.

Another criticism of cash bonus bidding is that there is too much uncertainty for a bonus bid to reflect the true value of a tract. The shelf as a whole has huge reserves of oil and gas, but a bidder cannot be sure about any particular tract or groups of tracts. A consortium led by Exxon, for example, bid $212 million for a single tract off the gulf coast of Florida in the conviction that it contained large reserves of oil and gas, but found nothing. It may be commercial wisdom to discount the risk of discovery, but will the Government then get a fair return for its leases?

The risk of uncertainty is being compounded because the coastal States lack a voice in the development of offshore oil and gas. In consequence, some State governments are withholding permission for the construction of onshore facilities to receive and handle offshore oil and gas, and they and environmental groups are turning to the courts in an effort to halt lease sales. In effect, the oil companies are being asked to bid on leases that they may not be able to exploit fully because of this opposition. Their bids will surely reflect this fact.

The new bill would remedy the defects of the present statute in the auctioning of Federal leases of Outer Continental Shelf lands. It would end the exclusive reliance on cash bonus bidding. It would provide alternative leasing arrangements and require the Department of the Interior to experiment with them during the next 5 years to that we may work out the best arrangements for the future. The bill also has provisions designed to spur competition and to prevent monopolization by the large companies through joint bidding.

Still another important way in which the new bill would modernize the Outer Continental Shelf Lands Act is by opening up the Federal decisionmaking process with regard to offshore oil and gas development. It would give the coastal States, and other States that may be affected by offshore activities, an opportunity to participate in the process. It would also give local communities that may be affected and the public at large an opportunity to have a say.

At the present time, the Secretary of the Interior, who administers the Federal program for the development of offshore oil and gas, does so almost as a closed shop. He is under no statutory compulsion to receive the views of State governments, local communities, or members of

the public who may have an affected interest, and he does not always give their views a fair hearing. This situation has created considerable hostility toward the Federal program; and, as I have just pointed out, this hostility has found expression in an unwillingness of State governments to permit the construction of onshore facilities and in legal action by State governments and environmental groups to halt lease sales. If we are to create a spirit of cooperation between the Federal Government and State governments in the development of offshore oil and gas and if we are to secure a fully informed Federal decisionmaking process, we must open the process so that State governments and others may present their views and be heard. The new bill would provide this opportunity. It would particularly give State governments the weighty voice they should have in the administration of a Federal offshore oil and gas program.

The bill I am introducing today also contains a variety of provisions that would insure meaningful protection for the coastal and marine environment. One is the requirement that every holder of a Federal lease of Outer Continental Shelf lands must submit a development and production plan to the Secretary of Interior for his approval before the lessee moves from exploration to production. The Secretary must then decide whether development and production pursuant to the plan is a major Federal action for purposes of the National Environmental Policy Act of 1969. If he determines that it is a major Federal action, the Secretary must prepare an environmental impact statement. The bill makes it clear that at least once prior to major development in an area or region where there has been no prior development, the Secretary must find that development and production pursuant to the plan constitutes a major Federal action. Thus, in each new area, there will be at least one environmental impact statement. The impact statement itself must include such things as the probable impact on the human, marine, and coastal environments; unavoidable adverse environmental effects, such as air and water pollution or undesirable land use patterns; and the extent to which there may be tradeoffs betwen short-term environmental gains and long-term losses or the other way around.

Another environmental provision would require the National Oceanic and Atmospheric Administration within the Department of Commerce to gather information about the present environment of areas that would be affected by offshore oil and gas development and to monitor the environment on a continuing basis. And the bill would establish the extent of liability for oil spills and provide compensation for oil spill damage and to pay for the cleanup of spills.

Finally, I should point out that the new bill contains significant new provisions designed to enhance the safety of working conditions and to protect the worker—provisions that do not now appear in the Outer Continental Shelf Lands Act. The bill would require the promulgation of new safety and environmental regulations for the worker. It would also require the National Academy of Engineering to conduct a study of safety so that we may continue to improve our protective measures for those who are actually engaged in offshore activities.

The bill to amend the Outer Continental Shelf Lands Act of 1953 is a long, detailed, and comprehensive bill. It is the product of intensive and thoughtful study. The Ad Hoc Select Committee on the Outer Continental Shelf was established in April 1975. Over the next 8 months, it held hearings in 14 different cities—in Washington, on the Gulf of Mexico, and along our Atlantic and Pacific coasts. It heard more than 300 witnesses—officials of the Federal Government, State and local officials, representatives of the oil industry and of the natural gas industry, representatives of the fishing industry, geologists, economists, labor organizations, environmental organizations, and citizens' groups. The hearing record totaled more than 8,000 pages. In addition, the committee received briefings by the Department of the Interior, the Congressional Research Service, the American Association of Petroleum Geologists, and the American Petroleum Institute. It also had the benefit of special studies on offshore energy problems conducted by the Office of Technology Assessment of the Congress. And the committee itself visited and inspected actual drilling operations off Louisiana, near Santa Barbara, Calif., in the North Sea, and on the North Slope of Alaska.

Once the hearing process was completed, the committee turned to the preparation of a legislative text. A working draft was written, and the committee spent the next 4 months marking it up. In all, the committee considered almost 200 amendments. The bill then went to the House floor, where an additional 80 amendments were proposed and considered. Throughout this process, the committee received and carefully reviewed the views and recommendations of the Secretary of the Interior. In February of last year, the Secretary proposed 14 changes in the working draft of the bill. The committee accepted nine of these recommendations in full and five in part. In April, the Secretary submitted 39 additional amendments. Fifteen were accepted in full; and six, in part.

The Senate had pioneered the congressional effort to amend the Outer Continental Shelf Lands Act and had passed a bill in 1975. The House bill built on that effort. A conference committee was established to resolve the differences between the Senate and House versions. At this juncture, the Secretary of the Interior submitted once more those of his earlier proposals that the House could not accept. Late in August, the Secretary of the Interior wrote Senator Jackson informing him that the Senate version was "objectionable to the administration in almost every section" and that there were 13 areas in the House version where amendment was critically needed if the bill was to be made acceptable to the administration. While the letter came virtually at the twelfth hour, its substance was not new. The Secretary's arguments had already been carefully and exhaustively reviewed by the Congress, and the conference committee rightfully regarded the Secretary's submission as a delaying tactic. It was able to dispose of it with relative speed. The conference committee then proceeded to accept the House version with some amendments from the Senate version, and the bill reported out of the conference committee was sent back to the two Houses for final passage.

The last Congress was then nearing the close of its working days, and the large oil companies mounted an intensive campaign to stave off final congressional action. They did so directly, through the American Petroleum Institute—their trade organization—and through the National Ocean Industries Association, a trade association comprising companies that supply materials and services to the major oil companies.

In a full-page advertisement in the Washington Post, NOIA, which was originally established by Exxon as an additional lobbying arm, charged that the bill reported out by the conference committee would delay the development of the energy resources of the Continental Shelf by as much as 2 years by adding new regulatory measures to the present statutory regime. NOIA alleged that this delay would ruin its member companies and make the United States even more dependent on foreign oil. The allegation was ridiculous because the premise was ridiculous. The new regulatory requirements established by the bill replaced old ones; they did not add new steps. There was no doubt that if the Department of the Interior did its job efficiently, the new regulatory measures would not create delay.

The second distortion was that the bill would put the Government in the oil business by mandating a Federal program of exploration. The major oil companies alleged that this was the first step toward the creation of a national oil company. The bill had no such provision. All it asked was the Secretary see to it that there was a program of exploratory drilling so that the national security might be adequately safeguarded, the marine environment might be adequately protected, and the development of offshore oil and gas might be expedited. How the Secretary carried out this requirement—whether he left actual exploration to the industry or contracted for it—was discretionary. Moreover, if he elected to proceed by Government contract, he could do so only subject to the appropriation process of the Congress.

In essence, the issue of a national oil company was a nonissue. But it was repeated so often and with such inflammatory rhetoric by a die-hard Republican minority that it eventually seemed to be a real issue. With 3 working days of the session remaining, the House voted by a slim margin to recommit the bill to the conference. There was no time to reconsider the bill in conference. Even if the House acted as expeditiously as possible, there would have been a filibuster in the Senate, and the Senate rules on cloture would have left no time for Senate consideration before adjournment.

The vote to recommit effectively killed the bill for the year, as was the intent of the major oil companies, the Ford administration, and their allies in the Congress.

It is now a new Congress, and I am introducing the bill to amend the Outer Continental Shelf Lands Act that came out of last year's conference committee. Over the intervening months, the Nation's energy picture has continued to darken, and we have all become more aware of the fragility of the coastal and marine environment, of the need for safe working conditions in offshore areas, and of the desirability of giving the States a strong voice in the Federal decisionmaking process with regard to the development of offshore oil and gas. The bill I am introducing today will lighten the picture. It is a bill which, when enacted, will make a profound contribution to the solution of the Nation's energy crisis—and in a manner that takes into account the needs of our States, the protection of our marine and coastal environment, and the protection of the worker. It is a bill that is vital to our economic and social well-being as a nation and to our national security.

Mr. BRADEMAS. I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 77 and House Resolution 97, the two resolutions just agreed to.

The SPEAKER pro tempore. Is there obection to the request of the gentleman from Indiana?

There was no objection.

VETERANS' RELIEF LEGISLATION

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. ANDERSON of California. Mr. Speaker, today I am introducing legislation that would establish a program of mortgage cancellation life insurance for veterans with service-connected disabilities which now make it impossible for them to obtain commercial life insurance.

As I am sure many of you are quite aware, a veteran with a service-connected heart condition or other disability can be in the position of being completely unable to obtain commercial life insurance at any price. He may be eligible for a VA loan to purchase his home, but as the law now stands, he cannot buy mortgage cancellation life insurance to protect his widow in the case he should die before the loan is paid.

My legislation would direct the VA Administrator to set up a program with premiums established at a level which provide a self-sustaining program. These premiums would thus insure that this new plan would not become an additional drain on the Treasury. Such coverage would not extend beyond a veteran's 70th birthday.

Mr. Speaker, I believe that this legislation would be a Godsend to many disabled veterans and would not bear any additional cost to tapxayers other than for administration. I hope the appropriate committee will schedule hearings at the earliest possible convenience and my colleagues will join with me and cosponsor this most urgent legislation.

PRESIDENT-ELECT CARTER SHOULD NOT GIVE A BLANKET PARDON TO ALL DRAFT EVADERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. MONTGOMERY) is recognized for 60 minutes.

(Mr. MONTGOMERY asked and was given permission to revise and extend his remarks and include the extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, it is indeed encouraging and significant to see so many Members present this afternoon to discuss the proposal of President-elect Carter to issue a blanket pardon for those who illegally evaded the draft during the Vietnam conflict. I might point out that Mr. HANSEN and Mr. DAN DANIEL each have a 60-minute special order following this one in order that we might have adequate time to fully discuss the pardon proposal and present our reasons for opposing it.

Since there are so many of our colleagues who wish to express their views, I will be brief in my own remarks, but I did want to see the tone for today's discussion.

Mr. Speaker, from the outset let me stress that this is a nonpartisan matter. Our strong opposition to a blanket pardon cuts across party lines. This is a matter of great importance to all Americans no matter what their political persuasion.

It should also be stressed that as each of our colleagues rise to speak they will be doing so on behalf of the people they represent. In effect, it is the American people speaking out in opposition to a blanket pardon. We can only hope President-elect Carter will heed the words of his fellow Americans as expressed by their elected representatives.

Based on reports I have received from Atlanta and Plains, Mr. Carter intends to issue a blanket pardon for everyone who illegally evaded the draft during the Vietnam conflict. He will evidently do this his first week in office. He has further expressed an intent to look into the matter of military deserters during the Vietnam conflict and less than honorable discharges. I understood the proposal has not been finalized, but this is generally what he is considering at this time.

Mr. Speaker, let us make no mistake about this controversial issue. Those who evaded the Selective Service System laws by fleeing the country or going "underground" broke the law. There should be no confusion in anyone's mind about this fact. Those who evaded the draft, whatever the reason, broke the law. As lawbreakers, I feel very strongly they should make themselves available to the appropriate authorities for disposition of their cases through the judicial system. There is absolutely no reason for establishing special rights and privileges for this one group of lawbreakers, while prosecuting others who break numerous other laws in the United States Code. Each of the draft evader cases should be decided on their individual merits and not erased by the simple stroke of a pen.

Another reason I oppose a blanket or universal pardon for Vietnam-era draft evaders is because of the dangerous precedent such an action would set. Contrary to what some would have you believe there have never before in the history of our Nation been an outright blanket pardon for those who illegally avoided our laws of conscription for military service.

There have been provisions for case-by-case reviews of those who violated conscription laws with provision for alternate service, but never a universal pardon across the board. I point this out to show that a blanket pardon would definitely be a precedent.

As to why this precedent would be dangerous it would be inviting wholesale resistance or evasion in any future military conflicts with the expectation of forgiveness once the hostilities ceased. While it is true that we are not presently operating under the Selective Service System law, there is no doubt we would have to return to it if America were ever again forced into a combat situation. Furthermore, the esteemed chairman of the Senate Armed Services Committee, JOHN STENNIS, recently stated that he felt it was going to be necessary for the United States to return to the Selective Service System to maintain our Armed Forces strength levels even in peacetime. I feel very strongly that a blanket pardon at this time would only serve to undermine the Selective Service System law in the future.

A further reason I oppose a blanket pardon is I feel it would be unfair and an injustice to those who did abide by the law and served in Vietnam. Unfortunately, far too many of those who answered their Nation's call returned home injured and some did not return at all.

I feel sure many of the young men who served in Southeast Asia would have preferred not to have gone, but they did because they chose to abide by the law rather than break it. It should also be noted that by simply labeling the Vietnam conflict as an unpopular war is not justification for violating the laws of the land and expecting a clean slate once the fighting stopped. No war is popular and never will be. I also point to a survey of civilian draft evaders which showed that only 14.9 percent gave their opposition to the Vietnam conflict as their reason for dodging the draft.

Mr. Speaker, when I say a blanket pardon would be an injustice to those who did serve and to the families who lost their loved ones, others sometime say, "but we never declared war, so why should the draft evaders obey the Selective Service System law?"

My answer to them is twofold. First, we are not afforded the right to selec-

tively obey those laws we like and disobey those we do not like. To do so would bring our democratic form of government to its knees and result in chaos.

My second response is to point out that year after year after year the executive and legislative branches of Government condoned and supported our involvement in Southeast Asia through both word and deed. True, we never had an official declaration of war, but it can never be disputed that in effect war was being declared each time the President requested and a majority of the Members of the U.S. House of Representatives and the U.S. Senate approved Federal tax dollars to support our military involvement. Never once was such majority support lacking as long as we had American personnel actively engaged in combat in Southeast Asia.

Another problem which might arise from a blanket pardon would concern those who did refuse to obey the draft laws, but at the same time followed the more honorable course of surrendering themselves for the appropriate judicial proceedings and served whatever sentence was imposed.

These young men are now seeking to begin life anew and put past events behind them. From what I have been told, they do not wish to be reminded of the past and many do not want their present friends and neighbors to find out about what happened in the past. Yet Mr. Carter's blanket pardon would do this since it evidently would apply to them also. It would simply call attention to them once again, which would be an injustice to those who paid the price.

I mentioned earlier that Mr. Carter is also considering some type of pardon for military deserters and those who have less than honorable discharges. In both instances, I feel he would be well advised to allow these cases to be determined in normal military channels. I believe the services are doing a good job of reviewing the less than honorable discharges. I feel more boards and teams could be placed in the field in order to speed up the process of review, but I see no reason for Mr. Carter to intervene in this area. The military is proceeding according to established procedures and law.

I might point out that I personally have more compassion for those who abided by the Selective Service System law and later ran afoul of military regulations and received a less than honorable discharge than I do for those who chose to violate the law in the first place.

Mr. Speaker, I could list several more reasons for my very strong opposition to President-elect Carter's blanket pardon, but I want to save time for the other Members who also wish to be heard on this matter. However, there is one final point I would like to stress. Never once has Mr. Carter sat down and talked with the veterans' organizations in America in a face-to-face situation to learn their views on the pardon and their suggestions for dealing with the matter. There is no other group in this Nation closer to the situation than our veterans who did serve. We have some 29 million veterans, plus their families, representing all income levels, race, creeds, and religious beliefs. Unfortunately, they have had no input into Mr. Carter's decision which is a mistake in my opinion.

I realize it is simply not enough to oppose something without offering a viable alternative. For this reason, I call on President-elect Carter to drop his blanket pardon proposal and instead institute a system of case-by-case reviews similar to that of President Truman following World War II.

While I feel sure there will be some who evaded the draft deserving of pardons, I feel equally certain that all should not be automatically and universally pardoned thereby allowed to go free without paying for their mistake.

When I speak of case-by-case reviews, I am not speaking of those who dodged the draft alone. I also mean those who are listed as deserters and those with less than honorable discharges. These people are also deserving of compassion and understanding. However, I reemphasize my belief that the deserter and discharge matter should be handled by established military procedures which are currently in effect and operating as they should.

Mr. Speaker, let me conclude by once again stressing that this is a nonpartisan issue. We are not attempting to embarrass Mr. Carter. We are simply allowing the American people to speak through us and express their opposition to this unwarranted and illadvised proposal to issue a blanket pardon for Vietnam-era draft evders. We only ask that President-elect Carter listen to a majority of the people who elected him to the highest office in the land and heed their wishes for a compromise proposal on the pardon issue.

WHY THE VETERANS OF FOREIGN WARS OF THE UNITED STATES WILL NEVER AGREE TO A BLANKET PARDON OF DRAFT DODGERS OR MILITARY DESERTERS

(By R. D. "Bulldog" Smith, National Commander-in-Chief)

The 1.8 million members of the Veterans of Foreign Wars of the U.S. (including over 500,000 Vietnam veterans), joined by 567,000 members of our Ladies' Auxiliary, oppose with one voice the apparent decision of President-elect Carter to issue a blanket pardon covering all Vietnam war draft dodgers. With equal vehemence, we urge President Ford to hold firm on his decision not to grant an 11th hour mass pardon.

As first announced, Mr. Carter's campaign blunder would affect about 4,000 law breakers. Press reports now indicate that this early blunder is being parlayed by his staff aides into an exercise of mass lunacy; ie, pardons, not only for draft dodgers, but for military deserters and so-called "bad paper" dischargees—some 250,000-plus.

Why will the V.F.W. not agree to Mr. Carter's announced effort to "bind up the nation's wounds?"

To begin with, whose "wounds" will a blanket pardon "bind up?"

Surely *not* the overwhelming majority of the next-of-kin of the 56,234 American dead from all causes in Vietnam (a war we chose not to win), the 303,000 wounded, the families of the hundreds still carried as Missing in Action, the 591 returned Prisoners of War, the 2½ million who served honorably in Vietnam, the 600,000 conscriptees who served in Vietnam, like it or not, and suffered 71,500 killed and wounded while so doing.

No, Mr. Carter's folly would "bind up" only the self-preening egos of those hard core "amnesty addicts" who have always viewed the amnesty issue as a convenient weapon to discredit our country, our history, and our institutions, and find draft dodgers and deserters to be handy props in this paranoid effort.

As to the future, a distinguished U.S. Senator, John Stennis, Chairman of the Senate Armed Services Committee, foresees the need soon for a resumption of obligatory military service. I believe the need for such a step is becoming increasingly clear. A 1977 blanket pardon would destroy forever the pride and honor connected with service to our beloved country and gut a future conscription before its inception.

But even today there is a serious desertion problem that a blanket pardon would compound. In 1976, for example, the Navy suffered the highest desertion rate in its history—more than double the highest Navy rate during the Vietnam war. The Marines and the Army are also experiencing serious desertion problems.

If war-time desertion and draft dodging are to be excused by the new President (Commander-in-Chief of the Armed Forces), why not the less serious offense of peacetime absences? In the era of all volunteer forces, a young man could reasonably make a decision to "volunteer out" as easily as he "volunteered in," and how could he be held accountable?

"Blanket pardon" would constitute class action by a President which would equal mass burial of due process of the law. Judicial findings in light of individual circumstances would never see the light of day. A general pardon or amnesty would define the word "prejudicial."

Amnesty on its merits breaks down badly in terms of (a) equity; (b) precedent; and, (c) faith in the efficacy of our home-grown system of justice—and whatever else may or may not be wrong with the U.S., American justice (properly prodded by a free press) is doing just fine.

The new President has a plateful of real problems to work on; the self-preening and divisive issue of "amnesty" has been center stage for far too long. No American should expect more, nor settle for less, than his fair day in court.

A final thought.

More than most, the V.F.W. knows full well that wars are fought by boys, suffered by women, and started by men old enough to know better.

But—and here's the crucial "but"—while we hate the war, we will *never* desist in our support for those who are called upon to be our warriors.

I earnestly commend this approach to President-elect Carter and call upon him to reconsider his announced plan and let our on going systems of justice accommodate all violators of the law, before irremediable damage is pointlessly inflicted on the country he has been summoned to lead.

STATEMENT BY NATIONAL COMMANDER WILLIAM J. ROGERS, THE AMERICAN LEGION

The American Legion is unalterably opposed to any blanket amnesty or pardon for draft evaders or military deserters. We have consistently urged that each case be tried and/or reviewed on an individual basis by existing judicial and administrative authority.

Our views are firmly founded upon the demonstrated compassion and fairness of the American judicial system and the responsibilities of citizenship. The military deserters and those receiving less than honorable discharges constitute less than 6% of the nearly 9 million Americans who honorably served during the Vietnam period. To focus national attention on this small group and not upon the vast majority who honorably served, were wounded, held prisoner or died, is a serious reversal of national priorities.

Additionally, any unconditional amnesty or pardon may seriously impair our already

lagging recruiting efforts in the all-volunteer environment and will bring into serious question our ability to ever conscript military forces in a future national emergency.

The official policy of the 2.7 million members of The American Legion, unanimously adopted at our 58th National Convention is:

Whereas, young men throughout the history of the United States have patriotically answered the call of their country and defended its lands and ideals; and

Whereas, hundreds of thousands of these young men volunteered for, or accepted, duty in Vietnam and served with honor and distinction; and

Whereas, thousands were captured by the enemy and were imprisoned and/or tortured for long periods of time; and

Whereas, the question of amnesty for those who have fled the country to avoid induction into the Armed Services, or have deserted their assigned military units to avoid military obligation during the Vietnam conflict has been again raised; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Seattle, Washington, August 24–26, 1976, that we reaffirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice; and, be it further

Resolved, that we urge the United States Government and its courts of justice to prosecute to the full extent of the law, all individuals charged with evading the military draft; and, be it further

Resolved, that all members of The American Legion are urged to publicize our stand on draft evaders, deserters and blanket amnesty.

DISABLED AMERICAN VETERANS,
Washington, D.C., January 10, 1977.

Hon. G. V. "SONNY" MONTGOMERY,
Rayburn House Office Building, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: On behalf of the 522,000 members of the Disabled American Veterans and the 58,000 ladies of the Auxiliary, I wish to commend you for the leadership role you have taken in attempting to persuade President-Elect Carter to reconsider issuing a general pardon (amnesty) for draft evaders and military deserters.

The most recent National Convention of the Disabled American Veterans held in Miami Beach, Florida, August 1–5, 1976, unanimously approved a resolution opposing any proposal that would grant a blanket amnesty for such evaders and deserters. For your convenience, I am enclosing a copy of Resolution No. 349 which calls for a review of each case on its individual merits utilizing existing judicial and military systems.

As you are aware, the Clemency Program, initiated in September, 1974, implemented a "case-by-case" review procedure. It is interesting to note that of the 14,514 cases considered, 13,603 either received clemency or were granted outright pardons. Considering the high rate of favorable determinations—94%—made by the Clemency Board, the DAV seriously questions the need for an absolute pardon.

May I express the sincere appreciation of the DAV for your efforts to preserve the dignity of those who served honorably in Vietnam and if our organization can be of any assistance to you in this endeavor, please do not hesitate to call upon us.

Sincerely yours,

FRANK J. RANDAZZO,
National Commander.

RESOLUTION NO. 349—OPPOSITION TO AMNESTY

Whereas, amnesty for draft dodgers and military deserters continues to be a controversial political issue, and

Whereas, the DAV has previously opposed all proposals that would grant blanket amnesty; Now

Therefore, be it resolved that the Disabled American Veterans in National Convention assembled in Miami, Florida, August 1–August 5, 1976, reaffirm its opposition to the granting of blanket amnesty, and that draft dodgers and military deserters be tried on an individual case-by-case basis.

VETERANS OF WORLD WAR I
OF THE U.S.A., INC.,
Mt. Vernon, Ill., November 24, 1976.

Hon. G. V. MONTGOMERY,
House Office Building,
Washington, D.C.

DEAR MR. MONTGOMERY: Your opposition to the Carter plan of pardon for law violaters has the complete approval of the millions of patriots who voted for Mr. Carter and who still want him to respect and honor those Americans who kept their obligations to our country when asked to do so by selective service.

My compliments to you and I hope 434 other congressmen record themselves as in sympathy with your stand and that our incoming President Jimmy Carter will reconsider and act as you propose.

Yours most sincerely,

LEWIS BRAKE,

NATIONAL GUARD ASSOCIATION
OF THE UNITED STATES,
Washington, D.C., January 3, 1977.

Hon. G. V. MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR MR. MONTGOMERY: I wish to take this opportunity on behalf of the President of the National Guard Association of the United States and members to personally express support for your position on the pardoning of Vietnam draft evaders outlined in your December 17th letter to the President-elect.

Your early action to enjoin the issuing of ill-advised pardons clearly demonstrates your recognition of this as a seductive proposal demeaning to military service and counterproductive to the nation. This kind of thinking transcending party loyalties is commendable.

Sincerely,

FRANCIS S. GREENLIEF,
Executive Vice President.

AIR FORCE SERGEANTS ASSOCIATION,
Washington, D.C., January 6, 1977.

Hon. G. V. MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE MONTGOMERY: On behalf of the 62,000 members of the Air Force Sergeants Association, I commend you and render full support to you in your opposition to the proposed action by President Elect Carter to pardon all draft evaders of the Vietnam conflict.

To substantiate the position of our association on the issue, enclosed is a copy of the letter forwarded to Jimmy Carter expressing our strong opposition.

If we can assist you further on this important issue, please do not hesitate to call upon us. A copy of the enclosed letter is also being forwarded to Senator James B. Allen.

Yours in dedication and service,

DONALD L. HARLOW, CMSAF, Ret.
Director of Legislation.

AIR FORCE SERGEANTS ASSOCIATION,
Washington, D.C., December 1, 1976.

President-elect JIMMY CARTER,
Plains, Ga.

DEAR PRESIDENT CARTER: On behalf of the 62,000 members of the Air Force Sergeants Association, I request you carefully consider the impact on future military commitments of the United States should you grant a pardon to all draft evaders of the Vietnam conflict.

As a President of the people, as you have been depicted by some news media, you certainly must have compassion for the 122,000 disabled American veterans, many of whom did not want to go to war, yet deemed it their responsibility as citizens. Think of the families of those who lost sons, daughters, husbands, and fathers during the wars. They did not want to lose their loved ones, yet the preservation of freedom for all Americans, and honoring commitments to other nations, overshadowed their personal, selfish motives.

Despite the discord brought about by the United States' involvement in the Vietnam conflict, Presidents before you, and learned members of Congress, rendered what they considered to be sound decisions in their belief that someone needed to stop the oppression of people in Southeast Asia.

During your Presidency, you may also be confronted with a decision regarding America's Armed Forces involvement in a foreign conflict. Depending upon the extent of the conflict, the draft may have to be reinstated. Are you willing to permit those, who will be subject to the draft, to make their own decision regarding the morality of the United States' involvement, and whether they will or will not respond to their nation's call?

Granting a pardon to those who valued their own pursuit of happiness and personal desires over the responsibilities as citizens of America, is a clear indication to the youth of tomorrow that they will not be held morally responsible for the defense of their nation or the statutes set down by our lawmakers.

On January 31, 1973, the Honorable F. Edward Hébert entered into the Congressional Record the association's statement on amnesty. Quoting from that statement, we firmly believe that "a case by case review be undertaken of those who, having turned their backs on their country in her hour of need, now seek full rights of citizenship when boastfully they chose to evade its accompanying responsibilities."

We would kindly ask you, as the forthcoming Commander-In-Chief of our Armed Forces, to provide a case-by-case review of each of the draft evaders, but not—repeat—not grant a blanket pardon for all.

With all good wishes for a happy holiday season for you and your loved ones, I remain,

Yours in dedication and service,

DONALD L. HARLOW,
CMSAF, Retired, Director of Legislation.

AMVETS,
Washington, D.C., January 6, 1977.

Hon. G. V. MONTGOMERY,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: AMVETS wishes to take this opportunity to express the gratitude of our entire membership for your support in requesting President-elect Carter to reconsider his stand on amnesty for draft evaders.

It is our belief that "blanket" amnesty or pardon for these violators would be an affront to those who served and died in the service of our country.

We have no contest with the President-elect's proposals as they pertain to deserters and former servicemen who have received less than honorable discharges. They have and/or will receive their day in court for AMVETS and our great brother organizations have for many years been active in representing applicants for Discharge Review and correction. The evaders should also be subjected to "due process" of law and answer to the charges brought against them.

We are not without compassion then when we state that our principal disagreement with Mr. Carter's proposed action is directed at his intent to "pardon" without question, those who "fled" the country or "went underground" to *evade* military service and

at the same time render invidual judgment on those who did, in fact, serve and received questionable discharges or deserted for many reasons other than moral. This concept does not reflect the "equal justice under the law" principle which, for 200 years, has been the "hallmark" of democracy.

Your views, as described in the collective communication to the President-elect, dated December 17, 1976, signify the fair-minded approach to this matter in concurrence with the feelings of the major veterans' organizations and your efforts, directed toward the persuasion of your colleagues in Congress to add their support to this vital endeavor will be very much appreciated.

Sincerely,

THOMAS J. MCDONOUGH,
National Commander.

JANUARY 8, 1976.

DEAR CONGRESSMAN MONTGOMERY: Several years ago I was discharged from the U.S. Army for writing bad checks—all the checks totaled less than a thousand dollars, for the offense I was given a less than honorable discharge plus 2 years in Federal prison. All of this happened when I was 18 years of age. I have attempted several times to get my discharge upgraded, to no avail. Had I been called on to fight for the country I would have gone even if I was in prison. I am writing you this letter to inform you that I am against a pardon for draft dodgers and military deserters. When I did wrong in the Army, I paid my debt to society. Why should they be given any special treatment? At least I am willing to still fight for my country against those who would attempt to destroy it. The law is the law, whether we like it or not. We still should obey it until it changes. I agree with everything you said in U.S. News & World Report, 1–10–77. I am willing to express my views before any committee in Congress.

Sincerely,

PAUL B. OWENS,
U.S. Penitentiary.

LEWISBURG, PA.

ALBUQUERQUE, N. MEX.,
November 30, 1976.

Hon. Congressman G. V. MONTGOMERY,
Chairman, MIA Select Committee,
Washington, D.C.

DEAR CONGRESSMAN: Today's news release stated your stand on President-elect Carter's blanket pardon on Vietnam draft evaders which concurs with our national organization, the American Ex-Prisoners of War, Inc., whose membership consists of POW's of World War One, World War Two, Korea and Vietnam, and also the support of the Gold Star Mothers, the MIA wives, KIA wives, that we do not want our President to betray the Americans who gave their lives or the injured or the loved ones by granting or declaring unconditional amnesty or pardons for those who chose to desert or evade military service during Vietnam conflict.

MEL MADERO,
National Commander, American Ex-Prisoners of War, Inc.

ALLIED POST NO. 369,
East Chicago, Ind., December 21, 1976.

Hon. C. V. MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: Please accept the appreciation and commendation of the members of this Post for your extraordinary efforts, in the attempt to halt the pardoning of Vietnam War draft evaders.

Members of this Post made some contacts with members of the Indiana Congressional delegation, urging that they join your effort. Some, may not have been contacted in time. However, it would be of great interest to our membership if we had definite knowledge of Indiana Congressmen being amongst the 106 signers.

Action is being started by this Post for you to be given deserving recognition in this matter. As you know, The American Legion has taken National Convention action to oppose any and all forms of amnesty.

We applaud your efforts, asking that you continue to serve in the spirit of keeping America strong so that it can continue its greatness.

Most sincerely,

ALLIED POST 369 AMERICAN LEGION,
JOE JAKUBOWICZ, *Commander,*
JOHN G. KRUPA, *Post Adjutant.*

ALBUQUERQUE, N.M.

Congressman G. V. MONTGOMERY,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: Please contact us as soon as possible in regard to the Executive Pardon being planned by President-Elect Carter. As a former Vietnam POW and MIA wife, we have started a campaign against such a proclamation.

We have contacted as many military affiliated groups as possible, and have gained support of many. We must try to impress upon President-elect Carter that this is not the wish of many Americans.

Our plan is to deliver the enclosed signed petitions to him before his inauguration if possible, or as soon thereafter as an appointment can be arranged. We must have him reconsider his position immediately, and delay any statement of this issue until he can be presented with the feelings of the poeple. Possibly we can convince him to initiate a new program of case by case review and alternate service for draft evaders.

Please call us at the first opportunuity so we can add support to your efforts on behalf of the MIA's in this issue.

Sincerely,

VICKIE DAUGHTREY.

MISSOURI HOUSE OF REPRESENTATIVES,
Jefferson City, Mo., December 3, 1976.

Hon. G. V. MONTGOMERY,
Member of Congress,
Washington, D.C.

DEAR REPRESENTATIVE MONTGOMERY: Thank you for your effort in opposing Mr. Carter's plan to give pardon to the draft dodgers (yellow bellies). I have written my congressman and good friend Bill Randall asking his support.

Respectfully,

GLENN H. BINGER.

ARIZONA HOUSE OF REPRESENTATIVES,
Phoenix, Ariz., December 21, 1976.

Hon. G. V. SONNY MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: Allow me to congratulate you on your leadership in protesting President-elect Carter's intention to grant amnesty to all draft evaders. My feeling is the same as yours, as I do not believe these evaders should be given amnesty.

With best wishes for the Holiday Season.

Sincerely,

J. HERBERT EVERETT,
State Representative.

THE AMERICAN LEGION,
Austin, Tex., January 4, 1977.

Hon. G. V. SONNY MONTGOMERY,
House of Representatives,
Washington, D.C.:

We of the American Legion of Texas wish to thank you for your efforts in the Congress to convince President Elect Jimmy Carter that his pardon proposal for "draft dodgers" is wrong. It is our sincere hope that your colleagues in the Congress will support your efforts, partciularly your Texas colleagues whom we are mailing copies of this communication.

Instead of putting the Viet Nam War behind us, his proposal is doing nothing more than stirring up old wounds and further alienating the people simply for the benefit of a very few thousand unworthy citizens who are law violators at best and un-American at worse.

It is strongly suggested that as long as one mother, father, widow, child, brother, or sister of those killed in Viet Nam are alive the war in Viet Nam will not be behind us. As long as one MIA remains that war will not be behind us. As long as one maimed and crippled veteran of the Viet Nam War is alive that war will not be behind us. And as long as there are deserters and draft dodgers alive that war will not be behind us. The American Legion has passed numerous resolutions rejecting blanket amnesty or blanket pardon for those who broke the law by deserting or evading the draft. These resolutions call for every person guilty of the above offenses be held accountable for his actions. We commend you for your efforts.

C. G. MCKINZIE,
Department Commander,
The American Legion.

SAN ANTONIO, TEX.,
December 9, 1976.

Hon. JIMMY CARTER,
Plains, Ga.

DEAR PRESIDENT-ELECT CARTER: I feel that I must write to you concerning your promise to pardon Viet Nam War draft resistors. Let me say first that I do not doubt your sincerity, motives or convictions in proposing the pardons. I do fail to understand what purpose they will serve. I would like to share with you my personal experiences concerning the Viet Nam War in hopes that it will assist you in making whatever decisions you will make.

While serving as an Active Army Advisor to the Army Reserve at a duty station just outside Detroit, Michigan, I was assigned the very difficult task of notifying the next of kin of enlisted personnel from the Detroit area who were killed or seriously wounded in Viet Nam. The procedure of notification by telegram was discontinued in favor of personal notification by a senior non-commissioned officer. On the 21st day of December 1967 I received a telephone call, at my home, from the Casualty Section, Fort Benjamin Harrison, Indiana. I was instructed to notify the mother of a young specialist fourth class that he had been killed that day by hostile fire in the Republic of Viet Nam. The soldier's mother lived on a farm in a rural area just outside the Detroit area. I stopped by a Roman Catholic rectory to ask a priest to accompany me. After informing the priest the nature of my duty he declined to accompany me saying that he had been ill and that this was a very difficult thing to do. I tried another rectory and after much debate I convinced a young priest to accompany me. On arrival at the farmhouse the soldier's mother called out from the door, "My boy, what's happened to my boy?" It took all the strength I could muster to say that the Secretary of the Army extended his deepest sympathy on the death of her son, killed by hostile fire in the Republic of Viet Nam. The Christmas tree, presents and a letter from him received that day were quite obvious. The latter said he would be home in three months to marry his girl. The boy's mother screamed "Where are the Johnson boys," a reference to President Johnson, and all the sons of the politicians. Tell me, she screamed. What answer could there be—what answer to the pain and heartbreak she was experiencing. She was fifty-two years old, had one other son in the Air Force and a husband with a weak heart. I made eleven other notifications prior to going to Viet Nam. Each one as tragic and each one a heartbroken mother, father, or widow asking—what of the draft dodgers and the rich kids. Maybe those questions are about to be answered.

I believe there are many reasons why young men resisted the draft. Some resisted because they did not want their lives interrupted by the War. Others because they were tied to their environment by drugs and others for ideological reasons. The ones who said they were anti-war were in fact anti-United States winning the war. How else can anyone explain the Viet Cong flag being paraded through the streets in America. While these same young men desecrated and burned our own flag. If they were, in fact, anti-war they would be directing their verbal outburst at Ho Chi Minh and North Viet Nam as well as the United States. I question if it is wise to allow these expatriates the opportunity to carry on their anti-U.S. activities. In a recent speech you said that "the laws of the land must be obeyed." The draft resistors violated the law and for each resistor a law abiding young man had to take his place. In many cases it was a life or death issue. I do not believe you would be exacting "a pound of flesh" if you require the draft resistors to formally request pardons stating that they admit to wrongdoing (braking the law) if you will and further stating the reasons why. If they tell the truth maybe this will give us an insight to what happened in the 60's.

I realize that you are very busy and have many important decisions to make. Please allow me to make one other suggestion concerning deserters and veterans who got "bad paper"—other than honorable discharges. There were many young men who went to Viet Nam and served in combat only to receive "bad paper," because they could not cope with the guilt heaped upon them by misguided civilians or other reasons related to their combat experiences. A young sergeant in my unit served as a combat infantryman in Viet-Nam. He was wounded and received hospitalization. His wounds necessitated the placement of a protective implant in his head. He was reassigned to a supply unit in Okinawa shortly after his arrival he began drinking heavily and went AWOL for a week and it seemed he was unable to adjust to his assignment. His unit commander recommended that he be eliminated from the service with a less than honorable discharge. He was subsequently reduced to private E-1 and discharged on 29 May 1973. He served with honor in Viet Nam, was awarded a Bronze Star Medal, attained the rank of sergeant and then received "bad paper." There are many parallels to this man's case. I believe they deserve a review of their discharges. Not because pardons will be given to draft resistors but because it would be the honorable thing to do—after all, they at least tried.

Mr. Carter, there were 50,000 men killed in Viet Nam, 340,000 wounded and there are over 3,000,000 Viet Nam era veterans. Will the pardons to 160,000 draft resistors alienate these veterans and cause further pain and regret to those families who gave a son, father or brother? Will the pardons be worth it?

If you have taken the time to read this lengthy letter and weigh what I have said, I sincerely appreciate the time you have taken. I know this is a long letter but I could not have said what I want to say in fewer words.

I realize you have a tough job ahead of you in the Presidency. I wish you well and that God give to you the strength, wisdom and guidance you will need to carry out the very difficult task ahead of you. My best wishes to you and your family for a happy holiday season—God bless you and your family.

Sincerely,

RICHARD G. LONGFELLOW,
First Sergeant, U.S. Army (Retired).

DELRAY BEACH, FLA.
December 2, 1976.

Representative G. V. MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: I was delighted to note in the local newspaper that you were attempting to start an Anti-Pardon Drive. Everyone I have spoken to is definitely against President Elect Carter pardoning the draft evaders and I frankly feel it would be impossible to ever get the youth of our country to fight if unfortunately the necessity arose and he does issue the pardons. I say this with an 18 year old son at VMI but why should he go if you can just go to Canada and come back later and all is forgiven.

Sad to say the people as you know just complain and don't do anything. Is it possible to get this as a national vote? I don't think it is but then could the congress send out to homes cards listing 3 choices. 1. Definitely against any pardon. 2. Extending President Ford's program which gave the evaders the chance to come back and work in a hospital, etc. or 3. Granting Full Pardon. If these could be mailed to every voter and regretfully postage back franked as so many wouldn't pay to mail them back I feel that Mr. Carter would then get a fair idea of what the people of the country want.

I am sure that someone has a better plan—perhaps the newspapers could put in something people could check in and mail to Washington but something truly has to be done.

Again, thank you for starting the ball rolling and I certainly trust it is a success.

Sincerely yours,

MRS. PHYLLIS B. MEYER.

CHICAGO HEIGHTS, ILL.,
December 1, 1976.

Rep. G. V. MONTGOMERY,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: I am very pleased at what I hear you are doing re amnesty and/or pardons for draft dodgers. There will never be enough money available for the Armed Forces to undo the damage caused by any blanket forgiveness! No major power has won a major conflict without conscription in modern times—nor can we. We MUST retain that power for future use if needed. (Naturally, I hope we never need it!)

I would say to President Elect Carter that—the precedent you propose to establish will lead to grave and totally unnecessary problems in the future.

Actually, as Commander-in-Chief of the Armed Forces, I would presume that any President who took his proposed action after taking the Oath of Office should be subject to Impeachment! Am I not correct?

I was never drafted. After shoulder injuries kept me out of WW II draft, I "conned" my way into the Navy—I had excellent eyesight and found that made up for a lot!—and served in the Pacific, rising from seaman to Lieutenant with duty with Seventh Fleet Amphibious forces.

My only son, the eleventh generation of our family in America, is a career Army man with the Paratroopers. We both have very strong feelings about duty, not glory nor pay—just duty.

These personal comments are intended only to provide background for the opinions expressed in this letter.

You are welcome to use any or all of this in any manner you see fit.

I certainly hope you are successful in rallying Congressional support to your cause. After all, if the Congress will not look out for the nation's good, who will?

Sincerely yours,

CHARLES I. ODELL.

LANSING, MICH.,
November 30, 1976.

Representative SONNY MONTGOMERY,
House of Representatives,
Washington, D.C.

DEAR SIR: I applaude your efforts to block the amnesty for Viet Nam draft-evaders proposed by President-elect Carter.

It is the first duty of a country to help those who willingly served & NOT those who willingly fled; therefore, it is our moral obligation that the plight of our M.I.A.'s be resolved before any type of amnesty should even be considered. To allow these evaders to return to this country while 1,000 of our men are still unaccounted for is unthinkable & an insult to every person who has ever served in the armed forces of this nation.

Let us hope that you, in a position of great responsibility in the government, will do all that you can to stop this asinine amnesty & help our M.I.A.'s instead.

Sincerely,

MS. PATRICIA JO KENNEDY.

ONEIDA, N.Y.
December 20, 1976.

Representative G. V. MONTGOMERY,
Congressman from Mississippi,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MONTGOMERY: I want to thank you, on behalf of many war veterans I know, for circulating the letter to President-elect Carter against pardoning the draft evaders. I have written to my congressman, James Hanley, telling him that we hope that he was one of the 106 who signed this letter.

I believe that the greatest slap in the face that could be given veterans of all wars and conflicts is to pardon these draft dodgers.

Many of us do not believe in killing or wars but we did our duty as American citizens by answering when our country called us. Many of us came back disabled for life also by doing so.

What are we going to tell our children and grand children when we try to teach them to obey the laws when these law breakers are given pardons with no punishment for their crime? What will the foreigners who are applying for US citizenship think of the oath that they take, especially the part that says they will defend their new country when called upon to do so?

These draft evaders made a mistake and broke a law and they should be punished in some way if they want to come back and enjoy the privileges of the greatest country in the world that others fought for. This punishment could be in the form of serving in conservation work, government hospitals or other services, but they should not be pardoned without repaying their country for their mistake in some manner.

If they are pardoned, President Carter is saying that we who answered our country's call are in the same class as cowards, deserters and radicals who don't appreciate their country enough to be willing to fight for it.

Thanks again for your fine work and may I wish you and yours a Very Merry Christmas and a 1977 filled with lots of Good Health and Happiness.

Sincerely,

DON CONNELLY,
A Disabled World War II Veteran.

V.M.I.,
Lexington, Va., January 10, 1977.

Hon. G. V. MONTGOMERY,
House of Representatives.

DEAR MR. MONTGOMERY: I have read your interview in U.S. News and World Report (January 10, 1977) concerning a pardon of all draft evaders and agree with your opinions.

Any law is only as good as the backing it receives from the courts. To pardon those who violated the law by desertion or draft evasion is to say that the law is worth less than the paper it is printed on. I feel, as you do, that a pardon would certainly encourage others in future conflicts to desert or evade as they desired, fearing no punishment.

Perhaps I am bias, because I attend a military school and had an uncle killed in Vietnam. However, I feel sure many men shared similar convictions with deserters and draft evaders, yet went on to Vietnam and served honorably. I admire these men more than those who run away from an unpleasant situation.

I support your idea of handling each case individually on a trial by jury basis. It is the only fair way.

I hope you will continue your drive to defeat this proposal by President-elect Carter.

Sincerely,

JACK L. WRIGHT.

Today the former prisoners of war, that is the Vietnam war, held a press conference here in the Nation's Capital and they also state they are totally opposed to the granting of a pardon. These fellows have served as much as 6 or 7 years in Vietnam. They think the pardon is wrong and they so stated today.

Also they said they have tried to see Governor Carter and he has not permitted them to see him.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to my colleague, the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I am pleased to join with my friend and colleague Mr. MONTGOMERY and other distinguished colleagues here today by participating in this special order to discuss the important matter of President-elect Carter's proposal to grant a blanket pardon or amnesty for Vietnam-era draft evaders and deserters. As a cosigner of the letter sent to Mr. Carter opposing his proposal, and as a sponsor of a House concurrent resolution reflecting the sense of the Congress that such a pardon should not be granted by the President, my sentiments on the subject are well known.

At the time I introduced the House concurrent resolution, I offered some remarks in the CONGRESSIONAL RECORD expressing my views in opposition to any blanket pardon by the President or the President-elect. As part of this special order, I include those remarks at this time:

AMNESTY OR PARDON SHOULD NOT BE GRANTED FOR PERSONS WHO COMMITTED DRAFT OR MILITARY ABSENCE DURING MILITARY INVOLVEMENT IN VIETNAM

Mr. HAMMERSCHMIDT. Mr. Speaker, I was shocked and dismayed last August upon learning that the President-elect had informed the American Legion of his intention to issue a blanket pardon to Vietnam draft evaders. I was even more surprised to learn that President Ford upon request was deciding whether to reconsider granting a blanket amnesty to draft evaders and military deserters.

Somehow or other, Mr. Speaker, I received the distinct impression that President Ford had already extended to each civilian and serviceman who had committed draft or military absence offenses during the conflict in Vietnam an opportunity to receive clemency and once again become a productive citizen when he issued his clemency proclamation of September 16, 1974. Basing his program on a "national commitment to justice and mercy * * *" and "the necessity for national reconciliation," draft evaders and military absentees could, according to the President, "earn their return to the mainstream of American society."

The proclamation created a Presidential Clemency Board which considered the case of each applicant on an individual basis. Clemency was not dispensed or denied automatically, by category, or by any rigid formula. The review was based upon the merits of each applicant's case, with full respect given to his rights and interests.

Despite this golden opportunity to again become productive members of our society, the vast majority of the offenders ignored the President's program. Of the 113,337 who were eligible for the clemency program, the Board tells us that 21,729—only 19 percent of the offenders—applied for clemency.

Mr. Speaker, these figures speak for themselves. They are appalling. They tell us that most of those who refused to enter service or fight in Vietnam because the United States was engaged in a conflict that was "morally reprehensible" were spurning amnesty or clemency. The clamor for unconditional amnesty or a blanket pardon appears with President-elect Carter's pronouncement to the American Legion. Let me share with you the views of some of the Nation's major veterans' organizations on this subject.

The Veterans of Foreign Wars said:

We sustain total opposition to both unconditional and conditional "amnesty" or "pardon" for draft dodgers and military deserters.

The American Legion stated:

"We reaffirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice."

The Disabled American Veterans reaffirmed its opposition to the granting of blanket amnesty, and that draft dodgers and military deserters be tried on an individual case-by-case basis.

AMVETS informed the President-elect that:

"We cannot condone a concept of special treatment for those who refused to obey the laws, designed by the people for the defense of our Nation and/or the promulgation of democracy abroad."

Mr. Speaker, I share the views of these organizations. The memory of the 56,000 American citizens who gave their lives fighting in the Vietnam war, whether that war was moral or immoral, is still fresh in my mind. The memory of the 1,100 servicemen still missing in action and unaccounted for cannot be erased. The granting of an unconditional pardon or amnesty would be an affront to all who served with courage and honor during that conflict.

In conclusion, Mr. Speaker, I want to commend the gentleman from Mississippi (Mr. MONTGOMERY) for initiating a petition to the President-elect calling upon him to reconsider his pledge to issue a pardon for all Vietnam era draft evaders. I was pleased to sign the gentleman's petition. While the action taken by the gentleman from Mississippi must be applauded, it is my view that a much stronger manifestation of congressional sentiment is necessary. I am, therefore, today introducing a concurrent resolution reflecting the sense of Congress that a general or blanket amnesty or pardon for persons who committed draft or military absence offenses during our Nation's military involvement in Vietnam should not be granted by the President. The text of the resolution follows:

H. CON. RES. —

Whereas President Ford in his Proclamation of September 16, 1974 created a program of conditional clemency for approximately 13,000 civilians and 100,000 servicemen who had committed draft or military absence offenses between the adoption of the Gulf of Tonkin Resolution (August 4, 1964) and the day the last American combatant left Vietnam (March 28, 1973), and

Whereas a total of 113,337 persons were determined to be eligible under the President's clemency program, only 21,727 or 19 percent of those eligible actually applied for clemency during the six and one-half months the privilege was offered, and

Whereas President-Elect Carter has declared his intention of issuing a "blanket pardon" to those who evaded or violated the draft laws of our nation, within one week after his inauguration, and

Whereas the nation's major veterans organizations have taken strong positions in total opposition to general or blanket amnesty and/or pardon as evidenced by Resolution #401 of the Veterans of Foreign Wars that "we sustain total opposition to both unconditional and conditional 'amnesty' or 'pardon' for draft dodgers and military deserters"; Resolution #434 of the American Legion that "we affirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice"; Resolution #349 of the Disabled American Veterans reaffirming "its opposition to the granting of blanket amnesty, and that draft dodgers and military deserters be tried on an individual case-by-case basis"; and by AMVETS Resolution #78 and 79 that "we sustain total opposition to both unconditional and conditional 'amnesty' for draft dodgers and military deserters" and

Whereas the Presidential Clemency Board said in its minority report, "We do not believe that a man who deserted his comrades on the battlefield in Vietnam or who refused to go to Vietnam when he was so ordered, should be given clemency," and

Whereas a member of the Board further stated, "A Presidential pardon must be viewed as a prized and relatively infrequent occurrence," and

Whereas this proposed action would be an insult to the memory of the 56,000 American citizens who were killed in Vietnam and the nearly 1100 who are still missing in action, as well as an affront to all who served with courage and honor during that conflict: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring,) That it is the sense of Congress that a general or blanket amnesty or pardon for persons who committed draft or military absence offenses during our nation's military involvement in Vietnam would represent a breach of faith with those who served honorably, particularly our honored war dead and their survivors and should not be issued or granted by the President of these United States.

There is justice and mercy in a clemency program which seeks to look at each case on an individual basis, to determine if compelling circumstances existed to cause a soldier or a citizen to evade military service, and there is justice and mercy in a program which provides an avenue for that individual to make restitution for his actions. But blanket amnesty, regardless of the circumstances, can only be viewed as inequitable and unjust, not only to those who did serve during the Vietnam era, but to all prior servicemen during this Nation's history.

and to those yet to serve with honor and pride.

I believe the majority of Americans share this view.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Arkansas.

Let me say that after my hour, the gentleman from Idaho (Mr. HANSEN) has 1 hour to talk about this subject and the gentleman from Virginia (Mr. DAN DANIEL) has an hour after the gentleman from Idaho (Mr. HANSEN), so we have plenty of time. Certainly we will get around to everyone.

Mr. BEARD of Rhode Island. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Rhode Island.

Mr. BEARD of Rhode Island. Mr. Speaker, I would like to say that in my opinion this should be on an individual situation basis. Everyone participated; some were conscientious objectors, some took off, because they were draft dodgers. I believe each person should be judged on his individual situation.

I have signed the letter as a cosponsor and I will oppose Governor Carter's proposal of this pardon. I do not go along with it. I think if we join the President at this point in time, in any future wars it will be easy for anybody to cop out or take off, with the hope that they will be pardoned later.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Rhode Island for those remarks. I certainly agree with the gentleman.

I would like to say that by sending this letter, there is no intention of myself or the signers of the letter to embarrass President-elect Carter in any way; but I think when we disagree with him, no matter who he is, whether he is coming into office or not, we have to stand up and let him know. I am sure many Members before this term is out will disagree with Governor Carter on many matters.

Mr. BEARD of Rhode Island. Mr. Speaker, if the gentleman will yield further, so that what is important is that we work with the President. We do not work for the President. I think that has to be considered.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I thank the gentleman for yielding.

One thing that troubles me is that if one has an honorable discharge from the service, the way I understand it, he is entitled to medical attention. He is entitled to a nonservice pension later on in life.

Now, if we have understood the gentleman that there are 300,000 men in this country that have received less than honorable discharges, they are not entitled to those benefits. Now, if the President by a blanket order would issue a pardon, would that erase the less than honorable discharge and entitle them to medical attention and pensions later on?

Mr. MONTGOMERY. That is correct. He has not done this yet; but, of course, he has not had time to yet. He has only said there will be a blanket pardon for draft evaders, but he did say he would look into the situation and maybe give pardons in those cases that the gentleman from Kansas has just mentioned. If he would do this and the discharges would be upgraded to honorable discharges, they would be entitled to medical and veterans' benefits.

Mr. MOTTL. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Ohio.

Mr. MOTTL. Mr. Speaker, first, I want to commend the gentleman from Mississippi, the Honorable G. V. "SONNY MONTGOMERY, for obtaining time to speak on the pardoning of persons who evaded the draft during the Vietnam-era conflict. Needless to say, I was shocked and dismayed when I learned that President-elect Carter had told the American Legion at its national convention last August that he intended to issue a blanket pardon for all Vietnam draft evaders. Since a person who has never worn the uniform, because of active duty in the Armed Forces is not a veteran under any of the laws administered by the Veterans' Administration, the issuing of a pardon to a draft evader will have no impact on entitlement to veterans benefits.

The major veterans' organizations whose membership includes hundreds of thousands of Vietnam veterans are vehemently opposed to the pardoning of those who broke the selective service laws or evaded the draft during the Vietnam war.

Actions which will help heal the scars of divisiveness remaining from the Vietnam war are highly commendable and desirable. However, we must never forget the sacrifice made by those who served, especially the 55,000 who were killed in Southeast Asia during that long conflict. I suggest a solution to the problem for which there is a precedent by one of our greatest Presidents who was confronted with a similar issue following World War II.

I am speaking of President Truman who, on December 23, 1974, pardoned 1,523 persons out of a total of 15,805 cases of those who had evaded or otherwise violated the Selective Service Act during World War II. However, President Truman did not issue a blanket pardon. To the contrary President Truman established in 1946 an Amnesty Board which called for the Board to examine and consider the cases of persons convicted of violating the Selective Service Act of 1940. The Board, therefore, reviewed each of the cases individually and made a recommendation to the President as to whether Executive clemency should be granted or denied; and in the case of about one-tenth of those involved, a pardon was recommended and granted.

While there is no way of knowing what the facts are with respect to present draft evaders, it would seem logical to conclude that many of them evaded the draft for reasons that had nothing to do with being for or against the war in Vietnam and under no circumstances would be entitled to a pardon for violating the draft laws.

Consequently, I strongly urge President-elect Carter to follow the example set by President Truman and establish a review panel to determine on a case by case basis whether the slate should be wiped clean by way of a Presidential pardon for those persons who evaded the draft for reasons of conscience.

Lastly, I join with many others in opposing the recommendations made by some that a Presidential pardon should be extended to include military deserters. Since the President has not indicated his reaction to such a recommendation, I want all to know that I am firmly opposed to any type of amnesty or pardon for persons who have been on active duty in the Armed Forces and run afoul of the military laws.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Alabama.

Mr. NICHOLS. Mr. Speaker, I am appreciative for this opportunity to address the House on the subject of blanket amnesty and I am pleased to be associated with the efforts of my colleague and good friend, the distinguished Representative from Mississippi, Congressman MONTGOMERY receives my compliments for his dedicated work in gaining this special order.

During the Presidential campaign, President-elect Carter received my support in Alabama's Third Congressional District. It was my belief that his philosophy and ideas were attuned to those of Alabama and as a Southerner and a Democrat, Mr. Carter was the best man for the job. This belief is unchanged.

On the issue of blanket amnesty for those who evaded the draft, however, he and I stand on opposite ends of the spectrum. Mr. Speaker, having served in this legislative body now for five terms I am well versed on the arguments pro and con relative to the involvement in Southeast Asia but no matter how right or wrong our efforts may have been, the flagrant abuse of our draft laws remain unlawful and unjustified.

I was pleased to note in this week's issue of Newsweek, Governor Carter's mention of military deserters. When asked how he would handle the cases of those who fled the military after induction or enlistment he said that each case "should be handled on an individual basis in accordance with our Nation's system of military justice."

I am in complete agreement with this prudent statement believing that our system of military justice, just as the civilian judicial system, is designed to weigh each case and each circumstance on its merits. It was George Washington who wrote, "The administration of justice is the firmest pillar of Government," and to circumvent this means of enforcing our laws is to abuse those ideals which have molded and formed our Nation.

The foundation of the argument by those who support blanket amnesty is that our Vietnam involvement was illegal and to grant unconditional amnesty would seem to support this misconceived claim.

Through five Presidents and numerous Congresses, the American presence in Vietnam was supported. The draft laws, though not always fair in application, were legally enacted. I would like

to note that where half a million men avoided the call of the draft, nearly 20 times that figure, 11 million men of draft age served in the military during the same period.

It is the prerequisite of all citizens to obey and follow our laws. If you desire change, there are legal channels to follow, but to snub your nose in the face of your Government, to openly flaunt the laws of this country and then demand forgiveness, unconditionally, is by no means honorable or responsible.

Is the blanket amnesty fair to those who fulfilled their obligations, who answered when duty called? Is this fair to the half million Vietnam-era veterans who are out of work? Is it fair to those 70,000 who received less than honorable discharges, or to the 270,000 veterans wounded in Vietnam? Is it fair to the 52,000 who lost their lives serving in Indochina? Of course, not.

But the crux of the question comes when you consider what will happen next time duty calls. The danger of this precedent is without bounds.

The amnesty programs of Lincoln and Truman were not blanket or unconditional. An action such as this would be unique and dangerous. It would lay open to suspect and ridicule future laws regarding military service and the moral obligations of our citizens to serve in times of need. What will happen if a blanket amnesty is granted this time and the need to raise a standing Army is presented to the American people? Will those who claim to answer to a higher standard than that set by our Government refuse to answer? If so, what do we do?

Mr. Speaker, we do not seek revenge nor are we seeking vengeance, but we do not want to see the honorable service of more than 2 million Americans, who served in Southeast Asia, equated on the same plane as the dishonorable service of those who openly refused to serve their country. We believe this is completely wrong. What we are seeking is justice. This can best be found through the proper channels of our courts on a case by case basis, equity tempered with mercy can be achieved in this manner.

Mr. MONTGOMERY. I thank the gentleman. He makes the point in his remarks that the way to handle this would be on a case-by-case basis, whether it is for the dishonorable or less than honorable discharges, or even for the draft evader. It should be done, in my opinion, case by case, if it is going to be done at all.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I want to commend the gentleman from Mississippi for taking the leadership in bringing this issue before the Congress and for initiating an appeal to President-elect Carter to reconsider his publicly announced position on this particular issue.

I certainly can understand the desire of wanting to put the bitterness of the Vietnam war behind us, and I think we all share that. I recognize also that the question of clemency or a pardon or amnesty is something that is exclusively an executive prerogative and not something in which the Congress has any legal responsibility. But, the fact of the matter is that, in my judgment, I share the view of the gentleman from Mississippi that the President-elect would be making a serious mistake in undertaking this action.

I think one thing is clear; that is, that we who are Members of Congress are as closely in touch with the thinking of the American people as is the President-elect. Certainly, my feeling—and I am sure that many Members of the House would agree with me—is that the American people are not in favor of this kind of action. Therefore, the action that the President-elect has indicated that he will take is going to create some serious problems. The gentleman from Mississippi has already indicated that an amnesty would not be fair to those who have fought bravely and valiantly in Vietnam. That was demonstrated, I understand, just this morning by a press conference which the gentleman held with some former POW's. It certainly would not be fair, as he has pointed out, to those who may have served the bulk of their time honorably and then gotten into trouble and ended up with less than honorable discharges.

It certainly will, in my judgment, undermine our ability and our deterrent power as a nation in any future military confrontation which we might have. Deterrent power is based not only on the guns and ships and planes we have, but on the enemy's interpretation of our will. I think this could do serious damage, so I would join with the gentleman from Mississippi in urging the President-elect to reconsider. I think we have already outlined an alternative, which the gentleman said that we did not have, which I am sure all of us would favor—clemency—going easy on these individuals in an effort to put the bitterness of the Vietnam war behind us.

But, as the gentleman from Rhode Island (Mr. BEARD) said, let them come back one by one. We should not be giving this to people who do not even express an interest in it. Let them apply and let their cases be considered individually, and I think when we can do the kind of thing the President-elect wants to do without creating all the problems the gentleman from Mississippi has indicated would be created.

Mr. MONTGOMERY. I thank the gentleman from New York for his remarks.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the minority whip, the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman yielding to me, and commend him for the action he has taken here to day in pointing up this issue.

Mr. Speaker, a week ago I came across some words that I believe are of importance in understanding the full dimensions of the current debate over President-elect Carter's plan to grant blanket amnesty to draft evaders. They were spoken by former prisoner of war and hero, Lt. Comdr. Michael D. Christian. He said:

> We are making heroes out of deserters. The price of honor seems pretty cheap this year.

He said these words as he placed two Purple Hearts, two Silver Stars, the Legion of Merit, three Bronze Stars, four Air Medals, and a Navy Commendation Medal on a soldier's grave in protest against the Jimmy Carter amnesty plan. Commander Christian said:

> I really don't want them anymore. They've lost any value to me.

Mr. Speaker, a nation that does not concern itself with the price of honor will soon find that it places no price on anything, not even its own survival. It is clouding the issue to state—as some do—that the Carter-proposed amnesty is demonstration of compassion and forgiveness and that it will heal the Nation's wounds. Mercy and compassion are necessities in any civilized society and I strongly support their application in cases where the public good will be served. But these virtues are not absolutes—they must always be balanced against other values and needs of society. If the blanket amnesty has the effect of doing permanent damage to the Nation's inherent duty to defend its values, then such amnesty will be seen by history not as compassionate but as an exercise in bad judgment.

Objection to blanket amnesty is therefore, not a stand against mercy or compassion. It is, instead, a defense of other central values of our civilization. If we have come to a time in our national life when, in Commander Christian's words, we are "making heroes out of deserters" we are doing something to our Nation that no enemy, no matter how strong, has ever done: We will be destroying our sense of honor and placing no value on devotion to duty. We will be turning cherished values upside down. No people, no nation, no civilization can do that and expect to survive. Sooner or later such a decision will come back to haunt us.

So, let us make clear just what the issues are in the amnesty debate. I believe that draft dodgers should take their chances before the courts. If, in individual cases, where all the facts are known, a decision is made by a judge to be lenient, the majority of Americans will not complain. After all, the essence of American justice is the recognition of the uniqueness and value of the individual. Each case can and should be tried on its merits. So the argument is not between those who are "for" compassion and those who are "against" it. The argument is, rather, between those who want to avoid the difficult decisions that have to be made on a case-by-case basis and those of us who do not want to see the price of honor, of service, of devotion, debased by a blanket amnesty.

I oppose blanket amnesty not because I am opposed to compassion, but because I recognize that here are forms of sentimentality and yes, of bad judgment that disguise themselves as compassion.

Honor, as well as mercy, has a part to play in our national life. A case-by-case handling of all draft dodgers will not

damage the national quality of mercy—but blanket amnesty will most certainly place a low price on honor and service, a price so low that we may one day find ourselves in the position of trying to explain to our children what the concept of honor means—and having them not understand.

I dread such a day, Mr. Speaker, and hope it never comes.

I therefore urge that any plan of blanket amnesty be rejected. The invisible bond that links together Commander Christian and the dead soldier upon whose grave he placed his medals—the bond of honor—must be publicly, officially, acknowledged as still having a high value in our society. It is a bond as strong as faith and love, but it, too, can be broken and once broken it is all but impossible to repair. Let us not place ourselves in the position of being judged by later generations as one which, having had to choose between honor and false compassion, chose incorrectly.

Mr. MONTGOMERY. Mr. Speaker, I might say that Lt. Comdr. Mike Christian and other former servicemen who were imprisoned in Vietnam are on Capitol Hill today opposing this. Servicemen who spent as long as 7 years in prison are totally opposed to this amnesty.

Mr. KOCH. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York (Mr. KOCH). I might say that the gentleman from New York also has an hour special order approving or agreeing with President-elect Carter.

Mr. KOCH. I thank the gentleman for yielding.

Mr. Speaker, I do have a special order that supports the President-elect's pardoning or amnesty provisions and my resolution urges him to expand their coverage. I will be speaking at length later so that I will not speak extensively now, but I would like to say this: Those of us who support pardoning or amnesty take that position because we believe that it is in the national interest of the United States to bring the Vietnam era to a close. For myself, that is why—and I speak for a number of people, not all—we are not hung up, if you will, on the question of whether it is described as a pardon or an amnesty. What we want to do is to bring everyone home, whether they are overseas as a result of desertion, whether they are draft evaders, or whether they are some of the people who never even registered and will never be caught but will go through life with that threat of being discovered over their heads as it were. I know the gentleman's position because he and I have debated this in a weekly magazine not long ago, and I will not summarize the debate we had there. But I would like to ask the gentleman this question: Is the gentleman aware that we have provided amnesties and full pardons in other wars that the United States has been involved in?

Mr. MONTGOMERY. Not a blanket pardon. I do not think the gentleman was here when I made the comments and I traced the war through. I did not cover the War Between the States, which the gentleman called the Civil War in the article.

Mr. KOCH. If the gentleman will yield further, I would like to cover the War Between the States. Again I do not care whether we call it "pardon" or "amnesty." I would like to cover that war because I know the gentleman is concerned about what took place at that time. I refer to the date of December 25, 1868, when President Johnson gave "universal and unconditional amnesty"—I am quoting now, and these are not my words, so the gentleman will forgive me if the language is not that which he and I might necessarily concur in—"universal and unconditional amnesty to all rebels of Confederate States."

Mr. Speaker, does the gentleman believe that this country is the lesser for it today that a President at that time, trying to bring the country together, granted universal and unconditional amnesty to rebels who had fired on the American flag?

Mr. MONTGOMERY. Mr. Speaker, I will be glad to answer the gentleman's question.

The gentleman had to go all the way back to the Civil War to find out where a possible precedent might have been set. The gentleman will agree that from World War I on, we have had nothing like this. My point is that certainly that was a civil war, that was not our Nation involved in another war with another country. Our country was split. The gentleman will agree to that.

As I understand it, President Lincoln or President Johnson did not give a blanket pardon to the Union Forces or to those in the Union who refused to fight for the Union. He did not have any records on the Southern Forces anyway. We did not have any good records on who served in the Confederate Forces, so we did not have to worry about giving them a blanket pardon. So I do not think we can compare it at all. I will be glad to discuss that point further on the gentleman's time, if the gentleman does not mind.

Mr. KOCH. Mr. Speaker, if the gentleman will yield for 1 further minute, then I will cease.

Mr. MONTGOMERY. I will be happy to yield to the gentleman from New York.

Mr. KOCH. Mr. Speaker, all I am saying to the gentleman is this: We really do have two periods of time that are very comparable. The divisiveness that existed at the time of the War Between the States is very comparable to the divisiveness that existed in our society in the 1960's and 1970's when brother was pitted against brother here in the United States. Just as President Johnson then brought the country together in 1868 I would hope that President Carter will do the same thing in 1977 with a comparable act of grace, compassion, and mercy.

Mr. MONTGOMERY. Mr. Speaker, I would try to refute that statement. I do not think it is possible to compare what happened in the 1960's and 1970's with what happened during the period of the Civil War.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

I was interested in what the gentleman from New York (Mr. KOCH) had to say, and I hope that he remains on the floor because there is an issue I want to discuss with the gentleman from Mississippi.

I think we are looking at the issue of pardon or amnesty as though that would be a complete resolution of the problem.

I have had occasion to review a case, and this is a real live case. Let us call the gentleman involved John Doe.

John Doe served in the military. He served in Vietnam for 3 years and in the military for about 5 years, and then he was reassigned after Vietnam to Germany. In Germany he got into problems unrelated to his military duty, and so he deserted and went to Sweden. During the time he lived in Sweden he married a Swedish girl and had to go to work. Apparently when one goes to work in Sweden, he must say he is a Swedish citizen, so although he never took the oath as a Swedish citizen or anything of that sort, by the very fact of going to work he apparently signed papers saying that he was a Swedish citizen. As a consequence of that, under a Supreme Court case, he lost his American citizenship.

In January of this year John Doe decided to come back to the United States and make his peace with the military. He was assisted in that matter, and he went to Fort Leonard Wood and was incarcerated for a period of time, and the final disposition of his case was to give him a dishonorable discharge.

Immediately then the Immigration and Naturalization people got in touch with John Doe and said that he should be deported because he was a Swedish citizen, not an American citizen. So deportation orders were cut for him, and he was about to be deported when his mother, who is an American citizen, filed a fourth preference visa petition for him. Under that petition he was going to be able to become a permanent resident of the United States, not a citizen but a permanent resident of the United States.

Just today, when everything seemed to be going smoothly and John Doe was going to be allowed to remain in the country and get reunited with this country, although not as a citizen but as a permanent resident alien, I received word from the Immigration and Naturalization Service. I will read this in part.

The letter says:

* * * the processing of Mr. Doe's application has begun.

However, in view of information indicating that he was a military absentee and his subsequent acquisition of Swedish citizenship, it will be necessary to make a determination as to whether or not Mr. John Doe may be ineligible to receive a visa under Section 212(a)(22) of the Immigration and Nationality Act.

The letter goes on to say that they are trying to determine that information.

Section 212(a)(22) says: the "following classes of aliens shall be ineligible to receive visas and excluded from admission."

Under section 212(a)(22) it says:

* * * persons who have departed from or who have remained outside the United States to avoid or evade training or service in the armed forces in time of war or a period de-

cleared by the President to be a national emergency * * *.

Mr. Speaker, I quote that, and I bring this matter up merely because all the discussion of amnesty, pardon, and everything else indicates, as the gentleman from New York says, that we are going to bring people back here, get everybody back together, get them home.

I respectfully suggest that the whole issue of pardon and amnesty is being misrepresented to a good many of our youth who are in foreign countries and who very likely have acquired other citizenship and have automatically lost their American citizenship. They would be deportable under the immigration and naturalization laws, which cannot be abrogated by Executive pardon.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for bringing that point up.

In other words, the gentleman is saying that we will have to change the law to admit them under those circumstances. As he mentioned, even if these people are pardoned, they still cannot come back to the United States, and if they did come back, they would have to stay 5 years as a permanent resident before they could even apply for citizenship.

Mr. BROWN of Michigan. And it appears under section 212(a)(22), if the gentleman will yield further, that they cannot come back if they evaded military duty.

Certainly, the President, even the President, cannot abrogate a statutory law. I do not know what the precise situations will be, but what I have related appears to be the case. Even though, for instance, John Doe was pardoned, he still would not be able to regain immediately his U.S. citizenship, especially if he had lost it by acts making him a citizen of another country.

Mr. MONTGOMERY. Mr. Speaker, I think the point that the gentleman from Michigan (Mr. BROWN) is actually making is that this matter has not been thought out; all of its ramifications have not been thought out. This is very, very serious.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, I thank the gentleman for yielding.

I listened with considerable interest to the colloquy between my distinguished colleague, the gentleman from Mississippi (Mr. MONTGOMERY), and the distinguished gentleman from New York (Mr. KOCH) on the comparison between the pardon proposed by President-elect Carter for the draft evaders and the pardon, amnesty or pardon, issued by President Johnson to those who served in the Confederate Forces.

Mr. Speaker, there is absolutely no similarity in the situation. Those men who served in the Confederate Army were not draft evaders. They were men who served in uniform and served honorably, fighting for a cause in which they believed, fighting for a State and a nation of which they were a part, and which they felt deserved independence.

That is not at all comparable, Mr. Speaker, to the blanket issuance of a pardon for those who evaded the draft, in whatever country they lived.

Mr. MONTGOMERY. Mr. Speaker, my point was—and I saw the gentleman from Florida nod his head; apparently he thought I stated it wrong—however, I meant to state it in the way I did.

As I understand it, with respect to deserters and evaders from the Union forces, President Lincoln did not give a blanket pardon. They had to be handled case by case.

That is one of the points I wanted to make to the gentleman from New York (Mr. KOCH), that President Lincoln himself did not give a blanket pardon to his own troops.

Mr. SIKES. If the gentleman will yield further, Mr. Speaker, I compliment my distinguished friend, the gentleman from Mississippi (Mr. MONTGOMERY) for providing leadership for a strong expression of opposition from the Congress to President-elect Carter on his proposal to issue a blanket pardon for Vietnam-era draft evaders and deserters.

President-elect Carter's proposal is a very disappointing one. To issue a blanket pardon would set a dangerous precedent for future wars or military conflicts of any type. Such an act would hardly lessen the anguish suffered by families whose sons, husbands or fathers lost their lives in Southeast Asia.

A blanket pardon would damage, and in the minds of some, destroy the pride and honor connected with service to our Nation. It would doom a draft program in time of war from its inception. We would be inviting wholesale resistance with the obvious expectation of forgiveness once the fighting had stopped. Many more in the future would refuse to take their obligation for service seriously, knowing that there would never again be punishment for refusal. We cannot afford to allow this situation to come about.

We have already had a limited amnesty program under the present administration. Approximately 21,000 men have availed themselves of the Ford program. One-half of these have already earned their pardons and the others remain eligible. Is it wise to reward the lack of response to one Presidential clemency program by a pardon? There may be grounds for a new program or an expansion of the Ford program. However, the Carter proposal would surely short circuit these far more legitimate proposals.

The freedom which we as Americans are privileged to enjoy today could not have been possible without the dedicated efforts of those who served this country in war and in peace and, in all too many instances, sacrificed their lives.

Every citizen has a responsibility to our country. Those who refused to serve in a time of war should not expect to resume their place in society today with the same status as those who recognized and fulfilled their obligation to America. A pardon would be an affront to the millions of young men who answered their Nation's call and served valiantly in Southeast Asia, as well as to the families of those who gave their lives in Vietnam.

I sincerely hope that President-elect Carter will reconsider his announced plan and allow our ongoing system of justice to deal with all violators of the law.

Mr. Speaker, I wholeheartedly join in the opposition expressed to the blanket pardon.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and want to commend the gentleman from Mississippi for taking the time by way of this special order to bring this important issue to the attention of the House and to the entire Nation.

I support the gentleman's opposition to amnesty and a blanket pardon and was pleased earlier in this session to join the gentleman's joint appeal to President-elect Carter in opposition to the Carter amnesty proposal.

Too many have given too much to permit a blanket amnesty to shield those deserters and evaders who have taken the law and their obligation to their Nation into their own hands.

I request unanimous permission to revise and extend my remarks.

It is by belief that justice—justice that accords an equal treatment of all citizens—requires that those men who deserted the service during a time of war must face a penalty for disobeying the laws of this Nation.

A blanket pardon would constitute a great injustice to the thousands of American citizens who faithfully served their country in Vietnam, and would be grossly unfair to the relatives of the 46,000 Americans who lost their lives during this war and to all those men who opposed the war but chose to stay home and pay the penalty for their opposition.

The leaders of this Nation cannot effectively direct its affairs if its citizens are allowed to decide for themselves which laws they will obey and which they will disregard. Any Federal policy that would grant blanket amnesty for those men who willfully defied the law of military service would not only be unjust to those thousands of young men who fulfilled their legal obligations in Vietnam, but would invite mass disobedience of our military laws in the future.

Compassion is a noble quality, but justice is of greater importance. I urge my colleagues to join our colleague, Mr. MONTGOMERY, in opposition to the Carter amnesty proposal.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, I appreciate the gentleman's yielding.

As soon as the President-elect made his statement that he anticipated giving a general amnesty, I wrote him a letter, immediately before I checked with anyone else, on my personal stationery as chairman of the Committee on Veterans' Affairs, and asked him not to take that step. I have since rewritten on a similar basis.

Mr. Speaker, I appreciate the gentleman's taking this time. Of course, it would be the decision of the President-elect, and nothing we can do will have a great effect on what he decides to do.

However, Mr. Speaker, I am hopeful that the issues which the gentleman from Mississippi has raised here today will have weight and that the President-elect will decide not to take a general amnesty position.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Texas for his observations, and again I want to point out to my colleagues that the gentleman from Texas (Mr. ROBERTS) is chairman of the Committee on Veterans' Affairs. We have many problems pertaining to veterans, and I appreciate his position.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Louisiana.

Mr. MOORE. Mr. Speaker, I vigorously object to any blanket, unconditional or universal amnesty for Vietnam-era draft evaders and deserters for several strong and valid reasons. First, such a move is contrary to the treatment of evaders and deserters following all other periods of wartime during our Nation's history. There has never in our 200-year history been such an action. Second, it also disregards each specific crime committed and what if any punishment has been meted out for that offense. Third, equally important, if not more so, a universal pardon undermines our fighting forces and our ability to raise an army in a time of war. Fourth and last, there is no need for this unprecedented and unwise action as an existing program for evaders to earn this right to return has been successful.

More than 100 of our colleagues in Congress have officially voiced this viewpoint to President-elect Carter, who has repeatedly registered his support for a blanket pardon for draft evaders and may extend the same policy to deserters. Significant opposition to this ill-advised move is not only found in the Halls of Congress, it is widespread in the Sixth District of Louisiana and elsewhere in the country.

Mr. Speaker, no one can ignore the lessons of history. During the early years of this Nation, desertion was equal to "going over the hill" or AWOL status in present military jargon. Deserters could be shot on sight for any absence from duty. To temper this punishment, "full pardons" were given to deserters who returned to their duty station and were subject to military action at that time. History shows this was clearly not an unconditional or universal pardon. Military authorities ultimately "mustered out" some deserters while others were retained and still others were punished. In all instances, justice was applied on a case-by-case basis.

Following the Civil War, pardon for imprisoned Confederates were issued on a different basis than those for Union draft evaders or deserters. Reconciliation was allowed only after a pledge of allegiance was signed by each Confederate pardoned. Case-by-case decisions again formed the structure of justice.

Pardons for First and Second World War draft evaders followed the same historic precedent. In 1933, some 15 years after the end of World War I, President Roosevelt granted approximately 1,500 pardons to those who evaded the draft and served a sentence for this offense. Later, President Truman's three-member Amnesty Board, created to examine the cases of draft violators but not deserters, considered 15,805 cases and pardoned 1,523 men, about 10 percent. There is no record of a Presidential amnesty for draft evasion following the Korean conflict which parallels U.S. involvement in Vietnam more than any other period of wartime in modern history. Thus, a blanket amnesty or pardon has never occurred before.

Consistent with these long established guidelines for the administration of justice, President Ford announced a program of clemency for Vietnam-era draft evaders and deserters on September 16, 1974. As before, justice would be decided on a case-by-case basis. Offenders were provided the opportunity to "earn return to their country, their communities, and their families, upon their agreement to a period of alternate service in the national interest, together with an acknowledgement of their allegiance to the country and its Constitution. This "earn your return" clemency policy found more than 21,000 violators seeking to reestablish their good name under President Ford's program, amounting to 55 percent of all deserters and 16 percent of the draft evaders according to Army estimates. Some 7,500 accepted alternative civilian service and nearly 6,000 were granted outright pardons. Compared with the reaction to similar policies following World Wars I and II, participation in the "earn your return" program was significantly above that of the two previous pardon periods.

I believe the Clemency Board created in 1974 has been compassionate in applying justice tempered with mercy. It has honored policies of forgiveness in the past without demeaning the soldier who did his duty. No one got off scot free as they would under a blanket amnesty. Alternate service of up to 2 years worked. Proof of this point is found in statistics that reflect participation and policies that recognize an individual's obligation to family. As before, clemency is finally approved after an oath of allegiance to our Constitution is given. This program has worked well and there is no need for additional action.

Mr. Speaker, I fear universal amnesty will make it extremely difficult to raise a military force in the future and sustain military operations in the field. If laws can be flaunted and deserters forgiven without regard to the seriousness of their offense, our military will be unable to function. Desertion in the face of the enemy spells defeat. Blanket amnesty tells a soldier he will be forgiven if he deserts which will cause mass desertions jeopardizing the existence of our military units. Under the present all volunteer program or under the restoration of the draft, desertion with the expectation of forgiveness under a blanket pardon will gravely endanger our ability to raise an army and permit it to function under fire in the field. Under a draft system, forgiveness for draft evasion will seriously threaten such a system and, then, our ability to raise an army. This combination of threatening our troops in the field and our ability to raise an army endanger our very national defense.

Mr. Speaker, our Nation of 200 years was built around a framework of law. Justice must be given in keeping with those laws and changed only by orderly procedure. Blanket amnesty condones and encourages disrespect for important laws which in turn invites chaos.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his strong expression of support.

I might say, Mr. Speaker, that I have other colleagues who have 2 additional hours on this subject. I will be glad to step down in a few minutes and permit the gentleman from Idaho (Mr. HANSEN) and the gentleman from Virginia (Mr. DAN DANIEL) to use their time.

Mr. Speaker, I now yield to the distinguished gentleman from Texas (Mr. BURLESON).

Mr. BURLESON of Texas. Mr. Speaker, on December 17, 1976, I joined with more than a hundred of my colleagues in the U.S. House of Representatives in a letter to President-elect Jimmy Carter, expressing opposition to his proposal to grant blanket amnesty to all Vietnam war draft evaders. I now reiterate that position and more fully give my reasons therefor.

We hear the advocates of pardon say that our involvement in Vietnam was unjust and insupportable. Obviously, as things turned out, it was a mistake. The fact remains that we were at war and conscription was the law. If the day ever comes when each man and woman can decide on his or her own whether a conflict in which our country may be engaged is just or unjust, I shudder from what would result. In reality it would mean anarchy on which no nation can survive.

This seems to me, Mr. Speaker, to be the most fundamental point in this issue.

It is argued that draftees of the Vietnam era had no alternative of service and that the truly conscientious objector had no access to defense. True the machinery was different than World War II but the courts of this country were available for claims of this nature. Second, under President Ford's amnesty plan, incidentally about which I have doubts, there was opportunity for the evaders of the draft to clear themselves. Comparatively few took advantage of it.

Supporters of amnesty contend that there is precedent for such action and cite the policy of President Truman following World War II. Under that procedure, each case was handled separately on its own merits which is entirely different from blanket treatment. To the best of my knowledge, there was no amnesty or pardon for draft violators in World War I or in the Korean conflict. Blanket amnesty was issued to the Confederacy with the approval of Congress but even then there were limitations. So, it appears that what precedents there may be are rather vague and inconsistent with what I understand to be the view of the President-elect.

Should general amnesty be now extended to Vietnam draft evaders, there would be definitely established a prece-

dent which I fear would haunt this Nation in the future when it may be necessary to reinstate the selective draft system to defend ourselves.

There should be provision for anyone called up in a draft to present his case, either as a conscientious objector or for compassionate reasons. It is something else for each to decide whether a war is just or unjust and accordingly do his own thing.

My thoughts are for those veterans of Vietnam who sacrificed in numerous ways. How must they feel if complete forgiveness is granted those who ran away?

The evaders and deserters can still have their day in court. Let the case of each be heard and justice be done. Whatever we may have thought of Mao Tse-tung there is basic truth in his saying that,

> The pardon of the bad is to injure the good.

Mr. MONTGOMERY. Mr. Speaker, I yield to the distinguished gentleman from Texas (Mr. HALL).

Mr. HALL. Mr. Speaker, I rise to express my full support for the position taken by the distinguished Representative from Mississippi (Mr. MONTGOMERY).

The real issue involved here is embodied in the words chiseled into the stone of the Supreme Court Building, "Equal Justice Under Law." Both draft evaders and deserters have violated the law and should be brought before the bar of justice to answer for their actions and receive judgment. This is both a privilege and a responsibility incumbent upon them and upon us. They must explain their apparent violation of the law and we must listen with open minds to that explanation. We both must accept and abide by the impartial judgment of our judicial system.

What is important is that the system of justice be made to work. Each case is unique and must be judged for its merits. We are a nation of laws, not men. To establish a blanket pardon without regard for the circumstances of each case would be to substitute the whims of the moment for the tried and true system of justice that has served this country for over 200 years.

It is my duty to report to this body that over the last 9 months, by letter, telephone calls, and personal communications, the residents of my congressional district have indicated an overwhelming opposition to any scheme of unconditional or blanket amnesty for draft evaders. There is a depth of feeling involved here which goes to the very core of the relationship between a citizen and his country.

The word, "Amnesty" itself means forgetfulness. It is like a strange and dangerous ailment of the body politic; it is a selective amnesia. We are asked to forget distasteful incidents of the past and reflect only upon what is pleasant, forgetting that we live in a hostile world environment. More than a billion people on this earth are dedicated to the total destruction of our way of life. Draft evaders, in my opinion, are the epitome of selfishness. In the name of personal freedom, they undermine and threaten the only system that allows the human spirit to be free.

The United States of America is a republic in which the will of the Democratic majority is made effective through its elected representatives. In this context, amnesty is anarchy. It substitutes the willfulness of the individual for the lawful judgment of the majority.

Blanket unconditional amnesty would be bad for America. To me, it is as unthinkable as adopting for the State of Texas a new slogan, "Forget the Alamo."

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Texas for the very, very strong statement he has made and I certainly agree with what the gentleman has said.

Mr. Speaker, I am not sure that President-elect Carter realizes that, in my opinion, and in the opinion of many of the Members, that the great majority of the people in this country are opposed to any type of blanket pardon.

Mr. Speaker, at this time I yield to my colleague, the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, first, I should like to commend my colleague, the gentleman from Mississippi, for taking the leadership on this issue in giving us the opportunity to express our opposition to this unconditional pardon of all draft evaders. I think it is the gentleman's position as chairman of the Select Committee on Missing Persons in Southeast Asia that gives us a unique insight into the type of injury and damage that a pardon can do to the people of this country whose loved ones served us so well. I oppose it not only because of the precedent it will set but, more importantly, what it will do to this country's needs when we have to fight wars in the future which may be unpopular in certain segments of our society.

I thank the gentleman for his leadership here.

Mr. Speaker, President-elect Carter has said that he will proclaim an unconditional pardon for all draft evaders of the Vietnam war within 1 week of his taking the oath of office.

Undoubtedly the Vietnam war was unpopular with many Americans; however, this is not at issue. What is at issue is whether those who blatantly broke the laws of the land should be welcomed back unconditionally.

Mr. Carter stated that "it is time for the damage, hatred, and divisiveness of the Vietnam war to be over." While we all share these sentiments, unconditional amnesty for draft evaders will neither bind the Nation's wounds nor will it heal the scars of divisiveness. Its first effect will bring about more bitterness among the millions of veterans who did their duty to the Nation whatever their personal feelings might have been, and among the many relatives of those 56,000 who gave their lives in Vietnam.

All the major veterans' organizations have expressed their adamant opposition to any kind of amnesty or pardon for draft dodgers and military deserters. In the words of AMVETS,

> We cannot condone a concept of special treatment for those who refused to obey the laws, designed by the people for the defense of our Nation and/or the promulgation of democracy abroad.

I certainly share this view fully and believe that an unconditional pardon would be a miscarriage of justice and an affront to our system of government under law. If we were to grant certain individuals the right to break one law with impunity, it would mean that we implicitly permit everyone to break any law he so chooses. The granting of unconditional amnesty would then be a revocation of all penalty for the violation of a law. Involved is not only a national sentiment for unity, but, just as important, a national imperative to maintain our traditional respect for equality before the law. The law must not be used as a political tool for special interests, or as a wedge to favor one group over another, as Mr. Carter's proposal would do.

No amnesty or pardon was given after World War I, World War II, or the Korean War. There was never any question then that unconditional amnesty could or should be granted. A case-by-case review did take place after the Second World War, but those who had broken the law still had to pay the penalty.

To grant unconditional amnesty now would create a dangerous precedent. What would happen should another war erupt, especially a war—like Vietnam—in which there is less than universal agreement and in which the issues are less than national survival? The hands of the Executive would be crippled and draft evasion on a widespread scale would surely be possible. To undermine the selective service system by extending pardons for draft evaders would seriously impinge upon the capacity of the United States to sustain an effective foreign policy or to wage a successful war. No other nation in the world would have this handicap, certainly none of the Communist countries.

The opponents of the Vietnam war, in any case, had the chance to once again become an active element in our society back in September 1974. President Ford, in the spirit of "national reconciliation," then declared a program by which draft evaders and military deserters could "earn their return to the mainstream of American society" by alternative civilian service. This was an excellent opportunity for those who truly wished to come back to do so. Yet only 21,729 of those eligible for clemency—or less than 20 percent—seized the chance given. It would seem to me then that those who had broken our laws really do not wish for pardon.

Some of those same draft dodgers that Mr. Carter propose to "pardon," in fact, have been quoted as saying that they will not accept the pardon, as it would be an admission of guilt on their part.

I strongly oppose, therefore, the granting of unconditional pardon for draft dodgers. We cannot, in all conscience or for the priorities of an effective foreign and defense policy, give special consideration to these people without weakening our system of justice and hurting national prestige.

Mr. MONTGOMERY. I should like to

thank my colleague, the gentleman from Mississippi (Mr. LOTT).

Certainly the Select Committee on Missing Persons in Southeast Asia was trying to close another sad chapter in Vietnam, and I would certainly hope that President-elect Carter would listen to somebody and consider this situation case by case. If he does not, he is getting ready to keep another chapter on Vietnam open for a number of years.

Mr. MURTHA. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the resolution offered by the gentleman from Mississippi (Mr. MONTGOMERY).

I had a fellow come to me the other day whose wife called me on the weekend, as a matter of fact. He had served in Vietnam honorably. He had been wounded seriously. He came home. He had 30 days to serve, and he just came home. His father was dying, and he never went back. Five years later this young fellow was married. His wife did not know that he had been by that time declared a deserter. He went on for 2 more years working, even though he had now been 7 years a deserter.

The FBI through some check of the files came to his door. They picked him up, took him away, and put him in jail. He went back into the service to serve 2 or 3 more months. He was given a less than honorable discharge.

Here was a fellow who had served honorably, been wounded, and under extenuating circumstances went back and got a less than honorable discharge. He had to serve a certain amount of time in the brig because of his very unfortunate experience. I believe he was a fellow who served honorably and, unfortunately, was emotionally upset and certainly had extenuating circumstances.

My point is that that fellow already served his time and was punished for what happened to him. He had served honorably. And we are allowing these people who did not serve 1 day in service to be let off scot-free. I think that is wrong. I think it is wrong for us to allow people like that not to suffer the consequences of their actions. If they want to go to another country, if they want to be citizens of another country, if they want to leave and not come back, I think that is a judgment they have to make.

I do not think it is going to bring together the American people or put behind the Vietnam era at all. I am convinced that the millions who served in Vietnam did not want to be there, but in many cases they served because their Government called.

When I saw those young fellows walking across rice paddies in water up to their necks, in sweat, and in mosquito-infested jungles, there was no question in my mind that they were doing it because their country called and not because they thought it was right.

Every war in the past has been cruel, and there have been people critical of that war. I think it is imperative that we have certain rules and regulations in the armed services, and I do not think there is any way that we can allow those rules to be broken.

We talk about this young generation. Most fellows fought with their hearts, and a lot of them stayed over there in Vietnam. Some of them are still missing, or certainly dead by now, as the gentleman from Mississippi (Mr. MONTGOMERY) has said. There is no question but what the families of those men have been dishonored by the proposal. Even though it is with good intention, I think it is going to have an extremely adverse effect on the military and on the future of our services. There is only one branch of the Government that can decide whether we are going to serve. The executive branch in conjunction with the Congress has got to decide whether we are going to have to go to war, and every person cannot decide whether that war is going to be good or bad. I think to pardon these people or to even propose amnesty without some sort of job punishment, or some sort of time in conjunction therewith, would be a mistake. If they want to serve as conscientious objectors, they can do that.

There are all types of methods of serving instead of going into the service if people do not want to fight. Many of these fellows were afraid to fight and would have deserted even if we had not had an unpopular war.

I think the proposed action will be a disservice to the country and a serious mistake.

Mr. Speaker, under the permission granted I insert in the RECORD at this point a very touching letter from a fellow who served in Vietnam who disagrees very strongly with the President-elect's position on the pardon.

The letter follows:

BROCKWAY, PA.,
January 1, 1977.

Re Your proposed pardon of all Viet Nam Era draft violators, military deserters and veterans with less than honorable discharges.

President Elect JAMES E. CARTER,
Plains, Ga.

SIR: Being of the generation who bore the brunt of that undeclared war, let me state that firstly, I did not support that political expenditure of life, limbs and minds. Because I did not support the war, nor believe the lies meted out to us by a government engaged in the twisting of its own people's minds, does not mean I support your stand on pardon for these violators of the law.

Do you not realize with this act of clemency you will be aiding in the breakdown of the military structure of the society? I have no love for the military—and believe all wars are an abomination. However, being pragmatic and knowing the world situation, a strong military is essential, at this point, to insure our own freedom. Many of us questioned our leaders policies in the 60's and received as answers—no surprises—only confirmation—of our darkest thoughts—in the 70's. If these men are welcomed back into this society—without having to pay the penalty for breaking the law, then you will have accomplished the feat of laying the last straw upon the camel's back. In other words, the next time you or any other president gives a war, maybe no one will come.

As a mother, though, I wait with baited breath your pardon of these criminals in exile and here at home. The pardon will rescind all guilt I may have had, if at some future time my son is called to war. I will cheerfully send him to another country to live and work for 7 or 8 years. I will at least know he is not dead or dying in some stinkhole of the earth but, instead, is a productive part of the human race with his body still intact. I will happily await the time until he can come home again—after all, the pardon will be setting a precedent good for all wars to come.

With your pardon you will also be giving a belated Christmas present to millions in this nation. The gift of playing the fool will be given to all those who went in good conscience to fight. Since they will receive such an unasked for present it seems to me you shouldn't overlook all the others. The gift of new legs, eyes, arms and minds to those who obeyed and were grieviously wounded. The gift of reincarnation to those who died slowly through torture or were blessed with a quick death. The gift of coffins or men to those who have waited all these years and wept the faith of their MIA's.

The greatest gift of all goes to the violators of the law. You will have given them the gift of laughter—all the way home.

Respectfully,

NANCY C. DESANTIS.

cc: President Gerald R. Ford.
cc: Hon. John P. Murtha, Armed Services Committee.
cc: The American Legion Magazine.
cc: Du Bois Courier-Express.

Mr. MONTGOMERY. Mr. Speaker, I might say we will have additional time under the special orders granted to my colleagues, the gentleman from Idaho (Mr. HANSEN) and the gentleman from Virginia (Mr. DAN DANIEL).

I would only like to add to the remarks made by the gentleman from Pennsylvania (Mr. MURTHA) for the benefit of our newer colleagues that the gentleman from Pennsylvania (Mr. MURTHA) was the first Vietnam combat veteran to come back and serve in the Congress of the United States. He knows his subject and what he is speaking about. I would like personally to thank the gentleman from Pennsylvania for that very strong statement.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California (Mr. McCLOSKEY).

Mr. McCLOSKEY. Mr. Speaker, there is no Member of the House for whom I have greater affection and respect than the gentleman from Mississippi who has just spoken so eloquently.

I suspect that 115 years ago today, I would have had the same respect for him when he unquestionably would have been serving with General Hood and the Mississippi brigades in the finest army ever assembled on this continent, the Army of Northern Virginia.

Then, as now, our disagreement would hopefully have been deemed to be between reasonable men of viewpoints stemming from opposing philosophies, both of which are necessary ingredients of that accommodating system of government we are privileged to serve.

Our disagreement is similar, I trust, to that which once existed between Robert E. Lee and Stonewall Jackson on the one hand and Ulysses S. Grant and Oliver Wendell Holmes, Jr., on the other. The former felt that the "duty, honor, country" of their time required allegiance to their State, not their Nation. Lee and Jackson were once deemed traitors by the Congress of the United States. It

was not that they merely declined to fight in a war of the United States; they actually took up arms against the United States.

But we have long since pardoned Robert E. Lee and Stonewall Jackson, and they are rightfully now recognized as American patriots of the first rank.

As Justice Holmes put it, in a Memorial Day speech nearly 20 years after Appomattox:

> Not long ago, I heard a young man ask why people still kept up Memorial Day, and it set me to thinking of the answer. Not the answer that you and I should give each other—not the expression of those feelings that, so long as you and I may live, will make this sacred to memories of love and grief and heroic youth—but an answer which should command the assent of those who do not share our memories, and in which we of the North and our brethren of the South could join in perfect accord.
>
> So far as this last is concerned, to be sure, there is no trouble. The soldiers who were doing their best to kill one another felt less of personal hostility, I am very certain, than some who were not imperiled by their mutual endeavors. I have heard more than one of those who had been gallant and distinguished officers of the Confederate side say that they had no such feeling. I know that I and those whom I know best had not. We believed that it was most desirable that the North should win; we believed in the principle that the Union is indissoluble; we, or many of us at least, also believed that conflict was inevitable, and that slavery had lasted long enough. But we equally believe that those who stood against us held just as sacred convictions that were the opposite of ours, and we respected them as every man with a heart must respect those who give all for their belief. The experience of battle soon taught its lesson. Even others who came into the field more bitterly disposed, who could not stand up day after day in those indecisive contests where overwhelming victory was impossible because neither side would run as they ought when beaten without getting at least something of the same brotherhood for the enemy, that the North Pole, the magnet, had for the South—each working in opposite sense to the other, but each unable to get along without the other.

"Brotherhood for the enemy." Is this not the same thing the President-elect seeks to achieve?—Not between those who fought against one another, but between those who fought and those who believed that the fight should not be made at all.

The President-elect of the United States, honoring a commitment he made to the American people during his recent campaign for their support, proposes a blanket amnesty for those who declined to fight in Vietnam, and perhaps a readjustment of the discharge record of those who received less-than-honorable discharges during the conflict.

The gentleman from Mississippi opposes amnesty both for those who chose not to fight in Vietnam and those who, by virtue of their dismay, horror, or inability to cope with the demands of that war, committed some indiscretion which resulted in a less-than-honorable discharge and an accompanying stigma which may deny them full employment opportunities for the balance of their lives.

In his opposition, the gentleman from Mississippi concedes that there may be no such thing as a good war. I would agree. But might the gentleman not also concede that there could be a war so bad and so vicious that patriotic Americans would choose not to participate in it directly, or, for reasons that in their youth and idealism they might not understand, indirectly pursue a course of action that subjected them to a less-than-honorable record of service during that war?

"Duty, honor, country" are words that represent a sense of obligation all of us feel, not just those privileged to attend West Point. And as those words were revered by those we now honor even though they fought against the United States, they should certainly be broad enough to include those who carried their dissent from the Vietnam war to a nonviolent but illegal action.

Vietnam was not a war declared by Congress. From the earliest introduction of U.S. troops into Southeast Asia, our combat efforts there were accompanied by deception at the highest levels of our Government. The deception of the Gulf of Tonkin facts as related to Congress in July 1964, the deception of the "secret" war in Laos, the "secret" bombing of Cambodia, the direction to the White House plumbers to obtain evidence to discredit a prominent antiwar leader—these were causes in which even a George Washington or Patrick Henry might well have refused to participate.

Now, in 1977, we ascribe no lack of honor to those who opposed Vietnam, but who by reason of sex or age were not subject to military service. We do not suggest that peace marchers foreswore their duty to their country in expressing dissent to the Vietnam war. Only men of military age during the Vietnam era are subject to penalty because their dissent could only be expressed in conduct which was then by law illegal.

As I understand President-elect Carter's thinking, it is merely that he wishes to remove any governmental sanction or remaining official discredit pertaining to this single class of U.S. citizens—these men of military age during the 9 years of involvement in Vietnam who were guilty of some illegal act related to military service.

Except for this class of citizens, all the rest of us have had the privilege of believing in America, yet disagreeing, in various forms of act or word, with a national policy which, in retrospect, most U.S. citizens now believe to have been a national tragedy.

It is no great insult to those who fought honorably in Vietnam to grant a pardon years later to those who declined to do so. It is no judgment on the quality of morality or patriotism of either group. The pardon power was placed in the Constitution, I take it, not to make us a nation of men rather than of law, but in recognition that the law could best be upheld on occasion by an act of Presidential compassion and generosity.

Following the great Civil War which once divided this Nation, this Chamber heard hours of thundering oratory from northern Congressmen who were unwilling to forgive the actions of men who took up arms for the Confederacy. Ironically enough, the great bulk of the comments criticizing President-elect Carter today have come from representatives of those States whose citizens were similarly deemed unpatriotic over a century ago for their view that the "duty, honor, country" of their time required allegiance to States' rights, rather than Federal rights.

In an amnesty debate on March 17, 1866, Ebenezer Dumont, a Member from Indiana, opposing amnesty, used words remarkably similar to some we have heard today:

> And are we not violating the spirit, intent, and meaning of these clauses (of the Constitution) by admitting those who have so lately given every evidence of the most deadly hostility and undying hate?

Senator Sumner of Massachusetts, on December 20, 1865, said this:

> When I call to mind the attempt to whitewash the unhappy condition of the rebel States, and to throw the mantle of official oblivion over sickening and heart-rendering outrages, where civil rights are sacrificed and rebel barbarism receives a new letter of license, I feel that I ought to speak of nothing else . . . Sir, it is the duty of Congress to arrest this fatal fury. Congress must dare to be brave; it must dare to be just.

It was not until December 25, 1868, that President Andrew Johnson granted "a full unconditional pardon and amnesty to all persons engaged in the late rebellion," and it was not until August 5, 1976, that Robert E. Lee was restored to full citizenship by act of the 94th Congress.

In retrospect, Congress has never been proud of its vigorous opposition to Presidential acts of compassion following divisive conflict. There seems no need to congressionally prolong the debate over the proposed constitutional action of a President who seeks to honor a commitment he made to the American people in a campaign where the issue was fairly debated and the winner fairly elected, partly on the basis of that commitment.

I suggest we all retire with grace from this particular debate, accepting Abraham Lincoln's suggestion, "With malice towards none and charity for all."

Mr. WINN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Speaker, I appreciate very much the gentleman from Mississippi yielding to me. I commend him for the work he has done and the effort he has put into making a very strong and important part of these hearings available to the President-elect.

Mr. Speaker, I rise today to state my objections to President-elect Carter's announced intention to issue a blanket pardon to Vietnam draft evaders.

Our involvement in Vietnam was long, confusing, and divisive, and we could argue the morality of it for hours. And because that conflict is still so clearly etched in our minds, the issue of amnesty or pardon, is a highly emotional and frustrating one.

Those who served might not have agreed with the morality of the war. In fact, they might have opposed it openly. But the morality of the war is not the

issue. Nor is it whether the draft evaders were right or wrong. The real issue is what to do about the 25,000 or more fugitives without creating further divisions here at home? When, and how, do we decide it is time to forgive the offenses rather than risk a continuation of the resentment and hatred from within?

I think there are several reasons why a pardon should be rejected. Let me list just a few.

First, even though we have come to accept the fact, as a Nation, that our involvement in Vietnam was well intentioned, but ill-advised a blanket pardon is not the best way to alleviate our Nation's hurt. On the contrary, I think it could well open up some deeper wounds.

Second, a blanket pardon, as proposed, would do a great injustice to the thousands of men who served their country honorably during our involvement in Vietnam and to the families of those who gave their lives.

Third, let us consider, for example, the case of a young man who served a year in Vietnam, took 30 days leave, was sent back for another year, took another leave, and at the end of his 26th day of leave was ordered to report back to a base in the Pacific to help arm the bombers heading for Vietnam. He refused and was court-martialed. Now he has a permanent blot on his record, a mark that will haunt him the rest of his life. Do we not owe him something? Does he not deserve consideration before someone who evaded the draft?

Now, let me give you another reason. I believe a blanket pardon would set a very dangerous precedent for the future. What incentive would young people have for obeying draft laws in the future if they thought there was a good chance for amnesty later on? In the case of Vietnam, one young man told the Chicago Tribune that he had evaded the draft for just that reason. Therefore, I think the net result of a blanket amnesty could seriously impair our ability to raise and maintain military forces in the future, especially in times of war or national emergency.

Certainly, President-elect Carter has a constitutional right to issue a pardon, and several Presidents before him have taken similar steps.

Nevertheless, if the pardon must be issued, I hope that Mr. Carter will take a further step, as well.

Yesterday, I submitted to the House a concurrent resolution urging the establishment of a Presidential Task Force on Prisoners of War and Missing in Action to propose courses of action to achieve the fullest possible accounting for all Americans listed as missing in Southeast Asia.

Today, I am asking you, my colleagues, to join me in urging Mr. Carter to make this gesture of good faith to the American public.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Mississippi (Mr. COCHRAN).

Mr. COCHRAN. Mr. Speaker, I thank the gentleman from Mississippi (Mr. MONTGOMERY) for yielding and I thank him for taking the time under this special order to bring this issue to the floor and to the attention of the American Congress.

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Speaker, I join with my colleagues in commending my distinguished friend, the gentleman from Mississippi, for taking the initiative on this issue. I stand with him 100 percent.

I think the President-elect is making a mistake. I think that it is unfair and it is not in the interest of this country to distinguish, as the President-elect is doing, between draft evaders and those who served and deserted and who have been discharged under less-than-honorable conditions. Under the latter situation, as I understand it, the President-elect proposes to deal with them on a case-by-case basis.

I do not consider that to be justice under the law. I think we are setting a bad precedent and the President-elect is doing a great disservice to those who have served honorably and those who lost a great deal in that unfortunate war.

Mr. Speaker, the subject of granting a blanket pardon or general amnesty to the young men who chose not to serve their country or deserted during the Vietnam conflict is dredging up the old divisions that rent the country so deeply in the 1960's and early 1970's. Arguments on both sides of the issue are compelling. The President-elect has announced his intentions of making this a priority issue, intensifying the debate surrounding the question of amnesty.

I believe President-elect Carter is most sincere when he proposes granting amnesty to those who would not serve and to those who deserted their posts after induction. It pains me to have to disagree with the moral and articulate President-elect, but on this occasion, my conscience dictates that I do so. I have read a great deal about the subject of amnesty—its historical background, what Presidents have done in the past when confronted with similar situations, the philosophy behind it, and its moral implications upon society as a whole. After I finished my reading, I listened to the mothers and fathers, the brothers and sisters, the children, and the friends of those who lost their limbs, their eyes, their futures, or their lives. I listened very closely to those young men who did not want to go because they felt it was wrong. I listened to those who served and served with dedication and enthusiasm. And then I thought about amnesty a long time. One recurring theme kept pounding away and repeating itself in both thought and conversation. The theme was accountability.

Accountability for one's actions is the very touchstone behind our Constitution and government. Granting a pardon to those young men who did not serve in the Vietnam conflict because they deserted or avoided the service because of questionable means tears at the basic principle of our way of life—responsibility for one's actions both on a personal level and again on a broader basis. That is why I feel it is absolutely imperative that we institute a case-by-case review for those young men who are interested in making their peace with America. In my judgment, we need to offer a forum for these individuals to make public their reasons for not wanting to serve. Those who choose not to serve for reasons of conscience will have the ways and means of letting the world know their reasons. A case-by-case review is consistent with our tradition of due process as well as allowing each individual the opportunity to account for his behavior. Long prison sentences are not necessary for those individuals whose cases might not strike the judge as being matters of conscience. It makes much more sense to put those men to work in some form of alternative service to the country. I feel that this approach will help us close the door on an unhappy and divisive period of our history as well as adhering to the principles of our constitutional and democratic form of government.

PROPOSED BLANKET PARDON

The SPEAKER pro tempore (Mr. RODINO). Under a previous order of the House the gentleman from Idaho (Mr. HANSEN) is recognized for 1 hour.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. HANSEN. Mr. Speaker, I certainly commend my colleague, the gentleman from Mississippi (Mr. MONTGOMERY), and my colleague, the gentleman from Virginia (Mr. DAN DANIEL), for their interest in putting this special order together today and to make it possible for Members of this body to express their wishes and their concern regarding this matter of a blanket pardon.

The campaign promise of President-elect Jimmy Carter to grant a blanket pardon to those who violated selective service laws during the Vietnam war, only promises to subvert our system of justice at a time when our country is struggling to rebuild its national strength and pride. Mr. Carter's distinction between a blanket pardon for draft evaders and a case-by-case evaluation according to military laws for deserters is simply inconsistent and unfair and will produce more injustices than it could possibly resolve.

The December 5 hint that Mr. Carter is considering broadening the pardon category definition, and the democratic platform he ran on that pledged clemency to anyone "in legal or financial jeopardy because of their peaceful opposition to the Vietnam war," could balloon the pardon cases from an estimated 4,500 to an astounding 800,000. Even if Mr. Carter settles for a compromise that would result in a figure some where in the middle of this vast range, such a blanket unconditional pardon would be

unprecedented in the history of our country.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I greatly appreciate this opportunity to express my vehement opposition to President-elect Carter's proposed blanket amnesty for Vietnam era draft evaders, and I thank the gentleman from Mississippi and the gentleman from Idaho for providing us with this special order.

Last week, an article appeared in the Washington Post which struck me very sharply with its sadness and poignancy. I am referring to Lt. Cmdr. Michael D. Christian's announcement that he will retire from the Navy, leaving his many duly earned medals on the graves of fallen Vietnam veterans to protest this amnesty plan. He fought with honor in Vietnam, was highly decorated, and spent 6 years as a prisoner of war. Those of us who have fought in any of our Nation's conflicts—and I have participated in two—can surely empathize with the disgust this man must be experiencing. I totally concur with his views that we are turning the tables on honor, making villains of those who gave of themselves in the service of their country, and granting absolution without question to those who elected to serve only themselves. I personally feel that Mr. Carter's proposal makes a mockery of all that has made this country great. To me, it says loudly and clearly that we owe no debt to the Nation which has given us so much; that we need feel no responsibility to protect the freedoms handed down to us by our forefathers; and, perhaps worst of all, that over 50,000 young American men gave their lives in vain.

Some time ago, I received a most astonishing letter from a young man who felt very put upon when he learned that amnesty could be gained only if he performed some alternative form of public service. Not only did he have the unmitigated gall to tell me that he considered such a mandate to be an "imposition" and a "disruption" to his life—he also indicated that he felt he should be entitled to veterans benefits for the period of time spent in alternative service! I have never been known for my soft-spoken tolerance of outrageous suggestions, and my reply to this gentleman, while as restrained as possible, stated that he had no idea what "disruption" to his life could possibly mean. He had chosen not to obey his country's command; he had never spent a night in a cold, wet trench watching a friend and comrade die; he had never been concerned with whether or not he might be the next to fall, but, frankly, when one considers how much was given by our forefathers so that we might have our freedoms today, I doubt I would have agreed with him that even those horrors of war experience could be considered an "imposition."

I cite this example not to give myself a dramatic platform, but rather to illustrate by absolute fury at the now-proposed blanket pardons. I doubt that anyone present in this Chamber has not some chilling knowledge of the meaning of battle. Those of us who have fought ourselves surely know at least one individual whose life has been touched by the potential tragedy of war. If, by some miracle, any of our colleagues have been spared this knowledge, I ask them to consider this: in the years to come, suppose your own son, or grandson, had fought with distinction in the service of his country. Suppose that, upon his return, he was not greeted with respect, but reviled by his countrymen, while those who stayed at home growing fat and happy were heralded as innocent heroes. How would you feel? Probably about the same way Lieutenant Commander Christian is feeling today.

Speaking for myself, I find the idea of "blanket amnesty" abhorrent, and, as one who is proud to call myself an American, I find it embarrassing.

Once again, my thanks for the opportunity to present my admittedly vituperative views on this unthinkable issue.

Mr. CHAPPELL. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Florida.

Mr. CHAPPELL. Mr. Speaker, I thank the gentleman from Idaho for yielding. I want to commend the gentleman from Idaho (Mr. HANSEN) and the gentleman from Mississippi (Mr. MONTGOMERY) for giving us this opportunity to discuss this very serious matter. I have to join these gentlemen in most strongly urging President-elect Carter to reconsider his pledge to grant an unconditional pardon to Vietnam-era draft evaders. I make this plea on behalf of millions of Americans and in the name of freedom and justice for all.

The question of whether the U.S. role in the Vietnam war was right or wrong is beside the point. Our involvement in Southeast Asia may be debated endlessly on grounds of politics, morality, or national interest. However, the fact remains that, by any reasonable definition, the draft law was legally enacted.

Our forces in Vietnam were supported by a succession of congressional appropriations at the repeated requests of five Presidents. Our citizens, who either supported or opposed our elected officials and their Presidential and congressional actions, had both the opportunity and the knowledge to challenge and debate the wisdom of our country's involvement. No previous war in history has been brought more forcefully, extensively, dramatically, or intimately to the attention of the average citizen in the course of his daily life.

Obviously, the draft law was by no means universally popular. Designed to spread the obligations and burdens of bearing arms throughout our population, the draft law—like every other manmade law—embraced human imperfections both in its construction and administration.

Bearing in mind its inevitable shortcomings, let us ignore for the moment the particular law in question. Forget also that this law was fundamental to our country's system of national security. Nonetheless, it remains critically important that we acknowledge the military draft was law, and those who chose to ignore this Federal order were consciously breaking the law. Not only that, draft evaders were made fully aware of the consequences. Yet they decided to put their personal convenience and desires ahead of their country.

If we accept the protestations of the more avid supporters of a blanket pardon, we would come to believe that every violator acted out of conscience. Such a proposition is, to me, an overzealous absurdity. If there were some way of determining individual motivations—which of course there is not—I am sure we would find some who sympathized with our enemies along with others who acted out of poor judgment, selfishness, and a goodly measure of cowardice. On the other hand, I would expect that very few who evaded the draft or deserted our Armed Forces would qualify, solely on the basis of their motivations, as either moral heroes or innocent victims of an unjust war.

I find it difficult to distinguish between a deserter and an evader. I consider it a distinction without a difference. I believe they were both wrong and I find no basis for considering the evader any less wrong than the deserter.

As virtually every adult American realizes, those who opposed all wars on moral grounds—the conscientious objectors—were given the alternative of noncombatant service. Some 35,000 draftees requested and were assigned such service in the medical corps between 1964 and 1975.

Those who opposed only the draft law of the Vietnam war had the alternative of informing the authorities and accepting a prison sentence. About 9,500 men were convicted of draft violations between 1961 and 1975.

Eligible men who either refused to register or to be inducted numbered about 1 million. Most of these violators either went to Canada or Sweden or hid out in the United States. These are the men who rejected every alternative under the law—military service, civilian work, or imprisonment.

An across-the-board pardon for those who simply did not want to go would be an affront to the men and women—and their families—who honorably served this Nation—particularly those who sacrificed their lives. How can we simply dismiss those who answered the call and met the hardships, and say—in effect—that it is just fine for people to shirk their basic responsibilities as citizens if they happen to feel like doing so?

In addressing this mass commission of a felony by draft violators, we must carefully weigh and wisely apply the essential elements of compassion, national reconciliation, our country's security interest, and the rule of law. A blanket pardon would set a dangerous precedent, which could endanger the Nation. In any future crisis, people of military age—whether motivated by conscience or disloyalty—could choose to disobey the law on the well founded assumption that they would be pardoned.

Letting willful lawbreakers off scot-free would foster a general disregard for other laws and invite future lawbreaking. If draft violators are given no pen-

alty—not even noncombat or civilian service—this would further encourage self-indulgence, cowardice, and disrespect for the disciplines of freedom that are being challenged around the world.

We would not grant a blanket pardon to thieves or bunco-artists—or any other category of violators of written law, regardless of the circumstances at the time. What possible justification do we have for dismissing this far more serious disregard for one's country? If you see thousands of lawbreakers relieved of the responsibility to adhere to one law, why should you not assume that you do not have to abide by a particular law that you do not happen to like?

Justice demands much more. Instead of being swept away with sympathy for the draft violator, we should remember the privations endured by those Americans who fairly met their obligations. Among others are the soldiers, sailors, and airmen who did their duty. Then there are the conscientious objectors who worked in the medical corps and civilian services and also the men who forthrightly challenged the law and paid the legal penalty. And let us by no means overlook the vast majority of Americans who, despite their personal misgivings, found insufficient evidence—except, perhaps, in the perspective of historical hindsight—to declare our involvement as immoral or unjust—much less illegal. In short, in our search for justice let us not sacrifice our Nation's security nor lose sight of the vital best interests of our society.

Make no mistake about it, draft violations in time of war are not victimless crimes. Without any doubt, many a law-abiding American suffered pain or crippling injury—or even gave his life—in place of a violator. Pardoning draft evaders and deserters would make a mockery of patriotic service. I can think of no greater dishonor this country could pay its war veterans.

I oppose any fixed formula. I would never support a uniform punishment for violators. Similarly, it would also be an unthinking injustice to apply across-the-board amnesty.

Conversely, I maintain that all alleged lawbreakers should stand trial. The courts can then determine guilt or innocence and pass sentence according to the circumstances. Unless violators are handled on a case-by-case basis, fairness and justice will only occur by coincidence.

I am unable to find historical support for unconditional amnesty. Virtually all our war-related Presidential amnesties were neither unconditional nor universal in intent or application. In the programs of President Lincoln and President Truman, deserters were subject to military justice, other violators were examined by amnesty boards, and none were excused who sympathized with an enemy or rebelled against our Nation. Out of the 15,805 violator cases considered by the Truman Amnesty Board, for example, only 1,523, or about 10 percent, were pardoned.

There is no place in this great Nation for vindictiveness or revenge against the violator. But justice tempered by mercy requires that each man be judged on the merits of his own case, rather than given a blanket pardon.

Mr. ABDNOR. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from South Dakota.

Mr. ABDNOR. Mr. Speaker, I want to thank the gentleman from Idaho and the gentleman from Mississippi for bringing this subject before this body, a subject that is certainly one that is soul-searching.

Mr. Speaker, I join with my colleagues in this special order so that the American people might have an opportunity to voice their opposition to President-elect Carter's proposal to issue a blanket pardon for Vietnam-era draft evaders.

We have heard many supporters of this pardon refer to the etymology of the word "amnesty." They lecture to us that the word does not mean "to forgive" but it means "to forget." We would all like to forget the nightmare of Vietnam. We would all like to forget the turmoil and trouble in this country at the time. I remind my colleagues, however, that we must never forget the oath of office we took to uphold and defend the Constitution, and by extension, the country. That is the issue at stake. Its importance merits a few minutes of discussion.

Federal law concerning the draft and its evaders, as well as military deserters, was written to insure a strong and well-defended America. Legislators who enacted the laws stipulated provisions to exempt from combat and provide certain alternatives for Americans who conscientiously could not take up arms. It is significant to note that an Army survey of Vietnam deserters processed under President Ford's amnesty program showed that only 14 percent of those who deserted did so in opposition to American involvement in Vietnam. We also note that while some 55 percent of military deserters took advantage of President Ford's amnesty program, only about 16 percent of draft evaders did so.

Clearly, the issue at hand is not forgetting the wounds and turmoil of America's defense which so critically depends on a reliable manpower component. Critics will contend that the creation of the All-Volunteer Force and the emasculation of standby draft machinery obviates this criticism. Yet, I point out to my colleagues that the selective service system was designed for emergency contingencies. By giving a blanket pardon to Vietnam draft evaders we only augment the impotence of a selective service system for America's future. The world is no less hostile to America's survival or her interests. To mistake the current sufficiency of a volunteer force with adequate defense for the future is flatly wrongheaded.

I remind my colleagues that they must not forget their obligation to defend this country by making diligent and intelligent decisions. The question of amnesty is central to the future viability of America's defense. I know my colleagues join with me in urging Mr. Carter to reconsider his announced intentions to offer a blanket pardon. This country's defense depends upon reasoned and prudent actions. This we cannot forget.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Speaker, I did not join with the gentleman in the well and the gentleman from Mississippi in the original letter to President-elect Carter asking him to reconsider his position on the very ambiguous term, "blanket pardon." The reason I did not do so was that I hesitated to pressure any candidate, whether he be the elected President or whether he be a Member-elect of this body, to change a position that he had taken during the campaign; in other words, to go back on a campaign promise.

But, I think that the gentleman in the well and the gentleman from Mississippi have performed a great service by asking for this special order. The things that have been spoken on the floor of this House today have clearly shown what a can of worms will be opened up if we go into this matter of blanket pardon, whatever it may well be.

The gentleman from Michigan (Mr. BROWN) and the gentleman from Pennsylvania (Mr. MURTHA) have given examples of just what kind of a can of worms it will be.

I ask the gentleman from Idaho to expound upon a statement made by the gentleman from Mississippi. As I understood the gentleman from Mississippi at the outset of his remarks, he said that the blanket pardon would apply to all draft evaders as well as those who had received less than honorable discharges, undesirable discharges or bad conduct discharges. The question I want to ask the gentleman from Idaho is, does he understand that it will cover cases that have not yet been decided in regard to desertion?

For example, I just received a case in my office the other day wherein a young gentleman had served honorably in the war in Vietnam. He had been wounded several times; he had served 5 or 6 months in very active fire zones; he signed up for another year under a program that they had in existence at that time; he came back to the United States on his 30-day leave, and never reported back.

Would this blanket pardon, or whatever it is, apply to the case of that particular individual? I certainly have more sympathy for that individual who served honorably for his time in Vietnam than I would have for someone who runs off to Canada and evades the draft.

Mr. HANSEN. I think there is an answer to this, and since the gentleman from Mississippi (Mr. MONTGOMERY) is at the microphone and the question is addressed to his statement, I will yield to him.

Mr. MONTGOMERY. I thank the gentleman for yielding. I would like to clear up this point because I probably did not make it as clear as I should have.

As I understand it, coming out of Atlanta from Mr. Kirbo, and also from Plains, Ga., President-elect Carter will issue a blanket pardon to those civilians who are draft evaders, who have been convicted; those who have charges pending against them will have these charges dropped; and anyone else who has any black mark against them in connection with draft evasion will receive a full pardon.

As to the point the gentleman makes,

the President-elect has not made a firm policy on that. As far as I know, no decision has been made on deserters and those with less than honorable discharges, but the only firm commitment I know he has made is the blanket pardon for evaders.

He will look into the situation at a later date.

But I totally agree with the gentleman's point; in effect, President-elect Carter has the cart before the horse. It would seem to me that before he takes care of these draft evaders, at least he should have looked at the case the gentleman talked about, and it should be handled on a case-by-case basis.

Mr. ICHORD. If the gentleman will yield further, I certainly agree with the gentleman from Mississippi and the gentleman from Idaho. The only equitable way we can handle this very difficult problem is to deal with each individual case on a case-by-case basis.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from Missouri. I think he made a good point and allowed us to bring out some things that should be discussed.

Mr. TRIBLE. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Virginia (Mr. TRIBLE).

Mr. TRIBLE. I thank the gentleman for yielding.

Mr. Speaker, I am today calling upon President-elect Carter to reconsider his decision to issue a blanket pardon to all Vietnam era draft evaders.

Although I have compassion for the plight of these young men and their families, I cannot agree with Mr. Carter's position. These young Americans failed to honor their legal and moral obligations to their country and they should be held accountable for their actions.

Early in his term, President Ford offered these citizens an opportunity to earn their way back, through alternative service, to their country. Many elected to return, admit their mistake and serve. Many more did not and now seek to be reaccepted into society. I do not believe we have a further responsibility to those who failed to take advantage of President Ford's clemency program. I say they should not be pardoned without serving.

This is not the time to absolve those who refused to honor their obligation. It would be unfair to the thousands who did serve—some of whom died and others who remain scarred or maimed for life, to permit these young men to have a free ticket back to America.

Instead of focusing our sympathy on the draft evaders and deserters, we should give our full attention to the problems of those who fulfilled their obligation to serve their country. To do otherwise would be to show these brave men disrespect and to dishonor their patriotic service.

Mr. HANSEN. Mr. Speaker, I appreciate the gentleman from Virginia, as a newcomer to this body, taking an early and firm stand on a matter of this importance.

Mr. TREEN. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. I thank the gentleman for yielding.

Mr. Speaker, perhaps our exercise here this afternoon is futile. Apparently our President-elect is going to proceed with his plan to issue a blanket pardon for all Vietnam-era draft evaders during his first week in office, despite the expressed objections of a majority of the citizens of this country.

If our speeches here this afternoon are futile in that they do not dissuade Mr. Carter from his announced plan of action, they will at least show the American people that there are those in Congress who refuse to sit back and acquiesce silently to a misconceived and disastrous course of action.

It is not my intent to argue the pros and cons of our military involvement in Vietnam. Rather, I want to talk about those who accepted military service, and those who did not; those who accepted the draft and went to war, either out of a sense of duty or fear of the consequences of not serving, and those who did not; those who did not break the law, and those who did.

The young men who refused to be drafted were not alone in their dislike of the war. I know of very few men who wanted to be drafted and sent to Vietnam. Yet the vast majority of those who were drafted went. How does Mr. Carter explain his pardon to them? For everyone who evaded the draft, someone else had to go to Vietnam in his place. How does Mr. Carter explain his pardon to them, or to the families of those who did not return?

There is another grave question raised by Mr. Carter's call for a blanket pardon. What are we going to do if we have to reconstitute the draft? How are we going to enforce another draft call when it comes? Are we willing to gamble that our country will remain at peace forever?

The enduring effect of Mr. Carter's pardon will be that those who may be drafted in the future will know that those who resisted the Vietnam draft were the beneficiaries of not one, but two Presidential pardon programs within 5 years of the end of that war. Is this the precedent Mr. Carter wants to set?

Of course the problem runs much deeper than Mr. Carter's proposed pardon. There is a segment of our society that considers it quite noble that these individuals unlawfully refused service in their country's Armed Forces. To be quite frank, what sickens me the most is the knowledge that once these draft evaders receive their Presidential pardon, they will return home unrepentant, and lauded by some spokesmen and members of the media as conquering heroes, rather than as the lawbreakers they are.

If our laws are wrong, they can be changed. If our involvement in Vietnam was wrong, history will decide that. But to grant an unconditional pardon to those who evaded the draft is too great a mistake for me to accept silently.

At this point I would like to place in the RECORD for my colleagues an editorial from the January 1977 edition of Army magazine on the subject of the Presidential pardon.

The editorial is as follows:

WHEN THE "OTHER JOHNNY" COMES MARCHING HOME

(By L. James Binder)

If President-elect Jimmy Carter lives up to a promise made recently by one of his spokesmen, sometime later this month those who evaded the draft during the Vietnam War era will begin coming out of hiding places and returning from foreign sanctuaries to heroes' welcomes.

Make no mistake: There *will* be heroes' welcomes when the newly inaugurated President issues his expected pardon—not from our people as a whole, heaven forbid, nor from the President himself, but from a vocal and highly visible smattering whose members consider draft resisters, deserters, and those those with less-than-honorable discharges to be the real medal-winners of the war.

POINTLESS TO ARGUE?

These—the draft evaders and their supporters, at least—are claiming victory. We who have opposed amnesty in any form ever since the prospect was first raised have lost.

A good soldier would let it go at that, and so perhaps would the sensible citizen who might well argue that it is pointless to contest a *fait accompli*. He or she might also argue that lashing out editorially in a publication [Army magazine] whose readers could largely be expected to agree with the writer's point of view doesn't add up to much in the way of opposition.

Whatever, the cause deserves better than to be sent to its grave without so much as a wake.

AWAITING THE EXPLANATION

Death came about ostensibly as a result of the professed desire of amnesty (nee pardon) advocates to "heal the nation's war wounds." a motive which might well be worth dying for but whose relevance to the forgiveness of wartime lawbreakers has never been adequately explained.

Even conceding that the country still suffers from grievous "wounds," it is difficult in the extreme to imagine they will be salved by returning to lawabiding society a few thousand unrepentant men, many of whom still maintain that the nation should be asking them for forgiveness, not the other way around.

Indeed, as we have repeatedly maintained in these columns, it is more likely that Mr. Carter's impending pardon will cause or exacerbate more wounds than it will bind up. I, for one, am outraged that people who thumbed their noses at beliefs and principles that are as basic to me as voting will soon be coming back to my community without so much as an "excuse me" to the nation they wronged. And I am not alone in my view.

THE MAJORITY OPPOSES AMNESTY

Military attitudes are not predictable, no matter what our many stereotypes believe, but it is safe to say that amnesty is not a popular cause among those who wear the uniform, have worn it, or are supporters of a strong defense establishment.

National surveys have shown that a majority of the citizenry as a whole oppose it. How, then, with so much negative feeling in the country, can the charters of this new course predict that it will heal wounds when reason shouts that it will have precisely the opposite effect?

If Mr. Carter's pardon program comes o without untoward turbulence, it will not b because of an outpouring of desire to hea wounds, but because the anger has gone out of the nation's antipathy toward what the draft evaders and deserters have done.

Antagonism in regard to those who have refused or fled service is bound to be high in the military, but it would not be surprising if it turned out that the public doesn't care much one way or the other any more.

This will be fine for the pardon program and the tranquillity of the pardoned, but balm it will not be—not if the Government

ignores the sensibilities of one of its most loyal segments.

Why is there so much vehemence on the subject of amnesty in the military services? There is a knee-jerk inclination among anti-militarists (and, almost by definition, amnesty advocates) to attribute military attitudes toward an issue like amnesty to blind patriotism, or to a hairy-chested contempt for anyone who isn't eager to pick up a gun and shoot people.

There is considerably more to this hostility than that, a position Army (magazine) has tried to outline repeatedly and in detail in the considerable number of editorials we have carried on amnesty since it became a topic for public discussion. (We have not presumed to speak for all military people, some of whom favor amnesty or have their own reasons for opposing it.)

There are many aspects to the amnesty issue, but the prime reason why the idea of amnesty is so abhorrent to many of us is that we and our forebears were raised in a country where the obligation to serve in the armed forces in time of war or when the nation calls is a major responsibiltiy of citizenship.

It is an obligation that does not permit the person being called up to choose the emergencies in which he wants to serve. Nor can it do so if the nation is to survive.

The spectacle of thousands of young men flouting the laws supporting the obligation came as a shock to the generation that fought in the two previous wars. To be a "slacker" or "draft dodger" in those conflicts was to be a social outcast, and there were not very many of them. A deserter was on a level with the lowest dregs of society.

THE ROAD TO RECOVERY

It is still a shock and it will not be lessened by a Presidential pardon which says, in effect, that what you boys did was not so serious that the country is going to hold it against you. If this is a step toward healing national wounds, then the patient is in for a rough time of it.

Repugnance toward crimes like draft evasion and desertion is not confined to older generations, something known by the recruiters who hear over and over that an eagerness to serve is a chief reason why young people join the armed forces.

But it is not nearly as important to the sons and daughters as it was to the fathers, thanks to the lightness with which these offenses are regarded in certain parts of our society.

How could it be otherwise when thousands of persons not only avoided any military service without being punished but within five years of the end of a war were the beneficiaries of not one but two Presidential amnesties? The ramifications in regard to raising an army for a future war are not pleasant.

We who oppose amnesty have been called unforgiving. How can anyone feel forgiving toward an arrogant crowd of self-exiles that scoffs at anything less than an unconditional pardon and contends that its members were the wronged parties, not the citizenry of the United States?

I have searched through numerous published interviews with draft fugitives and deserters in a futile effort to understand their point of view and have yet to read of any expressions of remorse that their places were taken by other men who died, were wounded, or otherwise had their lives disrupted by military service.

Instead, there is smugness that those who fled were "right" about our "immoral" war. There is defiance: If the nation is not sufficiently abject, they won't come back. It would not be surprising if the next demand is for reparations to compensate the pardoned for loss of wages and the companionship of relatives and other wears and tears on their well-being.

One measure of the amnesty movement's apparent contempt for the sensibilities of the majority is the current determination by some of its leaders in this country to persuade the next President to extend the pardon's scope to include deserters and persons with less-than-honorable discharges. One total-amnesty advocate has even gone so far as to blame the onus placed by the Government on transgressors in these categories for the difficulties the Vietnam veteran has had in returning to civilian society.

Forgiveness has not been a problem for some of us, as indicated by the number of pardon supporters in the press and in high places. It would be a beneficial capacity to have, because there is going to be considerable anguish in the land when the Johnny who didn't go to war comes marching home again, probably to a welcome the Johnny who did never got.

And without so much as an "I'm sorry."

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to my colleague, the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of those who expressed concern about what President-elect Carter has been proposing to do very soon after assuming office as President, and I congratulate the gentleman from Mississppi (Mr. MONTGOMERY), the gentleman from Idaho (Mr. HANSEN), and the gentleman from Virginia (Mr. DAN DANIEL) for their leadership this afternoon.

The Vietnam era, of course, terribly divided not only this body but our Nation for a number of years, and it seems to me that this consideration that President-elect Carter is proposing now will only open up another wound which apparently has been healing.

Mr. Speaker, I have given quite long consideration as to the position that this body, or, more particularly, the position that I should take on this question of how we handle the question of those who fled their responsibility during that period. I tried to analyze, first off, the authority being used by President-elect Carter. There is no question that the Executive does have the authority to use this authority of pardon. But in trying to go back to find why was this authority given to the Executive, we find that it was supposed to be used very cautiously and very guardedly, that it was to be used just as President-elect Carter says he is using it at this time, to alleviate or to somewhat lessen a serious condition in our country. But it seems to me that from the discussion here this afternoon and from all indications throughout the Nation, there is no serious problem today about the draft evaders or the others who are somewhere else in the world today who made that decision voluntarily rather than face their obligations.

Pardon should help not only the individual granted the pardon, but should help this Nation, also.

It appears that instead of really solving a problem, giving blanket pardon might cause a more serious problem.

Then, going further, what alternatives or remedies are there to the President or to the individuals, more particularly, who did choose to go someplace else and ignore their legal responsibility?

I think we would have to say that you and I as citizens, as well as any other citizen in this country, do not have the right under our system of government to really select, pick, or choose which laws we want to obey. That would result in chaos in a system where the governed have to give their consent to those who make the laws. We must obey the laws even though we may disagree with them. I can think of many laws we have passed that I do not agree with.

We have a procedure for changing the laws in the system that we have. If we do disagree with the law and we feel it is unconstitutional or wrong, we have a system under which we may change that law or at least have it tested.

Most of these individuals involved in this discussion have refused on a number of occasions to follow that course. First, if they were true conscientious objectors, they had the opportunity to give alternative service to their country, to go ahead and serve their country. But many chose to escape rather than to take a lawful course or to declare themselves as conscientious objectors and go ahead and contribute to the betterment of their country.

Second, if they could not really meet this test, if they were simply disagreeing with this war or they were cowards, whatever the reason might have been, they had another opportunity a year and a half ago to return when President Ford gave them a chance to work their way back. They chose not to accept this opportunity. They now want to come back with full honors without any responsibility for their wrongdoing.

This remedy of pardon is a case of last resort. Here again, these individuals have had many opportunities to make amend for their mistake.

I do not think that President-elect Carter or anyone else should be willing to grant a blanket pardon. The case has been made very well and fairly this afternoon. We have heard many, many very strong and compelling reasons why this Nation should not blanket general pardon to these individuals who ducked out in a time of this country's need. Right or wrong, this country needed them.

We have heard no argument that the country is still torn or divided because of the absence of these people.

What kind of contributions are we going to make by this action? What kind of precedents are we setting? More importantly, what are we doing to our Nation if we give a pardon of this type at this time?

Mr. Speaker, I hope that President-elect Carter will reconsider his campaign promise and his more recent pledge that he will take this action very early in his administration. I hope for the future of this country that he will think more seriously about this very, very serious move.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from Indiana (Mr. MYERS) for his comments. I think he made some very cogent points.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from New York.

Mr. LENT. Mr. Speaker, I join with many of my colleagues in commending

the gentleman from Mississippi and from Idaho for their leadership and in reiterating my long-standing opposition to President-elect Carter's proposal for the granting of unconditional pardons to Vietnam-era draft evaders. Regardless of whether one calls the plan pardon or amnesty, the effect is the same, and it is a bad idea. I simply cannot see how the concept will have an overall healing effect on our Nation.

During the course of our long involvement in Southeast Asia, 2.5 million men served there, and 50,000 of them lost their lives. In fact, there are still hundreds of men whose status is so far unaccounted for. To grant pardons to those individuals who, for whatever reason, avoided service during that period, would be a grave injustice to the men who did serve, to their families, and to the families of the men listed as "missing in action."

Apparently, President-elect Carter plans to go ahead with the implementation of his pardon proposal once he takes office. Of course, I hope he reconsiders, because I believe he has grossly overestimated the support this proposal has. Even if he does go ahead with it, I hope he will carefully consider the impact it will have on the many individuals who fulfilled their legal obligations through their military service in Vietnam and also its effect upon those young men and women who may be called upon to serve their nation at some point in the future.

Mr. MOORHEAD. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from California.

Mr. MOORHEAD of California. Mr. Speaker, I wish to commend the gentleman in the well, the gentleman from Idaho (Mr. HANSEN), the gentleman from Mississippi (Mr. MONTGOMERY), and the gentleman from Virginia (Mr. DAN DANIEL), for taking the lead in these important special orders.

I also rise in opposition to a blanket amnesty. I think we must consider the future security of our country when we take any kind of action in connection with draft evaders and the deserters in this very unfortunate war that we recently went through.

Mr. Speaker, I have served in the Army. I have seen very few men who wanted to serve in time of war. Many of them are frightened, perhaps all of them, when they are going to go into battle. Some of them would find an outlet if they possibly could.

However, Mr. Speaker, if our country is to remain free, we must be able to draft people for future wars. We have to have somebody other than the individuals themselves make the final determination as to who is going to go to war, because if they make the decision for themselves that they are going to stay out, we may not be able to have the men that we need in important times for the security of our country.

Most men, when they get into battle, will do their job. They will carry out their function. They sincerely believe in their country and are willing to fight for it if they absolutely have to.

Mr. Speaker, I think that if we give a blanket pardon or amnesty at this point, we will find that many people in the future who are more cowardly than others will use that as an out or as an excuse and will say that they have a right to determine for themselves whether it is a lawful war or whether it is a war they believe in. Many will shirk their responsibility.

Mr. Speaker, I think we have to look at each case as an individual case. I think we have to remember that we want security for our Nation, for our people, for our men and women. We want each individual to take the responsibility, when it is necessary, for standing up and defending this great Nation of ours.

For that reason, Mr. Speaker, I think it is a mistake to grant amnesty or a pardon on a blanket basis, taking each and every case, even those that are flagrant in nature, and giving a blanket pardon. Our country will suffer in the future if we take that course.

For that reason, Mr. Speaker, I hope that President Carter, once he is in office, will reconsider this step and take the stand that is most important to build our country in the future and give us the sound and secure Nation that we need.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from California (Mr. MOORHEAD) for his pertinent comments.

Mr. Speaker, I think it has been made very clear. As the effort to draw the line is discussed, the distinctions between the categories of offenders should be clarified for more accurate comparisons even though accurate figures have been difficult to arrive at and may vary considerably.

When the Ford clemency program began, about 10,000 individuals were under indictment for draft evasion who had fled to Canada or Sweden or were hiding out in this country. Of these, 2,500 remain unsettled.

One estimate of those who simply failed to register for the draft in the years 1964 to 1975 is as high as 1 million but no action has been proposed against them.

Of the 10,115 fugitive deserters still at large at the time of the Ford clemency program, 5,555 applied for and received dishonorable discharges.

Of the estimated 90,000 servicemen who received less-than-honorable discharges for desertion, only 13,589 asked to have their cases reviewed by the Clemency Board. Others have felt it was not worth the effort or are holding out for blanket amnesty.

Of the 113,000 total cases eligible for consideration by the Clemency Board, 21,734 requested review.

Although the motives prompting the action of the evaders and deserters differ widely within the groups, one survey reported that only 14 percent of the deserters opposed U.S. involvement in Vietnam and only 0.1 percent who sought review deserted under fire.

The activity of the Clemency Board was opposed mostly by the antiwar movement since it required alternate civilian service in many cases. However, this was the very provision that made the program palatable to citizens at large and especially the veterans groups, active military and family and friends of those who had served in the controversial war.

In contrast to the above actions already granted by the Clemency Board and the possible extent of Mr. Carter's proposal, it is interesting to note that no amnesty or pardon action was ever taken for resisters or deserters in the Korean war other than normal military justice procedures.

After World War II, 15,805 cases of draft violators were considered—but not deserters, and only 1,523 received pardons. Of the 21,734 deserters and violators reviewed by the Ford clemency board 7,500 accepted alternate service—5,000 were granted outright pardons. No one can rightfully deny the lenience shown.

From 1964 to 1975, 35,000 draftees who claimed conscientious objection status, chose and were given alternative civilian status, 30,000 were given noncombatant military service.

Unfortunately, there appears to be a hard core of fugitive deserters and resisters who will settle for nothing less than a full admission of error by the U.S. government and a hero's welcome home. "Our fight for universal unconditional amnesty will continue," vows Mike Powers of the American Deserters Committee in Sweden in the January 17, 1977 issue of Time.

These are the same individuals who can only explain the opposition to the pardon program as vindictiveness or vengeance. They do not mention the basic question of justice according to the laws of the U.S. Government. Since they voluntarily chose this illegal method of dissent they can hardly expect to return to bowed heads.

In Mr. Carter's own August 24, 1976, remarks before the American Legion in Seattle, Wash., and in his earlier March 1976 statements on amnesty the President-elect explains his motivating force behind a pardon proposal as follows:

> Where I come from, most of the men who went off to fight in Vietnam were poor, they didn't know where Canada was, they didn't know where Sweden was, they didn't have the money to hide from the draft college. Many of them thought it was a bad war, but they went anyway.

By his own words then, Mr. Carter commits himself to more action than allowing a full unconditional pardon only to those who evaded the war by evading the draft. The disparity exists for those who did not take the initially extreme action of the evader, but who deserted after induction or enlistment where Carter proposes a case-by-case review of the military which is not noted for its leniency.

Since Mr. Carter has recognized and reports have confirmed that the draft evaders are overwhelmingly, 87 percent, white and middle class—and the deserters are much poorer and disproportionately of minority races, the proposed remedy contradicts the claim for supposed social justice. If the reason for any further pardon at all is to be justified there should be no further unequal treatment of these cases. Above all, unconditional pardons should not be dispensed freely.

In his Seattle speech, Mr. Carter claimed his proposed action would allow this country to "come together and seek

a rebirth of patriotism in which all citizens can join." He said:

There is no one in this country * * * who does not want to heal our wounds and restore the precious quantities and the national strength we seem to have lost.

By possibly granting blanket pardons to up to 2,500 draft evaders, and possibly twice as many deserters and thousands with bad paper discharges, Mr. Carter is presumbly, but I believe futility, attempting to bind the wounds of: Next-to-kin to: 56,234 American dead from Vietnam war; 303,000 wounded; hundreds of missing in action; 591 returned prisoners of war; 2,500,000 who were honorable in Vietnam including 600,000 draftees, of whom 71,500 were killed or wounded.

How does Mr. Carter justify his binding of wounds/blanket pardons thesis to Air Force Col. George E. Day—an ex-POW who is one of two living ex-POW's to receive the Congressional Medal of Honor for "conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty." When Colonel Day learned that Carter's aides were consulting with an ex-POW, Col. Edison Wainwright Miller, whose treasonous conduct as a POW earned him a forced retirement from the service and a letter of censure from the Secretary of the Navy, Day is quoted in the January 8, 1977, issue of Human Events as follows:

If there is no reward for loyal service or sanctions against those who disobey orders in uniforms, how can we expect high standards of performance in future military conflicts? . . . . . If cowardice, disloyalty, rejection of duty and desertion are to be the new accepted standards of conduct. . . . God help this country.

Another reaction to Colonel Miller's visit to Carter aides drafting the pardon proposal came from a highly decorated former Vietnam POW, Lt. Cmdr. Michael D. Christian. "The price of honor seems pretty cheap this year." Christian has vowed to resign from his promising career with the Navy and emphasize his protest against blanket amnesty by putting his numerous medals on the graves of Vietnam veterans.

I cannot reconcile Mr. Carter's claim to heal the wounds of such totally opposite opinions by declaring previous disciplinary efforts null and void and restoring full civil rights to them as he stated in March 1967:

I'd just like to tell the young folks who did defect to come back home with no requirements that you be punished or that you serve in some humanitarian capacity or anything. Just come back home, the whole thing is over.

Mr. Carter ought to consult more closely with present military officials who have the data showing that desertion is not peculiar only to the Vietnam era. The desertion rate is continuing and in some cases increasing under the present voluntary services concept and makes discipline an ongoing problem. The reasons for the desertions by those who cannot or will not adapt to military life continues. This is more of an indication of eternal personal problems and general social and moral ills in the Nation than just an endless debate over the justification of the Vietnam war itself.

In conclusion, Mr. Speaker. I maintain that blanket pardons to resisters and/or deserters cannot by itself heal the wounds of those still remaining in foreign countries but will only serve to further alienate and degrade the sacrifices of those who did serve their country in this most controversial of wars. This is not a cry for vindictiveness or revenge, but a reasoned appeal for justice.

We must strongly encourage the President-elect to reconsider and restudy the total problem from all points of view before making any sweeping decisions final. Certainly, those who have paid the price of military service in defense of their country and to give us the peace and security we now enjoy should have some timely input. This is yet to be done.

PROPOSED BLANKET AMNESTY OF DRAFT EVADERS BY PRESIDENT-ELECT CARTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. DAN DANIEL) is recognized for 60 minutes.

Mr. DAN DANIEL. Mr. Speaker, first of all let me note the absence of a quorum in the press gallery and to observe that perhaps if President-elect Carter has reached his decision as a result of what he has read in the national and international press he may very well have concluded that the majority of the people of this country do indeed support an unconditional pardon of draft evaders.

Mr. Speaker, the President-elect has stated that one of his first official acts following the inauguration will be to issue a blanket pardon to those who refused to serve in the military during the Vietnam war. There is also agitation for carrying this further, and upgrading all less than honorable discharges.

Of all the matters which have been discussed with me in the past several weeks, none has been the subject of such intense reaction as this. Most of the people with whom this has been discussed do not believe that this should be done. And I agree. There is simply no justification whatsoever for this action.

There are few people in this country whose lives were untouched, in one way or another, by military service in the Vietnam war years, whether they be the young men themselves or their kin.

A few men left the country, thereby avoiding military service entirely, and at the same time accepted knowingly the loss of all the rights and privileges of citizenship. Some—a much smaller number—went to Federal prison, rather than accept military service. Still others, possibly feeling just as strongly about this particular war, chose to meet their commitments to citizenship and were inducted into the military services. And finally, there was the majority of young men, motivated by a strong sense of citizenship and patriotism who honored their duty to this country and to the service such duty requires.

Of those who were drafted or who volunteered, many paid an awful price—some the ultimate price—their lives.

As decisions are made on pardon or amnesty, those who met the obligation are and must remain the ones against whom all consideration of the first group is measured.

It would be a fairly easy thing to grant general amnesty, to say that this group of deserters and defectors might simply return home, as if nothing had happened. After all, the Greek word from which amnesty is derived is defined as "forgetfulness." Or some form of amnesty might be designed which would provide varying degrees of pardon.

Historically, amnesty has been extended as long ago as 403 B.C., when the Athenians granted it to collaborators with their Spartan conquerors in the Peloponnesian War. As a general rule, it has been extended following civil wars, such as the British experience in the 17th century, and at the time of the second Jacobite Rebellion. Only rarely has it been applied following wars between nations.

In our own country, George Washington pardoned those who participated in the so-called Whiskey Rebellion. Andrew Johnson extended amnesty to Southern soldiers after the War Between the States, but over the strong objection of some Members of Congress.

In more recent history, President Harry Truman established an amnesty board 16 months after the end of World War II. Of the more than 15,000 cases considered, only about 1,500 were pardoned, most of them on religious grounds. Intellectual, political or sociological convictions against the war were not accepted as excuses, and clemency was not granted to those who, in the Board's words, "set themselves up as wiser and more competent than society to determine their duty to come to the defense of the Nation."

It has been said that this action should be taken because those who refused to serve and those who deserted were simply reacting to an "immoral" war. I do not know who among us has the right to decide which wars are moral, and which are not. But if it is moral to support another nation's right to free determination, this war was a moral one. If an immoral war is one in which selfish interest predominates, this was a moral one. For when American troops first went to South Vietnam there was no immediate threat to our country. We went in support of a people who wanted, above all, to be left alone to choose their own destiny, not have that destiny decided by a different kind of tyranny.

Nor can it be said that those who clamor for amnesty are merely reflecting the views of a majority of Americans. Five Presidents and many Congresses supported this war, the first category by ordering our involvement, the second by voting the funds to carry out this order.

It is said by those who have worked for this over a period of time that it is a matter of simple justice. Simple it may be—simple in the context that it applies across the board, irrespective of the circumstance or condition. Justice it is not. And the areas of injustice are many.

Is it just to pardon those who fled the country, when others who obeyed what they believed to be conscience rather than the law served time in Federal prison? Is it just to welcome those who ran away out of cowardice—and a blanket pardon would include these, as well as those who claimed to obey a higher law—and not make whole those who deserted under fire for the same reasons? Is it just to tell a man who has lost his sight, perhaps, or his limbs, that he must live out his days less whole, often in pain, while some of his contemporaries contributed nothing, suffered little? We should not welcome with open arms those who abandoned their country voluntarily in time of national peril, and often spoke and wrote to their homeland's detriment. No, justice this is not.

Except for subject background it really does not help much, to look at pardon or amnesty, or whatever you wish to call it, in historic terms. History can be a guide to the future, but not in this instance. For our Vietnam experience is not quite what our experience has been following other wars. Dissension cuts across regions and classes and categories. In some instances, it even split families into opposing camps. We can regret these things. We can wish they had never happened. But they did, and it is not realistic to think that an Executive order will bridge the rifts. Nothing but time can do this, and we would better serve the interests of the Nation and of individuals if we leave the matter alone, and let time do its job. To do otherwise might result in still another division of the Amercan people which will retard our progress toward domestic normalcy. I think, instead of attempting to satisfy one group at the expense of others, we should look to the future, and to the implications of what such an action can be.

Just last week, Lt. Cmdr. Michael D. Christian, U.S. Navy, who is a 6-year veteran of North Vietnamese prisons, declared that he was leaving the Navy, and placed his many medals on the graves of Vietnam veterans in protest of the blanket pardon proposal. He said:

Now we make heroes out of deserters and condemn ourselves. The price of honor seems pretty cheap this year.

And on the day I read of this, I received a letter from a young constituent who is on duty with the Air Force in West Germany. He wrote:

I have been seeing many articles lately on pardons for draft dodgers and deserters. I must say that this hurts me to no end and makes me wonder what we must be coming to. All those men who died and suffered handicaps because they did their duty and now we are considering a pardon for the men who might have been able to save someone's life if he had been there.

These are the views of just two who are presently in military service, but they reflect the views of many.

In an ideal world, we might afford to ignore the implications for the future in taking this action to erase our recent past. But this is not an ideal world. It is a very human one.

No thinking person will say to you that this is a peaceful world. Russia's military strength grows daily, and in her Eastern European satellites the capability for armed conflict is expanding.

Communist China also devotes a large part of its wealth and manpower to other than peaceful purposes. And that nation is so contemptuous of world opinion that it has taken to detonating nuclear devices in the atmosphere, thereby dumping atomic pollution on a defenseless world.

We in this Congress, as in all the Congresses before us, have had the responsibility of providing for the defense of the Nation. We can only do this by enticing or—in time of great emergency—requiring service by the youth of the land. How shall we meet this obligation in the future, if we encourage the granting of amnesty or pardon? Who will listen to our entreaties or orders? Who will provide for our defense?

We have always claimed, and with a justified pride, that ours was a land of laws, not men. How can we then call forth this respect for law, if we sanction the flaunting of law? Do we want the record to show that we believe that some laws can safely be ignored?

Whether you take the long or the short view of history, you cannot make a case for universal peace. War, abhorrent as it may be, has been with mankind from the beginning. And until such time as we find some miraculous way to establish and insure a peaceful world, we must acknowledge that the odds are against our Nation's knowing eternal peace.

In a world where potential enemies abound, and where these potential enemies regularly express hostility to those of us who do not share their ideology, who can truly say that the day will not come when the young men and women of America will be called upon once more to defend us? We have an all-volunteer service now, it is true. And it is our fervent hope that it is sufficient to meet any eventuality. But this is not guaranteed to us.

I have lived long enough to know that time does indeed heal most wounds. And in time, this matter can be put behind us. But for now, I cannot urge strongly enough that this proposal be abandoned.

It is unfair, unjust, and could jeopardize the future of our country.

Each case should be considered on merit.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. Mr Speaker, I am happy to yield to the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Speaker, first of all let me commend my colleagues, the gentleman from Mississippi (Mr. MONTGOMERY), the gentleman from Idaho (Mr. HANSEN), and the gentleman from Virginia (Mr. DAN DANIEL), for having taken these special orders today so that we might discuss this very, very important matter. Further, Mr. Speaker, I would like to associate myself with the remarks of each of those three gentlemen, as well as the remarks of other Members who have preceded me during these three special orders today.

Mr. Speaker, I am certain that President-elect Carter will reconsider his announced intention to grant amnesty, or a blanket pardon, as I believe he has chosen to call it, of the draft evaders and will take into consideration what such an action might do to the future defense and security of our country.

Mr. Speaker, the thing that concerns me about this announced intention by the President-elect is that in the future, if there is ever again a necessity to enact the Selective Service law through which young Americans will be drafted or conscripted, whether or not they desire to serve in the armed services of this country or not, that with such a precedent being set now whereby an entire group of law violators, those who have evaded the draft, of those who have deserted, and of those who have fled to other countries or who remain fugitives in this country, that then there certainly can be no incentive in the future when the security and the defense of this country is at stake for such young Americans to honor the call to service that their country has issued.

Mr. Speaker, to me it is unthinkable that this matter would be considered by any President or any President-elect on a blanket basis. If any President or any President-elect is to consider a question of this magnitude surely the ideal way to do it would be on a case-by-case basis and not on an overall basis whereby blanket amnesty or blanket pardons would be granted.

I repeat, Mr. Speaker, that I am concerned about what such a grant of amnesty or a blanket pardon would do in the event this country ever again needs to mobilize its manpower, its industrial might and its economy in the defense of the security of the United States of America.

Again I commend and applaud the gentleman in the well, Mr. DAN DANIEL, of Virginia, the gentleman from Idaho, Mr. HANSEN, and the gentleman from Mississippi, Mr. MONTGOMERY, for taking the lead in this very important matter. I believe that they have performed a great service to the United States of America in taking this time today. I again applaud and commend them for so doing.

Mr. DAN DANIEL. Mr. Speaker, I thank the distinguished gentleman from Georgia (Mr. FLYNT) for his very meaningful contribution to this discussion.

Mr. WHITEHURST. Mr. Speaker, would the gentleman yield?

Mr. DAN DANIEL. I am happy to yield to the gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Speaker, I thank my distinguished colleague, the gentleman from Virginia for yielding to me.

Mr. Speaker, there is a cemetery that is located in Belgium where over 5,000 Americans sleep. My brother rests among them. He died fighting for that flag in back of the gentleman almost 33 years ago.

Like many of my colleagues in this Chamber, I was also involved in that war. I recall it quite well. I very nearly lost

my own life there. That the President following that conflict would have considered granting a blanket pardon to those who elected not to answer the call to the colors would have been anathema to me. I will say that it is anathema to me today that the President-elect is considering granting a blanket pardon to those who did not answer the most recent call to the colors. It is not that these people have not been granted an opportunity to come back and serve. They have been in a way that is far less hazardous than the one that they would have been called upon to do. I think that that position was more than generous. I am just disappointed that more did not take advantage of it.

However, at this point that there should be no service required and no penalty required is, as the gentleman from Georgia just announced, a most dangerous precedent, and this flag that we all love so well would certainly be in jeopardy the next time this Nation is threatened. The next time there is an armed confrontation, the question might well be raised: Where will the young men be whom we will need to fill the ranks in order to defend that flag?

I think what is being embarked upon is wrong from a moral point of view, from an ethical point of view, and, I think, from a practical point of view. In defending this Nation it is dangerous.

I thank the gentleman in the well for yielding time on this.

Mr. DAN DANIEL. As usual, the gentleman from Virginia (Mr. WHITEHURST) has made a very substantial contribution to the debate.

Mr. Speaker, I now yield to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. I thank the gentleman for yielding and commend him and the gentleman from Idaho and the gentleman from Mississippi for offering their letter to President-elect Carter, and for asking for this special order today.

Mr. Speaker, on December 17, 1976, I joined 105 of my distinguished colleagues in the House of Representatives in requesting President-elect Carter to reconsider his decision to issue a pardon to all Vietnam-era draft evaders. Our request correctly stated that each of us has our own individual reasons for opposing what amounts to a blanket pardon for those who evaded the draft during the Vietnam conflict, although we are united in asking for President-elect Carter's reconsideration of the decision. At this time, I wish to elaborate upon my personal reasons for expressing such opposition.

Members of the House of Representatives were and are responsible for instituting or eliminating the Selective Service System law. Right or wrong, the Vietnam war created a need in our country for selecting individuals to serve in the Armed Forces. The selection process was instituted and governed by law and those selected were expected by law to abide by their selection and serve. Those individuals who evaded the draft or deserted our Armed Forces chose not to abide by the law. There is a great tradition in our constitutional system for civil disobedience. But the tradition calls for participants in civil disobedience to pay the legal penalty for the disobedience so as to call attention to the immorality of the law being disobeyed. The intentional disregard of our legal system will be forgiven in President-elect Carter's expected decision, whether it is labeled a blanket amnesty or a pardon, and it is an act that I cannot accept and join in. Civil disobedience without a penalty is not civil disobedience and is horribly destructive to our legal system.

Respect for the law is taught to our Nation's children by their parents in establishing boundaries of play, to our grade school pupils in attempting to guard their safety to and from school, in our high school government courses, and virtually throughout our lives on a day-in, day-out basis. As a law student, the same respect for the law was reinstilled in me with each day's reading of our common law, and as a lawyer, I constantly try to adhere to the law and to share my respect for it with my clients, my fellow lawyers, and the courts. In all of these capacities, including my present capacity as a legislator, I submit that respect for the law is the basis of our civilized society, without which our system of government cannot and will not continue to exist. It is within this context that President-elect Carter's pardon announcement must be judged, in my belief. The Selective Service System law established expectations in our young men who were notified of the draft or, in fact, drafted to serve. Those same young men respected the law, expected it to be enforced, and abided by it in serving us. Sadly, very sadly, thousands of these same young men died for it and in its defense and in defense of our system of government. Respect for the law, in their hearts and minds, was our strongest weapon with which to defend against the enemy.

In conclusion, I see no healing aspect available to the wounds of our country which were caused by the Vietnam war that will be healed by a pardon, should it come. Instead, I see a deeper, more lasting wound to our system of government, which John Adams so eloquently characterized as a system of laws, not men, if our laws are unilaterally and retroactively changed in this way.

Until our system is changed by some greater being than by this body known as the House of Representatives, I will continue to abide by this belief.

Mr. DAN DANIEL. Mr. Speaker, I would like to call to the attention of the House that the gentleman who just spoke is a freshman Member of the House. This was his first speech on the floor. I do not believe he could have made one more important to the future security of this country.

Mr. YOUNG of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Missouri.

Mr. YOUNG of Missouri. Mr. Speaker, as a new Member of the Congress I also signed the letter in November along with my colleague, the gentleman from Missouri.

I too want to thank the gentleman from Virginia (Mr. DAN DANIEL) and the gentleman from Idaho (Mr. HANSEN) and the sponsor of the special order, the gentleman from Mississippi (Mr. MONTGOMERY), for the opportunity for the American people to hear the special order of business that is going on today in the U.S. Congress.

For a variety of reasons, I am deeply opposed to President-elect Carter's proposal to issue a blanket amnesty for those who evaded the draft during the Vietnam war.

Most importantly, the proposal would severely undermine any effort to reestablish the draft in this country. If the time does come to reinstate the draft—and, who knows, the need could arise at any time—the precedent of the blanket amnesty now would make it easy for young men to avoid their duty to their country. They could opt not to serve, with knowledge they had nothing to worry about.

It would be nice to give young men carte blanche to decide whether to serve their country without fear of penalty. But in this imperfect world, our country, our citizens, cannot afford that luxury.

There are other reasons to avoid a blanket amnesty. Such an act would be seen by a majority of Americans as a blasphemous turning away from not only the 350,000 American dead and wounded in Vietnam, but all the 2.5 million of our young men who served there with distinction.

Amnesty would destroy much of the pride and honor attached with service in the Armed Forces—pride and honor that has been built up over many decades.

Amnesty would not bind our country together, but would cause more division at a time when our country is in need of unity.

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman for his contribution.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I thank the gentleman from Virginia for yielding.

I would like to add my voice very briefly to the remarks of the gentleman in the well as well as those of my colleagues on both sides of the aisle who have expressed their displeasure at any suggestion of amnesty or pardon for those who deserted this Nation or deserted the armed services or evaded the draft.

Of course there were a number of people in this Nation, including some who willingly served and some who died, who did not agree with our involvement in the Vietnam war.

The gentleman in the well knows well that we became involved in that war as a result of our original SEATO agreement. We became involved in fact during the Kennedy administration, and it ran through the Johnson administration and

the Nixon administration and was wrapped up and finally concluded during the Ford administration.

I would say simply, Mr. Speaker, that those young men who claim all the benefits of this great Nation also have certain responsibilities to the Nation and they cannot turn their backs back in time of need and then come home and ask for general pardon and general amnesty.

I think it would be a disservice to those who did serve. I think it would create a situation that would be almost impossible to obtain manpower for the military services in the event we should find ourselves, God forbid, in a situation where the services would need it.

Mr. Speaker, I support the remarks of the gentleman in the well, the gentleman from Virginia (Mr. DAN DANIEL).

I want to go on record clearly and concisely, as I did in the letter, that I am opposed to amnesty and pardon to those persons who did not serve in the Vietnam war.

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman from Ohio.

Mr. Speaker, earlier today a group of former prisoners of war held a press conference over in the Rayburn Building. I would hope that some of them might perhaps be in the gallery in order that they may know there are some Members of Congress and the vast majority, in my judgment, who support the very strong position which they have taken and we that appreciate far beyond our ability to express the sacrifices which they have made.

Mr. McDONALD. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Georgia.

Mr. McDONALD. Mr. Speaker, I rise in support of the gentleman from Mississippi. It is pleasing and gratifying to me that he has chosen to lead those of us who oppose the President-elect's plan to issue a blanket pardon for the Vietnam war draft evaders. As you all may know, 106 of us have sent a letter to the President-elect asking that he reconsider his plan. And, while 106 of us does not represent a majority of this body, my strong feeling here today is that those of us who are joining in this special order represent the majority of American thinking.

This blanket pardon that Mr. Carter proposes should not be granted for many reasons. The most obvious one being the insult to the 56,234 young men who went to Vietnam and died at their country's call and the 303,000 wounded, to say nothing of those missing in action and their families. How will their parents and wives and relatives ever be able to reconcile this? More than 3 million men and women served honorably during the Vietnam era, and they will not be pleased. Who will explain the action to our brave POW's who endured torture beyond belief in defense of the United States?

Second, how are we to be a nation if everyone is to decide which war is just and what laws he or she will obey? Are we to become a nation of anarchists? How and who will decide if the next war is just?

Third, a blanket pardon will not heal wounds, it will open them. Those who served honorably and obeyed the laws will not be served by this contemplated action. They will be disgusted and angry as they ought to be. The head of the U.S. Government issuing a blanket pardon to lawbreakers will set a dangerous precedent for the country. To cite just one statistic at this point, the President's Clemency Board found that less than 5 percent of the AWOL offenses that resulted in less-than-honorable discharges were as a result of disagreement over the Vietnam war.

Many have expressed the fear that those deserters and others who left the United States and took refuge in places such as Canada and Sweden will not return if this blanket amnesty is not issued, but I doubt this. They may or may not, but each case has to be tried on its individual merits and these persons have to face the judge and have their day in court. This is the only fair and just way to do the process. This is consistent with our history wherein other Presidents have taken such action.

But aside from all the other considerations I have mentioned, there is a more fundamental one. That is service to one's country—military service should be and used to be a fundamental tenet of citizenship for every able bodied male in this Nation. We now have a so-called All-Volunteer Armed Forces and we hope they fight well if the whistle blows, but if the average male in this country does not feel he has a duty to serve and defend his Nation in time of peril then we will not last long as a country. One can just imagine the challenges that might be mounted in the courts should we have to reinstitute the draft.

In my view the so-called blanket pardon proposed by President-elect Carter will go a long way toward further erosion of that concept. What will we do next, hire mercenaries to defend our shores? Will pride and honor become forgotten words in the United States?

Mr. Speaker, I want to commend the gentleman from Virginia (Mr. DAN DANIEL) for taking the lead, and also the gentleman from Idaho (Mr. HANSEN), and especially the gentleman from Mississippi (Mr. MONTGOMERY) for taking the lead in this whole matter.

Mr. DAN DANIEL. I thank the gentleman from Georgia.

Mr. Speaker, I think this observation should be made for the record: The gentleman from Georgia stated that these men who are now under consideration for pardon violated the law. That violation is a felony punishable by 5 years in prison, $10,000 fine, or both.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding to me, particularly since the gentleman from Virginia may know that I hold a position opposite to the one expressed by himself, as well as by most of the others of our colleagues who have addressed this issue today.

At the very outset, Mr. Speaker, I would like to state for the record that I not only do not question, but I fully recognize the sincerity and genuineness with which the gentleman from Virginia and the others who spoke on their side of the issue hold the views which they expressed today and have expressed at other times and in other places. I disagree with the position, nonetheless, because it seems to me that this country, in its finest traditions, has recognized in times past that there is a time to close the book; there is a time when it is appropriate to say, "Right or wrong, it is time to pull the Nation together."

Mr. Speaker, for us to continue to impose homeless, stateless, underground status on Americans who, acting upon the highest moral principles, decided that they could not follow that which was national policy at the time but which today is almost universally admitted to have been an unwise policy, seems to me to be wholly inappropriate.

Mr. Speaker, it seems to me that it took a great amount of strength for most of those who chose to go against national policy in response to conscience. They did not go without suffering for that decision. The hardships placed upon themselves and upon their families have been fully demonstrated.

Further, it seems to me that we pay no homage to those brave men who died by endlessly insisting that others who took a different path must continue to be punished by this Nation. It seems to me that, in line with President Lincoln's great statement, made at his second inaugural, we ought to act "with malice toward none, with charity for all" and be engaged in the great task of binding this Nation together. We have done it before; we ought to do it now.

Mr. DAN DANIEL. I thank the gentleman from New York.

Mr. Speaker, in response to what the gentleman had to say, and also the statement made by the gentleman from New York (Mr. KOCH), both of whom spoke of divisiveness, time is a great healer. I think the wounds of the Vietnam war are now beginning to heal. But, I would like to raise the question of whether or not a blanket pardon for war resisters and draft evaders will not reopen those wounds. I would like to ask if it will not, indeed, slow down the progress which is being made now toward the healing process.

Mr. Speaker, I intend to take about 10 minutes for my statement, but I would be pleased to yield to any other Member who desires to be heard at this time.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Speaker, last night I had occasion to have dinner with Richard Roudebush, the Administrator of the Veterans' Administration. I do not think I am betraying a confidence when I say to the Members that during the course of the evening he advised me that

he had received letters from the national commanders of each of the major veterans organizations in this country, the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars and the Amvets, in which each of them took a position in opposition to amnesty or general pardon.

Mr. Speaker, I think that should be made a part of the record.

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman from Ohio for his remarks.

Mr. BADILLO. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. I thank the gentleman for yielding.

Mr. Speaker, I want to commend my friend, a new Representative, the gentleman from New York (Mr. WEISS), for his statements. I want to associate myself with his remarks.

Mr. Speaker, I want to say to the gentleman that I do think that it would be a healing process if we were now to grant amnesty to those who were involved. The mere fact that we are discussing it now shows that this problem will continue to fester and will continue to be a devisive one unless we settle it. That is why I think that this would be an ideal time, at the beginning of a new administration, to settle it once and for all. That is why I associate myself with the remarks of the gentleman from New York.

Mr. DAN DANIEL. Mr. Speaker, in response to the gentleman's remarks, the only reason we are having this debate today is in response to an action contemplated by an incoming President.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIELS. I yield to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Speaker, in response to the remarks of the two gentlemen from New York, who seem to be two of only three here speaking in favor of this general or blanket pardon, where is this devisiveness we have been talking about? I have not been reading of it or hearing it talked about back home. They speak about this great devisiveness and this blanket pardon which is going to solve this devisiveness, but I do not know where this devisiveness exists.

Mr. DAN DANIEL. I think the gentleman makes a good point.

Mr. BADILLO. Mr. Speaker, if the gentleman will yield, I will be glad to answer.

Mr. DAN DANIEL. I yield to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. I thank the gentleman for yielding.

Mr. Speaker, this subject matter was debated during the Presidential campaign from one end of the country to the other, and I am sure that part of the debate took place in the gentleman's congressional district.

It is precisely for that reason that the successful candidate for President is going to take action now as his first priority, because as he campaigned throughout the land he found that there was a need to bring this matter to a close. That is why it is being proposed now, and it is clear that the reason we are having this debate, is because it was proposed by the successful candidate. The reason for it is, as we begin a new administration, a new Congress, we would like to put the problems of the Vietnam war behind us once and for all.

Mr. DAN DANIEL. The gentleman from New York (Mr. BADILLO) is not suggesting that if President-elect Carter had run on a platform of blanket pardon for draft evaders, he would have been elected?

Mr. BADILLO. If the gentleman will yield, I am certainly suggesting that the issue of amnesty was a very important one, not only in Governor Carter's campaign, but also in the Democrtaic Convention. I was a delegate to the Democratic Convention and a member of the Platform Committee, so I am very much aware of the process from the time we began to outline our party's platform.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield further?

Mr. DAN DANIEL. I yield to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Speaker, my colleague, the gentleman from New York (Mr. BADILLO), says that it was a subject of debate during the campaign. Possibly it was. My definition of debate is at least two parties with different views discussing a subject matter back and forth. To my knowledge, there was at least one statement made by former Governor Carter, who was a candidate, that he was going to probably do this. The only debate I ever heard was further discussion in veterans' organizations opposed to it.

In my congressional district, it was just about the same proposition that we have here today, about one hundred opposed to it and three for it. If that is a debate, I think we have many things which are a lot more cogent that we should be debating here this afternoon, such as tax reform and energy, which are a lot more important to this nation than granting a pardon to the people who chose not to obey the laws our our Nation.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I want to thank the gentleman for yielding.

I would like to say that although President-elect Carter was called upon on a number of occasions during the campaign to express himself on this subject, I am not quite sure just what total position he may have taken. I might say that I supported President-elect Carter, but I did not support him because of his statement on this subject. There were many other reasons.

Nonetheless, I would like to associate myself with the remarks of the gentleman from Virginia (Mr. DAN DANIEL), the gentleman from Mississippi (Mr. MONTGOMERY), and the gentleman from Idaho (Mr. HANSEN). I support their basic expressions of opposition to blanket pardon or amnesty for draft evaders or deserters.

In my opinion, we would be setting a dangerous precedent by this action. All of us have compassion for our fellowman and for those who are in trouble, but there are so many cases and there is such a variety of cases that in my opinion we would be setting a precedent which would endanger the security of this country at some future date. I would like to go on record to that effect.

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman from North Carolina.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, WEISS is the name. It is perhaps a difficult name to pronounce. I thank the gentleman very much for yielding.

I simply want to respond to the suggestion that was made earlier by my distinguished colleague on the other side of the aisle to the effect that the present participation by Members in the discussion or colloquy in this special order is some indication as to how the people across this country feel and how the Members in this Congress for that matter feel.

In fact, on most occasions, as I understand it—and I do not want to seem like an expert, so I ask for a correction if I am inaccurate—the Members and their colleagues who ask for the time to participate in a special order and who do participate in it agree with the subject matter and the position. I suggest that because there happens to be only two or three Members on the other side who happen to wander in and take exception to certain remarks does not give a fair picture of national sentiment. I do not think that is the impression the gentleman would want to create.

Mr. Speaker, I thank the gentleman.

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman for his contribution.

Mr. RUDD. Mr. Speaker, will the gentleman yield?

Mr. DAN DANIEL. I yield to the genman from Arizona.

Mr. RUDD. Mr. Speaker, I lend my unequivocal support to the gentleman from Virginia's opposition to amnesty or pardon for those who deserted or otherwise avoided the call of military duty to defend freedom in Vietnam.

It has been said that those who are unwilling to defend their freedom are destined to lose it. Freedom must be fought for, first to win it, then to preserve it. The saddest part of defending our freedom is the fact that those who sacrifice so that we may remain free are the ones with the most to lose: our young.

Our young, however, have not let us down. When called to their country's service, most of them served willingly,

with courage and endurance. They served knowing that they might be injured, and that some of them would not return. It is tragic that some of them did not return. There have been over 2½ million casualties in the various wars we have had to fight to preserve our freedom. Two and one-half million patriots to whom our Nation owes a debt of gratitude we can never repay.

There is one thing we can do, however, which will help to keep alive the memory of those who fought for our Nation. This is to oppose with every fiber of our existence the pardoning of those who unlawfully escaped their duty at the expense of those who loyally chose to discharge it. The concept of so doing, by whatever name it is called: unconditional amnesty, pardon, or clemency, is a moral outrage.

There are those who claim that the deserters, draft dodgers, and evaders were answering a "higher morality." If this were true, if they were, indeed, so opposed to the participation of the United States in the Vietnam war, why did they not stay here to fight it? Why did they not demonstrate their convictions by either signing up as conscientious objectors or by challenging their draft board in court?

What about those who did choose to serve, albeit after lengthy deliberations over their course of action? Were they answering to a "lower morality" because they chose to defend their country? I, for one, do not think so.

Several years ago, Pat Buchanan examined the question of the supposed higher morality of the draft evaders in Sweden. In his article, which appeared in the February 20, 1973, edition of the New York Times, he quoted William Lethe, the Swedish Director of Immigration, as stating that 20 percent of the draft dodgers in Sweden had been involved in major crimes, that 10 percent had been jailed, and that 6 percent had been deported. Thefts, drug-related crimes, and other offenses of a similar nature were included among those attributed to the deserters.

A May 26, 1975, editorial in the Washington Post pointed out that some 700 individuals who had been imprisoned or punished in some fashion for draft or military offenses were currently in jail for other offenses. While this is not to say that all draft evaders will immediately turn to a life of crime if allowed to come back, it should give us pause to think. Are we entirely sure that all of these individuals were sincerely opposed to the war on moral grounds? I, for one, do not think so.

Further, I think that it would be an offense to decency, an offense to morality, an offense to the memory of the brave Americans who fought and bled in Vietnam to even consider forgiving those who did not care enough for their country to do so.

It seems as though there are those who are ready to accept the concept that there should be no reward for loyal service to your country, or sanction against disobeying military orders. In short, cowardice, disloyalty, and the rejection of duty are being raised as the new standards of conduct.

If this is the case, how can we rationally expect our military leaders to maintain any sort of effective organization? If they are unable to discipline—or if individuals know that the only punishment for desertion will be a letter from the President saying that it is all right—how can they be expected to maintain an army?

How can we as a nation expect to field the citizen army to defend our country, our free people under our Constitution, or maintain that freedom—unless we treat service to our Nation with honor, and refusal of service with dishonor?

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman from Arizona (Mr. RUDD).

Mr. RHODES. Mr. Speaker, I join many of my colleagues today in urging President-elect Carter not to issue a blanket pardon to draft dodgers. To do so would set a precedent that would undermine the faith of our people in the integrity of government, and pose great difficulties should military obligations be required in the future.

To totally pardon those who shirked the duty of service to the Nation during the Vietnam war would mock the sacrifices made by every veteran, every family that has undergone the anxiety of war and the burden of losing those who perished in the service.

To decree that Federal laws regarding military obligations can freely be ignored is unjust. Our Government goes to great lengths to enforce its taxing authority—often down to the last penny. Over our history—service to the country in time of war has been one of the responsibilities of citizenship. To say that whoever decides not to meet that responsibility can ignore the draft law with impunity is to say that we never again can have an effective draft. The day may come when we will need national mobilization for our own survival. Selective observance of selective service is an aberrant application of the laws that should govern all Americans.

The President is Commander in Chief of the Nation's Armed Forces. I would suggest that Mr. Carter consider quite carefully the implications for the future inherent in establishment by Presidential decree of immunity to the draft. Allowing persons eligible for military duty to choose which emergency they will serve in—or not serve—is a threat to the security of our country.

I believe it is bad policy for any President to be the agent that endorses breaking Federal laws, and that is what draft evaders have done. Passage of time, or alteration of viewpoints on the relative importance of the military engagement do not wipe out the fact that we are a Nation of laws, and these people have chosen not to obey the law of the land. They have dodged the duty of citizenship of their own free will and should not be absolved of all penalties for doing so.

I join this bipartisan effort in hopes that the President-elect will reconsider in the light of its import his indicated intentions to issue a blanket pardon for those who ran out on America.

Mr. WAGGONNER. Mr. Speaker, I am pleased to be able to join the distinguished gentleman from Mississippi and our other colleagues to openly discuss President-elect Carter's highly controversial proposal to issue a blanket pardon for Vietnam era draft evaders. It is a question that deserves widespread public debate and consideration before any action is taken by the Executive.

This is a matter that evokes strong emotions on both sides of the issue. The lives of individuals and families scarred by the war in Vietnam, and those whose lives have been scarred by their decision to flee rather than serve in Vietnam, have all suffered deep emotional impacts. The country has been deeply divided. Only history can be the judge of our involvement in that tragic war—whether it was proper and correct or morally wrong, as some critics contend.

We are not here today to discuss the morality of war. Rather, we are here to discuss our opinions on what should be the course of action in dealing with those men who refused to serve in the military when called by their country.

My position has been consistently clear and often expressed. I have always been opposed to granting blanket and unconditional amnesty—the current terminology is "pardon"—for draft evaders. I have always felt, and continue to feel, that these cases should be judged and considered on an individual basis. There may be extenuating circumstances in some cases, and these should be weighed before judgment is made.

Amnesty, the official act of extending pardon, comes from the Greek word for "forgotten." The war in Vietnam may be over, but it is far from forgotten. The memories of the men and women who served there are still vivid. Their memories of coming home to a nation where many people had lost concern for them and the war they were sent to fight must be equally strong. The families of those who did not return alive have not forgotten. Nor should we.

I feel that a free society—if it is to remain a free society—must provide a way for an individual to pay his debts to that society. But I do not feel that any society should suddenly, because it may appear to be popular, disregard its laws and grant pardons to those who violated those laws. This is precisely what a blanket pardon would represent. A society based on laws cannot long function that way.

I hold no bitterness in my heart for those men who fled this country to avoid the draft. Many of them elected to serve their conscience, rather than their country. They made their decisions based on what they knew to be the consequences. We must have penalties for breaking the laws, just as we have privileges for adhering to them.

We cannot change facts by trying to forget—nor can the President-elect.

Mr. ASHBROOK. Mr. Speaker, one of President-elect Jimmy Carter's campaign promises was to pardon all those who evaded the draft during the Vietnam conflict. Since Mr. Carter will soon be assuming the duties and responsibilities of our Nation's highest elective office, I think it would be appropriate for him to carefully reexamine his position on this matter.

I firmly believe that a pardon for draft evaders would be a serious mistake. It would be unfair to those Americans who served honorably and bravely in the Armed Forces. It would be a travesty to the memory of every American who was wounded or died while fighting for this great Nation.

Gen. William C. Westmoreland, former Army Chief of Staff and the man who headed the U.S. forces in Vietnam, has urged that President-elect Carter reconsider his pardon proposal. In an article in the December 12 edition of the New York Times, General Westmoreland stated:

Such an act would be without precedent in our history and a degradation of our national moral fiber and military posture.

How will historians explain to future generations why the honorable service of 2.5 million young men and women was disregarded in the rush to placate the relative handful (about 4,000) who refused to serve in any capacity?

I agree wholeheartedly that there should be no pardon for draft evaders and I wish to bring to the attention of my colleagues the full text of the article by General Westmoreland:

[From the New York Times, Dec. 12, 1976]

NO PARDON FOR DRAFT EVADERS

(By William C. Westmoreland)

CHARLESTON, S.C.—If President-elect Carter is preparing to make good on an ill-considered campaign promise to pardon all who evaded the Vietnam-era draft, he should pause and reflect soberly. Such an act would be without precedent in our history and a degradation of our national moral fiber and military posture.

How will historians explain to future generations why the honorable service of 2.5 million young men and women was disregarded in the rush to placate the relative handful (about 4,000) who refused to serve in any capacity?

Under President John F. Kennedy, our involvement in support of South Vietnam was firmly established. Inspired by his Inaugural exhortation to "pay any price, bear any burden, meet any hardships, support any friend, oppose any foe to assure the survival and the success of liberty," more than 600,000 draftees served in Vietnam. Of those who accepted their duty in spite of any reservations, 11,500 were killed and 60,000 were wounded. These casualty figures include some who were replacing draft evaders and deserters.

Regretfully, we must assume that some future President will have to call for young men—and perhaps women, too—to be selected for service through the draft, possibly sooner than many suppose. We would hope that the future need would be better understood and more strongly supported than the Vietnam situation was, but the precedent about to be set by Mr. Carter would be a major impediment to the rational conduct of any future draft.

This denigration of the selective-service process comes at a very bad time. The all-volunteer force, born in the frustration of the Vietnam aftermath,) is proving to be inordinately expensive (almost 60 percent of the fiscal year 1977 defense budget will go for personnel costs), and the lack of draft motivation is squeezing the reserve components of all services to such low strengths that their ability to play their assigned roles in an emergency mobilization is being jeopardized. Furthermore, the forces that man our ramparts are not representative of our society.

In misguided euphoria over the viability of the volunteer regular forces, the Ford Administration and the Congress have even gutted the standby draft machinery, destroying its ability to provide manpower in a timely manner if mobilization is necessary.

And all these negative actions—the intended pardon, fixation on the costly volunteer force, which does not represent a cross-section of our society, and the emasculation of the draft machinery—tend to undercut one of the most basic principles of our Republic—the concept of the citizen-soldier. The idea that men would rally to the support of their country has been an American tradition.

Other facts should be kept in mind while considering this essentially emotional issue:

An Army survey of Vietnam deserters processed under President Ford's amnesty program showed that only 14 percent of those who went "over the hill" were motivated by objection to Vietnam involvement. The most common reasons given were personal problems and concern for their own safety.

Fifty-five percent of the military deserters took advantage of the amnesty program, but only about 16 percent of the draft evaders who had the opportunity to perform alternative service choose to make any effort to reestablish their good standing in our society. This would indicate that what these people were looking for is an apology, not amnesty.

We are a nation governed by laws, not by the passing whim of those who do not agreee with a particular law, nor by the desire of any man to gain easy relief from a vexing problem. We cannot afford to set aside such an important principle.

I suggest to Mr. Carter that before he takes this escape route to respond to an ill-considered campaign promise he should consider the precedent and research public attitudes. Public opinion, now that it is relieved of the daily news-media harangue about Vietnam, is shifting back to a rational view of the subject. A recent survey on the campus of Kent State University, where war resistance was so high, found that the students now rank the military Establishment in the "high-trust" category. I am now making campus visits myself and am encountering none of the bitter opposition I would have expected four years ago.

We should all remember that the rush to end the draft and to endure the expensive, nonrepresentative all-volunteer force was the result of another ill-considered campaign pledge, by former President Richard M. Nixon.

Mr. Carter should do himself and the nation a favor by allowing time for further contemplation of the pardon proposal after he takes office and feels the weight of leadership and the implications of his actions solidly and inescapably on his shoulders.

Mr. BAUMAN. Mr. Speaker. I thank by friend and distinguished colleague from Mississippi, Mr. MONTGOMERY, for arranging for this special order on the urgent matter before us. Like many other Members of this body representing both major parties, I signed a letter to President-elect Carter expressing my dissatisfaction with his proposal to grant a blanket pardon to anyone who evaded the draft during the Vietnam war.

I am sure that the President-elect is sincere in his conviction, and that his purpose is a charitable one intending to "heal our national wounds." I have yet to meet anyone who brightens cheerfully at the mention of Vietnam, certainly one of the sad pages in our national history. It was a sad period primarily because our national leadership remained indecisive, and our national interest so ill-defined. Hopefully, our Government will never again entangle our Nation in any form of military hostility without a clear policy of victory.

But the blanket pardon President-elect Carter proposes in order to mend the spirit will only further divide the national will. It will embitter, as it should, those men who served in Vietnam, who suffered there and who did so in large part to satisfy compliance with the law. Yet now, less than half a decade since Americans were being asked to risk their lives in Vietnam, an American President will formally acknowledge by his action that it was not really important. An Executive order will issue a blanket pardon, thus contending that the law is merely an option or a suggestion which we can accept or reject with impunity.

I join with my colleagues in warning the President-elect of the unfortunate effects his proposed action will have on a nation grown sensitive about politicians and the law. The law is not only the realization of a political ideal, but it is primarily the discharge of a moral obligation. To compromise the law, to say that part of it is important and must be obeyed while another part is optional, successfully weakens the authority supporting this moral obligation.

Mr. Speaker, I urge our new President to reconsider his decision. Hopefully it will never happen, but possibly it shall be that national trials as difficult as Vietnam will come upon us. Actions taken today which compromise the authority of the law may not so easily be reconsidered tomorrow when our very national self-preservation could be at stake.

Mr. McCLORY. Mr. Speaker, it is a privilege to participate in the special order which has been taken by our distinguished colleague from Mississippi (Mr. MONTGOMERY) and by our colleague from Idaho (Mr. HANSEN).

Mr. Speaker, the gentleman from Mississippi has given earnest and compassionate thought to the entire issue of our Vietnam war veterans and has assumed a prominent role in behalf of our beloved citizens who became prisoners of war and who were missing in action. The gentleman's speech today focuses on a different aspect of the Vietnam war—but one which is of deep concern to every man and woman who served during the Vietnam conflict as well as the families of those men and women—including, particularly, the loved ones of those who were gravely wounded or who lost their lives in the service of our Nation.

Mr. Speaker, we are all anxious to put behind us the dreadful and tragic experiences of Vietnam, but we cannot brush aside and ignore the sacrifices of the many who served by rewarding with

a blanket pardon the draft evaders, deserters, and others who deliberately flouted the law—and who by making a personal decision renounced a national commitment as well as our Federal statutes and regulations.

Mr. Speaker, I laud the gentleman from Mississippi (Mr. MONTGOMERY) and all of my colleagues who joined in a letter dated December 17, 1976, to President-elect Jimmy Carter and I hope that that letter, bearing more than 100 signatures, coupled with the statements that have been presented here today so eloquently, will persuade the President-elect to reconsider his proposal to grant a broad blanket pardon to all draft evaders and deserters—a statement which he made some weeks ago. I hope instead that equity and fairness to all will be the criteria—and that appropriate respect will be accorded to those who served honorably in Vietnam and at other periods when the Nation demanded their services.

Mr. BEARD of Rhode Island. Mr. Speaker, in registering my disapproval of the proposal of President-elect Carter to issue an Executive order providing a blanket pardon for those who evaded the draft during the Vietnam war, I must also note the fact of my strong opposition to the continuation of that war in 1974 as well as my votes against the appropriation of funds for military aid to South Vietnam in 1975. It was just not possible for me to vote any other way on that issue but the issue of a pardon for draft resisters is quite another matter. I fully appreciate the position of those who opposed the war on ideological grounds and went the full legal route to register their conscientious objection. However, a blanket pardon would place these people in the same boat with those who went off to Canada or some other place just to avoid military service or the legal means available to register their objection.

There are serious national divisions that could result from a blanket pardon. There are thousands of families whose sons or fathers were killed or grievously wounded in the Vietnam war. Many more thousands of families today have sons or fathers who served honorably in Southeast Asia. We are talking about several million people directly affected by this issue and rather than lessen the tensions that still exist, I believe Mr. Carter's proposal would only make the situation worse. Millions of veterans of the two world wars and the Korean war as well as the Vietnam war strongly oppose the Carter proposal.

I realize that many arguments against the blanket pardon proposal are based on emotions. I can well imagine the feelings of mothers, fathers, and wives, many of them not even knowing the fate of their servicemen in Vietnam's jungles. However, I think reason and commonsense should prevail here and the most reasonable and sensible thing would be to consider each case of draft evasion on its individual merits.

Finally, I do not believe that the draft evader himself should be calling any of the shots. In the face of what has happened since 1961, the last person in the world to decide the course of this issue is the person who skipped out of sight when his country called his name.

Mr. ROBERT W. DANIEL. Mr. Speaker, about this time last week, in the Tidewater area of Virginia, a former Vietnam prisoner of war retired a bit early from the Navy. Lt. Cmdr. Michael D. Christian, 36, was serving as a bombardier/navigator when shot down over North Vietnam in April of 1967, dooming him to 6 long years as a POW. Last week, Lieutenant Commander Christian said in retiring that he would leave his medals—two Silver Stars, three Bronze Hearts, two Purple Hearts, four Air Medals, the Legion of Merit, the Navy Commendation Medal, and several others—on the graves of Vietnam veterans, a personal protest of the proposed amnesty for Vietnam-era draft evaders. As he put it:

> We've kind of brainwashed ourselves into being the bad guys. Now, we make heroes out of deserters and condemn ourselves. The price of honor seems pretty cheap this year.

A vast number of my constituents share that sentiment, Mr. Speaker, as do I. An open-ended amnesty such as this, whatever we call it, is a unique and disastrous application of the constitutional "power to grant reprieves and pardons for offenses." Blanket amnesty is a distinct and deleterious precedent, damaging to morale both within and without the military.

Apologists for this amnesty proposal are quick, of course, to cite the examples of Presidents Lincoln and Truman. Yet the pardons issued by Lincoln or Truman were neither as broad nor as unconditional as the one proposed for Vietnam draft resisters. In fact, Lincoln was often quicker to pardon southerners than those disloyal to their own army in the North.

I would urge my colleagues, therefore, to use the means at their disposal to resist a precedent unknown to our Nation's history and repugnant to its sense of honor. Awarding a full pardon to those who fled, whether because of conscience or cowardice, is an insult to the memories of those who served in their place. Justice tempered with mercy, but justice, must be our guiding principle.

Mr. CRANE. Mr. Speaker, before President-elect Carter takes any precipitous action with regard to the pardoning of those who evaded the draft during the Vietnam conflict, it is essential that he understand the feelings of the majority of the American people.

It would be a serious mistake, for example, to overlook the deep concern felt by those families whose sons, husbands, and fathers lost their lives in the Vietnam war. Since 1965, more than 2.5 million men served our country in Vietnam. It is beyond doubt that many of these men did not wish to go to war. These men, however, accepted their responsibilities. To pardon those who rejected their duty, who did not accept their responsibilities, would surely be an injustice to the sacrifices made by those many who took the more honorable course, and their families as well.

Those who advocate a blanket pardon for those men who evaded the draft, and some who even advocate a pardon for military deserters, argue that such an action would serve to heal the wounds which have been left by the Vietnam war. President-elect Carter himself, for example, argues that his own action would serve such a healing process. More likely, it seems certain that a pardon for draft evaders or deserters or both would serve precisely the opposite purpose. Rather than healing the wounds, such an action would serve only to bring to the surface once again all of the passions the Vietnam war aroused.

The advocates of either an amnesty or a pardon approach to draft evaders and deserters, and the difference between the two is more semantic than real, argue that the United States has historically pardoned deserters and resisters in postwar periods. They argue, in addition, that conscience comes before all else, and that there should be no penalty for following it.

The historical arguments of those who support amnesty or a blanket pardon without an admission of guilt or a declaration of a future intention to obey the law are less than persuasive.

The first example often presented by such advocates is that of George Washington and his action with regard to those who participated in the Whiskey Rebellion of 1794.

The fact is that President Washington neither provided amnesty nor a blanket pardon to those involved in the rebellion. In 1794, rioting broke out against the Government's attempt to enforce the law. President Washington sent troops into Pennsylvania to put down the riot. Alexander Hamilton, the new Secretary of the Treasury, in order to establish the Government's power to enforce its law, ordered arrests of those involved in the riots. They were tried and convicted in 1975, the Government's position having been proved. Washington—only then—pardoned those who thereafter agreed to obey the law. Thus, the rebels were not given amnesty nor a blanket pardon prior to a trial. They were pardoned only after they had been found guilty and convicted of a crime.

George Washington's view concerning a citizen's obligations in a free society is far different from that which the advocates of amnesty and blanket pardon impute to him. He said, for example, that:

> It may be laid down as a primary position, and the basis of our system, that every citizen who enjoys the protection of free government owes not only a portion of his property, but even his personal services to the defense of it.

Or consider the next major example, that of Abraham Lincoln at the time of the Civil War. Most of the pardons granted by President Lincoln during wartime provided unconditional amnesty only for deserters who returned to their posts. An action in December 1863, giving full pardons to persons who had participated in the "existing rebellion" was an obvious political bid for more support for the Union cause.

Any comparison of President Lincoln's attitude toward the South and the cur-

rent question of Vietnam draft evaders and deserters is difficult to understand. Lincoln was clearly concerned with half a nation split away, and with soldiers who had made a hard decision to fight for one side or the other. He was not dealing with draft evaders and military deserters—men who fled to foreign countries to avoid service. In the Civil War, we often forget the punishment for desertion was death or, in the Army of Northern Virginia, imprisonment at hard labor, regular flogging, and being branded with a capital "D" in the palm of the left hand. No one who has evaded the draft or deserted from the Army faces such penalties today.

The fact is that there was no general amnesty after World War I, World War II, or the Korean war. Two years after the end of World War II, President Truman pardoned 1,523 men who had been convicted of draft evasion during the war. But this amounted to only about one-tenth of the 15,000 evaders who had been imprisoned during the war.

The "precedents" for amnesty do not seem to prove the point of the advocates of unconditional amnesty or blanket pardon today. Those precedents have dealt primarily with internal conflicts—the Whisky Rebellion, the Civil War, et cetera—not with foreign wars. Even there, the similarities between what was done and what is now advocated are difficult to see.

The real question, precedent aside, is whether real justice would be served either by amnesty or by a blanket pardon. The feeling of the majority of Americans, if public opinion polls are correct, is that it would not. This is also my feeling.

Our entire system of representative democracy would come to a halt if we accepted the philosophy of selective obedience to our laws, or ceased to enforce our laws. We enjoy the benefits of a free society, but we must also bear the burdens of a free society. The precedent which would be set by a blanket pardon or by amnesty would be the permission for individuals or groups to decide which laws they would obey, and which they could feel free to disobey.

Traditionally, as in the case of the Reverend Martin Luther King, Jr., individuals who decided to break the law in order to obey a "higher" law to commit civil disobedience in the name of conscience, have been willing to pay the penalties for their actions. In fact, their acts lose any bit of idealism they might otherwise possess if those who engage in them seek to escape the cost.

A free society must respect the idealism of those who take a lonely position in opposition to the will of the majority. Yet, if society itself is to continue and the rule of law to be maintained, a price for such opposition must be exacted. Those who, for reasons of principle, refused to be drafted and paid the price for it, must receive a modicum of respect. Those who left the country or deserted from the army—who would not take a moral stand which might cost them something—have little claim to such respect. Amnesty or a blanket pardon for such men would make a travesty of the sacrifice of others and of the rule of law.

The fact is that President Ford has provided the young men in question with an opportunity to return to the United States with a minimum penalty. They refuse to do so. What they seek, and what President-elect Carter appears prepared to offer, is exactly what they want most: a declaration which they can interpret as signifying no guilt whatever on their part.

The most militant among them declare that by evading the draft or by deserting the Army they have done nothing wrong. President Ford's generous proposal enables them to return to their country, but does not bestow upon them the Nation's approval for their actions.

President-elect Carter must understand that the question involved is not a formula to bring these men back and reintegrate them into the American society. This, President Ford has offered. This, they have rejected. To offer anything more is to offer approval of their acts. To do so, in turn, is to insult the memory of those who acted honorably and, in too many instances, gave their lives.

It is my hope that, before he makes his final proposal, Mr. Carter will take all of these factors into consideration. To proceed in the manner he has thus far indicated would fly in the face of the feelings of the overwhelming majority of Americans. Beyond this, it would set a dangerous precedent for the Nation.

Mrs. HOLT. Mr. Speaker, every Member of Congress concerned about America's military strength in a dangerous world should be alarmed by the intention of President-elect Carter to pardon Vietnam-era draft evaders.

If we ever again need a military draft, what will be the effect if people feel that evasion will ultimately be forgiven? That is the principal issue before the President-elect.

While thousands of Americans were dying or being maimed in Vietnam to prevent Communist aggression from overrunning an American ally, draft evaders clearly shirked the call of duty and the responsibility imposed on them by law.

If hindsight now tells us that Vietnam was the wrong place to fight; if wisdom now tells us that we cannot hope to contain communism in every corner of the globe, but must choose and defend only those areas of vital interest to our own national security; then so be it.

But in Vietnam our policy was to help an ally defend herself against a powerful and ruthless aggressor. Our motive was moral, and our men who fought and died there were engaged in a moral cause.

To pardon Vietnam draft evaders would be an intolerable affront to those Americans who did their duty, and those who died, in a cause that was endorsed by the President and the Congress of that time.

President Ford offered amnesty to those draft evaders who repented, and there were many who accepted his conditions. This was an honorable way to proceed, and it considered the circumstances of each case.

Mr. Speaker, I oppose a blanket pardon for Vietnam draft evaders.

Mr. WAMPLER. Mr. Speaker, since the end of the Vietnamese conflict, I have consistently spoken in opposition to the issuance of a blanket pardon for deserters and draft evaders.

The sadness brought upon this Nation by the loss or disfigurement of many of our fine young men at that time cannot be alleviated by pardoning those who refused to serve their country in its time of need on an all-inclusive basis. Whatever the reasons for the Vietnamese war, and whether history will prove it to be right or wrong, those who evaded the draft or deserted did break the law as it stood, and should accept the consequences of their actions.

Our prospects would be poor indeed for any possible future conflicts if we allow this dangerous precedent of offering a blanket pardon to be established.

With the initiation of this concept following the Vietnamese conflict, I have received communications from various veterans' organizations and interested citizens. This correspondence shows the majority of my constituents to be overwhelmingly opposed to amnesty on such a basis.

A favorite argument of those advocating a blanket pardon is that it will draw the people of this Nation closer together, and allow us to forget that bitter period in our history. I disagre with this idea. What of those families who have members still listed as MIA's, with no idea of where or how they are—or those families who lost their loved ones as they were serving their country. These groups, along with our veterans who have returned to us from the Vietnamese and other wars, are most likely to be disillusioned and alienated by having their Government issue a blanket pardon to those who refused to serve where they willingly fought.

In conclusion, consideration should be given those who wish to return and/or clear their record. This should be accomplished not by a blanket pardon, but by a jury of peers to evaluate the circumstances in each individual case and decide fairly on the disposition of such requests. Such action would be in keeping with our American system of justice and equality before the law for all citizens.

Mr. BOB WILSON. Mr. Speaker, I am very pleased to join with the distinguished gentleman from Mississippi (Mr. MONTGOMERY) in expressing to the President-elect the strong opposition by many Members of the House to the issuance of a blanket pardon for Vietnam-era draft evaders.

I want to emphasize, at the outset, that I can fully sympathize with the anguish and grief suffered by the families of many of these young men. But what about the grief and anguish of those families who lost a son, or a husband, or a brother in Vietnam. To grant a blanket, unconditional pardon to all who refused military service desecrates the memory of those who died. It makes a mockery of those who were wounded and those who served long years in enemy prison camps.

The passage of time has not dimmed the memory of the suffering of the waiting families of our servicemen held pris-

oner by the North Vietnamese and Viet Cong. Many of these men were in captivity for almost a decade; their families went for months and years at a time with no word as to whether they were alive or dead. It is difficult for any outsider to comprehend the loneliness and despair with which the POW/MIA families lived for so long. I had the privilege of knowing and working with many of the families; the memory of their bravery and determination in the face of such adversity greatly magnifies my basic opposition to a blanket pardon.

We must not forget that there is still a final chapter to be written to the Vietnam war. Many families still wait for a full accounting of the fate of their loved ones. In my view, our national attention is better focused on trying to effect such a full accounting, rather than on amnesty or pardon for those who refused to serve.

President Ford offered these young men a chance to clear their names and reenter American society. Few felt it was worth their time and energy. Perhaps there are additional individuals who deserve reconsideration on a case-by-case basis. But to a blanket pardon, I say no.

I urge the President-elect to consider the strong opposition being expressed by Members of the House today. While our parties and political philosophies differ, we are united in our request that Mr. Carter rethink his previous announcement relative to a blanket pardon.

Mr. DICKINSON. Mr. Speaker, there has been a great deal of discussion recently about different plans to relieve draft dodgers and deserters of the Vietnam conflict era from their responsibility to society through pardon or amnesty. Of particular concern at this time is a proposal by President-elect Carter to issue a blanket pardon to all Vietnam-era draft dodgers his first week in office.

Certainly, Vietnam was not a popular war and there were those who decided not to serve their country. However, very few of these draft dodgers had serious moral objections; they simply bolted like rabbits when they received the call.

But there are two other categories of individuals we must also consider when we are talking about pardons—the man who had the moral conviction to serve a prison sentence for violating the draft law and the person who initially answered his country's call and later deserted. Some of these deserters were highly decorated combat veterans and statistics show that 9 out of 10 left the service because of typical personal problems—money, family life, inability to adjust, et cetera—not because of the war.

Should we, while we are at it, not also issue a pardon to the man who went to prison for his beliefs? And the deserter who at least tried. Does he not deserve the same consideration as the individual who completely turned his back on this country and "bugged out"? Yet, President-elect Carter says he will only consider whether or not deserters should be pardoned on a "case-by-case" basis. No blanket pardon here, and there is no mention of the men who served prison terms for draft evasion. To me, it seems that Mr. Carter is giving preferential treatment to the men who least deserve it.

There are other reasons I am opposed to this unconditional pardon. It would be a sharp and official insult to the millions of men who served with distinction in Vietnam and other wars and to the widows and orphans of those who died in defense of this Nation. In putting the official Presidential Seal on the attitudes of those who refused to serve Mr. Carter would be saying: "I agree that what you did was right; come on home now."

Additionally, bringing these men back from Sweden, or Canada or wherever, would certainly do nothing to solve our unemployment problem. As far as I am concerned, these people can stay where they have been living since they turned their back on the United States.

Finally, issuing a general pardon to all draft dodgers could have a disasterous effect on the future physical safety of the United States. We now have no draft to bring qualified men into service in the event of an emergency and with the pardon precedent, it could be difficult to field an effective fighting force. If men of military age, both in and out of service, can personally choose the wars in which they will consent to fight, will we be able to defend this country when necessary? I think we all know that a nation with an unresponsive, undisciplined, and undependable military force could not long endure.

For these reasons, I do not believe President-elect Carter's plan is in the best interest of this country, and I would urge him not to follow such a course.

Mr. DERWINSKI. Mr. Speaker, as a cosigner of Mr. MONTGOMERY's letter to President-elect Carter opposing his proposal to issue blanket pardons or amnesty to those who deserted or evaded the draft during the Vietnam conflict, I am pleased to participate in his special order this afternoon to discuss this important and controversial matter.

I am sure that all Members, as well as most Americans, recognize that the clemency proclamation issued by President Ford on September 16, 1974, extended to draft evaders and deserters an opportunity to receive clemency and once again become productive citizens. The case of each applicant was considered on an individual basis by the Presidential Clemency Board and their review was based upon the merits of each applicant's case, with full respect given to his rights and interests.

However, the vast majority of offenders chose to ignore the President's program despite the opportunity it offered them of again becoming productive members of society. Although a total of 113,337 offenders were eligible for clemency under President Ford's program only 21,729 applied.

Mr. Speaker, I am convinced that a majority of the American people are opposed to Mr. Carter's proposal, as are major veterans' organizations such as the Veterans of Foreign Wars, the Disabled American Veterans, and the American Legion. I share the views of these organizations in the belief that blanket pardon or amnesty would be contrary to the best interests of our Nation and an affront to those who served and died in the service of our country during the Vietnam conflict.

In conclusion, Mr. Speaker, I wish to call to the Members' attention a "sense of Congress" resolution introduced by Mr. HAMMERSCHMIDT of Arkansas and which I cosponsored, expressing opposition to the granting of blanket pardons or amnesty. As a fitting tribute to the 56,000 Americans who gave their lives fighting in Vietnam and to the 1,100 still missing in action and unaccounted for, I would like to urge my colleagues to add their support to this resolution.

Mr. WALSH. Mr. Speaker, President-elect Carter's proposal to issue a blanket pardon to Vietnam-era draft evaders, while farseeing in its compassion, appears to be myopic in its justice. It would appear that Mr. Carter has overlooked a number of significant facts:

First. The motives for draft evasion and desertion differed widely. No one can ever know for certain which violators acted out of a conviction that the Vietnam war, undeclared as it was, was wrong, or that all war is wrong, or that the draft system was unjust; nor can anyone know for sure which violators acted out of cowardice, ignorance, or sympathy with the enemy.

Second. The purpose of the draft law was to levy the burden of military service fairly, and although it fell short, in some cases, of delivering perfect justice, it was legally enacted and therefore binding. Those who claimed to be conscientious objectors during all wars were given the option of alternative civilian service, or they requested and were accorded noncombat military service in the Medical Corps. In the years 1964 through 1975, some 35,000 draftees chose alternative civilian service while more than 30,000 chose to accept noncombat assignments.

Third. The individual draftee who did not oppose all war on moral grounds, but who opposed only the Vietnam war or the draft law in particular, was not eligible for alternative service. He could honorably dramatize his convictions, however, by informing the appropriate authorities of his opposition and accepting a prison sentence. And, in fact, between 1961 and 1975, some 9,500 men were convicted for draft violations.

Fourth. It is estimated that more than a million eligible men refused to register or to be inducted, refusing to accept their share of the burden of military service. Instead, they fled to Canada or Sweden, and in many cases, a fellow American died in their place. Of these violators, however, in excess of 21,000 attempted to take advantage of President Ford's clemency program in order to reestablish their credibility. This number included 55 percent of the deserters and 16 percent of the draft evaders. Some 7,500 of those who applied under the clemency program accepted alternative civilian service while more than 5,000 were granted outright pardons.

Aristotle defined justice as giving every man his just due. Justice should be accorded not only to draft violators and deserters, but to those who did serve in the Armed Services during the Vietnam era, those who accepted alternative civilian service, those who accepted prison

sentences, and the American people who did not consider the Vietnam conflagration to be immoral or unjust.

Though proponents of the blanket pardon often attempt to support their position by citing the pardons issues by Presidents Lincoln and Truman, a closer examination of those actions will reveal that their pardon programs were neither universal nor unconditional. A blanket pardon could set a dangerous precedent. It is conceivable that in any future crisis, each man of military age could ignore the draft law at will, having every reason to believe he would, in the end, escape scot free. Regardless of his motivation, our national security would be seriously jeopardized.

While I would support a pardon program on a case-by-case basis, allowing compensatory civilian service after the fact for those who honestly objected to war on moral grounds, I cannot sympathize with those who elected to run rather than accept their responsibilities. It is my contention that there was an honorable alternative for every draftee, and many decided to take advantage of these alternatives. I cannot, therefore, condone, nor can I support any proposal to issue a blanket pardon.

Mr. POAGE. Mr. Speaker, it seems that there is much misunderstanding in regard to the proposal to issue a blanket pardon for all those individuals guilty of draft evasion or of desertion from the military forces during the Vietnam operations. Surely, we all recognize that there are circumstances which may from time to time make the pardon of an individual charged with a crime a desirable and proper procedure. Our Constitution properly vests the decision in such matters in the hands of the President. I find no fault with existing procedure. Someone must make the decisions, and I think the Chief Executive is best qualified to do so.

On the other hand, a blanket pardon of a large number of individuals partakes very strongly of a change in the law. A blanket pardon, as I see it, is not based upon individual circumstances, but upon a decision that acts with which the individuals are charged should not be punishable under any circumstances. It seems to me that this is a decision that should be made by the legislative rather than the executive branch. The Congress decided that individuals who would not register for military service or who abandoned that service after their entry therein should be punished. That is and has been the law of this land.

Unquestionably at times that law imposed unduely harsh sanctions. The Chief Executive has had—and still has—the right to extend pardons in these circumstances. Sometimes individuals are convicted on what now seems to have been inadequate proof. The Chief Executive has the power and the obligation to correct erroneous sentences, but for the Chief Executive to extend pardons to all offenders because he considers an offense to be one for which there should be no punishment is to give the President alone the power to repeal the act of Congress. I believe that this is a dangerous approach. I think that the Government must have the right and the power to require the cooperation of its citizens in eras of emergency.

I would, therefore, expect to oppose the repeal of these laws should the matter come before the Congress; but certainly regardless of the propriety of the legislation, the Congress, not the Chief Executive, should enact any legislation or order which has the effect of repeal. To do otherwise is to change the very structure of our Federal Government.

Mr. HARSHA. Mr. Speaker, I have joined my distinguished colleague from Mississippi, SONNY MONTGOMERY, in signing a letter of bipartisan opposition to President-elect Carter's campaign promise to issue a blanket pardon to all the Vietnam-era draft evaders and military deserters before the end of his first week in office.

The fragile question of amnesty must be answered by the Executive. However, I feel I must, for the sake of all the patriotic veterans of this era who served this country, make a statement on their behalf during this special order today.

I find Mr. Carter's proposed pardon to these draft deserters unconscionable at best. The young men who several years ago left this country did so of their own free will rather than to serve their country in a time of need. They knew the consequences of their actions, and leaving the country only exemplified their own awareness of the severity of the crime.

An unconditional pardon is an insult to the young men who complied with the law, and especially to those who sacrificed and suffered severed personal losses during the Vietnam conflict.

Pardon implies guilt, and by allowing the "guilty" to return to the country on which they willingly turned their backs, Mr. Carter will not only make a fool of every veteran who did serve, but also a mockery of every veteran's assistance program implemented to thank them for their dedication.

Amnesty now will only create deeper wounds for the dedicated Americans in this country who lost family; and for the veterans who have already suffered it will create discontent.

Not only is this a sensitive emotional issue now, but it will set a precedent for future generations. Those who wish to undermine the selective service laws of their day will feel more inclined to refuse to serve their country.

I would also add that my office has been swamped with letters expressing outrage over Mr. Carter's position, and I have urged them to write to the President-elect to listen to the voices of the people of America and adhere to their wishes as he said he would do so often during the months of his campaign.

Such a pardon should not be granted.

Mr. HYDE. Mr. Speaker, I first want to congratulate my colleague, SONNY MONTGOMERY, for his forceful leadership on this issue. I am proud to support him in this effort to effect a reconsideration of what I believe to be a most unwise program with far-reaching consequences for our Nation as well as the individuals directly involved.

The wisdom of pardoning draft evaders—not to say the propriety of doing so—has a direct impact on those young men who complied with the law, were drafted and had their education and their lives interrupted. To those many young men whose sense of duty was superior to their regard for personal convenience and safety, and especially to those who endured the dangers of combat in a foreign land, this program of pardoning draft evaders is an insult.

Recently that television arbiter of national morals, "All in the Family," had a program wherein the parent of a soldier killed in Vietnam had Christmas eve dinner at Archie Bunker's house and also present was a friend of Michael's—Archie's son-in-law—who, to avoid the draft, was living in Canada. After Archie played his customary role of conservative buffoon, refusing to eat with the Canadian expatriate, the decision is finally left to the Gold Star father who, in the true spirit of Christmas, suggests that both boys did "what they had to do," and, the quarrel over, everyone finished their dinner.

In a spurious attempt to equate the conduct of the two draftees, the program misstates the moral issue: It is not doing what one has to do, but doing what one ought to do, and everyone ought to obey the law. How easy it is to rationalize a refusal to suffer the discomfort and danger of being drafted by appealing to a more convenient and self-serving higher law and saying "I had to do it."

If we are to have a "healing of the wounds" and a true reconciliation, let those whose moral codes required them to flee from their country's call to duty return if they so desire, and submit to the judgment of a court and accept whatever penalty is imposed. To equate their conduct with those who honorably served is an affront to justice.

The most serious consequences of wiping the slate clean, however, will be an erosion of respect for any future selective service law. If such a law is to be without effective sanctions, our national security will be threatened.

On the basis of respect for the law, our national interest and simple justice to those who served, I urge the abandonment of the pardoning program the President-elect now supports.

I also thank the gentleman from Mississippi for inviting me to participate in this special order.

Mrs. LLOYD of Tennessee, Mr. Speaker, I would like to take this opportunity to express my opposition to President-elect Carter's announced proposal to issue a blanket pardon for Vietnam-era draft evaders.

The Selective Service System was set up so that a person who did not wish to engage in military activities could obtain a deferment as a conscientious objector and serve in some type of a noncombat role. Those who chose not to take advantage of this option violated Federal laws. Therefore, I oppose a pardon for those people who admittedly violated the selective service law during wartime.

I cannot justify pardoning any young man who shirked his military obligation when so many others responded and paid the price with their lives. Such an action can only cause bitter feelings on the part

of families whose sons lost their lives or husbands whose lives have been lost in Vietnam or the millions of other Americans who went to Vietnam, many who came back with scars they will carry for the rest of their lives.

I firmly share the often expressed belief that we would be setting a bad precedent by giving a pardon to draft dodgers. We should not risk our country's safety in any future war by excusing those who would not do their duty in the last war.

One of the responsibilities of being an American citizen is to fight to defend his or her country and it is every citizen's duty to work for the freedoms he or she enjoys as a citizen. Those people who evaded that duty broke a Federal law. Unless that law is changed retroactively, they should have to come back to this country and stand trial.

I sincerely hope that President-elect Carter will decide to reconsider his position on this pardon. We should not excuse those who turned their backs on their country during a time when sacrifice was needed.

Mr. LAGOMARSINO. Mr. Speaker, the President-elect has stated that he plans to grant an unconditional pardon to all Vietnam-era draft evaders. If this proposed blanket pardon is invoked, I believe the people of our great Nation will suffer a grave injustice.

The history of our Nation is written in the blood of those who have died in defense of our freedom. When that freedom was challenged, our generation and the generations before us have taken up the call to arms; living, fighting, and dying so that our children and their children might share that precious freedom.

It has been said that the Vietnam conflict was different from other wars. What was not different, however, was the inevitable sacrifice by those thousands of men who fought in it. It is to these men, both living and dead, that this proposed pardon would do the greatest injustice. The Government of our Nation would be saying to those who died, to those who were wounded, and those who bore the heat of battle, that they should not have fought: That evasion or even cowardice is to be rewarded in the same manner as heroism. Mr. Speaker, I believe such an unconditional pardon would set a precedent, which could undermine our ability to defend ourselves. Those called to future combat, even in a national emergency, would remember that this Nation paid no deference to heroism; that there was no penalty for evasion. Our armies might not have won World War II believing that. We could not hope to win a future war with that belief.

I do agree, however, that there is a need to heal our Nation's wounds at this time. I do not agree that an unconditional pardon is the way to do that.

President Ford's clemency proclamation of September 16, 1974, allowed case by case consideration for deserters and evaders, with appropriate conditions and sanctions. This conditional amnesty retained the rightfully due honor for those men who died and suffered. It also allowed compassion and mercy for those men who had fled or deserted.

I believe that the President-elect could grant pardon on a case-by-case basis which would eliminate those shortcomings.

I could support the President-elect in his adoption of conditional pardons, with specific provisions for clemency on a case-by-case basis drawn up by the Department of Justice. Such pardons, with clearly delineated provisions and conditions would eliminate the shortcomings of the previous program while preserving the sanctity of our national honor.

It is that national honor which has preserved this country through many conflicts. It is only with that honor that we shall survive the future.

Mr. BEARD of Tennessee. Mr. Speaker, may I first express my appreciation to you for giving me the opportunity to present my views on this most important issue. Amnesty raises complex and emotional questions that necessitate serious consideration for they will have far-reaching effects on the very fiber of our society.

I only hope that President-elect Carter will reconsider his ill-advised campaign promise to grant an unconstitutional pardon to the draft dodgers of the Vietnam war. I say ill-advised, because I think that such an act would, in the words of one of our former senior military officers, "be a degradation of our national moral fiber and military posture."

Throughout the history of our Nation, there have been those who disagreed with the policies of our Government and chose not to participate in the wars in which our country has been involved. Certainly I respect their right to differ, but they must be willing to take the penalty that accompanies the breaking of a law of the land; for, make no mistake—no matter how unpopular the Vietnam war was; no matter what one's feelings about it had been—the fact still remains that draft dodgers are lawbreakers and therefore must stand trial, whether it be in a court of law or before a special commission such as the one set up by President Ford in 1974.

We have always prided ourselves on the fact that our system of justice is one of "all equal under the law." To unconditionally accept the draft evaders back into our society would be to accept a double standard of justice. It makes no difference whether one calls it unconditional amnesty or unconditional pardon—I personally do not see the differentiation in the term—Mr. Carter's plan to give these offenders a completely clean slate is an outrage to our sense of justice.

All of us share the President-elect's wish to put the war behind us, to heal the divisiveness and bring unity back to the country. A blanket pardon for the remaining 4,000 or so draft evaders, however, will neither lessen the bitterness nor bind the wounds. To placate a handful of lawbreakers, Mr. Carter will end up alienating the millions of men and women who served honorably and well and who suffered incredible mental stress and physical disabilities in fulfilling their duty to the Nation.

Never in the history of our country has an unconditional amnesty been granted to those who evaded the draft. Mr. Carter's will be the first of its kind. I need not spell out the danger that such an action would create. It is not unlikely that at some future time, we will have to once again call upon the young people of America for their services. Will they then be willing to risk life and limb in the interest of their country or will the majority of them back out and let others do the fighting, knowing that once it is all over someone will once again welcome them back "for the sake of national unity"?

I agreed with President Ford when he called upon the American people to join him in "rehabilitating all the casualties of the tragic conflict of the past," and I supported his earned reentry clemency program for draft evaders and military deserters. It was a compassionate gesture that enable those who had erred and who wished to return to do so. Over 21,000 came back under this program. If the others who were eligible did not do so, it was of their own choosing.

In my opinion, the opponents of the Vietnam war had their chance 2 years ago to once again be a part of the American scene. Those who refused to accept President Ford's clemency program will now have to face up to whatever penalty the courts may decide. In consideration of our respected veterans, in the interests of justice and national security, and in fairness to all those who had been willing to pay the price for their beliefs, I am going on record as being adamantly opposed to an unconditional pardon for draft evaders.

Mr. SHUSTER. Mr. Speaker, in the months ahead the topic of amnesty for Vietnam-era draft evaders and military deserters will be heavily debated. It is imperative that those of us involved at the decisionmaking level be aware of every component of the issue. All too often we have heard through the media a positive analysis while hearing little of the numerous detrimental effects such an action would have on our society. Therefore, I would like to take this opportunity to bring to your attention both the overt and subtle implications of a blanket pardon.

Discipline is, and will continue to be, fundamental to the effectiveness and morale of our Armed Forces. To issue amnesty to draft evaders and deserters would be to invite new violations of military and civil law. If draft age men come to feel they can flout the law and simply wait for a future amnesty to exonerate them conscription in time of need could prove impossible. Discipline is a prerequisite for a viable military, and any amnesty program would jeopardize it.

Those who calculated to deliberately evade the law must accept the consequences. The legal choice of conscientious objection was open to them and reflected. Intensive research has revealed that only ten to twelve percent violated the laws on moral or religious grounds. To group together those who left for self-centered reasons and those few who genuinely faced a moral dilemma is both shallow and unfair.

Historically, amnesties have only been

granted in rare and demanding circumstances. To allow an unconditional pardon would be an unparalleled precedence and could prove virtually impossible to reverse. We must not force future generations to live with an unrealistic and discriminatory precedent because of our willingness to jump on the band wagon of anti-Vietnam sentiment.

In addition amnesty is unfair to those who served honorably in Indochina and previous wars. It would be a monumental injustice to those who placed life and limb on the line in an effort to honor the American commitment to freedom in Asia. We must not present the millions of productive veterans with this moral and legal inequity in an effort to reincorporate those who avoided their duty.

Last, we must not forget the 1974 clemency offered by President Ford. In this relatively unsuccessful program violators were given the option to return to good standing through an alternative service in the national interest. We must keep in mind that the privilege of citizenship is one worth working for. Those truly interested in returning to their country have been given the opportunity.

It is our obligation to come to a conclusion which is just to all Americans both present and future and not a few who turned their back on their country during a time of need.

Mr. EDWARDS of Oklahoma. Mr. Speaker, it has been suggested by advocates of unconditional amnesty that this is the manner in which we can bring to a close, once and for all, the tragic chapter of Vietnam. It is said that we have the opportunity by granting such amnesty to end the divisiveness and bitterness resulting from our involvement in Vietnam.

This is a praiseworthy goal, Mr. Speaker, but hardly one that will be realized through a Presidential proclamation of unconditional amnesty for violators of Selective Service and military laws. Amnesty would create, not end, divisiveness. It might appease a few draft evaders or deserters, but at the cost of reopening the wounds of millions more Americans. No solution to any remaining divisiveness, if, in fact any does remain, is to be found in a program that fails to make a distinction between those who did not serve and the 56,234 dead, 303,000 wounded, and the more than 600,000 more Americans who carry emotional scars as a result of their service to their country during the Vietnam conflict. In fact, amnesty would be a statement that those sacrifices hold little value.

Moreover, it would be a statement that our Nation's laws and policies are subject to individual consent. I need not remind this honorable body that ours is a nation of laws, to be complied with uniformly, not selectively. Every reasonable concession has been made to make compliance with the law, and later to make reentry into society as easy as possible for those who chose not to serve. During the Vietnam era, alternative service was made available for those who could not, in good conscience, bear arms for their country. Two years ago, President Ford created clemency review boards to consider these cases individually. Now, those who chose neither alternative service nor individual review want the President to declare total amnesty.

Particularly offensive is the proposal contained in this resolution that honorable discharges now be granted to those who served dishonorably, as to remove any stigma that might impede their getting the best jobs. Vietnam's legacy should not be congressionally sanctioned precedent for lawlessness or as mockery of bravery. Nor should we now put a final seal of disgrace on the Vietnam era by allowing those who were dishonorably discharged to share in the many benefits duly earned by those who served the Nation so honorably and so well.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the proposed blanket pardon to all draft evaders by President-elect Carter.

The SPEAKER pro tempore Is there objection to the request of the gentleman from Mississippi?

There was no objection.

NEIGHBORS AND NEIGHBORS' SONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 60 minutes.

Mr. KOCH. Mr. Speaker, I am pleased today to nave the opportunity to present my views on the subject of amnesty. It has been nearly 4 years since American participation in the Vietnam War ended. Whether one was for the war or opposed to the war—and I fall into the latter category—I believe that it is time that we end the divisiveness which grew out of American involvement in Vietnam. The only way we can end that divisiveness is by granting amnesty to the large number of Americans whose lives were adversely, and often unfairly, affected by the Vietnam War.

President-elect Carter's proposal to extend a pardon to individuals who evaded the draft by refused or failing to report for induction is commendable. However, those cases represent a mere fraction of the problem, the dimensions of which are staggering. Here is how the numbers break down:

In addition to the 3,000 outstanding draft cases to be covered by the President-elect's proposed pardon, there are 9,000 persons who have draft conviction records and an estimated one-fourth million persons who failed to register for the draft at all. These figures represent only selective service violations, and the military offenders are even greater in number.

There are still over 5,000 military deserters living abroad or as fugitives in this country. These deserters, together with the 3,000 draft evaders mentioned above are cut off from the benefits of continuing their lives in their country of birth and cannot even come home to visit their families for fear of prosecution.

In assessing the responsibility these military offenders bear with respect to the war effort, it should be remembered that two-thirds of all draft eligible men never served at all.

Perhaps the most tragic aspect of the problem lies with the fate of the Vietnam veteran with the so-called "bad paper" discharge. There are an estimated 90,000 Vietnam era veterans with less than honorable discharges for AWOL and desertion offenses, and a half-million Vietnam era veterans with general and undesirable discharges. These two categories represent discharge by administrative procedure and during the Vietnam era were awarded under circumstances ranging from unfitness or the commitment of a minor infraction to AWOL offenses. Though not intended to be punitive, such discharges impose a severe stigma on a young person entering the job market. In response to a 1974 survey conducted by our colleague, JOHN F. SEIBERLING, 40 percent of the 74 corporations responding admitted to discriminating against veterans with general discharges—a type the Pentagon considers to be "under honorable conditions." Other studies have borne out those findings—see table 1. This is crucial in light of that fact that general and undesirable administrative discharges accounted for only 3.4 percent of all discharges awarded in 1968, but by fiscal year 1972 they amounted to 9.2 percent—see table 2.

The dramatic increase in administrative discharges, and the importance of this matter to the question of amnesty, is perhaps best understood when the manpower employment policy of those years is examined. Since the selective service system of deferments and exemptions favored the rich, the educated and the well-counseled, the fighting was often left to the poor, the uneducated, and the marginally qualified. Those servicemen also received a disproportionate share of undesirable discharges.

Startling is the fact that almost one-fourth of those with less than honorable administrative discharges had served honorably in Vietnam only to find themselves unable to readjust to military life back in the States.

I strongly believe that those draft cases still outstanding should be dropped and those with draft convictions who have served time should have their records expunged. But my belief is equally strong that we provide the same consideration to the veteran as we plan to provide to the nonveteran. Therefore, I would urge that in addition to a pardon for draft violators, all general and undesirable discharges awarded during the Vietnam era be upgraded to honorable discharges, and that punitive discharge cases—those arising from court-martial convictions—be evaluated on a case by case basis. Since the use of the administrative process reflects the military posture that an infraction was not serious enough to warrant a court martial, I believe a case by case evaluation of those discharges would be inappropriate, time consuming and expensive. However, I have recommended that punitive discharge cases be eval-

uated on a case by case basis so that those Vietnam veterans may also be given a chance to be reevaluated while assuring that those who committed serious offenses and were tried by court martial would be subject to a case by case review.

There are some who fear that granting amnesty would weaken our country's future military policy by serving as a precedent for future violators. Yet George Washington, who demonstrated a clear sense of America's proper direction by refusing the offer of kingship must not have feared precedent when he granted amnesty after the Whiskey Rebellion in 1794. Nor did Andrew Johnson fear precedent when he granted amnesty to deserters and opponents after the Civil War, conditional upon signing an oath of allegiance to the United States. In Johnson's own words from his 1868 proclamation:

A universal amnesty and pardon . . . will tend to secure permanent peace, order, and prosperity throughout the land and to renew and fully restore confidence . . . among the whole people, and their respect for and attachment to the national government.

Nor did Theodore Roosevelt, Woodrow Wilson, Calvin Coolidge, Franklin Roosevelt, or Harry Truman fear precedent when each of them granted amnesty in some form.

In fact, there have been 34 instances of amnesty in some form in American history, restoring citizenship and full rights to many thousands of Americans see table 3.

Somehow we survived and, I believe, were enriched by those humanitarian, compassionate responses, and I think we would have a better life for our country coming out of such a response today.

There are those who believe that an amnesty or pardon would somehow sully the records of those who served and died in Vietnam. I do not believe that it does sully those records. Many of those who served our country agree that it is time we brought this matter to a conclusion. Because for the draft and military offender, many of whom are still fugitives, and for the ex-servicemen who bear scars of their involvement in the Vietnam war on their discharge papers, the agony continues. Our Nation will never be truly at peace until we dedicate ourselves to a future where we will cease to judge those who have suffered as the result of their involvement in, or opposition to, the Vietnam war. That is what an amnesty is all about. It does not represent a judgment of right or wrong and, as such, brings no dishonor to those who fought honorably in Vietnam. Rather it is a commitment we can make together to place behind us the wounds caused by one of the most tragic eras in our history. If we do not, we shall continue to experience the pain caused by the divisiveness over that war.

I urge my colleagues to join with me in calling for an amnesty program which will be truly meaningful to the hundreds of thousands of Americans whose lives were affected by the Vietnam War. I have introduced a concurrent resolution reflecting the views I have set forth above, and I would urge those of our colleagues who have not done so already to join me in sponsoring that measure. Senator EDWARD W. BROOKE has introduced a similar measure in the Senate. The Senator and I, together with both House and Senate cosponsors, will be sending a copy of that resolution to President-elect Carter, commending him for his position thus far and urging him to expand his proposed pardon.

In conclusion, as we mourn the passing of a great and compassionate man, Senator Philip Hart, we should recall that, on the brink of death, he expressed the desire that a broad amnesty be declared. I can imagine no more fitting tribute to Senator Hart than to call for the fulfillment of his dying wish. For those in need of amnesty are indeed those who President Lincoln, in pardoning Civil War offenders, called "neighbors and neighbors' sons."

The tables referred to follow:

TABLE 1.—IMPACT OF LESS-THAN-HONORABLE DISCHARGES ON EMPLOYMENT OPPORTUNITIES

	Less likely to hire (percent)	Automatic reject (percent)
Bradley Jones' 1973 survey of businesses, colleges, and professional associations:		
General discharge	51	8
Undesirable discharge	69	20
Bad conduct discharge	75	27
Dishonorable discharge	77	34
William Pearman's 1975 study on the impact of the Ford clemency program on employment prospects:		
Honorable discharge	0	0
General discharge	39	5
Undesirable discharge	75	34
Dishonorable discharge	79	52
Clemency discharge	47	18
Clemency discharge with alternative service	40	12
Civilian draft offender with Presidential pardon, no alternative service	57	16
Civilian draft offender with Presidential pardon, with alternative service	41	12

Sources: Jones study, Military Law Review, vol. 53, winter, 1973, p. 1. Pearman study, Clemency Board Report, p. 403.

TABLE 2.—TYPES OF DISCHARGES ISSUED TO ENLISTED PERSONNEL DURING VIETNAM ERA (FISCAL YEAR 1965–1974)

Year	Honorable	Percent	General	Percent	Undesirable	Percent	Bad conduct	Percent	Dishonorable	Percent	Total discharged
1965	678,100	94.3	25,447	3.5	13,178	1.8	2,088	0.3	55		718,898
1966	705,761	95.5	20,883	2.8	10,554	1.4	1,784	.2	72	0	740,044
1967	657,684	95.4	19,562	2.8	9,741	1.4	2,565	.4	65	0	689,617
1968	836,990	96.2	18,260	2.1	11,707	1.3	2,886	.3	34	0	869,877
1969	980,376	96.4	19,853	2.0	12,392	1.2	3,662	.4	187	0	1,016,470
1970	1,081,556	95.2	29,334	2.6	20,911	1.8	3,964	.3	375	0	1,136,140
1971	944,365	92.7	40,256	4.0	29,139	2.9	4,737	.5	325	0	1,018,822
1972	804,470	90.3	45,219	5.1	36,345	4.1	4,167	.5	356	0	890,557
1973	646,720	89.8	40,680	5.7	29,049	4.0	2,906	.4	434	0.1	719,789
1974	609,580	83.6	45,960	6.7	29,336	4.3	2,988	.4	315	0	688,179

Note: Vietnam era discharges:

Less than honorable: General	305,475
Other than honorable:	
Undesirable	202,342
Bad conduct	31,747
Dishonorable	2,218
Subtotal	236,307
Total	541,782

Source: Selected manpower statistics, Department of Defense, May 1975. Tables 1–3 were provided by the Vietnam Offender Study, Center for Civil Rights, University of Notre Dame.

TABLE 3.—*National Interreligious Service Board for Conscientious Objectors' Amnesty Information Service: a list of amnesties in American History, 1795 to date*

In this table amnesty is broadly defined to permit inclusion of several actions by the Executive that should properly be considered "pardons" as well as legislative actions by Congress.

The amnesties in American history, including date, issued by, persons affected and nature of action:

July 10, 1795, Washington, Whiskey insurrectionists (several hundred). General pardon to all who agreed to thereafter obey the law.

May 21, 1800, Adams, Pennsylvania insurrectionists. Prosecution of participants ended. Pardon not extended to those indicted or convicted.

October 15, 1807, Jefferson, Deserters given full pardon if they surrendered within 4 months.

February 7, 1812, October 8, 1812, July 14, 1814, Madison, Deserters—3 proclamations. Given full pardon if they surrendered within 4 months.

February 6, 1815, Madison, Pirates who fought in War of 1812 pardoned of all previous acts of piracy for which any suits, indictments or prosecutions were initiated.

June 12, 1830, Jackson (War Department), Deserters, with provisions: (1) those in confinement returned to duty: (2) those at large under sentence of death discharged, never again to be enlisted.

February 14, 1862, Lincoln (War Department), political prisoners paroled.

July 17, 1862 (Confiscation Act) Congress, President authorized to extend pardon and amnesty to rebels.

March 10, 1863, Lincoln, Deserters restored

to regiments without punishment, except forfeiture of pay during absence.

December 8, 1863, Lincoln, Full pardon to all implicated in or participating in the "existing rebellion" with exceptions and subject to oath.

February 26, 1864, Lincoln (War Department), Deserters' sentences mitigated, some restored to duty.

March 26, 1864, Lincoln, Certain rebels (clarification of Dec. 8, 1863, proclamation).

March 3, 1865, Congress, Desertion punished by forfeiture of citizenship, President to pardon all who return within 60 days.

March 11, 1865, Lincoln, Deserters who returned to post in 60 days as required by Congress.

May 29, 1865, Johnson, Certain rebels of Confederate States (qualified).

July 3, 1866, Johnson (War Department), Deserters returned to duty without punishment except forfeiture of pay.

January 21, 1867, Congress, Section 13 of Confiscation Act (authority of President to grant pardon and amnesty) repealed.

September 7, 1867, Johnson, Rebels—additional amnesty including all but certain officers of the Confederacy on condition of an oath.

July 4, 1868, Johnson, Full pardon to all participants in "the late rebellion" except those indicated for treason or felony.

December 25, 1868, Johnson, All rebels of Confederate States (universal and unconditional).

May 23, 1972, Congress, General amnesty law reenfranchised many thousands of former rebels.

May 24, 1884, Congress. Lifted restrictions on former rebels to allow jury duty and civil office.

January 4, 1893, Harrison. Mormons—liability for polygamy amnestied.

September 25, 1894, Cleveland. Mormons—in accord with above.

March, 1896, Congress. Lifted restrictions on former rebels to allow appointment to military commissions.

June 8, 1893, Congress. Universal Amnesty Act removed all disabilities against all former rebels.

July 4, 1902, T. Roosevelt. Philippine insurrectionists. Full pardon and amnesty to all who took an oath recognizing "the supreme authority of the United States of America in the Philippine Islands."

June 14, 1917, Wilson, 5,000 persons under suspended sentence because of change in law (not war related).

August 21, 1917, Wilson, Clarification of June 14, 1917 proclamation.

March 5, 1924, Coolidge, More than 100 deserters—as to loss of citizenship for those deserting since World War I armistice.

December 23, 1933, F. Roosevelt, 1,500 convicted of having violated espionage or draft laws (World War I), who have completed their sentences.

December 24, 1945, Truman, Several thousand ex-convicts who had served in World War II at least 1 year.

December 23, 1947, Truman, 1,523 individual pardons for draft evasion in World War II, based on recommendations of President's Amnesty Board.

December 24, 1950, Truman, Ex-convicts who served in Armed Forces not less than 1 year after June 25, 1950.

December 24, 1952, Truman, All persons convicted for having deserted between August 19, 1948 and June 25, 1950.

Sources: John C. Etridge, Foreign Affairs Analyst, Foreign Affairs Division, Library of Congress.

TABLE 4.—CHARACTERISTICS OF VIETNAM-ERA DRAFT AND MILITARY ABSENCE OFFENDERS

[In percent]

	Draft convicted	Military discharged	Military fugitives
A. BACKGROUND			
Race:			
White	87	75.0	80
Black	10	20.0	20
Other	3	5.0	
Family background:			
Both parents	69	52.0	
One parent	26	41.0	
No parents	5	7.0	
Childhood residence:			
Urban	58	47.0	
Suburban	19	12.0	
Rural small town	18	32.0	
Rural farm	6	9.0	
Childhood region:			
East	21	23.0	23
South	19	32.0	33
Midwest	28	31.0	32
West	32	14.0	19
Education:			
Non-High School graduate	20	71.0	64
High school graduate	33	20.0	29
Beyond high school	47	9.0	7
IQ:			
1 to 90	19	39.0	
91 to 109	27	39.0	
110 plus	54	23.0	
Armed Forces qualifying test:			
I (93 to 100 percentile)		7.0	2
II (65 to 92 percentile)		19.0	16
III (31 to 64 percentile)		45.0	43
IV and V (0 to 30 percentile)		29.0	39
Religion:			
Jehovah's Witness	21	0	
Other pacifist religion	7	.4	
Nonpacifist religion or no religion	72	99.0	
B. DRAFT HISTORY			
CO application:			
No evidence noted	56		
Some initiative	11		
CO denied	24		
CO granted	10		
Type of draft offense:			
Failure to register	3		
No update draft board	10		
No submit to induction	34		
No show for physical	4		
No show for induction	35		
No complete alternate service	15		
Primary motivation for draft offense:			
Antiwar	80		
Personal/family problems	10		
Unfairness	8		
Incapacity	2		
Year of offense:			
1964–65	1		
1966–67	3		
1968–69	19		
1970–71	53		
1972–73	24		
Region of conviction:			
East	17		
South	19		
Midwest	27		
West	37		
Months incarcerated for draft offense:			
0	67		
1 to 6	15		
7 to 12	5		
13 to 24	10		
25 to 72	3		
C. MILITARY HISTORY			
Age at entry:			
16 to 17		31.0	14
18 to 19		47.0	45
20 to 21		16.0	24
22 plus		6.0	18
Military intake:			
Draft		19.0	43
Enlistee		81.0	55
Reserves			2
Reason for enlistment:			
Get away from problems		*32.0	
To see what the Army is like		*27.0	
The draft would get me		*26.0	
To learn a skill		*21.0	
Had nothing else to do		*17.0	
Forced by a judge		*15.0	
Always wanted to be a soldier		*9.0	
Branch of service:			
Army		62.0	
Marines		23.0	
Navy		12.0	
Air Force		3.0	
Other		.1	
Vietnam service:			
Yes		27.0	19
No		73.0	81
Type of Vietnam service:			
None		73.0	
Tour ended in AWOL		2.0	
Tour ended in injury		2.0	
Other reason for tour end		3.0	
Full tour		16.0	
More than 1 tour		3.0	
Location of Vietnam service:			
Combat		81.0	
Saigon		1.0	
Elsewhere noncombat		18.0	
Highest rank:			
E–1		*20.0	40
E–2		*26.0	27
E–3		*18.0	15
E–4		*22.0	12
E–5		*12.0	5
E–6 or above		*2.0	
Months of military service:			
Less than 1		1.0	
1 to 6		19.0	
7 to 12		22.0	
13 to 24		29.0	
25 to 36		17.0	
Over 36		12.0	
Type of absence offense:			
AWOL		90.0	
Desertion [1]		9.0	
Other		1.0	
Location of base:			
Continental United States			88
Europe			5
Vietnam			5
Other overseas			3
Primary motivation for offense:			
Personal/family/financial		64.0	50
Adjustment problems		16.0	27
Objection to war		7.0	12
Service mismanagement		12.0	9
Other		2.0	3
Circumstances of last absence offense:			
Left training		17.0	
Left U.S. duty unrelated to Vietnam		46.0	
Left U.S. duty upon orders to Vietnam		7.0	
No return to Vietnam after leave		2.0	
Left noncombat area in Vietnam		2.0	
Left combat in Vietnam		1.0	
Left U.S. duty after Vietnam		25.0	
Duty station upon leaving:			
Training			24
Garrison			31
Leave/convalescence			20
Transit			18
Confinement			6
Combat			1
Number of previous absence offenses:			
0		12.0	
1		25.0	
2		23.0	
3		18.0	
4		11.0	
5 plus		11.0	
Months incarcerated:			
0		51.0	
1 to 6		40.0	
7 to 12		8.0	
12 plus		1.0	
Type of discharge:			
Undesirable in lieu of court-martial		43.0	
Undesirable, unfitness		16.0	
Bad conduct		38.0	
Dishonorable		2.0	
Age at discharge:			
16 to 17		1.0	
18 to 19		14.0	
20 to 21		38.0	
22 to 23		27.0	
24 plus		21.0	
D. EXPERIENCE AS FUGITIVES			
Activity while fugitive:			
No attempt to hide	85	88.0	87
Attempt to hide	15	12.0	13
Place while fugitive:			
United States	88	90.0	89
Canada	7	2.0	7
Other foreign country	5	8.0	3

TABLE 4.—CHARACTERISTICS OF VIETNAM-ERA DRAFT AND MILITARY ABSENCE OFFENDERS—Continued

	Draft convicted	Military discharged	Military fugitives
D. EXPERIENCE AS FUGITIVES—Continued			
Employment while fugitive:			
Full time	69	82.0	85
Part time	24	10.0	11
Unemployed	7	8.0	3
Problems caused by fugitive status:			
None			64
Some			36
Employment			(13)
Family/marital			(12)
Drugs			(6)
Other			(5)
E. PRESENT STATUS			
Family status:			
Single	49	41.0	38
Was married	7	6.0	62
Married, no dependents	24	15.0	
Married, dependents	21	38.0	
Mental/physical problems:			
None	87	72.0	.....
Physical, no disability	3	4.0	.....
Physical, disabled	2	3.0	.....
Psychological problem	7	15.0	.....
Drug problem	2	5.0	.....
Alcohol problem	1	1.0	.....
Other civilian convictions:			
None	96	88.0	.....
Nonviolent felony	3	6.0	.....
Violent felony	1	6.0	.....
Present employment status:			
Employed full time	88	69.0	.....
Employed part time	9	14.0	.....
Unemployed	3	17.0	.....

[1] Servicemen found guilty of desertion offenses.

Sources: All "military fugitive" statistics come from "The Vietnam Era Deserter: Characteristics of Unconvicted Army Deserters Participating in the Presidential Clemency Program," a study conducted by D. Bruce Bell and Thomas J. Houston for the Army Research Institute for the Behavioral and Social Sciences. Except when indicated by an asterisk, "military convicted" statistics come from the Clemency Board's survey of 1,009 participants in its program. Asterisked statistics are extracted from Leadership and Situational Factors Related to AWOL: A Research Report by Hamilton I. McCubbin, July 1971. "Draft convicted" statistics come from the Clemency Board's survey of 472 draft offenders who participated in its program.

Mr. CONYERS. Mr. Speaker, while the Vietnam war has ended there are still many wounds to be healed. We continue to face an inheritance of bitterness and divisiveness over our deluded involvement in that conflict. For many, the legacy is a harsh one—the loss of loved ones, crippled bodies, life as an invalid. These facts will be with us forever to remind the Nation of the consequences of the arrogance of power.

Many disagreed with that role, and far more than those physically injured became its victims. The additional victims of the war in Indochina, over a million men and women, include those who violated the Military Selective Service Act, certain Articles of the Uniform Code of Justice, and other Federal, military, and State and local laws out of conscience and in opposition to the illegal involvement of the United States in Vietnam.

The President-elect has stated that during his first week in office he will issue a "blanket pardon" to draft evaders. This proposed pardon program affecting only draft resisters, however, will reach at most 13,000 persons—primarily white and middle class. It is crucial that the program be broadened to reach out to the many other young Americans who need relief. In a word we must have just, broad, and uniform amnesty.

Over 700,000 Vietnam veterans were given less than fully honorable discharges. In 90 percent of these cases, such discharges were given administratively, without regard to due process that would have been routinely provided in civilian life. Many of the less than honorable discharges were given to servicemen suffering from medical or psychological problems which the military should have detected prior to induction. Others were denied conscientious objector status, punished for their dissent toward the war, or victimized by the racism in the military which even the Department of Defense admits was rampant during the Vietnam war years.

To grant amnesty to these young men and women—many of whom have suffered too for making anguished choices and who already have been punished through separations, inability to find work, loss of credit—is not without precedent in our Nation's history. For example, this very body in 1898 authorized a universal amnesty following the Spanish-American War in the belief that such an act of compassion and healing does not dishonor those who served. Mrs. Louise Ransom, whose son died in Vietnam, explained recently in an article:

> Why should a mother like me . . . want amnesty? I want complete amnesty because I saw the war through the eyes of my son . . . Amnesty in no way dishonors the service of my son—another Nixon myth. In all humility, I say that the dead have their own honor, and nothing we say or do here can detract from that.

We have too long avoided coming to terms in healing the divisions over Vietnam. An amnesty would actually strengthen the Nation's future by returning to productive life over a million living victims of a war conducted without their advice or consent. How long shall we inflict vengeance upon our own young, who like us were caught up in the harshest of moral dilemmas of being party to the death and destruction of innocent others.

THE NECESSITY FOR GENERAL AMNESTY

Mr. DELLUMS. Mr. Speaker, the bitterness of the war years lives on. More than ever we need comprehensive amnesty, so that we may—to use a current phrase—move beyond the obsessions of the past.

I came to Congress with opposition to our adventurism in Southeast Asia as my No. 1 priority, and it is obvious that the legacy of the war is still with us, and can be found behind so many of the major decisions of the day. It is therefore appropriate at this time to consider the question of amnesty.

Who needs amnesty? Not the politicians who led us into the war. Not the bureaucrats who consistently distorted the facts of the situation. Not any of the Congressmen and Senators who voted for the war. Not even the Presidents who authorized the destruction of another nation and its people. Not Lieutenant Calley who has been declared "useful to society." Not any of the thousands of young men with money or connections who evaded the draft in entirely legal ways—through higher education, the Reserves, exempted jobs, or conscientious objector status.

The people who need amnesty are not in a position to plea-bargain in return for suspended sentences. They could not claim "privileges" of any kind or demand immunity from indictment. They have few votes and little influence, and perhaps nothing much politically will happen to the President who makes these powerless people his enemy. They are the young men who were too unlucky or too principled to find an easy way of avoiding direct responsibility for the horrors of an insane war, horrors that the rest of us viewed and argued about from a distance—and still do.

For these reasons I urge President-elect Carter to broaden his amnesty proposal to include not only selective service violators but also those who joined the services and directly experienced the horrors of the war, and thus were too late to fall under the category of "selective service violator." Governor Carter must decide a basic question of purpose: Does he want to make sure that everyone worthy returns to society, even at the risk of erring on the side of generosity? Or does he want to make sure that everyone "pays their price" and that no one gets anything that they do not deserve?

Most amnesty proposals have this second purpose. Authors of these type proposals have greater confidence in the moral wisdom and inherent fairness of governmental processes than I have. They claim that the case-by-case approach is the only just one, because of the diversity of individual circumstances and motives. They tried this approach with the Presidential Clemency Board and failed miserably. Only the members of the Board felt it was a success. No one wins, everyone loses.

I am aware of the many distinctions among deserters and evaders. It is precisely for this reason that I advocate a general amnesty approach. It would require the wisdom of Solomon to give everyone exactly what they "deserved" in this complicated and controversial area, and the case-by-case approach has shown no greater success in achieving this goal. It should be clear that general amnesty does not imply that nonrelated offenses are forgiven or expunged from the record. If a person went A.W.O.L. to escape prosecution for murder or theft, provisions should be made to allow him to return but only to face these charges again. Although I believe that the more automatic amnesty is, the better it is for both the young men involved and ourselves, there should be some provision for handling special cases and exemptions.

I know that Governor Carter wants to do a thorough job and truly reinstate these people in society. But if this is what he wants, he must also pay close attention to the legal consequences of amnesty. If amnesty is to be meaningful, it must not only protect the individual from criminal prosecution, but include removal of any mention of relevant offenses from all records and the granting of honorable discharges where appropri-

ate—plus the nullification of any other legal consequences. In our complicated, competitive society, where a person is so much a prisoner of the records kept of his past, anything less would be a joke. I believe a general unconditional amnesty would be less expensive, would cause less bitterness, would be ultimately much more fair—in fact, would accomplish the aims of amnesty far better than any other approach.

I believe Governor Carter can best accomplish the aims he has eloquently expressed by adopting this approach.

Mr. EDWARDS of California. Mr. Speaker, I commend President-elect Carter's pledge to issue as a first order of business a pardon to certain categories of Vietnam war resisters. I would like to encourage Mr. Carter to make his announced program even broader—to include not only those who fled the country to evade the draft, but also those who were prosecuted for their activities against the war or for refusing to be drafted, and those who received less than honorable discharges as a result of their stand against the war.

Our country still suffers from the tragedy of its involvement in that awful war. It seems to me needless to debate any longer the wisdom of granting amnesty to all those who, for reasons of conscience, refused to participate in the Vietnam war. Such an amnesty or pardon would do much to heal the divisiveness which still pervades our country. With those who opposed the war brought back into the mainstream of our society, the country could turn its attention to other pressing needs, not the least of which are the readjustment needs of our Vietnam era veterans.

I hope that my colleagues will join me in supporting Mr. Carter's commitment to an amnesty/pardon program.

Mr. MIKVA. Mr. Speaker, although American military involvement in Indochina is now part of history, there are still many wounds which need to be healed.

There are still thousands of draft resisters and others who are still paying the consequences of their opposition to the Indochina War, opposition that reflected the beliefs of millions of other Americans here at home. Many of the young men who resisted the war effort now continue to live in foreign countries, far away from their families and friends.

Our colleague, Congressman ED KOCH, has assumed a leading role in the national effort to do what is fair, what is compassionate and what is just. His eloquence and sensitivity in calling for support of President-elect Carter's proposed pardon for those who evaded the draft during the Vietnam era are not only timely, but typify Congressman KOCH's commitment to do what is in the most enlightened tradition of a government that exists to serve its people.

More than 2 years ago, President Ford sought to heal some of the wounds of our country's tragic experience in Indochina by offering war resisters a program of clemency. However well-intentioned the President's program was, the results fell far short of what was needed to achieve a meaningful reconciliation.

Although there does not yet appear to be a national consensus for a program of unconditional amnesty, I do not believe that thousands of young men who opposed the war should be kept in legal limbo until such time that an unconditional amnesty becomes law.

The proposed pardon by President-elect Carter is a courageous and sensitive example of leadership which bridges the gap between a tragic, divisive part of our history and a future in which we as a people can once again regain our sense of community.

I am pleased to join Congressman KOCH in his tireless and critical effort to achieve the reconciliation that has alluded us as a nation for far too long.

Mr. MOFFETT. Mr. Speaker, last August, in a campaign speech promising to initiate a blanket pardon for Vietnam-era draft evaders, President-elect Carter remarked:

> We may not be able to agree about what was the right course for the nation to take in 1966. But we can now agree to respect those differences . . . It is time for the damage, hatred and divisiveness to be over.

I agree wholeheartedly and commend Mr. Carter on his proposed amnesty program. However, I join Mr. KOCH and others urging the President-elect to expand his proposed blanket pardon to include deserters, veterans with less than honorable discharges and those who never registered for the draft, as well as draft evaders.

If the wounds of the Vietnam war are to be truly healed, Mr. Carter's amnesty plan must embrace all those men whose lives were disrupted by their violation of military and selective service laws and regulations. Mr. Carter's current proposal would only affect about 12,000 draft evaders. Deserters and nonregistrants must also live on the run, separated from their families, in constant fear of prosecution. And although they need not fear prosecution, those veterans who have less than honorable discharges bear a stigma which makes it difficult for them to find work.

Further banishment and punishment of these men makes little sense. Their continued suffering will in no way compensate those who died or returned crippled from Vietnam for their service. The war is over and it is time to put it and the lingering bitterness it fostered behind us, to reunite thousands of young men with their families and restored their full citizenship.

Mr. RANGEL. Mr. Speaker, on January 4, 1977, our colleague Representative ED KOCH introduced a concurrent resolution calling for President-elect Carter to extend his proposed amnesty to Vietnam-era selective service offenders and Vietnam veterans who received general and undesirable discharges or who deserted or were absent without leave during that era. I would like to associate myself with my colleagues' efforts in this regard. It is essential that President-elect Carter expand his proposal if in fact the bitterness and divisiveness that currently exists is finally eradicated.

There were many young men who joined the service because they were unable to make use of a college deferment and were not employed in jobs which would have enabled them to obtain job-related deferments. These men were also not in a position to pay for legal advice which would have been helpful in their attempt to deal with the Selective Service System. As has been observed by the President-elect and others, most of these young men are either black or poor.

The problem with these class of individuals is that they joined the military and were dissatisfied. Thus most of these men were given less-than-honorable discharges for offenses ranging from military violations and civilian felonies to acts of political dissent and protest. If President-elect Carter is seeking to completely remove the last vestiges of the war in South Vietnam, then these individuals must be covered in any pardon proposal which he devises.

I urge that the President-elect take this action so that the young men who are currently on the run seeking to avoid prosecution, can finally end this constant uncertainty. Whether or not we agree with the action taken by those men who joined and refused to participate, or those who just refused to register is at this point irrelevant. What is crucial is that most Americans realize today that our action in Vietnam was politically and morally wrong. Thus in order to foster a spirit of forgiveness, President-elect Carter must take action. In taking this action, President-elect Carter must be governed by the concept of equality; for if we can forgive those who refused to register, then most certainly can and should remove the dishonor imposed upon those who went and found the battle too difficult to handle. I look forward to the new President's action.

Mr. SOLARZ. Mr. Speaker, for most Americans the war in Vietnam ended over 2 years ago with the precipitous withdrawal of American troops from the U.S. Embassy in Saigon. For those Americans who remain in exile or are denied job opportunities because of their criminal or military records acquired during the Vietnam era, however, the war continues.

I believe it is time the Congress addressed itself to the problems of those Americans who acted on the antiwar beliefs which the great many of their fellow countrymen ultimately came to share. That is why I support the granting of a general and unconditional amnesty for persons who violated the law in the course of protesting against the war in Vietnam. Specifically, I hope that the President will grant a complete amnesty to all those who violated any Federal, State or local law in the course of an essentially nonviolent antiwar protest. In addition, I believe that such a general amnesty should also wipe out the less than honorable discharges given to hundreds of thousands of Vietnam war era

veterans for nonviolent infractions of the Military Code.

A general and complete amnesty is, in my judgment, the best and most just way to heal the wounds of the war in Vietnam. There has been no war in our history which has so divided our Nation. During our involvement in Vietnam, many of this country's leaders urged our withdrawal from the country and denounced our participation in the war as immoral. It is, therefore, simply wrong to continue to punish those who, because of their age and sex, had to make moral choices which others more fortunate did not have to confront.

And, for similar reasons, it would be equally wrong to continue to penalize those who had the courage of their convictions and engaged in civil disobedience to end a war which most Americans came to realize was unwise, unjust and immoral.

Amnesty is not an alien concept in the United States. Since 1795 there have been 38 amnesties or general pardons with the most magnanimous one coming after our own Civil War. It would be morally duplicitous for the United States to have granted amnesty to those who fought to preserve slavery, but not to grant the same rights to those whose conscience would not allow them to kill in a war designed to protect a corrupt dictatorial clique.

In granting a complete amnesty, I do not believe we should investigate the motives of the individuals involved. Since there are tens of thousands of persons who deserted or refused to serve and there are hundreds of thousands of soldiers who received less than honorable discharges, there is no way we can accurately determine what motivated these people years ago. And even if we could make such a determination, I doubt that the effort would serve any valid purpose.

In closing the final chapter of the war in Vietnam, we would be wise to be guided by the words of Abraham Lincoln who in his second inaugural told a war-torn nation to bind its wounds by acting "with malice towards none and charity towards all." In that spirit, we should provide a general and unconditional amnesty for those who during the Vietnam era resisted military service or who violated civilian or military laws in the course of nonviolently demonstrating against participation in the war.

Mr. WEISS. Mr. Speaker, I wish to add my voice in support of the amnesty resolution introduced by Mr. KOCH and cosponsored by myself and 31 other Members of the House. I have the highest regard for those young Americans who served in the war, but I also believe that those young Americans who chose not to participate in the tragic war in Indochina and followed their consciences followed the highest moral traditions of our country.

Since the war ended, many Americans have come to realize that those young Americans were trying to warn us that involvement in that war was a great tragedy. In my judgment they were correct.

There is, however, no need to dwell on who was right and who was wrong. It is enough that as a nation we close this awful chapter in American history.

I believe that a broad amnesty is the best solution for achieving this end. At the start of his administration, President Carter will be performing a great healing act for the country by granting amnesty to those who refused to fight in the war in Vietnam.

GENERAL LEAVE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks, and to include extraneous matter, on the subject of the special order today by the gentleman from New York (Mr. KOCH).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

HUMAN RIGHTS IN UKRAINE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 5 minutes.

Mrs. FENWICK. Mr. Speaker, I think it is important to bring to the attention of the American people the activities of a brave group in the Ukraine, U.S.S.R., which is sincerely dedicated to the furtherance of human rights. The Ukrainian Public Group To Promote Implementation of the Helsinki Accord was formed on November 9, 1976. It consists of 10 charter members, including Mykola Rudenko, the group leader, and Pyotr Grigorenko who is also a member of the Moscow group formed for the same purpose.

The stated objectives of the group, as proclaimed in its declaration are:

1. To acquaint the Ukrainian public with the Declaration of Human Rights and to strive to have this international legal document become the basis of relations between the individual and the nation.

2. To promote actively the implementation of the Final Act of the Conference on Security and Cooperation in Europe, being convinced that peace among nations cannot be guaranteed without free contacts between peoples and the free exchange of information and ideas.

3. To strive to have the Ukraine, a sovereign European nation and member of the U.N., represented by its own delegation at all international conferences dealing with the implementation of the Helsinki Accord.

4. In order to promote the free flow of information and ideas, to strive for the accreditation in Ukraine of foreign press correspondents, for the formation of an independent news agency, and the like.

Feeling that it is important to inform the signatory nations and the general public about the violations of the Universal Declaration of Human Rights included in the Helsinki Accord, the group has these functions:

a. Accepts written complaints about human rights violations and does everything within its power to bring this to the attention of the governments that signed the Helsinki Accord as well as to the attention of the world community;

b. Compiles this information on the state of legality in Ukraine and, in full accordance with Article 19 of the Universal Declaration of Human Rights, disseminates this information without regard for national boundaries;

c. Studies instances of human rights violations with respect to Ukrainians living in other republics, in order to bring this information to light.

The group is guided by legal and humanitarian considerations only. They accept the Universal Declaration of Human Rights and the Helsinki Accord and are convinced that full understanding and implementation of these documents will bring a real relaxation of international tensions. To this end, this group is dedicated. They are represented in the United States by the Helsinki Guarantees for Ukraine Committee, Washington, D.C.

HIGHER EDUCATION TRUST FUND ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 30 minutes.

Mr. FISH. Mr. Speaker, along with everything else, the cost of higher education has risen each year, to where it is difficult for most parents to absorb it in one lump. If there should be more than one child in an institution of higher learning at the same time, the burden on family finances is almost unbearable. Often, this has led to children being denied the opportunity for higher education—be it college, a vocational school, or other—simply because the family cannot afford it. What is needed is an incentive plan for family savings—one specifically for the purpose of financing higher education.

Therefore, I have introduced the Higher Education Trust Fund Act that would allow parents to establish a tax-free higher education trust fund to cover expenses incurred as a result of their children attending institutions of higher learning.

In recent years, there has been an increase in the type and enrollment of specialty and vocational schools; for example, in the computer training and paralegal fields. This proposal is unique in that it would encourage the growth of these schools by allowing a tax-free trust to be applied to their tuition costs. Not everyone wants or needs a university-based education, and they should not be penalized, because they chose to pursue higher education elsewhere.

Under this bill, parents would be permitted to set aside up to $750 a year in a tax-free trust fund for each child—or the lesser of 15 percent of their gross income, not to exceed $7,500 a year. If, for any reason, the money was not used for such educational purposes, it would then become taxable when withdrawn from the trust.

There are two primary benefits to be gained from passage of this bill. First,

more of our Nation's youth will be given the opportunity to pursue a higher education, leading to the career of their choice. They will not be frustrated in their attempts by a lack of funding, and some of the pressure on tax-supported scholarships will decrease. Also, this bill will encourage parents to sensibly plan and build for their children's education over a number of years, keeping pace with increasing costs of education.

I urge my colleagues to join me in working for passage of the Higher Education Trust Fund Act so that more young people can be afforded the opportunities they deserve.

MORE ON THE BILL OF RIGHTS PROCEDURES ACT, H.R. 215

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, today I am reintroducing the Bill of Rights Procedures Act of 1977, H.R. 215, with the first 22 cosponsors for the 95th Congress. Most of these Members were cosponsors, along with me, of the Bill of Rights Procedures Act in the 94th Congress.

As you know, this legislation was first introduced in 1974 by Senator CHARLES McC. MATHIAS and then-Congressman Charles A. Mosher. In the 94th Congress it gained the support of a broad-based group of 75 cosponsors and many endorsing institutions. The legislation was marked up by the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice. Senator MATHIAS and I made some modifications in the bill and reintroduced it on January 4 of this year.

At this point in the RECORD, I would like to insert three items. The first is a list of those groups and institutions that endorsed Congressman Mosher's bill in the 94th Congress. The second is a brief overview of H.R. 215, the Bill of Rights Procedures Act as it was reintroduced in this Congress by Senator MATHIAS and me. The third is a brief summary of the modifications that we made prior to reintroduction.

The material follows:

EXHIBIT 1

ENDORSEMENTS

The following is a list of the major organizations and institutions that formally endorsed the Bill of Rights Procedures Act during the 94th Congress. This is not a complete list, but only a survey of highlights.

BUSINESS ORGANIZATIONS

American Bankers Association; American Express Company; Bank of America; California Bankers Association; Maryland Bankers Association; National Association of Mutual Savings Banks; National Retail Merchants Association; U.S. League of Savings Associations.

LABOR UNIONS

AFL–CIO; Brotherhood of Railway and Airline Clerks; Communications Workers of America; Retail Clerks International Association.

MISCELLANEOUS

Congress Watch/Public Citizen; Consumer Federation of America; House Republican Task Force on Privacy; National Newspaper Association; Reporters Committee on Freedom of the Press.

NEWSPAPER EDITORIALS

Akron Beacon-Journal; Buffalo Evening News; Christian Science Monitor; Cleveland Plain Dealer; New York Times; St. Louis Post Dispatch; Washington Evening Star; Washington Post.

EXHIBIT 2

A SUMMARY OF THE BILL OF RIGHTS PROCEDURES ACT, H.R. 215

CHIEF SPONSORS

Congressman Charles W. Whalen, Jr. (R-Ohio) and Senator Charles McC. Mathias (R-Md.)

HISTORY

First introduced in 1974 by Senator Mathias and Congressman Charles A. Mosher (R-Ohio), the bill underwent extensive hearings and markup in the 94th Congress. It was approved 5–0 by the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, but proceeded no further in 1975. The bill had a bipartisan group of 75 cosponsors.

PURPOSE

H.R. 215 is intended to close several gaps in Federal privacy protection laws; it addresses several problem areas where American citizens reasonably expect protection of their privacy, but where Federal statutes currently are silent.

This legislation would not prohibit any law enforcement activity now considered to be legal and proper. Rather, it establishes by statute guidelines and procedures to be followed when there would be legitimate need for the invasion of a citizen's privacy in certain areas. Civil and criminal liabilities are established for those who willfully intrude upon those rights to privacy.

HIGHLIGHTS

Third Party Records—Financial institutions, telephone companies and credit card issuers keep detailed records of the personal transactions of millions of individuals. Presently, access to these records is unlimited by Federal law. H.R. 215 provides that Federal agents may gain access to these records only by one of the following means:

(a) Obtaining the written, express consent of the subject individual.

(b) Serving a subpoena or summons on the holder institution, with a copy to the customer. Opportunity and standing for a customer challenge is given.

(c) Obtaining from the courts a search warrant.

Mail Covers—Currently no statute governs the use of mail covers, the procedure in which a systematic record is made of information that appears on the outside covers of first class mail. H.R. 215 establishes strict standards of conduct and accountability, incorporating as much as possible features of existing internal guidelines of the Postal Service.

Service Monitoring—Clarifying a portion of existing Federal wiretap law, this bill establishes strict limits on telephone company "service monitoring" interceptions of customer-to-customer conversations. The bill also sets procedural safeguards for the monitoring of telephone conversations of company employees. H.R. 215 would make illegal the possession of so-called blue boxes and black boxes, devices used to defraud the phone company of long distance toll charges.

Non-Aural Communications—H.R. 215 extends the protection of the Federal wiretap laws to non-aural communications. This will prohibit the interception of telegraph and telex messages, computer data transmissions, etc. except by court order.

EXHIBIT 3

CHANGES MADE IN THE PROPOSED BILL OF RIGHTS PROCEDURES ACT

The Bill of Rights Procedures Act of 1977, introduced by Congressman Charles W. Whalen and Senator Charles McC. Mathias, respectively H.R. 215 and S. 14 in the 95th Congress, is a direct descendant of H.R. 214 in the previous Congress.

This legislation was first introduced by Sen. Mathias and then-Congressman Charles A. Mosher in 1974. It was marked up in 1976 by the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice.

Using the marked-up version of the Mathias-Mosher bill as a base, Mr. Whalen and Mr. Mathias have made several improvements in the proposed legislation. Some of the modifications were first advocated by Reps. Robert Kastenmeier and Ned Pattison at the time that the legislation was scheduled for full Committee markup.

The following are notes on the difference between the Mathias-Whalen bill (H.R. 215 and S. 14 in the 95th Congress) and the Subcommittee markup of the Mathias-Mosher bill (H.R. 214 in the 94th Congress).

TITLE I—CONFIDENTIALITY OF . . . RECORDS

SEC. 2(a)(5)—New paragraph, intended to help avoid conflicts between the proposed new law and existing privacy protection provisions of the Fair Credit Reporting Act by assuring consistency between the two.

SEC. 3(a)—Technical amendment, to correct a minor drafting defect.

SEC. 5—Change made in first paragraph, provides that access to records covered by this title shall be obtained only if the inquiry is pursuant to other statutes. Previous language merely required the inquiry to be "as authorized" by law; a very ambiguous phrase.

New closing paragraph added, waiving the requirements of the administrative subpoena section specifically for the sole purpose of the Internal Revenue Service determining the present assets of a person who is subject to tax collection proceedings.

SEC. 5(3)—This section revised: a) to assure that the record-holding institution will have standing to challenge an administrative subpoena; and b) to clarify the mechanics of resolving a courtroom contest over an administrative subpoena.

SEC. 5(2)—Second paragraph revised to reflect changes noted above in Sec. 5(3) and also for purposes of clarification.

SEC. 7(1)—Revised to clarify in which cases judicial subpoenas of records are appropriate; Subsection (A) is intended to limit the use of grand juries for "fishing expeditions" and Subsection (B) provides that information subpoenaed must be relevant to the case in progress.

SEC. 12(a)(3)—Language modified to extend the scope of compensation for successful claimants for damages; assures reimbursement for all reasonable costs associated with the litigation.

SEC. 12(b)—Changes the standard for reimbursement in injunctive relief cases from "successful action" to the broader term, "substantially prevailed," thus better taking into account out-of-court settlements, etc. Definition of reimbursible expenses is changed, as above.

SEC. 13—New provision, gives reimbursement to third party recordholders for cost of complying with administrative or judicial subpoenas that would be required by this bill; this expands on precedent established in the Tax Reform Act of 1976.

TITLE II—MAIL COVERS

SEC. 1—Definition is modified, closing a loophole that might otherwise have per-

mitted unregulated use of mail covers initiated at the request of certain agencies that do not have "law enforcement authority," such as the CIA, NSA, DIA, etc.

SEC. 8(b)—Injunctive relief provisions modified to parallel changes made in Title I, see above.

TITLE IV—CRIMINAL PENALTIES

(a) Maximum fine for willful violation of third party records or mail cover titles is raised from $1,000 to $5,000; maximum prison sentence is reduced from twelve months to six.

(b)—New provision, makes it a crime for a federal agent to fail to report a known violation of the third party records or mail cover titles.

MISS HOPE OF PENNSYLVANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, as you know, I have long been concerned about the inroads of cancer in the good citizens of the United States, and many times in the past I have advocated a strenuous effort to eradicate this threat to all of our families. Today the statistics are one person in every four, two families out of every three.

Back home in my own constituency, the American Cancer Society, along with all the units all over the United States, is working assiduously to raise sufficient funds to support the vital research programs, to offer necessary services to cancer patients, and to educate the population to be alert, aware, and vigilant of the first signs of the disease. Only in vigilance can there possibly be the hope of cure.

One of the brighter aspects of this unhappy area, is the presence in the State of Pennsylvania of a lovely young woman who represents the American Cancer Society as Miss Hope of Pennsylvania.

She is a product of the area university community, a graduate of College Misericordia in Dallas. And she hails from New Albany, a small town outside of Towanda. I would appreciate the opportunity of having read into the CONGRESSIONAL RECORD the material I hold here concerning Karen Lukowski, a beautiful and radiant young girl who epitomizes all the wholesome qualities of young American womanhood, a dedicated nurse with a vision of her own.

A beautiful young woman with an expressive face, large hazel eyes, and dark blond hair twisted behind her head is appearing throughout the State in the traditional white uniform, white cap, and white oxford shoes of the registered nurse, speaking at various State and county events, appearing on radio and television, and charming everyone she meets. What is different about this young lady is that she wears a red sash, symbolizing the hope of all society that the threat of cancer will some day be erased from our minds and hearts.

The young woman is Karen Lukowski, of New Albany, Pa., Miss Hope of Pennsylvania, representing the Pennsylvania Division of the American Cancer Society.

Her charm and grace have won her plaudits. Her sincerity and sweetness have won her friends. Her "realness" and honesty have won her love.

Karen was a senior nursing student at College Misericordia, Dallas, Pa., in January of 1975, when she sent in an application to the Luzerne County unit office in Wilkes-Barre, to compete as Miss Hope of Luzerne County. Two years earlier she had sent a simple, girlish letter asking for details on the Miss Hope program. It was that year that Karen's mother had died of cancer, a loss that Karen had felt very deeply. It was her mother who inspired her to be a nurse, and who has suggested to her while she was in the hospital that Karen try out for Miss Hope. But Karen was busy at school—busy learning and studying, working toward her degree in nursing.

When she finally made it to the competition in Hazleton, competing against 17 other girls, she won the title. The simplicity of her manner, her sweet sincerity, charmed the judges, and the undramatic, unpretentious unassuming speech she made on why it was important to her to fight cancer, won the audience.

All of them were lovely, pretty, intelligent young women—but what Karen said that touched them all was "I know what it means to lose someone you love. I lost my mother to cancer."

It was that same unadorned, unpretentious charm and beauty that won her the title of Miss Hope of Pennsylvania in Carlisle last April, putting her ahead of 40 other contestants from every county of the Commonwealth. Karen never thought she had a chance—but again, her quiet charm and sincerity put her in the forefront.

Karen is a bright young woman—intelligent, and with a shining future. Having graduated from College Misericordia, she is now working at St. Luke's Hospital in Bethlehem. She has appeared at countless events throughout the State of Pennsylvania, sent by the American Cancer Society Division Headquarters in Harrisburg, to convey the message that there is indeed hope in the battle against cancer. Every time she appears she is sought after by more and more organizations and groups who want to share the message: Get Rid of Cancer Now!

Cancer statistics keep rising. The hazards of modern life become greater. There is scarcely a family who has not suffered. And so beautiful young women like Karen Lukowski are carrying a very important message to all of us.

Karen is the daughter of Edward Lukowski of New Albany. She was graduated from Wyalusing Valley High School in 1972, and from College Misericordia in 1976. She was on the dean's list every semester, was named to "Who's Who Among College Students," carried a 3.85 cumulative average, was senior nursing representative, had poetry published in the college literary magazine. She was a judge for the Bradford County Junior Miss Pageant, was a church lector, and helped with Red Cross blood drives. During her tenure as Miss Hope of Luzerne County she spoke to thousands of high school and grammar school students about the hazards of smoking. She has appeared at hundreds of events throughout the State, such as the Penn National Race Against Cancer, Carbon County Fair, Bethlehem Kiwanis Club, Clarion County Fair, Miss Pennsylvania Pageant, Pittsburgh Pirates Ball Game, Bedford County Fair, Warren County Bicentennial Parade, Pocono 500, Penn State Laurel Festival at Wellsboro, the American Legion Girls' State Conference at Shippensburg State College, the Nanticoke Bicentennial Parade, the Tioga County Bicentennial Parade in Waverly; was principal speaker at the Youth Against Cancer forum at Penn State University. She has appeared on a variety of television stations, the Inside Clarion County Show in New Bethlehem, John Riley TV show in Altoona, the Six-O'Clock News with Tom Bigler and John Bendick, among others. She has represented the society at a variety of education meetings, such as a recent national volunteer meeting for education and crusade in Atlanta, Ga.

People throughout the State, and possibly the Nation, will have seen that familiar white uniform and red sash either in person or on television, and will have heard the gentle voice making the meaningful speeches, which incidentally, she writes herself. In addition to everything else, the young lady also has a sense of humor, and is able often to lighten the weight of the message.

But, Karen Lukowski is not there to be charming or to be beautiful. She is there to remind us all how important it is to ourselves and our families to be vigilant, to be watchful, to get those heath checkups, and heed those warning signals, and moreover, to be generous when asked for a contribution.

Cancer is a dangerous threat. It is important to do everything we can to stop it today. Tomorrow may be too late for someone.

DELINQUENT FOREIGN DEBTS CONTINUE TO INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, recent statistics issued by the Department of Treasury's Office of Debt indicate that the administration's professed efforts to collect delinquent international debts have not met with great success. As of December 31, 1975, the principal and interest due and unpaid 90 days or more on U.S. loans and credits to foreign governments and international organizations totaled $677,130,954, compared to delinquencies totaling $609,425,692, on June 30, 1975, an increase of 9 percent over the previous reporting period.

Of 178 nations and organizations that have been recipients of U.S. loans since World War II, 148 are delinquent 90 days or more in their repayment. Of these, 87 have fallen still further behind in repayment since the June 30, 1975, report.

I would remind my colleagues of the action taken in the 94th Congress to deal

with this situation. Both the fiscal year 1976 and 1977 foreign assistance appropriations bills enacted into law contain a provision which I sponsored that cuts off aid under those appropriations laws to those nations which are delinquent 1 year or more and which do not renegotiate, dispute, or otherwise make arrangements to clear their accounts.

While the Treasury Department is to be congratulated on the vast improvements it has made in the bookkeeping of delinquent international debts, the State Department has simply not exercised the zeal in securing repayment which I believe every American taxpayer expects.

I am optimistic that the new administration that will take the reins of Government in several days will focus greater attention on this problem.

I would like to share with my colleagues a country-by-country listing of delinquent international debts for the last three available 6-month reporting periods and would note that this excludes the indebtedness of foreign governments arising from World I:

PRINCIPAL AND INTEREST DUE AND UNPAID 90 DAYS OR MORE ON U.S. LOANS AND CREDITS TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS, AS OF DEC. 31, 1974, JUNE 30, 1975 AND DEC. 31, 1975

Area and country	Principal and interest due and unpaid 90 days or more as of: [1] Dec. 31, 1974	June 30, 1975	Dec. 31, 1975
Total, all countries and international organizations	$562,706,773	$609,425,692	$677,130,954
Western Europe (excluding Greece and Turkey):			
Austria	181	209,379	113,128
Belgium	121,682	765,976	50,229
Denmark	259,292	66,313	948,320
Finland			
France	90,965	503,567	151,138
Germany, Federal Republic of	254,280	152,192	2,871,012
Iceland	898		13,364
Ireland	13,299	73,724	513,613
Italy	5,424,420	4,837,245	3,583,365
Luxembourg		11,057	8,712
Malta			
Monaco			
Netherlands	215,605	490,903	298,243
Norway	296,656	190,630	61,219
Portugal	11,017	14,616	143,032
Spain	262,420	731,121	2,771,814
Sweden	206	453,819	8,922
Switzerland	64,768	137,355	985,467
United Kingdom	422,952	856,301	5,701,451
Vatican City			18,944
Yugoslavia	38,494	321,192	5,067
European Atomic Energy Community		2,038	594,277
European Coal and Steel Community			
North Atlantic Treaty Organization	17,499	313,434	2,225,774
Total, Western Europe	7,494,634	10,444,296	21,067,091
Eastern Europe:			
Czechoslovakia	6,833,203	7,145,980	7,454,111
Germany, Soviet Union			
Hungary	700,167	700,167	
Poland			
Romania			
Union of Soviet Socialist Republics		2	2
Total, Eastern Europe	7,533,370	7,846,149	7,454,113
Near East (including Greece, Turkey, and Egypt):			
Cyprus	1,573	1,928	
Egypt, Arab Republic of	47,455,318	59,205,813	2,284,089
Greece	18,220,771	21,371,519	21,439,537
Iran	39,152,815	42,066,979	38,102,834
Iraq	538	538	1,538
Israel	1,056,451	3,086,765	48,757,904
Jordan	13,925	3,187,332	7,155,101
Kuwait			689,276
Lebanon	3,432	1,061	219,383
Muscat and Oman			2,980
Qatar			566
Saudi Arabia	23,138	386,799	38,879
Syria	4,268,114	4,679,264	5,511,164
Turkey	87,238,793	88,495,660	93,155,841
United Arab Emirates			4,582
Yemen Arab Republic			3,883
Total, Near East	197,434,868	222,483,658	218,367,557
South Asia:			
Afghanistan	2,823	2,800	2,452
Bangladesh		310,941	
India	15,579,509	17,400,063	4,346,490
Nepal	183,242	179,149	152,023
Pakistan	18,091,171	35,408,733	75,703,064
Sri Lanka	1,507,896	250	83,646
South Asia, regional			
Total, South Asia	35,364,641	53,301,936	80,287,675
Africa (excluding Egypt):			
Algeria	2,396	6,613	243
Angola			
Botswana	13,678		
Cameroon	13,052	504	7,008
Central African Republic			108,600
Chad			
Dahomey	4,228	4,228	47,840
Ethiopia	14,318,976	14,319,208	14,519,631
Gabon		56,300	82,037
Gambia			10,528
Ghana	175,253	175,253	890
Guinea	1,032,317	1,791,177	2,877,081
Ivory Coast	70	27,336	41,880
Kenya	875	208,193	155
Liberia	29,787	31,881	204,698
Libya	13,919	137,381	132,833
Malagasy Republic			
Malawi	155		
Mali	40,896	50,430	6,946
Mauritania			
Morocco	2,573,553	78,912	659,482
Niger		7,893	
Nigeria	1,170,211	2,494,668	1,414,023
Rhodesia	43,579	43,579	43,579
St. Helena			566
Senegal	33,666	322	19,660
Sierra Leone	135,590	159,631	153,872
Somali Republic	2,052,000	2,292,235	
South Africa	12,114	11,195	68,386
Sudan		545,585	37,468
Swaziland			
Tanzania	41,536	20	2,878
Togo			
Tunisia	84,648	80,313	420,527
Uganda	2,046	2,782	130,325
Upper Volta			
Zaire	43,849	48,554	4,446,732
Zambia	6		
Council of Entente States	6	4	
East African Common Services Organization			
University of East Africa	2		
West Africa Development Bank			
Africa, regional	1,578,575	2,142,750	1,766,957
Total, Africa	23,416,575	23,716,947	27,204,825
Eastern Asia and Pacific:			
Australia	272,027	912,142	681,916
British Solomon Islands			
Brunei			
Burma	3,687	3,687	
China, Peoples Republic of		237,311	413,949
China, Republic of	93,149,972	96,344,051	105,127,508
Fiji Islands	2	172	
Gilbert and Ellice Islands			311
Hong Kong	38	106	105,489
Indonesia	137,841	441,819	81,875
Japan	483,338	821,759	1,516,765
Khmer Republic	2,128,289	2,128,289	5,468,790
Korea, Republic of	2,218,030	1,978,118	777,128
Korea, North			363
Korea	49,695	54,843	2,157
Macao			4,074
Malaysia	387,734	212,395	34,347
Nauru			1,095
New Caledonia			
New Guinea (Papua)	97	136	1,060
New Zealand	14,721	185,711	54,871
Philippines	48,078,728	48,642,518	50,183,960
Pitcairn Island			1,684
Singapore	413,220	2,065,004	362,316
Thailand	20,273,423	19,080,422	22,336,144
Tonga			
Trust Territory of Pacific [1]	206	206	3,799
Vietnam, Republic of	865,798	890,742	7,850,115
Western Samoa			6,163
Total, Eastern Asia and Pacific	168,476,846	173,999,431	195,015,879
Western Hemisphere:			
Antigua	416,400	468,800	11,699
Argentina	1,044,609	2,113,050	5,277,867
Bahamas	57,299	59,058	62,125
Barbados			
Belize	6,125	24,569	26,506
Bermuda			80,778
Bolivia	1,689,827	1,920,155	596,350
Brazil	84,593	568,374	105,901
British Virgin Islands			32,896
Canada	248,298	319,194	197,276
Cayman Islands		197,744	85,724
Chile	19,148,088	4,000,651	797,381
Colombia	13,869,657	13,479,545	14,652,654
Costa Rica	584,484	1,427,928	1,134,629
Cuba	58,342,708	64,569,272	69,891,607
Dominica	130,810		
Dominican Republic	1,053,271	1,078,896	3,413,887
Ecuador	587,520	581,634	7,688,963
El Salvador	152,532	156,117	182,128
French Guiana		127,154	3,154
Grenada			10,361
Guadeloupe	50		2,469

PRINCIPAL AND INTEREST DUE AND UNPAID 90 DAYS OR MORE ON U.S. LOANS AND CREDIT TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS, AS OF DEC 31, 1974, JUNE 30, 1975 AND DEC. 31, 1975—Continued

Area and country	Principal and interest due and unpaid 90 days or more as of: [1]		
	Dec. 31, 1974	June 30, 1975	Dec. 31, 1975
Western Hemisphere—Continued			
Guatemala	170,252	256,154	247,017
Guyana	4,555	1,041	
Haiti	248,973	544,148	6,418
Honduras	101,603	100,981	539,563
Jamaica	13,176	14,540	19,319
Martinique			9,466
Mexico	2,776,755	2,926,902	1,825,382
Montserrat			1,672
Netherlands Antilles	502	502	17,750
Nicaragua	159,020	175,426	60,353
Panama	6,225,849	6,820,573	7,756,405
Paraguay	1,780,453	1,796,437	58,903
Peru	1,415,661	2,455,849	2,552,093
St. Christopher-Nevis-Anguilla			1,158
St. Lucia	67,812		
St. Pierre and Miquelon			
St. Vincent			11,424
Surinam	16	16	1,645
Trinidad and Tobago	11,935	12,435	69,477
Turks and Caicos Islands	167	335	8,399
Uruguay	1,399,997	653,922	1,532,238
Venezuela	3,351,285	2,245,644	1,888,069
Caribbean Development Bank			
Central American Bank for Economic Integration			
Western Hemisphere, regional	59	50	
Western Hemisphere, unspecified	494,399	494,399	494,399
Total, Western Hemisphere	115,638,740	109,413,525	121,355,505
International Organizations and unspecified countries:			
International Finance Corporation			
United Nations	7,347,099	7,352,740	7,368,167
Unspecified countries			
International Atomic Energy Agency		2,514	9,992
Total, unspecified countries and official international institutions	7,347,099	7,355,254	7,378,159

[1] In dollar or dollar equivalents.

LEGISLATION TO STRENGTHEN DISCLOSURE REQUIREMENTS FOR LOBBYISTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, this week I introduced H.R. 1180, a bill to strengthen the disclosure requirements for lobbyists. This measure was introduced in the 94th Congress by the gentleman from Wisconsin (Mr. KASTENMEIER) and the gentleman from Illinois (Mr. RAILSBACK). The bill ultimately was reported by the Committee on the Judiciary and passed by the House. Unfortunately, procedural problems prevented its enactment by the full Congress.

I reintroduced the bill as passed by the House because I feel it is an important part of the effort to make Government more open and more responsible.

This bill in no way interferes with the cherished and essential right of citizens to petition their Government for redress. But it does insure that contacts by organizations which spend substantial sums of money in the process will be properly reported and made public. For it is vital that citizens know which groups and special interests are attempting to influence the policies and decisions of their Government.

The bill would require an organization to register with the General Accounting Office if 20 percent or more of an employee's time was spent influencing legislation or executive branch decisions, or if an outside person was paid more than $1,250 in any 3-month period for such purposes.

It would establish quarterly filings for organizations which must list lobbying expenses, the names of lobbyists, and the major issues involved.

It would create civil and criminal penalties for violations of the disclosure procedures and give the Comptroller General investigative and rulemaking authority.

Mr. Speaker, I know and share the interest of the Congress in strengthening the integrity and credibility of Government. I commend this bill to my colleagues as part of that effort.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE TO HOLD HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I should like to announce that Secretary of Commerce Elliott L. Richardson, Deputy Secretary of State Charles Robinson, Assistant Secretary of the Treasury Gerald Parsky, AFL–CIO secretary-treasurer Lane Kirkland, and other experts on East-West trade will testify January 13, 14, and 17 at hearings conducted by the Commission on Security and Cooperation in Europe on Basket Two of the Helsinki accords.

Basket Two, the second section of the document signed by 33 European nations, the United States, and Canada, outlined a framework for expanding economic and commercial cooperation, including a reduction of obstacles to trade, freer flow of economic information, improved working conditions for foreign businessmen, and encouragement of joint projects.

The Commission's first hearings—to be followed by others on the human rights, emigration, information, and cultural exchange provisions of the 1975 agreement—will focus on the current status and prospects of U.S. commercial and economic ties with the Soviet Union and Eastern Europe; implementation of Basket Two thus far; efforts to promote better implementation; and the role of economic cooperation in furthering East-West human contacts.

Hearings will take place at room 6202, Dirksen, at 2 p.m. on Thursday, January 13, at 10 a.m. and 2 p.m. in Rayburn 2172 on Friday, January 14, and at 10:30 a.m. in Dirksen 6202 on Monday, January 17.

THE GREATER HARTFORD EMERGENCY FOOD BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, I would like my colleagues to join me in recognizing the Greater Hartford Emergency Food Bank, a project of the Community Renewal Team of Greater Hartford.

The food bank is designed to help persons in the greatest need, those whose public assistance checks are lost or stolen, for example, or who are the victims of a natural disaster.

Charles Parker, program director at WDRC Radio in Hartford, is the food bank's founder. Brad Davis, an investigative reporter for WFSB–TV, has worked long and hard to make the project a success.

I would like to share with my colleagues an article from the Hartford Courant on this subject:

[Reprinted From the Hartford Courant, Apr. 4, 1976]

FIRST FOOD BANK STANDS READY TO AID POOR IN EMERGENCY

(By William Cockerham)

Two years ago, a wild scheme by the kidnapers of newspaper heiress Patricia Hearst to force her parents to provide free food to California's poor ended up in complete chaos, with scores of people clawing each other like rats over a couple of jars of peanut butter.

That scene might never have occurred had the Hearst family approached the problem as it was in Hartford about a year later.

It all began one morning last March when Charles Parker, program director at WRDC–Radio, picked up The Courant and read about the plight of many Hartford welfare recipients who faced going hungry over a long weekend because their checks had not arrived on time.

"I couldn't believe these people had nowhere to go for help. It seemed to me that there should be some place where people could get help to feed their families during an emergency," Parker said.

There was no place, Parker found, and he decided to do something about it.

Parker contacted the Community Renewal Team (CRT) and convinced them to administer what was to become the first Emergency Food Bank of its kind in the nation and he then set out to get the necessary stockpiles of nonperishable groceries.

Within weeks, radio listeners began to hear of the WDRC Foodathon, an appeal for persons to search their consciences and cupboards for such items as tuna fish and powdered milk.

Parker's idea began to catch on, but he soon realized that he couldn't sustain it by

himself. He needed someone the public could identify with to help with the food-athon.

That person, it turned out, was Brad Davis, a former Marine drill instructor who worked his way through the ranks at then WTIC-Channel 3 pushing Connecticut fresh milk as a local Dick Clark type disc jockey and later as an investigative reporter on that station's "What's Happening" program.

"I took tuna fish. That was my pitch," Davis said with a smirk. "I got enough tuna fish to last for two years."

Davis got on the air at a portable WDRC microphone at the West Farms Mall in West Hartford and asked secretaries going to work at the Insurance companies to stop off on their way with a can of tuna fish.

"And bring $5, and I'll show you my Marine tattoo," Davis said over the air.

Women came by the scores, some carrying whole cases of tuna fish, Davis said. And some brought a $5 bill to see Davis unbutton his shirt and show his eagle, globe and anchor Marine tattoo on his right arm.

"Seventy-five secretaries were lined up, each with a can of tuna fish and each with a $5 bill," Davis said.

But while Davis was outside collecting tuna fish and money, Otis, a WDRC disc jockey, was inside the trailer telling other radio listeners that the ex-Marine would do almost anything to fill up the cupboards of the food bank.

Otis told the radio listeners that Davis would let them pull out a hair on his chest for $1. "Buck a pluck," the disc jockey was billing it.

"I couldn't believe it," Davis said, "But I couldn't get out of it. He was already on the air asking someone driving a Corvette to stop by with a check book. But I thought then that nobody would show."

Davis was wrong. Dead wrong. Within a half hour a guy pulled up outside the trailer in a Corvette and jumped out, checkbook in hand, wanting to take Otis up on his offer.

A young woman was selected to pluck out the hairs and the guy in the flashy car said he would pay $1 for each one.

Davis had only one choice, he said. Let her pluck them out one at a time, or all at once. He opted for the latter.

"Grab a handful and pull them out, I told her," Davis said.

There was one wince from Davis when the woman yanked at a tuft of hair and when they were all counted the guy in the Corvette wrote out a check for $160.

Davis can relate many tales like this. He got excited about the idea of an emergency food bank and put every spare hour he could cram into his busy schedule into raising money and collecting food items for the program.

Today, the food bank, located at CRT headquarters, contains 35,000 food items and a bank account of $9,000 to replenish supplies when they run out.

Paul Puzzo of CRT, who is in charge of the food bank, said some 8,000 people have received emergency food supplies since the program started.

Puzzo said the food bank carefully screens people to make sure that no one gets groceries except on an emergency basis, and everyone who is helped is expected to reimburse them when they get back on their feet.

He said most persons who have used the food bank are welfare recipients whose checks arrived late or were lost in the mails, although some are those who have been burned out of their homes or have met other misfortunes.

A five-day supply of food is all one family can receive at any given time.

The food bank is careful that each food package is nutritionally balanced.

The items include soups, baby food, canned vegetables, meats and fish, rice, powdered milk and beans. Puzzo said the bank also has such items as kansas snails, given by people who have cleaned out things in their cupboards they would never use themselves.

"We're always short on protein items, but we have so many cans of soup we'll never be able to use them up," Puzzo said.

Puzzo said the money collected for the food bank is used then to replenish the protein items.

He said the food bank "really filled a void in the Hartford community."

"People really had to scrounge and sometimes go hungry. If the bank was ever discontinued, I don't know where people would go," Puzzo said.

But it has not been just Hartford residents who have benefited from the emergency food bank, the bank for food.

The first selectman of East Granby, Frank Rothammer, has sent four or five of his residents to the bank for food.

Rothammer said the people he sent to the bank were those whose unemployment checks had arrived late or "for other unforeseen circumstances" had no food in their homes to feed their families.

One Hartford woman who recently used the bank said she didn't know what she would have done without it.

"It took just a couple of hours," she said. "The people there even took care of my kids while they drove to the welfare office to verify that my check was late. They were really helpful to me."

The woman said she called the welfare office for help but was told they couldn't do anything.

Of the half-dozen families contacted by The Courant who used the food bank, all said they had tried other agencies for help and were told there was nothing they could do.

All said they received food within several hours after applying for a voucher.

Parker and Davis have held two foodathons in the past year to keep the stockpiles of groceries replenished at the bank, but both know that the novelty will wear out soon.

"We can't expect the foodathons to continue to be so successful," Parker said. "We're going to need more help from the community to keep the bank going."

Davis said he will give all money he earns from speaking engagements this year to the food bank.

This past year, Davis addressed at least a dozen organizations and got each to donate either money or food to the bank.

In his preacher-like manner, Davis has talked Hartford company executives into helping out the food bank. One executive of Heublein, for example, gave Davis 20 cases of enchilada sauce to go with the rice at the bank. The Lions Club came up with 60 turkeys at Thanksgiving time and one general contractor dropped off 50 cases of dried milk at the bank.

Davis even talked one reputed Massachusetts mobster out of a $50 bill after preaching to him for a half-hour about the plight of poor people on fixed incomes.

In the next month, Davis is flying out to Detroit to help several radio station newsmen there to set up an emergency food bank.

"Every city in the country should have a food bank like Hartford's." Davis said.

FOOD BANK FACTS

Food is distributed by The Community Renewal Team, Hartford's largest anti-poverty agency, responsible for over $6.5 million of federal, state and local funds for programs to help the poor. CRT has been helping the poor for 14 years, seeking to erase poverty through programs in education, health, job training and job placement. It also works to solve problems that poverty brings.

Last year we collected over 100,000 items of food with the help of many individuals and provided food for over 7,000 families.

To date, CRT has distributed more than 80,000 items of food to the needy: meat, fish, fruits, vegetables, baby foods, dry and canned milk, etc.

The Food Bank is operated by the Food Bank Commission.

The Commission meets regularly to determine standards of food eligibility, establish distribution policy and initiate food bank drives.

Persons subsisting on incomes at or below Federal poverty guidelines are eligible for food under emergency situations. Hartford residents can apply for food through any one of eight CRT Neighborhood Centers; suburban residents can contact their town's Social Services Department and, in all locations, within three to five hours receive their food packages.

A dietician supervises the make-up of food bundles to insure nutritious meals including sources of minerals, vitamins and proteins.

A minimum supply of food for one person for one day is equivalent to two cans of food. Eight cans of food take care of the minimum day's needs for a family of four.

The Food Bank has been helped by the contributions and assistance of many agencies and businesses.

It is helped by you. By your generosity in helping to ward off hunger in Hartford.

SELECT COMMITTEE ON ASSASSINATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, when the House voted last September to establish the Select Committee on Assassinations, I was among the 280 Members who supported the measure. At that time I felt there were many questions about the assassinations of President Kennedy and Dr. King that needed to be examined. I still feel that way. But now—unfortunately—it seems that the committee we created last fall is embarked on a course that is raising serious questions about its own operations.

The committee's inquiry is likely to be the final investigation of the slayings of John F. Kennedy and Martin Luther King. For that reason alone, it must be conducted carefully and thoroughly and properly in every respect. Otherwise, Americans will question the select committee's conclusions ten years from now, much as they question the Warren Commission's and FBI's findings today.

My colleague from California, Mr. EDWARDS, has already questioned some of the procedures that the committee has announced. I would like to associate myself with the concerns he has expressed. Procedures which protect individual rights are essential.

We must also make sure that the select committee investigation is kept free of anything that smacks of politics or publicity-seeking. Just about anything said about the Kennedy and King assassinations these days is news. Every precaution must be taken to insure that the investigation is not exploited for anyone's ulterior purposes.

Having made these observations, I must say that I have grave concerns about the way the select committee investigation has begun. In its first 3 months, there have been repeated leaks to the press. One such report had committee investigators going to Cuba to

interview Premier Fidel Castro. The story was later denied. My concerns were further aroused by the presentation made to the Democratic caucus last month by Staff Director and Chief Counsel Richard Sprague.

When the House voted to establish the Select Committee on Assassinations last September, we did more than create another House committee. By voting to establish the select committee we put the credibility and reputation of the House on the line.

Normally, I believe, the selection of a committee staff should be left to the chairman and members of that committee. But this is not a normal situation. This is an investigation of the assassinations of the President of the United States and one of the Nation's foremost civil rights leaders. Thus, the selection of the committee's chief staff person is a matter of legitimate concern to this body.

The person heading the investigation must have impeccable credentials. And he must also be objective in his approach to the subject matter of the investigation. He should not be an advocate or start out with any preconceptions. This is an investigation, an inquiry—not a prosecution.

Accordingly, I believe we have a right to know more about Mr. Sprague. How was he hired? Who recommended him? Who else was interviewed for the job? How did the committee make its final selection among candidates? To what extent was Mr. Sprague's background checked before he was hired?

Quite honestly, my own concerns about Mr. Sprague's background have been heightened by recent reports in the press, most notably the New York Times, which raise serious questions. The specifics are startling:

The Pennsylvania attorney general criticized Mr. Sprague's handling of a homicide case, known as the Applegate case, involving the son of one of Sprague's good friends;

In another case involving the husband of Sprague's girlfriend, the Pennsylvania Supreme Court said the proceedings lacked due process and the husband's later arrest was a "gross injustice";

An independent consultant operating under a Federal grant criticized Mr. Sprague's performance as Philadelphia's first assistant district attorney as distinctly deficient;

Mr. Sprague took 3 years to investigate what the Pennsylvania Crime Commission said was widespread political corruption in Pennsylvania's Delaware County—yet brought no criminal charges and Sprague issued no report, until chided by the commission;

Allegations of the "selective prosecution" by Mr. Sprague of a Philadelphia newspaper reporter for secretly recording his own phone conversations, while Sprague took no action against similar practices of the city's own police and fire departments;

The connection, if any, between Mr. Sprague's $2 million libel suit against the reporter and his newspaper, and publication of a series of articles on Mr. Sprague's handling of the Applegate case;

Questions by a newly elected Pennsylvania county comptroller that Mr. Sprague's spending habits in the Yablonski murder case were less than careful.

I think it is also appropriate to ask what arrangements Mr. Sprague made with his law firm when he took this job. And, I think it would be reasonable to ask Mr. Sprague to make a full financial disclosure to the select committee, if not to the House.

There are significant questions here that must be answered before the select committee is permanently funded. On the other hand, it would be unnecessarily disruptive to bring the committee's work to a complete halt at this time. Therefore, I would urge my colleagues to join with me in approving temporary funding on the condition that the select committee provide the House with answers to these questions by the 31st of March. If, at that time, answers and information have not been forthcoming which allay my concerns, I will oppose continuation of the select committee investigation.

NATIONAL COMMISSION ON NEIGHBORHOODS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHLEY) is recognized for 10 minutes.

Mr. ASHLEY. Mr. Speaker, I am today reintroducing my bill to establish a National Commission on Neighborhoods. This bill is similar to the bill I introduced in July of last year, H.R. 14756, which was reported by the Committee on Banking, Currency and Housing on September 17, 1976. The bill passed the Senate but, because of the lateness of the session, was unable to be considered by the full House. H.R. 14756 was strongly endorsed by Secretary of HUD Carla Hills and the Ford administration and received bipartisan support during its consideration by the Committee on Banking, Currency and Housing.

It is my hope that in reintroducing this bill that the Congress will act quickly to pass this legislation so that we can get on with the job of establishing important new urban policy directions for the new Carter administration. For too many years the Federal Government's housing and urban development policy has had the effect of favoring new construction and the new expansion of urban areas at the expense of preserving what our urban communities already have. From the careful review that the Subcommittee on Housing and Community Development has been undertaking over the past 2 years on our housing programs and policies, it has become quite clear to us that the preservation of our established urban neighborhoods has been a stepchild of Federal policy. There has never been an explicit recognition that the existing housing in established neighborhoods is the Nation's principal housing resource. As a number of witnesses testified before our subcommittee last year, existing housing is not only our main housing resource, it is the largest single component of this country's national wealth.

This bill would establish a National Commission on Neighborhoods to be composed of 20 members to be appointed by the President and the Congress no later than June 1, 1977. This Commission would have 2 years to make recommendations on existing policy, laws, and programs that impact upon neighborhoods and to recommend modifications in our Federal housing and community development policies. I would expect the Commission's attention would be directed towards the development of new mechanisms to promote reinvestment in existing city neighborhoods, more effective means of community participation in local government, and policies to encourage the survival of economically and socially diverse neighborhoods to prevent blockbusting, redlining, resegregation, and speculation in reviving neighborhoods. It would seek ways to promote urban home ownership policies to encourage better maintenance and management of existing rental housing and the maintenance and rehabilitation of existing structures. It would promote modifications of local zoning and tax policies, as well as the reorientation of existing housing and community development programs to better support neighborhood preservation.

Mr. Speaker, it is my intention to move quickly on this bill shortly after our committe is organized and to send it to President Carter for his approval as soon as possible, since I believe this is a vital element in the development of our urban policy in the new administration.

PART-TIME CAREER OPPORTUNITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. BURKE) is recognized for 5 minutes.

Mrs. BURKE of California. Mr. Speaker, today I am reintroducing legislation which will significantly increase the employment opportunities in the departments and agencies of the Federal Government for those persons who are unable to work the standard 40-hour work week—such as women with young children, students, the handicapped, and retired persons.

The Part-Time Career Opportunity Act will encourage agencies of the Federal Government to make available part-time positions, not just at the lower levels where they are now concentrated, but in responsible positions up and down the career ladder and across the spectrum of Federal agencies.

At the heart of this legislation is the requirement that, except where an agency can show that converting positions to part time would either impair its efficiency or adversely affect current full-time employees, part-time positions in each agency be increased to 10 percent within 5 years. This would be accomplished by providing a 5-year phase-in period during which 2 percent of Federal jobs would be restructured each year by attrition until a maximum of 10 percent is reached.

The Senate passed part-time legislation in the 94th Congress, which was almost identical to the bill I am introducing today. The House Post Office and Civil Service Committee held hearings on my bill and others related to part-time

and flexible hours employment during the 94th Congress. While the committee did not report out a part-time bill, I am encouraged by the support and interest that many individuals and organizations expressed for the Part-Time Career Opportunity Act. I am hopeful that the committee will consider this legislation favorably so that it may pass the House early in the 95th Congress.

I am also encouraged by the remarks made by President-elect Carter before the National Women's Agenda Conference on October 2, 1976 when he stated:

Flexible hours and part-time work are important to the parents of school age children who need additional income but just can't be gone from home eight or nine hours a day. They are also crucial to help retired people and some disabled people who are not physically able to work full time.

Therefore, I will encourage—actively and aggressively—the adoption in the federal government and in the private business sector, of flexible working hours for men and women, and I will take action to increase the availability of part-time jobs, with proper provision for fringe benefits and for job security.

Mr. Speaker, at this point I am inserting into the RECORD part of my testimony presented before the House Post Office and Civil Service Committee, which discusses in greater detail the provisions and benefits of the Part-Time Career Opportunity Act:

TESTIMONY OF THE HONORABLE YVONNE BRATHWAITE BURKE

(Hearings before the Subcommittee on Manpower and Civil Service of the Committee on Post Office and Civil Service on H.R. 3925, the Part-Time Career Opportunity Act, September 29, 1975)

Mr. Chairman, I appreciate this opportunity to present a statement in support of HR 3925, the Part-Time Career Opportunity Act, which I introduced along with 54 cosponsors. I believe this legislation, by increasing part-time federal job opportunities, will have a significant, positive impact on the federal government and on the several hundred thousand people in this country who are unable to work standard hours.

Since these hearings are focusing on both part-time and flexible hours, I think we need to make clear the distinction between the two concepts, which I consider to be complementary. Flexible hours generally means breaking the basic working hour pattern while still working the traditional 40 hour week.

Under the classic definition, part-time employment is taken to mean "work, on a regular and voluntary basis, for a daily or weekly period of substantially shorter duration than current normal hours of work." HR 3925 specifically defines part-time as at least 16 hours but not more than 30 hours a week. This could mean five hours per day, hours that vary with each workday, job-sharing, or other similar arrangements.

This legislation would open up the federal government to men and women who desire to work on a part-time basis. It would make available part-time jobs at all but the supergrade (GS 16–18) levels, including many professional and technical positions. Part-time jobs would not be concentrated in just the lower grades as they are to a great extent at the present time. Expansion of part-time employment opportunities would be accomplished by providing a five-year phase-in period during which 2% of federal jobs would be restructured each year until a maximum of 10% is reached. An agency may receive a reduction in or waiver of the percentage target if the Civil Service Commission finds that compliance would substantially disrupt the agency's ability to perform its functions.

Part-time employees would receive the same fringe benefits as full-time workers, pro-rated to their hours of work. No full-time positions can be abolished for the purpose of creating part-time positions, nor may the employment rights or benefits of any full-time employee be impaired.

Part-time workers comprise an increasingly important proportion of the nation's workforce, supplying trained personnel needs. In a 16-year period (1950–66) the full-time U.S. labor force increased by 20 percent, and the part-time workforce by 69 percent. In 1967, the Bureau of Labor Statistics (BLS) estimated that by 1980 one worker out of every seven would be part-time.

But the rate of increase in part-time workers has been so great that the ratio of 1 to 7 was reached by the end of 1972, eight years ahead of the estimate. Between 1967 and 1974 the part-time labor force further increased by 34 percent. By the end of last year, more than 13.2 million American workers—14.5% of the U.S. civilian labor force—were voluntary part-timers, 5.7 million more than BLS found in 1963 when it began keeping these statistics. Women made up 64 percent of those persons employed part-time in 1974.

The need for this legislation is demonstrable on a number of grounds. First, it would increase the opportunity for the Federal government to employ the skills, resources, talent and brainpower of many segments of the population, which are presently denied that opportunity because of the current rigid system of employment practices.

Furthermore, the federal government has lagged behind the private sector in providing part-time opportunities, particularly in medium and high-level responsible positions. While part-timers comprised 14.5 percent of the U.S. civilian labor force in 1974, the Civil Service Commission submitted figures in 1973 to the Senate Post Office and Civil Service Committee showing that only 1.3 percent of federal workers, or 24.911 individuals, are permanent part-time employees. The federal government clearly has not responded to the demands for part-time jobs. Moreover, it has been even less responsive in utilizing the talents and skills of professionally trained women on a permanent part-time basis. As of November 1973, only 2,983 women were employed part-time at grades 5 through 18.

If we had a meaningful system of part-time employment, more women—especially women with children—as well as students, the handicapped, and the elderly would have a chance to work for the federal government. At the same time, the government would benefit considerably from utilizing these part-time employees. That part-time workers are "management bargains" has been the theme of most evaluations which the increase of part-time workers has generated. Employers benefit from the ability to choose from a larger pool of talent and from gaining access to a source from which they can fill shortages in fields requiring specialized skills. Other advantages to hiring part-time workers, according to the evaluations, include their low turnover rates, their high productivity, their greater maturity, and their stronger motivation.

Skilled professional part-time workers are usually women. Those men who presently hold part-time jobs are generally students or older men. Many more women want to work part-time but cannot find jobs. For example, in 1971, the unemployment rate for women with young children was almost 12 percent, close to three times the rate for other married women. Part-time employment is a solution for the woman who wishes to, or must, out of economic necessity, combine raising a family with pursuing a career.

While women would gain substantially from enactment of this legislation, there are at least four other segments of the working force population that could benefit as well. Among these are men who wish to assume a greater role in childrearing and family life. The handicapped, who may not be able to handle the strains of a long day or who cannot compete with the crush of people during rush hour traffic, could choose to participate in this program. Students could more easily work for the federal government and federal employees could more easily pursue advanced degrees or specialized training. Experienced, expensively-trained employees may prefer to stay on the job part-time rather than retiring early.

There have already been some experiments with part-time workers within the federal government—mostly women in the AEC, Department of Labor, HUD, Peace Corps, National Science Foundation and the Veterans Administration. Two bulletins issued by the Civil Service Commission in 1973 discuss part-time employment in a positive manner. However, federal regulations relating to part-time employment are still vague and subject to various interpretations. There are inherent impediments within the federal government's employment policies which have retarded the development of part-time positions and kept the government from moving ahead in this critical area.

The problem seems to lie in the budget process and employment ceiling controls which have created an artificial dichotomy between full-time and part-time employment—a dichotomy which need not persist if the facts are understood.

These controls have emphasized full-time employment and given little attention to part-time opportunities. The effect has been to focus management attention on full-time with no incentive to establish and maintain an optimum employment mix.

H.R. 3925 would eliminate the ambiguity and lack of incentive in regulatory policy by counting part-time employees on a pro-rata basis according to the percentage of hours each employee worked in a 40-hour week, rather than as the equivalent of a full-time permanent employee. In other words, an agency would count manhours rather than bodies or slots.

It should be made clear that those who work on a part-time basis should not be relegated to second-class status for that reason. We must attempt to ensure equality of benefits, opportunities, and employment conditions for part-time workers.

* * * * *

Mr. Chairman, with the adoption of this legislation, we can increase productivity and efficiency in government, serve as a model for private industry and other public employers, and lead the way in opening up the workforce at all levels to groups that are presently excluded.

PROPOSED DESIGNATION OF VA HOSPITAL IN TAMPA AS THE JAMES A. HALEY VA HOSPITAL

(Mr. IRELAND asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. IRELAND. Mr. Speaker, on behalf of the entire Florida congressional delegation in the House, I am introducing a bill today to name the Veterans' Administration hospital located in Tampa, Fla., the "James A. Haley Veterans Hospital."

From 1953 when Jim Haley was first elected to the Congress until he retired

on January 3d, he championed the rights of veterans. In 1955, Congressman Haley was assigned to the House Committee on Veterans' Affairs. As a result of his service on this committee, veterans throughout the Nation now have access to greatly improved medical programs and significantly improved facilities.

As a veteran, Mr. Haley sympathetically understood the problems of the Nation's veterans and their dependents. As a Floridian, he felt that Florida's rapidly growing veterans population should be represented on the committee responsible for upholding the Nation's commitment to her veterans for their military service.

He served on the Hospitals Subcommittee for 18 years and he was chairman of the subcommittee the last 8 years. This subcommittee has oversight over the 177 VA hospitals and the entire VA medical program throughout the United States.

In 1973, Mr. Haley became chairman of the House Committee on Interior and Insular Affairs and his responsibilities greatly increased. In his characteristic unselfish way, he relinquished his seat on the Veterans' Affairs Committee so that another Member with fewer responsibilities could devote more time to the needs and problems of the veterans and their dependents.

During his service on the Hospitals Subcommittee, Mr. Haley helped bring about the construction of three new Florida Veterans' Administration hospitals—the Gainesville VA Hospital, the Miami VA Hospital, and the Tampa VA Hospital which I feel should be renamed in his honor. Mr. Haley was also instrumental in the modernization of the VA facilities at Lake City and Bay Pines.

It should be noted that none of the above facilities were located in Congressman Haley's own congressional district. Instead, he felt they should be located near a medical school where they would be of most service to the veterans and where they could benefit from these established medical centers.

Mr. Haley also helped to increase the number of Florida VA hospital beds from 1,353 to 3,501 as so many veterans had moved to Florida and needed VA medical care closer to their new homes. Meanwhile, he helped build needed VA hospitals in other areas and was instrumental in preventing the closing of VA hospitals and regional offices which he felt were essential.

Mr. Haley is also known for his work outside of the Congress in behalf of the Nation's veterans. Prior to his election to the Congress in 1953, he served 4 years in the Florida House of Representatives where he was recognized as an outstanding member. He served as a member of the Committee on Military and Veterans' Affairs, and during his tenure, the State of Florida's Division of Veterans' Affairs was established.

For many years in his hometown of Sarasota, Mr. Haley was Sarasota County's unpaid director of civil defense, and he won recognition from President Roosevelt, the War Department, and the national organization for his work as chairman of the Sarasota Red Cross chapter.

Over the years, Mr. Haley has received commendations from The American Legion, the Disabled American Veterans, the Veterans of Foreign Wars of the United States, and the Veterans of World War I, U.S.A.

On September 29 of last year, the House of Representatives passed this legislation with amendment by unanimous consent. The bill, however, did not clear the other body before the 94th Congress adjourned for the year.

I feel privileged to be introducing in the 95th Congress this legislation to honor my distinguished predecessor, Congressman Jim Haley, who is now retired. I am hopeful that the House Veterans' Affairs Committee will again expedite a favorable report on this proposal and that during this session of the Congress, the Veterans Administration Hospital in Tampa can be redesignated the "James A. Haley Veterans Hospital." It will be a fitting tribute to a distinguished American who selflessly served the Nation's veterans for so many years.

BILL OF RIGHTS PROCEDURES ACT

(Mr. STEERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STEERS. Mr. Speaker, I am pleased to be a cosponsor of the Bill of Rights Procedures Act with my respected colleague from Ohio (Mr. WHALEN). The purpose of this bill is to provide protection for our citizens against unwarranted intrusions on their privacy. This bill is being introduced by Senator CHARLES MCC. MATHIAS in the other chamber.

Senator MATHIAS has long been a champion of the individuals' rights to privacy. I am sure that he takes as much pride as I do in knowing that Maryland is the only State that currently has a statute that protects its citizens against State government intrusions. In addition, the Maryland Bankers Association which recognizes the need to protect citizens from the Federal Government as well as the State government has endorsed the bill.

As recently as this past Sunday evening on the CBS show "60 Minutes," we have learned of the ease with which the Federal Government can accumulate information against innocent citizens. We constantly hear of domestic surveillance by Government agencies when there is no record of, or attempt to show, any criminal behavior by a citizen. This country's unique heritage stems from its Bill of Rights, and this legislation enacts procedures to assure maintenance of those rights.

The object of this legislation is to protect citizens where they have a reasonable expectation of privacy. Specifically, Federal officials would be denied access to private records maintained by financial organizations, credit card companies, or telephone companies without permission, subpena or summons, or a search warrant. The bill also provides protection from "mail covers"—keeping records of what appears on the outside of an individual's first class mail. The bill also clarifies or extends the Federal wiretap law protections in nonaural communications and service monitoring. This bill does not prevent law enforcement officers from doing their job; rather it institutes guidelines that establish areas where responsible investigatory activity can continue while not compromising an individual's right to privacy.

CONGRESSIONAL TRAVEL ABUSE

(Mr. STEERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STEERS. Mr. Speaker, congressional travel has been a source of scrutiny by the press and the public for a number of years and came into question again this year. Washington news services reported that congressional spending for foreign travel on official business was greater in 1975 than any year previously. State Department documents showed public funds had been used to finance congressional sightseeing trips, banquets in expensive restaurants, and even for rental of Rolls Royces.

This is not to dispute the fact that many foreign trips by Members are legitimate congressional business. It is clear, however, that in the past certain Members have at least misused the concept of "official" business while others have flagrantly abused it.

For instance, Scripps-Howard news service—in an excellent piece of investigative reporting—found that two retiring Members went on extensive overseas junkets, several of these trips occurred, after adjournment this past session.

One of these Members, the chairman of a prominent House Committee authorized himself an 18-day five-member "study mission" to Southeast Asia.

The other Congressman joined a congressional delegation on a tour of Europe and the Middle East. The group was composed of members of the Select Committee of Narcotics Abuse and Control, although the Member in question was not a member of that committee.

In the 94th Congress, well over 100 Members of the House joined in sponsoring legislation to curb foreign travel by retiring and/or defeated Members of the House. One of those who oppose lame-duck travel last session, was my predecessor Mr. Gude, who introduced a measure to prohibit Members defeated in the general election from traveling abroad at public expense. I am reintroducing the text of this bill with added provisions to bar foreign travel at public expense after adjournment by retiring Members or by Members defeated in a primary election.

As I stated to the House last week when I made a complete disclosure of my liabilities, assets, and net worth, the public's respect for the Congress has plummeted to the point where Members are thought by many to use elected office to line their pockets.

While this image is an age-old curse on the politician—sometimes deserved, sometimes not—we are in part responsible for the public's perception of it.

For instance, a 65-year-old widow who by law is prohibited from earning over $3,000 annually while receiving social security benefits, would find it difficult to see the fairness in allowing defeated Members to spend thousands of taxpayer dollars to travel overseas after Congress has adjourned.

Some Members have objected to abolishing foreign travel for lameducks because defeated Members, they say, should be privileged to travel abroad in order to assuage the "hurt" of defeat.

I cannot subscribe to this "deserved privilege" theory and am certain that the public would be outraged by it.

The House should not be an exclusive club. We must work to assure that it does not function as one.

NEA AND THE ELECTION

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASHBROOK. Mr. Speaker, on September 22, 1976, in a speech entitled "National Education Association: Politics First, Education Last", I warned my colleagues that the liberal-oriented National Education Association was gearing up for a massive political effort in the 1976 elections. The goal was to elect NEA's friends and purge those who disagree with the legislative objectives of the organization.

The accuracy of my speech has been confirmed. In 1976 the NEA mounted a political effort unprecedented in its history.

The NEA backed 323 candidates for the House of Representatives. Eighty-four percent of these candidates—272 Representatives—were elected to office.

The NEA also supported 26 senatorial candidates. Nineteen of these were elected.

In addition, for the first time the NEA actively supported a Presidential candidate. This was in accord with former NEA President Helen Wise's statement:

> It is our intent to translate our successes in the Congressional elections of 1974 into a mandate to elect a friend of education to the White House in 1976.

Not surprisingly the choice was the Carter-Mondale ticket.

According to the December issue of the NEA Reporter, Carter Campaign Director Hamilton Jordan declared that:

> The massive support from teachers was critical to our winning this very close election. All over the nation, we turned to the NEA for assistance. We asked for their help, and they delivered.

It is instructive to take a close look at who the NEA—supposedly a nonpartisan organization—supported. The December issue of the NEA Reporter contains a listing of the candidates endorsed by NEA-PAC, including those who received financial contributions.

On the Presidential level, the NEA, as previously mentioned, backed the Democratic candidate. On the Senate level, 21 of the 26 candidates listed as receiving NEA support were Democrats. On the House level, the NEA came out for 291 Democrats, 1 independent, and only 31 Republicans.

This means that the NEA backed Democrats over Republicans by more than a 9 to 1 margin in congressional contests. In California 31 out of 31 NEA-supported House candidates were Democrats. Nine out of nine in both Indiana and Florida were Democrats.

When it comes to finances, the picture is equally distorted. Democratic House and Senate candidates ran far ahead of Republican candidates in receiving NEA dollars. Democratic senatorial candidates were the beneficiaries of $70,800 while Republicans got $11,900. Democratic House candidates received $424,737 while Republican candidates were given $28,200.

These statistics raise some important questions. Is the NEA really a nonpartisan organization? Does the NEA really reflect the views of its members? I believe that the answer to both these questions is a resounding "No."

GRAND JURY REFORM

(Mr. EILBERG asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EILBERG. Mr. Speaker, during the 2d session of the 94th Congress, the Subcommittee on Immigration Citizenship and International Law of the Judiciary Committee held hearings on numerous proposals to reform the grand jury system. The subcommittee will continue its hearings during the 95th Congress and expects to report out legislation by the end of the first session.

For the purpose of discussion, and as a basis for considering testimony before our subcommittee, I am introducing today four proposed constitutional amendments and one grand jury reform statute.

The first proposed amendment would totally eliminate the indicting grand jury. This is the exact same amendment as House Joint Resolution 46. Procedures for the reform of the investigative grand jury, under this amendment, could be enacted by Congress.

The second proposed amendment would simply eliminate the constitutional requirement of an indictment in any case, and thereby allow Congress to enact appropriate legislation to require an indictment for certain types of offense or to allow a prosecutor to use the indictment in certain types of situations; or to authorize, and to provide procedures for investigative grand juries.

The third proposed amendment would eliminate the constitutional requirement of an indictment, but specifically states that Congress has the authority to enact appropriate legislation to require an indictment for certain classes of offenses or to enact appropriate legislation to authorize the attorney for the Government to seek indictments or use an information at his election; and that Congress would have the power to continue to authorize investigating grand juries.

The fourth proposed amendment would eliminate the constitutional requirement of the grand jury but specifically allows the Congress to enact legislation to require an indictment in certain cases, and to authorize investigating grand juries.

The proposed Grand Jury Reform Act of 1977 has 11 sections which can be analyzed as follows:

ANALYSIS

Section 1—Title—The Act is to be called the Grand Jury Reform Act of 1977.

Section 2—Recalcitrance—provides for procedures for an individual held in contempt for refusal to answer questions before a grand jury. A witness would have at least 72 hours to prepare for a contempt hearing, unless the attorney for the Government can demonstrate a need to dispense with such a period.

Confinement for contempt would be for a period of the life of the grand jury, until the witness testified, or a maximum of six months. Confinement is to be at a suitable federal correctional institution, if located within 50 miles of the court. Upon a special showing of hardship, the court could allow imprisonment at a suitable correctional institution near the place of residence or employment of the witness or his family.

This section would specifically preclude reiterative contempt—that is, holding someone in contempt for refusal to answer; imprisoning that person; and then subpoenaing the person again and holding him in contempt again. It would preclude such repeated contempt and imprisonment whether the first or the second proceeding was for civil or criminal contempt.

Bail emphasis is changed so as to provide that bail is to be allowed unless it affirmatively appears that the appeal is frivolous or taken for delay; and that the appellate courts have to act within 30 days.

This section also specifically allows for counsel to be appointed, if necessary, to represent the witness at a contempt hearing. Illegal wiretap usage is made a defense to contempt.

Section 3—Immunity—makes changes in the witness immunity law. Section 3 mandates a return to transactional immunity, and discontinues the use of "use immunity."

A witness is to receive at least one week's notice of the intent to grant him immunity, unless the court, upon a showing of special need, reduces the period of time.

The witness is to be specifically given reasonable and adequate notice of the nature and scope of the immunity; and his right to be represented by counsel at a hearing on the immunity.

The attorney for the government is to request immunity and the court can grant immunity, in its discretion, only when *the court* finds that the information is necessary to the public interest and the individual has refused or is likely to refuse to testify. Thus, unlike the present situation, where immunity is solely a prosecutor's decision, the court is to weigh benefits to law enforcement against the dangers to a witness, in determining whether the public interest is served by a grant of immunity.

The court is also to make certain findings in regards to a request of immunity, before the request can be granted. These findings include: that the grand jury investigation is authorized by law and that the application is in accordance with Justice Department procedures; that the testimony and information sought is within the scope of the investigation and is relevent; and that a summary of the evidence relating to the witness, and relating the need for immunity has been submitted to the court.

The court can consider as a possible defense to an immunity request, or a prosecution for contempt, a real threat of foreign prosecution if the witness testified. If the U.S. Attorney or the attorney for the government can demonstrate that adequate safeguards are made to minimize danger of foreign prosecution, immunity can nevertheless be ordered.

In order to protect the witness, and insure transactional immunity, the grand jury which considers the immunized witness' testimony cannot indict him under any circumstances.

This section also eliminates the 20-day waiting period for Congressional immunity and provides for an effective date of 60 days after enactment of the act.

Section 4—Size of Grand Juries—This section changes requirements as to the size of the grand juries, as requested by the Judicial Conference of the United States. A grand jury, under this section, can be constituted by membership of between nine and fifteen persons and only nine persons are necessary to conduct business. Six of the nine are necessary for an indictment.

Section 5—Secrecy—This section deals with unauthorized disclosure of grand jury information. Violations of grand jury secrecy are made an offense, divided in two parts. First, for knowing disclosure of evidence or a statement made, there is a fine of $500 or six months in jail. The crime is not applicable to a disclosure by the attorney for the Government in performance of his duties; disclosure directed and permitted by the court, disclosure by a witness or his counsel, or disclosure by a third party, not present at the grand jury proceeding.

Knowing disclosure of grand jury activities, in order to obtain money, to effect the actions or decisions of the jury, or to effect further legal proceedings is made a more serious offense punishable by a fine of $20,000 or imprisonment up to five years. This section does not apply to disclosures by the attorney for the Government in performance of his duties; disclosure directed and permitted by the court; or disclosure by a witness or his counsel. However, because this is the more serious offense, where it is demonstrated that there was a direct effect on the legal machinery, this provision *does* apply to third parties. The section makes it specific, however, that this more serious felony of obtaining or granting grand jury information for the payment of compensation does not apply to a newspaper or television representative, acting in his professional capacity.

Section 6—Independent Grand Jury—details the rights and duties of grand jurors and allows an independent inquiry.

a. Rights and Duties—Grand jurors are to be given adequate and reasonable notice of their various duties to inquire into the criminal law, to call and interrogate witnesses, to request a production of documents and are to be told of the subject matter of the investigation, criminal statutes known, the necessity of sufficient evidence to form an indictment, the obligation of secrecy, and other rights and duties as the court suggests.

An individual is given the right to make a written request to the attorney for the Government to appear before the grand jury and request to testify or present documents. The grand jury does not have to hear a witness, but the attorney of the Government is to forward the request, with a possible recommendation, to the jury, and the jury itself votes on whether or not to allow the person to testify. The attorney for the Government is to notify, unless special circumstances are shown, a potential defendant of the likelihood of indictment and tell him of his right to make a request to the jury to testify. Any person testifying would have to waive immunity and testify only as to relevant and competent matters, and would be subject to cross-examination by the attorney for the Government.

The attorney for the Government is required to advise the grand jury of the existence of exculpatory evidence against any potential defendant. The attorney for the Government is not permitted to bring before the grand jury any witness who has given written notice in advance of his intention to invoke the Fifth Amendment if he is called to testify, unless that person has been granted immunity.

b. Independent Inquiry—The grand jury is given the power to conduct an independent inquiry into violations of the criminal law. The grand jury is to generally utilize the attorney for the government in such an investigation; but when it finds a conflict of interest, or dilatory or improper activities, by the attorney for the Government, it can request the court to appoint a special attorney. Requests for a special inquiry, for a special attorney, and for the payment and compensation of special attorney and his staff, require the approval of the court. The grand jury can appeal to the circuit court if the district court disapproves any of their requests. The special attorney for the grand jury is given all the authority of a prosecutor.

Section 7—Rights of Witnesses—This section deals with the rights of grand jury witnesses.

a. Counsel—The witnesses are specifically granted the right to have counsel with them in the grand jury room; free if necessary. The role of counsel is only to advise and he is not permitted to address the grand jurors or otherwise take part. The court is given the power to remove an attorney for improprieties and to appoint a new attorney.

b. Subpoenas—Specific procedures are provided for subpoenas. Generally, unless a special showing is made, a witness is to have seven days' notice, through subpoena, of his requirement to testify or produce evidence. The subpoena is to include information advising a witness of his rights, including counsel, his privilege against self-incrimination; the subject matter of the investigation; whether he is a potential defendant; the substance of criminal statute or statutes; and other rights or privileges.

Challenges to a subpoena can be held either in the district which issues the subpoena, or in the district in which the person resides or is served, at any time up until the day of the appearance. A motion relating to a subpoena on the day of appearance can only be made in the district which issued the subpoena. The court is given the power to stay an appearance, if a motion is made prior to the day of appearance, until it has ruled on any motion to quash.

Upon proper motion, the attorney for the Government has to make a showing that the subpoena is not to obtain evidence for a case already scheduled for trial; that the witness has been told of his rights; that the evidence sought is relevant to the grand jury investigation and is properly within the grand jury's jurisdiction; that compliance with the subpoena would not be unreasonable or oppressive. The court can change the venue of the proceeding, quash the subpoena, or take other appropriate action.

The court *is to quash* a subpoena if it finds that this is an attempt at reiterative contempt, despite the preclusion; that the witness has indicated in writing that he is going to exercise his privilege against self-incrimination and no immunity order has been obtained; or the grand jury is inquiring into a similar transaction as it earlier inquired into, and there is no additional newly discovered evidence relevant to such inquiry.

This section also provides that grand jury venue is limited to where there is substantial conduct in a district and the district court is given the power to quash a subpoena or transfer any grand jury proceedings or investigation into another district where the grand jury's appearance in a particular district would cause unnecessary hardship. Standards are elaborate as to what might constitute hardship.

Section 8—Recording and Disclosure—This section details procedures for recording of grand jury proceedings and for the availability of grand jury transcripts.

a. Transcribing—All grand jury proceedings, except for secret deliberations and consultations between witnesses and counsels, are required to be transcribed, either stenographically or electronically.

b. Disclosure/Discovery—Any person summoned to testify or provide information is to receive a copy of any prior statement in the possession of the government which he has made, before he is required to testify.

In addition, a witness is ordinarily entitled to a copy of his own testimony, after he testifies.

The court would have the power, under appropriate circumstances, to limit or condition such release.

This section also makes appropriate changes in the Jencks Act, and adds a new provision, providing that within a reasonable time prior to trial and after the return of the indictment or the filing of an information, a defendant should be entitled to get the grand jury testimony of all witnesses that are going to testify against him; all statements to the grand jury by the court and the attorney for the Government relating to the defendant's case, any other grand jury evidence relating to the defendant's case; and all other material which the court finds material to the defense. The court is given the power, upon a showing of good cause, to limit such disclosure, and the government's showing of good cause can be made, if necessary, in camera.

Section 9—Requirement of Preliminary Hearing—Appropriate amendments require a preliminary examination, or a preliminary hearing, for every case, whether or not there is an indictment. The attorney for the Government has the option to provide the preliminary examination before or after an indictment. Thus, the defendant would not be able to challenge evidence in front of the grand jury; cross-examine witnesses in front of the grand jury; nor interfere with the deliberative function of the grand jury. However, he would have the opportunity, as in most states, to determine the nature of the evidence against him, whether it involves hearsay, whether it involves constitutional problems, and its strength, through a preliminary examination prior to his trial.

Section 10—Reports—would provide for periodic grand jury reports to be made to Congress as to the number of grand jury investigations; the number of immunity requests, the number of imprisonments for contempt; the number of no-bills; description of data banks and other information as necessary.

Section 11—Savings Clause—provides that enumeration of any rights or guarantees in this act should not take away rights or privileges guaranteed by other laws. Moreover, as changes are made, for example, in the number of grand jurors, the right to counsel and the requirement of a preliminary examination, this statute would overrule contrary provisions in the Federal Rules of Criminal Procedure.

H. RES. —

Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries

Resolved by the Senate and House of America in Congress assembled, (two-thirds of each House concurring therein), That the

following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution.

"ARTICLE —

"SECTION 1. No grand jury may present or indict or otherwise hold any person to answer for any crime against the United States. No presentment or indictment of a grand jury shall be required in order to hold any person to answer for any crime against the United States but no person may be so held except pursuant to an information signed by the attorney for the Government and stating the essential facts of the crime charged.

"SEC. 2. This article shall not affect the power of Congress to enact appropriate legislation to provide for the impaneling of, and procedures with respect to, any grand jury whose sole function shall be to investigate any crime against the United States."

H.J. RES. —

Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution.

"ARTICLE —

"SECTION 1. No person shall be held to answer for a capital or otherwise infamous crime against the United States, unless upon an information or indictment of a grand jury, as Congress by appropriate legislation, may prescribe, but no person may be held pursuant to an information unless such information is signed by the attorney for the Government and states the essential facts of the crime charged.

"SEC. 2. This article shall not affect the power of Congress to enact appropriate legislation to provide for the impaneling of, and procedures with respect to, any grand jury whose function shall be to investigate any crime against the United States."

H.J. RES. —

Joint resolution proposing an amendment to the Constitution of the United States with respect to grand juries

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution.

"ARTICLE —

"SECTION 1. No presentment or indictment of a grand jury shall be required in order to hold any person to answer for any crime against the United States but no person may be so held except pursuant to an information signed by the attorney for the Government and stating the essential facts of the crime charged.

"SEC. 2. This article shall not affect the power of Congress to enact appropriate legislation to require a presentment or indictment of a grand jury to hold a person to answer for enumerated offenses, including classes of offenses, against the United States, or to enact appropriate legislation to authorize the attorney for the Government to seek indictments, or use of information, at his election.

"SEC. 3. This article shall not affect the power of Congress to enact appropriate legislation to provide for the impaneling of, and procedures with respect to, any grand jury whose function shall be to investigate any crime against the United States."

H.R. —

A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order to better protect the rights and liberties of such witnesses, to require notice to a grand jury of its rights and duties, to provide for independent inquiries by grand juries, to require periodic reports to Congress, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Grand Jury Reform Act of 1977".

RECALCITRANT WITNESSES

SEC. 2(a). Section 1826 of title 28, United States Code, is amended to read as follows:

§1826 Recalcitrant Witnesses

"(a)(1) Whenever a witness in any proceeding before or ancillary to any court or grand jury of the United States refuses without just cause shown to comply with an order of the court to testify or provide other information, including any book, paper, document, record, recording, or other material, the attorney for the Government may apply to the court for an order directing the witness to show cause why the witness should not be held in contempt.

"(2) After submission of such application, and a hearing, at which the witness is entitled to be represented by counsel, the court may, upon a finding that such refusal was without just cause, hold the witness in contempt and order the witness to be confined.

"(3) No hearing under this subsection shall be held unless seventy-two hours' notice is given to the witness who has refused to comply with the court order, except that a winess may be given a shorter notice if the court, upon a showing of special need, so orders.

"(b)(1) Any confinement shall be at a suitable federal correctional institution, if one is located within fifty miles of the court ordering confinement, unless the witness waives this right. Upon a showing of need or hardship, the court ordering confinement may grant a request by the witness to be imprisoned at a suitable correctional institution near the place of residence or employment of the witness, or the witness' family or relatives or the attorney of the witness.

"(2) Any confinement for refusal to comply with an order to testify or produce other information shall continue until such time as the witness is willing to give such testimony or provide such information. No period of such confinement shall exceed the life of the court proceeding, or the term of the grand jury, including extensions, before which such refusal to comply with the court order occurred, and in no event shall such confinement exceed six months.

"(3) No person confined under this section for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events, may be again confined under this section, or under Section 401 of title 18, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction, set of transactions, event, or events.

"(c) Any person confined pursuant to this section shall be admitted to bail or released in accordance with the provisions of Chapter 207 of title 18, United States Code, pending the determination of an appeal taken by him from the order of his confinement unless it affirmatively appears that the appeal is frivolous or taken for delay. Any appeal from an order of confinement under this section shall be disposed of as soon as practicable, pursuant to an expedited schedule, and in no event more than thirty days from the filing of such appeal.

"(d) In any proceeding conducted under this section, including all necessary appeals, counsel shall be appointed as provided in section 3006 A of Title 18, United States Code, for any person unable to obtain adequate representation."

(b) Section 2515 of title 18, United States Code is amended by adding at the end thereof the following new sentence:

"Any violation of this chapter shall be a defense in any action brought against a witness under Section 401 of title 18, United States Code, or Section 1826 of title 28, United States Code, if the interrogation or other request for information is based on or is directly or indirectly derived from such violation".

(c) Chapter 21 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 403. Grand Jury Proceedings.".

"No person who has been imprisoned or fined by a court of the United States under Section 401 of this title for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events in a proceeding before a grand jury (including a special grand jury summoned under Section 3331 of this title) impaneled before any district court of the United States may again be imprisoned or fined under Section 401 of this title or under Section 1826 of title 28, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction, set of transactions, event, or events."

WITNESS IMMUNITY

SEC. 3(a) Sections 6002 and 6003, title 18, United States Code, are amended to read as follows:

"§ 6002. Immunity generally.".

"(a) Whenever a witness refuses, on the basis of his privilege against self-incrimination, to testify or provide other information in a proceeding before or ancillary to—

"(1) a court or grand jury of the United States,

"(2) an agency of the United States, or

"(3) either House of Congress, a joint committee of the two Houses, or a committee or a subcommittee of either House,

and the person presiding over the proceeding communicates to the witness an order issued under this part, the witness may not refuse to comply with the order on the basis of his privilege against self-incrimination; but the witness shall not be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled under the order to testify or produce evidence, except that he shall not be exempt from prosecution and punishment for perjury committed in so testifying, for giving a false statement, or for otherwise failing to comply with the order."

"(b) No order under this part shall require any witness to testify or provide other information prior to the day one week after the day on which such order was communicated to the witness, except that a witness may be required to testify or produce such information prior to such day if the court, upon a showing of special need, so orders."

"(c) Upon communication to the witness of any order under this part, the person presiding over the inquiry shall give the witness reasonable and adequate notice of the nature and scope of the immunity from criminal prosecution provided by this section, and of the right of the witness to be represented by counsel in any proceeding challenging such order or confinement or fines pursuant to such order, and that, if he is unable to obtain adequate representation, counsel will be furnished for him as provided in Section 3006 A, title 18, United States Code."

"§ 6003. Court and grand jury proceedings

(a) In the case of any individual who has been or may be called to testify or provide other information at any proceeding before or ancillary to a court of the United States or a grand jury of the United States, the United States district court for the judicial district in which the proceeding is or may be held shall issue, in accordance with subsections (b) to (d) of this section, upon the request of the United States attorney for such district, an order requiring such individual to give testimony or provide other information which he refuses to give or provide on the basis of his privilege against self-incrimination, such order to become effective as provided in Section 6002 of this part.

"(b) In any proceeding under this section, the court shall not order any person to testify or provide information, if it finds that an individual is in danger of prosecution, or may be subjected to any penalty or forfeiture, by the government of any other country on account of any transaction, matter, or thing concerning which he may be ordered to testify or provide other information pursuant to an order under this part, unless the court also finds that such individual has been provided adequate safeguards to minimize such danger."

"(c) A United States district court may, at the request of the Attorney General, the Deputy Attorney General, any designated Assistant Attorney General, or a special attorney appointed under Section 3330, issue an order under subsection (a) of this section when it is established to the satisfaction of the court that—

"(1) in accordance with subsection (b) of this section, there is no danger of foreign prosecution or that adequate safeguards have been provided to minimize such danger;

"(2) the testimony or other information from such individual may be necessary to the public interest;

"(3) such individual has refused or is likely to refuse to testify or provide other information on the basis of his privilege against self-incrimination; and

"(4) with respect to an individual who has been or may be called to testify or provide other information at any proceeding before or ancillary to a grand jury,

"(A) the investigation being conducted by the grand jury is authorized by law and the application for the order is in accord with existing guidelines or other practice of the Department of Justice;

"(B) the testimony or other information sought to be obtained is within the scope of the investigation and is relevant thereto;

"(C) the testimony or other information sought to be obtained is relevant to the subject matter of the immunity order;

"(D) a grant of immunity under this part would be adequate for the purposes of the investigation; and

"(E) a summary of the evidence relating to the witness has been certified and submitted to the court.

"(d) Any individual required to give testimony or provide other information pursuant to an order issued under subsection (a) may not be indicted for any offense by the grand jury before which such individual testifies pursuant to such order."

(b) Subsection (c) of Section 6005 of such title is hereby repealed.

(c) No amendment or repeal of any provision of law made by this section shall affect any immunity, or the scope of any immunity, to which any individual is entitled under such provision by reason of any testimony or other information given before the sixtieth day following the date of the enactment of this Act.

SIZE OF GRAND JURIES

SEC. 4. Section 3321, title 18, United States Code, is amended to read as follows:

"§ 3321 Number of grand jurors; summoning additional jurors; return of indictment

"(a) Every grand jury impaneled before any district court shall consist of not less than nine nor more than fifteen persons. If less than nine of the persons summoned attend, they shall be placed on the grand jury, and the court shall order the marshal to summon, either immediately or for a day fixed, from the body of the district, and not from the bystanders, a sufficient number of persons to complete the grand jury. Whenever a challenge to a grand juror is allowed, and there are not in attendance other jurors sufficient to complete the grand jury, the court shall make a like order to the marshal to summon a sufficient number of persons for that purpose.

"(b) An indictment may be found only if at least nine jurors are present and two-thirds of those present concur.

UNAUTHORIZED DISCLOSURE OF GRAND JURY INFORMATION

SEC. 5. Chapter 73 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1512 Violations of grand jury secrecy

"(a) Whoever knowingly discloses any evidence introduced, statement made, or other matter occuring before any grand jury summoned or impaneled by a court of the United States shall be fined not more than $500 or imprisoned not more than six months or both."

"(b) Whoever knowingly discloses any evidence introduced, statement made, or other matter occurring before any grand jury summoned or impaneled by a court of the United States, with the intent to secure compensation therefor, to effect the actions of or any decisions by that jury, to effect further legal proceedings against any witness, or to effect further legal proceedings as to the subject matter of any investigation by that jury, shall be fined not more than $20,000 or imprisoned not more than five years, or both.

"(c) This section shall not apply to—

"(1) disclosure to or by an attorney for the Government in the performance of his duties;

"(2) disclosure directed or permitted by a court;

"(3) disclosure by a witness who has appeared before such grand jury, or by his attorney, of any matter concerning which the witness has testified, or produced other information, before the grand jury;

"(d) Subsection (a) shall not apply to disclosure by any person other than a person present at the grand jury proceeding.

"(e) Subsection (b) shall not apply to any representative of the press, broadcasting, or information media, acting in his professional capacity.

"(f) As used in this section—

"(1) 'attorney for the Government' includes the Attorney General, an authorized assistant of the Attorney General, a United States Attorney, an authorized assistant of a United States Attorney, and such other Government personnel as are necessary to assist the attorneys for the Government in the performance of their duties.

"(2) "disclosure by a witness" includes disclosure by others of matter the witness has previously disclosed when made as a consequence of such disclosure by the witness.

"(f) Nothing contained in this section shall be construed to affect the power of the court to punish any person for contempt for violation of any rule or order of the court.".

RIGHTS AND DUTIES OF GRAND JURORS; INDEPENDENT INQUIRY

SEC. 6. (a) Chapter 215 of title 18, United States Code, is amended by adding at the end thereof, the following new sections:

"§ 3329. Rights and duties of grand jury and and attorney for Government

"(a) Upon impanelment of each grand jury before a district court of the United States, the court shall give adequate and reasonable notice to the grand jury, and shall assure that the grand jury reasonably understands—

"(1) its duty to inquiry into offenses against the criminal laws of the United States alleged to have been committed within that district;

"(2) its rights, authority and powers with respect to an independent inquiry under Section 3330 of this title;

"(3) its right to call and interrogate witnesses;

"(4) its right to request the production of documents or other evidence;

"(5) the subject matter of the investigation;

"(6) the criminal statute or statutes involved, if these are known at the time the grand jury is impaneled;

"(7) the necessity of sufficient evidence to form the basis of any indictment;

"(8) the obligation of secrecy and that it is a criminal offense to disclose to any person any information concerning any grand jury proceeding; and

"(9) such other duties and rights as the court deems advisable.

"(b)(1) Any person, including a witness who has previously testified or produced books, records, or documents, may make a written request to the attorney for the Government, or a special attorney appointed pursuant to this title, and request to testify in an inquiry before a grand jury, or to produce books, records, or documents, or to appear before a grand jury and request that the grand jury proceed in accordance with its powers under Section 3330 of this title.

"(2) The attorney for the Government, or the special attorney:

"(A) shall forward any request under this subsection to the grand jury and may make a recommendation as to such request;

"(B) shall take reasonable steps to notify any person of his intention to present evidence against the person and request a presentment or indictment and of the person's right to testify or present evidence under this subsection and such notice shall be given a reasonable time in advance of any request for such presentment or indictment unless the attorney for the Government or the special attorney can prove to the satisfaction of the court that notice would result in the flight of the person, would endanger other witnesses, or would unduly delay the investigation and prosecution;

"(C) shall establish a public record of all requests and the action taken on each such request.

"(3) The grand jury shall not be required to hear any witness, or consider any book, record or document, but shall consider all requests forwarded to it by the attorney for the Government or the special attorney. Unless the grand jury, upon an affirmative vote of a majority of its members, refuses to hear the testimony, or consider the documents offered by, a person, under this subsection, the attorney for the government or the special attorney shall subpoena the evidence or witness offered. If the grand jury refuses to hear the testimony or consider the documents offered, the attorney for the government or the special attorney shall notify the person making such request, in writing, of the refusal.

"(4) Upon appearing pursuant to a subpoena, such person shall be permitted to testify, only upon submission of a waiver of immunity, as to relevant and competent matters under consideration by the jury and shall be subject to examination by the attorney for the Government or the special attorney.

"(c) The attorney for the Government and the special attorney shall periodically advise the grand jury of the nature and existence of evidence, as yet not received, which might tend to materially affect the credibility of any witness or tend to negate the guilt of any prospective defendant.

"(d) The attorney for the Government and the special attorney shall not bring before the grand jury any witness who has given written notice in advance of the witness' appearance that such witness intends to exercise his privilege against self-incrimination, nor bring to the attention of the jurors, in any way, the invocation of the privilege by such witness, unless such witness has been given a grant of immunity.

"(e) The attorney for the government or a special attorney shall not initiate, and a grand jury shall not conduct, an inquiry into a transaction or transactions, event or events, if another jury has failed to return an indictment based on the same transaction or transactions, event or events, unless the court finds, upon a proper showing, that additional evidence relevant to such inquiry has been discovered.

"§ 3330. Independent grand jury inquiry

"(a)(1) Any grand jury impaneled before any district court (including a special grand jury summoned under section 3331) may, after giving notice to the court, inquire upon its own initiative into offenses against the criminal laws of the United States alleged to have been committed within that district. Such grand jury shall, except as provided in this section, request the attorney for the Government to assist such grand jury in such inquiry.

"(2) The grand jury shall serve for a term of eighteen months after giving notice to the court under paragraph (1) unless an order for its discharge is entered earlier by the court. If, at the end of such term or any extension thereof, the district court determines the business of the grand jury has not been completed, the court may enter an order extending such term for an additional period of six months. No grand jury term so extended shall exceed thirty-six months from the date on which notice to the court was given under paragraph (1).

"(3) If a district court within any judicial circuit fails to extend the term of a grand jury engaged upon an independent inquiry under this section or enters an order for the discharge of such grand jury, the grand jury, upon an affirmative vote of a majority of its members, may apply to the chief judge of the circuit for an order for the continuance of the grand jury. Upon the making of such an application by the grand jury, the grand jury shall continue until the entry upon such application by the chief judge of the circuit of an appropriate order. No grand jury term so extended shall exceed thirty-six months.

"(b) In the event that the attorney for the Government is unable to impartially assist, refuses to assist, or hinders or impedes the grand jury in the conduct of any inquiry under subsection (a), the grand jury may, upon the affirmative vote of a majority of its members, request at any point in such inquiry that the court appoint a special attorney, in lieu of the attorney for the Government, to assist the jury in the conduct of any independent inquiry referred to in subsection (a).

"(2) The special attorney appointed under this section may, with the approval of the court, appoint and fix the compensation of such assistants, investigators, and other personnel as he deems necessary. The special attorney and his appointees shall be appointed without regard to the provisions of title 5 governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the special attorney and any appointee shall be paid at a reasonable rate to be determined by the court. The special attorney shall be reimbursed for actual expenses incurred by him and his appointees in the performance of duties pursuant to this section.

"(3) Notwithstanding sections 516, 518, and 519 of title 28 or any other provision of law, a special attorney appointed under this section shall carry out the functions of an attorney for the Government and shall have the exclusive authority to—

"(A) assist in the conduct of independent grand jury investigations under this section,

"(B) prepare and sign any indictment returned by a grand jury pursuant to such inquiry in lieu of any attorney for the Government, and

"(C) conduct all other phases of any criminal prosecution arising out of such inquiry (including the argument of appeals in the United States Courts of Appeals and the United States Supreme Court).

"(4) A special attorney appointed under this section is authorized to obtain from any department or agency of the United States any files, records, documents, or other materials which he deems necessary or appropriate in the carrying out of his functions under this section."

(b) The Administrator of General Services shall furnish offices, equipment, supplies, and services to a special attorney appointed under section 3330 of title 18, United States Code, in the same manner as such items are furnished to agencies and departments of the United States.

(c) Section 524 of chapter 31 of title 28, United States Code (relating to appropriations for administrative expenses), is amended by adding at the end thereof the following new sentence: "Such appropriations shall also be available for payment of the compensation and other expenses of the special attorney appointed under section 3329 of title 18 to assist a grand jury in the conduct of an independent investigation."

RIGHTS OF GRAND JURY WITNESSES

SEC. 7. (a) Chapter 215 of title 18, United States Code, is further amended by adding at the end thereof, the following new sections:

"§ 3330A. Counsel.

"(a) Every witness subpoenaed to appear and testify before a grand jury impaneled before a district court or to produce books, papers, documents, or other objects before such grand jury shall be entitled to the assistance of counsel, including assistance during such time as the witness is questioned in the grand jury room.

"(b) Such counsel may be retained by the witness or shall be appointed as provided in Section 3006A of this title in the case of any person financially unable to obtain legal representation. Notwithstanding any rule contained in the Federal Rules of Criminal Procedure, such witness' counsel is authorized to disclose matters which occur before the grand jury while such counsel is in the grand jury room.

"(c) Such counsel shall be allowed to be present in the grand jury room only during the questioning of the witness and shall be allowed to advise the witness. Such counsel shall not be permitted to address the grand jurors or otherwise take part in proceedings before the grand jury.

"(d) The court shall have the power to remove such attorney, and order the witness to obtain new counsel, when it finds that the attorney has violated subsection (c) of this section or that such removal and replacement is necessary to insure that the activities of a grand jury are not unduly delayed or impeded. Nothing in this subsection shall affect the power of the court to punish for contempt or impose other appropriate sanctions.

"§ 3330B Subpoenas

"(a) In the case of any proceeding before a grand jury impaneled before a district court, except where the court finds special need upon a showing by the attorney for the government or a special attorney appointed under this title, or the consent of the witness, no subpoena may require any witness to testify or produce other information at such proceeding at any time before the expiration of the one-week period beginning on the date of service of the subpoena.

"(b) Upon the service of any subpoena requiring any witness to testify or produce other information at any proceeding before a grand jury impaneled before a district court, the witness shall be given adequate and reasonable notice of:

"(1) his right to counsel as provided in section 3330A of this title;

"(2) his privilege against self-incrimination;

"(3) the subject matter of the grand jury investigation;

"(4) whether his own conduct is under investigation by the grand jury;

"(5) the substantive criminal statute or statutes, violation of which is under consideration by the grand jury, if these are known at the time of issuance of the subpoena; and

"(6) any other rights and privileges which the court deems necessary or appropriate.

"(c)(1) The district court which issued a subpoena, or the district court for the district in which the person resides or is served shall have concurrent jurisdiction to hear, and take appropriate action with respect to any motion relating to, including any motion to quash, such subpoena.

"(2) A motion relating to a subpoena may be made at any time prior to, during, or when appropriate, subsequent to the appearance of any witness before a grand jury. Any motion made during or subsequent to the appearance of the witness before the grand jury may be made only in the district in which the grand jury is impaneled.

"(3) If a motion is made under this section before the day on which the person subpoenaed has been ordered to appear or books, records, or documents have been ordered to be produced, the appearance of such person, or the production of such documents, shall, upon appropriate application, be stayed until the court has ruled on such motion.

"(d)(1) Upon proper motion the attorney for the government, or a special attorney appointed under this title, shall make a showing that:

"(A) a primary purpose or effect of requiring such persons to so testify or to produce such objects to the grand jury is not or will not be to secure for trial testimony or to secure other information regarding the activities of any person who is already under indictment by the United States, a State, or any subdivision thereof for such activities; or of any person who is under formal accusation for such activities by any State or any subdivision thereof, where the accusation is by some form other than indictment;

"(B) the witness has been advised of his rights, as specified in subsection (b);

"(C) the evidence sought is relevant to the grand jury investigation properly conducted within the grand jury's jurisdiction;

"(D) compliance with the subpoena would not be unreasonable or oppressive, as such subpoena would not require unnecessary appearances by the witness, would not lead to testimony or other information that is cumulative, unnecessary or privileged, would not be primarily for punitive purposes or would not involve other like circumstances; and

"(E) such other information as the court deems advisable.

"(2) The court may impose appropriate sanctions, including the quashing of such subpoena to secure compliance with this subsection.

"(e) Upon proper motion, the court shall quash a subpoena and take other appropriate sanctions when it finds that:

"(1) the witness has already been confined, imprisoned, or fined under section 1826 of title 28, United States Code, or section 401 of this title for his refusal to testify before and grand jury investigating the same transaction, set of transactions, event, or events;

"(2) the witness has given written notice that such witness intends to exercise his privilege against self-incrimination, unless a grant of immunity has been obtained; or

"(3) the grand jury is inquiring into the same transaction or transactions, event or events, that was under consideration by another grand jury which failed to return an indictment based on such transaction or event and there is no additional, newly discovered evidence relevant to such inquiry.

"(f)(1) A grand jury impaneled to conduct an inquiry into offenses against the criminal laws of the United States may be convened only in a district, or districts, in which it is believed criminal conduct may have occurred which are elements of such offenses.

"(2) The district court may quash a subpoena or transfer any grand jury proceedings or investigation into any other district where it might properly have been convened if the court finds that a witness' appearance would impose a substantial and unnecessary hardship on such witness or his family because of the location of the proceeding. In considering whether such hardship exists, the court shall take into consideration all the relevant circumstances, including the distance of the grand jury investigation from the places of residence of witnesses who have been subpoenaed, financial and other burdens placed upon the witnesses, and the existence and nature of any related investigations and court proceedings."

(b) Section 3006A(a) of title 18, United States Code (relating to appointment of attorneys), is amended—

(1) by striking out "or," before "(4)" in the first sentence thereof; and

(2) by inserting before the period at the end of the first sentence thereof: ", or (5) who is a witness before a grand jury impaneled before the district court."

RECORDING, TRANSCRIBING AND AVAILABILITY OF GRAND JURY PROCEEDINGS

SEC. 8. (a) Chapter 215 of title 18, United States Code, is further amended by adding at the end thereof the following new sections.

"§ 3333. Recording of grand jury proceedings

"A complete and accurate stenographic or electronic record of all grand jury proceedings shall be kept, except that the grand jury's secret deliberations and consultations between witnesses and their counsel shall not be recorded. Such record shall include the court's notice to the grand jury of its rights and duties and all other comments or charges by the court to the jury at any time; all introductory comment, or other comments, directives, and other utterances made by attorneys for the government or special attorneys to the grand jury, witnesses and their counsels; all questioning of and testimony of witnesses; all interchanges between the grand jury and attorneys."

"§ 3334. Availability of grand jury transcripts and other statements

"(a) Any person summoned to testify or provide other information before a grand jury impaneled before a district court shall be entitled, prior to testifying or providing other information, to examine and copy any statement in the possession of the United States which he has made and which relates to the subject matter under inquiry by the grand jury. Such examination and copying may be made by the attorney for such person if such person gives his written approval. As used in this subsection, the term "statement" has the meaning provided by section 3500(e).

"(b) Any witness who testifies before a grand jury, or his attorney with such witness' written approval, shall, upon request, and under such conditions as the court deems reasonable, be entitled to examine and copy a transcript or electronic recording of the record for the period of such witness' own appearance before the grand jury, and if a witness is proceeding in forma pauperis, he shall be furnished, upon request, a copy of such transcript.

"(c) A reasonable time prior to trial, and after the return of an indictment or the filing of an information, a defendant shall, upon request and under such conditions and limitations as the court deems reasonable, be entitled to examine and copy a transcript or electronic recording of:

"(1) the grand jury testimony of all witnesses to be called at trial;

"(2) all statements to the grand jury by the court and the attorney for the government or special attorney, relating to the defendant's case;

"(3) all grand jury testimony or evidence which in any manner could be considered exculpatory; and

"(4) all other grand jury testimony or evidence which the court may deem material to the defense.

"(d) Upon a showing of good cause, the court may, at any time, order the disclosure of the recorded proceedings of a grand jury be denied, restricted or deferred, or make such other order as is appropriate. Upon motion by the government, the court shall permit the government to make such showing, in whole or in part, in the form of a written statement to be inspected by the judge alone. If the court enters an order granting relief following such a showing, the entire text of the party's statement shall be sealed and preserved in the records of the court to be made available to the appellate court in the event of an appeal by the defendant."

(b) Section 3500, title 18, United States Code, is amended—

(1) by inserting "or" before subsection (e)(2) thereof;

(2) by deleting "; or" and inserting "." at the end of subsection (e)(2) thereof; and

(3) by deleting subsection (e)(3) thereof.

PRELIMINARY EXAMINATION

SEC. 9. Chapter 217 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3368 Preliminary Examination

"(a) A defendant is entitled to a preliminary examination, unless waived, when charged with any offense, other than a petty offense, which is to be tried by a judge of the district court.

"(b) Such preliminary examination may be held prior to, or within a reasonable time following, the filing of an indictment or information in the district court."

REPORTS CONCERNING GRAND JURY INVESTIGATIONS

SEC. 9. Section 522 of title 28, United States Code (relating to reports of business and statistics), is amended by striking out "The Attorney General" and inserting in lieu thereof "(a) The Attorney General" and by adding at the end thereof the following new subsection:

"(b) The Attorney General, at the beginning of each regular session of Congress, shall report to the Congress and to the Administrative Office of the United States Courts with respect to the last preceding fiscal year on—

"(1) the number of investigations undertaken in which a grand jury or a special grand jury was utilized together with a description of the nature of each investigation undertaken;

"(2) the number of requests by United States grand juries to the Attorney General for approval to apply to the court for an order compelling testimony under section 2003 of title 18, and the number of such requests approved by the Attorney General;

"(3) the number of applications to district courts for orders granting immunity under title 18;

"(4) the number of applications to district courts for orders granting immunity under title 18 that were approved and the nature of the investigations for which the orders were sought;

"(5) the number of instances in which witnesses in the investigations enumerated in paragraph (1) were held in contempt and confined, and the dates and lengths of such confinement;

"(6) the number of arrests, indictments, no-bills, trials, and convictions resulting from testimony obtained under orders granting immunity, the offenses for which the convictions were obtained, and a general assessment of the importance of the immunity;

"(7) a description of data banks and other procedures by which grand jury information is processed, stored, and used by the Department of Justice; and

"(8) other appropriate information concerning grand jury activity during such year.

The matters contained in the report required to be made by this section shall be set forth according to judicial district.".

EFFECT ON OTHER LAWS AND RULES

SEC. 11. (a) The enumeration in this Act of any rights and privileges of grand jury witnesses shall not affect any other rights and privileges to which such witnesses may be entitled under any law or rule of law.

(b) Notwithstanding section 3771, no rule contained in the Federal Rules of Criminal Procedure shall apply to the extent that such rule is inconsistent with the provisions of this Act.

LEGISLATION TO INSURE THAT AMERICANS HAVE ADEQUATE SUPPLY OF SUGAR

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO. Mr. Speaker, today I am introducing legislation designed to insure that American consumers have an adequate supply of sugar at a reasonable cost, and to help ease the plight of the depressed sugar beet growing industry by raising the import tax on low-priced foreign sugar.

The sugar beet industry is vital to Wyoming and many other States, but if the overabundance of foreign sugar continues, so will the hardship on our sugar beet industry. This could culminate in forcing many in the sugar growing industry out of business and in making the Nation more dependent on foreign sugar.

The bill I introduce today would impose a new, variable import tax on foreign sugar. The exact amount of the new tax, designed to equalize the price of domestic and foreign sugar, would depend on the average cost of producing beet sugar in the United States, and on the cost of foreign sugar. The larger the difference between the two prices, the higher the tax. There would be no import tax if the foreign sugar price rose

above the average domestic beet sugar cost.

Basically, the bill proposes a simple-to-administer import tax that would both protect American growers and assure an adequate sugar supply for consumers.

MAKING GOOD A GOVERNMENT WRONG TO AN OLD WYOMING HOMESTEADER

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO. Mr. Speaker, I am today introducing legislation upon which I hope the House will take quick and responsible action.

Mr. Ted Gies is one of the old original filers for land on the third division of the Riverton reclamation project in Wyoming. He worked the lands and tried hard to improve them in order to make a good living.

In 1964, the Bureau of Reclamation told him that his lands were class 6, and he was therefore unable to obtain water rights. It then became inevitable that he had to sell his land, and reluctantly did so to the Bureau of Reclamation; a sale of 90 acres of land for $30 an acre. The following spring, that same land was leased by the Bureau, and the lessees were granted water. In 1972, the Bureau of Reclamation sold this land as class 4 land, at a price of $90 an acre.

The legislation which I am introducing is an attempt to make up for the glaringly unfair treatment this man has received. It provides for the payment to him of $5,400. This amount is based on the incremental differences in land value of 90 acres of land classified as class 6 rather than class 4 at the time of sale to the Bureau of Reclamation.

H.R. 1137—THE NATIONAL CONFERENCE ON LEARNING DISABILITIES AND DELINQUENCY PREVENTION ACT

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on January 4, I introduced H.R. 1137, a bill to amend Public Law 93-415, the Juvenile Justice and Delinquency Prevention Act of 1974, to provide for a National Conference on Learning Disabilities and Juvenile Delinquency.

For the benefit of my colleagues, I include the text of this bill in the RECORD:

H.R. 1137

A bill to direct the Coordinating Council on Juvenile Justice and Delinquency Prevention to organize and convene a national conference on learning disabilities and juvenile delinquency, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Conference on Learning Disabilities and Juvenile Delinquency Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress hereby finds that—

(1) the United States has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of its citizens;

(2) the benefits and fundamental rights of American society are often denied those children with specific learning disabilities;

(3) there are eight million handicapped children in the United States, two million of whom are identified as learning disabled;

(4) it is of critical importance to the Nation that equality of opportunity, equal access to all aspects of society, equal rights, and greater justice guaranteed by the Constitution of the United States be provided to all children with specific learning disabilities;

(5) the primary responsibility for meeting the challenge and problems of children with specific learning disabilities often has fallen on the children themselves and their teachers;

(6) the symptoms of learning disabilities are subtle and often go unrecognized by teachers, parents, and health and law enforcement officials, and, more importantly, few understand that this handicap exists;

(7) learning disabilities that go undetected contribute substantially to the increased rate of school dropouts, failure to meet full potential, truancy, drug usage, and juvenile delinquency and such learning disabilities exacerbate unemployment among youths;

(8) learning disabilities are handicaps which must be approached from a multidisciplinary perspective in order that the full environmental field and configuration of events within which learning disabilities develop may be evaluated and points of intervention and prevention be identified;

(9) it is essential that all levels of Government must necessarily share responsibilities for—

(A) formulating a method of communication whereby existing knowledge and the results of ongoing research may be disseminated; and

(B) developing a coordinated plan of cooperation among disciplines in the delivery of all services to the learning disabled; and

(10) a national conference on learning disabilities and juvenile delinquency, preceded by State conferences, is the most suitable mechanism for coordinating an attack on the multifold problems of learning disabilities and juvenile delinquency.

NATIONAL CONFERENCE ON LEARNING DISABILITIES AND JUVENILE DELINQUENCY

SEC. 3. Title II of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5611 et seq.) is amended by redesignating part D as part E, by redesignating section 261 through section 263 as section 271 through section 273, respectively, and by inserting immediately after part C the following new part:

"PART D—NATIONAL CONFERENCE ON LEARNING DISABILITIES AND JUVENILE DELINQUENCY

"DUTIES OF COUNCIL

"SEC. 261. (a) The Coordinating Council on Juvenile Justice and Delinquency Prevention shall organize and convene a national conference to be known as the National Conference on Learning Disabilities and Juvenile Delinquency. The Conference shall be held in such place, and at such times during 1979, as the Council considers appropriate.

"(b) The Council, in carrying out its responsibilities under subsection (a), shall—

"(1) designate a coordinating committee in each State to organize and conduct a State or regional meeting under section 263 in preparation for the Conference;

"(2) prepare and make available background materials relating to learning disabilities and juvenile delinquency and related matters for the use of representatives to such State or regional meetings and to the Conference;

"(3) extend advice and technical and financial assistance, by grant, contract, or otherwise, for the organization and convening of State and regional meetings under section 263 in preparation for the Conference;

"(4) establish procedures for the provision of financial assistance to representatives to the Conference who are unable to defray their expenses;

"(5) designate such representatives to the Conference, in addition to representatives dsignated under section 262(a), as may be necessary or appropriate to carry out the provisions of section 262(b);

"(6) publish and distribute the report required by section 264(a);

"(7) provide for the production of a transcript of the proceedings of the Conference;

"(8) deposit the documents and records of the Conference, no later than 30 days after the President transmits the report required by section 264(b), with the National Archives and Records Service, where such records shall be available for public inspection and use; and

"(9) prescribe such rules as may be necessary to carry out the provisions of this part.

"COMPOSITION AND FUNCTIONS OF CONFERENCE

"SEC. 262. (a) The Conference shall be composed of—

"(1) representatives of local, State, regional, and national institutions, agencies, organizations, unions, associations, and any other groups which work to advance the rights and meet the needs of children with specific learning disabilities and juvenile delinquents;

"(2) representatives of the education, health, law enforcement, and social science professions and disciplines, and any other professions or disciplines as the Council considers appropriate, with special emphasis on the representation of children with specific learning disabilities and juvenile delinquents; and

"(3) representatives of individuals who have experienced learning disabilities, children with specific learning disabilities who have been institutionalized, and the parents of children with specific learning disabilities.

"(b) The Conference shall—

"(1) assess the progress which has been made in the private and public sectors of the Nation with respect to the development, promotion, and delivery of quality services to children with specific learning disabilities as such children come to the attention of education, health, law enforcement, and labor authorities;

"(2) develop a coordinated plan of cooperation, between and within appropriate professions, disciplines, and agencies, for the efficient delivery of quality services to children with specific learning disabilities;

"(3) broaden public awareness with respect to nature and symptoms of learning disabilities, the resources available to the learning disabled, and the special needs of children with specific learning disabilities;

"(4) identify barriers and problems which prevent the receipt of needed services by children with specific learning disabilities;

"(5) develop recommendations for the removal of such barriers and problems;

"(6) establish a time table for the carrying out of recommendations developed under paragraph (5); and

"(7) carry out such other activities as the Conference considers necessary or appropriate to assist in meeting the special needs of children with specific learning disabilities.

"STATE AND REGIONAL MEETINGS

"Sec. 263. (a) The Council shall be responsible for facilitating the organization and convening of meetings, during 1978, in each State in preparation for the Conference. The Council may, in its discretion, facilitate the organization and convening of regional meetings in any case in which the Council determines that meetings in particular States are impracticable.

"(b) Any State or regional meeting which

receives financial assistance under this part shall be conducted in a manner which seeks to carry out the requirements of section 262(b).

"(c) The coordinating committee in each State or region shall transmit to the Council a report no later than 30 days after the conclusion of the meeting involved. Such report shall contain a detailed statement of the findings and recommendations of the State or regional meeting.

"(d)(1) Representatives at each State or regional meeting shall select representatives to the Conference. Such selection shall be made under rules prescribed by the Council and shall be consistent with the provisions of section 262(a).

"(2) The total number of representatives selected under paragraph (1) shall be no less than 7 representatives and no more than 10 representatives from each State or region.

"REPORT

"SEC. 264. (a) The Council shall transmit a report to the President and to each House of the Congress no later than 120 days after the conclusion of the Conference. Such report shall be available to the public and shall contain a detailed statement of the findings and recommendations of the Conference in accordance with the requirements of section 262(b).

"(b) The President, no later than 120 days after receiving the report required by subsection (a), shall transmit to each House of the Congress recommendations with respect to matters discussed in such report.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 265. There are authorized to be appropriated not more than $5,000,000 to carry out the provisions of this part. Sums appropriated under this section shall remain available for obligation until expended."

DEFINITIONS

SEC. 4. Section 103 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(14) the term 'Conference' means the National Conference on Learning Disabilities and Juvenile Delinquency organized and convened under section 261(a); and

"(15) the term 'children with specific learning disabilities' has the meaning given it by section 602(15) of the Education of the Handicapped Act, except that, in the administration of part D of title II of this Act, changes in such definition recommended by the Commissioner of Education under section 5(b)(3) of the Education for All Handicapped Children Act of 1975 shall be taken into account.".

TECHNICAL AMENDMENTS

SEC. 5. (a) Section 206 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616) is amended by redesignating subsection (g) as subsection (k), and by inserting immediately after subsection (f) the following new subsections:

"(g) The Council may accept, use, and dispose of contributions of money, services, or property.

"(h) The Council may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the Federal Government.

"(i) The Council, to the extent it considers necessary, may—

"(1) procure supplies, services, and personal property;

"(2) enter into contracts;

"(3) expend funds appropriated, donated, or received under contracts in order to carry out its functions and responsibilities; and

"(4) exercise such powers as may be necessary to enable the Council to carry out its functions and responsibilities.

"(j) The Council may delegate any of its powers to any member or employee of the Council.".

(b) Section 206(e)(3) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616(e)(3)) is amended by inserting immediately after "personnel" the following: ", and procure the services of such experts and consultants,".

THE NEED FOR H.R. 1137, THE NATIONAL CONFERENCE ON LEARNING DISABILITIES AND JUVENILE DELINQUENCY ACT

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, as the former chairman of the House Select Committee on Crime, I found that over one-half of all our serious crime is youth-related, and although I believe the Law Enforcement Assistance Administration, on the whole, has made a saluatory contribution toward the suppression and punishment of crime in this country, an insufficient emphasis has been focused on the preventive aspects of juvenile crime. To this end, I believe the 95th Congress should adopt innovative proposals designed to head off the juvenile crime problem by attacking it in the schools where all our young people go and where many of the problems develop.

On January 4, 1977, I was pleased to introduce such a proposal, H.R. 1137, the National Conference on Learning Disabilities and Juvenile Delinquency Act. This legislation will amend Public Law 93-415, the Juvenile Justice and Delinquency Prevention Act, by directing its Coordinating Council on Juvenile Justice and Delinquency Prevention to organize and convene a National Conference on Learning Disabilities and Juvenile Delinquency. I believe a National Conference is the most propitious mechanism for broadening public awareness regarding the negative effects of untreated learning disabilities.

Of the more than 60 million Americans involved as students in our educational process, approximately 8 million are handicapped. One out of every four of these students are learning disabled. According to the Labor-HEW budget justifications for fiscal year 1977 over 87 percent of the learning disabled are not receiving an adequate and appropriate education. The learning disabled are the largest category of the handicapped not served, and are at greater risk to the law and custom if their handicap goes undetected.

Who are the learning disabled? Most people suffer from the inability to achieve in some discipline. For example, not all are able to identify and repeat a note played on a piano. For those of us who cannot, the solution is fairly simple. We can sing in the shower, underwater, in our car on the way to work, or, whatever. But certainly, the road to a successful future is not totally bypassed by one's inability to sing beautifully. So, who are the learning disabled and why must we be aware of their unique problem? Typical of a learning disabled child is one who has dyslexia. The child suffering from this disability is average, or above average in intelligence, but cannot, try as he or she may learn to do a simple thing like read. Reading in our culture is the key to learning. Unfortunately, the dyslexic, as well as all the learning disabled, do not suffer from a major impairment like retardation. Their impairments—that is, perceptual difficulties, hypertension, underdeveloped coordination skills—are so subtle, they go unnoticed by all around, even themselves. If throughout their learning years, the learning disability goes undetected it is likely several things will occur: some will simply never reach their full potential; others will drift and fail, suffer and be ignored, tagged lazy, or failing all else, eventually permitted to drop out of school. Lastly, there will be some who will exhibit a variety of norm-violating behaviors and act out their frustrations in delinquent ways.

In light of this, Mr. Speaker, it is scarcely any wonder then that their behavior with respect to custom and law put them at greater risk than youngsters not handicapped with learning disabilities. The literature in recent years has begun to reflect with increasing number of studies reporting very high correlations between learning disabilities and juvenile delinquency—specifically, the unsatisfactoriness of school experience and its causal relationship to deviant behavior. If we view schooling as the major occupation of children, it is not surprising that failure, underachievement, and frustration in school, can lead to dropping out, school phobia, hostility toward schooling, drug usage, and a variety of norm-violating behaviors.

Dr. Chester D. Poremba, nationally known researcher on learning disabilities, chief psychologist at Denver's Children's Hospital and former chief psychologist for Denver Juvenile Court. stated:

> The percentage of youths involved in crimes who have learning disabilities probably isn't rising. In my opinion the linkage has been there all the time . . . we just weren't smart enough to know about it.

According to Poremba, Colorado statistics show that 90.4 percent of juvenile delinquents have clinically provable learning disabilities. Informal statistics have shown that Oklahoma has a linkage of about 85 percent between youth crimes and disabilities, and the percentage in Minnesota is in the upper 80's. If these statistics are true we have certainly been doing a poor job of preventing delinquency. It is no longer adequate to say that a child did not do well in school and therefore became delinquent. Knowing why he did not do well can prevent duplication of failure.

Based on a study conducted by Dr. Robert E. Weber of the New Jersey Department of Education and Dr. Catherine Spears of Morristown Memorial Hospital, we know the nature of offenses committed by the learning disabled are usually impulsive and nonsensical—generated by the fury and frustration built up by years of failure, exploitation and ridicule. These offenses generally fall heavily in the "crimes against persons" area. Literature shows in excess of 50

percent of the offenses of institutionalized handicapped offenders have been involved in assaultive and homicidal behavior. They impulsively lash out against persons and property, venting their rage and frustration at the cruelties and injustices of which they have been the brunt. Thus, we find them assaultive, occasionally committing beverage control violations, larceny and shoplifting and status offenses, such as truancy and incorrigibility. As a rule, they do not commit offenses involving sophistication or planning.

As soon as the learning disabled offender enters the enforcement/judicial/corrections process a host of additional problems come into being. Once the handicapped offender is apprehended, his/her handicap might not be recognized by law enforcement officers who have not had special training in learning disabilities and therefore are unable to recommend an appropriate disposition for him/her at the police station level.

When the learning disabled offender enters the judicial system, court personnel and the judge may not recognize him/her as learning disabled—either because of lack of training or because he/she has never been diagnosed as learning disabled in the educational process.

Both juvenile delinquents and the learning disabled are handicapped by the ignorance surrounding their problem, as by the problem itself.

As I have stated, the symptoms of learning disabilities are so subtle, they go unnoticed by teachers, parents, health and law enforcement officials. But more importantly, few people recognize or understand that this problem exists. If efforts toward preventing delinquency and other negative effects of learning disabilities are to be successful, it is paramount that all facets of the community with whom the learning disabled interact are sensitized as to the existence and symptoms of this problem.

Knowing that over 75 percent of all serious crime in the United States is committed by youth under the age of 25; that over 61 percent of all sentenced prisoners never finished high school; and that the majority of those currently within our juvenile institutions are learning disabled—many would wish to view learning disabilities as a cause of crime. It should be noted that there is only a high correlation between undetected and untreated learning disabilities and its resultant criminal activity. If efforts to identify and treat the learning disabled population were successful—delinquency probably would not be eliminated altogether. However, a positive step forward would be made in preventing youth crime by reducing the number of known potential delinquents.

Mr. Speaker, the first legislation I introduced as a Senator in 1937 was a bill to provide for the education of all types of physically handicapped children; to make an appropriation of money therefor; and to regulate its expenditure, and in 1954 legislation was enacted providing funds to support research efforts along those lines. However, it was not until 1970 that the Congress enacted Public Law 91–230 providing Federal assistance for research related to the education of children with specific learning disabilities, the training of personnel, and the establishment of model centers for the improvement of educating the learning disabled. Just last year, Public Law 94–142 was enacted, and the definition of "handicapped" was amended to include the learning disabled. This same legislation directed the Commissioner of Education to establish the criteria for identifying a learning disability and diagnosing a child as learning disabled no later than November 1976. To date, these regulations have not been finalized. Recently, LEAA, the research arm of the Justice Department, granted $1.5 million jointly to Creighton University and the Association for Children with Learning Disabilities to study the incidence of learning disabilities among the institutionalized juvenile delinquent population. This study will not be completed until 1979.

So, Congress has recognized the need to assure all handicapped children a free, appropriate education to meet their unique needs. But, as research on identifying the learning disabled continues—preventive action can and should be taken, as the number of school dropouts increases each year and the incidence of crime committed by the educationally disadvantaged rises.

Therefore, I propose that a National Conference on Learning Disabilities and Juvenile Delinquency, preceded by State conferences, be organized and convened, to enable experts in many fields to focus on the learning disability problem. This conference will be action-oriented and provide the necessary complement to ongoing research. It will draw experts and concerned people from various institutions, educational, medical, psychological, social, and legal, and from the parents of the children involved. In the process, the conference will focus public attention on the learning disability problem and its relationship to school failure, dropouts, and juvenile delinquency and crime.

The major functions of the conference will be:

First, to assess the progress which has been made in the private and public sectors of the Nation with respect to the development, promotion, and delivery of quality services to children with specific learning disabilities as such children come to the attention of education, health, law enforcement, and labor authorities.

Second, to develop a coordinated plan of cooperation between and within appropriate professions, disciplines, and agencies, for the efficient delivery of quality services to children with specific learning disabilities.

Third, to broaden public awareness with respect to the nature and symptoms of learning disabilities, the resources available to the learning disabled, and the special needs of children with specific learning disabilities;

Fourth, to identify barriers and problems which prevent the receipt of needed services by children with specific learning disabilities.

Fifth, to develop recommendations for the removal of such barriers and problems.

Sixth, to establish a timetable for the carrying out of recommendations developed.

Seventh, to carry out such other activities as the conference considers necessary or appropriate to assist in meeting the special needs of children with specific learning disabilities.

The Coordinating Council on Juvenile Justice and Delinquency Prevention will be required to submit to the President and each House of Congress a report containing a detailed statement of the findings and recommendations of the conference. The President, no later than 120 days after receiving this report must transmit to each House of Congress recommendations with respect to matters discussed in the report.

Mr. Speaker, three people made a very special contribution in guiding the direction of this legislation; Jack Goldsmith, Ph. D., professor of criminal justice at the American University, who generated the proposal upon which this legislation is based, and who served as a consultant to my staff in the preparation of this bill; Sharon Goldsmith, adjunct professor of criminal justice at the American University, who read drafts of the legislation at various stages and offered criticism and suggestions; and lastly, Barbara Stolz, Ph. D., adjunct professor at the American University and formerly of the Harvard Center for Criminal Justice, who read it at all stages and gave invaluable advice about its organization. All are dedicated and outstanding authorities in the field of criminal justice.

Because I believe the time has come for Congress to utilize its knowledge of learning disabilities to prevent juvenile delinquent acts among millions of our youth, and to provide better educational opportunities for youthful offenders, I urge my colleagues to join me in support of this legislation.

EDUCATION: SPECIAL HEALTH PROGRAMS FOR STUDENTS FROM A DISADVANTAGED BACKGROUND

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, many of my colleagues in the House will recall that prior to the adjournment of the 94th Congress, I introduced H.R. 14917, "Special Health Education Programs for Students From a Disadvantaged Background." I was honored to be joined in the introduction by my able and distinguished colleagues, EDWARD R. ROYBAL, ANDREW YOUNG of Georgia, and several others.

I have revised H.R. 14917 and plan to reintroduce it within the next few days. The legislation provides for research and demonstration programs which will define mechanisms by which secondary students from deprived backgrounds can develop their reading, writing, math, cognitive, and communication skills. As you know, many youths with potentials for pursuing careers and productive lives are blocked from doing so because their cognitive and academic skills have not been nurtured or cultivated. Lacking such skills and abilities on the completion of

high school, all too many youths from disadvantaged backgrounds who clearly have the potential to become productive citizens end up unemployed, drug and alcohol abusers, or in prison.

I feel certain that if ways could be found to instill a goal orientation in such youths when they are still in junior high school and to offer these youths frequent positive academic and nonacademic experiences over a several year period, sizable numbers could be prepared to be competitive for college entrance and retention.

In other words, this legislation would establish a means by which large numbers of these potentially capable, but disadvantaged youths could emerge from the cycle of poverty, frustration and hopelessness which entraps them.

I was inspired, in part, to write this legislation on the basis of my own experience as a child. I was born in a rural area and attended a very small school during the early years of my formal education. I later transferred to a larger better equipped school, the Camp Hill School, at Christmas. The students were older than I, but the teacher told me that I could enter the fifth grade in every subject but math. Fifth grade math included many hard problems, and I had never had anything but "blue back" arithmatic. The teacher said I could take fourth grade math the rest of the year and in the summer study fifth grade math. If I learned it during the summer, the teacher would let me go on to the sixth grade in all my subjects. That summer, my mother and father, and my mother's father, helped me in my study and I took the exam and I passed it. I then went on to the sixth grade, but it was an embarrassing experience not to be able to take math in the fifth grade to which I entered.

It is my contention that many rural students are deprived of opportunities to pursue college and professional careers because their schools are often poorly equipped particularly in the sciences, good teachers are difficult to recruit and the level of academic competition between students is relatively low. My legislation will attempt to offset some of the disadvantages of attending small poorly equipped rural schools by offering students from such backgrounds opportunities to interact with students from other backgrounds and to be exposed to many different health and science role models, and to study and work in highly technical modern laboratories.

The legislation will offer similar advantages to inner city youths and in addition will involve these students in experiences and activities after school, on weekends and during the summer. It will attempt to maximize time expended in positive, nurturing environments and minimize the time spent looking at TV, or loitering aimlessly on the corner. Few of us could successfully compete without strong support out of school as well as in school.

Some of my colleagues may ask why I have written what is basically an educational program around a health theme? I would like to say a word on this point.

Since 1936, when I first became a Member of the U.S. Senate, I have been concerned about the health of our people which is the foundation of our Nation's strength, productivity, and wealth. While I was serving in the Senate, the Second World War came along and the Nation was shocked by the fact that over 40 percent of the U.S. selectees were found physically unfit for military duty, and at least a sixth of these had defects which were remediable. Many more had preventable defects. I became chairman of a Subcommittee on Health and Education in the Senate Committee on Education and Labor, and that Subcommittee published a report after an investigation of health care, which showed the gravity of our Nation's health problems in terms of human despair, wage and other economic losses, and medical costs.

The fact that we have not remedied these problems was evident at the Conference on Future Directions in Health Care, held in New York City in December 1975. The conference was sponsored by the Blue Cross Association, the Rockefeller Foundation, and the health policy program of the University of California. I want to share with my colleagues some of the comments of the president of the Rockefeller Foundations, Dr. John Knowles, at the conference. He said:

> We are on the eve or at a watershed in terms of the American concept of health and how we develop public policy in the United States will unfold before us during this decade.

Dr. Knowles advised that disease and illness can be prevented if Americans will eat less, take fewer pills, drive slower, submit to screening exams, obtain more rest and exercise more. Knowing this he queried, why then in 1976 did we spend less than one-half of 1 percent on health education out of $130 billion total public and private health expenditures?

Dr. Knowles further observed that there are over 45 million children enrolled in kindergarten through the twelfth grade in nearly 17,000 school districts, and there are 2.1 million teachers in these schools. He would like to see an effective system of health education in our school system.

I concur with Dr. Knowles' views and because of my long and continuing concerns about the health of the American people, I decided to stress health in this legislation. I believe health topics can be made relevant even to preschoolers. We know also that when information is relevant it is motivating and induces a desire to learn.

Mr. Speaker, I believe by using health as the stimulus or carrot to bring out the desire to learn and to be involved, several things can be accomplished:

First, the health related subject matter can be utilized to strengthen the academic and cognitive skills of disadvantaged students.

Second, students in the process of developing these skills will substantially increase their own health knowledge and awareness as well as that of their family and friends.

Third, the legislation will greatly increase the pool of disadvantaged students who will be qualified to pursue professional careers in health. It should be noted that it is these students who are thought to be most likely to be willing to serve in medically underserved areas as health professionals.

And, one other pragmatic and significant reason to focus on health is because of the real likelihood that this growing industry can absorb the many students that this legislation would make "qualified." It would be tragic to at long last make these youths qualified only to find no jobs available.

Mr. Speaker, I have gained many insights in the preparation of this legislation and received input from a number of distinguished citizens, especially from several who have worked extensively with programs designed to enhance the academic skills and career opportunities of disadvantaged students. Notable among this group are Arthur H. Hoyte, M.D., of the Georgetown School of Medicine; Vijaya L. Melnick, Ph. D., of Federal City College; Franklin Hamilton, Ph. D., of the Oak Ridge Graduate School of Oak Ridge, Tenn.; Cherrie Epps, Ph. D. of the Tulane School of Medicine; and Alice Miller, director of PREP—the premedical research and education program—New York City.

I shall further inform my colleagues of the purposes, scope and activities of these programs, and of recent developments in the academic field which support the need for this legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. TEAGUE (at the request of Mr. WRIGHT) for an indefinite period on account of hospitalization.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. HANSEN), to revise and extend his remarks, and to include extraneous matter:)

Mr. CONABLE, for 60 minutes, on Thursday, January 13.

(The following Members (at the request of Mr. KINDNESS) to revise and extend their remarks and include extraneous material:)

Mrs. FENWICK, for 5 minutes, today.

Mr. FISH, for 30 minutes, today.

Mr. WHALEN, for 5 minutes, today.

(The following Members (at the request of Mr. GINN) and to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. FLOOD, for 5 minutes, today.

Mr. ALEXANDER, for 60 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. COTTER, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. ASHLEY, for 10 minutes, today.

Mr. RODINO, for 5 minutes, on January 12.

(The following Member (at the request of Mr. WEISS) and to revise and extend her remarks and include extraneous matter:)

Mrs. BURKE of California, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. EILBERG, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,717.

Mr. ASHBROOK in two instances.

(The following Members (at the request of Mr. KINDNESS) and to include extraneous matter:)

Mr. LENT.
Mr. YOUNG of Florida in five instances.
Mr. KETCHUM.
Mr. WHALEN.
Mr. HORTON in two instances.
Mr. WHITEHURST in four instances.
Mr. DERWINSKI in two instances.
Mr. COHEN in six instances.
Mr. FREY.
Mr. FRENZEL.
Mr. STEERS.
Mr. CRANE.
Mr. SYMMS.
Mr. HANSEN in two instances.
Mr. KELLY.

(The following Members (at the request of Mr. GINN) and to include extraneous matter:)

Mr. CHARLES H. WILSON of California in two instances.
Mr. MURPHY of Illinois.
Mr. ROSENTHAL.
Mr. ECKHARDT.
Mr. HAMILTON in 10 instances.
Mr. RICHMOND.
Mr. BRODHEAD.
Mr. FISHER in 10 instances.
Mr. RODINO.
Mr. MAZZOLI in two instances.
Mrs. KEYS in two instances.
Mr. BROWN of California.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. RONCALIO in five instances.
Mr. MOAKLEY.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. AMBRO.
Mr. BEDELL.
Mr. HANNAFORD.
Mr. KOCH in six instances.
Mr. SEIBERLING.
Mr. GIAIMO in 10 instances.
Mr. BENNETT.
Mr. PEPPER.
Mr. BIAGGI in 10 instances.
Mr. EDGAR.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 51 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, January 12, 1977, at 8 o'clock p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

386. A letter from the Deputy Assistant Secretary of Agriculture, transmitting the annual report on the Cooperative State Research Service for fiscal year 1976 and the program of assistance to the States to provide additional facilities for research at the State Agricultural Experiment Stations, pursuant to section 10 of Public Law 88–74; to the Committee on Agriculture.

387. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of January 1, 1977, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–42); to the Committee on Appropriations and ordered to be printed.

388. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports and SAR summary tables for the quarter ended September 30, 1976, pursuant to section 811(a) of Public Law 94–106; to the Committee on Armed Services.

389. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–187, "To provide that the District of Columbia shall be responsible for the repair and maintenance of water service pipes and buildng sewers connecting lots with water mains and the public sewer and shall compensate property owners for such prior repairs under certain circumstances," pursuant to secion 602(c) of Pubic Law 93–198; to the Committee on the District of Columbia.

390. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MURPHY of New York:

H.R. 1614. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf, to protect the marine and coastal environment, to amend the Outer Continental Shelf Lands Act, and for other purposes; to the ad hoc select Committee on the Outer Continental Shelf.

By Mr. ALEXANDER:

H.R. 1615. A bill making supplemental appropriations for grants to improve museum services under the Museum Services Act, for payments to local governments based upon the amount of certain public lands within the boundaries of such locality, and for other purposes; to the Committee on Appropriations.

By Mr. ANDERSON of California:

H.R. 1616. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1617. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 1618. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. ASHLEY:

H.R. 1619. A bill to establish a National Commission on Neighborhoods; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEARD of Rhode Island:

H.R. 1620. A bill to amend title XIX of the Social Security Act to require the Secretary of Health, Education, and Welfare to conduct an annual audit of each hospital, nursing home, and other institutional facility participating in the medicaid program and each State or local agency distributing medicaid funds, and to amend title XVIII of such act to require annual audits of providers of services under the medicare program; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. BEDELL:

H.R. 1621. A bill to waive the penalty for certain underpayments of estimated tax attributable to the repeal of the sick pay exclusion by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 1622. A bill to authorize the construction of the project for the enlargement of Greenville Harbor, Greenville, Miss., to the Committee on Public Works and Transportation.

By Mr. BRINKLEY:

H.R. 1623. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 1624. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. BROOMFIELD:

H.R. 1625. A bill to amend the Internal Revenue Code of 1954 to repeal the excise tax on trucks, buses, and tractors and parts and accessories for such vehicles; to the Committee on Ways and Means.

By Mrs. BURKE of California:

H.R. 1626. A bill to establish a National Commission on Neighborhoods; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1627. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CARNEY:

H.R. 1628. A bill to establish uniform dates for the holding of Federal primary elections; to the Committee on House Administration.

H.R. 1629. A bill to establish a utility services stamp program to assist low-income and fixed income households to meet the rising cost of utilities; to the Committee on Interstate and Foreign Commerce.

H.R. 1630. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1631. A bill to amend title 5 of the United States Code to make election day a

national holiday; to the Committee on Post Office and Civil Service.

H.R. 1632. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

H.R. 1633. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 1634. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for the performance by an individual of volunteer services for a Federal, State, or local governmental agency; to the Committee on Ways and Means.

H.R. 1635. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 1636. A bill to provide an income tax credit for savings for the payment of post-secondary educational expenses; to the Committee on Ways and Means.

By DON H. CLAUSEN:

H.R. 1637. A bill to increase and extend the authorization for the Federal-aid primary system, to increase the Federal share for Federal-aid primary system projects, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. COHEN:

H.R. 1638. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 1639. A bill to amend title XVIII of the Social Security Act to provide that payment may be made thereunder for hospital services (and related services) furnished outside the United States to an eligible individual, subject to certain limitations in cases where the hospital involved does not agree to comply with specified requirements; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 1640. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. COLLINS of Texas:

H.R. 1641. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that any individual may elect (on an annual basis) to contribute to a private retirement plan rather than participating in the social security program; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 1642. A bill to amend the National Labor Relations Act to provide that a labor organization is not required to provide legal representation to an employee in an arbitration proceeding if such employee is not a member of such labor organization; to the Committee on Education and Labor.

By Mr. CONTE (for himself and Mr. DINGELL):

H.R. 1643. A bill authorizing the Secretary of the Interior to issue certain obligations and to utilize the revenue therefrom to acquire additional wetlands; to the Committee on Merchant Marine and Fisheries.

By Mr. CORMAN (for himself, Mrs. KEYS, Mr. JONES of Oklahoma, Mr. FORD of Tennessee, Mr. HOLLAND, Mr. DUNCAN of Tennessee, Mr. KETCHUM, Mr. ANDERSON of California, Mr. BALDUS, Mr. BEDELL, Mr. BIAGGI, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CARNEY, Mr. CORNELL, Mr. FISH, Mr. FRASER, Mr. HAMILTON, Mr. HANSEN, Mr. HOWARD, Mr. KELLY, Mr. LAFALCE, Mr. LEGGETT, Mr. LENT, and Mr. MINETA):

H.R. 1644. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. MINISH, Mr. NOLAN, Mr. PEPPER, Mr. REUSS, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. ST GERMAIN, Mr. SIMON, Mrs. SPELLMAN, Mr. WALSH, and Mr. YOUNG of Florida):

H.R. 1645. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROBERT W. DANIEL, JR. (for himself, Mr. BEARD of Rhode Island, Mr. FAUNTROY, Mr. FOUNTAIN, Mr. FREY, Mr. HUGHES, Mr. JACOBS, Mr. KEMP, Mr. MADIGAN, Ms. MIKULSKI, Mr. MURPHY of Pennsylvania, Mr. NICHOLS, Mr. SYMMS, Mr. TREEN, and Mr. WAMPLER):

H.R. 1646. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 1647. A bill to amend the National Environmental Policy Act of 1969 to fund and establish a nonprofit National Environmental Policy Institute, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1648. A bill to amend the Fishermen's Protective Act of 1967 in order to strengthen the import restrictions which may be imposed to deter foreign countries from conducting fishing operations which adversely affect international fishery conservation programs; to the Committee on Merchant Marine and Fisheries.

H.R. 1649. A bill to authorize the Secretary of the Interior to establish programs and regulations for the protection of the fishery resources of the United States, including the freshwater and marine fish cultural industries, against the dissemination of serious diseases of fish and shellfish; to the Committee on Merchant Marine and Fisheries.

H.R. 1650. A bill to establish a comprehensive program to insure the wholesomeness of fish and fishery products; to the Committee on Merchant Marine and Fisheries.

H.R. 1651. A bill to authorize the Secretary of the Interior to assist the States in controlling damage caused by predatory and depredating animals; to establish a program of research concerning the control and conservation of predatory and depredating animals; to restrict the use of toxic chemicals as a method of predator control; and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1652. A bill to designate certain lands in the State of Alaska as units of the national wildlife refuge system; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself, Mr. CONTE, and Mr. FORSYTHE):

H.R. 1653. A bill to increase the maximum amount of aggregate payment which may be made in calendar years after 1976 to carry out conservation agreements under the Water Bank Act; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself and Mr. FORSYTHE):

H.R. 1654. A bill to amend the Migratory Bird Treaty Act to prohibit the baiting of migratory game birds during certain periods, to impose penalties for such baiting, to increase the maximum fines for certain other violations of such act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself and Mr. CONTE):

H.R. 1655. A bill to request a Federal permit for the taking of any migratory game birds other than migratory waterfowl, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ECKHARDT (for himself, Mr. MOSS, Mr. SCHEUER, Mr. BRODHEAD, Mr. CORMAN, Mr. ROSENTHAL, Mr. BINGHAM, Mr. MCCLOSKEY, Mr. KOCH, Mr. BADILLO, Mr. DRINAN, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. STARK, Mr. CHARLES WILSON of Texas, Mr. HARRIS, Mr. RICHMOND, and Mr. BEILENSON).

H.R. 1656. A bill to amend the Fair Packaging and Labeling Act to provide for the regulation of oversized and excessive packaging of consumer commodities; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of Alabama:

H.R. 1657. A bill to amend section 154 of title 23, United States Code, to increase the national maximum speed limit to 60 miles per hour; to the Committee on Public Works and Transportation.

H.R. 1658. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama (for himself and Mr. SIKES):

H.R. 1659. A bill to amend the Federal Trade Commission Act to prohibit the Federal Trade Commission from requiring any person, partnership, or corporation to file line of business reports; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 1660. A bill to require that certain drugs and pharmaceuticals be prominently labeled as to the date beyond which potency or efficacy becomes diminished; to the Committee on Interstate and Foreign Commerce.

H.R. 1661. A bill to amend the Federal Energy Administration Act of 1974 in order to provide for the prohibition of certain discriminatory practices in the pricing of fuels and other forms of energy, including electricity; to the Committee on Interstate and Foreign Commerce.

H.R. 1662. A bill to amend title 18 of the United States Code in order to provide for greater penalties for persons convicted of conspiring to commit any offense against the United States or to defraud the United States; to the Committee on the Judiciary.

H.R. 1663. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

H.R. 1664. A bill to prohibit the control of alternative energy sources by integrated oil companies; to the Committee on the Judiciary.

H.R. 1665. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on Post Office and Civil Service.

H.R. 1666. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

H.R. 1667. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit of $250 to an individual for expenditures for health insurance premiums; to the Committee on Ways and Means.

H.R. 1668. A bill to provide an income tax credit for savings for the payment of post-secondary educational expenses; to the Committee on Ways and Means.

H.R. 1669. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 1670. A bill to amend the Internal Revenue Code of 1954 to allow individuals an income tax credit for certain expenses of elementary or secondary education; to the Committee on Ways and Means.

H.R. 1671. A bill to facilitate and encourage the implementation by States of child day care services programs conducted pursuant to title XX of the Social Security Act, and to promote the employment of welfare recipients in the provision of child day care services; to the Committee on Ways and Means.

H.R. 1672. A bill to amend the Civil Rights Act of 1968 and title 5 of the National Housing Act to prevent discrimination based on marital status; jointly, to the Committees on the Judiciary, and Banking, Finance and Urban Affairs.

H.R. 1673. A bill to amend title XVIII of the Social Security Act to include hearing aids and dentures among the items and services for which payment may be made under the supplementary medical insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. GRASSLEY:

H.R. 1674. A bill to establish a Citizens Oversight Panel to accept complaints filed against Members, officers, and employees of the House of Representatives, and when appropriate, to direct the Committee on Standards of Official Conduct to conduct a formal investigation of any such complaint, and for other purposes; to the Committee on Rules.

By Mr. HARRINGTON:

H.R. 1675. A bill to establish a national system of regional capital development banks to provide venture, modernization, and expansion capital for private enterprises for the purposes of increasing employment, expanding production, and enhancing the quality of life in various regions of the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HARRIS (for himself, Mr. BADILLO, Mr. BONIOR, Mr. CLAY, Mr. CONTE, Mr. DOWNEY, Mr. EILBERG, Mr. HORTON, Mr. HOWARD, Mr. KILDEE, Mr. LEDERER, Mr. MILLER of California, Mr. MIKVA, Mr. RICHMOND, Mr. SCHEUER, Mr. STOKES, Mr. TONRY, Mr. CHARLES H. WILSON of California, Mr. WINN, and Mr. YATRON):

H.R. 1676. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit on houses or apartments for a portion of the real estate taxes paid or incurred by their landlords; to the Committee on Ways and Means.

By Mr. HYDE:

H.R. 1677. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. IRELAND (for himself, Mr. SIKES, Mr. BENNETT, Mr. FASCELL, Mr. ROGERS, Mr. PEPPER, Mr. FUQUA, Mr. GIBBONS, Mr. CHAPPELL, Mr. LEHMAN, Mr. BURKE of Florida, Mr. FREY, Mr. YOUNG of Florida, Mr. BAFALIS, Mr. KELLY, and Mr. BEVILL):

H.R. 1678. A bill to name the Veterans' Administration hospital located at 13000 North 30th Street, Tampa, Fla., the "James A. Haley Veterans' Hospital"; to the Committee on Veterans' Affairs.

By Mr. KETCHUM:

H.R. 1679. A bill to repeal the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Ms. KEYS:

H.R. 1680. A bill to relieve taxpayers from liability with respect to certain underpayments of estimated tax, underwithholding, and interest on underpayments of tax attributable to the application to 1976 of the sick pay and other provisions of the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 1681. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, to eliminate the prohibition on depository institutions situated in New York and New Jersey from offering negotiable order of withdrawal accounts, and Federal chartering of mutual savings banks, and for other purposes; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. LAFALCE (for himself, Mr. RODINO, Mr. YOUNG of Georgia, Mr. NOWAK, Mr. RICHMOND, Mr. BADILLO, Mr. SCHEUER, Mr. BEARD of Rhode Island, and Mr. DOWNEY):

H.R. 1682. A bill to establish a commission to investigate the factors contributing to the decline of urban neighborhoods and the factors necessary to neighborhood survival and revitalization, and for other purposes; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. MINISH:

H.R. 1683. A bill to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments, to help achieve a full employment economy both in urban and rural America by providing loans for the establishment of small and medium size businesses and industries, and the expansion and improvement of such existing business and industries, and for the construction of low and moderate income housing projects, and to provide job training for unskilled and semiskilled unemployed and underemployed workers; to the Committee on Banking, Finance, and Urban Affairs.

H.R. 1684. A bill to discourage the use of painful devices in the trapping of animals and birds; to the Committee on Merchant Marine and Fisheries.

By Mr. MOORHEAD of California:

H.R. 1685. A bill to incorporate United Service Organization, Inc.; to the Committee on the Judiciary.

H.R. 1686. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

H.R. 1687. A bill to incorporate the American Blood Commission; to the Committee on the Judiciary.

H.R. 1688. A bill to amend section 2 of the Internal Revenue Code of 1954 (relating to definitions of surviving spouse and head of household); to the Committee on Ways and Means.

By Mr. MOTTL:

H.R. 1689. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income winnings from State lotteries; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 1690. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

H.R. 1691. A bill to amend the Internal Revenue Code of 1954 to allow individuals an income tax credit for certain expenses of elementary or secondary education; to the Committee on Ways and Means.

H.R. 1692. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

H.R. 1693. A bill to amend the Internal Revenue Code of 1954 to allow an individual to elect a tax credit for 50 percent of his charitable contributions in lieu of the deduction allowed for such contributions; to the Committee on Ways and Means.

H.R. 1694. A bill to amend the Internal Revenue Code of 1954 to treat adoption fees in the same manner as medical expenses for income tax purposes; to the Committee on Ways and Means.

H.R. 1695. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by providing an income tax deduction for expenditures made for more effective insulation and heating equipment in residential structures; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 1696. A bill to amend the Social Security Act to roll back the deductible and coinsurance charges under part A of medicare to the 1976 levels, and for other purposes; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. SARASIN, Mr. DRINAN, Mr. HORTON, Mr. BADILLO, Mr. ADDABBO, Mr. MILLER of California, Mr. RAHALL, Mr. VENTO, Mr. ST GERMAIN, Mr. DE LUGO, Mr. DIGGS, Mr. KILDEE, Mr. WALGREN, Mr. PREYER, Mr. PRICE, Mr. WON PAT, Mr. AMMERMAN, Mr. ERTEL, Mr. FAUNTROY, Mr. FINDLEY, Mr. MURPHY of Illinois, Mr. GORE, Mr. RUSSO, and Mr. CARTER):

H.R. 1697. A bill to increase the authorization for the local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. RONCALIO:

H.R. 1698. A bill to assure American consumers of a stable and adequate supply of sugar by assuring the continued existence of a viable domestic sugar industry; jointly, to the Committees on Agriculture, and Ways and Means.

By Mr. ROSENTHAL:

H.R. 1699. A bill to protect purchasers and prospective purchasers of condominium housing units and residents of multifamily rental structures being converted to condominium units, by providing for the establishment of national minimum standards for condominium sales and conversions (to be administered by an Assistant Secretary for Condominium Housing, Department of Housing and Urban Development); and to insure that financial institutions engaged in the extension of credit to prospective purchasers of condominium units make credit available without discrimination on the basis of age, sex, race, religion, marital status or national origin; to the Committee on Banking, Finance, and Urban Affairs.

H.R. 1700. A bill to provide for a study of the area which was the site of the 1964–65 World's Fair in New York and to include appropriate parts of such area in the Gateway National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. SCHEUER (for himself, Mr MOSS, and Mr. MAGUIRE):

H.R. 1701. A bill to amend title XIX of the Social Security Act to provide a mechanism for the more effective detection and prevention of fraud and abuse in connection with the medical assistance program under that

title; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHEUER (for himself, Mr. CONYERS, Mr. CHARLES H. WILSON of California, Mr. BINGHAM, Ms. CHISHOLM, Mr. DE LUGO, Mr. OTTINGER, Mr. ROSENTHAL, Mr. DRINAN, Mr. DIGGS, Mr. ZEFERETTI, Mr. FRASER, Mr. MITCHELL of Maryland, Ms. BURKE of California, Ms. HOLTZMAN, Mr. MILLER of California, Mr. MAGUIRE, Mr. PEPPER, Mr. RANGEL, Mr. ROYBAL, Mr. STOKES, Mr. HAWKINS, and Mr. RICHMOND):

H.R. 1702. A bill to establish a national system of maternal and child health care; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mrs. SCHROEDER:

H.R. 1703. A bill to provide that a former spouse of a Federal employee who is married to such employee for 20 years or more shall be entitled to a portion of such employee's annuity and to a portion of the annuity of any surviving spouse of such employee; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS:

H.R. 1704. A bill to designate certain lands in the Chincoteague National Wildlife Refuge, and Assateague Island National Seashore, Accomack County, Va., and Worcester County, Md., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1705. A bill to designate certain lands in the Big Bend National Park, Tex., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1706. A bill to designate certain lands in the Bryce Canyon National Park, Utah, as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1707. A bill to designate certain lands in the Carlsbad Caverns National Park, N. Mex., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1708. A bill to designate as wilderness certain lands within Cedar Breaks National Monument in the State of Utah; to the Committee on Interior and Insular Affairs.

H.R. 1709. A bill to designate certain lands in the Colorado National Monument, Colo., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1710. A bill to designate certain lands in the Crater Lake National Park, Oreg., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1711. A bill to designate certain lands in the Cumberland Gap National Historical Park, Tenn., Va., and Ky., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1712. A bill to designate certain lands in the Death Valley National Monument, Calif., and Nev., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1713. A bill to designate certain lands in the Dinosaur National Monument, Utah and Colo., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1714. A bill to designate certain lands in the Everglades National Park, Fla., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1715. A bill to designate certain lands in the Glacier National Park, Mont., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1716. A bill to designate certain lands in the Grand Teton National Park, Wyo., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1717. A bill to designate certain lands in the Great Smoky Mountains National Park, Tenn., and N.C. as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1718. A bill to designate certain lands in the Guadalupe Mountains National Park, Tex., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1719. A bill to designate certain lands in the Hawaii Volcanoes National Park, Hawaii, as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1720. A bill to designate certain lands in the Katmai National Monument, Alaska, as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1721. A bill to designate certain lands in the Mount Ranier National Park, Wash., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1722. A bill to designate certain lands in the North Cascades National Park and in the Ross Lake and Lake Chelan National Recreation Areas, Wash., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1723. A bill to designate certain lands in the Olympic National Park, Wash., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1724. A bill to designate certain lands in the Organ Pipe Cactus National Monument, Ariz., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1725. A bill to designate certain lands in the Rocky Mountain National Park, Colo., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1726. A bill to designate as wilderness certain lands within Sequoia and Kings Canyon National Parks, in the State of California; to the Committee on Interior and Insular Affairs.

H.R. 1727. A bill to designate certain lands in the Theodore Roosevelt National Memorial Park, N. Dak., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1728. A bill to designate certain lands in the Yellowstone National Park, Idaho, Wyo., Mont., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1729. A bill to designate certain lands in the Yosemite National Park, Calif., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 1730. A bill to designate certain lands in the Zion National Park as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. SIMON (for himself and Mr. STEERS):

H.R. 1731. A bill to provide meaningful and productive work for the Nation's youths and to provide comprehensive job counseling and placement services for youths, and for other purposes; to the Committee on Education and Labor.

By Mrs. SMITH of Nebraska:

H.R. 1732. A bill to authorize the establishment of the Trails West National Historical Park in the States of Nebraska and Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1733. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mrs. SPELLMAN (for herself, Mr. HARRIS, Mrs. HOLT, and Mr. STEERS):

H.R. 1734. A bill to amend section 181(a)(2) of the Water Resources Development Act of 1976; to the Committee on Public Works and Transportation.

By Mr. STEERS:

H.R. 1735. A bill to provide that Members of the House of Representatives who are not reelected to the House of Representatives may not travel at public expense; to the Committee on House Administration.

By Mr. THOMPSON:

H.R. 1736. A bill to authorize the Federal Power Commission to allocate scarce supplies of natural gas; to the Committee on Interstate and Foreign Commerce.

H.R. 1737. A bill to assist the construction and operation of burn facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 1738. A bill to provide certain benefits to State meat and poultry inspectors who are transferred to the Federal service; to the Committee on Post Office and Civil Service.

H.R. 1739. A bill to modify the restrictions contained in section 170(e) of the Internal Revenue Code in the case of certain contributions of literary, musical, or artistic composition, or similar property; to the Committee on Ways and Means.

H.R. 1740. A bill to amend title II of the Social Security Act to permit a State, under its section 218 agreement, to terminate social security coverage for State or local policemen or firemen without affecting the coverage of other public employees who may be members of the same coverage group (and to permit the reinstatement of coverage for such other employees in certain cases where the group's coverage has previously been terminated); to the Committee on Ways and Means.

H.R. 1741. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. WHALEN (for himself, Mr. ANDERSON of California, Mr. ANDERSON of Illinois, Mr. COHEN, Mr. CONTE, Mr. CONYERS, Mr. COUGHLIN, Mr. GOLDWATER, Mr. HORTON, Mr. KOCH, Mr. LAGOMARSINO, Mr. MCKINNEY, Mr. MITCHELL of Maryland, Mr. MOORHEAD of California, Mr. O'BRIEN, Mr. PEASE, Mr. PRITCHARD, Mr. RICHMOND, Mr. SEIBERLING, Mr. SOLARZ, Mr. STEERS, Mr. STUDDS, and Mr. CHARLES WILSON of Texas):

H.R. 1742. A bill to protect citizens' privacy rights, establishing guidelines for access to third party records, regulating the use of mail covers, limiting telephone service monitoring, and protecting nonaural wire communications; jointly, to the Committees on the Judiciary, and Banking, Finance and Urban Affairs.

By Mr. WHITEHURST:

H.R. 1743. A bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare economic impact statements in connection with legislation reported by congressional committees and in connection with rules and regulations proposed by Federal agencies; to the Committee on Rules.

H.R. 1744. A bill to amend title 38, United States Code, to provide that remarriage of the widow of a veteran after age 60 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 1745. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation; jointly, to the Committees on Government Operations, and Rules.

By Mr. YOUNG of Georgia (for himself, Mr. FRASER, Mr. BUCHANAN, and Mr. DIGGS):

H.R. 1746. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on International Relations.

H.R. 1747. A bill to establish a commission to study proposals for establishing the National Academy of Peace and Conflict Resolution; jointly, to the Committees on International Relations, and Education and Labor.

By Mr. CARNEY:

H.J. Res. 123. Joint resolution authorizing the President to proclaim the week beginning November 6, 1977, and ending November 12, 1977, as National Volunteer Firemen Week;

to the Committee on Post Office and Civil Service.

By Mr. CHAPPELL:

H.J. Res. 124. Joint resolution to authorize the President to proclaim the week of June 29 through July 5 as Why I Love America Week; to the Committee on Post Office and Civil Service.

By Mr. CONABLE:

H.J. Res. 125. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. CONTE:

H.J. Res. 126. Joint resolution designating Anne Sullivan Week; to the Committee on Post Office and Civil Service.

By Mr. EILBERG:

H.J. Res. 127. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

H.J. Res. 128. Joint resolution proposing an amendment to the Constitution to provide for the prompt election of a Vice President in cases of a vacancy in the Office of Vice President by reason of the succession to the Office of President by a Vice President selected under the 25th amendment; to the Committee on the Judiciary.

By Mr. HANNAFORD:

H.J. Res. 129. Joint resolution to establish a National Commission on Housing for the Elderly; to the Committee on Banking, Finance and Urban Affairs.

By Mr. JACOBS (for himself and Mrs. KEYS):

H.J. Res. 130. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

By Mr. O'BRIEN:

H.J. Res. 131. Joint resolution to clarify and reaffirm Government purchasing policies, to the Committee on Government Operations.

By Mr. RICHMOND:

H.J. Res. 132. Joint resolution to authorize a special gold medal to be awarded to Miss Marian Anderson; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WALKER:

H.J. Res. 133. Joint resolution proposing an amendment to the Constitution of the United States with respect to abortion; to the Committee on the Judiciary.

By Mr. WHITEHURST:

H.J. Res. 134. Joint resolution calling for protection of international waters from further pollution; to the Committee on International Relations.

By Mr. HAMMERSCHMIDT (for himself, Mr. MONTGOMERY, Mr. HYDE, Mr. EMERY, Mr. NICHOLS, Mrs. LLOYD of Tennessee, Mr. KINDNESS, Mr. DERWINSKI, Mr. WAGGONNER, Mr. MITCHELL of New York, Mr. GUYER, Mr. MCEWEN, Mr. KETCHUM, Mr. WALSH, Mr. BROYHILL, Mr. ABDNOR, Mr. COCHRAN, Mr. DICKINSON, Mrs. SMITH of Nebraska, Mr. FLYNT, Mr. MCCLORY, Mr. LOTT, Mr. WHITEHURST, Mr. CLEVELAND, and Mr. BADHAM):

H. Con. Res. 54. Concurrent resolution expressing the sense of the Congress in opposition to the grant of blanket amnesty or pardon for Vietnam-related draft or military absence offenses; to the Committee on the Judiciary.

By Mr. HYDE:

H. Con. Res. 55. Concurrent resolution expressing the sense of the Congress in favor of eliminating the reduction in veterans' pensions which results when cost-of-living increases in social security or railroad retirement benefits occur; to the Committee on Veterans' Affairs.

By Mr. KETCHUM (for himself, Mr. ANDERSON of Illinois, Mr. BRECKINRIDGE, Mr. BROWN of Michigan, Mr. BURGENER, Mr. CLEVELAND, Mr. COUGHLIN, Mr. EMERY, Ms. FENWICK, Mr. FLOOD, Mr. ICHORD, Mr. KILDEE, Mr. LEGGETT, Mr. LOTT, Mr. MCEWEN, Mr. MCKINNEY, Mr. MIKVA, Mr. MITCHELL of New York, Mr. PRITCHARD, Mr. REGULA, Mr. RICHMOND, Mr. RINALDO, Mr. SIMON, Mr. SLACK, and Mr. WINN):

H. Res. 98. Resolution amending rule XXII of the Rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution, and to provide for the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial or resolution; to the Committee on Rules.

By Mr. KETCHUM (for himself, Mr. ANDERSON of California, Mr. ARCHER, Mr. BLANCHARD, Mr. DEL CLAWSON, Mr. CONTE, Mr. DICKINSON, Mr. EDWARDS of California, Mr. EDWARDS of ALABAMA, Mr. FRENZEL, Mr. HAGEDORN, Mrs. HOLT, Mr. HORTON, Mr. JEFFORDS, Mr. KOCH, Mr. LENT, Mr. MCCLORY, Mr. MICHEL, Mr. MOORHEAD of California, Mr. O'BRIEN, Mr. PATTISON of New York, Mr. ROBINSON, Mr. RUNNELS, Mr. STEIGER, and Mr. WHITEHURST):

H. Res. 99. Resolution amending rule XXII of the Rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution, and to provide for the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial or resolution; to the Committee on Rules.

By Mr. MOORHEAD of California:

H. Res. 100. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMBRO:

H.R. 1748. A bill for the relief of Carmela Scudieri; to the Committee on the Judiciary.

H.R. 1749. A bill for the relief of Louis DeLucia; to the Committee on the Judiciary.

By Mr. HANNAFORD:

H.R. 1750. A bill for the relief of Abdelah Ahmed Chrayah; to the Committee on the Judiciary.

By Mr. JONES of Oklahoma:

H.R. 1751. A bill for the relief of Lucy Davao Jara Graham; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 1752. A bill for the relief of Maria Anna Santoro; to the Committee on the Judiciary.

By Mr. MOORHEAD of California:

H.R. 1753. A bill for the relief of Marina Houghton; to the Committee on the Judiciary.

By Mr. RONCALIO:

H.R. 1754. A bill for the relief of Theodore H. Gies; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

29. By the SPEAKER: Petition of Bong Young, Kang, Seoul, Korea, relative to redress of grievances; to the Committee on the Judiciary.

30. Also, petition of Margaret Rush, Costa Mesa, Calif., and others, relative to the investigation into the assassinations of President John F. Kennedy and the Reverend Martin Luther King, Jr., to the Committee on Rules.

EXTENSIONS OF REMARKS

UTILITY IRREGULARITIES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. OTTINGER. Mr. Speaker, it is likely that the 95th Congress will enact legislation to reform utility rates and pricing practices so as to bring them into line with a national policy to provide energy on an equitable basis to users and, at the same time, to promote conservation.

In New York State we have an interesting and troubling situation where there is a public power entity known as the Power Authority of the State of New York. This was created in the 1930's and was, in fact, the model for the Tennessee Valley Authority.

Now we find ourselves with the Power Authority having become truly a statewide utility, with the ability to build any kind of power facility anywhere in the State. Prior to 1968 it could build only hydroelectric projects only on the Niagara and St. Lawrence Rivers.

PASNY's rates, and here lies the irregularity, are set on a plant-by-plant basis, so that customers of the hydro power pay much lower rates than customers of nuclear or oil-fired plants. And PASNY is not regulated on its rates—either by the Federal Power Commission or by the State's Public Service Commission. It may be necessary to enact Federal legislation to bring an end to such irregularities. I recently had occasion to testify on the subject before the New York State Assembly Committee on Corporations, and I would like at this point to share that statement with my colleagues:

PASNY'S PECULIARITIES

(By Hon. RICHARD OTTINGER)

Chairman Kremer, members of the Committee, ladies and gentlemen, I am delighted to have the opportunity to appear here today on what I consider to be probably the single most important endeavor this Committee can undertake in the coming months: the rewriting of the Power Authority Act.

As your hearing announcement points out, there are many internal inconsistencies within the Power Authority Act. Many of these show up when one reads the act and tries to determine what PASNY'S mandates are. In some sections of the law, PASNY is

charged to serve the "people of the state;" in others it is to gain optimal benefit from the hydroelectric facilities and to serve "high load factory (sic) industry;" in another it is to serve industry as a "secondary purpose," with the primary purpose as "the benefit of the people of the state as a whole."

Similarly, in one section of the law, PASNY is supposed to provide for "the future needs of municipal electric systems and rural electric cooperatives;" in another it is to provide for "the future needs of the authority's *existing* municipal electric and rural electric cooperative customers;" in yet a third it is to "make provision so that municipalities and other political subdivisions of the state now or *hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects*" (the Niagara and St. Lawrence projects) (emphasis supplied).

As this Committee knows, PASNY has frequently argued that it cannot serve would-be new municipal or cooperative customers, but only provide for the future needs of existing ones, even though Section 1005, 5 still contains the language I just quoted.

The Declaration of Policy in Section 1001 refers several times to serving the people of the state; Section 1005 refers to serving "the people of the state as a whole." Nevertheless, PASNY has, until this year, refused always to serve any downstate customers with hydroelectric power, saying these areas "are not within economic transmission distance." This argument, I presume, has always been drawn from Section 1005, 5, which talks about serving "the people of the state as a whole and particularly the domestic and rural consumers *to whom the power can economically be made available.*" (Section 1005, 5; emphasis supplied). The change this year came with PASNY's agreement to serve three municipal electric companies on Long Island—Greenport, Freeport and Rockville Centre—with hydroelectric power.

I would hope that the Committee can set about to correct such inconsistencies in the Power Authority Act. Moreover, I would hope you will, in your deliberations, seek ways to bring the Power Authority into the energy realities of 1976.

There are, after all, many statements of purpose in the PASNY Act which, in my judgment, impact negatively on energy policies currently being set elsewhere—in New York and in the nation as a whole. The most obvious of these is the mandate for PASNY to provide power "for domestic and rural use at the lowest possible rates and in such manner as to *encourage increased domestic and rural use of electricity.*" (Section 1005, emphasis supplied). While this may have made sense forty years ago, surely it is inconsistent with stated national and state policy to conserve energy!

On the broad question of how PASNY should relate to overall state energy goals, the law is entirely inadequate, particularly with respect to the way in which PASNY charges for its power—it can set any rate it desires.

At the very time when the Public Service Commission is making major strides—leading the nation, in fact—in redesigning rates in the interest of equitable service and conserving energy, PASNY's rates are set on what must be regarded as the antithesis of where we should be going, not to mention that they are unique within the state.

For the time when the Power Authority was authorized to construct only hydroelectric power facilities, only on the St. Lawrence and Niagara Rivers, their plant-by-plant rate design may have made sense. But, since 1968 PASNY has been a statewide system, with a mix of different power facilities comparable to those of the private investor-owned utilities. The plant-by-plant rate setting was continued, however, even after the Power Authority began constructing nuclear and pumped storage plants and proposing other kinds—even though this results in grossly inequitable treatment of the customers of the newer plants.

Customers of the Niagara and St. Lawrence plants—regardless of the type of customer—pay a demand charge of $1.00 per month per kilowatt, and an energy charge of 2.67 mills per kilowatt hour. Customers of the Fitz-Patrick nuclear plant, on the other hand, pay $3.00/month/kw for demand and 5 mills/kwh for energy. That is three times more for demand and nearly twice as much for energy, as is charged to customers of the hydroelectric facilities.

The governmental customers of the Astoria No. 6 and Indian Point No. 3 plants acquired by PASNY from Con Edison in 1974, will be paying a substantially higher price than customers of either the hydroelectric facilities or the nuclear plant.

Also, the rate design approach being used for selling the output of Indian Point No. 3 and Astoria No. 6 is "average and excess demand." This might not be all bad, except that it is being done at a time when the Public Service Commission (and other enlightened rate designers around the country) has determined that "average and excess demand" rates are obsolete, and counter to the best interests of the citizens of the state.

The benefits of the cheap hydroelectric power produced by the Niagara and St. Lawrence plants "to the people of the state" are not, in fact, being realized by the people of the state.

Rather, a select few—largely industrial and investor-owned utility—customers of PASNY for the hydroelectric power, are receiving incredibly cheap power, while other PASNY customers are paying substantially higher rates. This is unlike virtually any other utility system in the nation.

It is time for PASNY to be recognized for what it is: a statewide electric utility which, as it happens, is public. All of its customers should benefit equally from the cheap hydroelectric power and from the more expensive pumped storage and nuclear power; that is to say that all of PASNY's costs and benefits and costs should be rolled in for all of PASNY's customers.

If this were done, then the governmental entities—such as the Transit Authority, the MTA and many Westchester municipalities—buying power from PASNY's newest acquisitions (Indian Point No. 3 and Astoria No. 6) would not bear the full costs of those plants in isolation from the rest of PASNY's system, but would benefit from a reduction in rates resulting from factoring in the savings from the hydroelectric power.

It may be necessary, in order to bring PASNY into modern times with respect to setting rates, to give some additional jurisdiction to the Public Service Commission. After all, PASNY currently produces 25 per cent of the state's electricity, and expects to produce 33 per cent upon completion of the Prattsville pumped storage project, the Cementon power plant, the Staten Island coal and garbage-fired plant and the 765-kilovolt power line from Canada, all of which PASNY now has in the planning or license application stages.

Any efforts the PSC is making to reform the rate design of the seven investor-owned utilities in the state are skewed by the lack of regulation of PASNY's substantial block of power, on which rates are set in a fashion entirely unrelated to the direction in which the PSC is going. The PSC should not be restricted to rate setting on only 75 per cent—or, later, on only 67 per cent—of the electricity produced in the state.

In summary, I urge the Committee to move ahead quickly to reform the PASNY Act, to conform it with other laws of the state, and to bring PASNY into the mid-1970's. The Authority should serve all of the people of the state, and it should serve them equally on the basis of all its facilities. PASNY should no longer be able arbitrarily to tell would-be public power entities that it has no power available because of long-term contracts with private utilities upstate. And it should not be able arbitrarily to set deadlines for applications for PASNY power—as it has done with dividing up the output of Indian Point No. 3 and Astoria No. 6 among governmental entities in the metropolitan area seeking to meet their municipal needs with Power Authority power.

As you know, Mr. Chairman, Westchester County is exploring the possibility of getting out altogether from the Con Ed system because our rates are so high. What this Committee does in the line of making PASNY more responsive to the needs of the people of the state will relate directly to how we proceed in Westchester. I must also wish you luck, because your redrafting of the PASNY act is a tall order.

As a final note, I would like to offer the Committee any assistance I can provide in Washington, particularly with regard to Federal law and administrative activities. I am exploring the possibility of Federal legislation to gain somewhat more control over PASNY's activities; such changes should complement the endeavors of your Committee.

Thank you.

TAX BILL INTRODUCED

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. CONABLE. Mr. Speaker, today I am introducing a bill to eliminate from the Internal Revenue Code that section approved in the Tax Reform Act of 1976 creating a cost-basis carryover for estate taxes. The House of Representatives rejected a straight cost-basis carryover when the Ways and Means Committee bill was being considered last year. This carryover was included by the conferees in the tax bill and approved by Congress in the last minute rush to see that bill enacted; our procedures at that time did not allow individual consideration of this section.

As of January 1, 1977, all heirs will be required to value inherited property as of the date of purchase by the decedent or its value as of December 31, 1976. Under previous law, heirs to property assumed the value as of the date of death; when the property was sold capital gains were paid based on this value.

The change approved in the Tax Reform Act of 1976—but never specifically approved by the House—will:

Produce complex, costly, time-consuming litigation between the Government and the taxpayer and will complicate the duties of every administrator or executor of a decedent's estate by making it difficult to distribute fairly in kind assets of differing cost basis;

Cause property to be held beyond the time when prudence would otherwise dictate its disposition; instead, it will be held solely for tax reasons.

Tax most heavily the small farm or family-owned business which in the future is handed down from generation to generation, whose assets are often illiquid, forcing executors to dispose of appreciated assets in order to meet estate tax liabilities.

Mr. Speaker, this section of the law does not hit the wealthy; its impact will be the greatest on middle-class people who own an appreciated farm, business, or home. We have been deeply concerned lately with actions that would tend to preserve the existence of family farms and small businesses in America. And, for this, as well as philosophical ones, I shall be working to see this repeal enacted.

UNION LOCKS MMA GRADUATES OFF JOB

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. EMERY. Mr. Speaker, last April I requested an investigation by the GAO of alleged employment discrimination by the Marine Engineers Beneficial Association—MEBA—a maritime union headed by Jesse Calhoun, against Federal and State maritime academy graduates. The report, which also includes a cost-effective analysis of the union school in Baltimore versus the Federal and State maritime academies, is due in March 1977.

The recent publicity surrounding the activities of MEBA, most notably a "60 Minutes" report on October 3, 1976, deserves our thoughtful consideration and concern. These alleged activities should not be taken lightly. The ideals of equal opportunity and the strength of the U.S. Merchant Marine are at stake.

MEBA's activities have prompted me to call attention to an article which appeared in the Maine Sunday Telegram. The article reviews some of MEBA's activities and asks some extremely important questions:

UNION LOCKS MMA GRADUATES OFF JOBS

(By John Lovell)

CASTINE.—There are 500 cadets enrolled at the Maine Maritime Academy here. When they graduate, almost none of them will get jobs aboard American freighters.

But they're paying the highest tuition and fees charged among the nation's six state maritime academies, only partly offset by federal student subsidies that haven't changed in at least a decade.

The reason for both problems is the same: a small maritime union called the National Marine Engineers Beneficial Association has locked maritime academy graduates out of the best seagoing jobs and is now trying to close down the academies.

The Maine Maritime Academy, like those of Massachusetts, California, Texas, New York and Michigan and the United States Merchant Marine Academy at Kings Point, New York, are dependent on the Congress for much of their financial well-being.

They are fighting a losing battle there with the Maritime Engineers Beneficial Association (MEBA), which feels its own economic survival and that of its 9,000 members depends on how well it can protect diminishing numbers of seagoing jobs from nonunion maritime academy graduates.

To do this, the MEBA operates its own federally-financed school to train merchant marine engineers—who, because they begin accumulating union seniority from the day they start attending classes, get the jobs denied to maritime academy graduates.

The MEBA also invests heavily in the campaigns of most congressional members who serve on the House and Senate committees which handle merchant marine legislation.

It also made large donations to the presidential campaign of Jimmy Carter. The union has made clear what it expects for its money.

The MEBA's president, Jesse M. Calhoun, wrote in the September issue of the union's monthly newspaper, "The American Marine Engineer," that the MEBA looks forward to "the discontinuance of financial aid to federal and state maritime academies, and placing reliance for training programs instead on maritime industry-supported schools."

There is only one "maritime industry-supported" school—the one that bears the name of the MEBA president, the Calhoun MEBA Engineering School in Baltimore, Md.

In a campaign speech to a "Maritime Management-Labor Salute" in Washington last June, Carter was quoted by the Washington Post as saying he believed that American ships "manned by American seamen, trained principally as they are now in the industry operated schools and on the ships themselves, can once again be the envy of the maritime world."

The Post noted that the MEBA and the other maritime unions and their members contributed $160,600 to Carter in the last two months of his primary campaign alone.

As of Oct. 1, according to Common Cause, the maritime unions had given $612,162 to candidates in this year's congressional campaigns.

The figure includes $78,332 contributed to 21 of the 26 Democrats on the House Merchant Marine and Fisheries Committee and $3,900 to four of the committee's 13 Republican members.

Of these amounts, $66,882 went to 14 of the 19 Democrats serving on the committee's Merchant Marine Subcommittee and $2,000 went to two of the subcommittee's eight Republican members.

The subcommittee has jurisdiction over legislation on most merchant marine matters, including government subsidies and assistance.

The Senate counterpart to the House Merchant Marine and Fisheries Committee is the Commerce Committee, six of whose members received a total of $58,650 from the maritime unions as of Oct. 1, Common Cause has reported. The figure includes $24,100 given to two members of the Senate Merchant Marine Subcommittee.

The citizens lobby figures show that the relatively small maritime unions ranked fifth among special interest groups contributing to congressional campaigns this year, behind the United Auto Workers, political action arms of the AFL–CIO, the dairy committees, and the American Medical Association.

One of the few Merchant Marine Subcommittee members who've never accepted maritime union money is Rep. David F. Emery, R-Maine whose efforts to increase federal subsidies to the maritime academies have been blocked by the subcommittee's Democratic majority, his staff say.

CBS News, in its Oct. 3 broadcast of "60 Minutes," reported an example of the apparent results of MEBA campaign contributions to Merchant Marine and Fisheries Committee members.

In an interview on the program, Rep. Paul N. McCloskey Jr., R-Calif., recounted how he had sent a routine letter to MEBA President Calhoun last January seeking further information following Calhoun's testimony in a committee hearing. McCloskey said the response to his request came in a letter from the chairman of the committee, Rep. Leonor K. Sullivan, D-Mo., saying she was allowing Calhoun to ignore McCloskey's questions.

In nine years in Congress, McCloskey said on the program. "I have never seen a member of Congress, let alone a committee chairman, permit witnesses before a committee to decline to answer another member's questions. You know, there's nothing mysterious about these questions. All these questions were inquiring into the financial operation of the MEBA school, which competes with the federal maritime academy."

The fact of the matter is that the Calhoun MEBA Engineering School not only competes with the taxpayer-subsidized U.S. Merchant Marine Academy and the six state maritime academies—but it does it with taxpayers' dollars.

Calhoun has repeatedly refused requests for details of the school's support, but a special congressional investigating committee issued a report last year briefly explaining the arrangement:

Since 1972, the Merchant Marine Act of 1936 has "permitted the inclusion of company contributions to the training funds of their respective employes' unions in wage costs in the calculation of operating differential subsidy.

"Thus, approximately 72 per cent of the current contributions of subsidized steamship companies to the training fund which completely supports the Calhoun MEBA Engineering School are federal dollars."

Thanks to the indirect federal subsidy, students at the Calhoun School pay no tuition or fees during their three years of study.

But cadets at the Maine Maritime Academy must ante up $2,000 in tuition and fees "before they can even start fall classes," says the academy's superintendent, Rear Adm. Edward A. Rodgers. "And $1,500 is due from each of them in January." And that's just for in-state students. The tuition for out-of-state students is $900 a year higher.

To help ease this burden, cadets at all six state maritime academies receive federal subsidies of $600 a year, initiated by the Defense Department a decade ago as an incentive to help maintain the nation's level of merchant marine officers.

As costs rose since then, Rodgers and the superintendents of the other state maritime academies sought congressional increases in the student subsidy, "but we never got anywhere because Calhoun was very, very, chummy with the Maritime Administration and the former chairman of the Merchant Marine and Fisheries Committee."

Last year's special congessional study, the work of an "ad hoc committee on maritime education and training" appointed by Merchant Marine and Fisheries Committee Chairman Sullivan, includes a recommendation that "the annual subsistance allowance from the Maritime Administration to students at the state maritime academies be increased from $600 to $1,200."

The report also urged that legislation to implement this and other recommendations "should be given early consideration by the Committee on Merchant Marine and Fisheries."

The increase was never made. Rodgers recalls that an amendment by Emery to double the student subsidies died after Mrs. Sullivan spoke against it.

The report, by Congressmen who've received MEBA campaign donations, also gave tacit support to Calhoun's claim that only his school should supply the nation's merchant marine officer needs.

"Acute shortages of licensed officers during periods of peak demand in the past—notably during war time—would indicate the desirability of maintaining a flexible source of supply of such personnel," the report said.

"Industry schools have a particularly well-suited capability to perform this function. In this connection, it is noted that the Maritime Administration's study has concluded that near term emergency needs of the U.S.-flag merchant fleet for licensed officers can best be met by industry schools."

Rodgers says this is nonsense. "The fact is," he claims, "we are quicker. We can double

our enrollment overnight, by using the training ship as a dormitory. And the Calhoun school didn't graduate a single man who assisted in Vietnam."

The Maritime Administration, a subdivision of the Commerce Department, is the agency through which most federal funds are disbursed to the maritime academies. In 1974, federal assistance to the Maine Maritime Academy totaled $3.43 million (including an annual $75,000 administration grant) or 16.7 per cent of the school's total budget.

The administration generally has been more sympathetic to MEBA needs than to those of the academies.

The Maritime Administration's recommendation that "industry schools" should be the principle source of merchant marine officers was made despite the agency's own findings a few years ago that "a shortage of deck and engine officers will probably occur by the end of the 1970's."

The administration has not publicly departed from this position, although it tacitly acknowledged last week that the MEBA appears to use federal subsidy money to practice employment discrimination against graduates of the maritime academies.

In a statement prepared for release over the signatures of Commerce Secretary Eliot Richardson and President Ford, the Maritime Administration noted that the MEBA's labor contracts with steamship companies representing about 83 per cent of the engineering officer posts on large American vessels provide for the training fund used to operate the Calhoun school.

"Graduates of this school, by virtue of their affiliation with the union during their training," the Maritime Administration statement continued, "have a higher priority in obtaining job assignments than do the graduates of the U.S. Merchant Marine Academy or the six state maritime academies . . . this job priority is the result of union seniority achieved during training."

Meanwhile, the Maritime Administration has begun a new study into manpower needs for merchant marine officers.

Sen. William D. Hathaway, D-Maine, wrote on Nov. 4 to the administration's top official, Assistant Maritime Secretary Robert J. Blackwell, reminding him of "allegations that the maritime unions are engaging in systematic employment discrimination against the graduates of the state and federal maritime academies. . . .

"I feel that a thorough investigation should be made to determine whether or not there is any substantial basis for these allegations. . . . If such an investigation has not been done, I request that it be undertaken as soon as possible."

A Maritime Administration spokesman subsequently told the Telegram that a reply to Hathaway's request was being drafted, "responding to his questions quite specifically," but the spokesman refused to say whether any inquiry would be launched.

With a new president taking office in January who has received large campaign contributions from the maritime unions, a member of Hathaway's staff said little was expected from the Maritime Administration.

Hathaway has demanded a similar probe by the Government Accounting Office, which is Congress' investigating arm.

In another Nov. 4 letter, Hathaway wrote to the GAO's comptroller general, Elmer B. Staats, calling his attention to the MEBA's alleged employment discrimination practices and asking that an investigation of them be included in a GAO study already underway of maritime training programs and employment needs.

One of the people in charge of this study, Morgan Matthews, told the Telegram that the GAO has received several other congressional requests, including one from Rep. Emery, to investigate the MEB. He said: "The discrimination allegations are one of the issues included in our review . . . It will be well presented in our report."

This GAO study is expected to be completed in March or April, Matthews said.

In anticipation of the GAO's possible findings, Emery and Rep. Glenn M. Anderson, D-Calif., a fellow member of the Merchant Marine Subcommittee, are considering sponsoring legislation "prohibiting federal money to any maritime school that directly or indirectly engages in employment discrimination," one of Emery's aides said.

The reasons for the MEBA's political activities are already well known, however. American shipping—and American shipping jobs—are on the decline, and only federal money can keep them afloat.

"Between 1969 and 1976," says the Maritime Administration's statement, "the number of licensed engineer officer billets on U.S.-flag oceangoing ships has declined from approximately 7,200 to approximately 3,300 as the active U.S.-flag fleet has declined from over 1,000 ships to 536 ships as of July 1.

"This job decline has had a major effect on the ability of new entrants to obtain seafaring employment."

Once No. 1 in world shipping, the American merchant fleet has plummeted to 10th place since 1945.

At the same time, new ships are being built that hold six times as much as the older vessels and need smaller crews, further reducing the need for fresh young officers.

So for the past half-dozen years, Rodgers said in an interview last week, "virtually no graduates of the federal and state maritime academies have gotten jobs on union ships."

More than 90 per cent of the Calhoun school students go directly to sea upon graduation, while just 62 per cent of Maine Maritime Academy's class of 1974 won sea posts.

And Rodgers said the jobs his graduates get, while they may pay as well as those on MEBA-controlled vessels, are on smaller ships and coastal tankers that do little intercontinental voyaging.

"It is incredible," he said, "that a maritime union can have so much power that it can dictate the outcome of congressional legislation, threaten the continued existence of the state maritime academies and deny jobs to their graduates."

Calhoun, who lives in Maryland and works from MEBA's Washington office, was unavailable for a telephone interview on Rodgers' charges.

ABOLISH AUTOMATIC FUEL ADJUSTMENT CLAUSES

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. GONZALEZ. Mr. Speaker, I am again proposing a bill that I originally introduced in the 94th Congress that calls for abolishing the automatic fuel adjustment clauses that have become a regular part of every American's utility bill. I feel that this practice is very unfair and unjust and should be halted immediately.

The fact that fuel costs have increased tremendously since the Arab embargo in 1974 is something we have all come to accept and every utility user is aware that these costs have to be paid for, but the automatic fuel adjustment passthrough violates the rights of the consumer.

Many of my constituents in San Antonio have been in contact with me both personally and through letters with regard to the hardships these automatic fuel adjustment charges have brought to them and their families, and it is indeed sad to see our citizens in such a predicament. The hardest hit have been the elderly who have found their retirement incomes, which were to sustain them through their golden years, eaten up by ever increasing food and medical costs and now the automatic fuel adjustment charge, which in some cases has been as high as 100 percent of their utility bill. They are finding that they can no longer afford even the necessities of life and this is, indeed, a sad and unfortunate fate.

Mr. Speaker, we have always been proud to say that the people in our great Nation can determine their fate, but the presence of an automatic fuel adjustment charge each month has caused many to wonder if this is still true. Consumers are shackled by a cost which they cannot control and cannot even attempt to figure out or rationally plan for until they receive their monthly utility bills.

The utility companies, on the other hand, are allowed to add the fuel adjustment charges to customers' bills each month without having to justify this charge and as a result have little incentive to economize. They have no great inducement to minimize their fuel costs or increase their fuel efficiencies. And in the hearings held in October of 1975, before the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce, it was brought out that fuel adjustment clauses are a disincentive for utilities to prepare for the future.

The bill I have introduced states that no utility charge can be ordered without prior public notice and full evidentiary hearings by the regulatory authority. This places the increases back into the hands of the regulatory commissions that have a direct responsibility to the public. With fuel adjustment charges the utility commissions have been rendered powerless while the utility management is allowed to pass through any cost increases completely unchecked.

It will not be an easy job for the commissions to keep up with the rate fluctuations due to the changes in the price of fuel but they should be able to carry out the responsibility entrusted to them by the citizens.

Mr. Speaker, every congressional district in the Nation has seen its share of problems because of the automatic fuel adjustment charges and as Representatives of the people we cannot ignore this situation. We must take positive action to give back to our citizens the ability to monitor their own utility bills and to know that the size of their bills will be directly related to the amount of fuel or electricity that they use.

The measure I am proposing will not solve the energy problem facing our country, but it will give the consumers the rights they deserve and place the responsibility for increases in utility

costs back into the hands of the regulatory commissions.

REMOVING EARNINGS LIMITATION FOR SOCIAL SECURITY BENEFITS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. McDONALD. Mr. Speaker, today I am introducing legislation to remove the outside earnings limitation on social security benefits.

Presently, eligible recipients under age 72 have their social security benefits reduced if they are earning an income greater than $250 per month or $3,000 per year. The rate of reduction is $1 for every $2 earned.

Thus if an individual becomes eligible for social security benefits and continues to work, he or she must pay what amounts to a tax of 50 percent of their income.

Mr. Speaker, this is grossly unjust on a number of grounds to those so penalized.

First, to deny the recipient his full benefits is to imply that social security is a welfare program—that if someone is earning outside income, he or she does not need the income from social security.

But this is not what those who have been paying social security have been told by their Government. The program was and is presented to them as a retirement program. And, although they are forced to pay into it "for their own good," the payments are earned income held in trust by the Government to be repaid at age 65.

In other words, social security beneficiaries are not welfare recipients or wards of the State, but self-respecting Americans who have paid for the benefits they thought they would receive at age 65. They are entitled to receive these benefits as a matter of right.

Second, the earnings limitation is discriminatory, hitting hardest those who have limited means and who wish to continue working to supplement their income. Not only are their social security benefits reduced or eliminated, but they are taxed on their outside income to finance the social security benefits which they are not receiving. A person of greater means, on the other hand, may receive his full social security benefits while drawing a large income from his investments.

Third, by punishing those who work, the earnings limitation punishes and discourages productivity. Every individual has an "unalienable right" to pursue his own goals in life and his own happiness, and thus to continue to be productive after age 65 if he so chooses, for whatever reasons be they financial or psychological.

Therefore, Mr. Speaker, I sincerely hope that the Committee on Ways and Means will give this bill early and favorable consideration.

HON. BOB JONES—"THE BRIDGE BUILDER"

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. DON H. CLAUSEN. Mr. Speaker, I was recently privileged to join with a number of our colleagues for the Bob Jones national appreciation dinner in Huntsville, Ala.

Nearly 500 of his friends joined Bob and Christine for the tribute to his 30 years of service in the Congress.

Many presented testimonials to his unique record of accomplishment in this House.

One of the most touching letters was written by one of his neighbors, a respected black leader in the Scottsboro, Ala., community where he and Bob had been friends since their youth.

His friend, Wiley T. Snodgrass, Sr., accurately equated Congressman Bob Jones to the bridge builder, a comparison I heartily endorse.

So that Bob Jones' many friends can share the thoughts expressed by Mr. Snodgrass, I include his letter as part of my remarks.

The Bob Jones I know, admire, and respect was a great visionary. His perspective of America was unmatched by any of his colleagues in the Congress—a fair, firm, and factual chairman, dedicated to building a better America, and at the same time humble enough to remember his friends back home like his talented friend, Mr. Wiley Snodgrass.

The letter follows:

SCOTTSBORO, ALA.,
November 24, 1976.

HON. ROBERT E. JONES,
The House of Representatives,
Washington, D.C.

DEAR MR. JONES: I am elated to have been informed that the Tennessee River Valley Association—on behalf of The 5th Congressional District—is sponsoring a National Appreciation Dinner in honor of you for the Honorable and Dedicated Services you have rendered to Your Country for the last three decades in The Congress of the United States!

Recalling your many Actions and Accomplishments which have been instrumental in building Economical Bridges of Prosperity across Chasms of Deprivation, I equate your entire tenure on Capitol Hill to the words of W. A. Dromgoole:

"THE BRIDGE BUILDER"

An old man traveling a lone highway,
Came at the evening cold and gray,
To a chasm vast, deep and wide.

The old man crossed in the twilight dim,
For the sullen stream held no fear for him,
But he turned when he reached the other side,
And builded a bridge to span the tide.

"Old man" cried a fellow pilgrim near,
"You are wasting your strength with building here;
Your journey will end with the ending day,
And you never again will pass this way.

"You have crossed the chasm deep and wide.
Why build you a bridge at eventide?"
And the builder raised his old gray head:
"Good friend, on the path I have come" he said,
"There followth after me today
A youth whose feet will pass this way.

"This stream, which has been as naught to me,
To that fair-haired boy may a pitfall be;
He, too, must cross in the twilight dim—
Good friend, I am building this bridge for him."

—W. A. DROMGOOLE.

Yes, Your Dedicated and Honorable Services have exemplified a chain-of-bridge-work; Bridging over waters of despair with Structural Hope in every facet of Our Government!

As you step down—at the end of the Transition Period—may Your Successor continue to move forward in the Proud Heritage established by you over the last thirty years!

I face the future with this Faith: I believe that The Honorable Ronnie Flippo will continue the process of being instrumental in Bridge-Building, for there are many National and International Troubled-Waters to cross!

I say to you as I said to The Honorable John T. Reid:

"You have fought a good fight! You have kept the Faith!—And now—It is time for you to take a well deserved rest; always remembering that True Peace is Peace with yourself and Peace With God!"

With Every Good Wish, I am
Yours through A Life-Span of Friendship and Trust!

WILEY T. SNODGRASS, SR.,
A Concerned Citizen.

IN MEMORY OF LT. THOMAS V. POINDEXTER, MISSOURI STATE HIGHWAY PATROL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. SKELTON. Mr. Speaker, it was with a deep sense of personal loss that I learned last week of the death of Lt. Thomas V. Poindexter of the Missouri State Highway Patrol. Lieutenant Poindexter was a 23-year veteran with the highway patrol and one of the ablest officers it has been my pleasure to know. At the time of his death, he served as supervisor of enforcement for Troop A of the Missouri State Highway Patrol for Jackson, Clay, and Platte Counties.

I first had occasion to meet Tom Poindexter when I was elected prosecuting attorney for Lafayette County. As anyone who has served in such a position well knows, the success of a prosecutor's office is directly related to the competence of the law enforcement agencies in the field. Throughout the years that I served in that post I was impressed with the intelligence and integrity that Tom Poindexter brought to every aspect of his work. And, although our relationship began strictly in a professional capacity, I am proud to say that Tom Poindexter and I became close personal friends.

Tom Poindexter was first appointed to the Missouri State Highway Patrol in 1953 and assigned to Higginsville, Mo. In 1962 he was promoted to the rank of sergeant and assigned to Lee's Summit, Mo. Then, in 1971, he was promoted to lieutenant. During World War II he served as an aviation machinist mate third class in the U.S. Navy Air Force.

In addition to being a distinguished member of the highway patrol, Lieu-

tenant Poindexter was also a family man—a devoted husband and a loving father. He is survived by his wife, Hattie Ullery Poindexter; his mother, Georgia Howald and a brother, Clifford Poindexter. Also surviving him are his four children, Steven Poindexter, Mrs. Kaye Auclair, Mrs. Sue Guffey, and Mrs. Karen Bennett.

In these days when the words "law and order" have taken on an unpleasant connotation for many people, I am proud to say that Lt. Thomas V. Poindexter upheld the law and maintained order. No more can be asked of any public servant.

CONSPIRACY OF SILENCE ON MARIHUANA

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. McCLORY. Mr. Speaker, the misinformation concerning the damaging effects of the extended use of marihuana is most alarming. With the problem of drugs on the increase—particularly among younger Americans—it is a sad commentary on the media and, indeed, on our public authorities that the permanent harm which can come from extended use of marihuana appears to be either ignored or deliberately soft-pedaled.

Mr. Speaker, the distinguished news columnist Roscoe Drummond has presented a most telling article on this subject which deserves the prompt attention of every Member of this House—to be followed by effective action consistent with the true facts.

Mr. Speaker, the article by Roscoe Drummond has been inspired by a recently published book entitled "Keep Off The Grass" by Dr. Gabriel Nahas of Columbia University.

Mr. Speaker, I am attaching hereto Mr. Drummond's article which appeared in the Wednesday, December 29, 1976, issue of the Christian Science Monitor as follows:

CONSPIRACY OF SILENCE ON MARIJUANA

(By Roscoe Drummond)

WASHINGTON.—There is widespread ignorance concerning the grievous harm which marijuana is doing to young people today. The cause of that ignorance is almost unbelievable it is so pernicious.

It is evident that there is a pervasive conspiracy of silence about the findings by qualified scientists concerning the effects of marijuana on regular users. This certainly accounts, in part, for the fact that the regular use of marijuana by teen-agers is ominously rising.

Let me set out the facts explicitly:

Silence breeds use. Leading newspapers, network media, and many leaders of science, theology, and education are actively closing the avenues of publicity by suppressing the evidence of the expert findings.

Books which take a benign view of marijuana smoking and urge its legalization get quick and prominent reviews and the authors are invited to appear on major talk shows. But when books by prominent scientists are published which document how regular use of marijuana harms both man and society, they are not just reviewed unfavorably; they are often ignored.

Take the case of Dr. Gabriel Nahas, M.D., PhD., a Columbia University scientist. His book, "Marihuana—Deceptive Weed," was published several years ago. No reviews in any leading newspaper, no invitations to television shows as authors of opposite opinions always got.

Now Dr. Nahas has published additional findings based on his own and other researches around the world. Silence from all the media, and when a dozen of his distinguished colleagues at the Columbia University College of Physicians and Surgeons wrote separately to some newspapers asking why, they never deigned to answer.

What's happening to young people? A survey of 17,000 seniors in 130 high schools undertaken by the National Institute of Drug Abuse revealed that a significantly large number of teen-agers took up the steady smoking of marijuana this past year. This study showed that in the class of 1976 a high 53 percent were steady users compared to 48 percent the previous year. The projection is ominous.

Should marijuana be legalized? Many favor this course, including some leading law-enforcement officials. If legalization is desirable, it seems to me it should be limited to users, not to peddlers and drug traffickers generally. And it certainly should not be based on the false premise that marijuana is an innocent drug suitable for harmless pleasure.

To realize the lengths to which the legalization advocates are willing to go, let me quote an extract, cited by Dr. Nahas in his new book, "Keep Off the Grass," from a sermon preached by Canon Walter G. Dennis of the Cathedral of St. John the Divine in New York:

"The pressing question for us is: How should the church in the 1970s respond [to the mounting use of marijuana]? Perhaps the task of Christians is not to condemn marijuana use, but rather to find out what, if any, is the good use of marijuana." He added, quoting from the Bible: "And God saw every thing that he had made, and, behold, it was very good."

It seems to me that the canon is disserving both God and man. I offer the view of the great humanitarian, oceanographer, and ecologist Jacques Cousteau who wrote this in his introduction to "Keep Off the Grass":

"If we are concerned about external pollutants that threaten our environment, we should be equally concerned about internal pollutants—like marijuana products. For sheer survival, we must defend ourselves against both kinds of pollution. Furthermore, I believe we need to keep all our senses at their maximum keenness if we are to enjoy and take full advantage in our participation in the miracle of life."

Dr. Nahas opposes making harmful drugs readily available, but he does not favor "making criminals out of recreational drug users." Apparently much of the press wants to keep the public from knowing about Dr. Nahas's findings in "Keep Off the Grass." Parents, public officials, educators, and others would learn something by reading it. It is distributed by Thomas Y. Crowell Co., 666 Fifth Avenue, N.Y. 10019.

THE RECLAMATION ACT OF 1902

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. RONCALIO. Mr. Speaker, today I am introducing legislation which establishes the availability of an equivalency formula on Bureau of Reclamation land.

The Reclamation Act of 1902 limits ownership of federally irrigated land to 160 acres for any one landowner, and this bill does not change that basic limitation. What it does do is recognize that there are lower classes of land, in terms of productivity, than class I lands.

There is a need to address the problems posed by the differences in productivity from one farm unit to another, due to differences in soil quality and growing conditions. Such differences in production potential were not taken into consideration in setting the 160-acre limitation, but on occasion, authorizing legislation has made exceptions. The bill I am introducing today attempts to address this need by instructing the Secretary of the Interior to consider the quality of soil, crop adaptability, cost of production, and length of growing season in determining how large an "economic family-size farm" should be. Based on these facts, operators and owners of marginally productive lands could receive water for the amount of additional acreage required to achieve the same production as 160 acres of class I land.

SPEECH BY REPRESENTATIVE ROBERT McCLORY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. MICHEL. Mr. Speaker, I take pleasure in submitting a copy of a speech made last month by my colleague, Congressman ROBERT MCCLORY of the Illinois 13th Congressional District. In his address to the Waukegan-Lake County Chamber of Commerce, Bob analyzed with humor and insight the role of the Republican Party in the 95th Congress, and foresaw that President-elect Carter's major problems in Washington may, indeed, come from powerful Democratic leaders in the House and Senate. His remarks also refer to the protection our system of government offers the people when both the Presidency and the Congress are controlled by one political party. Congressman MCCLORY's remarks deserve a wide audience—and accordingly are reproduced here:

REMARKS OF CONGRESSMAN ROBERT MCCLORY

It is with great temerity that I come before this organization of business and industrial leaders—with an obvious need to discuss the two great national issues—unemployment—and jobs.

You see—Washington is not only the nation's capital. It is also the unemployment capital of the nation—since November 2nd. I've never known so many unemployed people—all Republicans. As a matter of fact, I didn't know I knew so many people—or that so many people knew me. And just at Christmas time.

I might say that I've got a most impressive collection of résumés in my Washington office. Earl Butz and Henry Kissinger haven't dropped theirs off yet—but I'm expecting them.

The good news is that Washington is also

the scene of more job seekers—all of whom have been supporting Jimmy Carter for President—ever since they grew up together in Plains, Georgia.

I'm told that all you need to do to get a job is to fill out the job application blank—correctly. Now some parts of this application might be hard for you to answer. For instance: (1) Where were you born? (2) When were you born? (3) When were you—reborn? or (4) Write down the second verse of—Dixie.

I guess you get the idea. Unemployment is very bad for some of my friends in Washington. Others are having quite a hard time filling out the applications for the many jobs that are available.

Many things have changed since November 2 when the American people went to the polls and elected a peanut farmer and former Governor of Georgia to become 39th President of the United States. While the election was close and it might be hard for some to consider that Carter received a national mandate, I don't think that view has been acquiesced in by President-Elect Carter.

As I say, many things have changed and there have been substantial developments since November 2. Also, there are many uncertainties. But there seems to be little uncertainty about one of Jimmy Carter's pre-election promises following his inauguration on January 20. He has promised to bring new "leadership" to our nation, and I am satisfied that he means just that.

Mr. Carter himself is a relative stranger in Washington, D.C. and it wasn't until a few weeks ago that he arranged a get-acquainted meeting with various members of the Federal Cabinet—and more particularly with Congressional leaders—principally Democratic Congressional leaders with whom Mr. Carter has had only the most casual acquaintance until a few weeks ago.

Now, when I say that many things have changed since November 2, I thing it would be well for us to be reminded that before the election 7 percent unemployment in Mr. Carter's view was unthinkable if not obscene. But, I seem to recall that in his press interview in Plains, Georgia, after the election, he indicated a willingness to experience 5 percent to 7 percent unemployment until 1980. Mr. Carter voiced strong opposition to the Ford Administration economic policies before the election and seemed determined to subject the economic policy makers in the Federal Reserve Bank to Administration and Congressional control. But after meeting with the Federal Reserve Chairman Arthur Burns in Washington after the election, it appears that the old economic policies which were helping to reduce inflation and improve the economy—will be continued. Another strong indication of Carter's moderate—or conservative—approach to the subject of the national economy is the naming of Atlanta banker Bert Lance to be the Director of the Office of Management and Budget—and Mike Blumenthal, Chairman of the Bendix Corporation, as Secretary of the Treasury.

The interests of consumers were prominent during the historic Presidential Debates. Indeed, consumer interests were the ostensible concern of the last Democratic Congress in mandating a price rollback of oil prices and keeping natural gas and oil production under strict Federal controls. But it looks like the consumers under the new Carter Administration will have to pay more for gas and more for gasoline and oil as Mr. Carter (after the election) has adopted a strong position in favor of deregulation of oil and gas prices which will lead invitably to higher gas and oil prices for consumers.

Before the election I seem to recall that Jimmy Carter assured Ralph Nader that Nader would approve of Carter's major appointments. So far, Nader seems to have expressed only—disapproval.

If you've got the idea that Jimmy Carter has neglected to consult George Meany—or Ralph Nader—in making some of his appointments—you're right.

Please understand that I am not expressing an opinion, I am merely reporting on recent political developments. I am not even speculating as to whether Jimmy Carter will be a good President or a successful one. In fact, I don't know much more than that he will be our 39th President when he is inaugurated on January 20 and then we'll just have to see.

Let me emphasize however that I agree with the statement in President Ford's congratulatory telegram to Carter the day after the election: "Although there will continue to be disagreements over the best means to use in pursuing our goals, I want to assure you that you have my complete and wholehearted support as you take the oath of office this January."

That would indicate that Republican leaders will be working with the Carter Administration to try to help solve the Nation's most critical problems. The disagreements occur should solely with regard to "the best means" to be used in pursuing our common goals.

I would suggest that the President has accurately set forth the tone and attitude insofar as our Republican position is concerned—as we await the official arrival in Washington of Jimmy Carter and his Administration team of some 75 major appointees and approximately 2,600 other policy-making Federal executive jobs which will be filled by political appointments.

I have no crystal ball which can lead me to envision the Carter Administration a year from now or even six months from now. However, I know my colleagues in the Congress quite well include the Democratic Congressional leaders headed by the man who will be the new Speaker of the House, Congressman Tip O'Neill of Massachusetts.

In forecasting President-Elect Carter's strengths and weaknesses in the year ahead, it would seem well to take a close look at the Congress—both the U.S. House and Senate. Obviously Mr. Carter's success or lack of success is going to depend on how he fares with the members of his own party—particularly Congressional leaders such as Tip O'Neill.

During the election campaign, when asked for his reason for supporting Carter, Tip O'Neill declared: "Just elect him, and we'll make him a good President." Tip O'Neill is a popular personality with his colleagues in the U.S. House where he has been the almost unanimous choice of the Democrats to become the Speaker or leader of the overwhelmingly Democratic-controlled House of Representatives. But Tip O'Neill does not have the kind of political persuasion with his Democratic colleagues on issues that he is able to muster by way of popular personal support for his candidacy for Speaker of the House.

There are other strong Democratic personalities in the House of Representatives with whom Carter will have to contend. Congressman Jim Wright of Texas—the new Majority Leader—and a moderate. Also, Congressman Phil Burton of California—who is the leader of that large bloc of ultra-liberal Democratic Congressmen who were elected in 1974—and an arch rival of Tip O'Neill—will be asserting his leadership and his liberal philosophy whenever possible. Likewise, Congressmen Dick Bolling of Missouri; Brademas of Indiana, and virtually every Democratic Chairman of the 21 House Committees will be giving expression to his particular brand of leadership—mostly acquired during long service in Washington where Congressional power has grown enormously during the last ten years.

Over in the Senate, there are national leaders such as Senator Hubert Humphrey of Minnesota, Senator Birch Bayh of Indiana, Senator Scoop Jackson of Washington and others, all of whom probably consider themselves better qualified to handle Jimmy Carter's job than Jimmy himself. I question that they are going to accept President-Elect Jimmy Carter's leadership without injecting some of their own leadership potential which to their dismay Jimmy curtailed during the Democratic Presidential primaries.

What I am suggesting is that Jimmy Carter's big problems with the Congress are not apt to be with the relatively small Republican minority in the House and Senate where we represent only one-third of the total membership. His big problems are much more apt to be with rival Democratic Congressional leaders most of whom opposed Jimmy Carter before his nomination in New York in July, and who may well question his capacity to assume a leadership role which is superior to their own.

When I went to the Congress in 1963, the late President Kennedy was our President. Serving initially on the House Government Operations Committee, I discovered that the on-going investigations and oversight activities of the Committee which had been widespread as long as President Eisenhower was in the White House diminished markedly during the Democratic Administrations of Kennedy and Johnson. During the Nixon and particularly during the last two years of the Ford Administration the Congressional oversight or investigatory functions directed at the Administration dominated the action on Capitol Hill to the point where legislative measures assumed a relatively minor position.

With the advent of a Democrat in the White House, I suspect that the Congressional oversight function will again lapse into relative obscurity. In other words, a Democratic Congress delights in investigating a Republican Administration. But there are no points to be gained by investigating activities of one's own party. This is important to keep in mind and a subject which deserves the most careful thought.

If the Republican minorities in the U.S. House and Senate are to fulfill a role of "the loyal opposition," the most careful preparation and determined efforts must be made. Few Committee investigations will be authorized by the Democratic majority and no hearings can be held without the approval of Committee or Subcommittee Chairmen. All of these positions are held by Democrats. Even research done by Republican Committee staff members may not be published as an official document unless the Democratic Chairman of the Committee gives his approval.

Now I don't want to suggest that we have abandoned the two party system or that Republican views or other minority views will be banned. I should call attention to the fact that we have an official organization in the Congress known as the Republican Policy Committee made up of 26 Members upon which I have been privileged to serve during the past two years and of which I expect to be a part during the new Congress. The Policy Committee formulates positions with respect to all of the major national issues and these are presented to the media and circulated among Republican Members of Congress and those interested in our Republican points of view.

Perhaps more critical than this apparent absence of a more vocal minority voice in the Congress is the great attention which will be given to Presidential statements. I expect that when he becomes President, Jimmy Carter—in fulfilling his vow to provide strong Presidential leadership—will have frequent occasion to mandate prime radio and television times for making policy statements on domestic and foreign issues. Unless these are responded to by recognized Republican leaders, it will give the appearance that Republicans are acquiescing in the Carter policy positions. Apparently, the Federal Communications Commission will not require the radio

and TV stations to provide equal time or an equal opportunity for a Republican response with the same facilities and the same potential audience as the new President will be voluntarily accorded by the networks. And you can be sure that the Democratic-controlled Congress is not going to amend the Federal Communications Act to compel the media to grant such equal time to the Republicans.

However, it is interesting to note that in the recent volume by Vice President-Elect Walter F. Mondale entitled "The Accountability of Power," subtitled "Toward a Responsible Presidency," he emphasizes the importance of this kind of a reply. In fact, on page 214 of this volume, he makes the point: "We should require by law that the major television networks give equal time for reply by Congressional opposition party leaders to any Presidential address, even if not in a Presidential campaign. And this right of reply should be given on the same terms as the Presidential address. If the President appeared on all three networks in prime time, the opposition should be accorded a similar right—within 48 hours of the time of the Presidential address."

Senator Mondale was making this strong statement in consideration of Democratic Congressional response to statements by a Republican President. I will be interested to see how forcefully he maintains this position now that we are to have a Democratic President—and a Republican minority in the Congress.

Finally on this point, it would seem to me that the media—television, radio and the press—have a greater responsibility than ever to investigate and test thoroughly actions and policies of an Administration which will be required to provide very little in the way of accountability to a Congress dominated by the same political party. The Freedom of the Press First Amendment to the U.S. Constitution may well turn out to be our greatest safeguard against uncontrolled power which a determined and aggressive leader may assert and which a Congress dominated by his own party may be unwilling to moderate or check.

One other move which will be made by the Republicans on the opening day of the new Congress will be a Resolution to establish a Select Committee on Effective Oversight. This proposal is intended to create a minority watchdog group empowered to investigate activities within the Executive Branch at any time when both the Congress and Executive Branch are dominated by the same political party—which assuredly guarantees the American people of a careful review of Executive Branch actions which affect the lives of all Americans.

In my view—and under the system of checks and balances this would be a vehicle by which the traditional "loyal opposition" could scrutinize and focus public attention on the actions of the majority party. Now don't hold your breath until this Resolution gets adopted. Indeed it has been tried before when similar Democratic majorities have been in control of the Congress. The measure failed then and it will fail again in the new Congress.

Without yielding—then—any responsibility or potential of the minority Republican "loyal opposition" in the Congress to participate in—and question major decisions of President-Elect Jimmy Carter's "new leadership"—let me reiterate the two other major safeguards inherent in our political system.

First, there is the leadership of Members of Congress of the new President's own party.

Second, there is a powerful—and I believe—responsible media capability—jealous of its constitutional prerogatives which will be covering and questioning the decisions and judgments of the Jimmy Carter "new leadership"—after inauguration day—next month.

In order to interpret what is going on in Washington next year we will all have to study Southern — I already understand Southern—but as a letter to Gene Shalit of NBC stated the other morning on the Today Show: "We know you understand Southern, but will you be able to stand—what you understand?"

Perhaps—working together—Republicans and Democrats in the Congress—the media—and, yes—the people (to whom Jimmy Carter made his principal campaign appeal)—we can help his new Administration to develop and implement policies that we can stand—and also understand.

Thank you.

LEAA PROGRAMS WORKING

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. SANTINI. Mr. Speaker, the following is a revealing demonstration of some very positive results from the expenditure of LEAA moneys. At a time when all revenue spending agencies are undergoing strenuous scrutiny, it is imperative that each agency demonstrate the justification for these continued expenditures. LEAA is certainly receiving an incisive review and is proving its worth.

I believe the following narrative demonstrates some very constructive expenditures by LEAA in our southern Nevada community:

$500,000 STOLEN PROPERTY RECOVERED—58 PERSONS CHARGED

George E. Holt, Clark County District Attorney; Ralph Lamb, Sheriff, Las Vegas Metropolitan Police Department; Jack Keith, Jr., Special Agent in Charge, FBI, today reported the recovery of approximately $500,000 in stolen property and contraband through the joint efforts of the District Attorney's Conspiratorial Crime Prevention Unit, Metropolitan Police Task Force and the Federal Bureau of Investigation. This trilogy of police agencies operated a covert fencing operation manned by undercover law officers in Las Vegas, Nevada. The location of this undercover operation is in a central business-industrial area of town.

The entirety of this investigation was operating under the code name "Switch", which started 6/15/75. Undercover agents spent $61,275 in the procurement of recovering the listed stolen property and contraband. This project was funded by a Grant issued to the District Attorneys Office by the Law Enforcement Assistance Administration (LEAA). This agency's assistance was invaluable in terms of financial aid and coordination.

Fifty-eight (58) suspects have been charged and several other suspects are still under investigation where arrests are imminent. Charges include Homocide, Burglary, Robbery, Embezzlement, Grand Larceny, Receiving Stolen Property, etc. Forty-eight (48) suspects have been charged with Felonies, Gross Misdemeanors and Misdemeanors; Eight (8) with Gross Misdemeanors; and two (2) with Misdemeanors.

On the evening of November 29, 1976, forty-one (41) individuals were arrested pertaining to this operation. Investigation is continuing to locate the other individuals who have been charged. Twenty-one (21) of these individuals were arrested at our undercover location after they had been invited to attend a party, and to participate in a raffle for a stingray automobile.

Unidentified property is still being investigated as well as ascertaining the identity of several victims who may or may not be aware of their property loss to date.

The following number of items have been recovered as stolen property:

Credit cards	222
TV sets	25
Motorcycles	4
Automobiles	15
CB radios	47
Radios	5
Firearms (24 handguns, 29 rifles and 15 shotguns)	68
Cameras	18

Other miscellaneous items of value: stereo, tape decks, car radios, saddles, silverware, guitars, coin collections, sewing machines, scuba gear, hotel master keys, power tools, musical instruments, cash register, and $19,990 in travelers checks, money orders and checks.

The primary charge of Possession of Stolen Property will entail a follow-up investigation concerning the perpetrating suspects.

The assisting agencies included:

Metropolitan Police Detective and Patrol Bureaus.

Nevada Parole and Probation.

Postal Inspectors Office.

Treasury Department—ATF Bureau.

North Las Vegas Police Department.

Secret Service.

Operation "Switch" facilitated an ultimate criminal goal, i.e., the conversion of stolen property and/or contraband into cash. Associated law enforcement agencies working together satisfied this goal with the final payments being arrests and criminal prosecutions.

ALABAMIAN BECOMES FIRST WOMAN LINE ADMIRAL

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. FLIPPO. Mr. Speaker, a native Alabamian has attained a landmark appointment in the history of the U.S. Navy. Adm. Fran McKee has become the first woman executing a nonmedical role to be promoted to the rank of rear admiral.

Highly deserving of this appointment, Admiral McKee had previously distinguished herself by being 1 of 10 women captains in the Navy, an honor she received in 1971. In that capacity her duties included commandeering all Naval personnel assigned to Fort George G. Meade and the National Security Agency.

In her new position, she supervises a wide range of Naval installations on shore because of the Federal law which restricts her from taking command of a combat ship. As a line admiral she is presently the Director of Naval Educational Development in Pensacola, Fla.

In the past, she has served the USN as a procurement officer, a personnel officer, and head of the Naval Women's Officer School in Newport, R.I.

Originally from Florence, Ala., her home State ties remain strong. Admiral McKee's sister, Mrs. Thomas (Bobbi) Pritchett, still resides there and is justly proud of her successful endeavors. The entire State, were they aware of her achievements, would likewise praise her.

Admiral McKee certainly deserves to be saluted for her numerous contributions to this country. Her extreme dis-

play of leadership as a naval offcer is most commendable.

I am proud that a former resident of our State and an alumna of the University of Alabama, through her skill, courage, effort, and endurance, has proved herself to be the epitome of a remarkable American. Admiral McKee has set an example to which every other member of the Armed Forces should address their attentions.

THE VIP'S VIP IN DALLAS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. MILFORD. Mr. Speaker, the Adolphus Hotel, in Dallas, is the crossroad for the "Who's Who" of Dallas and the great Southwest. Industrialists, politicians, oil men, movie stars, and other notables constantly parade through the carpeted lobbies to clubs, meeting rooms, and the prestigious Adolphus Tower office suites.

Practically all of these famous people would be hard-pressed to tell you who is the general manager or the owner of the Adolphus complex. Yet, almost every one of the celebrities know Lloyd Johnson and are particularly proud that Lloyd knows them.

Lloyd Johnson, Jr., is an outstanding individual in Dallas, Tex., and a first-class citizen. Recently, Julia Scott Reed, an outstanding columnist for the Dallas Morning News, wrote an article about Mr. Johnson. Her great talent can best describe the attributes of Lloyd Johnson, Jr.

Mr. Speaker, I would like to include Miss Reed's column in the RECORD so that all Members of this Congress may come to know this Dallas VIP:

GARAGE MAN HAS LOVE FOR WORK

(By Julia Scott Reed)

Lloyd Johnson Jr. is a man with a genuine love for work and the job he does, who came from the cotton fields of Louisiana to the position of general manager of the Adolphus Hotel garage.

The oldest of 14 children of Mrs. Ollie Mae and Lloyd Johnson Sr., he grew up on a small farm at Opelousas and learned early in life that honest work was the road to success. "I never departed from it," he says.

Johnson came to Dallas 17 years ago, and by accident landed a job at the hotel as a parking attendant. Through dedicated and trusted service, he came up through the ranks to his present position.

"I love my job more and more each day," he said. "It really keeps me alive, and I hope to remain here until I'm too old to work. Then I will retire from this place."

Johnson said his bus ride from Louisiana brought him to Dallas, where he had a 2-hour layover and was "just shopping around" when he stopped to talk with the men at the Adolphus garage and was offered a job.

"I had become weary of picking cotton and digging potatoes, and told my mother I was going to travel a bit and started out for California, "he said.

"Dallas was a clean-looking city. I thought over the job offer and accepted a 12-hour night shift that paid 57c per hour plus tips, and stayed with it."

Johnson takes as much pride in being a handyman at the hotel as he does in being "boss" of his department.

While he assumes full responsibility of personnel floor management and payroll for his 16 employes, and is on 24-hour call at the garage, he fills in to help out in the Heidelberg Restaurant, sell newspapers at the desk, sweep the hotel lobby and mop the floors when help is short.

"I help out any place in the hotel where I'm needed," he said. "That's the only way to make an operation go, and we work together like a family."

Johnson has the same loyalty for his family. He quit school in the 10th grade and worked at various jobs to help put his eight brothers and five sisters through college.

He supports his 13-year-old daughter, Jeanette, whom he has had in private school since she was 3.

"I didn't have the opportunity to go to college, but I wanted to see my brothers and sisters make it, and my daughter must have the best," he said.

"She is a bright student, makes straight A's and I'm proud of it."

While Johnson never went to college, he made the best of what he had. He learned to drive an automobile at age 9.

"I had no dreams when I began driving a model T Ford, a truck and tractor, as a kid that someday it would be a start toward a career," he said.

Johnson is a member of the People Baptist Church, where he said he was invited by the Rev. S. M. Wright.

"He came into the garage one day and said he wanted to talk with me. He asked me to come to his church some Sunday, and I felt good about that, because he was the only black preacher that even spoke to me."

"Church attendance is a family tradition," Johnson said. "My father is a deacon in the Baptist church, my mother is an usher, and we were brought up in the church."

Johnson's activities, in addition to his church, include hunting and some golfing. "I don't get involved in many activities, because I want to be available if called to the job," he explained.

"That's the kind of loyalty that has gained for him the great respect of Leo Corrigan and Johnson's immediate supervisor, Grant (Papa) Baere," Ms. Stormy Meadows, public relations director for Hotel Adolphus, said.

APPELLATE REVIEW OF SENTENCES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. RODINO. Mr. Speaker, the Advisory Committee on Criminal Rules of the Judicial Conference of the United States has drafted a proposed amendment to rule 35 of the Federal Rules of Criminal Procedure. The amendment would establish a new rule to deal with appellate review of sentences in Federal criminal cases.

This proposed amendment will be the subject of a public hearing on Thursday and Friday, January 13 and 14, in the eighth floor conference room of the Court of Claims Building here in Washington, D.C. Members of Congress who want further information about the proposed amendment or who are interested in testifying at the hearing are invited to contact the Judiciary Committee's Subcommittee on Criminal Justice (225–0406) or Bill Weller, the judicial conference's legislative liaison officer (382–1615).

PITT IS NO. 1

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, in a manner convincing enough to quiet the loudest skeptics, the University of Pittsburgh football team rolled over their Sugar Bowl opponent, Georgia, by a score of 27–3 on New Year's Day and wrapped up the national collegiate championship.

Both major wire services voted Pitt the Nation's best college team on the basis of their perfect 12-win season.

Pitt's rise to national prominence is all the more amazing since only 4 years ago their record was 1 win and 10 losses.

Much praise for Pitt's achievements must go to Head Coach John Majors, who came to Pitt when the school's football program was scraping the bottom. He turned that around by recruiting quality young men and produced four consecutive winning seasons, culminating with the current national championship team.

The sparkplug at Pitt during those 4 years was running back Anthony Dorsett, the man who holds more NCAA football rushing records than any player in history.

Dorsett was rewarded for his herculean feats this year by winning the coveted Heisman Trophy, symbolic of college football's outstanding player.

On behalf of Pittsburgh football fans, and fans everywhere, I want to salute each and every member of the University of Pittsburgh football team, the coaching staff, Athletic Director Cas Myslinsky, and Chancellor Wesley Posvar, for making this past year a joyous and exciting one for their followers.

I now wish to include in the RECORD newsstories from the Pittsburgh Press and Post Gazette on Pitt's final victory and Washington Post stories which announced Pitt's selection as the No. 1 team in the Nation:

[From the Washington Post]

PITTSBURGH NO. 1, MARYLAND 8TH IN FINAL AP POLL

As expected, the University of Pittsburgh was the runaway selection as college football's top team in the final Associated Press poll announced yesterday.

Maryland ended No. 8. The Terrapins finished the regular season unbeaten and ranked fourth and then were upended, 30–21, by Houston in the Cotton Bowl.

The national championship was officially settled in the bowl games, but it actually was decided in the season openers.

On Sept. 11, Pitt, ninth in the AP preseason poll, whipped Notre Dame, 31–10. A few hours later, Southern California, which started out No. 8, was trounced by Missouri, 46–25.

"I agree with that theory," said Pitt coach Johnny Majors, who is leaving to become head coach at Tennessee. "The Notre Dame game gave us a lot of impetus."

And Pitt's 27-3 Sugar Bowl triumph over Georgia climaxed a four-year rebirth, nailed down the Panthers' first national championship in 39 years and made them the first Eastern team to capture the No. 1 ranking since Syracuse in 1959.

Pitt officially was crowned national champion yesterday when the 12-0 Panthers re-

ceived 59 of 62 first-place votes and 1,234 of a possible 1,240 points from a nationwide AP panel of sportswriters and broadcasters.

[From the Washington Post]

TERPS 11TH IN UPI POLL; PITT No. 1

The United Press International board of coaches has rewarded Pittsburgh with final No. 1 ranking and punished Maryland with a demotion to No. 11 among college football powers for the Panthers' success and the Terps' failure after both took 11-0 records into the New Year's bowls.

Pitt becomes the first Eastern school since Syracuse in 1959 to be named national champion by UPI after capping its four-year renaissance under coach Johnny Majors by bombing Georgia in the Sugar Bowl, 27-3.

Houston, Maryland's 30–21 conqueror in the Cotton Bowl, supplanted the Terps in the No. 4 spot they occupied at regular season's end. And while Maryland was falling all the way out of the top 10, the Nos. 3 through 10 teams—Georgia was accorded 10th despite its walloping by already top-ranked Pitt—all had worse won-loss records than Maryland. Nebraska attained No. 7 despite three defeats and a tie.

Team:	Points
1. Pittsburgh (39) (12–0)	416
2. Southern California (3) (11–1)	376
3. Michigan (10–2)	258
4. Houston (10–2)	249
5. Ohio State (9–2–1)	163
6. Oklahoma (9–2–1)	158
7. Nebraska (8–3–1)	112
8. Texas A&M (10–2)	99
9. Alabama (9–3)	97
10. Georgia (10–2)	86
11. Maryland (11–1)	80
12. Notre Dame (9–3)	77
13. Texas Tech (10–2)	56
14. Oklahoma State (9–3)	22
15. UCLA (9–2–1)	20
16. Colorado (8–4)	17
17. Rutgers (11–0)	7
18. Iowa State (8–3)	5
19. (Tie) Baylor (8–2–1)	3
(Tie) Kentucky (8–4)	3

[From the Pittsburgh Press, Jan. 2, 1977]

PITT: HOW SWEET IT IS!—PANTHERS No. 1 FOR SURE AFTER JUNKING DOGS, 27–3

(By Russ Franke)

NEW ORLEANS.—Pitt left no doubt as to who is the No. 1 team in the nation yesterday when the Panthers completely outclassed fourth ranked Georgia, 27–3, before 76,117 fans in the Sugar Bowl.

The win gave Pitt a 12–0 record its best ever and no doubt the national also was the biggest win in the career of Johnny Majors, who coached Pitt for the last time after accepting the head job at Tennessee last month.

An overpowering defense and an explosive offense were convincing enough even to those who had been claiming that the winner of the Rose Bowl deserved greater consideration for the national title, and it was a stunning blow to the Georgia fans in the plush Superdome who felt that an upset over the slightly favored Panthers would earn their team consideration as No. 1.

Georgia's renowned Junkyard Dogs defense was not in the same league with Pitt's and Tony Dorsett and Matt Cavanaugh were at their best in putting the sting in the Pitt offense.

Dorsett broke the Sugar Bowl rush-record with 202 yards on 32 carries and Cavanaugh won the MVP award by completing 10 of 18 passes for 192 yards.

The Panthers established their domination early, intercepting four passes in the first half after shutting down the Bulldog running game.

There was no denying the Panthers on their second possession as they went to the air to burn the junkyard dogs defense twice on big plays. An 80-yard drive in 12 plays consumed more than five minutes and Matt Cavanaugh got the score when he stepped inside the left tackle on an option and went six yards.

With Georgia stopping the runs of Dorsett for short yardage, Cavanaugh passed 13 yards to Gordon Jones for a key first down at midfield and set up the touchdown with a 36-yard pass up the middle to wide open Elliott Walker.

Georgia was stumped by the Pitt defense for most of the first period, getting only a total of six yards in its first two possessions, and failing to make a first down until 1:34 was left.

Pitt penetrated across midfield early in the second period on Cavanaugh's 39-yard pass to flanker Willie Taylor, who broke a tackle at midfield and made it to the 38. The Panthers couldn't get a first down, and Carson Long's 54-yard field goal try was just short.

After Arnie Weatherington intercepted a pass at the 26, Pitt struck suddenly from deep in its own territory for the second score and it was Jones who flashed his speed and elusiveness for the big bomb. Cavanaugh hit Jones in the short secondary and Jones broke loose and skipped home on a 59-yard play. Long's kick made it 14–0.

Meanwhile, the Panther defense was showing up the Junkyard Dogs by keeping Georgia inside its own territory except for a personal foul penalty that gave the Bulldogs their first penetration in the middle of the second period. Pitt checked Georgia quarterback Ray Goff so effectively that he was replaced by Matt Robinson. Neither one was a puzzle to the Panthers, however.

Jim Cramer, Weatherington's partner at linebacker got the second interception and the Panthers turned it into another touchdown just before the end of the half. Dorsett finally cut loose on this drive, taking a pitchout for a 22-yard run to the Georgia 22, and after Cavanaugh hit Taylor on a 14-yard pass to the 13 and Walker dived for a first down at the 11, Dorsett swept around the right side for the TD. Long made it 21–0.

Georgia made it to the Pitt 39 on a penalty but Leroy Felder grabbed off the third interstole the fourth pass, his 10th of the season.

Georgia got its first break of the game just after the start of the third period when Walker dropped a handoff and Georgia's Lawrence Craft recovered on the Pitt. 25. The Pitt defense came through, however, holding the Bulldogs to two yards on three plays and overcame a face mask penalty and Georgia settled for Allan Leavitt's 25-yard field goal.

If Dorsett had been only mildly exciting up to the end of the third period, he was sensational in setting up Pitt's next score. Dorsett blazed through the middle for 67 yards to the 16 and would have gone all the way but for a saving tackle by Johnny Henderson. The Junkyard Dogs staged their best stand of the day and Long came in to kick an angled 42-yard field goal for a 24–3 lead.

The earlier fumble by Pitt was evened up in the middle of the fourth period when Goff dropped the ball and it was recovered on the Bulldog 23 by linebacker Al Chesley, subbing for the injured Cramer. The Dogs held for no gain on three plays and Long's 31-yard field goal increased the lead to 27–3.

With Tom Yewcic at quarterback, and all reserves on the field, the Panthers got to the Bulldog eight when time ran out.

[From the Pittsburgh Post-Gazette, Jan. 3, 1977]

THE PARTY LINE: ONE CHAMP, IT'S PITT

(By Marino Parascenzo)

NEW ORLEANS.—They gave a No. 1 party, and no one came. Not Woody, not Bo, and not John. Some said not Georgia and its Junkyard Dogs, either. And wouldn't you know it?—no champagne, either.

Not much of a party spirit, for that matter. The Pitt Panthers trotted back to their dressing room, to nothing wetter than a hot shower, wearing so-whats on their faces. Could this be the football team that had just won the national championship?

Well, it truly was all over, but the election. The landslide had already taken place. Georgias Bulldogs had just been buried on the Superdome turf, 27–3, in the 1977 Sugar Bowl. It hardly mattered that on that crisp Saturday New Year's afternoon, the Orange and Rose Bowls still had to be played.

Woody Hayes of Ohio State, angry at something, deduced that Pitt chose the Sugar in order to avoid playing the Colorado team he would meet. And in Pasadena, B Schembechler of Michigan and John Robinson of Southern Cal proclaimed that their Rose Bowl game would decide the national title, no matter what the rest of the country said.

Al Roama, Pitt middle guard, had his solution. "Did the Rose Bowl start yet?" he said bending to cut the tape from his ankles. "No? Well, go tell them to call it off. Tell them not to bother."

Pitt entered the Sugar Bowl No. 1 in both wire service polls. And when you've stepped out of the Sugar like a puppy coming out of a card house, and you've left No. 5 Georgia 10–2 and gasping in their own wreckage, why, all you need then is for the National Broadcasting Company to anoint you.

The official word on the unofficial national championship should be forthcoming shortly from the wire services. Meanwhile, the question remains, which play worked best—Dorsett off tackle, Cavanaugh-to-whoever, or a sweep through the French Quarter?

They've quit telling ethnic jokes in New Orleans. Now it's Pitt jokes. "The Georgia players are now in bed," said one television guy on the 11 p.m. news, "and Pitt is just getting dressed to go out. "Majors posted a curfew," another gag went. "He told them to be in by February.

It all began when Southern media people went pale when they learned that Johnny Majors, author of Pitt's success and now officially the Tennessee coach, let his player maintain their on-campus life style. Which meant no curfews until a couple of days before the game, and freedom to roam. At the same time, Georgia's players were being bed-checked something like 10:30 or 11.

Contrary to popular belief, both Biloxi, Miss., site of the first week's drills, and the French Quarter were still there at last look.

The Panthers, at first surprised by the reaction, missed few chances to embellish the notion they were the biz partying team out of the effete East.

Defensive tackle Don Parrish, for example, was limping toward the locker room on his sprained ankle. Someone wanted to know whether it was serious. "Oh, it will be all right," Parrish said, "soon as I have a couple drinks."

After the game, a Georgia fan at the Pitt hotel headquarters, noting the Georgia curfew, lifted his hands and sighed: "So much for clean living."

The game was over quickly. Pitt struck for a 21–0 lead in the first half—quarterback Matt Cavanaugh trotting six yards for the first touchdown, hitting receiver Gordon Jones on a 59-yard pass play for the second score, and Tony Dorsett swishing 11 yards for the third. Then, aside from two field goals by Carson Long, Pitt sat in the second half. "We wanted to eat up the clock," Majors said. Get it over with he meant.

The Panthers had to survive not only the nightlife, but also a bout of virus that put down about eight players and 4 chil-

dren accompanying the teams as well as the boisterious nagging of Georgia fans.

A large contingent lodged at the Marriott where the Pitt team stayed. What started as good fun degenerated into harassment Pitt players found barely bearable. One night, a lobby mob refused to part and let Dorsett and tight end Jim Corbett reach the elevators.

At the Superdome, it was Pitt's turn. While Dorsett was rushing to a Sugar Bowl record of 202 yards and Cavanaugh was picking up Most Valuable Player Award, the Pitt people joked.

The jokes were perfectly awful. "It's a dog's life." "Their bark is worse than their bite." "They're more bull than dog." Like that. But they had a kind of healing effect on the sores of that pre-game abuse.

What was happening was that Georgia's 1,000-yard rusher, Kevin McLee of Uniontown, Pa., was kept busy getting 48 yards in his 14 carries. And quarterback Ray Goff, the Southeastern Conference's player of the year, who had 724 for the year, got 76. Goff and three other Bulldogs quarterbacks got off a total of 22 passes. Three were completed to Georgia guys and four to Pitt guys. Pitt also took in two fumbles, improving on its average of four turnovers per game.

The tale is complete in the Sugar's profit-and-loss statement. The Georgia offense had averaged 336 yards and 29 points per game. It got 181 and 3. The Junkyard dog defense had allowed averages of 271 yards and 10 points. It gave up 480 and 27.

One of Georgia's quarterbacks was Tony Flanagan, 6-3 sopohomore, who is also a standout on the Georgia basketball team. Dooley called on Flanagan midway through the fourth quarter to get something started Anything. Flanagan dropped back to pass on his first play, and was crushed for an eight-yard loss by Pitt defensive tackle Randy Holloway.

It was a clumsy social moment for Holloway. He and Flanagan had become friends playing together in an all-Star basketball tournament in Sharon, Pa., some years earlier. What do you say to an old friend you just planted?

"Well, uh . . ." Holloway paused, embarrassed. "I said, well, uh, 'Hello Tony.' "

Flanagan wasn't invited to the post-game party. It wasn't a farewell party thrown by Majors, who left early yesterday for Hawaii and the Hula Bowl with Dorsett, Romano, and Corbett. It was a welcome party thrown by Jackie Sherrill, the new Pitt coach. Well, at least he was off to a right start.

TWO BERLINS CONTRAST FREE ENTERPRISE PRINCIPLES

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 10, 1977

Mr. FLIPPO. Mr. Speaker, one of the Nation's most active textile manufacturers, Mr. J. Craig Smith of Birmingham, Ala., recently received the Free Enterprise Award sponsored by the Farm-City Committee of Alabama and Alabama District, Kiwanis International.

His acceptance remarks vividly contrast the advantages of democracy and free enterprise as observed in West Berlin and East Berlin.

Because his observations point out so clearly the value of an open system of government in West Berlin, I include Mr. Smith's comments as part of my remarks at this point:

REMARKS OF J. CRAIG SMITH

A few days ago, I returned from a visit to West Berlin. While there, I made a one-day visit to East Berlin. The contrast between the two cities must be seen to be believed.

West Berlin, dedicated to the principles of democracy and free enterprise, is bustling with activity. Its citizens have a standard of living equal to ours. There is complete freedom of speech and of the press. The night life is glamorous. Their money has appreciated in value compared to all other money in the world, including ours. The city is surrounded by one hundred miles of wall built by the Communists. No one in West Berlin wants to be on the other side of the wall. Nearly every day, some East German risks his or her life in an effort to escape communism. A few are successful.

Visitors to East Berlin must pass through "Check-Point Charlie." No visitor can bring in any newspaper or other printed matter. All money must be declared and accounted for at time of exit. The inhabitants of East Berlin seem listless and hopeless. Their standard of living is low, although the government heavily subsidizes both housing and public transportation.

Luxuries such as tea, coffee, and alcoholic beverages are priced far beyond the reach of the average citizen. There are queues of people at most stores and restaurants waiting to buy scarce goods. No one wants the East German money. It is easy to understand why foreign money has to be accounted for at the time of leaving. I have never seen automobiles more thoroughly searched than the ones going back to West Berlin. Mirrors are placed under the cars to detect any East German who might be trying to escape. The guards even probe the gasoline tanks.

I mention the differences between West Berlin and East Berlin in some detail because the contrast is accounted for entirely by their two systems of government. When the Russians took charge of East Berlin and the Americans, British, and French took charge of West Berlin, there was only one city, with the same people. Thirty years later, we have the two situations I have briefly described.

Early in his administration, I hope that President-elect Carter and his Secretary of State will find time to visit the two Berlins. I believe they will conclude, as I did, that until the wall around West Berlin is removed, and until the fortified barbed-wire fences which stretch across the continent of Europe and which we call the Iron Curtain are torn down, talk of détente is somewhat ridiculous.

It is impossible for any of us to have any true appreciation of what we have in this country resulting from competitive free enterprise and the form of government bequeathed to us by our forebearers unless and until we see what other people have around the world.

I commend each of you for the tremendous effort you have made and are making to educate the American people in respect to the priceless value of what we have. I have been trying to think of an award I would rather receive than the one you have given me. Nothing has come to my mind. I am deeply grateful.

UKRAINIAN INDEPENDENCE DAY

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. BRODHEAD. Mr. Speaker, the people of the United States feel a close moral kinship to the people of the Ukraine, who continue to maintain their unique cultural heritage in spite of the Soviet Union's efforts to suppress their national character and freedoms. January 22 marks the 59th anniversary of Ukrainian independence, and I wish to salue the indominable spirit of the Ukrainian people.

The fall of the Russian Czar was the signal for bursting enthusiasm throughout the Ukraine. Despite the systematic attempts of the Russian Government to suppress Ukrainian ideals and aspirations, the goal of freedom has survived. Since its formation in March 1917, the Ukrainian Central Rada, through a series of important acts, led Ukraine through a turbulent period, establishing first an autonomous state and then proclaimed a full-fledged independent and sovereign state of the Ukrainian people.

However, the Ukrainians enjoyed their long-awaited fredom only briefly. The invading Russian troops forced the government into exile and established the Ukrainian Soviet Socialist Republic in 1923 which immediately surrendered Ukrainian independence in favor of the Union of the Soviet Socialist Republics.

The Ukrainian people in the free world have since commemorated January 22 as a Ukrainian Independence Day and used this opportunity to keep the flame of hope burning in the hearts of the enslaved Ukrainians who long for their denied but God-given rights of national, individual, cultural and religious freedom.

TAX PENALTIES RESULTING FROM ELIMINATION OF SICK PAY EXCLUSION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mrs. KEYS. Mr. Speaker, the implementation of the Tax Reform Act of 1976 has placed an unexpected burden upon many Federal retirees and other taxpayers. Changes made by the Congress in the treatment of sick and disability pay, foreign income, and child care expenses among others has retroactively increased the 1976 tax liability of many individuals.

The largest group of taxpayers affected are Federal retirees who previously took advantage of the $100-a-week sick pay exclusion. The exclusion of up to $5,200 a year has now been limited to those under 65 who have retired on a permanent and total disability. Thus, retirees who expected to utilize the sick pay exclusion in 1976 may find they have failed to withhold sufficient funds to cover their new tax liability. Without remedial legislation, those who have failed to withhold adequate taxes may be subject to the imposition of a penalty by the IRS.

The legislation which I am introducing would assure that no taxpayer is assessed a penalty as a result of changes in the tax law.

Section 1 of the bill would allow individual taxpayers until April 15, 1977—corporations until March 15, 1977—to pay their full 1976 income tax liabilities

without incurring any additions to tax on account of underpayment of the estimated tax, if the underpayment is attributable to the Tax Reform Act of 1976.

Section 2 would relieve employers of any liability for failure to withhold, during 1976, on sick pay and other types of remuneration which were made taxable by the 1976 act.

Section 3 would relieve taxpayers with short taxable years or with fiscal years ending before December 31, 1976, from any interest through April 15, 1977—corporations through March 1977—on underpayments attributable to changes made by the 1976 legislation.

The bill I am introducing does not alter the actual tax liability of any taxpayer under the Tax Reform Act. It simply provides equitable treatment for those taxpayers affected by the recent changes in the law. I hope it will receive your support.

WAIVER OF CERTAIN TAX PENALTIES

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. BEDELL. Mr. Speaker, I wish to focus the House's attention on an unintended problem created by the Tax Reform Act of 1976.

The section in question has to do with the repeal of the sick pay exclusion which means that under the new law, people receiving sick pay have to pay tax on it. Laying aside any problems one may have with this provision, I wish to draw attention to the effective date, January 1976. In other words, this is a retroactive tax.

Furthermore, under the new law, people who fail to make proper estimated tax payments on their sick pay by January 15, 1977 are technically subject to penalties.

I would like to waive those penalties for the 1976 tax year. Accordingly, I have today introduced legislation to do this and I hope it will get prompt attention from this body.

Specifically, my legislation would work as follows. Under current law one must pay quarterly estimated tax payments on sick pay. The last payment is due January 15, 1977. If your estimated tax payments add up to less than 80 percent of your final tax you are subject to a fine. Since the sick pay provision was changed late last year, a lot of people who received sick pay will not have paid the proper estimated tax and will therefore be subject to these fines. I think this is unfair since these people have not had adequate time to make the proper payments. I would simply waive these penalties for 1976 only. Recipients of sick pay will still have to pay tax on it but they will not be subject to the penalties this year.

I have received mail on this retroactive date problem from people who tell me that it will work a real hardship on them to suddenly have to pay taxes on sick pay retroactive to last January.

While I sympathize with this problem, I understand that in order to change the effective date, Congress would have to revise the budget resolution and I do not think we ought to do that.

It seems to me that a retroactive tax is highly undesirable and it tends to further undermine people's confidence on our Government. The least we can do is to waive any penalties which would accumulate because of this unfortunate situation.

The Internal Revenue Service has deferred collection of any penalties until April 15 in order to give Congress time to enact legislation such as I have proposed. Hopefully we can move quickly on this matter.

H.R. 952—THE MINIMUM INCOME MAINTENANCE ACT

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. KOCH. Mr. Speaker, for the last 6 months, I have been preparing the Minimum Income Maintenance Act, H.R. 952, which was introduced on January 4, 1977.

I have prepared a summary of that legislation and have shared that summary with my colleagues in the Congress, the Governors of the 50 States, many welfare experts and President-elect Carter. Much interest in this legislation has been expressed, and I have received many requests for actual copies of the legislation. Therefore, today I would like to place a copy of the text of the bill in the RECORD and would like to invite comments on its content and the cosponsorship of my colleagues. A copy of the bill follows:

H.R. 952

A bill to amend the Social Security Act to replace existing Federal public assistance and welfare programs with a single program under which all residents of the United States are guaranteed an adequate minimum income, with incentives to work for those who are able to do so, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Minimum Income Maintenance Act".

SEC. 2. (a) The Social Security Act is amended by adding at the end thereof the following new title:

"TITLE XXI—MINIMUM INCOME MAINTENANCE BENEFITS

"PURPOSE; APPROPRIATIONS

"SEC. 2101. For the purpose of establishing and implementing a national program to guarantee a minimum adequate income for all qualified residents of the United States, there are authorized to be appropriated sums sufficient to carry out this title.

"BASIC ELIGIBILITY FOR BENEFITS

"SEC. 2102. Every individual residing in the United States who is determined under section 2103 to be an eligible individual for purposes of this title shall, in accordance with and subject to the provisions of this title, be paid minimum income mantenance benefits by the Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the 'Secretary').

"ELIGIBILITY FOR BENEFITS

"SEC. 2103. (a) Subject to subsection (b), every individual who is a resident of the United States and—

"(1) who is either (A) a citizen, or (B) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a)(7) or section 212(d)(5) of the Immigration and Nationality Act), and

"(2) whose income (as determined under section 2106) is at a rate of not more than the applicable guarantee level (as determined under section 2105), shall be an eligible individual for purposes of this title.

"(b) Only one member of a family may be an eligible individual for purposes of this title. Benefits paid to any eligible individual who is a member of a family consisting of two or more persons shall be deemed paid to such individual for and on behalf of all of the members of such family.

"(c) The Secretary (in the regulations prescribed under section 2111) shall define the term 'family' for purposes of this title, in a manner sufficiently broad to promote the preservation of the typical family unit to the maximum extent while appropriately recognizing the family relationships of other groups of related individuals who are living together or are mutually dependent, and shall in any event include within such term single individuals who are not dependents of other persons. The Secretary (in such regulations) shall also provide for the determination of the particular member of a family consisting of two or more individuals who is to be the eligible individual in such family for purposes of this title.

"AMOUNT OF BENEFITS

"SEC. 2104. The benefit under this title for any eligible individual shall be payable, for months in any calendar year (unless section 3(c)(2) of the Minimum Income Maintenance Act applies), at a rate equal to—

"(1) one-half of the applicable guarantee level (as determined for such calendar year under section 2105), reduced by

"(2) one-half of the amount of such individual's income (as determined for such year under section 2106).

"GUARANTEE LEVEL

"SEC. 2105. (a) For purposes of this title, the term 'guarantee level' with respect to a family of a given size and composition residing in a particular political subdivision (as determined for purposes of this section under subsection (c)), in any calendar year, means the amount of the lower budget for a family of that size and composition in that subdivision as established for such year by the Bureau of Labor Statistics in the Department of Labor and promulgated by the Secretary as provided in subsection (b). In establishing such amounts the Bureau shall utilize the most recent information and data which may be available on costs, incomes, budget levels, and consumption patterns, and shall take fully into account variations in consumption patterns as between different areas and regions and as between families of different sizes and compositions.

"(b) The Bureau of Labor Statistics shall establish and certify to the Secretary on or before October 1 of each year, for purposes of and in accordance with subsection (a), the lower budget for families of various sizes and compositions within each political subdivision in the United States (as determined for purposes of this section under subsection (c)); and the Secretary shall, on the basis of such certification, promulgate the guarantee levels which are to be applica-

ble for purposes of this title during the succeeding calendar year.

"(c)(1) For purposes of this section, the term 'political subdivision' means—

"(A) a standard metropolitan statistical area as established by the Office of Management and Budget, and

"(B) any other area designated as a political subdivision for such purposes under paragraph (2).

"(2) The Secretary, in cooperation with the various States, shall designate all of the areas within each State which are not included in any standard metropolitan statistical area as a single political subdivision for purposes of this title or shall divide such areas into two or more parts and designate each of them as a political subdivision for such purposes. In determining the number, size, and location of the political subdivisions to be designated in any State under the preceding sentence, the Secretary shall endeavor to include within the same political subdivision all of the areas in such State in which the cost of living is approximately the same and other economic conditions are substantially similar.

"INCOME

"SEC. 2106. (a)(1) For purposes of this title (subject to paragraph (2) of this subsection and to subsections (b), (c), and (d)), the term 'income' with respect to any individual for any period means all earned and unearned income attributable to that period which is received or derived by or furnished to such individual in cash or kind from any source (public or private), including all such income which is received or derived by or furnished to other members of such individual's family, without regard to whether it would constitute or be included as income of such individual for any other purpose or under any other law. Such term includes the cash value of all support, maintenance, assistance, benefits, subsidies, rights, and other items which are furnished, provided, or made available directly or indirectly to such individual (or any other member of his or her family).

"(2) The term 'income' does not include (A) any benefit or assistance payable to or on behalf of any individual under a State plan approved under title XIX of this Act, or (B) any lump-sum payment of periodic cash benefits or assistance, under any law or any public or private plan or program, to the extent that such payment represents benefits or assistance due for periods prior to the month in which it is made.

"(b) The amount of an individual's income as otherwise determined under subsection (a) shall be reduced by any costs incurred for day care which is necessary in order to permit such individual (or any other member of his or her family) to obtain or perform employment, by taxes, and by any other work-enabling expenses (as defined in the regulations prescribed by the Secretary under section 2111).

"(c) The amount of the income of a family as otherwise determined under subsections (a) and (b) for any year shall be increased by $100 for each full $10,000 by which the aggregate value of the assets and resources of such family (other than assets and resources actually producing income which is counted under subsection (a) without regard to this subsection), as determined in accordance with the regulations prescribed under section 2111, exceeds $10,000.

"(d) The Secretary may prescribe circumstances under which—

"(1) the gross income derived by an individual or family from one or more trades or businesses, will be sufficient to render such individual or family ineligible by reason of his, her, or its income (or the availability of such income) for benefits under this title; and

"(2) payments in kind, vendor payments, and charitable payments may be excluded from the income of an individual or family because of the small amount of such payments or the administrative difficulty of determining the value of the items or services involved.

"WORKS REQUIREMENTS

"SEC. 2107. (a) Under and in accordance with the regulations prescribed by the Secretary under section 2111, every eligible individual not specifically exempted under subsection (b) (and every member of his or her family not so exempted) shall be required, as a condition of such individual's entitlement to receive benefits under this title, to register for services, training, and employment in a work incentive program established by part C of title IV and to make all possible active efforts to secure and hold employment.

"(b) The requirement in subsection (a) that every eligible individual register and seek employment shall not apply to any individual who is—

"(1) a child under age 16 or attending school full time;

"(2) ill, incapacitated, or of advanced age;

"(3) so remote from a work incentive program that his or her effective participation is precluded;

"(4) a person whose presence in the home is required because of the illness or incapacity of another member of the household; or

"(5) a mother or other relative of a child under the age of 6 who is caring for such child.

"(c) Notwithstanding any other provision of this title, no benefits shall be paid to any eligible individual under this title during any period in which such individual (or any member of his or her family), unless specifically exempted under subsection (b), is not registered and actively seeking or performing employment as required by subsection (a).

"ADMINISTRATIVE, PROCEDURAL, AND MISCELLANEOUS PROVISIONS

"SEC. 2108. (a)(1) This title and the program of benefits established by this title shall be administered by the Secretary wholly through the personnel and facilities of the Department of Health, Education, and Welfare.

"(2) An individual's eligibility for benefits under this title and the amount of such benefits shall be determined for each calendar quarter, and in the case of any such quarter (to the extent that income is a criterion) shall be based on such individual's income as reported for the preceding quarter. Eligibility for and the amount of such benefits for any quarter shall be redetermined at such time or times as may be provided by the Secretary.

"(3) Every application for benefits under this title shall be processed and finally acted upon by the Secretary within a period of 30 days after it is filed. If any such application is not finally acted upon within such period, the application shall (at the close of such period) be deemed to have been approved; and any benefits paid pursuant thereto prior to the Secretary's final determination shall in no event be considered overpayments for purposes of subsection (c) solely because the individual or family involved is ultimately determined not to be eligible for such benefits.

"(4) For purpose of this subsection an application shall be considered to be effective as of the first day of the month in which it was actually filed.

"(b)(1) Benefits under this title shall be paid at such time or times and in such installments at will best effectuate the purposes of this title, as determined under regulations (and may in any case be paid less frequently than monthly where the amount of the monthly benefit would not exceed $10).

"(2)(A) Subject to subparagraph (B), payments of the benefit of any eligible individual shall be made to such individual or to another member of his or her family, or partly to each.

"(B) If the Secretary deems it appropriate in the circumstances of a particular case, such payments may instead be made in whole or in part—

"(i) to any other person (including an appropriate public or private agency) who is interested in or concerned with the welfare of such individual (or family), or

"(ii) directly to one or more persons furnishing food, living accommodations, or other goods, services, or items to or for such individual (or family).

"(3) The Secretary may make to any individual initially applying for benefits under this title who is presumptively eligible for such benefits and who is faced with financial emergency a cash advance against such benefits in an amount not exceeding $100.

"(c) Whenever the Secretary finds that more or less than the correct amount of benefits has been paid with respect to any individual, proper adjustment or recovery shall, subject to the succeeding provisions of this subsection, be made by appropriate adjustments in future payments to such individual or otherwise. The Secretary shall make such provision as he finds appropriate in the case of payment of more than the correct amount of benefits with respect to an individual with a view to avoiding penalizing such individual who was without fault in connection with the overpayment, if adjustment or recovery on account of such overpayment in such case would defeat the purposes of this title, or be against equity or good conscience, or would (because of the small amount involved) impede the efficient or effective administration of this title.

"(d)(1) The Secretary is directed to make findings of fact, and decisions as to the rights of any individual applying for payment under this title. The Secretary shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be an eligible individual and is in disagreement with any determination under this title with respect to the eligibility of such individual for benefits, or the amount of such individual's benefits, if such individual requests a hearing on the matter in disagreement within sixty days after notice of such determination is received, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing affirm, modify, or reverse his findings of fact and such decision. The Secretary is further authorized, on his own motion, to hold such hearings and to conduct such investigations and other proceedings as he may deem necessary or proper for the administration of this title. In the course of any hearing, investigation, or other proceeding, he may administer oaths and affirmations, examine witnesses and receive evidence. Evidence may be received at any hearing before the Secretary even though inadmissible under the rules of evidence applicable to court procedure.

"(2) Determination on the basis of any such hearing shall be made within 60 days after the individual requests the hearing as provided in paragraph (1).

"(3) The final determination of the Secretary after a hearing under paragraph (1) shall be subject to judicial review as provided in section 205(g) to the same extent as the Secretary's final determinations under section 205.

"(e) The provisions of section 207 and subsections (a), (d), (e), and (f) of section 205, and the first, second, third, fourth, and seventh sentences of section 206(a), shall apply with respect to this part to the same extent as they apply in the case of title II.

"(f) The Secretary shall prescribe such requirements with respect to the filing of applications, the suspension or termination of assistance, the furnishing of other data and material, and the reporting of events and changes in circumstances, as may be necessary for the effective and efficient administration of this title.

"(g) The head of any Federal agency shall

upon request provide such information as the Secretary needs for purposes of determining eligibility for or amount of benefits under this title, or verifying other information with respect thereto.

"(h) The Secretary may make such administrative and other arrangements as may be necessary or appropriate to carry out his functions under this title.

"(i) For purposes of this title, the term 'United States', when used in a geographical sense, means the 50 States and the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

"(j) Whoever—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any application for any benefit under this title,

"(2) at any time knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining rights to any such benefit,

(3) having knowledge of the occurrence of any event affecting (A) his or her initial or continued right to any such benefit, or (B) the initial or continued right to any such benefit of any other individual in whose behalf he or she has applied for or is receiving such benefit, conceals or fails to disclose such event with an intent fraudulently to secure such benefit either in a greater amount or quantity than is due or when no such benefit is authorized, or

(4) having made application to receive any such benefit for the use and benefit of another and having received it, knowingly and willfully converts such benefit or any part thereof to a use other than for the use and benefit of such other person,

shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"FUNCTIONS AND RESPONSIBILITIES OF INSPECTOR GENERAL

"SEC. 2109. In addition to the functions specifically vested in him by title II of Public Law 94-505 and in connection with the performance and execution of those functions, the Inspector General in the Department of Health, Education, and Welfare shall have responsibility for—

"(1) conducting all audits and investigations relating to the program under this title which may be necessary or appropriate,

"(2) developing and coordinating measures and activities designed to promote economy and efficiency in the administration of this title,

"(3) preventing and detecting fraud and abuse in the program under this title, and instituting such legal and administrative actions as may be necessary to enforce the provisions and requirements of this title and to prosecute persons engaged in such fraud and abuse or in other violations of such provisions and requirements; and

"(4) keeping the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of this title and the necessity for and progress of appropriate corrective action.

"PROHIBITION AGAINST STATE SUPPLEMENTATION

"SEC. 2110. (a) It is the policy and purpose of the United States that the program of benefits under this title is to be the exclusive source of public assistance and welfare payments for needy and indigent individuals and families within the United States, and that no State or political subdivision thereof should be required or permitted to supplement the payments provided for under this title.

"(b) If any State or any political subdivision of a State, on or after the effective date of this title, provides assistance to individuals or families on the basis of their need or measured by their income, regardless of the form of such assistance and whether or not it is specifically designated as being provided in supplementation of the benefits payable under this title, the amount or value of such assistance shall (subject to subsection(c)) be deducted from any amounts to which such State (and its political subdivisions) would otherwise be entitled under title XIX of this Act or under other programs established pursuant to Federal law.

"(c) In accordance with the regulations prescribed under subsection (d), the Secretary may waive the application of subsection (b) with respect to specifically designated types of assistance and particular classes of individuals upon a determination that the provision of such assistance to those individuals (by a State or political subdivision) is appropriate and desirable, and in the public interest, notwithstanding the policy and purpose set forth in subsection (a).

"(d) The Secretary, in consultation with the Secretary of the Treasury, shall prescribe such special regulations as he may deem necessary or appropriate to carry out this section and achieve its purpose.

"REGULATIONS

"SEC. 2111. The Secretary, after giving reasonable notice and opportunity for hearing to interested organizations, groups, and individuals, shall from time to time prescribe such regulations as may be necessary or appropriate to carry out this title. The regulations so prescribed may include such special provisions relating to qualification for benefits, computation of benefits, administration, and enforcement, not inconsistent with the specific provisions of this title, as the Secretary finds will promote the achievement of the objectives of the program under this title."

(b)(1) Part A of title IV of such Act (relating to aid to families with dependent children), and title XVI of such Act (relating to supplemental security income benefits), are repealed.

(2) Titles I, X, XIV, and XVI of such Act (relating to State plan programs of aid or assistance to the aged, blind and disabled), to the extent otherwise applicable, are repealed.

(3) The Food Stamp Act of 1964 is repealed.

(c)(1) Subject to paragraph (2), the amendment made by subsection (a) and the repeals made by subsection (b) shall become effective on the first day of the first month beginning more than one year after the date of the enactment of this Act.

(2) Notwithstanding such amendment and such repeals, in any case where—

(A) an individual who is determined to be an eligible individual under section 2103 of the Social Security Act, for any month qualifying as an alternative computation month under paragraph (3), was receiving (or was a member of a family or household receiving)—

(i) aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act, or a supplemental security income benefit under title XVI of such Act, and

(ii) assistance under the Food Stamp Act of 1964,

for the month immediately prior to the month referred to in paragraph (1), and

(B) the amount of the minimum income maintenance benefit to which such individual is entitled for such alternative computation month under title XXI of the Social Security Act (without regard to this paragraph) is less (as determined in accordance with the regulations issued under section 2111 of such Act) than the aggregate amount of the aid or benefit and assistance which he or she (or the family or household of which he or she is a member) would be receiving for such alternative computation month under the provisions of law referred to in clauses (i) and (ii) of subparagraph (A) if such provisions of law, as in effect for the month immediately prior to the month referred to in paragraph (1) had continued in effect until the close of such alternative computation month,

the minimum income maintenance benefit to which such individual is otherwise entitled under title XXI of the Social Security Act for such alternative computation month shall be increased to the extent necessary to make such benefit equal to the aggregate amount referred to in subparagraph (B).

(3) For purposes of paragraph (2), a month qualifies as an alternative computation month with respect to any eligible individual only if such month is—

(A) the month referred to in paragraph (1), or

(B) a subsequent month included in a continuous period of months, beginning with the month referred to in paragraph (1) and ending with the twenty-fourth month thereafter, for each of which such individual's minimum income maintenance benefit under title XXI of the Social Security Act was increased under paragraph (2).

SEC. 3. The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Labor and the Secretary of Agriculture, as soon as practicable but not later than 120 days after the date of the enactment of this Act, shall submit to the House of Representatives and the Senate a draft of any technical, conforming, or other changes in the Social Security Act, the Food Stamp Act of 1964, and related laws which are necessary to reflect the changes in substantive provisions of law made by this Act.

ZORA NEALE HURSTON: AUTHOR, FOLKLORIST AND ANTHROPOLOGIST

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. BENNETT. Mr. Speaker, the Citizens for Community Action from my district have asked that the following statement about Zora Neale Hurston be included in the RECORD. In honor of her fine accomplishments for humanity I am glad to do this.

ZORA NEALE HURSTON—AUTHOR, FOLKLORIST AND ANTHROPOLOGIST

Zora Neale Hurston was one of Florida's and the Nation's greatest literary giants. She was the author of four novels, two collections of folklore, and an autobiography. She published over fifty short stories and essays in magazines as dissimilar as Stylus, Opportunity American Folklore Society Magazine, Journal of American Folklore, Story, The World Tomorrow, Survey-Graphic, John O'London's Weekly, Saturday Evening Post, The American Mercury, Negro Digest and she was once featured on the cover of the Saturday Review.

Ms. Hurston was born January 7, 1901 in Eatonville, Florida, the first all black town to be incorporated in America. She was one of eight children born to John and Lucy (Pots) Hurston. Her father was a Baptist Preacher, Carpenter and Mayor of Eatonville for three terms. Zora's mother was a woman devoted to her children and their education and always admonished them to "Jump for the Sun".

The formal education of Ms. Hurston began in the public school at Eatonville. At the age of nine, she enrolled in the Florida Baptist Academy at Jacksonville, Florida (now the Florida Memorial College at Miami, Florida). She completed her high school education at the Morgan Academy at Morgan College in Baltimore, Maryland.

The college career of Ms. Hurston was com-

menced at Howard University where she was influenced by the Harvard trained Dr. Lorenzo Dow Turner, head of the English Department.

She studied under the overpowering E. C. Williams, Librarian and head of the Romance Language Department. But the person that made the lasting impression on Zora Neale Hurston was Dr. Alain Leroy Locke, who headed the University Philosophy Department.

Zora Neale Hurston joined the Stylus, (the literary society at Howard), which was limited to nineteen members including two faculty members of which Dr. Alain Leroy Locke was the presiding genius. She joined the Zeta Phi Beta Sorority; wrote for the school paper which she named The Hilltop and she wrote short stories for the Stylus.

Later, two of her short stories; "Drenched in Light" and "Spunk" were published in the Opportunity Magazine which was edited by Charles S. Johnson. She won a prize for the latter article and because of that article she was offered a job by Fannie Hurst as her Secretary and Annie Nathan Meyer obtain her a scholarship to Barnard College at Columbia University.

She changed her major from English to Anthropology. Her teachers consisted of the leading scholars in the Nation: Dr. Gladys Reichard, Dr. Ruth Benedict and Dr. Franz Boas of the Department of Anthropology of Columbia University. In 1928 Ms. Hurston graduated from Barnard College with a "B" average.

In that same year, Ms. Hurston became a member of the American Folk-Lore Society. Later, she was invited to become a member of the American Ethnological Society and shortly thereafter, she became a member of the American Anthropological Society.

Two weeks after she obtained her degree, Ms. Hurston received a fellowship to go to the South to collect black folk-lore and to begin her career as a Folklorist.

The years between 1930 to 1940 were the most productive years of Ms. Hurston's career. In the Winter of 1932, she produced a program of Negro Spirituals and work songs at the John Golden Theatre in New York. She gave three folk concerts at Rollins College at Winter Park, Florida. In August of 1933, the Story Magazine published one of her short stories entitled "Gilded Six-Bit". In October of that same year, she wrote her first book, a novel, "Jonah's Gourd Vine" in Sanford, Florida.

In 1935 she published her second book, "Mules and Men," a study of Negroe folklore of Florida. This material was gathered while Ms. Hurston had a Rosenwald Fellowship.

In 1937 Ms. Hurston published her second novel, "Their Eyes Were Watching God." She obtained two Guggenheim Fellowships and went to Haiti and the British West Indies to study Voodoo. As the result of this study, she published her book, "Tell My Horse" in 1938. Also in 1938 and 1939, she worked for the W.P.A. in Florida doing Folklore and Field work. Ms. Hurston wrote her third novel, "Moses, Man of the Mountain" in 1939 and Morgan College awarded her a Litt. D. that same year.

Ms. Hurston worked as a writer at Paramount studies in Hollywood. While at this job, she wrote her autobiography, "Dust Tracks On A Road" in 1942. After this time, she wrote drama for a time at North Carolina College in Durham. In 1948, she wrote her last novel "Seraph On The Suwanee."

During the first part of the 50's, she was a free-lance writer. She worked for awhile as a librarian at Patrick Air Force Base. Her last employment were with the Chronicle Newspaper and Lincoln Park Academy in Fort Pierce, Florida.

Zora Neale Hurston died on January 28, 1960 as the result of a stroke.

In the 59 years of her life she became in fact what one reads on her grave marker: Zora Neale Hurston, "A Genius of The South" 1901–1960. Folklorist, Anthropologist.

INCIDENTS INVOLVING OIL TANKERS

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. EDGAR. Mr. Speaker, we are all aware of the recent rash of incidents involving oil tankers in or near U.S. waters. Of particular concern to me has been the grounding of the *Olympic Games*, and subsequent oil spill, in the Delaware River on November 27th. This occurred in precisely the same place as the collision between the tankers *Corinthos* and *Queeny* in 1975, which resulted in a catastrophic explosion and much loss of life. Fortunately, no one was injured in last month's incident, but the *Olympic Games* did spill some 134,000 gallons of oil into the Delaware River, some of which has spread and caused significant ecological damage despite the best efforts of cleanup crews.

Mr. Speaker, the series of tanker accidents over the past month is the clearest possible proof that we are living on borrowed time. We must discover whether the already broad regulatory authority vested in the Department of Transportation and Coast Guard is being used to the best advantage.

We must investigate the possibilities of traffic control using electronic means and provide for better advance cleanup preparations in likely oil spill areas. We must take steps to further research and development efforts in the area of oil spill cleanup in general and cleanup on the open sea in particular. It has been reported in the press that a 100-ton ocean-going cleanup vessel being built for the Gulf Oil Co. is about to be launched in Massachusetts. Such a ship might have been of great help in controlling the massive spill resulting from the wreck of the *Argo Merchant* off Nantucket last December 15.

The technology for these ships appears to be available and it seems to me logical in the light of recent events to speed their development. We should also immediately reconsider legislation introduced in the last Congress which would establish the liability of shipowners for the damage caused by spills from their ships and set up a fund to pay for damages in cases where liability was either not found or was insufficient.

A great deal has been said recently about the fact that most of the tankers involved in the incidents of the last month have been registered in Liberia. It is undoubtedly true that Liberia's standards for the regulation of its ships are less stringent than our own. But it is also true that Liberia operates about 30 percent of the world's tankers, or approximately 1,000 ships, and it is to be expected that her vessels would be involved in more accidents. The Coast Guard, after investigating the recent accidents, has concluded that the circumstances differ sufficiently in each case so that the fact of Liberian registry seems coincidental.

The United States, of course, has great latitude in regulating shipping in its waters and could tomorrow impose severe restrictions on tanker operations if it chose. I believe that this issue of regulation is the most sensitive arising from the recent accidents and that we must carefully consider the diplomatic and economic effects on the United States of any stricter regulation of foreign ships in our waters.

Mr. Speaker, the problems associated with the transport of oil by sea grow more serious daily. The dependence of the United States on imported oil continues to grow and soon we will also be faced with the problems arising from shipping oil from the Alaskan North Slope to the west coast of the continental United States. I strongly believe that the 95th Congress can and must assume a position of leadership on the critical issue of the regulation of oil tanker operations, and that it should be a priority issue for our consideration.

VETERANS' PASS-THROUGH BENEFITS

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. MOAKLEY. Mr. Speaker, Congressman HAROLD FORD of Tennessee has pinpointed a serious malfunctioning in our fixed income programs with his bill on veterans' benefits. Presently, over 3 million veterans and 2 million dependents of deceased veterans receive pensions or compensation from the Veterans' Administration. Of these 5 million, a majority, also merit social security payments. Unfortunately, however, our system works against a proper integration of these two programs.

As our system now works, veterans' compensation amounts are determnied as a function of the recipients' "countable income." Social security payments are included as a part of this "countable income." The problem arises when a cost-of-living adjustment increases social security payments, and these increases are recorded as part of the veteran's "countable incomes." The result is that compensations from the Veterans' Administration are reduced by the amount the social security payments rose, and the veteran is left with the same amount of aid he was receiving before, even though the Government has determined that a cost-of-living increase is in order. In "real money" terms, then, the veteran is the loser. Inflation continues to undermine his income, but no Government recompense is available to him.

The Veterans' Affairs Committee tells us that approximately 80 percent of our veterans receiving pensions or compensation, are also on social security. In an urban community, such as in my district, the percentage is even higher. Many of these poeple rely primarily, or even solely, on their social security and veteran payments as their means to

survive. This game of reducing veteran benefits when social security payments increase is not only detrimental to the ability of these people to subsist on fixed incomes with growing inflation, but it also constitutes a demeaning insult to those men and their dependents who so courageously and loyally served their country in times of need. When citizens meet the call of their country, it is only fitting that this country return their aid. I urge support for the Honorable Congressman FORD'S bill on veterans' benefits and social security.

TRIBUTE TO MRS. DEBRA STERN, PRESIDENT-ELECT OF THE UNITED VETERANS ORGANIZATION OF SUFFOLK COUNTY, N.Y.

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. AMBRO. Mr. Speaker, on Saturday, January 8, the United Veterans Organization of Suffolk County, N.Y., will install Mrs. Debra Stern as the organization's third president. For those of my colleagues who are not familiar with the UVO of Suffolk County, it is a liaison group for several veteran's organizations; including the VFW, DAV, American Veterans Organization, Marine Corps League, Jewish War Veterans, Masonic War Veterans, Veterans of World War I, and the World War II Submarine Veterans.

Mrs. Stern served as a WAC during World War II, and worked in transportation while in uniform. In the ensuing years she has been active in the Jewish War Veterans, engaging in a variety of activities. A former commander of the Huntington, N.Y., Post of the Jewish War Veterans—1971–72, Mrs. Stern is presently the vice commander of the Suffolk County Jewish War Veterans, and next year will be junior vice commander of Nassau-Suffolk County district. Ever active in community and veterans affairs Mrs. Stern is also currently the historian for the New York State Jewish War Veterans, and while married with three children, still finds time to perform volunteer service work at the Northport VA Hospital.

Among the many successes for which Mrs. Stern is singularly responsible, she worked to establish a rare blood index of available donors, which is available to the community at large. This endeavor was precipitated by her first-hand experience in assisting a past JWV post commander who was undergoing open heart surgery, and has since been adopted by the State Jewish War Veterans, to be administered on a statewide basis.

I have nothing but high praise for Mrs. Stern, who has given unselfishly of herself toward improving the lot of our veterans and the community at large, and as a Korean-era veteran myself, I salute her. It is only through the voluntary, untiring efforts of enthusiastic individuals such as Mrs. Stern, that strong institutions are woven into the fabric of these United States of America, and endure in perpetuity.

NURSING HOME PATIENTS' BILL OF RIGHTS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. COHEN. Mr. Speaker, one of the first pieces of legislation I introduced after being elected to Congress was the nursing home patients' bill of rights. Reintroducing this legislation today, I am pleased that much has happened since that time to draw attention to the need for patients' rights in nursing facilities.

Probably the most shocking and disturbing event was the report of the Subcommittee on Long-term Care of the Senate Select Committee on Aging entitled "Nursing Home Care in the United States: Failure in Public Policy." I am sure we have all visited enough of these facilities and received complaints about them to know the potential for neglect and abuse. Nonetheless, the report and its supporting papers are brutally instructive.

For example, a visiting relative found a patient tied to a chair and suffering a 106-degree temperature. She died the next day. A patient's cut foot went unattended, despite the condition being reported to the staff by a family member, and it finally developed gangrene and had to be amputated. A patient who was difficult to handle was held down in bed and a washcloth stuffed in her mouth. Morphine shots were given to keep her continually subdued. In a short period of time the patient sank into a coma and subsequently, her chest filled with fluids and she died.

Such cases, unfortunately, are not isolated horror stories. They have occurred and can reoccur in facilities throughout the country. In fact, the Senate report concludes that over 50 percent of the nursing homes in this country are substandard in their treatment or facilities. Among the most common problems listed were: Lack of human dignity in patient care; a lack of activities; untrained and inadequate numbers of staff; ineffective enforcement and inspections; lack of control on drugs; unnecessary reprisals against those who complain.

Solutions to these problems will not be easily or quickly achieved. What is needed is not just more inspectors, but a national policy for treatment of the infirm elderly which evokes a personal concern and commitment among all of us for the well-being of our older citizens. In the past 20 years advances in medical science have enabled more and more of our older citizens to live well into their 80s or 90s. At the same time, however, our changing style of life has made it increasingly difficult for the elderly to receive the care and assistance they need within the family setting. The result has been a growing demand for long-term care facilities. Congress and the Federal Government have become actively involved in the spawning of these institutions through financial assistance first in construction of nursing home facilities, and then through direct support for medical treatment under the medicare and medicaid programs. Within the next several years, the establishment of a national health insurance program will extend and deepen that involvement still further.

The time has come, therefore, to fulfill the responsibilities we have assumed for the proper care and treatment of our elderly and other citizens in long-term care institutions. A first but vital step in the development and exercise of a national policy is contained in the legislation I am introducing today. We must provide the patients and their families, the facilities and their staff, with the means and encouragement to help themselves in improving conditions and treatment.

This measure requires simply that long-term care facilities which are certified for medicare and medicaid patients shall adopt, give to their patients and implement through appropriate staff training a statement of patients' rights. These rights include but are not limited to:

First. A guarantee that the patient's civil and religious liberties—including the right to independent personal decisions and knowledge of available choices—will not be infringed and that the facility will encourage and assist in the fullest possible exercise of these rights;

Second. A guarantee of the patient's right to have private and unrestricted communications with his physician, attorney, and any other person;

Third. A guarantee of the patient's rights to present grievances on behalf of himself or others, to the facility's staff or administrator, to governmental officials, or to any other person without fear of reprisal, and to join with other patients or individuals within or outside of the facility to work for improvements in patient care;

Fourth. A guarantee of the patient's right to manage his own financial affairs, or to have a monthly accounting of any financial transactions in his behalf, should the patient delegate such responsibility to the facility for any period of time;

Fifth. A guarantee of the patient's right to receive at least adequate and appropriate medical care, to be fully informed of his medical condition and proposed treatment, and to participate in the planning of all medical treatment, including the right to refuse medication and treatment and know the consequences of such actions;

Sixth. A guarantee of the patient's right to have privacy in treatment and in caring for personal needs, confidentiality in the treatment of personal and medical records, and security in storing and using personal possessions;

Seventh. A guarantee of the patient's right to receive courteous, fair, and equal treatment and services and a written statement of the services provided by the facility, including those required to be offered on an as-needed basis;

Eighth. A guarantee of the patient's right to be free from mental and physical abuse and from physical and chemical restraints, except those restraints authorized in writing by a doctor for a specified and limited period of time;

Ninth. A statement of the facility's regulations and an explanation of the patient's responsibility to obey all reasonable regulations of the facility and to respect the personal rights and private property of the other patients; and

Tenth. A guarantee that, should the patient be adjudicated incompetent in accordance with State law and not be restored to legal capacity, the above rights and responsibilities shall devolve upon a sponsor or guardian who shall see that the patient is provided with adequate, appropriate, and respectful medical treatment and care and all rights which he is capable of exercising.

As has been pointed out by the American Hospital Association and other groups involved with health care and the elderly, a bill of rights would benefit not only the patient, but also the institution. A patient who is confident in the care he is receiving, understands his medical condition and participates in the planning of his treatment is generally far more cooperative and more responsive medically to the care he receives. For the predominantly elderly population in most nursing homes, the guarantees can help forestall the confusion and lack of orientation often initially experienced by the patients, and counteract the sometimes stupefying atmosphere of apathy and despair of patients who believe themselves consigned to nursing homes only to await death. Such an atmosphere can defeat the efforts of the most understanding and hard-working staffs and frustrate the entire purpose of the nursing home, which is to maintain and improve the physical and mental well-being of their patients to the greatest extent medically and humanly possible. We should not forget that despite the many problems with nursing homes, there are also thousands of such facilities whose administration and staff are truly dedicated to and concerned about providing quality care for their patients. Such officials, I might add, consider a bill of rights to be "just good sense" and do not feel it would work any hardship for good nursing homes.

At the same time, however, a bill of rights can be helpful for patients in danger of substandard medical treatment or personal care. For one it makes it clear to both the individual and the staff that patients retain the rights of other citizens of this country and should be treated with dignity and respect. It encourages the patient—or their sponsors—to bring problems and concerns to the attention of the staff or others without fear of reprisal.

It underscores the rights of patients or other individuals to alert Government officials to substandard conditions and to work for improvement with other concerned people, including the patients. Even under unfavorable circumstances, the reassurances and protections these guarantees would provide could do much to help sustain a patient's mental and emotional integrity.

As I have mentioned, much has happened with respect to patients' rights since my legislation was first introduced. I am pleased to report that HEW has issued patients' rights regulations for skilled nursing facilities and intermediate care facilities. Preliminary feedback suggests that the regulations are having a positive effect on patient treatment. However, I—and many others concerned about nursing home conditions—are convinced that having a bill of rights established in law is essential to assure thorough and effective enforcement of these guarantees. A Federal law would also provide the States, which presently have the bulk of the responsibility for inspecting and licensing health institutions, with model legislation they could adopt for facilities not now under Federal control. A few States, my own included, have enacted such guarantees. But more concerted action is necessary.

Last year well over a billion Federal dollars went to nursing homes under the medicare and medicaid programs. We can anticipate that with the enactment of national health insurance, even larger amounts of Federal funds will be committed for such care. It is my sincerest hope that when national health insurance is established it will contain as a minimum the guarantees provided in the "nursing home patients' bill of rights." I intend to make every effort to see that this is accomplished. But we should not and cannot wait for NHI. Our medicare and medicaid patients need and deserve the basic help and protection provided by a bill of rights. I urgently request therefore the support of all my colleagues to see that this legislation is promptly and favorably considered.

EULOGY FOR MAYOR RICHARD J. DALEY

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. MURPHY of Illinois. Mr. Speaker, with the recent death of Mayor Richard J. Daley we have all lost a great leader of the people and a true friend of the cities. For almost 22 years Richard Daley served the people of Chicago as mayor of their city. He was untiring in his efforts to make the city a better place for everyone to live. His vision of urban America made Chicago the one modern city that could truly be said to work at a time when other cities were falling into ruin.

Mayor Daley took an interest in everything that affected his city. It is fitting that his last official act as mayor of Chicago was dedicating a new gymnasium and field house to serve one of Chicago's neighborhoods. His concern for the youth of our city is well-known. The Mayor Daley Youth Foundation has been instrumental in helping many young people in our city over the years.

Daley was a strong mayor and a brilliant political leader. He governed with a firm hand but always with a real concern and love for the city of Chicago and the people who lived there. Mayor Daley was intensely proud of his city. His favorite quotation which was always kept on his desk reflects this great pride. It read:

I believe that a man should always be proud of the city in which he lives and that he should so live that his city will be proud that he lives in it.

The outpouring of public sentiment since his death is a living testament of the high esteem in which he was held not only by his fellow Chicagoans, but by national leaders as well.

Truly Mayor Daley will be missed. His achievements and his spirit will live on in our city. I feel it a great privilege to have worked closely with the mayor and I extend my deepest sympathy to his wife Eleanor and his family. Chicago will sorely miss its favorite son.

NEW CITIZENS AT HICKEY-FREEMAN CO.

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. HORTON. Mr. Speaker, for the fourth consecutive year, a large group of Hickey-Freeman Co. employees has been sworn in as U.S. citizens at a single special court session. On November 9, 1976, in the Rochester Hall of Justice, 46 future citizens stood before the Honorable Supreme Court Justice Austin W. Erwin to recite the U.S. oath of allegiance. Speaking to the group of candidates was Justice of Town Courts, Hon. Thomas E. Goldman. This special single court session was made possible through the cooperation of Immigration and Naturalization Service Buffalo District Director Benedict Ferro.

The citizenship training for Hickey-Freeman aliens was operated under the auspices of New York State continuing education for adults program under the direction of Stephen D'Agostino. Classes were held on Mondays and Wednesdays from 4:30 to 6:30 p.m. in the Hickey-Freeman cafeteria. By holding the classes in the plant, candidates were able to complete their full day's work without the need for extra travel to an evening school. Teachers for this year's program at Hickey-Freeman were Mrs. Louise Schrot and Mrs. Joan Pedzich. Their primary objective was to provide the new citizens with a good knowledge of the English language and an understanding of the democratic process of the Government of the United States, to meet the Immigration and Naturalization Service requirements for citizenship.

The names of those persons who were sworn in at the special ceremony are: Giuseppe Cottone, Rosalia Cottone, Lucia Cottone, Stefa Bliudnikas, Frank Vella, Natalia Vella, Rose Tosto, Antonino Tosto, Ekaterini Dardaganis, Orlando Molinaro, Fortunata Molinaro, Gino Stolfa, Angelo

Maria Maiola, Mary Ann Woyt, Maria Antonia Mastroberardino, Carmela Parrinello, Ilda Lopes Pereira, Antonio Mastroberardino, Maria Di Gennaro, Giuseppe Biagio Lo Savio, Filomena Miale, Gina Maria Pietrosanto, Araksi Bannayan, Paola Gentile, Stella Elias.

Mario Francesco Gentile, Rosa Biodolillo, Calogera Di Salvo, Giovanni Lo Savio, Esperanca Cruz Santos, George Waheibi, Kateryna Balko, Vito Nicolosi, Vittorio Bisciotti, Luigia Trobia, Raffaela Cordaro, Galogera Proto, Agostino Geraci, Rosario Irti, Vincenzo Corbelli, Francesco Alessio, Paula Hecht, Bruno Russo, Steve Koumoutsos, Maria Koumoutsos, and Zina Morello.

Mr. Speaker, Americans must never forget that our land grew to greatness by being the land of hope and opportunity for peoples from around the globe. It is heartening to me that the melting pot process continues today in my home community of Rochester. I am certain that my colleagues will join me in congratulating these fine new citizens on their achievement, and in welcoming them to full participartion in our American system of free and democratic government.

ECONOMIC IMPACT ACT OF 1977

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. WHITEHURST. Mr. Speaker, I am today introducing legislation directing the Congressional Budget Office to prepare an economic impact statement for each bill reported in the Senate or House of Representatives and for each rule or regulation proposed by any Federal agency. These statements will contain an analysis of the direct and indirect costs of the bill or proposed regulation on employment, production, and the rate of inflation. They will be appended as a part of each bill and made available to each Member of Congress.

The severe inflation which we have experienced over the past several years and the recession which has resulted from this inflation has caused officials in the public sector as well as many business leaders to examine the pressures on our economy which have resulted in this unprecedented inflation. I have become convinced that a major root cause of our current economic difficulties is excessive Government regulation which has become particularly pronounced over the past decade. Several economists have begun to highlight the impact of Federal regulation on inflation in recent writings. A particularly good analysis is contained in the book entitled "Government-Mandated Price Increases, a Neglected Aspect of Inflation" by Murray Weidenbaum.

Mr. Weidenbaum uses many examples to dramatize the point that the consuming public is paying an extremely high price for the protection received from Federal agencies. "Worthy objectives," he points out, "such as a cleaner environment and safer products, can be attained without the inflationary impact that regulation brings, and public policy should be revised to this end. But . . . we need to examine more closely the phenomenon of Government-mandated price increases. It is likely that this unwanted phenomenon will be with us for some time—at least until consumers and their representatives recognize the problem and urge changes in public policy."

During my tenure in the Congress, I have become increasingly concerned over the actions of the Occupational Safety and Health Administration. There is no question that the Federal Government has a legitimate role to play in attempting to cut down on industrial accidents. However, the extremely complex OSHA regulations go far beyond what is necessary for improved industrial safety. The complexity of the regulations requires even very small businesses to retain their own attorneys to insure that they are complying with the OSHA rules.

In addition, the planned industrial investments in health and safety equipment will rise from $2.5 billion in 1972 to $3.4 billion in 1977. If we go to the stiff noise standards supported by the Environmental Protection Agency, the compliance cost is expected to rise to $31.6 billion.

Other examples abound on the cost of Federal regulations. One classic example is that the cost of a commercial airline flight from Boston to Washington is more than double the cost of a flight from San Francisco to Los Angeles. The only discernible reason for the disparity in cost is that the Boston to Washington flights are regulated by the Civil Aeronautics Board. The CAB does not regulate the San Francisco to Los Angeles flights, of course, because they are intrastate.

Mr. Speaker, I am hopeful that the legislation I have introduced today will serve to heighten the consciousness of the Members of Congress concerning the impact of our actions and the actions of the Federal agencies on our economic conditions. In my judgment, we would be less inclined to approve many measures if we had a clearer understanding of their impact on inflation and unemployment. I urge my colleagues in the House to act promptly on this measure.

OSHA INSPECTIONS

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. KETCHUM. Mr. Speaker, I am sure we are all aware of the landmark decision made by three Federal judges in Idaho concerning OSHA. Our enlightenment is due in great part to our friend and colleague from Idaho, Mr. HANSEN, who informed us that, on December 30, the panel of Federal judges termed OSHA's inspections without warrants unconstitutional in a suit involving an Idaho businessman. Obviously, the fur has been flying ever since that remarkable decision, and not even the Department of Labor appears to be too certain about how far reaching the effects of that decision will be.

It is my understanding that the Department of Labor will appeal this decision to the Supreme Court. In the interim, pending the hearing of that appeal, the Department hopes to gain a stay of injunction, so that OSHA's business may continue as usual.

As one who has opposed what I refer to as the judge-jury-and-executioner mentality of OSHA since its inception, I wholeheartedly applaud the Idaho decision. Further, I sincerely hope that it will be upheld, if and when the appeal is heard. Nonetheless, we are all well versed in the convoluted machinations of bureaucracy, and until OSHA is either firmly repealed or at least meaningfully reformed, I will continue to consider it an invasion of our citizens' constitutional rights. Therefore, I am today introducing legislation to repeal the Occupational Safety and Health Act of 1970.

GASOLINE DECONTROL MUST BE PREVENTED

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. MOAKLEY. Mr. Speaker, tremendous energy problems confront this Nation, urging us to quick and forceful action. Yet, for all its urgency, the energy question is a complex, human issue with few easy solutions. Always, we must remember the people behind the problems we seek to solve.

President Ford has offered us an administratively easy solution to our energy problems, entailing the removal of allocation and price controls presently affecting gasoline in the United States. This proposal constitutes a significant change in our energy policy and it requires thorough consideration in terms of both its implications for our future energy position and our more immediate consumer concerns. Yet President Ford has introduced the proposal at a time in which Congress is still reorienting itself to Washington, and the President-elect has yet to acquire the power to affect proposals with significant implications for his administration.

Gentlemen, the energy problem is not an issue devoid of human impact. Gasoline prices are higher than ever, imposing a serious monetary burden on many Americans. We saw the average selling price for leaded fuel in the New England area hit 59.1 cents per gallon last September with no sign of slack. Prices are even higher now. Surely, we cannot allow a proposal to decontrol gasoline prices to become law without careful study of its many economic and energy implications. Thus, I must heartily support the Subcommittee on Energy and Power in its Resolution of Disapproval and in its call for hearings on the President's decontrol proposal. We must act responsibly—not merely quickly—to meet our energy needs.

POSTCARD REGISTRATION FLOPS IN WASHINGTON, D.C.

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ASHBROOK. Mr. Speaker, postcard voter registration is an idea that has been floating up and down the halls of Congress for the past several years. Inasmuch as President-elect Jimmy Carter has previously endorsed registration by mail, we will probably see new life given to this proposal in the months ahead.

I am strongly opposed to postcard voter registration. The cost of such a program would be prohibitively high. It would also constitute another Federal intrusion into local affairs. In addition, it would create an administrative nightmare for State and local elections officials. Finally, I simply do not think it would be very effective in getting new voters.

Many of my doubts were confirmed by the mail registration program recently conducted in Washington, D.C. Advocates of the program predicted a cost of about $45,000 and that 110,000 additional voters would be signed up.

Both predictions were far off base. According to the November 13, Washington Star article, headlined "Mail Registration in D.C. Costly and Far Short of Goal":

About 35,000 people, a third of the number predicted—have registered, election officials report, and the cost is running upward of $75,000. When all the figures are in, the total may be close to $100,000.

The story went on to state:

But members of the City Council—who were deluged with complaints by constituents who did register by mail but still had to use a challenged-ballot form on election day because their registration cards hadn't arrived in time—are planning to take a hard look at the new system.

The Washington, D.C., fiasco provides one more example of why Congress should defeat legislation to establish a voter registration program by mail. We should learn from past failures and not institute this highly questionable program on a national level.

MAIL REGISTRATION IN D.C. COSTLY AND FAR SHORT OF GOAL

(By Philip Shandler)

Last spring, when the D.C. Elections Board began getting edgy about the costs of a pending mail-registration program, citizen advocates of the unprecedented approach scoffed.

The mass mailing of applications to every home—the first in the nation—could be done for about $45,000, said representatives of the Young Lawyers Section of the D.C. Bar. And they predicted that 110,000 more voters would be signed up.

But the register-by-mail advocates—who included the local Common Cause chapter and the Federation of Civic Associations—have turned out to be wrong on both counts.

About 35,000 people, a third of the number predicted—have registered, elections officials report, and the cost is running upwards of $75,000. When all the figures are in, the total may be close to $100,000.

This isn't to say that using the mail to register people—which Congress is considering on a national scale—has proven to be a bad idea:

The elections board here had first-time troubles that may not recur.

The value—new voters per dollar spent—of the mail approach can only be pinpointed through comparison with the in-person registration costs of past years, which are uncertain.

And quality may be more important than quantity, some feel. The mail effort, still being analyzed, may turn out to have enrolled voters not reached by past registration efforts.

Nonetheless, the initial returns from the mass-mailing experiment already are giving District election officials and political theorists misgivings about the approach.

"It may be that a selective mailing to the non-registered, or a massive coalition registration drive, would be more effective than the mass mailing to 'occupants,'" Elections Board Chairwoman Shari Kharasch told a City Council committee recently.

And Albert Gollin, a veteran political scientist who was deputy director of the national Democratic campaign in the District this fall, said in an interview:

"I'm not persuaded that mail registration is where it's at, given the circumstances of the District.

"There has to be motivation, and without complete home rule, many citizens continue to feel they do not have much of a stake in the election process."

Registration figures, he said, are at best only part of the story: "Even registering people doesn't assure they'll vote."

And both registration and voting in the District—traditionally among the lowest in the nation—will not substantially increase through any method until the city's citizens feel they have complete autonomy, he suggested.

District citizens have been allowed to vote for president only since 1964, and for local officials only since 1972. There were 219,687 persons registered in 1964.

Between 1968 and 1972, registration jumped by half, from about 202,000 to 305,000. But the new total was only about 58 percent of those eligible to register. And the percentage of those registered who voted was only 54 percent.

For several years officials across the country have been complaining about a declining citizen interest in registering and in voting. That concern led to the discussion of mail registration in Congress, and to legislation by the D.C. City Council last year mandating the mass mailing this summer.

The council directed the elections board to send two registration applications to each of the city's 285,000 "households." They were sent out in July. (Some forms were distributed during the spring to libraries, firehouses and other public places, but officials believe they produced few new voters.)

The mail effort produced about 14,800 new voters for the September primary and another 19,800 for the Nov. 2 general election, officials said yesterday. That brought total registration to 267,509, they said.

That's more people registered than in two of the three previous presidential elections in which D.C. citizens could vote. (And there is some unofficial skepticism about the bloated 1972 total.)

Moreover, the latest figure looks especially good set against the city's population decline of the past decade. And the percentage of the registered who voted was better in November than it had been four years ago—63 percent compared to 54 percent.

On the other hand, officials say the percentage of those who could have registered is down to 51 percent of the 18-and-over population from about 58 percent in 1972.

In 1972, between May and November—the peak registration period—38,287 new voters were enrolled, compared to the estimated 34,600 registered during the same period this year. Four years ago people either had to go to the District Building to register or to tables set up in public buildings, offices and stores.

The major cost then was for the hiring of "intermittent" workers to serve as registrars. Elections board officials recalled that cost was about $7,000.

On the other hand, Marshall Lichtenstein, a Young Lawyers official who was a leader of this year's effort to get mail registration legislated, said he understood the 1972 registration had cost about $150,000.

In any case, the elections board this year spent about $18,000 to print the mail registration forms and for envelopes; $29,700 for postage; $4,300 for a company to handle the mailing; $5,800 to notify voters by mail they had been registered, and $14,400 for applications for computerization. (The latter was an unscheduled cost incurred when it became clear that the processing couldn't be done entirely by machine.)

That totals nearly $75,000—as of the end of September. It doesn't include the costs of processing applications received in October, which one official says may be additional $20,000.

The officials caution against misinterpreting the dollar figures. Because the mail registration cards also allowed voters to change their names and addresses, a small part of the total cost may be attributable to those functions and not to registration.

Moreover, the board is projecting a cost for the next mail registration—the law says one must be conducted every two years—of under $59,000. It believes it can save money primarily by getting an earlier start.

Thus, the officials say, the per-voter cost of registration by mail may turn out to be cheaper than by in-person enrollment.

And if the mailings bring in voters from, say, Anacostia, who walked by regulation tables in the past, that will be a qualitative gain.

Lichtenstein believes the board also needs to better publicize the mail process to encourage more of it.

But members of the City Council—who were deluged with complaints by constituents who did registeer by mail but still had to use a challenged-ballot form on election day because their registration cards hadn't arrived in time—are planning to take a hard look at the new system.

THE PACKAGING CONSERVATION ACT OF 1977

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ECKHARDT. Mr. Speaker, from 1958 to 1971, per capita consumption of packaging materials increased nearly 44 percent. This increased consumption is not simply attributable to necessary packaging; it is largely attributable to wasteful overpackaging.

Excess packaging often increases consumer prices, depletes valuable natural resources, deceives consumers, and compounds solid waste disposal problems. Overpackaging costs American citizens millions of dollars each year.

If excess packaging were reduced by even 15 percent, 7 million tons of solid

waste would be eliminated annualy. It has been estimated that this reduction in solid waste would result in savings to municipalities and hence to taxpayers of aproximately $54 million annually.

Therefore, I have reintroduced the Packaging Conservation Act which I first introduced in January 1976. This legislation amends the Fair Packaging and Labeling Act to provide authority to prevent excess packaging of consumer goods.

Under the terms of the legislation, the Food and Drug Administration would regulate the packaging of drugs, cosmetics, and foods. The Federal Trade Commission would regulate other consumer items, such as housewares and toys. Meanwhile, the proposed legislation does not interfere with packaging necessary to prevent breakage or pilferage or to keep consumer products sanitary.

A copy of the Packaging Conservation Act of 1977 follows:

H.R. —

A bill to amend the Fair Packaging and Labeling Act to provide for the regulation of oversized and excessive packaging of consumer commodities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Packaging Conservation Act of 1977".

SEC. 2. The purpose of this Act is to reduce the amount of oversized and excessive packaging of consumer commodities and thus to reduce the waste of natural resources, the increase in solid waste, the cost of consumer commodities so packaged, and the deception of consumers engendered by such packaging.

SEC. 3. Subsection (c) of section 5 of the Fair Packaging and Labeling Act (15 U.S.C. 1454(c)) is amended by—

(1) inserting after "necessary to prevent the deception of consumers" the following: "to reduce oversized and excessive packaging of consumer commodities,";

(2) striking out "or" at the end of paragraph (3), striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and inserting immediately after paragraph (4) the following:

"(5) prevent the oversized or excess packaging of consumer commodities."; and

(3) adding at the end of such subsection the following: "For purposes of this section, a package shall be deemed to be oversized or excessive if, considering the possible needs for sanitization, unitization, commodity protection, or prevention of theft of the consumer commodity contained in such package, such package is larger or more extensive than is reasonably necessary to enclose such commodity.".

TAX EQUITY FOR RENTERS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. KOCH. Mr. Speaker, the advent of a new administration affords us an opportunity to review the Federal Government's treatment of urban areas. There are a number of areas that need to be addressed, including welfare reform and mass transit. We must develop more equitable formulas to help the cities. However, today I would like to speak about the Federal tax discrimination under which apartment renters now suffer. As tax reform will be a major issue in the coming Congress, we must resolve the discrepancy in tax treatment between homeowners and renters.

Since 1954 homeowners have been able to deduct from their Federal returns property taxes paid by them to State and local governments. The tenant, however, is required to pay the property tax without receiving a comparable deduction. Certainly, a portion of the rent which the tenant pays the landlord flows from the landlord to the local taxing authority to pay property taxes. Property taxes can amount to as much as 25 percent of the tenant's rent. But since the renter cannot claim this deduction, he or she is forced to pay Federal taxes on income which has already been used to pay local property taxes.

This tax policy is obviously unfair to the renter. But time and again efforts to correct the law have failed. Most recently, last August, an amendment to allow the property tax deduction for renters failed on the Senate floor. I believe if we are ever to attain tax equity for renters, it is necessary to analyze the reasons for that defeat, respond to the objections raised and alter the reform proposal so as to make it more attractive.

Let me list the objections that have been made against the tax deduction proposal:

First. Opposition was voiced to this amendment because it would create what is termed a "double deduction": that the tenant and landlord could each take a deduction on the same tax paid. Frankly, I consider this a spurious argument. This type of "double deduction" is now found throughout the tax code. For instance, under the present city sales tax, retail stores deduct from their gross receipts the amount of sales tax collected and remitted to the state. However, individual taxpayers who itemize deductions can deduct the amount of sales taxes paid, also. The retail store is not really receiving a deduction, but rather acting as tax collecting agent of the State. Such is also the case for the landlord.

The "double deduction" concept is of dubious validity. To end "double deductions" would radically change our tax system. The business expense deduction would be thrown into turmoil. When a furniture manufacturer, for instance, builds a chair, he is allowed to deduct the costs—wood and so forth—in the production of that chair. If another businessman then buys the chair for use in his business, he can also deduct the costs of the chair to him. Certainly, no one would suggest that these "double deductions" be ended. Passage of legislation allowing the renter to take a deduction against property taxes paid in the rent would not be violating any principle of taxation.

Second. A somewhat more valid objection to this deduction for renters concerns the revenue loss which would be sustained by the Treasury were this legislation enacted. To be sure, it would be costly; $811 million per year. But what is never pointed out is the tremendous revenue loss caused by the present property tax and mortgage interest deduction now taken by homeowners. The Senate Budget Committee estimated an annual revenue loss of $8.5 billion. If those who oppose a deduction for renters because of the revenue loss wish to cut down tax expenditures by the Federal Government, I would suggest that they turn their attention to that deduction. What is clear is that the present situation amounts to a massive subsidy for homeowners, and a penalty for those who choose to rent or who cannot afford to buy a house. What business is it of the Federal Government to distort the choice between owner-occupied and rental housing? It is not only unfair, it interferes with economic efficiency in the allocation of housing, retards urban development and probably even reduces energy efficiency by spurring low-density single family homes.

Third. Tax relief for renters is an important tax reform issue. Ironically, the effort to allow tax relief for renters faltered in the other body because opponents charged that a tax deduction would not help low- and middle-income taxpayers, and wanted to avoid another loophole in the tax code. I understand their concern generally. What is wanted here, however, is equal treatment, not special preference.

The fact is that tax equality for renters would be an important step forward in making our tax system more fair. The present homeowner deduction is regressive in two ways. First, a deduction by its nature confers greater benefit to higher income individuals. For instance, a $100 deduction for a person in the 50 percent tax bracket represents a tax savings of $50, while a $100 deduction for a person in the 20 percent bracket is worth only $20 in tax savings. Second, renters as a group are, by a greater proportion, middle and lower income taxpayers. In 1974 over 79 percent of household rental units were occupied by families with incomes under $15,000 income. The median rental unit family income was $9,400, compared to a median owner-occupied family income of $15,400.

Clearly, any kind of tax relief for renters would make the tax system more progressive, but arguments against the deduction approach have merit. There is a serious question of whether the deduction, even if available, would benefit the mass of renters who do not itemize their expenses. (For example, 85 percent of taxpayers with incomes of less than $10,000 did not itemize deductions.) Many who should be expected to sympathize with the plight of the renter have opposed the tax deduction proposal for "tax reform" reasons. We need and deserve their help in alleviating the problems of urban areas.

An alternative approach is warranted and now available. I have introduced H.R. 441, a tax credit equal to 25 percent of the property taxes and mortgages interest paid in the rent. I have also cosponsored with HERB HARRIS of Virginia legislation to allow the tax credit for property taxes alone. The credit would

be available to middle and low income renters who do not itemize deductions because the credit is computed by taking 25 percent of the property taxes paid in the rent and subtracting that figure from actual taxes owed. I want to point out that all renters will gain equally from this proposal. I readily understand that higher income renters should not be penalized as compared to higher income homeowners.

The Federal Government should be encouraging middle income families to stay in urban areas and occupy rental housing if they so choose. But presently, for instance, New York City residents lose $150–$200 million per year because we choose to rent instead of own a home. That is simply wrong, and I believe we have to move imaginately and aggressively to find a solution. The tax credit legislation is one that needs to be looked at by the House Ways and Means Committee as it again takes up the issue of tax reform in the current Congress.

OSHA LOSES ATTEMPT TO CONTINUE INSPECTING

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. HANSEN. Mr. Speaker, the Occupational Safety and Health Administration has lost another major court skirmish in Federal court in Idaho which is clearly stated in the following January 11, 1977 article from the Idaho Statesman newspaper:

OSHA LOSES ATTEMPT TO CONTINUE INSPECTING

A three-judge panel Monday refused to allow impromptu federal safety inspections of Idaho businesses while the panel's decision barring them is appealed to the U.S. Supreme Court.

The Occupational Safety and Health Administration (OSHA), in asking for the stay of the inspection ban, had said it will have "devastating effects on the employes for whose benefit the (OSHA) Act was passed."

Assistant U.S. Atty. Paul Westberg said he expected the government would appeal by the end of the week to the U.S. Supreme Court for a stay.

Part of the act, allowing inspections without cause, was ruled Dec. 30 to be unconstitutional by a panel composed of U.S. Circuit Judges Oliver Koelsch and J. Blaine Anderson and District Judge Ray McNichols.

As a result, OSHA has suspended all safety inspection in Idaho.

"The inspection and investigation provision struck down by the court is at the heart of the act," Westberg wrote in a motion to the panel to stay the ban.

OSHA is "almost totally powerless to require employers to remedy hazardous conditions which endanger the safety and health of employes," to the extent the law has been overturned by the judges, the motion says.

But the court is not faced with a "bloody" emergency if the inspections are stopped during the appeal, wrote John Runft, the attorney for Barlow's, Inc., of Pocotello which filed the suit leading to the decision.

OSHA can only inspect a small per cent of Idaho's working environments during the appeal, Runft said, adding that there is a question of how effective OSHA is in preventing on-the-job injuries. The appeal is expected to take several months.

The panel apparently agreed, saying OSHA's showing irreparable harm would result if the inspections were not allowed was "conclusory and insufficient."

The denial noted the panel did not dismantle the whole OSHA law.

The three-judge panel determined part of the law violated the due process right of the Constitution's 4th Amendment.

But other federal courts have either "flatly rejected" that constitutional attack, or have refused to strike down the same section, according to the motion to stay.

Barlow's filed suit after refusing to obey a federal court order that he open his plumbing, heating, electrical and air-conditioning firm to an OSHA inspector.

Mr. Speaker, recently OSHA stopped all inspections in Idaho pending legal appeal to the Supreme Court and a motion to stay the court order pending this appeal. This motion to stay has now been rejected by the court and it is now proper that inspections should be stopped in all other areas of the Nation under OSHA's jurisdiction. This is especially fitting in the sense of equal justice for all Americans which is guaranteed every citizen by the U.S. Constitution.

Mr. Speaker, I deem it my responsibility to advise my colleagues and their constituents that under section II of the Idaho court's summary judgment—

The Secretary of Labor of the United States of America, and all other defendants and their successors in office, and all other persons acting by, through or under them, are hereby forever and permanently RESTRAINED and ENJOINED from acting or attempting to act pursuant to or in furtherance of Section 8(a) of OSHA (29 U.S.C. 657 (a)).

This appears to me as an injunction against the Secretary of Labor, wherever he may be, and not simply in the Idaho district. Further inspections of a nonuniform nature violate the equal protection of the laws guaranteed by the Constitution was well as being in contempt of the Idaho Court's decision. It is in this respect which I offer for the record as well as the benefit of my colleagues the contents of a House concurrent resolution which I introduced on January 6 and which I hope will receive support from the majority in this body.

The contents of the resolution follows:

H. CON. RES. 48

Resolved by the House of Representatives (the Senate concurring), That in view of the fact that a recent decision of a Federal three-judge court has declared that the inspection authority contained in section 8(a) of the Occupational Safety and Health Act of 1970 is unconstitutional and that inspections under such section within the jurisdiction of that court have been caused to cease pending appeal of such decision, and in view of the principle of equal justice and the dictates of legal reality, it is the sense of the Congress that all inspections under such section in all areas of the Nation should immediately cease until the Supreme Court of the United States has determined the question of whether or not any inspections under such section are constitutional.

SOVIET OPPRESSION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. DERWINSKI. Mr. Speaker, Jack Mabley is a feature columnist of the Chicago Tribune, whose interests range far beyond local and metropolitan matters. In his column of January 3, he dramatically points out the oppression, typical of the Soviet Union, that Pastor Grivans of the Evangelical Lutheran Church of Latvia, must face in his efforts to leave Latvia.

Jack Mabley also points out that Latvia, along with the other Baltic States, Lithuania and Estonia, were forcibly subjected to Soviet rule, and continue to remain victims of Soviet bondage.

The article follows:

HOMELAND A JAIL FOR LATVIAN MINISTER

[By Jack Mabley]

It is good for us Americans to get periodic reminders of what it's like to live under a totalitarian government.

Several thousand Chicagoans of Latvian descent are engaged in an effort to persuade the Communists to allow a Latvian minister to leave that country. Pastor Maksimilians Grivans, 75, was ordained by the Evangelical Lutheran Church of Latvia in 1928.

When the Red army was advancing in 1944, Pastor Grivans' wife and two sons escaped to Sweden in a fishing boat. He chose to remain and serve the people of his congregation.

In 1948 he was arrested and sentenced to 10 years hard labor in Siberia. He served 8 years, returned to his religious work in Ventspils, was arrested and sent back to Siberia for 8 years.

At the end of the second term, he returned home, but the Communists refused to grant him a minister's license. He was unable to get work of any kind. The government gave him a pension of 9 rubles a year. That's about $12. He subsists on the charity of former parishioners.

Pastor Vilis Varsbergs of the Chicago Latvian Zion Lutheran Church is a leader of the fight for Pastor Grivans.

"He has repeatedly applied for exist visas," said Pastor Varsbergs. "According to the Helsinki agreements, he should have no trouble leaving. But of course the Russians don't live up to those agreements.

"We're trying to publicize his situation because our own means of helping are very limited.

"I think chances of getting him out are pretty slim unless there is a great deal of noise out here. They want him to die there.

"As fas as I know, he has no personal ties there. The authorities may think he'll write and talk about his experiences.

"Most people who do get visas out don't say much. They have friends and relatives in Latvia, and they're afraid of reprisals. But they don't have anything to hold over Pastor Grivans.

"When the Baptist minister, Janis Smits, was kicked out, he said letters written by people in the United States did some good.

"The letters may not reach the pastor, but at least the KCB will know someone is interested. It's a little dangerous for members of the Latvian community here to do much. Most still have relatives in Latvia.

"It's interesting. Many people who go there as tourists come back and are very, very quiet. The Communists can say you can't get a visa to go back there again, or they can threaten repercussions against family there.

"The Siberian prison camp hasn't been dismantled. And there are a lot of local repressions available.

"You can lose your job, or get a bad report. Technically, there is no unemployment. But people who get kicked out of a job have real trouble.

"They can block your kids' schooling, especially when it gets to the university level.

"Within the last year they've put new restrictions on sending packages into the Soviet Union, including Latvia. It used to be import taxes were 100 per cent. Now they're 135 per cent.

"You can't send in medicine, which is one of the most ridiculous things. The medical system there is free, but letters we get say there are no drugs available . . . not even relatively simple ones.

"By and large people are better off than they were, but the old people in particular are the ones that suffer.

"There is a lot of graft, a lot of bribery. It's pretty difficult to exist without something other than your wages.

"Pastor Grivans is a quiet, gentle minister. We don't know what the charges were against him that sent him to Siberia. Most pastors who were in Latvia before 1944 have been sent to Siberia at least once."

Pastor Grivans' birthday is Jan. 14, and Chicago Latvians are asking people to send him cards or letters. His address is Ventspils, Belaru iela 16, Apt. 1, Latvia 229911.

COURT DEALS OSHA A CRIPPLING BLOW

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. SYMMS. Mr. Speaker, on December 30, 1976, a panel of three Federal judges in Idaho declared the inspection provisions of OSHA unconstitutional and void, and restrained and enjoined the Department of Labor from conducting further inspections of private business premises with or without a search warrant.

I would like to congratulate my colleague from Idaho, Mr. HANSEN, for his diligent work and persistence in bringing OSHA to a halt. His efforts have reflected the views of most Americans. There has been a rapidly growing concern over the erosion of individual rights and it is very gratifying to see this concern being translated into judicial remedy. I would hope that the Congress follows the court's lead in defending the constitutional rights of all Americans.

The following is a reprint of an article that appeared in the January 15, 1977, issue of Human Events. I highly recommend the article to my colleagues:

COURT DEALS OSHA A CRIPPLING BLOW

A three-judge federal court decision filed December 30 in the U.S. District Court for Idaho ruled that Section 8(a) of the Occupational Safety and Health Act of 1970 (OSHA) is unconstitutional because it allows federal inspectors to enter businesses and farms without a search warrant. The clause authorizing such warrantless inspections—which have resulted in harassment and fines for businessmen who could not possibly be expected to comprehend, much less remember and act upon, all of the 3,400 separate OSHA regulations—was found by the judges to be "unconstitutional and void in that it directly offends against the prohibitions of the 4th Amendment of the Constitution of the United States of America."

Interestingly, the Idaho ruling, which has all the earmarks of a landmark case, would not have taken place except for the courage and determination of one small businessman who decided to make a stand. That businessman is F. G. (Bill) Barlow, owner of a plumbing, heating and electrical subcontracting business in Pocatello, Idaho, a community of about 45,000 people in the southeastern part of the state.

Barlow, who works with his four sons and has a total of 35 employes, explained last week that he had expected OSHA to show up sooner or later since they had been inspecting other businesses in the area. So, with encouragement from Rep. George Hansen (R.-Idaho), who has been providing a clearinghouse of information on the OSHA law, Barlow began to study the issue.

"What is unconstitutional about it," he told Human Events, "is that the government can come in—with a program that we didn't want in the first place—and decide on the safety of your building, and if you're found guilty, serve as judge, jury and executioner since they can issue a fine."

So, said Barlow, "when they came to my door and asked to inspect the building, I simply said no. They claimed to be entitled to do so by law, and I said they must first produce a warrant."

OSHA refused to get a search warrant, but they did get a court order commanding Barlow to allow the inspection since it was in the statute passed by Congress. But, convinced that the OSHA statute violated his constitutional rights, Barlow ignored the original court order—for which he was cited for contempt—and petitioned for the empanelling of the three-judge court to determine the law's constitutionality.

It was that course of action that resulted in the December 30 ruling. And though Barlow still faces the contempt citation, he is hopeful that it will be dismissed on appeal, especially if the unconstitutionality of the OSHA law is upheld.

Clearly, then, Barlow's decision to fight OSHA rather than surrender what he saw as his rights as a citizen was not an easy one to make. That he took the stand anyway drew strong praise from Rep. Hansen, who said of Barlow: "He is just a small businessman with limited means, but his strong feelings about our rights as American citizens and his willingness to spearhead such an effort marks him as a patriot in the tradition of our founding fathers whom we hail in this Bicentennial era. Barlow's victory shows that the Constitution is still a bulwark for human rights in this nation and we do not have to bow down to oppressive rulings and acts of government no matter how well intended they may be."

For businessmen, farmers and their supporters who have been working to put a leash on OSHA, the judge's decision was a greater New Year's present than most had dared expect. For the bureaucrats at OSHA and their chief non-governmental champion, the AFL-CIO, on the other hand, the decision was seen as a grave threat not only to OSHA but to numerous other agencies that routinely conduct random inspections of business establishments without "probable cause" for a search.

Though the court's decision was handed down in far-off Boise, Idaho, its reverberations were not long in reaching Washington, D.C. Morton Corn, the assistant secretary of labor who heads OSHA, quickly announced that the agency would appeal the decision to the U.S. Supreme Court. "We consider the right of inspection to be absolutely vital. We will take whatever legal steps are necessary to vindicate that right," he said.

OSHA spokesman James F. Foster told Human Events that the agency planned to seek a stay of the ruling, pending a decision by the Supreme Court. In the meantime, he said, OSHA was suspending all further inspections in the state of Idaho.

But in the view of some OSHA opponents, the suspension of OSHA inspections in Idaho, though a start, is still not a sufficient response from the agency, considering the vital constitutional right that is at stake.

Thus Rep. Hansen, who is chairman of a congressional task force working to limit regulatory agencies and head of the American Conservative Union's "STOP OSHA" project, fired off letters to Corn, Secretary of Labor W. J. Usery and Atty. Gen. Edward Levi, commending OSHA for ceasing inspections in Idaho. "However," Hansen wrote, "under the concept of equal justice for all citizens, such OSHA inspections should also immediately be terminated for all other areas under OSHA's jurisdiction." Hansen was planning to introduce a House joint resolution to that effect later in the week.

Meanwhile, Hansen noted that, in the wake of the Idaho ruling, it is a relatively simple and inexpensive legal procedure for businessmen in other states to refuse OSHA inspectors access to their property, citing the Barlow precedent.

The Barlow ruling was not the first judicial decision to suggest that warrantless OSHA inspections should not be allowed, but it was certainly the most significant. Other courts, for instance, had ordered OSHA not to conduct inspections without having a search warrant. But the Idaho court went a step further, declaring the inspection provisions of the law unconstitutional and void, thus depriving the Department of Labor of any authority to conduct OSHA inspections, with or without a warrant.

Should the High Court uphold the Barlow ruling, therefore, OSHA would be completely out of the inspection business, unless Congress first rewrote the legislation to conform to the requirements of the 4th Amendment.

Given the enormity of the stakes involved, it is not surprising that groups on both sides of the issue were already mobilizing their forces last week for the legal and legislative battles that lie ahead.

Joining OSHA in opposing the Barlow ruling, for instance, is the AFL-CIO. George Taylor, executive secretary of the labor organization's Standing Committee on Safety and Occupational Health, said it would be a "calamity" if the Supreme Court upheld the ruling.

According to Taylor, such a decision would not only deprive OSHA of the authority to make routine inspections without first obtaining a search warrant, but it would also "affect every federal regulatory program and even the city and state inspection programs where heretofore the right of entry has been assured by statute or local ordinance or state law without the need of a warrant." He then proceeded to rattle off a long list of areas, from "fire and hospital inspections all the way up to clean air, clean water, Coal Mine Safety Act, Metal and Non-metalic Mine Safety Act, Food and Drug Act," and on and on that he maintained would be affected.

(In point of fact, the union operative seemed to be exaggerating. It is true, as Rep. Hansen pointed out, that the Barlow ruling would affect more than OSHA. But it is not accurate to say, as Taylor did, that "every federal regulatory program" would be barred from making inspections without "probable cause" that a violation existed. For in its written opinion accompanying the Barlow decision, the three-judge panel noted that some heavily regulated industries, such as those dealing with explosives, food and drugs, and so forth may be required to agree to such warrantless inspections as a condition for obtaining their licenses, and that this is consistent with the Constitution.)

Taylor said the AFL-CIO's lawyers were looking into the Barlow decision and that the union would probably "join with OSHA as friends of the court when it gets up before the Supreme Court." In the event that the High Court upheld the December 30 ruling, he said union lobbyists on Capitol Hill "would try to get an amendment, if we had to, to Section 8(a) of the act, which would narrow the area as much as possible where you had to get a warrant."

While organized labor was lining up behind OSHA, others were preparing to argue for Barlow's position before the Supreme Court. Hailing the rulings in favor of Barlow as a "triumph for individual liberty," Idaho Atty. Gen. Wayne Kidwell (R.) announced that he had discussed the case with Barlow's attorney, John Rumft, and that, if the Department of Labor appeals the decision of the three-judge panel, he will ex-

plore joining the case and trying to uphold their decision.

Spokesmen for the U.S. Chamber of Commerce and the National Association of Manufacturers also expressed an interest in the case. Both organizations indicated they might enter *amicus curiae* briefs when the issue reaches the High Court. Moreover, both groups said that, if as a result of the Supreme Court decision, the legislation goes back to Congress for revision, they would work to get numerous improvements in the measure, including a requirement that economic feasibility be considered when safety and health standards are set.

What happens now, of course, is up to the Supreme Court. But the ruling of the three-judge panel in Idaho indicates more than ever before that, for the thousands upon thousands of small businessmen and farmers in this country, relief from OSHA finally may be on its way. And for this, men like Bill Barlow and Rep. Hansen deserve a great deal of thanks.

THE BALANCE(S) OF POWER: INTRODUCTION FOR THE 95TH CONGRESS

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. BRECKINRIDGE. Mr. Speaker, during the last session of Congress I was privileged to insert a series of articles in the CONGRESSIONAL RECORD detailing in part the major shift in "The Balance(s) of Power" underway between the Soviet Union and the United States. The purpose of "The Balance(s) of Power" series is to present to the Congress, and to the American people through the libraries throughout the Nation containing the CONGRESSIONAL RECORD, a carefully documented discussion-provoking set of views prepared by current leading thinkers in the field of national defense, so designed as to stimulate thinking about military trends and where we are headed if the Congress, the administration, and the people do not take the necessary steps to turn us around. In every major area of national defense Soviet momentum is directed at achieving superiority. We are told by various military, intelligence, and political leaders that our Nation is slowly sinking into second place in military capability and that soon we will be unable to respond to any international crisis provoked in whole, or in part, by Communist nations. Not since the German rearmament of the 1930's has the world witnessed such a rapid peacetime expansion of military might by one nation.

A list of "The Balance(s) of Power" series, from March 17, 1976, to October 1, 1976, detailing the number, author, date, page reference in the CONGRESSIONAL RECORD, subject matter and title is provided at the conclusion of this introduction. This 94th Congress listing provides a ready reference guide to previous issues. The first part of the series was divided into four parts, each of which contain major articles related to that topical heading: "The U.S. Strategic Situation, Part I"; "A Panoramic Perspective, Part II"; "The Strategic Offensive Balance, Part III"; and "The Strategic Defensive Balance, Part IV."

At this time, I wish to express my deep appreciation to John M. Collins, Senior Specialist in National Defense for the Library of Congress, for his guidance, assistance and advice in the preparation of selections for the series for the 94th Congress, and to say that I continue to look forward to working with him to the extent that his demanding schedule and important duties permit.

As the 95th Congress begins consideration of legislation effecting our national security and defense posture, I shall conclude the strategic defensive and offensive sections of the series by inserting a two-part article on military strategy by Mr. Henry S. Bradsher of the Washington Star. These articles invite a complete revaluation of strategic thinking by the American people, the Congress and the Pentagon; they challenge this generation's approach to conceptual thinking and dare it to face the realities of today's world.

After the publication of these two articles, I shall continue the "Balance(s) of Power" series concentrating on the conventional forces of both the United States and the Soviet Union; parts V, VI and VII will review the ground, tactical Air Force and Naval force balance between the super powers. A series will focus on the major weapons systems, the training and effectiveness of combat personnel; ship building programs and the size and expansion of Soviet naval armed forces; and, the corresponding decline of American military conventional power and other areas related to conventional forces. It is anticipated that the series will focus on one major area each week the Congress is in session.

As the series progresses, we shall look into the balances of the Soviets and the United States in the areas of strategic mobility, geographic factors, budget, scientific and technological advances, agriculture and industrialization, and the broader perspectives of the balances in Europe, East Asia, Middle East, Indian Ocean, Africa and Latin America. In each case, the series will relate coverage to the crucial U.S. security interest of survival, physical security, peace, national creditability and freedom of action.

During the course of the past "Balance(s)" insertions, I was encouraged by comments from military, academic, professional, business and private citizens interested in the basic premise of the articles, and hopeful that the alarming trend which this Nation's defense posture is taking will be reversed before a major confrontation occurs.

The "Balance(s) of Power" series for the 94th Congress is to be found as follows in the CONGRESSIONAL RECORD:

VETERANS' WIDOWS OVER AGE 60

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. WHITEHURST. Mr. Speaker, I am introducing today a bill to amend title 38 of the United States Code to allow veterans' widows over the age of 60 to remarry without losing their survivors benefits. As the law now stands, a veteran's widow who remarries must accept with her marriage the loss of all the benefits she had been receiving. While this is an equitable law when it is applied to a fairly young widow, it is especially hard on an elderly widow who is living on a fixed income and relies on her dependency and indemnity compensation to make ends meet. In all probability, she will marry someone who also receives only a small pension each month. In this day of rampant inflation, it is unthinkable to force an elderly couple to live on the man's pension alone.

I have received letters from veterans' widows across the country who find themselves in the most difficult position of trying to decide whether to remarry. In considering the consequences, most of them decide to remain single. Our National Government has always pursued the policy of encouraging marriage and family life, yet this law has the opposite effect on elderly widows.

This amendment would not constitute a drain on the U.S. Treasury because it is unlikely that there will be a large number of remarriages among the over-60 age group. However, the number of remarriages is certainly significant enough to warrant congressional action.

I urge my colleagues in the Congress to join me in supporting this legislation.

NATIONAL COMMISSION ON HOUSING FOR THE ELDERLY

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. HANNAFORD. Mr. Speaker, today I am introducing legislation to create a National Commission on Housing for the Elderly. The Commission would investigate the feasibility of rehabilitating central city housing and establishing senior citizen communities. One of my constituents, Mr. Ben Nicholas, originally proposed this idea. Mr. Nicholas resides in Leisure World, a planned senior citizen community.

Leisure World in Seal Beach, Calif., is 15 years old. There are 6,500 units, and approximately 10,000 residents. Studies of the community indicate that retired residents live approximately 8 years longer and spend less time in hospitals than other senior citizens.

Mr. Nicholas believes that other seniors should have the opportunity to experience the advantages of community life. Rehabilitating already existing housing units, instead of constructing new and impersonal high-rise structures, would be less expensive and more beneficial to older Americans. Central cities would be able to provide many of the facilities and services which communities such as Leisure World contain. Transportation is available, as are libraries, hospitals, and shopping facilities. The Commission created by my bill would be composed of housing experts, city planners, and senior citizens themselves. They would study already existing communities and determine whether or not a similar use of central city housing would be feasible.

"BALANCE(S) OF POWER" SERIES SCHEDULE: PTS. I–IV.

Number	Author	Day	Date	Page	Subject	Title of article
U.S. Strategic Situation (pt. I):						
I	John M. Collins	Wednesday	Mar. 17, 1976	6980–6981	Fundamental trends in the balance(s) of power.	The United States/Soviet Military Balance.
A Panoramic Perspective (pt. II):						
II	do	do	Mar. 31, 1976	8938–8939	Balance(s) of power perspective.	
II(i)	Sir Robert Thompson	do	Apr. 7, 1976	9888–9889	World War III	Are We Now Engaged in World War III?
II(ii)	Barry M. Bleckman	do	Apr. 28, 1976	11731–11732	Defense spending shifts	Are the Soviets Ahead? Handicapping the Arms Race.
II(iii)	Donald H. Rumsfeld	do	May 5, 1976	12736–12737	Interview: Military posture	Interview—U.S. Military Posture Vis-a-vis the Soviet Union.
Strategic offensive balance (pt. III):						
III	John M. Collins	do	May 12, 1976	13735–13736	Strategic nuclear delivery systems.	Orbis Essay.
III(i)	do	Thursday	May 20, 1976	14993–14994	Counterforce	
III(ii)	Robert Sherman	Wednesday	June 2, 1976	16320–16321	Case against counterforce	The Case Against Counterforce.
III(iii)	Amoretta M. Hoeber and Francis P. Hoeber	Thursday	June 17, 1976	19051–19052	Case for counterforce	The Case Against the Case Against Counterforce, pt. 1.
III(iv)	Amoretta M. Hoeber and Francis P. Hoeber.	Wednesday	June 23, 1976	20143–20145	do	The Case Against the Case Against Counterforce, pt 2.
Strategic Defense Balance (pt. IV):						
IV(i)	Leon Goure	do	July 28, 1971	24371–24372	Soviet war-survival program.	Summary Overview of the Soviet War-Survival Program, pt. 1.
IV(ii)	do	Thursday	Aug 5, 1976	26066–26067	do	Summary Overview of the Soviet War-Survival Program, pt. 2.
IV(iii)	Sidney D. Drell	Tuesday	Aug. 24, 1976	27558–27559	U.S. civil defense	Civil Defense in Limited War—A Debate * * *.
IV(iv)	Arthur Broyles and Eugene Wigner.	do	Aug. 31, 1976	28725–28727	do	do
IV(v)	Ruby Thurmer	Wednesday	Sept. 8, 1976	29416–29917	Civil defense	Letter re: Drell vs. Broyles/Wigner Debate Article.
IV(vi)	John L. Frisbee	Friday	Sept. 10, 1976	29810	do	Soviet Civil Defense—Upsetting the Strategic Balance.
IV(vii)	Edgar Ulsamer	Tuesday	Sept. 14, 1976	30356–30357	U.S. surveillance	Strategic Warning, Cornerstone of Deterrence.
IV(viii)	Patrick J. Friel	Monday	Sept. 20, 1976	31434–31435	U.S. ABM defenses	The Merits of a Limited Ballistic Missile Defense, pt. 1.
IV(ix)	do	Tuesday	Sept. 21, 1976	31740–31742	do	The Merits of a Limited Ballistic Missile Defense, pt. 2.
IV(x)	John M. Collins	Thursday	Sept. 23, 1976	32255–32256	U.S. strategic air defenses	
IV(xi)	John M. Collins and John S. Chwat.	Monday	Sept. 27, 1976	32803–32804	Pt. IV—Summary pt. 1	SALT II Issues, pt. 1.
IV(xii)	do	Tuesday	Sept. 29, 1976	33773–33774	do	SALT II Issues, pt. 2
IV(xiv)	John M. Collins	Thursday	Oct. 1, 1976	35473	Pt. IV—Summary, pt.2	U.S. and Soviet Civil Defenses, pt. 2.

INTERNATIONAL PORTABILITY OF MEDICARE BENEFITS ACT

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. COHEN. Mr. Speaker, I am reintroducing a bill today that, while costing little, would remedy a serious defect in the medicare program. The proposed legislation would amend title XVII of the Social Security Act so the medicare beneficiaries living or traveling outside the United States could receive benefits for hospital care and related physician and ambulance services received abroad.

Under the existing medicare statute, hospital care and related physician and ambulance services furnished abroad are covered only when provided in Canada or Mexico, and even then only under very limited circumstances. First, benefits can be paid when the beneficiary is hospitalized in those two countries as the result of an emergency that arose in the United States. This coverage applies only where the foreign hospital is either nearer to, or more accessible than, the nearest suitable U.S. hospital. Social security legislation enacted in 1972 added two more exceptions to the general exclusion of services rendered abroad. One permits payment to be made for a U.S. resident in a border State who lives nearer to a suitable foreign hospital than to the nearest U.S. hospital that is adequately equipped to meet his needs. For these beneficiaries, benefits can be paid without regard to whether an emergency existed or where the illness or injury took place. The 1972 amendments also provided benefits for U.S. residents who are forced by a medical emergency to be hospitalized in Canada while traveling from Alaska to another State.

The various provisions for paying medicare benefits abroad are very important to the relatively few aged and disabled U.S. citizens who are involved. However, they meet only a part of the problem. For those who lose their medicare eligibility because they do not meet the narrow limitations of the law, hospitalization abroad could lead to financial ruin.

Of the 30 million people eligible for medicare benefits in the United States, authorities estimate that nearly 150,000 would be reenfranchised by my bill—a relatively small, but important group of American citizens.

There is ample precedent for continuing the health insurance protection of insured persons while they are absent from the United States. This is generally provided for in private health insurance plans. The Veterans' Administration has also demonstrated that health benefits can be made available abroad. It provides health services to veterans with service-connected disabilities in countries where there are no U.S. military facilities—as in France.

In light of the seemingly uncontrollable budget of Federal health care programs, we are all concerned with costs. Yet, bear in mind that these people have previously established their right to these services through their contributions into the medicare system. Furthermore, costs of health care in the United States are higher than in almost every other country. In any event, limitations in my bill assure that costs will not exceed what is paid in the United States. As a result, extension of medicare abroad will be less costly than if those eligible were taken care of at home, as they are entitled to be.

The problems faced by the elderly and disabled in need of health services while abroad is probably more a concern to me and the other Members whose congressional districts border on Canada and Mexico. Nevertheless, all my colleagues are potentially faced with the risk of this problem if their elderly and disabled constituents travel or live abroad. In this regard, I was pleased to see that Congressman ROSTENKOWSKI, Chairman of the Health Subcommittee of the House Ways and Means Committee, introduced comparable legislation late last session on this subject. His recognition of the need in this area represents a victory on the part of those affected.

In summary, the bill I am offering would affect relatively few individuals. It would, however, protect those individuals from medical bills that could wipe out a lifetime of savings and lead to the very dependency that social security and its medicare program are intended to prevent. I urge that the Congress act soon to close this gap in medicare protection.

A TRIBUTE TO JOE McCAFFREY

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. VAN DEERLIN. Mr. Speaker, one of the benefits of my years in Congress has been my close association with Joe

McCaffrey, the veteran and knowledgeable Capitol Hill observer for the WMAL stations.

Surely, Joe has few peers in or outside the press corps in understanding what makes Congress tick.

Often, I have turned to him for insights into the House of Representatives, the directions it is heading, and the time it will take to get there. I must say the formal counsel proffered by Joe is usually far more valid and valuable than the expertise from higher blown sources.

As a former news commentator for radio and television, I feel a natural kinship with Joe and his work. And based on long observation, I can tell you that Joe is one of the ablest practitioners of our mutual profession. It is with distinct pleasure, therefore, that I rise to pay formal tribute to Joe on the occasion of the 20th anniversary of his nightly radio program, "Today in Congress."

Joe is going so strong he should be good for at least another 20 years; I certainly hope so.

UNCONSTITUTIONAL OSHA INSPECTIONS SHOULD CEASE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. HANSEN. Mr. Speaker, I make available to my colleagues the contents of a news release which I released to the media on January 10 regarding OSHA legal maneuvers:

OSHA'S BURDENSOME BUREAUCRATIC MANEUVERS

WASHINGTON, D.C.—U.S. Rep. George Hansen today blasted Occupational Safety and Health Administration efforts to stay a court order blocking OSHA inspections which have been declared unconstitutional by a federal court decision.

"The Department of Labor is attempting a legal maneuver in order to continue their unconstitutional searches of private business premises during the pendency of the appeal," Hansen said. "This is just another burdensome bureaucratic act in the face of a unanimous decision by a Constitutional panel of judges declaring OSHA unconstitutional which can only further encumber our judicial system as informed citizens everywhere continue to reject OSHA inspections on sound Constitutional grounds," Hansen stated.

"OSHA should cease inspections pending a ruling from the Supreme Court," Hansen asserted. "Not only is this a matter of justice, but it is a matter of legal reality since necessary precedent exists for individual rejection warrantless searches or inspections by any citizen in the nation."

OSHA inspections have stopped in Idaho and they should be stopped in all other areas under OSHA jurisdiction as well. The court's decision directly enjoins the Secretary of Labor, his agents and their successors from acting pursuant to Section 8(a) which authorized inspections under the Act of 1970. Hansen urged anyone who becomes subject to an OSHA inspection anywhere in the U.S. to consult legal counsel about the possibility of bringing contempt proceedings against the Secretary of Labor for violation of the injunction.

Accordingly, I have written the Secretary of Labor, OSHA Administrator Morton Corn, and U.S. Attorney General Levi asking that all inspections cease. Certainly government activities of this nature should not be enforced only against the acquiescing citizen who is either not informed of his basic rights or who is without the means or determination to protect such rights," Hansen said.

"I have introduced a resolution in the House of Representatives which demands that all OSHA inspections be discontinued pending action by the Supreme Court and I will continue to use every method at my disposal to help educate Americans everywhere of the unconstitutional actions of OSHA," concluded Hansen.

Mr. Speaker, for those who are unduly concerned as to the effect of stopping all OSHA inspections across the Nation, I would like to offer the following pertinent contents of a letter which I received from California State Senator Newton R. Russell:

NEWTON R. RUSSELL,
CALIFORNIA LEGISLATURE,
January 4, 1977.

Hon. GEORGE HANSEN,
Washington, D.C.

DEAR CONGRESSMAN HANSEN: I read with interest in the recent edition of Battle Line that you have been named Chairman of the project, "Stop OSHA".

As one who has been somewhat involved in OSHA in California, I thought that some factual data from this State might be of interest. The Department of Finance's Program Evaluation Unit in January, 1976, put out a paper, " A Review of the Implementation of the California Occupational Safety and Health Act". In that report on page 20, they refer to recent research in Wisconsin and California which indicates that "most injuries are momentary or behaviorial in nature and do not involve hazards which an inspector could be expected to perceive in the course of his inspection". The Wisconsin Study concludes that perhaps 25% of all industrial injuries are inspection preventable. The California study is less optimistic, estimating that roughly 18% are inspection preventable. These two reports are "Inspection Effectiveness Report", State of Wisconsin, Department of Industry, Labor and Human Relations, 1971 and "Development of Inspection Value Index", State of California, Department of Industrial Relations, Management Analysis Unit, 1973.

The report by the Department of Finance also examines injury rate data for California for the years 1969 through 1974 and for the second quarter of 1975. They state that "the injury rate increased in the nine months following the January 1, 1974 date of the initial Cal-OSHA inspections". They do indicate, however, that the injury rate decreased in the second quarter of 1975 and that they believe the decrease is attributable to external factors and not to Cal-OSHA. While they do not want to draw a firm conclusion based upon the history of the program, they do state categorically that "data do not support any contention that Cal-OSHA has reduced occupational injuries and illness."

While there were problems in California's industrial safety program prior to OSHA, it was probably, nevertheless, one of the best programs in the country. With the advent of Cal-OSHA, however, we find that costs have risen almost four times, and we have only about one-fifth as many inspections and that over 98% of all inspections deal with the citing of nonserious violations, and I could go on.

The above information was obtained by personal research in late 1975 and early 1976. There has been a change in the thrust of the OSHA programs with fewer citations being given for nonserious electrical violations and a greater attempt to adopt a "worst first" philosophy. I am personally concerned that if the Cal-OSHA program does not improve, there will be an attempt to repeal it and then we will be covered only by Fed-OSHA which will be even more impossible to deal with. I believe you are on the right track in trying to stop OSHA, or perhaps more practically to modify it, because since the Federal Government has preempted the field leaving very little flexibility at the state level, the only effective changes can come through congressional action.

Good luck!

Sincerely,

NEWTON R. RUSSELL,
Senator, 21st District.

Mr. Speaker, it should be noted that when multiplying the statistics which were developed in the California and Wisconsin studies against the 2 percent of all businesses which OSHA is capable of inspecting annually you will find that less than one-half of 1 percent are meaningful. This statistical amount would be considered inconclusive by most mathematicians and is certainly borne out by the conclusions of the California study cited in the Russell letter and by many findings on the national level.

OSHA is expensive and unproductive. We can do better for the Nation's work force and through ways not destructive of our basic rights.

CHALLENGES OF THE 1980's

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. MURPHY of New York. Mr. Speaker, recently the General American Investors Co. held a 50th anniversary seminar titled "Challenges of the 1980's," during which it forecast revolutionary changes in biology, in energy sources, and a dramatic growth in the health care industry. These were only a few of the many positive visions for the next decade of life on this increasingly complex Earth. Although the entire text of the proceedings is fascinating, it would be far too long to present in this fashion. I therefore urge all of my colleagues who have a stake in the future of this Nation to read this brief account of the results of the seminar, and to take note that such advances only skim the surface of our improving technology and our understanding of the world around us:

CHALLENGES OF THE 1980'S

NEW YORK.—The coming decade of the 1980's will be characterized by revolutionary changes in man's ability to utilize existing forms of solar energy; a burgeoning health care industry, monitored but not controlled by the Federal government; and by developments in biological research which may change the course of human history.

These were a few of the long-range projections of forces already underway in laboratories and pilot programs, as outlined today by some of the nation's most outstanding scientists and economists at a spe-

cial seminar on "The Challenges Of The 1980's", sponsored by General American Investors Company, Inc., a leading closed-end investment company celebrating its 50th anniversary.

Dr. Gerald M. Edelman, a 1972 Nobel laureate, who is the Vincent Astor Distinguished Professor at The Rockefeller University, and an authority on immunology and protein chemistry, said, "The long-range developments of biological research, based upon the molecular understanding of inheritance, may radically change the direction of human history and beliefs."

Dr. Edelman said, "For the first time, we now begin to understand the basis of individuality at the level of molecules. Thanks to these developments we are now in a position to understand how one cell recognizes another to make an organ such as the brain. We are almost ready to try to understand experimentally how our brains might classify, remember and generate new possibilities."

The general outcome of all of this, the Nobel prize winner said, "is likely to be the largest single intellectual revolution in human history. During the course of development of this knowledge, much that is of extraordinary practical value will emerge. We will develop new information processing machines, new chemical industries, new ways of preventing birth defects, of protecting against disease, and of dealing with aging and psychological disorders."

A CHANGE IN BASIC ENERGY SOURCES FORESEEN

The challenge facing the United States chemical industry in the 1980's, according to Dr. Augustus B. Kinzel, former vice president of Union Carbide Corporation, "will come from the change in our basic energy supply, petroleum and the change in our approach to life, safety."

Dr. Kinzel said that while the chemical industry has always been based on solar energy stored in the past, such as coal, tar and oil, "in the decade of the 1980's, we must base it on present rather than past solar energy—to use solar energy available in regenerable raw materials from forestry and agriculture by means of modified standard processes.

"I am predicting a revolution in the chemical industry," Dr. Kinzel told the General American seminar audience. "The timing will be determined by the price of petroleum and coal. The philosophy of the industry must change. It must produce its own raw materials instead of having them delivered. The investment in land will be great, but the total investment will be less as the investment in process equipment will be less."

Dr. Kinzel said the final challenges of the 1980's has to do with safety of the end products, specifically flammability and health impairment.

"The attack on pollutants involved in ingestion by breathing or eating is well along, but there is a whole new area on which attention will focus, namely ingestion of pollutants through the skin. The cosmetics industry in particular would seem to be ripe for a shock," Dr. Kinzel stated.

HEALTH CARE INDUSTRY SEEN REACHING A TRILLION DOLLARS BY THE YEAR 2000

"Regardless of when, or even whether, National Health Insurance is enacted, the U.S. health care industry will grow at a rate significantly greater than the economy as a whole," Marvin A. Asnes, executive vice president of Becton, Dickinson, told the General American audience of leading business executives and members of the press.

Noting that total health expenditures have increased 7 times in the last 20 years, Mr. Asnes said that if this trend of an approximate annual growth rate of 11 per cent continues, health care could consume over one trillion dollars by the year 2000.

During the 1980's Mr. Asnes noted that because of the complex structure of the health industry and the enormity of the control task, "it is inevitable that the Federal government will have a major role in monitoring the growth of the health care industry, in the area of setting standards of care, mediation and subsequent monitoring of expenditures."

Although 1984 obviously occurs in the 1980's, Mr. Asnes said, "We believe that George Orwell's vision is not appropriate for the health sector. Rather than a repression of private initiative, monitored growth of the health industry will continue to provide significant opportunities in an essentially free market environment but will require a redirection of effort to capitalize on such potential."

ALREADY HIGH MEDICARE COSTS TO BENEFICIARIES SHOULD NOT GO HIGHER

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. PEPPER. Mr. Speaker, when medicare was enacted in 1965, those of us favoring its passage were intending to provide major relief to older Americans from the heavy burden of health care costs.

It is ironic, therefore, that medicare beneficiaries pay more now for health care than they did the year before medicare became law — 2½ times more. Health care costs have risen so steeply that, of every $8 spent by an older person covered by the program, medicare pays only $3.

As ranking majority member of the House Select Committee on Aging, therefore, I was particularly disheartened last fall when the Social Security Administration proposed increasing the so-called deductible amount that medicare beneficiaries have to pay for hospital care, from $104 to $124. That represents a 19-percent jump in the amount the elderly or disabled person must pay personally, before medicare pays a single dollar. Because of the lateness of the session, there was no chance for Congress to consider legislation to deal with this increase, and it went into effect on January 1, 1977.

But the new Congress brings with it a new opportunity to act. I am today introducing legislation that would roll back the deductible payments under part A—hospitalization—of medicare to their 1976 levels.

This legislation is being introduced today in the Senate by Senator FRANK CHURCH, who chairs the Senate Special Committee on Aging.

This legislation would also roll back other 19-percent increases in part A charges that took effect on January 1. The $15.50 per day coinsurance payment by beneficiaries for skilled nursing care would return to its 1976 level of $13. The $31 per day patients hospitalized from 1 to 3 months must now pay would revert to $26. Medicare beneficiaries who must draw on their lifetime reserve of 60 hospital days would have their coinsurance charge reduced from $62 to the former level of $52.

All of these reductions would be made retroactive to January 1, so as not to penalize those who happened to fall ill in the early months of the year.

Mr. Speaker, we know that our senior citizens have a higher proportion of poverty—one in every six—than any other age group. We know that they spend a higher proportion of their meager incomes on health related expenses. These increases add yet another heavy straw to the backs of America's elderly, and Congress must act quickly on this legislation to prevent a fracture.

It is also important to note, Mr. Speaker, that the bill I introduce today carries with it adjustments in already scheduled medicare payment changes that more than compensate over the long term for the modest cost increases attributable to the rollbacks the bill proposes.

Six million elderly and disabled Americans need the relief that my bill proposes to afford them, Mr. Speaker. I urge prompt and favorable action on this measure; for many of the intended beneficiaries, delay in action will mean no action at all for them.

I include at this point the text of the bill:

H.R. —

A bill to amend the Social Security Act to roll back the deductive and coinsurance charges under Part A of Medicare to the 1976 levels, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) section 1813(b)(1) of the Social Security Act is amended by—

(A) striking "$40" and substituting "$104"; and

(B) striking "1969" and substituting "1978".

(2) Subsection (b)(2) of such section is amended by—

(A) striking "1968" and substituting "1977";

(B) striking "$40" and substituting "$104"; and

(C) striking "1966" and substituting "1975".

(b) The amendments made by subsection (a) shall be effective with respect to any spell of illness beginning after December 31, 1976.

SEC. 2. (a) Section 1401(b) of the Internal Revenue Code of 1954 (relating to rate of hospital insurance on self-employment income is amended—

(1) in clause (3), by striking "1978" and substituting "1977";

(2) in clause (4)—

(A) by striking "1977" and substituting "1976", and

(B) by striking "1981" and substituting "1980";

(3) in clause (5)—

(A) by striking "1980" and substituting "1979", and

(B) by striking "1986" and substituting "1984"; and

(4) in clause (6), by striking "1985" and substituting "1984".

(b) Section 3101(b) of such Code (relating to rate of hospital insurance tax on employees) is amended—

(1) in clause (4) by striking "1980" and substituting "1979";

(2) in clause (5)—

(A) by striking "1981" and substituting "1980", and

(B) by striking "1985" and substituting "1983",

(3) in clause (6), by striking "1985" and substituting "1984".

(c) Section 3111(b) of such Code (relating to rate of hospital insurance tax on employers) is amended—

(1) in clause (4), by striking "1980" and substituting "1979",

(2) in clause (5)—

(A) by striking "1981" and substituting "1980", and

(B) by striking "1985" and substituting "1983",

(3) in clause (6) by striking "1985" and substituting "1984".

REGULATORY REFORM ACT OF 1977

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. WHITEHURST. Mr. Speaker, I am today introducing the Regulatory Reform Act of 1977, which I believe will provide the necessary authority to implement badly needed reforms of our Federal regulatory agencies. I am hopeful that both the House and the Senate will act expeditiously on this legislation so that we can develop a less burdensome and more efficient Federal regulatory structure.

Calls for regulatory reform are not new. Every President for the past two decades has suggested some type of reform. However, with the severe downturn of our economy in recent years, more serious and intense attention has been paid to the tremendous adverse impact that these Federal regulatory agencies have on our economy. Increasingly, Members of Congress and the executive branch have come to realize that the outmoded and misguided policies of these agencies stifle competition, inflate prices, and smother businessmen with needless paperwork. Estimates of the costs of Government regulation to the American people have ranged from $60 billion a year up to as high as $130 billion a year. Consumers carry the dual burdens of higher taxes and higher prices to support policies which do them no good.

Additionally, regulations impede the tremendous productive power of the American economy. Increasingly, the American people are coming to understand that Government must start restoring competition and removing market constraints. If we expect the economy to get better and stay that way, we must strip the wet blanket of unnecessary Government regulation from its back.

Not only does the present regulatory system stifle free enterprise, but the overlap and duplication of the multitude of agencies also tend to make these agencies less effective in carrying out their legitimate responsibilities. Thus, we must streamline and coordinate the functions of the regulatory agencies as well as insure that their policies do not hinder the free market system.

President Ford has devoted a substantial amount of attention to regulatory reform and his administration has devised specific plans for deregulating the airline, railroad, and trucking industries. However, our experience has been that calls for regulatory reform tend to die as a result of pressure brought on by affected interest groups. Consequently, the legislation which I am introducing today provides for a specific timetable for a comprehensive reform of our regulatory system.

This bill would provide that over a period of 5 years, from 1977 to 1982, the President would submit to the Congress by March 30 of each year comprehensive plans for reforming regulation in five specific areas of the economy; namely, banking and finance; energy and environmental matters; commerce, transportation, and communications; food, health, and safety, and unfair and deceptive trade practices; housing, labor-management relations, equal employment opportunity, Government procurement, and small business.

Each plan would include recommendations for increasing competition, and for procedural, organizational, and structural reforms—including the merger, modification, establishment, or abolition of Federal regulations, functions, and agencies. Each plan would be referred to the committee with appropriate subject matter oversight jurisdiction, as well as to the respective Government Operations Committees of the House and Senate.

The bill also provides for an action-forcing mechanism in the form of impending abolition of specific agencies and regulations, unless a comprehensive regulatory reform measure is enacted by a certain date, as the best way to assure prompt and effective action on the full range of regulatory issues. Responsibility for action is thus squarely placed on the Congress as a whole.

My concern with the problems of regulatory reform has grown considerably during my service in the Congress, through accumulated visits and letters from those individuals in the business world who are being harassed by a welter of regulations and a relentless corps of bureaucrats to enforce them. One regulatory agency which has particularly concerned me, and many small businessmen in my congressional district, is the Occupational Safety and Health Administration. The Occupational Safety and Health Act came into being with the valid purpose of cutting down on industrial accidents. In 1973, over 14,000 Americans died in job-related accidents. Many of them would be alive if better safety measures had been in effect, but as the Federation of American Scientists states:

> The Occupational Safety and Health Act has surfaced at least as many problems as it was designed to solve.

The regulations promulgated by this agency are so lacking in uniformity that employers do not know how to comply with them and employees are not in a position to know when a regulation has been violated.

The costs to business for compliance with OSHA regulations are not low. Planned industrial investments in health and safety equipment will rise from $2.5 billion in 1972 to $3.4 billion in 1977.

Many of the observations about OSHA can also be made about the Environmental Protection Agency. EPA regulations are extraordinarily complex and result in major costs to businesses and ultimately to consumers. Just to cite one example, if we adopt the stiff noise standards supported by the EPA, the compliance cost is expected to be $31.6 billion. Yet with all of the regulations of the EPA and OSHA, we still find that a tragic situation, such as the recent Kepone incident in Hopewell, Va., can go undetected and unchecked by these agencies. Perhaps one reason for the failure to prevent the Kepone tragedy is that so many agencies, both State and Federal, have such overlapping functions that none of them have the clear responsibility to deal with the problem.

The airline industry is certainly one which we should make every effort to deregulate. The examples of increased costs to consumers as a result of the Civil Aeronautics Board regulations are startling. CAB-regulated flights from Boston to Washington, D.C., cost more than twice as much as the unregulated intrastate flights of the same distance, such as the San Francisco to Los Angeles run. Another example of the CAB's disregard for the consumer arose in 1974 when the CAB flatly refused to allow London-based Laker Airways to fly regular "no frills" flights between London and New York for $125 each way or slightly over one-third of the current fare.

The surface transportation industry is also one which clearly needs deregulation. Economists have estimated that directly and indirectly the Interstate Commerce Commission costs Americans not less than $4 billion a year and possibly as much as $8.7 billion. The ICC has implemented many restrictions on the trucking industry, requiring trucks to return empty from long hauls, wasting time, money, and vital fuel. The results of all ICC rules concerning the trucking industry cause up to 460 million gallons of fuel to be wasted annually. The ICC even contributes to the extremely high costs of groceries. When a court ruling made the transportation of frozen fruit and vegetables exempt from ICC regulations, shipping rates for those goods declined 19 percent. When freshly dressed and frozen poultry were also deregulated, rates dropped even further by 33 percent.

The communications industry, regulated by the Federal Communications Commission, is another Federal agency which is coming under increasing scrutiny by the American people. A small 5,000-watt radio station in New Hampshire reported that it spent $26.23 just to mail its application for license renewal to the FCC. An Oregon company operating a TV station reported that its license renewal application weighed 45 pounds. These small stations were apparently required to fill out the same forms as the multimillion dollar radio and TV stations operating in major metropolitan areas.

The issue of cable TV is admittedly complex, but it does offer the potential for cutting costs and providing a wider range of services to consumers. Yet the

FCC's reaction to cable TV has been extremely cautious. Seemingly, the Commission has gone overboard in trying to protect the interests of the existing networks which, of course, are highly profitable and not in need of protection from the Federal Government.

Recent revelations have even raised doubts about the effectiveness of the regulatory system for the banking industry. Today, the Federal Reserve Board, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the National Credit Union Administration simultaneously look after the regulation of our Nation's banking system. The result of having all of these agencies is what Arthur Burns has called "a jurisdictional tangle that boggles the mind." The effect is that financial institutions are required to report to a multitude of agencies, yet important problems somehow manage to fall between the cracks. With the recent failure of the Franklin National Bank and with the disclosures that even the First National City Bank and the Chase Manhattan Bank are having difficulties, we must attempt to streamline the regulatory agencies to insure that problem areas are identified early so that solutions can be found.

Through most of their history, Federal regulatory agencies have labored in relative obscurity. Only recently have the American people become aware of the substantial impediment to our free enterprise system which these agencies have caused. Indeed, we still have a substantial number of people and spokesmen who demand that the noose be tightened further with additional restrictions and controls. Thus, I believe it is now time for the Congress to review in depth the functions of the regulatory agencies so that all of our people are aware of the tremendous impact that these agencies have on the personal lives of our citizens. This task will be difficult, but I feel it is of the utmost importance if we are to maintain the free enterprise system and the enormous productive power of the American economy. I would urge my colleagues to act expeditiously to pass this legislation.

LAWNDALE WOMAN OF THE YEAR

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. CHARLES H. WILSON of California. Mr. Speaker, the City of Lawndale, Calif., has named Mrs. Christine Gardinier, a truly outstanding lady, as Woman of the Year for 1976. It is appropriate that this friendly person, who gives so unselfishly of herself, her time, and her talent whenever the need arises, be recognized and honored in the records and annals of the U.S. Congress.

Married to Robert Gardinier for 24½ years, they have worked side by side in business in Lawndale and have reared three fine sons, David, Paul, and Steven. To some this would seem a sufficient accomplishment, but Mrs. Gardinier has elevated her value in the community through her many activities and honors.

Debilitating disease fund drives have always received her eager and enthusiastic help. For over 6 years she was area coordinator for the Cancer Fund, receiving an award for outstanding services. She has given effort to the Muscular Dystrophy drive, the March of Dimes, American Red Cross, the Mobile Chest X-ray program, and the Heart Fund, which earned her the title of Queen of Heart Drives.

Mrs. Gardinier coordinated the City Hall Dedication Committee, worked tirelessly for the Youth Day Parade, participated in the Lawndale Memorial Wall dedication, was a member of the Bicentennial committee for the city and chaired the Prayer Breakfast. For 5 years, she participated in the Lawndale Christmas Pageant and served on the Women's Committee of the Chamber of Commerce. She sewed the queen's robe for the local beauty pageant, was cochairman of the Angel Tree, helps with Christmas baskets for over 500 needy people each year, and for 2 years hosted a Japanese exchange student, as well as a teacher from England on a group study exchange program.

Christine Gardinier has been extremely active with the PTA, the Fine Arts Association, the Rotary Anns, Lawndale Women's Club, and the Monday Eves—the junior membership of the Women's Club. She is a charter member of the South Bay "25" Club and a charter member of the Soroptimist Club and through these organizations, she has become a guiding light, inspiring others to help their fellow citizens willingly, always with cheerfulness and unselfish devotion to others.

Many have attested to how deeply she is loved by all residents of the community. And so I am singularly proud to bring her many accomplishments to the attention of the Nation on this day as we pause in our business to recognize Christine Gardinier as Woman of the Year in Lawndale for 1976—an accolade she most truly deserves.

SHOULD A CONSCIENTIOUS OBJECTOR BE THE NEW CIA CHIEF

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ASHBROOK. Mr. Speaker, Human Events has done a service in bringing back to light that Theodore Sorensen, Carter's choice for CIA chief, was a conscientious objector during the Korean war. I seriously wonder how this country will be served by having a conscientious objector heading the Central Intelligence Agency.

In the words of Human Events,

Carter has selected as chief of the CIA—the agency upon which the President must depend for making crucial foreign policy and defense decisions—a conscientious objector, an early booster of George McGovern and a backer of "massive" defense cuts.

All this hardly serves as qualifications for Director of the CIA.

At this point I include the text of the article from Human Events of January 8, 1977. I commend it to the attention of my colleagues:

SHOULD A CONSCIENTIOUS OBJECTOR BE THE NEW CIA CHIEF?

What Jimmy Carter was thinking about when he selected Theodore Sorensen to head up the Central Intelligence Agency is anybody's guess, but many in the intelligence community are completely flabbergasted by the choice. The appointment "seems absolutely appalling," says one knowledgeable national security source.

Carter has selected as chief of the CIA—the agency upon which the President must depend for making crucial foreign policy and defense decisions—a conscientious objector, an early booster of George McGovern and a backer of "massive" defense cuts. As John F. Kennedy's "ghost" and key aide, Sorensen was part of an Administration that helped bring us two of Americas greatest foreign policy setbacks: the Bay of Pigs and the no-win war in Vietnam.

His advice during the Kennedy years was almost invariably soft and disastrous. While he contends in his book, *Kennedy*, for instance, that he had only a hint of the Bay of Pigs operation before it was executed, he vigorously defended JFK's decision to block any direct U.S. participation in a Cuban invasion, even while acknowledging that this decision permitted "the disaster that occurred." But Sorensen argued that it helped prevent "a far greater" disaster, intervention of a nature "contrary to our traditions and to our international obligations."

If we had eliminated Castro with direct U.S. intervention, Sorensen said, the results "would have been far more costly to the cause of freedom throughout the hemisphere than even Castro's continued presence." (If the U.S. Navy and Air Force had been "openly committed," he viewed with alarm at another point, "no defeat would have been permitted. . . ." In other words, the worst of all possible worlds for Sorensen was not defeat, but a "commitment" to victory.)

During the Cuban missile crisis, as David Halberstam discloses in *The Best and the Brightest*, Sorensen took a "potentially soft" position that was actually covered up by Kennedy himself.

While he went along with the Vietnam War initially, he opposed any effort to really take the war to the enemy and abandoned the cause after Kennedy's assassination. Indeed, he is extremely defensive and apologetic about JFK's role in expanding the war, invariably suggesting that the "Pentagon" or Eisenhower somehow forced Kennedy to take a questionable course of action.

Sorensen is credited with coining some of JFK's "Cold War" rhetoric, but the Kennedy Administration, as James Reston liked to point out, frequently "spoke like Churchill and acted like Chamberlain." Nowhere was this more true than in the field of disarmament. The gradual decline of American nuclear superiority can be traced to the deliberate, unilateral disarmament policies pursued by the Kennedy Administration.

Indeed, Defense Secretary Robert S. McNamara disclosed in a famous interview in the Dec. 1, 1962, *Saturday Evening Post* that it was the Administration's hope—to avoid nuclear war, he said—that the Soviets would develop an invulnerable strategic offense, "the sooner, the better." With such a defense posture, he suggested, the Soviets would feel more secure and less likely to jump the gun in times of rising East-West tension.

Sorensen's own role in pushing this policy was disclosed in a March 30, 1961, dispatch filed by Thomas Ross of the Chicago *Sun-Times*.

Following his stint with JFK, Sorensen

emerged as a more open dove, running for the U.S. Senate from New York in 1970 on leftish platform. He was now totally opposed to American involvement in Vietnam, said he was inclined to back someone like George McGovern for President in 1972 and issued a position paper calling for "massive cuts in defense spending." He also assailed one of his primary opponents, Richard Ottinger, for being a "big stockholder in major defense contractors."

A week after he received the backing of the Democratic State Committee for the nomination, Sorensen launched his campaign by traveling to Moscow to meet with Soviet big shots.

What causes particular fear and trembling within the intelligence community is that Sorensen appears totally unqualified for the job, lacking managerial experience, a deep knowledge of the intelligence field and the proper temperament (because of his pacifist background).

In a critical editorial, the Washington Post sarcastically suggested that Sorensen's most noted attribute for the job was his "soaring rhetoric contributed to the speeches of assorted political figures." He doesn't have "much administrative experience—and if the CIA has demonstrated a need for any particular talent, it is a need for tight, sound management. As a lawyer, he has been the legal agent of several African governments; it is not clear how that would help prepare him to preside over the U.S. government's espionage agents."

Sorensen, moreover, is hardly in a position to bring a new, "moral" tone to the agency that is so ardently desired by some. To much of the left, Sorensen is forever tainted, having been so closely identified with the Kennedy Administration, whose covert activities against foreign nations have been furiously assailed in certain liberal quarters.

To the right, Sorensen is recalled as the one who cynically ghosted Teddy Kennedy's post-Chappaquiddick TV script—full of dishonest and misleading statements—alibiing for Teddy's decision to let Mary Jo Kopechne stay at the bottom of a pond for nine hours before informing the proper authorities.

But it is Sorensen's pacifist background that may be the most disturbing of all. In the Sept. 23, 1961, Chicago Tribune, Walter Trohan, then the paper's Washington bureau chief, disclosed that Sorensen's Nebraska draft board records revealed that on Dec. 31, 1948, "he was classified I–AO, a conscientious objector available for noncombatant military service only." On Aug. 18, 1950, after the outbreak of the Korean War, Sorensen was "reclassified as III–A, extreme hardship deferment, or registrant with a child or children. On Nov. 20, 1950, his status was reviewed by the board and he remained in III–A.

"On Jan. 8, 1952, he was reclassified I–AO, a conscientious objector. . . ."

If Sorensen had repudiated his pacifist inclinations in any vigorous manner, it has not come to our attention or the attention of a wide number of people in the intelligence community. Indeed, he made a curious but relevant comment on his draft status in the March 26, 1967, New York Times Magazine. Back in the late 1940s, he said, he had "registered with the draft board for noncombatant service as a pacifist." He went on to say that he was "not sure" that he would do that again.

But why was he "not sure" if he had rejected pacifism as a philosophy? Did Sorensen mean that he still held a pacifist position as late as 1967?

Clearly, defense-oriented senators must closely scrutinize Sorensen when he comes before them for confirmation. Judging from what we know now, we hope the Senate will not entrust the fate of the CIA to this curious Carter choice.

HAROLD JINKS, NEARING 70, IS STILL VERY MUCH "ALIVE"

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ALEXANDER. Mr. Speaker, one person that I have come to rely on greatly for counsel since I came to Congress is Harold Jinks of Piggott, Ark. This tireless ball of fire, who is nearing 70 and who shows no signs of letting up, is a public-spirited citizen who is a credit to his community, to our State, and to our Nation.

Recently, the Arkansas Gazette carried a well-deserved and long overdue tribute to this Arkansan that I would like to share with my colleagues:

HAROLD JINKS, NEARING 70, IS STILL VERY MUCH "ALIVE"

(By Leroy Donald)

PIGGOTT.—Few postmen, politicians and elderly and patriotic groups who know Harold Jinks for his work know that he once stood before the American Legion, a .38-caliber pistol strapped to his belt, to defend the right of conscientious objectors for flying Old Glory.

Jinks was postmaster at Piggott for 10 years; served four years as a regional director for the Democratic National Committee, served four years as director of the Postmasters and Rural Carriers Division; was a special assistant postmaster general; is a member of the Mid-America Synod of the United Presbyterian Church; nationally active in all veterans groups; a leader for the American Association of Retired Persons and the National Retired Teachers Association, and just finished a nationwide drive selling 300,000 patriotic booklets he compiled and edited.

He's a fast talking, indefatigable, transplanted Texan who knows how to bargain with the biggies and is proud of the rounds he has won under fire as a public servant.

NEARING 70

He's nearing 70 and enjoys staying around the house tending his gardens better than traipsing across the country mending political fences and dedicating postoffices as he once did.

But he wants the world to know: "Harold Jinks is still alive."

A midwife ushered him into this world February 11, 1906, near New Waverly, Tex., because a fierce thunderstorm had driven the doctor to spend the night in a barn. (He says his father paid the doctor 60 cents in yellow yams for his troubles.)

REARED ON FARM

He was reared on a tenant farm, moving by covered wagon to Bay City, Tex., when he was 6 years old. He studied at Texas A and M in a work-for-an-education program that his father, whose own education only went to the third grade, insisted.

His rovings during the Depression brought him to Northeast Arkansas, where he obtained a job with the Soil Conservation Service and, by attending night school at then Arkansas State College, obtained an "equivalent degree" so he could have professional status under the civil service regulations.

During these years he met and married Wilma Lehman, a Piggott native, and called Piggott his home, no matter where he later resided.

"Every place I spoke and every register I signed, I signed it 'Harold Jinks, Piggott, Ark.,' not Harold Jinks, Washington, D.C., because this was my home," he says.

SENT TO MAGNOLIA

With World War II approaching and the draft proceeding bullishly, Jinks, because of his own church work, was sent to Magnolia to be superintendent of a camp for conscientious objectors on the Southern State College campus.

This camp was for those who objected to the war on religious grounds, mostly such historically antiwar groups as the Mennonites and Quakers. Jinks believed there were some in the camp who didn't want to be targets for ammunition, but he believed in the right of legitimate objectors.

When the camp was started, he recalled, the town liked the idea because of extra income. The war began and two National Guard companies, one from the town and one from the college, marched off to fight, and feelings changed. There was bitterness.

One day the American Legion ordered the camp to lower the American flag, Jinks continued.

Jinks went to the college president and asked him for his views. The president was in agreement that the flag should fly.

"So I had a meeting with the American Legion," Jinks said.

As a United States marshal, he could carry a pistol, and carried one to the Legion meeting. He also took with him the American Legion oath.

"I read it to them and told them that that was my flag flying out there," Jinks recalls. "I told them I worked for the government that passed the laws and set up the appropriations funds and set up the guidelines a conscientious objector would have to meet to be there.

"I told them that we were doing a good work in building farm roads and farm reservoirs, planting pine tree seedlings. And that as long as the government kept me there, I would continue to work these boys.

"But I'd continue to fly that flag," he added.

LEGION OATH READ

He then read to the Legionnaires their own oath and told them it was their duty to uphold it because the oath supported the Constitution.

"I told them that I'd appreciate their cooperation, but if I didn't get it—and patting my pistol—I told them I had not only the right to wear this thing, I could shoot it, too."

The flag flew. Years later, the Columbia County Veterans Organization would ask him to return as guest speaker. He would receive a standing ovation.

After defending the rights of war defectors, Jinks went into active service, with the Navy Air Force. He taught at Naval air stations, then became involved with the B.A.T., the first guided missile, which was used mostly on Japanese shipping in open seas.

At age 40, and with the rank of first class aviation ordnance man gunner, he worked his way out of the service and back home, somewhat disturbed by certain aspects of the growing military complex.

During his last days in the Navy Air Force, his plane was hit and had to make a wheels up landing on coral rock. His spine was ruptured and he spent four years in a cast. This meant retirement from his government job with the SCS.

This "retirement" led to the automobile business, in which he sold Kaisers, jeeps and farm equipment and termed a success. But the long hours he put in prompted his doctors to tell him to quit. So he sold out.

JOINS CIVIL SERVICE

About this time, United States Representative E. E. (Took) Gathings approached him about becoming postmaster here. These post-

masterships then were regarded as patronage jobs that usually changed hands when another Party took over the country.

But Jinks took the civil service exam, anyway, and took over that summer as an acting postmaster.

When Harry Truman upset Thomas Dewey for the presidency, Jinks became Piggott's postmaster, serving most of his tenure under a Democratic administration. During that time he fought off efforts to oust him, he said. He explained that he was investigated five times for charges ranging from violating the Hatch Act (which prohibits government employes to campaign during work) to contentions that he wasn't working a full day.

He cleared himself of all such charges.

When Dwight D. Eisenhower won in 1952, it was the first time civil service regulations locked postmasters into their jobs, according to Jinks.

That same year, he was elected president of the Arkansas Chapter of the National Association of Postmasters. One of his major efforts was to get the word to other postmasters to show some leadership, no matter which Party was in office.

He figures his was a test case.

In 1957 "and since I had established myself as a loyal and contributive member of the Democratic Party," Jinks was chosen a regional director of the Party. His main job was to bring back together feuding factions of the Party. He traveled thousands of miles through Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma and Texas to do this.

"I enjoyed it very much," he says, "because ours is a political government with two great basic philosophies for two Parties."

'HARMONY DINNER'

His biggest problem came in his own state, when the NAACP, and some liberals howled that there would be segregated seating at the big "Harmony Dinner" he was putting together. This was in 1959, two years after the Little Rock Central High School integration crisis.

Some 5,000 persons including many black leaders were expected. Using his connections, Jinks had lined up House Speaker Sam Rayburn from Texas and Stuart Symington of Missouri, in 1960 a presidential candidate. Symington withdrew over the controversy, even though Jinks told him, "I don't run the Party in the state of Arkansas, I'm just putting on a dinner."

Jinks recently said of the incident: "It was a thing I regret very much but I can look back in perspective and understand. The question [of integration] at that time was being brought to the forefront and the media was playing it so that a man like Symington would object.

"If I had my way, there wouldn't have been segregated seating, and there isn't segregated seating today. I think this is a step forward. But I thought the dinner was a healing influence," he added.

His role, however, caused him some problems when he was being considered for a high position in the Post Office Department after the Democrats took over the White House in 1961. For four years, he worked with postmasters and rural carriers, then became the special assistant to the postmaster, traveling across the country and making hundreds of speeches before retiring in 1968.

In recent years he has made several business ventures, including the purchase of a weekly newspaper here in partnership with former Governor Orval E. Faubus and Clifford Cole. It was discontinued in 1969.

One of his proudest ventures was his "The Book of Freedom, Our American Heritage," a handsome booklet on parchment paper that was regarded as a "promotion in patriotism" during the Bicentennial Year. Much of the selling was done by mail carriers.

The book contains such historical information as the Mayflower Compact, the Monroe Doctrine, the Gettysburg Address, maps showing the order of entrance of the states, statements by presidents and explanations of such documents as the Declaration of Independence. It is geared for easy reading, he said.

Besides helping to get a new constitution for the state, he's also writing pamphlets for the Democratic Party and retired persons groups.

Harold Jinks is very much alive.

ENERGY CONSERVING TECHNOLOGY

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. RICHMOND. Mr. Speaker, I have recently introduced a package of legislation entitled "Incentives For the Promotion of Energy Conserving Technology." This legislation consists of six seperate bills aimed at accelerating research, development, and implementation of alternative energy resources to replace dwindling supplies of domestic and foreign oil and natural gas.

Recently, our national energy policy has attempted to counteract imminent energy scarcities by initiating programs for the development of centralized high technologies, such as nuclear reactors and coal-powered electric generators. Despite enormous expenditures, the dangers that these technologies post to our lives and to our environment have not yet been adequately resolved.

The basic question is this: How is it possible to meet U.S. energy requirements without endangering the fragile ecological balance? Clearly, our future energy supplies must meet certain environmental and production requirements.

Generating plants must be environmentally sound, yet able to produce inexpensive energy. In addition, future energy resources must be abundant, so that dependence upon them will not cause future scarcities. Fortunately, today two such infinite energy resources, previously ignored or wasted, may be potentially tapped by Americans as a result of new developments in solar energy and methane conversion technologies.

Solar energy technology may be divided into two categories: Present day capabilities and future possibilities. Today, the effectiveness of solar energy space and water heating and/or cooling capabilities has already been established. To this effect, HUD has developed minimum property standards for solar thermal conversion systems which cover effectiveness of design, cost-output ratio, and materials used.

Basically, a solar energy thermal conversion system is very simple. It consists of black flat plate collectors which absorb solar energy as heat, an air or water circulation system which carries collected heat to a storage area, and a heat storage container, such as a gravel pit. During sunny days, heat is collected and stored to be tapped later when needed.

Methane conversion technology involves anaerobic digester systems, which convert animal and vegetable waste materials into methane gas and fertilizer. Utilization of anaerobic digesters, also known as methane converters will provide the farmer with a substitute for natural gas and propane. Such digesters will also yield fertilizer with a high nitrogen content.

Clearly, these two technologies do not provide a complete answer to the U.S. energy requirements. Nevertheless, if they are developed and implemented rapidly, they can and will help to alleviate our dependence upon our diminishing supplies of oil and natural gas. But, if methane conversion and solar energy technologies are to be any use in alleviating the upcoming energy shortages, mass production of solar energy and methane conversion units for immediate consumer use must be achieved in a critically short period of time.

Mass production of units based on these technologies for residential and nonresidential applications will be the natural result of consumer demand, once consumers and producers are convinced of the viability of such systems. Currently, the initial expense of installing such systems is prohibitive. Solar water heating systems may run as high as $1,500, while solar space heating and/or cooling systems for a 1,500 square foot house can range from $1,500 to $10,000 depending upon climatic conditions and equipment used, although such systems are capable of producing up to 40 percent of the energy needs of the home and farmowner.

Just as the oil industry applied for, and obtained aid in its early days from Federal incentives such as the oil depletion allowance, so is the fledging solar energy and methane conversion industry deserving of incentives for rapid development. The high initial cost may be circumvented by attacking this problem in two ways. The first is a program of incentives for consumers and the second is a program of incentives for producers.

In my package of incentives for the promotion of energy conserving technology, I emphasize primarily the role of the consumer. For homeowners, farmers, and businessmen who wish to purchase solar energy equipment, Federal incentives, such as deduction allowances and guaranteed loan programs, will help to alleviate the high initial expense and risks. Therefore, I am introducing the following legislation:

Amendment to the Consolidated Farm and Rural Development Act. This legislation amends the Consolidated Farm and Rural Development Act enabling individuals to obtain loans under a program designed to encourage the acquisition and installation of solar energy systems in residential structures located on a family farm.

Solar Heating and Cooling Tax Incentive Act of 1977. This legislation amends

the Internal Revenue Code of 1954 to allow businesses to amortize, over a 60-month period, solar heating and cooling equipment which is placed in service for nonresidential structures, and to allow an investment tax credit for the purchase of solar equipment.

Amendment to the National Housing Act. This amendment establishes a guaranteed loan program designed to encourage the acquisition and installation of solar energy systems by private individuals in dwelling units.

In order to promote utilization of energy saving measures by State and local governments in the construction of public facilities, I am introducing:

The State and Public Buildings Solar Energy Systems Assistance Act. This legislation calls for the establishment, within the Federal Energy Administration, of a program to provide Federal matching grants to assist States and localities to implement solar energy systems in public buildings and facilities.

In order to improve the reliability of these technologies, and thereby encourage their consumption, I am introducing:

The Family Farm Energy Conversion Act of 1977. This legislation establishes a study of anaerobic digestors which convert animal and vegetable waste materials into methane gas and fertilizer.

Amendment to the Solar Heating and Cooling Demonstration Act of 1974. This amendment establishes a demonstration program to explore the application of solar heating systems in greenhouses, crop drying structure, livestock shelters, and other nonresidential agriculture structures.

It is the responsibility of the 95th Congress, to make critical energy policy decisions. I believe that the time has come to shift our emphasis from large-scale centralized energy production, such as nuclear and coal generators, reliant upon limited resources, toward small-scale, decentralized energy production based upon limitless resources. Such small-scale, limitless resources include solar radiation and organic wastes such as crop residues and sewage. These resources may be directly tapped by the homeowner, farmer, and business person by installing relatively simple equipment on homes, farms, and factories.

Although solar energy and methane conversion systems are not the complete answer to our energy problems, the Congress should encourage every American to produce some of the energy he or she consumes each day for heating and/or cooling purposes.

These new and viable energy production units have the potential of becoming relatively inexpensive through mass production. Federal incentives for development and implementation, such as the programs I am introducing today, are designed to encourage consumption of these energy conserving units by the public and will in the process cut the time necessary for such systems to become cost competitive with conventional energy systems.

Solar energy and methane conversion systems have enormous potential. It is up to the 95th Congress to realize this potential and initiate utilization without further delay.

LAWNDALE MAN OF THE YEAR

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. CHARLES H. WILSON of California. Mr. Speaker, the city of Lawndale, Calif., in the 31st District I represent in the U.S. Congress has named Jack Chaddick as Man of the Year for 1976. It is fitting that this outstanding and selfless individual be honored for the many contributions he has made to both his community and his fellow citizens.

For that reason, we pause in the business of this country to pay him honor and to record his many accomplishments before this august body.

A business owner in Lawndale, Jack Chaddick is known as the man who never looks aside when help is needed. A resident of the South Bay area since 1940, he served as a member of the Sheriff Reserve Police Force for 2 years and as a member of the Redondo Beach Police Reserve Force for 2 years.

For 27 long years, Mr. Chaddick has worked with Boy Scouts in Lawndale, has served as institutional representative for Troop 770, and has been service representative for Post 165 of the Explorer Scouts.

He held the position of president of the coordinating council for 1 year and was two-term president of the Optimist Club. In recognition of his work with young people, Jack Chaddick has been given a life membership in the Optimist Club. A member of the Lawndale Optimist Club since 1948, he served on the board of directors for 23 long years. For 8 years he headed the Boys' Work Committee of the Optimists and organized dances for the teens, sponsored boxing and wrestling teams and encouraged quarter midget racing. He presently serves on the board of Optimist Boys' Home in Highland Park.

Jack Chaddick's contributions to his community have been truly outstanding. He was a leader in the civic effort to obtain sidewalks and storm drains for Lawndale. During floods in 1948 to 1950, he worked day and night helping to evacuate stranded families, using his own equipment to pump water out of flooded homes. With his own hands he helped construct two churches, one in Lawndale and one in Hawthorne, contributing equipment, material, and many hours of expertise and labor.

Mr. Chaddick hosted a barbeque on the occasion of the 10th anniversary and dedication of the Lawndale City Hall at which 6,300 citizens were served. Not only has he been an active worker on all civic picnics held by Lawndale, he has been a member of the chamber of commerce since its inception. His many offices include chamber president and director, chairman of the traffic committee, chairman of the zoning committee, and member of an ad hoc committee for service station ordinances.

An enthusiastic member of the citizens advisory group for the Lawndale general plan, he is also a long standing participant in the Lawndale Breakfast Club and supporter of the "We Tip" program.

Fortunately, others have spoken of Jack Chaddick's unusual dedication and service to his community, for he is never one to seek recognition or gratitude for his contributions. Yet when there is a problem to be solved, or work to be done, Jack Chaddick is the first to step forward to help.

I am honored to number Jack Chaddick among those I represent in the U.S. Congress, America should be proud on this day to pay honor to the gentleman who most fittingly deserves the title of Lawndale Man of the Year.

FLAGS OF CONVENIENCE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. LENT. Mr. Speaker, it has been a hard month for Liberian oil tankers, and while it is gratifying to hear that the Liberian Government is taking steps to investigate the *Argo Merchant* disaster, and to tighten up its maritime regulations in general, the fact remains that as long as some nations offer their flags for the convenience of less than scrupulous shipping firms, more *Argo Merchants* will occur.

In this vein, the New York Times published an article on Modany, January 10, 1977 detailing how serious the problem can be, and I commend it to the attention of my colleagues.

SHIPS UNDER ARGO MERCHANT AGENT REPORTED IN A NUMBER OF INCIDENTS

(By David F. White)

Two months before the Argo Merchant broke up off Nantucket on Dec. 21, spilling 7.5 million gallons of oil, another tanker managed by the same agency suffered an engine room explosion off Cuba, and her superstructure was largely destroyed by the blast and the fire that followed, according to documents published by Lloyds of London and accounts of the United States Coast Guard.

The vessel, the Stolt Argo, which was empty at the time of the explosion, had been involved in three groundings and one collision since Jan. 1, 1973, Lloyds' Weekly Casualty Reports show.

The explosion is only one reported episode to emerge from an investigation into Amership Agency Inc., which managed the two ill-fated tankers. The investigation which covered the last four years, found that vessels managed by Amership had been involved in groundings, at least one collision and a series of labor problems, according to the records.

REPORTS OF LABOR PROBLEMS

A ship agent acts on behalf of the ship owner in matters that may range from maintenance, arranging charters and cargoes and drydocking, to the handling of documentation pertaining to ocean shipping. Sometimes, agents have wide-ranging control of vessels and responsibility for them and sometimes their role is small.

In the case of Amership, it could not be firmly established what role the agent had in running ships.

However, an official of the Iron Ore of Canada, which is now negotiating to get out

of a charter contract involving an Amership vessel, said that the agent in his case was acting as the "operating" agent who did have responsibility for maintenance, crews and drydocking.

At about the same time as the explosion on the Stolt Argo, three other vessels managed by Amership were affected by crew actions that tied two of them up in ports. The actions began with complaints about conditions on board and back pay and ended when the ships' owners agreed to pay to the crews, according to records kept by Lloyds and by the International Transport Workers Federation in London.

Lloyds, the vast London insurance house, publishes a series of reports on worldwide shipping, including voyages and accidents (called casualties), that are used by the industry as a source of authoritative information.

When asked to comment on reports concerning Amership-managed vessels, N.T.K. Skarvelis, listed by Lloyds as president of the agency, refused to discuss any matter pertaining to the vessels. He said the records on the ships were erroneous but refused to say what the errors were. When questioned further, he ended the telephone conversation.

Subsequent attempts to reach the chairman of the agency, identified by Lloyds as M. Madias, were unsuccessful. The Amership offices are at 1 State Street Plaza in Manhattan.

EIGHT SHIPS IN FLEET

Last Friday, The New York Times reported that the fleet managed by Amership, and the owners of record, as listed by Lloyds were the Argo Merchant (Thebes Shipping Inc.), the Argo Leader (Argonaut Shipping Inc.), the Stolt Argo (Ithaca Shipping Inc.), the Argo Castor (Knossos Shipping Inc.), the Argo Master (Jason Shipping Inc.), the Argo Pollux (Thessaly Shipping Inc.), the Argo Trader (Spartan Shipping Inc.) and the Stolt Argobay (Sounion Shipping Inc.).

Further checks into the Lloyd's records indicated that four of the vessels were built since 1960, the last in 1966. But the other four dated from the 1950's. The Argo Merchant, for example, was built in 1953 the Stolt Argo in 1955, another in 1957 and the fourth in 1958, according to the Lloyd's records.

Applying marine insurance standards, which assume a 20-year life for a ship in salt water, the ages of these four vessels put them close to the end of their nautical lives, according to two marine insurance experts.

The Coast Guard admiral charged with merchant marine safety said that if a vessel were 20 years old, it did not necessarily mean that she was not a good ship. But one marine insurance broker, who asked not to be identified, said that "after 20 years, a ship is finished."

He explained that insurance costs were an important part of ship operations. "If you put those costs on a ship more than 20 years old, they skyrocket. It's out of this world," he said.

GROUNDING IN SANTO DOMINGO

In February 1973, long before the Stolt Argo's engine room explosion, Lloyd's records show that she had the first of her three reported groundings since that time. The grounding happened in Santo Domingo, and after she was freed she struck a pier.

Two years later, in February 1975, she collided with the Chinese tanker Tai Hu in the Persian Gulf at Khurramshakr, Iran, according to the casualty reports published by the London company, and a check found the starboard side of her forecastle and eight feet of railing shoved in, as well as damage to the deck in the impact area. No damage to her hull shell plating was found, according to the Lloyd's reports.

The reports also said she ran aground in the Elbe River in December 1975 and once again in Port-au-Prince, Haiti, in March 1976.

Finally, Lloyds carries an account of the explosion last October that shook the Stolt Argo's engine room. While serious damage to her superstructure and engine room was found, there was "no evidence of explosions in cargo tanks" and bottom damage was "not anticipated at present," the report says.

A spokesman for the Coast Guard district headquarters in Miami said that Cuban authorities had taken control of the case and that the eventual fate of the ship was not known.

MORE ACCIDENTS THAN AVERAGE

Rear Admiral William M. Benkert, chief of merchant marine safety at the Coast Guard, said that the record of the Stolt Argo was not "the norm by any means," but he added that such a record did not necessarily mean "you have a substandard vessel."

John C. Herman, vice president of the American Institute of Marine Underwriters, said that the vessel sounded to him like a "jinxed ship."

It was last October also, according to the Lloyds' reports, that crew troubles caught up with three of the ships managed by Amership. First the Argo Pollux, listed as a freighter then at Newcastle, Australia, was tied up by her crew in a dispute over "alleged complaints by the crew [of the ship] over pay and conditions on board the vessel," Lloyds says.

Backed by the International Transport Workers Federation, the dispute spread to two other ships, the Argo Master, listed as another freighter, which had sailed from Jidda, Saudi Arabia, and the Argo Castor, said to be a third freighter and reportedly held up by her crew in Palermo, Sicily, Lloyds says.

More than $160,000 was paid by the owners of the Argo Pollux before she was permitted to sail and payments of about $22,000 and about $110,000 were agreed to by the owners of the Argo Master and the Argo Castor, according to Lloyds.

UNION NEGOTIATIONS RECALLED

In a telephone interview from London, Brian Laughton, an administrative secretary in the Transport Workers Federation with responsibility for "flag of convenience" matters, said Thursday that complaints about conditions on board one of the ships included a charge that some crew members had been locked in the ship's brig without food or blankets for several days.

He said that dealings between the union and representatives of the ships' management had been "on the rough side" and that one Korean seaman who had lost his lower right leg on a ship managed by the agency had still not been paid his injury claim.

Mr. Skarvelis said that the record on these labor matters was particularly riddled with error. When asked what the errors were, however, he said he could not comment. When an attempt was made to repeat these and other specific charges to him, Mr. Skarvelis refused to hear them. Such diverse problems are not unique to Amership, apparently. One marine insurance broker said in discussing all these matters: "There are hundreds of Amerships—hundreds and hundreds."

VOTING REPRESENTATION FOR THE DISTRICT OF COLUMBIA

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. STEERS. Mr. Speaker, today, I am pleased to join with our colleague, the gentleman from Connecticut, Mr. McKINNEY, in introducing a resolution providing for a constitutional amendment granting full voting representation in the Congress to the citizens of the District of Columbia. As the United States enters its third century, it is long past time for us to rectify a glaring problem in our laws. There are some 735,000 U.S. citizens who have absolutely no vote in the Congress. Those citizens have no vote in shaping the laws under which they must live. According to numerous constitutional law experts, those citizens have been disenfranchised due to what was most probably an oversight when the Constitution was drafted. It is time to correct that oversight.

Our Founding Fathers eloquent arguments against "taxation without representation" unfortunately still ring true for three-quarters of a million citizens. These arguments, as stated by Thomas Jefferson in the simple declaration that, "The influence over government must be shared among all the people," speak for themselves. I support the extension of voting rights to the District because it is right, it is fair, and it is an essential element of representative democracy.

Rather than dwell on these points, Mr. Speaker, which I feel are obvious, I would like to mention the thesis that the lack of a provision in the Constitution for congressional representation for the District of Columbia may be seen largely as an oversight, rather than a distinct design, by the framers of the Constitution.

It is indeed clear that in establishing a permanent seat for the National Government, our Founding Fathers desired a locale free from the interference or jurisdiction of any state. Concern along lines was heightened by an incident in Philadelphia in June 1783, during which certain Pennsylvania troops demanding overtime pay marched on and surrounded Independence Hall, where Congress was in session. Congress requested, but did not receive, protection from Pennsylvania authorities and voted to move immediately to Princeton, N.J. It is not disputed that there was a general, recognized need of having the Capital City in a territory where the Federal Government would be sovereign, and that few persons challenged this principle. In my view, there is little to suggest that in addressing the political rights of the residents of the Capital City, by granting them congressional representation, we are violating this purpose.

It appears that slight attention was paid to the constitutional provision establishing the seat of government, either by the Constitutional Convention, or by the various State ratifying conventions. In only 4 of the 13 State conventions was the subject of the Federal district discussed at all. Indeed, one Virginia delegate suggested that the origins for the provision for a Federal seat of government were simply in the "insult" to Congress in Philadelphia.

With respect specifically to the political rights of the residents of the Capital City, there is no mention made in the recorded debates of the Constitutional Convention or in the State conventions. It is precisely this lack of general discus-

sion on the issue that lends credence to the theory that the absence of suffrage for residents of the Nation's Capital was an historical accident—an oversight.

Mr. Speaker, our proposal is simple and straightforward. It would provide that the District of Columbia would get two voting Members of the Senate, and as many Members of the House as its population would dictate. There is no reason to be found, either in constitutional history and law or in simple justice, for us to continue to deny voting representation to so many U.S. citizens who have for so long been without their basic rights as citizens. I urge my colleagues to help rectify this serious problem.

OSHA RECONSIDERED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. CRANE. Mr. Speaker, even though the year of the Bicentennial is now behind us, those freedoms for which our Founding Fathers gave so much should never be allowed to fade into the recesses of history. If the "Spirit of 76" is to reclaim its meaning, those "certain unalienable rights"—life, liberty, and the pursuit of happiness—to which Jefferson referred in the Declaration of Independence cannot be compromised.

Political philosophers the world over recognize that Jefferson, in drafting the Declaration, was heavily influenced, as were many of the Founding Fathers, by the writings of John Locke. In fact, Locke, in his famous "Second Treatise on Government," had written of the right to life, liberty, and property, setting forth a proposition that is as central to contemporary American thought as it was to followers of Locke, Edmund Burke, and later Adam Smith.

While the right to property is not specifically mentioned in the Declaration of Independence, it is carefully protected in the Bill of Rights. Remembering the abuses suffered at the hands of the British, certain property rights were set forth and protected in the third, fourth, and fifth amendments to the Constitution. The third amendment protects people from the quartering of troops in their homes without consent, the fourth amendment protects people's homes, papers, and effects from unreasonable searches and seizures, and the fifth prohibits people from being deprived of life, liberty, or property without due process of law. Together they have worked well to protect property rights for 200 years now.

Although subsequent Supreme Court rulings have made it clear that nonpublic portions of commercial property are likewise protected by the fourth amendment, the Congress, in 1970, passed a bill which included a section permitting an agent of a certain Federal regulatory agency to enter without delay and at reasonable times any factory, plant, establishment or environment where work is performed by an employee of an employer; and to inspect and investigate during regular working hours, and at other reasonable times and within reasonable limits and in a reasonable manner, any such place of employment and all pertinent conditions, structures, machines, apparatus, devices, equipment, and materials therein, to question privately any such employer, owner, operator, agent, or employee. In practice, this has meant on-site, on-demand inspection by the inspector without the latter having to obtain a search warrant. Thus, the requirement that the Government show probable cause that a violation exists is effectively circumvented which, in turn, compromises the goal of the fifth amendment which is to see that no one is deprived of their property without due process of law.

The law in question is, of course, the Occupational Safety and Health Act of 1970 and the agency created by it has been issuing citations and cease-and-desist orders based on such on site inspections ever since. OSHA has literally become prosecutor, judge and jury in cases it uncovers by such procedures, suggesting not only abridgement of fourth amendment rights but of fifth and seventh amendment rights as well.

While it is indeed regrettable that Congress ever passed such a constitutionally dubious law in the first place, I was most pleased to see that a three-judge Federal panel in the district of Idaho has ruled the onsite inspection provisions of the Occupational Safety and Health Act of 1970 are unconstitutional. As the panel noted, the OSHA act attempts to extend warrantless inspections for the purpose of health and safety, even though all industries are involved not just those which may be federally licensed and regulated and there is no indication of certain "exigent circumstances" which have been recognized traditionally by the courts as grounds for a warrantless search. If such warrantless searches were permitted to continue, the threat they would pose to individual freedom far outweighs any supposed advantages they might produce.

As a matter of fact, there is no reason to believe, constitutional issues aside, that OSHA has done all that much to promote either worker health or safety. For one thing, OSHA is duplicative of what many States were already doing and, because of their greater familiarity with the conditions extant, were in a position to do better. Second, the myriad of OSHA rules and regulations, complex and often contradictory, make compliance so expensive and so difficult that consumer prices go up or, in some cases, the company simply goes out of business. Third, there is little evidence to suggest that enactment of OSHA has contributed to improved safety and health; in fact one may reasonably argue that reducing employee responsibility for his own welfare on the job to unreasonably low levels is, in the end, counterproductive. Certainly, OSHA's desire to see noise levels reduced through prohibitively expensive engineering advances—some not even feasible—when employee earplugs are both effective and available is a case in point; just because an employee might not wear those earplugs, even though they are provided, is hardly justification for threatening the survival of an industry and, at the very least, driving up the cost of products to the consumer.

All these factors simply make the unconstitutional intrusions on personal privacy by OSHA all the more unconscionable. But, thanks to our ingenious system of checks and balances, the judicial system has temporarily provided a needed check. One can only hope that the Supreme Court, which will hear the case on appeal, will see fit to uphold the ruling of the court and bring this nonsense to an end.

In the meantime, I think Congress should not sit back but should act on its own. When my good friend and colleague, STEVE SYMMS, reintroduces his bill to repeal OSHA altogether, I plan to cosponsor and I urge others to do likewise. As the Founding Fathers found out the hard way, unlimited searches and seizure can have the most unpleasant consequences; onsite inspection and citation is hardly any different.

For the benefit of my colleagues who may wish further information, I include the Washington Post account of this landmark Idaho court decision to be entered in the RECORD at this time:

JOB SAFETY INSPECTION HELD ILLEGAL WITHOUT A WARRANT

A panel of three federal judges in Idaho has declared, unconstitutional the 1970 law authorizing the Labor Department to conduct occupational safety and health inspections without a warrant.

The department fears the decision could strip it of all occupational safety and health enforcement power, and plans to appeal.

"We consider the right of inspection to be absolutely vital," Morton Corn, the assistant labor secretary who heads the Occupational Safety and Health Administration, said yesterday. "We will take whatever legal steps are necessary to vindicate that right."

The Idaho ruling, handed down last week, involved an electrical contractor, F. G. Barlow of Pocatello, who refused to let a federal inspector go through his place of business.

He rested his refusal on the Fourth Amendment to the Constitution, which forbids "unreasonable searches and seizures" and says search warrants should only be issued where there is probable cause to suspect a violation of the law.

The 1970 Occupational Safety and Health Act not only authorizes unannounced inspections of workplaces but prohibits advance warnings that inspections are about to occur. It makes no mention of search warrants, and federal inspectors do not obtain them.

In a Texas case earlier last year a three-judge panel said in effect that this failure to mention warrants must have been inadvertent, and ruled that safety inspectors ought to take warrants out in the future. That case is on appeal.

In the Idaho ruling, however, the panel simply said the law is unconstitutional, and left any repairs to Congress.

The Idaho ruling thus left OSHA without any authority to make inspections; the whole authorizing section was struck down as defective.

The Idaho judges then issued an injunction forbidding future inspections of Barlow's place of business and possibly—the panel's meaning is not completely clear—forbidding all further OSHA inspections nationwide.

OSHA lawyers said they would appeal the constitutional finding and seek a stay of the injunction. An appeal would take the issue directly to the Supreme Court, which in the past has upheld some warrantless government health and safety inspections and struck down others.

REIMBURSEMENT FOR NURSE PRACTITIONERS SERVICES IN FEDERAL HEALTH PROGRAMS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. COHEN. Mr. Speaker, I am introducing today legislation to amend the Social Security Act to provide for the inclusion of the services of registered nurses under medicare and medicaid.

One of the problems that surfaced during the past two years of hearings on health manpower legislation was the critical maldistribution of physicians, both geographic and by specialty. Passage of my bill would be one solution to correct the shortages of medical manpower in underserved rural and inner-city areas and ease the demand for primary care physicians.

Nurses fill an indispensable role in remote areas of our country where severe physician shortages exist, and also in highly specialized medical centers. In my own State, for example, one family nurse association, practicing in Deer Isle and Stonington, provides the first contact patients in that area have with the health care system. Despite their vast amount of training, health care providers like this nurse, are prevented from performing many services of which they are capable because of the present restrictions in the Social Security Act. The result of this practice is the underutilization of highly skilled professionals and an increased burden on our doctors.

Medicare does not reimburse for nursing services outside a physician's office unless they are performed under the direct supervision of a physician. Nurse practitioners not employed by physicians may not be reimbursed for services provided, even if acting under a physician's orders. Medicaid will not reimburse a nurse practitioner unless it is allowed under State law, and the reimbursement practice is included in the State's medicaid plan. A study of medicaid reimbursement policies for physician extenders dated November 1974, found that only 18 States reimburse for some type of nurse practitioner service. Where a unified policy with respect to the use of these health personnel is needed, none exists. Neither do these Federal programs encourage the employment of this valuable health resource.

As a member of the House Select Committee on Aging, I am reminded that the diseases of the elderly—those more likely to take advantage of the medicare and medicaid programs—tend to be chronic in nature and do not readily respond to medical intervention and cure. These chronic conditions are best treated by the types of supportive services and preventative care for which nurses are trained.

There is good reason to believe that enactment of this bill would result in a net savings to the medicare program. Nurses' salaries are roughly one-half to one-third lower than those demanded by doctors. Experience has shown that the introduction of physician extenders where primary care had not previously been available has produced decreases of 10 to 15 percent in hospitalization days. As a result, the National Association of Blue Shield Plans, the American Medical Association, and the American Nurses Association have supported the concept of physician extenders or nurse practitioners and the reimbursement for their services.

When the Congress passed the health manpower bill last session, it provided funds for the training of nurse practitioners. It makes no sense that Government funds are spent for this training when reimbursement is withheld from them when they provide the very services for which they were trained.

By correcting these flaws in the medicare and medicaid statutes, more high-quality health services will be made available to Americans who would otherwise go unserved or who would further strain their already hard-pressed family budgets for necessary health care services.

I commend this legislation to my colleagues.

INTERNATIONAL ECONOMIC OUTLOOK

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. FRENZEL. Mr. Speaker, the economist of the Northwestern National Bank of Minneapolis, Dr. Sung Won Son, writing in his bank's publication, "Climate," has provided an unusually brief and blunt description of the international economic outlook.

Because I believe that many Members would find Dr. Sung's comments of interest, the article follows:

INTERNATIONAL ECONOMIC OUTLOOK

Domestic and foreign economies are interdependent. Strengthening economic activity here means additional demand for raw materials, manufactured goods and services produced elsewhere. Conversely, the economic recoveries of our major trading partners generate export demand for the U.S. economy.

Relative strengths of foreign currencies also play an important role in international trade. A depreciating dollar means that more dollars are needed to buy a unit of foreign currency. For U.S. consumers, imports become more expensive, while the opposite is true for the residents of those countries whose currencies are appreciating against the dollar. Since the price of imports contributes to the inflation rate, such as the CPI, the inflation picture in the U.S. deteriorates. Imports also compete with domestically produced goods. Therefore, higher import prices are likely to allow higher prices for comparable domestically produced goods. What determines the realative value of two currencies? The answer can be found in inflation rate differentials in the two countries. A faster rate of inflation in the U.S. than in Germany tends to result in the dollar depreciating against the Deutsche mark.

With this brief treatise on international economics, the economic outlook for our major trading partners will now be discussed. About a third of our trade is with the United Kingdom, Italy, France, Japan and Germany. Needless to say, the importance of these five countries on the U.S. economy—especially on U.S. multi-national corporations—cannot be overstated.

Before going into specific forecasts of the countries, some general observations need to be discussed. First, the political climate, especially in England, France and Italy, has been shifting to the left. A redistribution of income from the private to the public sector has been in progress, discouraging investment. Second, governmental majorities have been getting thinner and some governments do not have a majority at all. Weak governments are inclined to take the painful steps necessary to correct economic ills and are therefore more inflation-prone. Thirdly, the high cost of oil will now have a more pronounced impact on the economic growth of the industrialized countries. Many of these countries have delayed the adjustment process through a combination of foreign borrowing and exchange rate depreciation. But the stream of international credit has begun to run dry. Instead of financial recycling, real resources will have to be transferred. The resultant curbs on imports by the less developed countries are another potential negative influence on the economic growth of the industralized countries.

UNITED KINGDOM

The British used to criticize the Italians. The Italians are now pointing their finger at the British. Double digit inflation rates are the norm and production is going nowhere. This is not surprising because this welfare state provides for almost everything except the incentive to work.

With stagnating production, high taxes are not enough to maintain the welfare state. Budget deficits skyrocket, and, even worse, the deficits are financed by creating more money. Sooner or later, the rapid expansion of the money supply without matching increases in production leads to more inflation. As inflation rampages, the value of sterling plunges. The weakness in sterling further accelerates inflation. In an attempt to prevent the self-feeding currency collapse without adopting politically painful economic policies, the government buys sterling in the foreign exchange market. Eventually, the country's foreign exchange reserves are depleted and the government is forced to borrow abroad. The country's external balance sheet worsens, another reason to avoid the currency. Normally, the depreciating pound gives a competitive edge to exports, but the import content of exportable goods is so high that exporters are forced to raise prices, offsetting potential benefits of the weaker pound.

The foregoing discussion describes the British economic problems which seem insoluble. Something has to be done to prevent further deterioration of the situation. Britain has to "bite the bullet." Real consumption must be lowered and budget deficits have to be under control. This means a lower standard of living, even if the sacrifice means that the proud British join the ranks of the underdeveloped. Thus far, the British government has not been strong enough to face the problem head-on. Now there is a ray of hope: lender discipline. As a condition to more loans, the lenders, including the IMF, insist that a ceiling be placed on the growth of the domesic money supply, along with a cap on public expenditures. Labor unions, an important source of the deficits, may have no choice but to go along with the austerity

program and agree to wage restraints. The lenders, in turn, may reluctantly accept temporary import controls, either mandatory import deposits or quotas. Consumer goods are the prime candidate for the controls. North Sea oil is another ray of hope for the battered British. By 1980, the country can be self-sufficient in oil, reducing drains on the foreign trade balance.

The U.K. situation is a classical laboratory example of how to ruin the economy. The underlying economic and political problems are so chronic that many years will have to elapse before significant improvement can be expected. Consequently, the economic outlook for next year is not much different from this year.

FRANCE

Like the British, budget deficits and rapid expansion of the money supply are at the heart of the French problem. Inflation rates have been hovering near the double digit range. The balance of payments deficit has been worsening. Consumer and business confidence is poor. The only lofty statistic is the unemployment rate. With so many problems, the French franc has been weakening.

At least the French are ahead of the British in recognizing the problem and wanting to take corrective measures. The new prime minister, Mr. Barre, has correctly diagnosed inflation as the number one problem. Accordingly, Mr. Barre has embarked on a scheme designed to hold down wages through price controls. The measures include a surtax, tighter monetary policy and a price freeze (not wages). The idea is to have management, instead of the government, control wages. The price freeze without wage controls is squeezing profit margins, causing firms to resist excessive wage demands. This in turn has encouraged strikes by the labor unions.

Will the austerity program succeed? It will be difficult. This is because the success or the failure of the austerity program depends upon the willingness of labor to moderate wage demands. Unfortunately, the political climate is shifting against Mr. Barre. A Socialist-Communist coalition is gaining popularity and may win the parliamentary election in March 1978. In this political climate, the government may once again resort to stimulative policies in order to gain political support. This is one of the main reasons why the French economy may continue to stagnate without material improvements on the inflation front.

ITALY

Once again it is a familiar theme. Wage escalation, deficits and rapid monetary expansion are the key problems facing the Italian economy. The political situation is particularly delicate because a minority government subject to Communist veto power has to tackle the problems. Like Britain, lender discipline and rising unemployment may force the Communist-backed labor unions to moderate wage demands. Until significant progress is made in combating some of the chronic problems, the Italians will have to live with low economic growth rates and high inflation rates.

GERMANY

The economic outlook for the rest of Western Europe is greatly influenced by what happens in Germany. This is the largest and one of the healthiest economies in Europe. The labor force is disciplined and productivity is high. Politicians are very inflation-conscious. Led by consumer spending and exports, the German economy began to recover early in the year. The recovery seemed to have stalled last summer, but the government imposed no panic measures to stimulate the economy. The economy is expanding once again with low inflation rates.

The big question is the performance of the export sector. Some 60 percent of German exports go to other European countries. Unfortunately, Western European countries do not have strong recovery prospects and the Socialist countries of Eastern Europe are nearing their debt limits. The affluent OPEC countries can absorb only so many imports. Consequently, export strength cannot be maintained in 1977. Where will economic growth come from? The first alternative is to stimulate domestic demand by expanding the money supply. The second alternative is to allow the Deutsche mark to float upward, with the intent of generating export demand by stimulating the other Western European economies first. From the German point of view, both options are undesirable. The first alternative would risk a new bout of inflation, while the second would further hurt exports. The German government may find the first alternative to be the lesser of two evils. The low inflation rate and the healthy balance of payments position could justify some monetary stimulation. Monetary ease could strengthen consumer spending and encourage capital spending by reducing long-term interest rates. With the stimulation, the German economy could sustain a modest real growth rate of 4 to 5 percent in 1977.

JAPAN

The export-led recovery has certainly made its mark on the trade balance and the yen. Consumer spending also has done its share in strengthening the recovery. Productivity gains and the stronger yen have contributed to the modest abatement of the inflationary pressures, but the inflation problem is far from solved.

Looking ahead to 1977, exports cannot continue to propel the recovery. Consumer-led economic recoveries in the United States and Western Europe, Japan's best customers, have subsided. In addition, protectionist threats among her trading partners are re-emerging, diminishing Japanese export prospects. Without export strength, consumer and investment spending will have to take up the slack. Monetary expansion has been fairly rapid in recent months and consumers and businessmen may very well increase expenditures. However, continued monetary expansion and budget deficits could accelerate inflation prospects.

Beyond 1977, a fundamental shift in economic planning should emerge. If exports continue to grow at the high rate achieved in the 1960's and early 1970's, the Japanese economy would be absorbing about half of the world's raw material output and the world markets would be flooded with Japanese goods. Clearly, such a scenario would be unacceptable to her trading partners. At home, there has been a political reaction to the substantial diversion of resources to exports, away from housing, roads, sewage works and other public needs. These considerations suggest that resources will be shifted from heavy, export-oriented industries to domestic needs such as housing and public infra-structure. With this reduced contribution from the export sector, the Japanese may have to settle for a moderate rate of long-term economic growth, but the inflation picture may brighten somewhat.

ECONOMIC IMPLICATIONS

1. Countries whose economies have fared better—Germany, Japan and the U.S.—accorded top priority to reducing inflation rates. Others, who emphasized unemploymen reduction, have found themselves up against high rates of inflation and weakening currencies without having made significant inroads into unemployment. A cleavage between the "have's" (U.S., Japan and Germany) and the "have-nots" (U.K., France and Italy) has developed. Naturally, the investment climate is better in the "have's."

2. The U.S. economy is in a better position. Cyclically the U.S. economy could grow as fast as most other industrialized countries, or even faster. Secularly, the United States also looks better. During the post-war period, the prosperity among our major trading partners was based on cheap raw materials and the over-valued dollar. Low cost energy and raw materials are no longer available in world markets. Fortunately, the U.S. produces a much larger portion of its raw material requirements than any other countries mentioned here. With the advent of semi-floating exchange rates, it is unlikely that the dollar will be over-valued for a prolonged period. Furthermore, our major trading partners no longer have a labor-cost advantage.

3. The aftermath of another round of major oil price increases is a major risk for the international economy. Without means to postpone oil deficits, the OPEC oil price increase could have severe repercussions in the oil-deficit countries, especially the less developed countries. Competitive devaluations and trade restrictions might be the next steps. Under the circumstances, animosity among traders would be heightened, poisoning international political and economic relations.

THE CARTER CABINET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for January 5, 1977, into the CONGRESSIONAL RECORD:

THE CARTER CABINET

The most striking feature of President-elect Carter's new cabinet is that after having raised the expectation of new faces and a bold break with the establishment, he has followed the traditional procedure of balancing constituencies and appointing his cabinet from a fairly small, but select, group of Americans.

His choices, campaign rhetoric notwithstanding, have confirmed the impression that he would not stray far from the procedures of cabinet selection followed by recent Presidents. It really should not be surprising that he settled on people with whom he felt comfortable, who satisfied the major political constituencies, and who had political and managerial experience.

No one can predict—and indeed it is silly to try—how this cabinet will perform. But Mr. Carter went about the business of selecting a cabinet in a serious and careful way and he has come up with a solid and able group of people with the experience and diverse abilities needed to run the country.

A few facts about the cabinet are noteworthy. Their average age is 50, somewhat younger than the initial cabinets of Presidents Eisenhower and Nixon and a bit older than the initial cabinet of President Kennedy. Five of them once worked for President Johnson. As a group they are talented and attractive people of high intelligence. They have accumulated 88 years of previous experience in federal appointed office, and 34 years in elected office. Only two of them, (Kreps and Marshall) are newcomers to government. Nine of the 17 cabinet appointees have seen service in previous administrations and three (Adams, Bergland, Young) are seasoned members of the House of Representatives. Two are women (Harris and Kreps) and two are black (Harris and Young). Together they hold 37 earned degrees. Seven are Ph.Ds, six are lawyers, and only two left college without graduating (Bergland and Andrus). Five come from the South, three came from Georgia, eight from the East. Fewer than half of them list the Democratic Party as their political affiliation in their official biographies. Only one (Schlesinger) identifies himself as a Republican. Four of them, (Brzezinski, Vance, Brown, Young), as well as Carter and Vice-President elect Mondale, are members of the Trilateral Commis-

sion, a Commission organized by David Rockefeller to chart a new course in American foreign policy.

The cabinet appointees satisfied sectional, business, labor, women's and black interests. Carter shied away from militant feminists, like Bella Abzug, and outspoken blacks, choosing instead establishment figures, like Mrs. Harris. The appointees are generally considered good managers and pragmatic problem solvers, and not strong on ideology.

As might be expected, the appointees did not satisfy everybody. Labor was disappointed that John Dunlop was not reappointed Secretary of Labor. Blacks don't see a strong, vigorous black leader in a key post. Critics of Vietnam are chagrined that the new National Security team does not have a single member who was a critic of the Vietnam war. Those who supported Mr. Carter for the Presidency because he would bring a fresh approach are dismayed because of the conventional background of the appointees and because of his failure to name a new generation of leaders.

The appointment of Griffin Bell as Attorney General will probably generate the most opposition. He has been a close personal friend of Mr. Carter, a member of two Atlanta Social Clubs which exclude blacks and Jews and he supported G. Harrold Carswell when President Nixon nominated him for the Supreme Court. Mr. Bell does not strike me as the most distinguished candidate for the sensitive post of Attorney General, but the most puzzling appointment was the selection of Theodore Sorenson, a person without experience in intelligence matters or in foreign policy, to run the Central Intelligence Agency.

My guess is that President-elect Carter has wisely rejected advice to appoint a collection of brillant and innovative newcomers, perhaps thinking that the country is looking for reassurance more than anything else. He could have chosen to shake up the centers of established power in the country, but he obviously did not, and he has favored experienced hands over new faces. He has also put great stress on competent performance and managerial efficiency.

The most intriguing question about the cabinet is whether, and to what extent, it will be dominated by Mr. Carter. He has said he would not try to run the government from the White House, but would rely on a strong and independent cabinet. But he has also said that he will be the primary focal point for the evolution of policy. At this point, anyway, it is hard to see any of the appointees becoming dominant figures in their own right, as Secretary Kissinger has been in the present cabinet.

The real test of the cabinet, however, is not how it looks at this point, but how well it performs, not merely as a collection of individuals who preside over vast government bureaucracies, but as an executive council which runs the country. Overall my impression is that the reaction to the appointees throughout the country has been generally favorable, and that the President-elect has assembled a strong cabinet. They certainly should be given a chance to make their mark.

NATIONAL CONDOMINIUM AND TENANTS RIGHTS ACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ROSENTHAL. Mr. Speaker, problems associated with condominium purchases and conversions are among the Nation's most pressing consumer issues. Thousands of condominium purchasers are being misled or defrauded and renters—often elderly and poor—are being dispossessed.

Unless strong remedial action is taken, abuses surrounding condominium sales and conversions will become a far greater national scandal than the rash of interstate land sale frauds that swept the country several years ago.

It has been predicted that within the next 20 years half the population may be living in condominiums. The shift to condominiums is particularly acute in New York City and other urban and suburban areas where new and converted condominium units are rapidly displacing multifamily rental apartments.

There is little doubt that the condominium form of ownership has grown dramatically in the past 5 years. Approximately 85 percent of condominium unit owners have purchased their homes since 1970, and in 1973 and 1974, condominiums accounted for 25 percent of the housing starts in the United States. In addition, approximately 100,000 rental units were converted to condominiums during the 5-year period ending in March 1975.

In my own congressional district, in Queens, N.Y., 140 prospective condominium purchasers in a development known as Village Mall Townhouses lost $120,000 in downpayments because of the developer's insolvency and the fact that no law required that deposits be placed in escrow accounts. And 5,000 families in rental apartment developments known as Fresh Meadows and Windsor Park continue to live under the threat of a financially ruinous condominium conversion. Tenants resisting conversion have been subjected to abuse and harassment. They have had to deal with questionable lease riders, maintenance neglect, and unconscionably high utility rates and rent increases.

In my district, I have come to understand the personal tragedies of conversions. Families which have rented and maintained an apartment home for many years are forcefully uprooted. If unable to find comparable dwellings nearby, they must leave their friends and memories and start the difficult task of readjustment elsewhere. This is especially trying for the elderly who in occupying the older buildings often targeted for conversion are frequent victims of this process.

Apart from the psychological stress caused by such a move, the financial burden can be staggering even to middle-income families. According to the American Movers Conference, a typical intracity move in New York City and other large metropolitan areas runs between $240 and $300. Together with other costs, a forced move can wipe out the savings of most poor and middle-income families.

The Federal Government made its first serious attempt to evaluate the many abuses of the condominium boom in the 6-month HUD study mandated by an amendment to the Housing and Community Development Act of 1974. I believe the study results published in July 1975 are useful in many respects, particularly the data profile of the condominium and co-op market and the statement of problems and abuses.

In hearings before my Government Operations Subcommittee on the Federal Trade Commission's investigation of specific deceptive and unfair practices of specific condominium developers, it was found that the abuses and problems associated with condominium development are widespread and that these problems affect the sale, uses, and enjoyment, and resale value of the units.

The FTC focused its investigation on what appeared to be the most serious abuse in new buildings—the use by developers of long-term recreation leases and management contracts. This problem is rooted in inadequate disclosure, understated upkeep fees, misleading advertising, and the lack of ownership of key recreational and maintenance facilities. In addition to their bulk, condominium documents are technical in nature and extremely difficult to understand. In some cases, all documents covering the purchase are not even delivered to the buyer until after the purchase has been concluded and the contract of sale signed. Even if purchasers are given adequate time to inspect the documents, their sheer volume makes it difficult for the average layperson to understand. Thus, it is unlikely that many purchasers have even a vague notion of the commitment they are making when they sign a contract to purchase a condominium.

These hearings on the FTC's investigation showed that there are severe limitations in State laws governing condominiums and that strong Federal action in the area of condominiums is vital. Many State statutes are dependent upon interpretation of the Federal Trade Commission Act and other Federal laws, which has restrictive effects on the States' discretion.

Moreover, fewer than 10 States have meaningful laws protecting purchasers and no more than 3 States have laws protecting those who would be displaced by the conversion of rental units. Even those individuals who reside in States which do have meaningful laws may not receive adequate protection because many developers operate in interstate commerce. Because States are limited to enforcing laws within their own jurisdiction, developers can find refuge by basing their operations in States which have no such laws. In addition, there is a striking lack of uniformity in the State statutes.

To rectify this situation, I am today introducing the National Condominium and Tenants Rights Act, which establishes Federal guidelines for the protection of prospective condominium purchasers and tenants displaced by condominium conversions; and prohibits discrimination in mortgage loans based on age, sex, or nationality. These guidelines will be administered by a newly created Assistant Secretary for Condominium Housing within the Department of HUD.

Under my bill, prospective purchasers of condominiums must be fully informed, 21 days in advance of purchase, of all significant financial and physical aspects of the condominium development. To in-

sure its accuracy, this property report must be approved by the Assistant Secretary before construction or development loans can be made to a developer or mortgage money made available to a purchaser. Tenants of rental buildings about to be converted are protected by requiring 50 percent of the occupants to assent to any conversion and allowing them a reasonable period of time to find another apartment.

Last year, I testified in support of this legislation before a Banking, Currency and Housing Subcommittee overseeing condominium development. It is my hope and expectation that the committee will make prompt recommendations to the Congress for legislative protection.

SUMMARY OF THE MINIMUM INCOME MAINTENANCE ACT, H.R. 952

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. KOCH. Mr. Speaker, a major issue of consideration for the 95th Congress should be that of welfare reform. The President-elect, Members of Congress, and the citizenry as a whole, recognize the grave consequences for our Nation of an expensive and unwieldy welfare program. For the past 6 months I have been working on a comprehensive welfare reform proposal, the Minimum Income Maintenance Act. I would like to share a summary of that bill with my colleagues.

My proposed legislation would reform current welfare programs and consolidate AFDC, SSI, and food stamp programs into a single Federal welfare program which is both equitable and efficient. It includes work incentives and a uniform Federal welfare payment adjusted for cost-of-living differences across the country.

Obviously, there will be a great many proposed solutions to our national welfare dilemma, and my legislation certainly does not address all the problem areas. I do hope, however, that it can serve as a vehicle for much needed discussion and I welcome comments on its contents.

A summary of the bill follows:

SUMMARY OF THE MINIMUM INCOME MAINTENANCE ACT (MIMA) H.R. 952

The Minimum Income Maintenance Act would replace the AFDC, SSI and Food Stamp programs with a single national welfare system of benefits which would be administered by the federal government and for which all qualified residents of the U.S. would be eligible. The legislation would regionalize welfare benefits by utilizing the Bureau of Labor Statistics' (BLS) "lower budget" figure for both SMSA (Standard Metropolitan Statistical Area) and non-SMSA areas. In determining maintenance payments, the bill would establish the applicable BLS figure as the eligibility standards and 50% of the applicable BLS figure as the maximum Koch payment. The Koch benefit would be that maximum figure reduced by one-half of all income and work enabling expenses, as defined by the Act.

A sample of current BLS lower budget figures for a family of four is set forth below to convey an idea of what the level of benefits would be in the different regions across the country.

New York City, $10,266.

Pittsburgh, Pa., $9,205.

Cleveland, Ohio, $9,489.

Detroit, Mich., $9,501 (Maximum payment would be 50% of this figure).

Atlanta, Ga. $8,924.

Baton Rouge, La., $8,588.

Denver, Co., $9,319.

San Francisco, Ca., $10,509.

Note: Currently, BLS provides lower budget figures for a hypothetical family of four and for a retired couple in 40 of the 276 SMSAs. The BLS hypothetical family of four consists of a 38 year old husband employed full time, his non-working wife, a boy of 13 and a girl of 8. The Koch program would have BLS develop comparable figures for varying family sizes and compositions in SMSA and non-SMSA areas.

For purposes of the bill, income is defined as including both earned and unearned income and all public payments, such as veterans' benefits and social security, in order to reduce the inequities created by some state welfare programs which reduce benefits by some government payments but not by others. The Secretary of HEW would determine which inkind and vendor payments would be exempted in computing income. Medicaid is to be the only public payment explicitly exempted for that purpose. Work enabling expenses, as defined by regulations promulgated by the Secretary (including day-care expenses) would be deductible in establishing "income."

The definitions and formulas which follow indicate how the Koch benefit would be computed.

Eligibility Standard—The BLS budget figure for respective family size and SMSA, or comparable non-SMSA figure.

Maximum Payment—50% of the applicable BLS lower budget.

Koch Benefit equals maximum payment minus: earned and unearned income plus public payments minus work enabling expenses divided by 2.

Total Family Income equals earned and unearned income plus public payments plus Koch benefit.

A significant aspect of the Koch formula is the way in which it deals with the problem of work disincentive—a well-known failing of our current welfare systems. Under the Koch bill, benefits decrease as the recipient's income increases by a benefit loss rate of 50% until the ceiling is reached. Thus program benefits are tapered off gradually until the benefit levels have been diminished to an insignificant amount before applying the cutoff. By doing so, the system avoids work disincentives created by an abrupt, though perhaps lower, cutoff point. Similarly, work enabling expenses such as day-care costs are deducted from the income level in calculating benefits so as to avoid penalizing the recipient for having incurred the unavoidable costs of pursuing gainful employment.

Mandatory registration at local employment offices and active job seeking are a prerequisite to receiving benefits under the Koch bill. The elderly, the handicapped and mothers with pre-school children would be exempt from that requirement.

Below are computations which show how the Koch benefit formula would create a rational work incentive scale. (Work enabling expenses are not considered for purposes of this chart.)

ASSUME BLS LOWER BUDGET FIGURE OF $10,000

Income	Maximum payment	Minus ½ income	Koch benefit	Total income
0	$5,000	Minus 0 equals	$5,000	$5,000
$4,000	5,000	Minus ½ ($4,000) equals	3,000	7,000
$7,000	5,000	Minus ½ ($7,000) equals	1,500	8,500
$9,500	5,000	Minus ½ ($9,500) equals	250	9,750

Family is defined in the bill in such a way as to avoid the unfortunate family splitting which resulted from the AFDC program. Childless couples, intact families, individuals, retired couples, dependent children and step-parents (as they contribute to the support of dependents) are defined and included in the program.

Quarterly retrospective accounting and monthly reporting would be employed in administering the program. Though states that wish to participate in the program will be specifically prohibited from supplementing the Koch benefit, emergency needs will be covered by regulations promulgated by the Secretary. Assets shall be imputed to income by disregarding the first $10,000 of assets and counting each additional $10,000 of assets as $100 in income.

The Minimum Income Maintenance Act contains a "grandfather clause" to insure that those families currently receiving AFDC, SSI and Food Stamps do not suffer immediate losses because of the transfer to a national welfare program. Those families for whom benefits under the Koch bill would be less than those which they currently receive from the programs listed above, would continue receiving their current level of payment for two years. Anyone who files an application for public assistance after the bill is enacted would not be entitled to the level of payment insured by the bill's "grandfather clause."

The Inspector General of HEW would be specifically empowered to investigate and, where necessary, prosecute cases of both administrative and recipient fraud. In addition, the Inspector General will be empowered to audit the program for over and under payments.

The total cost of this program would be $35–40 billion according to estimates provided by the House of Representatives Information System. This contrasts to the current total cost of $23 billion which includes the federal, state and local government shares of AFDC, SSI, Food Stamp and general aid. Currently cities, counties and states are carrying over 40% of our total welfare costs.

TO PROTECT THE OCEANS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. WHITEHURST. Mr. Speaker, the continued pollution of our oceans should be a matter of grave concern to all of us, and I hope that my colleagues in the 95th Congress will see fit to act promptly in this regard.

Last Tuesday, January 4, I introduced H.R. 711, to amend the Ports and Waterways Safety Act of 1972 and provide stricter criteria for tanker safety, and H.R. 712, to require that a percentage of U.S. oil imports be carried on U.S.-flag ships, and at this point in the RECORD I

would like to introduce two recent articles which make some excellent points regarding the need for such legislation. The first is from the January 17, 1977, issue of Newsweek and is entitled "How to Make Tankers Safer." It was written by Allan J. Mayer, James Bishop, Jr., and Annabel Bentley. The second is an editorial by Mr. Gordon Dillon, which appeared in the January 7, 1977, edition of the Virginia Observer, and is entitled "The Liberian Tanker Threat."

While we in the United States can do much to make our own ships safer, there is still more that must be done, and it must be done an an international scale. For this reason, I am today introducing a joint resolution calling for an international treaty to protect international waters from further pollution and reverse their present deterioration. I earnestly hope that this legislation, also, will receive prompt and favorable consideration.

With memories of the oil spill from the *Argo Merchant* still fresh in their minds, countries touched by the Gulf Stream should now be particularly willing to discuss international means to prevent such disasters in the future, and I am confident that the new administration will be favorably disposed to initiate the necessary discussions.

The two articles follow:

[From Newsweek, Jan. 17, 1977]

HOW TO MAKE TANKERS SAFER

Off the stormy New England coast last week, rescue planes searched anxiously for traces of the missing tanker Grand Zenith, believed to have gone down with all hands—and 8 million gallons of oil—in heavy seas. On the Delaware River, near Salem, N.J., Coast Guardsmen worked late into the night supervising the pumping of 7 million gallons of crude from the 824-foot-long Universe Leader, which went aground when it veered to avoid colliding with another tanker. Not far away on the same river, clean-up crews struggled to contain the damage done when the giant Olympic Games hit a rock and spilled 134,000 gallons of oil into the Delaware a fortnight ago. In all, eight tankers have gone aground, sunk, exploded or been involved in collisions in or near U.S. waters since the Argo Merchant broke up off Nantucket just before Christmas, dumping 7.6 million gallons of oil into the Atlantic Ocean. The rash of accidents—following a record number of mishaps in 1976—has triggered an angry clamor for tighter tanker-safety standards.

By their very nature, modern supertankers—huge vessels that displace over 100,000 tons and run well over 1,000 feet in length—are immensely hazardous craft, difficult to control and astonishingly fragile. Relative to their vast size, their hulls are so thin that author Noël Mostert labeled tankers "floating balloons" in his 1974 book, "Supership." Fully loaded, a typical supertanker draws up to 100 feet of water, and it is not uncommon for one to lumber into port with less than 2 feet separating its keel from the sea bottom. Stopping a supertanker from cruising speed often takes more than 3 miles with the engines full in reverse—and while the engines are in reverse, the ship cannot be steered.

Tanker experts argue that about 80 percent of all accidents are caused by human errors, and they say that better training of crews is the best way to reduce hazards. But critics are now focusing on the design of the ships—both to prevent at least some accidents and to reduce oil spills when mishaps do occur. Senate Commerce Committee chairman Warren G. Magnuson has scheduled hearings this week to spur "new, tough tanker legislation." What's more, Newsweek has learned, President Ford is planning to announce formation of a task force to deal with oil transportation, including tougher design standards.

Tanker design has been regulated rather loosely, even though there are more than 4,500 tankers of over 6,000 tons plying the oceans—some of them grossly unsafe. The only major international agreement covering tanker operations, a 1973 convention adopted by the Intergovernmental Maritime Consultative Organization, has yet to be ratified by most of IMCO's 100 member-nations, including the U.S. In America, the Coast Guard has the authority to lay down strict operating rules and design standards for all ships entering U.S. waters. But critics in and out of government say the Coast Guard is simply unable to adopt and enforce stricter standards. Something must be done, says administrator Russell E. Train of the Environmental Protection Agency, "to break through the wall of conservatism at the Coast Guard."

The critics claim that the Coast Guard is more concerned with mopping up spills than preventing them and that it is too cozy with the shipbuilders and tanker operators it regulates. The Coast Guard says changes take time, but the experts argue that several badly needed design requirements could—and should—have been developed years ago. Among them:

DOUBLE HULLS

Proponents maintain that the sides and bottom of tanker's cargo compartment should be separated from the ship's outer hull to prevent accidental spills if the hull is pierced. (At the least, they say, compartment bottoms should be separated from the bottom of the hull.) The Coast Guard itself concedes that such a double bottom would have kept the Olympic Games from fouling the Delaware River.

SEGREGATED BALLAST

Proponents want regulations requiring all tankers to store the sea water they take on as ballast in separate compartments from the ones they use to carry oil. This is to prevent oil from being washed into the sea when the ballast is flushed. Currently, the Coast Guard requires a segregated ballast system only on new tankers of over 70,000 tons. While not strictly a safety device, separate ballast tanks would eliminate routine oil flushing—still the biggest source of oil pollution at sea.

BACKUP SYSTEMS

Proponents say that a tanker should have at least two boilers, rudder systems, propellers, radars and gyrocompasses so that control could be maintained if one should fail. Such redundancy might have enabled the Argo Merchant, whose gyrocompass was apparently defective, to stay on course.

COLLISION-AVOIDANCE RADAR

The National Transportation Safety Board, the Maritime Administration and the National Science Foundation, among others, say all tankers should have advanced radar and sophisticated navigational gear. More than 500 tankers already do, but the Coast Guard refuses to make the equipment mandatory, on the ground that it is still in development.

Tanker operators argue that such requirements are not worth the added cost—and might even pose hazards. Double bottoms could lead to explosions by providing an enclosed space into which oil fumes could leak. Thus, they have been banned by several countries. In general, tanker men insist that the real problem is not the ships themselves. "You can't build a ship to protect itself against incompetent personnel," says A. D. Haff, technical manager of Bethlehem Steel's shipbuilding division—and with flag-of-convenience nations such as Liberia, Panama and Cyprus enforcing few if any crew standards, incompetence is not uncommon aboard many tankers.

At bottom, however, the opposition to stricter design standards is a matter of money. "Double-hull ships are no doubt better," says technical affairs chief Gokei Ito of the Shipbuilders' Association of Japan, which has produced 80 per cent of the world's oil tankers. "They're much safer in case of accident. But they're hardly economical right now." But by one estimate, double hulls would raise the price of oil shipped from the Middle East by only about 1 per cent.

Such safer designs are likely to be made mandatory soon—if only because the public's tolerance for oil spills and tanker accidents seems to be reaching a breaking point. If so, it couldn't have happened at a better time. Just last week, U.S. oil imports hit a record 9.4 million barrels a day—and almost all of that was delivered by tankers.

THE LIBERIAN TANKER THREAT

There is serious danger posed to the environment by oil tankers.

Great Britain had a massive oil spill a few years ago on its southern coast when a tanker went off course. Last month, a tanker went off course and went aground off Massachusetts.

And last month a tanker caught fire in Los Angeles and further polluted the already polluted water and air there.

All those tankers had one thing in common. All were runaway ships flying the Liberian flag.

None of the disasters are caused by ships registered in the United States, Norway, Sweden, Denmark, France or Great Britain.

Those countries demand strict safety inspections. They demand competent captains, officers and crews.

Liberia has no annual inspections as required by the western nations. It has no laws to require competent captains, officers and crews. So its ships are buckets of rusted bolts—manned and run by incompetents.

Annual drydock inspections are costly, but they save lives and protect the environment. Competence is also costly, but the crew can stay on course. Both factors really are cheap . . . in the long run.

And there is another angle. Western nations require taxes to be paid. Something Liberia does not do.

All western nations, should not allow any ships into their harbors—or to ply their sea lanes . . . unless the crews and the ships are competent and safe.

Two years ago, a Liberian tanker limped into Norfolk and a new captain was flown in from India to take command. He took one look at the ship and refused to take it out of the harbor because of the rust and its unsafe condition.

He said "I have a God above me" which told him that he could not risk the lives of his crew. He was fired by the company, and the U.S. allowed the unsafe ship to leave.

The United States is wrong to only regulate its own ships for safety—and not the others. The U.S. will require all American ships to have sewer connections so as not to pollute the water while in port, but no others. American ships carry only 6 per cent of our cargo.

So American shipping companies will have to install expensive devices to prevent pollution—while 94 per cent of the ships which ply American ports will be allowed to dump raw sewerage into the waterways.

If American ships must have competent crews, then the others must also. If American ships cannot discharge toilet run-offs into the waterways, then the others cannot.

If the U.S. demands ship safety in its own merchant marine fleet, it cannot permit foreigners to ply our harbors and sea lanes unless they abide by the same standards.

BENEFITS FOR FORMER SPOUSES OF FEDERAL EMPLOYEES

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mrs. SCHROEDER. Mr. Speaker, today I am reintroducing a bill to amend the civil service retirement plan to entitle former spouses married 20 years to Federal employees to a portion of that employee's retirement annuity and a share of the survivors benefits after the employee's death. This would apply to both male and female employees.

Since the bill was introduced late in the 94th Congress, attorneys and academics across the country have contacted me to underline the need for this legislation. Both the Women's Equity Action League and National Organization for Women have voiced support of the measure.

In addition, I have received hundreds of letters and calls about people divorced from Federal employees late in life. They are shocked to realize that when the marital relationship is severed, they had little recourse and no security. They are unable to find a job because of high unemployment and lack of recent paid work experience. They are dropped from pension health plans and find it difficult to get health insurance. They are ineligible for medicare, because they are not covered by social security.

Typical is a letter I received from a former spouse married for 35 years to a Federal employee with 34 years of Government employment:

> At the time we separated our total assets were a little over $15,000 (which were divided equally) so Paul's retirement benefits represented most of our accumulated capital. So that I could retain the same federal benefits as a wife (with minor exceptions) a decree of separate maintenance was granted in 1971.
>
> . . . The divorce was granted in 1973. As a result of this divorce, I am now ineligible for all the benefits that had been accruing to me as his spouse of 35 years; I have no claim on any retirement pay, have no survivor's benefits, am not eligible for any medical program. The final decree of divorce includes no compensation for the loss of these benefits.
>
> Although he has been ordered to pay alimony, he is now more than $4,000 in arrears. The alimony order presents two problems: The first is that enforcement of such orders is minimal; the second is that, even if paid, alimony does not provide financial protection for me in the event of his death.
>
> My own efforts to enforce the provisions of the divorce decree have resulted in a current balance of $2,500 owed to my attorneys. A hearing in June 1976 resulted in an order that he pay $300 toward my attorneys' fees, and "make arrangements" to pay the arrearage. He has done neither and there seems to be no recourse. When the Social Services Act of 1974 (P.L. 93-647, Section 459) made possible garnishment of federal salaries and pensions, I thought these problems of enforcement would be relieved, but this does not seem to be the case. I understand from my attorney that should an order for garnishment be given here I will then have to file in court in the state where Paul now lives and I have retained an attorney there. In short, the procedure is so cumbersome and so expensive as to be virtually ineffectual.

Some have argued that divorce settlements are a sufficient means to deal with the problems resulting from a divorce rate that has doubled in the last 10 years.

However, the trend in divorce is toward no-fault settlement with spousal support for limited periods if granted at all. In fact, a September 1975, survey conducted by Market Opinion Research revealed that only 14 percent of divorced women were awarded alimony, while only 44 percent of the divorced mothers were awarded child support. Moreover, less than half of the payments arrive regularly, with compliance dwindling to zero as the years pass.

Finally, alimony and child support cease suddenly with the death of the breadwinner—leaving absolutely no security for the later years.

This bill is based upon the thesis that marriage is an economic partnership. It is my contention that the former spouse made a significant contribution to the employee's ability to earn the wage and consequently receive the pension. While there is no dispute that homemakers perform valued services for their families and society, it is frequently argued that pensions are an earned retirement benefit. However, I think it is important that the concept of earned benefits be applied to those homemakers who, after contributing substantially to an economic partnership, find themselves divorced in their middle years, unable to find work, and ineligible for social security.

The 1963 report of the President's Commission on the Status of Women affirmed that—

> Marriage as a partnership in which each spouse makes a different but important contribution is increasingly recognized as a reality in this country. During marriage each spouse should have a legally defined substantial right in the earnings of the other, in the real and personal property acquired through those earnings, and in their management. Such a right should be legally recognized as surviving the marriage in the event of its termination by divorce, annulment, or death. Appropriate legislation should safeguard either spouse and protect the surviving spouse against improper alienation of property by the other.

We are a society which places value on home and family, encouraging women to stay home to take care of children. Yet one of the most severe forms of economic discrimination is that we fail to attach an economic value to this service. This feature of pension portability and earned right for the homemaker is essential if spouses are to have a choice whether to work inside or outside the home.

Homemakers have provided a variety of services to our society for which they have not been compensated. Community organizations, hospitals, schools, and churches have depended heavily upon the voluntary services of homemakers. They have frequently been the backbone of the "people programs" in our cities, towns, and rural areas, organizing and running programs that serve people in need, ranging from children and youth to the elderly.

In spite of all the cultural and judicial resistance, the concept that a homemaker does make an economic contribution to marriage is making its way into law. In at least 44 court cases in 11 States, homemakers have been assigned the equitable interest in the retirement and disability benefits of her husband. Three of these States, Colorado, Oregon, and Wisconsin, were noncommunity property States.

In 1974, the California Supreme Court held in Fithian against Fithian that retirement benefits are community property, whether benefits stem from State, Federal, military, or private employment.

Going even further in 1976, the California Supreme Court in In re Brown overruled the 25-year precedent that a pension had to be vested before a spouse could take his/her community one-half interest in retirement benefits.

Furthermore, the American Bar Association in 1974 approved a uniform marriage and divorce act drafted by the National Conference of Commissioners on Uniform State Laws, an organization that promotes model legislation. This act includes detailed economic provisions to protect a wife and children—recognizing the economic contribution of the homemaker, along with her special problems in getting a job and raising young children. Five States—Arizona, Colorado, Kentucky, Montana, and Washington—have adopted most of the economic sections of the uniform act.

The fact is that although more than 3 million employees rely on the Federal civil service retirement system for retirement benefits, the Federal pension plan fails to provide economic protection to the former spouse of a Federal worker. This failure in the system leaves the dependent spouse with no direct retirement benefits despite many years working for no pay managing a home, raising children, and contributing time and effort to the marriage. Although the number of women in the labor market is increasing, the majority of women are still homemakers, and have no independent retirement benefits.

Recent Census Bureau statistics indicate that women outnumber men by 4.1 million among the Nation's elderly and that the gap will widen to 6.5 million by the end of the century. According to the March 1975, census figures there are over 5 million women over the age of 65 who live alone, and half of that number are living their last years below the official poverty line. Most of these women have not always lived alone and most have not always been poor, but their circumstances have deteriorated with advancing age. What happened to them is not inevitable, but rather the result of discrimination throughout their lives which strikes its cruelest blow at the end. It is my view that our public retirement system contributes to the economic impact of sex discrimination and punishes

women for their traditional roles in society.

It is time that Congress look at the Federal retirement system. I do not think it was the intent of Congress to deny old-age protection to these former spouses. The problem today was not envisioned in 1920, when the Federal retirement system was established—15 years before the creation of the social security system. Today, the family unit is no longer as durable as in the past.

The Congress responded to the growing number of long marriages ending in divorce by amending the Social Security Act of 1965 and 1972 to provide benefits for a divorced wife who was married a minimum of 20 years. It would be incongruous for Congress to recognize the needs of social security recipients and ignore the former spouses of civil servants, who are not eligible for social security.

The bill would entitle a former spouse of a civil servant—male or female—to a pro rata share of the retirement annuity based on the number of years of marriage over the number of years of creditable service. For example, if the former spouse was married to the Federal worker for the entire period that the employee worked for the Federal Government, the spouse would be entitled to 50 percent of the retirement annuity. If married to the employee fewer years, the former spouse would be entitled to an amount equal to the ratio of years of marriage over years of covered service.

Since death benefits for surviving spouses are reduced to 55 percent of the annuity, this same reduction would be applicable to former spouses. Therefore, after the death of the Federal employee, the former spouse's portion would be reduced to 55 percent of the pro rata share of the retirement annuity. At the same time, the annuity of the current widow or widower would be reduced by the amount of annuity payable to the former spouse.

Under this bill, the former spouse's annuity rights terminate upon remarriage before age 60. In the event that the Federal employee chooses a lump sum payment instead of an annuity, the former spouse would be entitled to a portion of the lump sum payment based on the same ratio of duration of marriage to years of creditable Federal service.

Let me emphasize that this change in the law will not increase the costs of the civil service retirement system. What is proposed here is that the Federal pension be shared by the civil servant and the former spouse of 20 years during the employee's retirement years and by the former and current spouses after the death of the employee.

TUITION BENEFIT PROPOSALS OF THE IRS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. DRINAN. Mr. Speaker, the Internal Revenue Service is now contemplating the issuance of regulations which would lead to the taxation of educational benefits extended to the immediate families of college employees and faculty members. If the IRS does decide to implement these regulations, the tuition benefits now utilized by college employees such as tuition grants, waivers or exchanges, will be taxed as ordinary income.

I am very much disturbed by the proposed imposition of these IRS regulations. I believe that they would create great hardships on faculty members and employees whose children and dependents attend college. In many cases, the tuition program is the one major benefit which offsets the otherwise disadvantageous salary structure at many colleges and universities.

It is also most troubling to me, Mr. Speaker, to note the very discriminatory nature of the proposed regulations. The IRS argues that tuition benefits are forms of compensation to institutional employees which should be taxed. But while arguing for the elimination of this tax break, the Internal Revenue Service is ignoring similar fringe benefits which have far less social value. Recently, for example, Treasury Secretary William Simon rejected proposals which would tax fringe benefits enjoyed by airlines employees and workers in stores and other merchandise outlets.

I have long been an enthusiastic supporter of tax reform. I feel that we must root out the many tax loopholes and breaks which abound in the U.S. Tax Code. However, to begin our tax reform efforts by singling out those who are least able to pay strikes me as a strange ordering of our tax priorities. Benefits such as those in question might possibly have to be taxed in the end, but certainly not before we have established a federal tax system which is fair and equitable for all levels of American society. And not before the wealthy and large corporations are taxed so that they too bear their fair tax burden.

Mr. Speaker, I would like to bring to my colleagues' attention a number of articles on the tuition benefits regulations now being proposed by the IRS. They include an editorial from the New York Times of January 6, 1977, an article by Frank Thompson of the Boston Herald American on January 2, 1977, and an article which appeared in Newsweek on January 10, 1977:

[From the New York Times, Jan. 6, 1977]

WHY SINGLE OUT TEACHERS?

When it comes to taxes, one person's sound social policy may well be another's loophole. Thus, there is a strong temptation to discount the outcry in the academic community against a change in regulations proposed by the Internal Revenue Service. The I.R.S. wants to start collecting income tax on the value of the free or reduced tuition traditionally given children of college faculty members. Some 27,000 students now attend college on such scholarships; these are worth about $20 million.

On closer examination, faculty families appear justified in their complaint that they are being singled out unfairly. The American Association of University Professors points out, for example, that there is no similar threat to tax physicians on the value of the unpaid medical services they and their families traditionally receive. Many department stores and manufacturers offer their employees untaxed discounts on their merchandise—clearly a fringe benefit whose elimination might result in demands for higher salaries. Airline personnel are not required to pay taxes on the privilege of extensive free travel. Why, then, are courtesy scholarships for faculty children suddenly considered in a taxable class by themselves?

The case for keeping these scholarships tax-free is further supported by a 22-year-old history. In 1954, Senate and House committees specifically approved of the kind of scholarships which the new I.R.S. regulations would reclassify as taxable fringe benefits. The chief of the Individual Income Tax Branch of the I.R.S. reaffirmed in 1971 that "Congress intended to treat" these courtesy arrangements as tax-free scholarships.

At issue is a tradition based on the sensible and civilized view that the men and women who teach other people's children ought not to find their own children excluded, for economic reasons, from the intellectual benefits of the schools where they teach, or at other campuses of similar quality.

Even this genteel motive may ultimately have to give way to the highly desirable goal of reforming a tax agenda made leaky by countless loopholes. But a proper agenda for such reforms ought to start with the economically and ethically least defensible exemptions rather than those that are merely most vulnerable for the lack of politically powerful support. At the very least, no privileges with a long and explicit history of Congressional sanction ought to be changed by mere administrative fiat only months before the sweeping tax reform promised by the Carter Administration.

[From the Boston Herald American, Jan. 2, 1977]

MASSACHUSETTS UNIVERSITIES TO FIGHT IRS PLAN TO TAX FREE TUITIONS

(By Frank Thompson)

Scholarship or fringe benefit?

This is the question to be argued Friday at an Internal Revenue Service hearing in Washington on the agency's proposal to tax as income, free tuitions allowed college or university faculty members, employes, and their families.

The Association of Independent College and Universities in Massachusetts, in a brief filed with IRS, declared the proposal could cause a change in employment for 10,000 persons, or have an impact of $50 million in one year to $75 million in two years on the nation's educational community.

Under Treasury Dept. standards a proposal is considered major if it influences those results.

The independent institutions arrayed their heaviest artillery in defense of the free tuition for faculty and others.

Among the heavy hitters writing to members of Congress or IRS Comr. Donald Alexander in protest of the proposal were:

Boston University President John R. Silber, who wrote House Ways and Means Committee Chairman Al Ullman that because of the legislative history of the practice, "any change in the tax treatment of tuition-remission scholarships must be made by Congress. The amendment proposed by the Commissioner exceeds his lawful authority and should be withdrawn."

Chairman Howard W. Johnson of the Massachusetts Institute of Technology Corporation—"the proposed regulations would produce the anomalous and irrational results of a student or his parents being penalized by being taxed on what would otherwise be a tax free scholarship merely because the student qualified for tuition remission."

President Jean Mayer of Tufts University—"the damage done to the children of faculties and to institutions, forced to increase true compensation to enable employes to pay this tax, will likely outweigh any tax benefits achieved."

Rev. Ernest Bartell, President, Stonehill College, North Easton—"while the right of the IRS to maximize revenues for the Treasury within the spirit and letter of the law cannot be doubted, the recent proposal to tax the value of tuition remission for faculty and staff families in the nation's colleges and universities must be judged unjustifiable both legally and economically."

The Brandeis University Faculty Senate adopted a resolution declaring its "strong objections" to the proposal.

Silber called upon Ullman for help in stopping "the Commissioner of Internal Revenue, in the last 30 days of his administration, from denying educational opportunity to our employes and their spouses and children by arbitrarily ruling that tuition remission scholarships constitute taxable revenue."

This would destroy a 30-year-old program at Boston University "under which children and spouses of janitors, grounds workers, and clerical workers, as well as professors, have been provided access to higher education and the personal and civic benefits that follow from it.

He wrote, "sound public policy requires that tuition remission programs continue to be considered scholarship programs. The taxation of tuition remission will deprive students of educational opportunity.

"The language of the proposed amendments would preclude any child or spouse of an employe from ever receiving a scholarship of any sort from the employer institution. It would thus result in a substantial decrease in scholarships available to students.

"The proposed regulations would wrongly treat all tuition remission scholarships as 'compensation or payment to the employe for services.' The duties of the employes who are childless or whose children are not of college age are precisely the same as the duties of employes who use tuition remission scholarships.

"Admittedly, an employe whose child avails himself of the tuition remission scholarship will be indirectly benefited. However, we should not be misled by this fact.

"All scholarships carry such extended benefits. But these benefits are not taxable. The parents of children who are awarded Truman, Rhodes, Marshall, American Legion, or National Merit Scholarships are similarly benefited, as are the parents of young men and women who are awarded EOG (Educational Opportunity Grants) or other need-based scholarships.

"The Internal Revenue Service appears to have forgotten that benefits are not taxable simply because they are benefits. For sound constitutional reasons, the Congress alone possesses the right to decide which benefits should be tax-exempt on grounds of national policy.

"Wisely, Congress has decided that scholarship benefits should be non-taxable. The Internal Revenue Service has only one reason for deciding that tuition remission benefits should be taxed—they want to tax them no matter how great the educational and social loss.

"Even if these substantial arguments based on Congressional intent, reasonable administrative procedures, beneficial social policy, and plain equity were set aside, the proposed regulations should be found defective on the basis of technical difficulties alone.

". . . The final days of an administration's tenure in office are not the appropriate time for making changes of this magnitude that have potentially devastating effects of individuals, institutions of higher education, and some state governments. The proposed regulations should be withdrawn and a directive issued from the National Office to all District Offices reaffirming past practices and declaring that tuition remission is excludable from gross income as scholarship."

Fr. Bartell, former chairman of the Economics Dept. at Notre Dame University, called the proposal an attempt by IRS to write new legislation.

"Furthermore," he wrote, "to penalize the educational community in this way is inconsistent with toleration of far more extensive exempted 'income in kind' in other sectors of the economy.

"Moreover the proposal is inconsistent with the economics of higher education. Because higher education is marked primarily by fixed costs, it is possible to provide this prerequisite in kind for little or no additional cash costs to colleges and universities.

"To tax the tuition remission at full market value is thereby ultimately inflationary as colleges and universities are forced to raise tuitions in order to generate the cash to compensate faculty and staff for lost income.

"And at the same time such unwarranted increases in tuition can only contribute to pressures for further retrenchment among already financially hard pressed educational institutions.

"In short, the IRS proposal simply contributes further to the 'stagflation' that has already plagued our economy for too long."

[From Newsweek magazine, Jan. 10, 1977]

AN F FOR THE IRS

William D. Ferguson is a professor at the Emory University Law School in Atlanta. As a member of Emory's faculty, he enjoys a special perquisite: his daughter, Kim, 20, attends the undergraduate school free of charge. The arrangement saves Dr. Ferguson $3,100 a year in tuition fees. It is one of the factors that induces him to continue teaching at an annual salary that is at least $15,000 less than he would be able to command in the lucrative world of professional law. "If this benefit were not available," says Ferguson, "there are many of us who would give up teaching."

The tuition breaks that private schools and colleges give to the families of their faculty members have traditionally been treated as scholarship aid by government agencies, and as such, they have been entirely tax-free. But late last year, the U.S. Internal Revenue Service proposed a change of policy. Tuition benefits, the IRS decided, are actually forms of compensation to institutional employees. Since they are awarded solely on the basis of where a parent is employed, the tax authorities argued, tuition breaks are really just another fringe benefit. As part of its campaign to plug tax loopholes, the IRS proposed to tax them as ordinary income.

No sooner was the reform proposed than angry school administrators began to bombard the IRS with protests. Letters and telegrams have been pouring into the Treasury Department from the 800 private colleges and scores of prep schools that would be affected. "I hope and pray," wrote one Midwestern student, "that someone drags you and your tax proposal right up to the highest court in the land." This week, representatives of schools across the country will convene in Washington to fight the measure at a public hearing.

Abuse: The primary argument against the IRS proposal is that it contradicts two full decades of legislation and interpretation. Since the Internal Revenue Code of 1954 was written, Congress, the courts and the IRS itself have repeatedly—and explicitly—approved tuition remission for faculty members as legitimate scholarships. Opponents argue that the IRS's attempt to reverse that policy with a hasty administrative ruling is an unwarranted abuse of bureaucratic power. "Some people talk as if this were some kind of loophole that has just been discovered," says Prof. Julian H. Levi of the University of Chicago, who chairs the taxation committee of the American Council on Education. "It's not, of course. Tuition remission for faculty members started at the University of Chicago in 1901. The books are filled with cases that make it clear that any change in the policy should be made only by legislation, not by this kind of administrative proceeding."

Most educators admit that tuition remission is, at least in part, a kind of fringe benefit that enables private institutions to attract talented teachers at salaries much lower than those they could earn elsewhere. But they argue that this sort of "loophole" has traditionally been ignored in the name of a broader social good: the encouragement of education. They also insist that even if tuition breaks are awarded on the basis of the parent's employment, they are still true scholarships that permit students to attend schools they might not otherwise be able to afford. "The principal beneficiary is the child who is getting the education," says Gary Potter, president of the National Association of Independent Schools. "I can't see why the fact that his or her parent teaches at the school should automatically mean that it isn't a scholarship.

Reform? Even more galling to school administrators is the fact that the IRS seems to be singling them out for reform, while ignoring similar fringe benefits in other professions. Last month, Treasury Secretary William Simon specifically rejected an IRS proposal to tax certain corporate perquisites. "Airline employees do not get their free trips taxed, physicians who get courtesy medical treatment do not have to pay taxes on it, and the discounts department-store workers get are not taxable," complains John Kemeny, president of Dartmouth College. "Why single out professors, who are certainly not some of your higher-paid people?"

The answer, according to beleaguered school officials, is that educational institutions are an easy target. Well-financed corporate lobbies can fend off unwanted reforms in a way that the diverse, unwieldy schools cannot. "This is capricious cupidity," says John Phillips, president of the National Association of Independent Colleges and Universities. "It's more of the continuous buffeting by government agencies that don't really understand the effects their rulings can have on schools."

One effect of the proposal to tax tuition remission may well be that private schools and colleges, already hard-pressed financially, will have to raise the salaries of faculty members with college-age children—or risk losing the teachers to higher-paying jobs. "If that happens," says Phillips, "you can bet your life that the added expense will be passed on to the student body in the form of higher tuition, and the costs of education will inevitably be inflated." That fact alone, the educators think, should be enough to force the IRS to reconsider its proposed reform. And if the tax officials do not budge, the educators plan to take their case to Congress and the courts.

COMMENTS BY MR. YOHE

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. ROSTENKOWSKI. Mr. Speaker, in a recent address to United Airlines Passenger Service Managers in Chicago, Mr. Jack Yohe, the Civil Aeronautics Board's Consumer Advocate said:

Consumerism is about to get its second wind; its energy has flagged recently but that I believe it is about to enter a period of further growth with consolidation of past gains as they become institutionalized in laws and organization practices.

He also urged, for the mutual benefit of consumer and airlines, a "return to old values," where they have been abandoned, and a rehoning of them "Where they have lain idle too long," observing that, "if the concern of business for the consumer has indeed begun to grow casual, then a return to care is in order."

Mr. Yohe's remarks are replete with other timely counsel for both business and consumer and I therefore include the complete text of Mr. Yohe's comments in the CONGRESSIONAL RECORD:

There is a television station back home that uses as its promotional theme a little tune with the words: "Say, don't I know you? I've seen your face before."

What brings it to mind is my renewal of acquaintances today with United employees like Kay Lund, Mechlin Moore, not to mention Irv Roth and Monte Lazarus, to name just a few friends and long time associates.

Since friendship not only withstands but thrives on frankness and candor, let me say that I am genuinely pleased to have been invited to address the annual meeting of passenger service managers from all over United Airlines' system. I believe we both will benefit.

Your invitation referred to my "remarks and outside viewpoint."

That is a credit to you—to any organization that seeks to see itself as others see it.

I also take it as a compliment to the Board's Office of the Consumer Advocate for what I hope is its consistent objectivity.

That is what we strive for along with fairness in our dealings with the carriers as we work in the consumer's interest.

My assigned subject, "Passenger Handling in the Age of Consumerism," should bring no startlingly new message to anyone in a group such as this whose members know passengers' needs and wants from long experience. But verities need to be restated from time to time because we tend to dull them with disuse.

You have heard a lot of instructive talks this morning that, taken to heart, should add to your professional polish.

"The Air Traffic Conference Role in Passenger Handling," "automated sales reporting system," "system operations control," "the communications network and how it should perform for you," "effective utilization of the computer resource"—these are all things that enable you in some way to better serve "the Boss"—the consumer of the services that your airline provides.

All this morning's instructions were good and should contribute to the self- and organizational improvement for which all of you have gathered for these two days. But the best message for the consumer that I've heard today is Bill Neary's "Welcome," not, perhaps, the very words but the feeling they communicated.

Make the consumer feel welcome, not only with your words but also, more importantly, with the attitudes you convey when he needs you to help him with that problem that never should have arisen.

"Welcome" should be a state of mind you share with your passengers.

The consumer of your services is the person who pays your company bills, who can tip the balance between corporate profit and loss.

If that view is too distant, try this closeup.

He is the fellow who makes your paycheck good and keeps it regular, the one who contributes to your retirement plan, who helped you buy the family care, not to mention the house.

Your treatment of him is also the basis of your promotion in the job.

He is the last person you tell to go to Helsinki.

I know that, when you have faced him several dozen times in the course of a day, your patience wears thin.

But in your dealing with a consumer—and not just any consumer but a disenchanted one—your patience is the indispensable tool for the job.

Your patience lowers his voice, your patience calms him down, your patience eventually helps him understand that there may indeed be a reason why his problem has to be handled in a certain way.

Patience may buy the time you both need to settle his problem objectively rather than emotionally.

And the responsive chord I've struck in you is playing back this message: "Easy for you to say, Mr. Consumer Advocate, sitting there well behind the front lines, antiseptically handling complaints by correspondence, unbound by company operating procedures and company supervisory constraints."

Not so. I am well aware of the real world in which you must live and let me say that your consumer record as a company is consistently the envy of many of your competitors.

And I am aware, also, that for every complaint our Office handles, the air transportation industry has handled 9 or 10 or, perhaps more, without the customer having to resort to us.

So, I am not pontificating but suggesting: suggesting that, however good your consumer handling record may be, there is room for improvement.

If you are only No. 2, try harder; if you are No. 1, try hardest.

The Consumer Movement is not about to enter a decline. If anything, it should soon be getting its second wind, which deeply gratifies me.

We all ought to be ready.

One reason that the air transportation consumer expects higher standards of performance than, perhaps, consumers in other fields is that he has been conditioned to high expectation. He is your own creation.

He—the high expectation consumer—was fashioned by competition aimed at assuring and maximizing profits.

I don't believe that has changed. He may have complicated your task somewhat by going forth and multiplying but I cannot believe that any company ever grows so large, by the grace of its customers, that it can afford to ignore even the least of them.

In this era of especially acute cost/benefit consciousness, the time and money required to settle justly a consumer's complaint should not be perceived solely as costs.

Simultaneously, they are immediate benefits—the satisfied customer who at least understands and respects your action—and long term benefits—personal testimonials whose effectiveness in generating new customers can neither be bought nor surpassed.

Some of my successful salesmen friends tell me that one of their most effective prospecting methods consists of developing spheres of customer interest and influence within which each satisfied customer communicates his satisfaction to his friends and colleagues, so that when the salesman makes his calls, his prospects in those spheres are already attuned to what they can expect from him and feel that they have a right to expect nothing less.

As I see it, that approach ought to be even easier with customers of air transportation, who come to you already disposed to buy your product instead of waiting for you to visit them, dispel their objections and close the sale.

"Never forget the consumer (or, if you will, customer)" is no sewing basket platitude but a dynamic rule of business affirmed daily both by use and disuse.

Its disuse erodes consideration of your customers' needs; such as his need and right to know what his fare and type of travel entitle him to, and such as clear and prompt explanations of what services or refunds he is due when you have not seen able to board him on his planned flight or when you have accommodated him but not his baggage.

The vibrations we pick up from our handling of more than 16,000 complaints a year—including the ones against your airline—tell us a number of things. One of them appears to be that consumers are measuring their dissatisfaction not only in the usual sense of receiving less than they believed they were due but also, increasingly, in the context of continuing inflation.

"Air travel is getting to be too expensive," a number of them appear to be telling us, "especially for the middle class traveler."

They are indicating that they feel that air fares are increasing faster than service is improving, if it is improving at all.

The air traveler complainant also tells us that he considers tariff rules unfair when he has to pay more than he expected or was allowed to believe he would pay, especially when the difference is demanded as he is about to board the aircraft.

Those complaints also tell us that reservations and ticketing people may not have adequately informed the passenger of conditions he must meet to qualify for the fare he thought he was buying.

I have been stressing for several years that this kind of fare situation is a sore point with travelers, possibly even more often than I realized.

Now a private citizen who happens to be a much traveled newspaperman has filed a third party complaint against a trunk carrier, claiming he was not given complete enough fare information on at least one of his trips.

In support of his filing he has cited statements by me.

I am taking no position on his filing.

I merely point out that he has filed, and believes he may be giving voice to the feelings of many other air travelers.

I might add that, while I had only the barest of advance notice of his filing, it should not really have come as a surprise to me or anyone else in this industry.

Ever since I came to this consumer interest job six years ago, I have been urging that air travelers be given complete and simplified fare information.

Our Office has also put it in writing with the *Consumer Facts on Air Fares* pamphlet, which has already been distributed to about 17,000 people.

If the Government Printing Office holds to its promised delivery date, we will have a quarter million more copies available for distribution tomorrow.

Getting back to what our own complaint profiles tell us, we read that the air transportation consumer resents what he frequently describes as the "cavalier attitude" of carrier personnel; and it appears that the frequency of the "cavalier" charge increases with the size of the carrier.

Our volume of complaints also tells us that many passengers, rightly or wrongly, are critical of some carriers for not guaranteeing their product and performance.

This goes back to the case for fuller information—before the fact. Because he may not have been fully informed of conditions that apply in his particular case, a passenger frequently feels that he is due a refund when product and performance are found wanting; for example, for undue delays or for fare misquotations or other misinformation.

It is much easier to be thorough and open with him beforehand, telling him what you won't or can't do under certain circumstances, than it is to tell him after the fact why you didn't do it.

This doesn't mean that you have got to read each customer the Federal Aviation Act and the 380-odd rules of the Passenger Rules Tariff.

It does mean a little more interest in him and his plans and needs so that you can offer the thoughtful information that will

enable him to make better informed decisions, and so that you can try to reduce the incidence of problems that he might otherwise encounter.

I seriously doubt that anyone was ever hurt or inconvenienced by too much information.

Our complainants tell us, not surprisingly, they resent not being informed in time of schedule changes that affect them either immediately or somewhere down the line.

They grouse, understandably, at what they (and we) see as a double standard—stating rules and regulations as "the law," thus ruling out a reasonable solution for the passenger's problem; yet apparently glossing over those same rules at times with a monetary consideration enclosed in a final letter response.

Our Office, too, has several pet peeves when it comes to certain approaches to complaints.

One of them, as you may or may not know, is the phrase, "Compensation on our part could subject us to a severe fine."

We hear it frequently quoted as information given the consumer by reservations agents, the people on the front line.

We all know that this is a copout.

I doubt we could find an example in all of regulatory history where a carrier has been fined on the basis of a single instance of such an action.

Where a pattern became evident, that would be another matter but, even then, a penalty could be assessed only after a formal proceeding.

Mainly, what we don't like about this approach is that it shifts the blame for inability to resolve the problem to our Office and to the Board.

We are working to educate the consumer on this point and, since we are all working ultimately for the consumer interest, you also should take care to educate him on the same point.

Travelers also now have a greatly increased awareness of overbooking practices and denied boarding compensation regulations.

We sense this not from any great increase in the volume of oversales complaints but more from the number of news media queries on the subject.

Some writers merely require amplification on specific provisions of Part 250 but quite a few request a first-time explanation, a general orientation on the regulation and the incidence of complaints and compensation payments.

In recent weeks, requests for this kind of information to our Office have given the fiscal year 1975 and 1974 Denied Confirmed Space Report a minor best seller status.

As a result, you and your counterparts at other carriers may soon experience increased attention to and knowledge about passenger rights to notice and payment of denied boarding compensation.

Among the complaints that we do receive on denied boarding compensation, a number consider the amounts provided for to be inadequate and ineffective.

Our own position on those matters is stated in the comments we filed with the Board on October 7.

We stated that, while we do not support abandonment of the current reservations system, we do believe that the penalty provisions of Part 250 must be substantially strengthened to provide a much stronger economic incentive for the carriers to lower the oversale rate.

We also suggested changes in Part 250 which we stated will provide substantially greater protection to those consumers who are oversold.

Among these is the elimination of the major exceptions to eligibility for payment of denied boarding compensation, removal of the $200 ceiling for compensation and simplificaiton and revision of the notice required by Part 250 in order to provide wider understanding among consumers.

Customer relations personnel at virtually all the carriers know by now how our Office operates.

As I said at the outset, we try to be fair and objective while helping the consumer obtain what he is rightfully due, no more, no less.

I believe we attain those goals consistently.

In order to do so there are certain procedures we must follow, certain actions we must take.

One of the most important parts of our complaint handling process is followup.

Followup is a measure of how well a carrier is doing it's job regarding consumer complaints.

Followup is necessary, among other things, to see whether the carrier has complied with its tariffs or has done less than regulations and tariffs required it to do.

The Office of the Consumer Advocate at the Civil Aeronautics Board exists to try to insure that the consumer gets what he pays for, no more, no less.

Followup is a necessary part of our consumer advisory function to enable us to see that the consumer who has an unresolved air transportation complaint receives everything he is entitled to receive.

Followup is a necessary part of every complaint case before we can close it.

Followup, therefore, is an equally necessary part of your own complaint handling process.

Just as no business ever grows so large that it can dispense with customers, so no airline with which we deal can ever grow so big that it can ignore this important step in the consumer service process.

For the credibility and effectiveness of our Office to the consumers and the carriers alike to continue, we must treat all carriers—large and small—equally.

Credibility and effectiveness bring something else to mind, if I may digress for a moment. For those reasons, plus the advantage of resident expertise, my Office in the past has generally leaned toward retaining the consumer functions of air transportation regulation within the Civil Aeronautics Board. We believed also that what was true for us probably was also true for other government agencies.

While it has been our view that an in-house consumer agency offers the opportunity to develop more in-depth expertise, we recognize that there is a strong feeling that the consumer interest can best be served by an independent consumer agency.

We believe this argument has some merit, in that we have experienced consumers who have expressed cynicism as to whether a consumer unit within the agency unbiasedly represents the interests of consumers.

In this context, therefore, the proposal to create an independent consumer agency has great appeal to many consumers and may well, on balance, offer the greatest opportunity for the interest of the consumer to be represented in regulatory proceedings.

Resident expertise in various fields can just as easily reside in one agency, independent of and apart from all the rest. We haven't changed our position but, if we are to preserve and build consumer confidence in our dependability, the consumer at least deserves to have us take another look at the question of in-house consumer units versus an outside consumer agency.

I also said earlier that I believe consumerism is about to get its second wind; not that its energy has flagged recently but that I believe it is about to enter a period of further growth with consolidation of past gains as they become institutionalized in laws and organizational practices.

I believe that any organization—in business or government—that deals with consumers needs to recognize that and prepare for it.

Emphasize and elevate the importance of consumer concern—if not by company fiat, then by your own personal determination.

Many companies, recognizing the upsurge in consumer power, have in recent years upgraded their consumer apparatus.

In some cases consumer representation is at the corporate level.

But I also suspect that some companies, having paid the movement lip service and provided the window dressing of consumer representation in the company structure, now may be inclined to relax again and pay less attention to the consumer and his problems.

In the process, the consumer relations identity tends to blur until it is barely distinguishable from public relations.

They are not interchangeable functions.

Public Relations is not Consumer Service, but good Consumer Service is excellent Public Relations.

I said in a speech to your counterparts at Northwest Airlines last March that my office and the airlines have a lot in common because we both deal with the consumer of air transportation, albeit at different stages.

You sell the consumer your company's service and make certain arrangements that enable him to use that service in one way or another at appropriate times and prices.

We exist to try to insure that he gets what he pays for.

If you do your job well, the consumer will need our help less.

You are in an area of your airline's operation that can significantly affect the amount of business your company does.

If you perform effectively, you can promote repeat business and—word of mouth being the force that it is—you can generate new business.

I told them also, however, that they—and now you—are an important part of the image your company builds.

My Office is not concerned with the image but with the reality upon which any believable image must be built.

If you have a good image, by all means sell it.

If you are performing your service well, your customers must benefit from knowing that you are.

But first, perform the service dependably and well.

The rule has no exceptions.

Do the job.

The image will follow.

Consumer complaint handling is part of that dependable service. It is not something tacked on after the sale; it is part of the sale.

No sales are final until the customer receives what he has paid for.

If the passenger has no need for your complaint handling service, that is to your good.

If he does have cause for complaint, that is when the final part of the sales becomes operative.

This requires only a slight change in approach.

You, like most U.S. airlines, are already set up to handle customer complaints effectively.

The only cost of this changed approach is a slight change in attitudes.

The benefits?

The friendly sky is the limit.

I said that I had no startingly new message for you and I haven't.

What I have proposed is a return to old values, where they have been abandoned, and a rehoning of them where they have lain idle too long.

If the concern of business for the consumer has indeed begun to grow casual, then a return to care is in order.

If your care for the consumer has been thriving all along—as I believe United's has—then revitalize and redouble it.

I believe that the dividends this pays are as real as the ones that appear on your quarterly reports.

SENATE—*Wednesday, January 12, 1977*

The Senate met at 8 p.m., on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, whose Word commands us to "be still and know that I am God", grant to us quiet hearts that we may be receptive to Thy higher wisdom.

We thank Thee for those in every generation who have served this Nation with steadfast purpose and high ideals. At this time we thank Thee especially for Thy servant Gerald R. Ford, for the quality of his manhood, for the depth of his dedication, for the sincerity of his motives and for the redemptive and healing spirit he brought to a broken people. Help us to listen to him with understanding and appreciation and to prepare ourselves for the ongoing work of the Republic. Guide us by Thy Spirit all the days of our lives that we may abide with Thee forever. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, January 11, 1977, be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS SPARKMAN AND PROXMIRE AND FOR TRANSACTIONS OF ROUTINE MORNING BUSINESS ON FRIDAY, JANUARY 14, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, after the two leaders or their designees have been recognized under the standing order, Mr. SPARKMAN and Mr. PROXMIRE be recognized, each for not to exceed 15 minutes, in that order, and that there then be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 10 minutes each.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR TALMADGE ON TUESDAY, JANUARY 18, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the recognition of the two leaders or their designees under the standing order, Mr. TALMADGE be recognized for not to exceed 15 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM FRIDAY UNTIL 2 P.M. ON TUESDAY, JANUARY 18, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday, it stand in adjournment until the hour of 2 p.m. on Tuesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

SENATE RESOLUTION 30—AMENDING PARAGRAPH 2 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

Resolved, That paragraph 2 of Rule XXV of the Standing Rules of the Senate is amended—

(1) by striking out of the item relating to Commerce, the number "17" and inserting in lieu thereof "18".

(2) by striking out of the item relating to Labor and Public Welfare, the number "15" and inserting in lieu thereof "16".

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ROBERT C. BYRD. Mr. President, the purpose of this resolution is to provide two additional committee seats to the minority side so as to permit the two new members who are temporarily assigned to the Budget Committee to have that committee as a third committee as do the majority members of the Budget Committee.

I emphasize that these assignments under expansion are temporary in nature.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution (S. Res. 30) was agreed to.

SENATE RESOLUTION 31—MAKING TEMPORARY ASSIGNMENTS TO STANDING COMMITTEES OF THE SENATE

Mr. BAKER. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 31) making temporary assignments to standing committees of the Senate.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, these are the nominations of the Republican leadership to fill the vacancies created by the resolution just adopted by the Senate.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution (S. Res. 31) was agreed to, as follows:

Resolved, That Senator John Chafee of Rhode Island (temporary) be and he is hereby assigned to the Committee on Commerce and that Senator Richard Lugar of Indiana (temporary) be and he is hereby assigned to the Committee on Labor and Public Welfare.

APPOINTMENT OF COMMITTEE TO ESCORT THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee of Senators on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE A, 95TH CONGRESS, 1ST SESSION—REMOVAL OF INJUNCTION OF SECRECY

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the protocol, signed at Montreal October 16, 1974, relating to an amendment to article 50(a) of the Convention on International Civil Aviation—Executive A, 95th Congress, 1st session—which was transmitted to the Senate yesterday by the President of the United States, and that the treaty with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol, signed at Montreal October 16, 1974, relating to an amendment to Article 50(a) of the Convention on International Civil Aviation.

Article 50(a) of the Convention relates to the composition of the ICAO Council and provides that it shall be composed of 30 members. The present Protocol would increase the membership to 33 members. I transmit, for the information of the Senate, the report received from the Department of State with respect to the Protocol.

I recommend that the Senate give early and favorable consideration to the Protocol and give its advice and consent to ratification.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. Does the Senator from Tennessee seek recognition?

Mr. BAKER. Mr. President, the Senator from Tennessee does not seek recognition at this time and reserves his time under the standing order.

Mr. CURTIS. Mr. President, will the Senator yield to me for a minute?

Mr. BAKER. Yes.

PROGRAM FOR FRIDAY

Mr. CURTIS. Mr. President, I would like to inquire of the distinguished majority leader what the program will be for Friday.

Mr. ROBERT C. BYRD. Mr. President, to begin with, following the address by the President of the United States this evening, the Senate will stand adjourned until the hour of 12 o'clock on Friday.

After the two leaders or their designees have been recognized under the standing order, Senators SPARKMAN and PROXMIRE will each be recognized for not to exceed 15 minutes, and there will then be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 10 minutes each.

At the conclusion of morning business, unless there is other business that the leadership does not know about at this point, there are certain resolutions which might come over under the rule. They will be subject to debate and, if debated and not acted upon by the expiration of the morning hour, which on Friday would be 2 p.m., the first resolution coming over under the rule would go to the calendar, but it would also be subject to a motion to proceed with further consideration of it, which motion would be debatable.

So in further answer to the distinguished Senator, it is conceivable that there will be rollcall votes on Friday. At the moment, I know of no other business that would necessitate a rollcall vote, other than possibly something in connection with those resolutions coming over under the rule.

Mr. CURTIS. I thank the Senator.

PERMISSION FOR VICE PRESIDENT TO ADDRESS THE SENATE ON TUESDAY NEXT

Mr. BAKER. Mr. President, all of us are aware that the present occupant of the Chair, the distinguished President of the Senate, will soon end his term of office.

I propose, Mr. President, if the distinguished majority leader is agreeable, that subject to the desires and wishes of the distinguished Presiding Officer we might provide a time on Tuesday next for the Vice President to address the Senate, if he wishes.

In that connection, Mr. President, I propose that we allocate 15 minutes at the appropriate time on Tuesday and invite the President of the Senate to utilize that time, if he wishes, for that purpose, or for whatever purpose.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader for reminding me of this matter at this time. We had discussed it previously.

If there is no objection, I ask unanimous consent that at the hour of 2:30 p.m. on Tuesday next, the distinguished Presiding Officer over this Chamber, the Vice President of the United States, Mr. ROCKEFELLER, be permitted to address the Senate for a period of not to exceed 30 minutes.

The VICE PRESIDENT. The Chair is deeply grateful for the consideration of the leadership of the Senate and accepts the thoughtful offer, for a period of perhaps 10 minutes.

Therefore, without objection, it is so ordered.

Mr. BAKER. My thanks to the majority leader, and my thanks to the occupant of the chair.

The VICE PRESIDENT. I appreciate it.

ROUTINE MORNING BUSINESS

The VICE PRESIDENT. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 8:30 p.m., with statements therein limited to 2 minutes each.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the time be extended to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, under the regulations and policies that we have been following for years in the Senate, I would be constrained to object. However, I suggest to the distinguished Senator that when he has completed his 2 minutes, Mr. MORGAN or Mr. STONE or Mr. CRANSTON or another Senator will obtain recognition and yield to him.

Mr. METZENBAUM. I thank the Senator.

WINKING AT TERRORISM

Mr. METZENBAUM. Mr. President, 24 hours ago, the French authorities hustled an accused terrorist onto a plane before the charges against him could be properly assessed, and sent him off to Algeria beyond the reach of law and justice.

A lot more than one man left France on that plane. French traditions of honor and justice also had departed from those who made the decision to free Abu Daoud with such indecent haste. The world has witnessed over and over again what a savage price is always paid for winking at terrorism.

This is precisely what has happened in Paris. Terrorists who are freed without trial, who are rewarded with first-class passage and first-class treatment will remain terrorists. Those who support them will remain international disruptors of the peace, secure in the terrorists' conviction that they are above the law, that sovereign and once proud nations will bend the knee to them.

Mr. President, I address myself to this outrage not only in the name of violated justice and cynical disregard of rational legal procedures, but from a perspective of deep personal experience as well.

Two of my closest friends from Cleveland, Dr. Benjamin and Dorothy Berger, are the father and mother of David Berger, one of the men brutally murdered at the Munich Olympics. I knew David as a child and watched him grow up to be a splendid young man, joining what he believed was a creative challenge—working in Israel. All this love and dedication ended when he was shackled and shot in cold blood for the crime of representing the "wrong" nation at an international festival of sports and good will.

But no such cruel and instant punishment is meted out to the man accused of planning these premeditated murders. For him there is no punishment at all, nor any serious examination of the charges. A great nation chooses to condone international banditry and in the process makes decency and order, and life itself, more dangerous for all of us.

I was chairman of the ceremonies in Cleveland when a memorial was dedicated to the memory of David Berger. The eloquent speaker at those ceremonies was the distinguished Senator from Minnesota, Senator HUBERT HUMPHREY. All of us there that day pledged that we would not forget David Berger, nor would we forget the meaning of his death; that love and decency must be protected by courage and order; that there is no greater threat to all nations and to all peoples than the callous, selfish insistence, by terrorists who kill and assassinate in the name of justice on getting what they demand. I cannot put aside my pledge of remembrance today, and I therefore protest in the name of international law and justice against this high-handed and tragic action in setting free an international terrorist without trial—without punishment. It is a sad day for France—an even sadder day for mankind.

ALLOCATION OF TIME ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, Mr. TALMADGE has an order for 15 minutes on Tuesday, after the recognition of the two leaders or their designees. Mr. NELSON A. ROCKEFELLER, the Vice President, will address the Senate beginning at 2:30 p.m. on Tuesday.

I ask unanimous consent—and I feel that this will meet with the approval of Mr. BAKER—that the time of the two leaders on Tuesday not extend beyond 2:15 p.m.; that Mr. TALMADGE then be recognized under the order; and that the time between 2 p.m. and 2:15 p.m. be divided between the two leaders or their designees, rather than the standing order of 10 minutes each.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

INTRODUCTION OF A BILL

"CONSERVATION GAS"—AN IMAGINATIVE NEW PROPOSAL

Mr. GRIFFIN. Mr. President, this Nation is going through one of its coldest periods in recent memory.

Already, some 46 deaths across the

country have been directly attributed to the winter weather.

Schools are closing down from Maine to Texas for lack of heat. Workers are being laid off from their jobs.

Why? One major reason is that there just is not enough natural gas to go around.

I propose that we embark on an all-out conservation program that would create an important "new" supply of natural gas.

To paraphrase Poor Richard, a cubic foot of gas saved is a cubic foot of gas found.

It is time that we adopt the concept of "conservation gas" as a supplement to new gas discoveries.

Mr. President, I am introducing legislation to pave the way for implementation of an exciting new conservation concept that would make available the equivalent of 130 percent of the gas deliveries expected from the North Slope of Alaska by the early 1980's.

At the same time, it would provide hefty savings on home heating bills, and would create thousands of new jobs. It would not only reduce industrial curtailment, but it would also make new gas available for industrial expansion. The program would reduce our dependence on oil imports and would help in the effort to improve our bleak balance-of-payments situation.

This proposal would give natural gas utility companies incentive to install ceiling insulation in the homes of all their customers, along with automatic clock thermostats and furnace efficiency modifications.

Under existing Federal law, if a gas utility company were to install ceiling insulation and make other energy-saving modifications, the new gas thus made available through conservation could be reallocated by the Federal Power Commission to other utility companies in other parts of the country. But if a gas utility company could be assured through legislation—by a "finders-keepers" provision—that it would be able to sell any new gas "created" through its own conservation effort, then there would be incentive for the company to generate a new supply of "conservation gas."

Such action would make sense on a profit-and-loss basis to a gas-short utility company (and most are in this category) because the new gas generated through such conservation measures would be obtained more cheaply than the cost of purchasing an equivalent amount of new gas from other sources.

My legislation goes a step further: it provides for a tax credit of up to $225 for the homeowner who has oil heat—or who uses gas but does not care to wait for the utility company—if the homeowner goes ahead, on his own, and installs such energy-saving modifications.

If this plan is implemented, consumers would use considerably less gas and their gas bills would go down—compared to what they must expect to pay if such steps are not taken.

Of course, utility rates would still be regulated by State public service commissions, and not by the Federal Government. But there is strong reason to believe that State regulatory bodies would welcome this innovative program which would provide savings for consumers as well as conservation incentives for utility companies.

Even those whose homes are already fully insulated—as well as those who hereafter install energy-saving measures on their own, without waiting for the gas company to do it—would benefit through lower gas bills—lower than the bills they could otherwise expect if this program is ignored.

The estimated nationwide cost of installing the insulation and making the other mentioned energy-saving modifications is $8.3 billion. However, that should be measured against the fact that it would cost twice as much to construct the 39 new electric powerplants that would be required to produce an equivalent amount of electrical energy.

This approach—which for the first time would make it cost-effective for a gas utility company to create new gas by putting insulation in its customers' homes—has recently been under study by the Federal Energy Administration's Office of Energy Resource Development, headed by William G. Rosenberg, formerly a chairman of the Michigan Public Service Commission.

That State commission, now under the leadership of Chairman Daniel Demlow, has already scheduled public hearings beginning in March on this new concept.

Across the country, this innovative conservation proposal is being greeted enthusiastically by officers of utility companies, State officials and consumer groups.

Endorsements of the concept already have come from the California Energy Commission, the Pennsylvania Public Utility Commission, the National Association of Regulatory Utility Commissioners, and the American Gas Association.

The AGA board of directors met today in Washington to discuss the concept, and issued a statement saying they had "concluded the proposal is in keeping with the sense of urgency needed to make the best use of our cleanest and most efficient fuel."

Encouragement has come also from some leading consumer spokesmen, including Lee White, chairman of the energy policy task force of the Consumer Federation of America.

From coast to coast, State regulatory officials are expressing keen interest in the concept. So are natural gas companies.

I understand, however, that at a meeting today at the Federal Energy Administration of five of its key advisory committees, one key point was made over and over again—that no action is likely unless a Federal "finders keepers" rule is instituted.

That is why it is urgent that we act—and act promptly—so that this vitally important conservation program can get underway.

It is envisioned that this bold, new initiative should be fully implemented within 7 years. If implemented nationwide, by 1985 the plan would save 1.2 trillion cubic feet of natural gas a year—gas that otherwise would be wasted or have to be developed or purchased from more costly sources.

It would result in consumer savings for home heating of between $1.7 and $2.3 billion yearly.

It would also create 69,500 jobs a year in private industry to manufacture and install the insulation and energy-saving devices, primarily in northern urban areas now experiencing high unemployment. Approximately one-quarter of the employment would be for manufacturing and the other three-quarters for local installation.

In Michigan alone, implementation of this plan would create 5,700 jobs yearly and save the average homeowner 39 percent of the gas now used to heat his home.

Depending on how much insulation he now has, a Michigander who heats with gas should find by 1985 that his heating bills will be 19 to 53 percent lower than otherwise would be the case.

Mr. President, although my legislation is essential to the success of the program, it should be emphasized that this would not be a Federal program which depends on Federal appropriations. The program would be implemented by gas utility companies and by homeowners, with the encouragement and assistance of the State Public Service Commissions.

If a utility is allowed to earn competitive returns on such conservation investments, the program can be financed privately without Federal subsidy—except the tax relief to be available to a homeowner who proceeds to insulate on his own.

This proposal seeks to put new gas made available through conservation on a competitive economic footing with new gas that is discovered or produced from traditional sources.

I urge prompt adoption of this program throughout the Nation. It is vital that we conserve our existing natural gas resources, which are projected to dwindle at a rate of 10 percent a year.

As indicated, my legislative package includes tax relief for the homeowner who, on his own initiative, insulates and weatherizes his home to save energy, regardless of the type of heating. This provides some equity for those who depend upon oil or coal for home heating.

My proposal would amend the Internal Revenue Code to permit a residential insulation credit, in a manner similar to a provision approved last year by the Senate Finance Committee. Unfortunately, that provision was not included in the final conference agreement which became the Tax Reform Act of 1976.

This part of my legislation would provide a tax credit equal to 30 percent of the first $750 spent by a homeowner on insulation, for an automatic clock thermostat, furnace efficiency modifications or for other energy-saving home improvements, such as storm doors and windows, weather-stripping and caulking.

The maximum tax credit for a homeowner would be $225.

At first blush it appears that this insulation tax credit would cost the Treasury about $192 million in fiscal year 1977 and $320 million in fiscal year 1978. However, those apparent revenue losses would be more than offset by revenue gains that will be generated by new jobs and increased business activity associated with the manufacture and installation of the insulation.

Because the tax credit would encourage those who use oil heat to insulate their homes, it is estimated that this measure alone would save between 50,000 and 100,000 barrels of oil a day by 1979—in addition to the natural gas that would be saved.

At present, needless to say, there is plenty of room for improvement in the home insulation picture. For example, in the Detroit area only 22 percent of the homes now meet Federal insulation standards—while 39 percent have only moderate insulation and another 39 percent, or 1 million homes, have no ceiling insulation whatever. Yet, 71 percent of all Michigan homes are gas heated.

If he were to do nothing more than just to install the insulation, the average Michigan homeowner could save $80 a year on his gas heating bill by 1985. Of course, the savings will be greater if he has an automatic clock thermostat and as many as 400,000 additional homes in furnace efficiency modifications. Furthermore, if this proposal is implemented, Michigan alone could be served and heated by the new gas saved—generating as much as $650 million in new business activity.

It is time—indeed, long past time—for this Nation to make a stronger commitment to the conservation of our valuable natural resources, and particularly to conserve and make more efficient use of our dwindling supplies of oil and gas. That commitment must come from all sectors of our society—the homeowner, the auto maker, the auto driver, the utility industry, State and Federal regulators and the Congress.

At last, we have one of the most exciting, innovative approaches that I have ever seen to help solve our complex energy problem. I urge its adoption and implementation—not only in Michigan but across the Nation as well.

Mr. President, I ask unanimous consent that the third of my bills, which combines the conservation and natural gas and the tax credit feature, be referred jointly to the Committee on Finance and the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I also ask unanimous consent that a related article which appeared recently in the New York Times be printed in the RECORD, and that the text of the bills I am introducing also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 26, 1976]

FEA AIDE BIDS UTILITIES SUPPLY HOME INSULATION

(By Edward Cowan)

WASHINGTON, Dec. 26—In a fresh approach to energy conservation, a Federal planner proposes that local gas utilities pay for three types of conservation investments in private gas-heated houses: insulation, clock thermostats that turn down the heat at night and improvements in furnace efficiency.

The cost of saving gas would be less than the cost of buying gas, argues William G. Rosenberg of the Federal Energy Administration. Therefore, he said, all of a utility's customers would benefit from lower costs of purchased gas and the utility could properly recover its investment outlays through the rates it charges all customers.

Mr. Rosenberg outlined his idea and supporting data in a paper circulated last week to FEA advisory committee members. The idea also was mentioned in the agency's year-end statement to Congress.

In a sense, Mr. Rosenberg seeks to stand the established view of utilities on its head. Traditionally utilities have been concerned with selling energy. Mr. Rosenberg would have them be equally concerned with saving it.

Mr. Rosenberg, the assistant administrator for energy resource development, is a lawyer and former chairman of the Michigan Public Service Commission. Apart from one tax question—whether a utility would be allowed to depreciate materials installed in a customer's house—the proposal appears to present no Federal issues and therefore might be ready for examination by state regulators.

However, like most new approaches it raises certain practical and equitable questions.

The most apparent questions concern economics. Utilities and state regulators would want to rework for themselves the analyses done for Mr. Rosenberg by consultants who examined three natural gas markets—southern California, northern California and Michigan.

The analysts found, for example, that the cost of a thousand cubic feet of gas saved by insulation ranged from $3.08 in southern California (where the winter climate is mild) to exactly $1 in Michigan, where cold winters create the potential for saving more gas. The assumed costs of insulating ceilings to Federal standards ranged from $208 to $242.

Similarly, the consultants calculated the cost of gas saved from installation of automatic thermostate controls with a nighttime setback of 5 to 8 degrees and from furnace modifications.

"In virtually every case," Mr. Rosenberg concluded, the cost of gas saved through the investment by the utility company in conservation measures is competitive with new supplemental gas supplies," such as gas from Alaska or from coal.

In all, Mr. Rosenberg calculated, a seven-year effort could yield savings of 1.2 trillion cubic feet of gas a year, roughly 5 percent of present consumption and equivalent to reduced oil imports of 550,000 barrels a day.

In addition, manufacture and installation of conservation materials could create up to 70,000 jobs a year, Mr. Rosenberg estimated.

Mr. Rosenberg acknowledged that a gas consumer who had made no conservation investments of his own would benefit more from utility-paid measures than would a neighbor who had already insulated his house. Nevertheless, he argued, it would not be unjustly discriminatory to put the cost in the rate base because all customers would benefit from lower costs of purchased gas and the country from a reduced oil import bill.

This approach, which Congress could encourage at little cost to the Federal Treasury, is expected to be one of several conservation ideas examined by the incoming Carter administration, which has already signaled that it will emphasize energy conservation.

S. 197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Conservation Gas Act."

SEC. 2. It is the purpose of this Act to encourage the implementation of programs to conserve natural gas by assuring natural gas distribution companies and the State commissions regulating them that the interstate natural gas supplies of those companies will not be reduced or otherwise affected because of the existence, amount, or end use of the gas conserved thereby.

SEC. 3 As used in this Act—

(1) "conservation gas" means natural gas conserved pursuant to a conservation gas program, the amount of which is determined by a State commission and may be reviewed and revised by the Federal Power Commission.

(2) "conservation gas program" means a program under which a natural gas distribution company or a wholly-owned subsidiary thereof pays, on terms and conditions and in a manner approved by a State utility regulatory commission, for

(1) the installation of natural gas conservation devices, and

(2) the provision of specified conservation services in residential dwellings and in such other buildings as the State commission may approve. Such devices and services may include, but are not limited to, insulation, automatic thermostat controls, and furnace efficiency modifications.

(3) "natural gas distribution company" means a person involved in the distribution or transportation of natural gas for ultimate public consumption other than in interstate commerce.

SEC. 4. The formulation and implementation of conservation gas programs are declared to be matters primarily of local concern and subject to regulation by the utility regulatory commissions of the several States. A certification from a State commission to the Federal Power Commission that the State commission has assumed and is exercising jurisdiction over such programs shall constitute conclusive evidence of such regulatory power or jurisdiction. Upon receipt of certification, the Federal Power Commission shall be without authority under the Natural Gas Act, as amended, to take any action to affect, whether by grant, conditional grant, or denial of any application, by allocation or curtailment, by issuance or amendment of any opinion, order, rule, or policy statement, or by any other action, the natural gas supply of any person subject to the Commission's jurisdiction if such action is based on or considers either (1) the existence of conservation gas, or (2) the amount of conservation gas conserved under a conservation gas program, or (3) the implementation of a conservation gas program, including but not limited to the end use to which conservation gas is put.

S. 198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Residential Insulation Credit Act."

SEC. 2. GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B. INSULATION OF RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of that portion of the qualified insulation expenditures paid or incurred by the taxpayer during the taxable year with respect to any residence as does not exceed $750.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—In determining the credits allowed under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to credit for the elderly),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to purchase of new principal residence), and

"(G) section 44 (relating to expenses for household and dependent care services necessary for gainful employment),

the tax imposed by this chapter shall (before any other reductions except the reduction allowed under section 42) be reduced by the credit allowed by this section.

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If the taxpayer made qualified insulation expenditures with respect to any residence in any prior taxable year, then subsection (a) shall be applied with respect to such residence for the taxable year by reducing the $750 amount contained in such subsection by the amount of such prior expenditures allowed as a credit under this section for such prior taxable year.

"(3) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified insulation expenditures unless such expenditures are verified in such manner as the Secretary shall prescribe by regulations.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED INSULATION EXPENDITURES.—The term 'qualified insulation expenditures' means any amount paid or incurred by an individual for insulation (including amounts paid or incurred for the original installation of such insulation) installed after the date of enactment of The Residential Insulation Credit Act, in a dwelling unit located in the United States which is—

"(A) used by the taxpayer as his residence, and

"(B) in existence on January 1, 1977.

"(2) INSULATION.—The term 'insulation' means any insulation, storm (or thermal) window or door, or any other similar item (including a clock thermostat or furnace modification)—

"(A) which is specifically and primarily designed to reduce, when installed in or on a building, the heat loss or gain of such building,

"(B) the original use of which commences with the taxpayer,

"(C) which has a useful life to the taxpayer of at least 3 years, and

"(D) which meets the criteria and standards for energy conserving improvements prescribed by the Secretary of Housing and Urban Development under section 2 of the National Housing Act, or such similar criteria and standards as the Secretary may prescribe.

"(3) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and is used during any calendar year as a residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified insulation expenditures paid or incurred during such calendar year by any such individuals with respect to such dwelling unit shall be determined by treating all such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid or incurred by such individual during such calendar year for such expenditures bears to the aggregate to the amounts paid by all of such individuals during such calendar year for such expenditures.

"(4) TENANT STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified insulation expenditures paid or incurred by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified insulation expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(b) REFUNDABILITY.—

"(1) Section 6401 (b) (relating to amount treated as overpayment) is amended—

"(A) by inserting "and 44B (relating to insulation and other energy-conserving alteration of residence)," after "relating to earned income credit)," and

"(B) by striking out "and 43" each place it appears and inserting in lieu thereof a comma and "43, and 44B". "(2) Section 6201 (a) (4) (relating to assessment authority) is amended—

"(A) by striking out "39 or 43" in the caption and inserting in lieu thereof "39, 43, or 44B", and

"(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof a comma and "section 43 (relating to earned income), or section 44B (relating to insulation and other energy-conserving alteration of residence),".

"(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44B. Insulation and other energy-conserving alteration of principal residence."

"(2) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by inserting after paragraph (20) the following new paragraph:

"(21) to the extent provided in section 44B (d), in the case of property with respect to which a credit has been allowed under section 44B.".

"(3) Section 6096 (b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

S. 199

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be called "The Conservation Gas and Residential Insulation Credit Act".

TITLE I—CONSERVATION GAS PROGRAMS

SEC. 101. This title may be cited as the "Conservation Gas Act".

SEC. 102. It is the purpose of this Act to encourage the implementation of programs to conserve natural gas by assuring natural gas distribution companies and the State commissions regulating them that the interstate natural gas supplies of those companies will not be reduced or otherwise affected because of the existence, amount, or end use of the gas conserved thereby.

SEC. 103. As used in this Act—

(1) "conservation gas" means natural gas conserved pursuant to a conservation gas program, the amount of which is determined by a State commission and may be reviewed and revised by the Federal Power Commission.

(2) "conservation gas program" means a program under which a natural gas distribution company or a wholly owned subsidiary thereof pays, on terms and conditions and in a manner approved by a State utility regulatory commission, for

(1) the installation of natural gas conservation devices, and

(2) the provision of specified conservation services in residential dwellings and in such other buildings as the State commission may approve. Such devices and services may include, but are not limited to, insulation, automatic thermostat controls, and furnace efficiency modifications.

(3) "natural gas distribution company" means a person involved in the distribution or transportation of natural gas for ultimate public consumption other than in interstate commerce.

SEC. 104. The formulation and implementation of conservation gas programs are declared to be matters primarily of local concern and subject to regulation by the utility regulatory commissions of the several States. A certification from a State commission to the Federal Power Commission that the State Commission has assumed and is exercising jurisdiction over such programs shall constitute conclusive evidence of such regulatory power or jurisdiction. Upon receipt of certification, the Federal Power Commission shall be without authority under the Natural Gas Act, as amended, to take any action to affect, whether by grant, conditional grant, or denial of any application, by allocation or curtailment, by issuance or amendment of any opinion, order, rule or policy statement, or by any other action, the natural gas supply of any person subject to the Commission's jurisdiction if such action is based on or considers either (1) the existence of conservation gas, or (2) the amount of conservation gas conserved under a conservation gas program, including but not limited to the end use to which conservation gas is put.

TITLE II—RESIDENTIAL INSULATION CREDITS

SEC. 101. This Title may be cited as the "Residential Insulation Credit Act."

SEC. 102. GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B. INSULATION OF RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of that portion of the qualified insulation expenditures paid or incurred by the taxpayer during the taxable year with respect to any residence as does not exceed $750.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—In determining the credits allowed under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to credit for the elderly),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to purchase of new principal residence), and

"(G) section 44 (relating to expenses for household and dependent care services necessary for gainful employment),

the tax imposed by this chapter shall (before any other reductions except the reduction allowed under section 42) be reduced by the credit allowed by this section.

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If the taxpayer made qualified insulation expenditures with respect to any residence in any prior taxable year, then subsection (a) shall be applied with respect to such residence for the taxable year by reducing the $750 amount contained in such subsection by the amount of such prior expenditures allowed as a credit under this section for such prior taxable year.

"(3) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified insulation expenditures unless such expenditures are verified in such manner as the Secretary shall prescribe by regulations.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED INSULATION EXPENDITURES.—The term 'qualified insulation expenditures' means any amount paid or incurred by an individual for insulation (including amounts paid or incurred for the original installation of such insulation) installed after the date of enactment of The Residential Insulation Credit Act, in a dwelling unit located in the United States which is—

"(A) used by the taxpayer as his residence, and

"(B) in existence on January 1, 1977.

"(2) INSULATION.—The term 'insulation' means any insulation, storm (or thermal) window or door, or any other similar item (including a clock thermostat or furnace modification)—

"(A) which is specifically and primarily designed to reduce, when installed in or on a building, the heat loss or gain of such building,

"(B) the original use of which commences with the taxpayer,

"(C) which has a useful life to the taxpayer of at least 3 years, and

"(D) which meets the criteria and standards for energy conserving improvements prescribed by the Secretary of Housing and Urban Development under section 2 of the National Housing Act, or such similar criteria and standards as the Secretary may prescribe.

"(3) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and is used during any calendar year as a residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified insulation expenditures paid or incurred during such calendar year by any such individuals with respect to such dwelling unit shall be determined by treating all such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid or incurred by such individual during such calendar year for such expenditures bears to the aggregate to the amounts paid by all of such individuals during such calendar year for such expenditures.

"(4) TENANT STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified insulation expenditures paid or incurred by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified insulation expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(b) REFUNDABILITY.—

"(1) Section 6401 (b) (relating to amount treated as overpayments) is amended—

"(A) by inserting "and 44B (relating to insulation and other energy-conserving alteration of residence)," after "(relating to earned income credit)," and

"(B) by striking out "and 43" each place it appears and inserting in lieu thereof a comma and "43, and 44B".

"(2) Section 6201 (a) (4) (relating to assessment authority) is amended—

"(A) by striking out "39 or 43" in the caption and inserting in lieu thereof "39, 43, or 44B", and

"(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof a comma and "section 43 (relating to earned income), or section 44B (relating to insulation and other energy-conserving alteration of residence),".

"(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44B. Insulation and other energy-conserving alteration of principal residence."

"(2) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by inserting after paragraph (20) the following new paragraph:

"(21) to the extent provided in section 44B (d), in the case of property with respect to which a credit has been allowed under section 44B.".

"(3) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EC–316. A letter from the Administrator, transmitted January 4, 1977, from the Administrator of the General Services Administration transmitting, pursuant to law, copies in full of the certificates from the Executives of various States of ascertainment of the electors of President and Vice President of the United States chosen in each of the States on November 2, 1976 (with accompanying papers); ordered to lie on the table.

EC–317. A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals for the month of January, 1977 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Public Works, Interior and Insular Affairs, the Judiciary, Foreign Relations, Agriculture and Forestry, Commerce, Armed Services, Labor and Public Welfare, Finance, Banking, Housing and Urban Affairs, and Government Operations, and ordered to be printed.

EC–318. A letter from the Deputy Assistant Secretary of the Department of Agriculture transmitting, pursuant to law, a report on the status of research facilities funds as of September 30, 1976 (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–319. A letter from the President of the National Forest Reservation Commission transmitting, pursuant to law, the report of the National Forest Reservation Commission for the fiscal year ended September 30, 1976 (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–320. A letter from the Acting Secretary for the Department of Agriculture transmitting, pursuant to law, a report covering the activities of the Rural Electrification Administration for the fiscal year 1976 and the transition period (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–321. A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, the approval of a guaranteed non-REA loan to Arkansas Electric Cooperative Corporation of Little Rock, Arkansas (with an accompanying report); to the Committee on Appropriations.

EC–322. A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report on the final determination in respect to the claim case contained in Docket No. 196 (with an accompanying report); to the Committee on Appropriations.

EC–323. A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, that the appropriations to the Department of Agriculture for "Salaries and Expenses," Federal Grain Inspection Service, and for "Inspection and Weighing Services," Federal Grain Inspection Service, have been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriations; to the Committee on Appropriations.

EC–324. A letter from the Director of the Selective Service transmitting, pursuant to law, a copy of the Semiannual Report of the Director of Selective Service for the period January 1, 1976 through June 30, 1976 (with an accompanying report); to the Committee on Armed Services.

EC–325. A letter from the Naval Facilities Engineering Command transmitting, pursuant to law, a supplement to the September 3, 1976 report of the Top Ten Architect-Engineer firms (with an accompanying report); to the Committee on Armed Services.

EC–326. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, notice of 23 construction projects to be undertaken by the Air National Guard (with an accompanying report); to the Committee on Armed Services.

EC–327. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report of the design and construction supervision, inspection, and overhead fees charged by the construction agents for the military construction projects of the Military Departments and the Defense Agencies (with an accompanying report); to the Committee on Armed Services.

EC–328. A letter from the Secretary of the Treasury transmitting, with Presidential approval, a report prepared by the Department of the Treasury on "The State of the United

States Coinage" (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC–329. A letter from the Vice President for Government Affairs for the National Railroad Passenger Corporation transmitting, pursuant to law, a report on revenues and expenses for the month of September, 1976 (with an accompanying report); to the Committee on Commerce.

EC–330. A letter from the Administrator of the United States Environmental Protection Agency transmitting, pursuant to law, the report "Waste Disposal Practices and Their Effects on Ground Water" (with an accompanying report); to the Committee on Commerce.

EC–331. A letter from the Chairman of the Migratory Bird Conservation Commission transmitting, pursuant to law, a report of the Migratory Bird Conservation Commission for the fiscal year ended September 30, 1976 (with an accompanying report); to the Committee on Commerce.

EC–332. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on July 20, 1976, and signed by the Mayor on August 26, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–333. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on November 22, 1976, and signed by the Mayor on December 30, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–334. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on October 12, 1976, and signed by the Mayor on November 19, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–335. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on September 15, 1976, and signed by the Mayor on October 8, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–336. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on October 12, 1976, and signed by the Mayor on November 15, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–337. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on October 12, 1976, and signed by the Mayor on November 19, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–338. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on September 15, 1976, and returned by the Mayor without signature on October 20, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–339. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on September 15, 1976, and signed by the Mayor on October 15, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–340. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on October 12, 1976, and signed by the Mayor on November 8, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–341. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council on September 15, 1976, and signed by the Mayor on October 13, 1976 (with accompanying papers); to the Committee on the District of Columbia.

EC–342. A letter from the Fiscal Assistant Secretary for the Department of Treasury transmitting, pursuant to law, the Statement of Liabilities and Other Financial Commitments of the United States Government as of September 30, 1976 (with an accompanying report); to the Committee on Finance.

EC–343. A letter from the Secretary of the Treasury transmitting, pursuant to law, the Combined Statement of Receipts, Expenditures and Balances of the United States Government for the Fiscal Year ended September 30, 1976 (with an accompanying report); to the Committee on Finance.

EC–344. A letter from the Under Secretary of the Department of Health, Education, and Welfare transmitting, pursuant to law, a report on the findings and recommendations with respect to the appropriateness of reimbursement under Part B of Medicare for services related to aphakia when performed by optometrists (with an accompanying report); to the Committee on Finance.

EC–345. A communication from the President of the United States transmitting a request that the Congress authorize and appropriate funds to pay arrearages and other assessments owed by the United States to the United Nations Educational, Scientific and Cultural Organization (pursuant to law); to the Committee on Foreign Relations.

EC–346. A letter dated January 6, 1976 from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–347. A letter from the Secretary of State transmitting, pursuant to law, the twenty-fourth report on the extent and disposition of United States contributions to international organizations (with an accompanying report); to the Committee on Foreign Relations.

EC–348. A letter from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–349. A letter dated December 23, 1976, from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, the international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–350. A letter from the Acting Director of the United States Information Agency transmitting, pursuant to law, a report on the Disposal of Foreign Excess Property during Fiscal Year 1976 (with an accompanying report); to the Committee on Government Operations.

EC–351. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, the annual report of the Department of Defense relative to disposition of foreign excess personal property in areas outside of the United States, Puerto Rico, American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Virgin Islands (with an accompanying report); to the Committee on Government Operations.

EC–352. A letter from the Chairman of the Federal Power Commission transmitting, pursuant to law, notice of the Commission's intention to adopt new or intended uses of information in certain of its existing records systems, in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC–353. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Clemency Program of 1974" (with an accompanying report); to the Committee on Government Operations.

EC–354. A letter from the Comptroller General of the United Sattes transmitting, pursuant to law, a report entitled "Problems in Supporting Weapons Systems Produced by Other Countries" (with an accompanying report); to the Committee on Government Operations.

EC–355. A letter from the Attorney General of the United States transmitting, pursuant to law, two copies of reports of the Department of Justice on systems of records, in accordance with the Privacy Act (with accompanying reports); to the Committee on Government Operations.

EC–356. A report from the Assistant Director for General Services of the U.S. Environmental Protection Agency transmitting, pursuant to law, the anual report on the disposal of foreign excess property; to the Committee on Government Operations.

EC–357. A letter from the Chairman of the National Center for Productivity and Quality of Working Life transmitting, pursuant to law, the annual report of the National Center for Productivity and Quality of Working Life (with an accompanying report); to the Committee on Government Operations.

EC–358. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report covering personal property donated to public health and educational institutions and civil defense organizations (with an accompanying report); to the Committee on Government Operations.

EC–359. A letter from the Secretary of the Interior and the Secretary of Agriculture transmitting, pursuant to law, copies of the second bi-annual report on the Administration of the Wild Free-roaming Horse and Burro Act (with accompanying reports); to the Committee on Interior and Insular Affairs.

EC–360. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on changes in the refiner distribution and market shares of the statutory categories of refined petroleum products (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–361. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on changes in market shares of the statutory categories of retail gasoline marketers for the month of August 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–362. A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a copy of a proposed contract with the University of Minnesota for a research project (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–363. A letter from the Chairman of the Foreign Claims Settlement Commission transmitting, pursuant to law, the final report of the Micronesian Claims Commission (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–364. A letter from the Chief Commissioner of the United States Court of Claims transmitting, pursuant to law, a report con-

cerning the allowance of attorney expense claims in proceedings conducted pursuant to the Alaska Native Claims Settlement Act (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–365. A letter from the Clerk of the United States Court of Claims transmitting, pursuant to law, copies of all the judgments rendered by the United States Court of Claims for the year ended September 30, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–366. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of eight orders in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC–367. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 901 cases in which authority was exercised in behalf of certain aliens (with accompanying papers); to the Committee on the Judiciary.

EC–368. A letter from the Chairperson of the National Advisory Council on Services and Facilities for the Developmentally Disabled transmitting, pursuant to law, a report on the evaluation of the efficiency of the administration of the Council (with an accompanying report); to the Committee on Labor and Public Welfare.

EC–369. A letter from the Acting Director of the Office of Regulatory Review of the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register on the National Diffusion Network (with an accompanying report); to the Committee on Labor and Public Welfare.

EC–370. A letter from the Acting Director of the Office of Regulatory Review of the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of regulations sent to the Federal Register on the Final Teacher Corps Funding Criteria (with an accompanying report); to the Committee on Labor and Public Welfare.

EC–371. A letter from the Director of the United States Arms Control and Disarmament Agency transmitting, pursuant to law, the Annual Report for the Calendar Year 1976 on the fourteen scientific or professional positions authorized for establishment in the United States Arms Control and Disarmament Agency (with an accompanying report); to the Committee on Post Office and Civil Service.

EC–372. A letter from the Administrator of the United States Environmental Protection Agency transmitting, pursuant to law, the third of a series of annual reports covering measures taken to implement the objectives of the Federal Water Pollution Control Act; to the Committee on Public Works.

EC–373. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus proposing a succeeding lease for space presently occupied at 2000 M Street, N.W., Washington, D.C. (with an accompanying report); to the Committee on Public Works.

EC–374. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Washington, D.C., Lafayette Building (with an accompanying report); to the Committee on Public Works.

EC–375. A letter from the Administrator of the United States Small Business Administration transmitting proposed legislation which would amend the Small Business Act to increase the authorization for certain small business loan programs (with accompanying papers); to the Select Committee on Small Business.

EC–376. A letter from the Administrator of the United States Small Business Administration transmitting proposed legislation to amend the Small Business Investment Act of 1958 to increase the authorization for the Surety Bond Guarantee Fund (with accompanying papers); to the Select Committee on Small Business.

EC–377. A letter from the Chairman for the Federal Election Commission transmitting, pursuant to law, a set of separate proposed regulations which comprehensively treat the Federal Election Campaign Act of 1971 (with accompanying papers); to the Committee on Rules and Administration.

EC–378. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Returning the Mentally Disabled to the Community: Government Needs to do More" (with an accompanying report); to the Committee on Government Operations.

EC–379. A letter from the Chairman of the Board of Directors for the Future Farmers of America transmitting, pursuant to law, a report of the Audit of the Accounts of the Future Farmers of America for the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. THURMOND:

S. 189. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Finance.

By Mr. BURDICK:

S. 190. A bill for the relief of Dennis M. Viacrucis.

S. 191. A bill for the relief of Romeo V. Kabatay, Esperanza Tinio Kabatay, Rhodora Kabatay, Ronaldo Kabatay, and Erlinda Hernandex.

S. 192. A bill for the relief of Oscar Fadul, Fe G. Fadul, and Katherine G. Fadul.

S. 193. A bill for the relief of Asho Raine.

S. 194. A bill for the relief of Monchito C. Entena, Antonia V. Entena, Robert Entena, Cathleah Entena, Arvin Entena, and Eliza R. Ayala.

S. 195. A bill to amend title 28, United States Code, to provide that Bottineau, McHenry, Pierce, Sheridan, and Wells Counties, North Dakota, shall be included in the Northwestern Division of the Judicial District of North Dakota; to the Committee on the Judiciary.

S. 196. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Finance.

By Mr. GRIFFIN:

S. 197. A bill to encourage the implementation of certain State and local programs to conserve natural gas; to the Committee on Commerce.

S. 198. A bill to amend the Internal Revenue Code of 1954 to allow a credit for expenditures for insulation of a taxpayer's own residence; to the Committee on Finance.

S. 199. A bill to stimulate increased conservation of energy resources by encouraging the implementation of certain State and local programs to conserve natural gas and by amending the Internal Revenue Code of 1954 to allow a credit for expenditures for insulation of a taxpayer's own residence; jointly to the Committees on Commerce and Finance, by unanimous consent.

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 200. A bill for the relief of Bharat M. Parekh; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 201. A bill to amend title 39 of the United States Code to establish an arbitration board to settle disputes between certain organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. BELLMON (for Mr. BARTLETT):

S. 202. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BELLMON (for himself and Mr. DOMENICI):

S. 203. A bill to amend and extend the Agricultural Act of 1970; to the Committee on Agriculture and Forestry.

By Mr. HART (for himself and Mr. JAVITS):

S. 204. A bill to establish the Federal Sentencing Commission; and for other purposes; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 205. A bill to amend title 18, United States Code, relating to criminal offenses committed by terrorists; to the Committee on the Judiciary.

S. 206. A bill requiring the President to suspend economic assistance, military assistance, Government and commercial sales of arms, Export-Import Bank loans, and the generalized system of preferences to any country that willfully aids or abets terrorism.

By Mr. BELLMON (for Mr. BARTLETT):

S. 207. A bill to amend the Rural Electrification Act of 1936, as amended, to provide authority for the Administrator of the Rural Electrification Administration to guarantee loans for the furnishing of electric energy for certain municipal electric systems; to the Committee on Agriculture and Forestry.

By Mr. WILLIAMS (for himself and Mr. KENNEDY):

S. 208. A bill to amend the Urban Mass Transportation Act of 1964 to extend the authorization for assistance under such Act, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 189. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Finance.

Mr. THURMOND. Mr. President, I am introducing today a bill which would remove from title II of the Social Security Act the limitation upon the amount of outside income which an individual may earn while receiving social security benefits.

Under the present law, social security recipients under the age of 72 who earn in excess of $3,000 per year have the benefits reduced $1 for every $2 earned over the minimum, except those months in which they earn under $250. This is the so-called earnings test.

Mr. President, there is no question as to the impact of this limitation. Many older persons are pressured into not working for fear of losing their benefits. As a result, an untold amount of valuable skills acquired through many years of hard, honest work are totally lost to our country.

Such a limitation is in direct contradiction of a fact widely accepted by the Federal Government, gerontologists, and others concerned with the health of the elderly. That fact is that the hiring and retention of older workers in all aspects of the economy is very "good medicine" for the elderly. It should be encouraged in every way possible, and removing this limitation is one way to accomplish this objective.

Mr. President, in my opinion, this aspect of the social security program is extremely inequitable. Investment income is not recognized when determining whether an individual's social security shall be reduced. This allows a wealthy man who received thousands of dollars a year in interest income to collect his full social security benefits. However, an average man who never had the time, much less the money, to enter the world of investments, and who might need to continue working in order to insure the economic survival of himself and his family, cannot work without being subject to this penalty. This is simply not right.

It is said that removal of the earnings limitation will be too costly. In my opinion, this begs the question. The people who receive social security are the same citizens who have worked hard all their lives for their salaries. They have not been on the welfare rolls. These people are the backbone of America—they are the men and women who believe in America and have quietly and loyally contributed their fair share to the social security program all their lives. To deny them the fruits of their labors now, when they need it most, is not only illogical, but unjust.

Mr. President, let us remove this obstacle which stands in the way of thousands of our senior citizens who want to work. Work produces income and income produces tax revenue. Work contributes to the good health of our senior citizens who have many valuable skills to contribute to this country. Removal of the earnings limitation is an equitable and reasonable step.

Mr. President, I urge my colleagues to carefully consider this measure, and to join me in this effort to bring meaningful reform to the social security system. Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b), (d), (f), (h), (j), and (k) of section 203 of the Social Security Act are repealed.

SEC. 2. (a) Subsection (c) of section 203 of the Social Security Act is redesignated as subsection (b); and such subsection as so redesignated is amended—

(1) by striking out "Noncovered Work Outside the United States or" in the heading;

(2) by striking out paragraph (1);

(3) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively;

(4) by striking out "For purposes of paragraphs (2), (3), (4)" and inserting in lieu thereof "For purposes of paragraphs (1), (2), and (3)"; and

(5) by striking out the last sentence.

(b) Subsection (e) of such section 203 is redesignated as subsection (c); and such subsection as so redesignated is amended by striking out "subsections (c) and (d)" and inserting in lieu thereof "subsection (b)".

(c) Subsection (g) of such section 203 is redesignated as subsection (d); and such subsection as so redesignated is amended by striking out "subsection (c)" each place it appears and inserting in lieu thereof "subsection (b)".

(d) Subsection (i) of such section 203 is redesignated as subsection (e); and such subsection as so redesignated is amended by striking out "subsection (b), (c), (g), or (h)" and inserting in lieu thereof "subsection (b) or (d)".

(e) Subsection (1) of such section 203 is redesignated as subsection (f); and such subsection as so redesignated is amended by striking out "subsection (g) or (h)(1)(A)" and inserting in lieu thereof "subsection (d)".

SEC. 3. (a) Section 202 (n)(1) of the Social Security Act is amended by striking out "Section 203(b), (c), and (d)" and inserting in lieu thereof "Section 203(b)".

(b)(1) Section 202 (q)(5)(B) of such Act is amended by striking out "section 203(c)(2)" and inserting in lieu thereof "section 203(b)(1)".

(2) Section 202(q)(7)(A) of such Act is amended by striking out "deductions under section 203(b), 203(c)(1), 203(d)(1), or 222(b)" and inserting in lieu thereof "deductions on account of work under section 203 or deductions under section 222(b)".

(c)(1) Section 202(s)(1) of such Act is amended by striking out "paragraphs (2), (3), and (4) of section 203(c)" and inserting in lieu thereof "paragraphs (1), (2), and (3) of section 203(b)".

(2) Section 202(s)(3) of such Act is amended by striking out "the last sentence of subsection (c) of section 203, subsection (f)(1)(C) of section 203,".

(d) Section 202(t)(7) of such Act is amended by striking out "Subsections (b), (c), and (d)" and inserting in lieu thereof "Subsection (b)".

(e) Section 208(a)(3) of such Act is amended by striking out "under section 203(f) of this title for purposes of deductions from benefits" and inserting in lieu thereof "under section 203 for purposes of deductions from benefits on account of work."

(f) Section 215 (g) of such Act is amended by striking out "and deductions under section 203 (b)".

(g) Section 3(e) of the Railroad Retirement Act of 1937 is amended by striking out "under subsections (g) and (h)(2) of section 203 of the Social Security Act" and inserting in lieu thereof "under subsection (d) of section 203 of the Social Security Act".

(h) Section 5(1)(1) of the Railroad Retirement Act of 1937 is amended by inserting "or" after the semicolon at the end of clause (i), by striking out clause (ii), and by redesignating clause (iii) as clause (ii).

SEC. 4. The amendments made by this Act shall be effective with respect to taxable years ending on or after December 31, 1974.

By Mr. BURDICK:

S. 196. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Finance.

Mr. BURDICK. Mr. President, today I am pleased to introduce a bill to amend the Internal Revenue Code. This act would exempt certain agricultural aircraft from the aircraft use tax and provide for the refund of the gasoline tax to the agricultural operator.

I firmly believe that these taxes are unfairly imposed upon the crop sprayers and other agricultural aviators. As my colleagues know, taxes are imposed under the Airport and Airways Development Act of 1970 upon the gross weight of aircraft and upon aviation fuel. The revenues raised go into a trust fund, with a current surplus totaling over $2 billion to be used for construction and improvement of our Federal airport system.

The agricultural aviation industry is paying this tax on aircraft used solely for agricultural purposes. Yet, most agricultural aircraft operators own and maintain private air strips from which their business is conducted. In fact, the "Measures of Use" study, published in April of 1973 by the Federal Aviation Administration, indicated that agricultural aircraft accounted for less than one-half of 1 percent of the use of the Federal system, while the revenues raised by this tax on agricultural operators constitute roughly 4 percent of the total taxes paid by all general aviation. This, Mr. President, is inequitable.

Mr. President, the other component of this amendment is a provision to exempt from taxation gasoline used by agricultural aircraft. Federal taxes paid by farmers are a refundable item when used for machinery on the fields. Gasoline used to propel a tractor across a field is not subject to Federal taxation; why would the gasoline which the same farmer uses to spray the very same field be subjected to Federal taxation? Tax equity, Mr. President, demands a change.

As my colleagues know, the ideas incorporated in my amendment are not new. The substance of this amendment was introduced in the 93d Congress as S. 2567 and in the 94th Congress a similar amendment is contained in S. 1403 which was referred to the Finance Committee in April of 1975. In 1976, I introduced the bill as an amendment to the Tax Reform Act, H.R. 10612. During the floor discussion of that amendment in 1976, my esteemed colleague Senator LONG, chairman of the Finance Committee, stated that he found the bill meritorious and believed the Senate would agree to it after it had been studied.

It is also noteworthy that the substance of this bill has been introduced in the House in several different bills: H.R. 6223 by Mr. BOWEN of Mississippi, H.R. 8098 by Messrs. BOWEN of Mississippi and SISK of California, H.R. 8925 by Mr. MONTGOMERY of Mississippi, H.R.

9335 by Mr. MATHIS of Georgia, and H.R. 11033 by Mr. GOLDWATER of California. Today, Mr. President, it is time for the Senate to act on this matter.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 196

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. . EXEMPTION OF CERTAIN AGRICULTURAL AIRCRAFT FROM AIRCRAFT USE TAX.

(a) IN GENERAL.—Section 4493 (relating to special rules relating to tax on use of civil aircraft) is amended by adding at the end thereof the following new subsection:

"(c) EXEMPTION OF AIRCRAFT USED IN AGRICULTURAL OPERATIONS.—No tax shall be imposed by section 4491 on the use of any aircraft by a person who holds a certificate as an agricultural aircraft operator under part 137 of title 14 of the Code of Federal Regulations, if such aircraft is equipped for agricultural operation as provided in such part 137 and if such person uses it primarily for such agricultural operation.".

SEC. 2. Section 6420(c)(3) of the Internal Revenue Code of 1954 (defining farming purposes) is amended by adding at the end thereof the following new sentence: "For purposes of this subsection 6427(c), if the use of any liquid as a fuel on a farm for farming purposes is in an aircraft and by an aerial applicator who was the actual ultimate purchaser thereof."

SEC. 3. The amendments made by this Act shall take effect as of July 1, 1977.

By Mr. BELLMON (for Mr. BARTLETT):

S. 202. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BARTLETT), I introduce a bill and I ask unanimous consent that the bill and a statement by Senator BARTLETT be printed in the RECORD.

There being no objection, the bill and statement were ordered to be printed in the RECORD, as follows:

S. 202

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be hereafter in the Department of the Interior, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of the Interior for Indian Affairs who shall be appointed by the President by and with advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe with respect to the conduct of Indian Affairs and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior.

SEC. 2. Section 5315, title 5, United States Code, is amended by striking the figure "(6)" at the end of item (18) and by inserting in lieu thereof the figure "(7)".

SEC. 3. (a) The following provisions are repealed effective when an Assistant Secretary for Indian Affairs has been confirmed and takes the oath of office:

(1) paragraph (45) of section 5316 of title 5 of the United States Code;

(2) Section 462, Revised Statutes, as amended and supplemented (25 U.S.C. 1); and

(3) the Act of June 5, 1942 (56 Stat. 312) as amended (25 U.S.C. 2a).

(b) The Act of August 8, 1946 (60 Stat. 939; 25 U.S.C. 1a), is amended to read as follows: "The Secretary of the Interior is authorized to delegate any of his functions, powers, and duties with respect to the conduct of Indian Affairs to the Assistant Secretary of the Interior for Indian Affairs and such other officers and employees of the Department of the Interior as the Secretary may designate. The Secretary may amend and revoke such delegations and may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable. The Secretary may also make such rules and regulations as may be necessary to carry out his functions, powers, and duties with respect to the conduct of Indian Affairs.".

(c) All rules, regulations, orders, authorizations, delegations duly issued, made, or taken either by the Secretary of the Interior relating to the Commissioner of Indian Affairs or by the Commissioner of Indian Affairs prior to the effective date of the repeals in subsection (a) of this section shall continue in full force and effect until modified or rescinded by the Secretary of the Interior or his designees and all references therein to the Commissioner of Indian Affairs shall be deemed to be to the Assistant Secretary of the Interior for Indian Affairs.

STATEMENT BY SENATOR BARTLETT

Since the 91st Congress, the Administration has submitted legislative proposals to the Congress for the purpose of establishing an Assistant Secretary of the Interior for Indian Affairs, and both the House and Senate Interior and Insular Committees have acted on the legislation each Congress since then. Yet, the proposals, for various reasons unrelated to the merits of the legislation, have failed to become law. The Senate, in the closing hours of the 94th Congress, passed the bill for the second time. However, the House did not take action and the proposal died for a third time.

This legislation is designed to correct an inequitable situation that existed in the Department of the Interior involving the various bureaus under its jurisdiction. Until recently the BIA was on a lower administrative level than the six major land and natural resources offices within the Department of the Interior which are headed by Assistant Secretaries. Being on this lower level relegated the Commissioner of Indian Affairs to report to the Secretary through an assistant secretary such as the Assistant Secretary for Public Land Management. Because of this lower Administrative position, Indian matters had to compete with land and natural resources on a day-to-day basis and for the attention of the Secretary. Two major detrimental effects on Indian Affairs have resulted from this situation: an aggravation of the inherent conflicts of interest which exist in the federal administration of Indian Affairs and the visibility and importance of the direct human concerns of Native Americans being placed at a lower level than land, water, natural resources, and power concerns.

Recent Departmental administrative action has resulted in the status of the Bureau of Indian Affairs being raised to a level commensurate with the six major offices in the Department, thus allowing the Commission to report directly to the Secretary on the same basis as the six assistant secretaries.

Although the above arrangement would seem to have remedied the situation, I am of the opinion that the Congress should support the Department's actions by enacting legislation that would give the Indian Affairs Commissioner status in title as well as raise Indian Affairs in the Department to its proper level.

I am today introducing legislation to create a new Assistant Secretary of the Interior for Indian Affairs to report directly to the Secretary and abolish the existing position of Commissioner of Indian Affairs. With the thorough hearing record that has been compiled from past hearings on this subject, I would hope the bill could receive expeditious consideration by the Interior and Insular Committee and be quickly acted on by the full Senate.

By Mr. BELLMON (for himself and Mr. DOMENICI):

S. 203. A bill to amend and extend the Agricultural Act of 1970; to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, one of the most important responsibilities facing this Congress is the enactment of a new farm bill. The present legislation expires at the end of the 1977 crop year. Also, many agriculturally related programs need to be amended and updated. The constraints of the Budget Act make it essential that this legislation which authorizes the spending of a considerable sum of money be enacted without delay.

Mr. President, enactment of a workable farm bill is of immense importance to American consumers. It is sometimes not realized by those outside agriculture how absolutely dependent this Nation's food supply is upon an agriculture industry that is economically healthy. Producers of farm commodities must receive an income sufficient to allow them to purchase the fertilizer, fuel, repairs, and equipment which is necessary, and to pay interest and taxes. Unless they do, producing food in anything like the quantities now demanded by our 215 million people becomes an impossibility. The same is true of the foreign customers who increasingly look to this country for their food supply.

The bill I am introducing today is not simply a bill for the benefit of farmers. This legislation, if enacted by Congress, will be a bill primarily aimed at insuring a continuous abundance of food for Americans and our customers abroad.

There are many problems in the agriculture industry which this bill is intended to help solve. Perhaps the most important is the impossibility for a single producer or even for a group of producers acting in concert to balance farm production with either national or international demand. The vagaries of weather, plant disease, insect infestation, and other production risks make it absolutely impossible for producers of agricultural commodities to know in advance the size of the season's harvest.

In addition, political, climatic, economic, and social conditions here and in other countries have a direct impact

upon the level of demand for American farm products.

For these reasons, it is essential that Congress, in writing a new farm bill, undertake to devise a means of buffering America's food producers against the sharp variations in both production and demand.

With the world population and food demand growing steadily, it is absolutely certain that today's burdensome surpluses will be tomorrow's blessings. It is also certain, Mr. President, that today's excess food-producing capability will be tomorrow's insurance against widespread hunger.

Congress must act to make certain that our food-producing capability is kept in a high state of excellence. Further, we must act to insure that new technology, which will increase our food producing capability is developed ahead of increases in food demand.

Specifically, this legislation provides these changes in the present farm program:

First, commodity loan level rates are increased to more realistic levels;

Second, target prices are adjusted to levels close to current costs of production;

Third, the maturity of commodity loans is extended from 1 to 5 years;

Fourth, provision is made for construction of badly needed on-farm grain storage;

Fifth, restraints are provided that will insure our foreign customers against an unnecessary interruption in their food supply as occurred during the recent grain export embargoes;

Sixth, authorization is granted to the Secretary of Agriculture to establish a reserve of fortified preprocessed food supplements to be used in dealing with emergency conditions; and

Seventh, foreign countries which wish to purchase and store grain in this country to meet their future needs are encouraged to do so.

Mr. President, in general, the experience with the present target price approach has been good. The target price approach allows the market price of grain to move freely so that American farm commodities are competitive on the world market. This movement protects American producers against the conditions which developed under the high support price programs of the past years when we were consistently undersold by our competitors abroad. Also, the target price approach prevents the acquisition by the Commodity Credit Corporation of large quantities of commodities which can later be used to depress market prices.

American farm producers need both the cash flow to pay production costs and the 5-year market term which this bill provides. It is anticipated that during a 5-year period, export demand for any given commodity will strengthen due to increased foreign purchases. It is only during these times that American farm producers—who can produce quantities far in excess of domestic needs—can expect to receive profitable levels of income from sale of their products.

Mr. President, the heavy dependence of the United States upon foreign exchange earned through the export of farm commodities is well known. The ability of American agricultural producers to continue to supply the immense quantities of commodities required for this commerce and to meet our domestic needs is absolutely essential to our national welfare.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 203

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO THE AGRICULTURAL ACT OF 1970

SEC. 3. The Agricultural Act of 1970 is amended as follows:

PAYMENT LIMITATIONS

(1) Section 101(1), as amended by paragraph (1) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981"; and by striking out "$20,000" and inserting in lieu thereof "$30,000".

DAIRY PROGRAM

(2) Section 201, as amended by paragraph (2) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(A) striking out "1977" and "1980" in subsection (e) and inserting in lieu thereof "1981" and "1984", respectively; and

(B) adding at the end of such section a new subsection as follows:

"(g) Section 201 of the Agricultural Act of 1949 is amended by adding at the end thereof a new subsection as follows:

"'(d) Notwithstanding the foregoing provisions of this section, effective for the period beginning with the date of enactment of this subsection and ending on March 31, 1981, the support price of milk shall be established at no less than 80 per centum of the parity price therefor, on the date of enactment, and the support price shall be adjusted thereafter by the Secretary at the beginning of each quarter, beginning with the second quarter of the calendar year 1977, to reflect any estimated change during the immediately preceding quarter in the production costs of dairy farmers. Such support prices shall be announced by the Secretary not more than thirty, nor less than twenty, days prior to the beginning of each quarter.'".

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND TO VETERANS' HOSPITALS

(3) Section 203, as amended by paragraph (4) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981".

WOOL PROGRAM

(4) Section 301, as amended by paragraph (7) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" each place it occurs therein and inserting in lieu thereof "1981".

WHEAT PROGRAM

(5) Effective beginning with the 1978 crop of wheat, section 401, as amended by paragraph (8) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981" and section 107 of the Agricultural Act of 1949, as it appears in such section 401, is amended by—

(A) striking out "$1.37 per bushel" in section 107(a) and inserting in lieu thereof "$2.25 per bushel, plus the amount per bushel necessary to cover storage, interest, transportation, and other handling costs";

(B) amending the first sentence of section 107(c) to read as follows: "Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (1) the amount by which the higher of—

"(A) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under subsection (a) for such crop is less than the established price of $3.10 per bushel in the case of the 1978 crop, and $3.10 per bushel in the case of the 1979, 1980, and 1981 crops, adjusted each such year to reflect any changes in the production costs of farmers after the calendar year 1977, times in each case (2) the allotment for the farm for such crop, times (3) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield."; and

(C) amending subsection (c) by adding at the end thereof the following: "Loans made under authority of this subsection shall be made for any period, not exceeding five years, specified by the producer-borrower and shall bear interest at a rate not greater than 5 per centum per annum. The Secretary shall pay an amount equal to 50 per centum of the storage costs incurred by the producer for the storage of wheat under the price support program provided for in this subsection.".

TERMINATION OF WHEAT CERTIFICATE PROGRAM, FARM ACREAGE ALLOTMENTS

(6)(A) Section 402, as amended by paragraph (9) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" each time it appears in such section and in the amendments made to section 379b of the Agricultural Adjustment Act of 1938, other than in the third sentence of such section 379b(c)(1), and inserting in lieu thereof "1981".

(B) Such section 402 is further amended by inserting after subparagraph (vii) of subsection (b)(B) a new subparagraph as follows:

"'(viii) The fourth sentence is redesignated as subparagraph (J) and the first three sentences are amended to read as follows:

"(A) Whenever the Secretary determines with respect to any crop of wheat that the carryover stocks of wheat will be of such quantity as to seriously depress the price of wheat and will result in a disincentive to produce such commodity, he shall give producers the option of either (i) setting aside and devoting to approved conservation uses an acreage of cropland equal to such percentage of the wheat allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary, the acreage of cropland on the farm devoted in the preceding years to soil conserving uses, as determined by the Secretary, or (ii) planting for harvest the full wheat acreage allotment for the farm subject to an agreement with the Secretary that a percentage of the wheat crop (based on farm yield) shall be stored on the farm under seal or in a bonded warehouse and be subject to the other provisions of this paragraph. Whenever the Secretary gives producers an option under this subparagraph, then as a condition of eligibility for loans, purchases, and payments author-

ized by section 107(c) of the Agricultural Act of 1949, the producers on the farm must elect to participate under clause (i) or (ii) of this subparagraph and comply with the terms of such election.

"(B) In the case of producers who elect the option under subparagraph (A)(i), the Secretary is authorized to limit the acreage planted to wheat on the farm to a percentage of the farm acreage allotment.

"(C) Notwithstanding any other provision of this Act, the amount of any loan which may be made by the Secretary on any portion of the wheat crop stored pursuant to an election made under subparagraph (A)(ii) shall be $2.25 per bushel, plus the amount per bushel necessary to cover storage, interest, transportation, and other handling costs. Any such loan shall be a nonrecourse loan, shall be for a period of five years, renewable thereafter on an annual basis, and shall bear interest at a rate of 5 per centum per annum.

"(D) The Secretary shall pay an amount equal to 50 per centum of the storage costs incurred by any producer when such costs are incurred by such producer pursuant to an election made by him under subparagraph (A)(ii); and the Secretary is authorized to make such advances to any producer as may be necessary to assist such producer to meet such producer's share of storage cost until such time as the stored commodities are sold by such producer. In any case in which a producer wishes to construct facilities for the storage of any wheat grown on the farm in accordance with an agreement entered into with the Secretary after an election under subparagraph (A)(ii), the Secretary is authorized to guarantee a loan made to the producer by a commercial lending institution for such purpose. Such loans shall be guaranteed with respect to 90 per centum of the total construction cost of any such facility, including plans and site preparation. The term of any such loan shall be any period, not in excess of 10 years, specified by the borrower. The Secretary shall pay any interest on any such loan in excess of 5 per centum per annum. The size of the facility for which a loan may be guaranteed under this subparagraph shall be based upon the amount of space required to store the average quantity of wheat produced by the borrower during the two preceding crop years. The loan guaranty program provided for herein shall be administered by the Secretary through the facilities of the Commodity Credit Corporation.

"(E) Wheat stored under an election made pursuant to subparagraph (A)(ii) may be rotated by the producer to avoid spoilage and deterioration under such conditions as may be prescribed by the Secretary.

"(F) Such wheat may be removed from storage and sold at any time, at the option of the producer, that the price for wheat attains a price equal to 150 per centum of the loan rate on such wheat. The producer shall repay the Secretary out of the proceeds of any such sale the amount of the loan, interest thereon, and the amount of advances made to the producer to meet storage costs.

"(G) At any time the market price for wheat exceeds the loan level of wheat in storage by more than 200 per centum, the Secretary may require producers to pay the loan on such wheat, including interest, and the amount of any advances made by the Secretary for the payment of storage costs. If the Secretary determines that all such loans should not be called simultaneously, he shall specify which loans are to be called, taking into consideration the length of time any such loan has been outstanding.

"(H) Notwithstanding any other provision of law, whenever the equivalent of three hundred and fifty million bushels of wheat is under storage pursuant to elections made by producers under subparagraph (A)(ii), no prohibition or limitation may be imposed on the export of wheat. The foregoing provision shall not apply in the case of exports of wheat to any foreign country if the President has prohibited the export of all agricultural commodities to such country because of national security or foreign relations reasons.

"(I) Payments provided under section 107(c) of the Agricultural Act of 1949 shall be made available to producers on wheat placed in storage pursuant to an election under subparagraph (A)(ii)."

CERTIFICATE REQUIREMENTS FOR PROCESSORS AND EXPORTERS

(7) Section 403(b), as amended by paragraph (10) of the first sentence of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "June 30, 1978" and inserting in lieu thereof "June 30, 1982".

SUSPENSION OF WHEAT MARKETING QUOTAS

(8) Section 404, as amended by paragraph (1) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" wherever it appears therein and inserting "1981".

STATE AGENCY ALLOTMENTS, YIELD CALCULATION

(9) Section 405, as amended by paragraph (12) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" each time it appears therein and inserting in lieu thereof "1981".

SUSPENSION OF QUOTA PROVISIONS

(10) Section 406, as amended by paragraph (13) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981".

APPLICATION OF THE AGRICULTURAL ACT OF 1949

(11) Section 408, as amended by paragraph (15) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981".

COMMODITY CREDIT CORPORATION SALES AND PRICE RESTRICTIONS

(12) Section 409, as amended by paragraph (16) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981".

SET ASIDE ON SUMMER FALLOW FARMS

(13) Section 410 as amended by paragraph (17) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" and inserting in lieu thereof "1981".

FEED GRAIN PROGRAM

(14) Effective only with respect to the 1978 through 1981 crops of feed grains, section 501, as amended by paragraph (18) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(A) striking out "1977" in the language preceding the first colon and inserting in lieu thereof "1981";

(B) striking out "$1.10 per bushel" in section 105(a)(1) of the Agricultural Act of 1949 (as it appears in such section 501) and inserting in lieu thereof "$1.87 per bushel, plus the amount per bushel necessary to cover storage, interest, transportation, and other handling costs";

(C) striking out the second sentence of section 105(b)(1) of the Agricultural Act of 1949 (as it appears in such section 501) and inserting in lieu thereof the following: "The payment rate for corn shall be the amount by which the higher of—

"(A) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under subsection (a) for such crop

is less than the established price of $2.25 per bushel in the case of the 1978 crop, and $2.25 per bushel in the case of the 1979, 1980, and 1981 crops, adjusted each such year to reflect any changes in the production costs of farmers after the calendar year 1977.";

(D) by adding at the end of section 105(b)(1) of the Agricultural Act of 1949 (as it appears in such section 501) the following: "Loans made under authority of this subsection shall be made for any period, not exceeding five years, specified by the producer-borrower and shall bear interest at a rate not greater than 5 per centum per annum. The Secretary shall pay an amount equal to 50 per centum of the storage costs incurred by the producer for the storage of feed grains under the price support program provided for under this subsection.";

(E) striking out "1977" in the fifth sentence of section 105(c)(1) of the Agricultural Act of 1949 (as such section appears in such section 501); redesignating the fourth and fifth sentences of such section 105(c)(1) as subparagraph (J); redesignating the sixth sentence of such section 105(c)(1) as subparagraph (K); and striking out the first three sentences and inserting in lieu thereof the following:

"(A) Whenever the Secretary determines with respect to any crop of feed grains that the carryover stocks of feed grains will be of such a quantity as to seriously depress the price of feed grains and will result in a disincentive to produce such commodities, he shall give producers the option of either (i) setting aside and devoting to approved conservation uses an acreage of cropland equal to such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary, the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary, or (ii) planting for harvest the full feed grain acreage allotment for the farm subject to an agreement with the Secretary that a percentage of the feed grain crop (based on farm yield) shall be stored on the farm under seal or in a bonded warehouse and be subject to the other provisions of this paragraph. Whenever the Secretary gives producers an option under this subparagraph, then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and if designated by the Secretary, barley, respectively, the producers on the farm must elect to participate under clause (i) or (ii) of this subparagraph and comply with the terms of such election.

"(B) In the case of producers who elect the option under subparagraph (A)(i), the Secretary is authorized to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.

"(C) Notwithstanding any other provision of this Act, the amount of any loan which may be made by the Secretary on any portion of the feed grain crop stored pursuant to an election made under subparagraph (A)(ii) shall be $1.87 a bushel for corn (and the equivalent thereof in the case of other feed grains), plus the amount per bushel necessary to cover storage, interest, transportation, and other handling costs. Any such loan shall be a nonrecourse loan, shall be for a period of five years, renewable thereafter on an annual basis, and shall bear interest at a rate of 5 per centum per annum.

"(D) The Secretary shall pay an amount equal to 50 per centum of the storage costs incurred by any producer when such costs are incurred by such producer pursuant to an election made by him under subparagraph

(A)(ii); and the Secretary is authorized to make such advances to any producer as may be necessary to assist such producer to meet such producer's share of storage cost until such time as the stored commodities are sold by such producer. In any case in which a producer wishes to construct facilities for the storage of feed grains on the farm in accordance with an agreement entered into with the Secretary after an election under subparagraph (A)(ii), the Secretary is authorized to guarantee a loan made to the producer by a commercial lending institution for such purpose. Such loans shall be guaranteed with respect to 90 per centum of the total construction cost of any such facility, including plans and site preparation. The term of any such loan shall be any period, not in excess of 10 years, specified by the borrower. The Secretary shall pay any interest on any such loan in excess of 5 per centum per annum. The size of the facility for which a loan may be guaranteed under this subparagraph shall be based upon the amount of space required to store the average quantity of the feed grain concerned produced by the borrower during the two preceding crop years. The loan guaranty program provided for herein shall be administered by the Secretary through the facilities of the Commodity Credit Corporation.

"(E) Feed grains stored under an election made pursuant to subparagraph (A)(ii) may be rotated by the producer to avoid spoilage and deterioration under such conditions as may be prescribed by the Secretary.

"(F) Such feed grains may be removed from storage and sold at any time, at the option of the producer, that the price for such feed grains attains a price equal to 150 per centum of the loan rate on such grain. The producer shall repay the Secretary out of the proceeds of any such sale the amount of the loan, interest thereon, and the amount of advances made to the producer to meet storage costs.

"(G) At any time the market price for feed grains exceeds the loan level of feed grains in storage by more than 200 per centum, the Secretary may require producers to pay the loan on such grain, including interest, and the amount of any advances made by the Secretary for the payment of storage costs. If the Secretary determines that all such loans should not be called simultaneously, he shall specify which loans are to be called, taking into consideration the length of time any such loan has been outstanding.

"(H) Notwithstanding any other provision of law, whenever the equivalent of five hundred million bushels of any feed grain is under storage pursuant to elections made by producers under subparagraph (A)(ii), no prohibition or limitation may be imposed on the export of such feed grain. The foregoing provision shall not apply in the case of exports of feed grains to any foreign country if the President has prohibited the export of all agricultural commodities to such country because of national security or foreign relations reasons.

"(I) Payments provided under subsection (b) of this section shall be made available to producers on feed grains placed in storage pursuant to an election under subparagraph (A)(ii)," and

(F) striking out "1977" in the third sentence of section 105 (c) (3) of the Agricultural Act of 1949 (as it appears in such section 501) and inserting in lieu thereof "1981".

COTTON PROGRAM

Suspension of Marketing Quotas for Cotton, Minimum Base Acreage Allotments

(15) Section 601, as amended by paragraph (19) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(A) striking out "1977" wherever it appears in the amendments made by such section and inserting in lieu thereof "1981"; and

(B) striking out "1976" in the first sentence of section 342a of the Agricultural Adjustment Act of 1938 (as it appears in such section 601) and inserting in lieu thereof "1980".

COTTON PRODUCTION INCENTIVES

(16) Section 602, as amended by paragraph (20) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by—

(A) striking out "1977" wherever it appears in the amendments made by such section, except in the amendment to section 103 (e) (2) of the Agricultural Act of 1949, as and inserting in lieu thereof "1981";

(B) striking out the first sentence of clause (2) of section 103 (e) of the Agricultural Act of 1949 (as it appears in such section 602) and inserting in lieu thereof the following: "Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which is the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such corp, as determined by the Secretary, or

"(2) the loan level of 38 cents per pound for upland cotton, plus the amount per pound necessary to cover storage, interest, transportation, and other handling costs

is less than the established price of 48 cents per pound in the case of the 1978 crop, and 48 cents per pound in the case of the 1979, 1980, and 1981 crops, adjusted each such year to reflect any changes in the production costs of farmers after the calendar year 1977."; and

(C) adding at the end of paragraph (2) of section 103 (e) of the Agricultural Act of 1949 (as it appears in such section 602) the following: "Loans made under authority of this subsection shall be made for any period, not exceeding five years, specified by the producer-borrower and shall bear interest at the rate of 5 per centum per annum. The Secretary shall pay an amount equal to 50 per centum of the storage costs incurred by the producer for the storage of cotton under the price support program provided for under this subsection.".

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR COTTON

(17) Section 603, as amended by paragraph (21) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1978" and inserting in lieu thereof "1982".

MISCELLANEOUS COTTON PROVISIONS

(18) Sections 604, 605, 606, 607, and 608, as amended by paragraph (22) of the first section of the Agriculture and Consumer Protection Act of 1973, are each amended by striking out "1977" and inserting in lieu thereof "1981".

SKIPROW PRACTICES

(19) Section 612, as added by paragraph (25) of the first section of the Agriculture and Consumer Protection Act of 1973, is amended by striking out "1977" in the amendment made by such section to section 374 (a) of the Agricultural Adjustment Act of 1938 and inserting in lieu thereof "1981".

PRICE SUPPORT FOR SOYBEANS

SEC. 4. Title I of the Agricultural Act of 1949 is further amended by adding at the end thereof a new section as follows:

"SEC. 108. The Secretary shall make available to producers loans and purchases on the 1978 through 1981 crops of soybeans at such level as reflects the historical average relationship of soybean support levels to corn support levels during the immediately preceding three years.".

FOOD RESERVE

SEC. 5. (a) The Secretary of Agriculture shall establish an emergency human nutrition food reserve (hereinafter in this section referred to as the "reserve") which shall be available to help meet emergency food conditions in any area of the United States or in any foreign country which suffers a severe loss of its food supply as the result of a natural disaster.

(b) The Secretary is authorized to acquire for the reserve any amount of grain not in excess of the equivalent of one hundred million bushels and to process such grain into balanced food supplements.

(c) The Secretary shall provide for the periodic rotation of supplements in the reserve to avoid spoilage and deterioration thereof. Any quality of food supplements removed from the reserve for rotation purposes shall be promptly replaced with an equivalent quantity purchased on the open market.

(d) Except as provided in subsection (c), supplements contained in the reserve may not be sold through normal commercial channels in the United States.

(e) Food grain supplements contained in the reserve shall be in addition to any other reserve stocks of agricultural commodities provided for by law.

FOREIGN PARTICIPATION IN RESERVE PROGRAM

SEC. 6. (a) In order that foreign countries which are traditional buyers of grain from the United States and other foreign countries may insure themselves of a dependable and stable supply of grain, and in order to reduce the cost to producers and consumers in the United States of maintaining reserve supplies of grain, the Secretary of Agriculture is authorized, in accordance with such rules and regulations as he may prescribe, to permit foreign countries to participate in the program providing for the storage of feed grains under section 105(c) of the Agricultural Adjustment Act of 1949, as amended by this Act, and the storage of wheat under section 379b(c) of the Agricultural Adjustment Act of 1938, as amended by this Act. A foreign country may participate in any such program by purchasing the commodity concerned and paying the required storage and other handling costs involved. Any commodities so stored shall not be subject to any embargo placed on the export market by the Secretary. The Secretary shall, in permitting any foreign country to participate in such program, impose such reasonable terms and conditions as he determines necessary to prevent undue disruption of the normal channels of trade in the commodities concerned and to protect producers and consumers in the United States against undue price fluctuations and increases.

(b) The Secretary of Agriculture shall submit a report to the Committee on Agriculture and Forestry of the Senate and to the Committee on Agriculture of the House of Representatives within ninety days after the date of enactment of this Act indicating the action he has taken to implement this section together with any recommendations for additional legislative action necessary to improve the program.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

CROP LOANS FOR WHEAT, FEED GRAINS, AND COTTON EXCLUDED FROM BUDGET TOTALS

SEC. 8. Loans made by the Secretary of Agriculture in carrying out the feed grain

program provided under section 105 of the Agricultural Act of 1949, as amended by the Agriculture and Consumer Protection Act of 1973 and this Act, in carrying out the wheat program provided for in section 107 of the Agricultural Act of 1949, as amended by this Act, and in carrying out the cotton program under section 602 of the Agricultural Act of 1949, as amended by the Agriculture and Consumer Protection Act of 1973 and this Act, and the repayment of such loans, shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

By Mr. HART (for himself and Mr. JAVITS):

S. 204. A bill to establish the Federal Sentencing Commission; and for other purposes; to the Committee on the Judiciary.

FEDERAL SENTENCING STANDARDS

Mr. HART. Mr. President, one problem which plagues the administration of our judicial system is the great disparity of sentences imposed for offenses of similar nature. Sentences in criminal cases vary unpredictably from mild to harsh; no consistent rationale or standards are applied; and public confidence in the impartiality and fairness of Federal criminal justice is undermined.

Studies relating to crime and punishment in America have provided some disheartening statistics. Serious crime in the United States has more than doubled since 1960. The FBI estimates that in 1975 alone serious crime rose by about 10 percent. Apart from the tremendous difficulties in apprehending and convicting criminals, additional problems arise when it comes time to sentence the convicted offender.

For example, the law provides that armed robbery carries with it a fine of not more than $5,000, imprisonment for not more than 20 years, or both. It should be no surprise, then, that sentences imposed throughout the country are so wide ranking in light of the broad discretion sentencing judges are allowed.

All too often, the sentencing judge must compromise conflicting interests having nothing to do with the criminal conduct of the offender awaiting punishment—for example, prison space, budgetary constraints, and evaluations relating to the offender's likelihood of recidivism or need for treatment.

In a 6-month period in 1972, for instance, the average prison term for bank robbery in the southern district of New York was about 6 years, while the average prison term for the same crime in all Federal courts was about 10 years.

Exacerbating this disparity in sentencing is the process of parole. Persons convicted of the same crime may serve vastly different sentences.

To deal with this problem, Senator JAVITS and I now introduce the Federal Sentencing Standards Act of 1977. The bill contains four major elements:

First. It specifies a "just deserts" rationale for sentencing. The severity of a sentence must be commensurate with the seriousness of the offender's crime—rather than being based on his supposed need for treatment or his likelihood of recidivism. Imprisonment, as a severe penalty, would be restricted to serious crimes and would be required for all such offenses. Penalties other than imprisonment would be prescribed for lesser offenses; these would include fines, community service, and evening or weekend confinement.

Second. It limits sentence disparity through the "presumptive sentence". For each gradation in seriousness of criminal behavior, a definite penalty—the presumptive sentence—would be set. Persons convicted of crimes of that degree of seriousness would normally receive the presumptive sentence, unless there were special, carefully defined circumstances of aggravation or mitigation. A previous conviction of a serious offense would automatically be deemed an aggravating circumstance.

Third. The presumptive sentences and the permitted aggravating and mitigating circumstances would be prescribed by a new standard-setting agency, the Federal Sentencing Commission. However, Congress would retain oversight over the Commission's standard-setting actions through a legislative veto. The Commission's standards take effect within a specified number of legislative days after being proposed, unless both Houses of Congress adopted a resolution of disapproval. The Commission would have an initial life of 6 years.

Fourth and finally, indeterminacy of sentence would be phased out, and the prisoner would promptly be informed of the actual length of his stay in prison. On a "just deserts" theory, the length of imprisonment depends on the character of the offense, and the latter is knowable at time of conviction. Prisoners could no longer be kept in suspense for years, waiting for a parole board to make up its mind.

The bill is based on the recommendations of an important recent study of sentencing, "Doing Justice: The Choice of Punishments," by the Committee for the Study of Incarceration, an interdisciplinary group of distinguished scholars under the chairmanship of our former Senate colleague from New York, Charles Goodell. Prof. Andrew von Hirsch of Rutgers University, the staff director of that committee and principal author of its report, "Doing Justice," aided substantially in the drafting of this legislation—as did his Rutgers collegaue, Prof. Richard Singer, who has written extensively on correctional and sentencing law. The bill is also based in part on the report of the 20th Century Fund's Task Force on Criminal Sentencing, "Fair and Certain Punishment," conducted by Prof. Alan Dershowitz of Harvard Law School.

During most of this century, the principal aim of the criminal sentence was thought to be to rehabilitate the offender and restrain him if predictably dangerous. To accomplish this aim, sentencing judges and parole officials were given wide discretion to suit the disposition to the offender's supposed need for treatment and to the risk he posed to society. In a robbery case, for example, a judge has typically been free to impose from as little as a suspended sentence to as much as 10 or 15 years' imprisonment.

This traditional approach has failed. It grossly overestimated our capacity to cure criminality and to predict dangerousness. It has been, simultaneously, too lenient and too severe: allowing many of those convicted of violent crimes to escape with only slight penalties, while imprisoning minor offenders for long periods. Most seriously, it has ignored justice in sentencing: persons whose criminal conduct was equally reprehensible—and who thus merited equal punishment—were regularly given divergent sentences.

This bill takes a wholly different approach: that the sentence should as a matter of justice be based on what the offender did—on the seriousness of his or her offense—rather than on what the sentencer thinks the offender or others will do if he or she is sentenced in a certain fashion. This "just deserts" philosophy used in the bill, is explained more fully in an article by Professor von Hirsch entitled "The Aims of Imprisonment" which appeared in the July-August 1976 issue of Current History magazine, and which summarizes the conclusions of the Incarceration Committee's report, "Doing Justice"; I will later ask that the article be printed in the RECORD.

The basic idea is a simple one, which every punished offender has always known by experience, namely, that criminal punishment is precisely what its name implies: punishment. It is, by its nature, unpleasant and blame-laden. The judge may think he or she is treating or quarantining with no punitive intent, but the sentence nevertheless carries a moral stigma. The severity of the sentence, therefore, should depend on the degree of blameworthiness of the behavior; that is, on the seriousness of the crime. Only grave offenses—acts of violence, for example—merit severe penalties. Nonserious offenses deserve nonsevere punishments. Those committing crimes of equal seriousness should get equal punishments. Sentences that do not comport with the seriousness of the offense are unjust, whatever their imagined rehabilitative or preventive usefulness.

The bill's philosophy leads to a system of more realistic and surer punishments. Imprisonment, as a severe penalty, would be prescribed only for crimes that are serious—that is, crimes involving violence or risk of violence and the more reprehensible white-collar crimes. And even then, time in prison would be measured parsimoniously; we would expect that presumptive sentences of more than 3 years be used sparingly, and the bill imposes a 5-year limit on most presumptive sentences. This 5-year limit would not apply, however, to the most heinous crimes such as murder, manslaughter, or forcible rape—where longer presumptive sentences would be expected.

Under our bill, there would be more certainty that a convicted serious offender will go to prison—and prison time in addition to the presumptive sentence would be given to recidivists convicted of a second or third serious offense. Under today's discretionary sentencing system, an offender convicted of a grave offense such as armed robbery—even if he or she has a record of prior convictions—has a good chance of getting off on probation. Under the bill, with its "just deserts" philosophy, anyone convicted of such a serious crime would have to be incarcerated for a specified period. The convicted armed robber could no longer be put on probation because that seemed "best" for his or her rehabilitation.

Solely for illustrative purposes, it might prove helpful to demonstrate how presumptive sentencing could be practically applied in two cases, armed robbery and petty larceny.

Armed robbery would surely be considered a serious offense, since it entails the threat and risk of substantial harm to those present at the time the crime is committed. Armed robbery, then, might have a presumptive sentence of, say, 3 years' imprisonment. Offenders convicted of armed robbery would normally receive the presumptive sentence of 3 years in prison. However, there might be aggravating circumstances, in which case the sentencing judge could impose a punishment above the presumptive sentence.

For example, the offender might have been the leader in the criminal enterprise or he might have acted in a particularly cruel and inhumane fashion. In such a case, the offender might receive a sentence of 4½ years in prison. If the convicted armed robber has already been convicted of a serious offense, this would be considered as an aggravating circumstance.

There might also be mitigating circumstances, in which case the sentencing judge could impose a sentence below the presumptive sentence. For example, the offender might have played a minor role in the crime or acted under some degree of coercion insufficient to constitute a complete defense but which significantly affected his or her conduct. In such a case, the offender would receive a sentence of less than 3 years in prison, but he would have to serve some time in prison, since he was convicted of a serious offense.

In the case where there are both aggravating and mitigating circumstances, the sentencing judge would have to balance them in determining the appropriate punishment. It is expected that the Federal Sentencing Commission would promulgate guidelines with respect to how this can best be done. The bill does provide that in the case of a repeated offender, however, a sentence more severe than the presumptive sentence must be imposed notwithstanding any mitigating circumstances. In such cases, the Commission would have the power to direct sentencing judges to raise the sentence to a certain level, limiting their discretion in sentencing repeated offenders.

Petty larceny would probably not be considered a serious crime for the purposes of this act. Petty larceny, then, might have a presumptive sentence of making restitution to the victim, a fine, and intermittent confinement on weekends for a period of months. Offenders convicted of petty larceny would normally receive the presumptive sentence; however, there might be aggravating circumstances.

For example, the convicted offender might have a history of prior larcenies which would warrant a more severe sentence. In such a case, the offender might be required to make restitution to the victim, pay a substantial fine, spend specified weekends in jail, and be supervised in the community for 1 year.

There might also be mitigating circumstances. For example, the offender might have been motivated by a desire to provide necessities for his or her family. In such a case, the convicted offender might be required to make restitution to the victim and to spend only several weekends in jail. The offender in such cases might also be required to perform some type of community service.

How helpful will such a system of more realistic but surer punishments be in reducing the crime rate? It is wise to be cautious in what we promise because sentencing reforms in the past have so often been heralded as powerful methods of crime reduction, only to have no impact on crime rates when tried. Sentencing is only a small part of the formal and informal social control mechanisms of a society, and its leverage over crime rates may not be very great. We can, however, say this much:

If sentencing policy can have any impact on crime rates, increasing the certainty that convicted serious offenders go to prison should enhance the deterrent value of the system, as well as incapacitating such offenders for a portion of their potential criminal careers. Given the limited prison resources that are available, moreover, such certainty is more likely to be achieved by shorter sentences than by longer ones.

Even if sentencing reforms are not capable of making much of a dent in crime rates, the bill is still a valuable reform because it would create a fairer system. Offenders' punishment will more closely approximate what they deserve, and equally blameworthy individuals will receive more nearly similar sentences. In a system now characterized by normlessness and disparity, this greater even-handedness would be no mean achievement.

The "presumptive sentence" device, which the bill uses to insure even-handedness of sentences, was recommended in "Doing Justice," and also in the 20th Century Fund's report, "Fair and Certain Punishment." An offender convicted of any given offense would normally receive the prescribed presumptive sentence. However, if there were special circumstances of mitigation or aggravation, rendering the conduct more or less serious than normally would be the case, a limited downward or upward variation in sentence would be allowed. The presumptive sentence is preferable to the mandatory minimum sentence, because it limits disparity more effectively. The mandatory minimum only sets a floor on the severity of punishment, and thus still would allow wide discrepancies above that floor, in the punishments of equally culpable offenders. The presumptive sentence, by contrast, insures that those convicted of similar crimes get similar punishments, while still allowing flexibility to deal with out-of-the-ordinary cases.

Sentencing standards would be set by a Federal Sentencing Commission, as suggested in "Doing Justice" and in Federal District Judge Marvin Frankel's fine book on the problems of sentence disparity, "Criminal Sentences." The Commission should be capable of devising fair and carefully worded standards, since it will have this task as its sole function and since the bill provides the principles it should follow. Such standards will no doubt be revised with experience, and the Commission will be in an ideal position to do so since it must collect information on district courts' actual experience in applying presumptive sentences.

One of the first-appointed commissioners is required to be a member or former member of the U.S. Parole Commission—and other members could include judges, penologists, and others expert in the sentencing field. Congress will retain a reasonable measure of control, through a provision empowering it to disapprove the Commission's proposed sentencing standards.

Finally, on behalf of Senator JAVITS and myself, I would like to acknowledge our indebtedness to two of our Senate colleagues who have introduced proposed legislation in this area. Senator KENNEDY, in his important bill introduced last session, S. 2699, proposed the creation of a Federal Sentencing Commission. Senator BENTSEN, in his bill, S. 3752, proposed using presumptive sentences spelled out in his bill. Absent a sentencing commission.

Senator JAVITS' and my bill starts with the sentencing commission, but then requires the commission to use presumptive sentences and, most important, specifies the rationale the commission should follow—a just deserts rationale. The specification of a clear sentencing philosophy is crucial: as the New York Times noted in an editorial last year:

> Though clearly constructive, legislation (to authorize sentencing guidelines) would only do half the job. There is wide disagreement in the criminal justice community about whether imprisonment is intended to punish, protect law abiding citizens, rehabilitate criminals or to accomplish a combination of those goals. Any new sentencing program which does not address itself to those uncertainties is apt ultimately to lapse into confusion born of the absence of an intellectual core.

I ask unanimous consent to have printed in the RECORD the text of the bill as well as the text of Professor von Hirsch's article, "The Aims of Imprisonment."

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Sentencing Standards Act of 1977".

FINDINGS; PURPOSE

SEC. 2. (a) The Congress finds that the present system of punishing persons convicted of Federal crimes fails to achieve fairness or consistency, or to protect the public, and that such system—

(1) results in the imposition of penalties that are frequently either unduly lenient or unduly severe;

(2) permits unwarranted, and unreviewable, disparity in sentences;

(3) operates without consistent and understandable rationale or standards; and

(4) undermines public confidence in the equity, impartiality, and effectiveness of Federal criminal justice.

(b) It is the purpose of this Act—

(1) to establish a method of promulgating standards for criminal sentences that will help deter crime and punish convicted criminal offenders fairly and equally;

(2) to establish in such standards the principle that the severity of a sentence should be commensurate with the gravity of the offense;

(3) to reduce the disparity between sentences imposed upon persons convicted of the same crime by requiring that such sentencing standards shall consist of presumptive sentences of varying severity for criminal offenses of varying degrees of gravity, with limited variations allowed for special aggravating and mitigating circumstances; and

(4) to allow each convicted offender sentenced to imprisonment to know at the time that such sentence is imposed the actual duration of his confinement, but also to maintain appropriate incentives for good institutional behavior.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(1) "Parole Commission" means the United States Parole Commission in the Department of Justice established in section 4202 of title 18, United States Code;

(2) "Commission" means the Federal Sentencing Commission established in section 4;

(3) "criminal offense" means a category, or any subcategory thereof, established under section 6, of crimes punishable under any statute of the United States;

(4) "convicted offender" means any person who is convicted of or pleads guilty to a crime punishable under any statute of the United States;

(5) "imprisonment" means the requirement that any convicted offender live in any prison, jail, or other institution of confinement;

(6) "presumptive sentence" means a definite and specific penalty, established by the Commission, as provided in section 6, for a criminal offense of a particular gradation of gravity;

(7) "rule" means any rule, regulation, or schedule proposed or adopted by the Commission;

(8) "sentencing judge" means any judge of the United States, as defined in section 451 of title 28, United States Code, presiding at a trial in which any defendant is convicted of or pleads guilty to any criminal offense for which a presumptive sentence is in effect; and

(9) "sentencing standards" means the schedules, rules, and regulations for sentencing convicted offenders which the Commission establishes in accordance with the provisions of this Act.

FEDERAL SENTENCING COMMISSION

SEC. 4. (a) (1) There is established a commission to be known as the Federal Sentencing Commission. Tht Commission shall be composed of 5 members appointed by the President of the United States, by and with the consent of the Senate.

(2) Members of the Commission shall serve for terms of 5 years, except that of the members first appointed—

(A) one shall be appointed for one year;

(B) one shall be appointed for two years;

(C) one shall be appointed for three years;

(D) one shall be appointed for four years; and

(E) one shall be appointed for five years.

The member appointed under subparagraph (E) shall be or have been a member of the Parole Commission or its predecessor, the United States Board of Parole.

(3) Any person appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed (A) only for the unexpired term of the member he succeeds, and (B) in the same manner as in the case of the original appointment.

(4) Members of the Commission shall receive compensation equivalent to the compensation paid at level IV of the Executive Schedule (5 U.S.C. 5315).

(b) (1) The Commission shall have an Executive Director who shall be appointed by the Commission. The Executive Director shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316).

(2) With the approval of the Commission, the Executive Director may—

(A) appoint and fix the pay of such additional personnel as he deems necessary, and

(B) procure temporary and intermittent services to the same extent as is authorized by section 3109 (b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule (5 U.S.C. 5332).

(3) In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of other agencies and departments of the United States Government. The heads of such agencies and departments may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

(c) The Commission is abolished six years after the date of enactment of this Act unless, prior to that time, the Congress adopts a concurrent resolution disapproving the abolition of the Commission.

DUTIES OF COMMISSION; ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Commission shall—

(1) prescribe rules to carry out the provisions of sections 6, 7, 8, 9, 11, and 12 in accordance with the provisions of subsection (b);

(2) collect from each district court of the United States such detailed information (which each such court shall assist in providing) relating to sentencing practices in each such court as the Commission shall by rule require; and

(3) review the information collected pursuant to paragraph (2) in accordance with the provisions of subsection (c).

(b) (1) Not later than 18 months after the date of enactment of this Act, the Commission shall publish in the Federal Register proposed rules to carry out the provisions of sections 6, 7, 8, 9, 11, and 12. Not earlier than 60 days, but not later than 90 days, after the date of publication of such proposed rules, the Commission shall hold public hearings to afford interested persons a reasonable opportunity to present data, views, or arguments concerning such proposed rules, in an oral presentation, or in writing prior to the hearing. The Commission shall consider fully all submissions respecting such proposed rules, revise such proposed rules on the basis of such submissions to the extent appropriate and consistent with the policy of this Act, and issue a concise statement of the principal reasons for adoption, and the reason for overruling any considerations urged against adoption. All such procedures shall be consistent with the applicable provisions of sections 553(b) and (c) of title 5, United States Code.

(2) The Commission, before adopting any such proposed rule under this section, shall transmit such proposed rule and such statement to the Senate and the House of Representatives.

(3) (A) If the Senate and the House of Representatives do not, through agreement to a concurrent resolution, disapprove the proposed rule within 45 calendar days after receipt thereof, then the Commission may adopt such rule and it shall thereupon become effective. The Commission may not adopt any rule which is disapproved under this subparagraph.

(B) For purposes of this paragraph, the term "calendar days" does not include any calendar day (i) on which both Houses of the Congress are adjourned sine die, or (ii) during a recess by either House of three or more days.

(C) If such proposed rule consists of a schedule of aggravating or mitigating circumstances as provided in section 7, or a schedule of sanctions as provided in section 9(a); any such resolution of disapproval must disapprove such schedule as a whole.

(c) Each year, during the two-year period after the date on which the first rules adopted as provided in subsection (a) become effective, the Commission shall review the information collected as required by subsection (a)(2) and shall reassess such rules accordingly. If the Commission finds, on the basis of such review, that modification of such rules is desirable, the Commission may modify such rules in accordance with the procedures set forth in subsection (b). At the end of such two-year period, the Commission shall conduct such a review at least once every three years, unless the Commission is sooner abolished as provided in section 4. The Commission shall publish the results of all such reviews.

(d) The Commission shall transmit a report to the Congress each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this Act, and any recommendations for legislative or other action by the Congress which the Commission considers appropriate.

PRESUMPTIVE SENTENCES

SEC. 6. (a) The Commission shall establish, in accordance with the provisions in section 5, a schedule—

(1) setting forth gradations of gravity of criminal offenses;

(2) prescribing an appropriate gradation of gravity for each criminal offense;

(3) prescribing a presumptive sentence for each gradation of gravity.

(b) The severity of each presumptive sentence prescribed as provided in subsection

(a) (3) shall be commensurate with the gravity of the criminal offense to which such presumptive sentence is assigned.

(c) (1) For the purpose of subsections (a) and (b), the Commission may establish, solely for purposes of this Act, subcategories of any criminal offense and assign different gradations of gravity to such subcategories, if it finds that such subcategories have distinct degrees of gravity. Whenever the Commission establishes such subcategories, it shall also prescribe the criteria that each sentencing judge must use to determine the applicable subcategory for the criminal conduct engaged in by such convicted offender. For purposes of this Act, such subcategory shall be considered to be the criminal offense of which the criminal offender was convicted.

MITIGATING AND AGGRAVATING CIRCUMSTANCES

SEC. 7. (a) The Commission shall establish, in accordance with the provisions of section 5, a schedule and rules—

(1) prescribing variations from any presumptive sentence established under section 6 on account of mitigating or aggravated circumstances;

(2) specifying which types of circumstances shall qualify as mitigating or aggravating circumstances that justify a variation from such presumptive sentence; and

(3) specifying, with respect to each such type of mitigating or aggravating circumstance, a particular amount or a maximum permitted amount of variation from such presumptive sentence.

(b) If a sentence of imprisonment is prescribed as the presumptive sentence, no variation on account of aggravating circumstances prescribed by the Commission under subsection (a) shall increase the duration of such imprisonment by more than 50 percent.

(c) For the purpose of subsection (a), the Commission—

(1) shall not consider as an aggravating or mitigating circumstance, the anticipated effect on the future behavior of the convicted offender, or of any other person, of imposing a sentence more or less severe than the presumptive sentence; and

(2) may specify as a mitigating or aggravating circumstance, any particular acts or circumstances surrounding the commission of a criminal offense which renders the degree of harm or risk of harm of the criminal conduct, or the degree of culpability of the offender in engaging in such conduct, greater or less than the gradation of gravity prescribed for such criminal offense under section 6.

(d) Notwithstanding the provisions in subsection (c), the Commission shall establish rules, consistent with the provisions of this section, which shall—

(1) prescribe as an aggravating circumstance the fact that a convicted offender has previously been convicted of a serious offense as defined in section 8 (b), and

(2) require the imposition of a sentence more severe than the presumptive sentence in any case in which such aggravating circumstance is present.

SENTENCES OF IMPRISONMENT

SEC. 8. (a) The Commission shall—

(1) prescribe a presumptive sentence of imprisonment under section 6 only for serious criminal offenses; and

(2) prescribe, with respect to serious criminal offenses, no presumptive sentence in excess of five years of actual imprisonment, except as otherwise provided in subsection (c).

(b) A criminal offense is serious for purposes of subsection (a) if, as determined under section 6 (c) (1), it entails a substantial degree of harm or risk thereof and a high degree of culpability on the part of the person who commits such criminal offense. In determining whether the harm or risk thereof is substantial, the Commission shall consider whether the conduct—

(1) involves the infliction, risk, or threat of substantial bodily injury; or

(2) involves the infliction or risk of substantial harm (other than of bodily injury), including but not limited to the substantial abuse of a public office, a public or private trust, or of government processes, or the deprivation of a substantial portion of the livelihood of a victim of such criminal offense.

(c) Subsection (a) (2) shall not apply to the criminal offenses of murder, manslaughter, forcible rape, aircraft hijacking, kidnapping, or treason, or any attempt or aiding or abetting of such offenses.

SENTENCES OTHER THAN IMPRISONMENT

SEC. 9. (a) The Commission shall establish, in accordance with the provisions in section 5—

(1) a schedule of penalties other than imprisonment, to be assigned as presumptive sentences for criminal offenses for which imprisonment may not be prescribed as the presumptive sentence under section 8; and

(2) a schedule specifying the (A) terms and conditions applicable to such penalties, and (B) sanctions which may be applied by any sentencing judge to any convicted offender who violates such terms or conditions.

(b) For the purpose of subsection (a) (1), such penalties may include—

(1) intermittent confinement for days, evenings, or weekends, or portions thereof;

(2) supervision in the community;

(3) a fine or forfeiture;

(4) a curfew or travel restrictions; or

(5) community service.

(c) For the purpose of subsection (a) (2) (A), the terms and conditions of such penalties prescribed by the Commission may include the duration, scheduling, and place of any intermittent confinement; the amount or method of calculating or determining any fine or forfeiture; and the nature, type, and extent of any supervision, curfew, travel restriction, or community service.

(d) For the purpose of subsection (a) (2) (B), no sanction that is imposed on a convicted offender for failing to comply with such terms and conditions may result in the imprisonment of such convicted offender for more than one year.

(e) The Attorney General shall, after consulting with the Commission, establish or designate an office within the Department of Justice that shall be responsible for implementing and carrying out any penalties under this section which are prescribed by the Commission and imposed upon convicted offenders by any sentencing judge.

MAXIMUM SENTENCES

SEC. 10. No presumptive sentence prescribed by the Commission under section 6 for a criminal offense, including any variation thereof on account of aggravating circumstances prescribed by the Commission under section 7, may exceed in severity the maximum punishment for such offense prescribed by any other statute of the United States.

ABOLITION OF PAROLE; EARLY RELEASE FOR GOOD BEHAVIOR

SEC. 11. (a) Whenever the Commission prescribes imprisonment as a penalty under section 6, 7, or 8, the Commission—

(1) shall consider that such penalty refers to the period of time which convicted offenders must actually serve in confinement, except as otherwise provided in subsection (c); and

(2) may by rule prescribe that the release of convicted offenders from imprisonment shall be followed by a period of supervision in the community to aid the transition of such offenders to the community, and prescribe the terms and conditions of such supervision and the sanctions which may be applied to any convicted offender who fails to comply with such terms and conditions, except that—

(A) the duration of any such supervision shall not exceed 10 percent of the convicted offender's sentence of imprisonment; and

(B) no sanction for noncompliance with the terms and conditions of such supervision shall result in the imprisonment of a convicted offender for more than 15 days.

(b) After the date on which the schedule established pursuant to section 6 becomes effective, the Parole Commission shall have no authority under section 4203 of title 18, United States Code, to grant parole to any prisoner except that the Parole Commission shall have the authority—

(1) to grant parole to any otherwise eligible prisoner who was sentenced before that date; and

(2) to administer any supervision in the community authorized by the Commission under subsection (a) (2).

(c) (1) Notwithstanding the provisions of subsection (a), the Commission may establish rules pursuant to which—

(A) each imprisoned offender is entitled to a deduction from the term of his imprisonment if he has not committed a serious disciplinary infraction while imprisoned; or

(B) any imprisoned offender who has committed such a serious disciplinary infraction may be penalized by an addition to the term of his imprisonment.

(2) If the Commission establishes rules as provided in paragraph (1), it shall, after consulting with the Attorney General, the Director of the Bureau of Prisons of the United States Department of Justice, and other appropriate officials, (A) prescribe the procedure for determining whether an imprisoned offender has committed a serious disciplinary infraction, and (B) define what constitutes a serious disciplinary infraction for purposes of this subsection.

(3) No rule established as provided in paragraph (1) shall permit—

(A) any deduction from the term of any convicted offender's imprisonment, pursuant to paragraph (1) (A) in excess of 15 per centum of the duration of such term if such term is three years or less, or 10 per centum of the duration of such term if such term is more than three years; or

(B) any addition to the term of any convicted offender's imprisonment, pursuant to paragraph (1) (B), in excess of 10 per centum of the duration of such term.

(d) Whenever the Commission, in accordance with section 5(c), amends its schedule and rules under section 6 to reduce the severity of any presumptive sentence, or under section 7 in such a manner as could reduce the severity of any penalty imposed thereunder, the Commission may establish rules—

(1) prescribing that any such amendment shall apply retroactively to convicted offenders who were sentenced as provided in this Act prior to the effective date of such amendment and who still are undergoing punishment; or

(2) directing sentencing judges to reduce or terminate the punishment of such convicted offenders, consistently with the Commission's rules under paragraph (1).

DUTIES OF SENTENCING COURTS

SEC. 12. (a) (1) Each sentencing judge shall impose on any convicted offender the presumptive sentence assigned to the criminal offense of which he was convicted, except if a variation from the presumptive sentence is permitted or required by the

Commission's rules under section 7, such judge shall vary such presumptive sentence only as provided in section 7.

(2) If the sentencing judge (A) varies any presumptive sentence, based upon the existence of any aggravating or mitigating circumstance, or (B) refuses, upon request by the defendant or the United States, to vary any presumptive sentence, such judge shall disclose the variation or refusal in open court, and make a statement for the record of the justification therefor, including a description of any such aggravating or mitigating circumstances and all other information, evidence, or other factors considered by the judge, in accordance with the rules which the Commission shall prescribe under this Act.

(b) The Supreme Court of the United States shall have the power, after consulting with the Commission, to prescribe rules of practice and procedure pursuant to section 3772 of title 18, United States Code, with respect to the imposition of sentences under this Act and under the rules of the Commission, except that the Supreme Court may delegate such power to the Commission, subject to such terms and conditions as the Supreme Court may prescribe.

APPELLATE REVIEW

SEC. 13. The convicted offender or the United States may appeal any sentence imposed under section 12 to the appropriate United States court of appeals solely on the ground that—

(1) the sentencing judge imposed such sentence in violation of a rule established by the Commission under this Act or of a provision of this Act; or

(2) any rule established by the Commission and related to such sentence is invalid, because (A) the Commission did not comply with the provisions in section 5 with respect to such rule, or (B) the presumptive sentence, aggravating or mitigating circumstances, or other parts of the sentencing standards adopted by the Commission are arbitrary and capricious.

[From July/August 1976, issue of Current History*]

THE AIMS OF IMPRISONMENT

(By Andrew von Hirsch)

When, and for what purpose, should a convicted offender be imprisoned? Two current developments have made this question acute.

First, we have learned that imprisonment is a far harsher sanction than was once supposed. Prison walls formerly hid life inside from public scrutiny. During the last three decades, however, sociologists have documented prisons' social structure, courts have inquired into institutional conditions, and inmates have made their grievances heard. We know now that living conditions are awful in most institutions—and that the loss of liberty itself is a grievous deprivation.* The former warden William G. Nagel, after conducting a nationwide survey of new prisms, has noted that even in the most "modern" facilities,

[T]he prison experience is corrosive for those who guard and those who are guarded. This reality is not essentially the product of good or bad architecture. It is the inevitable product of a process that holds troubled people together in a closed and limited space, depriving them of their freedom, their families, and their humanity while expecting a relatively few employees to guard, control, punish, and redeem them.

* NOTE.—The citations are omitted in this reprint. They are to be found in the article as it originally appeared in Current History.

Second, we are beginning to question the traditional rationale for imprisoning. The purpose of confinement, it was conventionally supposed, was to rehabilitate the offender and restrain him if he were predictably dangerous. To accomplish these ends, sentencing judges and parole officials were given wide discretion to suit the sentence to the offender's need for treatment and the degree of risk he posed. In a robbery case, for example, a judge has typically been free to impose from as little as a suspended sentence to as much as five or ten years' imprisonment, depending on what he thought would best protect the public or rehabilitate the defendant.

But do judges and parole officials really know what will rehabilitate criminals? It is doubtful that anybody knows. A wide variety of correctional treatment programs have been tried and evaluated, ranging from psychiatric counseling to Skinnerian behavior modification techniques. The results have been largely negative. Not only do the prison-based treatment programs fail, but "community-based" programs outside prison have usually been disappointing.

Can we identify accurately which individuals are dangerous? That is also questionable. When forecasting serious crimes, there is a strong tendency to overpredict: many or most of those identified as potential recidivists will be "false positives"—persons mistakenly predicted to be dangerous.

And what of the fairness of giving sentencing judges and parole officials such broad discretion? Gross disparities in sentences have resulted. Sentencers whose decisions are unchecked by general standards, we have learned, decide similar cases differently.

Such doubts about the traditional ideology have stimulated a search for alternative conceptions. In this article, I shall examine three alternative models that now are attracting penologists' attention: a model that relies on isolating offenders from society; one that is based on general deterrence; and finally, one that employs the moral notion of "just desserts."

THE INCAPACITATION MODEL

Whatever its other drawbacks, imprisonment at least isolates offenders from the community. And while we may not be able to forecast accurately which individual offenders will recidivate, we do know that a substantial number of convicts return to crime. So why not automatically imprison convicted felons for a prescribed time, simply to separate them from society? Why not enact mandatory minimum prison sentences to make sure they are incapacitated, as President Gerald Ford and Senator Edward Kennedy (D., Mass.) have been urging?

The argument in favor of this incapacitative approach was best stated by James Q. Wilson in his recent book, *Thinking About Crime*. Wilson starts with the hypothesis that most serious crimes are committed by repeaters—persons who, because of the many crimes they perpetrate, sooner or later are caught and convicted.

While a few of these persons now serve very long sentences, many others are put on probation and thus can return to crime. Were prison sentences—even those of modest length—invariably imposed in such cases, the incapacitative pay-off would be substantial. Wilson contends that most of those responsible for serious crimes would eventually be taken out of circulation for at least a portion of their criminal careers. The crime of robbery, he suggests, might thus be reduced by 20 percent or more. Nor would one have to try to predict which individuals would offend: the incapacitative payoff comes from the fact that conviction for specified crimes would automatically result in a prison sentence.

Yet this approach has problems. One problem is our limited knowledge of incapacitating effects. Wilson's strategy would succeed only if the "habitual" offenders whom he proposes to isolate are responsible not only for the crimes for which they are convicted, but for the bulk of unsolved crimes as well. Yet we still understand very little about who commits unsolved crimes. It is necessary to assume, also, that if such "habitual" criminals were taken out of circulation, their unlawful activities would not be taken over in large part by newly recruited criminals. Again, we know little about the substitutability of criminal roles.

Cost is another problem. Prisons are expensive to run and still more so to build. In past years, the rate at which persons were sent to prison was relatively stable. If we rely on isolating offenders, however, the prison population would rise sharply—as it already has in many states that are jailing a larger percentage of convicted criminals. This influx of new prisoners could not be accommodated in existing facilities—except with intolerable overcrowding, which several courts are now beginning to prohibit as unconstitutional. An ambitious program of prison construction would have to be undertaken—at enormous expense, since each space for a new inmate costs about $30,000 to $50,000 to build. Given their other fiscal difficulties, few jurisdictions can afford an investment of this magnitude in new prisons.

Fairness is another question. Which offenders should be incapacitated by being sent to prison? To imprison those who perpetrate acts of violence or other grave offenses appeals to our sense of justice, because they seem to deserve it. But what of those who commit crimes that are not so serious, like non-violent thefts of personal belongings? Imprisoning such individuals might be useful as an incapacitant—especially as lesser offenders are apt to have particularly high recidivism rates. But is it just to impose the severe punishment of imprisonment for such lesser crimes?

This problem of fairness is highlighted in mandatory minimum sentence proposals like President Ford's and Senator Kennedy's. If the chief aim is to incapacitate, the mandatory minimum prison sentence seems sensible enough; it ensures that convicted felons will serve no less than a specific time in prison. But if justice is a concern, mandatory minimums still permit judges to incarcerate those convicted of lesser crimes. When limiting discretion to punish leniently, one must simultaneously limit the power to punish harshly.

THE DETERRENCE CALCULUS

Two centuries ago, Jeremy Bentham proposed that sentences be calculated on the basis of their deterrent effect. The idea has recently been revived by University of Chicago economist Gary Becker and others.

General deterrence is the effect of threatened punishment to intimidate people from offending. If A is punished for violating the law, that is a deterrent if it induces him—or induces B, C and D—to comply when they otherwise might not have complied.

According to Bentham and Becker, sentences should be decided by weighing the deterrent returns of the penalty against the "costs" of punishing. Punishment prevents harm by deterring crimes; it also creates harm by making punished offenders suffer—and their pains must be taken into account. The proper sentence, they suggest, is the one that yields the optimum balance of aggregate benefits (crime prevented) over aggregate costs (including the pain inflicted on punished offenders).

The traditional criticism of this approach has been somewhat misdirected. Critics have

challenged the very idea of deterrence arguing that high recidivism rates among convicted offenders show that deterrence "doesn't work." But this argument is fallaicous. Even if a punishment does not alter the behavior of the particular individual penalized, it still works as a general deterrent if the example of his punishment induces others to comply. In the absence of punishment, a much larger number of persons—who now refrain—might have committed crimes.

If one is asking "why should punishment exist at all?", deterrence is a useful notion. As the Norwegian criminologist Johannes Andeneas has said, "it is still a fundamental fact of social life that the risk of unpleasant consequences is a very strong motivational factor for most people in most situations." Crime rates are admittedly high today, but they probably would be higher if assaults, thefts and other antisocial acts went unpunished. One reason for the existence of a system of criminal sanctions is that it deters—at least in the minimal sense of securing more compliance than there would be were there no legal sanctions at all.

Bentham and Becker, however, are more ambitious. They want to rely on general deterrence not merely to justify the existence of punishment, but to decide *how severely* we should punish different classes of convicted offenders.

A DIFFICULTY

One obstacle to the Bentham-Becker deterrence calculus is the insufficiency of data. To decide sentences on the basis of their deterrent effects, we would need reliable information on how the rates of various crimes will be affected as the penalty varies. We are still far from having such information. While there is reason to believe that (for some offenders at least) a penalty serves better as a deterrent than no penalty, we are still far from able to measure the deterrent effect with any precision. Deterrence could be measured by varying a penalty and tracing the effect on the crime rate. The crime rate, however, is affected not only by the penalty level but by a host of other factors—the likelihood of being apprehended and punished, changes in economic conditions, increases or decreases in racial tensions, and so forth. Our techniques of identifying and controlling for such other influences are still rudimentary in deterrence research.

The question of fairness arises again. The cost-benefit calculus looks at aggregates—at how much *total* harm a species of crime does and how much total suffering must be inflicted on offenders to reduce its incidence. In dealing with such aggregates, justice to the person punished may be overlooked. Suppose, for example, that the data were to show that a certain kind of petty larceny could most effectively be deterred by invoking a severe penalty against a very few offenders. The cost-benefit approach could support the use of the severe penalty, if the aggregate harm prevented (inconvenience to many individual victims) exceeded the total pain inflicted (a severe sanction imposed on only a few offenders). Yet is it equitable to inflict such a severe penalty, if the harm done by the individual offender is so slight?

A "JUST DESERTS" MODEL

The Committee for the Study of Incarceration, with which I have been associated, has recently suggested a different conceptual model in its report, *Doing Justice: The Choice of Punishments.*[1] It is to rely chiefly on the idea of *desert:* the offender should be punished as severely as he deserves, in view of the seriousness of his crime.

The idea of desert was long out of fashion. The sentence, it was thought, should fit the criminal, not the crime. Deserved punishment was seen as vindictive and unscientific. Our committee concluded, however, that desert is not only rational but essential to justice in sentencing.

Deserved sentences are those that are proportionate in their severity to the seriousness of the crime of which the offender was convicted. Only grave offenses—acts of violence, for example—merit severe penalties. Non-serious offenses deserve non-severe punishments. Sentences that do not comport with the seriousness of the offense are unjust. As *Doing Justice* puts it:

"The severity of the penalty carries implications of degree of reprobation. The sterner the punishment, the greater the implicit blame: sending someone away for several years connotes that he is more to be condemned than does jailing him for a few months or putting him on probation. In [sentencing] penalties, therefore, the crime should be sufficiently serious to merit the implicit reprobation. . . . Where an offender convicted of a minor offense is punished severely, the blame which so drastic a penalty ordinarily carries will attach to him—and unjustly so, in view of the not-so-very wrongful character of the offense. . . . [Conversely] imposing only a slight penalty for a serious offense treats the offender as *less* blameworthy than he deserves."

To satisfy this requirement of justice, the seriousness of the crime must indicate the penalty. The focus should be on the harm done or risked by the offender's criminal act and his degree of culpability. To allocate penalties on any basis other than seriousness would be unfair.

Desert focuses on the past—on the offender's action. The likelihood of the offender's returning to crime in the future should be irrelevant to the choice of whether and how long to imprison him. Even if crime-forecasting techniques could be improved, an offender doesn't deserve to have his punishment increased (or decreased) on the basis of what he is predicted to do rather than on the basis of the seriousness of what he has done.

A sharp reduction in sentencers' discretion is necessary to such a desert-based system. In order to scale the punishment to the seriousness of the crime, there must be standards governing how severely offenders should be punished for crimes of different gravity. Otherwise, individual judges having different moral outlooks could impose divergent sentences for similar criminal acts. The Incarceration Committee's report, therefore, proposes a system of standardized penalties: for each gradation of seriousness, a definite penalty—the "presumptive sentence"—would be set. The offender would normally receive that specific sentence—unless there were unusual circumstances of aggravation or mitigation. The presumptive sentence is preferable to the mandatory minimum because it limits the power not only to underpunish, but to *over-punish:* severe sanctions for lesser infractions would be barred. Those convicted of similar offenses could expect similar punishments, while some degree of flexibility would still be allowed to deal with out-of-the-ordinary cases.

Severity would have to be reduced. Imprisonment, being a severe penalty, is deserved only for crimes that are *serious*—e.g., crimes of actual or threatened violence and the more heinous white collar crimes. And even then, time in prison should be measured with strict parsimony: the Incarceration Committee's report proposes that most prison sentences be kept below three years, save for murder and certain other especially reprehensible crimes. (We are speaking of time *actually* served in prison, since the prescribed sentences would be definite and not subject to later reduction by a parole board.)

It is worth emphasizing that these punishments, although milder, would be surer. Under today's discretionary system, there is much harshness but little certainty. Some unlucky individuals convicted of a commonplace property offense are sent to prison for substantial periods; on the other hand, many serious offenders receive surprisingly mild punishments—a convicted armed robber with a major prison record has a good chance of getting only probation in some urban jurisdictions. Under a deserts-based system, by contrast, anyone convicted of a sufficiently serious offense would have to go to prison. The criminal who assaulted someone with a weapon could no longer be put on probation because that seemed "best" for him; the seriousness of the offense would determine the sentence, and the judge's discretion would be restricted.

A deserts model has its own problems. One question is how to limit disparities stemming from plea-bargaining discretion. Sentencing standards alone would still leave the prosecutor free to bargain. Plea bargaining (if allowed to continue at all) should be subjected to controls that are designed to achieve consistency between the prosecutor's bargaining decisions and the sentencing standards, devising such controls will be no easy matter. Developing standards for judging the seriousness of crimes will be another major task. While sociologists have found that there is considerable popular consensus as to which crimes are more serious than others, it remains to translate these perceptions into workable criteria for seriousness which judges can use in sentencing decisions.

The attraction of a deserts model lies in the modesty of its aim: it seeks simply to make the system fairer. Rather than trying to surmise on insufficient evidence how this or that sentence will affect crime rates, the system rests on practical and moral judgments—which we are capable of making—of whether one kind of behavior is more harmful and culpable than another.

ANY CONVERGENCE?

While these newer approaches—the incapacitation model, the deterrence calculus and the deserts model—rest on different theoretical premises, they have certain points of convergence in practice.

One common thesis is the limitation of sentencing discretion. In all these models, the emphasis will no longer be on fitting the sentence to the individual criminal's "needs." Instead, there will be norms that prescribe more or less standardized sentences for different categories of crimes. Disparity of sentence will be reduced, it is hoped.

The other is a lessening of the extremes of harshness and leniency. There will be fewer long prison sentences. (In the incapacitation and deterrence models, this is based on pragmatic considerations: lengthy prison terms would be eschewed because they tend to be less certain—since prosecutors and judges tend to find ways to circumvent harsh sentences in cases that evoke their sympathy. In the deserts model, it is a matter of principle: none but the very worst offenses deserve stringent punishment.) On the other hand, those convicted of serious crimes would expect some time in prison.

If there are these areas of agreement, what difference does it make which theory is adopted? One important difference is the criteria for success or failure. The incapacita-

[1] Andrew von Hirsch, *Doing Justice: The Choice of Punishments,* Report of the Committee for the Study of Incarceration (New York: Hill Wang, 1976).

tion and deterrence models are aimed exclusively at crime control. If that is the aim and if surer but milder punishments were to fail to reduce crime, what then? Seemingly, one would, on these theories, be obliged to try more drastic methods and see if they work. Desert, however, has a different aim—achieving fairness. Even if a deserts-based scheme were not successful in reducing crime rates, it is defensible still on the grounds that it is more equitable. This difference in aim may be important. Although we are capable of making the sentencing system fairer, it may be unrealistic to hope for major reductions in crime through any sentencing strategy. In the words of the Incarceration Committee's chairman, former United States Senator Charles E. Goodell (R., N.Y.):

"I [wonder whether] changes in the sentencing and correctional system can work a dramatic reduction in crime rates. However enlightened or ingenious our penal methods become, this country probably will long be condemned to suffer the high crime rates now in evidence—given our history of domestic violence and the extent of disparities in wealth and social status. . . . Today we have not only rampant crime but a gruesome system of punishment: harsh, arbitrary, and lacking in coherent rationale. The latter, at least, we can try to change. We can mitigate severities of punishment to levels more consistent with our pretenses of being a civilized society. . . . We can, I am convinced, mitigate the harshness and caprice of the penal system without losing whatever usefulness in crime prevention it now has. If we could accomplish this much, it would be no mean achievement."

Mr. JAVITS. Mr. President, I am pleased to join today with Senator HART in introducing the Federal Sentencing Standards Act of 1977. In my judgment it represents a very important challenge to an unworkable and essentially unjust sentencing system which has contributed significantly to the extraordinary difficulties which have plagued our criminal justice system in recent decades in the United States.

That larger system—beset with so many ills and bombarded with so much criticism is in little better shape today after the investment of $5 billion in Federal funds through the LEAA program than before the Safe Streets Act was passed in 1968.

Serious crime statistics are still rising. The number of offenders incarcerated in U.S. prisons is also rising—250,000 at the end of 1975, with a million or more on probation or parole, and another quarter million in jails and detention facilities.

Despite the fact that many of its problems are acute—problems of funding, of resource allocation, of administration, of the overwhelming numbers jamming the system, the public has most frequently judged the competency and fairness of the system by the way that it sentences offenders. With good reason it has frequently reacted with frustration, confusion, and outrage at the wide disparity in the sentences imposed for similar crimes and the total absence of any prescribed guidelines to govern the sentencing practices of judges.

In 1972, for example, a study prepared by the distinguished former U.S. attorney for the southern district of New York, Whitney North Seymour, found wide disparity in that court's sentencing for specific crimes as compared to likelihood and length of prison sentence in all all other Federal courts. The study which is summarized in the table following shows the disparity that exists both in white collar and violent offenses:

Offenses	Likelihood of imprisonment (percent)		Average length of prison sentences (months)	
	Southern District of New York	All Federal courts	Southern District of New York	All Federal courts
Bail jumping	66.7	66.2	10.0	25.6
Bank embezzlement	23.2	19.5	18.0	21.3
Bank robbery	82.8	91.8	69.6	124.1
Bribery	25.0	42.5	11.0	15.1
Counterfeiting	51.7	53.7	14.8	40.3
Forgery	41.6	42.8	16.8	32.0
Gambling	37.2	29.9	3.3	14.5
Guns	50.0	45.3	28.2	32.1
Immigration	50.0	42.8	2.5	6.4
IRS	35.4	36.5	5.9	10.4
Interstate	54.8	43.7	18.1	33.8
Narcotics	77.0	70.6	62.4	46.4
Perjury	50.0	53.0	5.2	28.0
Postal	44.3	40.7	18.8	32.5
Embezzlement	43.7	19.0	5.0	11.6
Other	46.3	47.3	20.1	50.5
Rackets and extortion	55.5	47.1	46.2	31.2
Securities	70.4	55.4	31.8	38.7
Fraud	66.7	21.5	20.5	-------
Theft	100.0	57.4	36.5	38.7
Selective Service	63.3	27.8	12.4	22.2
Total	54.1	43.8	35.2	38.1

Note: The figures for the Southern District of New York are based on sentences imposed in a 6-mo period in 1972. The national figures cover the fiscal year ending June 30, 1972.

I would not suggest that the fault is that of the many dedicated and hard working members of the Federal judiciary; for the Congress, the courts, and the legal profession have never developed a comprehensive approach to the problem of sentencing reform.

The bill Senator HART and I are introducing today attempts to achieve that very objective and is the outgrowth of the work of a distinguished panel of experts—the Committee for the Study of Incarceration—headed by my distinguished former colleague from New York, Charles E. Goodell. The executive director of the committee and principal author of its report: "Doing Justice: The Choice of Punishment," was Rutgers University Prof. Andrew von Hirsch who consulted with our staffs in the drafting of the bill.

The four major parts of the bill do, in our judgment, constitute the beginning of a Federal sentencing system which could help with respect to public confidence in our criminal justice process:

First, it would narrow the discretion which can be exercised by sentencing judges by employing the "presumptive sentence" device. For each gradation of seriousness of criminal behavior, a definite penalty—the "presumptive sentence"—would be set. Individuals convicted of crimes of that degree of seriousness would ordinarily receive the presumptive sentence, unless they were special, carefully defined circumstances of aggravation or mitigation.

Second, the presumptive sentence and the permitted aggravating and mitigating circumstances would be prescribed by a Federal Sentencing Commission. The Commission's guidelines would take effect within 30 legislative days after promulgation, unless both Houses of Congress adopted a resolution of disapproval. The Federal Sentencing Commission would have an initial life of 5 years.

Third, the bill sets forth the rationale which the Commission must follow in prescribing its sentences; namely, a "just deserts" rationale. The severity of sentences would have to be based on the seriousness of the individual's offense, rather than on his likelihood of recidivism or need for treatment. Imprisonment, as a severe penalty, would be restricted to serious crimes. For lesser offenses, penalties other than imprisonment will be prescribed, such as fines, community service, and intermittent confinement.

Finally, since the sentence will be based on the seriousness of the offense, indeterminancy of sentence will be phased out. By insuring that the offender serves the sentence determined by the sentencing judge, the public and the prisoner are both assured of both the certainty of punishment and the date of its completion.

Mr. President, I wish also to commend the work done on this subject by two of our distinguished colleagues, Senator KENNEDY and Senator BENTSEN. I look forward to working with them to develop the most effective legislation possible. I wish also to call the Senate's attention to the views of an able lawyer and my longtime friend Robert B. McKay, formerly dean of the New York University School of Law and now the director of the Aspen Institute's Program on Justice, Society, and the Individual.

I ask unanimous consent that his article, entitled, "It's Time To Rehabilitate the Sentencing Process," Judicature, December 1976, be printed in the RECORD at the end of my remarks. In this article Dean McKay discusses many of the questions relevant to any presumptive sentencing system.

Mr. President, the sentencing system demonstrated every day in U.S. courts is characterized by gross disparities and often is totally lacking in overall rationale and fundamental fairness. Equal treatment should be the rule and it is not. These disparities have threatened the credibility of our judicial system. The entire criminal justice process is undermined when significant numbers of offenders randomly escape punishment, while others convicted of similar acts are handled discriminatorily. Congress must act to right this imbalance by enacting our legislation promptly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S TIME TO REHABILITATE THE SENTENCING PROCESS

(By Robert McKay)

The criminal justice system in the United States is a failure. It is in disarray at every level. It neither controls crime nor punishes criminals. The more than $5 billion spent by the Law Enforcement Assistance Administration in its "war on crime" has had no perceptible effect (unless it be argued that

crime would have been even more prevalent without LEAA).

Consider the dismal facts. Since 1960, serious crime has more than doubled. In 1975 alone, according to the FBI, serious crime rose 10 percent. The agency's annual Uniform Crime Reports said there were nearly 11.3 million serious crimes committed in 1975, but that only one in five ended in arrest.

Despite the disappointing lack of success in catching and convicting criminals, no one can charge the criminal justice system with lack of severe response to those who are convicted. At the beginning of 1976 there were about 250,000 persons confined in U.S. prisons—a national record. About 250,000 others were confined in jails serving short sentences or awaiting trial. An additional million or more were on probation or parole. Prison sentences in the United States are longer than those in any other Western nation or in Japan.

Criminal justice is big business and, in typically American fashion, it is a growth business. Incarceration rates in the United States are substantially more than 200 per 100,000 population. In Great Britain, West Germany and the Scandinavian countries, the rate is below 100, and in the Netherlands the rate is below 25.[1] In Japan the rate of crime is so low (the likelihood of being robbed in the United States is 208 times greater than in Japan) that the prison population is but a small fraction of that in the United States.[2]

Where did we in the United States go wrong? There is certainly no lack of speculation about the cause of crime, theories about the purposes of imprisonment, or statistical analysis of our courts and corrections system. We are full of theories, but we lack agreed-upon answers.

THE CRIMINAL JUSTICE SYSTEM

A criminal justice system should do at least the following: define as crime that conduct which is unacceptable to society as a whole; set up an effective structure for the detection of crime and the apprehension of criminals; devise fair methods of determining guilt; and impose sanctions that are appropriate to the offenses.

The kingpin of the entire structure is the sanctioning process. It is also conceptually the most difficult. We understand how to go about defining crime, establishing police forces, and devising due process trial methods. What we do not seem to understand is the purpose (or purposes) of sanctions. Moreover, we do not seem to know why or when or how to sentence; we do not know who should not be imprisoned and who should and for how long.

It is customary to speak loosely of four purposes that might be served by imposing sanctions—particularly prison sentences—upon those convicted of crime. They are rehabilitation, deterrence (specific or general), incapacitation and punishment.

Rehabilitation: Rehabilitation has long been an American ideal. We cling to the belief that most convicted criminals can be restored to a useful social role, if only we can discover the right triggering mechanism.

In recent decades, the road to rehabilitative salvation was thought to lie in the prisons where inmates could be counseled, educated and trained in new vocational skills. To make the system work, it was obivously necessary to ensure a detention long enough to allow the rehabilitation to take place. Accordingly, sentencing and parole procedures were adjusted to fit that theory—if not to fit the crime. Indeterminate sentences (one to twenty years, for example) became common, with the release date to be fixed by a parole authority instructed to determine when rehabilitation had taken place.

The theory was perfect—except that it didn't work. Prison officials sometimes manipulated the inmates, and inmates sometimes manipulated the system. Rehabilitation failed to satisfy the only criterion of success—reduced recidivism rates. There was even some evidence that the longer the detention, the more likely the offender was to return to criminal activity.[3] The conviction grew that the fault was not with the idea of education, vocational training, and a humane regime in prison, but with the notion that the time served should be extended or contracted to conform to a conviction that rehabilitation is measurable and "happens" at a patricular time. In fact, rehabilitation sometimes seemed more likely in a controlling setting outside the prison than on the inside, an argument for diversion rather than imprisonment.

Dean Normal Morris has stated the judgment now generally accepted:

"Rehabilitative programs in prison must be expanded and improved but they must be related neither to the time the prisoner serves nor to the conditions of his incarceration. Prison training and treatment program must be entirely facilitative, never imposed."[4]

This 180-degree turn from one theory of sanctions to another is having substantial consequences on the criminal justice system. The indeterminate sentence is no longer in favor. In consequence, as Marc Plattner has observed, "Politicians as diverse in their views as President Ford and Senator Kennedy have endorsed a return to determinate sentencing, and several state legislatures seem to be moving in this direction."[5]

Deterrence: Deterrence of crime is the overriding concern of the criminal justice system, just as it is the first demand of every law-abiding citizen. The theory is that those who have not transgressed will be warned against crime when they see punishment imposed on others, and that the offender who is convicted and punished will be dissuaded from repetition.

Both propositions are basically sound. If there were no sanctions, crime would undoubtedly rise further. But the fact that crime rates continue to rise, among both repeaters and first-time offenders, puts in doubt the judgment that deterrence should be regarded as the primary objective of the sanctioning process. When two-thirds to three-fourths of the inmates in most prisons are repeaters, we can be sure deterrence has not worked as we hoped.

Deterrence as an objective should not be abandoned. If detection of crime and apprehension of criminals becomes more likely than not, if trials become speedy, and if conviction of the guilty becomes relatively certain, imprisonment will become a more meaningful deterrent. Meanwhile, there is little reason to believe that the often-recommended expedient of lengthened sentences will have much impact. Speed and certainty are more important to successful deterrence.

Incapacitation: The one objective that imprisonment surely accomplishes is incapacitation of the offender. When the criminal is in prison he cannot commit crimes. But that gain is necessarily limited. Almost all inmates are eventually released, and if the ex-offender leaves prison embittered, abandoned by family and friends, and without employable skills, he or she is likely to return to crime.

Punishment: The final objective of imprisonment is punishment. Every sentence to prison is admittedly a punishment, but we have sometimes not been willing to admit that it is a valid purpose. In the more realistic mood of the present, there is greater willingness to accept the proposition that a principal—perhaps the principal—purpose of imprisonment is punishment. To favor candid recognition of this reality is not to support a social policy of vengeance, but to acknowledge the fact that willful lawbreakers should receive sanctions proportionate to the severity of their offenses.

THE SENTENCING PROCESS

Society has generally failed to determine on a rational and defensible basis what punishment is appropriate to the severity of the offense and for the individual offender. That failure is the most serious injustice inherent in the criminal justice system in the United States.

When the Attica Commission investigated the causes of the tragic uprising at the Attica Correctional Center in September of 1971, it soon discovered that the most urgent inmate grievances were not about prison conditions, although there were serious deficiencies in the administration of the prison as a decent and humane institution. The most persistent complaints were about unequal treatment in the sentencing process and in the parole process. Inmates in adjacent cells believed that sentences were unjust because of unexplained disparity in severity of the sentences. The parole board was seen as a vehicle of further inequality because of unexplained differences in its decisions to release from prison.

The name of the game in prison is the release date. Time served is determined in part by the sentence and in part by the decision of the parole board. If the prisoner perceives both decisions as the product of chance or unexplained (and inexplicable) decisional processes, he can neither trust the justice of the system nor respect the rule of law under which those judgments are made.

The sad truth is that the inmate perceptions are essentially correct, not in every case perhaps, but certainly in gross. The sanctioning system does not serve its intended purpose, and it is not just.

Careful surveys in federal and state courts have repeatedly demonstrated that judges react in strongly individualistic ways in their sentencing decisions. In one group of federal judges, the recommended sentences in a sample tax-evasion case ranged from a six-month suspended prison sentence to a five-year sentence with a $20,000 fine.[6] In a study by the Federal Judicial Center in which disparity was tested by simulated sentencing, the fifty participating judges read presentence reports and made sentence recommendations. In sixteen of the twenty cases submitted to all the judges, they disagreed even on the basic question whether any prison sentence was appropriate.[7] Judges at the same level of responsibility are likely to differ, often sharply, about proper sentencing decisions. Variables that make a difference include the urban or rural setting of the court, individual opinions about the seriousness of different offenses, and differing perceptions of individual defendants. But the gross disparities are not accounted for by those factors alone. Even a single judge may be relatively lenient in his sentencing for some offenses and relatively harsh toward others.

The wide range of sentencing discretion accorded most judges assures an enormous range of results which can only be regarded as unjust by those who are subjected to this prison lottery; the system is perverted by these injustices.

CURBING SENTENCING DISPARITY

Several ways to ease the problem of sentencing disparity have been suggested. Some

Footnotes at end of article.

of the most popular are: reducing judicial discretion by moving from relatively indeterminate sentencing authorizations to relatively determinate; establishing advisory sentencing councils; and providing for appellate review of sentences.

Determinate sentences: The indeterminate sentence was essentially a product of the now-abandoned faith in the rehabilitative powers of prisons. With the reason for wide discretion gone and the resulting disparities well established, there are compelling justifications for narrowing sentencing discretion. Various proposals have been advanced. The two most interesting are those of a Task Force on Criminal Sentencing of the Twentieth Century Fund and of David Fogel, former Minnesota Commissioner of Corrections, in his book, *"We are the Living Proof."* [8]

The Twentieth Century Fund Task Force calls its proposal "presumptive sentencing." [9] A finding of guilt would ordinarily produce a specified sentence unless mitigating or aggravating factors were established. The legislature defines presumptive sentences for each offense and specifies factors of aggravation and mitigation. Under this formula, sentences for first offenders would be relatively low but would increase sharply with succeeding convictions. The sentencing judge would conduct a hearing to establish mitigating or aggravating factors. Deviation beyond the narrow range allowed on these findings would need to be justified by a reasoned opinion.

Because time served is a function not only of the original sentence but of the parole decision as well, the Task Force would also modify release procedures.

"The parole board or releasing agency would have more limited authority than at present to release the defendant earlier than prescribed by the judicially fixed sentence. The board could decide on release, but only within a previously fixed range and on the basis of relevant information (as defined by the legislature) that was not available to the sentencing judge." [10]

David Fogel would similarly give back to the legislature the primary responsibility for fixing sentencing policy. He recommends a narrow range of sentence (four to six years, for instance), which could be increased or decreased by the sentencing judge only by a fixed percentage (20 per cent, for instance). Further, time served would be reduced for good behavior. For every day of time served without serious rule infraction, one day would be cut off the sentence, so that a prisoner might serve only half the original sentence. There would be no parole.

In short, both proposals, in order to avoid the proven disparity in sentencing practices, would limit judicial discretion sharply and return primary responsibility to the legislature. Thus we come full circle, from faith in the capacity of judges to fit the sentence to the crime and to the criminal, to renewed reliance on the legislative process to speak for the public and to provide justice in terms of predictability of result.

Sentencing councils: Even if these relatively drastic changes are not adopted, the movement toward limiting judicial discretion is unmistakable. Sentencing councils have been tried in two federal district courts in Chicago and New York and in a few states.[11] The usual device, although subject to many variations, is to require each sentencing judge to consider the sentencing recommendation of two colleagues, although the final decision remains his own. Some benefit can be expected from such a system; but critics have questioned whether the benefit is sufficient to justify the additional burden on the trial courts.

Appellate review: A final suggestion is to provide appellate review of sentences, so that it will be possible to even out the most egregious disparities. Experimentation is surely worthwhile, but there are also some hazards which should be frankly considered. The views of judges at both the trial and appellate levels range from unsympathetic to hostile. Trial judges are apt to resent appellate review of sentencing as an intrusion into a uniquely trial judge function, doubting the capacity of appellate judges to understand the sentencing considerations. Appellate judges may also doubt their own capacity in the matter; perhaps more important is their reluctance to assume another potentially burdensome task.

Ending sentencing disparity will not instantly halt our escalating crime rate. Even if sentences become uniformly just, Americans will not become uniformly law abiding. But injustice in sentencing, both real and perceived, has caused our criminal justice system to lose credibility and has eroded respect for law.

The suggestions I have made carry no guarantee to reduce crime. But we must take immediate steps to ensure that the sanctioning process is made as just as possible for the sake of the victims of crime, those charged with criminal conduct, and society as a whole.

FOOTNOTES

[1] "The Treatment of Offenders, in Custody or in the Community, with Special Reference to the Implementation of the Standard Minimum Rules for the Treatment of Prisoners." Adopted by the United Nations, Annex II (Working paper prepared by the Secretariat for the Fifth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, 1975).

[2] Bayley, *Learning About Crime—the Japanese Experience,* The Public Interest 55, 57 (Summer, 1976).

[3] Martinson, *What Works?—Questions and Answers about Prison Reform,* The Public Interest 22 (Spring, 1974).

[4] Morris, The Future of Imprisonment (Chicago: The University of Chicago Press, 1974), p. xi.

[5] Plattner, *The Rehabilitation of Punishment,* The Public Interest 104 (Summer, 1976).

[6] Diamond and Zeisel, *Sentencing Councils: A Study of Sentence Disparity and Its Reduction,* 42 U. Chi. L. Rev. 109, 115 (1975).

[7] *Id.*

[8] Fogel, "We are the Living Proof": The Justice Model for Corrections (Cincinnati: W. H. Anderson Co., 1975).

[9] Report of the Twentieth Century Fund Task Force on Criminal Sentencing, Fair and Certain Punishment (New York: McGraw-Hill Book Company, 1976).

[10] *Id.* at 22.

[11] Diamond and Zeisel, *supra* note 6.

By Mr. BENTSEN:

S. 205. A bill to amend title 18, United States Code, relating to criminal offenses committed by terrorists; to the Committee on the Judiciary.

S. 206. A bill requiring the President to suspend economic assistance, military assistance, Government and commercial sales of arms, Export-Import Bank loans, and the generalized system of preferences to any country that willfully aids or abets terrorism.

PUNISHMENT FOR TERRORIST CRIMES

Mr. BENTSEN. Mr. President, I rise today to introduce a bill to create strict mandatory sentences for those found guilty of terrorist crimes.

In recent years, such crimes have killed and maimed hundreds of people. According to the FBI, since 1970 there have been almost 1,000 such incidents. There have been bombings and shootings; arsons and snipings. Almost 400 people have been killed or wounded as a result. Property damage has totaled almost $6 million.

Mr. President, the crimes of destroying innocent lives in the pursuit of political objectives is reprehensible, undemocratic, and alien to the traditions of a free and civilized society. There is no excuse, no justification, no reasoning that will suffice to make these acts anything else. Our laws of crime and punishment must reflect the severity of these offenses.

It is in response to the growing incidence of mindless violence that I introduce this bill. This measure would create strict and certain punishment for violent terrorist crimes. It would create a mandatory minimum sentence of from 2 to 10 years. And Mr. President, this would be in addition to the indeterminate sentence for the violent crime covered by present law.

This measure also provides for the death penalty in the most heinous cases of terrorism, those involving the death of a victim. The measure does provide procedural safeguards, such as a hearing to determine the existence of mitigating circumstances that would render the death sentence inappropriate. But it also recognizes that terrorist crimes are wanton and cold-blooded acts of violence that cannot and will not be tolerated, and that those who choose to commit the ultimate crime must know that they may be punished by the most severe penalty, death. This measure states in decisive terms that in our society, there can be no appeal over the ballot to the bullet, and that those who make such an appeal will pay the cost.

Mr. President, to convict under this proposal, all elements of the offense must be proven beyond a reasonable doubt. The violent crime itself must be proven. The fact that it was committed pursuant to the encouragement of a group that employs violence as a political instrument, must also be proven.

In those cases where the death penalty is an option, a sentencing hearing will be held to determine whether the facts of the case warrant the most severe penalty. If the victim dies and the death penalty is found inappropriate, a mandatory prison sentence of increased severity would be given. This could be no less than 4 years; no more than 20. If the facts brought out determine that the crime was vicious and wanton in the extreme, the death penalty could be given.

Mr. President, there is no place for random violence in a free society. There is no place for air piracy, letter bombs, or machine guns in our streets. If the criminal believes that he may destroy the lives of innocent people to seek publicity for his political views, let him know that the law will respond in kind. There can be little mercy for the wanton and reckless killer. He has declared war on free society itself; he has destroyed the right of those immediately affected and endangered the rights of all; he has proclaimed himself above the law; and he

should be aware that in the eyes of the law and the decent opinion of mankind, murder is murder, violence is violence; and no cause or higher belief can justify such action.

Mr. President, my bill would see to it that the punishment would fit the crime. In the increasingly dangerous world we live in, we face the fact that new forms of violence and terror will be available to the deranged and the fanatic. They can strike at cities; or powerplants; military installations; Government buildings; or private homes. They can employ bombs or germ warfare.

Mr. President, we must make sure that those who do so know that their conduct will be met by the outrage and severity it deserves. This bill will increase the punishment for such crimes in a fair and responsible manner. It will state in clear and decisive terms that wanton violence—in the name of any cause—will not be tolerated, and will be met with the full force the law allows.

My second bill, Mr. President, relates to international terrorism. It requires the President to suspend economic and military assistance, Government and commercial sales of arms and Export-Import Bank loans and loan guarantees. I am pleased that last year the Congress approved and the President signed into law legislation I introduced to deny eligibility for the generalized system of preferences to any country which willfully aids and abets international terrorism.

In spite of increased efforts in recent years by certain nations to crack down on terrorist organizations, terrorism has widened in scope and there is growing evidence of cooperation among international terrorist groups. Examples of terrorism are becoming an unfortunate feature of our daily news. Since 1968 alone approximately 800 people have been killed and 1,700 injured in international terrorist incidents; 114 U.S. citizens have been involved and 24 of them killed.

In spite of the fact that international terrorism has continued to grow, however, no legal solutions are in sight. Many nations, particularly those in the Third World, are unwilling to cooperate in efforts to combat terrorism which, they say, can be justified under certain circumstances. Therefore, sources report that almost half of those terrorists captured in the last 5 years have been released. These nations' unwillingness to bring the full force of the law to bear against these international outlaws threatens the safety and peace of all nations.

It has for some time been U.S. Government policy to support adoption of an international convention to mandate sanctions against States which fail to prosecute or extradite international terrorists. However, the convention has made little headway and the prospects for enactment are remote.

I believe U.S. policy of no-negotiation with terrorists is a correct one. But I believe we must go one step beyond this in an effort to meet the problem of foreign governments' harboring of terrorists. My legislation is designed to serve notice to all nations that the United States will not countenance acquiescence to terrorism and that we are willing to take serious action to deal with this problem. I urge the Senate's support for this bill. The civilized world must respond with tough, effective measures against those international outlaws who would seek to destroy the very foundations of the democratic system.

By Mr. BELLMON (for Mr. BARTLETT):

S. 207. A bill to amend the Rural Electrification Act of 1936, as amended, to provide authority for the Administrator of the Rural Electrification Administration to guarantee loans for the furnishing of electric energy for certain municipal electric systems; to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BARTLETT), I introduce a bill and I ask unanimous consent that a statement by Senator BARTLETT be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARTLETT

Today I am introducing legislation in response to a problem that has developed over the past ten years. The problem relates to changes in the entire energy situation of this country, and is exemplified by the change in policy of the Department of Interior as represented through its electric marketing administrations. The change involves those communities that were previously supplied with "firm power" and now will only be served with "peaking power". The change causes the previously served communities to seek new sources of electric energy for their "firm power" needs, and in some cases, causes the municipalities to involve themselves in constructing new facilities within their corporate limits. These new facilities are required to deliver the power that will be contracted for from the outside source.

The State of Oklahoma is one of the first states to be affected because it is served by the Southwestern Power Administration. Southwestern's policy change will also affect municipalities in Arkansas and Missouri.

The Southeastern Power Administration and the Bonneville Power Administration and Alaska Power Administration are also changing their policies for municipalities previously served with "firm power".

Southeastern serves 80 municipalities in Alabama, Florida, Georgia, North Carolina and South Carolina. Bonneville serves 36 municipalities in Washington, Oregon, Idaho and Montana.

Since most of Southwestern's contracts are near termination, more immediate attention is needed, and I will detail Southwestern's activities in more detail.

SPA serves 35 municipalities, 17 of which are located in Oklahoma. All of these 17 communities have received draft contracts from SPA containing the change from "firm power" to "peaking power". The existing contracts will expire on June 30, 1977, and after that time, these communities will have to rely on alternative sources of electric energy.

By July 1977, SPA will only have 10 municipalities being served with "firm power", and by mid-1983, a complete conversion will be made. Also there is no capability for returning to the previous policy.

Mr. President, I insert at this point a list of municipalities being served by Southwestern Power Administration, and the energy being supplied to each of them.

TABLE III

Customer	Capacity KW	Energy Delivered (000) KWH	Revenue from Power sales
Municipalities:			
Augusta, Arkansas	3,300	13,510	$98,432
Bentonville, Arkansas	18,000	74,724	408,648
Carthage, Missouri	7,400	39,460	257,015
Clarksville, Arkansas	1,200	6,070	39,309
Comanche, Okahoma	3,172	8,453	76,904
Copan, Oklahoma	800	2,737	22,197
Duncan, Oklahoma	18,521	59,830	490,593
Eldorado, Oklahoma	852	2,577	22,219
*Fulton, Missouri	2,000	7,358	56,875
Goltry, Oklahoma	612	1,979	16,508
Granite, Oklahoma	1,328	4,004	34,787
Hermann, Missouri	5,800	6,960	97,440
Hominy, Oklahoma	5,248	18,397	146,669
Jonesboro, Arkansas	53,984	216,975	1,501,391
Kennett, Missouri	12,450	27,695	152,906
Lamar, Missouri	8,170	25,627	170,152
Lexington, Oklahoma	2,016	6,034	52,456
Manitou, Oklahoma	280	876	7,498
New Madrid, Missouri	4,100	17,481	105,157
Nixa, Missouri	2,650	9,133	53,912
Olustee, Oklahoma	624	2,076	17,064
Paragould, Arkansas	29,000	132,528	770,524
Paris, Arkansas	7,142	22,262	180,404
Piggott, Arkansas	4,400	19,321	135,987
Poplar Bluff, Missouri	34,600	121,393	801,813
Purcell, Oklahoma	3,500	18,877	123,152
Ryan, Oklahoma	1,760	4,806	44,321
Sikeston, Missouri	19,800	101,970	549,101
Skiatook, Oklahoma	6,048	19,316	162,599
Spiro, Oklahoma	2,462	8,851	68,978
Springfield, Missouri	50,000	267,447	1,529,576
Thayer, Missouri	2,784	9,384	63,041
Walters, Oklahoma	4,176	12,857	100,562
West Plains, Missouri	15,000	55,953	410,859
Wetumka, Oklahoma	2,016	6,789	55,113
Yale, Oklahoma	1,843	5,718	48,788
Total municipalities (36)	337,038	1,404,429	8,890,950
Total sale by SPA of electric power and energy (62)	2,238,104	9,496,782	59,606,950
Miscellaneous sales of energy by Corps of Engineers		816	1,666
Total SFPS sales of electric power and energy		9,497,598	59,608,616

*Contract expired as of September 10, 1976. Service discontinued.

These power figures will obviously be cut drastically by the change to "peaking power". As an example, the city of Hominy, with a population of 2,274 received 18,397 KWH, and under the new contract, they will receive 1200 KWH. This is a reduction of 93.5%, and Hominy's cost to build the necessary facilities to receive power from the alternative source is aproximately 600 thousand dollars.

Southeastern Power reports that they are serving 80 municipalities, but does not serve the complete load capacity of any of their preference customers. They currently prorate all power that is available. Southeastern does not anticipate that any of the existing arangements will be revised in the next two or three years, but due to changes in rate structures of the utility companies serving the balance of the power, the capacity components have increased in cost to such a point that the trend, as existing contracts expire, will be to sell power that more nearly corresponds to "peaking power".

Bonneville Power serves all 36 municipalities with "firm power", and these contracts will expire between 1983 and 1993. Thirty-one of these communities purchase their total power requirements from Bonneville.

The other large Department of the interior power source is the Bureau of Reclamation that now serves 220 municipal customers in the following states: Arizona, California, Colorado, Iowa, Minnesota, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah and Wyoming, with the last contract expiring in the year 2004.

The problem that currently faces many of these municipalities, and will face others in the future, is the financing of construction for new facilities to enable them to be supplied by alternate power sources. Not all of the communities will have a problem financing, but many of the smaller cities have had to sell large quantities of bond to meet the federal requirements for such things as waste treatment. The small communities no longer have the capacity to sell additional bonds, therefore, it is imperative to provide these municipalities with a means of financing the required facilities in order that they do not suffer detrimental impacts as the result of inadequate electric power resources.

Congress talks of a productive economy, and insuring that the life and growth of small communities will be perpetuated. Much of rural America has suffered severe out-migration, and a great deal of effort and money has been, and will be spent, to attract business and industry to rural communities in order that their young people will remain or will be attracted to return. To allow those communities that are temporarily unable to finance electric facilities, to become even further depressed would be inexcusable, and Congress can take immediate action to fulfill its previously stated intent to protect rural America by acting expeditiously on my legislation.

The essence of my proposal is that the Rural Electrification Administration will be given the authority to make guaranteed loans to the municipalities that were previously served by a federal power administration or the Bureau of Reclamation. These grants will be for the purpose of constructing the necessary facilities required to obtain alternative sources of electric energy.

The eligibility would be limited specifically to those municipalities previously served, and more particularly, to those municipalities that cannot finance the construction by any other method. The authority of the legislation will also expire on September 30, 2006. This date is two years after the termination of the last existing contract.

This legislation may affect 25 states and countless small communities. I urge my fellow Senators not only to support this legislation but to act as quickly as possible in order to protect those communities that will be seeking alternative electric power sources after June 30, 1977.

By Mr. WILLIAMS (for himself and Mr. KENNEDY):

S. 208. A bill to amend the Urban Mass Transportation Act of 1964 to extend the authorization for assistance under such act, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT OF 1977

Mr. WILLIAMS. Mr. President, during the past 5 years, Federal assistance to mass transportation has begun to show positive results on the welfare and vitality of our Nation's urban areas. The Urban Mass Transportation Act, as amended, provides financial assistance for the development of efficient and coordinated mass transportation systems as part of the broad objectives of urban management, development and revitalization.

Public transit has, at last, begun to provide urban areas with transportation alternatives. These alternatives increase the efficient and productive use of the streets and highways, promote energy conservation, add to environmental quality, provides accessibility and tend to knit together the fabric of urban life.

Federal assistance to mass transit has provided the resources to invigorate the quality, and quantity of public transportation by making possible the replacement of obsolete equipment, the rehabilitation of fixed facilities, the construction of new modern transit lines, and the continued improvement of services.

In order to continue this trend of increasing transit improvements and urban benefits and in order to prevent an interruption in the funding of major transit projects, revisions to the Urban Mass Transportation Act are vitally needed.

New authority for discretionary grants for the acquisition of capital equipment and facilities to purchase new buses and related equipment, to rehabilitate or extend existing rail systems and construct new fixed guideway systems is of the utmost necessity. After years of planning, recent Federal decisions have been made to assist in the continuation of new important mass transit projects in cities such as Atlanta, Detroit, Baltimore, Miami, and in northern New Jersey. These decisions involve multiyear fund commitments of annual obligations toward a total project cost, and are each vital parts of comprehensive urban development and revitalization strategies.

The 1970 amendments to the Urban Mass Transportation Act which created the present capital assistance program at a level of $3.1 billion, envisioned a review of funding levels by both Congress and the administration on a 2-year basis. However, this envisioned review has never taken place since, on the reporting dates of February 1972 and February 1974, the administration did not submit requests for additional mass transit funding or any review of program needs. During this period, however, the Congress, on its own initiative added an additional $3 billion in 1973 and $4.825 in 1974. Although 1976 would have been an appropriate year for a review of the needs of the capital grant program, no action has taken.

The multiyear commitments which permit the initiation of large projects must be based on availability of future obligation authority. Although obligation authority of over $3 billion is still available, the capital program is actually more than depleted. Assuming the current rate of bus assistance and rehabilitation projects, and adding the outstanding balance of multiyear commitments already made, the available balance has now dropped to a substantial negative dollar figure.

Unless new authority is provided in 1977—to be available in fiscal year 1978—existing commitments will not be funded and, more importantly, no new commitments will be made. This would jeopardize plans to revitalize several American urban areas and would create a damaging pause in Federal urban transportation assistance.

Authority for a formula apportioned program of transit assistance to all urbanized areas which could be used for operating assistance, as well as, for capital grant assistance, was a landmark section of the 1974 National Mass Transportation Assistance Act. This 6-year program permitted Federal participation in the rapidly escalating local and State efforts to provide operating subsidies. These subsidies have permitted public transportation services to continue and expand with userfares held to reasonable rates in accordance with local decisions on the level of subsidy.

The decision to subsidize mass transit services has had a dramatic impact on public transportation ridership which has risen nationally during the past 4 years. In many areas, ridership increases can be closely tied to public policy decisions on subsidy and fare levels and to the amount of operating expenses devoted to service innovation, expansion, and promotion. The array of success stories includes ridership increases between 1971 and 1975 of 67 percent in Los Angeles; 0.4 percent in Chicago; 13 percent in San Francisco; 2 percent in Washington, D.C.; 17 percent in Pittsburgh; 24 percent in Minneapolis-St. Paul; 7 percent in Baltimore; 30 percent in Seattle; 18 percent in Miami; 115 percent in San Diego; 31 percent in Atlanta; 27 percent in Cincinnati; 48 percent in Kansas City; 79 percent in Denver; 102 percent in San Jose; 58 percent in Phoenix; 47 percent in Portland, Oreg.; 17 percent in Providence; 23 percent in Norfolk-Portsmouth; 110 percent in Sacramento; 41 percent in Eugene, Oreg.; 44 percent in Madison; and 12 percent in Salt Lake City.

After 3 years of experience, the major deficiency in the formula grant program has been an insufficient amount of funds. This is especially true when we take into consideration the increased participa-

tion of local and State government in subsidizing mass transportation. When operating assistance was first debated in the Congress, an overall Federal share of approximately one-third the aggregate subsidized requirement was envisioned. However, the final legislative solutions dropped the Federal share to approximately 18 percent with local and State governments contributing approximately 82 percent of the required subsidies. Therefore, an increase in the total amount of section 5 funds is now called for. This additional Federal participation must be forthcoming if we are to continue to improve public transportation throughout our Nation.

Many of our largest cities, which have made the most important local and State transit commitments are desperately in need of further Federal assistance to prevent service cutbacks, fare increases, and the loss of passengers. Other areas have the additional complication of subsidizing commuter railroads where necessary funding must be increased due to railroad reorganizations and the threat of abandonment of transit services by private railroad companies. Essential commuter railroad services are a vital, efficient, urban transportation resource which cannot be permitted to disappear. In other areas, additional Federal funds could bring about service innovations, and improvements, and the development of special services to dramatically increase transit passengers.

To provide supplemental resources to assist these high impact areas, the National Mass Transportation Assistance Act of 1977 provides a discretionary fund of $250 million a year, for the next 5 years. Without these additional funds, we would be permitting the decay of the mass transportation systems which offer the most important opportunities for efficient and productive urban transportation system improvements.

This legislation would also extend the formula grant program from its current expiration date of 1980 to 1982 thus, providing a 5-year Federal commitment to 279 urbanized areas, enabling each area to plan ahead for service, equipment needs, and local financing. A firm 5 year program is essential if we are to stabilize public transportation services and continue to increase ridership.

Mr. President, the National Mass Transportation Assistance Act of 1977 would authorize a 5-year capital grant program of increasing amounts averaging $2.28 billion per year. The authorizations would begin at $1.9 billion in 1978 and increase to $2.8 billion in 1982, with intermediate amounts of $2 billion in 1979, $2.2 billion in 1980 and $2.5 billion in 1981.

These obligations levels compare with recent levels of $1.196 billion in fiscal year 1975, $1.100 billion in fiscal year 1976 and $1.250 billion authorized in fiscal year 1977.

In addition, in order to stabilize local equipment replacement programs and to secure regular funding for this purpose from the capital grant program for all urbanized areas, a set aside of $500 million per year for new bus equipment purchases is created.

This set aside is to be administratively apportioned to urbanized areas so that they will not have to compete with large rail construction projects for capital grant funds and to permit each area to make replacement plans based on assured availability of Federal funding.

This legislation would also extend the existing formula grant program through 1982 and thereby continue the predictability of assistance for a 5-year period. Authorizations for 1981 and 1982 rise at a comparable rate as the original 1975–80 levels and are $1.1 billion and $1.25 billion respectively. An additional $125 million is provided for 1980 to replace a like amount which was used for the transition quarter between fiscal year 1976 and fiscal year 1977.

In order to increase the Federal share of aggregate operations subsidy needs and to respond to special impact problems and the need for service innovations. This legislation would provide for a new discretionary fund of $250 million per year for the next 5 years. These funds would be made available as supplements to the section 5 formula grant program. The purpose of this new program is to alleviate the effects of the impact on service and transit ridership that have resulted from the initial three years of the formula grant program. It will increase the total availability of Federal funds for operating assistance to about 25 percent of the aggregate subsidy requirements and will assist urbanized areas in providing innovative and specialized services. This new program will also help us to respond to the national problem of maintaining essential commuter railroad services in those areas affected by the recent railroad reorganization and where services are in imminent danger of abandonment.

Also, where urbanized areas are unable to obligate formula grant funds within 2 years after they are apportioned, these funds will be made available to all urbanized areas under the new discretionary section 5 authority. Fiscal year 1975 formula funds remaining after September 30, 1977, will be the first funds to be used in this manner.

In addition, this legislation includes all of the amendments to the Urban Mass Transportation Act of 1964 which were passed by the Senate in September 1975 (S. 662), and on which the House of Representatives failed to act. In 1974, the Congress set aside $500 million out of the capital grant program to be used in non-urbanized areas.

However, a program of only capital assistance to these areas is insufficient to deal with the pressing need for improved services. Therefore, under this legislation these funds would be authorized for use for operating assistance, as well as for capital assistance. S. 662 also included provisions providing for accessible mass transportation for the elderly and the handicapped. A loan forgiveness program, fellowship assistance grants, an expanded definition of construction and new reporting, and update requirements which would effectively create the means for the Congress to review the urban mass transportation program every 2 years.

Mr. President, the enactment of the National Mass Transportation Assistance Act of 1977 is of the utmost necessity if we are to continue our progress in providing efficient urban mass transportation throughout our Nation. This is a task which the Congress began in 1961 as a demonstration program and which today has blossomed into a multibillion dollar program.

Modern mass transportation systems are now under construction in Atlanta, Ga. and Washington, D.C. Initial efforts have also been undertaken in Detroit, Mich.; Miami, Fla.; Baltimore, Md.; and northern New Jersey. In addition, cities such as Buffalo, N.Y.; Denver, Colo.; Los Angeles, Calif.; and Dayton, Ohio, have also begun to take the first steps forward. The Federal commitment contained in this proposed legislation will encourage these cities in their endeavors and give impetus to other cities to provide improved urban mass transportation. If we are to reach our goals of alleviating air-pollution, traffic congestion, rebuilding our inner cities and resolving the energy crisis, our Nation's No. 1 priority must be urban mass transportation.

Mr. President, I ask unanimous consent to have printed in the RECORD a short summary of the fiscal impact of the National Mass Transportation Assistance Act of 1977, together with the bill.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Mass Transportation Assistance Act of 1977".

SEC. 2. Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out the second through the fourth sentences thereof and inserting in lieu thereof the following: "None of the amounts authorized under the preceding sentence may be obligated after September 30, 1977. There are authorized to be appropriated such sums as may be necessary to liquidate the obligations incurred under this subsection.".

SEC. 3. Section 4 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(e) To finance grants and loans under section 3 of this Act, there are authorized to be appropriated not to exceed $11,400,000,000 for the period ending on September 30, 1982. The aggregate of the amounts appropriated under this subsection may not exceed $1,900,000,000 prior to October 1, 1978; $3,900,000,000 prior to October 1, 1979; $6,100,000,000 prior to October 1, 1980; and $8,600,000,000 prior to October 1, 1981. Appropriations pursuant to the authority of this subsection may be made in an appropriation Act for a fiscal year preceding the fiscal year in which the appropriation is to be available for obligation and shall remain available until expended.".

SEC. 4. Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(1) The first $500,000,000 appropriated and available for obligation under this section for each fiscal year beginning after September 30, 1977, shall be available only for grants to assist State and local public bodies in financing the acquisition of equipment for use, by operation, lease, or otherwise, in mass transportation service in urban areas. Grants to eligible applicants in any urbanized area shall not exceed the sums allocated to that area under a formula which the Secretary shall develop and publish not later than June 30, 1977. To permit applicants to develop adequate plans for the utilization of such sums, the Secretary shall advise the appropriate local officials in each urbanized area of the amount that is expected to be available each year not later than 90 days prior to the beginning of the fiscal year in which such sums will be available.".

SEC. 5. Section 5 of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out subsection (c)(2) and inserting in lieu thereof the following:

"(2) There are authorized to be appropriated to finance grants under this section not to exceed $2,475,000,000 for the period ending on September 30, 1982. The aggregate amount of appropriations pursuant to this paragraph shall not exceed $125,000,000 prior to October 1, 1980; and $1,225,000,000 prior to October 1, 1981. Appropriations pursuant to the authority of this paragraph may be made in an appropriation Act for a fiscal year preceding the fiscal year in which the appropriation is to be available for obligation.";

(2) by inserting at the end of subsection (c) the following new paragraph:

"(3) Sums apportioned under paragraph (1) of subsection (b) shall be available for obligation by the Governor or designated recipient for a period of two years following the close of the fiscal year for which such sums are apportioned, and any amounts so apportioned remaining unobligated at the end of such period shall be added to the sums available for obligation under subsection (d) for the next succeeding fiscal year.";

(3) by redesignating subsections (d) through (n) as subsections (f) through (p), respectively, and by inserting after subsection (c) the following new subsections:

"(d) To finance additional grants under this section, there are authorized to be appropriated not to exceed $1,250,000,000 for the period ending on September 30, 1982. Appropriations for such purpose shall not exceed $250,000,000 in any one year. Sums so appropriated shall remain available until expended. Appropriations under this subsection may be included in an appropriations Act for a fiscal year preceding the fiscal year which the appropriation is to be made available for obligation.

"(e) (1) The Secretary may approve as a project for financing through grants under subsection (d), on such terms and conditions as he may prescribe, (A) the acquisition, construction, or improvement of facilities or equipment for use, by operation or lease or otherwise, in mass transportation service (B) the payment of operating expenses to improve or to continue such service by operation, lease, contract, or otherwise, (C) the payment of capital or operating expenses to carry out new, innovative, or specialized mass transit service, (D) the payment of operating expenses related to regional commuter rail service, or (E) the payment of funds related to operating performance and the achievement of operating results under criteria established by the Secretary.

"(2) The Secretary shall issue such regulations as he deems necessary to administer this subsection.";

(4) by striking out "under this section" in the first sentence of subsection (h), as redesignated, and inserting in lieu thereof "under subsection (c)"; and

SEC. 6. The last sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof a comma and the following: "and such $500,000,000 may be used in such areas for the payment of the cost of construction projects or for the payment of subsidies for operating expenses. Grants for assistance in other than urbanized areas shall be subject to such terms, conditions, requirements, and provisions (similar as may be appropriate to those applicable to grants under section 5) as the Secretary may determine to be necessary or appropriate for other than urbanized areas".

SEC. 7. Section 10 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"GRANTS FOR TRAINING PROGRAMS

"SEC. 10. The Secretary is authorized to make grants to States, local public bodies, and agencies thereof and private mass transportation operators to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation fields. Fellowships shall be for not more than one year of training in public or private training institutions offering programs having application in the urban mass transportation industry. The recipient of a fellowship under this section shall be selected on the basis of demonstrated ability and for the contribution which he can reasonably be expected to make to an efficient mass transportation operation. The assistance under this section toward each fellowship shall not exceed the lesser of $12,000 or 75 per centum of the sum of (1) tuition and other charges to the fellowship recipient, (2) any additional costs incurred by the educational institution in connection with the fellowship and billed to the grant recipient, and (3) the regular salary of the fellowship recipient for the period the fellowship (to the extent that salary is actually paid or reimbursed by the grant recipient)."

SEC. 8. Section 12(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(6) the term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or acquisition of facilities and equipment for use in public mass transportation, including designing, engineering, location surveying, mapping acquisition of right-of-way, relocation assistance, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of replacement housing."

SEC. 9. (a) The Secretary of Transportation shall convert equipment and facilitate loans heretofore made under section 3(a) of the Urban Mass Transportation Act of 1964 or title II of the Housing Amendments of 1955 (42 U.S.C. 1492), to grants under the conditions set forth below. A grant agreement for the acquisition, construction, reconstruction, or improvement of facilities and equipment under section 3(a) of the Urban Mass Transportation Act of 1964 shall provide for forgiveness of principal and interest on a loan previously made in lieu of a cash grant in the amount forgiven. Such grant shall be subject to such terms and conditions as the Secretary may deem necessary and appropriate, taking into account the degree of completion of the project financed with the loan.

(b) In lieu of the local matching share otherwise required, the grant agreement may provide that State or local funds shall be committed to mass transportation projects in the urbanized area, on a schedule acceptable to the Secretary of Transportation, in an amount equal to the local share that would have been required had the amount of principal and interest forgiven been the Federal share of a capital grant made when the original loan was made. The State or local funds contributed under the terms of the preceding sentence shall be made available for projects eligible for funding under section 3(a), and may not be used to satisfy the local matching requirements for any other grant project.

SEC. 10. Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "To assure orderly planning and program development under section 3, the Secretary shall report to Congress on or before February 1, 1980, a detailed estimate of the cost of grants to be made under section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1980 and ending with fiscal year 1984. On or before February 1, 1982, the Secretary shall report to Congress a detailed estimate of the cost of grants to be made under section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1978 and ending with fiscal year 1986."

SEC. 11. Section 16 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

"SEC. 16. (a) It is hereby declared to be the national policy that—

"(1) elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services;

"(2) special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and

"(3) all Federal programs offering assistance for mass transportation (including the programs under this Act) should effectively implement this policy.

"(b) The Secretary shall require that projects receiving Federal financing assistance under this Act shall be planned, designed, constructed, and operated to allow effective utilization of mass transportation services by elderly and handicapped persons who are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project under this Act unless he finds that the program or project complies with the requirements mandated by this section. The Secretary shall, as part of carrying out this section, require the following:

"(1) Effective immediately, any new vehicle, station, building, or other structure for any new rapid rail system or for any new extension to an existing rapid rail system if the extension forms a usable segment, and any other new vehicle integrated with such a system when feasible shall be subject to accessibility standards issued by the Secretary. Standards issued under this paragraph

shall insure accessibility by elderly and handicapped persons.

"(2) The Secretary shall require that mobility for elderly and handicapped persons is available in each urbanized area requesting a grant or loan under this Act. The Secretary shall determine that this requirement is being met if the applicant demonstrates detailed plans for meeting this requirement either by the provision of a wheelchair accessible regular fixed route system within a reasonable time period or in the alternative provision of a substitute service that provides comparable coverage and service levels as is provided by the regular fixed route system. In order to assure such effective mobility, the Secretary shall prescribe the use of all or such portion of such grants or loans as are necessary to be utilized for the purchase of wheelchair accessible buses or other step entry vehicles.

"(c) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to such terms, conditions, requirements, and provisions as are applicable to grants and loans made under section 3(a), and for the purposes of all other laws, any grant or loan under this subsection shall be deemed to have been made under such section; and

"(2) to private nonprofit corporations and associations for the purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)), as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

"(d) Of any amounts made available to finance research, development and demonstration projects under section 6, after the date of the enactment of this section, 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

"(e) For the purposes of this section, the term 'elderly and handicapped persons' means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including any individual who is nonambulatory wheelchair bound or who has semiambulatory capabilities, is unable without special facilities or special planning or design to utilize such facilities and services effectively.

"(f)(1) Effective immediately, a local advisory committee (at least half of the members of which shall be elderly or handicapped persons) shall be established for each geographical area in which assistance under section 3 or 5 is being furnished. The committee shall be utilized in drawing up a detailed timetable for compliance with this subsection and in carrying out provisions of this subsection. A project agreement for assistance under either such section shall specify the time, not to exceed ninety days from the grant of assistance, for implementation of the timetable.

"(2) Effective immediately, the service proposed to be provided for elderly and handicapped persons shall be presented at the public hearing required as part of the application process for assistance under section 3 of this Act.

"(g) Technical study grants made under section 9 of this Act in support of local transportation planning (including grants made for the fiscal year 1977 planning program) shall include work elements necessary to produce by July 1, 1978, a comprehensive local plan and implementation schedule for developing public transportation service for elderly and handicapped persons within the planning area.

"(h) The Secretary shall establish a National Advisory Council on Mass Transportation for Elderly and Handicapped at least 50 per centum of the members of which shall be elderly or handicapped persons. The Advisory Council shall advise and consult with the Secretary of Health, Education, and Welfare and the Secretary of Transportation on all matters relating to mass transportation for elderly and handicapped persons.

"(i) On or before October 1, 1978, the Secretary shall prepare and submit to the Congress a comprehensive report on the mass transportation needs of elderly and handicapped persons, including information generated under technical study grants subject to the requirements of subsection (g) of this section; research, development, and demonstration activities undertaken in furtherance of the national policy set forth in subsection (a); the progress made in assuring the effective utilization by elderly and handicapped persons of mass transportation services and facilities assisted under this Act, and additional measures to assure such effective utilization; and a determination of the economic impact of regulations adopted under this section as measured in production, productivity, employment, prices, and incomes or other economic indicators as the Secretary may deem appropriate, and a determination of the benefits resulting from such regulations relative to the costs associated with implementing them."

SUMMARY OF FISCAL IMPACT OF NATIONAL MASS TRANSPORTATION ASSISTANCE ACT OF 1977

Section 3 authorizes the following amounts:

$1.9 billion for fiscal year 1978, $2.0 billion for fiscal year 1979, $2.2 billion for fiscal year 1980, $2.5 billion for fiscal year 1981, $2.8 billion for fiscal year 1982.

For the capital grant program, $3,798 billion is still unobligated so that total new authorizations under the Act would amount to $7.702 billion.

For the formula grant program, money has already been authorized for the years 1978, 1979, and 1980. These sums are not included in this bill, except for $125 million for 1980. This $125 million was used during this year's transition quarter for the formula grant program and was taken out of 1980 funds and is thus, being replaced.

For fiscal year, 1981, the formula grant program would be funded at a $1.1 billion level and for fiscal year 1982 at a $1.25 billion level. Thus, an additional $2.475 billion in new authorizations would be necessary to fund the Section 5 program plus an additional $1.25 billion for the new discretionary fund program which would be used to supplement Section 5 formula grants.

Total new authorizations under the 1977 Act would thus, come to $11.427 billion for the full 5 year period through 1982 (Budget impact for 1978 would amount to $250 million and $550 million for 1979).

AMENDMENTS SUBMITTED FOR PRINTING

REORGANIZATION OF SENATE COMMITTEE SYSTEM—SENATE RESOLUTION 4

AMENDMENT NO. 12

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. WILLIAMS. Mr. President, on behalf of myself and Senators PROXMIRE, TOWER, BROOKE, MCINTYRE, and SPARKMAN, I send to the desk an amendment to Senate Resolution 4, reorganizing the committee system of the Senate and for other purposes. I ask that it be printed and referred to the Committee on Rules and Administration.

Mr. President, this amendment is designed to preserve the jurisdiction of the Senate Committee on Banking, Housing and Urban Affairs and to make explicit in the Senate rules that committee's jurisdiction over urban mass transportation. Over the years, the Committee on Banking, Housing and Urban Affairs has been recognized for its expertise in the field of urban affairs of which urban mass transportation is an integral part. This amendment would preserve that jurisdiction and not take away jurisdiction from any committee.

I now ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 5, line 24, strike out "except for urban mass transit" and insert, "including urban mass transit".

On page 8, line 7, strike out "12 Urban mass transit".

ADDITIONAL STATEMENTS

THE INTERNATIONAL MONETARY FUND

Mr. BELLMON. Mr. President, the International Monetary Fund recently loaned almost $4 billion to the Government of Great Britain and $36 million to the Vietnamese. These loans are upsetting to me and I believe to others in the Senate.

They cause me, as a member of the Appropriations Committee, to wonder whether I can continue to support budget requests for funding the International Monetary Fund.

The IMF was created to aid member nations that experienced problems with balance of payments. The United States urged IMF's creation in the 1940's and supplied 20 percent of the original funds.

These funds were misused in making the $36 million loan to Vietnam. I and many other Americans doubt that Vietnam is a bona fide member of the International Monetary Fund.

South Vietnam became a Fund member in 1956, but the destruction of that Government by invaders from the north ended its representation. The new rulers of Vietnam do not become IMF members by mounting military offenses and invading the homes of another government's citizens. The new rulers do not become members by subverting the peace accord negotiated with the United States.

While the Vietnamese Communists and some other countries claim that past South Vietnamese representation gives the new rulers access to membership, the United States has expressed its opposition to the idea.

As I said, the IMF was created to extend loans to member countries to aid the solution of balance-of-payment problems. It is apparent that a deficit in balance of payments is not the major reason for the $36 million loan to the Vietnamese Communists.

The Vietnamese and the IMF may point to various statistics purported to represent the import-export experience of Vietnam, but the true use of this money will be to repair war damages—to make repairs so internal development can progress. Export, as we might infer from Cambodian development since the Communist takeover, is not the major concern.

The IMF, in making the loan, said Vietnam is having internal transportation difficulties. These difficulties exist because the lines of transportation were cut during armed conflict.

The IMF also said Vietnam's fishing trawler availability has been reduced. It was reduced by the number of vessels sent to the bottom during armed conflict.

In negotiating a peace agreement, the United States offered to help pay for the repair of damages from the preceding conflict, but the Vietnamese Communists broke that agreement with their spring 1973 offensive.

This country should not be a party to action that gives the Vietnamese war damages aid through the back door. Let other communist nations that helped prolong the war and that provided the weapons to battle the offensive pay for repairs.

Let us not reward military aggression.

In the case of Great Britain, the IMF is using American dollars to subsidize wasteful socialist programs.

Some $4 billion is being sent to the British to enable them to continue massive Government support of social programs—to continue throwing away money.

Britain today feels the result of trying to place too great a burden on government. Britain today feels the result of deserting private enterprise. Britain today feels the result of destroying the initiative of her people to take care of themselves.

Until the spending habits of the British Government change, we, through the IMF, will be wasting our money with loans such as this one.

Let us not pay for government mismanagement here or abroad.

Let us look at the International Monetary Fund to determine whether our 20 percent funding is being wasted or is being spent contrary to the interests of the American people or is being used as it was originally intended.

DEATH OF SENATOR PHILIP A. HART

Mr. THURMOND. Mr. President, the death of Senator Philip A. Hart has deprived the Senate of a valued friend and the Nation of a humane and conscientious servant. Although he had planned to retire from public life at the end of the 94th Congress, his colleagues of both parties and all political persuasions were hopeful of enjoying, as circumstances might permit, his continued counsel and company. I deeply regret that these hopes cannot now be realized, and, though not one of Senator Hart's closest associates here, I wish to add a few words of respectful tribute to those already spoken.

Senator Hart and I served together on the Judiciary Committee for many years. We often disagreed on the issues that came before us, and we sometimes disagreed profoundly. I think I can say, however, that we never disagreed bitterly. Bitterness, and petty feelings of all kinds, were entirely alien to his character. Moreover, his own kindliness, gentleness, and modesty encouraged the same qualities in others. His was a character that compelled not just admiration, but imitation. Indeed, it might serve as a model for all of us he leaves behind in the contentious world of politics.

It is above all for these rare personal qualities, and for the great sympathy with his fellowman that underlay them, that Philip Hart will live on in my memory. I leave it to others to determine and declare how these attributes were translated into legislative achievement. One other achievement, though, I believe I may appropriately comment upon.

Senator Hart was a lifelong believer in the dignity and usefulness of politics. While some critics railed at all politics as pointless, and all politicians as corrupt, Senator Hart stoutly defended not only the system itself but the men involved in it. Perhaps he was inclined to judge too generously, seeing his own personal virtues too easily in other men. Surely, though, on this point he was more right than wrong. Any profession that can attract the likes of Philip Hart has much to recommend it. The very presence in the Senate of so unselfish and unassuming a man was an honor to us all.

ECHOES FROM OUR BICENTENNIAL

Mr. BURDICK. Mr. President, one of North Dakota's finest citizens has written the attached tributes to America on the occasion of the Bicentennial. I would like to have these poems, "Echoes From Our Bicentennial," by Mr. Ole A. Olson of Fargo, N. Dak., printed in the RECORD.

There being no objection, the poems were ordered to be printed in the RECORD, as follows:

ECHOES FROM OUR BICENTENNIAL 1976

(By Ole A. Olson)

Happy Birthday, dear America, Congratulations to you!
We hoist in adoration, the red, the white and blue.

The war of separation extended into years,
You shed the yoke of England, at the cost of blood and tears.

The champions for independence were brave and fearless men,
Their lives became expendable by the wielding of a pen.
They knew, that should the revolution fail,
They'd all be shot, or sent to jail.

The thirteen states were scattered from Georgia up to Maine;
To weld them all together, was often tried in vain.
The larger states were greedy, and wanted special rights,
The smaller states objected, which started verbal fights.

The Union was just established before
Some states seeded, and spawned a civil war.
But Abraham Lincoln, diplomatic and bold,
Ushered the rebels back into his fold.

With peace again restored, the Ship of State rode high,
Its borders were extended beyond the Western sky.
Immigrants by the thousands, unafraid of toil,
Settled the Western prairies, to plow and till the soil.

The politicians rant and rave, and fight with padded gloves,
The voter, hard of hearing, supports the one he loves.
The Communists and Kings, may rule across the sea,
But bountiful American is good enough for me.

My own Centennial will soon be due,
May God see fit that this comes true.
A couple of years, I'll have to wait,
For now I'm only ninety-eight.

TV COMMERCIALS

Mr. HATHAWAY. Mr. President, every television viewer is familiar with those advertisements that depict the virtues of beer-drinking in living the vigorous, athletic life. These beer commercials suggest to the viewer, directly and subliminally, that drinking the sponsor's product is, first, a form of reward for achievement; and second, promotive of good health and the good life.

In many of these beer commercials the appeal to America's teenage population is explicit. Athletic themes are featured. One recent commercial, run during the presentation of football games this past season, shows a group of teenagers in a playground game of one-on-one basketball. The youngsters are depicted breaking for the neighborhood tavern to celebrate their athletic prowess with a round of the sponsor's product.

Another recent TV spot shows a young man celebrating his birthday at a bar. He is congratulated on attaining manhood by the bartender, who serves him a draft of the advertiser's brew. The implication is unmistakable. The ad relates the achievement of manhood to alcohol imbibing.

Mr. President, I do not want my remarks on this subject misunderstood. For the time being, I do not oppose, per se, with the current laws and regulations permitting alcoholic beverages to be advertised on television, or in other media. But there are also laws, and regulations that place specific limits on the manner in which any product can be advertised,

and it is my belief that such beer advertisements as I have described violate the spirit, if not the letter, of these legal restrictions.

As chairman of the Subcommittee on Alcoholism and Narcotics, I am familiar with the alarming statistics which indicate a rising incidence of alcoholism among young Americans, I am genuinely concerned over the apparent indifference with which advertisers of beer and other alcoholic beverages, the media, and the Federal regulatory agencies with jurisdiction over such advertising view this problem.

The pernicious effect of excessive alcohol consumption on health is well known. I do not need to refer to the problem of alcoholism to make this point. It is sufficient to say that excessive beer drinking—and the thrust of these advertisements, it seems, is that one is never enough—is not the road to athletic achievement or the robust life. The suggestion, particularly to young people, that the way to cap off a good workout is to reward yourself with a couple of beers for the road—the association of healthful living with beer drinking—is a potbellied deception of viewers.

Nevertheless, the Federal Trade Commission, while currently proposing extensive new trade regulation rules governing the advertising of food and its effect on health, specifically exempts alcoholic beverages from the purview of these changes. I believe this to be a serious error, and one which the Commission should move speedily to correct.

Why should direct or implicit claims that a particular food provides "energy" be prohibited unless the advertisement also discloses that the energy is "supplied by calories" when the same disclosure is not required of beer advertisers? Do the calories contained in a Hostess Twinkie package loom, in the vision of the FTC, as a greater threat to the health of young Americans than those contained in a six-pack?

Needless to say, I do not make light of this subject except to point out that there seems to be a serious dislocation of priorities in the Federal Trade Commission on this subject. I wholeheartedly support the FTC's continuing effort to protect the American consuming public from misleading, deceptive, and unfair advertisements, both in the print and electronic media. But I submit that any effort to amend the trade rule on advertising as it affects health with regard to "energy" claims which does not take in alcoholic beverage commercials as they now appear on TV falls short of the mark.

I am, frankly, surprised that the FTC has not taken cognizance of the advertising misrepresentation implicit in specific advertisements such as the ones I have referred to. I am doubly surprised to know that the agency, while in fact directing its attention and resources toward protecting consumers in the area of food-and-energy claims advertisements, seems to be going out of its way to exclude alcoholic beverage advertisers from its proposed new rule.

In testimony on this subject before my Subcommittee on Alcoholism and Narcotics last March, a representative of the Federal Trade Commission testified that his agency had previously deferred to the Bureau of Alcohol, Tobacco and Firearms, BATF, in the Department of the Treasury, on the subject of advertising. However, that individual also testified that

> If there is a problem of a relationship between advertising and alcohol abuse, it is the law of unfairness, rather than the law of deception, that is going to reach that problem.

The BATF, as was clearly pointed out, has been given neither statutory jurisdiction nor sophisticated research and investigative capabilities in the area of "unfairness."

At that time, it was concluded that FTC could in fact consider alcohol advertising, in the context of its own legislative mandate, with no further amendments to the law. For that reason, it seems to me that the inclusion of alcoholic beverage advertising within the proposed new rule is absolutely necessary to curb the current trends in TV beer advertising and other alcohol advertising in broadcast and other media which would lead the youth of America to believe that the road to the good, healthy, vigorous, athletic life is paved with beer cans.

I would, of course, prefer that advertisers and broadcasters themselves might have recognized the misleading nature and social harm of such commercials before beaming them to the public. That failing, however, it remains for the Federal Trade Commission to act in the public interest. The FTC should move immediately to include the advertising of alcoholic beverages within its proposed new rule governing food advertising in general.

If the FTC continues to refrain from including alcohol advertising in its new rules and regulations, however, then it will be my intention to amend the FTC authorizing legislation to include a specific reference to jurisdiction over alcohol advertising. I did so last year, following my subcommittee's hearings on this subject, only to see the efforts die at the end of the session, when the House failed to report a final FTC measure.

RESIGNATION OF KENNETH LAZARUS AS ASSOCIATE COUNSEL TO THE PRESIDENT OF THE UNITED STATES

Mr. THURMOND. Mr. President, on December 17, 1976, President Ford accepted the resignation of Kenneth Lazarus as associated counsel to the President of the United States. During the period 1971–74, Mr. Lazarus served on the minority staff of the Senate Judiciary Committee, completing his service as minority counsel to the full committee.

As the ranking Republican on the Judiciary Committee, I would like to take this opportunity to wish Mr. Lazarus the best of success in the private practice of law. I also ask unanimous consent that Mr. Lazarus's letter of resignation and the President's acceptance of his resignation be printed in full in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, December 10, 1976.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This is to submit my resignation as Associate Counsel to the President of the United States, effective January 15, 1977.

It has been a great honor as well as a unique and enriching experience to have served on your legal staff for the past two years and I leave with a profound feeling of pride in your conduct of the office of the Presidency. May I ever be of some service to you in the future, I am hopeful that you will see fit to call upon me.

My best wishes to you and Mrs. Ford for a peaceful holiday season and a most successful future.

Sincerely,

KENNETH A. LAZARUS,
Associate Council
to the President.

THE WHITE HOUSE,
Washington, December 17, 1976.

Hon. KENNETH A. LAZARUS,
The White House,
Washington, D.C.

DEAR KEN: I have your letter, and it is with special gratitude for your many contributions to my Administration that I accept your resignation as Associate Counsel to the President of the United States, effective January 15, 1977, as you requested.

In doing so, I welcome this opportunity to express my personal appreciation and that of our Nation for your outstanding work during the past two years. Your dedication, energy, and keen insights have been of great value to me and to our country and have truly earned for you the respect of your many colleagues in Government. I know that in the years ahead you will be able to look back with great pride on your many accomplishments as Associate Counsel.

As you prepare to return to private life, you may be sure that you take with you my very best wishes for every success and happiness in your future endeavors.

With warm regards,

JERRY FORD.

IN MEMORIAM: DR. MARTIN LUTHER KING, JR.

Mr. BAYH. Mr. President, Saturday, January 15, is the birthdate of an out standing American who made a remarkable contribution to the realization of the goals of our Nation. It is the birthdate of a man who had a prophetic vision of just how our country could be, if only all Americans would share the dream that Dr. Martin Luther King, Jr. articulated so well for the Nation he loved and served.

As we enter a new era in America's political history, and begin our third century, I think it appropriate to reiterate the message of Dr. King's unique life and poignant death. Dr. King envisioned an America in which all the scars of our past injustices would once and for all be healed. He envisioned an America in which all citizens could realize the limits of their abilities in an atmosphere free from prejudice and bigotry.

Dr. King preached a philosophy of love, tolerance, and understanding. And he realized that America, more than any other country, has the potential to realize the principles by which he lived and died. True to his philosophy, he set out to confront his adversaries. His tactics were not hate and violence. To the contrary, he utilized the most powerful weapon man possesses for achieving social change, love of one's fellow man. He taught his followers, as well as the entire world, that one must be tolerant and patient if one hopes to remove the ugly shackles of racial bigotry from around the necks of those who bear that affliction. Furthermore, he taught his followers, and also the entire world, that an individual can only break down the differences that exist among men if one is willing to take time to understand his fellow man. In essence, Dr. King took the principles of our Founding Fathers and made them applicable to the entire country. He bridged the gap that had once existed between the ideal of democracy and its limited application to more than 20 million Americans.

Because of the great service that Dr. King rendered to his country, I feel that it is appropriate that the Senate pass a resolution, which will soon be introduced by the Senator from Massachusetts (Mr. BROOKE), and which I will cosponsor, to designate January 15 as Dr. Martin Luther King, Jr. Day. Such an honor should be bestowed in behalf of the memory of a man who dedicated his life to the principle that all persons are created equal; and who sacrificed his life so that some day his dream of racial harmony and solidarity could be a reality.

DEATH OF DR. JAMES M. ARIAIL

Mr. THURMOND. Mr. President, I rise to pay a few words of tribute to Dr. James M. Ariail, one of the most distinguished educators in the history of South Carolina, who died on December 17, 1976, at the age of 92. His many years generated many accomplishments and many friendships, and he leaves behind mourners too numerous to count.

Prominent among them are the generations of students he instructed in English literature during his 70-year teaching career. As professor of English at Columbia College and, during World War II, at the University of South Carolina as well, he expounded the works of the greatest writers in our language, especially Shakespeare, with energy and imagination, winning for them thousands of new and responsive readers. His stimulating mind will be sorely missed by young students and old, in the classroom and out.

Then, there are his own readers, for Dr. Ariail was a prolific writer himself, with many published works in the fields of history and literary criticism. He wrote not only for a scholarly audience, but also for a wider public. His "The Fortune Trail," an edition of the Civil War letters of Dr. B. D. Sanders, has proven especially popular. All those who have learned from and enjoyed his works will be deeply aggrieved to learn that his pen has been stilled.

Also grieving Dr. Ariail will be the various academic institutions with which he was affiliated. Besides Columbia College and the University of South Carolina, these include Wofford College, from which he received a B.A. and an M.A. in 1905 and 1906, and the degree of doctor of literature in 1945, and the University of North Carolina, from which he gained a second M.A. and a Ph. D. in 1925. All these institutions had in Dr. Ariail a loyal and eminent alumnus whose high reputation in scholarly circles was a continuing source of pride and prestige.

Dr. Ariail was as active a churchman as he was a teacher and scholar, and his death leaves a large gap in the leadership of the College Place United Methodist Church and in the affections of all its members. Long involved in administrative work at his own church, he also gave his time, in a number of important capacities, to the South Carolina Methodist Conference. Perhaps his most characteristic form of service to the church, and certainly the one he enjoyed most, was the Sunday school class he organized and taught for more than 35 years.

Those, however, who will feel the most sorrow at the death of Dr. Ariail are unquestionably his beloved family. His survivors range through five generations, and the loss of a devoted stepson, husband, brother, father, grandfather, and great-grandfather can never be repaired. To all of his family, I extend my deepest sympathy, especially to his widow, Mrs. Belva McCall Haynsworth Ariail; his stepmother, Mrs. Annie Ariail Gerhard; his daughter, Mrs. Thomas C. Lawson; his son, Col. Thomas Muldow Ariail; his brother, Rev. Warren G. Ariail; his seven grandchildren; and his seven great-grandchildren.

Sad as this time may be for the friends and family of Dr. Ariail, there is cause for rejoicing, too. Dr. Ariail's life was long and full, and he bequeathes to those who knew him a rich and varied assortment of gifts. To his students, he leaves the love of good literature; to his readers, he leaves writings full of insight, learning, and wit; to the academic community, he leaves the credit of his name; to his fellow Methodists, he leaves a shining example of Christian service; and to his family, he leaves imperishable memories of 92 years of shared experiences and mutual affection. May the thought of these gifts serve as comfort at this time of affliction and as inspiration for the days to come.

Mr. President, at the time of the death of Dr. Ariail, two articles about him appeared in The State newspaper of Columbia, S.C. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, Dec. 18, 1976]

RETIRED PROFESSOR DR. J. M. ARIAIL DIES

Dr. James Milton Ariail, 92, a retired professor of English at Columbia College and Shakespearean scholar, died Friday in the Providence Hospital.

Born in Pacolet, he was a son of the late Rev. James Warren and Carolina Hodges Ariail. He was a member of College Place United Methodist Church, where he was one of the original trustees. He organized and taught the Ariail Sunday School Class for over 35 years. He was an honorary member of the administrative board of the church and was a lay leader for many years.

He received his bachelor's degree from Wofford College in 1905, his master's degree in English from the same college in 1906; a second master's from the University of North Carolina and his PhD from the university in 1925. He received a Doctor of Literature degree from Wofford College in 1945.

During World War II, when there was a shortage of college teachers, Dr. Ariail served simultaneously at Columbia College and the University of South Carolina as a professor of English.

In the late 1930s, he was elevated to the post of Stackhouse Professor Emeritus of English at Columbia College. In 1925, he won the Smith Foundation Prize given by the University of North Carolina for his work in English. In the same year, he was a member of the Phi Phi Beta fraternity. Subsequently, he was made a member of Omicron Delta Kappa fraternity at the University of South Carolina.

He once served as president of the English department of the South Carolina Education Association. He was a former secretary of the faculty of Columbia College, chairman of the Board of Pensions of the S.C. Methodist Conference, and was named "Man of the Year" by the Kappa Sigma fraternity.

He was former secretary for the Methodist Conference Board of Claimants, where he was active in the establishment of a retirement system for ministers of the S.C. conference.

Dr. Ariail was former secretary of the Southern Christian Advocate (now the Methodist Advocate) for many years.

His published works include:

"Pippa Passes. A Dramatic Failure;" "In Defense of Bessanio," in the Shakespeare Association bulletin; "The Grammarians' Funeral," P.M.L.A. Journal; "Take Two Chairs," in Notes and Adversaries; "Epworth Notes," Methodist Publishing House; "Methodist Emphasis in Browning's Poetry," South Carolina Methodist Conference; "History of Columbia College," Columbia College Press.

Also, "History of the College Place Methodist Church;" "The Fool, Kent and Cordelia: A Conjecture;" "The Fortune Trail," Civil War letters of Dr. B. D. Sanders.

Surviving are his widow, Mrs. Belva McCall Haynsworth Ariail; his stepmother, Mrs. Annie Ariail Gerhard of Columbia; a daughter, Mrs. Thomas C. Lawson of Huntsville, Ala.; a son, Col. Thomas Maldrow Ariail of Columbia; a brother, the Rev. Warren G. Ariail of Orangeburg; seven grandchildren and seven great-grandchildren.

He was predeceased by a son, James Milton Ariail Jr., who died in 1969, and a daughter, Mrs. Saly Cecilia Ariail Taylor, who died in 1960.

Services will be 3 p.m. Sunday in the College Place United Methodist Church, conducted by the Rev. Ray P. Hook and the Rev. R. Wright Spears. Burial will be in Elmwood Cemetery.

Talbert-Shives Funeral Home is in charge.

[From the Columbia (S.C.) State, Dec. 21, 1976]

TRIBUTE TO A TEACHER

Each generation of educators produces its own master teachers, but seldom does one teacher extend his mastery over as many generations as did Dr. James Milton Ariail.

Before death claimed him last Friday at the age of 92, the Professor Emeritus of Eng-

lish at Columbia College could look back in an illustrious teaching career which had its inception when he was graduated from Wofford College in 1905. In the 71 years since then, he added degrees to his name, laurels to his fame, and—most notably of all—thousands of students to the roster of those whose love of English literature stemmed from exposure to his instruction.

If we accept the testimony of this legion, and of his professional colleagues, he enriched countless lives by introducing them to the superb writings of Shakespeare, Milton, Browning, Keats and other luminaries of literature. But his students' memories of those great men were matched by their memories of him—not only as a teacher, but as a devout Christian whose faith sustained him through personal tragedies which might have crushed a lesser mortal.

Scholar, teacher, and writer himself—James Milton Ariail left a legacy of academic achievement and tutorial influence which imbeds his name permanently in the history of South Carolina education.

DEATH OF EDMUND A. RAMSAUR

Mr. THURMOND. Mr. President, the communications industry in South Carolina recently lost one of its most respected leaders. On December 18, 1976, Edmund A. Ramsaur, president of Multimedia, Inc., and copublisher of the Greenville News-Piedmont, died at the age of 51. The life of Ned Ramsaur was marked by high goals and great achievement—astonishingly great in view of his relative youth at the time of his death. I had the privilege of knowing this exceptional man, and I wish to put on record my admiration for him, my gratitude for all he accomplished for the people of South Carolina, and my deep sorrow at his untimely end.

Born in Greenville, S.C., Ned Ramsaur received his education from Davidson College, the University of South Carolina, and the University of Virginia, from which he graduated in 1949. In 1952, he entered journalism as Washington correspondent for the Greenville News, an enterprise which was to consume a large part of his professional energies, and his affection, for the rest of his life.

With his diligence, his insight, and perhaps above all his verbal craftsmanship, he soon won the attention and respect of his colleagues and superiors. Returning to Greenville as State editor of the News in 1955, he was named associate editor only 2 years later. Thereafter, he rose quickly through the ranks, finally becoming not only publisher of the paper, but president of its parent corporation, Multimedia, Inc. These two important positions made him, at the culmination of his career, one of the most influential figures in media circles in the entire Southeast.

His work made heavy demands upon him. Nevertheless, he somehow found the time to participate vigorously in a variety of civic activities. Devoted to the outdoors and to outdoor pursuits, especially fishing, he served as a member of the South Carolina Parks, Recreation, and Tourism Commission. In this capacity, he advocated measures that would, on the one hand, protect the natural beauty of South Carolina and, on the other, enable as many people as possible to take wise advantage of it. Indeed, Ned Ramsaur deserves a large share of the credit for the rapid growth in tourism—achieved without serious detriment to the environment—which South Carolina has recently experienced.

Ned Ramsaur, though, was more than just an outstanding newspaperman, successful businessman, and good citizen. He was also a devoted friend and family man. Those who were associated with him, whether personally or professionally, will not soon forget his openness, affability, and enthusiasm. An important man, he was never self-important; a busy man, he was never too busy for the small kindnesses and courtesies that smooth the rough edges off of life. His bright personality made him a man to shine in any crowd. The world will be duller and darker without him.

Those who will miss him most, of course, will be those who benefited most from his presence—his family. Although words cannot console for a loss of this kind, I offer my sincere sympathy to his widow, Dorothy Ann Peace Ramsaur; his son, Edmund A. "Ted" Ramsaur; and his daughter, Etca Ann Ramsaur.

There is no telling how much more Ned Ramsaur would have achieved if he had been allotted more time. Certainly, he was at the height of his powers when he died. However, it would be wrong for us to pursue these speculations too far. Rather, I think, we should adopt the same stoical attitude that he himself exhibited in his last illness. Despite the pain and the sadness, he went about his business quietly and uncomplainingly, grateful for what had been given him, resigned to what had been denied. In this matter as in so many others, he left us a worthy example. We honor his memory by following it.

Grief can have no more powerful an antidote than the memory of a man like Ned Ramsaur.

Mr. President, at the time of the death of Ned Ramsaur a number of articles appeared in South Carolina newspapers concerning the man and his achievements. In order that my colleagues may have the benefit of looking over these articles at their leisure, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Greenville News, Dec. 19, 1976]

NED RAMSAUR DIES

Edmund A. "Ned" Ramsaur, president of Multimedia Inc., and co-publisher of The Greenville News-Piedmont Co., died Saturday at his home in Greenville.

Ramsaur, 51, recently took a medical leave of absence.

He is survived by his widow, Dorothy Ann Peace Ramsaur, and two children: Edmund A. "Ted" Ramsaur Jr., and a daughter, Etca Ann Ramsaur, of 1 Rockingham Road.

The Mackey Mortuary of Greenville is in charge of arrangements. Plans for the funeral are to be announced.

Son of the late Claude and Dorcas Lott Ramsaur, he was a native of Greenville, a 1949 graduate of the University of Virginia. He attended Davidson College and the University of South Carolina.

He was active in both professional and civic organizations and his career spanned all phases of journalism, beginning in 1952 when he joined the staff of The Greenville News in Washington. He also worked in the paper's Columbia, S.C., bureau. He served as state editor of the newspaper from 1955 to 1957 when he was named associate editor of the News.

[From the News and Courier, Dec. 20, 1976]

NEWSPAPER EXECUTIVE DIES AT 51

GREENVILLE.—Edmund A. (Ned) Ramsaur, president of Multimedia, Inc., of Greenville, died Saturday at his home in Greenville. He was 51.

Ramsaur was also co-publisher of the Greenville News Piedmont and a member of the S.C. Parks, Recreation and Tourism Commission.

Recently, he had taken a medical leave of absence from the publishing firm. Multimedia owns and operates newspapers and radio and television stations in South Carolina, North Carolina, Tennessee, Georgia, Alabama, Louisiana, Arkansas, Kentucky and Ohio.

The son of Claude and Dorcas Lott Ramsaur, he was a native of Greenville. In 1949 he graduated from the University of Virginia, and also attended Davidson College and the University of South Carolina.

Ramsaur's career covered all phases of journalism, beginning in 1952 when he joined the Washington bureau of The Greenville News. Later he worked in the newspaper's bureau in Columbia. He was state editor from 1955 until 1957, when he was named associate editor.

Ramsaur was active in several civic and professional organizations. He was president of the Educational Foundation of the Atlanta-based Southern Newspaper Publishers Association.

Surviving are his widow, Mrs. Dorothy Ann Peace Ramsaur; a son, Edmund Ramsaur, and a daughter, Miss Etca Ann Ramsaur, all of Greenville.

The funeral will be 2 p.m. Monday at Mackey Mortuary in Greenville. A private burial will follow in Springwood Cemetery.

[From the Greenville News, Dec. 20, 1976]

EDMUND RAMSAUR

Directing daily newspapers covering a vibrant region is a demanding task because it involves intimately the infinity of the human mind and spirit as well as a complicated business and manufacturing process. It is a truism that a newspaper is people.

Those who guide newspaper operations should possess a high degree of special talents and attitudes. Among them are dedication to duty and the public weal, loyalty to the highest ideals of society, faith in people, courage to face adversity, patience, clarity of thought, intellectual honesty, dependability.

The man whose death at age 51 we mourn today possessed those qualifications and used them well to enhance the Greenville newspapers and a multi-state company of newspapers and broadcast stations.

He was Edmund A. Ramsaur, president of Multimedia, Inc., president and co-publisher of The Greenville News-Piedmont Co., his first love in the communications family, and an executive and director of other companies in the Multimedia group.

He was much, much more: he was Ned Ramsaur, a very special person to the host of newspaper and broadcast people and others who knew him as a close friend.

He was a many-faceted person; a talented newspaperman and writer before he became an executive; an energetic, inspiring executive whose horizons constantly expanded; a professional journalist who held leader-

ship posts in state, regional and national journalism organizations; an enthusiastic civic leader; a thinker; a fine conversationalist and companion; a devotee of the great outdoors and of fishing.

Because he loved Greenville and Greenville's newspapers, he gave of himself tirelessly to their service, inspiring others to do likewise. Because he loved South Carolina and this state's great natural beauty, he gave much attention to his duties as member of the State Parks, Recreation and Tourism Commission.

Ned Ramsaur was one who helped organize the successful tourism effort which has made the tourism industry the state's second largest. He played a large role in the development of a system to make widespread, wise use of and to conserve South Carolina's great outdoors. Because he loved the fields and woods and streams, he wanted as many others as possible, including future generations, to share in the bounty and beauty of the outdoors.

He also enjoyed reading and thinking. He was a word expert. He was a fine writer. He could contemplate the abstracts of the universe as well as grapple with the concrete affairs of the world.

Most of all he enjoyed people—working for people, working with people, having fun with people. His office door was open to all coworkers who sought his counsel. He was a delightful companion on any occasion, whether at a formal social or on a fishing trip. He always was the same, straightforward, witty, personable Ned.

He could have spent all his time with family and friends—with travel, fishing, camping, thinking, reading, conversing. But he was a man of action. He recognized the need for action, and plunged enthusiastically into the challenges and trials of newspaper and civic leadership.

The record shows that he excelled, that he grew constantly in his work. He continued to lead and to inspire long after illness sapped his strength, and he maintained a deep interest in these newspapers and in other affairs until the very end. Truly he was a man for all seasons.

We have suffered a grievous loss, because nobody can take Ned Remsaur's place.

We share the grief of his beloved family and extend to the members of the family our heartfelt sympathy.

To a departing friend—to Ned—we say a final word of thanks for many good things to cherish in memory of a gallant spirit.

[From the Greenville Piedmont, Dec. 20, 1976]

NED RAMSAUR MAN OF SERVICE

Edmund A. Ramsaur, known to closer associates as Ned, leaves a professional and civic void which will indeed be hard to fill.

At 51 years of age, he was a highly effective top executive of the electronic and print media firm, Multimedia, Inc., and of the Greenvile News-Piedmont Co. in which he had risen in rank as an experienced, talented newspaperman.

His extra-professional life was full in service to the Greenville region and his fellow citizens.

The latter knew Ned Ramsaur as a leader who accomplished what he and his extensive list of state, national and area affiliation set out as goals for a better life for everyone.

He was most concerned with people, and helped in many ways to make Greenville the type urban area of which we all could be proud.

His colleagues held Ned Ramsaur in warm affection, understanding fully the demands made on him by a key executive office and outside pursuits he continued almost to the last.

They knew him as a friend, as wise counsel, as one always fair and honest.

This inspired his fellow workers on the newspapers to produce an instrument substantially reflecting Ned Ramsaur's desire to contribute much to those around him, be they as close as the office or far as the papers' extensive outreach.

Even in the last days of his illness, Mr. Ramsaur maintained these interests and an unusual vitality that heartened his colleagues despite the looming sadness.

We extend to his family and other loved ones our fullest sympathies.

We know Ned Ramsaur's absence will mean many sad days ahead, and of course we all must unfortunately share a large measure of the grief.

But a man's life must be measured in terms of what he accomplished for those about him.

Ned Ramsaur was a large, large man.

His memory leaves encouragement to help fulfill the excellence we know he would have desired as the finest memorial possible.

To a good friend and fellow newspaperman, we say goodby and God speed.

GOVERNMENT ECONOMY AND SPENDING REFORM ACT OF 1977

Mr. PERCY. Mr. President, I am once again pleased to join as a sponsor of the Government Economy and Spending Reform Act, better known as the Sunset bill. This legislation can have as significant an impact on the workings of the Congress and the Federal Government as a whole as the Budget Reform Act has had.

The Sunset bill was first introduced early in 1976. It was given extensive consideration and revision by the Government Operations Committee's Subcommittee on Intergovernmental Relations, which Senator MUSKIE chairs, and on which I am privileged to serve. The revisions, which took into account the testimony of subcommittee witnesses and other interested parties, improved and refined the Sunset procedure mandated by the bill and the bill was unanimously reported by the full Government Operations Committee last August. Subsequent consideration of the bill by the Senate Rules Committee gave us the benefit of additional comments and suggestions for improvement.

The Sunset approach to Federal programing is far reaching and because we are now beginning a new Congress, our committee has an opportunity to make full use of the recommendations that have been made since the bill was first reported. For example, I have expressed reservations about the applicability of the Sunset approach to tax expenditures and I welcome the opportunity time now provides for futher examination of this new concept.

Senators MUSKIE, ROTH, and GLENN and their staffs on the Government Operations Committee have devoted many hours of work to the initiation and development of this Sunset approach to Government programing and I look forward to working closely with them again as we prepare the bill for consideration by the full Senate. In addition, I hope that the House of Representatives will begin work on its own Sunset legislation as soon as possible so that the best possible bill can be enacted during this Congress.

ARMY ASSOCIATION PAPER ON MILITARY UNIONISM

Mr. THURMOND. Mr. President, between the recess of the last Congress and the beginning of the 95th Congress, we have witnessed continued progress by unions wishing to enroll military personnel.

I plan to reintroduce later this month my bill to prohibit unionism of the Armed Forces. Last year 30 Senators joined with me in support of this legislation. Action on my bill is more pressing than ever and I plan to push hard for its early consideration.

Much has been written on the subject of military unions in the last year. However, one of the best papers I have seen is one issued on December 30, 1976, by the Association of the United States Army. The title of this paper is "Military Unionism—A Hoax and Deception." I urge my colleagues in the Congress to read it carefully, as this subject matter impacts on the national security of our Nation.

Mr. President, I ask unanimous consent that this AUSA position paper be printed in the RECORD.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

MILITARY UNIONISM—A HOAX AND DECEPTION

For almost the past two years the Services and the Congress have been "viewing with alarm" suggestions by one or more unions that they might try to oragnize military personnel into unions and take strong action to better the lot of uniformed personnel. There has been a great deal of rhetoric, confusion and general milling around—at a rate controlled by spokesmen for the union who decide on their own when they would like to stir the pot. The situation for a nation of our stature is both incredible and intolerable and needs to be brought promptly to a halt for the good of the country.

The whole concept being bandied about, principally by the American Federation of Government Employees, is a cruel hoax and deception. Implicit in all of their fanfare is the concept that by some magic means the union could obtain for the serviceman increased compensation, better working and living conditions and a much stronger voice in the management of the Armed Forces. Such proposals display either little respect for the intelligence of the individual serviceman or a complete ignorance of our governmental system, our Constitution, and the body of law which governs our society.

This divisive issue impacts seriously on the morale of those who serve and, if for no other reason, should be stopped now.

We urge several courses of action. First, the President should immediately issue a new Executive order that would prohibit service personnel from joining a union. He already has the authority as Commander in Chief of the Armed Forces to do so.

Secondly, the Department of Defense should issue a directive to be promulgated into Service Regulations that prohibit service personnel from joining military unions, bar organizing activities on military installations and continue the prohibition of Commanders from dealing with unions.

Third, the Congress should enact promptly

legislation redefining these prohibitions in clear language so that there can be no misunderstanding of the intent of Congress and the unanimity in the Government on this subject.

Finally, the Services need to insure that wide publicity is given to all ranks explaining more clearly existing grievance machinery and insuring that all in the chain of command understand fully their responsibilities.

There will be those who will challenge the prohibition against joining a union as an infringement of the Constitutional rights of the individual serviceman. We recognize that military personnel enjoy the protection of Constitutional rights. However, those rights in this case, as they do in others, must yield to the unique role of the military. The need for discipline, obedience and unswerving loyalty is an absolute military necessity. These precepts could be seriously eroded were military personnel permitted to join servicemen's unions. By finding the needs of the military to be paramount, this situation need never arise. Moreover, there have been a variety of cases in which the Supreme Court has recognized this unique role of the military. ". . . the rights of men in the Armed Forces must perforce be conditioned to meet certain overriding demands of discipline and duty." United States Ex Rel. *Toth v. Quarles,* 350 U.S. 11 (1955). See also: *Orloff v. Willoughby,* 345 U.S. 83 (1953); *Parker* v. *Levy,* 417 U.S. 733 (1974) which states in part:

"The fundamental necessity for obedience, and the conequent necessity for imposition of discipline may render permissible with the military that which would be constitutionally impermissible outside it."

For many years the Supreme Court was reluctant to review actions arising out of military activities. They and other Federal courts now do so regularly. However, the Supreme Court in such review has recognized that, because of the unique role played by the military, Congress and the executive branches of government are better equipped to govern the military than are the courts. Because the framers of the Constitution entrusted to Congress and the President the responsibility of running the military, the courts have been hesitant to interfere unless clearly defined judicial matters are involved (Orloff v. Willoughby, supra, and Burns v. Wilson, supra).

One of the very purposes for which the Constitution was ordained and established was to "provide for the common defense," and the Supreme Court over the years has on countless occasions recognized the special constitutional function of the military in our national life, a function both explicit and indispensable. (Citations omitted.)

In view of the judicially recognized necessity of discipline and obedience within the military, any activity reasonably calculated to degrade such discipline and obedience must yield. An organization which espouses collective bargaining between soldiers and the Government and which purports to represent and negotiate for soldiers with the chain of command on matters pertaining to pay, personnel practices, grievances and working conditions is inimicable, *per se,* to the maintenance of discipline and obedience. Obedience to military orders cannot be the subject of negotiation or bargaining. Accordingly, membership in such a union by soldiers must yield to the greater national need. This would be so even though the union claims no right to strike; first, because the ultimate bargaining tool of any union, contrary to any representations made, is a work slowdown, job action, or strike (e.g., "illegal" postal strike in 1970); second, because the insertion of a third party between the soldier and his chain of command would, of necessity, degrade the authority of the latter over the former, at least as perceived by the soldier.

It would appear that the mechanics of the problem could be solved promptly by Presidential Executive Order augmenting Executive Order 11491 which covers the administration of labor management relations in the Federal Government, recognition of units, negotiation of contracts, rights and conduct of management, labor unions and employees. It already prohibits striking or bargaining for wages by federal unions or employees. It also prohibits collective bargaining *National Security Organizations,* specifically the Federal Bureau of Investigation and Central Intelligence Agency. It scarcely seems credible that it should be necessary to specifically identify the Armed Forces as "National Security Organizations." But if that is a hang up, we urge the President, in the new Executive Order, to make that point clear.

In our view, the Department of Defense should now issue a directive which the Services could pass downward in the form of regulations that would prohibit uniformed personnel from joining military unions.

We would urge as well prompt passage of legislation along the lines of that proposed by Senator Strom Thurmond and others during the last session of Congress which would prohibit servicemen from joining military unions. This legislation would clear up that gray constitutional area between the Congress and the Executive Branch with respect to specific controls of the military.

The Chief of Staff of the Army has quite rightly made the point that he is the principal ombudsman for the Army. And he has pointed up clearly that the chain of command functioning properly will consistently reflect the morale and concerns of those who serve. If the system functions efficiently, soldiers will look to the chain of command for problem solving. There is no substitute for leadership in these matters. A commander who successfully instills unit pride and sense of mission accomplishment, who makes sure his troops know he is concerned about their welfare, who eliminates petty harassment and senseless details will have no prospects for union membership in his command.

For those instances where the chain of command falters, and there will be instances, the soldiers must know that the existing grievance machinery—beginning in the lowest unit and working up formally through the Inspector General will work fairly and impartially—and that any who seek to impede it will be dealt with harshly. These are areas which the Chief of Staff of the Army is currently giving great emphasis—and they will help immeasurably.

There will continue to be a perception among some, both serving and retired, that the concerns and needs of the military require vigorous support beyond that which is available officially: They want assurance that those concerns and requirements are being fairly presented and getting full consideration at those levels of the government empowered to take corrective action, i.e., the Department of Defense, Office of Management and Budget, the White House and Congress. Moreover, they want to have a sense that their accomplishments and problems have the sympathetic understanding amongst the broad reach of our citizenry.

This is a job that the Association of the U.S. Army and similar associations of the other Services are now performing—and more effectively than any union could. There are a variety of reasons for this.

AUSA and its sister associations enjoy sizable memberships in their Services across a broad spectrum. Organizationally, with Chapters or similar units throughout the country, they have excellent grass-roots participation. Most of these organizations have in recent years increased their coverage and dissemination of information on the needs of the military—through position papers, fact sheets, testimony, newspaper columns, movies and T.V. shows.

These organizations have been active in the military field for long periods of time, most over a quarter of a century. So they are knowledgeable in the complexities of the needs of military people.

Perhaps one of the most significant advantages that these organizations enjoy is the fact that they have the respect and confidence of those who are in a position to make the decisions that affect the welfare of those who serve. Not infrequently they are called upon to help suggest solutions. This role should be broadened.

These organizations perform these useful, even essential functions, without disrupting the chain of command or undermining in any way existing military authority.

Obviously, the costs to the career soldier who wants to support this effort are far less through an association than even minimal union dues.

AUSA's views as expressed above could fairly be termed self-serving because we are the Army—those who serve and those who support them. Our whole reason for existence is to support the Army which is, after all, people. Making the Army a better place to live and work has been our principal effort for the past quarter of a century.

We can be fairly criticized for doing an inadequate job of advertising our wares. In those areas where we have done a good job of publicizing what we do, people use and support AUSA—both as an ombudsman and as an external spokesman for their concerns. This is undoubtedly true of the principal associations of the other Services. But much more needs to be done to publicize the activities and accomplishments to make clear the important role that AUSA and other organizations already play. More public recognition of these association efforts by the Services, the Administration and the Congress would help assure those in uniform that they have strong support for their concerns—in addition to that evidenced in the chain of command.

We are persuaded as we stated publicly last May, that there is no useful role for unionism in the military. Events in the intervening months have strengthened that view. The time to lay this delusion to rest is now. The Administration and the Congress should act promptly so that all can get on with the important work that needs to be done.

THE EMPLOYMENT TAX CREDIT ECONOMIC STABILIZATION ACT OF 1977

Mr. PERCY. Mr. President, I am delighted to join the distinguished Senator from Texas (Mr. BENTSEN) in introducing the Employment Tax Credit Economic Stabilization Act of 1977. This act is similar to legislation introduced by Senator BENTSEN during the last Congress, of which I was also pleased to be a sponsor.

The Employment Tax Credit Act fulfills a principle I have advocated for many years—that of investing in human capital. No amount of investment in physical capital can make up for a failure to give adequate consideration to this vital component of our national output. Making maximum use of scarce physical resources requires a workforce of men

and women who are trained and available to fill today's and tomorrow's jobs.

The legislation we are introducing today will be an incentive and help to business in retaining workers during economic downturns. It will keep workers in productive jobs, allowing them to continue to build their experience and expertise, rather than being displaced to the unemployment lines. As the economy improves, the bill will provide the added incentive and cost differential necessary for businesses to rehire earlier than they would otherwise.

Government cannot possibly provide meaningful productive jobs for millions of people without directly competing with and eventually entering the domain of private industry. To reach our national goals of full employment, high productivity and lowered inflation, we must be willing to invest in workers in the private sector.

Senator HUMPHREY and I will soon reintroduce the Investment Policy Act which declares a national policy in support of sufficient incentives to assure the maximum necessary investment in the private sector. The human side of investment is an integral part of any such policy and I commend my colleague from Texas for his continuing interest and contribution in this area.

I urge the Senate Finance Committee to study this legislation in conjunction with its action on the other economic stimulus proposals that have been made. It would be an important part of any such package.

NATURAL GAS SHORTAGES

Mr. STEVENSON. Mr. President, last September, in anticipation of a colder-than-normal winter and FPC projections of a 30-percent increase in natural gas curtailments, I introduced legislation establishing standby emergency natural gas allocation authority.

This limited legislation which would have expired in April of 1977 and was supported by FPC Chairman Richard Dunham, placed primary reliance on voluntary agreements between pipelines. The actual standby allocation authority would only have been used if voluntary agreements proved inadequate to prevent curtailments of service to residential or small business users.

While the need to protect priority users in such extreme emergency circumstances is a proposition on which all of us ought to agree, pipeline industry objections to even this limited allocation authority combined with the deadlock over natural gas pricing to prevent consideration of this emergency legislation in the last session.

Meanwhile, last September's possibility of a colder-than-normal winter has turned into January's reality. The long-range forecast shows no relief in what so far has been one of the century's coldest winters. By early December, pipeline storage facilities nationwide were down an average of 10 percent from the previous year, with some pipelines experiencing as much as a 30-percent drop in storage over the previous winter.

The possibility of some pipelines being unable to arrange adequate emergency purchases or enter voluntary interconnection agreements in order to maintain supplies to their priority customers in early or mid-February is far greater today than it was last September. So, this week I will reintroduce legislation authorizing standby emergency allocations of natural gas.

I cannot, however, be very hopeful that absent the kind of emergency this bill is designed to avert, the Congress will act any faster than it did last September.

Neither can I accept the proposition that we should all hope for the best and simply wait—until it is too late.

At an informal hearing held by Commissioner James Watt at the FPC on December 16, 1976, pipeline industry representatives indicated they had no contingency plans for maintaining service to priority users should the availability of emergency supplies be inadequate. The companies defended this inaction on grounds that they did not expect emergencies—but conceded that if the worst did occur, voluntary agreements would have to be arranged. Such reasoning is not in the public interest. Contingency planning involving voluntary arrangements between pipeline companies can take place now before a serious chain reaction of shortages makes it too late to prevent suffering.

For 40 years emergency interconnection authority in the electric utility industry has been regarded as a reasonable exercise of the Government's responsibility to protect the public health, safety, and welfare. Priority users of natural gas deserve the same protection.

If the natural gas pipeline industry is opposed to the limited allocation authority I have proposed—authority which would be used only if needed—it should explain to the American public and the Federal Power Commission how it intends to maintain supplies to residential consumers should the cold weather continue while emergency supplies dwindle.

Today I have, therefore, written Federal Power Commission Chairman Richard Dunham urging the Commission to issue a policy statement outlining its proposed response to large scale, high priority curtailments. I have also written the 19 pipeline companies identified by the Commission as most likely to experience supply problems, asking them to provide the Subcommittee on Oil and Natural Gas Production and Distribution with their contingency plans for maintaining deliveries to their priority 1 and 2 consumers for the remainder of this heating season.

Mr. President, I ask unanimous consent that the full text of these letters and the list of pipeline companies to which they were sent appear in the RECORD at the conclusion of my remarks.

Senators MAGNUSON, PEARSON, STEVENS, and HOLLINGS have joined me in this effort to encourage advance planning in anticipation of natural gas shortages this winter.

We hope such plans will not be needed. But if they are, hope alone will not be enough.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *January 12, 1977.*

Hon. RICHARD L. DUNHAM,
Chairman, Federal Power Commission, Washington, D.C.

DEAR MR. CHAIRMAN: On December 9, 1976, the Federal Power Commission released a staff summary concerning the impact of natural gas curtailments for the current winter heating season on customers of nineteen major natural gas companies. The staff report concluded that "under normal weather conditions markets served by . . . the pipelines will experience relatively minor difficulties in absorbing projected curtailments with minimal adverse effects such as production losses or unemployment during the coming winter season."

The report further stated, however, that "No specific information was presented by any of the nineteen companies regarding impact of a colder than normal winter." To date, winter weather has been "colder than normal"—in some areas record cold—for most of the nation during the first two months of the winter heating season.

The FPC has recently undertaken to anticipate the impact of high priority curtailments if colder than normal weather persists in the first few months of 1977. We are concerned, however, that it and natural gas companies may lack contingency planning for extensive supply interruptions of high priority customers.

The authority of the Commission to mitigate administratively under existing law the adverse effects of severe curtailment is unclear. This should not preclude the Commission from developing contingency plans for mitigating emergency situations. A proposed policy statement detailing how the Commission would react if large scale high priority curtailments occur this winter would be one approach that could be taken immediately. We urge the Commission to consider such an initiative.

We are contacting the pipelines identified in the December 9, 1976, FPC staff report in order to determine what measures they are undertaking either independently or in cooperation with other pipelines to mitigate the effects of high priority curtailments should such curtailments occur. Any pertinent information supplied us by the companies will be made available to the Commission.

Sincerely,

ADLAI E. STEVENSON.
WARREN G. MAGNUSON.
ERNEST F. HOLLINGS.
JAMES B. PEARSON.
TED STEVENS.

WASHINGTON, D.C., *January 12, 1977.*

Mr. J. HUGH ROFF, Jr.,
President, United Gas Pipe Line Co., Houston, Tex.

DEAR MR. ROFF: On December 9, 1976, the Federal Power Commission released a staff summary concerning the impact of winter gas curtailments on customers of 19 major natural gas pipelines. Your company participated in the FPC proceeding which resulted in this staff summary (Alabama-Tennessee Natural Gas Company, *et al.*, Docket Nos. RP 76–116, *et al.*).

The Commission proceeding addressed the impact of curtailments under normal weather conditions. It did not analyze the potential curtailments and consequent impacts of such curtailments in the event of a colder than normal winter.

To date most of the nation has experienced colder than normal weather for the current winter heating season. Underground storage gas for many systems is down significantly and working gas, as of December 1, 1976, is

10.4 percent less than that working gas on hand as of December 1, 1975.

There has been little evidence of contingency planning by the Commission or the curtailing major pipelines for resolving on an emergency basis curtailments of the highest priority customers in the event such supply interruptions occur this winter. We would appreciate being informed at your earliest convenience of any steps or measures your company has taken, or proposes to take, in the event high priority curtailments do occur within your system during the first several months of 1977.

The attached letter to FPC Chairman Dunham may be of interest to you.

Very truly yours,

ADLAI E. STEVENSON, Jr.,
WARREN G. MAGNUSON,
ERNEST F. HOLLINGS,
JAMES B. PEARSON,
TED STEVENS.

PRESIDENTS OF PIPELINES IDENTIFIED IN DECEMBER 9, 1976, FPC STUDY

Alabama-Tennessee Natural Gas Company, RP76–116, B. F. Grizzle, President and Chairman of the Board, P.O. Box 918, Florence, Alabama 35630.

Arkansas-Louisiana Gas Company, RP76–117, E. Sheffield Nelson, President, P.O. Box 1734, Shreveport, Louisiana 71102.

Cities Service Gas Company, RP76–118, R. H. Chitwood, Director and President, P.O. Box 25128, Oklahoma City, Oklahoma 73125.

Columbia Gas Transmission Corporation, RP76–119, W. W. Ferrell, President, 1700 MacCorkle Avenue, SE., Charleston, W. Va. 25314.

East Tennessee Natural Gas Company, RP76–120, T. R. Bell, President, P.O. Box 10245, Knoxville, Tennessee 37919.

Eastern Shore Natural Gas Company, RP76–121, E. C. Burton, Jr., President, P.O. Box 615, Dover, Delaware 19901.

El Paso Natural Gas Company, RP76–122, Hugh F. Steen, President, P.O. Box 1492, El Paso, Texas 79978.

Lawrenceburg Gas Transmission Corp., RP76–123, W. H. Dickhoner, President, P.O. Box 960, Cincinnati, Ohio 45201.

Louisiana-Nevada Transit Company, RP76–124, Arthur C. Dirito, General Manager, P.O. Box 398, Ada, Oklahoma 74820.

Mid-Louisiana Gas Company, RP76–125, William C. Marris, President, 25th Floor Lykes Center, 300 Poydras Street, New Orleans, Louisiana 70130.

Northwest Pipeline Corporation, RP76–126, William D. Morrison, President, P.O. Box 1526, Salt Lake City, Utah, 84110.

Panhandle Eastern Pipe Line Company, RP76–127, R. L. O'Shields, President and Chief Executive Officer, P.O. Box 1642, Houston, Texas, 77001.

Tennessee Natural Gas Lines, Inc., RP76–128, John C. Bolinger, Jr., President, 814 Church Street, Nashville, Tennessee, 37203.

Texas Gas Transmission Corporation, RP 76–129, F. K. Rader, President, 3800 Frederica Street, Owensboro, Kentucky, 42301.

Transcontinental Gas Pipe Line Corporation, RP76–130, W.J. Bowen, President, P.O. Box 1396, Houston, Texas, 77001.

Transwestern Pipeline Company, RP76–131, E. T. Robinson, President and Chief Executive Officer, P.O. Box 2521, Houston, Texas, 77001.

Trunking Gas Company, RP76–132, R. L. O'Shields, President and Chief Executive Officer, P.O. Box 1642, Houston, Texas, 77001.

United Gas Pipe Line Co., RP76–133, J. Hugh Roff, Jr., President, 1500 Southwest Tower, Houston, Texas, 77001.

Texas Eastern Transmission Corporation, RP76–134, Dr. G. Kirby, President and Chief Exeutive Officer, P.O. Box 2521, Houston, Texas, 77001.

NATIONAL HEALTH INSURANCE

Mr. HATHAWAY. Mr. President, the debate about national health insurance is about to begin. With health care taking the position of the third largest industry in the United States, the stakes for the American consumer are high. An ill-conceived solution to our growing health care problems, or one excessively weakened by compromise, may harm both our national health and our economic health for years to come. National health insurance is essentially financing the health care system. Adequate financing alone cannot assure that our health care is good. The state of our health in an industrialized nation depends at least as much on economic, social, and environmental factors as it does on the activities of the health care industry.

The financing of health care, however, has the potential of creating some incentives and disincentives for efficiency and cost control. And in an era when we must make hard choices among worthy social goals, these factors should not be taken lightly.

Some sobriety about the ability of national health insurance to create and distribute health care resources is justified from the experience of other nations. Moreover, we should realize that ability of a financing mechanism for health care to affect average life expectancy and death rates is limited. While realizing we are approaching the point of diminishing returns in health status regardless of financing, we also must realize this argument is beside the point when one asks whether the current burden of health care expenses is fairly distributed, rationally organized, or efficiently administered.

Mr. President, I ask unanimous consent to print in the RECORD an article that appeared in last week's Sunday New York Times magazine which takes a refreshingly candid look at the perennial debate on national health insurance and raises important questions and caveats about our deliberations.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL HEALTH INSURANCE—THE DREAM WHOSE TIME HAS COME?

(By Richard J. Margolis)

The A.M.A. JOURNAL (1914): "The socialization of medicine is coming. . . . The time now is here for the medical profession to acknowledge that it is tired of the eternal struggle for advantage over one's neighbor."

During the next four years, Jimmy Carter and the Congress will probably decide whether universal national health insurance—a dream so long deferred that scholars call it "the lost reform"—shall at last be deemed an idea whose time has come, or whether it shall remain an idea that is merely long overdue. Something more than our health appears to be at stake: as with other tough social dilemmas (segregation, for example), this one raises questions about the resources and capacities of our political institutions. In particular, it tests our abilities to overcome the great weight of health-care inertia, a weight that seems to be composed in roughly equal parts of history, bureaucracy and avarice.

The opinion polls suggest that a sizable majority of Americans is now ready for fundamental changes in health care, and the President-elect appears publicly committed to such changes. The 1976 Democratic platform, largely a Carter creation, calls for "a comprehensive national health-insurance system with universal and mandatory coverage"—meaning a program that goes about as far as it can go: all of the people insured all of the time for all of their care.

Nothing could be simpler; nor, if the past turns out to be prologue, more difficult to achieve. The fact is, we have been here before. The history of national health insurance in this country is strewn with predictions about its imminent arrival.

Part of the trouble may arise from the complexity of our burgeoning medical system, which defies instant rehabilitation, and from the apparently high price we must pay for its reform. Many of the recently tried solutions, notably Medicare and Medicaid, have themselves become part of the problem, encouraging waste and driving up costs. Thus far, at least, reform has played handmaiden to inflation. Nowadays, we spend 8.6 percent of our gross national product on health care, about double the portion two decades ago.

The new Congress and the new President will have to confront this general paradox of social progress, in which measures designed to lighten the burden of some may end by increasing the burden of all. As regards the medical-care paradox, it is not as if there have not been efforts to resolve it. Ever since that A.M.A. Journal editor 62 years ago urged doctors to quit "the eternal struggle for advantage over one's neighbor," reformers have been plumping for national health insurance (without, however, any further encouragement from the A.M.A., which soon changed both its mind and its leadership). Franklin D. Roosevelt came within an ace of combining health insurance with Social Security in 1935, only to be dissuaded by the A.M.A., notably by Dr. Harvey Cushing, author, brain surgeon and father-in-law of young James Roosevelt.

Whatever recommendations F.D.R. might decide to make, Cushing wrote to the President, "no legislation can be effective without the good will of the American Medical Association, which has the organization to put it to work." In the politics of health reform, Cushing's comment remains the heart of the matter, and nowadays politicians must seek the cooperation not only of the A.M.A. but also of other health interest groups that have grown up in the interim. Over the decades our health-care system has invented a potpourri of patchwork schemes as substitutes for "the lost reform," and each new expedient—Blue Cross, for example, in the 30's and 40's—has given rise to a new organization in Washington. Like all newcomers, these organizations have become instantly suspicious of change and broadly committed to things as they are. If Cushing were alive today, he could cite at least four other groups whose good will may now be required: the "Blues," the private insurance industry, the hospitals and the medical schools.

The battle did not end with the New Deal. Harry S. Truman took up the cudgels, to secure passage of the Murray-Wagner-Dingell bill, a measure the A.M.A. dismissed as "Marxist medicine." It never reached the floor of Congress, but it has since seen several reincarnations.

Considering the discouraging record, it wasn't any wonder that both John F. Kennedy and Lyndon B. Johnson chose to fight on narrower ground. Each came to the White House prepared to settle for something less than "the lost reform." With the passage of Medicare and Medicaid in 1965, the Congress conferred the blessings of free or low-cost medical care upon both the elderly and the

poor. The new programs enlarged the public's sense of possibilities. If we are closer now to the Promised Land, it is because the events of 1965 showed us a way out of the wilderness.

No sooner, it seemed, had the bills been signed into law than news of yet another "health-care crisis"—it was really the same old one—spread throughout the land. L.B.J. called on Congress to do something about "the soaring cost of medical care," and also about "the inexcusably high rate of infant mortality in the United States." (Seventeen countries still have rates below ours.) A few years later Richard M. Nixon sounded the familiar alarm: "We face a massive crisis in health care, and unless action is taken . . . we will have a breakdown in our medical-care system."

The Congress began to consider new measures, a fresh generation of legislative proposals that would extend the protection of health insurance to some or all of the remaining population. Such proposals have grown more numerous of late. In the last Congress, the 94th, no less than 18 different bills were submitted, each alleging to offer the most practical solutions. These plans are Jimmy Carter's health-reform legacy.

If the titles sound maddeningly alike, their contents exhibit some real differences. By and large, they reflect the contradictory hopes of people and organizations who have something to gain or lose from the redistribution of health care in America—doctors, hospitals, insurers, medical schools and patients. As consumers and taxpayers, one can try to test the merits of the proposals by keeping close to two familiar touchstones: the benefits offered and the costs incurred. In addition, one can examine any bill for its reform potential, meaning the extent to which it can be expected to reorganize health-care along lines that make sense.

Of the 18 now before Congress a half-dozen perhaps can be considered "major," either because of the power and celebrity of their Congressional sponsors or because of the influence of their outside backers. Like the lobbies that support them, these six are a mixed bag. All but one would make health insurance compulsory. They range from a modest proposal that would extend benefits to citizens who have incurred unusually high medical costs the so-called "Catastrophic Health Insurance and Medical Assistance Reform Act," introduced by Democratic Senators Russell Long of Louisiana and Abraham Ribicoff of Connecticut—to the sweeping "Health Security" measure that Senator Edward M. Kennedy has been promoting since 1969.

Taken together, the six proposals offer a fair sampling of what the experts are thinking, what the health-care industry is demanding as ransom and what the public is wishing. What we see is what we may get. Before we pursue this pharmacopeia—an all-Democratic drugstore, no less—it may be well to glance at one object of great attention, what commentators are pleased to call "the national health-care delivery system." In truth, it is less a system than a collection of medical sins and services, a network that appears to be ever-expanding and evermore remote from the patient. Most of us have sensed the new remoteness, both in the reckonings we get and in the services we do not.

We are the world's only industrialized nation without a universal health-insurance program; yet no country on earth spends as much per capita as do we on health care. In a single generation, the total price has soared from $12 billion (in 1950) to $133 billion (in fiscal 1976), making health care America's third largest industry, just behind agriculture and construction. Some of the increase reflects genuine improvements in medicine, and some can be attributed to a wider distribution of services; but much of it must be chalked up to medical inflation pure and simple. Hospital charges, for instance, have risen four times as fast during the past decade as the Consumer Price Index itself.

Health-care inflation is not a new problem; it has long been a fixture on the medical landscape. "Everywhere," lamented the health demographer Louis I. Dublin in 1927, "there is a feeling that something is wrong with the economics of medicine. Large numbers of middle-class families . . . chafe under what they generally consider the unjustifiably heavy cost." With the passage of Medicare and Medicaid, however, inflation took a quantum leap: Costs more than tripled, while annual per capita expenditures shot up 250 percent. In 1965, the average American spent $198 for health care; last fiscal year the sum was more than $500. The alarming spiral seems to have a life of its own; it has proved confoundedly resistant to voluntary self-controls and to Congressional tinkering, like the introduction two years ago of "peer review" for all treatments paid for by the Federal Government.

The dismal history of the medical dollar has made many wary of starting another round of reforms. Yet there seems nothing mysterious or inevitable about medical inflation; in theory, at least, it can be controlled. Richard Nixon came close to doing just that with his 1971–74 price freeze, when health-care prices climbed at about one-third their usual rate. What seems chiefly at fault is Medicare's and Medicaid's peculiar method of reimbursement, whereby they pay whatever the doctor or the hospital claims to be "reasonable" and "customary." In effect, the Congress has handed a blank check to the health-care industry, with predictable results. Not only has the industry jacked up prices for unimproved services, in many instances it has submitted bills for services never rendered. Fraud begets inflation.

It is true that only about one-third of the national health care bill is charged directly to consumers. The rest is paid for by the Federal Government, the states and the private insurance companies. But the citizen ultimately pays those bills, too, in higher taxes and stiffer premiums. Medicare premiums have been hiked a half dozen times since the program's inception; during the same period, Blue Cross rates in some areas have risen fourfold.

Although four-fifths of the population is covered by some kind of health insurance, the protection afforded is often skimpy and unreliable. In last year's recession an estimated 27 million workers and their families were deprived of coverage because of layoffs. Many of the policies still in force, moreover, fail to protect patients against the costs of home care or visits to the doctor's office. Close to half the people who file pleas for bankruptcies each year do so because of medical debts.

Americans might bear these medical burdens more cheerfully were they getting their money's worth; but if the price of health care isn't right, neither is the product. As nearly everyone knows by now, the medical network suffers from several strains of maldistribution, both professional and geographic. Chief among these is a surplus of specialists, particularly of surgeons, and a shortage of primary care physicians—internists, pediatricians and general practitioners.

Officially certified specialties have been part of the health-care scene since 1917, when eye doctors founded the American Board of Ophthalmology. Since then physicians have created more than 20 board-recognized specialties along with some 200 subspecialties, and each year they have attracted a large proportion of medical-school graduates. In 1931, only 17 percent of the nation's doctors were specialists; today the figure is 72 percent.

The imbalance has tended to drive up costs still more (specialists usually charge more than G.P.'s) and to reduce patients to the status of machines with broken parts; it is another symptom of medical remoteness. In surgery, according to more than one Congressional committee, the surplus of specialists has created a greater "demand" for operations, which is to say that some surgeons examine their bank accounts before they examine their patients. At least two million of the operations performed each year are said to be unnecessary, and these lead to some 15,000 preventable deaths.

The geography of health care seems equally unjust, but for the contrary reason: too few doctors, in some places, rather than too many. Because most of the nation's 378,000 physicians locate their practices within easy reach of the affluent, the residents of urban ghettos and rural areas frequently find themselves shortchanged; they are medical orphans. To cite one of the many available statistics, the state of Mississippi, relatively poor and rural, has only 82 doctors for every 100,000 citizens, while in suburban Westchester County, N.Y., the comparable ratio is 260 per 100,000. At last count some 5,000 towns in 135 counties in the United States had no doctor at all: One of them was Webster County, Ga., the county next door to Jimmy Carter's.

The desperate shortage of healthcare personnel in some areas works to strengthen local medical oligopolies, inviting its practitioners to profit at the patient's expense. I came across an instance of how this can occur, and the misery it can cause, when I interviewed a woman who lives in the hills of eastern Kentucky. One day, she told me, her 4-year-old son, Danny, complained of a pain in his stomach.

"I didn't have much money, but Danny was in awful pain, so I paid somebody to ride me into Prestonsburg. The doctor, he looked at Danny. He said the boy had to be operated before his appendix ruptured, but first I had to work things out with the hospital director. Me and Danny went to the director. He told me it would cost $350 and I would have to give a $100 down payment. I said I didn't have no $100. He said, 'Well, when you get it come back, and we'll fix your boy up.' My Danny was vomiting right there in the director's office. He was real sick. I went and borrowed the money from a cousin, and I came back with the money. The director, he says, 'You have to show you got an income so as you can pay the debt.' I said all I ever get is a check every month from the Veterans for $57. He said that would be just fine. Then he made me sign a paper promising to turn over the check to him each month till the bill was paid. I couldn't fight him. My Danny had to be operated."

One story does not make a pattern, but the hearing rooms of Congress over the past few years have resonated with hundreds of such tales. The impression one gets overall is that something has gone sour in American health care and that money has had a lot to do with it—which may be why more patients are writing their Congressmen nowadays.

Overlaid upon all these headaches is the increasingly widespread suspicion that the health-care network, having run amok, is now beyond political reach and therefore beyond redemption. Its phenomenal growth in recent years has been unruly and unplanned, and that is a major part of the problem. But in the political arena the industry, for all its disunity and competing claims, has presented a single face to the public. It is the face of an institution that does not suffer reform gladly.

So: back to the pharmacopeia.

Besides Kennedy-Corman and Long-Ribicoff, four proposals seem worth considering, listed here in a sequence that runs from the relatively broad and generous to the relatively narrow and penny-pinching:

The "Comprehensive Health Insurance Plan" (CHIP), introduced by Kentucky Democratic Representative Lee Carter—no relation. It has been called a "block off the old CHIP" because it closely resembles a bill

of the same name that the Nixon Administration submitted to the Congress in 1973. A nearly identical plan, moreover, in 1974 almost got past Wilbur Mills' House Ways and Means Committee, the historic gatekeeper of health reform.

A complex proposal submitted by Representative Al Ullman, an Oregon Democrat, who succeeded Mills as Ways and Means chairman; it is called the "National Health Care Service Reorganization and Financing Act," quite a mouthful, and it has the official blessings of the American Hospital Association.

The A.M.A.'s latest entry, "The Comprehensive Health Care Insurance Act," sponsored by Representative Richard Fulton, a Tennessee Democrat.

And "The National Health Care Act," a favorite of the Health Insurance Association of America (H.I.A.A.). It was introduced by two conservative Democrats, Senator Thomas McIntyre of New Hampshire and Representative Omar Burleson of Texas.

As might be expected, not all of the bills confront all of the problems; by and large they concentrate on ways of defraying patient costs and of spreading patient benefits, with the unspoken hope that the rest will take care of itself. Still, with the exception of Long-Ribicoff—which continues Medicare's blank-check system of reimbursement—the proposals do make an effort to curb inflation. The chief restraining device envisioned in these bills entails an annual round of negotiations, with doctors and hospitals, on all fees and rates; an attempt to commit the healthcare industry each year to an immutable schedule of charges. In all but the Kennedy-Corman measure, the responsibility for negotiating these schedules is assigned to the individual states; only Kennedy-Corman, which we shall consider first, sees the Federal Government as prime negotiator.

The Kennedy-Corman Health Security bill calls for a compulsory federalized system of health care managed within H.E.W. by a five-member health-security board, and financed chiefly through a half-and-half combination of payroll taxes and general revenues. As is the case with most of the other bills, the payroll taxes are shared by employers and employees. The benefits offered by Kennedy-Corman are broad, generous and virtually free of the kinds of restrictions one finds in the other proposals. But the benefits are not the whole story; what distinguishes this bill from all others is its unique approach to budgeting, an approach that makes private enterprise an instrument of public policy.

Health Security stops short of nationalizing the health-care system, but it does nationalize the health-care budget. Every dollar spent—whether for construction of a new hospital or for purchase of a new tongue depressor—becomes a Federal dollar. The budgeting process is supposed to begin at the local levels where groups of consumers and professionals annually assess their health-care needs and estimate the costs. These estimates filter up through a regionalized system and eventually land in Washington on the health-security board's desk, becoming part of the year's national health-care budget.

Cost controls under Kennedy-Corman turn traditional procedures upside-down: The bill stipulates that the annual health-care budget cannot exceed expected revenues, thereby tying the medical budget to the fortunes of the general economy. If the economy should slip, the Federal Government would have to negotiate a reduced budget, and the bill's supporters insist that the burden of such a reduction would be assumed not by the patient but by the health-care providers. In other words, rather than curtailing services, Kennedy-Corman would curtail the fees and rates paid to doctors and hospitals. The proposal thus jeopardizes the industry's time-honored privilege of controlling fees and services, one reason for the measure's bad reputation among medical practitioners. On the other hand, it enjoys sustained support from both the A.F.L.-C.I.O. and the United Auto Workers, as well as from a coalition of church groups and liberal-leaning organizations like Common Cause and the Urban League. It is the only proposal thus far to have attracted substantial consumer backing.

The Long-Ribicoff proposal is a "major-medical" plan to insure patients against costly illness. Its benefits, presumably, begin about the time a patient has run out of money: after he has spent $2,000 for medical services or has been in the hospital for 60 days. An employer can buy this insurance for his employee either from the Government, in which case he pays a 1 percent payroll tax, or he can choose a Government-approved private plan—Blue Cross, for instance. (As with nearly all the bills, this one makes special provision for both the self-employed and the poor.)

Compared with Kennedy's Health Security proposal, Long-Ribicoff seems both paltry and narrow. It leaves the gears and levers of the health-care enterprise untouched, and the benefits it provides, while they may save some families from bankruptcy, are far from dazzling. Still, the measure has a certain appeal. It is simple and can be immediately "put into place," as the health analysts like to say, whereas most of the other plans would take years to become fully effective. It is also inexpensive, at least from the standpoint of Federal budgeting; and it can be seen not as the Grand Solution but as merely a first step toward eventual enactment of "the lost reform."

Finally, the bill gives the health-insurance industry a piece of the action, an idea that may or may not have merit, but which in any case can be seen to make some tactical sense. It will come as no surprise that the private insurance companies are said to have bestowed their tacit approval upon this modest measure—in fact, to have taken a hand in its drafting. A Kennedy-Corman aficionado claims last year to have seen "at least a dozen of the insurance boys from Hartford in the back of the hearing room, just before the hearing started, making last-minute changes in the bill." The Ribicoff aides I have talked to say this is news to them; but it is true that an earlier version of the Long-Ribicoff bill provided for *Federal insurance only*, leaving no room for participation by private companies.

In any event, because Senator Long is chairman of the Finance Committee, the womb from which any successful Senate bill must issue, the proposal has not lacked for a public platform.

Nor has CHIP, the Nixon bill that never dies. Benefits under CHIP are in some respects as far-reaching as those under Kennedy-Corman, but they include a $150 deductible for each person and also a 25 percent "coinsurance" requirement; that is, the family must pay either one-fourth of its health-care charges or $1,500, whichever is less during a given year. All this is to be financed not by taxes but by premiums paid directly to private insurance companies by employees and their employers; the latter group pays the larger share.

Unlike the other two bills, CHIP leaves virtually all of the program's management to insurance firms and to the individual states, with the Federal Government playing a small, regulatory role. Each state makes its own reimbursement policy, deciding how much money doctors and other providers should be paid for their services. The formula is similar to that now being used under Medicaid, and given that program's record, it is not a promising one. Nevertheless, CHIP has impressed some Congressmen as a workable compromise between "the two extremes" of catastrophic insurance and Health Security. It offers citizens more than the first and it costs the Government less than the second.

The remaining three proposals, like CHIP, give citizens a chance to buy private health insurance at modest cost, entitling them to a variety of benefits, but the benefits are hedged with coinsurance charges and other limits, and they, too, are essentially devoid of cost controls, with all administrative responsibility ceded to the states. What makes these proposals interesting is not the substance of their ideas but the nature of their support. Each is officially backed by a different lobby, and each can tell us something about the aspirations of the health-care network.

Al Ullman's bill, backed by the American Hospital Association, may be the most Byzantine. Besides the insurance and financing provisions, the act mandates creation in every locale of health-care corporations to which citizens may subscribe in advance of services. Apparently, these corporations would function as health-maintenance organizations (H.M.O.'s), which is what medical commentators now call groups that offer services on a prepaid basis. The doctors working for H.M.O.'s earn salaries or else are paid capitation fees—so much per member-patient. Either way, they are cut loose from standard fee-for-service arrangements and thus from temptations to overcharge or overtreat. Studies have shown that in H.M.O.'s the incidence of needless surgery is far less than it is in fee-for-service practice.

All of which sounds promising—but it is not clear from the bill how these local health-care corporations would operate or whether, in fact, an employer or employee could not skirt the corporation entirely and buy his health care from other sources. What does seem clear is that hospitals would play a central role in the new system, since in most places they are the only institutions extant that are capable of developing and managing so complex a plan.

The A.M.A.'s bill is less generous than CHIP and less ambitious than Ullman's. It would leave fee-for-service practice and private-insurance precedents unscathed, with the Federal Government content to mandate the size of the premiums the subscribers would pay and to let the system lurch ahead on its own. To the self-employed wishing to buy insurance, the bill offers a few tax advantages; to the poor it provides "subsidy certificates" they can cash in at their local insurance company. As inadequate as this seems, it represents the farthest A.M.A. members have yet traveled down the road to "Marxist medicine." An earlier, and less-liberal, A.M.A.-backed measure, Medicredit, had to be discarded after the post-Watergate elections of 1974, when 55 of its Congressional sponsors were defeated. (The A.F.L.-C.I.O. ran a nationwide campaign to unseat these enemies of Health Security, using the slogan "Your Congressman may be dangerous to your health.")

Finally, there is the "National Health Care Act," the darling of the H.I.A.A. It has the distinction of being the only plan among the six that permits employers to dismiss it—which is to say that the program is strictly voluntary. If an employer chooses not to buy in, his employees are out of luck. In consequence, the bill has been given short shrift everywhere but in the executive suites of insurance companies. As a labor lobbyist remarked recently, "When you get a proposal that offers less than the A.M.A. does, what have you got? . . . Nothing."

We can pay our money, then, and take our choice, though it is not at all certain just how much money we shall have to pay. A recent H.E.W. study indicates that all six programs are costly—some are more costly than others, but the differences may not be all that great.

The man who conducted the study is Gordon R. Trapnell, a consulting actuary. According to Trapnell, if we enact no new

health-care programs during the rest of the decade and continue spending at the present rate, medical costs will rise to $180.2 billion by 1980—a gain of about 30 percent over this year's tab. From that empyrean base, Trapnell calculated the additional costs that might be incurred by each of the six plans, concluding that the three cheapest were Long-Ribicoff. CHIP and the H.I.A.A.'s voluntary plan. Each would cost at least an extra $10 billion annually. The other three proposals would each run more than twice that amount—an additional $20 billion in the case of the A.M.A.'s program, and an extra $25 billion for Ullman or Kennedy-Corman.

Trapnell's estimates suggest that health-care inflation will remain part of the picture regardless of which program the Congress enacts. Any new plan, he notes, will increase administrative expenses and encourage wider use of medical services, especially among the poor. Yet supporters of Kennedy-Corman continue to insist that their proposal is more or less inflation-proof—in part, because it subsidizes *preventive* medicine and, in part, because its budget is linked to national productivity. "We have the only measure with built-in controls," says Max Fine, who directs the Committee for National Health Insurance, a labor-financed lobby.

Many remain skeptical, among them H.E.W.'s Saul Waldman, whose detailed 210-page summary of all 18 health-insurance bills is the bible of analysts and lobbyists alike. "Nobody really knows whether Health Security could keep the lid on," he says. "True, there's a ceiling on the budget, but there's also a clause in the bill that says Congress can be asked for supplemental funds in case of emergencies. The emergency wouldn't necessarily have to be medical, like an epidemic; it could be an *economic* emergency."

On balance, though, the Kennedy-Corman bill does appear to encourage a fiscal climate in which health-care price will rise no faster than prices overall. The probability under Kennedy-Corman is one of controlled inflation, something we haven't seen in health-care circles since the Nixon price freeze; it would amount to a mild revolution within the health-care industry—a revolution of reimbursements.

But the revolution that Health Security invites us all to join goes beyond fiscal policy. At bottom, it represents a major shift of power and responsibility within the health-care network, a shift away from state governments and private insurance companies toward H.E.W. and the Federal bureaucracy. All other plans cede administrative control to the states (under Federal guidelines) and commercial control to the private insurers. In opposing Kennedy-Corman, the health-insurance industry is fighting for its very existence. The stakes are high. Last year the industry collected nearly $30 billion in premiums.

Dr. Cushing's law writ large is that no legislation can be effective without the good will of health-care interest groups. In assessing the various alternatives, Congress and the President will have to ask themselves whether the superior efficiency and the more generous benefits claimed by Kennedy-Corman are worth the wrench. The other bills' sponsors have already answered the question. "Health Security is too risky," notes Dr. Susan Irving, a health economist who works for Senator Ribicoff. "You can't simply dismantle the insurance industry and expect no consequences. Besides, who said that H.E.W. could run the program efficiently? Its record with Medicare suggests the opposite." Ned Helms, a health specialist on Senator McIntyre's staff, says, "There are 500,000 people working in private health insurance. Are we supposed to fire them or turn them into Federal bureaucrats in the name of health reform?"

The public could make a difference by agitating for one or another approach, but in matters of health reform the public has always been remarkably passive. Even in recent years, with all those bills floating around Congress, citizen interest has seemed anything but keen. The health-reform debate of the past eight years owes less to public pressures than it does to Presidential politics. Because, until recently, Senator Kennedy was viewed as a prime Presidential threat, his introduction of Health Security in 1969 acted as an enzyme in the chemistry of health reform. Richard Nixon responded by announcing his own Family Insurance Plan (FIP), a measure he never got around to submitting. A few years later, with Kennedy again a Presidential possibility, FIP gave way to CHIP, a plan Nixon at one point insisted was $47 billion cheaper than Kennedy's.

In 1974, Gerald Ford was in the White House; Wilbur Mills was still presiding over Ways and Means, and CHIP came close to winning that committee's approval. It did so because Ford, looking to 1976, needed an answer to Health Security, and Mills needed a bill that would buttress his rickety reputation. And the measure failed, largely because most Americans were not aware that it existed. (It failed, too, because the labor unions withheld support; they were counting on the fall elections to bring them a "veto-proof Congress" ready to fling Health Security in Ford's face.)

"The politicians," recalls Paul Rettig, counsel for the Ways and Means health subcommittee, "did not perceive national health insurance as a deeply felt public issue." In the end, and without much fear of public complaint, Ford pulled out, personally telling one of Mills' deputies that CHIP no longer had Presidential backing. "After that," says Rettig, "we were just dancing."

The dance goes on, while lobbyists mark up their bills and patients await "the lost reform" or a reasonable facsimile thereof. "Political life," observed the late Hannah Arendt, "is based on the assumption that we can produce equality through organization." If, in the case of national health insurance, that cheerful supposition seems shaky, it may be because there is so much to organize and so little equality to start with. Perhaps Jimmy Carter, a passionate reorganizer, will be able to make sense of it all; perhaps he can come up with a plan that pleases everyone, even the healthcare industry. Thus far, he has kept his own counsel. The few utterances he has made on the subject have been tactful but contradictory. He has, on various occasions, emphasized his belief in "comhealth insurance," "voluntarism," "immediate action," "a phased-in approach," "universal and comprehensive benefits," "inflation controls," "a Federal role" and "local initiative." No wonder every Congressman I talked to thought his particular health bill had Carter's secret support. They were blind legislators feeling different parts of the Carter elephant (or donkey).

Nevertheless, after the rhetoric of transition has settled, Carter will have to face up to the hard choices. The best guess is that he will appoint a health task force similar to the Committee on Economic Security that F.D.R. created in 1934. The task force will make recommendations; more important, it will give Carter time to do what Presidents before him have had to do: negotiate. The upshot, to continue the guess, may well be a CHIP-type program (Nixon's legacy) that offers a slice of the pie to everyone—doctors, hospitals, insurers and patients. Such a prospect is both scary and pleasing: all that money, all those benefits. But no one can predict anything for certain about the future of health reform. Like Jimmy Carter, it remains a mystery.

THE SIX KEY HEALTH-INSURANCE PLANS

Bill	National support	Estimated cost by 1980	Administration	Financing	Benefits
Kennedy-Corman	A.F.L.-C.I.O. Committee for National Health Insurance.	$24.8 billion.	Special board within H.E.W.; regional and local offices will operate program.	Half to come from Federal general revenues, half from special taxes; 1 percent of payroll for employees, 2.5 percent for employers and self-employed.	Institutional services: hospital care, skilled nursing facilities up to 120 days. Diagnosis and treatment: physicians' services, lab and X-ray, home health services, prescription drugs (for chronic illnesses), medical supplies and appliances. Other services: physical checkup, well-child care, maternity, family planning, dental care (up to age 25), vision care and eyeglasses, hearing care and hearing aids. Patient cost-sharing: none.
CHIP	No formal support.	$11.3 billion.	Insurance through private carriers; states to supervise under Federal regulations.	Employer-employee premium payments, with employer paying 75 percent (65 percent first three years); special provisions for small employers and those with high increases in payroll costs.	Institutional services: hospital care, skilled nursing facilities up to 100 days. Diagnosis and treatment: physicians' services, lab and X-ray, home health services (up to 100 visits), prescription drugs, medical supplies and appliances. Other services: well-child care, maternity, family planning, dental care (under age 13), hearing care and hearing aids (under age 13). Patient cost-sharing: annual deductible* of $150 per person; 25 percent coinsurance,** with annual ceiling of $1,500 per family.

Bill	National support	Estimated cost by 1980	Administration	Financing	Benefits
Ullman	American Hospital Association.	$25.1 billion.	Private insurance carriers under state supervision, according to Federal guidelines.	Employer-employee premium payments, with employer paying at least 75 percent; Federal subsidy for low-income workers and certain small employers; patients enrolling in a health-care corporation get 10 percent subsidy.	Institutional services: hospital care up to 90 days, skilled nursing facilities (30 days), health-related custodial nursing home care (90 days). Diagnosis and treatment: physicians' services up to 10 visits, lab and X-ray, home health services (100 days), prescription drugs limited to specified conditions, medical supplies and appliances. Other Services: physical checkups, well-child care, maternity, dental care (under age 13), vision care and eyeglasses (under age 13). Patient cost-sharing: coinsurance (20 percent) or co-payment*** (up to $5) on most items; special "catastrophic" provisions become effective when patient's out-of-pocket expenses reach a specified amount.
Fulton	American Medical Association.	$20.3 billion.	Private carriers provide insurance under state supervision; regulations issued by a new Federal board.	Employer-employee premium payments, with employer paying at least 65 percent; small employers get Federal help as do all employers with unusual payroll cost increases; self-employed pay own premiums but are assisted by income-tax credits computed on a sliding scale (the lower the income, the higher the credits).	Institutional services: hospital care, skilled nursing facilities up to 100 days. Diagnosis and treatment: physician's services, lab and X-ray, home health services, medical supplies and equipment. Other services: physical checkups, well-child care, maternity, family planning, dental care (under age 18). Patient cost-sharing: 20 percent coinsurance, with an annual maximum of $1,500 per person and $2,000 per family.
Burleson-McIntyre	Health Insurance Association of America.	$11 billion.	Insurance administered by private carriers under state supervision; plan is voluntary.	Employer-employee premium; payments, the ratios to be negotiated between them; low-income workers pay less; self-employed pay entire premium; all participants eligible for special tax deductions.	Institutional services: hospital care, skilled nursing facilities up to 180 days. Diagnosis and treatment: physicians' services, lab and X-ray, home health care (270 days), prescription drugs, medical supplies and appliances. Other services: well-child care, maternity, family planning, dental care (under age 13, one visit), vision care (under age 13, one visit). Patient cost-sharing: annual deductible of $100 per person; 20 percent coinsurance on all items, with annual family limit of $1,000.
Long-Ribicoff	No formal support.	$9.8 billion.	Employers and employees have two choices: to join Federal insurance program administered by H.E.W., or to buy private insurance from federally approved carriers, under H.E.W. Supervision.	Employers pay 1 percent payroll tax and are allowed similar provisions for self-employed.	Institutional services: hospital care, skilled nursing facilities up to 100 days. Diagnosis and treatment: physicians' services, lab and X-ray, home health services, medical supplies and appliances. Other services: None. Patient cost-sharing: first 60 days of hospitalization not covered; first $2,000 in family medical expenses not covered.

*Deductible: Patient's share of annual medical costs before insurance coverage begins.
**Coinsurance: the percentage of a given bill that is charged to the patient.
***Copayment: a flat rate charged to the insured patient on specific items (such as $2 per office visit).

THE PANAMA CANAL

Mr. THURMOND. Mr. President, on November 21, 1976, John A. Mitchell, business editor of the State, Columbia, S.C., wrote a very interesting and informative article on the Panama Canal.

The Mitchell article provides an excellent background for understanding the recent problems in Panama. He has also written a companion article which appears in the same edition of the State entitled, "Canal's Gaillard Cut Is Named for Army Engineer From South Carolina," which gives the historical background of the Gaillard Cut.

Both of these articles are very informative and exceedingly well written. It is my feeling that the Panama Canal issue is one of the most important issues before the American public. The article by John A. Mitchell, in which he interviews Hugh M. Chapman, a member of the Board of Directors of the Panama Canal Company, and chairman of the

board of the Citizens and Southern National Bank of South Carolina, is an excellent piece which I would commend to all my colleagues in the Senate.

Mr. President, in order to share the article on the Panama Canal and its operation, as well as the historical article on the Gaillard Cut, with my colleagues, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE PANAMA CANAL—COLUMBIAN DISCUSSES ITS OPERATION

(By John A. Mitchell)

Little, if any, change in the operation of the Panama Canal is likely under the (Jimmy) Carter administration, according to a member of the corporate board of directors of the Panama Canal Co., which runs the business side of the canal.

"Carter the candidate is not Carter the President, and we're not sure he'll be much different (from past Presidents)," Hugh M. Chapman, chairman of The Citizens & Southern National Bank of S.C. and a member of the canal company board since last May, told The State.

"However, I might not be on the board after next Jan. 20 (inauguration date for Carter)," Chapman said.

The 11 directors serve at the pleasure of the secretary of the Army and "In effect, that's at the pleasure of the President, who appoints the secretary," he said.

The unique company was set up to run a government-owned facility, the Panama Canal, as if it were a private business and the board reports to the sole stockholder, the secretary of the Army.

Although the governor of the Canal Zone—an Army major general assigned for a four-year term—is ex-officio president of the Panama Canal Co., the business operation of the canal is entirely separate from the civil government of the zone, and both are separate from the administration of the Army base in the zone, Chapman said.

The board "tries to run the canal like a business and at least break even," Chapman said, but that the company has had a deficit for the past few years.

For fiscal 1975, the company had a net loss of $8.9 million, down a little from the net loss of $11.8 million for fiscal 1974.

The company foots the bill for all operations in the Canal Zone, pays interest charges on the U.S. investment—$14.8 million in fiscal 1975—and repays the U.S. Treasury the net cost of civil government, including health and medical services—$23.55 million in fiscal 1975.

The operation doesn't cost the U.S. taxpayer anything and Chapman says the board wants to keep it that way.

There was a toll increase in 1974—first since 1914—and another is likely to go into effect soon as a result of toll hearings held by the board in August, Chapman said.

Opposition to the toll hikes comes from the shipping lines, but "65 per cent of the ships using the canal are under foreign flags and they should pay, not the U.S. taxpayer," he said.

The company itself runs one ship, carrying mostly government cargo and some government personnel, between New Orleans and Panama. "This is a tie and a lifeline to our personnel there," Chapman said.

Until 1961 the company operated the Panama Line, which had several 10,000-ton ocean liners carrying government and commercial cargo and passengers between New York City and Panama. It was phased out after President Eisenhower in 1960 ordered the line to stop competing with private ships.

"Our job is primarily maintaining the locks and seeing that ships move efficiently through the canal," Chapman said. Basic design and operation haven't changed since the canal opened, Chapman said, although some sections have been widened to allow passage of larger ships and more two-way traffic.

There has been some trouble with Panama, mostly because of the dictator (Gen. Omar Torrijos), Chapman said, but the board "is not the party that negotiates treaties. However, the Secretary of State does keep us informed on the progress of such negotiations."

In the original treaty, signed 1903, the Republic of Panama granted the U.S. "in perpetuity the use, occupation and control" of the Canal Zone and the right to act as "if it were sovereign" in the zone, and that is what Panama primarily objects to now, Chapman said.

"They want an expiration date on the treaty," he said. (In 1974 Secretary of State Henry Kissinger signed an agreement to guide negotiation of a new treaty that would eventually return the Panama Canal to Panama.)

Chapman said a treaty could be negotiated "without giving up our solid rights" and that this would not be the first time the 1903 treaty had been amended. Article II of the 1903 treaty was modified in part by a 1936 treaty between Panama and the U.S. but did not change the basic rights granted the U.S., he said.

"It's not a natural resource. It's an engineering marvel that we built on land we bought and paid for," he said.

Under the 1903 treaty, the U.S. guaranteed Panama's independence (from Colombia) and paid her $10 million. In 1904, the U.S. bought the French Canal Co.'s rights and properties for $40 million and began construction.

The idea of Panama Canal goes back to 1524, when Charles V of Spain ordered the first survey of a proposed route. The French Canal Co., headed by Ferdinand DeLesseps, builder of the Suez Canal, began the effort in 1880 to build the waterway across Panama and tried for 20 years but didn't make it.

The U.S. Army Engineers began work on the Panama Canal in 1904 and it was completed and opened by late 1913 at a cost of about $387 million. The purpose was to aid U.S. defense and to expedite world shipping.

"Since then, our people have poured millions back into Panama," Chapman said. In addition to the country of Panama getting revenue from the canal, a number of Panamanians are employed in the operation, he said.

In fiscal 1975 $83,685,357 was paid to 8,549 non-U.S. citizens working in the Canal Zone. The 2,236 U.S. citizens employed there got $75,645,086.

The canal was opened to commercial traffic in August, 1914, when the SS Ancon made the first official ocean-to-ocean transit. In 1974 there were 15,269 transits and the ships paid $121,319,791 in tolls and toll credits. The pre-World War II traffic peak was 7,479 vessels in 1939.

The largest toll, $49,208.04, was paid by the Tokio Express in November, 1974, and the smallest, 36 cents, was paid by the adventurer Richard Halliburton for swimming the canal in 1928.

The tolls are cheaper than sailing the vessels around the tip of South America, Chapman said.

Panama Canal traffic picked up somewhat while the Suez Canal was closed, following the 6-day Israeli-Arab War in 1967, but declined when the Suez Canal re-opened last year, he said, because a lot of shippers from northern Europe like to go through the Mediterranean Sea, the Suez and around India to reach Far East destinations like Japan.

This also contributes to competitive toll pricing, he said.

In negotiating a Panama Canal treaty, a changing world and national interests must be considered, he said. Current treaty negotiations began under the late President Johnson.

"Most people don't realize that it's not a natural asset," Chapman said. "It takes precise engineering to make it work, not only the locks but also in piloting ships through, for if one ran aground, it would delay all."

South American economic problems, with resulting unrest and strife, as well as massive unemployment in Panama under its dictator, have contributed to the situation, he said.

"We understand and sympathize with these problems, but we shouldn't give up what is ours," Chapman said.

"The issue becomes the canal itself, and we've got to have qualified people to run it and keep it open."

CANAL'S GAILLARD CUT IS NAMED FOR ARMY ENGINEER FROM S.C.

(By John A. Mitchell)

The deepest canal cut in the world is named for a South Carolinian who supervised the slash through the Continental Divide, where the Panama Canal passes between banks exceeding 300 feet in height in some areas.

Originally the Culebra Cut, this section was renamed the Gaillard Cut in 1915 after Col. David DuBose Gaillard, who was born at Spring Grove Plantation in 1859 near the Clarendon County Town of Remini.

In 1928, a bronze plaque, 8 by 10 feet and weighing 1,200 pounds, was erected high on the rock face of Contractor's Hill, overlooking the cut, in Col. Gaillard's honor.

Gaillard attended Mount Zion Acadamy in Winnsboro and took the examination for an appointment to West Point while a clerk in the store of J. Fleming McMaster there, where he started work at 14.

Although he won, there was some question about his appointment because it was from Sumter County and he lived in Winnsboro (Fairfield County). However, Secretary of War Robert T. Lincoln ruled that a son under 21 was considered a resident of the place where his father lived (Sumter County) and Gaillard got the appointment.

He was graduated from West Point in 1884 and assigned to the U.S. Army Engineering Corps.

Gaillard was a lieutenant colonel when he was appointed a member of the Isthmian Canal Commission and made a director of the Panama Railroad in March, 1907.

He was supervisory engineer in charge of dredging the harbors, building breakwaters and all excavation except that which had to do with lock and dam construction.

In July, 1908, he was made division engineer of the Central Division, which included the "famous and terribly difficult" Culebra Cut, which was plagued by numerous mud and land slides.

When he took over, he cut the cost of moving dirt so that it would cover the extra work caused by the slides, and still had a surplus when the work was finished.

Average cost of moving dirt was $1.50 a cubic yard during the 12 months before he took over, and Gaillard cut that to 47 cents a cubic yard.

"Engineers say it will go into history as one of the great labors of the age. Gaillard made his way fighting. Literally he was forced to shackle the feet of the mountains. He did it and the chain is for all time," according to accounts in a book written by Helen K. Henning.

The jungle took its toll on Gaillard and in July, 1913, he was stricken with a severe illness brought on by overwork and the trying weather of tropical Panama, the book says.

He was unconscious when President Woodrow Wilson pressed the button on Oct. 10, 1913, to blow up the dam at Gamboa, letting the waters of the Atlantic into the cut to merge with the waters of the Pacific.

Gaillard, who was made a full colonel by act of Congress while he was ill, died Dec. 5, 1913, 26 days after the canal opened.

"Colonel Gaillard was the real builder of the canal . . ." the book says, and few will disagree.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS—QUORUM CALL

The PRESIDING OFFICER. The hour of 8:30 p.m. having arrived, morning business is now closed. Pursuant to the previous order, there will now be a quorum call, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—MESSAGE OF THE PRESIDENT OF THE UNITED STATES

The PRESIDING OFFICER. Under the previous order, the hour of 8:40 p.m. having arrived, the Senate will form itself into a body and proceed to the Hall of the House of Representatives.

Thereupon, at 8:40 p.m., the Senate, preceded by the Vice President, the Secretary of the Senate, Francis R. Valeo, and the Sergeant at Arms, F. Nordy Hoffman, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States.

(The address by the President of the United States, this day delivered by him to the joint session of the two Houses of Congress, appears in the proceedings of the House of Representatives in today's RECORD.)

ADJOURNMENT UNTIL FRIDAY

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered, at 9:59 p.m., the Senate adjourned until Friday, January 14, 1977, at 12 meridian.

HOUSE OF REPRESENTATIVES—*Wednesday, January 12, 1977*

The House met at 8 o'clock p.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.—Proverbs 3: 5, 6.

Eternal Father, grant us anew the sense of Thy presence as we worship Thee in spirit and in truth. Give us wisdom to know Thy will and strength to do it for our sakes and the sake of our Republic.

Bless Thou our President who speaks to us this evening. We thank Thee for his high purpose, his firm faith, his untiring devotion, and his dominant desire to serve our country as well as he could serve her. Now as he leaves office grant unto him peace of mind, health of body, strength of spirit, the memory of good work accomplished, and the grateful affection of our people.

Bless Thou our Nation. As a people give us the faith to walk with Thee and the strength to work for Thee that Thy kingdom may come and Thy will be done on Earth.

In the spirit of Him who is the Way we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
January 11, 1977.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:50 p.m. on Tuesday, January 11, 1977, and said to contain a message from the President in which he transmits the Report on Federal Energy Functions.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, JR.,
Clerk, U.S. House of Representatives.

REPORT ON FEDERAL ENERGY FUNCTIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–43)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered printed with illustrations:

To the Congress of the United States:

Under the provisions of section 162(b), Public Law 94–385, the Energy Conservation and Production Act of 1976, I am required to submit recommendations to the Congress on the reorganization of Federal energy and natural resources activities.

A study of alternative organizational arrangements has been underway since May 1976 under the leadership of the Office of Management and Budget and the Energy Resources Council.

After considering the alternatives, I have decided to recommend that the Congress approve creation of a Department of Energy. The details of the proposed organization, together with the necessary legislation, are included in the enclosed report which was prepared by the Office of Management and Budget and the Energy Resources Council.

I commend the report to the attention of the Congress and urge prompt action to create a Department of Energy.

GERALD R. FORD.

THE WHITE HOUSE, *January 11, 1977.*

COMMENDATION OF PRESIDENT AND MRS. FORD

Mr. RHODES. Mr. Speaker, I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 101

Whereas Gerald R. Ford, a former Member of the House of Representatives, and Mrs. Ford have conducted themselves with an openness and honesty that have done much to restore confidence in our government and to earn them the respect of the people of the United States; Therefore be it

Resolved, That the House of Representatives of the United States commends President and Mrs. Ford for their dedicated public service, and looks forward to a continuation of the bonds of friendship and affection which exist between the Members of this House and their former colleague.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER. Pursuant to the order of the House on Tuesday, January 5, 1977, the Chair declares the House in recess until approximately 8:40 o'clock p.m.

Accordingly (at 8 o'clock and 7 minutes p.m.), the House stood in recess until the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 45 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 1 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Doorkeeper (Hon. James T. Molloy) announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber: the gentleman from Texas (Mr. WRIGHT), the gentleman from Indiana (Mr. BRADEMAS), the gentleman from Washington (Mr. FOLEY), the gentleman from Arizona (Mr. RHODES), and the gentleman from Illinois (Mr. MICHEL).

The VICE PRESIDENT. The President of the Senate, pursuant to the order previously entered, appoints the following Senators as the committee on the part of the Senate to join a like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber: the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from Minnesota (Mr. HUMPHREY), the Senator from California (Mr. CRANSTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Ohio (Mr. METZENBAUM), the Senator from North Dakota (Mr. YOUNG), the Senator from Tennessee (Mr. BAKER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Alaska (Mr. STEVENS), the Senator from Nebraska (Mr. CURTIS), and the Senator from Texas (Mr. TOWER).

The Doorkeeper announced the Ambassadors, Ministers and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock p.m. the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

THE STATE OF THE UNION—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–1)

The SPEAKER. Members of the Congress, I have the great pleasure, the high privilege, and the distinct honor—I might say personal honor—to present to you an old friend, the President of the United States.

[Applause, the Members rising.]

The PRESIDENT. Mr. Speaker, Mr. Vice President, Members of the 95th Congress and distinguished guests:

In accordance with the Constitution, I come before you once again to report on the State of the Union.

This report will be my last, maybe.

But for the Union, it is only the first of such reports in our Third Century of Independence, the close of which none of us will ever see. We can be confident, however, that 100 years from now a freely elected President will come before a freely elected Congress chosen to renew our great Republic's pledge to Government of the people, by the people, for the people.

For my part, I pray the Third Century we are beginning will bring to all Americans, our children and their children's children, a greater measure of individual equality, opportunity and justice, a greater abundance of spiritual and material blessings, and a higher quality of life, liberty and the pursuit of happiness.

The State of the Union is a measurement of the many elements of which it is composed—a political union of diverse states, an economic union of varying interests, an intellectual union of common convictions and a moral union of immutable ideals.

Taken in sum, I can report that the State of the Union is good. There is room for improvement as always, but today we have a more perfect union then when my stewardship began.

As a people, we discovered that our Bicentennial was much more than a celebration of the past; it became a joyous reaffirmation of all that it means to be Americans, a confirmation before all the world of the vitality and durability of our free institutions.

I am proud to have been privileged to preside over the affairs of our Federal Government during these eventful years when we proved, as I said in my first words upon assuming office, that "our Constitution works; our Great Republic is a Government of laws and not of men; here, the people rule."

The people have spoken; they have chosen a new President and a new Congress to work their will; I congratulate you—particularly the new members—as sincerely as I did President-elect Carter. In a few days, it will be his duty to outline for you his priorities and legislative recommendations. Tonight, I will not infringe on that responsibility, but rather wish him the very best in all that is good for our country.

During the period of my own service in this Capitol and in the White House I can recall many orderly transitions of governmental responsibility—of problems as well as of position, of burdens as well as of power. The genius of the American system is that we do this so naturally and so normally; there are no soldiers marching in the streets except in the Inaugural Parade; no public demonstrations except for some of the dancers at the Inaugural Ball; the opposition party doesn't go underground but goes on functioning vigorously in the Congress and the country; and our vigilant press goes right on probing and publishing our faults and our follies, confirming the wisdom of the framers of the first amendment.

Because the transfer of authority in our form of government affects the state of the union, and of the world, I am happy to report to you that the current transition is proceeding very well. I was determined that it should; I wanted the new President to get off to an easier start than I had.

When I became President on August 9, 1974, our Nation was deeply divided and tormented. In rapid succession, the Vice President and the President had resigned in disgrace. We were still struggling with the after-effects of a long, unpopular and bloody war in Southeast Asia. The economy was unstable and racing toward the worst recession in 40 years. People were losing jobs. The cost of living was soaring. The Congress and the Chief Executive were at loggerheads. The integrity of our Constitutional process and of other institutions was being questioned.

For more than 15 years, domestic spending had soared as Federal programs multiplied and the expense escalated annually. During the same period, our national security needs were steadily shortchanged.

In the grave situation which prevailed in August, 1974, our will to maintain our international leadership was in doubt.

I asked for your prayers, and went to work.

In January 1975, I reported to the Congress that the state of the union was not good. I proposed urgent action to improve the economy and to achieve energy independence in ten years. I reassured America's allies and sought to reduce the danger of confrontation with potential adversaries. I pledged a new direction for America.

Nineteen seventy-five was a year of difficult decisions, but Americans responded with realism, common sense and self-discipline.

By January 1976, we were headed in a new direction, which I hold to be the right direction for a free society. I was guided by the belief that successful problem-solving requires more than Federal action alone; that it involves a full partnership among all branches and all levels of government, and public policies which nurture and promote the creative energies of private enterprises, institutions, and individual citizens.

A year ago, I reported that the state of the union was better—in many ways a lot better—but still not good enough.

Common sense told me to stick to the steady course we were on, to continue to restrain the inflationary growth of

government, to reduce taxes as well as spending, to return local decisions to local officials, to provide for long-range sufficiency in energy and national security needs. I resisted the immense pressures of an election year to open the floodgates of Federal money and the temptation to promise more than I could deliver. I told it as it was to the American people and demonstrated to the world that, in our spirited political competition, as in this chamber, Americans can disagree without being disagreeable.

Now, after 30 months as your President I can say that while we still have a way to go, I am proud of the long way we have come together.

I am proud of the part I have had in rebuilding confidence in the Presidency, confidence in our free system and confidence in our future. Once again, Americans believe in themselves, in their leaders, and in the promise that tomorrow holds for their children.

I am proud that today America is at peace. None of our sons are fighting and dying in battle anywhere in the world. And the chance for peace among all nations is improved by our determination to honor our vital commitments in defense of peace and freedom.

I am proud that the United States has strong defenses, strong alliances and a sound and courageous foreign policy.

—Our alliances with our major partners, the great industrial democracies of Western Europe, Japan, and Canada, have never been more solid. Consultations on mutual security, defense and East-West relations have grown closer. Collaboration has branched out into new fields, such as energy, economic policy and relations with the Third World.

We have used many avenues for cooperation, including summit meetings held among major allied countries. The friendship of the democracies is deeper, warmer and more effective than at any time in 30 years.

—We are maintaining stability in the strategic nuclear balance, and pushing back the spectre of nuclear war. A decisive step forward was taken in the Vladivostok Accord which I negotiated with General Secretary Brezhnev—joint recognition that an equal ceiling should be placed on the number of strategic weapons on each side.

With resolve and wisdom on the part of both nations, a good agreement is well within reach this year.

—The framework for peace in the Middle East has been built. Hopes for future progress in the Middle East were stirred by the historic agreements we reached and the trust and confidence that we formed.

—Thanks to American leadership, the prospects for peace in the Middle East are brighter than they have been in three decades. The Arab States and Israel continue to look to us to lead them from confrontation and war to a new era of accommodation and peace. We have no alternative but to persevere and I am sure we will. The opportunities for a final settlement are great, and the price of failure is a return to the bloodshed and hatred that for too long have brought tragedy to all the peoples of this area, and repeatedly edged the world to the brink of war.

—Our relationship with the People's Republic of China is proving its importance and its durability. We are finding more and more common ground between our two countries on basic questions of international affairs.

In my two trips to Asia as President, we have reaffirmed America's continuing vital interest in the peace and security of Asia and the Pacific Basin, established a new partnership with Japan, confirmed our dedication to the security of Korea, and reinforced our ties with the free nations of Southeast Asia.

—An historic dialogue has begun between industrial nations and the developing nations. Most proposals on the table are initiatives of the United States, including those on food, energy, technology, trade, investment and commodities. We are well launched on this process of shaping positive and reliable economic relations between rich nations and poor nations over the long-term.

—We have made progress in trade negotiations and avoided protectionism during recession. We strengthened the international monetary system. During the past two years the free world's most important economic powers have already brought about important changes that serve both developed and developing economies. The momentum already achieved must be nurtured and strengthened, for the prosperity of the rich and poor depends upon it.

—In Latin America, our relations have taken on a new maturity and a sense of common enterprise.

—In Africa, the quest for peace, racial justice and economic progress is at a crucial point. The United States, in close cooperation with the United Kingdom, is actively engaged in that historic process. Will change come about by warfare and chaos and foreign intervention? Or will it come about by negotiated and fair solutions, ensuring majority rule, minority rights and economic advance? America is committed to the side of peace and justice, and to the principle that Africa should shape its own future free of outside intervention.

—American leadership has helped to stimulate new international efforts to stem the proliferation of nuclear weapons and to shape a comprehensive treaty governing the use of the oceans.

I am gratified by these accomplishments. They constitute a record of broad success for America, and for the peace and prosperity of all mankind. This Administration leaves to its successor a world in better condition than we found. We leave, as well, a solid foundation for progress on a range of issues that are vital to the well being of America.

What has been achieved in the field of foreign affairs, and what can be accomplished by the new administration, demonstrate the genius of Americans working together for the common good. It is this, our remarkable ability to work together, that has made us a unique nation. It is Congress, the President, and the people striving for a better world.

I know all patriotic Americans want this Nation's foreign policy to succeed.

I urge members of my party in this Congress to give the new President loyal support in this area.

I express the hope that this new Congress will re-examine its constitutional role in international affairs.

The exclusive right to declare war, the duty to advise and consent on the part of the Senate, and the power of the purse on the part of the House, are ample authority for the legislative branch and should be jealously guarded.

But because we may have been too careless of these powers in the past does not justify congressional intrusion into, or obstruction of, the proper exercise of Presidential responsibilities now or in the future. There can be only one Commander-in-Chief. In these times crises cannot be managed and wars cannot be waged by committee. Nor can peace be pursued solely by parliamentary debate. To the ears of the world, the President speaks for the Nation. While he is, of course, ultimately accountable to the Congress, the courts and the people, he and his emissaries must not be handicapped in advance in their relations with foreign governments as has sometimes happened in the past.

At home, I am encouraged by the Nation's recovery from the recession and our steady return to sound economic growth. It is now continuing after the recent period of uncertainty, which is part of the price we pay for free elections.

Our most pressing need today and in the future is more jobs—productive and permanent jobs created by a thriving economy.

We must revise our tax system both to ease the burden of heavy taxation and to encourage the investment necessary for the creation of productive jobs for all Americans who want to work. Earlier this month I proposed a permanent income tax reduction of ten billion dollars below current levels including raising the personal exemption from $750 to $1,000. I also recommended a series of measures to stimulate investment, such as accelerated depreciation for new plants and equipment in areas of high unemployment, a reduction in the corporate tax rate from 48 to 46 percent, and eliminating the present double taxation of dividends. I strongly urge the Congress to pass these measures to help create the productive, permanent jobs in the private economy that are so essential to our future. All of the basic trends are good; we are not on the brink of another recession or economic disaster. If we follow prudent policies that encourage productive investment and discourage destructive inflation, we will come out on top; and I am sure we will.

We have successfully cut inflation by more than half: when I took office, the Consumer Price Index was rising at 12.2 percent a year. During 1976, the rate of inflation was five percent.

We have created more jobs, over four million more jobs today than in the Spring of 1975. Throughout this nation today we have over 88 million people in useful, productive jobs—more than at any other time in our nation's history. But, there are still too many Americans unemployed. This is the greatest regret that I have as I leave office.

We brought about with the Congress, after much delay, the renewal of general revenue sharing. We expanded community development and federal manpower programs. We began a significant urban mass transit program. Federal programs today provide more funds for our states and local governments than ever before—$70 billion for the current fiscal year.

Through these programs and others that provide aid directly to individuals we have kept faith with our tradition of compassionate help for those who need it. As we begin our third century we can be proud of the progress that we have made in meeting human needs for all of our citizens.

We cut the growth of crime by nearly 90 percent. Two years ago, crime was increasing at a rate of 18 percent annually. In the first three quarters of 1976, that growth rate had been cut to two percent. But crime, and the fear of crime, remains one of the most serious problems facing our citizens.

We have had some successes. And there have been some disappointments.

Bluntly, I must remind you that we have not made satisfactory progress toward achieving energy independence.

Energy is absolutely vital to the defense of our country, to the strength of our economy, and to the quality of our lives. Two years ago I proposed to the Congress the first comprehensive national energy program:

A specific and coordinated set of measures that would end our vulnerability to embargo, blockade, or arbitrary price increases, and would mobilize U.S. technology and resources to supply a significant share of the free world's energy after 1985.

Of the major energy proposals I submitted two years ago, only half belatedly became law. In 1973, we were dependent upon foreign oil imports for 36 percent of our needs. Today we are 40 percent dependent, and we'll pay out 34 billion dollars for foreign oil this year. Such vulnerability at present or in the future is intolerable, and must be ended.

The answer to where we stand on our national energy effort today reminds me of the old argument about whether the tank is half full or half empty. The pessimist will say we have half failed to achieve our ten-year energy goals, the optimist will say that we have half succeeded. I am always an optimist, but we must make up for lost time.

We have laid a solid foundation for completing the enormous task which confronts us. I have signed into law five major energy bills which contain significant measures for conservation, resource development, stockpiling and standby authorities.

We have moved forward to develop the Naval Petroleum Reserves; to build a five hundred million barrel strategic petroleum stockpile; to phase-out unnecessary government allocation and price controls; to develop a lasting relationship with other oil consuming nations; to improve the efficiency of energy use through conservation in automobiles, buildings and industry; and to expand research on new technology and renewable resources, such as wind power, geothermal and solar energy.

All these actions, significant as they are for the long term, are only the beginning. I recently submitted to the Congress my proposals to reorganize the federal energy structure, and the hard choices which remain if we are serious about reducing our dependence upon foreign energy.

These include programs to reverse our declining production of natural gas and increase incentives for domestic crude oil production. I propose to minimize environmental uncertainties affecting coal development, expand nuclear power generation and create an energy independence authority to provide government financial assistance for vital energy programs where private capital is not available.

We must explore every reasonable prospect for meeting our energy needs when our current domestic reserves of oil and natural gas begin to dwindle in the next decade.

I urgently ask Congress and the Administration to move quickly on these issues. This Nation has the resources and the capability to achieve our energy goals if its government has the will to proceed, and I think we do.

I have been disappointed by inability to complete many of the meaningful organizational reforms which I contemplated for the Federal Government, although a start has been made.

For example, the Federal Judicial System has long served as a model for other courts. But today it is threatened by a shortage of qualified Federal judges and an explosion of litigation claiming Federal jurisdiction.

I commend to the new Administration and the Congress the recent report and recommendations of the Department of Justice, undertaken at my request, on "the needs of the Federal Courts." I especially endorse its proposals for a new commission on the judicial appointment process.

While the Judicial Branch of our Government may require reinforcement, the budgets and payrolls of the other branches remain staggering. I cannot help but observe that while the White House Staff and the Executive Office of the President have been reduced and the total number of civilians in the Executive Branch contained during the 1970s, the Legislative Branch has increased substantially, although the membership of the Congress remains at 535. Congress now costs the taxpayers more than a million dollars a year per member; the whole Legislative budget has passed the billion dollar mark.

I set out to reduce the growth in the size and spending of the Federal Government, but no President can accomplish this alone. The Congress sidetracked most of my requests for authority to consolidate overlapping programs and agencies, to return more decision-making and responsibility to State and local governments through block grants instead of rigid categorical programs and to eliminate unnecessary red tape and outrageously complex regulations.

We have made some progress in cutting back the expansion of Government and its intrusion into individual lives—but, believe me, there is much more to be done, and you and I know it. It can only be done by tough and temporarily painful surgery by a Congress as prepared as the President to face up to this very real political problem.

Again, I wish my successor, working with a substantial majority of his own party, the best of success in reforming the costly and cumbersome machinery of the Federal Government.

The task of self-government is never finshed. The problems are great; the opportunities are greater.

America's first goal is and always will be peace with honor. America must remain first in keeping peace in the world. We can remain first in peace only if we are never second in defense.

In presenting the State of the Union to the Congress and to the American people, I have a special obligation as Commander-in-Chief to report on our national defense. Our survival as a free and independent people requires, above all, strong military forces that are well-equipped and highly trained to perform their assigned mission.

I am particularly gratified to report that over the past two and a half years we have been able to reverse the dangerous decline of the previous decade in the real resources this country was devoting to national defense. This was an immediate problem I faced in 1974. The evidence was unmistakable that the Soviet Union had been steadily increasing the resources it applied to building its military strength.

During this same period the United States' real defense spending declined. In my three budgets, we not only arrested that dangerous decline, but we have established the positive trend which is essential to our ability to contribute to peace and stability in the world.

The Vietnam War both materially and psychologically affected our overall defense posture. The dangerous anti-military sentiment discouraged defense spending and unfairly disparaged the men and women who serve in our armed forces.

The challenge that now confronts this country is whether we have the national will and determination to continue this essential defense effort over the long term, as it must be continued. We can no longer afford to oscillate from year to year in so vital a matter. Indeed, we have a duty to look beyond the immediate question of budgets, and to examine the nature of the problem we will face over the next generation.

I am the first recent President able to address long-term basic issues without the burden of Vietnam. The war in Indochina consumed enormous resources, at the very time that the overwhelming strategic superiority we once enjoyed was

disappearing. In past years, as a result of decisions by the United States, our strategic forces leveled off. Yet, the Soviet Union continued a steady, constant build-up of its own forces, committing a high percentage of its national economic effort to defense.

The United States can never tolerate a shift in strategic balance against us, or even a situation where the American people or our allies believe the balance is shifting against us. The United States would risk the most serious political consequences if the world came to believe that our adversaries have a decisive margin of superiority. To maintain a strategic balance we must look ahead to the 1980s and beyond. The sophistication of modern weapons requires that we make decisions now if we are to ensure our security ten years from now.

Therefore I have consistently advocated and strongly urged that we pursue three critical strategic programs: the Trident missile launching submarine; the B–1 bomber, with its superior capability to penetrate modern air defenses; and a more advanced intercontinental ballistic missile that will be better able to survive nuclear attack and deliver a devastating retaliatory strike.

In an era where the strategic nuclear forces are in rough equilibrium, the risks of conflict below the nuclear threshold may grow more perilous. A major long-term objective, therefore, is to maintain capabilities to deal with, and thereby deter, conventional challenges and crises, particularly in Europe.

We cannot rely solely on strategic forces to guarantee our security or to deter all types of aggression. We must have superior Naval and Marine forces to maintain freedom of the seas, strong multi-purpose tactical Air Forces, and mobile, modern ground forces.

Accordingly: I have directed a long-term effort to improve our worldwide capabilities to deal with regional crises.

—I have submitted a five year Naval building program indispensable to the Nation's maritime strategy.

—Because the security of Europe and the integrity of N.A.T.O. remain the cornerstone of American defense policy, I have initiated a special, long-term program to ensure the capacity of the alliance to deter or defeat aggression in Europe.

As I leave office, I can report that our national defense is effectively deterring conflict today. Our Armed Forces are capable of carrying out the variety of missions assigned to them. Programs are underway which will assure we can deter war in the years ahead.

But I also must warn that it will require a sustained effort over a period of years to maintain these capabilities. We must have the wisdom, the stamina and the courage to prepare today for the perils of tomorrow, and I believe we will.

As I look to the future—and I assure you I intend to go on doing that for a good many years—I can say with confidence that the State of the Union is good, but we must go on making it better and better.

This gathering symbolizes the Constitutional foundation which makes continued progress possible, synchronizing the skills of three independent branches of government, reserving fundamental sovereignty to the people of this great land.

It is only as the temporary representatives and servants of the people that we meet here—we bring no hereditary status or gift of infallibility and none follows us from this place. Like President Washington, like the more fortunate of his successors, I look forward to the status of private citizen with gladness and gratitude. To me, being a citizen of the United States of America is the greatest honor and privilege in this world.

From the opportunities which fate and my fellow citizens have given me, as a member of the House, as Vice President and President of the Senate, and as President of all the people, I have come to understand and to place the highest value on the checks and balances which our founders imposed on government through the separation of powers, among co-equal Legislative, Executive and Judicial Branches.

This often results in difficulty and delay, as I well know, but it also places supreme authority under God, beyond any one person, any one branch, any majority great or small, or any one party. The Constitution is the bedrock of all our freedoms; guard and cherish it; keep honor and order in your own house; and the Republic will endure.

It is not easy to end these remarks; in this chamber, along with some of you, I have experienced many, many of the highlights of my life. It was here that I stood 28 years ago with my freshman colleagues as Speaker Sam Rayburn administered the oath—I see some of you now, Charlie Bennett, Dick Bolling, Carl Perkins, Pete Rodino, Harley Staggers, Tom Steed, Sid Yates and Clem Zablocki, and I remember those who have gone to their rest.

It was here we waged many, many a lively battle, won some, lost some, but always remaining friends. It was here surrounded by such friends, that the distinguished Chief Justice swore me in as Vice President on December 6, 1973. It was here I returned eight months later as your President to ask not for a honeymoon, but for a good marriage.

I will always treasure those memories and your many, many kindnesses. I thank you for them all.

My fellow Americans, I once asked you for your prayers, and now I give you mine: May God guide this wonderful country, its people, and those they have chosen to lead them. May our third century be illuminated by liberty and blessed with brotherhood, so that we and all who come after us may be the humble servants of thy peace. Amen.

Good night and God bless you.

[Applause, the Members rising.]

At 9 o'clock and 51 minutes p.m., the President, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 9 o'clock and 58 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. WRIGHT. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

LEGISLATION TO PERMIT AWARD OF REASONABLE COSTS FOR PUBLIC PARTICIPATION IN PROCEEDINGS BEFORE FEDERAL AGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I have introduced this week H.R. 66, a bill to permit the awarding of reasonable costs for public participation in proceedings before Federal agencies and for some types of litigation concerning agency decisions.

This measure would provide funds to accomplish what has already been envisioned by the Congress through statutes intended to open to public view and participation the proceedings of Federal regulatory and administrative agencies such as the Federal Trade Commission, the Securities and Exchange Commission, the Food and Drug Administration, and many others.

For years consumer and public-interest groups, small businesses, and private citizens have protested that they are denied equal participation in the decisionmaking process of Federal agencies. These groups and individuals have argued, persuasively, that their ability to pay for representation before the agencies effectively keeps their voice from being heard.

Big businesses, major trade associations, and special-interest groups have suffered no such restriction, however. Their treasuries are large enough to pay the costs of representation.

A number of laws have been enacted guaranteeing those affected by agency decisions to be heard. But this assurance does no good until the necessary funds are there.

This bill would provide those funds. The total costs are expected to be less than $2 million a year—a reasonable sum when one considers the good that should come from the opening of Commission

proceedings to all those with a valid interest.

Under this legislation, the payment of reasonable costs would be authorized by the agency involved only when a significant contribution was made by those appearing. In legal actions contesting regulatory agency decisions, attorneys' fees, and other costs would be provided only when the plaintiffs substantially prevailed.

These procedures could, conceivably, result in an overall cost reduction for the Government. By insuring adequate public participation before regulatory agencies and commissions, we can reasonably expect better decisions and fewer challenges that consume both time and money.

Mr. Speaker, I believe this is needed legislation to complete a process of public participation that already has begun.

WHALEN TO SPONSOR BRIEFING ON WESTIN REPORT ON MEDICAL RECORD PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, I wish to congratulate the National Bureau of Standards on the excellent report they released this morning, entitled, "Computers, Health Records, and Citizen Rights."

This report was authored by Columbia University Prof. Alan F. Westin, one of the Nation's foremost experts on the subject of rights of privacy. The NBS report provides what appears to be the most indepth analysis to date of the problem of managing data systems in the health field so that citizens' privacy rights are adequately protected.

We all know that medical records contain absolutely the most sensitive, personal information about us. Now, there is increasing concern over the confidentiality of those records.

Traditionally, personal medical records could be obtained only by going to the individual's personal physician or by checking hospital records, and most people felt secure in relying upon traditional concepts of doctor-patient privileged communications to protect the confidentiality of those records.

But now medical practice is becoming more institutionalized. Primary health care is coming more and more from clinics or via health care plans. And hospitals are increasingly called upon to deliver certain kinds of primary health care that previously have been delivered by private practitioners. So, there is perhaps a less secure feeling on the patient's part, because he or she does not have a personal relationship with the physician.

More ominous, though, is the vast growth in the amount and variety of medical data that flow to third parties—insurance companies, employers, investigators, researchers, et cetera. The use of computerized data storage and retrieval makes medical records far easier to accumulate, store, and use. This, I believe, is what really troubles most Americans when they contemplate the security of their medical records.

Professor Westin's report probes this problem and many other important issues in the medical record privacy area.

Related to the third-party access problem is the common practice of insurance companies and others routinely requiring individuals to sign forms giving open-ended consent for an examination of all available personal medical information. Westin analogizes this kind of blanket release form, which is generally obtained under implied coersion, to the sort of general search warrant that the British Government used during our colonial period. The fourth amendment now prohibits the use of such warrants by Government authorities.

I believe that the issue of confidentiality of medical records is one that touches every American and should be of interest and concern to all Members of Congress. Consequently, Mr. Speaker, I have arranged for Professor Westin and others associated with the National Bureau of Standards study to come to the Hill sometime early in the week of January 24 to conduct a briefing for Members and staff. The details now are being worked out and I will announce them as soon as possible.

In the meantime, I want to insert at this point in the RECORD the "Code of Citizen-Rights Practices for Health Data Systems" and the "Twelve Basic Principles for Safeguarding Privacy of Health Data Systems." Both are extracted from the NBS report, "Computers, Health Records, and Citizen Rights," which was released today:

CODE OF CITIZEN-RIGHTS PRACTICES FOR HEALTH DATA SYSTEMS*

1. Health data systems should be created, significantly altered, and periodically audited through public rather than closed procedures.

Health data systems should be created by public notice and privacy-impact procedures, communicated to any population of known individuals about whom records are to be kept, and reviewed by an independent authority. Major expansions, and tests of the system's adherence to rules, should also be reviewed periodically by outside authority.

2. Every health data system should observe limits of relevance and social propriety in what personal and medical information it collects or records.

Such limits will depend not only on what each data system really needs to carry out a mission approved by society but also on how effectively, by law and practice, an organization handles the particularly sensitive health information it seeks to record.

3. Every health data system should promulgate clear rules and procedures that insure citizen rights.

These include advance notice to individuals of the uses that will be made of their personal information; a right to obtain full information about the contents of their health records and to inspect such records if they desire; information-release forms that specify what is to be released, to whom, and for what period of time; and patient's rights handbooks and representatives for all health-care facilities.

4. Health data system managers should take special measures to protect the accuracy and security of the data they keep.

Personal data should be kept accurate, timely, and complete, measured by the kinds of uses that are being made of it. Staffs should be trained in citizen rights principles and procedures, and data security measures should be taken in accordance with the history of data threats in that organization's experience.

5. Managers should follow special procedures to allow medical research, health-care evaluation, and public oversight without impairing citizen rights.

Such procedures include using records in statistical or coded forms for most review or research purposes, having protective committees screen requests for access to data when informed consent of the individual cannot be obtained, and using random audit rather than individualized review procedures in order to avoid invading privacy rights.

*This code incorporates the twelve principles contained in the final chapter of *Computers, Health Records, and Citizen Rights*, published by the National Bureau of Standards.

[From Computers, Health Records, and Citizen Rights—National Bureau of Standards]

TWELVE BASIC PRINCIPLES FOR SAFEGUARDING PRIVACY OF HEALTH DATA SYSTEMS

(Directed by Alan F. Westin)

The report recommends 12 major principles for the management of data systems in the health field, and discusses alternative ways that these principles might be carried out. The 12 principles are:

1. There should be a procedure for issuing a public notice and privacy-impact statement whenever an automated data system is created in the health field, filed with an appropriate outside authority and communicated to any continuing population of individuals whose records will be affected.

2. Socially-acceptable standards of relevance and propriety in the collection of personal data should be worked out for data systems in each of the three zones of health-data use, through public discussion and appropriate policy-setting mechanisms.

3. Individuals should be given a clearly-written account of how their personal information will be used whenever they are asked to supply personal information to a health data system, along with the procedures to be followed before any uses are made of their data other than those originally specified.

4. Forms used to release personal information from a health data system should be for a specific purpose, describe the information to be released, and should be limited in time, and the individual's consent to such releases should be informed as well as voluntary.

5. As a general matter, patients should have a right to full information about their health conditions. Where health data is to be used to make judgments about service payment and claims, or in any non-medical social and governmental programs, the individual should have an absolute right to inspect what is to be released from his/her record. In chronic and acute care, patients should also have a right to see any part of the medical record, including the medical professional's working notes, if the patient insists upon this after the medical professional has had a chance to explain directly to the patient why he or she feels that such disclosure would not be in the patient's best medical interest. A special procedure is suggested for patient-access problems in psychiatric care.

6. Managers of health data systems must take steps to see that the personal records they store are as accurate, timely, and complete as the uses to be made of them require, not only to assure the individual's proper health care but also to protect the individual's rights.

7. Data security measures must be taken to control access according to the policies set by law or by management policies, and the adequacy of those measures will be meas-

ured by the previous history of threats to data confidentiality in that type of organization.

8. Health data systems should conduct special orientation and training programs to inculcate respect for citizen rights among their staffs and to deal with problems that may arise.

9. Each health data system should prepare and distribute a patient's rights handbook, and install a readily-available and independent patient rights representative in the organization.

10. Because new issues are posed whenever health data systems adopt new file applications, there should be provision for periodic independent review of each system.

11. Special efforts should be made so that confidentiality rules do not interfere with the public's right to know what is being done by government agencies or by private recipients of government funds, and to carry out critical oversight functions in the public interest.

12. The importance of health-care evaluation and medical research calls for developing special procedures so that these activities can be carried on without jeopardizing citizen rights.

NATIONAL NEIGHBORHOOD POLICY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. BURKE) is recognized for 5 minutes.

Mrs. BURKE of California. Mr. Speaker, today I am reintroducing the National Neighborhood Policy Act which addresses the need for developing a comprehensive and coordinated policy on neighborhoods. It seeks to establish a National Commission on Neighborhoods which would be charged with evaluating the impact of public policies and programs on neighborhoods.

This bill is identical to a bill I introduced in the 94th Congress and similar to legislation reported out of the Subcommittee on Housing and Community Development at the end of the last Congress.

The condition of many of our major cities makes obvious the need for a comprehensive neighborhood policy which takes into account the great diversity in neighborhoods throughout the Nation. The legislation I am introducing today is in recognition of the fact that people live, not in abstract regions or statistical areas, but in community groups called neighborhoods. It is the first step toward reversing the decline of cities through a recognition of their vitality and the importance of drawing city dwellers into the decisionmaking process.

Research carried out under the auspices of the National Center for Urban Ethnic Affairs suggests that although it may be far removed geographically, the greatest single influence on urban neighborhoods is the Federal Government. The impact which Federal policies and programs have upon neighborhoods for good or bad is extensive. Often it is indirect and, unfortunately, it is often unintentional. In some cases, mistaken policies involving large sums of money have had tragic effects for the residents.

We have seen these effects in many urban redevelopment programs. Programs which were intended to improve the lot of inner-city residents have instead forced these people out to make room for the affluent. In all the programs intended to help people, the goal we have never accomplished is the redevelopment of a neighborhood for the people who currently live there. The only way we are going to do this is to develop a comprehensive plan for neighborhood revitalization. We must find out exactly what these Federal programs are doing to neighborhoods. Programs do not exist in a vacuum any more than do people. We must learn how these diverse programs interact in a neighborhood to contribute to that neighborhood's strength or to its decline.

The policy framework for this legislation evolved from a discussion paper written by Mr. Arthur J. Naparstek and prepared for the National Urban Policy Roundtable. The paper was subsequently published as a monograph entitled "Policy Options for Neighborhood Empowerment." Mr. Naparstek makes some convincing arguments and innovative suggestions. At this point, I am inserting selected passages of Mr. Naparstek's monograph for my colleague's review:

POLICY OPTIONS FOR NEIGHBORHOOD EMPOWERMENT

(By Arthur J. Naparstek)

Just as city policies must support decentralization efforts, so must state and federal policies aim at removing disincentives while fulfilling various preconditions appropriate to each level of government. At federal and state levels, major efforts must encompass removal of legal barriers to decentralization, provision of resources, and reorientation of agencies and programs. The following discussion presents several policy options.

A principal problem in writing legislation has been to define the appropriate role of the federal government. For the purposes of this chapter, we define the role as having three major areas of concern: structuring financial resources, reorientation of federal programs and agencies, and provision of technical assistance through model legislation.

(1) Structuring Financial Resources. Policy must support programs which can redistribute resources and provide subsidies and general incentives for reinvestment. Resource allocation must be a fundamental part of any decentralization strategy; here the federal government has the most direct impact.

* * * * *

A multiplicity of federal programs impact directly or indirectly on the neighborhood. However, no comprehensive analysis of their effect has been made. Before future policy options are developed, comprehensive assessment of current practices in code enforcement, urban homesteading, and mortgage insurance is needed. Further, criteria for utilization of revenue sharing funds, community development block grants, and Title II special revenue sharing for social services at the neighborhood level must be developed.

Unless policies stimulate confidence, provide incentives and capital investment, and can offset the complex web of structured disincentives and neighborhood disinclination to invest, early neighborhood decentralization efforts cannot succeed. For neighborhoods to remain viable, a financial climate must be created which can attract both large and small scale reinvestment. Given the expectation that public subsidies will be limited, policy options should provide direct incentives to lenders at a neighborhood level (NEA Neighborhood Conservation).

* * * * *

(2) Reorienting Regulatory Agencies and Programs. If certain regulatory agencies do not function adequately, policy options promoting incentives and redistribution are meaningless. Of critical concern is the Federal Home Loan Bank Board, which would be given increased powers through the Financial Institutions Act.

Congress empowered the Board to safeguard citizen housing needs. However, evidence presented during House and Senate hearings on redlining and disinvestment indicate that the FHLBB has been more vigilant in attending to the safety and soundness of its member savings and loan associations than it has in encouraging them to meet the housing needs of their respective communities. Board representatives testified against the Home Mortgage Disclosure Act of 1975 (S. 1281), which would improve public understanding of the role of depository institutions in home financing. During the hearings testimony clearly showed that the regulatory agency did not actively intervene in those cases in which savings and loan associations were discriminatory in their lending patterns.

Another problem is that regulatory agency board members are often retired savings and loan association officials or others with close ties to the industry. While their accumulated expertise is of vital importance to effective regulation, nevertheless, their relationship to the industry makes objectivity difficult.

Since incentive programs must directly confront and offset disinvestment practices, the role played by regulatory bodies is crucial. Therefore, practices of the following agencies should also be assessed: the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation (FSLIC) (which regulates not only federal institutions but also the majority of state-chartered institutions utilizing their deposit insurance), and the Federal Reserve Board (FRB).

Although the transition from categorical programs to community development block grants has virtually eliminated direct federal funding of neighborhood programs, most agencies are still engaged in various research and demonstration projects which impact on neighborhoods. The Department of Housing and Urban Development, in collaboration with the FHLBB, has funded Neighborhood Housing Service demonstration programs in 20 cities. The Department of Commerce, through the Economic Development Administration and the Office of Minority Business Enterprise, has sponsored several economic revitalization projects. The Department of Health, Education, and Welfare has carried out many demonstration programs on neighborhood approaches to human services, health care, mental health, and drug abuse. The Law Enforcement Administration Agency, under the National Priorities Program, has allocated funds for citizen initiative programs in crime prevention, criminal justice, and corrections.

Unfortunately, federal demonstration programs are guided by no comprehensive policy. Agencies have no program priorities. Most of the money is discretionary and not subject to Congressional oversight.

(3) Future Directions. The problems of decentralization are myriad. They relate to the degree of autonomy to grant neighborhoods, the separation of overlapping jurisdictions delivering city services, and conditions appropriate to meaningful citizen participation. Clearly, the federal government must provide technical assistance and guidance in dealing with these issues.

An Omnibus Neighborhood Act needs to be enacted to serve as a model for a comprehensive approach to restructuring procedures of governance. This Act could help cities and their residents define a workable mix of centralization and decentralization of services, necessary financial systems providing subsidy and incentive programs, federal programs appropriate to local conditions, and

strategies generating relevant oversight of regulatory bodies, given neighborhood problems and priorities.

To begin to develop such an Act, the Senate Committee on Banking, Housing, and Urban Affairs should hold hearings on neighborhood-related issues. These hearings should focus on the full range of existing programs; assess city and state laws pertaining to neighborhood decentralization; and identify legal, administrative and political obstacles. Further, a Presidential Commission on Neighborhood Life should be convened to develop a more refined set of policy options.

* * * * *

Although neighborhood approaches to governance and services delivery do not represent a panacea for all problems, it is an area of overriding concern for urban policymakers. The challenge to government at all levels is to devise creative policies which can support political and administrative decentralization. This chapter has presented several conceptual schemes in order to provide a foundation for possible city, state, and federal policy options.

RELEASE OF PLO TERRORIST UNCONSCIONABLE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I am sure our colleagues share my sense of outrage and shock over the deplorable action taken by France in releasing the suspected terrorist, Abu Daoud.

International terrorism is one of the most disturbing and frustrating aspects of our modern-day world. It knows no boundaries and affects all nations. It can only be controlled and eliminated through the strong will and cooperation of civilized people everywhere. To give in to such terrorism—particularly in a case such as this where no hostages or lives are immediately threatened—is to set this effort back by years.

Both Israel and West Germany are democratic nations with established histories of fair and open judicial systems. Had Mr. Daoud been turned over to either country to stand trial for one of the most heinous crimes of the last 30 years, he would have been given a fair and public hearing. His fate would have been determined through the normal judicial process.

I am dismayed by France's action. I can only hope that the outcry of public opinion in this case will cause its leaders to reconsider, should they ever be in a similar circumstance again. To give in to international terrorism is to encourage it and condone it. Such an attitude is unconscionable.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRENZEL) to revise and extend their remarks and include extraneous material:)

Mr. FRENZEL, immediately following Mr. CONABLE'S special order for 1 hour on January 13, 1977.

Mr. WHALEN, for 5 minutes, today.

(The following Members (at the request of Mr. BENJAMIN) to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mrs. BURKE of California, for 5 minutes, today.

Mr. OTTINGER, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN.

Mr. HANSEN.

Mr. MCDONALD in two instances.

Mrs. MEYNER.

(The following Members (at the request of Mr. FRENZEL) and to include extraneous material:)

Mr. COUGHLIN in two instances.

Mr. FINDLEY.

(The following Members (at the request of Mr. BENJAMIN) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. MAZZOLI in two instances.

Mr. LEHMAN.

Mr. MINISH.

Mr. WAXMAN.

Mr. HAMILTON.

Mr. ROYBAL.

Mr. LONG of Maryland.

Mr. BRECKINRIDGE in 10 instances.

Mr. BLANCHARD.

Mr. KOCH in six instances.

Mr. GAYDOS in 10 instances.

Mr. RICHMOND.

ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 59 minutes p.m.), the House adjourned until Thursday, January 13, 1977, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

391. A letter from the Comptroller General of the United States, transmitting a report on U.S. forces in Korea; jointly, to the Committees on Government Operations, and Armed Services.

392. A letter from the Comptroller General of the United States, transmitting a report on ways to improve Department of Defense management and congressional overview of new requirements for Field Army low-altitude, surface-to-air defense weapon systems; jointly, to the Committees on Government Operations, and Armed Services.

393. A letter from the Chairman, Federal Election Commission, transmitting the Commission's proposed regulations governing Federal elections, pursuant to section 316(c) of the Federal Election Campaign Act of 1971, as amended (H. Doc. No. 95–44); to the Committee on House Administration and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT (for himself, Mr. BOB WILSON, Mr. MOLLOHAN, Mr. SPENCE, Mr. BADHAM, Mr. BEARD of Tennessee, Mr. BRINKLEY, Mr. ROBERT W. DANIEL, JR., Mr. DAVIS, Mr. DICKINSON, Mr. EMERY, Mr. HILLIS, Mrs. HOLT, Mr. LLOYD of California, Mr. MCDONALD, Mr. MONTGOMERY, Mr. NICHOLS, Mr. RUNNELS, Mr. STRATTON, Mr. TREEN, Mr. TRIBLE, Mr. WHITE, Mr. WHITEHURST, and Mr. WON PAT):

H.R. 1755. A bill to authorize appropriations during the fiscal year 1978 for procurement of naval vessels, and for other purposes; to the Committee on Armed Services.

By Mr. BLANCHARD (for himself and Mr. MINETA):

H.R. 1756. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; jointly to the Committees on Rules and Government Operations.

By Mr. CARNEY:

H.R. 1757. A bill to establish a Voter Registration Administration within the Federal Election Commission for the purpose of administering a voter registration program through the Postal Service, and for other purposes; to the Committee on House Administration.

H.R. 1758. A bill to amend the Securities Exchange Act of 1934 to require notification by foreign investors of proposed acquisition of equity securities of U.S. companies, to authorize the President to prohibit any such acquisition as appropriate for the national security, to further the foreign policy, or to protect the domestic economy of the United States, to require issuers of registered securities to maintain and file with the Securities and Exchange Commission a list of the names and nationalities of the beneficial owners of their equity securities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1759. A bill to amend the Securities Exchange Act of 1934 to restrict persons who are not citizens of the United States from acquiring more than 35 percent of the nonvoting securities or more than 5 percent of the voting securities of any issuer whose securities are registered under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1760. A bill to provide for posting information in post offices with respect to registration, voting, and communicating with lawmakers; to the Committee on Post Office and Civil Service.

H.R. 1761. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual who has attained age 65 may elect to treat any employment or self-employment performed by him as not covered for social security benefit purposes and exempt from social security taxes; to the Committee on Ways and Means.

H.R. 1762. A bill to amend title XVI of the Social Security Act to provide that support and maintenance furnished in cash or kind to an eligible individual by members of his or her immediate family shall be disregarded (and shall not serve to reduce his or her supplemental security income benefits) to the extent that it does not exceed $250 a month; to the Committee on Ways and Means.

H.R. 1763. A bill to amend title 39, United States Code, to provide that the postmark on mail matter shall disclose the name of the

city or community in which the mail matter is actually mailed, the assigned ZIP code, and the date and time of mailing, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1764. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

H.R. 1765. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

H.R. 1766. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ECKHARDT:

H.R. 1767. A bill to amend the Federal Trade Commission Act to expand the authority for the bringing of suits for redress for violations relating to unfair or deceptive acts or practices by authorizing suits to be brought by persons, partnerships, and corporations injured by such violations; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN:

H.R. 1768. A bill to amend title II of the Social Security Act to reduce from 72 to 65 the age beyond which deductions on account of an individual's outside earning will no longer be made from such individual's benefits; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. FISHER, and Mr. SOLARZ):

H.R. 1769. A bill to amend schedule 8 of the Tariff Schedules of the United States in order to require proof of liability insurance for automobiles entered into the United States for personal use by nonresidents and foreign government personnel, and for other purposes; to the Committee on Ways and Means.

By Mr. KREBS:

H.R. 1770. A bill to amend the Federal Election Campaign Act of 1971 to provide that political committees shall not be required to report to the Federal Election Commission changes in information relating to the list of candidates supported by such committees contained in statements of organization filed by such committees; to the Committee on House Administration.

By Mr. KREBS (for himself, Mr. PHILLIP BURTON, Mr. KASTENMEIER, Mr. MOSS, Mr. ROYBAL, Mr. ANDERSON of California, Mr. SEIBERLING, Mr. EDWARDS of California, Mr. LONG of Louisiana, Mr. CHARLES H. WILSON of California, Mr. BROWN of California, Mr. DELLUMS, Mr. CARR, Mr. KOCH, Mr. MCCLOSKEY, Mr. STARK, Mr. JOHN L. BURTON, Mr. HANNAFORD, Mr. LLOYD of California, Mr. MILLER of California, Mr. MINETA, Mr. PATTERSON of California, Mr. WAXMAN, Mr. BEILENSON, and Mr. PANETTA):

H.R. 1771. A bill to enlarge the Sequoia National Park in the State of California by adding to such park the Mineral King Valley area, to provide for certain planning respecting the management of such addition, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. KREBS (for himself, Mr. VAN DEERLIN, Mr. REUSS, Mr. BINGHAM, Mr. MIKVA, Mr. SIMON, Ms. HOLTZMAN, Mr. ROE, Mr. DODD, Mr. RANGEL, Mr. HARKIN, Ms. SCHROEDER, Mr. BAUCUS, Mr. WEAVER, Mr. MCHUGH, Mr. OTTINGER, Mr. BADILLO, Mr. TRAXLER, Mr. HARRIS, Mr. SOLARZ, Mr. HEFTEL, Mr. WEISS, Mr. AKAKA):

H.R. 1772. A bill to enlarge the Sequoia National Park in the State of California by adding to such park the Mineral King Valley area, to provide for certain planning respecting the management of such addition, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, Interior and Insular Affairs.

By Mr. SAWYER:

H.R. 1773. A bill to name a certain Federal Building in Grand Rapids, Mich., the Gerald R. Ford Building; to the Committee on Public Works and Transportation.

By Mr. SLACK:

H.R. 1774. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; to the Committee on Rules.

By Mr. RHODES (for himself, Mr. DEL CLAWSON, Mr. DEVINE, Mr. FRENZEL, Mr. STOCKMAN, Mr. LOTT, Mr. SEBELIUS, Mr. BROOMFIELD, Mr. CONTE, Mr. GUYER, Mr. WIGGINS, Mr. DICKINSON, Mr. WINN, Mr. GOLDWATER, Mr. COCHRAN, Mr. DUNCAN of Tennessee, Mr. RUDD, Mr. TREEN, Mr. THONE, Mr. TRIBLE, Mr. BURKE of Florida, Mr. BAFALIS, Mr. KETCHUM, Mr. EDWARDS of Oklahoma, and Mr. BADHAM):

H.J. Res. 135. Joint resolution to designate the week commencing with the third Monday in February of each year as National Patriotism Week; to the Committee on Post Office and Civil Service.

By Mr. HANSEN (for himself, Mr. MONTGOMERY, Mr. SEBELIUS, Mr. ROBINSON, Mr. KINDNESS, Mr. EDWARDS of Oklahoma, Mr. BAFALIS, Mr. THONE, Mr. BADHAM, Mr. BURGENER, Mr. ABDNOR, Mr. JOHN T. MYERS, Mr. HARSHA, Mr. GUYER, Mr. GILMAN, Mr. CRANE, Mr. GRASSLEY, Mr. MOORHEAD of California, Mr. MARRIOTT, Mr. BAUMAN, Mr. MCDONALD, Mr. ICHORD, Mr. LOTT, Mr. LUJAN, and Mr. ROUSSELOT):

H. Con. Res. 56. Concurrent resolution expressing the sense of the Congress that inspections pursuant to section 8(a) of the Occupational Safety and Health Act of 1970 shall cease pending a determination by the Supreme Court of the United States of the constitutionality of such inspections; to the Committee on Education and Labor.

By Mr. KOCH (for himself, Mr. BADILLO, Ms. BURKE of California, and Mr. MOFFETT):

H. Con. Res. 57. Concurrent resolution endorsing the publicly declared Vietnam-era reconciliation program of the President-elect and urging the President-elect to extend that program to include all Vietnam-era selective service offenders and all Vietnam-era veterans who received less than honorable discharges or who deserted or were absent without leave during such era; jointly to the Committees on the Judiciary, and Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN:

H.R. 1775. A bill for the relief of Karin, Michael, and Andreas Ehard; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 1776. A bill for the relief of Mrs. Ikuko Fukuoka Whedon; to the Committee on the Judiciary.

H.R. 1777. A bill for the relief of Cathy Gee Yuen; to the Committee on the Judiciary.

H.R. 1778. A bill for the relief of Preny Donna Gracia Gandeza; to the Committee on the Judiciary.

H.R. 1779. A bill for the relief of Gilberto Taneo Gilberstadt; to the Committee on the Judiciary.

H.R. 1780. A bill for the relief of Gustavo Hada; to the Committee on the Judiciary.

H.R. 1781. A bill for the relief of Edgardo Faro Herrera and Eliso Feliciano Herrera; to the Committee on the Judiciary.

H.R. 1782. A bill for the relief of Petros Karaolanis; to the Committee on the Judiciary.

H.R. 1783. A bill for the relief of Rhody E. Laigo; to the Committee on the Judiciary.

H.R. 1784. A bill for the relief of Patrick Andrew C. Laygo and Christina Socorro C. Laygo; to the Committee on the Judiciary.

H.R. 1785. A bill for the relief of Ngar Shing Lee; to the Committee on the Judiciary.

H.R. 1786. A bill for the relief of Jose Ramon Morales and his wife, Joyce; to the Committee on the Judiciary.

H.R. 1787. A bill for the relief of Paz A. Norona; to the Committee on the Judiciary.

H.R. 1788. A bill for the relief of Benjamin Sandoval Paglinawan; to the Committee on the Judiciary.

H.R. 1789. A bill for the relief of Maria Otilia Solorzano; to the Committee on the Judiciary.

H.R. 1790. A bill for the relief of Raul Domingo Santiago; to the Committee on the Judiciary.

H.R. 1791. A bill for the relief of Maria Isaura Russo; to the Committee on the Judiciary.

H.R. 1792. A bill for the relief of Francisco A. Magsino; to the Committee on the Judiciary.

H.R. 1793. A bill for the relief of Rose Marie V. Teehankee; to the Committee on the Judiciary.

H.R. 1794. A bill for the relief of Rosario Imelda Seiler (also known as Rosario Imelda Torres Quino); to the Committee on the Judiciary.

H.R. 1795. A bill for the relief of Ernestina Rosales; to the Committee on the Judiciary.

H.R. 1796. A bill for the relief of Leandro D. Quintana; to the Committee on the Judiciary.

H.R. 1797. A bill for the relief of Virgilio G. Makalalad; to the Committee on the Judiciary.

H.R. 1798. A bill for the relief of Kwong Lam Yuen; to the Committee on the Judiciary.

H.R. 1799. A bill for the relief of Reynaldo Ayala; to the Committee on the Judiciary.

H.R. 1800. A bill for the relief of Nicolas G. Benoza; to the Committee on the Judiciary.

H.R. 1801. A bill for the relief of Rudy Montemayor Cacho; to the Committee on the Judiciary.

H.R. 1802. A bill for the relief of Joseph and Christopher Camilleri; to the Committee on the Judiciary.

H.R. 1803. A bill for the relief of Samuel Darby; to the Committee on the Judiciary.

H.R. 1804. A bill for the relief of Min Kwong Chan (also known as Matthew Chan); to the Committee on the Judiciary.

H.R. 1805. A bill for the relief of Benjamin R. Esteva (also known as Ben Esteva); to the Committee on the Judiciary.

H.R. 1806. A bill for the relief of Mr. and Mrs. John F. Fuentes; to the Committee on the Judiciary.

H.R. 1807. A bill for the relief of Maria Gracia Bautista Waldren; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SUPREME COURT'S ABORTION RULING

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. MAZZOLI. Mr. Speaker, as we approach the anniversary of the Supreme Court's landmark ruling that a woman has the constitutional right to terminate pregnancy with an abortion—and as thousands prepare to March for Life in Washington—it is timely that we reflect on the effect the ruling has had on our society.

I, for one, feel the Court's decisions are incorrect law and unwise public policy. I have supported numerous legislative efforts to weaken and nullify the rulings, and I continue to explore new approaches for dealing with the distressing abortion subject.

I would like to share the following article with my colleagues. It appeared in the January 2, 1977, Washington Post.

This article, in citing a most unfortunate and tragic circumstance, serves to reinforce my strong feeling that the Supreme Court erred in its abortion decisions.

It also serves to reinforce my view that we cannot merely stop with antiabortion efforts. We must educate the public in the area of family planning. We must provide counselling services to young women faced with unwanted pregnancies. And, we must treat the social, economic, and medical problems which force the use of abortion.

I believe Mr. Wills' article is well worth a careful, thoughtful reading by us all.

The article follows:

A MATTER OF LIFE AND BREATH

(By George F. Will)

Born to a 15-year-old in a Virginia boarding school, the baby was found two days later in the incinerator, and the county attorney says, "We haven't determined the cause of death." He says "as far as I know" the school did not notice that the girl was pregnant. How pregnant? When asked if the baby was born alive, the attorney said only: "It breathed."

It? He? She? Was a baby born or a fetus "terminated"? If this was "merely" a fetus, it was, presumably, an "it," like a million others aborted each year. If this was a birth, it was the more remarkable because the girl may have performed the delivery unassisted.

At 15, she may have a better mastery of obstetrics than of birth control. But then, this society permits abortions in the third trimester of pregnancy, and performs a million abortions a year. In such a society, abortion is a form of birth control, and many abortions resemble obstetric operations.

The county attorney is investigating whether criminal charges should be brought. Evidently his cryptic remark—"It breathed"—is portentous. But on what grounds can this society make a convincing fuss if the baby (may we call "it" that without prejudging the issue) breathed a bit? Hundreds of thousands of fetuses aborted each year have heartbeats and brain activity. Why is a bit of breathing all-important in the eye of the law?

It is all-important because the Supreme Court has stared long and hard at the Constitution and has come to a remarkable conclusion. The constitutional "right of privacy," which the authors of the Constitution neglected to mention, is so sweeping that no state may forbid the destruction of even a "viable" fetus if destruction is necessary to protect the woman from "harm," which includes "distress." So whether a baby breathes determines whether it has become human life fully protected by the law. If the Virginia baby breathed, it was no longer an "it."

At Miss Porter's School in Connecticut, there has been distress about a male fetus, or perhaps it was a baby. It may or may not have breathed before it was stashed in a plastic bag beneath the bed of the girl who was the—what? Mother? It is hard to know what she was because it is hard to know what she did; she may have done it alone.

She was not alone in her condition. Of the more than one million teenagers—one in 10 teenage girls—who become pregnant each year, 30,000 are 14 or younger. According to one study, one out of four 15-year-old girls is sexually active, one out of five 14-year-olds, and one out of ten 13-year-olds.

The state of Connecticut wanted to know if the male fetus, or infant, at Miss Porter's died of "natural causes." It is an interesting question. Pregnancies in young girls result in a high rate of premature deliveries, stillbirths and infant mortalities. If a baby was born alive at Miss Porter's, it was born into hazardous tumult.

The moments after delivery are busy in even a well-staffed delivery room. The umbilical cord is cut and tied; the placenta is entirely removed from the uterus; the baby's breathing is assisted. Imagine, if you can, the pain, bravery and terror of a 14-year-old trying to cope alone. It is easy to imagine the "natural" causes of death to which a baby is vulnerable in that situation.

But there is something highly artificial about the distinction between "natural" and "unnatural" deaths in such a situation. Suffice it to note that the slender 14-year-old arrived at Miss Porter's seven months pregnant. She is reported to have set curious minds at ease by saying that she had a tumor in her abdomen. Of course in the eyes of the Supreme Court a tumor and a fetus are roughly equal.

The Supreme Court has suggested how we should organize our thoughts about the status of life in its early stages. But when we try to think as the Supreme Court would have us think about the episodes in Virginia and Connecticut, the Supreme Court's suggestion seems, I think, obviously unnatural and unsatisfactory.

COUGHLIN DENOUNCES FRENCH ACQUIESCENCE TO TERRORIST DEMANDS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. COUGHLIN. Mr. Speaker, the hasty capitulation of the French Government by its release of terrorist Abu Daoud is a shameful surrender to international lawlessnes with ramifications far beyond the initial embarrassment to our NATO partner.

By submitting to blackmail by terrorist organizations and their Arab allies, France has signaled its own moral cowardice and its intention to dishonor international agreements when its mettle is tested.

The shocking implications, not only to Israel which is constantly exhorted to trust the Western Allies, but to all nations which are united in defense of Western Europe, must cause our Government to ponder just how much Frances's word is worth.

Form the very elemental level of widows and children left fatherless by the 1972 Munich massacre of Israeli athletes to the international reverberations, the action of the French Government, in a word, stinks.

The precipitous release of Abu Daoud, accused as the mastermind behind this heinous crime, is perhaps the biggest blowout of any case in international jurisprudence within memory.

The seriousness of the case—and granting the French their due—and the legal problems involved called, at the very least, for a continuance of the matter while Abu Daoud remained in French custody.

I concede that the arrest of the Black September leader posed a predicament for France.

But governing a nation, especially one steeped in the traditions of liberty, is not easy especially in the turbulent situation caused by an Arab stranglehold on oil supplies, growing Third World agitation and world economic conditions.

But was France's position any more difficult than that of the United States when the Arab States embargoed its oil to us, because we supported Israel's right to defend itself and exist as a sovereign state?

I know that many of my colleagues have attempted, through resolutions and speeches, to announce clearly the intent of the Congress that this Nation will not tolerate international terrorism and hijackings. I joined in many of these efforts and regret only that we have not been able to influence enough governments throughout the world to stand united against terrorism.

The outrage to Israel's Government and its citizens is reflected in the reported denunciation of the French action by our Secretary of State. It is shared by the American people whose driving quest for justice remains one of the traditions of which we are so proud.

The French surrender helps poison the atmosphere that the United States and some of the more moderate Arab leaders have been cultivating in the Middle East in trying to arrange a peace settlement.

It is no wonder that Israel, which has been condemned for maintaining a siege mentality, clings to the belief that its safety and existence must depend on the force of Israeli arms.

Now no one need wonder.

U.S. CANAL ZONE: COMMUNISM IN PANAMA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. McDONALD. Mr. Speaker, the agreement on December 3, 1976, between the U.S. Secretary of State and Foreign Minister Aquilino Boyd of Panama to resume negotiations for a new Panama Canal Treaty—Washington Post, December 4, 1976, page B11—has again focused wide attention on one of the most gravely important foreign policy problems of the United States—the security of Isthmian Canal Transit and the safety of the Caribbean—Gulf of Mexico Basin.

Though the Soviet infiltration of this strategic area is well known among close observers, very little has been published about Red influences in Panama, which is now allied with the Havana-Moscow Axis. With the encouragement of the State Department, Panama has been waging a hostile propaganda campaign against the United States but, so far as I have been able to see, our State Department officials never reply publicly to Panama's most outlandish charges and threats.

In Panama, as in other Latin American countries and the United States, there are patriotic citizens who are strongly opposed to a Communist takeover of their country and have organized to prevent it. One of these groups, the Panamanian Committee for Human Rights recently provided extensive information on the overall situation on the isthmus.

A recent issue of The Herald of Freedom, P.O. Box 3, Zarephath, N.J., 08890, a monthly publication of which Frank A. Capell, an experienced investigator, is editor, make some significant disclosures derived from a report of the Panamanian Committee. He describes the current movement to surrender U.S. sovereign control over the Canal Zone, if approved, as the "culmination of a Soviet objective initiated years ago by Alger Hiss." See House Document No. 474, 89th Congress, pages 91–92 and 169–176 for authoritative documentation.

Mr. Speaker, as the indicated article should be of unusual interest to all Members of the Congress concerned with the protection of the Western Hemisphere as well as to the Nation at large, I quote it as part of my remarks:

[From The Herald of Freedom, Dec. 17, 1976]

COMMUNISM IN PANAMA

On October 19, 1976, Ambassador Ellsworth Bunker quietly left Washington to resume the controversial negotiations with Panama for a new Panama Canal Treaty. Washington sources stated that he slipped out of town without making any statement, but State Department officials confirmed his departure for Contadora Island where the talks were scheduled to begin on October 20. The previous session on the negotiations was held in May, 1976, and it was learned that resumption of the talks was agreed on earlier in October at the U.N. in conversations between Secretary of State Henry Kissinger and Panamanian Foreign Minister Aquilino Boyd. In the October 15, 1976 issue of the (Panamanian newspaper) Star & Herald it was reported that Ambassador Bunker and a U.S. team would meet with Panama treaty negotiators on the resort island of Contadoro, the site of negotiations since February of 1974, when Secretary Kissinger and former Panamanian Foreign Minister Juan Antonio Tack signed an 8-point statement of principles that became the framework of the negotiations on a canal treaty to replace the 1903 treaty. Although it has not been made clear to the American public (and there have been charges and countercharges), the report stated, "In the statement of principles, it was agreed to negotiate a treaty that would give Panama full control over the Canal and the Zone." Panamanian Foreign Minister Boyd stated in a recent interview that once the teams agree on the duration of a new treaty, there will be a draft treaty within two months.

Ellsworth Bunker has been Ambassador-at-Large since September 1973. He was born May 11, 1894, and was 73 years old when he and the 45-year-old Carol Laise were married. (Carol Laise is one of the few women members of the Council on Foreign Relations.) Bunker is known as a man of the Left who can be counted on to administer the most onerous plans and programs of the Establishment insiders.

His record of betrayal includes arranging the surrender of West New Guinea to Communist Achmed S. Sukarno, saving the Communist regime of Yemen from the wrath of Saudi Arabia's King Faisal, and presiding over the betrayal of South Vietnam. According to the State Department Biographic Register, he has been in charge of the Panama Canal Treaty negotiations since October 1973. On February 8, 1974, it was reported from Panama City that Secretary of State Henry Kissinger and Ambassador Bunker had pledged to present the U.S. Canal Zone to Panama and were working out the details for surrender of the Panama Canal.

Both Bunker and his wife would be considered security risks if proper standards were being maintained. Bunker is a member of the radical Council on World Affairs, honorary president of the subversive Foreign Policy Association, a longtime member of the C.F.R., and a trustee of the (Marxist) New School for Social Research in New York. Official government records show that he was a director of the American-Russian Institute for Cultural Relations with the Soviet Union, an organization cited as Communist and subversive by both the U.S. Attorney General and the Senate Internal Security Subcommittee.

There are many dedicated conservatives and anti-Communists in the Panama Canal Zone, among them members of the military, police and business community. Among the Panamanian citizenry there are likewise anti-Communists who are worried about a Communist take-over of Panama and the Canal Zone. One group, called the Panamanian Committee for Human Rights, recently prepared a lengthy report on the overall situation in Panama. We are grateful to this committee for the following information on Communism in Panama.

Since the onset of the Socialist Republic of Cuba, that country has steadily been infiltrating the weakest Latin American countries, both politically and militarily. First objective is the Central American countries and then the Caribbean ones. To date, Cuba has very successfully infiltrated the Panamanian Dictatorship. In Panama, under Omar Torrijos military dictatorship, Fidel Castro's gains are dramatic. He has the unquestioned backing of the People's Party-Panamanian Communist Party—which (since 1969) openly backs Dictator Torrijos' regime. At the present time, Fidel Castro has agents occupying such key positions as: the Agrarian Communes, organized by Torrijos' regime and controlled by the Panamanian Communist Party (PCP); the Tomas Herrera Military Institute, where the Guardia Nacional's new military men are formed and whose adviser is a Cuban militianman; the sugar mills, built by Torrijos' regime and run by Cuban technicians sent by Castro beginning in 1973.

On October 11, 1973 Torrijos passed a law creating the Digedecom, a government agency run jointly by Castroites and members of the PCP, founded mainly for the creating of "Juntas Comunales," which exercise total control of the communities. The 505 Juntas Comunales are tantamount to the "Comisarios del Pueblo" found in Cuba and other Communist countries; the State's radio station, "Radio Libertad," is closely managed by members of the Latin Press—the Cuban regime's press office—with their home base in Panama. Prior to the re-establishment of relations with Cuba's Socialist Republic, Latin Press offices were the headquarters for the Panamanian Marxist Party. All trips of Panamanians to Cuba from 1971 to 1975 were arranged from these offices. It was also the epicenter for all of Cuba's international infiltration in Central America and the Caribbean nations. The Caribbean "push" has proved extremely successful.

The Panamanian National Guard's repressive G–2 department works under the close supervision of Cuba's regime, in the persons of Pineiro, alias Red Beard, and Universo Saenz. Before relations between the two countries were re-established, one of the first officials of the Panamanian regime to travel to Cuba was Manuel Antonio Noriega, feared head of the G–2 of Panama. Since 1970, all members of the G–2 Department have openly traveled to Cuba for training and orientation in "Political Security." At first these trips were made on planes belonging to the Panamanian Air Force, but afterwards they were followed by delegations of athletes, students from Panama University, union leaders, and Communal Junta leaders. The G–2 controlled the list of invited "guests," in collaboration with the Latin Press offices in Panama.

The number of diplomatic employees in the Cuban Embassy in Panama surpasses that of any other accredited embassy in the country. Some of the 225 employees of the Cuban Embassy give advice to Director Torrijos, and from that embassy, North American goods are bought for shipment to Cuba through a company called Transit, S.A., owned by Rodrigo Gonzales, right-hand man of Torrijos. It is also through this company, working jointly with the Cuban Embassy, that Cuban products are introduced into Panama and equipment and goods are exported to Cuba. Cuban agents in Panama receive their orders through the Cuban Embassy and the PCP sends its members to Cuba for training and indoctrination courses; frequent cultural interchange missions are arranged.

Up until October of 1968, the Panamanian Communist Party (PCP), known as the "People's Party," was militant only in Panama City, and so its influence over the Panamanian people was very limited. It considerably increased since that time so that by September of 1974, according to a leftist Argentine journalist, the People's Party controlled 38 labor unions instead of 5 in 1968; the People's Party offshoot, Student Federation of Panama, boasted 110,000 students. The expansion of the PCP began after the military coup of October 1968 when the constitutionally elected government was overthrown after only 11 days in office. On October 11, 1968 the military took over the reins of the government in a coup headed by Col. Boris Martinez, who had no known political ties. Torrijos, then a colonel, tried to promote a meeting between Martinez and leaders of the PCP, but Martinez would not cooperate. Then in February of 1969, after having made prisoners of Martinez and his followers and expatriated them to Miami,

Florida, Omar Torrijos assumed charge of the military dictatorship. A month later, Torrijos signed a political pact with the PCP and it did not take long before the Communists were in key positions in the government. Guided by the PCP, Torrijos crushed all opposition to his regime and took up the issue of the new canal treaty as his political platform. The Communist Party's priorities were established in a document called "The Guideline of March 1969 Revised," which contained seven points.

The Communists have made evident gains in Point #1, the recuperation of the Panama Canal, which is their main objective, and Torrijos has the full support of the Marxist organizations of Latin America, Africa and Asia in securing the Canal Zone.

With respect to Point #2, Panama had attained sustained economic growth for 10 years, but beginning in 1973, its economy has deteriorated because private Panamanian investors lack trust in the future of the country due to the hostility shown by the dictatorship toward private enterprise. By creating laws which bankrupt private concerns, Torrijos has left them in the hands of the laborers, thus producing the "social area" of production. Furthermore, land has been expropriated, and turned over to Rural Settlements subsidized by the regime and land has been forcibly taken in urban communities because t he land was "needed." Torrijos has built five sugar refineries which are government owned. In a recent "agreement" with the Torrijos dictatorship, the Chiriqui Land Co., an American company devoted to the banana business, will be forced to "sell" its assets to the Panamanian regime, after having been subjected to continuous harassment by the dictatorship. This means of promoting the "social area" of production, emphatically pursued by the Panamanian Marxists and Torrijos, systematically discourages private investment to the point where soon all of the Panamanian economy will be penetrated. It will become "social area," and the PCP will be able to modify the "relationship of the internal powers."

Point #3, to make the Communal Juntas work effectively, has enabled the PCP to extend its influence into all areas of the country through an extensive network of "Communal Committees" which are controlled by Party members. Thanks to Torrijos, the PCP has members in all the rural communities of the country and these members have access to the monies of these communities which allows them to promote their Marxist indoctrination. The Rural Settlements are controlled by a government organization created by Torrijos, which is integrated by CP members. The organization, called "Digedecom," is the group which advised Torrijos to expel the U.S. Peace Corps members in 1972 with the excuse that they were members of the CIA.

Regarding Point #4, establishing relations with all countries of the world (meaning Socialist countries, especially Cuba), the Panamanian Communists have another victory. Torrijos declared in January 1976, while visiting Cuba, that "the Panamanian Revolution pursued the same objectives as the Cuban Revolution but through other methods," Aquilino Boyd, Minister of Foreign Affairs, said, through the Russian News Agency Tass, that Panama considers Moscow "a great friend".

Regarding Point #5, Educational Reform, Communist infiltration in education is centered in this, under the direction of Party ideologists. This program has been economically feasible thanks to the donation of $11 million that AID gave to Torrijos regime to promote this reform. In Chiriqui Province the presence of Marxist texts in the high school's required material was denounced at a public meeting. These texts had been sent by the Ministry of Education through the offices of the Educational Reform Center. Money given by AID to the University of Panama has also ended in the hands of members of the Communist Party which controls the university; it is being used to furnish the university bookstore, stacked with Marxist texts.

Point #6 affirms that the capitalist growth seen in Panama creates "contradictions" which won't be solved until the country's anti-colonial dispute is won or until there is a modification of the relationship of the internal powers.

With respect to Point #7, having the National Guard play an important part in all political moves, the Communist Party acknowledges that the true political power resides in the Military Posts in Panama. This has committed the Party to infiltrate the National Guard in Panama. Recently, one of the Party's members, Major Roberto Diaz Herrera, cousin of Dictator Torrijos, was promoted to Lt. Col., without losing the position he formerly occupied as Major, which was that of Executive Secretary of the National Guard of Panama.

The National Guard has fields sown with rice and sorghum in the country's central provinces, with the intention of substituting the private producers. This position has been denounced by the agricultural producers of the Chiriqui Province. On the other hand, Dictator Torrijos recently created the "Tomas Herrera Military Institute" with Cuban instructors. In this way, in a few years, the control of the National Guard will be in the hands of the Communists, for they are systematically indoctrinating the young officers who will in time replace the retired officers and colonels. Torrijos is also naming non-Communist lieutenant colonels to civil positions, thus removing them from active duty in the National Guard.

Since the beginning of Torrijos' dictatorship in 1968, the Communists have had a strong influence in his regime and the following represents a partial list of Communist personalities in the administration.

Omar Torrijos Herrear, at 14 years of age, appears in a photograph bearing a Communist flag while a member of the Young Veraguas (partisan Marxist organization). His closest relatives and advisers were Marxists. During the "Cerro Tute" uprising in 1959, Marxist guerrillas denounced Torrijos (who as a captain in the National Guard was forced to fight against them) as a "traitor to the cause." From 1960 to 1963, while he was Chief of the Colon Military Post, he maintained continuous meetings with Marxist agents of that province, while at the same time, instituting an "anti-Communist" fund with monies provided by private enterprise.

During the 1969 "Peking-Moscow Discord," Torrijos sided with the Moscow faction. In 1963 Edison and Nitido Diaz Herrera (two of Torrijos' first cousins) returned to Panama after lengthy training in Cuba, and were allowed to set up their Communist operation quarters in the Military Post in Chiriqui Province. Thus the banana plantations of Chiriqui became the Panamanian Communist Party's most efficient stronghold. In 1966 Torrijos' sister, Toya de Jaen, was arrested at Tocumen International Airport for carrying a large amount of Marxist propaganda she was bringing from Mexico. Torrijos obtained her freedom without confiscation of the material. Omar Torrijos' brother, Moises, openly belongs to the PCP.

Gerardo Gonzales Vernaza, Vice-President of the Republic, also is related to Torrijos. He was former Minister of Agrarian Development, is an active member of the PCP of which he was formerly treasurer and conveyor, and also belonged to the "Young Veraguas" in his youth. He is considered one of the Party's most important executives in the government's hierarchy and runs all the "day to day" work of the Panamanian presidency.

Roberto Diaz Herrera, first cousin of Gen-Torrijos. Even though he did not fill seniority requirements, he was promoted to Lt. Col. in the National Guard. A card-carrying member of the Marxist Party since his teen years, Diaz acts as Executive Secretary of the National Guard from which position he has effective control of all military orders. His brothers are: Efebo Diaz Herrera, Panama's Ambassador to Cuba; Nitido Diaz Herrera, Chief of Customs; Edison Diaz Herrera, Municipal Treasurer.

Manuel Antonio Noriega, Lt. Col. in National Guard, as head of G-2 (the State's Security torture squads), is actively involved in Castro's infiltration in Panama. His Marxist background goes back to his student days. His brother, Luis Carlos Noriega, also belongs to the PCP and is President of the Electoral Tribunal of Panama.

Marcelino Jaen, a lawyer, is married to Torrijos' sister Toya. A long-time member of the Communist Party, he belongs to the Central Committee. He is now President of the National Legislative Commission, which is the Communist-controlled lawmaking committee.

Moises Torrijos Herrera, Omar's brother, is Panama's Ambassador to Spain and has been a Marxist since his youth. A member of the Central Committee, he is connected with the international drug traffic.

Ruben Dario Herrera, economist, is a member of the PCP and one of the Party's most influential ideologists. He is held responsible for the Party's economic policies.

Balbino Moreno, former school chum of Omar Torrijos. He, too, belonged to the "Young Veraguas."

Eligio Salas belonged to the Communist Party from his start in politics. He was an activist in the "Frente de Reform Universitaria." He was in charge of the Student Affairs Department of Panama University, from which he controlled the pro-Moscow student organizations, and was recently named Dean of the University, which is under Soviet-Communist control.

Rolando Murgas was a firebrand student leader for the Party as a member of the "Frente de Reforma Universitaria." He is a brilliant but dogmatic one-track-minded ideologist for the Party's Political Committee. He authored Panama's new Labor Code, considered one of the most important factors in Panama's economic paralysis; was later named Minister of Labor; now is a member of the Communist-controlled Legislative Committee.

Adolfo Ahumada, Marxist agitator since his student days, is considered an ideologist with great practical political sense. A formal member of the Communist Party, he is much respected by Marxist youth groups, is sly and extremely dangerous. He is on the Legislative Committee and participates informally in the Panama Canal Treaty negotiations, representing the Party. A personal advisor to Gen. Torrijos, he also occupies the important Communist-dominated post of Minister of Labor.

Renato Pereira, Communist Party member was the Director of the Student Affairs Department, is now Mayor of Puerto Armuelles, a port city on the Pacific side of the Isthmus, in the heart of the area fully controlled by the Communists.

The proposed treaty to turn over the sovereignty of the Panama Canal and Zone, if approved, would be the culmination of a Soviet objective initiated years ago by Alger Hiss.

MARY DEES STARTS NEW CAREER

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. JONES of Oklahoma. Mr. Speaker, "Brighten the corner where you are"

begins a popular refrain. No person more exemplifies that message that my dear friend, Mrs. Mary Dees, who has devoted her lifetime to helping others, brightening their lives, and giving of herself.

No wonder, then, that so many of us considered her retirement from 42 years of service in the telephone industry and the Communications Workers of America on November 1, 1976, something special. Actually it was not really a retirement for this remarkable lady, only the beginning of a new career.

She is now continuing her life's work of serving mankind by working for the Tulsa United Way, YWCA, a local children's center, the area diabetes clinic, and the CWA Retired Members Club.

Mary Dees has spent a lifetime serving people. She utilized her seemingly limitless energy in the Democratic Club, in political action groups and efforts, as a member of the Tulsa Business and Professional Women's Club, and as a member of the Governor's Commission on the Status of Women, having been appointed by two separate Governors. She served on the Advisory Committee on the Employment Securities Commission, on the Oklahoma United Nations Day Committee, as a member of the Community Chest, and Oklahoma AFL–CIO.

Always concerned about women's rights, she was a member of CWA's Concerned Women's Advancement Committee and was active and instrumental in efforts to pass Oklahoma's Equal Rights Amendment.

Her life has been filled with accomplishment, but those of us who know her are more appreciative of her friendship and what she has so unselfishly done for others.

She has ended one career, embarked upon another. As she does, she is loved not only by the two fine sons, Donald and Stephen, she has raised, but a legion of friends.

Surely, she has brightened the lives of all she has come in contact with and so many more who have been the beneficiaries of all she has done.

AMNESTY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 11, 1977

Mr. OTTINGER. Mr. Speaker, I am pleased that Congressman KOCH and Congressman MONTGOMERY have provided us with an opportunity to comment on President-elect Carter's intention to pardon those men who resisted the draft during the Vietnam war and on the respective proposals that the President-elect expand or eliminate the program.

In the 4 years since the United States concluded its direct involvement in the Vietnam war we have done little to reconcile ourselves with its conclusion. The tragic problems which are the legacy of that conflict have been ignored, and the failure to resolve the fate of the draft resisters is one symptom of our inactivity.

It is often suggested that amnesty should be considered only on a case-by-case basis—that while some of the resisters acted out of conscience, many certainly acted out of fear. I am sure that this is so. But I am also sure that it would be impossible to separate those men who acted out of the strength of sincere conviction from those who acted out of cowardice. It is probable that many were moved by both feelings.

I support President-elect Carter's intention to pardon the draft resisters, and I hope that he will consider a means of reviewing the vast number of less than honorable discharges which were issued during the Vietnam war as well.

TRIBUTE TO TORATH EMETH HONORS FOURTEEN COUPLES

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. WAXMAN. Mr. Speaker, I am proud to call to the attention of the House and of the public a noteworthy event to be held by a distinguished educational institution in my district. On January 23, 1977, Yeshivath Torath Emeth Academy, an Orthodox Jewish day school, will honor 14 couples as "Pillars of the Academy" at the 22d annual banquet to be held at the Beverly Hilton Hotel.

I have had the privilege of representing both Yeshivath Torath Emeth and the great majority of its pupils and staff since I first entered public life. I am proud to count its principal leaders among my dear and long-time friends. I observed first hand the struggles Torath Emeth had with the old facility on South Fairfax which was inadequate in every respect. I saw changing social patterns in the neighborhood add new difficulties and anxieties to the life of the school.

I saw not only adversity but also tremendous energy, faith and determination within the Torath Emeth "family." After all, for most of the men and women who created the academy, adversity was nothing new. The majority of them had survived the holocaust and founded Torath Emeth in a fierce determination to preserve the intensive Torah-true education they knew in pre-World War II Europe.

Rabbi Juda Isaacsohn, a man burdened both with ill-health and myriad community obligations, inspired the community to make the sacrifices necessary to build a magnificent new building. Rabbi Isaac Soibelman, in a stunning display of energy and endurance, worked on the building project while discharging his tremendous obligations as education director. He did all this selflessly—without regard to personal honor or credit.

My good friends Mr. and Mrs. Sam Menlo undertook not only enormous financial responsibilities, but also the day-to-day chores of construction. They were joined and supported primarily by the 13 couples who are the "Pillars of the Academy" honored at this year's banquet.

I should like to enter into the RECORD the names of each and every one of the 14 honorees. Each of these couples earned by its generosity and dedication all the praise and honor being accorded to all 14. The Pillars of the Academy are: Mr. and Mrs. Jamie Deutsch, Mr. and Mrs. Stanley Diller, Mr. and Mrs. Leonard Einhorn, Mr. and Mrs. David Goldstein, Mr .and Mrs. Jona Goldrich, Mr. and Mrs. Jacob Kornwasser, Mr. and Mrs. Mark Kornwasser, Mr. and Mrs. Sol Kest, Mr. and Mrs. Armin Mandel, Mr. and Mrs. Sam Menlo, Rabbi and Mrs. Abraham Rubin, Mr. and Mrs. Louis Schoen, Mr. and Mrs. Ladislaw Wintner, and Mr. and Mrs. Morris Weiss.

In the schus of the Torah studies of the pupils of Torath Emeth Academy may the 14 "Pillars of the Academy," Rabbi Juda Isaacsohn, Rabbi Isaac Soibelman, the faculty, staff and supporters of the academy be granted an abundance of blessings from the Almighty's "full, open, holy and ample hand."

POSTAL SERVICE ON THE RIGHT TRACK

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. LEHMAN. Mr. Speaker, as a member of the Committee on Post Office and Civil Service, I listen to many people talk about our mail service. Paradoxically, most of them like their own postmen but not the Postal Service. I am pleased, therefore, to share with my colleagues a recent editorial which appeared in the Miami Herald:

POSTAL SERVICE ON THE RIGHT TRACK

Love hasn't always been the postman's lot. Mail service is a favorite target for gripes from consumers who expect the best.

They still aren't winning any popularity contests, but postal officials can cite some nice things they've done for the blase American public during 1976, as results of long-term programs.

Local mail got to addresses the next day 95 per cent of the time, except during the Christmas season in some cities. This was up from a 92 per cent rating four years ago.

More dramatic improvement came in the two-day delivery of mail from a 600-mile radius. It was up to a 92 per cent rate, from 80 per cent just three years ago. Cross-country deliveries within three days rose from an 80 to a 90 per cent level.

Not bad. But for consumers frustrated by deaf and blind bureaucracies, the good news may have been in such attempts to make contact as the Consumer Service Card. That's the simple form designed to pass along gripes so your local post office can take proper action.

Sometimes the gripes get results, postal officials note with justifiable pride. In the past year, cards have brought about changes in window hours, new locations for street boxes and repairs to stamp vending machines without the all-too-common delays.

Another notable attempt to pierce the red tape wall is a Nielsen-like ongoing survey of customers. In Dade County, 400 users are keeping tabs on their service and reporting regularly to the post office, which says it will put the feedback to good use promptly.

These steps have been taken in tendem

witn an actual cutback in personnel. Since January 1975 the department has trimmed 50,500 from its payroll, it reports, mostly by attrition. Post offices in 228 small towns have been closed, and delivery areas combined.

All of this is due to a more business-like attitude at the Postal Service, which borrowed not only technology but some veteran executives from industry to achieve reform. Hundreds of newcomers were put into key spots about two years ago and charged with turning the mails into an efficient, if not profitable, venture.

Automation has done a lot; only one letter in four was machine-sorted in 1971, but now nearly two of every three are handled thus.

We think the Postal Service is on the right track and wish it the best for the New Year. For those who continue to scowl at the 13-cent stamp, we note that inflation has hit almost everyone.

Besides, it costs an average of 18 cents to send a letter first-class in Europe—where they don't travel as far.

HURRAH FOR HUBERT HUMPHREY

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. FINDLEY. Mr. Speaker, may I bring to the attention of the House the following editorial from The Christian Science Monitor of January 7, 1977, which recognizes the "informed and buoyant humanity" of Senator HUBERT HUMPHREY. Members of both parties can well be proud of Senator HUMPHREY'S continuing contribution to his fellow man. It is hard to imagine how our Nation might have turned out had Senator HUMPHREY not been on the scene, but I know it would be much the poorer without him. I, for one, look forward to many more years of working with the senior Senator from Minnesota.

The article follows:

HURRAH FOR HUBERT HUMPHREY

The Senate has created a new position of high prestige for Hubert Humphrey. "It had to," said the Senator's fellow Minnesotan, commentator Eric Sevareid, going on to cite the Humphrey personal and political record which Senate colleagues could not ignore.

Some good old-fashioned sentiment was involved, and rightly so, as the Democratic caucus unanimously voted Mr. Humphrey the title of deputy president pro tem of the Senate. It was a kind of consolation prize after he withdrew from the contest for majority leader. It gave him some extra salary and perquisites, as well as the benefit he not unexpectedly valued most: the chance to be on the leadership team that meets with the President on policy.

But even if there had been no occasion for a solacing gesture, Mr. Humphrey deserved the finest recognition his colleagues could give. Though the former Vice-President never reached his presidential goal, he continues to enrich and enliven the political scene with an informed and buoyant humanity that must be carried on if the American national character is to be fully expressed in the world. It is particularly appropriate that his latest honor ensures the Humphrey touch will be present in the highest councils of a new administration that expresses a belief like his in the possibility of improvement.

What about the problem of overpromising? Mr. Humphrey was asked the question in Boston last summer. The reply came with that Humphrey verve which makes the neck hairs rise and leaves no excuse for not trying:

"You have to overpromise. The Sermon on the Mount is an overpromise. The Pledge of Allegiance is an overpromise. Anything worthwhile is an overpromise. What you think you can do is half what you ought to do."

TRIBUTE TO THE LATE REV. MARSHALL W. LEE

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. COUGHLIN. Mr. Speaker, I was saddened this week to learn of the death of one of Montgomery County, Pa.'s most prominent and beloved citizens, the Reverend Marshall W. Lee.

Reverend Lee's long life spanned many crucial decades of our history which saw major advances in human rights and social reform. He was, in fact, a leader in bringing a better life to the disadvantaged, the poor, and the sick. Born to a former slave in 1886, Reverend Lee came to Conshohocken, Pa., as a small child. Fifty-four years ago he founded St. Paul's Baptist Church in Conshohocken where he remained pastor until his retirement in 1975.

Reverend Lee's spiritual ministry was marked by active community involvement. He was for 34 years a member of the Montgomery County Housing Authority, serving for a time as vice chairman of that organization. He also served as vice president and director of the Conshohocken Visiting Nurse Association, director of the Red Cross of Montgomery County, chairman of the Rent Control Board of Bucks and Montgomery Counties, director of the Tuberculosis Society of Montgomery County, director of health and welfare for Montgomery County, and treasurer of the Conshohocken Borough Authority.

In addition, Reverend Lee spearheaded human rights efforts and organized the Human Relations Committee of Southeastern Pennsylvania. He also served ably as treasurer of the Baptist Minister's Conference of Philadelphia and vicinity for 15 years and as president of the Conshohocken Ministerium.

Whether in the pulpit, in the community meeting room, or in the home of the needy, Reverend Lee's was the same voice of compassion, understanding, and hope which touched the lives of several generations of Montgomery County residents. His passion for helping others caused him to go wherever help was needed and to serve in whatever capacity he could, and led him to assume prominent roles in the fields of health, housing, and human rights. To Reverend Lee, these were all arenas in which the struggle for human dignity was being waged, a struggle to which he committed his life.

Rev. Marshall W. Lee will be sorely missed but always remembered by the many who knew and loved him. Countless others who were not privileged to know him personally will lead better lives as a result of his ideals, his compassion, and his life's work. My sincerest condolences are extended to Reverend Lee's family, including his children, grandchildren, great-grandchildren, and great-great-grandchildren.

THE FRENCH GOVERNMENT DISPLAYS NOT THE TRICOLORS BUT ITS TRUE COLORS—ABJECT COWARDICE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. KOCH. Mr. Speaker, in today's world one does not expect too much in the way of conscience from the many nations that sit in the United Nations. However, a nation, which many of us expected much more of, has joined the cowardly and the irresponsible. That country, regrettably, is France. For the French Government to free a leading Palestinian terrorist arrested by French intelligence agents as being responsible for the killing of 11 members of the Israeli Olympic team at the 1972 Olympics in Munch is obscene. The terrorist, known as Abu Daoud, was freed and sent to Algeria by first class jet, after the French court in a clearly political decision which was undoubtedly influenced by the French Government rejected requests from Israel and West Germany that Daoud be detained in France, pending formal extradition proceedings.

Where is French honor today? It lies buried with the 11 dead Israeli and 6 others, all innocents struck down by a vicious terrorist attack planned by Abu Daoud. Those of us who have seen the classic documentary, "The Sorrow and the Pity," know that many of the French although they would deny it today, collaborated with the Nazis in the destruction of the French Jewish community. By releasing this deadly terrorist the current French Government is collaborating with and assisting the Arab terrorists who would like, if they could, to destroy the community of Israel. This same perfidy was exhibited once before by the French Government, when it cut off arms to Israel at the very moment that it was being attacked by the intransigent Arab states surrounding it, bent on its destruction.

Only in one way is this outrageous action by the French helpful. It graphically confirms what the Israelis have been saying year after year. When importuned to lay down their arms, surrender the territories won by them in a war waged against them by Arab nations seeking to drive them into the sea, and instead depend on guarantees by countries such as France to protect the peace, the Israelis have said "no." The Israelis are right. No nation can be counted on to protect them from invasion, when the choice lies between taking a moral stand and submitting to Arab demands reinforced by threats of an Arab oil boycott. The only real defense

available to Israel to safeguard its security and borders is the inconquerable will of its people to survive, along with the weaponry to make that possible.

There are decent people in France. Indeed, over the years the French people have opposed the actions of their government and have demonstrated time and time again their support of Israel when the French Government was doing all that it could to harm that State. Vive la French people; a bas the French Government.

THE ISSUES IN 1977

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. HAMILTON. Mr. Speaker, I would like to share some thoughts I have on the issues facing the 95th Congress and the American people in the coming year.

Trying to obtain some material for the evening news report, a TV reporter asked me the other day to identify the major issues before the Congress in 1977, and to keep my answer to under 1 minute in length. That question, which incidentally tells us a great deal about the nature of television news today, was fair enough. My brief comments did not begin to respond adequately, so this newsletter is an attempt to complete my response so you will know what to watch for from Washington in 1977.

Everyone agrees that the top item on the Nation's agenda is the same one that faced John F. Kennedy 16 years ago: "To get the economy moving again."

The problem, of course, is how to create more jobs without reigniting inflation or jeopardizing the aim of a balanced budget by 1981. Stimulation of the economy is a certainty and the debate now is over the size of the package of fiscal stimulus—likely to be in the $15 to $25 billion range—and the makeup of the package, that is, how much additional spending and how much tax reduction.

Congressional ethics will be a continuing issue because of the reports of Korean gifts to House Members, and the misdeeds of several Members. There is a good chance that a strong new code of ethics for Members will be adopted with full disclosure of income, gifts, liabilities and assets, tight limitations on outside income, reduced junkets, and the elimination of office slush funds.

Fortunately, in foreign policy the Congress is not faced with a shooting war. But even so the balance of peace is precarious, and pitfalls lie at every turn. Steps must be taken to strengthen our ties with our allies of Japan and Western Europe because that relationship is at the heart of our international relations, and will become even more important in the future if we are to avoid serious economic difficulties. There also should be no weakening of efforts to achieve a better relationship with the Soviet Union, to continue strategic arms limitation talks, and to conclude a Middle East agreement. But closer attention will have to be paid to Africa, where the move to bring a peaceful transition to majority rule must be supported; to Latin America, where a new treaty with Panama is the clear priority; to Asia, where the challenge is to expand relations with China without sacrificing the independence of Taiwan; and to developing countries where a more sympathetic understanding of their demands is required.

In defense, the overriding problem will be how to maintain and strengthen the Nation's military capability at present or even reduced levels of defense spending. The Congress will not allow a deterioration in American military strength, or in the world's perception of that strength, but that should not deter a hard look at the chief areas where savings can be made: pay scales, the high ratio of support to combat manpower, and the exploding cost and sophistication of weapons.

Because social programs were oversold, underfunded, and often maladministered, it is popular to call for the reduction or elimination of many social programs. But the problems of poverty, welfare and the denial of civil rights are still with us and need attention. Total reform of these social programs may be politically and financially out of reach, but the Nation is going to have to begin to deal with these difficult problems by tackling them realistically and competently. The financial problems of New York City are still with us and should warn us that other major urban centers are sliding toward similar distress. Washington has not yet worked out a comprehensive, coordinated strategy for the Federal role in the development of the cities and the rural areas of the country.

Encouraging progress has been made recently in protecting the American environment, but in 1977 major advances will likely occur in environmental programs, including amendments to the Clean Air Act and the Water Pollution Control Act and efforts to strengthen legislation dealing with oil spills, strip-mining, and nuclear safety.

The Federal Government, which has wrestled with the problem of developing a comprehensive energy policy, will almost certainly continue that struggle, moving in the direction of deregulation of oil prices, more stringent conservation and the more rapid development of alternative sources of energy.

These items by no means complete the agenda. Public doubts have arisen about the effectiveness of education in this country and the Federal programs designed to improve it, and a renewed concern about them will probably emerge. Civil liberties have almost been disregarded in recent years, but issues like the right of privacy and the growth of surveillance are beginning to assert themselves and to concern the Congress. And, of course, the rising cost of health care and the more efficient delivery of health care services to the people are certain to command priority attention in the coming year.

No reasonable person would expect this national agenda to be completed in 1977 or even 1987. But the 95th Congress must have the courage and the vision to confront the profoundly difficult issues in the Nation.

THE IMPORTANCE OF STRIPPER WELL PRODUCTION

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. LONG of Louisiana. Mr. Speaker, last year when it approved the Federal Energy Administration Act Amendments of 1976 the House wisely included in that act a provision granting an exemption from price controls for oil from wells producing no more than 10 barrels a day—the so-called stripper wells. On numerous occasions over the past few years, I have taken the floor to present the case for the preservation and encouragement of stripper well production. Encouraging stripper well production gives incentive to the small, independent oil producers, who account for 80 percent of the new wells drilled domestically.

Last Friday, January 7, 1977, the Wall Street Journal in a front-page article reported on the importance to the Nation of stripper well production. I would like to share that article with my colleagues and request that it be printed at the conclusion of my remarks.

The article demonstrates the validity of a number of concepts that those of us who have sought energy independence for the Nation have advocated. First, that stripper oil is a significant portion of domestic production and should be encouraged. Second, that the productive life of stripper wells is extremely sensitive to price increases. Third, that independent producers depend to a greater extent on stripper production for their cash flow than the major companies, therefore prices that encourage stripper well production encourage competition within the industry.

In my legislative endeavors in this area, my efforts have been directed toward the twin goals of increasing domestic oil production and reducing the Nation's dependence on foreign oil. Over three-fourths of the nearly 500,000 domestic oil wells are in the stripper category, yet they yield approximately 14 percent of the oil produced in this country. With domestic production stabilizing at around 8,000,000 barrels a day this means that the 375,000 stripper wells produce over 1,100,000 barrels per day or an average of less than four barrels per well per day.

With this small volume of production per well, operating costs can quickly consume any cash flow the well generates. When a well begins losing money it must be plugged with the remaining reserves permanently lost to the Nation. For this reason, I sought throughout the deliberations in the last Congress on H.R. 7014, the Energy Policy and Conservation Act, a provision for encouragement for this type of production. It was especially

gratifying to me when the House did approve price relief for stripper producers last summer and I believe this article confirms the wisdom of our action.

The article also cites the important contribution to domestic oil production of the independent oil producers. None of the producers cited in the article owns any service stations or refineries. These are the kind of men and women who work every day exploring for and producing oil. Too often the publicity about the oil industry centers on the major companies and ignores the role of the independents. As relevant statistics reflect, independents drill a majority of the domestic wells and rely heavily on the price they obtain from their stripper oil for the necessary capital to continue meaningful exploration. An important indirect benefit of price relief for stripper oil that I have often pointed out is that such relief allows competition to flourish within the last vestige of the oil industry wherein there is truly competition.

The Wall Street Journal article concludes with a sobering comment that constitutes a challenge to this Congress: all of the wells currently producing in this country will some day fall into the stripper category and domestic production will continue its gradual decline. I do not anticipate that the Nation will choose the course of rationing or artificially limiting oil consumption; nor will the Nation make a conscious decision to rely on continually greater amounts of unreliable foreign sources of oil. Therefore, the Congress must endeavor to provide the incentives necessary to encourage not just the current level of domestic exploration, but an increased amount of activity that will provide the Nation with as much domestic oil as possible while we develop alternative sources of fuel. The solutions to the Nation's energy needs will not come easily. I applaud the Wall Street Journal for focusing on one very significant element of the Nation's energy picture.

The article follows:

MA AND PA PETE: SMALL OIL WELLS NOW PLAY IMPORTANT ROLE AS U.S. ENERGY SOURCE

(By Douglas Martin)

Staff Reporter of the Wall Street Journal

DERRICK CITY, PA.—E. James Bryner's grandfather was an oilman of the old school, distinguished by silk top hat, diamond-studded belt buckle and extravagant weekends in the resort town of French Lick, Ind. His father was a wildcatter too, famed for the gushers discovered on nearby Music Mountain.

Mr. Bryner is also in the oil business, though hardly in such a grand manner. His 50 oil wells together pump only about a dozen barrels of crude daily from the aging Bradford Field here. Further declines in production seem inevitable.

Yet the Bryner Family has little reason for despair. Those daily 12 barrels, shared by Mr. Bryner with his brother, uncle and aunt, are now bringing in $60,000 a year. That's about double the revenue earned five years ago, when the family's wells were producing 15 to 20 barrels a day. Moreover, Mr. Bryner observes, he has expended "essentially no more effort" over the years to achieve that revenue increase

Mr. Bryner's wells are strippers, a term applied to all wells that produce 10 barrels a day or less. For years, such wells played only a minor role in the U.S. energy picture; many oilmen considered them a bothersome byproduct of the industry. But lately, the foreign oil cartel and controversial government policies have combined to push the price of oil from stripper wells far above the cost of producing it. As a result, there is renewed interest in the tiny wells; they currently account for 14% of ever-declining U.S. oil production.

A $100 BILLION INDUSTRY?

These days, "stripper production is very significant," says John Murrell, chief executive officer of DeGolyer and MacNaughton, a leading natural resources consulting firm. "Without it, we'd have to import a lot more oil." Indeed, proved reserves of stripper well oil are estimated at nearly eight billion barrels or just two billion less than those discovered on Alaska's North Slope. (Total U.S. proved oil reserves are estimated at about 32.7 billion barrels.) And at current prices, the value of these stripper reserves is over $100 billion.

Clearly, however, the increased importance of stripper wells isn't all good news: Future increases in the contribution from these wells to total domestic oil production will come only because the far more important output from larger wells will continue a natural decline, many experts believe. "Someday, they're all going to be strippers," says DeGolyer and MacNaughton's Mr. Murrell. Already, about three quarters of the nation's 500,000 wells are in the stripper category.

The new significance of the small wells is also a matter of economics. Last fall, oil from stripper wells was removed from government price controls, making it the only U.S. production commanding prices on a par with those paid foreign producers—or about $14 a barrel in some cases. By contrast, other domestic oil remains under controls, held to an average of around $11.40 a barrel for so-called "newly-discovered" oil and an average of $5.18 a barrel for "old" oil. (Even before decontrol, stripper production was priced at the "newly-discovered" rate.)

A BOOST FROM THE ARABS

One ironic effect of decontrol is that now, higher prices for the foreign oil cartel mean higher prices for U.S. stripper well operators, who also sell at the world price. Thus, stripper oil producers here are sure to benefit from the 8% to 10% price increase expected to result from last month's Organization of Petroleum Exporting Countries meeting in Qatar. "The Arabs are the best friends we ever had," says Edward T. Heck, executive vice president of Minard Run Oil Co., which produces 400 barrels a day from 638 Pennsylvania wells.

Of course, costs are also sharply higher for stripper producers. "If we didn't have higher prices, we couldn't afford to produce any oil," says Mr. Bryner, the Pennsylvania producer. Indeed, by some estimates, the cost of electricity needed to keep stripper wells operating has trebled, and the cost of labor has doubled in the past three years. But those increases, while holding down profit margins for many operators, clearly have been outpaced by the increase in stripper oil prices to around $14 from $4.50 a barrel in the same three-year period. And the result is a boon to the small independent oilmen who account for most stripper production.

Consider John D. Riggs of Graham, Tex. His three-man stripper operation of 1973 has now grown to 17 employes and his net income has rocketed from $20,000 to $250,000. Or Tom McAdams Jr., Bristow, Okla. His stripper wells in Oklahoma and Kansas produce a pretax income of $787.50 a day, compared to $67.50 in 1973.

A particularly intriguing case is Morris Tidmore, a 69-year-old retired construction worker in Albany, Texas, who produces 15 barrels a day from 16 wells, one of which is 75 feet from his back door. He does most of the manual "roustabout" work himself. It's worth it: He makes $45,000 a year, compared to a high of about $10,000 working construction. "If it weren't for these wells, you could classify me as a pauper," he says with a chuckle.

PURSUING PROFIT

In pursuit of such hefty profits, stripper owners are continuing to operate wells that in earlier day would have been abandoned as losers. Billy Ray Watson of Monahans, Tex., for example, says many of his 200 stripper wells were so unprofitable before 1973 that he "couldn't afford to plug them." Now he's producing around 700 barrels a day from them. Overall, fewer strippers were abandoned last year than any year since 1959.

For the U.S., maintaining stripper production has become an increasingly important goal; in the past six years, total domestic oil output has slipped to 8.1 million barrels daily from 9.6 million barrels, while demand for petroleum has risen. So in addition to decontrolling the price of stripper oil, the federal government also supplies incentive for producers to coax more production from stripper wells through what is called the "once a stripper, always a stripper" rule. This allows oilmen to charge stripper prices even though a well once classified as a stripper is now producing more than 10 barrels a day because of technical improvements.

One independent producer who has made good use of this rule is Ralfe D. Reber, president of the national Stripper Well Association and holder of interests in 300 stripper wells. Last year, after production from one of his Illinois wells sagged to two barrels a day, Mr. Reber deepened the well and made some other improvements. It is now producing 50 barrels a day and bringing stripper prices.

Prodded by higher prices, oilmen are even reviving wells earlier abandoned as worthless. For example, XRG Inc., a firm that specializes in reworking old oil and gas fields, found a decrepit oil well near Alice, Tex., that the previous operator had just walked away from years earlier. He hadn't even bothered to plug it. XRG put in some new tubing and rods, and began pumping the well. It is now producing 10 barrels a day, worth nearly $50,000 a year.

PROFITABLE "POSTHOLES"

Because even small amounts of oil can be worth finding these days, oilmen are also drilling on prospects they used to ignore. Mr. Riggs, for instance, has drilled 75 wells in the last three years, most of them strippers. The majority are very shallow—from 500 feet to 1,500 feet (he calls them "postholes")—and thus not likely to tap vast reservoirs. Nonetheless, these 75 wells are churning out an average of two barrels daily each. That works out to more than $760,000 annually.

And, although stripper wells are almost completely the province of smaller independents, the major oil companies also claim a few. Shell Oil Co. produces 22,000 barrels of stripper oil a day, worth about $100 million a year. Exxon Corp. produces 24,000 barrels of stripper oil daily, accounting for 3% of its U.S. production.

Uncontrolled stripper prices aren't without their problems. For one thing, they create an incentive for unscrupulous operators to cut back production in an attempt to qualify non-stripper wells as strippers and thus move their oil into an often sharply higher price range.

"I suppose we have as many crooks in this business, as any other," acknowledges Mr. Reber, president of the stripper well group. "There's got to be some cheating going on." Indeed, the Federal Energy Administration is constantly auditing producers' records; the Dallas office currently has some 300 auditors involved in 225 audits. Those unlucky oilmen proven to fudge their

records or production are liable for as much as $20,000 in fines and a jail term.

AN ECONOMIC DAMPER

Potential fraud isn't the only difficulty. Another bad effect of decontrolling only stripper prices is the economic damper it puts on all-out production of the lower-priced "old" oil. "We're not going to spend a lot of money on 'old' oil wells that happen to be down," Mr. Reber says. "But we're going to fix an eight-barrel stripper well fast."

The solution, say many oilmen, is to encourage all truly marginal production with price incentives, regardless of daily volume. Texas Senator Lloyd Bentsen agrees: "There is no magic to the 10-barrel number," he contends.

But even raising the 10-barrel maximum on stripper wells by a few barrels wouldn't much benefit the major oil companies, who claim to possess the huge amounts of capital and expertise necessary to find and produce the oil America needs. Stripper decontrol, Rawleigh Warner Jr., chairman of Mobil Corp., claims, "is just another example of Congress trying to take care of the little guy on the premise he needs more help than the big fellow does."

ALICE PAUL IS 92

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mrs. MEYNER. Mr. Speaker, I am proud to add my congratulatory sentiments to the many expressions of admiration and respect that Alice Paul will receive as she celebrates her 92d birthday. I hope that all Americans will join me as I pay tribute to a woman who personifies the understanding of equality and the spirit of action that America represents.

A prominent leader of the women's suffrage movement, Alice Paul was born and raised in Moorestown, N.J., where she still resides. After a distinguished academic career that included three law degrees and a doctorate, she worked as a social worker before directing her energies toward what was to become her life's work—securing equal rights for women.

As the founder of the National Women's Party in 1917, and the original author of the equal rights amendment in 1923, Ms. Paul represents the millions of Americans who believe that the Constitution should not deny equal protection of the law to any citizen. Her activism on behalf of women earned her several prison sentences, but her dedication never wavered. Now, 50 years later, her words stand only four States short of becoming the 27th amendment to the Constitution. How fitting it would be if the Congress and the people could present the final ratification of the ERA as a birthday gift to Ms. Paul.

Perhaps Ms. Paul and her many supporters will see the realization of their dreams in 1977. Although the progress has been slow, I do believe that we are only a short step away from providing constitutional protection to all Americans. The philosophy that has guided the supporters of this freedom is best reflected in Alice Paul's own words:

I always thought that once you put your hand on the plough, you don't remove it until you get to the end of the row.

The end of the row is now in sight. Happy birthday, Alice Paul.

PRESIDENT'S PROPOSED AMNESTY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. MAZZOLI. Mr. Speaker, President-elect Carter's proposed amnesty for Vietnam-era draft offenders has, quite predictably, generated a wave of controversy.

After much thoughful study of this vexing issue, I have concluded that the pardon—as proposed by Mr. Carter—is in the best interest of our Nation. And, I have notified the President-elect of my support for his proposal.

There are those who argue quite ardently that extending amnesty to Vietnam-era draft offenders dishonors and denigrates those who met the call of duty in Vietnam and lost their lives or became permanently handicapped in meeting that call.

Others argue as ardently that an amnesty should be extended to include even military deserters if we are ever to close the chapter on the tragedy and futility of Vietnam.

I ask permission, Mr. Speaker, to extend in the RECORD for the benefit of my colleagues certain materials which articulate both sides of this argument.

In my judgment, issuance by Mr. Carter of a pardon in his first week in the White House will neither bind up as many wounds, as claimed by the proponents, nor reopen as many wounds as claimed by the opponents.

As a veteran of the U.S. Army and as one who believes that America may have to fight wars in the future to preserve our liberties, I am concerned and uneasy about taking action which could possibly interfere with the raising of adequate future military forces.

But, on balance, I believe a Presidentially issued pardon will do more good than harm, will reunite more than it will divide, and will aid in a national reconciliation.

The materials follow:

[From the Wall Street Journal, Jan. 6, 1977]

THE CASE AGAINST BLANKET AMNESTY . . .

(By Ernest W. Lefever)

One of my first acts as President, said Jimmy Carter, will be to pardon Vietnam draft violators: "I think those kids who lived in Sweden or in Canada or who have avoided arrest have been punished enough." Deserters, as distinguished from draft evaders, would be treated on a case by case basis, but on December 5 Mr. Carter said he may extend his blanket pardon to other "violators." On December 17, The New York Times reported that as many as 250,000 Vietnam-era veterans with tarnished military records might benefit from a Carter amnesty order.

The national debate on this thorny moral, legal and political problem has been complicated by misinformation, oversimplification, and impassioned code words. The issue, said one blanket amnesty advocate, is between those who seek "social justice" and those who insist on "law-and-order vindictiveness." Such advocates variously regard U.S. involvement in the Vietnam war or the draft law or both as profoundly unjust. Hence, men who evaded the draft or deserted the armed forces are moral heroes who need no pardon. (Pardon implies there is a wrong to be forgiven, but amnesty makes no such judgment.)

Other amnesty advocates regard violators less as heroes and more as victims of an unjust or unpopular war. Healing the nation's wounds, they argue, requires a broad, forgive-and-forget policy. Both groups have been critical of the "earned reentry" approach of President Ford's 1973 clemency proclamation.

OVERLOOKED FACTS

Without presuming to advise Mr. Carter, it may be useful to record several largely overlooked facts and considerations:

1. The motives for draft evasion and desertion varied widely. Given the complexities of the human psyche, no one knows how many violators acted out of conscience—the conviction that all war was wrong, this war was wrong, or the draft law was unjust. Thousands of violations resulted from confusion, ignorance, cowardice, or sympathy with the enemy. One survey found that only 14% of the deserters opposed U.S. involvement in Vietnam.

2. More than 21,000 violators sought to reestablish their good name under President Ford's clemency program, including 55% of the deserters and 16% of the draft evaders. Some 7,500 accepted alternative civilian service and more than 5,000 were granted outright pardons.

3. The political wisdom and morality of U.S. Vietnam involvement is still disputed, but the effort was legal by any reasonable definition. It was supported by five Presidents and by repeated congressional appropriations. We who elected these Presidents and Congressmen had ample freedom and information to debate the merits of our involvement. Vietnam was the most fully and vividly reported war in history.

4. The draft law, which sought to spread the burden fairly, was legally enacted but, like all laws, it did not deliver perfect justice. Conscientious objectors to all wars were given the option of alternative civilian service. From 1964 through 1975 some 35,000 draftees chose and received such service. An estimated 30,000 more chose and received non-combatant military service in the medical corps. For various reasons, some requests for these special services were turned down.

5. The draftee who did not oppose all war on moral grounds (and hence was not eligible for alternative service), but opposed only the Vietnam war or the draft law, had a clear-cut and honorable alternative to dramatize his convictions—he could inform the authorities of his opposition and accept a prison sentence. Between 1961 and 1975, some 9,500 men were convicted for draft violations; the number who were conscientious objectors is not known.

6. An estimated million eligible men refused to register or to be inducted, again an unknown percentage for reasons of conscience. Some hid out in the Untied States. Others fled to Canada or Sweden. Each refused to accept the burden of military service, civilian work or imprisonment. In some cases, a fellow American died in the place of the violator.

In dealing with men who have committed a felony (restricted here to draft violators), what are the requirements of security, justice, compassion, national reconciliation and the rule of law? Certainly a blanket pardon would set a potentially dangerous precedent.

If in a grave future crisis each man of military age could decide whether to obey or flout the draft law—believing he would escape scot free whether he was motivated by conscience or disloyalty—our national security could be jeopardized. If no penalty—not even compensatory civilian service—were meted out to draft violators, would this not encourage self-indulgence, cowardice and disrespect for the very disciplines of freedom which are under siege around the world?

EVERY MAN HIS DUE

Justice, which Aristotle defined as giving every man his due, must be accorded not only to draft violators, in all their diversity, but also to the soldier who did his duty, the law-abiding conscientious objectors in the medical corps and civilian service, and the men who accepted prison. Is not a measure of justice also due the majority of the American people (despite their misgivings about Vietnam) who never regarded U.S. participation as immoral or unjust?

Proponents of unconditional amnesty frequently seek to buttress their position by citing the pardons of Presidents Lincoln and Truman, but their amnesty programs were neither universal nor unconditional in intent or application. Lincoln made a sharp distinction between men who rebelled against the U.S. government and men in the North who evaded the draft or deserted and, ironically, he was quicker to pardon Confederate than Union soldiers. President Truman's Three-man Amnesty Board, created to examine the cases of violators but not deserters, considered 15,805 cases and pardoned 1,523 men, or about 10%. No one was excused because he sympathized with the Germans or Japanese.

Throughout U.S. history, virtually all war-related presidential amnesties provided for case-by-case determination. The weight and wisdom of this precedent should not be lightly brushed aside. Certainly there is no place in the American ethic for vindictiveness or revenge, but the requirements of justice tempered by mercy suggest that each man should be judged on the merits of his own case rather than a given a blanket pardon.

[Mr. Lefever, director of the Ethics and Public Policy Program of the Kennedy Institute at Georgetown University, is an ordained minister.]

. . . AND THE ARGUMENT IN FAVOR

(By Barry W. Lynn)

President-elect Carter has promised to issue a non-judgemental "blanket pardon" to some 13,000 violators of the draft laws. His stated goal is to "heal our country after the Vietnam war."

Unfortunately, such an action lacks the boldness and breadth to accomplish this result. Although non-cooperation with the Selective Service System was one form of Vietnam protest, a pardon only for these men would ignore the moral courage of those who chose other methods of dissent. Similarly, it would fail to erase the stigmas induced by a capricious military justice system which issued over 750,000 other-than-fully-honorable discharges during the Vietnam years.

A universal and unconditional amnesty would actually strengthen the nation's future by returning to productive life over a million no-longer-so-young Americans who became the living victims of a war conducted without their advice or consent.

"UNDESIRABLE" DISCHARGE

One commonly maligned group of war resisters are the more than 4,500 long-term military absentees, so-called "deserters," still living in exile or underground in the United States. Many of these men were eligible for Gerald Ford's "clemency program" and could have removed themselves from legal jeopardy by signing an oath of reallegiance and accepting an "undesirable" discharge. Under Mr. Ford's program "deserters" were not actually required to complete alternate service. The absentees who remain refused the "offer" because they would not have their rejection of the war labeled as morally reprehensible.

The stereotype of the deserter who jeopardized his fellow soldiers by his acts of "cowardice" is utterly unfounded. For example, even the conservative report of the presidential clemency board noted that only 0.1% "deserted" under fire. Generally, they left service while on "rest and relaxation" between duty tours after recalling witnessed horrors or after basic training when they realized that the explanations given for fighting in Vietnam seemed fraudulent, foolish, or immoral.

Many are traditional conscientious objectors; others are selectively opposed to wars of aggression. However, most military commands took unkindly to requested discharge for such reasons, the Army rejecting 95% of such claims during some Vietnam years. A few absentees did not develop clear ideologies which demanded resistance, but they reached the intuitive judgment that a real family crisis required their attention and commitment far more than a distant squabble which had no connection to the national defense. All in all, government samples show that the major difference between these men and draft evaders is that the draft evaders tend to be white and well-educated while "deserters" are more likely to be the poor and minorities.

Most of those who need "amnesty," though, have already been discharged from military service. They are "social exiles" who hold other-than-fully-honorable discharges. Ninety percent of these discharges ("general" or "undesirable") were issued administratively. If the man had a hearing at all, there was no right to cross-examination, no rules of evidence, and no verbatim transcript upon which to base appeal. If formal charges were levied, they could be for violations of the Uniform Code of Military Justice as vague as "all conduct of a nature to bring discredit upon the armed forces . . ." or a prohibition against "contempuous words against the President, the Vice President, or the Congress."

These lax administrative routines and general accusations presented easy ways to cover up the vast quantity of anti-war sentiment in the Vietnam-era military, whether it was in the form of refusal to carry guns, distribution of anti-war leaflets, or speaking out against the rampant racism.

Stigmatizing discharges were, according to the Department of Defense, given disproportionately to members of minority groups. They are a lifelong punishment which makes a person virtually unemployable. Everyone who received such a discharge was not a war resister, but, with the exception of a few genuine criminals who could be easily screened out of a general amnesty, the others were mainly persons who should never have been inducted for either mental or physical reasons or persons with honorable service in Vietnam who committed trivial offenses after their return. All of these men need an honorable discharge. Should President Carter avoid covering them in his "pardon," he will give a clear message to young men that enlisting in the military is a dangerous business where a single "mistake" or a change in one's moral philosophy while in the service can lead to a lifetime of unemployment.

CRITICAL PREREQUISITE

Granting an amnesty would not heal all the wounds of the Vietnam war. It is, however a critical prerequisite for reconciliation.

I am afraid that we will always lack courageous men willing to resist that which they see as unjust. In spite of the massive resistance to the Vietnam war, personnel needs were met from a pool of only 30% of the draft-age eligible men, the other 70% being legal draft avoiders. Nations including our own have granted broad amnesties without any increase in general lawlessness. Grants of amnesty, particularly so many years after a war has ended, have never led to any difficulty in raising an army for the next war. Any Vietnam amnesty now would only serve to modestly and symbolically uphold the right to dissent and relieve much needless human suffering.

[Mr. Lynn, a minister in the United Church of Christ, is a member of the national steering committee of the National Council for Universal, Unconditional Amnesty.]

[From the U.S. News & World Report, Jan. 10, 1977]

PRO-CON DEBATE: PARDON ALL DRAFT DODGERS

YES—"END A VERY DIVISIVE PERIOD IN THE LIFE OF THIS COUNTRY"

(Interview With Representative EDWARD I. KOCH, Democrat, of New York)

Q. Representative Koch, why do you favor a presidential pardon for all draft dodgers—people who admittedly violated the Selective Service law during wartime?

A. Whether one was for the war or opposed to the war—and I fall into the latter category—I believe it's time that we ended a period in the life of this country which is very divisive. And the only way that we can end that divisiveness is to pardon or amnesty these people.

Q. Might not a blanket pardon set a dangerous precedent if the U.S. is again in a war and we need to draft a new Army?

A. It didn't set any great precedent when we provided amnesty and pardoned the Confederate soldiers in our great American Civil War. Somehow or other we survived that humanitarian, compassionate response. And I think that we would similarly have a better life for our country coming out of such a response today.

Q. How do you justify pardoning a young man who ducked out of his military obligation when so many others responded and paid the price with their lives?

A. It is not in any way an attack upon those who responded to our country's call. And I must say candidly—and I served in World War II—that if I had been called to serve during Vietnam, my makeup is such that I would have gone in and fought, because that's the way I would respond even though I was opposed to the war.

But that doesn't mean that those who refused to serve should not receive a compassionate response from this country. We are now four years past the point where the war was ended, and most people looking back would say: "We never should have been in that war in the first place."

Many people happen to believe in selective CO [conscientious objector] status which would permit alternative civilian service—and we ought to have had that. But, regrettably, we didn't have it at that time.

Q. Would you go further than President-elect Carter, and also pardon all military deserters of the Vietnam conflict?

A. Yes, I would. I know that's tougher for people to accept. Desertion is a very difficult situation for people to ever approve in any way. But those who have looked at the matter will say that in many cases—not all, obviously—there were people who deserted, not out of conscience, but simply to save their own skins, which may be understandable, but not acceptable.

But there are a number of people who deserted as a result of conscience, even though they went into the Army willingly. I've met some of those people who went into the Army, willingly went to Vietnam, and then

were conscience-stricken there for a number of reasons. My Lai might be one, but there were other reasons. And rather than having the situation of the middle class, the more affluent, the more educated, who were able to avoid being drafted in the first place, it was often those who were in the lesser socio-economic classes who didn't have that option, who went in, got conscience-stricken there, and found that their only recourse was to go AWOL—and ultimately that resulted in a charge of desertion.

Q What about your resolution, now being presented to the House, in support of President-elect Carter's position on a pardon—just what is the purpose of that?

A My purpose in introducing the resolution is to show that there is support for what he's doing. I don't expect that we're going to get an overwhelming number of members to sign it. I suspect that an overwhelming number of members agree with it, but would prefer not to have to go on record because it raises great emotional controversy.

There are people who simply will not accept any pardoning or amnesty on the grounds that, in some way or other, that sullies the records of those who served and those who died in Vietnam, fighting because they were good Americans following the orders of their country. I don't think that it does sully those records. I think that, of the men who served our country, many agree that it's time we brought this matter to a conclusion.

I have no expectation that it, in fact, would be passed. But what I'm trying to do is to indicate to the President-elect that he has support.

Q If the draft dodgers ultimately are pardoned, do you expect that this will bring home everybody who is living now in voluntary exile in Canada, Sweden and elsewhere?

A Everybody, no, but almost everybody.

"When the war is just"—

Looking ahead, do you favor some basic change in the laws to be made now in order to provide a legal alternative for youths who might object to fighting in future wars?

A Yes. I submitted to the Congress, maybe four years ago, a bill which would have created the classification of selective conscientious-objector status. That means that if you can establish that you have the same moral opposition to a particular war required of those opposing all wars, you would be given conscientious-objector status on a selective basis and serve in a civilian role.

You might say, "Oh, isn't that opening doors to fraud?" Well, we have had judges in this country—they were ultimately overruled—who said, "No, that wouldn't open the doors to fraud."

But in Great Britain, for example, even during World War II, the British had—and still have—selective CO status, so that if there were people who were opposed to a particular war, they could serve in a noncombatant way. Few people will avail themselves of that opportunity when the war is just.

Q How many people do you think should be pardoned?

A All of those whose lives were in some way blemished as a result of the Vietnam War—including 250,000 who now have a "tarnished military record" and another 250,000 who failed to register, and thus are in violation of the draft law.

NO—"IT WILL OPEN UP MORE WOUNDS THAN IT WOULD HEAL"

(Interview With Representative G. V. ("SONNY") MONTGOMERY, Democrat, of Mississippi)

Q Representative Montgomery, why do you oppose pardoning young men who objected to this country's role in Vietnam, years after that war has ended?

A The years really don't have anything to do with it. These persons broke a federal law. Unless the law is changed retroactively, I think they should have to come back and face the music like everyone else who breaks a federal law.

We would be setting a bad precedent by giving a pardon to draft evaders. I think President-elect Carter is really opening up a can of worms that goes further than the precedent that he will set. The hard feelings that he will cause among the families whose sons have lost their lives, or husbands whose lives have been lost in Vietnam, or the millions of other Americans who went to Vietnam—I think he's going to have to face all that if he goes ahead and gives his pardon.

He's going to have to go back and look at all the discharges, which is a point that has not been brought out—all the discharges that are less than honorable of those who participated in the Vietnam War. And we're talking about over 300,000 such discharges.

Q Wouldn't a blanket pardon be the best way to heal the wounds left by the war?

A I believe it will open up more wounds than it would heal. I think Mr. Carter will open up other areas that probably he or others didn't realize might be involved.

Take a man who fought well in Vietnam. He was given commendations and bravery ribbons, he came back to the U.S., he got drunk, he stole the company commander's Jeep and took $20 that was in the Jeep, and he wrecked it and he ended up with a dishonorable discharge. Well, you have to go back and consider this fellow's discharge. In my opinion, he's done far less than the man who fled to Canada and was an evader.

Q. Would you favor lumping togther the draft dodgers and the military deserters and making them all pay a price for wiping the slate clean?

A I have problems trying to follow Governor Carter on what's the difference between an evader and a deserter. In my opinion, they're both in the wrong, but I don't think evading is any less of a violation than deserting.

If he lumps them together, maybe that will slow it down and there would be further opposition to what he's trying to do.

Q Draft violators offer a wide spectrum of reasons for their actions. Do you believe all of them should go to prison now?

A I don't have any set formula that a young man should go and stay 10 years in jail. I'm not advocating that. All I'm saying is that he broke the law, and under the law he should come back and face the judge. I have no problems as to whether he's given a suspended sentence or what happens to him. I'm not for putting them in jail for a long period of time. I think, though, that they do have to come back and stand trial.

Q If they don't do this, will there be a large number of young Americans who will be in hiding or overseas in exile indefinitely?

A I don't think so. Eventually these Americans—large numbers of them—will come back to the United States and will go and stand trial.

In the past wars, this has happened. Most of the Americans who deserted or even stayed in parts of Korea and China have come back to the United States. I have no objections to their coming back. But I do think that they have to come back and stand trial.

Mass amnesty: Dangerous precedent—

Q A lot of the people who have opposed this pardon say that it would set a dangerous precedent for future wars. Do you hold with that, too?

A Yes, I do. I think that's definitely true. You can go back—and I've done some research on the situation of past pardons and amnesties—I do think this would be a precedent by President-elect Carter.

No pardon or amnesty as I understand it, was given for the Korean War. No pardon was given for World War I. Now, if you read closely about President Truman's amnesty for World War II, it was, in effect, handled case by case, and they still had to pay the penalty, and it didn't give them a clean bill of health.

Q You've mentioned the case-by-case trial of individuals who have violated the law. Is that your solution?

A I think that this is the way to do it—case by case. And I'm not saying what sentence that these young people should have when they come back. That's up to the judge. I accept his decision on it; I accept the jury's decision on it. But until we change the law, I have no better solution.

Q President Ford's clemency program seemed to work fairly well for the military deserters, but not at all for the draft dodgers. Do you think something like "earned forgiveness" would be the solution?

A It would be better than what President-elect Carter has offered.

Q You circulated a letter to your colleagues seeking to drum up opposition to President-elect Carter's proposal. What has been the reaction?

A I've been very pleased with the reaction that I have received from members of the House of Representatives the ones that I polled. We secured 106 signatures, about evenly divided on a bipartisan basis—I believe 66 Republicans, 40 Democrats of the 106 that I have received in support—asking President-elect Carter to reconsider his position on the draft dodgers.

We are not trying to embarrass President-elect Carter in ony way. This is American. This is bipartisan.

ONGOING LOAN PROGRAM AS JOB STIMULUS

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. MINISH. Mr. Speaker, I rise to bring to the attention of my colleagues legislation (H.R. 1683) I introduced yesterday to provide an ongoing loan program for priority areas such as housing, public works construction, small and medium size businesses, and other job creating projects.

My bill would create a National Development Bank, patterned after the New Deal Reconstruction Finance Corporation. The bank, financed initially by a $2 billion Federal government purchase of its stock, would provide a flexible tool to stimulate the economy. It would be authorized to make direct and guaranteed loans to State and local governments for public works and facilities. Individuals and corporations unable to secure credit in the marketplace could also apply to the bank for "job creating" loans.

The bank would be similar to the Reconstruction Finance Corporation, which helped the country out of the Depression of the 1930's. It should be noted that the RFC was one of the few Government agencies of this type to close its books in the black.

The National Development Bank would provide a flexible tool to assure that credit be allocated to areas of greatest need. It would also be charged with

developing innovative approaches to areas like new energy sources.

However, the bank would in no way serve as a "bail out" agency for companies which are failing due to poor management. On the contrary, the bank would be required to determine that a company was being managed competently and efficiently prior to extending credit and that it provide a prescribed number of jobs if the loan is granted.

As its most important function, the bank would attempt to meet, on a comprehensive basis, the pressing financial needs of local governments throughout the country. Many communities in areas like northern New Jersey are in dire need of this type instrument to adequately finance essential local services.

It is essential, Mr. Speaker, that sufficient credit be available for housing production, small business, and other investments essential to our economic well-being.

Most importantly, we must create jobs in order to lower our tragically high and completely unacceptable unemployment level. Clearly, the availability of credit on a continuing basis, as with the NDB, would have an enormous beneficial impact on the jobless rate.

INTRODUCTION OF REVISED COMMISSION ON THE HUMANE TREATMENT OF ANIMALS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. KOCH. Mr. Speaker, because Mr. PATTISON and I continue to be concerned that each year millions of animals suffer needless pain and death at the hands of the humans who control their lives, we reintroduced on January 4, the Koch-Pattison bill to establish a Commission on the Humane Treatment of Animals, which was labeled H.R. 11112 during the 94th Congress and is now renumbered H.R. 446 for the 95th Congress.

I was gratified, as I am sure many of my colleagues were, that Chairman POAGE was able to schedule a hearing on this bill before the Agriculture Subcommittee on Livestock and Grains at the 11th hour of last session. The hearing was educational in nature, coming as it did on September 30, the day before Congress adjourned; but it was, I think, a valuable prelude to what I hope will be further hearings and favorable committee action on this legislation.

During the hearing, witnesses testifying in support of the bill focused upon several categories of inhumane practices that lack any apparent justification and that remain for the most part hidden from the public view. Numerous cases were detailed of needless animal suffering in experimental research and testing and in certain modern methods of intensive livestock rearing, and the current explosion in the domestic pet population was described. The word to emphasize here is "needless," for in virtually every alleged case of inhumane treatment, more humane alternatives that are also practical and economical were offered to present practices.

It will be recalled that the Koch-Pattison bill proposes to establish an 11-member Commission that would conduct a 2-year investigation into a wide range of animal problems, including but not limited to allegations such as those above. At the end of 2 years, the Commission would present its findings to the President and Congress together with its recommendations for legislative remedies to any practices found to be inhumane. None of these recommendations would, of course, be binding, but I would hope that, should such a Commission be established, my colleagues would weigh its conclusions carefully.

The revised version just introduced, H.R. 446, is substantially similar to the original bill; but it contains some changes proposed during the September 30 hearing by several widely respected animal-welfare experts; and these changes, I believe, are worthy improvements. First, the Commissions' makeup, which many people have correctly pointed out would be the most vital factor in the Commission's performance, is now tied to a more precise formula than before. Members would be chosen by reason of their knowledge and expertise of the matters to be studied by the Commission in the following proportions: five persons representing medical schools, the profession of zoology or wildlife biology, and the practice of veterinary medicine or animal husbandry; five persons representing animal welfare and humane societies; and one person of demonstrated administrative or judicial ability to serve as an impartial chairman.

Second, to make the Commission's work more manageable and more defined, the scope of its investigation, which formerly covered any and all animal problems the Commission might wish to examine, from the clubbing of baby seals to the interstate transportation of pets, has been limited to three areas: First, laboratory research and testing, second, raising of animals for human consumption, and third, overpopulation of pets. These are the areas believed by animal welfare experts to be in most urgent need of attention.

In studying these three areas, the Commission will seek answers to such questions as—

Do current farming practices and laboratory experimentation—including biomedical and military—cause needless pain, prolonged discomfort, or distress in animals?

Does any adequate substitute exist for the use of animals with rsepect to laboratory experimentation—including the testing of toxic substances?

Do current domestic pet growth rates pose dangers to public health?

What is the effectiveness of existing law, if any, with respect to the problems being studied by the Commission?

Finally, to insure a constructive dimension to the Commission's work, a provision has been added to it's mandate requiring that it evaluate and recommend practical and economic alternatives to current inhumane practices and that it evaluate the effectiveness of existing public and private programs with respect to the development of such alternatives.

Many people have argued that the proposed Commission would be a waste of tax dollars, but one need only read the record of the September 30 hearing to see that this claim is untrue. Some insist that the Animal Welfare Act of 1966 as amended already protects animals in the laboratory. While I welcome the progress that has been made by that law, it covers only the conditions under which animals are kept within the laboratory and the means by which they are procured, not the actual experiments conducted upon them.

I want to make it clear, at this point, that I am not an antivivisectionist, who would end all animal experimentation of any kind no matter how important that research may be for the legitimate benefit of mankind. I do believe, however, that, when an experiment involves suffering and death, it should be carefully weighed to ascertain whether it has a cause sufficient to justify the suffering involved. When such experiments are found justifiable, then every effort should also be made to treat the animals involved as humanely as possible; and further, wherever feasible, nonanimal substitutes should be used.

Another frequent argument voiced in opposition to the Koch-Pattison bill holds that an investigation into inhumane treatment of animals on farms is unnecessary because, as any farmer knows, livestock put on less weight and other animals produce less when they are treated poorly, which makes it uneconomical for a farmer to be inhumane. This dictum used to be true; but the economics of giant-scale agribusiness, in which hundreds of thousands of animals are raised in confined spaces, makes it cheaper to overstock and accept a lower yield per animal due to stress than to treat each animal humanely. Undoubtedly, agribusiness is here to stay, but methods are being pioneered to raise animals on the same scale at an equivalent cost in a more human fashion. The Commission would be able to promote these methods before the more extreme methods become entrenched.

The main reason a Commission on the Humane Treatment of Animals is needed now, while such a need was not evident in the past, is simple: the three areas to be investigated are relatively new problems not heretofore addressed. Vast amounts of animal research and testing, giant agribusinesses, and the explosion of the pet population are all fairly recent developments; but we are now faced with these problems, and a Commission is needed to determine how best to deal with them.

As an afterword, it may be of interest to fellow Members that the following notables were included among those testifying in favor of the Koch-Pattison bill: Ms. Ruth Harrison, author of "Animal Machines" and a distinguished British advocate of humane legislation, who flew from London specifically for the hearing; Mrs. Christine Stevens, secretary of the Society for Animal Protective Legislation; Dr. Michael Fox, director of the Institute for the Study of Animal Problems, the Humane Society of the

United States; and Ms. Carole Koury, national coordinator of the Fund For Animals, who testified in place of that organization's president, Mr. Cleveland Amory, who was unable to attend.

GOVERNMENT ECONOMY AND SPENDING REFORM ACT

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. BLANCHARD. Mr. Speaker, on January 4, 1977, Mr. MINETA and I introduced H.R. 85, the Government Economy and Spending Reform Act, with the support of some 62 colleagues.

Since then, I have received continuing inquiries and expressions of support for the concept of zero-base review which H.R. 85—called the sunset bill by some—embodies. For the information of those who may be unfamiliar with it, I would like to briefly discuss its history and to include in the RECORD some background materials relating to it.

The idea of a regular review of Government spending programs in their entirety, rather than a review limited to proposed additions to those programs, is one which has surfaced from time to time over the years in Congress with varying degrees of interest. I know of at least one attempt, under the leadership of Representative CHARLES E. BENNETT of Florida, in recent years, and there may have been others.

My own interest in the idea dates from an article on zero-base budgeting written by Peter H. Pyhrr, a business executive, which appeared in the Harvard Business Review. As it happens, that same article was read by President-elect Jimmy Carter, who was then about to take office as the Governor of Georgia. Subsequently, he invited Pyhrr to come to Georgia and help to implement the concept in the Georgia State government.

Shortly after being elected to Congress in 1974, I resolved to make zero-based budgeting a major legislative priority, and in July, 1975, I introduced the "Truth in Budgeting Act," a precursor of H.R. 85.

In February 1976, Senator EDMUND S. MUSKIE of Maine introduced the initial version of the Government Economy and Spending Act. Subsequently, Mr. MINETA and I introduced the bill in the House, and many of the 68 cosponsors who had joined us on the Truth in Budgeting Act followed suit. By the time the 94th Congress adjourned, the Government Economy and Spending Reform Act had attracted the support of 113 Representatives and 54 Senators.

The basic concept of H.R. 85 is relatively simple and straightforward. Every Federal spending program, except those which are funded through trust funds—in short, those into which people make payments in anticipation of receiving assistance in the future—would be subject to a full review every 5 years.

The bill contains a number of other provisions, aimed at improving the flow of information to Congress on the Federal budget process and specifying the timetable for review, but this is its heart.

Standing committees will be responsible for reviewing programs to determine whether they should be continued, and if so, at a funding level less than, equal to, or greater than the existing level of funding.

The review of a program is to include:

First. Questioning and identifying the original goals of the program;

Second. Determining to what extent those goals are being achieved;

Third. Looking at the performance and cost of the program over the previous four fiscal years;

Fourth. Assessing the program's staff costs, the paperwork it generates, the number of people it serves, and so forth; and

Fifth. Analyzing the effect of reducing, holding steady, or increasing the funding level.

Mr. Speaker, it is our hope that this will result in some of the hard questions being asked about spending programs—questions which are too often neglected:

Is the program still relevant? Some have been in existence for decades.

Should it still be a priority of the Federal Government?

Could it work just as well with less money?

Is it being duplicated somewhere else in the Federal Government?

Answering these questions and others about government's effectiveness and efficiency is a must if we are going to keep trying to address new problems in the years ahead. We cannot expect to keep on enacting new programs and chartering new agencies without eliminating old ones. The Federal budget simply will not bear the burden.

In some cases, no matter how good the ideas and intentions were initially, programs are not going to work, no matter how much money we spend on them. And rather than perpetrate a fraud on the people by giving them a false sense of security or hope, it might well be better to quit fooling around and put our money and time into areas that will work.

The last few years have seen a dramatic growth in the size and reach of the Federal Government—a growth accompanied by sharply increasing disillusionment on the part of the American people as to the ability of that government to accomplish its stated goals.

I believe it is time now for a period of evaluation, and assessment, to provide a sounder and stronger basis for deciding what we hope to accomplish in the future.

Enacting legislation of this nature will not be an easy matter. There are many conflicting interests which must be resolved and many changes which must be made. But the time to begin is now. Each year which goes by, the need becomes more compelling, the structure of government more unwieldy, and reorganization more difficult to achieve.

To date, H.R. 85 has attracted 75 cosponsors in addition to Mr. MINETA and myself. In the weeks ahead, we plan to continue seeking support and attempting to inform colleagues of the purposes and provisions of this legislation. I urge all those who are interested to join us.

At this point in the RECORD, I would like to insert further background material on the Government Economy and Spending Reform Act of 1977.

[From the National Observer, June 5, 1976]

"SUNSET" BUDGETINGS: HIGH NOON FOR FEDERAL WASTE?

(By Mark R. Arnold)

WASHINGTON, D.C.—The hottest political idea of the year is something called the sunset bill. It has nothing to do with daylight-saving time. It has everything to do—or so its sponsors say—with making the Federal Government more accountable and more efficient.

A response to a widely held view that the Federal bureaucracy is wasteful and inept, sunset is being eagerly embraced by liberals such as Hubert Humphrey and Charles Percy and conservatives such as Barry Goldwater and James Eastland.

The measure would set a termination date—a date for the sun to set—on every Federal program. Each would be renewed only if, after rigorous analysis by Congress its performance could justify its existence and spending level.

Every five years each Federal program would face extinction unless a "zero-based budgeting" review demonstrated its value to the nation. Such a review would weigh the effect of various levels of spending—beginning with zero, or termination—upon the program's goals.

Sunset is modeled in part on the zero-based budgeting techniques instituted by former Gov. Jimmy Carter in Georgia in 1972. The measure would reverse the assumption under which most bureaucracies operate—that programs, once established, should be continued (and usually grow). Sunset, says chief Senate sponsor Edmund Muskie of Maine, "offers one of the few chances we have to clear out some bureaucratic deadwood to make way for the nation's changing agenda."

Muskie and Delaware Republican William Roth introduced the sunset bill in the Senate on Feb. 3. "We hoped to get some hearings going and build a record that would lead to passage in the next Congress," says Alvin From, staff director of Muskie's Intergovernmental Relations subcommittee, which reported the bill May 13. But the proposal has attracted so much attention—and the support of both Majority Leader Mike Mansfield and Minority Leader Hugh Scott—that the Senate could vote on it before the July recess. House action may not be far behind.

As of last week, 48 of the 100 senators and 110 of 435 House members were cosponsoring sunset or zero-based budget legislation in Congress, representing all viewpoints on the ideological spectrum. "Conservatives see this as a way of reducing the responsibilities of Government, liberals as a way of getting our house in order to take on new responsibilities," says Muskie. Adds House sponsor James Blanchard of Michigan: "This is a good-government issue, not a liberal or conservative issue."

Interest in the idea is not confined to Washington. Colorado recently became the first state to adopt sunset legislation when Gov. Richard D. Lamm signed into law a bill that swept through the legislature with strong bipartisan support. The measure requires that all of the state's 43 regulatory agencies undergo a complete performance audit every seven years. Other sunset bills have been introduced this year in the legislatures of Minnesota, Florida, Louisiana, California, Illinois, and Alaska.

Behind the interest in sunset legislation lies a popular reaction against the growth of government. The largest increase in public-sector spending over the past 20 years has come at the state and local levels, but the growth rate of government at all levels has exceeded the growth rate of the economy during the period, according to studies by the Senate subcommittee. One consequence: The average family's tax burden has doubled in 20 years.

The period has also seen a dramatic rise in the most visible kind of Federal aid—that earmarked for domestic social programs. The Federal Government today has roughly the same number of employes it had a decade ago (2.8 million), but they administer more than 1,000 programs of assistance to all 50 states and 80,000 units of local government. In the health field alone, 10 agencies run 228 different programs.

"Government has become out of touch and out of control," says Muskie. Proponents see the sunset bill as a way of regaining control over the services that the Federal dollar buys. This is "a logical second step," adds Muskie, to the Budget Reform Act of 1974, which gave Congress a framework to help set national priorities. "No one in the executive branch or Congress really knows if we're getting the most for the money we spend."

The sunset bill is officially known as the Government Economy and Spending Reform Act of 1976. It would require that all Federal programs—including income-tax deductions—be reauthorized every fifth year or go out of existence. The only exemptions to the termination edict are payments for interest on the national debt and programs under which individuals make payments to the Government in the expectation of future benefits, such as Social Security.

THE ZERO-BASED PROCEDURE

Programs would be grouped for review by functional purpose (all defense programs would be reviewed in one year, all health programs in another, and so on). The President would submit with his budget request a zero-based review of all programs earmarked for termination in the coming fiscal year and an independent evaluation of their effectiveness.

The appropriate committees of Congress would consider the President's zero-based reviews and evaluations, perform any additional studies deemed warranted, and recommend to the House or Senate how much—if anything—to spend on each program. Its backers believe the process would identify numerous areas of waste and duplication. "There's the potential for billions of dollars of savings," says Muskie.

The House bill introduced by freshman Democrat Jim Blanchard of Michigan is modeled after Muskie's. It has been endorsed by 106 House Members, including 45 of the 75 freshman Democrats. Blanchard says the bill is particularly appealing to liberals:

"We all want new programs, but we know it's politically unacceptable these days to raise taxes to finance them. The only way to pay for them is to weed out programs that have outlived their usefulness. Zero-based budgeting is how you find them."

BENEFITS AND DRAWBACKS

The oldest and most comprehensive use of zero-based budgeting is Jimmy Carter's Georgia system, which has been continued and refined by his successor, Gov. George Busbee. National Observer interviews in Atlanta with state budget officials, agency administrators, and legislators suggests that the process can yield some benefits but that political factors limit its potential. In addition, because that system calls for *annual* zero-based review, some administrators complain that it causes needless paper work.

Georgia officials cannot recall a single program that has been "zero-budgeted" out of existence. But administrators say the system keeps them on their toes and makes programs more efficient. In addition, argues Clark Stevens, who oversees the system for Governor Busbee, "we can look at all expenditures and measure them off against each other better. Old programs compete for resources with new proposals, and ideas don't get squeezed out on the grounds that the money has already been committed."

POLITICS OVER PERFORMANCE?

As a governor's management tool, the Georgia system has important advantages over traditional budgeting techniques, but its utility is severely hampered because the state legislature ignores it. "We prepare a continuation budget, and so does the governor," says Georgia legislative-budget analyst Pete Hackney. "Then they decide which items in addition to that ought to be funded. If old things get cut out, it's usually because they've proved pretty unpopular."

No one has yet opposed the legislation in Congress, but numerous skeptics wonder if political considerations, rather than performance, might not sway Congress' deliberations. "Any ongoing program has a constituency around the country that is going to be mighty unhappy with anyone trying to tamper with their line into the Treasury," says a White House official.

PROGRAMS SEEN JEOPARDIZED

Sunset's backers insist that it would give reformers ammunition they now lack in facing down defenders of ineffective programs. "We'd be viewing programs as they relate to other programs and spending options, not in a vacuum as we do now," says Blanchard. "That's got to be a plus."

Another criticism holds that program evaluation is too primitive an instrument—"more art form than science," says James Lynn, director of the Office of Management and Budget—to produce the standardized measures of effectiveness that the legislation would seem to require. Lynn, testifying on the Muskie bill in April, called the Senate formula "too mechanical and inflexible." His lieutenants are working with Senate aides to try to iron out the difficulties.

Requiring periodic reauthorization for all Federal spending "might put suicidal demands on Congress," worries a legislative-appropriations expert. Without additional resources to undertake thorough reviews, he adds, "We might end up with a BS type of recertification procedure, a paper exercise."

PILOT PROJECTS SUGGESTED

Moreover, a functional approach to consideration of Federal spending would require a thorough realignment of the present haphazard committee structure. No longer, for example, would 17 committees of Congress have jurisdiction over energy legislation. Muskie thinks sunset would spur this needed realignment, but he concedes, "If we don't solve the jurisdiction problem, implementation will be weakened."

These problems prompt some sunset backers to conclude that the legislation should be implemented in phases, beginning with some pilot projects. "We don't want to bite off more than Congress can chew and discredit the whole idea," says a strategist for Common Cause, which is pushing sunset in Washington and in state legislatures.

Whatever approach prevails, the idea behind sunset—to force a systematic and periodic re-evaluation of Government programs—is gaining strength. Says Muskie:

"People are fed up. They read about abuses in the Medicare program and cost overruns in defense spending. They don't know if it's the tip of an iceberg or the whole iceberg. I don't know either. The fact is, nobody knows. But we, as their representatives, have an obligation to find out."

[From the Richmond News Leader, May 10, 1976]

COLORADO'S "SUNSET" LAW

"The Colorado legislature deserves praise for undertaking some spring plowing in the idle fields of bureaucracy. The legislature passed a 'sunset' bill that would mandate review of 44 state agencies every six years. And Colorado's governor has signed it into law.

"Under the 'sunset' concept, agencies that no longer could justify their existence at review time would be phased out. This kind of approach to overgrown government may be the best news for the taxpayers in years. Traditionally, legislatures and the Congress have been eager to approve new programs, but legislators and Congressmen rarely do away with any old ones. Consequently, many agencies—especially regulatory ones—manage to hang on to their empires long after the reasons for their existence have passed.

"In one of its more sensible campaigns, Common Cause was responsible for putting the 'sunset' bill on Colorado's legislative agenda. According to a Common Cause spokesman, the 'sunset' approach will accomplish four objectives: (1) increase an agency's accountability to the public; (2) establish an automatic review schedule; (3) make legislators review programs as part of their duties; and (4) give taxpayers a voice about agencies and programs in open hearings. These objectives are so sound that the 'sunset' bill attracted support from every corner.

"Fortunately, Colorado's pathfinding has caught the eye of some Senators in Washington. Senator Edmund Muskie is sponsoring a bill—cosponsored by a number of other Senators of varying ideologies—that would place all federal programs on a review schedule every four years. The approach is similar to the Colorado approach; one hopes that the Muskie bill will attract bipartisan support.

"Congress knows that the public has grown weary of bureaucratic interference in private lives; almost every Congressman and Senator running for re-election is running 'against Washington.' Those two words comprise a slogan that evokes visions of an army of entrenched bureaucratics hard at their busy-work.

"This busy-work includes the formulation of thousands of rules and regulations that nobody can understand, much less follow. Most of these rules and regulations inhibit the free market and add immensely to consumer costs without serving any particular public good. Yet the bureaucrats—unaccountable to the taxpayers who pay their salaries—keep on building their empires.

"The 'sunset' bill approach, on a national level, embodies the anti-Washington mood. If the Muskie bill can ride that mood to enactment, perhaps at long last the three major branches of government will get a handle on the bureaucratic monster they have created.

". . . the Colorado bill and the Muskie bill evoke some hope that a review system may restore government to its role as a servant of the people, rather than as an oppressor. Offhand, there must be at least 150,973 agencies and programs across the land that could rise into the sunset to a standing ovation from the taxpayers. Let 'em ride."

[From the Denver Post, May 7, 1976]

SUNSET IDEA SPREADS

"Any bureaucratic-reform proposal so utilitarian in its approach, so surgical in its implementation deserves broad publication. Fortunately, the Colorado idea had instant appeal to the populace at large and its basic thrust has made an impression on the U.S. Congress.

"Several bills currently pending in the Congress hope to capitalize on the public's 'anti-

Washington' mood; they would make federal programs regularly justify their existence or come to an end. A Senate subcommittee has completed hearings: on one proposal that generally would require all federal activities to be reapproved every four years.

"One of its sponsors, Sen. Edmund Muskie, D-Maine, notes that 'the proliferation of a bumper crop of federal programs, accompanied by duplication, inefficiencies and conflicting purposes, has resulted in a bumper crop of public disenchantment with government so unresponsive that it cannot even perform the simple day-to-day tasks that need to be done.' To which one might add, amen.

"James T. Lynn, director of the Office of Management and Budget (OMB), agrees that the goals of the Muskie bill are laudable, but deplores such an 'inflexible and mechanical' approach to evaluating federal programs. We'd remind Lynn that, while he might be correct, a start has to be made somewhere. Refinement, if needed, can come later. And we wouldn't turn the matter over to a committee for study; such a group might be still in existence 100 years from now.

"Any American who's ever been trapped in Washington's smothering bureaucratic maze or who simply thinks that enough in the expansion and perpetuation of governmental agencies should murmur a soft 'thank you' for 'sunset' legislation."

[From the Washington Star, Feb. 5, 1976]

MORE BANG FOR THE BUCK

Senator Edmund Muskie has come up with a legislative proposal that has the look of a winner.

Instead of following the usual practice of plowing more money into federal programs year after year whether they work or not, Mr. Muskie says, why not take a fresh look at them periodically?

Indeed, why not? Congressional failure to reexamine what it creates is a major reason why the budget keeps getting bigger, the bureaucracy keeps growing, and the taxpayers keep wondering why they don't get more bang for their bucks.

The way Mr. Muskie and the bill's cosponsors—Republican William Ruth of Delaware and Democrat John Glenn of Ohio—see it, the government will never have enough money for new initiatives if it continues to throw good money after bad programs.

Under the Muskie bill, beginning in 1979 almost all federal programs would be put on a four-year authorization cycle. This means that each program, with the exception of such things as servicing the federal debt and Social Security pensions, would be examined every four years to see if it is doing what it was established to do. Any program that was not reauthorized would automatically be abolished.

There's more. Programs deemed worthy of keeping would not necessarily be retained at existing or greater size. Congress would start at "zero base" in its re-examination and every dollar of authorization would have to be justified as to the job it is supposed to do and the impact on overall government spending.

To help the process, the executive branch would be required to make a "zero-base review and evaluation" of programs scheduled for extension or termination.

Enacting the Muskie proposal will not be easy. Congress is a world of 535 fiefdoms and each potentate has pet programs that he's determined to hang onto. Then there are the special interests—the lobbyists, if you will—that cajole, badger and even now and then bribe congressmen to keep programs going that benefit the special interests. The government bureaucracy itself is an important influence in keeping programs going long after they have served their purpose or proved to be inadequate; abolished programs mean abolished jobs, and paper shufflers can always find arguments to keep them in business.

Inertia is a factor in keeping programs going. Unless there is an external force to change its direction, a program continues on its course. Congress is not a body that works very hard at overcoming inertia.

As Senator Muskie said, there is no valid basis for the assumption that old programs and old agencies deserve to be continued simply because they existed the year before. "Government," he said, "has become out of touch and out of control." The time may be ripe for doing something about it, given the growing public sentiment for cutting back the government—and the Muskie plan seems a good place to start.

RUSSIA CAMPAIGNS FOR WESTERN DISARMAMENT WHILE SEEKING ABSOLUTE MILITARY SUPERIORITY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. McDONALD. Mr. Speaker, the Soviet Union continues to seek absolute military superiority over the United States. Benefiting from the work of an outside panel of experts, the Central Intelligence Agency has at last taken cognizance of the U.S.S.R.'s hegemonic military goal, although the evidence has been available for years that "détente" was another Soviet tactical ploy and that the U.S.S.R. is preparing to survive a nuclear war and that the Red Army is being strengthened to aggressively wage both conventional and nuclear war.

The Soviets have vastly increased their fleets in the Indian and Pacific Oceans and the Mediterranean. Red Army forces in Eastern Europe and Warsaw Pact troops have been strengthened; Russian air defenses are being built up; and an elaborate civil defense program calling for both mass evacuation and the construction of immense underground shelters is underway. Since the 1972 SALT agreements, the U.S.S.R. has deployed more than 1,000 SS–17 and SS–19 multiple warhead intercontinental ballistic missiles. Soviet ICBM sites have been "hardened"; and new high technology methods for blinding or destroying our reconnaissance satellites are being developed.

And as the Soviets struggle not for parity, but for superiority in weaponry, the Russians and their allies in Western countries have reinitiated an intensive campaign urging the United States to disarm in the name of "détente." The Communists have shown us by their own practice that what they call a period of "peaceful coexistence" and "détente" is one in which the Communists use all means short of open military force to undermine and subvert non-Communist governments and institutions; while the non-Communists agree not to fight back and sell the Communists food and new technological advances.

Sophisticated propaganda campaigns aimed at altering "world public opinion" in line with Soviet foreign policy objectives. Internationally, the U.S.S.R.'s "peace" line is pushed via the World Peace Council, now about to open another "World Congress of Peace Forces" in Moscow.

Following its détente victories in Vietnam and Angola, the Soviet Union has reheated its stale old campaign for Western disarmament in order to, as the Soviets say, "make détente concrete."

Beginning this week, the pro-Soviet Communists and their allies in various Western countries will conduct "peace and disarmament drives." These call for the "supplementing of political détente with military détente, disarmament, stoppage of the arms race, and for the reduction of military spending so as to solve the main social problems and problems in education and the health service." This is how Moscow's Tass, the state propaganda agency, described the "peace" program to be spearheaded in West Germany by the German Communist Party during January.

Preparations for the international "peace" campaign were concluded at a 4-day World Conference To End the Arms Race, for Disarmament, and Détente held by the Soviet Union's chief international propaganda and "public opinion" apparatus, the World Peace Council—WPC—in Helsinki during September 1976. In a report on its conference, the WPC Secretariat stated:

In a concluding declaration, the Conference said: "Détente cannot become irreversible without the ending of the arms race and the carrying out of effective and concrete measures of disarmament and military disengagement."

The World Conference also called for the dismantling of foreign military bases, the creation of nuclear weapon free zones, gradual reconversion of the arms industry for peaceful purposes, and reduction of military budgets which could help in rendering assistance to developing countries.

The Conference stressed the need for immediately implementing United Nations resolutions prohibiting the sale of arms to colonialist and fascist regimes.

These Soviet-backed campaigns are paralleled by several overlapping and interconnected groups in this country which began flooding congressional offices with nearly identical demands during December.

Our responsibility to our country requires us to examine national defense issues before our votes; and to examine the records of the groups and individuals involved. I recognize that some Americans and some of my colleagues feel such a strong commitment to disarmament and détente that they believe it is irrelevant who is providing the leadership for the disarmament campaign. However, it is relevant and important, because the most active groups supporting it are not really interested in peace. They are really seeking to destroy our present form of government, our society and institutions and replacing them with a new one based on those of Cuba, Vietnam, and Cambodia.

COALITION FOR A NEW FOREIGN AND MILITARY POLICY

The Coalition for a New Foreign and Military Policy, operating from 120 Maryland Avenue, NE., Washington, D.C.

20002 (202—546-8400), and its "grassroots" branch, the Campaign for a Democratic Foreign Policy—CDFP—are the successors to the old anti-Vietnam groups—the People's Coalition for Peace and Justice—PCPJ—and preceding New Mobilization Committee to End the War in Vietnam—New Mobe—which were heavily influenced by the Communist Party, U.S.A.—CPUSA—and which had several other Communist factions as members as well as Socialist, pacifist, and religious groups.

The CNFMP and CDFP, supported by highly biased and selective "research" provided by the Institute for Policy Studies and the Center for Defense Information, oppose American development of new weapons to counter the growing Soviet arsenal; demand an end to American support for friendly non-Communist countries, particularly those who face serious Communist threats along their borders or internally; but demand that the United States provide assistance to the new Communist dictatorships in Southeast Asia.

The CNFMP is particularly interested in removing all American troops and nuclear weapons from South Korea. They state it is a "great national risk," but do not make it clear that the "national risk" is to North Korea which stridently denounces our presence in South Korea as the main obstacle to "reunification"—an invasion by the Communists.

CNFMP attacks "dictatorial regimes which torture and imprison their political opposition." First, CNFMP equates imprisonment with torture which is ridiculous. Second, CNFMP specifies that the target countries are all non-Communist nations which face or have faced in the recent past major challenges by Soviet-supported Communist movements. CNFMP states:

> The Coalition believes that popular outrage in America, not diplomatic subtleties will best serve the hundreds of thousands of political prisoners in Indonesia, Philippines, South Korea, Brazil, Argentine, Uruguay, Chile and other countries.

To briefly set the record straight, the Indonesian Communists staged an attempted coup in Indonesia ten years ago which failed, because a single Indonesian general managed to escape capture. Several thousand Communist insurgents were imprisoned for their treason; and recently Indonesia, perhaps unwisely, announced the release of most of those detained.

Philippine President Marcos declared martial law in 1972 in the face of a combined military threat from the Maoist Communist New People's Army, from some pro-Soviet guerrillas, and from the Libyan-supported Moslem separatist guerrillas. Faced with military defeats and isolation, large numbers of insurgents from the three factions have surrendered in response to presidential amnestys. Some insurgents are in jail, others have been released.

North Korea's Soviet stooge, Kim Il Sung, has never ceased his aggression against South Korea and against American troops at the DMZ as witnessed by the vicious unprovoked murder of U.S. soldiers trimming trees at the DMZ last year. In addition to its usual sabotage and espionage operations against the South, North Korea has staged demonstrations of radical students and others of various political orientations. The leaders of anti-government activities have been prosecuted in courts. It is unreasonable to equate this with "torture and barbarity" on the part of South Korea; the barbarian label belongs to the bloodthirsty regime in the North.

Brazil, Argentine, Uruguay, and Chile have military governments. In each instance, the present military government took over in response to a strong Communist threat coupled with the inability or unwillingness of the civilian government to cope with that threat. Brazil, a growing economic and military presence in Latin America, was first faced with a Communist problem in the early 1960's when the Marxists were protected by Joao Goulart. After his overthrow, militant Communists with Cuban support formed the first urban guerrilla terrorist organization headed by the infamous Carlos Marighella. During the past 2 years, extensive underground Communist cells were broken up by Brazilian authorities.

Uruguay was successful for the most part in crushing the Castroite Tupamaros terrorists. However, many Tupamaros and their supporters emigrated to Argentina and Chile under the Allende regime, joined the local Castroites and continued their terrorist activities. The three countries have cooperated in crushing the united insurgent forces, although terrorist activities from left and right extremists continue. Each country has prosecuted and jailed insurgents; each country has also released large numbers of persons detained for questioning and allows persons who wish to emigrate to do so.

In none of these countries is there a program of "state terrorism" as envisaged and put into practice by Lenin, Trotsky, Stalin, and Mao. The Coalition for a New Foreign and Military Policy has no criticism of rule by terror and intimidation and specifically attacks "the cold war tactic of politically and economically isolating new Communist regimes" as "evidencing a rigid U.S. policy unable to accept global change." And the "global change" CFNMP wants Congress and the American people to accept is the enslavement of millions of men, women, and children under new Marxist-Leninist regimes.

The coalition demands as part of its program for a "new foreign and military policy," that the United States end its "bankrupt" policy with regard to the Communist regimes in Vietnam, Cambodia, and Laos and "help rebuild the war-devastated region." However, the devastation of war was brought on by the Communists; it was the Communists who waged a systematic program of terror, intimidation, and terror against their fellow countrymen. What the CFNMP asks is that America now take up some of Russia's economic burden and help the Communist regimes become truly established.

The Coalition says its "new foreign and military policy * * * must be based on * * * the need to cooperate with nations of highly different political systems." But their demands and program show that what the CFNMP really wants is collaboration with Communist regimes and rejection and abandonment of our relations with non-Communist countries.

Current members of the Coalition for a New Foreign and Military Policy include:

American Friends Service Committee (AFSC)—formed by a group of fourteen pro-socialist Quaker pacifists in 1917 to aid draft resisters, has cooperated with Communists virtually throughout its career. For example, in 1922 AFSC sent Jessica Smith to Russia ostensibly to organize relief for a famine brought about by Bolshevik forced collectivism, but where she instead attended Comintern meetings. (After serving as leaders of a Soviet espionage ring in Washington, D.C., Jessica Smith and her husband, CPUSA political committee member and general counsel John Abt continued to work in support of the USSR to the present day).

Although AFSC describes itself as "a corporate expression of Quaker faith," its far-left stance has caused a number of sections of the Religious Society of Friends (Quaker Church) to sever connections with AFSC. AFSC works with the USSR-run World Peace Council and repeatedly denounced the United States as "the major obstacle to a peaceful settlement of the war" in Vietnam.

In 1972 AFSC published a pamphlet, "Nonviolence: Not First For Export," justifying the use of "violent revolution" by Communist-backed "national liberation movements." It asserted:

> "The revolutionary goal is a human society where the worth of the individual will be recognized and each person treated with respect. * * * Land reform measures will be enacted * * *. Education will be provided for every member of the society; * * * There will be employment for all. Discrimination because of race, colour or creed will end. Universal medical care will be provided * * *.

AFSC continues:

> "Any sensitive recollection of the imperialistic rise of the western nations during the past five centuries compels us to see the central role played by violence in their assumption of power over the people of Africa, Asia, and Latin America. This has been apparent not only in the military structures of control, but in the political, economic and cultural forms of coercion and domination. At the heart of western hegemony has been its ultimate power to overwhelm with physical force the colonized people who have thus been pushed against the wall by the keepers of repressive law and oppressive order. They have seen no recourse other than to take up the same arms which were used to exploit them. They have been taught by the West that force and violence are the ultimate arbiters of human destiny, and reluctantly they have been moved to action based on those suppositions.
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> "Violence has become most apparent when the dispossessed have demanded the right to control their own land and destiny. In response to such insistent demands, every weapon in the western arsenal, from subversion and napalm to the threat of atomic destruction, has been used to maintain the unjust and oppressive power of the ruling forces. We can now see that violence permeates the status quo as, for example, in South Africa: (1) in the suffering created by lack of decent living standards, resulting in poverty, malnutrition, starvation; and (2) in the brutal practices and behavior of the police and penal system and the injustice of the courts and legal system. The U.S. has allied itself economically with the violence of this status quo, and we ourselves are a part of it.
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> "It should surprise no one, therefore, that

Third World forces have turned to counter-violence as a means of winning their freedom.

* * * * *

"Often overlooked and simply taken for granted, frequently described as the 'community of law and order', is the violence of the status quo in America, the violence of many generations that still exists in massive fashion today. This violence is expressed in the agony of millions of men, women and children who in varying degrees suffer hunger, poverty, ill-health, lack of education, non-acceptance by their fellowmen. it is compounded of slights and insults, of rampant injustice, of exploitation, of police brutality, of a thousand indignities from dawn to dusk and through the night.

We hear so much in today's world about 'terrorism'. Repeatedly it is used to signify violent action on the part of oppressed peoples in Asia, Africa, Latin America, or within the black ghettos of America, as they take up the weapons of violence in a desperate effort to wrest for themselves the freedom and justice denied them by the systems that presently control their lives. What is so easily (one suspects, often deliberately) overlooked is the fact that the very regimes rebelled against the incarnation of a greater violence and terrorism than any used in the struggle against them. Long before the first freedom fighter laid hold upon a gun, or club, long before the first brick was thrown in Watts or Newark, racist societies were already guilty of a ruthless reign or terror where freedom was suppressed and human dignity denied.

* * * * *

". . . before we deplore terrorism it is essential for us to recognize fully and clearly whose 'terrorism' came first, so that we can assess what is cause and what is effect. It is easy to recognize the violence of the revolutionary when he strikes out against the inequities and cruelties of the established order. What millions of middle-class people and other non-poor fail to recognize is that they are themselves accomplices each day in meting our inhuman, all-pervading violence upon their fellows.

* * * * *

"Instead of trying to devise nonviolent strategy and tactics for revolutionaries in other lands, we will bend every effort to defuse militarism in our own land and to secure the withdrawal of American econonic investment in oppressive regimes in other parts of the world.

* * * * *

"Revolution then is needed first and foremost in the United States, thoroughgoing revolution, not a mild palliative. Specific and far-reaching changes are needed in American foreign policy, with equally specific and thoroughgoing changes in the U.S. domestic scene."

* * * * *

Americans for Democratic Action (ADA)—formed in November 1941 as the Union for Democratic Action which had top Comintern agent Louis Fraina as its first director of research and which was designed to promote U.S. aid for the Soviet Union, no longer Hitler's ally after the June invasion. UDA's identification with the Soviet made a name change politic in 1947.

ADA has always been staunchly anti-anti-communist and campaigned for abolition of the House Internal Security Committee and the Senate Sub-committee on Internal Security. It favors recognition of Communist regimes and its domestic goals call for implementation of huge federal government programs in health, housing, education—in a nutshell, socialism. It is noted that among the current ADA board members is Sylvia Crane, vice-chairman of the Communist Party front, the National Committee Against Repressive Legislation and an adviser to the Organizing Committee for a Fifth Estate, named by former CIA Director William Colby as responsible in part for the murder of the CIA Athens station chief.

Business Executives Move for New National Priorities (BEM)—formerly Business Executives Move for Peace in Vietnam, was formed in February 1967 by Henry E. Niles, chairman of the board of the Baltimore Life Insurance Company and father-in-law of New Left theorist Staughton Lynd. Niles, who has been associated with a number of socialist-pacifist organizations including the Peace Research Institute which merged with the Institute for Policy Studies (IPS) in 1963, changed BEM's name and program after the Communist victory in Vietnam.

Campaign for a Democratic Foreign Policy (CDFP)—formerly the Indochina Peace Campaign, Jane Fonda's public relations support group for the Vietnamese Communists.

Chile Legislative Center—supports the deposed Marxist Unidad Popular government of Salvador Allende and opposes the present military government of Chile.

Church of the Brethren, Washington office.

Christian Church (Disciples of Christ), Department of Church in Society.

Clergy and Laity Concerned (CALC)—formed in 1965 by the National Council of Churches, but first became widely known for its 1967 White House Demonstration in conjunction with the Communist-influenced Mobilization Committee to End the War in Vietnam. CALC continued to play an important role in New Mobe and its successors, meeting with the Vietnamese Communists repeatedly in Paris and Hanoi. In January 1970, CALC described its goals:

"* * * what we're about today is not simply an end to the war in Vietnam, but a struggle against American imperialism and economic exploitation in just about every corner of the world. * * * Our task is to join those who are angry and who hate the corporate power which the United States presently represents, and to attempt, in our struggle, to liberate not only black, brown and yellow men in every corner of the world, but more importantly, to help liberate our own nation from its reactionary and exploitative policies."

CALC and the AFSC for some four years have been coordinating the "Stop the B-1 Bomber: National Peace Conversion Campaign."

Episcopal Peace Fellowship (EPF)—formerly associated with the anti-Vietnam coalitions.

Friends Committee on National Legislation (FCNL)—an official lobbying organization.

FRIENDSHIPMENT, organized by Cora Weiss and other anti-Vietnam activists to raise money and supplies for the Vietnamese communist regime, Mrs. Weiss, who has traveled on a number of occasions to Hanoi, has been a highly active organizer and financial angel for the coalitions supporting the Vietnamese Communists. She is a leader of CALC and Women Strike for Peace; during 1976 she worked for the July 4 Coalition (J4C), set up by the Castroite communist Puerto Rican Socialist Party (PSP) and the Weather Underground's Prairie Fire Organizing Committee (PFOC) to organize anti-Bicentennial demonstrations in Philadelphia. Her husband, National Lawyers Guild member Peter Weiss, attempted to join the defense team for the Baader-Mainhof terrorists in West Germany; has been a leader of the American Committee on Africa, a support group for African Marxist terrorists for many years; and is a trustee of the Institute for Policy Studies (IPS).

Friendshipment contributions are routed through the Bach Mai Hospital Fund, a project of the Communist Party's youth group, the Young Workers Liberation League (YWLL).

Friends of Indochina Organizing Committee (FIOC)—associated with the Indochina Resource Center and funded as "a project of the Regional Young Adult Project" with offices at 120 Maryland Avenue, N.E., Washington, D.C. 20002.

Friends of the Filipino People—a support group for guerrilla insurgents in the Philippines which includes Marxist-Leninists of several factions.

Indochina Resources Center (IRC)—an outlet for propaganda hailing the Communists in Vietnam, Cambodia and Laos.

International Longshoremen's and Warehousemen's Union (ILWU)—one of the strongest Communist Party-controlled labor

National Council of Churches—a bureau-

Inter-University Committee to Stop Funding War and Militarism.

Jesuit Conference, Office of Social Ministries.

Mennonite Central Committee.

National Association of Social Workers.

National Council of Churches—a bureaucracy funded by several major religious denominations which has supported with funds and agitation. Soviet-backed Marxist-Leninist terrorist movements as the Vietcong, and the Rhodesian Zimbabwe African People's Union (ZAPU), one of whose captured guerrillas has admitted murdering three West German Roman Catholic missionaries on December 5, 1976. The NCC founded and provided funding for Clergy and Laity Concerned, and provides office space for a number of other radical Marxist and anti-capitalist groups. NCC is currently waging a campaign to pressure U.S. businesses to withdraw all investments in southern Africa to encourage economic collapse and a Marxist takeover. In this country, NCC has funded the violence-prone American Indian Movement (AIM), and raised bail money for convicted AIM members.

Network, Washington, D.C.

SANE, formed with the assistance of the AFSC, and which played a leading role in the National Conference to Slash Military Spending, organized by Communist Party, U.S.A. stalwart Pauline Royce Rosen, head of the U.S. section of the Soviet front, World Peace Council, in 1975.

Tapol.

Union of American Hebrew Congregations—one of whose leaders, Rabbi Balfour Brickner, was active in New Mobe and other anti-Vietnam projects.

Unitarian Universalist Association—which had representatives serving in the leadership of New Mobe and PCPJ; but as with other "religious" organizations in this radical coalition, has never indicated that its sponsorship was the result of a vote of all Unitarians.

United Church of Christ, Board for Homeland Ministries—various bureaucratic subsidiaries of the UCC have been listed as members of the anti-Vietnam, Communist Party influence PCPJ and its predecessors. UCC official Rev. Allen Fisher played a leading organizational role in the founding of the Communist Party's 1973 front, the National Alliance Against Racist and Political Repression. However, despite the use of denominational names, there is no indication that the members of the UCC congregations were asked to debate the issues and vote on membership in the CFNMP.

United Presbyterian Church, U.S.A., Washington office.

United Methodist Church, Board of Church and Society and the Board of Global Ministries, Women's Division.

Washington Office on Africa (WOA)—the official lobbying arm of the American Committee on Africa (ACOA), which has for years paid for African Marxist terrorists to come to the U.S. and publicize their causes, and which provides testimony before Congress in support of such organizations.

Washington Office on Latin America (WOLA)—another group which supports the deposed Marxist government of Chile.

Women's International League for Peace and Freedom (WILPF)—an internationally active socialist and pacifist group thoroughly penetrated by the Communist Party, U.S.A. to the extent that some chapters have CPUSA members of the CPUSA as their leaders.

Women Strike for Peace (WSP)—an organization formed in the early 1960s and from its inception thoroughly penetrated by the CPUSA. WSP and WILPF in some areas are virtually identical. WSP works closely with the World Peace Council and another parallel Soviet front, the Women's International Democratic Federation (WIDF).

The groups are calling for local demonstrations across the country on January 22 to press for disarmament and new social programs. They state that they will lobby congressional offices beginning on that date.

HOUSE CONCURRENT RESOLUTION 23—CONCURRENT RESOLUTION ON AMNESTY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. KOCH. Mr. Speaker, I am today reintroducing my concurrent resolution on amnesty, House Concurrent Resolution 23, with additional cosponsors. At this opportunity I would like to add that it was my intention that under section 2(c) amnesty be granted to each member and former member of the Armed Forces who during the Vietnam era was absent without leave in violation of article 87 of the Uniform Code of Military Justice. That article covers servicemen or veterans who committed so-called missing movement offenses; that is, those who failed to show up for transport. Thousands of servicemen, in fact, the majority of those who deserted from the military during the Vietnam era, failed to report to their vehicle of transport in the States when their unit was to be sent to Vietnam. As the question of an amnesty or pardon is so soon to be decided upon by President-elect Carter, I have decided not to amend the text of my resolution to include such offenses, but I would emphasize that the spirit of the resolution does cover offenses of that nature.

I have set forth the text of the resolution below with the thought that it would be of interest to our colleagues:

CONCURRENT RESOLUTION

Endorsing the publically declared Vietnam-era reconciliation program of the President-elect and urging the President-elect to extend that program to include all Vietnam-era selective service offenders and all Vietnam-era veterans who received less than honorable discharges or who deserted or were absent without leave during such era.

Whereas American participation in the war in Vietnam ended nearly four years ago; and

Whereas it is in the best interest of this Nation and of its people to heal the wounds caused by the divisiveness of that war; and

Whereas such healing can only be accomplished by restoring to the rights and benefits of full citizenship the large number of Americans whose lives were unfairly and adversely affected as a result of their violation during the war of the selective service laws and regulations their desertion or absence without leave during the war, or military discharge procedures and standards which, during the reduction in the strength of the Armed Forces toward the end of the war, frequently resulted in less than honorable discharges where no military offense was alleged or proved; and

Whereas a less than honorable discharge, though not intended to be punitive, imposes a severe stigma on a young person entering the job market and is especially burdensome and unfair in a time of high unemployment: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress endorses the program publically announced by the President-elect to, upon taking office, pardon each person who, during the Vietnam era, failed to report for induction into, or refused induction into, the Armed Forces of the United States in violation of the Military Selective Service Act and who has not been prosecuted for such violation, and the Congress commends the President-elect for having publically committed himself to such a program.

SEC. 2. The Congress urges and requests the President-elect to extend his Vietnam-era reconciliation program and complete the reconciliation process by, upon taking office—

(1) granting amnesty to all persons convicted under the Military Selective Service Act of offenses committed during the Vietnam-era or against whom charges arising from failure to register in accordance with such Act during the Vietnam-era are outstanding; and

(2)(A) upgrading all general and undesirable discharges issued to former members of the Armed Forces who served in the Armed Forces during the Vietnam era to honorable discharges;

(B) reviewing on a case-by-case basis each bad conduct and dishonorable discharge issued to a former member of the Armed Forces during the Vietnam era to determine in each instance whether such discharge should be upgraded; and

(C) granting amnesty to each member and former member of the Armed Forces who—

(i) during the Vietnam era deserted in violation of article 85 of the Uniform Code of Military Justice (10 U.S.C. 885) and has not been tried by a court-martial for such violation;

(ii) during the Vietnam era deserted in violation of such article 85 and has been tried and convicted by a court-martial for such violation; or

(iii) during the Vietnam era was absent without leave in violation of article 86 of the Uniform Code of Military Justice (10 U.S.C. 886) and has been tried and convicted by a court-martial for such violation.

A FOURTH AMENDMENT VICTORY FOR AMERICA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. HANSEN. Mr. Speaker, more and more Americans are becoming aware of the fact that they do not have to waive their basic rights to a Government inspector. There is a rapidly growing concern in this Nation over the erosion of individual rights and it is most gratifying to see this concern is being shared by the Federal judicial system as well. The recent Barlow ruling in Idaho striking down the inspection provisions of OSHA declaring them unconstitutional and void was a landmark decision in the endless battle for maintaining our constitutional rights.

The following is a reprint of an editorial which appeared in the January 11, 1977, issue of the Washington Star. I highly recommend this article by syndicated columnist James J. Kilpatrick to my colleagues and all citizens concerned for the preservation of our traditional freedoms:

A FOURTH AMENDMENT VICTORY

(By James J. Kilpatrick)

In the continuing war between a free people and the omnipotent state, the free people seldom win major battles. But they do win a few—and they won a big one the other day in Pocatello, Idaho. Brothers and sisters, let us rejoice.

With the decision of a three-judge federal court in the case of Barlow's, Inc., a key provision of the Occupational Safety and Health Act is reduced to so much rubble. Coming on top of similar decisions in other judicial circuits, the Idaho decision means that no businessman needs to submit any longer to the nitpicking, maddening, helter-skelter harassments of the OSHA inspectors. Subject only to the laws of assault, battery and mayhem, an employer can throw the inspectors out.

The issue in Barlow's was a straightforward question of constitutional law. The case arose last September when an OSHA inspector, Daniel T. Sanger, presented himself at the door of the plumbing, heating an air conditioning company. He demanded entry under a provision of the 1970 OSHA act authorizing inspectors "to enter without delay and at reasonable times any factory, plant, establishment, construction site, or other area, workplace, or environment where work is performed by an employee or an employer.

F. G. "Bill" Barlow, president of the company, might have saved thousands of dollars in legal fees if he had let Inspector Sanger in. So far as he knew his shop was in good shape; no employe had complained of unsafe conditions. But Barlow feels strongly on these things. He stood squarely on his Fourth Amendment rights: No warrant, no admission.

The disputants went promptly into court. On December 30, a three-judge panel upheld Barlow's position in an emphatic decree. Following the Supreme Court's reasoning in what are known as the Camara and See cases, the panel held OSHA's entry provision flatly incompatible with the Fourth Amendment. Discarding a couple of other precedents as not relevant, the panel noted that Barlow's was not engaged in selling liquor or trafficking in firearms, both heavily regulated industries that stand in a different class. Barlow's was simply one of six million work places.

The three judges in this case are among the heavyweights of the Western bar. M. Oliver Koelsch, senior judge of the Ninth Circuit, has been on the bench since 1951; Ray McNichols, chief district judge, went on the bench in 1964; J. Blaine Anderson of Boise has served since 1971. Their names on an order carry clout.

And it was some order: Section 8(a) is "unconstitutional and void in that it directly offends against . . . the Fourth Amendment." The secretary of Labor and the OSHA people "are hereby forever and permanently restrained and enjoined from acting or attempting to act pursuant to or in furtherance of Section 8(a) . . . and from conducting or attempting to conduct any general

searches or inspections of the non-public portions of the premises of the plaintiff. . . ."

The language went far beyond the order entered in Texas a year ago in the Gibson's Products case. There the federal court agreed to OSHA inspections if the inspectors obtained proper warrants. The Barlow's judges refused to make even that concession. "We decline the invitation to judicially redraft an enactment of Congress."

"We cannot accept the proposition," said Circuit Judge Anderson, "that the language of the OSHA inspection provisions envisions the requirement that a warrant be obtained before any inspection is undertaken. Certainly Congress was able, had it wished to do so, to employ language declaring that a warrant must first be obtained, the procedures under which it is to be obtained, and other necessary regulations. Congress did not do so and we refuse to accept that duty."

Hallelujah! But let me add this: No rational critic of OSHA can oppose the general purpose—to promote safe working conditions in American industry. The purpose is fine. But on the record, OSHA's costly programs have accomplished little. The inspectors function as police, prosecutors, juries and judges. To this arrogant outfit, such constitutional protections as due process, jury trial, and Fourth Amendment rights are meaningless. The agency's inspections are so haphazard that a company could go 10 or 20 years without seeing an inspector. Injuries ordinarily are to be deplored, but in crippling this outfit, the Western judges have performed a splendid service.

GOLDEN JUBILEE OF STS. PETER AND PAUL CHURCH, WARREN, OHIO, AND HONORING THE RT. REV. MSGR. SYLVESTER HLADKY, V.F., ON THE OCCASION OF HIS 40TH ANNIVERSARY TO THE HOLY PRIESTHOOD

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. CARNEY. Mr. Speaker, on Sunday, October 17, 1976, Sts. Peter and Paul Church of Warren, Ohio, celebrated its golden jubilee together with the 40th anniversary to the holy priesthood of the Right Reverend Monsignor Sylvester Hladky, V.F.

The Sts. Peter and Paul Parish was founded through the zealous efforts of a young seminarian, Rev. John Rommack on January 7, 1925. On this day, the first divine liturgy in the Byzantine rite was celebrated in Warren, Ohio, at St. Mary's Roman Catholic hall by Rev. Father Ernest Shuba, pastor at St. George Byzantine Catholic Church in Youngstown, Ohio.

On August 26, 1945, the Reverend Father Sylvester Hladky arrived in Warren, Ohio and succeeded the Reverend Father John Stim, who was transferred to St. Nicholas Orphanage as chaplain. Msgr. Sylvester Hladky was born in Brooklyn, N.Y., in October 13 ,1909. After serving 3 years in the U.S. Navy, he entered St. Joseph Seminary in Canada, and was ordained to the holy priesthood on October 14, 1936.

During the postwar era, the parish continued to enjoy a rapid growth, expanding from the original 25 families in 1909 to more than 300 families. The need for a new church was more evident now than ever before. After a successful building fund campaign, the parish proceeded with the purchase of land upon which the new Sts. Peter and Paul Church was erected in 1950.

In the fall of 1955, classes began with a total enrollment of 72 pupils. With a building fund drive in the spring of 1956, the parish was able to construct a new school building in 1957 and expand its enrollment to 232 pupils. An additional 16 classroom building was constructed to accommodate the growing number of students; the new building was dedicated and blessed on November 20, 1969.

In 1961, Father Hladky celebrated his 25th anniversary to the priesthood and was elevated as dean of the Youngstown Deanery—an honor to the entire parish. On February 28, 1965, the Papal Honor was bestowed to the pastor, now Msgr. Sylvester Hladky. An additional honor was given to Sts. Peter and Paul Parish with Pastor being honored as papal prelate, giving him the title "the Right Reverend" on April 2, 1975.

It is indeed a privilege to extend my sincere congratulations to the parishioners of Sts. Peter and Paul Parish on this the golden jubilee of their church, and to the Right Reverend Monsignor Slyvester Hladky, V.F., on the occasion of his 40th anniversary to the holy priesthood.

Mr. Speaker, I insert the golden jubilee program of Sts. Peter and Paul Church in the RECORD at this time:

PROGRAM

3:45 p.m.: Procession and blessing of stained glass mosaic cross.

4:00 p.m.: Divine liturgy; pontificated by Metropolitan Archbishop Stephen J. Kocisko; concelebrated by pastor, Rt. Rev. Msgr. Sylvester Hladky, past assistants and vocations from parish.

5:45 p.m.: Recession and blessing of historical murals in school corridor.

6:00 p.m.: Audio visual presentation of parish history by children of parish.

Invocation: Rev. Michael Moran.

Master of ceremonies: Rev. Albert Klein.

Greetings from city of Warren: Mayor Arthur Richards.

Remarks: In the name of the parishioners, Dr. George Sudimack; in behalf of the Benedictine Sisters and parish school, Sister Margaret Mary OSB; in behalf of the clergy, Rev. Bruno Asturi.

Introductions: Paul Barran, cantor.

Address: Archbishop Stephen J. Kocisko, D.D.

Acknowledgment: Pastor, Rt. Rev. Msgr. Sylvester Hladky.

Benediction: Rev. Raymond Balta.

May we extend our thanks today to:

The Infant of Prague for all the Blessings showered upon our Parish. Everything we have, we attribute to the Infant Jesus.

All of our friends and benefactors of this parish.

All of the living founders of this parish, and ask that prayers be offered for the departed founders.

The Benedictine Sisters who have complemented the Parish by teaching at our school and molding our children after the heart of Christ.

Our Parochial school teachers and Sunday Religion teachers and the staff who conscientiously work for our school and church.

The parents of our children, past and present, who cooperated with their Church in educating their children in the faith, morals, and rite of their Church.

All of the organizations—Altar and Rosary Society, Ladies Guild, St. Benedict's Auxiliary, 400 Club, Home and School Association.

The Greek Catholic Union who financed our Parish projects.

Our faithful and dedicated Cantor for thirty-five years of service.

All of the parishioners who made this day possible because of their generosity, sincerity, cooperation and love of their Rite and their Church.

Our Metropolitan Archbishop Stephen Kocisko and all of the visiting clergy and past assistants for gracing this occasion today.

EDUCATIONAL ASSISTANCE FOR DISADVANTAGED STUDENTS IN HEALTH FIELDS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. ROYBAL. Mr. Speaker, Representative CLAUDE PEPPER, Representative ANDREW YOUNG, and myself intend to reintroduce our legislation providing for special health education programs for disadvantaged students on Tuesday, February 7. The purpose of this bill is to increase the number of students entering medical, dental, and health professions from disadvantaged communities.

Our legislation would authorize a research and demonstration program in which secondary students from deprived backgrounds can develop their reading, writing, math, cognitive, and communication skills. In this way, promising youths will be effectively encouraged and assisted in their pursuit of health careers.

This country has an obligation to fully develop our scientific and health resources among our entire population. That obligation must include the active recruitment of all talented and promising individuals. I am confident that the program contained in this legislation will promote the recruitment and training of students who would be most likely to return to their communities to provide health services.

At this point I would like to submit the text of a speech I delivered before the annual meeting of the American Association for the Advancement of Science in Boston, Mass., February 20, 1976. This conference addressed the absence of opportunity for minorities and women to enter the sciences and medical professions. The entire proceedings of the meeting are being published by Plenum Press, New York, N.Y.

My statement to the conference documents the great need for the legislation which my colleagues and myself will introduce next month:

AFFIRMATIVE ACTION: A CONGRESSIONAL PERSPECTIVE

(By Congressman EDWARD R. ROYBAL)

The essence of good government lies in its humanity—in its commitment to help the oppressed and the poor find economic well-being and equality.

Affirmative action is a manifestation of that commitment. Its justification derives from the history of exclusion and discrimination suffered by millions of Americans who have sought, and been denied, equal access to

employment and educational opportunity in this country.

Affirmative action seeks to correct past and present discriminatory patterns, and their effects. The concept dates back to the Wagner Act which forty years ago required "affirmative action" against employers whose anti-union activities violated the law. Title VII of the Civil Rights Act of 1964 has applied this concept to racial, national origin, and sex discrimination in employment.

Executive Order 11246, issued in 1965, barred employment discrimination in the federal government and by federal contractors and subcontractors.

In addition, title VI of the Civil Rights Act prohibited racial and national origin discrimination in the participation and enjoyment of benefits in federally assisted programs. In 1971 the Public Health Service Act barred sex discrimination in admissions to health-related training activities and schools of nursing. In 1972 title IX of the Education Amendments prohibited sex discrimination in most education programs.

EQUAL PROTECTION

The foundation for all of these laws emanates from the spirit and language of the Constitution. The fourteenth amendment, for example, guarantees "equal protection of the laws", and is designed to end the oppression of inequality and class privilege.

Under the aegis of the fourteenth amendment, affirmative action goes far beyond the simple condemnation of discriminatory and unequal policies. It is not enough for our instituitons to advertise as "equal opportunity employers" or promise an end to discrimination in hiring." By themselves these expressions are but paper assurances.

If "equal protection of the law" is to have meaning, it must include affirmative step to revere the status quo—to overcome the exclusion of minorities and women from the full enjoyment of health and medical opportunities.

Affirmative action also calls for a deep and lasting commitment on the part of our educational leaders to provide academic opportunity in all areas. But our institutions have yet to move in that direction. In fact, very little if any civil rights enforcement has been occurring at our campuses.

FEDERAL FINDINGS

1. In a 1975 report, the General Accounting Office (GAO) concluded that the Department of Health, Education, and Welfare "has made minimal progress in making sure that colleges and universities have acceptable affirmative action programs." It cited HEW's failure to send "show cause" notices to noncomplying institutions; failure to conduct pre-award reviews; overly prolonged negotiations; and failure to adequately enforce the program at the Berkeley campus.

2. In 1975, the House Subcommittee on Equal Opportunities held extensive hearings on affirmative action at higher educational institutions. The subcommittee found "no evidence to indicate that academic institutions are so unique as to warrant equal employment regulations different from other Federal contractors and insisted that there be no 'special cases' in the enforcement of the Executive Order." The subcommittee noted also that the enforcement of equal opportunity at institutions of higher education has been ineffective and Federal contract compliance deficient.

3. The U.S. Commission on Civil Rights found, that same year, that "the inadequacy of HEW's enforcement effort . . . permits the continuation of practices which result in the denial of equal education and employment opportunities to women and minorities."

It noted that HEW had failed to carry out "indepth and regular" compliance reviews of higher institutions receiving federal funds. Over a 10-year period, HEW had reviewed less than 30 percent of all campuses covered under title VI. Further, the Commission found that during fiscal year 1974, HEW conducted compliance reviews of only 6 percent of campuses covered under the Executive Order.

Like GAO, the Commission expressed concern over HEW's consistent failure to issue show cause notices to non-complying institutions. For instance, from 1971 through 1974, HEW issued only two articles despite the uncovering of numerous violations.

The Commission was critical of HEW's willingness to accept only the assurances of institutions to develop affirmative action plan, although the standard of compliance has always been the actual existence of the plan. HEW's retreat displayed a kind of convoluted logic involving a plan to have a plan, which was given classic expression in the belabored Berkeley agreement.

4. There has been very little evidence of a federal or institutional commitment to equal opportunity in the health area. Most educational institutions lack any formal and effective mechanism to ensure that federally funded training and research activities on campus actively involve minorities and women.

The National Institutes of Health spend well over $2 billion for health research and training; $123.5 million will go directly for training activities this year alone. Despite this sizeable infusion of federal funds each year, NIH has yet to conduct pre-award checks or to monitor grantee institutions to determine the adequacy of their equal opportunity efforts.

The National Cancer Institute controls 15 percent of NIH's training budget; and yet it conducts no monitoring, only "public relations" which it has assigned to its equal employment office.

The same pattern of indifference exists among other health related agencies. The Office of Human Development spends $22 million a year for the training of 9,000 rehabilitation workers in such areas as mental illness, medicine, nursing, counseling, and speech pathology and audiology. And yet agency officials admit that they conduct no pre-award checks.

ABSENCE OF OPPORTUNITY

What we clearly have is an absence of substantial opportunity for minorities and women to enter the sciences and medical professions.

1. An analysis of data furnished by the National Academy of Sciences shows that minorities are severely under-represented in federally funded graduate training programs. Although minorities comprise nearly 20 percent of the total population they represent only 5 percent of graduate recipients. (Black Americans constitute 2.7 percent; Mexican Americans and Puerto Ricans, 0.8 percent; American Indians, 0.6 percent; and Asian Americans, 0.9 percent.)

Further, the data reveal only a slight increase in science and engineering Ph.d.'s for minority citizens. Over a 40-year period minority representation in this area has moved from an imperceptible 0.6 percent for Blacks and Latinos to a marginal 1.4 percent.

2. Despite the fact that the federal government provides nearly $1 billion in medical financial support, minority enrollment in the health professions remains deficient. For academic year 1974–1975, Black and Latino enrollment in medical schools represented 7.8 percent, with 1.5 percent Latino. Further, Black and Latino first year enrollments showed a decline from 9.5 to 8.8 percent for 1975–1976.

3. And Black and Latino enrollment in public health schools comprised only 7 percent of total enrollment for 1974–75.

4. In the field of physician assistants the level of Black and Latino graduates is expected to decline from 7.3 to 4.6 percent in 1976.

5. In the employment area, we find a similar pattern of under-representation. Equal employment data (1974) for nearly 4,200 employers in the area of health services show that Blacks and Latinos are severely underrepresented in the health professions. Blacks comprise only 4.4 percent and Latinos 1.8 of health professional staff. While their employment picture improves for white-collar and office manager positions, they remain relegated to the lower occupational categories.

Similarly, recent figures on federal employment show that Blacks & Latinos represent only 5.4 percent of the 8,300 medical and dental officers employed governmentwide. Further, Latinos comprise only 1.4 percent of the Health Services staff and less than 1 percent in Health Resources and in Alcohol, Drug Abuse & Mental Health. Further, Latinos represent 0.6 percent in the entire National Institutes of Health.

ACADEMIC STANDARDS

It has been argued that facts and figures do not justify changes in admission standards and the pursuit of academic excellence, that these ideals must be preserved at all cost. But such an argument suffers from some basic flaws.

First, the argument implies that changes in standards are detrimental. This position reflects a status quo mentality—one which lacks critical self-analysis which is a prerequisite of a scientific approach. What are these standards? They are highly subjective impressions that lack validation, and are based on judgments of who shows greatest intellectual or creative promise, or who would be the most effective health practitioner. But the danger is that such standards of merit are likely to reflect the particular biases of the white-dominant educational elite that selects the students and faculty.

The argument also ignores a basic educational ideal to which we have already committed billions of federal dollars—and that is, to fully develop our scientific and health resources among our entire population. That includes the active recruitment of talented and promising minority individuals. If it means the establishment of special recruitment and outreach efforts, or of extended educational and entry programs, then it must be done and can be without jeopardizing standards. For the consequence would be a return to white-only medicine and the inestimable loss of talent, resources and excellence of those with minority backgrounds.

The argument overlooks the recent findings presented in the Journal of the American Medical Association (December 1975). The Journal reports that the retention rate among minority students in medical schools was "at a high level of most groups". For minority students enrolled in Medical Schools in the past three years, the retention rate was 94%.

A 1975 study of Chicago medical students showed that 85 per cent came from the top third of their high school classes, which compared favorably with figures on non-minority students.

The point that needs to be hammered over and over again is: How can we continue to justify such a tremendous loss of talent and potential by ignoring the 20 percent minority and 50 percent female population in this country? How can we continue to deny equal access and opportunity to a large segment of our taxpaying population who support the administrators, the researchers, the health practitioners and teaching professions at our educational and medical institutions?

FINANCIAL AID

The fact is that minority students are doubly faced with the economics of obtaining an education, especially in the medical professions. Minority families do not have the financial resources to help cover tuition

and other related expenses. The data shows that these families represented only 3.5 percent of the total reported family contributions to student assistance during 1973–74.

In a study of midwestern colleges, one researcher found that 80 percent of minority students needed financial support; and that over three times as many minority freshmen, as compared to other freshmen, needed full financial assistance.

A recent sampling of Los Angeles city high school graduates revealed that only 60 percent of low-income area students who were eligible to enroll at the University of California or similar institutions were able to do so; 27 percent went to work. By contrast, 80 percent of eligible students from high-income areas entered four year colleges; only 9 percent went to work.

It is very likely that this negative economic pattern will continue, especially during periods of high unemployment which have a disproportionate effect on minority families.

As devastating as this situation may be, President Ford proposes to add insult to injury by cutting student assistance in the health professions by 50 percent. The President's budget would—

Abolish supplemental opportunity grants and direct loans for students;

Reduce work-study funds by 50 percent while raising the institutional matching share from 20 to 50 percent; and

Cut back on special programs for the disadvantaged and eliminate university community services.

In addition, the President's budget seeks a 37 percent reduction in health services to our communities. In line for cuts are programs for maternal and child health, emergency medical services and community health centers.

The executive budget calls for a 36 percent slash for community mental health and alcoholism services, and completely eliminates health grants to the state.

If implemented, these proposals will cause a drastic retreat in student assistance and health services for the disadvantaged. They spell disaster for those students and families already crippled by lack of economic and health resources. As long as health and other living expenses skyrocket, and student financial assistance dwindles, the level of minority enrollment and graduation, particularly in the health professions, will decline.

RECOMMENDATIONS

This is, indeed, a pessimistic reflection on the current state of affirmative action and equal opoprtunity in this country. It is for this reason that our colleges and universities must be firmly committed to actively involve minorities and women at all institutional levels, including the positions of leadership and decision-making.

I recommend that educational and health institutions be willing to—

Conduct a self-analysis of the minority and female composition of the student body, faculty, and administration, to identify areas of deficiency and their causes;

Evaluate admission standards and employment prerequisites such as degree attainment, publication achievements and tenure;

Develop goals and timetables for overcoming under-representation;

Develop a plan of affirmative action in the area of educational services, financial assistance, and research and training opportunities;

Provide for the involvement of minorities and women in the development and assessment of all affirmative goals and studies;

In the case of publicly supported systems of higher education, develop a statewide plan of educational opportunity for all students;

Develop year-long cooperative educational programs with local school districts to encourage and train minorities and females to enter the health and scientific fields;

Develop close working arrangements with community organizations in fostering recruitment and outreach programs for disadvantaged students; and

Require an annual self-evaluation to determine areas of success and failure in meeting affirmative action and equal opportunity objectives.

It is clear that these recommendations, if fully realized, would cause changes in institutional leadership and decision-making. This is, to a great extent, the reason for current reluctance and resistance to affirmative action. And yet the pursuit of excellence requires us to bring new perspectives and ideas into our institutions of higher education. The pursuit of excellence demands that we actively recruit and seek out new talent and creative minds from the untapped and disadvantaged communities of this nation. This is the significance and necessity of affirmative action.

HOUSE OF REPRESENTATIVES—*Thursday, January 13, 1977*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God is spirit, and they that worship Him must worship Him in spirit and in truth.—John 4: 24.

"God of the strong, God of the weak,
Lord of all lands and our own land,
Light of all souls: from Thee we seek
Light from Thy light, strength from Thy hand."

Renew in us the spirit that makes us fit to live with ourselves, ready to live with those we love, and willing to live graciously with those about us.

Make us equal to our tasks, just in our exercise of power, generous in our ministry to the needy, and good in our relationship with all people.

Guide the Members of this House of Representatives with Thy wisdom this day and all days; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

STATEHOOD FOR EXXON

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, some have suggested rather than Puerto Rico, that Exxon be granted statehood. If it were a State at least the American people would have something to say about the election of its officers and its policies that so deeply affect the lives of all of us. As I oppose nationalization, this idea may have some merit.

Then there are those who feel it and other giant corporations should have full sovereignty. They resemble foreign nations in almost all things except full control of a specific landmass.

If Exxon were a foreign nation we could at least have treaties of alliance with it, and so protect it from other foreign nations, such as Saudi Arabia, which is now invading its corporate boundaries by ordering it to set prices to other foreign countries, including the United States. We cannot allow Exxon to be pushed around. Are we faced with another Munich?

CUT REDTAPE AND PAPERWORK

(Mr. STEED asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEED. Mr. Speaker, as I mentioned in my first in a series of short speeches, on reducing Federal paperwork, I shall be discussing specific paperwork problems and how the Commission on Federal Paperwork is working to solve them.

However, I should first like to discuss how the Congress can and must cooperate if we are to significantly reduce the paperwork burdens now being borne by the American people.

Congress, over the years, has become increasingly aware of the need for paperwork reductions on a significant scale. This awareness for reform has increased as the blizzard of Government forms and reports has intensified.

In 1934, Congress created the National Archives. However, its job was mainly concerned with storage and disposal of paperwork. In 1942 Congress passed the Federal Reports Act. This was an attempt to coordinate Federal statistical reporting and programs. The Bureau of the Budget was given clearance authority over Government reports. In 1950 Congress passed the Federal Records Act, which created the National Archives and Records Service—a service which became the initiator of improvements in records management.

On the face of it, this seems to be an adequate effort to manage and control paperwork proliferation. However, the Records Act did not control proliferation. From 1950 to 1968 the amount of paperwork grew from 3 to 4.5 million cubic feet a year. By 1972, files contained nearly 7 million cubic feet of new records. The Second Hoover Commission tried in 1952 to identify and make recommendations to solve paperwork problems. Since that time, Federal paperwork has more than doubled. In 1973 Congress brought the General Accounting Office into the paperwork management act. Unfortu-

nately, the problem continues to get worse instead of better.

In 1974 Congress established the Commission on Federal Paperwork, a special body whose mandate was to identify and rectify specific paperwork proliferation problems, plus design improved paperwork management systems. However, in order to achieve any lasting reduction in the rate of paperwork growth, the Congress must become not only an active partner in legislating reforms in the executive, but must also become an active partner in reducing paperwork created by the Congress itself.

Pension reform legislation—ERISA—is a good example of how Congress, guided by the highest motives, has created a paperwork jungle which has actually stifled the growth of new pension programs, and been the direct cause of the death of many others.

The Commission on Federal Paperwork has studied this program and made significant paperwork reduction recommendations. I shall treat of that effort in separate remarks. However, I do want to use that program to make my point—and that point is the Congress is at the source of a great deal of the needless paperwork proliferation we are fighting today.

The Congress, throughout the entire legislative process, from introduction of a bill, through hearings, through markup, through debate and through conference, must continually be aware of what magnitude of paperwork might be created by proposals and amendments under consideration.

A number of colleagues and myself are preparing legislation which will require that a paperwork impact statement accompany each proposal and amendment as they go into report format. It is my understanding that a companion bill will also be introduced. At the appropriate time, I shall alert the membership for purposes of cosponsorship.

I do not submit to my colleagues that inclusion of an impact statement will solve all our problems. I realize there will be some initial problems in determining what the costs and burdens of certain programs and paperwork requirements will be. However, we must make a start—a start in reducing paperwork proliferation stemming from congressional inadvertence—a start in increasing our "paperwork awareness" both as an institution and as individual lawmakers.

Congress, as a significant part of the paperwork proliferation problem, must increasingly become a great part of the solution.

DEFENSE PRODUCTION ACT AMENDMENT

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am today introducing legislation to amend the Defense Production Act of 1950 to include synthetic fuels which may be used as fuels under title III of that act. This bill also does something very important in addition. It gives all U.S. industries, large or small, the confidence—security if you will—they need to invest the vast amounts of money required to produce and develop synthetic fuels.

Each year across this country, the shortage of natural gas worsens. In 1974, our shortfall in supply was 14 percent. In 1975, it rose to 18 percent. This year it was predicted to rise to 22 percent. In the past, we have been able to shield ourselves from the impact of this annual shortfall because we have had the good fortune of mild winter seasons. It now appears that if our shield has not been penetrated, it is being sorely tested. News accounts in recent days warn of potential severe curtailment of gas for several Midwestern State areas, and the forecast of more frigid weather the remaining winter months is undiminished and unlike oil, we cannot erase the shortfall by increasing our imports.

Mr. Speaker, we need, and need desperately, a good synthetic fuels program. We need some kind of synthetic fuels made from nonpetroleum feedstocks. We have the technology and know-how to produce such fuel. We should be well on the way toward establishment of such a capability, and yet, we are not moving in that direction.

Why is this so? Simply stated, what is lacking is some assurance the synthetic fuels industry would not go under if import prices were to drop. Time and again, companies with strong interest in this energy field have indicated their willingness to take reasonable risks, but so much investment is required their entire future might be jeopardized if the Nation does not stand behind them.

Mr. Speaker, this amendment to the Defense Production Act would establish a type of insurance program for synthetic fuels. It would be called into force only if prices were to drop below current import quotations. It would, nevertheless, assure the producer, and the users, of a dependable, uninterruptible source of energy.

Mr. Speaker, let us consider what events might have been had we the capacity to turn to a synfuels plant production system today. Such a system could effectively service a large portion of our industrial natural gas users. I am talking about companies producing steel, chemicals, glass, and the like. Many of them are labor-intensive. They face the prospect of curtailment of supply on an almost day-to-day basis. The prospect of interruption makes it difficult to plan for increasing plant capacity. A synthetic fuels system could eliminate that frustration and replace it with confident expectations of energy supply. But beyond meeting industrial user needs, this same synthetic fuels system would permit natural gas to be diverted for increased use in the home; homes, incidentally, not scheduled to be built this year, or next year, unless adequate new supplies of natural gas are developed.

Mr. Speaker, I am hopeful the legislation I have introduced today will increase the awareness of the Members of Congress concerning our national need for adequate and sustaining sources of synthetic fuels. A severe natural gas shortage will continue to plague our industries and threaten our commerce until effective substitute fuels are developed.

Mr. Speaker, these are problems we can overcome, but to do so, we must be persistent in our efforts. Unless we are, we will only continue to further spill our demand for energy into an already overtaxed petroleum market. Until we do, we will continue to rely more and more upon imports.

The text of the bill follows:

H.R. 1880

A bill to amend the Defense Production Act of 1950 to include synthetic fuels which may be used as fuels under title III.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Defense Production Act of 1950 (50 U.S.C. App. 2060 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 305. (a) To assist in carrying out the objectives of this Act, the President, upon the recommendation of the Secretary of Commerce, may make provision (1) for purchases of or commitments to purchase synthetic fuels which may be used as fuels for Government use or resale; and (2) for the encouragement of development and production of such fuels. For purposes of this section synthetic fuels shall mean fuel produced by the conversion of renewable and nonrenewable resources, including, but not limited to, products produced from coal gasification, coal liquefaction, shale, lignite and other mineral gasification, liquefaction or other conversion, and the conversion of any organic material into fuel.

"(b) Purchases and commitments to purchase and sales under subsection (a) may be made without regard to the limitations of existing law, for such quantities, and on such terms and conditions, including advance payments, and for such periods, but not extending beyond June 30, 1990, as the President deems necessary, except that purchases or commitments to purchase involving higher than established ceiling prices (or if there be no established ceiling prices, currently prevailing market prices) or anticipated loss on resale shall not be made unless it is determined that supply of the products could not be effectively increased at lower prices or on terms more favorable to the Government, or that such purchases are necessary to assure the availability to the United States of overseas supplies.

"(c) If the President finds—

"(1) that under generally fair and equitable ceiling prices for any raw or nonprocessed material, there will result a decrease in supplies from high-cost sources of such product, and that the continuation of such supplies is necessary to carry out the objectives of the Act; or

"(2) that an increase in cost of transportation is temporary in character and threatens to impair maximum production or supply in any area at stable prices of any products;

he may make provision for subsidy payments on any such domestically produced product in such amounts and in such manner (including purchases of such material and its resale at a loss without regard to the limitations of existing law), and on such terms and conditions, as he determines to be necessary to insure that supplies from such high-cost sources are continued, or that maximum production or supply in such area at stable prices of such products is maintained as the case may be.

"(d) The procurement power granted to

the President by this section shall include the power to transport and store and have processed and refined any products procured under this section.

"(e) When in his judgment it will aid the national defense, the President is authorized to install additional equipment, facilities, processes, or improvements to plants, factories, and other industrial facilities owned by the United States Government, and to install Government-owned equipment in plants, factories, and other industrial facilities owned by private persons.

"(f)(1) Notwithstanding any other provision of law to the contrary, products acquired pursuant to the provisions of this section which, in the judgment of the President, are excess to the needs of programs under this Act, shall be transferred to the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h), when the President deems such action to be in the public interest.

"(2) Transfers made pursuant to this subsection shall be made without charge against or reimbursement from funds available under the Strategic and Critical Materials Stock Piling Act, except that costs incident to such transfer other than acquisition costs shall be paid or reimbursed from such funds, and the acquisition costs of such metals, minerals, and materials transferred shall be deemed to be net losses incurred by the transferring agency and the notes payable issued to the Secretary of the Treasury representing the amounts thereof shall be canceled. Upon the cancellation of any such notes the aggregate amount of borrowing which may be outstanding at any one time under section 304(b) of this Act, as amended, shall be reduced in an amount equal to the amount of any notes so canceled.

"(g) Except with the approval of the Congress, the total obligation of all agencies under contracts, discounts, advances, or commitments in connection therewith, entered into under this section shall not exceed $2,000,000,000.".

SEC. 2. (a) Section 304(a) of the Defense Production Act of 1950 is amended by striking out "and 303" and inserting in lieu thereof ", 303, and 305".

(b) Section 304(c) of the Defense Production Act of 1950 is amended by striking out "and 303" and inserting in lieu thereof ", 303, and 305".

SPEECH ON HUMAN RIGHTS BY JIMMY CARTER, UNIVERSITY OF NOTRE DAME, OCTOBER 10, 1976

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, one of the most significant speeches delivered during the 1976 campaign for the Presidency of the United States was that of Gov. Jimmy Carter on October 10, 1976, at the Center for Civil Rights and the Law School of the University of Notre Dame.

On this occasion, for which I was privileged to be present as it was in the congressional district I have the honor to represent, Governor Carter spoke eloquently of the need to consider human rights not only in our own country but in the conduct of our foreign policy.

Of course, Mr. Speaker, what Governor Carter had to say during the campaign takes on greater importance as he is next week to become the 39th President of the United States.

Because Governor Carter did not speak from a prepared text, I ask unanimous consent to insert in the RECORD the transcript of his remarks of October 10, 1976, and I also include the introduction of Jimmy Carter by the distinguished president of the University of Notre Dame, the Reverend Theodore M. Hesburgh, C.S.C.

The text to which I refer follows:

SPEECH ON HUMAN RIGHTS BY JIMMY CARTER, WITH INTRODUCTION BY REV. THEODORE M. HESBURGH, C.S.C., OCTOBER 10, 1976

(Sponsored by the Center for Civil Rights and the Law School of the University of Notre Dame, Center for Continuing Education University of Notre Dame, Notre Dame, Ind.)

INTRODUCTION OF JIMMY CARTER

(By Rev. Theodore M. Hesburgh, C.S.C.)

Ladies and gentlemen, I would first of all like to welcome Governor Carter to this University. As all of you know, each time that we have a presidential election, I invite the two presidential and vice-presidential candidates to come to the University, hopefully to tell us something of where they stand on some moral issue of their choice. We had Senator Mondale earlier who spoke about the plight of human rights in international affairs, and today we are happy to have Governor Carter. I'm sure he will say something—this being Sunday morning—of his own moral concern, and I welcome him to do that on your behalf and on mine, too.

I've already told Governor Carter this, that once the emotion of the campaign is over, I'm going to ask Dean David T. Link of the Law School to plan a national conference on abortion, bringing in people who want to discuss that subject fully and completely. I think that in the kind of rational and civil atmosphere that the University represents, we can bring some wisdom to bear upon this problem and improve it from what it is today to what it might be in America.

Both candidates say that this campaign offers a choice on real issues as never before in this century. However, most campaign rhetoric tends to be negative and does not always get to the heart of the problem. No one likes to look at the heart of darkness. The real solutions are painful and even speaking about them is not the best way to make friends and win votes. But the issues do remain.

I think today, ladies and gentlemen, the domestic problems of four years ago are still with us. There are some more international problems with us as well. All of these domestic problems in a very real sense are interlocking, part of the total organic structure and reality of what we call the quality of American life, or the lack of it. To the extent that they are unresolved and continue to exacerbate millions of Americans daily and mar their lives, America lives in contradiction of its highest expressed ideals of liberty and justice for all. I think today, four years later, these problems are not just still with us, many of them are much worse.

I am happy today that one of the candidates for President of the United States, perhaps the most awesome and powerful office in all the world, wants to speak to us about his concern in this particular area. I can promise you, Governor, that here you will have an audience who will listen and listen very hard. We are delighted to have you with us.

HUMAN RIGHTS

(By Jimmy Carter)

First of all, I want to say how proud I am to be at Notre Dame, particularly because of what this University has always been, what it's meant to the consciousness of our country—its constant probing for a better means to tap the innate goodness of America, especially as it has been personified in the last 25 years by the great leadership of Father Ted Hesburgh. He is a man who has been an inspiration to many of us. Those of us who lived in the South during the early part of the civil rights struggle that is still going on have a great admiration for him. I know about his concern for the less fortunate, the weaker, for those who are the underdogs, and I hope he will carry this same concern into the Notre Dame-Georgia Tech football game that is going to take place next week.

Our country has come a long way in the last 200 years. We are still a young country, and a lot of us look back on the history of our nation with a great deal of appreciation for the wisdom and the deep commitment of our founding fathers. We tend to think that George Washington, Thomas Jefferson, Benjamin Franklin, and John Adams were all perfect. The concept we have of our country is one that is without blemish, with a deep commitment and, perhaps for the first time, a real concern about human rights, liberty, and freedom on the one hand and equality of opportunity on the other.

Liberty and equality

Down through the ages, though, those two have quite often been incompatible. When you had complete liberty, the strong overpowered the weak. When you guaranteed equality, the government had to take away the freedom that accrues in a competitive society. We laid the groundwork, but our country was not perfect. It was founded on the concept of slavery for black people, and it was 100 years before we cast off that milestone around our neck. Women didn't have the right to vote, young people didn't have the right to vote, and the people didn't have a chance to choose their own United States Senators directly.

But down through the years we have tried to change to make this a better society for our sons. We have had times of success and times of failure, times of legitimate pride and times of legitimate embarrassment and shame. In the last few years we have suffered as a country, and I think all of us realize that the question of supporting human rights throughout the world is a very difficult one. It requires a balancing of tough realism on the one hand and idealism on the other, of our understanding of the world as it is and the world as it ought to be.

The question, I think, is whether in recent years we haven't been too pragmatic, too cynical, and as a consequence have ignored those moral values that have always distinguished the United States of America from other countries. Over the years our greatest source of strength has come from our basic, priceless values which are embodied in our Declaration of Independence, the Constitution of the United States, our Bill of Rights, and which involve freedom of religion, freedom of speech, freedom of expression, movement, and an unchanging commitment to basic human dignity.

Living up to our ideals

Recently, however, we have not lived up to our ideals. I know of no great nation in history that has more often conducted itself in a moral, unselfish, generous manner abroad, and provided more freedom and opportunity to its own citizens at home. Still, in recent years, we have had reason to be troubled. We stumbled into the quagmires of Vietnam, Cambodia, Chile, and Cyprus, and we responded inadequately to the human suffering that we recognized in places like Bangladesh, areas of Northern Africa, and in other underdeveloped, struggling, and sometimes starving nations. We have allowed virtually unlimited sales of American weapons overseas. As I said in the debate the other night, we have become the arms merchant of the world.

This is a policy that is both cynical and dangerous. We have in effect condoned the efforts of some Arab countries to circumvent the commitment of our Bill of Rights and boycott American businesses who trade with

Israel or who have Jewish owners or managers within the businesses themselves. This is an unprecedented thing that we have accepted. We have failed to oppose the denial of human freedom in Eastern Europe and in the Soviet Union. Now I don't say that these things are simple issues, but there are practical and effective ways in which our own power can be used to alleviate human suffering around the world. We should begin by letting it be known that if any nation, whatever its political system, deprives its people of basic human rights, that fact will help to shape our own people's attitudes toward that country. If other nations want our friendship and support, they must understand that we want to see basic human rights respected.

We must, at the same time, be realistic. As John Kennedy said, and I quote, "We must keep the world safe for diversity." We should not insist on identical governments in all nations of the world who accept our standards exactly, but we cannot look away when a government tortures its own people or jails them for their beliefs, or denies minorities fair treatment or the right to immigrate or the right to worship.

Father Hesburgh served, as you know, on the Commission on Civil Rights at the time when the South was struggling to grant equality of opportunity, the right to vote, the right to hold a job, and the right to buy homes, to black people.

As I said recently in Salt Lake City and as I have said many times in Alabama, Mississippi, Louisiana, the Carolinas, Tennessee, Florida, and Georgia, the best things that ever happened to the South in my lifetime were the passage of the Civil Rights Acts and the guarantee to black people of the chance for equality. We still have a long way to go in our own country, but we are making progress, and now I think it's time for us to reassert those basic commitments at home and also to let them be an undeviating guiding light for us abroad.

The world looks for leadership

The world looks for leadership, and when there is a vacuum of leadership it's going to be filled somehow. I'm a nuclear engineer, a physicist, and also a politician, and the vacuum is going to be filled. It's going to be filled either with freedom or slavery, with hope or with despair, with democracy and liberty or with dictatorships. I would like to see the world's vacuum filled without domination but with inspiration by my own country. We must reassess our own foreign aid program to make sure that when money does leave our nation it goes to those who need it most. As Richard Gardner, one of the great analysts of the United Nations, said, "I'm not in favor of taxing the poor people in a rich country and continuing to send the money to the rich people in the poor country." But there are many needs that can be met with sound management and with an undeviating commitment to alleviating suffering. Not only food, but the quality of our environment and the health of people around the world can be aided to a substantial degree by leadership and direct aid from our own country. We now spend three tenths of one percent of our gross national product on foreign aid. Other countries spend much more—5 or 7 tenths of one percent. The Soviet Union spends only 1 tenth of one percent. So all the nations in the multinational commitment, if provided proper leadership, could be successful in alleviating a great deal of the suffering and deprivation that exists. We ought to speak out forcefully whenever there is human torture in the world. And I believe that this would restore not only the faith of our own people in our own government but also help to alleviate that torture, even in the most totalitarian nations of all.

We should insist on majority rule

We should insist on the concept of majority rule. In Africa we have come in late. For a long time we were committed under National Security Memorandum No. 39 to supporting minority white governments. Only during this election year has our nation moved in any degree toward supporting the long-standing effort to guarantee majority rule in Africa, and there are many other places of deprivation in the world which haven't yet experienced the concept of majority rule.

Cyprus is another situation that we need to address in a humanitarian way and with a well-balanced commitment to the preservation of peace, which would help stamp out religious persecution. While many people understand this, there are still Jews who want to leave the Soviet Union, and there are 5 million Baptists in the Soviet Union who have felt oppression because of their religious commitments.

We ought to stand staunchly against the deliberate violation of law. In the last few years we have seen the disgraceful spectacle of our own government condoning—sometimes even encouraging—multinational corporations engaging in bribery of foreign officials. This is a disgrace to our country that should not be permitted to continue.

The United Nations passed a Genocide Convention 25 years ago; we still have not ratified that convention. It also passed a basic convention on the protection of human rights—civil rights; we still have not ratified that convention. And we ought to move the best we can to stamp out international terrorism as well. There are many things that we can do, and I suggest that this Center here, as it shifts its goals from strictly domestic civil rights—which are still very important—to a broader concept of all human rights—and I hope this will be done expeditiously and I will help you if I am elected President—can be a beacon to our own country and to the world for a constant assessment of what can be done in a world that we acknowledge to be imperfect.

A new era of voluntarism

There is one other area that I would like to mention this morning. We can tap the great resources of our country in the defense of human rights, yes. But that's only one aspect of an area where voluntarism can come in. I would just like to take a few minutes to talk to you about that subject. It's a subject I think that has always been of particular interest to young people whose idealism has not been dampened by long years of frustration. If I am elected President, I hope to bring a new spirit of optimism, patriotism, and self-sacrifice to America. That happened in 1933 when Franklin Roosevelt became President, and it happened again in 1961 under John Kennedy. I believe it can happen again under a Carter administration, if we can succeed in restoring public trust in our own government.

I hope that one manifestation of this renewed national spirit would be a new era of voluntarism with Americans working to help others on an unprecedented scale. We saw an example of this when John Kennedy began the Peace Corps. We all remember the excitement of that era. My mother, at the age of 68, joined the Peace Corps and went to India to serve for two years, coming back after she was 70 years old. I know what it meant to our community and our family and to her life just to feel that she was doing something worthwhile, even at that advanced age. I would like to see that concept revitalized along whatever grounds are most pertinent and appropriate in today's international realities.

But even more importantly, I would like to see an outpouring of volunteer effort within our own country. We all know that there are needs, very deep needs. I worshipped this morning at the Retardation Center at the edge of your campus.

I noted that many students from Notre Dame participate in that volunter effort to take care of retarded children who are severely afflicted. And there is an outpouring that needs to be made too in schools, particularly our poor schools, in hospitals of all kinds, in day care centers, in mental institutions and prisons and law enforcement agencies, in parole and probation efforts, on Indian reservations, in local, state, and federal government agencies, and in many other places.

The potential volunteers are there

The potential volunteers are there, too. People of all ages. Students, housewives, business people, retired people, and many others. What has been lacking in the past is motivation. It is not enough for a President to call for voluntarism, he must create a climate in which our people want to help others and are proud to help their country in the process. We don't need a new federal bureaucracy to do this. We must use the structure of existing agencies and we will also stress the support of existing private, volunteer programs. What is needed is Presidential leadership that will encourage and honor volunteer service. I think that retired people and young people in particular are a vast untapped resource. We now spend countless hours in idleness and on personal diversion of many kinds. I would like to see us divert some of our time and some of our energy to helping others. I believe that Americans will do this gladly if volunteer work is given proper respect and proper recognition.

There is much that needs to be done in our society. More than government itself can ever hope to accomplish. But there is little that cannot be done if the American people roll up their sleeves and set out to do these things. If I become President, I will make every effort to channel the idealism, the compassion, and the energies of our people into good works of which we can all be proud.

Father Hesburgh: America, once again a beacon light of hope for all humankind

We Americans pride ourselves on self-reliance. We pride ourselves on the adherence to unchanging principles. We pride ourselves on the ability to achieve unity within a concept of diversity. America is not a melting pot. We don't come here and lose our identity as we live among one another. It's more like a beautiful mosaic where every person is an individual and where we can harness the common efforts of those who have the inspiration and through this mechanism make our lives more meaningful. We must tap this tremendous strength in the two areas that I have covered briefly with you today: First, we must renew our commitment to civil rights-human rights domestic and around the world, so that our country may once again, as Father Hesburgh said at lunchtime, be a beacon light of hope for all human kind. And, secondly, we must tap the tremendous resources of the 250 million Americans who don't serve in government, who may not even get paid but who will make our own lives more meaningful in the service of others. That's a tremendous resource of strength waiting to be used.

Again, I want to thank you for letting me come to Notre Dame. This campaign has been a very good educational process for me. It has been going on now for 21 months and I've received an excellent education. I've made mistakes and I've learned how to correct them. But the constant inspiration to me has been the quiet strength of the American people who don't want anything selfish out of government, but just want to be treated fairly, who want to be legitimately proud once again of the greatest nation on earth, and who want to be part of the process of making the world a better place in which to live, particularly for those who have been deprived, who have been cheated, who have been forgotten, and who have been deeply hurt. A sense of brotherhood, a sense of sisterhood is there in the hearts and minds of the American people. I want to make sure that our government itself and

our nation as a whole tap that sense that exists in the minds and hearts of so many American people. Thank you very much.

RULES GOVERNING GALLERY SEATING SHOULD BE FOLLOWED

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. O'BRIEN. Mr. Speaker, on the heels of a fading administration's "Vale's" and on the threshold new administration's "Ave's I would like to direct the attention of the Members to some of the procedures which surrounded last night's rather touching, emotional event, the farewell state of the Union speech by the President.

Another Member and I with our wives and other members of our families came to the floor, well aware that the rules would permit only one ticket per Member, entitling each of us to one seat for a gust in the gallery overlooking the ceremony. The House was packed with non-Members, most of whom I had never seen before. I yielded my seat to a member of the diplomatic corps because I felt obliged to do so since they were guests of the House Members, and were also being crowded out.

Before the new President comes in, I suggest that the one who was responsible for that alien fire drill be dressed down, that the usual rules be followed, or that exceptions thereto be carefully reviewed and made known to all Members, not to just a few, before put into effect.

COMPREHENSIVE HEALTH CARE INSURANCE ACT

(Mr. CARTER asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. CARTER. Mr. Speaker, I am introducing today the Comprehensive Health Care Insurance Act—a proposal to extend health care insurance to all Americans.

As a member of the House Subcommittee on Health and Environment for 12 years, I have devoted much of my legislative effort to issues concerning our country's health care system. And as a physician, I have made a personal commitment to do what I can to help improve the health care of our people.

While we can be proud of the outstanding technological advances and high quality of American medicine, we also know that not every American now has access to that system of care. Moreover, the onset of major illness or accident can bring the threat of financial disaster to virtually any family. These are very real concerns which merit our careful consideration.

As a cosponsor of the Comprehensive Health Care Insurance Act of 1977, I believe this measure offers a workable approach to addressing these problems. In large measure, this proposal retains the expertise and experience of our existing private health care sector in both the administration and financing of the program. It is these proven skills and resources of the private sector which I believe we should build upon in developing a national health insurance program, and which should be supplemented only when necessary by Government.

This proposal embodies certain fundamental principles which I believe should govern our approach in the development of national health financing legislation. These principles, which I have supported in the past and will continue to promote in the future include:

First, the belief that every American should have an opportunity to obtain health care regardless of ability to pay;

Second, the belief that any reform of our present health system should be built on the strength and diversity of our existing pluralistic system;

Third, provision for comprehensive and uniform benefits;

Fourth, provision for a preventive approach to health care; and

Fifth, provisions or incentives to control costs and encourage more efficient use of our health resources.

I believe these principles are essential to the development and effective operation of a national health insurance plan, and I hope we will give them careful consideration when we examine various NHI proposals.

The Comprehensive Health Care Insurance Act would provide coverage to the great bulk of the American population through employer-employee financial arrangements by which not less than 65 percent of the premium would be paid by the employer. For any employers experiencing substantial increases in payroll cost as a result of offering qualified health care insurance to their employees, provision is made in the bill for a 5-year subsidy to these groups.

For those who are self-employed or unemployed, health insurance would be provided through an income tax credit or Federal certificate-of-entitlement system. Thus, this plan would correct one of the major weaknesses of our present system by removing financial barriers that in the past have denied some Americans access to high quality care.

Under this NHI proposal, with general revenues, the Federal Government would purchase care for the poor and unemployed who would receive the same benefit package as everyone else. While participation for employers would be mandatory, the system would remain essentially private. The employee is not required to accept his employer's insurance plan. He retains the right to choose the type of health insurance he believes best.

Now, let us take a look at the benefits of this proposed program:

First, the plan provides catastrophic protection for the entire population. It would remove—once and for all—that gnawing fear of bankrupting illness.

Second, it provides, during any 12-month period, for the following:

A total of 365 days of hospital inpatient care; 100 days of inpatient care in a skilled nursing facility; emergency or outpatient services customarily provided by a hospital; all medical care—diagnostic, therapeutic, or preventive—regardless of where such services are rendered.

Also, full dental care for children and emergency dental care for everyone; home health benefits; and many other services, including psychiatric treatment, well-baby care, X-ray and lab tests, and family planning.

The cost control mechanism of "coinsurance"—except for the poor—is incorporated into this plan. There is incontestable evidence that any health care system without some regulatory control is soon bogged down by the "worried well."

But the coinsurance factor will deprive no one needed care. The absolute maximum that any individual would have to pay would be $1,500; the absolute maximum for any family would be $2,000 in any given year.

Mr. Speaker, for any national health insurance plan to be viable. I am convinced we must depend heavily on the private sector for its financing, administration, and expertise. In particular, it is the pluralism of our private sector which has fostered the creativity and initiative characteristic of, and essential to, our free enterprise system. I believe that principle of pluralism must be maintained.

The Federal Government should limit itself to the purchase of health care for only those who need assistance, as the bill defines. We cannot afford to squander our National Treasury and taxpayers' dollars on those who can afford to purchase their own care. I support this approach of limited Federal financing because I feel we must not let the funding of a national health insurance program jeopardize our financial ability to deal with other urgent problems. We need to be prudent and fiscally responsible in whatever action we may take.

With that preamble, Mr. Speaker, I will now summarize the National Health Care Insurance Act of 1977:

SUMMARY OF COMPREHENSIVE HEALTH INSURANCE ACT OF 1977

FULL HEALTH CARE FOR ALL

The basic concept of this proposal is full health care for all persons through private health insurance. For many who are now employed and have some insurance protection, it will mean a substantial increase in allowable benefits that will assure that their health care needs will be met. Equally comprehensive benefits will be available to the poor and the indigent, through federal participation in the cost of insurance. A special program of supplemental insurance will provide like protection for the Medicare population.

EMPLOYER AND EMPLOYEE COVERAGE

Most persons will receive their health care protection under employer insurance programs fully financed by premium paid by employers and their employees. Employers will be required to offer the coverage, and participation will be optional for the employee. 65% of the premium will be payable by the employer (who could, if individually agreed upon, pay more than 65%) for the benefit of the employee (and family); the employee will pay the balance.

Individuals regularly working at least 20 hours per week, as well as full-time employees, will be entitled to this coverage.

For those employers, particularly any small employers, who will incur a substantial increase in payroll costs as a result of the new requirement to provide insurance for employees, federal assistance, over a period of 5 years, will largely alleviate the added

burden. Moreover, a government study ordered by the bill wil determine any need for continuing assistance.

SELF-EMPLOYED, NON-EMPLOYED, AND THE ELDERLY

Needs of the poor and the medically indigent will be met through a system of insurance premium subsidies providing either credits against income tax, or "certificates of entitlement" acceptable by carriers toward payment of premium. Such subsidies will be scaled according to income, and will pay all of the premium for some and a part of the premium for others.

A non-employed person or a self-employed person would buy health care insurance which is "qualified", that is, meets federally established standards and conditions of coverage affording a person (and family) full care—diagnostic, therapeutic, and preventive, in and out of the hospital. A person could choose to pay the premium, in which case, when computing income tax return at year-end, the individual would simply reduce the amount of income tax by the amount of credit to which the person is entitled. On the other hand, a person might choose, instead, to make an application for a certificate of entitlement. An individual's insurance company could provide assistance (if so desired), and even put the insurance in force pending receipt of the certificate (with the government guaranteeing payment of the premium during the interval between application and receipt of the certificate).

The amount of the federal contribution will be based on individual or family income, measured by income tax liability for the year preceding the year for which the purchase is made. A table incorporated in the bill will show for each level of income tax liability (in $10 intervals) the percentage of the insurance premiums which the government will contribute. Low income individuals and families having no income tax liability will be entitled to income tax credit (or a certificate) for the full amount of the premium; for other eligible persons, the entitlement will change gradually (within a range of 99% to 10% of the premium).

Since Medicare benefits fall short of the standard benefits provided in "qualified" insurance, special provision is made to offer "supplemental" insurance for the elderly. This will make available to them the full range of benefits provided for the under-65 population. The supplemental insurance premium will be supported by the federal government, in full for the aged poor, in part for the others, according to income.

CONTINUITY OF INSURANCE FOR THE UNEMPLOYED

Persons between jobs will be covered under a special program. All employer-sponsored insurance will provide coverage of employees and their families for 30 days following termination of employment. In addition, however, an individual will, during the period for which a person is entitled to unemployment compensation, be eligible for continuation of the same insurance held at the time of termination of employment, and such continuing insurance will be fully paid for by the federal government.

BENEFITS

Health benefits under the program are comprehensive and afford the basic needs as well as the catastrophic expenses that a family might encounter. Any person covered under the program will be entitled to all the hospital inpatient care a person might need, as many as 100 days of inpatient care in a skilled nursing facility, and all home health services. Each member of the family will also be entitled to full physician services, providing all surgical needs as well as general care, and a full range of preventive services, including physical examinations, immunizations and inoculations, and outpatient psychiatric care. Children under 7 will be fully covered for dental care, and this age limit will be raised each year so as ultimately to include all persons under 18. Adults will be covered for emergency dental care. But the plan will not pay for items normally excluded, such as comfort items or cosmetic surgery.

COINSURANCE REQUIREMENTS

To keep costs down, and as a curb against over-utilization, individuals will be subject to a payment of 20% (called "coinsurance") of health benefits derived. However, the total coinsurance which a family will have to pay in any year will be limited according to its income. The poor will pay no coinsurance, others will pay a maximum in any year of 10% of income reduced by a "coinsurance deduction" that will assure that the obligation for coinsurance will increase only gradually as income rises. In effect, a family of four with a total income of $4,200, with no income tax liability, will be exempt from coinsurance. At $4,300 of income, the coinsurance limit would be 10% of the additional $100 of income, or $10; at $10,000 the limit would be $580. In no case could the annual coinsurance limit be more than $1,500 for an individual or $2,000 for a family. The limitation on coinsurance triggers the catastrophic expense protection, for health services are free of coinsurance when the limit is reached.

INSURANCE AVAILABILITY

Insurance will be available to all persons, regardless of prior medical history and on a guaranteed renewable basis. All carriers will offer the insurance, and will participate in an assigned-risk pool, if the state believes such pool is necessary to assure the availability of the coverage. In addition, premium for individuals or small groups within a state will be not more than 125% of the cost of insurance for members of large employee groups (over 50 persons) in a state.

ADMINISTRATION

State governments will regulate insurance within the state, subject to federal guidelines established under the program by a 15-member Health Insurance Board. The Secretary of HEW and the Commissioner of Internal Revenue will be members of this Board, and the additional members will include 7 practicing doctors of medicine, a doctor of osteopathy, a doctor of dentistry, and members of the general public. The new Board will also consult with carriers, providers and consumers in planning and developing programs for quality medical care, and will make annual progress reports to the President and to the Congress.

APPOINTMENT AS MEMBERS OF THE JOINT ECONOMIC COMMITTEE

The SPEAKER. Pursuant to the provisions of 15 U.S.C. 1024(a), the Chair appoints as members of the Joint Economic Committee the following Members on the part of the House: The gentleman from Missouri (Mr. BOLLING), the gentleman from Wisconsin (Mr. REUSS), the gentleman from Pennsylvania (Mr. MOORHEAD), the gentleman from Indiana (Mr. HAMILTON), the gentleman from Louisiana (Mr. LONG), the gentleman from New York (Mr. PIKE), the gentleman from Ohio (Mr. BROWN), the gentleman from Michigan (Mr. BROWN), the gentlewoman from Massachusetts (Mrs. HECKLER), and the gentleman from California (Mr. ROUSSELOT).

AVIATION ACT OF 1977—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95-45)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and Transportation and ordered to be printed:

To the Congress of the United States:

In October of 1975, I sent to the Congress a bill, the Aviation Act of 1975, that would have fundamentally reformed the manner in which the Civil Aeronautics Board regulates the airline industry. The bill was designed to make that industry more competitive and responsive to the needs of the American consumer. At the same time, the bill would have permitted efficient, well-managed companies to earn a fair return on investment and to attract the large amounts of capital needed for long-term growth, thus helping to make the industry healthier.

Many events have taken place since late 1975. Although my proposed aviation regulatory reform bill was not enacted, major and thorough hearings were held in both houses of the Congress on the many proposals to reform the economic regulation of the airlines. These hearings attracted wide public participation and discussion. They built an impressive record of detailed economic study and practical airline industry experience.

We have carefully reviewed testimony presented in these hearings and debates. The record is clear: The present regulatory system is costly to the consumer and is also sapping the financial health of the industry. Reform of airline economic regulation is needed, as soon as possible, and it must be thorough and substantial—even beyond my original proposal. Accordingly, I am submitting today the Aviation Act of 1977.

This new proposal is based on the same concepts as the 1975 bill and, like it, would reform aviation regulation in three key areas: Pricing, entry and exit, and antitrust exemptions. In each of these areas the Aviation Act of 1977 provides meaningful reform of the current, archaic regulatory system to allow this naturally competitive industry to reach its full potential. This proposed legislation is an improvement over the Aviation Act of 1975 since it builds upon the experience and information developed during the Congressional hearings and incorporates constructive concepts contained in other aviation reform proposals considered last year. The result is a simpler bill which provides a more appropriate approach to pricing and entry reform than was originally proposed. Furthermore, the bill contains other improvements, including a provision which would assure the continuation of essential air service to small communities.

The case for reform has been made. It is now time to act. My firm hope is that the Aviation Act of 1977 will receive prompt consideration and action by the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *January 13, 1977.*

REPORTS OF THE SECRETARY OF DEFENSE AND THE SECRETARY OF TRANSPORTATION ON AWARDS MADE DURING FISCAL YEAR 1976 TO MEMBERS OF THE ARMED FORCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Forwarded herewith in accordance with the provisions of 10 U.S.C. 1124 are reports of the Secretary of Defense and the Secretary of Transportation on awards made during Fiscal Year 1976 to members of the Armed Forces for suggestions, inventions and scientific achievements.

Participation by military personnel in the cash awards program was authorized by the Congress in 1965. More than 1.89 million suggestion submissions since that time attest to the success which the program has had as a means of motivating military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, more than 296,000 have been adopted with resultant tangible first-year benefits in excess of $929,000,000.

Of the 119,256 suggestions which were submitted by military personnel (including Coast Guard military personnel) during Fiscal Year 1976, 19,375 were adopted. Cash awards totaling $1,343,224 were paid for these adopted suggestions, based not only on the tangible first-year benefits of $52,983,753 which were realized therefrom, but also on many additional benefits and improvements of an intangible nature. Enlisted personnel received $1,104,328 in awards, which represents 82 percent of the total cash awards paid. The remaining 18 percent was received by officer personnel and amounted to $238,896.

Attached are reports of the Secretary of Defense and the Secretary of Transportation containing statistical information on the military awards program and brief descriptions of some of the more noteworthy contributions made by military personnel during Fiscal Year 1976.

GERALD R. FORD.

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Participation by military personnel in the cash awards program was authorized by the Congress in 1965. More than 1.76 million suggestion submissions since that time attest to the success which the program has had as a means of motivating military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, more than 275,000 have been adopted with resultant tangible first-year benefits in excess of $873,000,000.

Of the 125,777 suggestions which were submitted by military personnel (including Coast Guard military personnel) during Fiscal Year 1975, 20,760 were adopted. Cash awards totaling $1,442,536 were paid for these adopted suggestions, based not only on the tangible first-year benefits of $74,347,607.94 which were realized therefrom, but also on many additional benefits and improvements of an intangible nature. Enlisted personnel received $1,175,908.50 in awards, which represents 81 percent of the total cash awards paid. The remaining 19 percent was received by officer personnel and amounted to $266.627.50.

Attached are reports of the Secretary of the Defense and the Secretary of Transportation containing statistical information on the military awards program and brief descriptions of some of the more noteworthy contributions made by military personnel during Fiscal Year 1975.

GERALD R. FORD.

THE WHITE HOUSE, *January 13, 1977.*

CONSTITUTIONAL AMENDMENT WOULD REPLACE ELECTORAL COLLEGE

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, I am today introducing legislation to provide for a kind of election reform we have been talking about for years, a resolution calling for a constitutional amendment replacing our archaic electoral college system with a direct popular vote.

The electoral college was established in an era when, with no means of mass communication or easy transportation, it was impossible for the voters to know their candidates and elect their leaders directly. Today, with our electronic and computerized systems of communication, it not only is unnecessary to retain this system, it is a real anachronism. In the early days of our country, the people in each State would elect people in whom they had great confidence to go to the State capitol to decide and cast their votes. But over the years, these electors were not legally bound to vote for the nominees of their political parties, and numbers of them betrayed the confidence of the people they represented when finally casting votes in the electoral college. We saw this happen again in this most recent Presidential election.

Even more disturbing is the fact that today the Presidential candidate receiving the most votes in a State is entitled to all that State's electoral votes. Thus a candidate who gets only 51 percent of the people's vote in a State gets all the electoral vote, with the other 49 percent of the people casting a silent vote. This is simply unfair—it is no wonder that we often hear the complaint that "Washington is not listening."

My resolution would change this system. In simple terms, it would provide, through constitutional amendment, a direct popular vote of the people. If no candidate won 40 percent of the vote, there would be a runoff between the top two competitors.

It is ridiculous to work on campaign finance reform, committee reorganization, and budget process changes without acting on this most basic reform. We must insure that the voice of the people is heard on this, the most important vote cast; and I urge my colleagues to join me in working on this effort early in the 95th Congress.

LEGISLATIVE PROGRAM

(Mr. BAUMAN asked and was given permission to address the House for 1 minute.)

Mr. BAUMAN. Mr. Speaker, I have taken this time to ask the distinguished majority leader if he will give us the program for the House of Representatives for the coming historic and momentous week ahead of us.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, the program for the following week is as follows:

On Monday the House will meet at noon. There are no bills scheduled.

On Tuesday we would expect that the House would not be in session.

The House will be meeting at noon on Wednesday in order that we might handle the resolutions on committee assignments.

On Thursday, which is Inauguration Day, we will ask that the House come in at 10 a.m. so that we might adjourn from here to go out to the steps and participate in the inaugural ceremony.

It is not anticipated that there will be any session on next Friday.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM MONDAY, JANUARY 17, TO WEDNESDAY, JANUARY 19, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday next, it adjourn to meet at noon on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON THURSDAY, JANUARY 20, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday next, it adjourn to meet at 10 o'clock a.m. on Thursday, January 20, 1977.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO MONDAY, JANUARY 17, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PUBLIC WORKS EMPLOYMENT ACT OF 1976

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 60 minutes.

Mr. CONABLE. Mr. Speaker, I have reserved this time so that the Members may have ample opportunity to discuss the Public Works Employment Act of 1976. This act, as it has come to fruition shortly before Christmas, has been a matter of considerable concern to individual Members of Congress, and there has been a great deal of misunderstanding about it.

It is, of course, a provision that is likely to be extended in one form or another; and I think it important, before we automatically extend it and fund it to a greater degree, that we have some understanding and some discussion of how it has worked out in practice. I think we can avoid the pitfalls that were apparent in the distribution of funds, 100 percent Federal grants, to the localities, as announced by the Economic Development Administration in December.

Mr. Speaker, I would like to discuss, first of all, for the review of the Members and for the record, the manner in which this act has been administered. I have asked some members of my staff to talk with a program specialist and the Public Works Information Officer in the Economic Development Administration to get the details that many of us are vague about.

As we will recall, $2 billion was appropriated under the local Public Works Capital Development and Investment Act of 1976 for grants to various State and local public works projects. Of the $2 billion EDA withdrew $10 million of the appropriation to cover the costs of administering the title I program. This $10 million withdrawal was provided for in the act.

The first administrative problem faced by the EDA was devising a State allocation formula. The only guideline in the act for determining each State's allocation of the $2 billion in public works funds was that no State would receive less than 0.5 percent, or $10 million, nor more than 12.5 percent, or $250 million, of the appropriation. If the allocation formula had been based solely on the number of unemployed in each State, Colorado would have received more than Rhode Island. Colorado has relatively low unemployment, and most of this is concentrated in urban areas. Rhode Island has severe unemployment all over the State. It was clear that some provision had to be made to include the rate of unemployment as well as the number of unemployed persons in any State allocation formula.

After trial of several formulas, EDA determined that a 35/65 division of funds would provide the best balance in distribution. The 35/65 allocation can be described as follows: 35 percent of the $2 billion was distributed among those States with unemployment rates above the national average, according to the State unemployment rates; 65 percent was distributed to each State's relative share of the total number of unemployed in the Nation.

After applying this formula, several States were apportioned only $2 to $3 million. Funds had to be redistributed somewhat, then, to provide each State with at least the minimum $10 million allocation per State. Twenty-one States out of the fifty-three—that is including the territories which were also considered—received $10 million; in other words, received the minimum. Only California received the maximum, $250 million. New York received $230 million.

There were no objections, to my knowledge, raised with the EDA against this 35/65 formula and how it worked out. It seems to have been a fair resolution of the apportionment problem as between the States, at least in the view of the Congressmen from whom we may hear further if they participate in this special order.

Mr. Speaker, now let us look at the substate distribution and see how that worked out. The directives in the act for substate distribution are as follows:

Rules, regulations, and procedures shall assure that adequate consideration is given to the relative needs of various sections of the country.

The Secretary shall consider, among other things, (1) the severity and duration of unemployment in proposed project areas; (2) income levels and the extent of underemployment in proposed project area; and (3) the extent to which proposed projects will contribute to the reduction of unemployment.

The Secretary shall give priority and preference to public works projects of local governments.

The act also provided for a 70–30 split of funds allocated to the States based on unemployment data for the three most recent consecutive months for which data is available. This meant that 70 percent of each State's funds was to go to those project areas with unemployment rates above the national average, while 30 percent was to go to those project areas with unemployment rates between 6.5 percent and the national average.

The Secretary was also advised that in determining the unemployment rate of a local government, unemployment in those adjoining areas from which labor force for such project may be drawn, shall, upon request of the applicant, be taken into consideration. This was one of the factors that resulted in what, to many people, appeared to be an aberrant distribution pattern.

A further instruction was that applicants shall relate the request to existing approved plans and shall make requests which will permit or advance longer range plans and programs.

This last point, if I may interject, was probably the only criterion relating to the actual need for the project. Actually the criterion we laid down related entirely to the creation of jobs and not necessarily to the needs of the community. However, we did say that applications should make requests which would permit or advance longer range plans and programs. If we were to characterize the amount in the scoring that went toward community needs, it would be probably 10 percent or less.

The EDA had to develop scoring procedures in response to the above directives. Before describing the scoring formula, a few of the inherent problems of the above directives should be discussed.

No mention is made of the needs of the community other than unemployment. This concern was reflected, as I will mention later on, where the applicant was advised to relate requests to existing approved plans.

Unemployment statistics are drawn from the three most recent consecutive months for which data is available and scored by comparing these to national statistics for the same period. Many projects used CETA statistics which were uniform for April, May, and June of 1976. However, in project areas not having CETA figures, the act had to be followed, which meant that data submitted may have been from differing time periods. I believe CETA has nearly completed updated unemployment statistics for virtually every county in the country. This new data could be used in the future to insure uniform statistics. But, quite frankly, the statistics used in the $2 billion distribution is somewhat suspect in some cases.

The directive we gave the EDA relating to the 70–30 split can be defined as follows:

Seventy percent of each State's allocation was used for projects having a local unemployment rate above the national average.

Thirty percent of the State's allocation was used for projects in areas where the unemployment rate was below the national average, but 6.5 percent.

This 70–30 split was proposed when the national unemployment rate was much closer to 9 percent. Therefore 30 percent of the funds would have been for areas

with unemployment under 8.56 percent but greater than 6.5 percent. Because the national rate dropped substantially during 1976, at least during the months used to obtain statistics, 30 percent of the funds were directed toward areas with a very narrow range of unemployment: 6.5 percent to about 7.5 percent.

This meant that areas with 8 to 9 percent unemployment were ranked very low on the 70 percent scoring scale, and may not have been funded, while a project area with 7.3 to 7.5 percent unemployment would rank quite high on the 30 percent scoring scale and might very well have been funded.

The intent of the 70–30 split was to prevent concentration of funds in a few areas. However, if this is continued, EDA suggests that an escalator clause be provided for in any new public works legislation to compensate for changes in the national unemployment rate. We did not take that into account. I will tell the Members quite frankly that this was the major factor in some of the aberrant results under the act.

Any project coming from an area which had between 6.5 and 7.5 percent unemployment under the 70–30 split had a much better chance of being funded than those projects that came from areas with higher than the national average. The intent of the law was certainly beneficent. The results, however, were quite erratic.

The directive that we gave EDA permitting unemployment data to be computed for the immediate project area as well as adjoining areas from which the labor force would be drawn presents further difficulty in obtaining uniform unemployment data. This is section 108(f) of the act which tended to obscure accurate statistics and could have been used to inflate unemployment data. As the unemployment data had the highest impact on the project score, it is felt by EDA that this section should be tempered, if not eliminated

To understand the scoring, let me go through that briefly.

The EDA devised two 4-factor scoring formulas to process applications in response to the above discussed directives. The first 4-factor formula was used to compute the basic score and is largely based on the unemployment statistics. Up to 30 points were permitted for the number of unemployed in the project area; up to 25 points for the rate of unemployed in the project area; up to 30 points for the labor intensity factor of the project.

EDA established a minimum-maximum labor intensity of 10 percent and 80 percent respectively. If a project had over 35 percent labor intensity, it automatically received all 30 points under this scoring formula, and up to 15 points were permitted for per capita income of the project area. This is the kind of complicated formula they felt they had to set up if they were going to score appropriately.

A second 4-factor formula was used to compute the supplementary score, that is, this score was computed and multiplied as a percentage times the basic score, and the product was then added to the basic score for the final score. These four factors are based on the other directives in the act. There are up to 10 points for a long range benefit project, looked at again in the case of scoring ties. This could be construed as a test of community need. There are five points if the application was submitted by a unit of local government or a school district; three points if the application was submitted by a special-purpose district of local governments; and up to five points for the project's relationship to existing plans.

This appears to be another test of the community need, although I am not sure exactly what the need is. The scoring formula followed the act rather closely. The most severe problems seemed to stem from the act itself or from the points allocated to each of the eight scoring factors by EDA.

EDA predicted that States having large population centers could monopolize most of a State's allocation. To compensate for this, EDA devised a formula for adjustments after final scoring, to avoid "undue concentration" of public works funds. This formula was used only when more than one project from a specific project area scored within the funding range. The formula is not considered to be an entitlement for any area. An application had to score within the funding range to be affected by final adjustment.

In making determinations of undue concentration the ratio of area unemployment to State unemployment was determined. This percentage was applied to the State planning allocation of public works funds to establish a project area funding "benchmark." Projects were then selected according to score until the selections from an area exceeded the benchmark. After that point, no projects from that area were selected. For example, New York City has about 45 percent of the State's unemployment. Projects were funded from New York City according to score until 45 percent of the State's allocation was used, and then no more projects were funded.

Now let us just look very briefly and with rounded figures at the public works applications nationwide under this act. The amount available for the awards was $1,990 million. Members will remember that $10 million was taken out for administration. The total number of applications was 22,275. The amount requested in these applications was $20,308 million. The number in the 70-percent category was 17,085 of the 22,275 applications. The total amount requested was $16,231 million.

There were only 3,882 applications requesting $3,119 million in the 30-percent category, which was set aside for project areas with unemployment rates above 6.5 percent but below the national average. The number of applications with unemployment rates less than 6.5 percent was only 788, and there was an aggregate of $563 million under those applications. There may be discrepancies in the statistics which come from EDA on these figures. Some people may have come up with different figures than I have, but EDA may have accepted some late applications after determining the above statistics for technical reasons.

The breakdown of the types of projects selected is: 24.5 percent for public buildings; 20.7 percent for water/sewer/drainage projects; 19.1 percent for schools; and 9.1 percent for streets, roads, and bridges. The breakdown of types of project scored, but not selected were somewhat similar. There is: 19.3 percent for water/sewer/drainage projects; 16.5 percent for schools; 14.9 percent for public buildings, 14.9 percent for miscellaneous; and 10 percent for streets, roads, and bridges.

Of the projects funded, the 1,988 awarded, using all funds available, 65 percent were in urban areas and 35 percent, in rural areas. The actual rural/urban split in the United States is about 30/70, but some of the provisions in the act favored rural areas.

I will not go through the figures for New York State. They are available for those who are interested.

I must say, Mr. Speaker, that there was a good deal of unhappiness about this act as it finally emerged. I find some of my colleagues perfectly satisfied. My own district, the 35th in New York, received a substantial amount of money, $13 million. It was concentrated in two of five counties. For technical reasons, one small rural county received very substantial grants. Three other rural counties received none at all.

There was, of course, the usual suspicion that the Congressman had in some way affected the distribution of this money. I suspect many of my colleagues may have had a similar experience to the one I had, that they could not claim any credit for this great beneficence, for some blame would also attach from those areas that did not receive funding.

I think it is clear from the way the Economic Development Administration administered the act that they tried to live up to the spirit of the act and distribute the money according to a formula which, after all, was set down with some rigidity in the act itself. I think it is also clear that political pressure had very little to do with this distribution of money.

I would hope that if we extend this act in any way and fund it as part of a job creation or economic stimulus program, such as that proposed by the President-elect, that this nonpolitical distribution of money would be reflected in any extension of the act.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, the gentleman from New York (Mr. CONABLE) indicated a moment ago that rural areas in some situations did rather well or fared well under the bill.

I can only point to our own case in Michigan where those rural areas that had high unemployment and where they were eligible for that 70-percent funding did very poorly, because under either the law or the regulations the numbers of unemployed were a key factor in where the moneys were distributed; so basic-

ally in Michigan, Detroit walked off with all the money, which went really to those areas of high unemployment, because they had the actual overall numbers of unemployed and the rural counties upstate with higher percentages of unemployment and lower numbers than the aggregate simply received very little or nothing. Wayne County, oddly enough, took it both ways. Detroit is also in Wayne County and took a large chunk of the money on the basis of large numbers of unemployed. Several other areas within the county went under the funds, under the 30 percent available to those communities or areas with less than the average number of employed and, in effect, they got it both ways.
the manner in which the application was made out, the area for which the crea-

In Michigan, I would say the rural areas fared very badly and the large urban areas, mainly Detroit and Wayne County, walked off with most of the money.

Mr. CONABLE. Mr. Speaker, that was not true with regard to the statistics I have quoted; but I find there were a number of rural areas in the 70-percent category that were able to claim the jobs would be created in adjoining areas when there was not enough employment available in rural areas, thus raising the question of the rural impact.

That raises a question about the desirability of having a law which requires an application of law for a very limited period of time. I realize the purpose in back of that was designed to create jobs quickly. EDA did not build this up over a long period of time or check up on the validity of the applications. I think tion of jobs was claimed seems to have had quite a bit of impact. And the EDA had no way to check up whether or not there was uniformity in the applications made across the country in this respect. The result was that some places were able to claim job creation beyond their local area and these seemed to have fared very well as a whole.

Mr. RUPPE. Mr. Speaker, if the gentleman will yield further, it appears to me that the rural areas did very well at times in relation to the funding available. Other communities that have less than the national average, those in big cities, at least in my State, got eligibility under the area of having more than the national average, but some of the small communities having a lot of unemployment, but less than the national average, did fairly well.

They do pretty well under the lesser amounts of money, but the high unemployment small communities in Michigan did extremely poorly because Detroit walked off with the dollars on the basis of the numbers of unemployed in that high unemployment county or city.

Mr. CONABLE. I do want to point out to the gentleman that EDA, in administering this money, had a formula to prevent the concentration of all funds in one area. I doubt that Detroit walked off with everything. There may have been, however, what appeared to be from the gentleman's point of view to be an undue concentration in Detroit relative to the total State of Michigan.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding to me.

Mr. Speaker, the gentleman from Michigan has raised a point which has created real problems in my district. The city of Clearwater applied as a higher unemployment rate of the entire county, and fell into that category of the 70 percent money; whereas, had they used their own unemployment rate, which was lower than the national average, they would have fallen into the 30-percent category.

From the information provided by EDA, it appears they would have been totally funded where, in fact, they did not get a penny. I am happy that the gentleman raised that issue, and I compliment the gentleman from New York for taking this time to call this problem to the attention of the House.

Mr. CONABLE. I thank the gentleman. I think it is clear that the 70–30 split, as it is worked out, is an effort to insure that there would be a broader distribution of these projects into areas, some of which had unemployment below the national average, and did result in those within the 1-percent band below 7.5 percent having a much better chance of being funded than those over the national average. That certainly was not only an untoward but an unfair result of the law.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman from New York for yielding to me.

We ran into an entirely different problem, a whole area of the formula that has not yet been mentioned. In my district there was a great disappointment because a project which had been selected for further processing was turned down on the grounds that it did not fit one of the two criteria: First, that the unemployment figures in the Department of Labor area—which has not been mentioned here—the Department of Labor has areas which they consider that divide up the Nation, State by State. There are these areas, and they were counting the unemployment rate in that particular area.

The second was a requirement that it be contiguous; in other words, that although the project in this particular town would have drawn heavily on two cities where there is tremendous unemployment because that is where the work force comes from, that was not allowed to be counted because those two cities, although nearby, were not exactly contiguous.

So, those are two areas I have been waiting to hear about from the gentleman. The 70 to 30 did not seem to interfere with my district; neither did the 65 to 35. Is the gentleman going to comment on that?

Mr. CONABLE. I thank the gentlewoman for her contribution. I was not aware that was a serious problem; of course the fact that it was a problem reflects the need to have some standards.

Mrs. FENWICK. Some formula.

Mr. CONABLE. And the standards worked against the gentlewoman in this case.

Mrs. FENWICK. Because, you see, what happened was that the unfortunate thing is, it seems to me, that in one place one kind of formula is applied and in another case another kind of formula is applied. The public is not satisfied that the gentleman and I are not pulling strings or something. I think we could make our formula simpler and achieve some kind of result where it would be better than having these various things.

I spoke to the Regional Director, and the criteria of the Department of Labor area and, being contiguous, those were the only two mentioned to me.

Mr. CONABLE. I thank the gentlewoman again.

One of the reasons we are having this special order is so that we can get inputs from the various Members about what happened in their districts. Quite frankly, the implication that we are simply going to extend this act, fund it with an additional $4 billion—$2 billion per year—I think would be a serious mistake. It would result in lower priority projects, at least under these criteria, being funded. We would still have, in disappointed applicants, roughly $14 billion of applications after the whole program had been funded.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. I appreciate the gentleman's yielding.

Mr. Speaker, I want to join other Members in complimenting the gentleman for bringing this issue to the floor of the House and for the obviously detailed study the gentleman has made of the program. I do not know whether the gentleman found these details out after the gentleman's area bombarded him, as mine has done and, probably, most areas have done, with complaints as to why certain projects were not selected, or whether the gentleman was aware of these details in advance. But I think most of us were not familiar with the detailed formula that was going to be used, and we have later learned, to our sorrow, some of the problems the gentleman has referred to so very effectively.

Mr. Speaker, I might just add to that chamber of horrors and point out one other that I discovered in my own district. The capital city of Albany, which I represent in New York, although it has a rather substantial amount of unemployment, received not a single project, while some suburban communities in other counties received projects.

I went through the computer printout when it was sent to our offices here the other day, and discovered, in looking at all the projects that had been submitted by communities in Albany County, that some of them had a higher priority rating within the 30-percent cate-

gory than several projects in neighboring communities that had been selected. And then I looked at the computer printout to find out what the reason was, and the symbol was 61. That symbol means that the area had already received enough projects.

The gentleman mentioned earlier that when the amount of money allocated to match the number of unemployed in a particular area, no further projects were approved. But Albany County had not received a single project. So how could it already have enough? So I looked more carefully, and found three projects listed as attributed to Albany County and to the city of Albany. But when we checked into what they were, it turned out they were applications submitted in one case by the State University of New York and in another case by the New York State Department of Parks and Recreation, both located physically in the city of Albany, of course, but for work to be done on Long Island. Yet these three projects, totaling over $4 million, had exhausted the Albany County share of the funds. How ridiculous can you get? When I brought this error to the attention of the officials of EDA, they said, "Yes, that is a mistake. We are sorry."

Mr. Speaker, this is one of the reasons why we simply cannot do this selection process exclusively by computer. The money has already been allocated. I do not know whether these errors can now be corrected. But, clearly, the impartial, almost mechanical, attitude that EDA took, without listening to any Members of Congress for fear we might corrupt them, has plainly backfired in a number of cases.

I would like to make two other points, if the gentleman will permit me, because we both come from the same State and we have some of the same problems. I think we have to realize, as the gentleman has alluded, that, after all, the basic purpose of this public works program was to get some construction going fast, not to solve all of the problems of the cities and not necessarily to take care of every particular project. And, therefore, the action on it had to be fast and, as the gentleman indicated, sometimes superficial, if we were going to get the full prompt benefit of the program.

The gentleman, being much younger than I, does not probably recall that we had a similar program in the Kennedy administration under the title APW, Accelerated Public Works.

Mr. CONABLE. Mr. Speaker, I am glad to defer to the great age of my friend, the gentleman from New York.

Mr. STRATTON. This is an era when seniority does not do much good around here. I am just facing the facts.

The complaint in those Kennedy days, as today, was that if you went in for a HUD project or an urban renewal project, you spent 15 or 20 months going back and forth from your community to Washington with endless reviews of your application, and you simply never got the money in time.

So in the Kennedy APW program when those projects were allocated they were not done by computer. I think we can agree that Congressmen had some input; we got the projects underway and we relieved the unemployment problem.

I suppose we are never going to find a formula which will satisfy everybody, and if all 535 Members of Congress debate this matter, the country's economy will probably go down the drain before we get the additional stimulus that President-elect Carter wants to give it.

Mr. Speaker, I think we have to recognize that to some extent this program was like a lottery. There were 25,000 applications, and only 2,000 could win. That is pretty much like putting down $2 at the track and hoping for the best.

I think the important thing, as the gentleman has already said, is that Congress should look these criteria over more carefully when we renew the program, and in that respect I would like to suggest two things.

First of all, it seems to me that every area of substantial unemployment ought to have at least one project; and, second, in the case of these various errors that have been referred to—the computer error that I mentioned, as well as some of the others—communities that missed out the other day because of this kind of an error should have first priority in the next go-around.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for his extensive contribution.

Our informant is the EDA for the most part. My fine staff has talked to them at some length. The EDA may be a biased source, but they claim there is serious doubt as to whether allowing longer periods of time would have affected the administration of the progarm or not. Anyway, the consensus that is reported is that they should have credit for just following the law.

If the results are capricious, they seem to be based on the law as we drew it rather than on superficial checks, although there seems to be little doubt that there were different criteria used by different areas that did affect the outcome to some extent.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I want to thank the gentleman for yielding. I think the gentleman is making a good record, one that might possibly be read by somebody. That is the reason I want to bring out a couple of points.

The first point is that they only funded those projects for which 100 percent funding was being requested. There were some projects where a contribution of perhaps only 25 or 50 percent of Federal money would have resulted in a project being let, and if they could have or would have funded those kinds of projects, then the money would have gone further. In other words, we would get more jobs for the amount of money being spent.

So I believe it is a bad mistake to require that there must be 100 percent Federal funding. That is my first point, and perhaps the gentleman wants to comment on that.

Mr. CONABLE. No, I believe not at this point.

Mr. SMITH of Iowa. Mr. Speaker, the second point is that we do not really have any statistics that tell us how many people want a job compared to the number of people who get a job. Perhaps I am not getting that stated just right.

Anyway, the statistics we are using as a triggering mechanism are faulty. For example, about 3 years ago or 2 years ago in Detroit everyone who wanted a job had a chance to get a job. In Iowa perhaps a third of the people who would like to have a job never had the opportunity to get a job.

So it would appear by the statistics that more people are unemployed in Detroit than are unemployed in Iowa. Yet, as a matter of fact there are more jobs available for the unemployed in Detroit than there are in Iowa. The result is that tens of thousands of women, for instance, never had a chance to get a job.

Therefore, I think that these kinds of statistics that we have used as a triggering mechanism really are faulty to start with.

Mr. CONABLE. Mr. Speaker, it seems to me that is a problem with all of our unemployment statistics generally. We are using patterns of unemployment in our unemployment statistics that go back over many years, and I think that they are not always as illuminating as they should be to reflect the actual structure of unemployment. That is a problem not only with this act, but with many other programs as well.

Mr. GOODLING. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman fom Pennsylvania.

Mr. GOODLING. Mr. Speaker, I would like to point out, first of all, that the gentleman who ran this program is from my district. He needed my approval to get the job that he got, and I did not get a project in my entire district; but I did get a lot of attention since they have been handed out asking me why we did not get a project.

As I see it, there are several problems. First of all, I was under the impression when we were proposing this program that it was unemployment in the construction area that we were really going to dig into.

Mr. CONABLE. Those figures simply were not available.

Mr. GOODLING. According to them, that is true; the Labor Department said they were not. They would not use State figures, nor would they use State figures in the other situation.

Second, in my area, places like York city did not get anything because they used York County unemployment figures. They tell me the reason they did that was because there was some tieup as regards the city. The figure for York city is 11-something percent, but they used the county figures.

Third, they said that, of course, the 70/30 formula really fouled them up because they had lots of projects for 70 percent, but not many for 30 percent.

The reverse of that was also true in another area of Pennsylvania. Mount Lebanon, not in my district, got a project. They used Allegheny figures for Mount Lebanon. That has nothing to do with Mount Lebanon's unemployment, nor with Mount Lebanon's per capita situation. Those were all areas that were cranked into this formula. I am not saying that they did anything wrong in relationship to jiggling the formula. The formula was wrong, and the figures they had to put in were wrong if we were going to get the construction industry off its back.

Those were the problems which were pointed out.

Mr. CONABLE. Mr. Speaker, the gentleman from Pennsylvania (Mr. GOODLING) raises some good technical points.

I think perhaps we could summarize some of these technical problems that arose in the administration of the act. There does not seem to have been any pattern in the types of program funded except for a bias in favor of labor-intensive projects and those which would lead to permanent employment.

The duration of employment was one of the criteria in the act, but it was not used. Perhaps, once again, it was too difficult for the Labor Department to come up with accurate statistics, and that is why it was not used.

The use of unemployment figures in the construction industry was mentioned in the act, but was not used since there are no accurate and timely figures available, according to the Labor Department.

Mr. GOODLING. According to the Labor Department; that is correct.

Mr. CONABLE. Yes. Seasonably adjusted rates of unemployment were not used because the Department of Labor could not supply them. This works against States in the North where it is an important factor.

Some critics insist that the public employment figures understate the rate of unemployment—such as was pointed out by the gentleman from Iowa—because of the nature of the unemployment statistics. This is a more basic statistical problem than that which is affected just by this act. However, this act does help underscore the point that we should bring our statistical-gathering techniques up to date. We have not done it; and it, of course, is apparent when we look at the results of the distribution under this act.

Mr. Speaker, let me say further that the gentleman from Pennsylvania (Mr. GOODLING) has mentioned the fact that the man who was making the distribution was from his district. This district did not get a project. That was one of the saving graces in the final result as far as this individual Congressman is concerned. As I mentioned, my district did very well in the aggregate, but substantial pieces of my district were completely left out. It must have been apparent to anyone that if the money had been distributed politically, it would have been distributed in a more evenhanded way to avoid the criticisms that result from capriciousness as a result of the application of the formula we imposed on EDA.

Consequently, Mr. Speaker, very frankly, I am grateful that it was apparent, from the end result, that it was a formula distribution. Otherwise I think I could have been much more effectively criticized by constituents who felt that I might not have looked out for their interest in the distribution of this money.

Mr. GOODLING. Mr. Speaker, if the gentleman will yield further, I think there was nothing political at all about it. I think it was what was cranked in, and that was the way in which it fell. It was just that what was cranked in was not the right thing to crank into the formula.

Mr. CONABLE. Mr. Speaker, I would hope that if there is any extension of this program that it would not be political to any degree again. But I would also hope that the formula would be sufficiently overhauled so that we could avoid the appearance of capriciousness which was certainly one of the net results in my area, in any event.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, the gentleman from Iowa (Mr. SMITH), a few minutes ago, made an interesting observation and that was that the EDA people did not fund any of the projects where less than 100 percent of funding was requested. I suspect in the future that the legislation may be somewhat more effective if the State or local communities are required to put up some small portion of the moneys rather than the Federal Government footing the entire bill.

I think that we got out of that $20,000 request—and, remember, a lot of the projects were probably not necessarily that desirable but were in there because it was free and, second, a lot of the projects turned out to be much greater or larger in dollar volume again because of the Federal Government paying the entire bill.

So, as I say, Mr. Speaker, I believe that if a portion of the money would be paid at the State and local levels, we would probably see a number of projects weeded out and a number also put in at a far lesser cost than in this last go-round where there was 100 percent Federal funding. This leads to a myriad of proposals and also leads to these proposals being put in that are much more extravagant in dollar size than they would be if the local unit paid some small portion of the total funding.

Mr. CONABLE. Mr. Speaker, I could not agree with the gentleman from Michigan more. It seems to me that anyone will put in for a Federal gift and it may or may not bear any relationship to the needs of the community. If we were to require some modest local community contribution, this would help weed out a great many of the projects that may have had only incidental effect on the needs of the community.

Mr. RUPPE. Or would reduce down somewhat the size of a project that probably does not have too much merit in its overall application.

Mr. CONABLE. I must say there was inevitably some capriciousness in the applications that were put in. People were dreaming up applications for anything they could think of because it involved no local sacrifice at all. I am concerned about that because, given the short time frame in which this set of applications was presented, there were many public works projects already in the works for very large sums of money involving local contributions which were of a higher priority than the applications that were put in under the 100 percent short time frame.

If once again we go the route of simply extending the existing act, or funding it to a greater degree then we will not have dealt with the problem of priority in a way that I think makes any sense for the Nation or the localities.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman from New York for yielding to me and I commend the gentleman for taking this special order so that we might discuss these projects and these problems.

Mr. Speaker, I believe that this is a very complicated situation and one in which, as the gentleman pointed out, if we had been permitted more time in order to better review these applications, and so on, that then it would not have had the desired effect of putting people to work immediately, but, on the other hand, I think what we ended up with was very much of a lottery.

Taking a look at the projects in my own district, I find that the number that was granted was far below what it should have been on any kind of a percentage analysis, and was not nearly as meritorious as many others that were turned down in higher unemployment areas, and it did not make much sense.

One of the things that has not been mentioned is, however, even though the total amount of the allocation was $1 billion something, is that correct?

Mr. CONABLE. One billion nine hundred and ninety million dollars.

Mr. LAGOMARSINO. One billion nine hundred and ninety million dollars, that the work rate potential of this program went far beyond because many of the applicants spent considerable thousands and thousands of dollars in applying. We have now come to the conclusion, I think, that that was all money wasted, because it did not apparently make that much difference how well these applications were prepared. So we will have to change many facets of the administration of the program before I will support it.

Mr. Speaker, again I would like to commend my esteemed colleague from New York (Mr. CONABLE) for calling this special order to discuss the Public Works Employment Act (Public Law 9–369).

Frankly, I was dismayed at the way this program was administered by the Economic Development Administration.

Unemployment in the 19th District of California is right at the national average, yet the district received only one grant, totaling $426,000. This represents two-hundredths of 1 percent of the $2 billion allotted nationwide, or about one-tenth of what we should have received. Under an equitable division of the funds, we should have received almost $4.6 million.

To take but one example Ventura County has 15,667 unemployed, or about 2 percent of the California total. Since California was allocated $250 million under the program, the county should have received grants totaling almost $5 million. Yet there was only one grant awarded in the county, in the amount of $860,000. This despite the fact the county had "ready-to-go" projects for such vital and labor intensive projects as new fire stations and flood protection works.

The worst part about the program is the effect which it has had on the public's perception of the Federal Government and its ability to deal effectively and efficiently with serious problems such as unemployment. Typical of the reaction is a letter I have received from the Oxnard school district, which I would like to read into the RECORD:

JANUARY 6, 1977.

HON. ROBERT J. LAGOMARSINO,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

DEAR BOB: The Board and the administrative staff of the Oxnard School District enthusiastically supports your call for a congressional probe into the award of grants from the 1976 Public Works Emergency Employment Act.

While we were genuinely disappointed that our request for funds to construct a badly needed elementary school was not approved, we would like to share with you our dismay relating to the apparent slipshod review process employed by the Economic Development Administration in Seattle.

Our district's application, requiring hundreds of man-hours of preparation time, was submitted well before the designated deadline. Shortly after submission, our application was returned with an indication that certain information was not adequately supplied. We phoned an EDA official in Seattle who apologized profusely stating that an inexperienced, novice review team had not adequately evaluated our application. He further indicated that other applications from school districts had been similarly returned and suggested that they be resubmitted to the Seattle office for consideration.

It is estimated that the Oxnard School District spent about $10,000 in staff and consultant time for the submission of what we considered a very thorough and well-justified application for a $2,600,000 elementary school facility. At the very least, we would like to believe our efforts received some semblance of competent review which we believe may not have occurred.

NORMAN R. BREKKE,
District Superintendent.

Mr. Speaker, I feel that in view of the evident inequities and questions which have arisen with regard to this program, a full scale inquiry should be undertaken. Like many of my colleagues, I have written to the Secretary of Commerce asking for an explanation, and have joined in requesting a General Accounting Office probe of the affair. Until we can be assured that another such fiasco will not occur, and until we can assure our constituents of better legislation and administration, I do not see how we can even think of passing another such program.

Mr. CONTE. Mr. Speaker, I want to commend the gentleman from New York (Mr. CONABLE) for arranging this special order to discuss the Public Works Employment Act (Public Law 94-369). As one of the original cosponsors of this act, and one who fought hard to get it enacted and provide the appropriations for its implementation, I am especially pleased to participate in this discussion.

Many of us who worked hard on this piece of legislation have been less than pleased with the resulting program. It appears that some areas received grants while others which seemed comparable got nothing. Projects of lesser priority received funding while those of greater need received nothing. In short, there have been a lot of problems with the program.

So far in this Congress there have been a number of proposals to expand and extend the public works employment program. I believe that this program is a good way of solving local unemployment, and because of that belief I have introduced legislation to expand the existing public works employment program to a $15 billion authorization.

But before we do any serious expansion of this program, we should give some serious consideration to the lessons of the present program. We should take a close look at the way the program is administered, and consider how we might improve upon that administration.

Most of us would agree that the program did not turn out quite as we had hoped. The thing to examine at this point is whether the problems which arose were strictly administrative, or whether they arose from the legislation itself.

There is no question that some appalling incidents have taken place. As we are finding out from seeing printouts from the Economic Development Administration, some entire project applications were simply "lost"—those applications never made it into the computers, were never ranked, and so, of course, were never considered for funding. Since the allocation of funds is apparently complete, it appears that the projects which never made it into the computer are simply gone—prey to bureaucratic bungling.

I do not know where the fault lies, and this discussion would probably be best served without any attempt to levy blame. It may be that in our zeal to get the program going as soon as possible, we allowed insufficient time for the EDA to do a proper job. For the future, I recommend that the EDA devise some method of double checking to make sure that the applications which are received actually make it into the computer and are considered for funding. And in order to permit such a system to operate effectively, we should provide the EDA with sufficient time to make it work.

Another problem with the program arose out of the division of available funds into two categories. In order to target available funds to those areas which were hardest hit by unemployment, we designated that 70 percent of the funds should go to areas with unemployment rates above the national average. The remaining 30 percent was reserved for communities with unemployment rates lower than the national average but above 6.5 percent.

As it turned out, applications under the 70-percent category had a 1-in-10 chance of being funded, while applications submitted under the 30-percent category had a 1-in-5 chance. This discrepancy appears to be a contradiction of the intent of the legislation to help the areas with highest unemployment. I think we should probably give serious consideration to increasing the percentage of funds given to areas of highest unemployment, I would eliminate the 30-percent category completely.

There also appears to be a problem with the definition of "project area." The authorizing legislation allowed two different project area definitions. For the purposes of level of income, the community could only use its area of jurisdiction. But for the purposes of unemployment rate and number of unemployed, it could draw its own project area taking into consideration neighboring communities whose unemployed could be hired for the project. This seems to have resulted in a great deal of "gerrymandering" as each applicant tried to construct an area with the highest possible unemployment rate.

Certainly there should be some consideration of the rates of unemployment surrounding an applicant. Funding for a community's project should be reasonably expected to benefit not only that single community, but also the surrounding jurisdictions. But perhaps we should establish some uniformity in drawing the permissible project areas. Possibilities might include such standard recognized boundaries as CETA areas or labor market areas. And there should be one project area for all application purposes—not separate ones for the accumulation of application statistics.

There also seems to be a problem with uniformity of unemployment statistics. In this last round, many applications used figures for April–June, while others used June–August or July–September data. The applications should specify the months to be used, and there should be uniformity.

There should also be some allowance made for the differences in the ways different States calculate their unemployment statistics. Some States include people who have exhausted unemployment benefits while others do not. Some State figures take into the account the so-called "discouraged" job seeker, while others do not. And some State unemployment statistics, including those of Massachusetts, dramatically underestimate the number of long-term, chronically unemployed—the very people a measure like this should be helping.

In essence, before the next round it is important for the Bureau of Labor Sta-

tistics to examine its unemployment figures toward an analysis of whether these figures are actually comparable from State to State. And those figures which are not comparable should be adjusted or the formulae shifted to take differences into account.

In examining the rating criteria, it appears that insufficient weight was given to the long-term employment creating effects of a proposed project. Such things as water and sewer lines, industrial park development, and urban renewal will have an impact on the economic viability of a community or region much longer than the actual duration of the project. If we are going to genuinely beat unemployment in this country—and I believe that should be our top priority—then we must provide funds for projects which will have an enduring economic impact.

In legislation which I introduced earlier this session, I proposed placing more emphasis on the long-term employment impact of proposed projects, and I believe this should be included in any new public works employment program.

Mr. Speaker, although I have outlined some significant problem areas, I believe the public works employment program is essentially sound. The premise of targeting funds to areas with highest unemployment is a good one. It directs funds to areas which really need them, while avoiding the risk of fueling the fires of inflation.

I hope that the Congress will act promptly in extending the public works employment program, and I urge serious consideration of the suggestions which have been made on the floor today. This is a good program, but like all programs it can be made better.

Mr. Speaker, I also agree that we ought to eliminate that 30 percent part of the bill.

Mr. CONABLE. I thank the gentleman from Massachusetts for his contribution.

I would like to ask those who are seeking recognition now to withhold for 1 minute. The gentleman from Minnesota has taken an hour following this special order to continue this discussion.

I would like to say a few things in summing up my own view.

Mr. Speaker, this is a well-intentioned piece of legislation. It has I think caused quite a stir, particularly among those submitting those $18 billion worth of applications who were disappointed. I do not think it is within the capacity of this country to meet everyone's desires in public works. I think it is very important, however, that if we are passing out Federal largess we do it according to the needs of the country and particularly according to the needs of the localities which receive this largess.

It seems to me, Mr. Speaker, that one of the best ways to achieve this is through having some modest participation by the locality in the financing of the public works projects that are involved. This is better assurance, in my view, of the actual need of the community than any rigid formula establishing some type of project which will have preference.

I would like to see the community have its input. I think that input should not be simply in the form of a race to get an application, regardless of community needs, into the hands of those distributing the Federal largesse but in the approach that says to the members of that community: "What are you willing to finance in this community to the extent of 10 percent or 15 percent or 25 percent if we are to qualify for a Federal financing for the balance?"

I realize that involves a time factor and will slow down the creation of jobs. It seems to me, however, that in the long run it will be better for the country if we move with some caution on this type of program, permitting the communities to have their input and permitting the administrators to work out the details in ways that make sense not only to them, but also to the Congress as well. There are at the present time about eight bills, I understand, that are floating around, apparantly all of them are pretty much the same as the last one. I also understand there is a great deal of talk about eliminating the 70-to-30 split.

I think the whole concept of this measure should be tested and challenged. We have some time. The issue of the economy is one we are going to be talking about here between now and the time for implementing any economic stimulus package, and it seems to me also the manner in which we move to create jobs is a very important responsibility of the Congress. I hope other Members will come forward with their own experiences. I hope the committees charged with the responsibility will hold hearings, as we are in effect holding an informal hearing during this special order today.

Mr. KEMP. Mr. Speaker, while I was encouraged to learn that several worthwhile projects will be implemented under the auspices of the public works program, I share the sense of injustice which has been expressed here today with regard to the selection process used by the EDA.

It has become apparent to me that the formula, which was devised to rank the proposals according to the stated criteria, has not been successful or even consistently applied in practice. Many of the most labor-intensive projects in areas of extremely high unemployment were eliminated from competition, even though many of these projects are vital to maintaining minimum health and safety standards in parts of my district.

More disturbing is the less than responsible manner in which applications were handled in the EDA regional office. Many of my constituents have contacted me in total frustration, relaying situations in which their applications were rejected wrongfully. In most cases, they were never given a chance to correct deficiencies where they truly existed, for the EDA notified them of those deficiencies several weeks after the deadline for submission, even though the applicants had originally submitted their proposals weeks before.

I would be loathe to approve an expansion of this program unless substantial improvements are made in the organization and administration of the program, as well as in the formula which is responsible for the selection of projects for funding. I feel that many of the problems could have been avoided, for instance, had there been more than one man to address concerns, disseminate information, and give advice to all New York State residents with regard to the program.

Western New York is experiencing a severe economic depression, and there are certainly many ways in which Federal funds can be used to redress this situation. However, when funds are appropriated to create jobs whose end products are not given proper consideration, this is an irresponsible, unproductive, and wasteful expenditure. Such was the case of the infamous wall built around the Millard Fillmore monument in downtown Buffalo with EDA funds, and I refuse to support this type of misdirected solution to our economic problems.

I have advised Assistant Secretary Eden of my displeasure with the overall results of the public works program, and I would strongly suggest that a thorough review and revision is conducted before we begin to consider any type of expansion of the program.

I want to call your attention to an editorial which was published in the Buffalo Evening News on January 8, expressing deep concern over the effectiveness of the formula used in the public works program. This article calls for an adjustment in that formula which would permit a greater percentage of funds to flow into areas with unemployment rates above the national average. In light of the nature and purpose of the public works program, I commend this suggestion to you as worthy of your serious consideration:

FLAWS IN JOBS AID

Many city officials around the country, including Mayor Makowski and others here in Buffalo, are complaining about the way Washington is allocating emergency public-works funds designed to create jobs in high-unemployment areas. Their protests are both understandable and justified.

Unfortunately, they were also predictable, because the distribution formulas written into the law by Congress last fall were seriously defective.

The burden of the grumbles from local officials is that high-unemployment areas like Buffalo are receiving inadequate help while other areas of the country in far better shape economically are receiving more money than they need.

Part of the allocation problem may rest with the Commerce Department in handling the applications. But Commerce must follow mandates put in the law by Congress, and Congress required that a full 30 per cent of the total $2 billion available in emergency funds must go to localities with jobless rates below the national average, now about 8 per cent. Why so? It seems clear that a major reason was to win a majority of votes on Capitol Hill for the program in an election year.

The incoming Democratic majority leader of the House, Rep. Jim Wright (who comes from the booming sunbelt state of Texas, by the way), now talks of doubling to $4 billion the funds for this program. Presumably, that would give added money to cities like Buffalo.

But a more equitable approach—both in terms of the taxpaying public and the impact of the aid—would be to modify the allocation formulas so that all of whatever emergency jobs money becomes available would at least go to localities with jobless rates above the national average.

There has been much talk about the desirability of adjusting federal formulas to help economically depressed areas, particularly in the northeast. This is one specific

formula that could and should be improved to promote that goal.

Mr. WHALEN. Mr. Speaker, I am pleased to join over 200 of my colleagues in introducing legislation to increase appropriations for the Public Works Capital Development and Investment Act from $2 billion to $6 billion. Permit me to share with you my reasons for doing so.

First, one of the major priorities of the new Congress must be to put Americans back to work. Unemployment now has soared to 7.9 percent. The Nation last year spent $19 billion on unemployment compensation, and every month 200,000 more workers are exhausting their entitlements. This bill, H.R. 59, authorizes less than one-third of the amount now spent on unemployment compensation for the creation of 600,000 new jobs. While this measure alone will not completely remedy the prospect of continued high unemployment, it can serve as the linchpin of a comprehensive effort to deal with this problem. This opportunity must not be missed.

Second, H.R. 59 will benefit both the public and private sectors of our economy. Approximately 80 percent of the jobs generated will be in the private realm. About 150,000 jobs will be created in the construction industry, which, nationwide, is now experiencing a 20- to 40-percent unemployment rate. Studies show that each on-site job will create an additional, related, off-site job. The net stimulative impact will not end here, but will extend to industries ranging across the entire economy. Also, these construction projects include roads, courthouses, schools, libraries, and parks. Thus, taxpayers will realize a substantial public service return on their tax dollars.

Third, response to the initial jobs program has been overwhelming, which indicates a great need for additional funding. Within 60 days of enactment of the legislation authorizing $2 billion for this program, applications totaling some $24 billion for local projects had been received. These applications—12 times the number which could be accommodated—ran the gamut from schools, playgrounds, libraries, and recreational facilities to sewer and waterlines and plants. Prompt enactment of H.R. 59 will permit the Economic Development Administration immediately to release additional funds to begin work on hundreds of local construction projects for which applications already are on file.

The House leadership and many members of the Public Works Committee have pledged to secure early enactment of this legislation and are already moving decisively in this direction. I commend these efforts and join my colleagues in urging rapid advancement of this bill in order to reduce unemployment as quickly as possible.

Mr. MOFFETT. Mr. Speaker, probably the most valuable lesson of this first round of Public Works Act funding is this: Our towns, our cities, our school districts are overflowing with vital and important public works ideas.

Thousands of major, worthwhile community service projects are on the drawing boards of our country—at the very same time 8 million skilled and employable men and women are begging for meaningful jobs.

Our communities need an equitable refunding of this important legislation.

In my own district, towns of brutally high and chronic unemployment—Enfield, New Britain, Winsted, and Southington, to name just a few—received no money at all under the first funding of this act. I intend to work hard with them and with Mr. ROBERT ROE's distinguished subcommittee to give these towns' projects a second chance.

Our unemployed need these jobs. Our communities need these resources.

Mr. HAMMERSCHMIDT. Mr. Speaker, during the 94th Congress in direct response to the high national unemployment rate, the Public Works Employment Act was enacted. The first title of this act authorized $2 billion for the construction of public works facilities in local communities. The Economic Development Administration within the Department of Commerce was delegated the responsibility of accepting and selecting projects for the $2 billion. The response to this program was phenomenal. More than 25,000 applications were received from throughout the country totaling more than $24 billion. Last December 23 the EDA announced its final screening which eliminated all but 2,000 applications; those, when final grants are made, will deplete the authorized funds.

I know that since that time Members of Congress have been bombarded with calls from their constituents. I sense interest among my colleagues is extremely high in both the allocation process and the possibility of extending and continuing the Local Public Works Capital Development and Investment Act. In view of this interest, I thought it might be helpful to review some of the basic tenets of the legislation and to expound on the selection process used by EDA.

The clearly expressed intent of Congress was that this legislation should provide jobs, stimulate the construction industry where unemployment was twice that of the national unemployment rate, and provide funds to local communities to build needed facilities. To insure that funds were targeted to areas with the greatest need, the law stipulated that 70 percent of all funds must go to the areas having unemployment in excess of the national average and 30 percent of the funds would go to areas having unemployment rates in excess of 6.5 percent but less than the national areas. In addition, such provisions were to insure that no areas of the country were totally excluded from the benefits. Based on this legislation, EDA regulations outlined a project ranking procedure in an effort to see that all applications were treated equitably and reviewed as thoroughly and quickly as possible.

All projects were ranked within each State and priority category. Projects were evaluated as follows:

Thirty percent on the number of unemployed people in the project area;

Thirty percent on the labor intensity of the project—this being the relation of the labor costs or man-months of employment to the total project cost;

Twenty-five percent on the overall unemployment rate in the area; and

Fifteen percent on the level of per capita income.

In addition, bonus points were given to projects providing long-term benefits, projects of local government, and projects relating to overall existing plans or programs. The number of unemployed persons and the rate of unemployment were obtained from the most recent 3 months for which unemployment data was available. In this round of funding State and local statistics, which were supplied by the Bureau of Labor Statistics, were for the months of April, May, and June. In cases where State or local governments supplied their own unemployment data, more recent figures were available in some cases. Using this criteria, projects receiving the highest score in each State and priority category were selected.

My inquiries of EDA officials and my conversations with local officials have indicated that the projects on the final screening list were worthwhile projects. Many of these projects will be constructed in areas having unemployment percentage rates in the teens. As a result of these funds, hospitals, schools, streets, water systems, and industrial parks will be constructed in communities throughout the country. Thousands of jobs will be created.

On the other hand, a large number of worthwhile projects will not receive funds. This certainly does not imply that these projects do not have merit and are not sorely needed in the communities. The fact is simply that there were $24 billion worth of applications bidding for $2 billion in available funds.

I want to commend the officials of the EDA on their outstanding handling of this tough assignment. The law required that they develop rules and guidelines within 30 days of enactment. It required that a decision on applications be made within 60 days. Against nearly insurmountable odds, they did this. I believe that the guidelines and procedures followed by EDA were a sincere and honest interpretation of the law. I do not mean to imply that the legislation is without fault. There may be need for certain legislative refinements.

We now have an opportunity to look at this program in operation and to examine the projects selected in the first round of funding. I feel it is essential that we take advantage of this opportunity to assess the program and to examine the factors used in the selection process. Certainly it is important that we evaluate the relationship of the factors to the legislative intent of this program. It is important we assess whether there is a need to alter the legislation because in practice the selection process resulted in different choices than we anticipated when the legislation was developed.

I am certain you, my colleagues, are aware that legislation has been introduced to provide additional funds for

this program. It already has a large number of sponsors in the House and interest in continuing this program is high. I support the continuation of this program because I feel there are a number of worthwhile projects which vitally need these funds. Unemployment is still too high and I believe the concept of public works employment is an important economic stimulus. However, I feel it is equally important that we not become so enthralled with providing funds immediately that we fail to take the thorough look at this program which it deserves.

As the ranking minority member of the Economic Development Subcommittee of the Public Works and Transportation Committee, which has jurisdiction over this program, I am committed to examining this program in hearings which the subcommittee anticipates holding later this month. Certainly I would welcome any comments and observations from my colleagues on this matter. I am also including other summary data developed from the public works program that might also be of interest to my colleagues:

SUMMARY DATA FOR LPW

Project volume	Number of projects	LPW dollars
Selected projects	1,988	$1,955,406,642
(Average dollar size)		(983,605)
Nonselected projects which were scored	19,768	17,958,879,793
Total	21,756	19,914,286,435

Project volume	Number of projects	LPW dollars
Economic distress factors for the selected projects:	Average	Median
Unemployment rate (percent)[1]	12.29	9.30
Number of unemployed in project area	38,239	6,810
Per capita income	$3,232	$3,379
Labor intensity (percent)	41.89	40.35
Estimated total number of jobs on selected projects as estimated by the applicants	141,882	

	Number of projects (percent)	LPW dollars (percent)
SMSA/non-SMSA breakdown of selected projects:		
SMSA[2]	54	65
Non-SMSA	46	35

[1] Average unemployment rate for 70-percent areas is 14.9 percent and 7.27 percent for the 30 percent areas.
[2] 67 percent of LPW dollars placed in SMSAs are the projects for which cities were applicants.

SCORED SELECTED LPW PROJECTS

Project type	Number of projects	Percent of total	LPW funds	Percent of total
Public safety	133	6.7	97,691,176	5.0
Hospitals	49	2.5	62,365,658	3.2
Schools	268	13.5	372,846,575	19.1
Recreational buildings and parks	94	4.7	78,771,824	4.0
Other public buildings	469	23.6	481,112,645	24.6
Industrial development	47	2.3	50,225,560	2.6
Miscellaneous or multiple buildings	88	4.4	91,378,624	4.7
Water/sewer/drainage	475	23.9	405,664,549	20.7
Streets/roads/bridges	224	11.3	179,228,619	9.2
Miscellaneous or multiple civil works	123	6.2	119,354,303	6.1
Miscellaneous or multiple facilities not elsewhere classified	18	.9	16,767,109	.8
Total	1,988	100.0	1,955,406,642	100.0

SCORED NONSELECTED LPW PROJECTS

Project type	Number of projects	Percent of total	LPW funds	Percent of total
Public safety	896	4.5	697,824,309	3.9
Hospitals	400	2.2	471,491,081	2.6
Schools	2,650	13.4	3,397,781,068	18.9
Recreational buildings and parks	1,930	9.8	1,515,343,082	8.4
Other public buildings	3,446	17.4	3,113,115,999	17.3
Industrial development	398	2.0	414,789,476	2,3
Miscellaneous and multiple buildings	792	4.0	658,881,512	3.6
Water/sewer/drainage	4,522	22.9	3,963,692,655	22.0
Streets/roads/bridges	2,825	14.3	2,044,356,976	11.4
Miscellaneous or multiple civil works	1,312	6.6	1,194,981,557	6.6
Miscellaneous or multiple facilities not elsewhere classified	597	3.0	486,612,178	2.7
Total	19,768	100.0	17,958,879,793	100.0

LPW PROJECT CLASSIFICATIONS

Public safety facility: Includes police stations, fire stations, rescue stations, jails, prisons, and detention facilities.

Hospitals: Includes hospitals, clinics, nursing homes, health centers, sanatoria, etc.

Schools: Includes schools and other learning and/or training facilities.

Recreational buildings and parks: Includes arenas, stadiums, auditoriums, gymnasia, swimming pools, other recreational buildings, park development, etc.

Other public buildings: Includes municipal office buildings, town halls, courthouses, multifunction municipal office buildings, community centers, social service centers, libraries, museums, cultural centers, terminal buildings (air, water, or rail), garages, parking structures, historic buildings, etc.

Industrial development: Includes factories, canneries, processing plants, shell buildings, warehouses, marketing facilities, port or harbor facilities, aquaculture facilities, industrial or commercial site development, etc.

Miscellaneous or multiple buildings: Includes projects involving more than one type of structure and buildings not classified above, e.g., electric power plants, dwelling units (houses and apartments), etc.

Water/sewer/drainage: Includes water and sewer lines and systems, water source development (excluding dams), storm drains, drainage ditches, canals, aquaducts etc.

Streets/roads/bridges: Includes streets, roads, highways, sidewalks, curbs, gutters, bridges, parking lots, etc.

Multiple or miscellaneous civil works facilities: Includes projects involving more than one type of civil works facility and facilities not classifiable under one of the preceding two categories, e.g., dams, fences, etc.

Multiple or miscellaneous projects not elsewhere classified: Includes projects involving more than one class of activity, e.g., buildings and utilities and projects not classifiable into one of the above categories, e.g., right-of-way clearance, landscaping, Indian Action Teams, etc.

Mr. MINISH. Mr. Speaker, I want to commend the gentleman from New York (Mr. CONABLE) for scheduling this special order today to discuss the Public Works Employment Act.

I share, with the gentleman and others who have spoken, serious misgivings about the manner in which this most important program has been administered by the Economic Development Administration.

First, however, let me make it clear that I support the basic goals of the program as passed by Congress last year: to reduce our tragically high jobless rate by putting people to work in useful public works positions. In fact, I cosponsored that legislation and have also joined in sponsorship of the bill introduced last week to increase the funding available for this program. However, EDA's handling of the program clearly leaves much to be desired.

While a small number of worthwhile projects were funded by EDA in the northern New Jersey metropolitan area, many more well-qualified and deserving applications were rejected in apparent disregard of the selection criteria specified by the Congress.

The law directs the Economic Development Administration to give priority to areas of high unemployment. Essex County, N.J., and the surrounding counties have a jobless rate in excess of 10 percent even excluding the very high rate of the city of Newark. Furthermore this grave situation has prevailed for a great number of years.

It is therefore incredible to me that so few applications from suburban Essex and other nearby counties were approved. If the bureaucrats in EDA were really living within the intent of the law as written by Congress, it is apparent that a great deal more money would have been accorded to this area.

I urge the House Public Works Committee, which shortly will be examining this program and the legislation to increase its funding, to give the highest priority to a thorough reexamination of the language of the statute in order to remove any flexibility which presently exists for EDA to interpret the law to the detriment of deserving communities.

Mr. McCLORY. Mr. Speaker, I am pleased to take part in this discussion initiated by the distinguished gentleman from New York (Mr. CONABLE).

Mr. Speaker, I take these few moments to express the view that the Economic Development Administration—EDA—did an excellent job of administering the public works employment program funding. They followed the letter of the law and the intent of Congress by using a well-considered formula of criteria in scoring and making their selections. I worked closely with EDA in supporting projects for my district and was amazed at the remarkable courtesy and efficiency

they continually displayed considering the tremendous time pressure under which they were working. In fact, would that all agencies of the bureaucracy did half as well.

I will try to explain some of the problems they faced.

It was the intent of Congress to show that a Government agency can act quickly and that it does not take 2 or 3 years from the date of application for funded projects to get underway. For that reason Congress mandated that the projects be selected within 60 days and be underway within 90 days, giving a time period of approximately 5 months between submission of applications and the beginning of actual work on the projects—an unprecedented feat.

The EDA, with only approximately 750 employees, has proved that projects can be selected in a short period of time. However, given this time pressure they were forced to use a point system rather than judgmental evaluation in selection of projects to be funded. I have been assured by EDA officials that had they had more time in which to make selections they could have done an even better job.

Other problems were caused by the 70–30 ratio. I understand that with the best of intentions Congress mandated that 70 percent of the money go to areas with unemployment rates above the national average and 30 percent go to areas at or below the national average of unemployment. However, this meant that some projects in the 70-percent areas which scored higher could not be funded because a certain amount had to be reserved for the 30 percent areas.

Also, according to the intent of Congress EDA had to be careful not to have undue concentration of funds. For instance, if there had been no restrictions all of the available money could have gone to a single city or one area within a State. In order to prevent this and to insure that some money went to rural areas, EDA compared projects within a geographical area of a State and selected the top scoring projects until the percentage of money allowed for that area had been exhausted. The result was that a number of excellent projects were not selected simply because they may have scored one or two points lower than the few projects which could be funded in that area.

I hope this brief description of the magnitude of the problems faced by EDA, a very small agency, will convince you, as it does me, that the Economic Development Administration did a magnificent job in administering this program according to the mandate of Congress.

With this in mind, and considering that if there is any fault with this program it lies in the difference between the demand for the money and the supply of money as well as the excessive speed with which the EDA was required to carry out the program, I urge that at least some additional funding may be set aside for a continuation of the public works employment program. This is one way in which a Federal program may help overcome unemployment and give a boost to the economy.

Mr. Speaker, within the limits of its authority and resources the Assistant Secretary of Commerce for Economic Development, John W. Eden, and his associates at EDA have performed an urgent and demanding task in a most commendable manner.

Mr. MOTTL. Mr. Speaker, I wish to join with the gentleman from New York (Mr. CONABLE) in expressing my distress over the grant announcements made by the Economic Development Administration under the Public Works Employment Act of 1976.

Title I of the Public Works Employment Act was clearly intended to provide assistance to State and local governments in alleviating high unemployment. Yet, the areas of highest unemployment in the State of Ohio, and the most populous areas, received only a small fraction of the grants announced by the EDA. The Northeast Ohio Areawide Coordinating Agency and numerous public officials have publicly protested the pattern of distribution of these funds.

Forty-eight Members of Congress, including myself, have requested an immediate investigation of the entire process of allocating these funds by the Comptroller General. I feel it would appropriate to fully review the present program before plunging ahead with an extension of the Public Works Employment Act.

Mr. MITCHELL of New York. Mr. Speaker, I welcome the opportunity to participate in this special order because I share your interest in the important subject under discussion. I have devoted a considerable amount of time to a study of this matter and have put together a special report which I am making available to local government officials, the media and other interested parties in an effort to bring the people I represent up to date on developments.

PUBLIC WORKS EMPLOYMENT ACT OF 1976: FUNDING UNDER TITLE I, A SPECIAL REPORT BY REPRESENTATIVE DONALD J. MITCHELL

The widespread dissatisfaction with the designation of projects for funding under title I of the Public Works Employment Act of 1976 prompts this special report. I thought you might want a status report on where we are and where we are likely to be going with this program as it relates to our area.

Here is the situation as I see it.

A majority of Congressmen are unhappy. As soon as the December 23d Federal Register containing the Economic Development Administration's list of "proposed projects selected for funding" was published there was what could best be described as a national uproar.

Colleagues from across the country—senior members and freshmen, Republican and Democrat alike—joined me in complaining about the unfair and inequitable distribution of funds. The National League of Cities put out a strong statement of disapproval. Mayors from cities of high unemployment, including Jersey City, 11.04 percent; Miami, 12.1 percent; San Juan, 13.9 percent; Sacramento, 10.3 percent; and Pittsburgh, 9.1 percent, protested and with good reason. They got nothing.

Closer to home, our fate was similar. Not a penny of the millions reserved for areas with an unemployment rate above the national average was approved for the depressed Mohawk Valley area.[1] Our neighbors to the east and west, Albany and Syracuse, also drew a blank. They got nothing.

Under provisions of the act reserving funds for areas with an unemployment rate between 6.5 percent and the national average, we came out in better shape. Four separate projects totaling nearly $2 million were approved for a new Herkimer County Jail, an addition to the Otsego County Jail, a new fire hall for the town of Dukanesburg in Schenectady County and an addition to the Worcester Central School in Otsego County.

But of the 70 percent of the act's allocation for areas with an unemployment rate higher than the national average, we did not get one project.[1]

A lot of questions are being asked in an effort to determine the "why?" After all, the legislation was designed to pump dollars for worthy public works projects into areas of high unemployment—like ours—to create jobs immediately. How could there be so many voids all across the country? In Rome, Utica and Johnstown-Gloversville? In Jersey City and Pittsburgh? Even in the President's home town, Grand Rapids, Mich.? All with unemployment rates above the national average.

My immediate reaction on December 23d was to call for a halt to the further processing of all applications until we could get some answers. I took several actions on that date. A telegram was dispatched—after repeated telephone calls got a busy signal—to Assistant Secretary of Commerce John Eden requesting the processing halt pending the completion of an immediate investigation by the House and Senate committees having jurisdiction over the program's authorization. I asked for that investigation in telegrams sent to the chairmen of the committees.

I then contacted the General Accounting Office, the investigative arm of Congress, to request an independent audit of the procedures used by EDA to select projects for funding.

The next day I sent a letter to every Member of the House and Senate outlining my dissatisfaction with the program, reporting on the steps I had taken and enlisting additional support for the cause. I received a number of favorable responses and quickly learned the dissatisfaction was widespread, prompting many of my colleagues to respond exactly as I did—calling for a halt in the program pending an investigation.

Additionally I called the White House to register my complaints. I talked with

[1] Little Falls project not in original announcement. Our investigation uncovered error in EDA computation. EDA has acknowledged error and is taking corrective action.

the President's principal legislative liaison person and the Deputy Director of the Domestic Council—the Director was out of town attending a funeral.

At this point, grant announcements are being made daily. It looks like the House and Senate Public Works Committees will be conducting hearings shortly and the GAO is trying to determine the direction it should take with the requested investigation. EDA, mandated by Congress to move within 60 days on project applications—our goal, you will remember, was to get this money working as soon as possible so there would not be any delays in the fight to reduce unemployment—is taking a lot of "heat" from the protestors but is nevertheless continuing on course.

My candid assessment is we—Congress, National League of Cities, mayors, et cetera—would not be able to alter the course significantly on what now looks like the first round of funding under this program. However, I am hopeful that if there is an extension of the act, with more money for more projects, the ground rules will be changed to guarantee a fairer, more equitable distribution of projects and dollars.

Though the intent of the act is noble, it is necessarily one of those Government programs that overpromises and underdelivers. In our district alone, it is estimated that applications totaling more than $300 million were submitted. The entire State received an allocation of $232.9 million, so in our area we applied for more funds than were available for the entire State. Our per capita share, 1/39th of New York State, would total nearly $6 million. If we had been awarded grants totaling $6 million—even $10 million—97 percent of our congressional district applicants would have been unsuccessful and disappointed Even with a $2 billion extension of the program and even if we got $10 million the vast majority of our applications would still be unfunded.

There should be a better method for early screening so false hopes are not raised.

The House majority leader has already announced his plan to push for an extension of the act and he claims President-elect Carter will be supportive. The majority leader, Representative JIM WRIGHT of Texas, is also dissatisfied with the first round distribution but he had what appears to be the majority of House Members are concentrating on a distribution formula for future funds rather than a redistribution of existing funds under the 70-percent allocation reserved for projects in areas with unemployment above the national average.

I have already advised Majority Leader WRIGHT of my willingness to help in the development of an extended program providing we can guarantee a fair and equitable distribution formula. I have also indicated my strong support for closing the door on any new applications. It is my view that any second round of funding should be reserved for those unfunded applications now on file, and there are plenty of them from our 31st District.

My further belief is that 100 percent of the funding—not just 70 percent as in the current bill—should be devoted to projects in areas with an unemployment rate above the national average.

Right now it looks like committee hearings will commence later this month with every expectation we will have a bill on the floor for a vote in February. If all goes according to some predictions, from the majority leader and others who are in a position to influence the flow of legislation, there is a possibility a second round of funding could come as early as March.

Some people are wondering why so many Congressmen are complaining about a program they voted for.

It is not unheard of to complain about the administration of a bill. On occasion agencies fail to live up to our expectations, as is the case with the Public Works Employment Act. With grant programs, Congress outlines its goals, establishes its intent and then gives to the agency having jurisdiction for the program the authority to establish the guidelines for implementing the program. In this instance, the agency did a very poor job. It happens. The formula proposed for implementing the legislation and ranking the project applications appeared sound. It included the following factors: unemployment in numbers, unemployment rate, per capita income in project area, labor intensity of the project, long range value of the project, whether or not the proposed project was included in an area's overall economic development plan and the nature of the applicant—general purpose unit of Government or special purpose unit of Government.

EDA was given one other important tool to build a sensible program: discretionary authority. The Assistant Secretary was given this authority to prevent what Congress termed "an undue concentration of grants" in any one area. In short, we told the Secretary to use sound judgment and here is where I feel the letdown came.

I do not want to perpetuate the old upstate versus New York City battle because I think that is counterproductive as far as the entire State is concerned. Nevertheless, I must say there is no way a program can be termed fair and equitable that grants 51 separate projects costing more than $102 million to New York City and none to the depressed Mohawk Valley.[1] The Secretary should have made better use of his discretionary authority.

Of course New York City has a monumental problem with unemployment and needs help. But we also have a serious problem. We need help too. It seems to me the proper use of discretion would have resulted in a fairer distribution of projects for New York City and the upstate area.

In summary, although the first round of funding found us on the outside looking in with the 70-percent funds, there is still hope for a few of the projects from our district. It is an almost certainty there will be another round, one that will assure a fairer, more equitable distribution of funds.

A summary follows:

SUMMARY

Title I Public Works Employment Act of 1976

$2 billion allocated nationally . . . $10 million for administration, $1,990 million for grants.

$232.9 million allocated to New York State.

New York has 8.9 percent of the nation's population.

New York has 9.9 percent of the nation's unemployed.

New York got 11.7 percent of the nation's funds under Title I.

70 percent of New York's allocation ($163 million) mandated by law to go to areas with an unemployment rate above the national average for April–May–June '76 (7.5 percent).

30 percent of New York's allocation ($69.9 million) mandated by law to go to areas with an unemployment rate between 6.5 percent and the national average.

1,379 applications from New York ranked under the 70 percent category.

106 of these applications were approved.

7.7 percent approval rate.

Average project cost: $1,537,100.

31st District got one project: Little Falls (downtown development) $885,000.

261 applications from New York ranked under the 30 percent category.

75 of these applications were approved.

28.7 percent approval rate.

Average project cost: $931,600.

31st District got four projects:

Herkimer County (new jail)	$1,082,305
Duanesburg, Schenectady County (new fire hall)	387,000
Otsego County (additions and improvements to jail)	247,640
Worcester Central School, Otsego County (addition)	236,990
	$1,953,935
Total District (5 projects)	$2,838,935

From our 31st District we had: 86 ranked applications ($90,311,231 in projects) in 70 percent category; 4 ranked applications ($7,953,935 in projects) in 30 percent category.

Many more applications were submitted but were rejected for one reason or another and therefore were not ranked.

Ranking Formula (120 points maximum)

30 points—Number of unemployed (absolute numbers).

25 points—Rate of Unemployed (percentage).

30 points—Labor intensity (relation of total labor costs to total project costs, high labor costs got higher points).

15 points—Per capita income in project area.

10 points—Long term benefit of project.

5 points—Inclusion in approved Overall Economic Development Plan.

5 points—If applicant general purpose unit of government (city, county, etc.).

3 points—If applicant special purpose unit of government (agencies, etc.).

[1] Little Falls project not in original announcement. Our investigation uncovered error in EDA computation. EDA has acknowledged error and is taking corrective action.

Applicant and county	Amount	Rank	Score	Unemployment rate	Per capita	Labor intensity	Number unemployed
70 PERCENT CATEGORY							
Little Falls, Herkimer	$885,000	238	79.350	9.81	$2,264	47.32	12,600
North Bay, Oneida	420,000	307	78.397	10.40	3,057	38.10	13,244
Frankfort, Herkimer	3,596,200	308	78.382	10.40	3,065	42.98	13,244
Do	460,000	309	78.374	10.40	3,069	35.62	13,244
Marcy, Oneida	800,350	316	78.290	10.64	2,860	35.03	10,686
Utica, Oneida	1,366,400	328	78.102	10.44	3,233	49.69	13,244
Herkimer, Herkimer	730,000	331	78.084	10.40	3,230	64.93	13,244
Utica, Oneida	1,222,202	332	78.080	10.40	3,233	55.99	13,244
Do	186,984	333	78.080	10.40	3,233	62.79	13,244
Do	422,830	334	78.080	10.40	3,233	56.44	13,244
Boonville, Oneida	780,194	350	77.968	10.40	3,295	39.24	13,244
Ilion, Herkimer	4,067,000	364	77.861	10.40	3,354	49.18	13,244
Rome, Oneida	1,042,000	371	77.794	10.40	3,391	43.60	13,244
Do	600,000	372	77.794	10.40	3,391	51.73	13,244
Oriskany, Oneida	3,900,000	395	77.733	10.40	3,425	43.79	13,244
New York Mills, Oneida	2,000,000	396	77.733	10.40	3,425	38.01	13,244
Fultonville, Montgomery	1,007,076	415	77.400	14.00	3,496	40.48	5,892
Utica, Oneida	495,000	426	77.291	10.64	3,414	35.15	10,686
West Winfield, Herkimer	129,000	427	77.288	10.40	3,262	34.28	13,244
Utica, Oneida	950,000	473	76.778	10.40	3,233	47.37	13,244
Sherrill, Oneida	302,000	483	76.608	10.40	3,329	39.74	13,244
Do	383,500	484	76.600	10.64	3,798	44.51	10,686
Gloversville, Fulton	99,500	507	76.230	10.90	3,111	48.24	5,691
Utica, Oneida	882,000	525	75.954	12.05	3,233	37.12	4,408
Do	410,000	526	75.954	12.05	3,233	36.49	4,408
Holland Patent, Oneida	229,300	527	75.938	10.40	4,421	37.51	13,244
Utica, Oneida	4,227,000	530	75.897	12.05	3,233	43.95	4,408
New Hartford, Oneida	800,000	531	75.895	10.40	4,445	38.40	13,244
Sharon Springs, Schoharie	1,328,000	584	75.581	10.26	2,707	40.22	3,958
Gloversville, Fulton	772,000	585	75.574	10.86	3,462	40.80	5,691
Do	1,795,600	586	75.569	10.85	3,462	38.43	5,691
Herkimer, Herkimer	1,578,195	597	75.404	10.40	3,230	33.64	13,244
Clinton, Oneida	307,439	601	75.371	9.81	4,472	45.84	12,600
Frankfort, Herkimer	1,450,000	619	75.123	10.40	3,061	38.28	13,244
Oriskany Falls, Oneida	1,213,000	622	75.109	10.64	2,813	35.89	10,686
Camden, Oneida	847,000	623	75.107	10.40	3,070	62.30	13,244
Marcy, Oneida	400,000	630	75.028	10.64	2,860	37.60	10,686
Utica, Oneida	1,036,350	647	74.826	10.40	3,233	53.44	13,244
Do	3,802,610	648	74.826	10.40	3,233	60.07	13,244
Do	538,115	649	74.826	10.40	3,233	41.60	13,244
Verona, Oneida	164,000	661	74.702	9.97	3,120	43.09	12,832
Waterville, Oneida	1,500,000	662	74.701	10.66	3,427	43.80	13,584
Ilion, Herkimer	250,000	676	74.617	10.40	3,354	42.46	13,246
St. Johnsville, Montgomery	234,000	680	74.572	11.43	3,225	35.10	3,033
Utica, Oneida	2,926,000	682	74.561	12.05	3,233	33.65	4,408
Oriskany, Oneida	499,800	687	74.527	10.46	3,425	55.02	13,244
Do	1,387,000	691	74.522	10.45	3,425	49.03	13,244
Do	600,000	692	74.522	10.45	3,425	50.00	13,244
Do	1,020,000	693	74.522	10.45	3,425	54.63	13,244
Do	787,500	694	74.522	10.45	3,425	38.10	13,244
Fonda, Montgomery	296,000	721	74.185	11.43	3,440	37.53	3,033
Utica, Oneida	272,519	734	74.071	10.64	3,414	38.10	10,686
Waterville, Oneida	1,333,000	746	73.895	10.40	3,772	41.26	13,244
Fultonville, Montgomery	120,000	765	73.757	11.43	3,320	34.38	3,033
Fort Johnson, Montgomery	1,582,715	767	73.730	11.43	3,214	34.16	3,033
Clinton, Oneida	303,000	787	73.547	9.81	3,710	37.95	12,600
Yorkville, Oneida	995,000	832	73.128	13.34	3,414	42.71	1,381
Johnstown, Fulton	590,025	848	72.956	10.27	3,551	35.75	2,658
Northville, Fulton	280,000	870	72.780	10.30	3,658	36.07	2,658
New Hartford, Oneida	743,900	872	72.733	10.40	4,445	35.32	13,244
Little Falls, Herkimer	429,615	904	72.527	9.70	3,549	39.71	2,558
Fonda, Montgomery	216,500	909	72.484	11.43	3,527	33.50	3,033
Delanson, Schenectady	482,000	922	72.329	8.11	3,327	35.80	8,831
Johnstown, Fulton	3,800,000	926	72.259	10.34	3,320	35.86	5,426
Herkimer, Herkimer	975,000	973	71.631	10.40	3,358	28.95	13,244
Utica, Oneida	816,318	977	71.573	10.40	3,233	56.07	13,244
St. Johnsville, Montgomery	98,000	989	71.531	11.43	3,187	40.65	3,033
Do	231,591	998	71.449	11.40	3,225	38.71	3,033
Oriskany, Oneida	2,734,200	1017	71.281	10.45	3,425	71.63	13,244
Broadalbin, Fulton	3,212,000	1019	71.189	10.27	3,476	33.15	2,658
Schoharie, Schoharie	250,000	1028	71.099	10.26	3,330	31.74	3,958
Indian Lake, Hamilton	759,383	1034	71.026	7.82	3,090	35.36	1,630
East Worcester, Otsego	719,895	1036	71.010	7.52	2,669	50.00	2,021
Worcester, Otsego	1,861,804	1037	71.010	7.52	2,669	49.93	2,021
Oriskany, Oneida	1,501,500	1045	70.874	10.45	3,425	28.31	13,244
Schoharie, Schoharie	2,900,000	1072	70.525	8.94	3,110	40.47	1,097
Clinton, Oneida	388,000	1087	70.349	9.81	3,710	38.98	12,600
Do	658,938	1123	69.552	10.45	4,472	45.98	13,244
Rome, Oneida	316,000	1195	68.210	10.64	4,248	47.91	10,686
Speculator, Hamilton	287,031	1233	67.227	10.14	3,692	30.29	2,178
Cobleskill, Schoharie	630,035	1242	66.970	8.94	3,101	31.53	1,097
Canajoharie, Montgomery	1,464,119	1282	65.499	11.43	3,663	26.95	3,033
Herkimer, Herkimer	540,000	1285	65.329	9.70	4,248	42.96	2,558
Richmondville, Schoharie	210,000	1297	64.939	8.94	2,934	42.13	1,097
Cherry Valley, Otsego	277,000	1334	63.083	7.52	3,253	32.72	2,021
Westmoreland, Oneida	1,950,000	1373	52.016	10.40	3,485	10.10	13,244
30 PERCENT CATEGORY							
Herkimer, Herkimer	1,082,305	16	104.913	7.72	3,230	38.67	2,276
Duanesburg, Schenectady	387,000	59	96.771	7.30	3,536	39.78	5,167
Worcester, Otsego	236,990	82	93.021	7.16	2,956	43.38	3,467
Cooperstown, Otsego	247,640	105	91.128	7.16	4,143	44.10	3,467

Mr. SHUSTER. Mr. Speaker, as a member of the Public Works and Transportation Committee's Economic Development Subcommittee, and author of one of the key provisions of the subcommittee's Public Works Employment Act of 1976, I was hopeful, if not optimistic, that title I could accomplish some of the goals set forth in the legislation and contribute in a measurable way to alleviating one of our Nation's major problems—unemployment in the construction industry. I supported this House initiative—even though I could not support the two Senate-originated titles that ultimately made the entire bill a political football—while expressing serious concern about insuring an equitable distribution of funds between urban and rural areas.

During the hearing conducted last fall following publication of the guidelines and regulations for implementation of title I, I voiced this concern to John W. Eden, Assistant Secretary for Economic Development. I later wrote to Mr. Eden asking for a detailed explanation of the formula that would guarantee an equitable allocation of the $2 billion in title I money. My concern grew out of the portion of the formula that counted raw numbers of unemployed as 30 percent of the basic ranking score, regardless of the

relative unemployment rate. I envisioned major urban areas, with high density unemployment, ranking consistently higher than rural areas where, while the density of unemployment may not be as great, the rates in many cases are higher and the absolute number of unemployed over a larger area may be as great or greater than the urban areas.

In each case—during the hearing, in private conversation with Mr. Eden and his staff, and in response to my letter—I was assured that the logarithmic formula designed by EDA would make possible equitable competition among project areas of all sizes and compositions. I was told that the logarithmic computation of absolute unemployment numbers would enable rural areas to compete for funding on an equal footing with high density areas.

I was skeptical, and continued my assault on the likelihood that the EDA formula would insure equitable competition between rural and urban areas. The assurances I received from EDA were persistent and intense. Then, the final selection list that appeared in the December 23, 1976, Federal Register proved conclusively that my concerns were well founded, and the constant assurances I received from EDA were hollow.

In the Commonwealth of Pennsylvania, for example, where nearly $83 million was allocated to 68 project applicants, over $60 million went to 49 applicants in areas that are urban in socioeconomic characteristics, while only 19 applicants in rural areas reecived $22.7 million in title I designations.

While defenders of the logarithmic formula might argue that the major urban areas received their fair share in terms of the proportion of absolute numbers of unemployed in those areas to State totals, I contend that the inequity lies not in what the urban areas received, but in what the rural areas, with comparable unemployment, rate, and labor force figures, did not receive. In many cases, projects in the peripheral areas around urban centers received grant approvals because, by nature of their political distinction, they were not construed to be part of the urban center to which they are inextricably married by socioeconomic factors.

To illustrate this point, I selected 12 nonurban—rural and small town/city—political subdivisions in Pennsylvania as identified in the Department of Commerce's October 18, 1976, CETA unemployment listing. For purposes of this illustration, I shall refer to this grouping as the "rural sample," but it should be understood that the sample includes such urban areas as the cities of Altoona and York, and the portion of Cumberland County comprising suburban Harrisburg. The unemployment rate, absolute members of unemployed, and labor force totals for the rural sample are in every way comparable to the cities of Pittsburgh and Philadelphia, but that comparability ends there. It does not extend to equal treatment in the allocation of funds under the so-called jobs bill, as the following table clearly illustrates:

Area	Unemployment rate	Number of unemployed	Labor force	Number of selected projects	Total project cost
Philadelphia	9.29	65,424	704,169	7	$12,942,923
Percent of State		16.5	13.8	10.3	15.6
Pittsburgh (including Allegheny County)	7.16	45,532	635,645	14	11,017,055
Percent of State		11.5	12.5	20.6	13.3
Rural sample	7.39	51,079	690,482	4	5,779,940
Percent of State		12.9	13.6	5.9	6.9
State	7.77	394,527	5,075,366	68	82,879,610
Rural (27 percent)				19	22,735,369
Urban (73 percent)				49	60,144,241

Despite the fact that the rural sample resembles Pittsburgh and Philadelphia in every economic factor, it will receive roughly half the title I benefits. Why? Because the area is primarily a low-density area that, when viewed in terms of individual political subdivisions, cannot compete with the high-density absolute unemployment figures of Pittsburgh and Philadelphia. The formula so highly touted by EDA failed miserably in living up to its advance billing as the great balancer between rural and urban areas—just as I predicted it would.

Sure, it is easy to rationalize the formula. It is easy to say that it is the best that could be had under the circumstances and with the severe time constraints imposed by the Congress. But that just does not cut it!

This program, as clearly stated in hearings and floor debate, was established to put people back to work, particularly in the construction trades where the unemployment rates have been consistently double the national average. But it was not created as a panacea for our Nation's urban ills at the expense of the jobless in rural America, as it turned out. Mr. Speaker, the hard working taxpayers of rural Americe have to eat, too—and most of them do not have the benefit of fat welfare programs that are so prevalent in our Nation's big cities.

Title I has clearly not met the objectives established by Congress; it is a blatant injustice to rural Americans and must be corrected. I do not have a magic formula, Mr. Speaker, but neither do I go around professing to have one. Instead of going ahead with a program destined for failure—and, indeed, considering expanding it—we should take a deep breath, look long and hard at the formula, and come up with a plan that will keep faith with the congressional mandate and serve in the best interests of all Americans, not just those who choose to live in big cities.

Mr. LUNDINE. Mr. Speaker, I have real concerns about the present implementation of the 1976 local public works and capital investment program. In my own congressional district, the program has been administered in such a way as to discriminate against the areas with the highest degree of unemployment. Three of the four projects which received approval were in areas in which unemployment is lower than the national average. These communities were able to compete successfully for the 30 percent of funds allocated for such situations. No grant was made to any community in which unemployment is higher than the national average, although many such communities applied. The remaining grant was to the Seneca Indian Nation, which is a special situation.

My congressional district, in the southwestern corner of New York State, is located in the Appalachian region. We have many small towns and cities with severe economic problems. These communities badly need economic and technical assistance from the Federal Government, but they were unable to compete for public works grants with more densely populated areas of New York State under the Economic Development Administration's criteria, which gave additional weighting to absolute numbers of unemployed.

I know it was not the intent of the 94th Congress to discriminate against rural areas and small cities with high unemployment. I understand the need to employ as soon as possible large numbers of people, particularly in the depressed construction industry. But I have serious reservations about a public works program which has the effect of discriminating against districts like the one I represent.

I include in the RECORD at this point a letter to Secretary Elliot Richardson expressing my disappointment with the implementation by the Department of Commerce of the local capital public works and investment program:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 29, 1976.

Hon. ELLIOT L. RICHARDSON,
Secretary of Commerce, U.S. Department of Commerce, Wassington, D.C.

DEAR SECRETARY RICHARDSON: I was very disappointed in the proposed allocation of the Local Capital Public Works and Investment Program funds announced by the Department of Commerce last week. The formula used to determine value of specific projects became grossly unfair when applied to smaller communities in areas of high unemployment.

The outcome of the selection process published by the Economic Development Administration on December 23 creates a clear anomaly. It could not have been anyone's intention, least of all that of the program's Congressional authors, that it should be easier to get approval for job-creating projects in areas of lower unemployment than in areas with more severe employment problems. The program as it is now being implemented discriminates against those areas which have the greatest need.

My Congressional District is essentially a five county area in upstate New York located in the Appalachia region. Using my own Congressional District as an example, we find that the program has in fact given areas of low unemployment a better chance to receive aid than the areas of high unemployment. Three of the four projects in my district which received approval on December 23 qualified under the 30 per cent funding for

areas of unemployment lower than the national average. The renovation of the railroad shops in Hornell, New York will create industrial space in a community which is severely depressed and the construction of a new high school in Elmira, New York will help to absorb some of the accelerated unemployment caused by the closing of the Westinghouse plant in that community. While the few projects approved in the 39th Congressional District were of significant merit, there are many equally worthy projects in areas with high unemployment.

Unemployment rates in the labor markets during periods defined for application purposes were *below* national unemployment rates for three successful applicants in my district. At the same time, the remaining basic labor markets which showed unemployment significantly *higher* than the national average were left without a single approved project, the only exception being the extraordinary circumstances of the Seneca Indian Nation with an unemployment rate of 60 per cent.

It is apparent that low unemployment rates led to approval for my district's few successful applicants and high unemployment led to rejection for nearly 200 funding requests submitted under the 70 per cent program. It is clear that the rural areas of high unemployment could not compete with the highly urbanized, metropolitan areas of New York State. I can only conclude that the EDA criteria, which gave undue weight to absolute numbers of unemployed, have effectively precluded any rural area of high unemployment from qualifying for this public works program.

This is an absurd result. To discriminate, in effect, against those rural areas with the greatest unemployment is contrary to the purpose of the program.

I urge that you correct this inequity prior to the termination of the existing program and make correction your first priority. Uncommitted allocations and second-approvals should give special emphasis to needy rural communities where no project was approved. It is within your authority as Secretary of Commerce to rectify this imbalance. I urge you to do so.

Sincerely,

STANLEY N. LUNDINE,
Member of Congress.

Mr. Speaker, I earnestly hope that the inequities in allocations under the current program can be rectified and that the Congress will take steps to assure that such a situation does not recur in the future.

Mr. LAFALCE. Mr. Speaker, I am joining today with a number of my colleagues to discuss the implementation of the Local Public Works Employment Act of 1976 because I firmly believe we can and should do better than we did last year in dealing with the Nation's serious unemployment problems.

Any program which has $2 billion to distribute and applicants seeking $24 billion is bound to cause disappointment. But this one was exceptional in that regard, for reasons which I attribute to the selection process used by the Economic Development Administration.

Yesterday I learned that the General Accounting Office will be looking into that process, seeking to determine exactly what EDA did, what it did not do, and why decisions were made in the way they were. Perhaps the result will help to explain some of the apparent inequities which took place in the distribution of the funds.

I also understand that the Economic Development Subcommittee of the Public Works and Transportation Committee will be holding hearings on possible extensions of this program in the near future, and I hope that the kind of questions which the GAO will be looking into will also be a major focus of the hearings.

These remarks are not intended, however, simply to criticize the past. I feel very strongly that the problems we have seen in the implementation of the program we created last year are ones from which we can learn. It is essential that we do so and that any public works legislation we enact this year seek to eliminate, or at least reduce significantly, those problems.

The goal of the program was to create jobs, particularly in the construction industry where unemployment in many areas, including my district in western New York, is far greater than in the work force as a whole. Jobs can come through a specific public works program like the one we enacted last year, but they could also come through a supplemental community development program, aimed at high unemployment areas, which is oriented toward physical development activities. Indeed, the leverage from that approach might be quite a bit higher than through a program like last year's, thus creating more jobs.

The program could be on a project-by-project basis, like last year's was. But it does not have to be. It could, instead, be on a formula basis, assuring every community with a given rate of unemployment that it would get at least some of the funds. We would have to stipulate that projects undertaken with funds allocated according to a formula would start quickly, would be labor intensive, and would be for physical development activities rather than public service jobs. But that can be handled, among other ways by making each community's plans subject to executive approval and monitoring. This approach would resolve the inequity problem and could be designed to provide proportionately more funds to those communities which have borne more than their fair share of the unemployment burden. It could recognize that local governments which have high rates of unemployment suffer themselves and deserve consideration in the allocation of the funds. Last year's program, whether or not intended, made no such recognition.

We are not limited to a choice among Federal agencies to administer a program of this kind. Last year, of course, we entrusted the implementation of the program exclusively to the Department of Commerce's Economic Development Administration. Perhaps we should give consideration to charging the President with administering the jobs program, permitting him to draw upon the expertise in all parts of the Government in distributing the funds in the most equitable and efficient way.

None of these options and ideas are necessarily the only way to proceed, nor the best way to proceed. All have good and bad points. But the main point, Mr. Speaker, is that they all warrant detailed consideration before we proceed to authorize large public works program. We owe that to ourselves, but much more than that, we owe it to our local governments, to the millions of unemployed Americans, and to the taxpayers.

This week I prepared a column, which appears in 12 of the newspapers in my congressional district, giving my reaction to this very subject. At this time, Mr. Speaker, I would like to submit that column for the RECORD:

CONTROVERSY OVER PUBLIC WORKS

On January 4th the 95th Congress was sworn in, and on January 20th President-elect Carter will assume office. Our nation's well being and the hoped-for revival of our economy will depend, in part, on the quality of the decisions made by the Congress and the Administration, but perhaps more importantly, on the manner in which those decisions are implemented.

A recent example reflects this vividly. I refer to the allocation of funds under the $2 billion local public works program. Here was a program which was created with excellent intentions, but which was not adequately thought through when enacted by Congress, and was then implemented sloppily, to put it in the most charitable terms.

Since serious consideration is being given to extending this program (or something similar) in the coming months, I'd like to review what transpired and reflect on options for the future.

The 1976 public works program was enacted in order to put construction workers back on the job—a laudable goal which I wholeheartedly support, inasmuch as that industry has borne far more than its fair share of the unemployment burdens.

But inadequate attention was paid to the way in which the funds would be distributed. In effect, Congress gave the Department of Commerce's Economic Development Administration a blank check for $2 billion and told EDA to distribute the funds, something the EDA did under very vague guidelines, and with the assistance of an "all-knowing" computer.

The EDA is an undermanned agency which has suffered from a number of attempts by the Nixon and Ford Administrations to eliminate it. It was hardly in a position to make detailed judgements about proposed public works projects throughout the country, priority decisions which are far better left to local governments in any event. This was a point I raised on the floor of the House during debate on the bill. And as I recall, I was alone in worrying about the ability of EDA to handle the distribution equitably.

From the perspective of unemployed construction workers in Western New York, the system worked reasonably well. The State's total allocation of $232 million, if divided equally into the 39 congressional districts in New York, would have resulted in an average of under $6 million per district. That is what we could have reasonably expected to receive. In fact, our congressional district received nearly double that.

But our success was overshadowed by the implementation of the program. The needs, as expressed in the volume of applications, far exceeded the available funds. Nationally, it was 12 times greater; in Western New York, the ratio was even higher.

In short, the dynamics of the program resulted in a situation where 1 out of every 12 applicants was pleased, and 11 out of every 12 applicants were guaranteed to be disappointed.

I pointed this out to the applicants in our district prior to the announcement of the projects selected for funding. And previously, I had written and called the EDA urging a change in the regulations in favor of a

more equitable distribution system. But still, the public works program was in trouble, for overly-optimistic. Despite my effort to warn the applicants, I have heard from many of them and their messages have ranged from disappointment (which I understand and share) to irresponsible accusation of neglect and punishment.

From the perspective of our total district, we did quite well. But naturally, given the 1 out of 12 ratio, most applicants were disappointed and they are expressing it loudly. Interestingly, my conversations with Congressmen from all over the country indicate that almost none did as well as we. For example, over one-half of those cities in the entire United States with populations over 100,000 received no money.

It's also interesting to note the various charges that are being leveled. Small communities are claiming that big cities got all the money; and the League of Cities is claiming that small communities got the bulk of the funds.

While no Congressmen were involved in the EDA's selection of projects to be assisted under this program, I fully understand and sympathize with the expressions of disappointment from communities which were not on the list of those selected. But it does little good to yell or shout about our disappointment willy-nilly; it does little good to ignorantly and falsely assess blame especially when there is no merit whatsoever to such accusations. It does great good, however, to ask questions about the EDA formula and decisionmaking process, for this allocation process must be rectified if additional economic stimulation through public works is going to be considered. We are seeking answers in this area. Along with a number of other Congressmen I am requesting that the General Accounting Office conduct an investigation of the methods which EDA used in the allocation process.

In addition, last year I sponsored an alternative to the public works program—one which would have directed the funds on a formula basis to each and every community with unemployment at a rate of 8 percent or more, the very communities that need assistance the most. They would have all received a fair share of the funding, and spending decisions and priorities would have been made by local officials.

That proposal passed the House of Representatives in 1976 and was dropped by a margin of only one vote in the Conference Committee with the Senate. In my judgment, it remains a far better approach. I intend to revise it and reintroduce it this year, in hopes that the concepts of formula funding and local decisionmaking will be incorporated in any new public works or community development jobs program.

With those concepts, the kind of rancor and disappointment we have seen in the past few weeks could have been avoided. We should learn from the mistakes of the past and I intend to do all I can to point out those mistakes—both legislative and administrative—and help find better, wiser methods for our economic future.

Mr. BAFALIS. Mr. Speaker, my colleagues in the Congress know me as a strong fiscal conservative. I am an advocate of a balanced Federal budget and have consistently opposed massive Federal spending programs that only further add to the debt we are now carrying.

Usually, I would have opposed a program with a price tag of the public works jobs bill without a second thought. However, after careful study, I determined that the purpose of the bill—to put people in areas of high unemployment back to work in building projects that are direly needed by local governments—justified the price tag. I joined in support of this spending bill because I felt its purpose was a good one and that the tax dollars involved would be well spent for needed public projects.

So now, after the implementation of this legislation, where are we? A quick survey of some facts as they relate to Florida might help us get a better view of how far the implementation of this legislation has strayed from its original intent.

The State of Florida was allocated $135 million under this program. Applications were made by over 1,000 local and county government units for participation in the program knowing full well that the main criteria was the unemployment level in the areas involved.

So let's look at the final determinations of the Economic Development Administration to see how our legislation was handled.

We see that Leon County-Tallahassee was given a $3.2 million grant to build a civic center.

We see that the city of Gainesville was approved for three separate projects totaling $3.9 million.

And we see that of the 13 full counties in my congressional district, only two received moneys—Lee and Osceola. With over 10 percent of the State's population, we received less than 4 percent of the moneys involved.

All well and good, you might say, since each application was considered on the same scale with the unemployment in the area being the overriding consideration.

Not so if one takes the time to research the facts in the matter.

In applying for this program, the local governments were to use their unemployment figures for the months of May, June, and July of 1976. The figures I will cite are not seasonally adjusted.

Upon checking with the Department of Labor, I found that the unemployment statistics for Leon County were as follows: May, 4.4 percent; June, 5.5 percent; July, 5.3 percent.

The Department of Labor gave me the following statistics for Alachua County, where Gainesville is located: May, 6.9 percent; June, 7 percent; July, 6.7 percent.

Now let us see how these compare with some of the counties in my district which applied for funds and were turned down since their applications apparently did not exhibit as strong a need as Leon and Allachua.

St. Lucie County reported statistics as follows: May, 11.4 percent; June, 13 percent; July, 12.9 percent.

Collier County figures according to the Department of Labor were: May, 11.4 percent; June, 13.2 percent; July, 13.3 percent.

Indian River County figures as recorded at Labor were as follows: May, 9 percent; June, 12.4 percent; July, 13.4 percent.

Now let us compare all these to the national figures for the same three months: May, 6.7 percent; June, 8 percent; July, 7.8 percent.

Ones does not have to be a mathematician to see that something is terribly wrong.

For example, at no time did the unemployment rate in Leon County exceed the national average—in fact, it was at least 2 percent lower or 30 percent under the national average.

Only 1 month found Allachua County exceeding the national average and then by only 2 percent. The other months found Allachua far below the national averages.

On the other hand, several of the figures from my district were twice the national average. Obviously there was severe unemployment in these areas and a dire need to get people back to work. But their applications were not approved.

However, the fine formula used by EDA to implement our emergency public works jobs program apparently overlooked this major factor.

Please do not feel that this is sour grapes. If we had enacted a program that gave each county in the Nation a chance to compete for Federal moneys for much needed public works projects, I would say more power to Leon and Allachua.

But that was not the program we enacted and I can guarantee you that a vast number of the Congressmen and women who supported this employment legislation would not have supported a massive Federal giveaway. We simply do not have the moneys available to justify it. But if it was getting people back to work, that is another story.

I am sure that other Congressmen can tell similar stories. Something has to be done. I, for one, cannot support any type of extension of this program if this is the way the agency is going to overlook congressional intent.

And, I, for one, think that a thorough investigation of the procedures and final determinations by the EDA must be conducted before any of these moneys are allocated to the governments involved.

We must act now to protect the congressional intent of this major spending program.

Mr. YOUNG of Florida. Mr. Speaker, I am pleased to join my colleague from New York (Mr. CONABLE) in suggesting to you that the Public Works Capital Development and Investment Act appears to have created an extremely inequitable situation for communities such as those in my district of Florida. Communities in Florida with high unemployment rates did not receive adequate relief, while communities in other parts of Florida, with unemployment rates below the national average seem to have done very well.

The injustice was caused by legislation enacted by the Congress, which provided that 70 percent of the money available would go to areas where unemployment was above the national average, while 30 percent would be reserved for those areas with unemployment rates below the national average. More communities applied for funds in the first category, and according to Economic Development Administration figures, only 9 percent of the Florida projects in this category were approved. The applications for funds in the second category were far lighter, and 66 percent of those applications won approval.

The situation was so inequitable that

it appears that one of the communities in my county would have been better off by exercising the option of using its own unemployment rate, which is below the national average, rather than the county rate which is above. The city of Clearwater received none of the money that it applied for using the higher rate. However, had Clearwater used its city unemployment rate, it would have fallen into the 30 percent category, and according to information provided by EDA, probably would have received enough money for all or most of its projects.

I have been informed today, by the distinguished Speaker, Mr. O'NEILL, that he has been in contact with the members of the Public Works Committee, and that he has been assured that that committee, in any program to disburse additional funds under the Public Works Capital Development and Investment Act, will rewrite the formula so as to assure greater distribution to areas of higher unemployment.

Mr. BENJAMIN. Mr. Speaker, I wish to commend my colleague from New York for bringing the problem of nullification of congressional intent by agency creation of rules and regulations to the House's attention.

It appears, from the discussion I have had with the officials of the communities I represent, along with the remarks made in this Chamber today, that the rules and regulations promulgated by the Economic Development Administration for the implementation of the Local Public Works Capital Development and Investment Act of 1976, have failed in several respects to carry out the intent of the Congress in passing that act. These failures are:

First, the definition of project areas and the time continuum for obtaining funds under the act are overly broad and have led to the manipulation of statistics by certain communities in order to obtain grants even though others may be in greater need. This has caused a situation to develop in which one community will make multiple applications using different data in each, depending on which set of figures seems to be of greatest use to them at the moment.

Second, the criterion for State allocations also allowed for wide discretion in the funding levels per State.

Third, the Administration appeared to pay little heed to the order of priorities set by local officials.

Fourth, because of the ability to manipulate project areas, municipalities which I would term "intermediate in size" were caught in trying to decide whether to concentrate on obtaining a 70- or 30-percent fund.

Fifth, local officials were embittered because of the lack of uniform standards and were distressed by regulations which were overly broad and vague.

In considering any new spending proposals under the act, the Congress must examine, in detail, the rules and regulations promulgated by the Economic Development Administration. It must make the necessary changes in order that the problems I and others have described, are not repeated in the future.

Too often, Congress has abdicated its legislative function to a particular agency, only to have the intent of its action later nullified.

We must not allow this to happen again, especially when we are addressing ourselves to the matter of unemployment.

We must insure that the purpose behind the act, the creation of needed employment coupled with the improvement of the capital facilities of our various communities is carried out pursuant to the intent of Congress without modification by the Economic Development Administration.

I have indicated to the distinguished majority leader that I will cosponsor one of the bills increasing the authorization of the 1976 act to $6 billion. I have determined that the increased authorization and subsequent appropriation is not only vital to the Nation's economy, but is crucial to the State of Indiana and my district. The unemployed and underemployed citizens of the First District and I call upon my colleagues to consider the foregoing instructional views along with the concerns expressed by others today to make the Local Public Works Capital Development and Investment Act of 1976, a viable economic tool for its immediate favorable economic impact as well as for the needed capital improvements indispensable to the future of our great country. I, for one, stand ready to assist in this important effort.

Mr. RINALDO. Mr. Speaker, public works funding has proved its worth as a fast and effective way to stimulate the Nation's economy. The allocation last month of $2 billion in grants under the Public Works Employment Act of 1976 will be translated within a matter of months into hundreds of thousands of new jobs. Americans in high unemployment areas will be taken off the jobless rolls and put to work as tax-producing citizens. In turn, the whole economy, locally and nationally, will benefit.

But we have seen, Mr. Speaker, that there are a great many more valid public works programs on the books than could be funded through the $2 billion authorization. In fact, 25,000 applications for a total of $24 billion were submitted.

Many badly needed programs that would be of lasting value narrowly missed qualifying for grants. By making an additional $4 billion available, as proposed in a bill sponsored by my colleague from New Jersey, Congress would provide one of the swiftest economic stimulants possible. As a cosponsor of this bill, I urge its early enactment into law.

Any extension or expansion of the public works program must recognize from our recent experience the evident need for revision in the manner and regulations governing these grants.

In particular, too little time was provided for the application and award process. Many local governmental units submitted applications as soon as applications were being accepted in the hope that any technical deficiencies could be corrected, and applications could be resubmitted within the deadline. I know of several instances in which communities did resubmit applications, with deficiencies corrected, only to be rejected on or near the deadline—and too late for resubmission—for deficiencies which were not noted earlier.

Also, in the application process the use of unemployment figures by applicants was not consistent, and the regulations themselves contributed to this inconsistency. Other than for CETA areas, local governments could state the rate of unemployment in an area "without regard to political or other subdivisions or boundaries," and use unemployment figures from adjoining areas from which the labor force might be drawn. In many instances, this created unrealistic unemployment figures and made it seemingly impossible to rate fairly the true priority of an application. Any reauthorization of the public works program demands that program regulations clearly specify the area from which unemployment figures may be drawn.

These problems are correctable and should neither detract us from the intent of the program to provide jobs, nor deter us from extending the program. However, these and other problems must be corrected if we are to distribute public works funds fairly and equitably.

Mr. DON H. CLAUSEN. Mr. Speaker, one of the first priorities of the 95th Congress will be to study the Public Works Employment Act and in all likelihood legislation will be enacted to provide additional funds for title I of the Local Public Works Capital Development and Investment Act.

I supported this program making $2 billion available to States and local communities for the construction of public facilities. I have cosponsored legislation to provide additional funds for public works projects. However, I believe it is important in considering new legislation to apply the lessons which are now apparent from the selection process and make legislative changes to strengthen this program.

Certainly we are all concerned about the high rate of unemployment and the fact that the Economic Development Administration received applications totaling more than 12 times the funds which were available. This indicates that there is sufficient needs for funds to construct facilities within local communities. I firmly believe that the $2 billion which was initially made available for this program can have a positive impact on creating jobs since in the private sector many outside private construction and building firms will be contracted to do the actual building. In addition, facilities will be placed in the community that can be of benefit for years to come.

However, I am genuinely concerned about some of the problems which were exhibited in the first round of funding. First of all, the statutory limit of a 70/30 funding split resulted in a number of inequities in actual practice. In the 70-percent category, those areas having unemployment in excess of the national average, more than 17,000 applications were received. This meant that only a small percentage of projects could be selected, regardless of the merit of the facility. Because of this competition, most of the

projects that were selected were above the 10-percent unemployment level.

In the second category, those areas with unemployment below the national average, a much smaller number of applications was received although still four times as many applications as could be funded. Most of the projects selected from this category have unemployment rates of around 7 percent. This left a wide area having high unemployment between 7 percent and 10 percent that were virtually excluded.

I am also concerned about the labor intensity requirement which was one of the factors considered by EDA in its selection process. EDA has an outstanding record of providing economic development and stimulus—economic growth through inducing private industry to locate in a particular area. I think we can take some pride in the fact it has not been simply a leaf-raking agency. I want to make certain that this remains the case, and I feel it is questionable to place too much value simply on whether a project is labor intensive. There are other factors which must be examined.

Of most concern to me was the fact that both long term and short term unemployment in rural areas was not sufficiently covered by the provisions and criteria of the LPW program. I would hope that we could find a way to insure that our unemployment rural areas receive an adequate funding level to offset their unemployment problems.

In addition, there is a need to look at the time restraints imposed on EDA in making the project selection. Realistically we must deal with the complaint that public works projects sometimes have a time lag in creating jobs. It is necessary that we create jobs as quickly as possible but we should not become so consumed with meeting deadlines that we are unable to examine each project for its merits and the job creation impact.

I want to make clear that I mean these criticisms in no way to reflect unfavorably on EDA. I think they are to be commended for doing an exceptional job under the most difficult of circumstances. They have a comparatively small staff and were given the responsibility of selecting $2 billion worth of applications from more than $24 billion worth of applications. They had to develop guidelines and select projects within 30 days and 60 days respectively. This is no easy job. But, they did so and in so doing, EDA demonstrated the greatest possible attention to the law and applying it as fairly as possible to all parts of the country.

I am pleased that as a member of the Economic Development Subcommittee of the Public Works and Transportation Committee I will have a chance to participate in hearings on this subject, hopefully later this month. At that time I want to take a careful look at the law and the allocation process. I think there are some real improvements which can be made given the first run of this program. I think it is important that we enter these hearings with an open mind and certainly look beyond the obvious problem in that there is a large backlog of worthwhile projects waiting to be funded. I feel that I have an important obligation to the people of my district and to those of the State of California and the Nation to make an honest and diligent effort to improve this program. The need is still there. But, it is essential that we look at the solution to make certain that it gets to the root of the problem.

Mr. DICKS. Mr. Speaker, I would like to thank my colleague, Mr. CONABLE for the opportunity to join him in addressing the inadequacies of the local public works program.

In evaluating the impact of the local public works program on my district and Washington State, I have been in frequent contact with the Regional Director of the Economic Development Administration, Mark Smith, and I have received telegrams and letters from elected and appointed officials at all levels of government from people affected by the projects that were proposed. In reviewing these comments, I have concluded that changes to the local public works program are required in three areas. The first is to increase the potential for funding of projects in urban areas. The second is to increase the resources for administering the program in order to maintain a strong overall economic development program. And the third is to allow more local input and require matching funds in selected areas.

The intent of title I of the Public Works Employment Act of 1976 is to boost the economy through funding ready-to-go public works projects in areas of high unemployment. Yet 8 of 10 counties with the highest unemployment rates in Washington State received no funds; only one grant was made to a major city in Washington State, and neither of the two major population centers nor entire sections of the State received grants. While I do not dispute the need for economic improvement in rural areas and am gratified that some very worthwhile projects have been funded, I do not believe that the intent of the act was to disregard the high unemployment in urban areas. The intent of title I was not to provide projects in areas of highest unemployment, but to fund projects in areas of higher than average unemployment.

In retrospect, it appears there were three major factors which reduced the potential of urban projects for funding. These are the definition of project area; the use of benchmarks based on unemployment numbers; and the effect of unemployment rates on scores within a State. The following changes are suggested:

First. Change project area to "labor source area." A major difficulty with the current local public works program is the high degree of flexibility allowed an applicant in the determination of the "project area." "Labor source area" in most cases should be defined as the county in which the project is located. If income levels are used, then the areas used for income should coincide with the labor source area.

Second. Eliminate the need for bench marks based on unemployment numbers by developing a system of "set-asides" for specific user groups.

The final project selection procedure in the current program involved comparing the high scoring projects to bench marks for each county within a State. The bench mark is the number of unemployed in a county multiplied by the total allocation for a State, divided by the number of unemployed in the State.

Instead of the county bench mark, specific amounts should be set aside for user groups. This concept is consistent with EDA's "entity" program. The set-asides could be divided in any number of ways. However, the comments I have received to date indicate that urban and nonurban areas should not compete with each other, nor should general and special purpose units of Government compete. Additional categories could be established by Congress for school districts and Indian tribes, even for State projects or central city areas, if appropriate. Congress should determine what percentage of the appropriated funds should be allocated to each of the categories selected and direct EDA to work closely with the Public Works Committees in the House and the Senate to develop guidelines to administer the program. The fact that most of the criticism of the local public works program concerns the inequities in the distribution of funds among user groups, suggests that an equitable distribution was an assumed, yet unspoken criterion in the minds of program developers, administrators, and applicants.

To increase the potential of urban projects for funding several changes in the use of the unemployment rates in evaluating applications have been proposed.

First. Develop a common criteria for employment data. Unemployment data for Indians is collected by the Bureau of Indian Affairs in one way and data for non-Indians is developed by the Bureau of Labor Statistics in another. This difference tended to give reservation Indians an advantage, while discriminating against Indians and others living in urban areas. Although the use of set-asides would solve this problem for the local public works program, the difference in unemployment data is a problem for other social Governmental programs, too.

Second. Average unemployment rates over a longer period of time.

Annual data are now available for the first time from the Bureau of Labor Statistics and are only a few months old. Using annual data would eliminate seasonal unemployment.

Third. Eliminate the 70/30 split.

The use of set-asides for specific user groups would eliminate the need for the 70/30 split, used to allocate funds to areas with varying rates of unemployment.

Fourth. Consider the number of unemployed as well as the rate of unemployment. The logarithm designed to reduce the importance of urban areas should be eliminated and a simple ordinate ranking used instead. The score relating to unemployment number will then be in direct proportion to the number of unemployed.

Fifth. Eliminate the use of unemployment rates in the construction industry. This data is inadequate and should not be a part of the scoring system.

The second change recommended for the local public works program is to maintain a strong ongoing EDA program. The congressional goal of improving the economy is defeated if the local public works program is simply substituted for an effective overall economic development program.

The Regional Director advised me that the regular EDA programs—public works, business loans, planning and technical assistance—have suffered greatly since the beginning of fiscal year 1977 on October 1. At best, most regional offices have been able to pay only minimal attention to these regular programs because of the press of local public works business. Regional offices find themselves desperately trying to catch up with one-third of the fiscal year gone and a new local public works program just over the horizon. The following changes are suggested:

First. Allow ample time for EDA to hire and train an additional work force for the local public works program.

If the Agency is to maintain its regular ongoing programs, additional personnel must be hired to assist them during an extended local public works program. Under the current program, virtually all regular EDA staff members were assigned to the local public works program. If they are to remain on their regular assignments during any new program, EDA will have to be able to hire and train temporary staff at the necessary skill levels.

Second. Allow ample time for the development and dissemination of any new local public works guidelines.

EDA published program guidelines piecemeal because of the very tight time frames imposed on the agency by the legislation. Some guidelines were not published in time to be generally understood by applicants.

Third. Reduce the potential for half-completed projects.

Under the current program, projects were funded which did not have complete plans, specifications, and cost estimates. I understand that there is a good possibility that many projects will not be finished when their grant award is exhausted. The current legislation could be modified by assigning a greater number of points in the scoring system to projects wih completed plans and specifications, or by accepting applications projects with completed plans and specications and a current cost estimate. The potential for completed projects could also be increased by considering rehabilitation projects as well as new construction. Rehabilitation projects are often more labor-intensive than new construction, and reduce the advantage of rural areas over developed urban areas.

In addition to improving the funding potential of urban projects and maintaining a strong EDA program, I recommend that the following changes be considered:

First. Allow more local input and review by affected jurisdictions.

Local elected officials have advised both the Regional Director and myself that they did not have enough time to review and/or set local priorities. Many local mayors and county commissioners, not to mention economic development districts felt that they should have the right to set local priorities. A–95 agencies were swamped with project applications as were jurisdictions which wished to comment on projects but did not have adequate staff time.

Second. Reduce local public works grants from 100 to 80 percent except in areas where the community does not have the ability to provide the 20-percent match.

Reducing local public works grants to 80 percent has the obvious advantage of funding more projects. It also increases the local community's "stake" in the project and helps local officials set priorities. The number of applications from communities may be reduced, at least in those areas where projects could be funded by other means; 100-percent grants would be available to communities which could not provide the 20-percent match. The ability of a community to pay could be determined by the ratio of per capita tax to per capita income in the labor source area or some other measure.

Third. Increase the percentage of score given for long-range economic development benefit.

Although long-term economic development was not mandated in the legislation, many felt that it should carry greater weight in any new program. Although school districts would benefit by this change in the scoring system, they could be removed from competition with other special purpose governments by a special set-aside.

Mr. CONABLE. Mr. Speaker, I yield back the balance of my time, and I believe the gentleman from Minnesota will take over from here.

GENERAL LEAVE

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PUBLIC WORKS EMPLOYMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, it is my intention to continue the discussion which the gentleman from New York (Mr. CONABLE) has begun here. I would like to begin with a short statement.

Last July Congress passed the Public Works Employment Act, which provided for $2 billion in Federal funding for local public works projects through September 1977. We are just now beginning to get an idea of the public works projects which will be funded under this act, but we will have to wait until late in 1977 or even 1978 to experience the real impact of the program. Already, however, sufficient criticism of the public works employment program has been voiced to warrant prompt and careful examination of the program, particularly before any further expansion is even contemplated.

In formulating the Public Works Employment Act, Congress established an extensive, yet sufficiently vague, set of criteria which had to be considered in processing grant applications. The result has been that the implementation of the act is an administrative nightmare. Not only was the Economic Development Administration faced with the problem of establishing fair and comprehensive guidelines for processing grant applications to meet all the dictates of Congress, but the individual applicants were confronted with a lengthy and extremely complex form to complete. This tended to put smaller communities at a distinct disadvantage because of their lack of expertise in completing such a sophisticated application.

Another very serious problem was posed by the very unemployment statistics upon which the actual funding decision was made. According to the people who actually provided the unemployment figures for specified projects areas—in most cases the State Employment Services Department—these figures were, at best, unreliable and, not infrequently, totally inaccurate.

Since no method exists for developing reliable estimates for small political divisions or geographic areas, the employment services office often had to rely upon census data from April of 1970. In addition, the use of the unemployment rate from the most recent 2-month period put those areas with highly seasonal employment at a definite disadvantage.

To a great extent, the employment service was forced into a time-consuming exercise in frustration and futility in trying to develop reasonable unemployment estimates for the hundreds of proposed project areas. In Minnesota alone, there were approximately 400 written requests and 100 telephone requests for such information. Furthermore, many of these requests had to be processed several times over, as the applicants gerrymandered the project areas boundaries in order to attain the highest possible unemployment rate.

Congress was made aware of this statistical problem back when the Emergency Employment Act of 1971 was passed, yet it has failed to make any attempt to correct the situation. If public works grants are to be awarded on a reasonable and equitable basis, there must be developed a new methodology for allocating these funds.

It is important to emphasize here that while we hasten to blame the bureaucracy, much of the blame must be laid squarely at the feet of Congress. We are very anxious to legislate results, but apparently do not really care whether the programs work.

At the same time, Congress needs to

evaluate the effectiveness of public works projects in reducing unemployment and stimulating the economy. I believe that public works "pork-barreling" has been about the most ineffective and fiscally irresponsible attempt to pump up our economy. Faced with a serious economic situation, Congress has responded by carelessly throwing money at the problems in hopes that they will go away. Public works programs which produce temporary jobs costing the taxpayers $25,000 to $40,000—$35,000 according to CBO in 1975—each can hardly be considered a sound or responsible way to try to improve our economy. Since public works projects often require extensive materials and higher skilled, and therefore higher paid, workers, there is a very low employment value per dollar spent. Furthermore, public works projects usually provide few opportunities for employment and/or training for those people most severely affected by unemployment; that is, for the unskilled, minorities, and youth.

Finally, it has also been shown that the impact of public works spending does not come for a year or two after the program has been initiated, often just when the economy is regaining its footing. For example, since the act was passed in July, the construction industry has shown a steady improvement, with the unemployment rate in that sector having dropped nearly 4 percentage points. Public works spending at this time will surely contribute to inflation by increasing the demand for scarce materials and skilled labor.

I suppose it is inevitable that some good has come from this program. But the sheer weight of evidence would seem to indicate clearly that in terms of jobs produced, public good, or equity to people or areas, it is a dismal failure.

It is time for Congress to stop pretending its responsibility ends with good intentions. We must assume our responsibility to examine thoroughly the public works program, rather than continuing to pour billions of dollars into such an expensive, ineffective, and perhaps unnecessary program.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. Mr. Speaker, at this time I yield to the distinguished gentleman from Mississippi (Mr. COCHRAN).

Mr. COCHRAN. I thank the gentleman for yielding to me. I want to compliment the gentleman for the quality of his remarks and his analysis of this $2 billion jobs program that we are now learning more about. I was very active in trying to gain passage of this bill, both in the Committee on Public Works and Transportation and here on the floor, even voting to override the President's veto, thinking that it was going to be a good program and that it would help in areas of high unemployment.

But, I want to share with the gentleman an experience we have had in Mississippi with respect to this program. Our State was very fortunate in having a relatively low rate of unemployment among the States of this great Nation. Therefore, we were not given a great amount of money. Only $10 million was allocated to our State under this program.

The absurdity, though, Mr. Speaker, is that of this $10 million, $4.9 million was allocated to one small town with a population of 2,100 people. We had many, many towns and communities and counties throughout our State making application for these funds and it is not, Mr. Speaker, just because this small town is not in my congressional district that I am complaining.

The fact is that we were trying to spread the money around, encouraging through the local EDA representative communities to keep their requests down to about $250,000 or $300,000 so that more areas of the State would benefit. But, irrespective of that suggestion, this one town did put in a very large application, and it was approved in toto by the Assistant Secretary of Commerce through the procedures and formulas for allocations that they devised spreading this money around.

This is an example, I think, which is probably not unusual in the administration of this program. I think that the Committee on Public Works and Transportation has a duty, immediately upon being organized, to commence hearings, as the gentleman from Minnesota suggests, to find out exactly where the money has been going and how many jobs, in fact, were being created and whether or not we ought to make some drastic changes in this type of program if we do enact a jobs program through the Public Works and Transportation Committee again this year.

Again, Mr. Speaker, I want to compliment the gentlemen from Minnesota and New York.

Mr. FRENZEL. Mr. Speaker, I thank the distinguished gentleman from Mississippi for his important contribution.

I now yield to the distinguished gentleman from Michigan (Mr. PURSELL).

Mr. PURSELL. Mr. Speaker, I just want to thank the gentleman from Minnesota and the gentleman from New York for outlining some of the technical and political problems of the public works employment legislation. My only personal comment, having served in a State senate for a 4-year term, is that Congress should address itself to the evaluation, testing, and challenging of this type legislation vis-a-vis long-range goals. It seems that we are operating in an emergency, temporary vacuum, and that the committee in a crisis situation developed legislation that is not necessarily in the long-range interest of minorities or in jobs for particular cities or rural communities.

I would just hope that when we look over this in the evaluation process, that we consider the long-range planning aspects of this type legislation, which are very important to me. Congress ought to be working with the various political subdivisions in developing long-range rehabilitation, particularly of the urban communities, so that we are making a rational or logical plan of 5 to 10 years in development, rather than operating on a crisis basis and trying to fill a void at any given time.

Mr. FRENZEL. I thank the gentleman from Michigan for his comments, and I think they are very important.

When the bill was passed I wrote to each mayor and to each council and to legislators, county commissioners in my district, and indicated briefly what the criteria would be. Then I settled back to wait for their comments, which were, "For heaven's sake, now what have you done to us? We don't understand this at all."

The larger cities in the State, of course, understood it well enough to apply their usual grantsmanship techniques and some of them may be successful.

I would add, parenthetically, that my own district has had no application accepted and through February it looks like there will be none. So we have had no experience with the program except to say that our people have been thoroughly confused.

What has happened is, as I indicated before, Congress has simply passed a bill so that it can say that if they have done something about the problem of unemployment. Congress has cared not a fig whether it worked, whether anybody else was employed, whether it did any public good out in the provinces, whether the provincial managers, the mayors and councils, county commissioners were involved, or whether they thought it was doing them any good. Congress simply wanted to tell the newspapers that we were concerned about jobs. As a result, having legislated results instead of programs, we are again seeing yet another multi-billion-dollar program turn out to be—not worthless, because in the expenditure of Federal funds there is always some value to be derived—falling well short of the potential and of the promise.

Mr. Speaker, again I thank the gentleman from Michigan.

JOSEPH McCAFFREY: 20 YEARS ON THE AIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes.

Mr. MICHEL. Mr Speaker, a few days ago I came across a complaint about Congress It seems that Congress has not yet caught up with the communications revolution. The Office of the President has learned to live with radio and television, but the Conrgess has not. Therefore the public, which depends on television for much of its information, learns quite a lot about the programs and personalities of the Presidents but little or nothing about the programs and personalities of the Congress. Or, at least, so goes the argument.

I am sure an argument can be made that the public is better off under the current banning of live television cameras on the floor of the House. Perhaps a live television debate over one or more obscure pieces of legislation would cause an epidemic of yawning and sleeping across the country. But, at any rate, one thing is certain: Congress certainly does not get the quantity and the quality of electronic reporting as the executive branch. Radio, while it does a better job of covering certain congressional actions also fails to adequately cover Congress on a regular basis.

To this rule there is one exception, and his name is Joe McCaffey. This year marks the 20th consecutive year that his radio program, "Today in Congress" has informed the people of Washington about the business of the Congress. Amazingly enough it is the only program to offer, on a regular basis, a recap of House and Senate action both on the floor and in committee.

Mr. Speaker, I want to take this opportunity to extend my warmest congratulations to Joe McCaffrey on the occasion of his 20th anniversary of reporting on the activities of the Congress. Certainly Joe has become a fixture around these parts and over the years he has attracted a large listening audience, not only among Members and staff people on Capitol Hill, but throughout the executive agencies and bureaus. In addition to "Today in Congress" he hosts the weekly, "McCaffrey's Washington," a half-hour interview program featuring Senate and House Members.

While extending best wishes to Joe McCaffrey for many more years of reporting on the activities of the Congress, I cannot help but point out that the world of broadcast journalism needs improvement if it can boast of only one regular program dealing with a branch of government that is responsible for allocating billions of taxpayers dollars and has the power to declare war as well. I know that some of the more sensational and titillating events that now and then occur on the Hill are covered with evident glee and gusto by the electronic media. But what about the admittedly dull, but profoundly important, work that goes on day by day in this institution? How many citizens can say that they get an adequate, let alone informed, view of Congress from the electronic media? Yes, perhaps the Congress should reevaluate its own attitude toward the electronic media. But I think it is fair to say that with few exceptions, the business of Congress is a nonevent so far as radio and television are concerned.

I think both the Nation and the Congress would be better served if the quality and quantity of electronic reporting increases. For the present, however, it is Joseph McCaffrey on WMAL Radio 63 in Washington if you want to find out what happened in Congress today.

REFORM IS ESSENTIAL TO RESTORING PUBLIC TRUST AND CONFIDENCE IN CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I have introduced today two pieces of important legislation, the Congressional Reform Act and the congressional reform resolution. Their provisions address a fundamental issue—failing public trust in public institutions, especially those which govern.

Government is the most pervasive instrument of change or stagnation in our society today, and Congress is the fountainhead of all statutory authority exercised by that Government. The President has little authority except that given to him by the Congress over the years, and this is true of his department and agency heads as well. The courts have little power, except that granted by the Congress. As the fount of these authorities, Congress has not always lived up to the reasonable expectations of the people.

There is a broadly held impression among the people today that "the more things change, the more they stay the same." That impression arises from two of their observations. First, that no matter whom they vote for, no matter which party is "in power," no matter which philosophy or program is espoused by a candidate before he's elected, things in Washington seldom change. Second, that there are some Members who may be here more for what they can do for themselves, than for their constituents and the country.

The genesis of my action here today is my concern over the erosion of confidence and trust in Congress as an institution and the impact that erosion might be having.

Let us look for a moment at this role as an institution in our society of Congress on our national spirit.

THE INSTITUTIONAL ROLE OF CONGRESS

Institutions serve as the backbone of the "body politick." They are the mechanisms through which a culture transmits its values and establishes the norms of human interaction and conduct. They bring cohesion of process and purpose to extensions of time, serving as the threads which weave together our past and our future. Upon their continuity rests the stability of society and government, and they are the foundation stones upon which common consent rests. Institutions may be practices, relationships, processes, organizations, or structures, and Congress is all of these, but the common denominator is that they serve as the dispassionate devices through which people and groups, in agreement or in disagreement, act and react with one another.

Institutions do not arise simply and solely from the genius of man. They are, through the endless learning processes of a people and nation, molded out of human experience. They are tried. They are tested. They are proved. And through all of this, adjustments are made, carefully here, prudently there. In the long run, they provide the procedural mechanisms through which human conduct can be self-regulating by common agreement and perception, and, when necessary, by force of law. This is my framework for looking at Congress, this body in which we serve, as an institution in our society. It serves also to remind us of the grave responsibility we shoulder to preserve its purposes inviolate from individual or concerted abuse.

THE IMPORTANCE OF PRESERVING PUBLIC TRUST IN CONGRESS

Few things are more important in a society, especially a free society, than preserving trust in the institutions which act in behalf of the people's interests. Trust is the basis for optimism about the future.

To the degree the majority of Members let misconduct on the part of some undercut that trust, we—all of us—are rendered less capable of solving the very problems we were sent here to tackle. When this happens Congress stops making sense in most the people's minds, and when institutions cease to make sense in this way, all the familiar criteria for success or failure become utterly irrelevant. Then, if Congress does something right, it is either overlooked or a source of further confusion.

When Members themselves acquiesce in wrongdoing, they undercut our ability to assure that good does triumph.

And, frankly, when the people, the constituents, acquiesce in wrongdoing, they undercut the effectiveness of those who do conduct themselves properly.

WHEN REFORM REALLY IS NOT REFORM

Let us be candid with one another. We know the so-called congressional reforms we have seen passed in the past year have been very little real, substantive reform. The first definition of "reform" in Webster's dictionary is "to remove faults or abuses * * *." Simply amending something, rewriting it, moving a section from here to there—these are not susbtantive reforms. Amendment is not synonymous with reform. Reform, to me, means we take the abuses we have seen in recent years, particularly last year, and address them, through an overall, comprehensive effort, and put onto the books those clarifications, proscriptions and prohibitions, and penalties needed. It doesn't fool the people for one moment for Congress to say to its Members, "Thou shalt not," and then not include a penalty setting forth what happens if you do. Yet our laws, rules, and ethics with respect to Congress are replete with instances of "Thou shalt nots" without penalties.

The attitude that Congress can take care of a basic, fundamental problem by dealing only with a specific instance of wrongdoing is wrong too. You do not address a basic, fundamental problem by stripping a single wrongdoer of his powers and doing nothing else, although that might frighten some into walking the narrow line at least until the furor dies down.

Another thing that is wrong is the attitude that a problem can be glossed over by simply ignoring it. Maybe that was true at one time, when disclosures of misconduct were few and far between, but it is not true now. Look at the disclosures and allegations over the past several years. Abuses of congressional staff positions and salaries. Converting campaign funds to personal uses. Accepting political contributions from foreigners with immense financial interests in the decisions of Congress. Traveling abroad at the expense of foreign governments which depend upon the economic and military assistance we vote them. And the list goes on. These cannot be glossed over.

My points here today are not partisan. The need for genuine congressional reform transcends both political party and philosophical persuasion. That is why I was particularly disappointed in the minimal debate during the first day of this Congress over adopting the rules

of the House for the next 2 years, a consideration which once again saw the defenders of the status quo first lined up to stop us from passing badly needed reforms and then lined up to push through some changes to their own which go in the opposite direction of real reform.

We did not even have a thorough debate on reform, either in general or with respect to many proposals which would have been offered. That is a bad sign. The stifling of debate is antithetical to every liberal principle in our society, for debate is essential to the free movement of ideas.

WE NEED A BALANCED PERSPECTIVE ON WHAT IS WRONG IN CONGRESS

Let me say one thing about how bad the situation may or may not be. I know the situation is not as bad as some would want us to believe. For every instance of corruption or misconduct or simply bad judgment, there are hundreds of instances of honesty and good judgment. It is like everything else in life—only the abberations make the news.

Probably the most obvious and tangible evidence of this disparity between perceptions of Congress in general and of most Congressmen in particular is the fact that, while we have polls showing only 19 percent of the people have confidence in Congress as an institution, individual Members who run for reelection are returned by majority votes in their respective districts at the rate of 90 to 92 percent.

The people seem to be saying, "Congress is not worth too much, but we think highly of our own Congressman." And, when you add those sentiments together, its shows the strong support for individual Members, which when added together, should show more confidence in Congress as an institution than the 19 percent indicates.

WHAT NEEDS TO BE DONE

A number of things—substantive ones—need to be done by the House, here at the outset of this new Congress. Reform now is essential to restoring public trust and confidence in Congress. We have a new Speaker, a new majority leader, new faces in the leadership of the committees and their subcommittees, many new Members, and even a new President who made trust in government one of his most successful campaign themes, as did the outgoing President, who also made it a hallmark of his administration. We have an opportunity, therefore, to carry out meaningful reforms, and I am firmly pledged to pushing for them.

The two pieces of legislation which I introduced today are among the most far-reaching congressional reform packages to have been introduced in years. The legislation consists of two measures—a bill and a resolution. The bill, the proposed Congressional Reform Act of 1977, incorporates all reforms not directly affecting the rules of the House. The resolution, the proposed congressional reform resolution of 1977, covers all the reforms to the House rules. These reforms cannot be put into one piece because of the constitutional requirement that only the House can set the rules of the House, and a bill has to be considered by the Senate and then signed by the President.

THE CONGRESSIONAL REFORM ACT

The Congressional Reform Act has 19 provisions. One through ten are reforms affecting salary, allowance, benefits, personnel, disclosure and audit procedures. Eleven through 18 are designed to improve communications and increased understanding between Members and constituents. The 19th establishes an Office of the General Counsel of the House and sets forth its policies and purposes, structure, et cetera.

The act has provisions which—

First, prohibit the diversion of excess campaign contributions to personal uses;

Second, prohibit payment of Congressional travel expenses by a foreign government or an organization funded or controlled by a foreign government;

Third, stop salary increases for Members from taking effect until the Congress after the one which Presidential and commission recommendations for increases were not disapproved or amended;

Fourth, permit House allowances to be set or adjusted only by a vote of the full House;

Fifth, prohibit travel at Government expense outside the United States by Members who have been defeated or who have resigned or retired;

Sixth, mandate a study of the personnel policies and practices of Members and committees by an independent management consulting firm;

Seventh, prohibit reimbursement for first-class air fare for Members and employees of committees;

Eighth, require mandatory audits of all income tax returns made by Members;

Ninth, require the House restaurant, cafeterias, and other food services of the House to be operated on a self-sustaining basis;

Tenth, require the itemization and disclosure of travel funds;

Eleventh, require estimates of the costs and savings in total and to each average taxpaying family of legislative proposals to be printed on the first page of bills and resolutions;

Twelfth, require additional information on reports and forms mandated by legislation to be incorporated in committee reports;

Thirteenth, require information to be made available in post offices on how and where to communicate with Members and Senators;

Fourteenth, require postal patron mailings by Members and Senators to include communications information;

Fifteenth, prohibit certain franked mailings by Members and certain officers of the Government;

Sixteenth, require reports by executive departments and agencies to persons elected to the House of Representatives on activities within their respective districts;

Seventeenth, authorize seminars for freshmen Members to be conducted before the beginning of each new Congress;

Eighteenth, allow a Member of Congress to direct what would otherwise be an honorarium to him to a qualified charity without it counting against his personal income or the ceiling on honorariums; and

Nineteenth, establish an Office of the General Counsel to the Congress.

THE CONGRESSIONAL REFORM RESOLUTION

The congressional reform resolution has provisions which—

First, make committee and subcommittee records available for public inspection and require committee and subcommittee rollcall votes to be published in the CONGRESSIONAL RECORD;

Second, prohibit proxy votes in committees and subcommittees;

Third, allow any member of a committee or a subcommittee to demand a rollcall vote on a question;

Fourth, require a rollcall vote on every motion to report a bill or resolution to the full House;

Fifth, establish conditions for the admission of ex-Members and certain other persons—we are talking principally here of those who are now lobbyists—to the Hall of the House and rooms leading thereto;

Sixth, remove limitations on the number of Members who may introduce jointly any bill, memorial, or resolution;

Seventh, prohibit party caucuses or conferences from binding a Member to a vote against his conscience;

Eighth, require full disclosure of expenditure accounts;

Ninth, require committee travel funds to be approved by rollcall vote in open session;

Tenth, require honorariums and gifts to be disclosed;

Eleventh, permit the House to move within 30 days to expel a Member convicted of a felony;

Twelfth, make the Committee on Standards of Official Conduct—our ethics committee—accountable to the full House;

Thirteenth, apply the rules of the House governing committees to the special legislative committees;

Fourteenth, make the committee reports under the Budget Act formal committee actions, with the filing of minority, additional, or separate views allowed;

Fifteenth, prohibit closed rules;

Sixteenth, place additional limitations on the consideration of a bill or joint resolution under suspension of the rules;

Seventeenth, permit inclusion of minority, additional, or separate views in conference reports;

Eighteenth, require majority and minority Members to discuss oversight plans and to coordinate all oversight activities;

Nineteenth, require a 2-day period before a bill or joint resolution reported from a subcommittee can be acted upon by the full committee;

Twentieth, authorize television and radio coverage of House proceedings;

Twenty-first, prohibit the chairman of the Committee on House Administration and subcommittees thereof from serving simultaneously as officers of either the Democratic National Congressional Com-

mittee or the National Republican Congressional Committee—a provision directed at the abuses of power which arise from one man serving in two such powerful positions; and

Twenty-second, require the disclosure of the hiring by Members of relatives of other Members.

A CALL FOR ACTION

I can think of few things more important than passing these reforms. It is essential to the country and the Congress.

I hope the committees to which the bill and resolution have been referred will act on them as soon as those committees are formally constituted this month.

There are no reasons to wait.

PROTECTING OLDER AMERICANS FROM OVERPAYMENT OF INCOME TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTEN) is recognized for 5 minutes.

Mr. KASTEN. Mr. Speaker, every year thousands of our older Americans needlessly overpay their Federal income taxes.

One reason is that many senior citizens are unaware of the special deductions and tax relief measures which can save them precious dollars.

Another reason is that, like most Americans, they are overwhelmed by the complexity of the tax law and tax forms.

The Senate Committee on Aging has published a convenient checklist to help older Americans prepare their tax returns this year if they itemize deductions.

This checklist can be particularly helpful this year as a safeguard for taxpayers who may not be completely current on recent changes in the tax law. For example, a new, expanded and simplified credit for senior citizens has replaced the former more complex retirement income credit.

The summary can also be useful for taxpayers who may subsequently discover that they forgot to claim an allowable deduction on a prior tax return.

These individuals can still obtain a refund for these expenditures by filing an amended return—form 1040X—for the year in question. Form 1040X, however, must be filed within 3 years after the original return was due or filed or within 2 years from the time the tax was paid, whichever is later.

Mr. Speaker, this checklist can be useful not only to senior citizens but to taxpayers of all ages. In order that people may have a convenient checklist for determining tax deductions, I include the following material in the RECORD:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

(A revised checklist of itemized deductions for use in taxable year 1976)

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

Medical and dental expenses

Medical and dental expenses (unreimbursed by insurance or otherwise (are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15c, Form 1040).

Insurance premiums

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitations for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

Drugs and medicines

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15c, Form 1040).

Other medical expenses

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports (prescribed by a doctor).
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports (prescribed by a doctor).
Artificial limbs and teeth.
Back supports (prescribed by a doctor).
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized.
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lipreading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physical therapist.
Physician.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.
Sacroiliac belt (prescribed by a doctor).
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Supplementary medical insurance (Part B) under Medicare.
Surgeon.
Telephone/teletype special communications equipment for the deaf.
Transportation expenses for medical purposes (7c per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

Taxes

Real estate.
State and local gasoline.
General sales.
State and local income.
Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends untaxed under the dividend exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

Contributions

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15c, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7 cents per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used to charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

Interest

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.
Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).
Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

Other charge accounts for installment purchases—may deduct the lesser of (1) 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) or (2) the portion of the total fee or service charge allocable to the year.

Casualty or theft losses

Casualty (e.g., tornado, flood, storm, fire or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

Credit for child and dependent care expenses

Certain payments made for child and dependent care may now be claimed as a credit against tax instead of as an itemized deduction.

If a taxpayer maintained a household that included a child under age 15 or a dependent or spouse incapable of self-care, a taxpayer may be allowed a 20% credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable the taxpayer to work either full or part time.

For detailed information, see the instructions for Form 2441 on page 17.

Miscellaneous

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return. Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by a taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 32, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit with a $25 ceiling ($50 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

Other tax relief measures

Filing status:	Required to file a tax return if gross income is at least—
Single (under age 65)	$2,450
Single (age 65 or older)	3,200
Qualifying widow(er) under 65 with dependent child	2,850
Qualifying widow(er) 65 or older with dependent child	3,600
Married couple (both spouses under 65) filing jointly	3,600
Married couple (1 spouse 65 or older) filing jointly	4,350
Married couple (both spouses 65 or older) filing jointly	5,100
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1977, you will be entitled to the additional $750 personal exemption because of age for your 1976 Federal income tax return.

General Tax Credit.—A new general tax credit is available. For this credit, the taxpayer may claim the greater of (1) $35 per exemption shown on line 6d, Form 1040A or Form 1040, or (2) 2 percent of taxable income (line 15, Form 1040A or line 47, Form 1040) but not more than $180 ($90, if married, filing separately).

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976), an election may be made to exclude part of the gain based on a ratio of $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—A new, expanded, and simplified credit for the elderly has replaced the former more complex retirement income credit.

A taxpayer may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if the taxpayer is:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

To be eligible for this credit, taxpayers no longer have to meet the income requirement of having received over $600 of earned income during each of any 10 years before this year.

For more information, see instructions for Schedules R and RP.

Earned Income Credit.—A taxpayer who maintains a household for a child who is under age 19, or is a student, or is a disabled dependent, may be entitled to a special payment or credit of up to $400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if a taxpayer reported earned income and had adjusted gross income (line 15c, Form 1040) of less than $8,000, the taxpayer may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

ASSASSINATION INVESTIGATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, the 94th Congress on September 17, 1976, debated, deliberated and decided that there should be an investigation into the assassinations of President John F. Kennedy and Dr. Martin Luther King, Jr. It seems to me unconscionable to the American people, this House and the professional staff who have already begun this investigation now to redebate a policy which has previously been decided.

Legitimate questions have been raised by my colleague, Chairman DONALD EDWARDS, about the conduct of the investigation. To keep the Members of this House fully apprised of those issues as well as my response I have inserted all of that correspondence in the RECORD of this House. Other inquiries have been raised about the proposed budget and the size of the staff. Personal attacks have been leveled in the media against Richard Sprague, the committee's chief counsel.

The inquiries do not raise an issue as to whether we should continue these vital investigations but how. Certainly there should be no question as to the will or desire of the American people to carry on these investigations. The primary issue now facing the House is simply to reestablish the select committee.

There are very compelling reasons for the immediate reestablishment of the select committee. For example, subpenas which have been issued in both the Kennedy and King investigations are no longer enforceable. Thus, the evidence which was previously under the control of the House is no longer effectively under its control. Similarly, evidence which should be immediately brought under the control of the House cannot because there is no committee and no subpena power. The select committee is literally in a legal limbo.

The committee has assembled a staff of professionals who are continuing to proceed. Yesterday, members of the Kennedy subcommittee and I received a briefing from the staff outlining areas of investigation which require sustained effort. I know that if it were possible to divulge at this stage of the investigation the facts and evidence adduced, every reasonable-minded Member of the House would say: "By all means proceed." I believe that if the American people were to know these same facts and developments, they would never forgive us for not going on.

The staff is continuing to proceed with the acquisition and analysis of documents from all agencies of Federal, State, and local government. Unfortunately, where there is no legal authority, even the acquisition of documents has been seriously hampered.

Today, I received a letter from Attorney General Levi, properly advising me that until the committee is reestablished we are "unauthorized persons," and thus prevented from further examination and analysis of records. The Attorney General has assured me of his cooperation once the committee is reestablished and I am also advised that he has directed the Federal Bureau of Investigation to continue to process requests so it can be examined and analyzed as soon as the select committee is reestablished.

Finally, Mr. Speaker, I cannot too strongly stress that it is imperative that the select committee be established immediately. Unwarranted delay will permanently cripple the efforts of our investigations.

REMARKS UPON INTRODUCTION OF HOUSE RESOLUTION CONDEMNING FRENCH RELEASE OF TERRORIST ABU DAOUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. TSONGAS) is recognized for 5 minutes.

Mr. TSONGAS. Mr. Speaker, I stand today to offer a House resolution the purpose of which is to express strong protest at the actions of the Government of France in releasing the terrorist accused of planning the Munich Olympic massacre of 1972.

The Munich massacre, of course, resulted in the murder of Israeli athletes. It was an event which focused world attention on terrorism and the product of such acts. The product then was the death of 11 innocent hostages. An event which occurred 2 days ago in France is also the focus of world attention. The product of this unfortunate event can only be a world held hostage by the threat of terrorism.

The hasty release of Abu Daoud by the Government of France is an unconscionable breach of international law and justice. The release took place despite the fact that the nations of Germany and Israel had requested extradition of Daoud, despite the fact that these nations had bilateral extradition agreements with France, despite the fact that France had recently signed a Council of Europe antiterrorism treaty, and despite the fact that this release is in direct contradiction to the laws protecting citizens of all countries.

Therefore, I am asking my colleagues to support a resolution which expresses the sense of the House that the release of Abu Daoud by the Government of the Republic of France was both premature and unjustified and that such action should be strongly protested and condemned.

I believe that this action will inform the world of this body's and this Nation's sense of outrage over the release of an alleged terrorist and mass murderer. And I believe that this action will discourage capitulation to terrorism in the future:

TSONGAS RESOLUTION

Expressing the sense of the House of Representatives with respect to the release of Abu Daoud, the alleged planner of the 1972 Munich massacre of 11 Israeli athletes, by the French Government.

Whereas the Government of the Republic of France has released Abu Daoud, the alleged planner of the 1972 Munich Massacre which resulted in the murder of 11 Israeli athletes;

Whereas Abu Daoud was accused of abhorrent crimes of terrorism that demand judicial pursuit when the opportunity arises;

Whereas the Government of France failed to hold Abu Daoud in consideration of requests for extradition by the governments of Germany and Israel;

Whereas the Government of France, a signee of the 1976 Anti-Terrorism Treaty, the purpose of which was to curtail world terrorism, has by this action ignored this treaty; and

Whereas this action of the Government of France violates the spirit of international law and morality and encourages terrorism and a disregard for the laws protecting citizens of all countries; Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the release of Abu Daoud by the Government of the Republic of France was both premature and unjustified and that such action should be strongly protested and condemned.

CONGRESSMAN JOE MINISH HONORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 5 minutes.

Mr. REUSS. Mr. Speaker, as chairman of the House Banking, Finance and Urban Affairs Committee, I am aware of the outstanding work of Congressman JOSEPH G. MINISH in the field of renegotiation. Since assuming the chairmanship of the Subcommittee on General Oversight and Renegotiation in early 1975, Congressman MINISH has led the way in exposing deficiencies in both the Renegotiation Act and in its administration by the Renegotiation Board. In 1976, he developed and pushed through the House legislation to provide for comprehensive reform of the renegotiation process.

I was pleased, therefore, to learn of the much-deserved praise Congressman MINISH received recently from that steadfast guardian of the taxpayer, Adm. Hyman G. Rickover. I want to share with my colleagues, remarks made earlier this month by Admiral Rickover, with regard to the gentleman from New Jersey:

REMARKS BY ADMIRAL H. G. RICKOVER, U.S. NAVY, CONCERNING CONGRESSMAN JOSEPH G. MINISH, JANUARY 4, 1977

I would like to say a few words about my good friend, Congressman Joseph Minish.

He is a man who knows where he stands on every question of life and affairs to an unusual degree. He has a warm heart and gift for friendship. He is one of those beings whose pace of life is faster and more intense than the ordinary. He is a sincere patriot; a wise, grave, sober-minded statesman; and a gay brilliant, loyal lovable being.

He remains inflexibly attached to first principles. He rarely traduces men's motives; he sometimes regards their decisions as foolish or founded on inadequate information.

His chief virtue is courage: and to brave men most things can be forgiven. Another virtue of importance is "honor". When presented before the bar of history men will

have to answer the question whether in crisis they acted honorably.

The single, central, organizing principle of his moral and intellectual universe is a strong and comprehensive and historical imagination.

He knows a great deal about the Renegotiation Board, and far more than most of the so-called experts in this field. He has been in the vanguard of those farsighted members of Congress dedicated to protecting the public interest in this field.

I am particularly grateful to him for the unfailing support he has given to our efforts to protect the Government's interests. For this, the United States owes him a debt of gratitude.

It was his committee which held special hearings in 1975 to bring into focus the need for strengthening the Renegotiation Board.

He permits nothing to deter him from doing his duty to the United States.

In the business of government, any movement from hideous to bad is progress, from hideous to fair is spectacular. And Congressman Minish has done more than his share to achieve the spectacular for us.

He does not agree with many of our pseudo-intellectuals who are drowning in their own words and suffocating in their own documents.

He thinks that knowledge is preferable to ignorance; human sympathy more valuable than ideology. That in spite of the recent triumphs of science, men have not changed much, and in consequence we must still try to learn from history.

Future generations will, I am sure, remember him above all for what he has done to preserve our heritage than for anything else.

INTERNATIONAL TERRORISM PRESENTS A THREAT TO ALL NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, the recent release of Black September terrorist Abu Daoud by the French Government is an affront to American citizens, as well as to Israelis and West Germans. What has been overlooked in the quite understandable focus on the Munich Olympic massacre is that the American people, too, have a legitimate interest in Abu Daoud—he was the spark for the murder of two of our diplomats in Khartoum, Sudan, in 1973.

As such, France's action, taken despite the expressed intentions of both Israel and West Germany to request his extradition, serves to emphasize the lack of a comprehensive international framework within which to combat terrorism.

On January 4, 1977—several days before the release of Abu Daoud—I reintroduced House Concurrent Resolution 46, "urging that the President actively seek an international convention which has as its goal a multilateral treaty to deny sanctuary to international terrorists." But the cynical and craven action of the French Government has provided my bill an impetus it hardly needed. I hope that Congress and the White House will act swiftly so that France or any other country presently content to appease terrorists' interests will in the future be forced to act in concert with all nations to interdict terrorism and promote world peace.

The problem of international terrorism represents a serious and continuing threat to the safety and welfare of citizens of all nations. It represents an equally serious and continuing threat to orderly governmental and political processes, international transportation, communications, commerce, and diplomatic relations.

During the past decade, terrorism has become a major international phenomenon yet has been met with only minor international attempts to deal with it.

Clearly, solutions to this problem are difficult at best. Certain states have demonstrated a willingness to harbor, train, and arm terrorists; the sophistication of today's news media serves as a double-edged sword, giving terrorists the broadest possible forum for their statements and actions; and weapons, including not only conventional arms but chemical, biological, and radiological agents as well, will become increasingly available during the next several years. The fear many people now share concerning the inevitability of a terrorist takeover of a nuclear facility can only be viewed as harshly realistic.

The spread of such terrorist activity must be halted. In 1976 alone, there were over 30 acts of terrorism—bombings, hijackings, kidnapings, and assassinations—in which hundreds of people were victimized, at least 75 were killed and many more injured. Yet collective international response has been reactive in nature and limited almost exclusively to marginally tightening internal security precautions and establishing several narrow treaties concerning hijacking and the protection of diplomats.

A far broader, more effective treaty is necessary if we are to prevent the further escalation of a dangerous and destructive political tactic, one which many experts assert will be increasingly directed against Americans and American territory. My resolution would encourage the President to seek such a treaty, and I urge my colleagues to join me by cosponsoring this resolution.

PROPOSING AN AMENDMENT TO CONSTITUTION TO PROVIDE DIRECT POPULAR ELECTION OF PRESIDENT AND VICE PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, Senator BAYH and 41 cosponsors have introduced in the Senate, Senate Joint Resolution 1, proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States. The Bayh amendment would abolish the electoral college system.

In the past I have been supportive of these efforts and I joined 338 of my colleagues in recommending a nearly identical constitutional amendment when it passed this House in 1969. I believe, however, that it is time for a new look, a closer look perhaps, in 1977. The electoral college system has served this Nation since its inception; it has elected each of our Presidents and has permitted an orderly constitutional mechanism for choosing executive leadership in every one of our 48 Presidential elections.

There are, it seems to me, important constitutional policy arguments that can be made in favor of retaining the existing structure. But at the same time we must recognize that under the present system it is possible for a candidate to receive a minority of the popular vote, but a majority of the electoral college vote, and thus to defeat the winner of a popular majority. This has happened only twice since 1824—and once in the dark and singular experience of 1876 which may in fact not be a relevant exception. But it remains a real possibility, an unhappy possibility, and consideration of the Bayh amendment raises a very fundamental question: Does the elimination of that possibility come at the expense of other values equally dear to our constitutional system?

At this time, I am not prepared to resolve that issue. A full and scholarly constitutional inquiry by the Judiciary Committee should precede that judgment. But Senator BAYH is to be saluted for the enormous energy and leadership he has demonstrated in championing this issue. There is none closer to the heart of our democracy.

I am proud to join Senator BAYH, therefore, in the introduction of this proposal. I look forward to working with the Senator, and with the Members of this House in addressing this critical issue. If a constitutional change is in order, we must not hesitate to act. If it is not in order, that too is important for us to understand.

Mr. Speaker, I am attaching to these remarks a copy of the Bayh amendment which I have introduced in the House today:

H.J. RES. 144

Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. The people of the several States and the District constituting the seat of government of the United Staes shall elect the President and Vice President. Each elector shall cast a single vote for two persons who shall have consented to the joining of their names as candidates for the offices of President and Vice President. No candidate shall consent to the joinder of his name with that of more than one other person.

"SEC. 2. The electors of President and Vice President in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature, except that for electors of President and Vice President the legislature of any State may prescribe less restrictive residence qualifications and for electors of President and Vice President the Congress may establish uniform residence qualifications.

"SEC. 3. The persons joined as candidates for President and Vice President having the greatest number of votes shall be elected President and Vice President, if such number be at least 40 per centum of the whole number of votes cast.

"If, after any such election, none of the persons joined as candidates for President and Vice President is elected pursuant to the preceding paragraph, a runoff election shall be held in which the choice of President and Vice President shall be made from the two pairs of persons joined as candidates for President and Vice President who received the highest numbers of votes cast in the election. The pair of persons joined as candidates for President and Vice President receiving the greater number of votes in such runoff election shall be elected President and Vice President.

"SEC. 4. The times, places, and manner of holding such elections and entitlement to inclusion on the ballot shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations. The days for such elections shall be determined by Congress and shall be uniform throughout the United States. The Congress shall prescribe by law the times, places and manner in which the results of such elections shall be ascertained and declared. No such election, other than a runoff election, shall be held later than the first Tuesday after the first Monday in November, and the results thereof shall be declared no later than the thirtieth day after the date on which the election occurs.

"SEC. 5. The Congress may by law provide for the case of the death, inability, or withdrawal of any candidate for President or Vice President before a President and Vice President have been elected, and for the death of both the President-elect and Vice President-elect.

"SEC. 6. Sections 1 through 4 of this article shall take effect one year after the ratification of this article.

"SEC. 7. The Congress shall have power to enforce this article by appropriate legislation."

PITTSBURGH PUBLIC WORKS EXPERIENCE—A SOUR ONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MOORHEAD) is recognized for 5 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, based on my personal experience and that of the largest community in my district, the city of Pittsburgh, I expect that most comments on the recent distribution of public works funds will be sour ones. I know mine will.

I still believe in the program. I am sure that once implemented these projects will improve local unemployment rates, with the ancillary benefit that many local governments will have much needed public facilities. Yet, there must be a more equitable method of distributing the money.

The city of Pittsburgh, with an unemployment rate of 9.4 percent, much higher than the national average, received not one penny in the recent allocation of funds.

Yet smaller communities contiguous to the city with lower actual jobless rates, did very well.

In fact, the entire western Pennsylvania area did abysmally when compared with our brothers in the eastern part of the State.

Yet this very possibility of funds concentrated in one geographic area to the detriment of another—which I warned EDA about weeks before any funds were sent out—did indeed occur.

As I said earlier, I very much support the public works program as a viable antirecession tool. I have joined with the House leadership in introducing legislation to make more public works funds available for local units of government, but there must be changes in the distribution methods if needy governments truly are to be served by this program.

First off, any new funds must go first to those communities with legitimate needs that were denied on the first allocation. This is simple equity.

Second, smaller units of government cannot be permitted to use the unemployment statistics—always much higher—of a larger, parent unit of government.

Third, there must be some priority put on the types of projects to be undertaken. Tennis courts and recreation parks—while important—cannot have the same relevance as public safety facilities, needed utility work, and urgent bridge and road repairs.

While the Congress approved the 70–30 distribution method, we must either alter the formula to guarantee that deserving local government requests are funded or insure that maldistribution within the 70-percent category does not occur. Pittsburgh's needs were ignored, overlooked, because of a computer error. Hogwash, as I told the Assistant Secretary of Commerce, computers do not make errors, it is the people who program them that make the errors. I do not want that to happen again.

I believe that changes such as I have suggested, plus a new administration, which I believe is more attuned than current officeholders to the needs of metropolitan areas and cities, will result in a more fair and judicious parceling out of public works funds.

To further amplify the Pittsburgh experience, I would like to include in the RECORD at this time, a Pittsburgh Press article, detailing a meeting Mayor Peter Flaherty and I had with senior EDA officials, and an editorial from the Pittsburgh Post-Gazette:

[From the Pittsburgh Press, Dec. 31, 1976]

PETE'S FEDERAL FUNDS PLEA FAILS

(By William Wisser)

Mayor Pete Flaherty returned empty-handed from Washington after pleading with federal officials who ignored Pittsburgh in their $2 billion Christmas Eve giveaway.

Uncle Sam forgot America's 24th most populous city when he gave out the goodies—even though Pittsburgh had submitted a gift list requesting $29.4 million for 31 public works projects.

"They just never got to Pittsburgh," said Flaherty yesterday upon his return. "They got to about 100 cities and quit."

Congress created the $2 billion program to stimulate employment.

Seventy per cent of the money was to go to areas where unemployment exceeded the national average of 8.1 per cent.

Pittsburgh—with an unemployment rate of 9.7 per cent—seemed like a sure recipient.

A bridge over Murray Avenue, the reconstruction of 12 streets, new sewers and water lines and repairs to the city water plant, parking garages and Phipps Conservatory were among the projects on the city's grant applications.

But Steel City didn't finish in the money, while Philadelphia and southeastern Pennsylvania took 34 percent of the cash allocated to the state.

Flaherty and U.S. Rep. William S. Moorhead, D-Shadyside, met yesterday with John Eden, U.S. assistant secretary of commerce, who supervised the giveaway.

According to Moorhead, Eden said he was sorry.

"He was really kind of shocked when he found only 1 percent (of the state allocation for high unemployment areas) went to this area of the state," Flaherty added.

Moorhead reported that Eden said computers made the allocations.

"Don't blame the computers," Moorhead says he retorted. "You program the computers, they do what you want."

Though Pittsburgh didn't get a penny, 15 of 16 Allegheny County suburban communities which were given funds have unemployment rates below the national average.

Monroeville, for example, where unemployment is 5.5 percent, will get $891,000 to build a new garage.

And Bridgeville, with unemployment at 4.4 per cent, is to receive $225,000 for sewers and repaving New York Avenue.

The suburban towns were given money out of the 30 percent share allocated nationally for communities with lower than average unemployment.

The struggle, Flaherty indicated, is not between Pittsburgh and its suburbs—but between East and West. And Eastern Pennsylvania won.

The U.S. Commerce Department has the power to correct inequities, but Flaherty held out little hope.

"The problem," he said, "is that the allocations have already been published in the Federal Register."

Meanwhile, House Democrats yesterday proposed doubling the funds. The program was established over President Ford's veto in August to ease unemployment in the building trades.

Rep. James Wright, D-Tex, said legislation to add another $2 billion to the program will be introduced when Congress reconvenes Tuesday.

President-elect Jimmy Carter favors enlarging the fund, according to Wright. Carter is to consult with congressional leaders next week.

And U.S. Rep. Robert A. Roe, D-N.J. chairman of a House public works subcommittee, sided with big city mayors who blasted the federal funding formula.

Kenneth A. Gibson, mayor of Newark, N.J. and president of the U.S. Conference of Mayors, has asked Congress to investigate allocation of grants in which "smaller local government jurisdictions received a disproportionate share of the money in relation to their population."

Gibson rapped the Ford administration for quietly announcing the grants Christmas Eve and allegedly favoring suburban towns over big cities that are in deep fiscal trouble.

Phoenix, Seattle, Tojedo, Chattanooga, Oklahoma City, Pittsburgh, * * * Palm Desert, Calif. got $2 million.

Flaherty, asked about the proposal to give away an additional $2 billion, said:

"I want my share now (of the first grants). Plus my share of any further ones."

Armstrong, Butler, Clarion, Clearfield, Indiana, Lawrence and Somerset counties also were ignored in the gift-giving.

The Armstrong commissioners demanded that President Ford investigate.

THE CROSS-EYED ELVES

[From the Pittsburgh Post-Gazette, Jan. 3, 1977]

If God didn't love Glenfield Borough in Allegheny County, he would not have in-

vented the U.S. Department of Commerce. It gifted Glenfield's population of 406 with nearly a half-million dollars in public-works money. To Pittsburgh's half-million population—8.8 per cent of whom are unemployed—it gave nothing.

But then the cross-eyed elves who pose as planners and computer programmers at Commerce apparently made a list and, checking it twice, saw big-city dwellers as naughty and suburbanites as nice.

Which is apparently why they chose to give population runts like Upper St. Clair and Palm Desert, California, over a half-million dollars and $2 million respectively, while to Phoenix, Seattle, Chattanooga, Oklahoma City, Toledo and Pittsburgh the elves awarded only the hole in the $2-billion public-works doughnut.

The elves, however, didn't consistently equate bigness with unworthiness. Philadelphia and southeastern Pennsylvania got 34 per cent of the $58 million programmed for Pennsylvania, compared to the laughable 1 per cent to be sprinkled over all of southwestern Pennsylvania.

To be objective about Commerce's zaniness, however, we should note that public-works contracts let by suburban communities will draw on unemployed building-and-construction tradesmen from the snubbed cities. Still, that a high-unemployment city like Pittsburgh, which submitted proposals for $30 million in needed construction projects, got not a cent is indefensible—except, perhaps by elf logic.

If the silly grinners at Commerce can't come up with sensible answers, then, Mayor Flaherty and other mayors should instruct their solicitors to make a federal case out of it.

The best way to fight unemployment in Pittsburgh, meanwhile, may be to fire the elves at Commerce.

PANAMA CANAL AND THE MONROE DOCTRINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, one of the major developments relating to the security of the United States that I have stressed on various occasions in connection with the Panama Canal is the Soviet threat in the Caribbean and its violation of the Monroe Doctrine. These dangers were dramatized in the aggression in Angola by the Soviet-Cuban axis.

Among current writings on this subject is a 1976 booklet by Isaac Don Levine, distinguished authority on Soviet history and policies entitled "Hands Off the Panama Canal," published by Monticello Books, Suite 500, 1735 De Sales Street NW., Washington, D.C. 20036.

A recent perceptive review of this book by Allan C. Brownfeld, an able Washington political analyst, stresses some of the main points in the volume and calls for the rediscovery by the United States of the Monroe Doctrine.

The indicated book review follows:

PANAMA CANAL AND THE MONROE DOCTRINE

(By Allan C. Brownfeld)

Ever since 1823, the Monroe Doctrine has been a basic element in American foreign policy. That Doctrine states clearly and precisely that the United States will not tolerate the interference of any European power in the Western Hemisphere.

Few remember that the Doctrine owes its birth to Russia's imperialist thrust from Alaska south. In 1819, the St. Louis *Enquirer* spelled it out in these terms: "Americans have failed to notice the advantage of the Russians on the Pacific Coast until they have succeeded in pushing their settlements as far south as Bodega. Their policy is merely the extension of the policy of Peter the Great and Catherine. Alexander is occupied with a scheme worthy of his vast ambitions . . . the acquisition of the gulf and peninsula of California and the Spanish claim to North America."

The matter finally came to a head on July 17, 1823, when Secretary of State John Quincy Adams conveyed his views to the Russian minister in Washington.

"I told him specially," Adams recorded in his diary, "that we should contest the right to *any* territorial establishment on this continent, and that we should assume distinctly the principle that the American continents are no longer subject to *any* new European colonial establishments."

In this message, Adams laid the keystone to the forthcoming Monroe Doctrine. "It is indeed the most important principle connected with the Monroe Doctrine," according to Dexter Perkins. The declaration of the Monroe Doctrine was a daring thing for a new nation of 10 million to embark upon. President Monroe, however, managed to prevail.

Today, however, very little is heard about the Monroe Doctrine. The Soviet Union *does* have a colony in the Western Hemisphere—Cuba. The effort by the Cuban-supported radical government of Panama to remove the U.S. from the Panama Canal Zone and take over that U.S. territory is part of a larger effort of the Soviet Union to expand its own power and authority in the Western Hemisphere—something we have been pledged to oppose ever since 1823.

In an important new study, *Hands Off the Panama Canal* published by the American Council for World Freedom, the distinguished journalist and author Isaac Don Levine has placed the Panama Canal dispute in its proper historical perspective.

"What is at stake in the controversy over the Panama Canal," Mr. Levin writes, "is the existing Soviet armed footing in Cuba—a springboard for a leap to the canal—and not the question of replacing the outmoded 1903 treaty with a new pact. That is a matter which can be solved by agreements providing enhanced emoluments and benefits for the great majority of the Panamanian people. The real challenge in the combustible issue is to the vital national interests of the U.S. in a critical strategic area—the Caribbean."

The fact is that Fidel Castro has continued to defy the basic safeguards of the Monroe Doctrine and its inter-American extensions. These safeguards are embodied in a series of accords supplementing the Good Neighbor policy, the crowning point of which is the declaration adopted in Caracas in March 1954 by the 10th Inter-American Conference. There all of the republics in this hemisphere bound themselves to act collectively against "the domination or control of the political institutions of any American state by the international Communist movement, extending to this hemisphere the political system of extra-continental power, which would constitute a threat to the sovereignty and political independence of the American states."

Isaac Don Levine has been a careful observer of the Soviet Union ever since he covered the Russian Revolution as a reporter and was stationed in the USSR as a correspondent for the Chicago *Daily News*. He was the first biographer of both Lenin and Stalin and it was he who first persuaded Whittaker Chambers to speak publicly. He has done all Americans an important service by turning his attention to the question of the Panama Canal—and our much forgotten Monroe Doctrine.

Concerning the notion that the Panama Canal is somehow not sovereign U.S. territory, Mr. Levine declares that ". . . nowhere in all the 26 Articles of the Convention . . . is there any clause reserving our sovereignty or affirming it for the Republic of Panama over the areas granted by it to the U.S. On the contrary, the stipulations of the Convention on the point are crystal clear."

The Monroe Doctrine, Mr. Levine points out, "was fashioned by leaders who were convinced that appeasement invites aggression, that a bully cannot be stopped with diplomatic syrup. . . .

"The Soviet leap to Angola with the aid of a Caribbean expeditionary force marks a new departure in the strategy of the Kremlin. It sets a precedent of aggression by proxy which cannot be allowed to stand. It must be reversed, and it can be done without firing a shot. Unless that is achieved, the Soviet-Cuban dagger threatening the Panama Canal portends the coming of a catastrophe. . . . The real choice before the U.S. in Panama is between unimpaired American control of the canal and a threatening takeover by the Soviet imperialists. . . ."

It is high time that the U.S. rediscovered the Monroe Doctrine. The Soviet takeover of Cuba is a violation of that Doctrine which we have somehow permitted. If the Panama Canal follows, the Doctrine will be truly dead. A reaffirmation of the Doctrine, Mr. Levine states, "would proclaim to the world the time-honored right of this nation, in the interest of its security, to demand that Castro sever his military ties with the Soviet Union. These ties are in violation of the Monroe Doctrine. . . ."

LEGISLATION TO COMBINE IN ONE BILL PROPOSALS OF NATIONAL WILDLIFE REFUGE SYSTEM AND PRIMITIVE AREAS IN NATIONAL FOREST SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, when the Wilderness Act was enacted in 1964, a new and innovative process of citizen participation in the formulation of Federal land management policy was set in motion. For, while the Wilderness Act required the three Federal land management agencies covered by the act—U.S. Forest Service, National Park Service, and U.S. Fish and Wildlife Service—to review certain qualified lands for possible inclusion in the National Wilderness Preservation System, the act also required public hearings on the results of agency field investigations. Thus, for the first time in the history of public land law, citizen involvement was a required step in agency decisionmaking.

Since 1964 a consistent pattern of citizen participation has emerged. All across the country individuals and groups have conducted their own field investigations of areas which the Agency was then in process of reviewing and have presented their findings at public hearings on the proposed wilderness area. These findings of citizen study teams often have concurred with the Agency proposal, but just as often they have not, differing mainly on boundary locations. Similarly, these boundary differences—usually based on differing opinions on how the entrance criteria contained in section 2(c) of the Wilderness Act should be applied to a

wilderness proposal—have been accepted on occasion by the Agency, but often have been lacking in recommendations later transmitted by the President to the Congress.

In any case, it is the function of the Congress to draw final wilderness boundaries, utilizing all available and pertinent information on each wilderness proposal, when enacting legislation incorporating a wilderness in the National Wilderness Preservation System.

The Wilderness Act required the wilderness review agencies to finish their reviews and the President to make his recommendations to the Congress within 10 years, or by September 3, 1974. While the Forest Service completed its reviews of primitive areas in a planned, systematic manner. Department of the Interior agencies dawdled along creating a situation where field reviews on most areas were not completed until late 1973 and early 1974. Recommendations by the President on the last of these areas were not sent to the Congress until several months after the 10-year deadline, thus creating a backlog of areas awaiting congressional consideration. As a matter of fact, when combined with other wilderness proposals remaining from previous session, a considerable backlog was created. This backlog was reduced somewhat by the 94th Congress when 32 areas were designated as wilderness. Still remaining are 39 national wildlife refuge proposals, 15 national forest primitive areas, and 40 national park units.

Mr. Speaker, the bill I am introducing today combines in one bill all National Wildlife Refuge System proposals and primitive areas in the National Forest System now pending before the Congress for consideration as wilderness. These proposed wilderness areas constitute the entire backlog of these two land conservation systems which have been reviewed by the administering agency pursuant to the review requirements of the Wilderness Act. In all cases the proposed wilderness boundaries are those recommended by local citizen sponsors although, I might point out, many of them are identical to those recommended by the agency, including certain boundary adjustments which are proposed for some areas so that adjoining Federal lands containing wilderness characteristics will be administered as wilderness.

Mr. Speaker, wilderness is our country's highest form of land dedication. Values of wilderness to the American people are multiple in nature, not just primitive recreation alone since wilderness is an ecological condition where all values and uses are administered to maintain a natural condition. Wildlife, plant communities, watershed, scenic, and similar values are maintained, oftimes to the benefit of people far removed from an individual area. I ask my colleagues to join with me in assuring that these wilderness proposals are added to the Wilderness System as part of a continuing effort to fulfill the promise of the Wilderness Act of 1964 "To secure for the American people of present and future generations the benefits of an enduring resource of wilderness."

THE RELEASE OF PALESTINIAN TERRORIST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 5 minutes.

Mr. DODD. Mr. Speaker, I would like to express my deep sense of outrage at the French Government's shameless release of Palestinian terrorist Abu Daoud, the suspected mastermind of the 1972 massacre of 11 Israeli athletes at the Munich Olympic games.

France's cursory review of the Israel and West German requests for the extradition of Abu Daoud, and their dismissal on a technicality followed by the sudden release of Daoud constitute one of the worst offenses to justice that we have ever witnessed on the part of the French Government.

In freeing Daoud and providing him safe voyage to Algeria, France has blatantly disregarded its moral obligation to international justice for the sake of the most expedient of political purposes. Clearly, France's priority in this matter appears to be the economic benefits that it stands to gain through the maintenance of close relations with the Arab States.

An assured supply of oil, and continued sales of Mirage fighter jets to Middle Eastern buyers are among the stated goals of French foreign policy, and as of 2 days ago, they seemingly have become its No. 1 consideration.

Today, my priority is to express to the French Government my personal indignation in the face of this act of moral cowardice. With a number of my colleagues, I am sending French President Valery Giscard d'Estaing a telegram in which we convey to him directly our immense disappointment in France's action.

Also, to do more than verbally protest, I am making a personal commitment to engage in a boycott of all French products imported into this country.

I know that millions of Americans share in the horror and grief that much of the world feels in the face of this action by France, and that they would like to show their anger in a personal but concrete way. Thus, I ask all my colleagues, my constituents, and all concerned members of the American public to join me in this voluntary boycott of French products.

It does not by any means entail large sacrifices on our part, but may well succeed in getting the powerful message across to the French Government that it will face our united moral outrage, and perhaps economic hardships, if it continues to act in such a disgraceful manner.

RELEASE OF ARAB TERRORIST IN PARIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM, Mr. Speaker, it is difficult finding words strong enough to condemn the French decision to release the architect of the Munich Olympic massacre, Abu Daoud. Recent years have seen many instances of international pusillanimity in dealing with terrorists but this action truly marks a new low. In previous instances various nations have yielded to the demands of terrorists who were holding their nationals hostage in the air or on a desert tarmac. They were able to claim—sometimes justifiably—that they yielded only to spare the lives of innocents and that they had no choice but to surrender. Negotiations were at gunpoint and the terrorists held every advantage.

The French authorities can make no such claim today. French intelligence agents arrested Abu Daoud in Paris. It was a clean arrest. No civilians of any nationality were being held by Daoud's gang. The French held all the cards. There was every reason to expect that the French Government would have honored its extradition treaty with Israel or West Germany and would have dispatched Daoud to some form of justice. Instead Daoud was released, given first class air passage and flown to Algiers, the destination of his choice. The French have thus devised a new strategy in dealing with terrorists—preemptive surrender.

Whether the action was in fear of future terrorist activities or in fear of jeopardizing arms sales to Arab countries, the release presents an appalling spectacle. French authorities might object to our words of reproval and condemnation. Nevertheless they must be made to understand that terrorism is an international problem that must be dealt with in an international forum. It is well within our province to object and to object strenuously.

In Israel today, the widows and children of the 11 slain athletes stand helpless. The murderer of their husbands and fathers is free to murder again. The French Government is free to sell 200 F–1 bombers to Egypt. The franc and the French balance of trade are, for the moment, saved. But what of French honor? The release of Abu Daoud is a blot on the French nation. I have joined with Senator HASKELL and others in both bodies in a strong letter of protest to the French Ambassador to the United States. I only hope that we can begin to convey our sense of outrage.

THE STAMPEDE TOWARD MILITARY RETIREMENT CHANGES

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, each year as the dollar amount of the Defense budget grows, there is increased focus on the personnel portion of the budget. Inflation is forcing an upsurge in all defense costs. If the budget remains approximately constant, personnel will require a greater share of the available dollars than before. Personnel cannot be fully effective without modern weapons. This produces a quandary about military budget policies.

As a result, there have been many rec-

ommendations for change to the military personnel management and compensation systems, with the focus on reduction in personnel costs. One of the principal targets for change is the retirement system. The proposals range in scope from minute adjustments to sweeping overhaul, and they have emanated from widespread sources including the Congress, GAO, private research groups, and the press. Most of the proposals are offered in good faith and some of them provide needed insights into how we may be able to improve the efficiency of defense spending. Many, however, fail to recognize that the military compensation system must be designed to help the services achieve an in-being manpower force of the proper size, age, training, and experience to meet defense requirements. These ideal forces do not just happen.

Retention of trained personnel is essential. To attract and retain the professional cadre, the services have built career management plans that provide visible and stable career progression structures. Unfortunately, many proponents of change have developed their proposals out of context with the personnel management system.

The personnel plans of the services have been constructed after years of reasoned thought, and I am convinced that the retirement system requires the same judicious consideration before changes can be made.

I want to touch on some of the misconceptions evident in the various retirement proposals. For example, advocates of drastic revisions to the military retirement system often base their rationale on the contention that military pay rose 134.5 percent from 1964 through 1975 while the Consumer Price Index rose only 73.4 percent. If viewed in a strictly statistical sense and taken out of context with the significant events which took place from 1964 through the inception of the All-Volunteer Force in late 1971, these statistics seem to lend credence to the critic's claim. One sees an entirely different picture, however, if the period is split into two segments with January 1, 1972, as the dividing point. This date is chosen as a benchmark since it was identified in an annual OSD report to Congress as a point at which military compensation had for the first time attained reasonable competitiveness with the private sector.

Conscious, positive steps were taken to improve the military standard of living, and the competitiveness of military pay. Between October 1966, and January 1972, basic pay was raised 50 percent for careerists and 77 percent for first-term personnel while the cost of living rose only 25 percent. Do not forget the low pay levels of prior years.

The reputed competitiveness of military pay attained in 1972 has not been maintained over the 4 intervening years. Between January 1, 1972, and the recent October 1, 1976, raise, the cost of living has risen by 41 percent while military basic pay has been raised only 30 percent.

To an E–7 with over 18 years of service, this means that his current $10,800 annual basic pay buys $590 less than the $8,300 a comparable E–7 received in 1972. The problem is that the loss of purchasing power is the only experience of the nearly 60 percent of current active duty personnel who have entered the services since January 1972. These personnel have not experienced any of the quantum increases in compensation which occurred in the mid-to-late 1960's. In addition, they have seen a wide range of their benefits reduced under the guise that adjustments were necessary to compensate for the pre-1972 raises provided to move military personnel out of poverty income levels—50,000 families in 1969—and transition to the All-Volunteer Force. These members of the All-Volunteer Force reject the logic that retired reform is necessary because they are overpaid.

Frankly, even with the current compensation and retirement system which critics view as being overly generous, the services are having a hard time meeting their personnel requirements. For example, about 79 percent of enlisted entrants separate prior to attaining 5 years of service. Obviously the conditions of military service which many critics are willing to blithely write off as inconsequential in compensation comparisons are actually considered unattractive as a way of life by a large majortiy of the civilian labor force.

Critics of the military retirement system usually find it convenient to make such sensational statements as "military retirement costs will be $35 billion in the year 2000." However, such statements fail to point out that by using the same economic assumptions:

Today's average family income of $10,000 would be $36,000;

Today's social security wage base of $15,300 would be $55,000;

Today's congressional salary of $44,600 would be $160,000.

A more in-depth examination would reveal that the average annual cost of the military retirement system without inflation or pay increase by the year 2000 would actually be only 10 percent greater than it is today. This increase in cost would be attributable solely to increases in the military retired population. The size of the retired population is of course a direct result of public national policy decisions on the size of the military forces required for national defense, to include World War II, and the Korean and Vietnam conflicts. It would be inequitable to allow today's active duty members to be victimized by costs associated with previous national policy decisions.

The sense of urgency for retirement reform is quite often heightened by the common misconception that the size of the military retiree population will continue to increase forever. Contrary to this belief, projections show that the retiree population will peak in approximately the year 2005, after which it will decline slightly and stabilize. Of course, as the population stabilizes so will retirement costs.

Critics who contend that military pensions are too high in relation to desired levels often base their conclusions on comparisons with the private and public sectors. A benchmark often used is pensions as a percent of final salary after 30 years of service which results in percentages of 59 and 62 for enlisted and officers respectively. This type of comparison does not recognize the real world, that is, that because of the selective retention feature of the personnel management system the vast majortiy of military personnel are forced to retire short of a 30-year career. A more realistic display of military pensions as a percent of final salary is as follows. The table treats total military compensation, not just basic pay, as a comparison with total civilian compensation:

Years of service and percent of salary

	Years	Percent
04	20	40
05	23	46
06	29	59
E–4	20	34
E–5	20	35
E–6	23	41
E–7	25	46

*NOTE.—Regular military compensation (RMC) is basic pay, basic allowance for quarters, basic allowance for subsistence, and tax advantage and is considered to be the military equivalent of civilian salary.

Incidentally, these percentages are pretty much in line with those found in paramilitary civilian organizations—police and fire departments—organizations which must maintain a vigorous, youthful work force.

The limited room at the top of the military organization structure coupled with the objective of a young force, vigorous enough to serve and survive in the field and at sea, requires large numbers of careerists to retire before they reach 30 years service. Accordingly, we need to deal equitably with individuals who have devoted prime earning years to military service and are no longer needed. Members who are forced out to meet personnel management needs of the services are severely disadvantaged by having to enter the civilian labor market—middle aged with limited civilian experience and skills. In this regard, a 1967 DOD study showed that members who enter a "second career" receive income which is on the average smaller than their active duty income just prior to military retirement. Therefore, reducing retired pay on the basis of outside earnings would unfairly single out the military community.

In summary, any change to the military retired pay system must be designed to meet the force management objectives of an armed force, not the practices of civilian employment. The Defense Department has twice submitted a retirement modernization proposal to Congress—one which would complement its personnel management objectives and at the same time provide a savings of near $12 billion by the year 2000. This proposal will no doubt be submitted again. At this juncture, it is difficult to predict whether or not higher priorities will permit congressional consideration of retirement legislation this year. However, if they should, I can assure you

that I intend to play an active role in the development of a retirement modernization proposal which will insure equity to both military personnel and taxpayers.

DR. MARTIN LUTHER KING

(Mr. WHALEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHALEN. Mr. Speaker, January 15 is the 48th anniversary of the birth of Dr. Martin Luther King, Jr.

More than any other single person, Dr. King helped put our Nation on the road to racial equality and justice for all. He began his long struggle for freedom in 1955, when a tired black woman in Montgomery, Ala., refused to relinquish her bus seat to a white person, and a 382-day Negro boycott of buses ensued. Thus, Dr. King's courageous attempt to advance humanity through the means of passive resistance and respect for all fellow humans had begun.

More than a man of eloquent words, Martin Luther King, Jr. practiced what he preached. "Civilization and violence are antithetical concepts," he said as he accepted the 1964 Nobel Peace Prize. And throughout his campaign for human freedom and equality, he never once resorted to violence. He said:

> I have the audacity to believe that peoples everywhere can have three meals a day for their bodies, education and culture for their minds, and dignity, equality and freedom for their spirits.

Let us remember these principles by which Dr. King conducted his life, and let us honor his commitment to the advancement of civilization.

A resolution has been introduced to authorize the commissioning of a statute or bust of Dr. Martin Luther King, Jr. for placement in the Nation's Capitol. At present, there is not a single statue or portrait of a black American in the Capitol. We can begin to remedy this omission by establishing such a memorial.

Today I have joined a number of colleagues in introducing a resolution which would achieve this goal. This commemoration will do more than honor a great American. It will be a symbol of the dream Dr. King shared with America and with the world. It will be a symbol of the principles for which he sacrificed his life.

Finally, as we honor Dr. King this weekend, let us remember what he said in response to a critic who once asked him when he would ever end his crusade. "We will not be satisfied until justice rolls down like water and righteousness like a mighty stream."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAUMAN) to revise and extend their remarks and include extraneous matter:)

Mr. MICHEL, for 5 minutes, today.
Mr. KEMP, for 15 minutes, today.
Mr. KASTEN, for 5 minutes, today.

(The following Members (at the request of Mr. SKELTON) to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. TSONGAS, for 5 minutes, today.
Mr. REUSS, for 5 minutes, today.
Mr. WOLFF, for 5 minutes, today.
Mr. RODINO, for 10 minutes, today.
Mr. MOORHEAD of Pennsylvania, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. UDALL, for 5 minutes, today.
Mr. DODD, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAUMAN) and to include extraneous matter:)

Mr. GILMAN in two instances.
Mr. MCCLORY in two instances.
Mr. LENT.
Mr. CEDERBERG.
Mr. BAUMAN in 10 instances.
Mr. CORCORAN in two instances.
Mr. RUPPE.
Mr. FORSYTHE.
Mr. HANSEN in two instances.
Mr. MICHEL.

(The following Members (at the request of Mr. SKELTON) and to include extraneous material:)

Mr. BREAUX.
Mr. VANIK.
Mr. RICHMOND.
Mr. GAYDOS.
Mr. DRINAN.
Mr. DOWNEY.
Mrs. KEYS.
Mr. CONYERS.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. MINISH.
Mr. FISHER in three instances.
Mr. BINGHAM in five instances.

ADJOURNMENT

Mr. SKELTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 29 minutes p.m.), under its previous order, the House adjourned until Monday, January 17, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

394. A letter from the Acting Secretary of Agriculture, transmitting the report on the activities of the Rural Electrification Administration for fiscal year 1976 and the transition period ending September 30, 1976, pursuant to 49 Stat. 1366; to the Committee on Agriculture.

395. A letter from the Deputy Under Secretary of State for Management, transmitting a report on plans for improving and simplifying the personnel systems of the Department and the U.S. Information Agency, pursuant to section 117 of Public Law 94–350; to the Committee on International Relations.

396. A letter from the Acting Executive Director, Federal Communications Commission, transmitting the report on backlog of pending applications and hearing cases in the Commission as of October 31, 1976, pursuant to section 5(e) of the Communications Act, as amended (47 U.S.C. 156e)); to the Committee on Interstate and Foreign Commerce.

397. A letter from the Secretaries of Interior and Agriculture, transmitting the second report on the administration of the act to protect, manage, and control wild free-roaming horses and burros on public lands, for the 24-month period since June 1974, pursuant to section 10 of Public Law 92–195; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

398. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting a report on professional and scientific positions established in the Agency During the calendar year 1976, pursuant to 5 U.S.C. 3104(c); to the Committee on Post Office and Civil Service.

399. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recruitment and retention of federally employed physicians and dentists, pursuant to section 4(a) of Public Law 94–123; jointly, to the Committees on Veterans' Affairs, Armed Services, Interstate and Foreign Commerce, and Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself, Mr. ANDERSON of Illinois, Mr. BEARD of Rhode Island, Mrs. COLLINS of Illinois, Mr. CONTE, Mr. EMERY, Mr. ENGLISH, Mr. GIAIMO, Mr. GONZALEZ, Mr. HORTON, Mr. HOWARD, Mr. HUGHES, Mr. JACOBS, Mr. MCKINNEY, Mr. MITCHELL of New York, Mr. MURPHY of New York, Mr. NATCHER, Mr. PRICE, Mr. ROYBAL, Mr. SIKES, Mr. SIMON, Mr. STEED, Mr. STEERS, Mr. WAMPLER, and Mr. CHARLES WILSON of Texas):

H.R. 1808. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

By Mr. ARCHER:

H.R. 1809. A bill to amend title 5, United States Code, to exclude individuals who are not citizens of the United States from appointment in the competitive service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOHN L. BURTON:

H.R. 1810. A bill to amend the Internal Revenue Code of 1954 to provide that proceeds from wagers placed on horseraces will not be subject to withholding; to the Committee on Ways and Means.

By Mr. CARNEY (for himself, Mr. BROWN of Ohio, Mr. BYRON, Mr. DEVINE, Mr. HARSHA, and Mr. LATTA):

H.R. 1811. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign

commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange services; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DON H. CLAUSEN:

H.R. 1812. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. COCHRAN:

H.R. 1813. A bill to authorize the Secretary of the Army to study and recommend to the Congress remedial measures which may be undertaken to eliminate any problem relating to certain major tributaries which drain into the Mississippi River between Bayou Peirre and the Buffalo River in the State of Mississippi; to the Committee on Public Works and Transportation.

By Mr. COCHRAN (for himself, Mr. BEVILL, Mr. DUNCAN of Tennessee, Mr. EILBERG, Mr. HALL, Mr. KETCHUM, Mr. LOTT, Mr. MONTGOMERY, Mr. MURPHY of Pennsylvania, and Mr. WALSH):

H.R. 1814. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation the pay received by members of the National Guard or of Reserve components of the Armed Forces to the extent that such pay does not exceed $5,000; to the Committee on Ways and Means.

By Mr. CORCORAN:

H.R. 1815. A bill to repeal the provisions of law allowing automatic cost-of-living adjustments in the salaries of Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. CRANE:

H.R. 1816. A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. GRASSLEY, Mr. BROWN of Ohio, Mr. MOORHEAD of California, Mr. MCDONALD, Mr. ARCHER, Mr. LOTT, Mr. MATHIS, Mr. DERWINSKI, Mr. ANDREWS of North Dakota, Mr. COLLINS of Texas, Mr. LAFALCE, Mr. DAN DANIEL, Mr. KETCHUM, Mr. LAGOMARSINO, Mr. LENT, Mr. HYDE, Mr. BURGENER, Mr. TREEN, Mr. DEVINE, Mr. MARTIN, Mr. KINDNESS, Mr. FRENZEL, Mr. CLEVELAND, and Mr. SIMON):

H.R. 1817. A bill to provide that in civil actions where the United States is a plaintiff, a prevailing defendant may recover a reasonable attorney's fee and other reasonable litigation costs; to the Committee on the Judiciary.

By Mr. CARTER (for himself, Mr. DUNCAN of Tennessee, and Mr. MURPHY of New York):

H.R. 1818. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. DICKINSON, Mr. NEAL, Mr. ENGLISH, Mr. MCKINNEY, Mr. MURPHY of Pennsylvania, Mr. RUNNELS, Mr. ROBINSON, Mr. EDWARDS of Alabama, Mr. ICHORD, Mr. COUGHLIN, Mr. STEERS, Mr. WHITEHURST, Mr. MCCORMACK, Mr. BADHAM, Mr. DUNCAN of Tennessee, Mr. NIX, Mr. HAGEDORN, Mr. COCHRAN, Mr. SCHEUER, Mr. TAYLOR, Mr. BUCHANAN, Mr. LUJAN, Mr. WAGGONNER, and Mr. SIKES):

H.R. 1819. A bill to provide that in civil actions where the United States is a plaintiff, a prevailing defendant may recover a reasonable attorney's fee and other reasonable litigation costs; to the Committee on the Judiciary.

By Mr. DE LUGO:

H.R. 1820. A bill to amend the Tariff Schedules of the United States to increase the personal exemption of miscellaneous articles imported by a resident returning from American Samoa, Guam, or the Virgin Islands to $400 and to increase the personal exemption of alcoholic beverages imported by a resident returning from American Samoa, Guam, or the Virgin Islands to 1⅕ wine gallons; to the Committee on Ways and Means.

By Mr. DOWNEY:

H.R. 1821. A bill to amend the Internal Revenue Code of 1954 to allow the deductions of the portion of certain taxes which is allocable to the construction of sewage treatment works; to the Committee on Ways and Means.

By Mr. ECKHARDT (for himself, Mr. ARCHER, and Ms. JORDAN):

H.R. 1822. A bill to modify the project for navigation at Houston Ship Channel (Greens Bayou), Texas, to maintain a 40-foot project depth in Greens Bayou; to the Committee on Public Works and Transportation.

By Mr. FAUNTROY:

H.R. 1823. A bill to provide for the issuance of a commemorative postage stamp in honor of Dr. Martin Luther King, Jr.; to the Committee on Post Office and Civil Service.

H.R. 1824. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. FISHER:

H.R. 1825. A bill to amend the Internal Revenue Code to provide renters with a credit against income tax; to the Committee on Ways and Means.

H.R. 1826. A bill to provide that individuals who retired on disability before October 1, 1976, shall be entitled to the exclusion for disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 1827. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. JACOBS:

H.R. 1828. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

H.R. 1829. A bill to provide a 2-year extension of time for the payment of so much of any income tax as is attributable to the application to 1976 of the change made by the Tax Reform Act of 1976 in the exclusion for sick pay; to the Committee on Ways and Means.

By Ms. JORDAN:

H.R. 1830. A bill to authorize in certain cases the appointment of a special judicial prosecutor and investigators to assist grand juries in the exercise of their powers; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 1831. A bill to restore public trust and confidence in the Congress of the United States and the conduct of its Members; jointly to the Committees on Government Operations, House Administration, the Judiciary, Post Office and Civil Service, Rules, and Ways and Means.

By Mr. LAFALCE:

H.R. 1832. A bill to amend the act of August 16, 1973 (Public Law 93-100) to extend the moratorium on State taxation of federally insured depository institutions; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEGGETT (for himself, Mr. FORSYTHE, Mr. BREAUX, Mr. MURPHY of New York, Mr. TREEN, Mr. ANDERSON of California, Mr. DE LUGO, Mr. BAUMAN, Mr. STUDDS, Mr. OBERSTAR, Mr. PRITCHARD, Mr. ROGERS, Mr. GINN, Mr. EMERY, Mr. BONKER, Mr. CHAPPELL, Mr. LEHMAN, Mr. PEPPER, and Mr. ROE):

H.R. 1833. A bill to provide for the development of aquaculture in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MATHIS:

H.R. 1834. A bill to authorize the lease and transfer of tobacco from marketing quotas to farms in contiguous counties within the same State; to the Committee on Agriculture.

H.R. 1835. A bill to require that imported palm oil and palm oil products made in whole or in part of imported palm oil be labeled, to provide for the inspection of imported palm oil and palm oil products, to require that imported palm oil and palm oil products comply with certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

H.R. 1836. A bill to authorize equalization of the retired or retainer pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

H.R. 1837. A bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal Reserve banks and their branches; to the Committee on Banking, Finance, and Urban Affairs.

H.R. 1838. A bill to require annual appropriations for all obligations and expenditures of the Federal Government; to the Committee on Government Operations.

H.R. 1839. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

H.R. 1840. A bill to direct the Administrator of General Services to convey certain land and all improvements thereon to the city of Albany, Ga., for no more than 25 percent of the fair market value of such land; to the Committee on Government Operations.

H.R. 1841. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1842. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

H.R. 1843. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances

exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 1844. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 1845. A bill to require manufactures of farm tractors for sale in interstate commerce to mark the engine blocks of such tractors with permanent identification numbers; to the Committee on Interstate and Foreign Commerce.

H.R. 1846. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1847. A bill to amend title 18, United States Code, to provide that any parent who kidnaps his minor child shall be fined not more than $1,000, or imprisoned for not more than 1 year, or both; to the Committee on the Judiciary.

H.R. 1848. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 1849. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 1850. A bill to establish a Council on Judicial Tenure in the judicial branch of the Government, to establish a procedure in addition to impeachment for the retirement of disabled justices and judges of the United States, and the removal of justices and judges whose conduct is or has been inconsistent with the good behavior required by article III, section 1, of the Constitution, and for other purposes; to the Committee on the Judiciary.

H.R. 1851. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

H.R. 1852. A bill to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress; to the Committee on Post Office and Civil Service.

H.R. 1853. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

H.R. 1854. A bill to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

H.R. 1855. A bill to repeal the earnings limitations of the Social Security Act; to the Committee on Ways and Means.

H.R. 1856. A bill to amend the Tariff Schedules of the United States with respect to the rates of duty for palm oil; to the Committee on Ways and Means.

H.R. 1857. A bill to create a National Power Resources Authority for the development of nuclear power facilities, and for other purposes; jointly to the Committees on Interior and Insular Affairs and Interstate and Foreign Commerce.

H.R. 1858. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiciary and Rules.

By Mr. MCKINNEY:

H.R. 1859. A bill to decrease to 16 the minimum age at which a person may file on his own behalf a naturalization petition; to the Committee on the Judiciary.

H.R. 1860. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

H.R. 1861. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for any individual who performs voluntary service for any organization engaged in the treatment, care, or rehabilitation of the physically handicapped or the mentally ill; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself, Mr. ROBERTS, Mr. TEAGUE, Mr. BRINKLEY, Mr. HEFNER, Mr. MOTTL, Mr. Hall, Mr. WYLIE, Mr. HAMMERSCHMIDT, and Mr. GUYER):

H.R. 1862. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, to increase the rates of dependency and indemnity compensation for their survivors, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1863. A bill to amend title 38 of the United States Code to increase the rates of disability and death pension, to increase the rates of dependency and indemnity compensation for parents, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (for himself and Mr. ROBERTS):

H.R. 1864. A bill to amend title 38 of the United States Code to provide an automobile assistance allowance and to provide automotive adaptive equipment to certain veterans not now qualifying for such benefits; to the Committee on Veterans' Affairs.

H.R. 1865. A bill to amend title 38, United States Code, to increase the rate of a surviving spouse's pension by 25 percent upon attaining age 78; to the Committee on Veterans' Affairs.

H.R. 1866. A bill to amend section 360 of title 38, United States Code, to provide increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities; to the Committee on Veterans' Affairs.

H.R. 1867. A bill to amend title 38, United States Code, to permit election of current law pension benefits by the suviving spouses of Civil War and Indian War veterans; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (by request):

H.R. 1868. A bill to amend title 38, United States Code, to extend the 20-year protection to ratings for children permanently incapable of self-support; to the Committee on Veterans' Affairs.

H.R. 1869. A bill to amend section 3012 of title 38, United States Code, to extend to 120 days the period between notice of, and the effective date for, the reduction or discontinuance of compensation, dependency and indemnity compensation, or pension; to the Committee on Veterans' Affairs.

H.R. 1870. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

H.R. 1871. A bill to amend section 312 of title 38, United States Code, by providing a 2-year presumptive period of service connection for the psychoses which develop within 2 years from the date of separation from active service; to the Committee on Veterans' Affairs.

H.R. 1872. A bill to amend section 315 of title 38, United States Code, to provide an additional compensation benefit to a veteran rated not less than 50 percent disabled on account of a child requiring regular aid and attendance; to the Committee on Veterans' Affairs.

H.R. 1873. A bill to amend title 38, United States Code, to permit certain eligible veterans to purchase up to $20,000 of national service life insurance; to the Committee on Veterans' Affairs.

H.R. 1874. A bill to amend section 362 of title 38, United States Code, to extend the annual clothing allowance to veterans with service-connected blindness and those who are required to wear hearing aids as a result of service-connected disability; to the Committee on Veterans' Affairs.

H.R. 1875. A bill to amend section 312 of title 38, United States Code, by providing that malignant tumors (cancer) which develop within 5 years from the date of separation from wartime service shall be presumed to have been incurred in, or aggravated, by such service; to the Committee on Veterans' Affairs.

H.R. 1876. A bill to amend title 38, United States Code, to extend eligibility for automobile adaptive equipment to certain additional veterans; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY:

H.R. 1877. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Commitee on Interstate and Foreign Commerce.

By Mr. MICHEL:

H.R. 1878. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

By Mr. MOAKLEY:

H.R. 1879. A bill to authorize the Secretary of the Interior to study the feasibility and desirability of a Boston Harbor National Recreation Area in the Commonwealth of Massachusetts; to the Committee on Interior and Insular Affairs.

By Mr. MOORHEAD of Pennsylvania:

H.R. 1880. A bill to amend the Defense Production Act of 1950 to include synthetic fuels which may be used as fuels under title III; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MURPHY of New York:

H.R. 1881. A bill to add the Sailor's Snug Harbor National Register District to the Gateway National Recreation Area and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1882. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTISON of New York (for himself and Mr. FISH):

H.R. 1883. A bill to amend title 28, United States Code, to provide that Columbia, Greene, and Ulster Counties, N.Y., shall be included in the northern judicial district of New York; to the Committee on the Judiciary.

By Mr. PERKINS (for himself and Mr. JEFFORDS):

H.R. 1884. A bill to authorize a career education program for elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 1885. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, anticompetitive, and unnecessary regulation; jointly, to the Committees on Government Operations and Rules.

By Mr. QUIE:

H.R. 1886. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. ROBERTS:

H.R. 1887. A bill to amend title 38, United States Code, to liberalize the provisions for special emphasis in employment of disabled veterans; to the Committee on Veterans' Affairs.

By Mr. ROBERTS (for himself and Mr. TEAGUE) (by request):

H.R. 1888. A bill to amend title 38 of the United States Code with respect to the computation of the 10-year period in which wives and widows may pursue programs of education; to the Committee on Veterans' Affairs.

By Mr. ROBERTS (by request):

H.R. 1889. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

H.R. 1890. A bill to amend title 38 of the United States Code to provide that certain persons with a service-connected disability of 30 percent or more, will have 2 years in which to apply for service Disabled Veterans Insurance (RH); to the Committee on Veterans' Affairs.

H.R. 1891. A bill to amend chapter 35 of title 38 of the United States Code in order to provide educational benefits, on a prorated basis, to children of veterans having permanent service-connected disabilities rated at not less than 50 percent but less than total; to the Committee on Veterans' Affairs.

H.R. 1892. A bill to amend section 110 of title 38, United States Code, to liberalize the standard for preservation of disability evaluations for compensation purposes; to the Committee on Veterans' Affairs.

H.R. 1893. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide for preferential enrollment of disabled veterans in programs under that act; to the Committee on Education and Labor.

H.R. 1894. A bill to amend title 38 of the United States Code to authorize a presumption of service connection for cause of death in certain cases involving veterans who had been rated permanently and totally disabled due to service-connected disability for at least 1 year immediately preceeding death; to the Committee on Veterans' Affairs.

H.R. 1895. A bill to amend title 38 of the United States Code to provide that certain veterans who were prisoners of war shall be deemed to have a service-connected disability of 50 percent; to deem certain prisoners of war to be permanently and totally disabled for the purposes of receiving wartime disability compensation; to provide hospital care and medical treatment for certain non-service-connected disabilities of former prisoners of war; to provide a 10-year presumptive period of service connection for chronic diseases of certain prisoners of war, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1896. A bill to amend title 38 of the United States Code to authorize adaptive equipment for a second automobile or conveyance owned by veterans eligible for assistance under chapter 39 of such title; to the Committee on Veterans' Affairs.

H.R. 1897. A bill to amend section 1903 of title 38, United States Code, to provide a direct long term, low interest loan for the replacement of an automobile or other conveyance previously provided under chapter 39 of this title; to the Committee on Veterans' Affairs.

H.R. 1898. A bill to amend the Internal Revenue Code of 1954 to provide for the repayment of the Federal excise tax on gasoline which is used for personal purposes by certain disabled veterans who are entitled to grants for automobiles with special equipment; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 1899. A bill to authorize additional judgeships for the U.S. courts of appeals; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 1900. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries, and Public Works and Transportation.

By Mr. ST GERMAIN (for himself and Mr. REUSS):

H.R. 1901. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs:

By Mr. SARASIN:

H.R. 1902. A bill to amend the Occupational Safety and Health Act of 1970 to further encourage industrial safety, and for other purposes; to the Committee on Education and Labor.

By Mr. SEIBERLING:

H.R. 1903. A bill to amend the Internal Revenue Code of 1954 to encourage the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 1904. A bill to provide duty-free treatment for intravenous fat emulsions; to the Committee on Ways and Means.

By Mr. TEAGUE:

H.R. 1905. A bill to amend section 8332 of title 5, United States Code, to allow certain military service to be included in determining the aggregate period of service on which an annuity under such title is based; to the Committee on Post Office and Civil Service.

H.R. 1906. A bill to amend the Internal Revenue Code of 1954 to provide that any trust established for the payment of medical or dental malpractice claims and related expenses shall be tax exempt, and that a deduction shall be allowed for contributions to such a trust; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 1907. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. WAGGONNER:

H.R. 1908. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

H.R. 1909. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

H.R. 1910. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 1911. A bill to authorize the provision of assistance to foreign countries in exchange for strategic or critical raw materials; to the Committee on International Relations.

H.R. 1912. A bill to prohibit the Federal Trade Commission from promulgating trade regulation rules which repeal or limit use of holder in due course defenses in connection with the sale or lease of goods or services to consumers; to the Committee on Interstate and Foreign Commerce.

H.R. 1913. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1914. A bill to limit the jurisdiction of the Supreme Court and of the district courts in certain cases; to the Committee on the Judiciary.

H.R. 1915. A bill to increase the penalty with respect to certain offenses involving the commission of a felony while armed with a firearm; to the Committee on the Judiciary.

H.R. 1916. A bill to amend section 98 of title 28, United States Code, to eliminate the divisions in the Western District of Louisiana; to the Committee on the Judiciary.

H.R. 1917. A bill to amend the Migratory Bird Treaty Act to permit the possession by taxidermists of certain migratory birds, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1918. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 1919. A bill to amend sections 170, 2055, and 2522 of the Internal Revenue Code of 1954 to provide a deduction for income, estate, and gift tax purposes for contributions to a section 501(c)(10) organization for the purpose of building or maintaining a building; to the Committee on Ways and Means.

H.R. 1920. A bill to amend certain provisions of the Internal Revenue Code of 1954 to authorize refund of tax on distilled spirits, wines, rectified products, and beer lost or rendered unmarketable due to fire, flood, casualty, or other disaster, or breakage, destruction, or other damage (excluding theft) resulting from vandalism or malicious mischief while held for sale; to the Committee on Ways and Means.

H.R. 1921. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 1922. A bill to amend title XVIII of the Social Security Act to provide coverage for services which may be performed by a dentist on the same basis as presently allowed for physicians under the medicare program, and to authorize payment under such program for all inpatient hospital services furnished in connection with dental procedures requiring hospitalization; jointly,

to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. WAGGONNER (for himself and Mr. CHARLES WILSON of Texas):

H.R. 1923. A bill to recognize the joint development by the State of Louisiana and the State of Texas of a recurring and environmentally sound source of energy represented by the Toledo Bend Dam and Reservoir and exempt Sabine River Authority, State of Louisiana, and Sabine River Authority of Texas, from charges for the use, occupancy, and enjoyment of certain lands of the United States within the Sabine National Forest, Tex.; to the Committee on Agriculture.

By Mr. WHALEN (for himself, Mr. DUNCAN of Tennessee, Mr. EMERY, Mrs. FENWICK, Mr. FRASER, Mr. KETCHUM, Ms. KEYS, Mr. LAGOMARSINO, Mr. MOFFETT, Mr. OTTINGER, Mr. THONE, and Mr. WON PAT):

H.R. 1924. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida:

H.R. 1925. A bill to amend title XVIII of the Social Security Act to provide coverage of enterostomal therapy services on the same basis as physical therapy services under medicare; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. ASPIN:

H.J. Res. 136. Joint resolution to restore the Congressional Medal of Honor to Dr. Mary Edwards Walker; to the Committee on Armed Services.

By Mr. BRODHEAD:

H.J. Res. 137. Joint resolution providing for the designation of the week beginning October 9, 1977, and ending October 15, 1977, as "National Gifted Children Week"; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.J. Res. 138. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. FAUNTROY:

H.J. Res. 139. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary.

By Mr. MATHIS:

H.J. Res. 140. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

H.J. Res. 141. Joint resolution to establish a National Commission on Social Security; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. McKINNEY (for himself and Mr. STEERS):

H.J. Res. 142. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.J. Res. 143. Joint resolution proposing an amendment to the Constitution of the United States with respect to public prayer and religious instruction; to the Committee on the Judiciary.

By Mr. RODINO:

H.J. Res. 144. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. WAGGONNER:

H.J. Res. 145. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

H.J. Res. 146. Joint resolution proposing an amendment to the Constitution of the United States providing that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school; to the Committee on the Judiciary.

H.R. Res. 147. Joint resolution proposing an amendment to the Constitution of the United States with respect to participation in voluntary prayer or meditation in public buildings; to the Committee on the Judiciary.

H.J. Res. 148. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mr. FAUNTROY:

H. Con. Res. 58. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. WHALEN:

H. Con. Res. 59. Concurrent resolution authorizing a bust or statue of Martin Luther King., Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. JOHN L. BURTON (for himself, Mr. JENKINS, Mr. COTTER, Mr. HEFTEL, Mr. CAVANAUGH, Mr. MANN, Mr. EVANS of Georgia, Ms. MIKULSKI, Mr. TONRY, Mr. DELLUMS, Mr. MURPHY of Pennsylvania, Mr. CORNELL, Mr. GILMAN, Mr. COCHRAN, Mr. SCHEUER, Mr. PANETTA, Mr. BAUCUS, Mr. BRECKINRIDGE, Mr. MURPHY of New York, Mr. BADILLO, Mr. FOUNTAIN, Mrs. SCHROEDER, Mr. BINGHAM, Mr. FORD of Tennessee, and Mr. CORMAN):

H. Res. 102. Resolution amending rule XXII of the Rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution, and to provide for the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial, or resolution; to the Committee on Rules.

By Mr. COCHRAN:

H. Res. 103. Resolution expressing the sense of the House of Representatives that the United States should not establish diplomatic or economic relations with Cuba; to the Committee on International Relations.

H. Res. 104. Resolution amending rule XLIV of the Rules of the House of Representatives, relating to financial disclosure; to the Committee on Rules.

Mr. EDGAR (for himself, Mr. TSONGAS, Mr. ROSENTHAL, Mr. BLANCHARD, Mr. SOLARZ, Mr. FISH, Mr. LONG of Maryland, Mr. KREBS, Mr. WINN, Mr. MCHUGH, Ms. HOLTZMAN, Mr. BRODHEAD, Mr. BURKE of Florida, Mr. PHILLIP BURTON, Mr. KOCH, Mr. MAGUIRE, Ms. HECKLER of Massachusetts, and Mr. MINETA):

H. Res. 105. Resolution condemning terrorist activities and the premature release of Abu Daoud; to the Committee on International Relations.

By Ms. JORDAN:

H. Res. 106. Resolution providing for the creation of congressional senior citizen internships; to the Committee on House Administration.

By Mr. KEMP:

H. Res. 107. Resolution to reform the Rules of the House of Representatives in order to restore public trust and confidence in the Congress of the United States and the conduct of its Members; to the Committee on Rules.

By Mr. MATHIS:

H. Res. 108. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

H. Res. 109. Resolution expressing the sense of the House relative to a study by the Secretary of Agriculture on palm oil imports; jointly to the Committees on Agriculture and International Relations.

By Mr. MITCHELL of New York:

H. Res. 110. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on International Relations.

By Mr. SISK (for himself, Mr. DON H. CLAUSEN, Mr. CONTE, Mr. DERWINSKI, Mr. FISHER, Mr. HORTON, Mr. LONG of Louisiana, Mr. MOTTL, Mr. ROONEY, Mr. PRICE, Mr. WYDLER, and Mr. ZEFERETTI):

H. Res. 111. Resolution creating a Select Committee on Professional Sports; to the Committee on Rules.

By Mr. TSONGAS:

H. Res. 112. Resolution expressing the sense of the House of Representatives with respect to the release of Abu Daoud, the alleged planner of the 1972 Munich massacre of 11 Israeli athletes, by the French Government; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 1926. A bill for the relief of Dr. Timothy Kam-Hung Chung; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 1927. A bill for the relief of Cooley Berry; to the Committee on the Judiciary.

H.R. 1928. A bill for the relief of Antanas Zigmas Butkus, Danute Ione Butkus, Loreta Butkus, Raimonda Butkus, and Rimvydas Butkus; to the Committee on the Judiciary.

H.R. 1929. A bill for the relief of Vera Jovancevic; to the Committee on the Judiciary.

H.R. 1930. A bill for the relief of Arlene S. Miller; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H.R. 1931. A bill for the relief of Juana Todd Atherley; to the Committee on the Judiciary.

H.R. 1932. A bill for the relief of Philip Thacker; to the Committee on the Judiciary.

H.R. 1933. A bill for the relief of Valmi Thacker; to the Committee on the Judiciary.

By Ms. JORDAN:

H.R. 1934. A bill for the relief of Dr. Lawrence C. B. Chan; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 1935. A bill for the relief of Stockton Townhouse, Inc.; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 1936. A bill for the relief of Joseph Lee Soryung; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 1937. A bill for the relief of GFM Co.; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 1938. A bill for the relief of Santos Marquez Arellano; to the Committee on the Judiciary.

H.R. 1939. A bill for the relief of Meda Abilay Florin; to the Committee on the Judiciary.

H.R. 1940. A bill for the relief of Dimitrios Panoutsopoulos, Angeliki Panoutsopoulos, and Georgios Panoutsopoulos; to the Committee on the Judiciary.

H.R. 1941. A bill to permit O. J. Shaw and Haroldine L. Shaw, his wife, and O.J. Shaw, Jr., a married man, and Richard A. Shaw, a single man to name the United States as a defendant in a suit to determine title to certain parcels of real property herein described; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

REMOVING THE EARNINGS LIMITATION ON SOCIAL SECURITY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 12, 1977

Mr. GILMAN. Mr. Speaker, today I am introducing legislation eliminating the earnings limitation on social security benefits paid to individuals age 65 and over.

Under the present social security system, individuals between age 65 and 71 receive a reduced social security benefit of $1 for every $2 earned above $3,000 a year—or $250 per month. Individuals who are age 72 and over are exempt from this earnings limitation and may receive their entitled social security benefits regardless of the amount of their earned income.

Mr. Speaker, according to a Social Security Administration publication entitled "Monthly Benefit Statistics"—December 28, 1976—20.5 million retired workers and their dependents were eligible in 1976 for social security benefits amounting to nearly $4.2 billion. Francis J. Crowley of the Congressional Record Service, in a paper entitled "The Social Security Retirement Test," stated:

> The Social Security Administration actuaries intimate that in 1976 the cost [of repealing the retirement test] would be about $6–$7 billion. If the test were eliminated for people age 65 and over . . . the average cost would be about . . . $2.7 billion.

Some authorities claim that at least 2.5 million retired workers between age 65 and 71 are directly affected by the earnings ceiling, and other authorities are not certain as to the amount of revenue that would be returned to the Treasury through income taxes if the earnings ceiling was lifted. Fortunately, some aspects of the retirement test are clear and I would like to share the following thoughts with my colleagues:

First, many senior citizens cannot retire on the combined social security benefits and the low earnings limitation. In the current, highly inflated economy, these individuals must work in order to support themselves. But if they work and their earnings exceed $3,000 a year—or $250 per month—then they are denied their full social security benefits—benefits that they and their employers contributed through payroll deductions and benefits that morally, if not legally, belong to the retiree.

To argue that the social security program was created to insure against loss of income "following withdrawal from employment and not, like private insurance, to provide annuities at a prescribed fixed age" is a broken promise to every individual who contributes hard earned wages to the social security program and who expects, upon retirement, to receive the full benefits without any conditions attached to the promise. Citing his own situation as typical of many senior citizens, Richard L. Tobin, executive director of the Saturday Review, recently stated in the New York Times:

> If your income derives from stocks or bonds and not from a paycheck, you can collect the whole Social Security check each month. But for those of us who live from paycheck to paycheck, and whose income comes directly from the sweat of our aging brow, there is little or no chance of our beginning to collect on the Social Security benefits we've been entitled to ever since we hit 65.

For senior citizens who must live "from paycheck to paycheck," the earnings limitation attached to social security benefits, robs these citizens, as Mr. Tobin further stated, "of a chance to retire, at least partially."

Second, the earnings ceiling promotes the wrong set of values. It encourages some elderly individuals who are willing and able to work, not to work out of fear of suffering reduced social security benefits—or no benefits at all. Senior citizens who are able to continue their occupational endeavors do not fully receive their benefits from the social security program, but they inequitably continue to pay into the program, supporting their able contemporaries who elect not to work, and pay income taxes on their earnings.

Historically, this Nation has valued self-reliance and the work ethic. Penalizing elderly citizens who are willing and able to work by reducing their social security benefits is detrimental to this precept and discourages able senior citizens from working. It robs our older Americans of their self-esteem, personal dignity, and self-reliance, promoting their institutionalization. Productive senior citizens become premature candidates for nursing homes or park bench pigeon feeders.

Finally, the argument that able senior citizens deprive younger individuals of employment has not been thoroughly studied or demonstrated, especially since many elderly citizens reduce their occupational activity or become semi-retired—but, for many of these citizens, at the expense of their entitled social security benefits. However, even if the argument has some merit, this would be a high price for this Nation to pay. An earnings limitation and other policies that promote forced retirement of elderly individuals deprive this Nation of valuable skills and talents. With unemployment at unacceptably high levels, let us not perpetuate this economic condition by discouraging elderly citizens from working by reducing their hard earned benefits.

I support repeal of the retirement test, but in the alternative, I support increasing the earnings ceiling on social security benefits paid to senior citizens.

Mr. Speaker, in the interest of encouraging our older Americans who are willing and able to work without being penalized by reduced social security benefits, I am inserting at this point in the RECORD the complete text of my bill, and I urge my colleagues to fully support this legislation.

H.R. 1768

A bill to amend title II of the Social Security Act to reduce from seventy-two to sixty-five the age beyond which deductions on account of an individual's outside earnings will no longer be made from such individual's benefits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsections (c)(1), (d)(1), (f)(1)(B), and (j) of section 203 of the Social Security Act are each amended by striking out "seventy-two" and inserting in lieu thereof "sixty-five".

(b) Subsection (f)(3) of such section 203 is amended by striking out "age 72" and inserting in lieu thereof "age 65".

(c) Subsection (h)(1)(A) of such section 203 is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 65".

(d) The heading of subsection (j) of such section 203 is amended by striking out "Seventy-two" and inserting in lieu thereof "Sixty-five".

SEC. 2. (a) The last sentence of section 203(c) of the Social Security Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, or widower involved became entitled to such benefit prior to attaining age 60.".

(b) Clause (D) of section 203(f)(1) of such Act is amended to read as follows: "(D) for which such individual is entitled to widow's or widower's insurance benefits if she or he became so entitled prior to attaining age 60, or".

(c) Section 203(f)(5)(D) of such Act is repealed.

SEC. 3. The amendments made by this Act shall apply only with respect to monthly insurance benefits payable under title II of the Social Security Act for months in taxable years ending after the date of the enactment of this Act.

BILL TO PERMIT INDIVIDUALS WHO HAVE RETIRED ON DISABILITY OR WERE ENTITLED TO RETIRE ON DISABILITY TO CONTINUE TO BE COVERED BY THE SICK-PAY EXCLUSION AS IT EXISTED PRIOR TO THE TAX REFORM ACT OF 1976

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. FISHER. Mr. Speaker, today I am reintroduing a bill I offered last fall to enable those individuals who had retired on disability or were entitled to retire on disability as of October 1, 1976, to continue to claim the so-called "sick-pay" exclusion of $5,200 per year for disability payments received.

Although I voted for the Tax Reform Act of 1976 and strongly supported many

of its reform measures, I did so despite my strenuous objection to particular sections of the bill.

One of those sections which I strongly opposed was the change made under the bill to the so-called sick-pay exclusion from income for disability payments received. After an initial waiting period, the sick-pay exclusion as it existed prior to passage of the Tax Reform Act permitted an employee to exclude from income up to $100 per week received under wage continuation plans when he is absent from work on account of injury or sickness.

The tax reform bill retains the maximum annual exclusion of $5,200 for disability payments but establishes new requirements which a taxpayer must meet in order to qualify for the exclusion. First, beginning with this taxable year, the sick-pay exclusion will be available only to taxpayers under 65 years of age who are permanently and totally disabled. Permanent and total disability is defined in the conference report to require that a person be unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be reasonably expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. In addition, the conference report indicates that proof of disability must be substantiated by the taxpayer's employer who must certify that the disability status assigned to the individual was approved under procedures acceptable to the Internal Revenue Service.

Of perhaps even greater importance to residents of northern Virginia is a second additional requirement that reduces the amount of the $5,200 annual exclusion on a dollar-for-dollar basis for each dollar of the taxpayer's adjusted gross income in excess of $15,000. Thus, a disabled retiree would no longer be entitled to any portion of the $5,200 exclusion when his adjusted gross income reaches $20,200. This provision blatantly discriminates against married couples by requiring that the disabled retiree's income be combined with that of his spouse in determining whether the taxpayer's adjusted gross income exceeds $15,000.

Although abuses of current law occurred when certain individuals were improperly classified as disabled on retirement simply to obtain the benefits of the exclusion from income, nonetheless, I feel that Congress has overreacted to this situation by penalizing those who had legitimately retired on disability in reliance on the current income tax treatment of "sick-pay." Instead of urging that the standards to be met in order to qualify for disability status be tightened at the employer's level, the approach adopted in the bill fixes a rigid standard in the tax laws which has the effect of changing the conditions under which a substantial number of disabled people had previously retired.

Moreover, the income ceiling of $15,000 deals a particularly cruel blow to residents of a high cost-of-living area, such as northern Virginia. Worse still is the effective date of the new provision, which applies to this taxable year and all subsequent years. Thus, individuals who relied upon current law in preparing their estimated tax return may find that they owe a whopping tax bill at the end of the year because of this retroactive change in the law.

To remedy this harsh result, Mr. Speaker, today I am introducing a bill that will enable those who have retired on disability on or before October 1 of this year or who were entitled to retire on disability as of that date to continue to receive the $5,200 annual exclusion for disability payments or sick-pay received. The income ceiling would not apply to those covered by this rule.

Furthermore, my bill will promote equity under the tax laws by placing civil service and private disabled retirees under roughly the same standards as military retirees. Under the Tax Reform Act as passed, all those who had joined the Armed Forces as of September 24, 1975, will continue to be protected under the law as it existed prior to enactment of the Tax Reform Act. I sponsored the move to protect all servicemen and would like to extend this principle of fairness to include retirees from civil service and private employment, who retired on disability partially in reliance on the income tax treatment of sick-pay and disability as it was prior to the Tax Reform Act. I believe that fairness and equity dictate that they not be penalized because of a change in the tax laws, but instead that they be permitted to receive the benefit of the "sick-pay" exclusion from income without regard to the new standards or the income ceiling, if they were retired or entitled to retire as of October 1 of last year.

JUDGE MILLER RETIRES

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. BREAUX. Mr. Speaker, the long and outstanding career of one of the leading members of the Louisiana judiciary has come to a close with the retirement of Third Circuit Court of Appeals Judge Minos D. Miller, Jr.

The honorable judge began his service in 1953 as the sole 31st judicial district judge, a post he held for 15 years and held well, having been cited by the Judicial Administrator of Louisiana for maintaining a current docket with no backlog of cases.

In 1968 he was elected to the appelate court and has served many times on the State supreme court by special appointment. Judge Miller has also chaired or served on numerous special committees appointed by the supreme court dealing with the administration of justice, a vital concern to us all.

It is a record you would expect from a man so willing to serve his country. Miller served in the U.S. Navy for 4½ years and was awarded the Purple Heart when his plane was shot down over the island of Formosa. A combat pilot on the USS *Wasp*, he was captured by the Japanese and held until the end of World War II as an unregistered prisoner in various Japanese prison camps. At the end of hostilities he was found in a prison camp in Omori, Japan and returned to the United States for rehabilitation, where he was personally greeted by President Harry Truman.

His life back in the States since that time has been equally impressive. Judge Millers' untiring activities in church, charitable, and civic organizations over the last 30 years are too numerous to detail here, but those of us who have been privileged to work with him—or merit his friendship—have reaped professional and personal rewards from his counsel, his wisdom, his work and his goodness. I am glad to have had that opportunity—and know that the man will be sorely missed.

JAMES A. PAVLICEK, SYMBOLIC OF SCOUTING

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. GAYDOS. Mr. Speaker, the achievement of Eagle Scout in the Boy Scouts of America is an honor shared by relatively few Americans. It is an award which requires considerable time, effort and talent on the part of the Scout and a great deal of sacrifice and dedication on the part of those who advise him.

Consequently, when a young American attains this honor, I feel privileged to call it to the attention of my colleagues in the Congress of the United States. In this particular instance, I am speaking about a young man from North Braddock, Pa., James A. Pavlicek.

Jim is an active member of Troop 344 at St. Helen's Roman Catholic Church in east Pittsburgh, and his attainment of the Eagle Scout rank tops a long list of accomplishments: Holder of various offices in the troop, 26 merit badges, 11 skill awards, 2 historical trail awards, and the Ad Altari Dei Medal. He also holds membership in the Braddock General Hospital Explorer Post and the Brotherhood of the Order of Arrow.

Jim now is working to attain certification as a junior scoutmaster as well as striving for the Pope Pius religious emblem and an Eagle palm.

Quite frankly, I believe Jim Pavlicek could serve as an example of what the Boy Scouts of America represents. One of six children, he is a hardworking youth who contributes to the family's financial responsibilities by holding down three paper routes and a part-time job at a local restaurant.

According to his scoutmaster, Mr. Joseph F. Venturella, Jim is an excellent student at St. Thomas' High School in Braddock. His interest in photography has led to his serving as the official photographer for Troop 344. And, following graduation, Jim has his eyes set for a career in medicine.

Mr. Venturella is understandably proud of his young charges. He points out the troop is relatively young, having organized in 1964, but in a short period of time three of its members have attained the coveted rank of Eagle Scout. The troop, he reports, is an active one; camping from Pittsburgh to Canada and participating in various community projects; tree plantings, litter cleanup campaigns and pageants.

Mr. Speaker, on behalf of the Congress, I extend our official congratulations to James A. Pavlicek, who, in the words of Mr. Venturella, is a "citizen, Scout, and student who has proven to be a credit to his family and his community."

TONY PIET CELEBRATES 70TH BIRTHDAY

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. RUSSO. Mr. Speaker, last month a remarkable gentleman in Illinois celebrated his birthday and today I want to extend a belated congratulations to Mr. Tony Piet, 70 years young.

I also want to tell my colleagues about Tony Piet. It is a pleasure to know him and I feel my colleagues would share in my admiration and respect for him if they were fortunate enough to know him personally.

Anthony F. Piet, Sr. was born December 7, 1906 in Berwick, Pa., to John Stanley and Mary Danczuga Stanley. For 44 years he and wife Panina have shared a beautiful marriage and they raised a fine family of four: Natalie Jean, Letitia Joyce, Antoinette Celeste, Anthony F. Piet, Jr.

In 1929, in the little town of Corsicana, Tex., Tony Piet entered professional baseball. It was a career that would last nearly 10 years and find him wearing the uniform of the Pittsburgh Pirates, the Cincinnati Reds, the Chicago White Sox, and the Detroit Tigers.

Tony's skills and talents extended well beyond the baseball field and after his retirement from the game he became founder and then chairman of the board of Tony Piet Motor Sales in Chicago. He also demonstrated his compassion and his willingness to share his talents by organizing Baseball Anonymous—to provide aid to former baseball players—and organizing the Little League baseball club on Chicago's south side as well as organizing and serving as president of the Marquette Little League Baseball Club.

Tony has an extensive list of honors and awards, such as the Chicago Park District "Man of the Year Award" as an Adult Youth Leader, the Outstanding Service Award from the Chicago Lawn Moose, WTZO Radio's Man of the Year Award, the Regional Ben Franklin Quality Dealer Award, and the Brand Name Retailer of the Year Certificate of Distinction.

This energetic gentleman is, as you might imagine, an active member of many community, business and service groups, such as the Marquette Manor Chamber of Commerce, the Professional Baseball Player Association, Knights of Columbus, and the Chicago Automobile Trade Association, to cite just a few.

Perhaps nothing says more about the nature and character of a human being than the way in which those who know him best feel about him. At the birthday party in his honor last month, it was clear that Tony has the love and respect of those who know him. He is a person who cares about and gives of himself to others. He surely deserves, and I wish for him, many days of continuued sunshine and joy—just the kind of day you experience at White Sox Park with the Sox seven up in the ninth on a balmy June afternoon.

WOODSTOCK, ILL., RESTORES HISTORIC OPERA HOUSE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. McCLORY. Mr. Speaker, we talk a great deal about grave problems in this House, about issues of economics and national defense, unemployment and human justice. Today, I wish to relate a story of a community proud of its historic past, its prosperous present, and its promising future.

Woodstock, Ill., in my 13th Congressional District, became aware in 1974 that a glorious structure it calls its opera house was not a relic of the past but was as essential to the city's well-being as good air, good water, and good government.

Those of us who know and love Woodstock, the county seat of McHenry County, cannot imagine its town square without the old opera house which began its career both as the city hall and opera house. It is to Woodstock as the U.S. Capitol is to Washington, D.C.—its scepter and its crown.

On Saturday, February 5, Woodstock will dedicate its restored opera house. I look forward eagerly to being there, because as we as a nation learned so vividly during our Bicentennial last year, only those who recognize the cultural, historic, and political roots that produced them can fully grasp the present or seek to mold the future.

Mr. Speaker, it is with pleasure and pride that I share with my colleagues some of the history of this building generously sent me by Mrs. Lillian Strohm, a dedicated and highly motivated constituent who is president of the Woodstock Opera House Community Center.

Woodstock, which now has a population of 15,000, became a city in 1873. By 1889, work had begun on this extraordinary building with an exterior in the "Romanesque revival" style and an interior called "Steamboat Gothic" and "carpenter style"—a jewel of that period we call Victorian.

It was dedicated in style in 1890 befitting the dream it represented. The Patti Rosa Players, then billed as the leading opera troupe in the Midwest, performed "Margery Daw" for the grand opening.

In 1934, a notable series of performances was held. A young man from Kenosha, Wis. named Orson Welles, was attending the Todd School, an executive boys' school then located in Woodstock. The summer festival series that year included such classics as "Hamlet" and "Macbeth" and was attended by luminaries such as the distinguished author and playwright Thornton Wilder, who then was teaching in Chicago. When the festival ended, Mr. Welles left Woodstock to join Katharine Cornell for the winter season.

In 1948, several seasons of winter stock played the Opera House. Their casts included Geraldine Page, Paul Newman, Shelley Berman, Tom Bosley, Betsy Palmer, and Lois Nettleton. Days they worked in local stores or offices and nights they trod the boards at the Opera House as members of the Woodstock Players.

But by 1974, city offices had been moved elsewhere. Should Woodstock destroy or restore the Opera House building? The community rallied. Local citizens headed by Marjorie Sharpe, president of the Woodstock Fine Arts Association, got the Opera House placed on the National Register of Historic Places.

The Woodstock Opera House Community Center, Inc., came into being to restore it. Don Still of the Woodstock State Bank served as treasurer; Ray Pensinger, a local doctor, was president, and Mrs. Strohm became executive secretary.

People responded. Of the approximately half million dollars the final restoration will cost, two-thirds came from individuals in amounts from a dollar to $50,000, and one-third will come from the city itself. The largest private donation came from Alice and the late Dave Joslyn, lifetime Woodstock people whom I have known for years.

Dave's grandfather, Mayor Merritt Joslyn, signed the bill to erect the Opera House in 1888. The auditorium, where I have been a guest many times, will be named the Alice and David Joslyn Auditorium.

Mr. Speaker, unfortunately there is neither time nor space to list all the names of those responsible for this great civic outpouring. But I do want to cite the current elected Woodstock officials: Mayor H. Joseph Gitlin, and council members Richard Hahn, James Shoemaker, Frances Kuhn, and Ralph Stork.

Mr. Speaker, in the jargon of the bureaucracy what Woodstock has done might be called urban renewal. I see it as much more. To preserve what mattered yesterday for today and tomorrow requires far more than brick and stone and plaster. I call it spiritual renewal.

DEDICATING A NEW ARK

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. WOLFF. Mr. Speaker, in the Jewish faith, the ark is the traditional house for the Torah—"the tree of life for those who take hold of it." The ark is the first thing that the Hebrews built and carried with them for 40 years across the

Sinai, once out of Egypt. It is therefore understandable that the ark is one of the most important objects that a synagogue will own, for it is the birth of Jewish law.

On December 19, 1976, the Great Neck Synagogue, of Great Neck, Long Island, dedicated a new ark. The ark was dedicated in the honor of Rabbi Dr. Ephraim R. Wolf "in recognition of his 20 years of devoted service" to his congregation. For a congregation to dedicate an ark is perhaps the greatest honor that they can bestow on their rabbi. I had the great pleasure and honor to participate in this special service on behalf of the Great Neck community. I was more than pleased to share this great day with Rabbi Wolf, his family, and his congregation. Sharing with me in this celebration of their new ark and devoted rabbi were Mac Mender, chairman, board of trusees; Godfrey Dallek, master of ceremonies; David Yagoda, president, Great Neck Synagogue, and Rabbi Dr. Israel Miller, vice president of Yeshiva University.

HAPPY 92D BIRTHDAY

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. FORSYTHE. Mr. Speaker, January 11 marked the 92d birthday of a woman, whom I am proud to say is a member of my constituency, who was a champion of equal rights for the woman's movement, Miss Alice Paul.

Miss Paul never subscribed to the notion that women were second-class citizens. Educated at Swarthmore in 1905, she earned her Ph. D. at the University of Pennsylvania in 1912 at a time when women rarely were permitted to enter college. Immediately she became active in the suffragette movement.

Organizing the National Woman's Party, which had a membership of 50,000, she battled for passage of the 19th amendment. Finally, after many years of being beaten and jailed for her causes, the 19th amendment was ratified by the States.

Although the women's party distintegrated into confusion as to its future role after the amendment's passage, Miss Paul's efforts for total equality for women continued on. She worked diligently to gain complete equality for women through the passage of an equal rights amendment to the Constitution. This struggle began in 1923. While it is not widely known, Miss Paul wrote and had introduced into the U.S. Congress the first equal rights amendment. The spirit of that first amendment was constantly introduced from that point on until its passage by this body in 1972.

My fellow Members, we all owe a debt of gratitude to Miss Paul for her tireless efforts on behalf of freedom and equality. Her motto, "equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex" is still a worthwhile goal. I am sure that my colleagues will join with me in wishing her a happy birthday.

THE SOBERING STORY OF AUSTRALIA'S BIG SPENDING

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. CEDERBERG. Mr. Speaker, as President Ford stated last night, we have come a long way under his stewardship. We have a ways to go yet, and it will be the challenge of this Congress and the new President to strive for the goals which all Americans seek.

We must, however, keep the lessons of history in mind. Our own recent economic difficulties can be instructive. We can also, however, learn from the experiences of our friends around the world. We are all familiar with the impact which the unrestrained growth of social programing has had on governments such as Britain and Sweden. Great Britain is today struggling under something close to economic chaos.

In this connection I bring to the attention of my colleagues an article from the January 1977 issue of Reader's Digest outlining the experience of Australia. The article states graphically and starkly the result of leaping before we take a good hard look at the cost of Government programs. We can and must meet the legitimate needs of our citizens. The experience of the Australians, however, reminds us of the need for prudence and caution. I commend the article to my colleagues' careful consideration:

THE SOBERING STORY OF AUSTRALIA'S BIG SPENDING

(By Anthony Paul)

In April 1975, the Australian economy was in its worst shape since the Great Depression. The country's socialist Labor government was running a $3-billion deficit, five percent of the gross national product. Business confidence had all but vanished, unemployment had soared to the highest level in 30 years and inflation had accelerated to an annual rate of 13.4 percent. In Canberra, Australia's federal capital, a wry joke went the rounds: "The only Australian factory working day and night is the government mint."

Eight months later, the Australian people, in their most decisive vote in recent history, threw the Labor government out of office. But the story of Labor's three-year rule makes a sobering case study of what can happen to even such an economically advantaged country as Australia when high-spending proponents of big government are voted into power.

Australia, the "Lucky Country," as Australians began calling it in the 1960s, has one of the world's highest living standards. With a population of 13.5 million, it produces much of the West's wool, wheat and sugar. Minerals abound: 70 percent of the world's zircon; a near-monopoly of titanium ore; one quarter of the non-communist bloc's uranium; plentiful supplies of coal, iron, copper, bauxite, silver, lead and zinc.

According to World Bank figures, Australia also has the West's most egalitarian economy, with the smallest gap between rich and poor. When Labor came into office in late 1972, unemployment was just 2.4 percent and inflation 4.5 percent—an economic performance matched only by West Germany. And with 70 percent of Australia's oil coming from local wells, she should have been relatively insulated from the world inflation that the oil-producing countries' sudden price increases in 1973 would bring. Nevertheless, by 1974 Australia's economy was in a frightening mess. Inflation had soared as high as 28 percent in a single month. Why? A July 1975 International Monetary Fund survey stated it bluntly: "The origins of the Australian recession are to be found in domestic development."

MONEY MILL

Those developments began in mid-1972. A conservative coalition of the Liberal Party (representing the urban middle class) and the National Country Party (representing rural interests) had been governing without interruption since 1949. Despite a good record in managing Australia's postwar development, the senior coalition member, the Liberal Party, appeared to have stagnated after so long in office. And in the 1972 election it was not able to counter the appeal of a dynamic Labor leader, 56-year-old Sydney lawyer Gough Whitlam. For the first time in nearly a quarter-century, normally conservative Australians elected a socialist government.

Within days of taking office, the Whitlam government plunged into a socialist-minded restructuring of the Australian economy. New expenditures were voted for free college education, increased aid to schools, higher unemployment compensation and old-age pensions, and subsidies for sports and the arts. "Few of us bothered to count the cost in those early days," Fred Daly, one of Whitlam's ministers, later confessed. "We spent money as if it were going out of fashion."

Almost immediately, inflation accelerated: the consumer price index jumped 8.2 percent in the first six months of Labor rule. Increased unemployment benefits and relaxed eligibility regulations began to foster a welfare mentality. One economist estimated that 10,000 persons stopped working. Handouts for young unemployed workers in particular more than quadrupled, and the number of "surfies" (beach bums) increased substantially. A new life-style known as "dole bludging" (government-subsidized loafing) proliferated.

PADDED PROGRAMS

As Labor prepared its first budget (1973–74), senior civil servants warned that the economy could absorb a government spending increase of only $1.8 billion. Determined to have its new programs, however, Labor lifted outlays by $2.3 billion. Judicious taxing might have dampened the resultant inflation, but Labor had pledged not to increase taxes. Instead, it announced an across-the-board 25-percent cut in tariffs. By exposing Australia's tariff-protected industries to foreign competition, Labor reasoned, prices would be forced down. For the same reason, the government also formed a Prices Justification Tribunal, charged with limiting company profits.

The policies backfired. Many factories, unprepared for the invasion of cheaper imports, closed down. As a direct result of the cuts, at least 23,000 workers lost their jobs. And inflation reached 13 percent.

The Labor government also set out to boost wages and benefits. It pushed through a 17.5-percent pay increase and a fourth week's annual vacation for the 245,000 federal civil servants, and supported a trade-union plan to extend the longer vacation to private industry. In three years, Australian wages rose 70 percent, while industrial productivity increased less than one percent.

During the election campaign, the Labor Party had argued that its trade-union links would enable it to negotiate more effectively with militant unions. But in Whitlam's first year, strikes proliferated and 2,634,000 working days were lost (a 31-percent increase over the previous year).

Civil servants warned the Labor government of the need for 1974–75 budgetary restraint to curb inflation. Labor hesitated as its factions fought; contradictory budgets were put forward month by month. Business

confidence further slumped and unemployment rose. Finally Whitlam fired his treasurer, Frank Crean, and replaced him with Deputy Prime Minister Dr. Jim Cairns of the party's left wing.

The new treasurer's inability to say "no" to socialist colleagues' pet programs earned him the nickname "Dr. Yes." Soon Canberra buzzed with alarming stories of what the Sydney *Bulletin* called the government's "handout industry, the fastest growth area in the Australian economy." Concerned that local governments were not spending all the money available to them, the Department of Urban and Regional Development published a 57-page book, *Sources of Funds and How To Apply for Them*. Members of Parliament voted themselves a 37-percent salary increase. Cairns presided over a cabinet meeting that listed the ceiling on public-service hirings, and in Labor's three years in office the number of public servants increased 12.6 percent.

SKYROCKETING STAFFS

In a development familiar to Americans, these soaring administrative overheads tragically negated many of the well-meaning programs which Labor introduced. Perhaps the most poignant example was welfare for the sadly disadvantaged remnants of the Aborigines, Australia's native race. Determined to do something about their misery, Whitlam sponsored a threefold spending increase on Aboriginal programs. In response, the Department for Aboriginal Affairs promptly doubled its staff and poured much of the new funds into 89 largely fruitless research projects, including an attempt to farm turtles and crocodiles. Aboriginal welfare became a self-sustaining bureaucracy, with a huge share of the government money going to social workers, administrators, researchers and consultants. Observed Canberra political commentator Peter Samuel, "If the Department's whole budget was simply paid to the Aborigines, each man, woman and child would get $1800. Instead, each Aborginee received an average of $96."

As the recession deepened and inflation continued, the government launched its single most expensive program yet—Medibank, a system of free universal health care which added some $1.8 billion yearly to the taxpayer's burden. Medical costs now began to climb at a rate outstripping even inflation. Physicians' fees increased 20 percent in the first year of operation. General practitioners would order unnecessarily full pathological tests for their patients, then pass on the entire charge to the government. Some doctors reportedly were seeing up to 20 nursing-home patients an hour and billing Medibank. Medibank, said the editor of *The Medical Letter*, had become "a multimillion-dollar, money-eating machine."

All told, Australian federal spending reached an estimated $26.3 billion in 1975–76, up a staggering 80 percent in just two years.

THE KHEMLANI AFFAIR

It was appropriate, perhaps, that a government so careless of money should pass from the scene over a money scandal—the all-but-incredible brouhaha called the Khemlani Affair.

This was an attempt by the Labor government to borrow $4 billion in Middle Eastern petrodollars by going outside normal governmental fund-raising channels. Without notifying Parliament, a group of high-ranking cabinet members, including Whitlam, authorized Minerals and Energy Minister Rex Connor to borrow funds for unspecified "temporary purposes" (believed to have been the nationalizing of large segments of the mining industry). Their intermediary was to have been, not one of the large New York or London banks traditionally used by the Australian Treasury, but, instead, a Pakistani money merchant named Tirath Hassaram Khemlani, who claimed to be in touch with rich Arab sheiks.

Details of the proposed borrowing underscored the Labor government's consistent lack of sympathy for the Australian taxpayer. The loan was to have been repaid at compound interest—but with no payments for 20 years. Thus, for the $4 billion, the next generation of Australians would have had to repay an astonishing $17.6 billion. Moreover, Khemlani was to have received a 2½-percent "finder's commission"—$100 million!

When these details leaked to Parliament and the press, the uproar was such that Whitlam was forced to withdraw Connor's permission to raise the loan. When the minister quietly continued his negotiations with Khemlani, the press uncovered this, too, and Connor was obliged to resign. Within two months, the Labor government had been swept away. A landslide anti-Labor vote returned the conservative coalition to power.

Last May, in his first televised address to the nation, the new Prime Minister, Malcolm Fraser, referred to some political truisms which many countries besides Australia have recently neglected.

"Over the past year or so," he said, "the view had begun to develop that we could have it all without really having to pay for it. But one of the things we've got to understand is that when politicians promise things, they are not promising anything of their own, because they have nothing of their own to give. They are promising something which is *yours*, and the more politicians promise, the less there is for you to meet your own needs or your family's needs. The less there is for industry, for investment, and to create jobs needed to improve the real wealth of Australia."

HOW TERRORISTS OBTAIN U.S. WEAPONS ON THE BLACK MARKET

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. DOWNEY. Mr. Speaker, headlines concerning the activities of terrorists have alarmingly increased both in this country and throughout the world in recent years. Terrorist use of U.S. military weapons has too often been the real story behind these headlines. A report on this issue, written by Jonathan Kwitny, appeared in the January 11 edition of the Wall Street Journal. I urge my colleagues to consider his article on this pressing problem:

[From the Wall Street Journal, Jan. 11, 1977]

THE TERRORISTS—THRIVING BLACK MARKET PUTS MILITARY WEAPONS INTO AMATEURS' HANDS

(By Jonathan Kwitny)

The M–11 might be called the perfect assassination weapon. A U.S.-made hand machine gun that fires bullets by gas propulsion without sound, flash or smoke, it can empty its 32-round clip in approximately 1.7 seconds. It comes in two pieces, each nine inches long, and weighs about seven pounds. With it, one U.S. arms dealer says, "I could kill a hundred people in the next room and you'd never hear it."

The world is glutted with arms like the M–11: lightweight, lethal, low-cost and easy to use. They are being produced in such quantity and with so few controls that getting them poses no problems for any group of revolutionaries, vigilantes, terrorists or just plain crazies who are willing to spend a little time looking.

The U.S. and the Soviet Union bear about equal responsibility for allowing the illicit traffic in military weapons to get out of control. Small, sophisticated arms designed to put more firepower into the hands of individual soldiers are rolling off assembly lines in both countries, and are being shipped to other countries around the globe. Suppliers don't keep track of what happens to them after that.

Often, the arms land on the black market, where they are readily available to anyone with the patience to develop the right connections. An estimated $5 billion in arms that the U.S. abandoned in Vietnam hasn't even hit the black market yet, knowledgeable U.S. authorities say. If the Vietnamese begin dispersing that arsenal, it should be even easier for amateurs to arm themselves in the years ahead.

From a shelf in almost any library, you can pull down the military reference text, "Jane's Infantry Weapons," and find a grim catalog of destruction. An antipersonnel grenade maker's ad guarantees "uniform dispersion of fragments in every case." A firm called Euromissile boasts that its product enables "a mere infantry soldier" to destroy enemy tanks within a 6,500-foot range ("minimum training required") and lists write-away addresses in France and Germany. Jane's also features detailed, illustrated instructions on how to assemble and operate almost every known small arm, from the Thompson submachine gun to the M–11 and the Strela missile.

Some 14,000 of the M–11 and a similar M–10 have been made. They list for $80 each, although when a Marietta, Ga., manufacturer of the guns went out of business recently, M–10s were sold at auction for $5 to licensed dealers and representatives of foreign governments. "They're all over the world now," mostly in Third World countries, says Geoffrey WerBell of Powder Springs, Ga., whose father helped design the guns.

EASY TARGET: JETLINERS

The Strela is a Soviet-made, heat-seeking, precision guided missile. It can be toted comfortably on your back. Launched from the ground, it will knock a jetliner out of the sky at altitudes of up to 6,560 feet. According to Jane's, Third World countries that have taken delivery of Strelas include the People's Democratic Republic of Yemen (which has proclaimed an alliance with revolutionary movements elsewhere), Egypt, North Korea, and India. U.S. intelligence sources say Strelas also have shown up in almost all Arab countries and some African nations, including Mozambique.

In 1973, Italian police burst in on five Arab terrorists setting up Strelas in a rented apartment four miles from Leonardo da Vinci Airport near Rome, directly under the traffic pattern for the north-south runway. Intelligence sources suspect that those Strelas were shipped originally from the U.S.S.R. to Egypt, which in turn sold them to Libya. Libya's head of state, Moammar Khadafy, is said to distribute arms to almost anyone who will use them against a government he opposes.

Libya has obtained from the U.S.S.R. large quantities of RPG–7 rockets, which weigh under 10 pounds and can destroy a tank, let alone a limousine or speaker's platform. In turn, Libya is believed to have supplied the Provisional Wing of the Irish Republican Army with RPG–7s and other weapons. A boatload of arms that intelligence sources had tracked all the way from Libya was intercepted off the coast of Northern Ireland in 1973. The IRA has used RPG–7s against armored British military vehicles and police installations.

PENTAGON IS MIDDLEMAN

U.S.-made weapons also find their way into the hands of revolutionaries and terrorists, though usually not directly through the government. Most are siphoned off into

the black market after lawful sales to foreign governments or private individuals.

Most shipments of U.S. arms to foreign countries are commercial transactions, as opposed to the military-aid programs common in the 1950s. Many such sales, especially of big-ticket items like fighter-bombers, are made with the Defense Department acting as middleman. (Foreign governments and U.S. manufacturers often prefer title to the goods and payment to flow through the Pentagon.) Other sales, especially of small arms suitable for guerrilla use, are made directly by manufacturers to foreign buyers. All sales must be approved by the State Department, which keeps a list of hundreds of U.S. concerns that have registered to obtain arms-export licenses from the government on a sale-by-sale basis.

Among the most popular IRA weapons are the AR–15 rifle, made by Colt Industries Inc. in New York, and the AR–180, made by Armalite Inc., a privately held company in Costa Mesa, Calif. Both weapons can be bought legally in the U.S. by almost anyone. (They are considered civilian "sporting" weapons.) Both are versions of the M–16, the principal U.S. military rifle, which was developed by Armalite and is manufactured by Colt and its licensees. Jane's lists the price of an M–16 at $85; the AR–15 and AR–180 commonly retail for about twice that.

Federal law prohibits the sale to civilians of fully automatic weapons—those that fire repeatedly like a machine gun. For the civilian market, the manufacturers doctored the fully-automatic M–16 slightly and came up with the semiautomatic AR–15 and AR–180, which fire one shot for each pull of the trigger. With just a few hours of tinkering, however, the AR–15 and AR–180 can be made fully automatic. Many IRA weapons recovered by the British have been reconverted in this way.

Guns found on IRA members have been traced by their serial numbers to American buyers, but this hasn't provided sufficient evidence to convict the Americans. A federal court in Philadelphia recently reversed the convictions of five men for illegally shipping more than 100 AR-180s to the IRA. Though the serial numbers showed that the Americans had purchased the guns in the U.S., the court noted that the serial numbers of guns sold overseas aren't registered. It might be proved, the court said, that the original buyers didn't simply sell the guns through a licensed exporter to an approved foreign buyer, who then transferred them to the IRA. The court did uphold the group's conviction for conspiring to sell the guns illegally, but only because the men unwittingly disclosed their plans to a government undercover agent who testified against them.

David Hopkins, who prosecuted the case for the Justice Department, thinks the government should record the serial number, place of origin and destination of every weapon leaving the country legally. However, he acknowledges that the number of weapons involved is "awe-inspiring."

Indeed, the defense in the Philadelphia case, arguing that the AR-180s could have entered Ireland from almost anywhere, presented a State Department report showing that 2.5 million firearms were legally exported from the U.S. in the five years ending last June 30. That figure didn't include the three firearms that anyone leaving the U.S. is allowed to take with him unlicensed. Nor did it include the many U.S. firearms—including M-16s and AR-180s—that are manufactured overseas under licensing agreements, or firearms sent abroad for use by U.S. troops that are "lost," siphoned off or stolen.

85 MILLION RIFLES

In a 1970 study designed to show the abundance of military rifles in circulation, Priscilla Clapp, then with a private research firm and now with the U.S. Arms Control and Disarmament Agency, calculated that more than 85 million such weapons are scattered around the world. She counted only the dozen or so most popular rifles, excluding the M-16. (Although Colt won't disclose production figures for the M-16, Miss Clapp estimated that 25,000 were being manufactured each month, a figure that agrees with Pentagon reports.)

The immense stockpiles held by private arms dealers also suggest that there are far more guns being made than there are soldiers to use them. Probably the largest such dealer is Samuel Cummings, whose firm, Interarms, is based on Monaco and has agents with pipelines into virtually every country in the world. Mr. Cummings says—and others have verified—that his warehouses contain more than 500,000 light arms and more than 100 million rounds of ammunition. That is enough to equip 40 military divisions, more than twice as many as the U.S. has in active service.

Mr. Cummings says he pays $5 to $25 for surplus submachine guns for example, and sells them for $25 to $60 after rebuilding them. Arms experts say that the Costa Rican civil war of the 1950s, the 1961 Bay of Pigs invasion in Cuba and possibly other wars were fought with weapons that both sides had bought from Mr. Cummings.

CIA CONNECTIONS

The American taxpayer helped establish Mr. Cummings in this lucrative business. He served as a weapons expert in the Army in the 1940s, then went to work for the Central Intelligence Agency. In the early 1950s he set up a private international concern that sold arms for the CIA. Some observers think it was an arms-laundering operation controlled by the agency. Interarms, a successor firm, now seems largely independent of U.S. control—except, of course, when it ships arms into or out of this country. However, it's doubtful that Mr. Cummings could operate so successfully were it not for the contacts he made while with the CIA.

Mr. Cummings and many other private arms dealers say they sell only to governments, and there's no indication that they do otherwise. But Washington sources say these arms often end up on the black market through official corruption, theft, or a government's collusion with nongovernment groups. And, the sources add, some private arms dealers don't have scruples about whom they sell to.

When it comes to guns, Communist governments have a reputation for being as profit-minded as any private trader in the West. According to many reports, Soviet arms often hit the black market through a Czech trading company that operates through a purportedly independent arms dealer in Amsterdam.

Persons who are aligned with revolutionary causes but are unwilling to pay black-market prices can get free or cut-rate arms at Libyan embassies in Europe, according to French sources. The method isn't guaranteed, but with a few months of waiting it has been productive, the sources say.

Another ploy, of course, is theft. One haul taken from a well-stocked arms depot can keep a violent group and even its allies in other countries supplied for years. Grenades stolen in 1972 from a U.S. military depot in West Germany by anarchists known as the Baader-Meinhof gang are believed to have been used two years later in other parts of Europe by Venezuelan and Palestinian terrorists.

MISPLACED MUNITIONS

In April 1976, a House Armed Services subcommittee reported that uncounted tens of thousands of U.S. military weapons have been lost or stolen from storage. The subcommittee found that records were "haphazard" and that "losses of sizable quantities of weapons and munitions were frequently written off as inventory errors without any investigation."

Weapons purchased from U.S. companies by South American governments for use by their internal police forces often wind up in the hands of right- and left-wing terrorist groups there, according to several sources, including Michael T. Klare, visiting fellow at the Center for International Studies at Princeton University. Mr. Klare, a specialist in international arms traffic, says right-wing groups often obtain weapons directly from the police, who covertly encourage vigilante-style terror that they can't carry out officially. Left-wing groups, he says, steal the same weapons by raiding police depots.

The State Department's decisions on overseas arms transfers are made after consultation with the Department of Defense and the Arms Control and Disarmament Agency. Recipients must pledge not to transfer the arms to third parties without American permission. But a system for enforcing such promises doesn't exist.

State Department officials refuse to discuss on the record whether violations of the no-transfer agreement have occurred. Gen. Howard Fish, who directs the Pentagon's review of foreign arms sales, says U.S. embassies keep "very very good control" of American arms sent overseas. He says he is unaware that the IRA has been using American-made weapons.

SMALL ARMS GO UNNOTICED

Officials of the CIA, the Army and the arms control agency all acknowledge that they don't keep close tabs on U.S. weapons shipped overseas. It was ascertained in other interviews that nobody else does either. Government officials say that the transfer of major weapons systems, such as military aircraft, probably would be noted in the ordinary course of intelligence. But the transfer of small arms probably would not, they add.

As for the amount of investigation that precedes the granting of arms-export licenses by the State Department, a recent case involving an attempt to put 10,000 U.S. submachine guns on the black market is hardly reassuring. Seven men, including the former military chief of staff of El Salvador, were convicted in federal court in New York for conspiracy to violate the arms-export laws. As part of the conspiracy, the El Salvador military chief was charged with taking a $75,000 bribe to provide phony export documents. The documents were submitted to the State Department as evidence that the guns were needed by his country's armed forces.

Apparently unaware that El Salvador's armed forces number only about 5,000 men, the State Department began routine processing of the export request for the 10,000 guns. Before a decision could be reached, however, the conspirators made the mistake of bringing an undercover Treasury Department agent into their plan, and he turned them in.

SOUTH AFRICAN SHIPMENTS

The State Department did approve a series of arms sales over the past few years in which the end purchaser was South Africa, a country under a U.S. arms embargo. The Justice Department is investigating the sales, made by Colt, the Winchester Group of Olin Corp. and possibly other arms manufacturers to third-party countries that transferred the weapons to South Africa under prearranged plans. Colt and Olin say the sales were engineered without their knowledge by employes who were fired after the sales were discovered. But when a former Colt employe pleaded guilty to an illegal sale last July, U.S. District Judge Robert C. Zampano in Connecticut said he doubted that the deals could have been made without the knowledge of "higher ups" at Colt.

Brando Alvy of the Justice Department says, "The cases we have found have left tracks. I'm sure there are scores of cases we don't know anything about."

Some authorities still hope that an effective international agreement can be made controlling the spread of the sophisticated new weapons. The U.S., for its part, has forbidden Third-World sales of its Redeye missile, similar to the Soviet Strela. Iran, for example, has been denied Redeyes despite repeated requests for them.

A SOVIET LIMITATION?

Brian Jenkins, a Rand Corp. researcher who has written extensively on terrorism, believes that the Soviets might agree to some such limitation. "When a couple of airliners get knocked down and one of them is an Aeroflot," he says, the Soviets may begin to limit sales of Strelas to Third World countries. He adds: "In whose interest is it to have hundreds of these things loose in the world?"

But the battle to control more conventional weapons is clearly lost. An American doctoral student, just back from Bangkok, reports that M–16s were selling in stores there for $50 to $100, even though such sales are illegal in Thailand. A French journalist who is writing a book on illegal arms sales says he has accompanied arms dealers on regular runs to Africa. He says that just before being interviewed by this newspaper, he talked to a French dealer who was trying to black-market a shipment of 3,000 World War II American submachine guns for $20 each.

One arms-control authority says he's "frankly not that concerned" over reports of illegal machine-gun trades because "they're already out of control."

"Cut off the flow of munitions?" asks another rhetorically. "How are you going to cut off the flow of arms to terrorists when you can't even cut off the flow of arms to teen-agers who hold up stores right here in Washington?"

REPEAL OF THE CONGRESSIONAL PAY RAISE

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. CORCORAN of Illinois. Mr. Speaker, in 1975, the Congress, by a one-vote margin, enacted into law an amendment which provided for annual automatic cost-of-living raises for top executives of the legislative, executive, and judicial branches of the Government. The law provides that Members of Congress and others named in the law should receive the same annual raise as is given to civil service employees under the Pay Comparability Act.

I believe this was a mistake. The Pay Comparability Act was set up to provide annual raises for civil service employees, not political officials, whether elected or appointed. Nor was the law written to include the top executives of Government in the survey on which the recommended pay raises are based.

More importantly, I am strongly opposed to the concept of automatic cost-of-living raises for Members of Congress. Cost-of-living is, after all, directly tied to inflation, and Congress, through unwise spending policies, is one of the primary causes of higher inflation. We are thus in the position of rewarding ourselves for causing a problem rather than solving it. We appear to be more concerned with our own welfare than with the good of the Nation.

We cannot ask the American people to have faith in their Government unless and until the Government, and Congress in particular, sheds its image of self-aggrandizement and is seen by Americans as being concerned with the well-being of the ordinary citizen.

I hope, Mr. Speaker, that by repealing the cost-of-living escalator for ourselves, we can take a positive step toward restoring the confidence of the people in their Government.

COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1977

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. RUPPE. Mr. Speaker, today I am introducing legislation designed to revise our laws dealing with the difficult problems resulting from oil spills. The need for such legislation has once again surfaced in connection with recent oilspills off the coast of the United States. My bill will provide a comprehensive system of liability and compensation for oilspill damage and removal costs.

The people of northern Michigan, surrounded by the beauty of the Great Lakes, are especially sensitive to the impact of water pollution on our natural resources and our economic livelihood. The dumping of taconite tailings into Lake Superior of Reserve Mining and the introduction of PCB's into the Great Lakes environment have further demonstrated to the people of northern Michigan the need to protect important marine resources.

Oil pollution represents a threat to the Great Lakes as well as other coastal regions and important waterways. My bill, speaking directly to this issue, would establish a single compensation fund for the protection of injured persons, including those who might suffer irreparable harm from discharges into waters of the Great Lakes.

The size of the fund would be $200 million, and would be financed, in large measure, by a fee of 3 cents per barrel of oil. The fee is to be assessed against refineries receiving crude oil and owners of terminals receiving any oil for export or import into the country. I believe the fee is low enough to avoid unnecessary cost burdens on the consumer of oil products.

The key provisions of the bill are those that would subject owners and operators of vessels to strict liability for damages caused by oil pollution. The limit of liability for tankers would be $300 per gross ton with a ceiling of $30 million per incident. Of course, the operator of a tanker cannot limit his liability when the incident triggering the oil pollution is caused by his willful misconduct. The bill also contains an expedited claims settlement process and a procedure for the Government to recover the costs of removing oil pollutants, a most essential guarantee of speedy action when a critical and controllable spill occurs.

This legislation breaks new ground in numerous ways, not the least of which are the claimant's right to recover for economic losses, such as the loss of profits or the impairment of earning capacity, and the Attorney General's authority to bring an action for loss of tax revenue due to injury to real or personal property. Moreover, the bill contains enhanced incentives for a polluter to undertake immediate cleanup or restorative action by providing for compensation for the cost of cleanup in excess of his limit of liability.

The legislation stands to relieve real human suffering in a most cost-effective manner, and to improve the quality of life by a fair system of burdens, obligations, and benefits. We can wait no longer. The time is ripe for action now, and I welcome the support of my colleagues in an effort to secure swift enactment of this important measure.

THE CRISIS OF THE CITIES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. CONYERS. Mr. Speaker, the crisis facing our cities is, in fact, a crisis of our entire Nation. The cities are the cutting edge of the economic problem that is crippling America, an analysis of which is ably presented by Mayor Coleman Young of Detroit in a recent article in Freedomways. His understanding of the urban problem has been honed and refined through years of involvement and struggle.

Too often the urban problem is conceived merely in terms of crime and violence, and the solution advanced is to expand the resources alloted to ever more sophisticated equipment, support staff, and patrolmen. But no amount of resources going into the police sector can be effective so long as the economic depression existing in most American cities continues to deprive citizens of the basic means of survival, let alone decent livelihood. For crime, outandish as it may seem, is not primariy caused by criminals. Crime in the aggregate is more fundamentally the product of desperation that issues from joblessness, poverty, and community disintegration. It emerges when a neighborhood, a city, a nation has so degenerated in its capability and commitment to provide for the well-being of people that individuals feel that stealing, mugging, or selling dope is not an unacceptable means of survival. When neighborhoods are starved of jobs, social services, and supportive local institutions—and once neighborhoods become defined as high crime areas, their services disappear at an alarming rate;

when citizens are so desperate and isolated they must fend for themselves; then that community loses the prospect of marshaling enough political strength to fight for the larger interests necessary for recovery.

There is also the notion that urban decay is the direct outcome of changing racial and demographic patterns, in particular, the emergence of black-majority cities. This notion simply reflects upon the racism that has immobilized the Nation for so long. And as Mayor Young observes, the trend toward "regionalization," whatever its other merits, would wrest power from black-led cities to white suburbs, and from low-skilled and marginal groups to middle-class professionals.

The real crisis that predicates urban decay is economic, not one of crime, race, or administrative process. Cities are the product of massive, longstanding unemployment and economic debility—of the flight of capital and jobs from central cities to the suburbs as well as overseas, the relocation of industry in the relatively union-free "sun belt," and of the irresponsibility of Federal policy in failing to give a fair break to the young, the elderly, and the urban working class, black and white. These factors have combined to strip cities of their economic base, leaving behind a virtual wasteland in which the generational cycle of poverty acts itself out.

Economic depressions, unconscionable interest rates, pervasive poverty, and wrecked neighborhoods are not matters, in the final analysis, which city halls and community organizations can readily address, certainly not by themselves. And therein lies the challenge to the new administration and Congress. Unless the Federal Government undertakes a thoroughgoing economic reorganization that ceases to waste human resources—the young and old who are eager to work and produce, but who cannot find jobs—and commits the Nation to full employment and rational economic management, we have little prospect of breathing economic life back into, and revitalizing our cities. With this in mind, I commend to the attention of my colleagues Mayor Coleman Young's perceptive article, "Crisis of the Cities: A National Crisis," which appeared in the third quarter 1976, issue of Freedomways:

CRISIS OF THE CITIES—A NATIONAL CRISIS

(By Coleman A. Young)

This has been a warm evening—warm in the sense that the music and the spirit of FREEDOMWAYS are apparent. I have been a subscriber since 1961, when the publication first began and probably have most of the issues published from the beginning. I've always found it to be a faithful chronicle of an ongoing struggle. Of course, that struggle is with us today to a greater degree perhaps than any time in the past. I think it's been a long, hard struggle during my lifetime—the early struggle to organize the labor movement, which was a critical one in the '30's, early '40's and beyond that, the struggle within labor, the emergence of the freedom movement in the South which has transformed itself in the recent period into, as far as the Black people are concerned in this nation, a struggle for political power, based on the recognition that freedom could only be achieved within a political system by sharing in the levers of power of that system.

So, the freedom struggle, as I have known it, led me first to organize, to be a part of the organization of labor. The lesson I learned there was the necessity of unity between Black and white workers. Strains were put on that unity, even then, and they have been constant. The polarization between the suburbs and the cities—polarization within the city itself—the misconception that there is an antagonism of interests between the Black and white poor, I think, lies at the root of our inability to deal effectively with our problems. I think it is a significant and positive thing in the last ten years that Black people working in the political system have been able to achieve a greater degree of political representation. Although that degree of political representation today probably approximates a previous height—and it is not new; we've been there before—it approximates the level that the newly freed slaves achieved during the period of Reconstruction. I think if we look at history, we know the bitter lesson that progress can be wiped out in blood and repression. The price of freedom is not only eternal vigilance, but eternally to have the necessary manpower in terms of your alliances to maintain your position. I think that the freedom movement that has expressed itself through Black political leadership today is challenged, but more than Blacks are challenged. The existence of the cities is challenged, but much more than the cities are challenged. Today, to a greater degree than we've had in a long time, the future of this nation, as we know it, is challenged.

CRISIS OF CITIES IS NATIONAL CRISIS

When I was here in 1974—I think it was in conjunction with Martin Luther King's birthday celebration at a cathedral in New York City—I said at that time that the crisis of the cities was a national crisis; that if the cities were allowed to die, the suburbs would surely die, and if the suburbs went down, then the cities in our nation would die. I know that at that time Detroit was in the forefront. Detroit is a bellwether, economically, in this nation, being the center of the automobile industry, an early warning of economic trouble. It's been said that when the automobile industry catches a cold, Detroit catches pneumonia, and we were in pretty bad shape already in the latter part of 1974. But you here in New York had not yet felt the impact of that economic crisis that was known as the energy crunch. So when I came here, I was beset by newsmen who looked at me as if I came from Mars, who could not understand the economic difficulties we were having in Detroit. And I couldn't understand why they couldn't understand our economic problems but could understand the crime problems that we were having in Detroit. As I was standing in Times Square talking to them, I had a feeling of not being too safe—based on reports in the Detroit newspapers. I said to them at that time, "Detroit today, New York tomorrow." Our problems are an early warning. I had no idea of the depth of that prophecy. I could not foresee—I guess none of us could have—the fact that the impact of the economic crisis would hit New York so hard that literally several months later this great city, greatest city in this nation, one of the greatest cities in the world, would be literally on its knees, at the point of bankruptcy. New York City's problems have become a national problem.

To one degree or another, every city in America faces an exodus by middle-class, largely white citizens, but there is a Black middle class flight also. Blacks are a part of the middle class to the degree that they can find some place to flee beyond the perimeter of the central city. The cities have become more and more the repository of the poor, the aged and the Blacks. And there are those who subscribe to a new theory, a new social and political theory that I describe as a "doughnut" theory—that suburbia can exist independent of the vacuum in the center. Well, that's a new theory of history, of economics. I think no nation in the history of this world, no civilization has existed beyond the collapse of its cities. And America is no exception. Part of the problem of our cities today is that America is blinded by racism and cannot really understand that the crisis threatening the cities threatens America, because the crisis of the cities is too often looked upon through *race* colored glasses.

The President was tempted to let New York City fall, which is an indication of his full ignorance of the significance and importance of the great city of New York. One of the reasons that New York was allowed to nearly go under is because New York is looked upon across the nation as a city of Jews—the Mayor is a Jew, Blacks—everybody knows most of them are on welfare, and Puerto Ricans—who are half Black and also on welfare. And this is the national perception of New York! And many people beyond the Hudson, including some in Detroit and Chicago and other cities who should have known better, blinded by their racial concept of what New York is, were prepared to see this great city go down. As it was, New York City's crisis damn near bankrupted the State of New York which had no choice at that point but to come to the rescue of the city. It imperiled the credit and stability of every city in this state, and its shockwaves spread across the nation.

MANY CITIES BECOMING INCREASINGLY BLACK

My city was approaching the bond market to build a new hospital, and using New York as an excuse, an extortionate rate of 9.8 percent interest was charged the city of Detroit on bonds which previously had paid 5¼ percent. This is true in every city across this nation. And so part of the threat in the perception of cities collapsing is the bonanza, a big profit bonus to Wall Street and to those who control the money markets. Most cities in this nation, or let us say, many cities, are becoming increasingly Black. Detroit is the largest city, the only city of over one million that has a majority Black population and at the same time a Black mayor. But many other cities are heading in this direction. Chicago is at about 40 percent Black and running. Cleveland is very, very close to 50 percent. Washington, Philadelphia, major cities across the nation because of the Black immigration and, of course, the birth rate is a little higher in the Black population. As a whole within the cities there is a younger population. All these factors are combined to create a new situation in the cities. And so, Blacks have struggled to gain some degree, some handle in the levers of power. Now that has been achieved to a small degree, because whereas Blacks comprise 11 percent to 12 percent of the population of this country, we are still less than 1 percent of the elected officials. Progress is relative. Obviously there's a long way to go. But even that progress is begrudged by some, and you find a move on now toward metropolitan government.

I just left Buffalo, and they're talking about regionalizing Buffalo. They're talking about regionalizing Detroit. They're talking about regionalizing practically every city, and many Black people look upon this as changing the rules in the middle of the game, as we reach for power. And this is the threat that is being held over the cities across this nation which refuse to surrender their autonomy—and that includes New York City, because after New York City got in trouble, it had to be virtually surrendered to a receivership which was composed primarily of the state and the bankers and the finan-

cial interests. So as Black folks gain political power, as poor folks gain political power, the cities are taken over in a joint receivership by the state, the high level of government and the monied interests.

Now, in many, many areas like Miami where this regional government concept was first experimented on in the United States—Jacksonville was another area in Florida and Toronto was another example—there were some semi-valid excuses. As in most cities, middle-class people had run from the central city to suburbia, but in these particular instances, Toronto, Jacksonville and Miami, they had run faster than the water and the sewer lines could follow them. So they established these fancy middle-class homes out in the suburbs dealing with wells and septic tanks. The urge then on the part of the middle-class people who had run from the cities was to seize control of the cities and thus avail themselves of the water, the sewers and other economic facilities that they had left behind. But even that excuse doesn't exist in a city like Detroit. The State of Michigan has literally fed from the wealth of our city for 50 years, the same as the State of New York has fed from the wealth of New York City. The city of Detroit historically has received less than a half dollar back in the form of services from the state government than the taxes we send in. And that's certainly true of New York City's relationship to New York State. Any big city performs that function, and there is nothing wrong with that. Cities historically are the centers of culture, of commerce, of education. They play essential roles. They are the jewels, the showplaces of any civilization, and most nations understand that. During New York's early crisis, the French Ambassador came to Detroit. We happened to be talking and he apologized for interfering—giving his opinion on American politics—but he said to me that he just could not understand how President Ford for one moment could consider allowing New York City to go bankrupt. He talked about what Paris meant to the French nation. Long ago, European nations recognized the essential role of the city, and cities are literally subsidized in practically every nation but this one. This nation, which rose to greatness as a result of the development of the cities, whose rural and suburban areas fed on the wealth of the cities, now because of racially distorted approaches believes it can survive without the cities, and that, in my opinion, is what's happening.

When they talk about regionalism in Detroit, the facts are that we have a fine water system in Detroit, and it's entirely owned by the City of Detroit. It's a combination water and sewage system. We furnish water to half the population in the State of Michigan. The water system is owned and controlled by the City of Detroit. Imagine how that sets at this particular moment in history when Detroit has a majority of Blacks and is controlled by a Black mayor. We, literally, are in a position to cut their water off! And so, the demand that is now in Detroit—as they talk about regionalism, and nobody complains when Detroit puts its credit on the market in order to get bonds to expand their water system, to expand that sewage system—is one man, one vote. Let's take over that water system. Well, my answer to that revolutionary slogan of one man, one vote is one man, one gallon, and how much water have you got. The same with transportation. Detroit is the only city in Michigan which has a municipally subsidized transportation system. The other communities had private enterprise as their bus systems. And, of course, when the system became unprofitable, private industry went out of business. The citizens of Detroit have long subsidized our bus system. And so now, a regional system is set up. I can understand regional cooperation. I've been for that for a long time. But they want, again, to take our bus system, and the question is, one man, one vote. And again, it's one man, one bus. And maybe I wouldn't be so suspicious of my suburban neighbors who talk about regionalizing everything, except that I cannot understand their spite and demands for our water and our buses and their vigorous rejection of the regionalization of our children. There's a contradiction there. The same region that cries for control of the Detroit Police Department, Detroit water system and the Detroit bus system, is up in arms at the prospect of one Black child being bussed to a suburban school across Eight Mile Road.

COME TO CROSSROADS

So, what I'm really saying is that suburbia, obviously, cannot exist without the city and vice versa. There's obviously a commonality of interest here. But racial and political considerations, misconceptions of self-interest have caused divisions. I think that the impact of the last recession—and as far as Detroit and many other cities are concerned, that was a depression, not a recession—has revealed an underlying and endemic weakness in the American social and economic fabric that if not corrected is going to call for some violent changes in our form of government. I believe we've come to a crossroads that can lead to repression as a first step toward some type of fascist repression, or a break in the right direction which would lead to a democratization, to an opening up of our government. I believe that we are approaching that critical point in 1976, and that the issue—the main issue—around which this is expressed is the crisis of American cities. It is a universal crisis. It's not restricted to Detroit or to New York. It's endemic across the nation. Its major manifestation is chronic unemployment. The new and misquoted high of some 15 percent to 16 percent nationally that we reached in the current recession—and I do say current, because it is not over—the 16 percent is dramatically understated, as everyone in this room must know. The real percentage has got to be closer to 20 percent or 25 percent, and most economists say that when 25 percent of the work force of any society is unemployed, that society is suffering a depression and not a recession. Most of our cities, even before the economic crisis, suffered depression. When the official unemployment rate in this nation was 5 percent and 6 percent, that's considered prosperity in America, only in America. The unemployment rate in West Germany is 1 percent, and sometimes one wonders who won the war. And when that unemployment rate approached 2 percent people nearly overthrew the government in Germany; yet we can regard 5 percent and 6 percent official, which means 10 percent actual, as prosperity. What does 5 percent and 6 percent mean? What did it mean before this recession in Detroit? It meant the real unemployment rate was 10 percent and 12 percent. It meant in the central city among Blacks, Latinos, poor whites, unemployment exceeded 30 percent. That's before there was a recession. And among young people in these same groups, it was in excess of 50 percent for males, and for females, in excess of 60 percent. Now this condition existed in central cities, in ghettos, in barrios across this nation, even before the so-called recession. The recession exacerbated, obviously, this serious condition. Already, there have been all types of warning signals—of alienation, frustration and desperation by our unemployed, our dispossessed—crime, dope, prostitution, social unrest.

An answer from our federal government has been to ignore the problems of the cities, to ignore the unemployment which threatens to destroy America and to concentrate on inflation, to control inflation even if it meant encouraging an increase of unemployment. You're undoubtedly reading in the headlines today, and I can assure you the reports are exaggerated, of the crime situation in Detroit. I gather the *New York Times* has literally had a ball, running stories about how bad it was in Detroit, that Detroit was dying. Well, we have a rough gang situation. But it is little different from that of New York. I think that there's also some racism behind the sensational manner in which the situation in Detroit is treated, with its majority Black population and its Black mayor compared to similar situations in Chicago or New York. I think that you know that you had two very serious invasions by gangs in downtown Manhattan recently, either one of which was more serious than the incident we had in downtown Detroit. I don't see any headlines that New York is dying. It's not dying, but I'll tell you one thing—it's damn sick. And so is Detroit. And so is Philadelphia. And so is Boston. So is Los Angeles. And so is America. The unemployment which threatens this nation today has produced a social reaction which is predictable. Direct relationship between unemployment, lack of educational opportunity, lack of adequate housing, etc., and crime, has seen no addressment from the present administration and from most state administrations and most city administrations except repression.

As Mayor of the City of Detroit, I have an immediate responsibility to maintain the peace; the conserver of the peace is the official description of the responsibility of mayor under the charter. And I intend to conserve the peace. I recognize that there are many who would like to see the city go down. There are many who would like to seize upon the serious problems in our cities to increase the heavy hand of repression. The only answer we've had from the federal government in the last several years to the problems in our cities is millions and billions of dollars of aid to the police force. That's Law Enforcement Assistance money to buy bigger machine guns and more sophisticated radio equipment, weapons of repression. And the same administration in Washington that pumps out billions in LEA aid, vetoes bills to provide jobs, bills to provide assistance to beleaguered cities. So I believe that we come to real crisis in this nation. I am convinced that Watergate revealed this country shrinking back from the precipice, on the edge of going over into a fascist repression. Let me indicate to you that not too much is changed in Washington. The top two faces changed but the basic cast below them is still the same, and the basic line and direction of march are still the same. With cynicism, the Ford administration could veto bill after bill dealing with jobs and the welfare of people; and the cavalier fashion in which the revelations of the repressive, investigatory measures of the CIA, the FBI, the Internal Revenue could be dismissed, is an indication that it is later than we think.

So the answer that I have, to the degree that I have an answer, is that I have the greatest confidence in the people of the City of Detroit, who, I think are representative of the American people. I can tell you that for the Black people in my city, who are a majority, and for a great section of the white people in Detroit and around it, there are a strength and a belief that have not been destroyed. The people in the City of Detroit have always had a tough fiber. I think that has been demonstrated in the type of cooperation that we've had. We're attempting, in Detroit, to deal with young criminals in a different manner. I'm not saying that we're going to let young criminals take over the city. I understand what poverty and lack of jobs, lack of education and lack of housing can do. But just because I understand doesn't mean I'm going to accept the hooliganism and destruction of civilization and the city as an excuse. At the same time, it is my belief that this type of crime, social mis-

conduct, can be controlled by a police department without brutality, if it's firmly under civilian control, if it can be made into a people's police department. The Detroit Police Department is not that. You know, every move I make, I'm in court, I move for affirmative action; I move for more Black police officers. The point is that we are moving and handling our situation without brutality.

I think that we are honored here tonight to have just such an example: We have here, sitting in the audience, the family of the late Rev. William Paris, a Black minister from New Rochelle who organized the Detroit Police Chaplain's Corps. Bill Paris had an idea that if ministers would establish themselves as chaplains in the police department they could guarantee—they could give a message to the police—that people have some concern for what happens, but at the same time, help the people, Bill Paris became the first Chaplain in the United States, I believe, to lose his life in the course of duty in attempting to apprehend a sniper. Police surrounded this sniper rather than chopping the building down, as has been done so many times. There was an attempt made to talk the sniper out. He was a disturbed Black man in the Black community. Chaplain Paris asked if he could talk to the young man and was told to go upstairs; and as he entered the stairs, he was shot and killed. A white police officer was blinded and almost killed trying to rescue him. We are thankful for New Rochelle's contribution to the City of Detroit, Bill Paris.

I think that we have to have an approach in our cities—certainly, we cannot condone lawlessness. We have to protect society because each of us must walk the streets. But at the same time, we have to insist on a professional approach by our police department and, more importantly, we have to insist that our law enforcement agencies are representative of the people among whom they enforce the law. Now, in Detroit, as in every city in this nation, Blacks and other minorities are underrepresented. We have a high percentage of Blacks in the police department of Detroit right now, about 18 percent, but the city has a Black population of about 52 percent. In no city in America is the percentage of minorities in the population equal in the police department. We're attempting to do that in Detroit. I believe that what is happening in our cities is a threat to the nation itself, and I believe that we must fight for the type of administration which sees this as the answer. I think there's an apathy and a disbelief among the people. There's an alienation, a disgust, as a result of Watergate. I can tell you that as Mayor of the City of Detroit, I cannot mobilize enough policemen, I cannot mobilize enough good will and unity and all these other good things to meet the growing demand for jobs, for education, for equality of young people, Black and white, who exist in unemployment at rates of better than 50 percent. It is my contention that America's greatest enemy lies in the poverty and degradation of its people. We must get our priorities straight. We must elect somebody who can recognize that if the main enemy and danger are within, then the main money should be spent within rather than in armaments and in foreign policy.

There's a struggle going on out there. It's a struggle for survival. We have no guarantees. We have never been guaranteed anything but struggle. If we don't do that, I'm afraid that things are going to get worse before they get better. I have said that I have the greatest confidence in the people of this nation. Well, I think the people of this nation must be given leadership. One reason I'm here is because I think that Freedomways is one of the ways, one of the informational way, of giving that leadership.

I wish that I could indicate to you that the forces of freedom are marching triumphant throughout our land, but that isn't true. And that isn't true in Africa. But I think they're going to win in Africa because I think they recognize the enemy a whole lot better than we do. This we must learn from the African liberation movement.

ONE MAN'S FILES

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. DRINAN. Mr. Speaker, it is now well known that the FBI and the CIA maintain a large number of files on American citizens, many of whom have done nothing more than express their opposition to Government policies. With the exposure of such improper conduct coming as a nearly daily occurrence, it is easy to ignore the precise contours of those activities.

Prof. Gordon C. Zahn, of the University of Massachusetts, recently discussed the contents of his files in the December 18 edition of America. The age and insignificance, from the standpoint of any legitimate governmental interest, of the data contained in them remind us once again that measures must be taken to stop this information collection system and prevent its recurrence.

I am inserting Professor Zahn's monograph in the RECORD so that each Member may appreciate the folly of certain surveillance practices of the FBI and the CIA:

ONE MAN'S FILES

(By Gordon C. Zahn)

(Availing himself of provisions in the Freedom of Information Act, a Catholic peace activist asked to see what the F.B.I. and C.I.A. 'had on him'; it took a while to find out.)

Not long ago, Art Buchwald compiled a list of recommended conversation-stoppers for use at Washington cocktail parties. Included was a well-timed announcement that one has just received his or her file from the F.B.I.

Well, I have—and my C.I.A. file, as well. Although I have not had the opportunity to put the Buchwald thesis to a test, I must confess that, all things considered, the whole affair has proved to be a rather disappointing letdown.

Not a total loss, of course. There is gratification in discovering that, as far as the C.I.A. is concerned, I am too "controversial" a figure to be allowed to speak under that agency's auspices or to wander unescorted through its corridors. But the gratification pales when the inconsequential evidence upon which that judgment was based is taken into account. In fact, there is so little of substance in the files that one is almost inclined to credit both agencies with being overly cautious out of concern for my rights as a private citizen. On the other hand, given their record over the years, a more likely explanation may be simple carelessness and general inefficiency of operation.

This admittedly cynical judgment is based, not on what the files contain, but rather on what is missing. I would be the first to grant that my pacifist activities before and during the Vietnam years were comparatively routine and, with at most one or two exceptions, eminently legal. A preference for logical persuasion over more inflammatory or revolutionary rhetoric might have kept me from qualifying as a Movement "heavy," but the consistency of my involvement, the multitude of petitions and advertisements signed, the many demonstrations I attended (often enough listed as a sponsor)—all of these should have merited more concern or at least notice than these files reveal. Conducive though this may be to a spiritually beneficial state of humility, I must confess that it also presents a serious temptation to give in to more uncharitable thoughts and suspicions.

For one thing, there was the time it took to get even these meager files. Fully eight months passed between my original request for copies of my files under the provisions of the Freedom of Information Act and their arrival. Interestingly, both agencies took about the same amount of time, the mailings from each arriving within a week of the other. Part of the delay was due to the need to obtain "additional identifying data"—date and place of birth, past addresses and occupational history, notarized signature, etc.—to make certain, as the requests explained, "that we have a positive match between records we may have and a person making a request." That this was a thoroughly reasonable and circumspect procedure no one will deny, though one might question whether it was necessary or appropriate for the C.I.A. to ask for "other names which you may have used."

Apologies for the delay because of the heavy volume of requests and the shortage of personnel available to deal with them seemed reasonable, too; but, here again, the C.I.A. added a troubling note by suggesting that a possible alternative to the "thorough search" and "thoughtful review" of whatever material they might have, would be for them to "issue a formal denial" and leave it for me to appeal. I had not complained about the lapse of time, so it seemed gratuitous to suggest that less than full compliance with the obvious intent of the law was even a conceivable option.

It was not entirely clear whether such a "denial" would take the form of claiming there was no file to send or refusing to copy and send whatever material could be found. In my case, at least, the former could not have applied. My letters of request set forth my reasons for certainty on that score. The F.B.I., I knew, had conducted a full-scale investigation of my claim to conscientious objector status during World War II as was required under the conscription program at the time. I was able not only to remind them of this fact but also to furnish them with the name of the agent who had been in charge of the investigation. This may account for the rather surprising result that of the 23 pages of photocopied material furnished in response to my original request all but one were related to that 1942 report.

My confidence that the C.I.A. had a file on me calls for a more detailed explanation, lest my credentials as a member of the peace movement in good standing be summarily revoked. In 1972, at the agency's invitation, I took part in one of its senior officers' training seminars. My "assignment" was to present an adverse critique of American foreign policy. For obvious reasons, this was not an easy invitation to accept: whatever contribution I made, however inspired my denunciation, could only serve C.I.A. purposes and objectives in some fashion or other. At the same time—and, rationalization or not, this was the consideration that finally carried the day—the invitation did provide a rare opportunity to "speak truth to power." I have no way of knowing what impact, if any, my words may have had. But I could be certain that my appearance had to be cleared in advance, which meant there had to be some kind of file in existence. Not only was I proved correct in that assumption, but its

contents included the ego-gratifying evidence that I had been rejected, not once, but twice, before my appearance was finally approved.

This is getting too far ahead of the story, however. Before the issue was closed, I got two separate mailings from both the F.B.I. and the C.I.A., and all four, taken together, served to increase rather than dispel the suspicions that led me to write in the first place.

Certainly, there was little satisfaction or information to be gained from the F.B.I.'s first batch of documents. Apart from that complete record of the 1942 investigation, the single remaining page (dated March, 1967) consisted of a summary listing of six minor items. One noted that I "claimed" to be a conscientious objector to World War II—a strange way of referring to something supposedly established by the other 22 pages of evidence. In the second item, "a source who has furnished valuable information in the past" had informed the bureau that I had been a member of something called the "Pax Vobis Workers' Circle of German Catholics," an organization reportedly identified by West German authorities as having been established by "pro-Communist forces." A third item reported my listing in a New York *Times* advertisement as a sponsor of a Washington march for peace in Vietnam, while the fourth noted that a reproduction of that same ad had been published in the *Worker*, "an East Coast Communist newspaper." In September, 1963, according to the fifth, another (or possibly the same?) "source who has furnished reliable information in the past" identified me as one of the sponsors of the Universities' Committee on the Problems of War and Peace. The final item, which takes on added importance when considered in connection with the C.I.A. file, made it a matter of record that I was listed as an associate editor of *Ramparts* magazine.

The C.I.A. report, if nothing else, was more impressively organized: seven items were furnished in their entirety; 11 others had been subjected to some deletions; nine others were listed in the cover letter but withheld *in toto*. The first group contained nothing particularly startling. Two were standard bibliographical entries taken from *American Men of Science* and *Contemporary Authors*. Then there was a copy of the program for the 1968 Liturgical Week (on the theme "Revolution: Christian Response") listing me as a speaker. There was a photocopy of a *Times* ad in which I, along with a long list of other signers, protested the *Soviet* invasion of Czechoslovakia. The remaining three items all were concerned with my *Ramparts* "connection," one being nothing more than a compilation of the dates of 13 issues in which my name was included on the masthead.

It is probably best to pause at this point and comment on these various disclosures. Except for the "Pax Vobis" reference, I can enter the proud plea of "guilty as charged." Even with respect to that item, I do have a vague recollection of correspondence with a German group of that name; but I do not recall the "Workers' Circle" part, and I certainly know that my contact with them carried no "membership" implications. That the Ramparts editorship should receive so much attention borders on the comic. Some time after that magazine published an article of mine, the publisher or editor (I don't remember which) wrote to say he had taken the liberty of adding my name to the list of editors. He also assured me that if I had any objections, it would be removed at once. Needless to say, I had none. The title turned out to be strictly honorific, however. I never received an article to review or any other editorial task to perform.

It is amusing, therefore, to find this association, remote as it was to the point of being practically nonexistent, assuming sinister implications in the files of the C.I.A. That such was the case can be inferred from one of the 11 partially censored items. A June, 1971 request for intra-agency approval of 19 prospective participants in the senior training seminar program received favorable action on all but one—me. The only hint of explanation was a handwritten notation to the effect that I was "connected" with Ramparts. It might be well to note in this context the point to be developed later in more detail: at this stage of the game I had no idea my name had been submitted; I was not to be asked if I would be willing to appear until the following February, after my name had been submitted—and rejected—again.

The Ramparts connection, such as it was, did not represent the full range of C.I.A. attention to my activities. The file included several 1967 entries concerning talks given or articles published dealing with such things as opposition to nuclear tests, the war in Vietnam, war taxes and the like. A copy of a long letter describing the newly formed Catholic Peace Fellowship was included, even though the only reference to me was a statement including my name as one of the sponsors. Also noted were a couple of advertisements I had signed and the fact that I had participated in a 1966 "town hall" meeting under the auspices of the Chicago Peace Council. Why any of these required censorship is not indicated; I can only assume the parts deleted had to do with names or other identification of the sources from which the information was obtained. As far as the items withheld in their entirety are concerned, they seem to be internal memos having to do more with procedures and operation than with substance. At least I am prepared to give the agency the benefit of that doubt.

The obvious question, and one to which we shall return at a later point, is why any of these items were in the C.I.A. file at all. Even if one were to view them as proof conclusive of subversive acts or intent, they were all "domestic" in nature and, consequently, not within the agency's proper jurisdiction. Only the "Pax Vobis" item had to do with foreign contacts, and that was in the F.B.I. file, not in that of the C.I.A.

Even more striking—and this applies to both files—is the fact that the materials, except for the 1971 entries about my projected appearance (and the 1942 record), do not relate to my period of most intense and organized opposition to war—that is, the war in Vietnam. It is almost as if I had bowed out of the peace movement in 1967 when in fact I was escalating my involvement. Along with Dr. Spock and the others selected for prosecution in the famous "show trial," I was one of the original signers of the "Call to Resist" with its declarations of shared culpability with those draft-eligible men who responded to the "Call." Like many others I operated as a volunteer draft-counselor and succeeded in helping a goodly number of young men obtain their classifications as conscientious objectors. This was the period, too, when I was elected to the governing boards of national peace organizations (SANE, the Fellowship of Reconciliation) and served as chairman of the American Pax Society, the predecessor of the American section of Pax Christi International.

The point of all this is not to recite a litany of service to the cause of peace in the hope of adding stars to my heavenly crown. There were others who achieved greater prominence—some would say notoriety—in the resistance movements and deserve the greater share of whatever praise is due. Though it is true that I stretched or bent the law by accepting draft cards turned in at a public protest ceremony or withholding the telephone tax, I invaded no draft board offices and vandalized no files. Still, I did maintain close personal contact with some of the priests and others who did such things and contributed to their defense efforts (once journeying to Baltimore in an unsuccessful attempt to serve as an "expert witness" at the first of the Berrigan trials). So it is surprising, to say the least, that none of the teams of agents unleashed by J. Edgar Hoover to crush that Catholic "peace conspiracy" made note of by guilty association with the conspirators.

That none of these activities were caught by the C.I.A. is equally surprising despite the fact that these activities were domestic in nature and not that agency's responsibility. After all, the items they did record in their file fell into the same category. But there were other activities of a clearly foreign nature that might have stirred more legitimate interest. When my study of German Catholic support for the Hitler war effort was published in 1962, it was met by a storm of indignation and denunciation. One recurrent charge was that my findings could only serve the interests of "the enemies of the church" (meaning Communists) and encourage the forces in Germany seeking to undermine the Adenauer Government. Regardless of whether such charges were valid, it is passing strange that the whole controversy and its implications for NATO and American foreign policy interests did not merit any notice on the part of the agency most responsible for checking such potential threats. And it was true that my book and its findings were most enthusiastically received by the intellectual *linkskatholiken* (Catholic left) critics of *Der Alte*, including prominent figures and organizations that must have been on the agency's list of candidates for observation.

Perhaps it is too much to expect a literary/theological tempest in a teapot to be given a position of priority, but there are two other omissions deserving mention. Even I, who know how innocent they were, would agree that they should have stirred some official attention, even concern. I am not sure when it began—perhaps it was an outgrowth of that "Pax Vobis" exchange of hazy memory—but for some time now I have been engaged in a very occasional correspondence with organizers and leaders of the *Berliner Konferenz*, an East Germany-based organization of Catholics from 20 or so "Iron Curtain" countries with a program for promoting international peace and friendship. I have never been under the illusion that this organization, or, for that matters, its members share my own pacifist commitment, but I nonetheless welcomed the opportunity to establish some measure of contact with them. Over the past several years this has dwindled to an annual exchange of Christmas cards, but, back in 1967, I accepted an invitation to participate in a meeting held in Potsdam as a guest observer. Not only were my expenses while there assumed by my hosts (I assume the East German Government, ultimately), but special arrangements were made to drive me to East Berlin and back for a lavish and lengthy morning conference with leaders of the Christian party in the official Government political coalition.

Is it possible, I must ask, that the meeting and my attendance at it did not merit a brief item for my file? My hosts apparently thought otherwise, for the generously offered to dispense with stamping my passport to spare me any embarrassment or inconvenience—an offer, incidentally, I did not accept. If, as we have learned, overseas mail from East Germany and other Eastern nations was regularly monitored or if, as everyone assumed, my efforts to reach my prospective hosts by telephone from West Berlin were carefully recorded, there is no logical reason why there should be no reference to that visit in my file.

The other omitted item was similar, though admittedly far less dramatic. In 1973 I visited the U.S.S.R. as a member of a "Toward Enduring Peace" tour. However commonplace such international tour arrangements have become, the specific focus of this particular tour and the personal back-

ground of some of its members would have justified some show of interest on the part of our national security organizations. Or, if such interest would not really have been justified, it also would not have been unexpected.

I have gone into considerable detail on these omissions because I consider them extremely significant, for reasons to be explained. In any event, they seemed to justify further correspondence with both agencies to challenge the adequacy of their response to my request for the files. Though I honestly did not expect much satisfaction, I could at least take some enjoyment from imagining the consternation my letters, describing in some detail what my file "ought" to have contained, would cause when they arrived. But that pessimistic assessment was only partly confirmed. A few weeks later I was to receive a mailing of 15 additional items from the F.B.I., the product of a second search "based on additional details provided by you in your recent letter." It took the C.I.A. about a month longer before they, too, came up with copies of 17 additional items from their files.

Not all this additional material was new; none of it, despite references to my letter, touched upon the omissions I had requested. The 10 "new" items in the F.B.I. dossier—all relating to talks I had given, ads I had signed and certain of my peace affiliations—duplicated material previously furnished by the C.I.A. It was interesting to note that while some of the entries now extended to 1971 and 1972 activities, there was still no reference at all to my contacts or connections with the Berrigan brothers and others involved in their draft board actions.

In like manner the additional C.I.A. material studiously ignored the specific points I had raised concerning my overseas relationships. Nevertheless, it did furnish two "revelations" of some significance. The first had to do with the rather thorough accounts of talks I had given at two universities. It was clear from these accounts that they represented the kind of on-campus surveillance of anti-war activities that had brought the agency such well-earned criticism and condemnation for unwarranted intrusion upon the rights of individual citizens.

Of more immediate personal interest, however, were the new documents and internal memoranda bearing upon the objections that had been raised to my 1972 appearance as part of the agency's own training seminar program. The earlier mailing had shown that a July, 1971 request had been disapproved; now there was information as to the reason for that negative action. A September, 1972 memo referred to "current National Agency checks" and provided a list, or description, headed "subject's activities"—which, alas, was completely blacked out. But whatever that section contained, it was enough to lead to the conclusion: "The subject has been associated with numerous questionable activities in direct opposition to major U.S. foreign policy and has counseled others to oppose [the] Selective Service System." The decision to deny clearance carried no less than five handwritten and initialled concurrences.

Until now I had assumed it was this decision that had been appealed and reversed. The new material revealed that a second and separate application was submitted the following January and that this one, too, was denied "in view of the unfavorable information." It was this second rejection that was then appealed on the grounds that 1) "Subject is no worse than some of the other approved speakers who are quite 'controversial' "; 2) I had maintained a consistent record of conscientious objection since 1941; and 3) I had been selected precisely for the purpose of presenting my dissident views to an audience described as consisting of "20 senior agency officers who can hold their own in heavy discussions on the world situation."

For good or ill, the appeal was approved—but only on condition that, because of my "highly controversial background," all participants in the seminar were to be cautioned that any discussions with me had to be conducted on an "unclassified" basis and, a real surprise, that I "be escorted at all times while on agency premises." All the time I thought that was standard procedure!

It was at this point that "subject" was finally brought into the picture. Requests, rejections and successful appeals were all played out without anycne contacting me to see if I would be willing to take part, and, needless to say, none of what had gone on before was made known to me when the invitation was finaliy extended.

It should be obvious by now that what has been described here has crucial implications reaching far beyond one individual's unsatisfactory experience. Some of the questions raised by this account require no elaboration. Given the kind of material included in all four mailings—two each from the two agencies—was there anything to justify gathering such minor items in the first place or, allowing for the possibility that they came to the agencies unsolicited, entering or keeping them on file? Next, by what stretch of the imagination could one justify the judgment that the material so accumulated constituted a "highly controversial background"? Finally, once we have carried it to this point how could one ever justify going the additional step of basing any kind of a decision on so insubstantial a judgement without the "subject" being made aware of the consequences of that decision and given some opportunity to counteract it? In this particular instance, fortunately enough, there was little at stake. If, however, such procedures had been applied to someone under consideration for a Government appointment or in some other area of personal importance, the outcome might have been as tragic as it was unjust.

These considerations are premised, of course, on the assumption that both agencies knew what they were doing. There is a second and somewhat unsettling set of possibilities that might apply. For all we know these may be other items of information—even other files?—that have not been made available to me. In one of Director Clarence Kelly's letters, he refers to a search of the "central files." Are there perhaps "peripheral" files or "branch" files left unsearched? One cannot help but be troubled by the fact that a lengthy search of the files produced a single page of six relatively recent entries while a later, and much briefer, search of the same (?) files came up with more than twice that number. Is it possible that a third request, then a fourth and fifth and more, would each produce additional and more recent items? If so, how many such searches would it take before the F.B.I. discovered that Daniel Berrigan had once honored a book of mine as having had a major influence in the formation of his and his brother's "will to resist the legitimized murder of 20th-century war"? And, even more important, what conclusions might be drawn from that?

These are not frivolous questions. If a citizen's request for his file brings such careless or incomplete responses, the purpose of the Freedom of Information Act is being circumvented in effect, if not in intent. It is possible, I suppose, that our security agencies are so inept in their operations and their files in so chaotic a state of disarray that the pattern described here in such detail could be dismissed as a simple matter of bureaucratic breakdown. Possible, yes; but unlikely. If tomorrow the F.B.I. or the C.I.A. were to receive word from a "source who has furnished reliable information in the past" that I was engaged in some subversive activity, I am more than confident that all the material they have on me could be assembled and in hand in much less than eight months.

Carelessness, incompetence or inefficiency are not sufficiently compelling explanations. I find it most plausible that the fault lies in the processes and procedures employed than in the sincerity and intent with which the agencies approach requests for copies of their files. To put it bluntly, I am not convinced that these agencies are prepared to comply with either the spirit or the letter of the law. There is, of course, no way definitely to confirm or refute this suspicion, short of being given full and unrestricted access to the files themselves. But the suspicion persists, nontheless. If it is unfair to give voice to the suspicion without proof, it is surely no more so than for these agencies to pass an adverse judgment on the basis of such thin evidence as has been presented here. On the other hand, if more substantial evidence is at hand, the failure to make it available would constitute an evasion of the law as charged.

One final point. I would not want this account of my experience to dissuade anyone from exercising the rights established under the Freedom of Information Act. Quite the contrary. It was most gratifying to learn that the C.I.A. has been "virtually inundated" by requests for files and to find the F.B.I. justifying its plea for patience on the same grounds. If nothing else, this testifies to an upsurge of citizen concern over the actual or potential intrusions on the rights and privileges provided under the Constitution. Such requests, I would hope, will be increased rather than diminished by this account. It is a matter of record now that anyone who signed a petition or an ad, who may have written a letter to a newspaper or expressed an opinion that some "source who has furnished reliable information in the past" found subversive enough to report, might learn to his discomfiture that even these minor things have been carefully recorded and may at some future time be enough to classify him as a "very controversial" figure. It is certainly worth the effort to know where one stands in the eyes of Big Brother.

One should not expect too much, of course. Patience is advised, and a goodly measure of stubborn persistence may be required. Operating as Government-subsidized "clipping services," these agencies, I fear, are—to borrow Ron Ziegler's classification of the Watergate affair—"third rate" at best. Even so, let no one be deterred. If nothing else, the day may come when the opportunity will present itself at some cocktail party or other social affair to bring the idle chatter to a halt simply by saying: "You know, I have just received my file from the F.B.I. . . ."

HEW-SOCIAL SECURITY ADMINISTRATION REPORT ON MEDICARE COST-SAVING EXPERIMENTS AVAILABLE FROM WAYS AND MEANS COMMITTEE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. VANIK. Mr. Speaker, in May 1976, the Ways and Means Oversight Subcommittee, which I chair, held 2 days of hearings on the subject of medicare cost-saving experiments. At that time, we requested periodic reports from HEW on the progress of the various experiments mandated under the Social Security Act.

I have received detailed reports from HEW and Social Security on the status

of the various projects underway and planned. I believe that these reports are valuable and interesting documents for all of those interested in health care delivery, medicare, and the control of health costs.

Copies of the reports are available, without charge, from the Ways and Means Oversight Subcommittee, 1539 Longworth House Office Building, Washington, D.C. 20515.

THE HIDDEN COSTS OF REGULATIONS

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. SHUSTER. Mr. Speaker, I commend to my distinguished colleagues the following article by Mr. Irving Kristol which appeared in the Wednesday, January 12, 1977, Wall Street Journal.

Mr. Kristol's brainy article brings to clear light the effects that the costs of regulations have on the corporation in terms of capital spending versus capital investment and on the public as stockholders, employees, and consumers:

THE HIDDEN COSTS OF REGULATION

(By Irving Kristol)

In all of the recent discussion of our economic condition, there has been controversy over whether a tax cut is really necessary and, if so, what kind of tax cut would be most beneficial. To the best of my knowledge, no one—not even John Kenneth Galbraith—has dreamed of proposing a tax increase. Yet that is what we shall get this year—specifically an increased tax on corporate income. Indeed, we got such an increase last year too, only no one noticed.

It is not really as surprising as one might think that our economists, our accountants, even our business executives should be oblivious to the steady increase in corporate taxation that has been taking place. Habitual modes of perception and conventional modes of reckoning are likely to impose themselves on a changing reality rather than go through a painful process of adaptation. And the learned economist or alert executive can fail to observe an important feature of a situation, simply because he wasn't looking for it.

Here is an example of what I mean. Corporation "X," in order to meet water pollution standards set by the Environmental Protection Agency, has to install new filtering equipment that costs $2 million. How is this expenditure to be accounted for? Well, at present, it is counted as a "capital investment" and is carried on the books as an "asset" of the corporation. But does this make any sense?

After all, a "capital investment" is supposed to promise an increase in production or productivity, or both. An "asset," similarly, is supposed to represent earning power, actual or potential. But that new filtering equipment may do none of these things. Indeed, it may actually decrease productive capacity and productivity. In short, the $2 million ought properly to be counted as a government-imposed cost—in effect a surtax; an effluent tax, if you wish—and the company's stated after-tax income should be reduced accordingly.

The government, instead of imposing an actual tax and using the proceeds to purchase and install the equipment, mandates that the firm do so. The end result, however, is the same.

A SOCIAL GOOD

Mind you, I am not saying that the new filtering equipment is just money down the drain. It does buy cleaner water, after all. But that cleaner water is a free "social good" and a "social asset" to the population in the neighborhood (and for the fish, too); it represents no economic gain to the corporation, which has only economic assets and knows nothing of "social assets." It also buys governmental "good will"—but so do bribes to foreign officials, and I am not aware that anyone has yet thought to capitalize them. On the other hand, the new equipment is unquestionably an economic cost to the corporation—and, of course, to the economy as a whole.

As things now stand, we render those economic costs invisible. That is both silly and undesirable. Silly, because they are real costs. Undesirable, because we shall never persuade the American people to take the problem of regulation seriously until they appreciate, in the clearest possible way, what it is costing them—as stockholders, consumers, employes.

The costs we are talking about are by no means small, and their impact by no means marginal. In fact, they are far, far larger and more serious than most people realize. Unfortunately, there are no comprehensive, precise estimates available. But one can get a sense of the magnitude of such costs from the following bits and pieces of information:

U.S. Steel has just signed a seven-year agreement with federal, state, and local environmental agencies that will require it to spend $600 million over that period to eliminate air pollution from its Clairton Coke Works in Pittsburgh.

The steel industry as a whole will be spending well over $1 billion annually on pollution controls—and that is a conservative estimate. This expenditure amounts to over one-quarter of the industry's total annual capital investment.

Meeting EPA's 1983 water pollution standards will cost all of American industry, over the next seven years, about $60 billion for capital equipment and another $12 billion annually in operating and maintenance costs.

Meeting noise pollution standards, as mandated by Congress and enforced by the Occupational Safety and Health Administration (OSHA), will involve expenditures of over $15 billion in capital costs and $2 billion to $3 billion in operating costs in the years immediately ahead. If these noise standards are raised to the level recommended by the U.S. National Institute for Occupational Safety and Health—a recommendation endorsed by EPA—the capital costs will climb over $30 billion.

The Wall Street Journal recently reported that new health regulations in the cotton industry will cost some $3 billion over the next seven years. It has been estimated by Professor Murray Weidenbaum that American industry's costs to meet OSHA safety standards *this year* will be over $4 billion.

EPA is on record—for what that is worth—as calculating that industry's total capital investment requirements for all kinds of pollution control equipment will, in the decade 1972–81, add up to $112 billion.

None of the above figures is particularly reliable, and they may even not be entirely consistent with one another. But they do suffice to give a pretty fair indication of what is going on. Even so, important costs are omitted—those costs, for example, which involve product redesign or the design of the work place. Thus, the increased cost of housing over these past years results, to a significant degree, from various environmental regulations. And Ewan Clague, former U.S. Commissioner of Labor Statistics, points out that productivity in bituminous mining has decreased 30% since 1970, largely as a result of the passage in that year of the Coal Mine Health and Safety Act. These indirect costs are not capitalized, of course, and technically are not "hidden." On the other hand, who would claim that the public appreciates their dimensions?

As one contemplates those numbers, various inferences suggest themselves. One is that a clear distinction ought to be made between "capital spending" and "capital investment." We are told that capital investment last year amounted to $121 billion, and economists were somewhat disappointed that this represented only a 7.5% increase over 1975. But if, as seems likely, as much as 10% of that figure should not be counted as "capital investment" at all, since it consisted of economically unproductive *expenditures* of capital to meet governmental regulations—where does that leave us? It leaves us, I would suggest, with a net reduction in true capital investment in 1976, the economic effects of which will be with us for years ahead. One such probable effect, a decline in the rate of growth of the American worker's productivity, has already been noticed—though never accounted for.

It may be argued that these economically unproductive expenditures do, after all, create jobs (temporarily) and do contribute to the Gross National Product. But so would the corporate construction of beautiful pyramids, at governmental behest. That would create jobs (temporarily), inflate the GNP, and provide us with a "social good" (a great spectacle). But it would be a cost to the economy, and if our conventional statistics are incapable of showing it as such, then it is those statistics that need revision.

COSTS PASSED ALONG

It is also true that, in many cases, corporations are able to maintain their profit margins by passing on their increased costs—directly to the consumer, indirectly to their stockholders (by holding down dividends) or to their employees (by granting lower wages than they otherwise might). But that is what usually happens to corporate taxes—they get passed on to *someone* since the corporation itself is only an economic mechanism, not an economic person (except, fictitiously, in law). In the world market of today, however, not all corporations can pass on those costs. In those instances, we get declining businesses, declining industries, a sagging economy. In any case, those costs—passed on or not—should be visible, instead of hidden as they now are. The Federal Reserve's index of plant capacity, for example, apparently makes no effort to distinguish between capital expenditures and capital investments, and is to that degree misleading.

It is true, too, that firms can depreciate their uneconomic, mandated capital expenditures. But that equipment will have to be replaced as it depreciates with age—we are not talking about a one-time expense.

The situation we have gotten ourselves into would be ridiculous if it were not so serious. We are much exercised—and quite rightly—by the fact that the OPEC monopoly has cost this country some $30 billion in increased oil prices since 1972. But in that time we have inflicted upon ourselves much larger economic costs through environmental and other regulations—and will continue to do so, perhaps at an increasing rate.

Yes, these economic costs do buy real "social goods." But may the price not be too high? Is the resulting inflation of prices, constriction of productive capacity and increase in unemployment worth it? Would it not be appropriate for us to ask ourselves this question openly, instead of going along with the environmentalists' pretense—so pleasing to our politicians—that our "social goods" cost us nothing at all? Isn't it time that business stopped bleating in a general way about those costs and showed us what they really mean, all the way down to the bottom line?

A LETTER TO PRESIDENT-ELECT JIMMY CARTER

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. FISHER. Mr. Speaker, I am inserting into the CONGRESSIONAL RECORD a letter from Matthew J. Kerbec, president of Output Systems Corp., to the President-elect on the subject of the economy.

Mr. Kerbec's remarks do not necessarily reflect my own point of view; however, I did want to share his opinions with my colleagues:

DECEMBER 22, 1976.

President-elect JIMMY CARTER,
Atlanta, Ga.

DEAR MR. CARTER: There is little hope for prosperity in the next four years. Present energy and economic policies will guarantee a sick economy. How sick, will depend on whether the Government will return enough money to consumers to compensate for increasing prices and how much energy and economic policies will change.

It is frightening to find that at the end of 1976, the Nation is again in a recession after spending over $100 billion in 1975 and 1976 to stimulate the economy. This was $11 billion more than the entire Defense budget for FY76. If another $20 billion is spent for economic stimulus in 1977, the National Debt will increase by another $97 billion and there is another whopping increase already programmed for FY78. The U.S. is following the borrowing patterns of Italy, Great Britain and other countries which have been hit with triple digit energy price hikes.

The real shocker is that the National Debt will increase by 69% in the 1973–77 years. It required 196 years and four major wars to accumulate a debt of $437 billion by 1972. From 1973–77 the National Debt will go up another $303 billion. Piling up debt at this rate can set the stage for hyperinflation as the Treasury Department keeps printing and selling more and more securities to pay its bills. Little publicized is the fact that there is a significant difference between the yearly "budget deficit" and the increase in the debt. It would be much more meaningful for the Government's financial goal to be "zero increase" in National Debt than a "balanced budget" which does not include off-budget deficits which will amount to over $90 billion in the 1973–77 years (see Table I).

THE 1976 RECESSION WAS NO SURPRISE

To understand the reason for the 1976 recession, it is necessary to go back to 1973 when the first massive price increases for energy started to switch the economy from a demand-pull (too much money chasing too few goods) to a virulent cost-push inflation (skyrocketing basic product prices). Many specialists wrongly treated the huge energy price increases as a one-time price bulge which would be quickly absorbed. The real economic damage only becomes apparent when the 1973–76 years are examined as a block. From July 1973 to December 1976 it is estimated that final prices for natural gas, coal and refined oil products will have increased over $186 billion.

But this is only the start of the economic damage assesment. The $186 billion caused a self feeding series of economic ripple effects resulting in massive inflation, millions of lost jobs and ever growing budget deficits. It is estimated that higher prices will siphon over $587 billion in purchasing power out of the economy in the 1973–77 years. Industries recycle part of this back into the economy as wage increases, taxes, dividend payments and investments. But, more was taken out than returned. The $100 billion in stimulative spending in 1975 and 1976 went like water through a sieve. Even with this spending unemployment rose to 8.1% in November 1976. The evidence shows that higher prices drained away purchasing power faster than wage increases and Government spending replaced it and this was the primary reason for the 1976 recession. With an estimated 6% cost-push inflation for 1977, another $113 billion will be taken away as higher prices. Under the assumption that $20 billion is programmed for economic stimulus in 1977 there is little reason to believe the economy will improve unless something is done to reduce prices.

LITTLE HOPE FOR ECONOMIC IMPROVEMENT 1977–1980

It is logical to assume that the Organization of Petroleum Exporting Countries (OPEC) will periodically increase oil prices to the level that will keep its customers solvent but not overly prosperous. From OPEC's standpoint, a justifiable pricing schedule could be one that mandated price increases (all the traffic will bear) until OPEC members felt that the standard of living of their people was equal to that of their customers. Ripple effects are of little concern to OPEC or domestic energy producers.

This is another way of saying that the U.S. and other oil importing countries will not have to worry about overheating their economies by too much fiscal or monetary stimulus. Both OPEC and most governments now know that one quick way to reduce the demand for goods and services is by increasing energy prices. Actually, the OPEC cartel would be remiss in its responsibilities if it did not increase prices when the demand for goods exceeded supply in the oil importing countries. Under these conditions, prosperity may only become a dream to oil importing Nations.

As U.S. energy pricing policies are aimed at getting domestic energy prices up to OPEC levels in the shortest possible time, the "windfall" profits that accrue for each price increase will mostly go to U.S. energy producers rather than OPEC but the economic ripple effects in terms of inflation, lost sales, unemployment and spiraling National Debt will be the same.

The following are a few of the pressures that will force up prices in 1977: (1) U.S. energy companies will be under pressure to increase domestic crude oil prices in accordance with the 1975 Energy Policy and Conservation Act and also at the refinery level to compensate for loss of revenues caused by nationalization of their foreign income producing assets. If President Ford's current attempt to decontrol gasoline prices is successful, it will mean the end of price controls on almost all refined oil products. Thus, the Nation will be subjected to still more periodic energy price increases, in addition to OPEC's increases, which will siphon away more purchasing power. The direct and ripple effects of each one cent per gallon increase in refinery products will drain approximately $6.5 billion out of the economy. This could be cumulative if wholesalers and retailers added a cent; (2) another inflationary factor is that many companies have adopted the practice of hiking prices regardless of whether sales go up or down. Many believe that companies are doing this because they fear price controls. In 1974 President Ford absolutely guaranteed there would be no price controls; yet, from December 1973 to December 1974 steel prices increased by 38%, industrial chemicals 83%, plastic resins 97% and agricultural chemicals jumped 71%. No industrialized, profit oriented economic system can endure without massive disruptions under these pricing pressures. Since then, these prices have continued to increase even in the face of falling demand; and (3) multiyear wage contracts in the basic industries have provided relatively large wage increases in the heavily unionized basic industries which will contribute to inflation and create additional ripple effects.

Guaranteeing there will be no price or wage actions is like a cancer specialist saying he would never use surgery to treat breast cancer. Price and wage policies are a necessary part of a complete set of economic tools which should also include fiscal, monetary and antitrust policies.

Based on new economic theories I developed, it was possible in 1973, to predict the coming unprecedented inflation/recession in the 1974–5 years and the recession in 1976. Most of these economic illnesses could have been avoided and presently there are actions that can be taken to minimize the Nation's economic and financial deterioration. I will be happy to meet with your representatives to discuss how this can best be done.

Sincerely,

MATTHEW J. KERBEC,
President.

P.S. Some of my comments in notes A and B have been quoted in the December 27, 1976 edition of Newsweek Magazine, p. 30.

TABLE I.—SELECTED STATISTICS FOR THE YEARS 1973–77

Year	GNP current (trillions) (1)	Inflation CPI year to year (percent) (2)	Purchasing power lost through inflation col. 1×col. 2 (billions) (3)	U.S. budget deficits, (billions) surplus or deficit (−) (4)	Off-budget deficits (billions) (5)	Total national debt (billions) cumulative (6)
1973	$1.306	6.2	$80.9	$14.3	$16.8	$468.4
1974	1.406	11.0	154.6	−3.5	14.3	486.2
1975	1.499	9.1	136.4	−43.6	14.3	544.1
1976 estimated	1.708	6.0	102.5	−65.6	21.6	631.3
Transition quarter				−12.7	1.5	645.5
1977 estimated	1.890	6.0	113.4	−75.4	22.0	742.5
Total	78.09	38.3	587.8	−214.7	90.5	3,518.0

Notes.—(1) Cols. 1, 2, and 3 are in calendar years. (2) Cols. 4, 5, and 6 are in fiscal years. (3) Unless estimated, cols. 4, 5, and 6 data is from Economic Indicators, October 1976, Joint Economic Committee. (4) The $75,000,000,000 deficit for fiscal year 1977 includes $20,000,000,000 for fiscal stimulative actions. Prepared by Output Systems Corp., Arlington, Va.

Source: Unless otherwise noted data is from Economic Report of the President, January 1976.

DISCUSSION

Column 5 (Off Budget Deficits) represents money spent by the government that does not go-through the Congressional budget process. These deficits come from Government owned activities and Government sponsored Credit Systems. The debt from these entities is part of the Gross Federal Debt but is not subject to the statutory debt limit. Budget authority and outlays for these off budget entities completely escape the new Congressional budget process (Ref: Off Budget Activity of the Federal Government, House of Representatives Report No. 94–1740.) President Ford's Budget for 1977 observed that, "In many cases there is little or no justification for off-budget treatment."

In Table I above, this hidden debt is estimated at $90.5 billion (1973–77) and was in addition to the $214.7 billion which is widely reported in the news media. In the 1973–77 years the Treasury Department's printing presses will have to print and the Treasury will have to sell a total of $305.2 billion worth of securities to pay its debt for these five years. Assuming a 6.5% interest rate, in FY78 interest alone will cost $19.7 billion. This is more than the total budgets of the Department of Commerce, Interior, HUD, Justice. and State plus the combined budgets for the Legislative and Judicial branches of Government in FY76.

As there is no reason to believe that we will pay back any of the principle, starting with FY78 the Treasury will have to print and sell $303.7 billion in new securities and pay interest on the interest. It required 196 years to accumulate a National Debt of $437.2 billion by 1972. From 1973 through 1977 the U.S. will have increased its National Debt by over 69%. The projected deficit for the FY78 budget is approximately $44 billion with an estimated $20 billion for off-budget deficits which are beyond Congressional control. Primarily responsibility for the deteriorating economy and financial structure of the U.S. can be traced to the huge price increases for energy and energy intensive basic products that occurred in 1973 and 1974. As these prices keep ever rising the economic and financial condition of the U.S. will get worse.

NOTE A

Energy as a percentage of total material costs for the following products are: steel 23%; fertilizer 43%; chemicals 30 to 60% and aluminum 18%. It takes 22% of all U.S. energy to farm, process and distribute food. Oil and coal costs amount to about 45% of all electric bills. When energy prices increase over 75% in one year (July 1973 to June 1974), they automatically create Economic Ripple Effects that cause massive inflation, unemployment and budget deficits.

The U.S. from now on will be in a perpetual series of economic and financial crises as present U.S. energy price policies are aimed at getting all U.S energy prices up to OPEC levels regardless of the economic damage.

Kerbec predicted the economic disruptions of 1974–76 in 1973 and states that most of the disruptions could have been avoided.

NOTE B

From 1973 through 1974, coal, natural gas and refined petroleum product prices increased an estimated $62 billion or a total of $186 billion from 1973 through 1976. About $50 billion of this went to OPEC. The rest represented an approximate loss of purchasing power of $136 billion.

In 1976 the total cost for all forms of energy in the U.S. is estimated at $165 billion. This is greater than the total food cost.

From Dec. 1973 to Dec. 1974 energy, steel, chemical and other energy intensive basic product prices increased over 60% and were the primary causes for the 12% inflation in 1974. These price increases caused economic ripple effects which caused massive unemployment and record budget deficits. This chain reaction is still in motion as energy and other basic prices continue to increase regardless of whether sales go up or down. There is no relief in sight in 1977 or 1978.

SOURCE: *The Ripoff Years 1973–76*, Output Systems Corporation, 2300 S. Ninth Street Arlington, Virginia 22204, Phone: (703) 521–2300.

THE MIDDLE-AGED AND OLDER WORKER EMPLOYMENT ACT OF 1977

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. RICHMOND. Mr. Speaker, on January 4, 1977, I introduced the Middle-Aged and Older Worker Employment Act of 1977 as a means of easing the unemployment crisis and stimulating greater opportunities for the worker over the age of 40.

The legislation which I have introduced would establish a midcareer development service within the Department of Labor through which the Secretary would be authorized to make training loans and grants for programs to improve the skills and abilities of older and middle-aged workers, and would provide recruitment, placement, and counseling services in the case of a mass layoff in a given area. The bill provides for research to improve and stimulate opportunities for middle-aged people, and enables the President to appoint a Commission on Lifelong Adult Education.

All the elements of the bill are intended to alleviate the stages of crisis that the employed person encounters once he reaches the age of 40, and to keep the person over 40 as a productive member of society.

According to several key studies conducted over the past several years, when an employed individual reaches his 40's or 50's he begins to face some very serious difficulties—"joblessness begins to rise, duration of unemployment increases sharply, occupational mobility is seriously limited, and the incidence of poverty increases."

From August 1969 to November 1976, the number of unemployed increased from 2,856,000 to 7,769,000, representing a percentage increase of 272 percent. While the increased unemployment was difficult for the entire Nation, the increase had very serious consequences for that group of workers over the age of 40.

In August of 1969, there were 596,000 unemployed Americans over the age of 40. Today there are 1.4 million Americans over that age out of work. According to Department of Labor statistics, this represents 26.7 percent of the total unemployed. While the national unemployment rate as of November was 7.8 percent, it is fast approaching 9 percent for individuals between the ages of 55 and 64.

According to a report by the National Council on Senior Citizens, the above figures only represent the "tip of the iceberg." Because of the limited possibilities for employment, it was estimated in 1972 that more than 2.5 million older men had "withdrawn" from the labor force. Assuming that just 25 percent of these individuals wanted and needed employment, then 600,000 people would have to be added to the number of unemployed. The figures are even worse for women. The NCSC study noted that in 1972, 11.6 million older women were out of the labor force. If just 5 percent of these women wanted and needed employment, then another 600,000 people would have to be added to the unemployment figures. The conclusion by the NCSC was that if the present trend continues, in a few years 1 out of 6 men between the ages of 55 and 59 will no longer be in the labor force.

One of the major problems facing older workers who have been laid off and seeking employment is the duration of unemployment.

The Senate Special Committee on Aging reported that older workers can expect to be unemployed 30 to 70 percent longer than other groups. Currently, 1 out of 3 has been unemployed longer than 15 weeks, 39 percent are in the category long-term unemployment or unemployed longer than 27 weeks, and 40 percent are in the category of very long-term unemployment or unemployed for longer than 6 months.

These figures become more significant when one takes into consideration that, though, in some States, such as New York, it is possible to collect unemployment benefits for as long as 65 weeks, the average duration of unemployment benefits is 20 to 25 weeks.

The options once unemployment compensation is exhausted are limited. For many the only recourse is welfare. For others, if they are at the Social Security ages, 62 or 65, it is possible to begin collecting social security benefits. However, many of those who begin receiving social security benefits hope to find some income to supplement the benefits, but not so much income that it would decrease the benefits.

For those below social security age there is a possibility of taking part-time employment but very often it is with drastic reductions in pay and requirements in skill. For these individuals, aside from the difficulty in paying mortgages and supporting families, long-term unemployment may possibly have the damaging effect of reducing future retirement income.

The saddest element of all the figures concerning older people is the increasing level of poverty. According to the Bureau of Census, there are 25,877,000 people now living in poverty. Of that figure 5,450,000 represent heads of households. Of these 5 million family heads, well over 1 million are between the ages of 45 and 64, and 728,000 are over the age of 65.

One of the problems of older employment legislation is convincing people that older people want and need to work. The 1 million heads of household are obvious evidence of the need. It can certainly be assumed that a good percentage of them are able and willing to work. Though, the Age Discrimination Act was a positive step, it is not positive enough. Though, title IX, community service jobs are an

excellent step, officials have testified that the serious problem rests with those people below the social security age seeking full-time employment. Though, CETA was supposed to assist older workers, title III mentions the elderly as a target group, it is up to the discretion of the prime sponsor whether or not it intends to make use of elderly workers.

Obviously, a more affirmative step is needed to provide jobs, uplift the skills and capabilities of older workers, provide seriously needed training and counseling services to prevent future despair, and to research and develop more opportunities for middle-aged and older Americans.

CURRENT TECHNIQUES IN CHILDBIRTH

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. BINGHAM. Mr. Speaker, one of my constituents, Mrs. Estelle Cohen, of Co-op City in the Bronx, has made a special study of current techniques in childbirth which she is convinced are dangerous and responsible for many grievously handicapped children. The following letter, which appeared in the New York Post on February 23, 1976, summarizes her position:

[From the New York Post, Feb. 23, 1976]

BARBARIC CHILDBIRTH?

Let's continue to manage childbirth in our hospitals in the worst interests of babies; let's continue to use hazardous drugs and flat delivery tables; let's continue to start labor at our convenience and hurry it along; let's remove newborns from their mothers to be fed from a bottle by a stranger in a nursery.

Let's pour millions of nonlearning and disturbed children into our population and let's continue to ignore the relationship between their impaired nervous systems and the assaults on them at their births. When the barbarism of childbirth, American style, is finally recognized, let's wonder why so many were silent long after the warning signals went up.

I also include herewith a letter Mrs. Cohen wrote to the New York Times published on April 20, 1976, in response to a letter from a Vermont doctor who criticized the movement toward births at home:

[From the New York Times, Apr. 20, 1976]

To the Editor:

In decrying the movement toward births at home, Dr. Landrum B. Shettles wrote [letter April 10] that "a single loss of a baby or mother under such inadequate circumstances is simply unacceptable."

The sad fact is that for the healthy woman capable of bearing children without the intervention of less-than-omniscient obstetricians the odds in favor of a neurologically intact baby are probably better in the home birth than in most of our hospitals.

A Congressional inquiry is long overdue on the continued ignoring of research warnings about potentially hazardous obstetrical drugs and techniques because the presence of such great numbers of brain-impaired children in our population should be "simply unacceptable." There has been a disastrous failure to appreciate the folly of unnecessary meddling in the normal birth process, a meddling which is still to be publicly decried by the American College of Obstetricians and Gynecologists and the American Academy of Pediatrics.

Mrs. Cohen has also furnished me with the following items of interest in the same connection: an article from the New York Daily News of November 16, 1976, and excerpts from a Jack Anderson column of February 23, 1976.

[From the New York Daily News, Nov. 16, 1976]

HOME BIRTHS SAFER, SAY SOME DOCS

(By Gus Dallas)

Women should give birth at home instead of in hospitals because the risk of damage to the baby is greater in the hospital, according to some doctors who attended an obstetrical management conference at the Statler Hilton Hotel yesterday.

Dr. Robert S. Mendelson, pediatrician and associate professor of preventive medicine at the University of Illinois, predicted that 10% to 15% of the babies born in hospitals in the next 12 months will be needlessly damaged during labor and birth. He advised greater use of midwives.

HOW DAMAGE OCCURS

"Doctors intervene too much in what is a natural process; they act as if pregnancy is a nine-month disease that needs their help to be resolved," he said at the conference of the American Foundation for Maternal and Child Health.

He said birth damage is brought about when doctors rely too much on drugs, anesthesia, analgesics, inducing birth, discouraging breast feeding and ignoring psychological needs of the patient. Risk of infection and accidents in a hospital is greater than in the home, he said.

A comparison matching women who had babies at home with women who had them in a hospital indicated greater damage instances in hospitals, according to a study reported by Dr. Lewis E. Mehl of the Infant Development Center of the University of Wisconsin.

There were 1,064 women in each group when the study commenced, but 8% of those who had planned to have their babies at home had their delivery in the hospital because of complications, he said.

He said the study showed that there was no difference in deaths but that there were 30 birth injuries in hospitals compared to none at home; 52 hospital infants needed resuscitation, to 14 at home; six suffered neurological damage in hospitals, to one at home, and eight had infections in the hospital, to two at home.

"I believe that a hospital environment leads the hospital practitioner to expect pathology and intervention is started that may not be necessary," he said.

He did not advise that all women should have their babies at home, but said women should be informed of risks and options so that they can make their own decisions. Malpractice suits also would decrease drastically, he said, since many suits are brought by patients who contend that they were not told about side effects and other risks, he said.

JACK ANDERSON (WITH LES WHITTEN)

We recently reported that the stodgy administrators of the National Institutes of Health were stifling research which they considered "unconventional." This has caused the U.S. to drop behind other nations in certain fields.

In response to our column, several scientists have contacted us about other vital research that NIH is neglecting. Here are a few examples:

Dr. Robert Reisinger has claimed for years that sudden infant death syndrome is more likely to occur among bottle-fed than breast-fed babies. This was supported last year by a New Zealand study which claimed 10 bottle-fed infants die of the syndrome to every breast-fed infant.

THE FRENCH CAPITULATION: A BLOW TO PEACE IN THE MIDDLE EAST

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. SOLARZ. Mr. Speaker, I am outraged, as I suspect most Americans are, at the cowardly capitulation of the French Government in releasing the Palestinian terrorist known as Abu Daoud. This man has publicly boasted of his role in the murder of 11 Israeli athletes and 6 other people at the 1972 Munich Olympics. But it was not only some innocent Israelis who were the victims of the murderous machinations of the terrorist organizations with which he is associated. Our own Ambassador to the Sudan was murdered in an attempt to obtain his release from an earlier imprisonment.

In hastily releasing a leading terrorist whose extradition was sought by both Israel and West Germany, France belies its recent threats to crack down on the plague of terrorism of which its own agents have been the victims. How would the French Government react if another nation were to casually release the terrorist Carlos who has murdered French citizens? The battle against terrorism cannot be effective unless all nations cooperate.

Beyond this, the French action is reprehensible because it diminishes the prospects for peace in the Middle East. If Israel is to withdraw from occupied territories as part of a peace agreement, thereby rendering itself more vulnerable to another Arab attack, it must have believable assurances from the nations of the world that they will guarantee the inviolability of whatever borders are agreed to within the framework of such a settlement. When France violates its own treaty with Israel as well as accepted standards of international justice and morality, it is hardly likely to reassure Israel that it can rely on the kind of subsequent commitments that will necessarily have to be part of any future agreement between Israel and the Arabs.

Unfortunately, France appears to care more about its blatant campaign to curry favor with the Arabs than its international reputation for independence and integrity. The French now have bids on several enormous projects in Egypt and Saudi Arabia. The irony is that France does not appear to have been any more successful in obtaining such contracts than West Germany and other European nations which have not found it necessary to abuse themselves before the Arabs.

What is at stake here is not merely the interest of Israel in bringing to justice those responsible for the murder

of its citizens but also the ability of the entire international community effectively to curb the scourge of terrorism. Without the cooperation of all nations, no nation can assure its citizens of their safety. France, by its craven capitulation to the terrorists, has not only forfeited its claim to national respect, but has also dealt a severe blow to the cause of international tranquility. .

The ancient shibboleth of the French Revolution which has inspired thousands may have to be amended to read liberty–equality–fraternity–terrorism.

STREAMLINING WELFARE PROGRAMS

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mrs. KEYS. Mr. Speaker, my colleague, Mr. FRASER, has written a superb article for the Washington Post on the streamlining of our welfare system. With the Congress facing the problem of sorting out the many issues involved in welfare reform, I highly recommend Mr. FRASER'S concise analysis of the present problems and some proposed solutions:

STREAMLINING WELFARE PROGRAMS

(By Donald M. Fraser)

Mr. H. was angry.

"Uncle Sam, keep your lousy raise," he wrote. "I am much better off without it!"

The irate constituent, a 56-year-old disabled construction worker, explained that his problems started in July when his social security disability benefits increased by $14 a month. "First, they took away my Medicaid, then the price of food stamps went up, and also my rent in the high-rise. The final blow came when my veteran's pension was cut.

"They took away the increase and much more!"

Mrs. S., a 67-year-old widow, used less harsh terms when she wrote to complain about the same problem. "I had to get recertified for food stamps in May," she explained. "I was told: 'You'll be getting an increase in your social security in July, so we will have to raise the cost of the food stamps by $5.' Then a letter came to reduce my [state welfare] supplement by $2.10. Then a letter from the housing authority raising my rent by $2."

"So after a social security raise of $12.20, I came out with a $3.10 'profit.' Sometimes you wonder just who is getting the increase!"

Mr. H. and Mrs. S. are two of the millions of Americans caught up in the complex interactions of a vast array of federal programs providing cash payments and "in-kind" services for those with special needs. Because they receive assistance from multiple sources, these people often find that an increase in benefits from one program triggers reductions and/or loss of aid from other sources. Mr. H. and Mrs. S. receive their main source of income from social security. Their other benefits are "income tested," meaning that eligibility is contingent on limited income and assets. As their income rises, these benefits are reduced and eventually eliminated.

The lives of these two recipients are not as complicated as some. The Federal Council on the Aging in its 1975 report determined that the federal government funds 34 separate programs that directly aid older people. These programs, the council reported, are characterized by "administrative complexity and expense; inequalities in the distribution of benefits and requirements for eligibility, and confusion among potential recipients."

"The situation has been made even more complicated and confusing," the council added, "by the tangled mix of benefits which include cash, food, housing and medical care as well as a long list of services."

A SPRAWL OF PROGRAMS

The study was limited to aid for the elderly, but the same fragmentation affects benefits for all age groups. A recent Library of Congress report listed 55 separate programs providing government payments of cash or services to various groups of people with limited incomes.

These 55 programs have grown haphazardly over the years. Programs have been piled on top of programs with little regard for uniformity or equity.

A landmark congressional study of the welfare system, directed by former Rep. Martha Griffiths, looked at the causes of this chaotic development and found:

"Our income security programs are shaped by at least 21 committees of the Congress and by 50 state legislatures, by six Cabinet departments and three federal agencies, by 54 state and territorial welfare agencies and by more than 1,500 county welfare departments, by the U.S. Supreme Court and by many lesser courts.

"Each of the congressional committees typically deals only with its own subject area, although changes in one benefit program, such as cash welfare or social security, commonly affect another, such as food stamps or veterans' pensions. Because of the categorical nature of the 'system' and the restricted viewpoint of the executive agencies and congressional committees, attempts to remedy one program tend to create another."

In an effort to cut through the "tangled mix" of federal programs, Martha Griffiths and others have proposed building a national welfare system around a uniform, federally administered program that provides a minimum income for those who cannot support themselves for one reason or another. Under this approach, the state-administered Aid to Families with Dependent Children (AFDC) program would be eliminated. Certain non-cash benefits such as food stamps, housing assistance and social services would be "cashed out." Recipients would get the full or partial cash value of these various "in-kind" benefits.

This approach brings uniformity and administrative simplicity to the current fragmented welfare system, but it also raises some difficult fiscal and political problems.

VARYING STATE STANDARDS

To begin with, current benefit levels vary greatly from one state to another. In Minnesota, for example, a family of four can receive the cash equivalent of roughly $7,000 a year in various welfare benefits, while the same family in Alabama or Mississippi can receive only about half as much in benefits.

If Minnesota's standard is adopted for the entire country on a cash basis, the cost to the federal government would be in excess of $120 billion a year.

Some will argue, of course, that Minnesota's standard is too generous. They will maintain that the federal government should set a lower standard and permit states like Minnesota to supplement the federal benefit with state funds if they choose to do so. But that would require a complicated two-tier system of federal and state benefits.

"Cashing out," moreover, poses some broad policy questions: How do we determine what the federal benefit level should be? Do we merely calculate the average benefit now being paid by the various states and set the national benefit at that level? What about regional variations in the cost of living? And, finally, how much more federal money can we afford to devote to income maintenance?

When we start looking for the answers, we run into the realities of congressional politics. Welfare reform is a relatively simple political issue for representatives from the smaller states with low benefit levels. Any new federal program which replaces AFDC is likely to mean a reduction in state spending and at least a slight increase in benefits for recipients. But House and Senate members from the larger states, particularly those in the Northeast, will find that welfare reform does little to help their recipients or to lighten their states' financial load unless substantial new federal money is injected into the system.

How can we ease the fiscal pressures facing the high-benefit states at a time when voters are clamoring for a cleanup of the welfare "mess" and a tight federal budget permits little in the way of new initiatives? Obviously, this central question will not be answered easily or quickly by political decision-makers.

NEEDED: A POLICY

While we are looking at the "tangled mix" of federal benefits, we need to keep in mind that federalizing AFDC and "cashing out" the "in-kind" benefits represent only one approach to the issue of welfare reform.

Some have proposed that we leave the current programs in place and concentrate instead on helping the needy by giving them jobs and tax credits. Many welfare experts advocate a "three-track" system which deals in different ways with those who can work but are unemployed, those who are working but at low-paying jobs, and those who are unable to work outside the home. Under this plan, public jobs would be found for the able-bodied in the public sector if no jobs could be found for them in the private sector. These people could obtain benefits at least temporarily through the unemployment compensation system if they could find work in neither the public nor the private sectors. The working poor would be aided through the tax system by expanding the earned income credit now providing a kind of negative income tax for those earning less than $8,000 a year. Welfare would be retained for the eldery, the disabled and single parents with small children at home.

Congress and the Carter administration will have to explore the various approaches to welfare reform and develop a plan that is humane, cost-effective, administratively efficient and politically stable. Obviously, this is not a task that can be completed in the first hundred days of any new administration or Congress.

Our first task will be to develop a framework within which the work of welfare reform can go forward. We will have to look at the broad policy questions: What are we trying to accomplish through the welfare system? How do we deal with the needs of the working poor? How do we divide our resources between this group and the unemployed? What kinds of work requirements and work incentives do we build into the system? Which "in-kind" programs should be "cashed out?"

A ROLE FOR CONGRESS

As we look for the answers, we many find that the solution to the welfare "problem" does not lie in major new federal initiatives. Rather, we may find that current programs can be adjusted to function more adequately within a coherent, integrated framework.

Congress has contribued in large part to the fragmented development of existing programs, as the Griffiths study notes. With 21 committees in the House and Senate each

shaping its own legislation, it's understandable that a more integrated welfare policy has not emerged from Congress.

Clearly, any major welfare reorganization effort will need the active support of the administration if it is to succeed. President-elect Carter has indicated strong support for the goal of welfare reform and is likely to send a legislative package to Capitol Hill sometime this year.

But Congress need not wait for the administration to prepare the legislative blueprints. There are steps the legislative branch can take early in the new session to overcome structural roadblocks to comprehensive policy-making. New rules in the House, for example, enable the Speaker to establish temporary committees to handle those issues that cut across existing committee jurisdictions. This procedure might be used to deal with the question of welfare reform. Members of a Temporary Committee on Welfare Reorganization could come from Ways and Means, Agriculture, Veterans' Affairs and other House units with jurisdiction over the various cash and "in-kind" benefit programs.

This committee, working together with the administration, could begin the task of national goal-setting that must proceed before we can start overhauling programmatic machinery. The committee could spend the early months of the new session examining the current programs and formulating an approach to those broad issues that Congress has not been able to address because of jurisdictional fragmentation. The new House unit could then begin developing reorganization proposals that the 95th Congress could consider and act upon during its second session. Given the timetable required by the Congressional Budget Act, these proposals, if adopted, probably could not take effect until the fiscal year beginning Oct. 1, 1978.

SOME INTERIM STEPS

Major welfare reorganization may be at least two years away, but there are interim steps that Congress can and should take. In the short run, the new House Welfare Committee could deal with certain program interaction issues that cause such problems for recipients and administrators.

For example, the Committee could examine the impact of the automatic cost-of-living increases built into the social security and supplemental security income (SSI) programs for the elderly, blind and disabled. These yearly increases have caused many recipients to lose other benefits, since eligibility standards for food stamps, Medicaid and other "in-kind" benefits have not been adjusted at the same time that social security and SSI payments have risen. More standardized eligibility limits, adjusted for increases in the cost of living, could help resolve this interaction problem.

The committee might also examine the automatic linkage between certain cash and "in-kind" benefits. Currently, an AFDC recipient is automatically eligible to receive Medicaid while his or her nextdoor neighbor, who is not a recipient but whose income is the same, may not be eligible for this "in-kind" benefit. The same linkage exists between the cash grant programs and food stamps. These arrangements clearly discriminate against those of the working poor who do not receive cash benefits. The automatic linkages could be eliminated by making all people at the same income level eligible for the same benefits, regardless of income source.

Streamlining the fragmented welfare system will not be an easy task, but it is a task that should not be put off. By developing a coherent policy framework within which the federal programs can operate and by helping to make these programs mesh more smoothly, we can lay the groundwork for a more integrated national income maintenance system. In doing so, moreover, we can deal in a tangible way with the very real problems that confront Mr. H., Mrs. S., and millions like them.

THE COMMUNITY SALUTES CHARLES F. CRAWFORD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. ANDERSON of California. Mr. Speaker, the winner of the combined San Pedro Lions Clubs' Annual Community Recognition Award must be a very special person. Mr. Charles F. Crawford, who will receive this honor on January 27, 1977, certainly qualifies under that description.

Born in Iowa in 1904, Charles Crawford moved to Tustin, Calif., at the age of 2. Married in 1924 to his lovely bride, Grace, he moved to San Pedro in October of 1936.

Charles Crawford—or Charlie, as he is known to his many friends in the Los Angeles Harbor area—worked for a time as a waterfront reporter for the Long Beach Press Telegram. On December 8, 1941, the day that the United States entered World War II, Charlie joined the staff of the Los Angeles Times. From his original position as a waterfront reporter, Mr. Crawford later became marine editor for that paper until his retirement in 1969.

During World War II, Charles Crawford took over Boy Scout Troop 207 at Leland Street School in San Pedro, and held all troop meetings in his home. In addition, during this period he served as official photographer for the Standard Shipbuilding Co., ran a weekly newspaper in Newport Beach, and tried to care for an orange ranch he owned in Tustin—quite a busy schedule for any man.

In early 1942 Charles Crawford became district chairman of camping activities for the Boy Scouts in the South Bay area. He and his son, Richard, were the first harbor area residents to receive the "Order of the Arrow," a national campaign group whose membership is open by invitation only. He demonstrated his considerable expertise in camping by taking a group of Boy Scouts for a week in the mountains that year, returning with three cracked ribs to prove it.

An avid outdoorsman and conservationist, Charlie joined the Izaac Walton League in 1950 and has been an active member ever since. He took part in the first fish plants in California's Salton Sea by helping the California Department of Fish and Game capture fish in the Gulf of California and transporting them to the desert salt lake. These efforts have resulted in a unique, inland saltwater sportfishing paradise located in the middle of a desert.

Charles Crawford's activities as a journalist, Scout leader, Parent-Teacher Association member, and conservationist alone would qualify him for an award from a grateful community. However, in 1957 he began a drive that resulted in a unique gift to his area.

After speaking to osteopathic doctors Crawford was told that it would be "impossible" to get the Hill-Burton Fund to give financial backing to a hospital in the South Bay area since San Pedro was campaigning for a new hospital at the same time. Drawing on his vast experience as a journalist, Charles began a 3-year publicity blitz in order to fill the need he saw in his community.

Thirty-one newspapers published his articles and photographs during that time, documenting the need for a new medical facility. Working up to 18 hours a day, Charles Crawford raised funds for the facility. Finally, as a result of his monumental efforts, Hill-Burton granted $594,000 to establish the Bay Harbor Hospital. Besides the resources needed for property and furnishings, an additional $350,000 still had to be raised—a task that Crawford worked on with typical gusto. Today, he still sits on the hospital's board of directors, heading up public relations for the facility.

Mr. Speaker, the South Bay and harbor areas seem to be the kind of community that fosters involvement and outstanding citizens. Charles Crawford is a perfect example. At the age of 72, he keeps up a pace that makes his retired status a joke among his many friends. National director of the Izaac Walton League of America, he donates his efforts and services to the Bay Harbor Hospital, the Boys' Club, the Retarded Children's Foundation—whose publicity campaigns he developed—and other local community activities too numerous to list here. In addition, he developed the harbor area hunter safety program with instructors from the Izaac Walton League, which has helped make hunting safer and more enjoyable for many. As a member of the national executive board of the Izaac Walton League of America, he is one of nine elected officials of the 60,000 member organization.

I can think of few people who deserve the combined San Pedro Lions Club Community Recognition Award as richly as does Charles F. Crawford, and I would like to take this opportunity to commend him for his many outstanding achievements and good deeds. His lovely wife, Grace, and their son, Richard, must be very proud of the honor he will soon receive.

CAPITULATION TO INTERNATIONAL TERRORISM

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. EILBERG. Mr. Speaker, today I sent the following telegram to the President of the United States:

DEAR MR. PRESIDENT: The release of Abu Daoud by the French Government was a cowardly capitulation to international terrorism.

The United States must make it clear through its statements and action that it condemns France's decision without any reservation.

Unless the free countries of the world make it clear to all terrorists that they will not give in to their demands nor retreat in the face of their threats these international

criminals will eventually control all of our actions.

For these reasons I ask that you recall our Ambassador to Paris as a sign of our total disagreement with action of the French Government.

PROHIBIT LAMEDUCK TRAVEL

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. MICHEL. Mr. Speaker, there can be no doubt that many citizens look upon the Congress with something less than admiration. A recent poll taken by Potomac Associates, shows that in a list of 18 public and private institutions, the "Federal Legislature" ranks 11th insofar as public confidence and trust are concerned. I hasten to add that even this ranking should give no comfort to us. Among Government officials generally we ranked 14th. We did just manage to edge out the CIA and labor unions for rock bottom but not by much.

Taxpayers are, quite bluntly, fed up with the pomp and circumstance and, quite often, nonsense, that passes for efficient government in Washington. They are particularly angry—and quite correctly in my view—over those little comforts and "perks" and psychic rewards with which we console ourselves from time to time. Among such, none appears to rankle more than the time-honored custom of defeated or retiring Congressmen traveling overseas at taxpayers expense after their defeat or retirement announcement.

While I have no doubt that these trips can be solemnly defended as being absolutely necessary to the safety of the Republic and that ingenious arguments can be constructed demonstrating that the fate of the Western World depends upon defeated Congressman Smith or Jones flying first class to Paris or Tokyo, the taxpayers are simply not listening to those arguments any longer. They want nothing less than lasting results for their hard-earned tax dollars. They most certainly do not see any lasting results emerging from lameduck overseas travels except perhaps to provide at great public expense, a store of happy memories for the defeated official.

I am, therefore, today reintroducing my bill to "prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned or retired."

It is my hope that this bill will be looked upon by the Members not as a blanket condemnation of foreign travel on the part of Congressmen. I support the right and, indeed, the duty of Congressmen, at the proper time, traveling abroad at taxpayers expense for purposes relevant to public business. What I am attempting to do here is simply ratify what I believe is the consensus here and in the Nation. We have the duty to put our own House in order. Let us put an end to lameduck overseas journeys at taxpayers expense. It is sensible and desirable reform, long overdue.

The text of my bill follows:

H.R. —

A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no part of any appropriation and no local currency owned by the United States shall be available for payment of any expenses, nor shall transportation be provided by the United States, in connection with travel outside the fifty States (including the District of Columbia) of the United States of—

(1) any Delegate, Resident Commissioner, or Member of either House of Congress after he has been defeated as a candidate for nomination, or election, to a seat in the House of Representatives or Senate of the United States in any primary or regular election until such time as he shall thereafter again become a Member of Congress; or

(2) any Delegate, Resident Commissioner, or Member of either House of Congress after the adjournment sine die of the last session of a Congress if he is not a candidate for reelection in the next Congress.

SEC. 2. The first section of this Act shall not apply with respect to any Delegate, Resident Commissioner, or Member of Congress where a concurrent resolution passed by Congress so exempts that individual, or, with respect to utilization of Federal funds provided by law for round trip travel of such Delegate or Resident Commissioner between the District of Columbia and the district which he represents.

AMERICANS SHOULD BE THANKFUL

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. McCLORY. Mr. Speaker, although the 94th Congress adjourned before last Thanksgiving Day, I wish to recall one meaningful Thanksgiving statement which appeared in the November 29, 1976, issue of U.S. News & World Report composed by Howard Flieger.

His Thanksgiving message is an appropriate reminder to all Americans which is applicable every day of the year.

Mr. Speaker, as we open this new Congress it would seem most appropriate to recall the strengths and virtues which characterize our great country—to give thanks for those—and to honor and respect the characteristics of our American system which have led us to our important position in the world today and upon which we must rely as we move forward toward even greater heights in the years ahead.

Mr. Speaker, Howard Flieger's editorial, "Thanks, Thanksgiving," follows:

THANKS, THANKSGIVING

(By Howard Flieger)

A friend complained the other day that, with the passage of time, it is more and more difficult for him to find anything about this country for which to be thankful.

The trouble with him, as with many others, is that he has stopped looking.

There is so much in this country to merit thanksgiving that some people can't see the forest for the trees.

The American economic system—basically free enterprise—has its faults, of course. But it still is the best and strongest in the world, all things considered.

Our profit-motivated way of doing things won out over the various forms of socialism long ago. It never was much of a contest. When it comes to efficiency in producing and distributing goods and services for people, there just is no comparison.

Things are available to Americans in an abundance and variety undreamed of in other parts of the world.

True, prices are high by past standards, but remember that personal incomes continue to keep ahead of the rate of inflation.

True, unemployment is a serious and unsolved problem, but don't forget there are more Americans with jobs than ever before.

There are more than ever, too, living in comfortable retirement; and more who are able to retire early if they choose.

Ability and talent are so commonplace in this country that most of us take them for granted. It didn't create much of a splash when Americans made a clean sweep of the Nobel Prizes this year. Still, it was the first time ever that one country won all the awards.

Poll after poll shows much criticism of U.S. capitalism, but only a vague understanding of how it really works.

Most Americans are capitalists—they are buying homes, investing in insurance or other savings, devoting time, energy and enterprise directly or indirectly to making a personal profit—though they don't think of themselves as capitalists, and they are suspicious of the profits of business.

Yet, profit is what makes the system work. And the system fills the wants and needs of people better than any other anywhere. Communism, for example, has been trying to catch up with the American standard of living for more than half a century, and it hasn't even come close.

Ask yourself this:

If the United States is such a bad bet for the future, why did foreigners invest nearly 27 billion dollars of their own money in American enterprises last year? That is three times more than they sent over here a decade ago.

Sometimes it takes the observations of visitors from abroad to remind people what an impressive place this is.

A European banker, for example, remarked to an American acquaintance the other day:

"American children are better brought up than the well-to-do in Europe. Here they learn to do things with their hands. They aren't ashamed to get them dirty taking cars apart, building a cabin in the woods or laying out a vegetable garden."

The wife of a foreign diplomat:

"Americans are so law-abiding. Driving to the airport at five in the morning recently I noticed cars stopped at red lights waiting for the signal to change even though there was no cross traffic. At home, we'd never do that with no cars coming."

And from another visitor:

"You people are so friendly, ready to smile and help. There aren't many places around the world where this is true."

Such remarks deserve the attention of those who despair of Thanksgiving. They explain why so many Americans return from a thoroughly enjoyed trip abroad, recount their travels with enthusiasm, they say:

"It's good to be back home."

BIRTHDAY OF DR. MARTIN LUTHER KING

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. GILMAN. Mr. Speaker, I welcome this opportunity for commemorating the

birthday of Dr. Martin Luther King, a man whose courage and conviction remain with us today, even 9 years after his untimely and tragic death in April of 1968.

Dr. King is a national hero in no commonsense of the word. While the concept of a hero as the man of bravery and valor has been with Americans since the conception of our Nation hundreds of years ago, there is a distinct difference between the traditional American hero and Dr. King. Americans have had to use force throughout their history, and oftentimes bravery has been equated with some form of violence. And those who were considered heroic have been those who were best equipped to kill—the pioneers who struggled against the rugged elements of the frontiers, and who managed to overcome threats posed by Indians, natural disasters, and the wilderness. Our soldiers have been held up as paradigms of bravery for all Americans; their battlefield sacrifices having been lauded and recorded throughout our history.

Dr. King is a hero in the true sense, but his heroism is of a distinct and different kind. Martin Luther King struggled against all of the violent instincts of man. He lived his life with the knowledge and certainty that nonviolence is a superior force, that nonviolence in all aspects of one's life insures a humanity which transcends the ordinary man and which summons up our finest qualities. Dr. King, in all that he sought and accomplished, maintained, as did Ghandi and the American, Henry David Thoreau, before him, that passivity and pacificism are not to be equated with cowardice and ineffectiveness, but rather, that these qualities are to be developed and utilized with the knowledge that nonviolence is far stronger and far more human than brutality and unrestricted force.

For his beliefs, Dr. King was jailed and he was ridiculed for the concern and compassion that made him a leader not only of black people, but of all Americans on the long road to equality. His dreams and ambitions parallel the American dream, and indeed, have become part of the American dream: That all men and women, regardless of color or creed, regardless of sex or economic background, have the privilege and right to aspire to all that America is capable of giving: spiritually, humanistically, and materially.

Dr. King is not only an American hero, he is an American martyr who gave his life so that others might benefit from his beliefs and actions. Our gratitude to our Nation's heroes is great, but our debt to our martyrs is far greater. Martin Luther King reawakened in all Americans the compassion for the less fortunate, the downtrodden, for those to whom life proved, not a blessing, but a burden. Our debt to him demands more than a simple reawakening, but a firm, staunch course of action, complemented by a spirituality which has for too long a period been secondary.

If Dr. King were still alive today, I believe he would remind, in his gentle, nonviolent, and magnetic way, that we, the Members of the 95th Congress, rededicate ourselves to the basic tenets of the Bill of Rights, to the sentiments set forth so eloquently in the Declaration of Independence. He would prod the legislators of this Nation to be constantly aware of the children who go to bed each night cold and hungry, of the thousands of old Americans who waste away in neglect, of the millions of the poor and jobless who view life with a sense of despondency and hopelessness. And he would pray that we would act in their behalf to provide all of our people with the opportunities which belong to all Americans.

I urge my colleagues to join with me in offering our respects and tributes to Dr. Martin Luther King on this anniversary of his birth.

TAX CREDIT FOR TENANTS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 13, 1977

Mr. FISHER. Mr. Speaker, today I am reintroducing a bill I offered during the last session to provide a tax credit for renters, who under current law are not permitted to deduct on their Federal income tax the amount of local real estate taxes they pay as part of their rent.

My bill would provide a credit against Federal income tax of 5 percent of annual rent, up to $75 for a married couple filing jointly—$37.50 each if they file separately—and $50 for single taxpayers. This would apply to persons who rent their principal residence for 8 months out of any year under a genuine rental agreement.

A large and growing segment of our population rents its residence. In 1970, 37 percent of all Americans rented their residences, 42 percent in the Northeast. In Arlington County in my district more than 65 percent of all occupied residential units are rental dwellings.

Under present law a homeowner may deduct on his Federal income tax the amount of real estate taxes paid to his county or city of residence. No such tax deduction is available to the renter even though the taxes are paid as a part of the monthly rent check. My bill seeks to correct this inequity.

The way it would operate is simple. Once the total amount of Federal income tax has been computed, the amount owed would be reduced by up to $75 for a married couple who file jointly or $50 for a single taxpayer—$37.50 for married taxpayers filing separately—providing a direct savings to the renter. The proposal is intended to be simple and understandable to insure its wide use. It does not require the calculation of actual real estate taxes paid as a part of the rent but establishes a uniform dollar figure and gives the taxpayer a direct credit. A plan similar in form is now in effect in the State of California. The use of the device of a tax credit rather than the more customary tax deduction insures that those renters who take the standard deduction on their Federal tax returns rather than itemizing their deductions will still benefit under my bill. For example, a renter earning $15,000 per year and filing as a single taxpayer would remain eligible for the full $2,400 standard deduction and would be eligible for the $50 tax credit as well. This combination of tax credit and standard deduction is an effort to place renters in roughly the same position as homeowners under our Federal tax laws. The use of a tax credit rather than a tax deduction has the further advantage of providing a larger relative tax benefit to lower income families and individuals.

I recognize the fact that this proposal is a major change in Federal tax laws which have historically put renters at a disadvantage. A measure of the impact of this change is that the staff of the Joint Committee on Internal Revenue Taxation estimates the revenue loss from my proposal to be $1.7 billion. With increasing numbers of Americans choosing the efficiency and relative convenience of apartment living I believe we must reexamine the policies of our tax laws. I hope my bill will serve as a basis for that reexamination.

I shall make every effort to urge the Ways and Means Committee, on which I serve, to begin deliberations as soon as possible.

SENATE—*Friday, January 14, 1977*

The Senate met at 12 o'clock meridian and was called to order by Hon. DENNIS DECONCINI, a Senator from the State of Arizona.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, whose glory is revealed in the Earth, the sky, the sea, and in the works of man, we praise Thee for Thy goodness to us and to the Nation we serve. In these days of transition help us with discretion to forget some things and with appreciation to remember other things. Give us grace to shed the destructive debris of the past and to grasp the affirmations which give strength for the future. Grant us grace to forget some failures, some mistakes, some moments of bad judgment or unwise decision. Help us to remember the wise action, the sound judgment, the hour of selfless service, the generous deed and the kindly act. Spare us from harboring memories of what cannot be corrected but help us to remember the things rightly done. Keep us from lugging into the future any lingering resentment, unforgiven hostility, or chronic ill will. As Thou dost forgive, help us to be forgiving. Endow us with the strength, the wisdom, and the grace which comes from above, that we may reflect that faith, hope, and charity which endures forever.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., January 14, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DENNIS DECONCINI, a Senator from the State of Arizona, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. DECONCINI thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, January 12, 1977, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DRAW THE LINE NOW

Mr. ROBERT C. BYRD. Mr. President, I was chagrined, as were millions of thoughtful people around the world, that the French authorities this week released a suspected international terrorist after only a perfunctory hearing. Regardless of one's position concerning the Middle East conflict, the nonchalance exhibited by the police officials in Paris is disturbing. Even if Western nations are unwilling to jeopardize their relations with certain oil-producing countries, acquiescence to terrorism by any country is an invitation for terrorists to strike at any place and for any cause.

In the last 5 years alone, scores of people have been murdered through blind terrorist activity. Tourists, diplomats, hotel guests, and businessmen have lost their lives. Hundreds have been subjected to kidnapings while traveling on planes and trains. Letter bombs have permanently maimed secretaries, and grenades have blinded, crippled, and killed children.

It is now conceivable that some insane terrorist organization could make and detonate a nuclear device with little difficulty even in the heart of New York City. The plans and material for such a weapon are readily available; all that remains to be assembled is the audacity.

Any nation that deals lightly with terrorists is itself flirting with tragedy. The events that occurred with obvious impunity in Munich in 1972 can just as easily happen in Chicago today and even in Paris tomorrow.

Unfortunately, we are living in an era in which savage ideologies are being romanticized beyond the point of logic. Many countries have just claims against their neighbors; some nations have bandaged radically different groups of people into unwilling political unions. In the name of fanatical devotion to some self-conceived higher principle, dozens of groups with a warped sense of mission have launched deadly attacks on innocent human beings.

For centuries, men of good will in the East and West have sought to inspire men and nations to exercise self-control and patience in resolving conflicts. Technology and the times have now united, however, to make whole populations vulnerable to the attacks of zealots and outlaw nations.

Civilized governments must find the courage to act decisively against terrorists, whatever their motivation. Even those governments that might sympathize with individual terrorists would do well to consider that their own populations are just as open to senseless attack as any other.

In the late 1960's and early 1970's, the United States experienced a rash of airplane highjackings. In 1972, this country introduced extensive security measures at U.S. airports to curb such behavior. In the 4 subsequent years, there has been only one successful act of air piracy in this country. Diligence and determination have probably saved many lives and have definitely prevented hours of mental torture for millions of air passengers.

Mr. President, the time has come for a like determination to take hold in other nations with regard to terrorism and terrorists. I suggest that our own Government continue to press for far-reaching and inclusive international agreements that will render terrorism less likely to go unpunished. I hope that each nation will mete out swift, severe, and certain justice to those who threaten or commit acts of terrorism. Moreover, I hope that all temptations by journalists and other writers to lend glamour to terrorists will cease. In such ways, possibly we can stifle the atmosphere that has made terrorism an appealing tactic for a few, and made heroes out of terrorists in some quarters.

The ACTING PRESIDENT pro tempore. Does the Senator from Tennessee seek recognition?

LEADERSHIP MEETING AT THE WHITE HOUSE

Mr. BAKER. Mr. President, briefly, I must report to the Senate this morning that it was my privilege to attend a White House meeting of the joint leadership of the House and Senate, at a breakfast with the President of the United States.

The President asked us to be his guests on that occasion as it was probably the last leadership meeting at the White House with this President, at least for this term of office.

May I report to the Senate that the meeting was a cordial and friendly one in which all Members present from the leadership on both sides of the aisle expressed their appreciation to the President for his devoted service to the country and his diligent effort on its behalf in the course of his tenure in office.

May I now, Mr. President, express my appreciation to him for giving us the opportunity to be with him on this occasion.

If I may have the attention of the majority leader for a moment, I would hope that we might arrange a time, say on Tuesday, when those of us on both sides of the aisle who wish to make further remarks about the President and his administration might be allocated time to do so.

I wonder if the majority leader could give some consideration to such a proposal.

Mr. ROBERT C. BYRD. Certainly. How much time does the Republican leader have in mind?

Mr. BAKER. Mr. President, I would hope that we might allocate 2 hours, possibly 1 hour under the control of the majority leader and 1 hour under the control of the minority leader for that purpose.

Mr. ROBERT C. BYRD. Certainly.

ORDER DESIGNATING PERIOD FOR TRIBUTES TO THE PRESIDENT ON TUESDAY, JANUARY 18, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks by Vice President ROCKEFELLER on Tuesday next, and any comments in response to the Vice President's remarks, which should not exceed more than 30 minutes, that there then ensue a period of not to exceed 2 hours to be equally divided between the distinguished Republican leader and myself for the purpose outlined by the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the majority leader for his consideration in that respect.

ORDER OF PROCEDURE ON TUESDAY NEXT

Mr. BAKER. I have one other request, Mr. President, that I would like to suggest to the majority leader, if I may. I have a request from the distinguished senior Senator from Oregon for 15 minutes for a special order presentation to the Senate on Tuesday next. I wonder if that can be worked into the majority leader's schedule on that day.

Mr. ROBERT C. BYRD. Would the Republican leader feel that this is a 15-minute order that should precede the 2 hours that have been referred to?

Mr. BAKER. Yes; I would hope for, say, 1:45 to 2 o'clock for this time slot for the Senator from Oregon, 15 minutes before the remarks of the Vice President.

Mr. ROBERT C. BYRD. I do not believe we are coming in until 2 o'clock.

Mr. BAKER. That is right. Well, let us see what the schedule on Tuesday is.

Mr. ROBERT C. BYRD. After the two leaders, Mr. TALMADGE has 15 minutes. Then the Vice President has not to exceed 30 minutes. At the moment, the 2 hours then ensue.

Mr. BAKER. I wonder if the majority leader might consider convening the Senate, say, at 1:45 instead of 2 o'clock so we can accommodate this purpose.

Mr. ROBERT C. BYRD. It would be perfectly agreeable with me.

Mr. BAKER. I thank the majority leader.

I ask unanimous consent, then, that the Senate convene on Tuesday next at 1:45 instead of 2 o'clock and, in keeping with the previous orders, that the senior Senator from Oregon be recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Will the distinguished Republican leader allow me to make that request, in view of the fact that it concerns the convening of the Senate?

Mr. BAKER. Yes.

ORDER FOR ADJOURNMENT UNTIL 1:45 P.M., ON TUESDAY, JANUARY 18, 1977, AND FOR RECOGNITION OF SENATOR HATFIELD ON TUESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Friday, it stand in adjournment until the hour of 1:45 p.m. on Tuesday next and that, after the order for the recognition of Mr. TALMADGE, which has previously been entered, and prior to the order for the recognition of the Vice President (Mr. ROCKEFELLER), Mr. HATFIELD be recognized for not to exceed 15 minutes.

Mr. HELMS. Mr. President, reserving the right to object, and I hope it will not be necessary to object, would the distinguished Senator just add to his request that this will have no effect on the resolution of the Senator from North Carolina and consideration thereof?

Mr. ROBERT C. BYRD. Well, under the Senate rules, the request for the 2 hours which we have already entered would, indeed, have an impact on the resolution, on any resolutions coming over under the rules, because more than 2 hours would have been consumed by that time. We are talking about Tuesday. It would not have any effect on today or on Wednesday, thus far. We have said nothing about Wednesday that would have any effect on any resolution coming over.

Mr. HELMS. So the standing of the resolution referred to would not be affected as of the day that it would normally come up?

Mr. ROBERT C. BYRD. It would be affected on Tuesday, because, in order for a resolution to come over under the rules, it must come over during the first 2 hours of the session.

Mr. HELMS. I understand.

Mr. ROBERT C. BYRD. More than the first 2 hours will have been consumed by the order already entered into today as far as Tuesday is concerned.

Mr. HELMS. But it would not prejudice the resolution's consideration as to Wednesday?

Mr. ROBERT C. BYRD. Oh, no.

Mr. HELMS. Very well, I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the majority leader for that accommodation, and I thank the Senator from North Carolina for his forbearance in that respect.

Mr. President, I reserve the remainder of my time under the standing order.

AUTHORIZATION FOR COMMITTEE ON RULES AND ADMINISTRATION TO MEET DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, we have two standing orders that have been entered into. I do not want to impose on Mr. SPARKMAN who, I believe, has the first of those orders. I would, however, like to yield very briefly to Mr. CANNON for a unanimous consent request, after which I yield the floor to Mr. SPARKMAN.

Mr. CANNON. Mr. President, I ask unanimous consent, notwithstanding the provisions of Senate Rule 40 and provisions of Senate Resolution 9 of the 94th Congress, that the Committee on Rules and Administration be authorized to meet in closed session for the drafting of Senate Resolution 4, to reorganize the Senate Comimttee System, if so determined by a vote of the committee.

I make this request for two reasons: First, this is strictly a housekeeping proposal: and second, the Rules Committee is under a deadline to report back to the Senate no later than next Wednesday, January 19.

The ACTING PRESIDENT pro tempore. Is there objection?

If there is no objection, it is so ordered.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, pursuant to the provisions of Senate Resolution 400, appoints the Senator from Maryland (Mr. MATHIAS) to the Senate Select Committee on Intelligence, in lieu of the Senator from Tennessee (Mr. BAKER).

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Alabama (Mr. SPARKMAN) is recognized for not to exceed 15 minutes.

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. Mr. President, I ask unanimous consent that, during this 15 minutes, when we are going to pay our respects to Carl A. Coan, the following staff members of that subcommittee be admitted: Bob Malakoff, Jerry Buckley, Tony Brooks, Bill Weber, Jo Ann Barefoot, Jim Schuyler, and Carolyn Jordan.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CARL A. COAN

Mr. SPARKMAN. Mr. President, on December 21, 1976, Carl A. S. Coan, staff director of the Subcommittee on Housing and Urban Affairs over the past 15 years, unexpectedly passed away.

Many of you knew Carl as the Senate's housing expert. He was that. His knowledge of housing law and housing programs was encyclopedic. And he was always ready to help Members and staff of this body, regardless of their partisan position, with legislative problems.

Carl had the ability to make even the most complex issue understandable. And he had an extraordinary talent for bringing opposing viewpoints into agreement.

He was, to pay him that highest of compliments, a real "pro," a professional who was respected by other professionals. This was made apparent most recently during the brief period he was hospitalized. During those few days, the Housing Subcommittee office was flooded with calls of concern from all over the country—from public officials, from housing and banking executives, from university teachers and public interest leaders who work in the housing field.

But Carl was more than a "pro" with superb technical skills. He was a professional with a profound compassion for people, particularly those whose incomes are insufficient to meet their daily needs. He believed in the Housing Act of 1949, which declares that the general welfare and security of the Nation requires that every American have a decent home in a suitable living environment. He felt strongly that his job was to help make that goal a reality. And for almost two decades, he worked with unflagging enthusiasm to do that. And he made things happen.

He made them happen, I believe, because he was not simply a professional, nor even a professional with compassion for people, but because he was, in addition, a man of deep faith. It was faith—in God and in man—that drove and sustained his determination to improve life around him. It was this determination and faith that led him to push himself, but not to judge others. It was his faith that made him, and those who worked with him, always optimistic that solutions can be found if you work at it.

I cannot remember how many markups and conferences I have participated in with Carl at my side. I do not recall how many times his suggestions broke an impasse and paved the way for new legislation. But I know for certain that I will miss his wise counsel during the markups and conferences to come. And I know, without any question, that his legislative skills will be missed, not only by Members of the Senate, but by Members of the House as well.

Carl Coan was a doer as well as a dreamer. He was an expert on housing who saw the home and the family, and not the house, as the end goal. His contributions are many and lasting. He served the Congress and the people of this Nation well.

Mr. President, during the funeral service for Carl, the Reverend Charles Henry delivered a very moving homily about Carl. I ask unanimous consent that the homily be printed at this point in the RECORD.

There being no objection, the homily was ordered to be printed in the RECORD, as follows:

HOMILY: CARL COAN

(Given by the Reverend Charles Henry of Georgetown University Hospital)

St. Matthew describes Jesus on one occasion as going up a hill, addressing the crowd, and saying, "Blessed are those who mourn; they shall be comforted." We mourn the passing of Carl Coan today, but we are also comforted because Christ has promised that He will be that comfort. Even as we welcome the birth of Christ in this festive season, our usual joy is clouded by sorrow in the death

of our dear friend. And, as Jesus once again enters the world as a child—a symbol of hope—another departs this world and finds his hopes consummated in an eternal reward. In Carl's echelon of values, his faith was uppermost. If he believed that his passing could instill greater faith in God in those he loved, he would not hesitate to choose that course.

It was impossible to know Carl and not love and admire him at the same time. Yet, compliments like this embarrassed him. He was a kind of perfectionist, in a good sense. He wanted always to do his best in any serious undertaking. This was demonstrated so well at the University of Pennsylvania, which he attended in undergraduate years. He took up track and went on to earn high awards both as an individual—establishing records in the mile event—and as a member of a nationally renowned relay team. Carl had a profound, natural modesty. The cheers of sports enthusiasts rang hollow to him, and he early saw through the emptiness of public acclaim. In later years, engaged in the work of his calling, he was to serve, by choice, in relative obscurity. He gave the limelight to others who were more comfortable with it.

Carl won many sports awards at Pennsylvania, but his richest prize was not in sports at all. It was there that he met his dear wife, Flora, and married her. She has been his constant inspiration since that time and perhaps his most valuable personal, no less than professional, advisor.

Carl, for many years, was involved in government housing and urban development—both on a national and international level. Since 1961, Carl was Staff Director of the Senate Subcommittee on Housing and Urban Affairs, where he earned a great reputation as a leader in the field of housing and urban development. On March 5, 1973, the National Housing Conference paid tribute to Carl in awarding him its distinguished honors citation which describes Carl as "a wise counselor, a superb technician, a brilliant tactician, and a constant friend of American families with critical housing needs." In particular, Carl's interest and efforts were directed to providing low-cost housing for low- and moderate-income families. Many of the most forthright and imaginative bills and statements by Senate leaders on the subject of housing came from their lips, but were the ideas of Carl. He was a doer, rather than a talker. He was accustomed to rolling up his sleeves and doing the hard-core, nitty-gritty work.

On the international level, in an official capacity, he visited, observed, and helped housing planners in some 40 foreign countries.

Politics and government business have a habit of placing family life in jeopardy, but Carl Coan put his family first. He was a dedicated husband, father and grandfather. As a father, he is survived by five sons and three daughters. He took pride in having 31 grandchildren. The family knew him best and loved him for what he meant to them and what he gave them. And what he left them and what they still possess and treasure is a value system communicated more by the way he lived than by what he said. Disciplined, yet not stern; religious, but not narrowly bigoted; responsible in work; a lover of justice for all; considerate of others, he was a man of integrity. He was, as I heard someone remark about him, "a man for all seasons." Four sons paid Carl the compliment of entering work areas closely akin to that of their father, so important did he make the work appear to them.

How many times did I hear his beloved wife express her prayerful thanks to God for the 43 years of married life granted them. I spoke of the many trips taken by Carl. On almost every one of them, his wife accompanied him at his own, not at government, expense. Neither he nor his wife believed that long separations created a strong marriage.

I mentioned Carl's faith, and perhaps it is a good place to end our consideration of this good man. He was a devout Catholic and attended Mass daily. Truthfully, I met him and his wife in the context of the hospital chapel, where they participated frequently in the Eucharistic celebrations, since it was conveniently close to their home. On several occasions, Carl came back to the sacristy after Mass, and pointed out how interested he was in some point raised in my diminutive homily. It was evident that religion was not a mere convenience to him. He understood the close relation between understanding one's faith and living it. The highest, although not strictly denominational, values of his faith shone through in his work accomplishments. A man also of prayer, he was involved in a charismatic prayer group together with his wife, and both were "baptized in the Spirit", as they say, early this year.

I spoke before about the comfort which Christ at this season gives to assuage the pain of loss suffered by his family especially. Knowing the family, I realize that it is surely a sorrow coming from loss of Carl's presence. One family member spoke of the peaceful and almost satisfied look on Carl's face just after his death. How fitting it was. For one who thirsted after the living God, he now at length sees God as he really is. And Carl, could he speak today, would look at his family and friends and say to God what Christ spoke about His friends: "I wish that where I am, they also may be with me." God willing, that wish will somehow be fulfilled.

Mr. SPARKMAN. Mr. President, the following Senators, who are members of the Committee on Banking and the Housing Subcommittee, are not able to be here today, but each one has prepared his own remarks. I ask unanimous consent that they be printed in the RECORD in connection with the remarks that will be made: Senator TOWER, Senator BROOKE, Senator STEVENSON, Senator PACKWOOD, and Senator GARN.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR TOWER

I came into the Senate 16 years ago, in 1961, the same year that Carl Coan became Staff Director to the Senate Housing Subcommitte. I have always been on the Banking Committee, and for 16 years, I benefited from Carl's wisdom.

One might think that because I am a Republican and Carl was Staff Director for the Democrats, that we would always be at odds with each other on housing issues. There is no question we had differences, but, they were occasional and few. For while Carl had the title of Staff Director, I doubt if he gave that a second thought. Carl was not a person to be concerned about a title—he was a person who was concerned about providing decent housing for people.

And that purpose transcended any question of partisanship. It was not whether there should be a Republican or Democratic housing bill or program. The only question in Carl's mind was whether the program or bill would provide housing for not only Americans, but people all over the world.

Carl always stated that he had no pride in authorship when it came to writing housing legislation. Yet more housing legislation can be attributed to his hand than any person I know of today.

To produce legislation that eventually becomes law is an art—it just does not happen on its own. Carl was an artisan of the highest caliber. I must say that I do not think Senator Sparkman and I ever took a bill to the Floor together where any differences we might have had were not resolved in advance. And Senator Sparkman and I never took a bill to the Floor that failed to pass. And many times we passed billion dollar housing bills by voice vote.

I need not remind any of you that this is not a simple task. But I shall be the first to state that this was not the result of any oratorical powers that either Senator Sparkman or I possessed. It is simply a matter that if a bill is good, and if it is right, then very few, if any, will oppose it.

And it would be an understatement to say that but for the artisanship of Carl Coan, many of the housing laws we have today would never have passed the Senate. In the early stages of legislation, major differences would occur among the members. And I know every time Carl talked to Senator Sparkman about these problems, he would ask Carl to see if he could ". . . work it out."

Carl had a tremendous ability. There was no problem, however large, that he couldn't "work out." But the magic of Carl, his artisanship, is that in working out problems, the end product satisfied all of us, but the integrity of the particular program remained. Whatever the particular issue was at the time, after all was said and done, the result was that people were able to find decent shelter a little bit easier than before.

In spite of all the rhetoric, the oratory, the lobbying, the different positions of members, the particular Administration's viewpoint, in spite of all the hurdles, Carl made things work. He brought it all together. We can all learn something from Carl. He taught by example. I am fortunate in having known him, worked with him, and learned from him.

STATEMENT OF SENATOR BROOKE

As the 95th Congress convenes, we who serve on the Committee on Banking, Housing and Urban Affairs feel a great sense of loss. Carl Coan, who served on our Housing Subcommittee staff since 1958, and as our staff director since 1961, died suddenly on December 21.

Carl was a familiar figure on the Senate Floor. For almost 20 years he sat next to the majority floor manager whenever the Senate considered legislation relating to housing and urban affairs. John Sparkman and Bill Proxmire can attest to his confident command of housing legislation and the invaluable advice he offered as he sat by their sides. And so can I, for I often sought his counsel. But Carl's extraordinary influence in shaping our national housing policy was not limited to the Senate. Indeed it was felt throughout the country and even in some foreign nations. He was truly a champion of better housing.

Serving on the Housing Committee, I came to know Carl well. He was not only a wise adviser on housing legislation but a practical man, who understood political realities, yet never lost sight of the goal of improving the quality of human life.

But he was also a good friend. We worked together and traveled together, and in the course of time, I learned about the personal side of Carl Coan, his devotion to his family and his deep personal concern about his fellow man.

Though few knew it, he went to church almost every day, and he always practiced true charity. He was devoted to his dear wife, Flora; indeed they were deeply in love. And he was devoted to his 8 children and 31 grandchildren. A deceased daughter, Mary Jo, who was afflicted with cerebral palsy, was a great joy to Carl, and he personally cared for her at home throughout her 20 odd years.

To Flora and the Coan family, our hearts go out. We who knew Carl in the Senate have some sense of what he must have meant to his family, and we know what a loss they have sustained.

So far as we in the Senate are concerned, we have been privileged to work with a man of good heart and good sense. We have been inspired by him as an expert in housing but, more importantly, as a good and decent

human being. We have lost a friend, and we will truly miss him.

STATEMENT BY SENATOR PACKWOOD

It is with deep regret that the Senate marks the passing of Mr. Carl Coan. He was a man of principle and a man of integrity. His professional service to the Banking, Housing and Urban Affairs Committee and his impact on housing legislation over the past several decades will long be remembered.

I have known Carl since I arrived in the Senate in 1969. I have always been impressed with his grasp of the issues and his ability to communicate with the Members. He was very diligent and always helpful.

Carl not only had a thorough understanding of the field of housing and urban affairs but also a strong sense of compassion for the less fortunate. He understood the problems and had the ability to develop situations.

The Senate and the American people have lost a good man. I am fortunate and proud to have worked with Mr. Carl Coan.

STATEMENT BY SENATOR ADLAI E. STEVENSON

I was much saddened by the unexpected death of Carl Coan, Sr. last December. I have known Carl for the six years I have served on the Banking Committee. He was not a man of parts; his humanity, compassion, and concern filled his professional life as it undoubtedly did his personal life. I know of no staff member of the Senate so respected for his personal qualities and for the excellence of his professional work as Carl. Respect for Carl reached far beyond the Senate to many others concerned about improving the urban condition and housing of all Americans.

Mr. President, it is difficult to imagine the Housing Subcommittee without Carl Coan. The Senate will miss him greatly, and so will I.

STATEMENT OF SENATOR GARN

It is my good fortune to have known and worked with Carl Coan, Sr. for the past two years. During that time I came to know him as a subcommittee staff director of the highest order. He was wise in the ways of housing legislation but open to and searching for new ideas and developments in an ever-changing field. He served his chairman, Senator Sparkman, loyally and faithfully, with a respect that was equalled only by that of the chairman for his staff director. The committee system functions only as well as the leadership and direction given it by the leaders and their staff. Mr. Coan served as a model which hopefully will be followed by all members of Senate committee staffs.

The Senate has lost an intelligent, diligent and honest servant. I know his memory will be cherished by those who knew him, and especially by his family.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD tributes paid to Carl by several people who knew him well and worked with him for many years.

There being no objection, the tributes were ordered to be printed in the RECORD, as follows:

TRIBUTES

(By Grady Perry, Jr., Member, Federal Home Loan Bank Board)

It's hard for any man to tell what we did lose when we lost Carl Coan. No man, in my little experience, ever combined as many really unusual traits, all based on One—Just Human.

I think every one of us that had the pleasure of knowing him is just a little better by having done so. He not only left us a great record of helping others, but he left us an example of how to live in friendship with all mankind.

(By Louis H. Nevins, Director Counsel, National Association of Mutual Savings Banks)

Like all who knew him, I will miss Carl Coan. The issues he worked with during his lifetime involved one of man's most basic needs—shelter. He was a man of importance, whose judgments affected and benefited thousands, but he was the only one who was unaware of his importance. For he was uncomplicated and unpretentious, embarrassed by compliments and recognition. A man with time for everyone and everything; his loss does not accrue to housing alone.

(By Leon N. Weiner, President, National Housing Conference)

One of the truly great men in the Federal government has died—Carl A. S. Coan, Sr. The National Housing Conference pays tribute to this great American who dedicated his life in public service to help achieve decent housing for all Americans.

As Staff Director of the Subcommitte on Housing and Urban Affairs of the Senate Committee on Banking, Housing and Urban Affairs, Carl Coan has been a wise counselor, superb technician, brilliant tactician, and constant friend of all those with critical housing needs.

He will be sorely missed.

In Carl Coan's memory, the National Housing Conference will establish an annual award to be known as the Carl A. S. Coan, Sr. Award for outstanding service to housing and community development. This Award will be presented each year to the individual in public service whom we feel has made an outstanding contribution to the goal of decent homes and better communities for all Americans.

(John E. Horne, Chairman, Investors Mortgage Insurance Co.)

Since coming to Washington in 1947, I have worked with many Congressional staff people in the field of housing. Never did I know one more informed about housing or more dedicated toward enabling all people in America to be adequately housed than Carl Coan.

(By Andrew I. Hickey, Federal National Mortgage Assn.)

I have known Carl Coan for more than 20 years. I have known him in a business connection and in a personal connection. I do not know a more honest, more capable, more dedicated man than Carl. Those of us who have worked on the Hill realize that we shall always miss our wonderful friend.

KROOTH & ALTMAN,
Washington, D.C., January 13, 1977.

Carl Coan, Sr. was an alive, alert, beautiful human being—always ready to help. He provided leadership and was a great inspiration to all of us.

He helped formulate and initiate programs in all phases of national housing legislation with emphasis on meeting the needs of the underprivileged. He initiated new programs of mortgage financing and urban development, subsidies and 1% mortgage assistance under Sections 235 and 236. He stimulated housing and community development, seeking to improve and increase production and spur the construction of needed housing, also reducing unemployment.

The sudden, unexpected death of Carl was shocking. We miss him. We always shall.

DAVID L. KROOTH.

FCH SERVICES, INC.,
Washington, D.C., January 13, 1977.

Carl Coan, Sr. was a kind, concerned, intelligent and loving man. His devotion to helping people improve their housing and living environment was complete. His capacity to innovate, understand, organize, and help achieve legislative enactment of these programs was unequalled.

Everyone who had the honor of knowing Carl feels his loss deeply.

JEFFREY G. SPRAGENS.

When I first came to Washington as a novice in the ways of housing legislation, the person who took me by the hand with patience, understanding and genuine interest in my special housing problems was Carl Coan. I shall always remember many times his words, "Now let's see if we can get this problem worked out," and he usually could.

(By Dorothy Duke, Director of Housing, National Council on Negro Women)

JANUARY 12, 1976.

We knew and loved Carl Coan for nearly twenty years. Initially our friendship was based on close interfamily ties where, despite the generation that lay between us, we were able to share the myriad of experiences and emotions associated with a growing maturing family. Later the ties expanded to include a professional working relationship. Just as with our experiences in the family milieu, we always looked to Carl Coan as our mentor. As our families continue to intertwine in the years ahead and as our careers follow their course, we shall always have near to us the strength, wisdom and serenity that the memory of Carl Coan provides.

JOHN AND CHARLOTTE COUTURE.

(By Virginia S. West, Executive Director, Sylacauga, Alabama Housing Authority)

Those of us in the housing community in this Nation admired, respected, and loved Carl Coan, Sr., for his friendliness, his wisdom, and his many contributions toward our goal of "a decent home and a suitable living environment for every American family." We are surely going to miss him, not only as a pro, but as a good friend, and we shall long remember him for his good works.

(By Jack H. Shiver, Executive Director, Norfolk, Va. Redevelopment & Housing Authority and President, National Association of Housing & Redevelopment Officials)

With the death of Carl Coan, the National Association of Housing and Redevelopment Officials and the Nation lose one of the most effective influences on housing programs for the poor of our time.

I hope that Carl's kind of genuine concern for the needs of the people will become a standard for all who continue to work for better housing.

U.S. LEAGUE OF
SAVINGS ASSOCIATIONS,
Washington, D.C., January 11, 1977.

The staff of the Washington Office of the U.S. League of Savings Associations will greatly miss Carl Coan, a top Capitol Hill professional of the highest integrity and ability. Carl was both persuasive and effective in his day to day work, in that he knew how to get things done—including making the necessary compromises—to fashion sound housing and financial institution legislation. He did this year after year with the same cheerful, generous, and friendly attitude and manner. We found him willing to take the time to talk over the issues, ask the necessary probing questions, and articulate the conflicting points of view—which might include his own. No special interest group could or should ask for more.

ARTHUR B. EDGEWORTH,
Director, Washington Operations.

U.S. LEAGUE OF
SAVINGS ASSOCIATIONS,
Washington, D.C., January 11, 1977.

Carl Coan was a conscientious, dedicated, able and hard-working senior Senate staff man that we in housing will sorely miss.

GLEN TROOF,
Legislative Director.

U.S. LEAGUE OF SAVINGS ASSOCIATIONS,
Washington, D.C., January 11, 1977.

While all would agree that we have lost an able and knowledgeable housing expert, it is more to the point to recognize that all of us have lost a great friend.

LEE B. HOLMES,
Staff Vice President.

(By Gordon Cavanaugh, Executive Director, Housing Assistance Council, Washington, D.C.)

Carl Coan always saw the country whole, and rural and low-income people everywhere will long benefit from progressive housing programs that would not exist but for his concern and skill.

(By Joseph Burstein, Assistant General Counsel for Public Housing, Department of Housing & Urban Development)

Carl Coan, Sr. was the most influential individual in the Country in shaping housing and urban development Federal legislative policy in the last 30 years. Personally, I found him to be completely open minded and unbiased in every way, always ready to listen to new ideas, and frank to disagree with them for good reason. Carl was, in all respects over the years, a gentle, kind and considerate person.

NATIONAL FOREST
PRODUCTS ASSOCIATION,
Washington, D.C., January 12, 1977.

Hon. JOHN SPARKMAN,
Chairman, Subcommittee on Housing and Urban Affairs, Committee on Banking, Housing and Urban Affairs, Dirksen Senate Office Building, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the entire forest products industry, may I express to you and to the Senate our deep sorrow at the loss of an esteemed friend, your staff director Carl A. S. Coan.

Carl was a superb professional in all of the many years I knew him and a man completely dedicated to improving the housing conditions of all people in America. He was a tireless worker and completely unassuming in his manner. Yet the legislation on which he worked and helped create bears evidence of his great achievements for mankind.

More than anything else, however, I remember Carl for his unfailing courtesy in all circumstances and his willingness to listen to a point of view even when he might in the end disagree. Carl Coan, in my opinion, was one of the truly outstanding career executives who helped the Congress in achieving its mission. He was always seeking what is best for the public good and for the benefit of people generally. Never do I recall in the many years I knew him a decision which was not in the public interest. He was loyal to both Majority and Minority members of the Subcommittee and other committees which sought his expertise. He will be sorely missed in the days and years ahead.

Sincerely,

JOSEPH B. MCGRATH.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, I yield to the Senator from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I am honored to join the distinguished Senator from Alabama in paying tribute to Carl Coan, the former staff director of the Senator's Housing Subcommittee.

Yesterday, tributes were paid to our distinguished colleague from Alabama (Mr. SPARKMAN) by some Members of the Senate and also by some of the most distinguished Americans in the country, and they were well earned.

Senator SPARKMAN's great career—and it is one of the great careers, I think, in the history of this body—has been particularly distinguished because of his marvelous contribution to the Nation's housing.

Those contributions, as Senator SPARKMAN just indicated, were in no small part a result of his work with Carl Coan, a brilliant staff member and a man of great ability.

It is sometimes said that no one in an office is irreplaceable. That may be true, in the sense that when one person is gone, someone else comes in and sits at their desk and does their job and the office goes on functioning. But when the Senate Banking Committee lost Carl Coan the week before Christmas, we lost something that can never be regained, and for which no substitute will ever be complete.

We lost, first of all, one of the Nation's foremost housing experts. Carl spent about 20 years on the Senate Housing Subcommittee, most of the time as its staff director. His knowledge of housing, in all its dimensions, was probably unexcelled by anyone in the country. It was an immensely valuable resource to the whole housing field, and though much of it will be preserved in his work and in the minds of others, much of it is now lost to us.

We have also lost a brilliant Capitol Hill tactician. Like his chairman, JOHN SPARKMAN, Carl had a knack for recognizing the idea whose time has come or for devising the compromise which would work politically. As a result, he got things accomplished, year after year, because they were practical.

And yet, we have at the same time lost a great idealist. A practical idealist is sometimes a rare thing in Washington, where pragmatists are often cynics, and idealists are often ineffective. But in Carl, the pragmatism and tactician's skills were simply instruments for pursuing ideals. After all his years working on Capitol Hill, he never lost his almost youthful excitement and optimism when he talked about what needed to be done in housing. He believed that the problems of the cities and of poor and disadvantaged people throughout the entire world could be solved if only we would keep working for it.

And work he did. We have lost a tireless laborer, with an unflagging capacity for hard work in evenings, weekends, or whenever it was needed to get the job done. He was continually reading, talking to people from all sides of the housing process, from consumers to lenders to builders to Wall Street analysts to city officials, ad infinitum. Whenever he traveled, even on vacation, he would seek out the local housing officials and arrange to see an urban renewal site or public housing units or an elderly housing project, so that he could learn something to bring back into his work.

Mr. President, I recall something that endeared Carl to me especially—he was a great athlete. He was a marvelous runner. He was one of the great runners about 35 or 40 years ago at the University of Pennsylvania.

He came close to breaking the world's record in the mile when 4:10 was the record set—which was the record Paavo Nurmi set. Carl ran less than that, but unfortunately he broke that 5:10 barrier after others had broken it. But he came very close to being one of the great, truly great athletes of the 1930's. He was a great athlete.

One other thing I want to say about Carl is his remarkable wife. One of the most successful marriages ever achieved was the marriage between Carl and Mrs. Coan.

Mrs. Coan paid tribute to Carl at the memorial services for him in the most moving way. Unfortunately, I could not be there, but everybody told me what a remarkable person she was and what a great love story they had throughout their married life.

She is a great person and I know what a terrible loss she suffered.

Carl Coan, Jr., is also a man who has contributed greatly to housing in a different way as counsel to the Home Builders. I know he will carry on in that great tradition.

We have lost, also, a fair-minded man. He was partisan in the good sense that he was loyal to the goals of his party and, of course, to his chairman and friend, Senator SPARKMAN. But he served every member of the Senate Banking Committee—Democrats and Republicans, ranking members and freshmen—with the same competence and fairness and devotion to his job. And his partisanship did not keep him from listening to every side of an issue, and working for the position which would best serve the goal of providing people with decent housing. His openmindedness included the ability to criticize his own handiwork, the programs which he had drafted in previous years, and to work constantly for changes which would improve them.

In other words, we have lost a humble man, another thing sometimes scarce in Washington. Working at the centers of power never went to Carl's head. He was modest not only in what he said, but in his whole manner of living. He seemed to have it clearly fixed in his mind that the purpose of his work was not to advance Carl Coan, but to provide people with better housing, and he never seemed to take his eyes off that objective for an instant to look around for acclaim or gain or personal power.

We have lost, simply, a good man. He was the kind of man who had time for people. Students, international visitors, job applicants, young staff people—anyone who wanted to know something about housing could claim a few minutes of his precious time. He was always dispensing assistance to somebody. Since his death, countless people have told his family and staff about the good turn Carl had done them somewhere along the way—encouragement when it was needed, help in starting some kind of housing project, or whatever.

And by his staff he was loved. Imagine a staff director whose staff says they never heard a sharp word from him. They say he made it easy to work in close, crowded offices, or to work under the pressure before an adjournment deadline, or just to enjoy coming to work

day by day. His whole life long, he was giving to people, in a quiet way which did not want gratitude and shied away from recognition, but which left those around him with richer lives.

What I am saying, in short, is that we have lost a man who was set apart from others, in the service which he rendered the Congress and country, and in the gentle, generous manner in which he lived his life. We have lost a friend who truly can never be replaced.

I thank the distinguished Senator from Alabama.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from New Hampshire, who likewise is a member of the committee.

Mr. McINTYRE. Mr. President, having served on the Banking Committee since 1963, I had numerous opportunities to work with and observe the late Carl Coan.

I think perhaps three things stand out most vividly in my mind about Carl. First, he had a deep-rooted concern over the housing problems of this country and worked tirelessly to remedy them. Second, he was a true professional, capable of producing absolutely first-class work without really letting his own personal biases color his advice to the members of the committee. Third, and this is perhaps the way I will remember Carl best, he was always helpful. Mr. President, despite his workload, Carl always had time, or took time to work with those of us who serve on the committee and the Housing Subcommittee and answer our endless questions about the arcane mysteries of Federal housing programs. Moreover, he was careful on several occasions to alert me to developments in which he knew I was interested in order to permit me to advance my position.

In short, Mr. President, Carl Coan was refreshing to work with. His charm, his poise and his sense of humor were most welcome as we wended our way through the intricate details not only of housing legislation, but legislation in many fields in which Carl had gained wisdom and experience over his distinguished career.

It was my good fortune to have known and worked with Carl Coan, and I hope that Flora and the rest of Carl's family will find some comfort from the fact that he has left a rich legacy which shall forever serve as an inspiration to us all.

Mr. SPARKMAN. Mr. President, I yield to the Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, on behalf of myself and members of my staff, I join my colleagues today in paying tribute to Carl A. Coan, the former staff director of the Senate Subcommittee on Housing and Urban Development.

As a member of the subcommittee since I came to the Senate 8 years ago. I feel fortunate to have had the privilege and the pleasure to know and to work with Carl. It was with deep sadness that I learned of his sudden death over the Christmas holidays.

To all of us, Carl was an exceptionally able public servant. His knowledge of housing legislation, mortgage finance, and urban development was encyclopedic. His ability to get things done—derived from his unusual blend of expertise, persistence, patience, and never-failing good humor—was widely and deservedly respected.

The Senator from Wisconsin mentioned Carl's exceptional athletic abilities. It was one of my great pleasures to run with him on the University of Georgetown track upon occasion. We encountered each other up there and circled around the track together.

We know that Carl's wife, Flora, their 8 children and 31 grandchildren—many of whom are with us in the gallery today—can be understandably proud of his long and outstanding career and countless contributions in the field of housing.

Carl had my highest respect and admiration. I shall miss him.

Mr. MORGAN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from North Carolina.

Mr. MORGAN. Mr. President, I had the pleasure of knowing Carl Coan for a very short time, having served in the Senate for only 2 years on the Committee on Banking, Housing and Urban Affairs. However, during that time I came to respect him very highly.

The U.S. Senate has lost the services of one of its most capable employees, Carl A. S. Coan, staff director of the Subcommittee on Housing. His death touches us all humanly. But it is particularly untimely because we need Carl's ability and expertise more than ever. I am afraid his death deprives America of a mind which could have turned with effect to one of her worst problems, the housing crisis.

Carl was with the committee beginning in 1958, and has served as staff director since 1961. He was involved with all the major legislation under which the Government has attempted to improve the living conditions of the disadvantaged. Most of the housing units built by local governments has been successful in its aim. In the cities of North Carolina, there are thousands of families who live with a decent roof over their heads, and Carl's work contributed to that fact.

Carl became a national authority on housing, and he won the respect of all who knew him. He enjoyed a rare reputation as a nonpartisan, evenhanded staff member of unusual effectiveness.

How sad it is, then, to be facing our present housing crisis without his expertise and good sense. We have an even greater task at hand than in the past. Once, we could look at the sore needs of the poor in the cities and in the rural areas, and wonder how we could ever prevail, how we could meet so vast a need. Now, we still have the unsolved problems of low-income housing, made worse by inflation, and on top of that we have to find a way to help the entire depressed housing industry return to production.

So we have double the job to do. I think we can prevail. The housing programs of the recent past had effect. It is tragic that the recent administrations have not seen fit to do the will of Congress in this matter, persistently failing to carry out the law and failing to realize improvements of proven quality. But the job can be done. We can regenerate effective housing programs. I believe we can have an effect, as well, on the ability of the housing industry to produce affordable homes for the average buyer. And I think we can contribute to recovery of this segment of the economy.

It is just sad that we will not have Carl's help with what we must do. I believe our course would be easier, and our results more competent, were he here to lend his experience and incisiveness. We are on the threshold of that attempt, with the support of an interested administration for the first time in 8 years. I am sorry Carl cannot be with us, for we need him now, in a time of great challenge, and great promise.

Mr. JAVITS. Mr. President, the untimely death of Carl Coan late last year deprived us and the Nation of one of the finest servants of the people I have ever known.

Carl, as longtime staff director of the Housing Subcommittee, had played an important role in all the major housing legislation over the past several decades. He was knowledgeable, fair, and, above all, tolerant of differing viewpoints. He was especially helpful in trying to solve the unique and difficult problems of New York City. Many times Carl was able to help us enact laws that would allow housing to work in New York City. And for its poor and disadvantaged in regard to race, creed or color or ethnic origin. This was a difficult task and he showed termendous understanding and sympathy for our problems.

I know the Coan family is a large one and a close one. I extend my deepest sympathies to Flora Coan and all the Coan children. Carl will be greatly missed by all of us not only for his expertise but for his character, his decency and his high sense of public duty.

Mr. SPARKMAN. Mr. President, I just wish to say this, in concluding these remarks.

I have worked with many people in the course of my service in the Congress of the United States, but never have I worked with someone who was more complete in his understanding, in his approach, in his work, than Carl Coan.

I wish to add to what Senator PROXMIRE has said with reference to Carl's wife, Flora, who is a great lady in her own right and always was a great support for Carl and for the wonderful family they have.

I shall not hope and shall not expect that many more such as Carl Coan will be going my way in the future, but I shall always be grateful for the fact that I did have the opportunity to be with him and work with him for the approximately 20 years that he served the country so well.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. BUMPERS). Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes

Mr. PROXMIRE. Mr. President, I had reserved this time in case we needed ad-

ditional time for paying tribute to Carl Coan. That will not be necessary, so I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 10 minutes each.

PARDONING DRAFT EVADERS

Mr. ALLEN. Mr. President, under the Senate rules, at 1 o'clock, provided the 30-minute period for the transaction of routine morning business has expired, Senate Resolution 18 will come over, as the rules say, under the rule.

This resolution expresses the sense of the Senate that no blanket pardon or amnesty should be issued to draft evaders and draft dodgers. It expresses the sense of the Senate that the President—either President, for that matter—would be ill advised to take this action, because a blanket pardon for draft dodgers and draft evaders would be an affront to the 3 million men and women who served in the Vietnam war. It would be an affront to the 300,000 who were wounded in that war. It would be an affront to the memories and to the families of the 50,000 and more servicemen who were killed in Vietnam.

Also, how can you run an army, how can you fight a war, if those who are subject to service for their country in that war know that if they evade the draft or if they desert, somewhere down the line they will be given a blanket pardon or amnesty? Mr. President, it is well-known that President Ford set up a Clemency Board offering clemency or a pardon, on an individual basis, to all those who would be covered by the contemplated action granting blanket pardon or amnesty, provided those who availed themselves of this act showed some sort of contrition by taking on the performance of humanitarian service. Some 15,000 service men availed themselves of that opportunity, and it hardly would be fair to them, because they at least have performed some sort of service in return for amnesty or for pardon.

Mr. President, I feel that this is such an important issue that the Senate should not sit idly by and allow the incoming President or the present President to take this action without the Senate giving some input into that decision. If we do nothing, that, in effect, would be condoning and agreeing, in a sense, to this action. So I am hopeful that the leadership will allow this resolution to come to a vote. We must have a vote on it sometime between 3 minutes after 1 and 2 o'clock. But I am hopeful that the leadership will allow the Senate to vote on this important issue. It is an issue on which the Senate should take a stand. We should not hide behind the Senate rules and allow this issue to go unanswered in the Senate.

So I am hopeful that, after a brief discussion between 1 and 2 p.m., we will be able to come to a vote on this issue.

PROPOSED REMOVAL OF CLARENCE KELLEY AS DIRECTOR OF THE FBI

Mr. DANFORTH. Mr. President, I am deeply concerned about recent statements by Attorney General-designate Griffin Bell that he intends to remove Clarence Kelley as Director of the FBI. I firmly believe that there are at least two compelling reasons for retaining Mr. Kelley in this important position.

First, Mr. Kelley is a highly competent and progressive law enforcement professional. From 1961 to 1973, he served as chief of the Kansas City, Mo., Police Department. During that time, he transformed the Kansas City Police Department into one of the best, if not the best, police departments in the Nation. He restored public confidence in the quality and the integrity of his department. He developed a strong community relations program. He included officers on the beat in the process of making management decisions. He established a regional training center serving law enforcement agencies in western Missouri. He pioneered in the use of the computer as a tool of law enforcement agencies. And at all times, Mr. Kelley demonstrated a keen sensitivity to the constitutional rights of the citizens he served. In 1970, he was awarded the J. Edgar Hoover Gold Medal as the Outstanding Police Chief in the United States.

During his three and a half year tenure as Director of the Federal Bureau of Investigation, Mr. Kelley has reduced domestic security investigations from nearly 22,000 to less than 300. He has exemplified his strong belief in legislative oversight by appearing before congressional committees more frequently than did his predecessors. Congressional committees have had more access to personnel of the FBI than at any time in history.

He has restored the damaged pride and morale of the dedicated FBI employees. He has improved the recruitment and employment of minorities and women by the Bureau. He has established a career development program to help assure the selection of outstanding persons for leadership positions. And most important to law enforcement at the State and local level, he has reestablished the proper balance between the FBI and local police forces throughout the United States, by cooperating rather than competing with local efforts.

A second major reason for retaining Clarence Kelly as Director concerns the image of the Bureau as an institution removed from political considerations. As a matter of public policy, it would be a serious mistake to make the directorship of the FBI a function of Presidents in office or parties in power.

One lesson we should have learned in recent times is that investigative agencies must be insulated from particular administrations—not beholden to them for employment. The independence of the FBI, and the public's perception of that independence would be lessened if a new administration were to remove an outstanding Director in the middle of his 10-year term of service.

Mr. President, I ask unanimous consent that a copy of a letter which I have sent Attorney General-designate Griffin Bell be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., January 13, 1977.

Hon. GRIFFIN BELL,
King & Spalding, Trust Co. of Georgia Building, Atlanta, Ga.

DEAR JUDGE BELL: I am very distressed and disappointed with your statement to the Senate Judiciary Committee that you would remove FBI Director Clarence Kelley if you are confirmed as Attorney General of the United States. Director Kelley in his three-year tenure at the Justice Department clearly has done a superior job, under what can only be described as adverse circumstances. He has reorganized the Bureau, and has set standards of performance which are a credit to effective law enforcement. Most importantly, he has contributed much to the important process of restoring public confidence in the FBI.

As Attorney General Levi has explained, Director Kelley has undertaken a complete transformation of the priorities of the FBI, "without flamboyance and without extraordinary disturbance." Over the last three years, domestic security investigations have dropped from 22,000 to less than 300 today. This is indicative, I think, of the high-caliber leadership which Director Kelley has given to the Bureau.

You indicated in your confirmation hearings that Director Kelley "could be removed for cause," yet the only cause I can discern from your statements is a belief that the FBI Director should change with each administration. This is an ominous decision, one which portends an unforgiveable politicization of the FBI, and if we have learned anything from Watergate, it is that politics has no place in investigative agencies.

In my former position as Attorney General of Missouri, I had many opportunities to observe closely the work of Clarence Kelley while he was Chief of Police in Kansas City. He is a good and decent public servant and a man of great competence, integrity and ability. Therefore, I hope that you will reconsider your decision and retain Clarence Kelley as Director of the Federal Bureau of Investigation.

Sincerely,

JOHN C. DANFORTH.

Mr. STEVENS. Mr. President, I commend the Senator from Missouri for his statement and to say for myself and myself only that the statement I read concerning the FBI Director disturbed me considerably. It is my belief that we should inquire further of the Attorney General-designate whom he intends to appoint to this very important position in the FBI in the event he is confirmed before his confirmation comes before this body.

PARDONING DRAFT EVADERS

Mr. HELMS. Mr. President, we are still in the morning hour, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Mr. President, I share the hopes of the able Senator from Alabama that the Senate will proceed promptly to vote on Senate Resolution 18 cosponsored by the able Senator from Alabama the Senator from Virginia (Mr. HARRY F.

BYRD, JR.), the Senator from North Carolina (Mr. HELMS), the Senator from California (Mr. HAYAKAWA) and, I believe, some others.

Mr. President, this resolution poses no challenge to the authority of the President to grant blanket amnesty. That is not the purpose of the resolution. The resolution is purely for the purpose of giving this Senate an opportunity to exercise its constitutional advise and consent capacity.

The Senator from North Carolina assumes that no Senator, regardless of his position on this particular question, would hesitate taking a stand.

Mr. President, the national commander in chief of the Veterans of Foreign Wars recently issued a statement which deserves consideration by every Member of the Senate. The distinguished national commander in chief of the VFW, Mr. R. D. Smith, began by pointing out that the 1.8 million members of the VFW, including over 500,000 Vietnam veterans, joined by 567,000 members of the ladies auxiliary, oppose with one voice the reported decision of President-elect Carter to issue a blanket pardon covering all Vietnam war draft dodgers.

Then the statement goes on to say, Mr. President:

With equal vehemence, we urge President Ford to hold firm on his decision not to grant an 11th hour mass pardon.

Apparently President Ford is not going to do that.

Mr. President, I am not going to read all of the statement by Mr. Smith, but there are portions of it which ought to be emphasized. He asked the question, with reference to the rhetoric of those who favor amnesty and draft dodgers, "Whose 'wounds' will a blanket pardon 'bind up'?" Then he goes on to say:

Surely not the overwhelming majority of families of the 56,234 American dead in Vietnam (a war we chose not to win), the 303,000 wounded, the families of the hundreds still carried as missing in action, the 591 returned prisoners of war, the 2.5 million who served honorably in Vietnam, including 600,000 conscriptees who there suffered 71,500 killed and wounded.

Mr. President, I do hope the Senate will vote on this question, and quickly, and not duck the issue. The two opposing points of view speak for themselves. I hope Senators have the courage of their convictions. I trust that no Senator would be unwilling to take a public stand on this question as to where he stands on this important question.

I thank the Chair.

SENATE RESOLUTION 18—PARDON OF VIETNAM-ERA DRAFT EVADERS

The PRESIDING OFFICER. The Chair lays before the Senate Senate Resolution 18, coming over under the rule, which the clerk will state by title.

The legislative clerk read as follows:

A resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation of Executive order of Vietnam era draft evaders, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ALLEN. I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I have literally scores of communications from citizens in opposition to the issuance of blanket pardon or amnesty, but as typical of those communications, I ask unanimous consent that I might print in the RECORD a communication signed by approximately 1 dozen American Gold Star Mothers in opposition to blanket pardon or amnesty, a letter dated January 1, 1977, from Mr. Richard Slepin, of Portsmouth, Va., and also a communication, dated January 14, 1977, from the National Office of the American Legion, together with a statement from the national commander himself, Comdr. William Rogers, who, by the way, is here in the Capitol, and his sole purpose in being in Washington is to advocate the passage of this resolution and to protest the issuance of blanket pardon or amnesty by the President.

I ask that all of those communications be printed in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

AMERICAN GOLD STAR MOTHERS, INC.,
Fort Collins, Colo., December 21, 1976.

TO THOSE CONCERNED: How fair are we to pardon draft evaders who fled our nation during the Vietnam War? Other young men, who served patriotically as they believed or were told—and lost their lives—cannot be treated fairly by such pardons or amnesty. Nor can their parents and other relatives.

We do not believe in punishing such evaders. But certainly they should give a part of their ". . . lives . . . fortunes, and . . . sacred honor," in restitution, if they are to return as citizens.

Surely we should not, by such pardons, scorn and torment relatives, including Gold Star Mothers, of fallen military youths whose graves throughout the world are marked by white crosses, or similar identifications for the heroic dead.

In this situation we should be intelligent, patriotic, and highly principled—not just politically motivated in seemingly an effort to buy votes.

Signed: Dorothy L. White, Doris Spurrier, Dorothy M. Schenck, Lorrine M. Lockwood, ——— Maire, Evelyn Berry, M. Edna ———, Helen Brown, Dorothy M. ———, Ethel L. Whiting, Eunice A. Bush.

YORKSHIRE ROAD,
Portsmouth, Va., January 1, 1977.

Hon. JIMMY CARTER,
President Elect, United States of America, Plains, Ga.

DEAR MR. CARTER: I need assistance and you are the only one who can furnish it, either as President Elect, or as Jimmy Carter, private citizen.

I am concerned about the effect which your proposal of amnesty will have on the nation as a whole, veterans of recent wars confined to hospitals and those (millions) more fortunate like myself. Even more I am concerned lest the nation be faced with another Pearl Harbor. What would be the "percentage" in joining the fight?

The view has been advanced that Vietnam was an immoral war. I give deserters and draft evaders the benefit of the doubt, eliminating cowardice as their motive, suggesting they acted on the grounds Vietnam was immoral. To me this view is untenable. I am no warmonger; I do, however, strongly support the view that citizenship in this country carries with it certain responsibilities. A great American patriot said it in words similar to "my country first, but rght or wrong, my country."

Mr. Carter, more than most, you should recognize the effects of a general pardon. There will remain the core of citizens of such moral fiber who will support the country with their lives if needs be. But I am concerned for an even greater number who will hesitate and back off knowing that a pardon will excuse their reluctance. I suggest, Mr. Carter, that there might be no country to grant amnesty; I suggest that our young men with a strong unwillingness to bear arms will prove the nation's downfall, and lead to its ultimate defeat at the hands of an aggressor.

You have proven your ability in the political world as witness your rise from Jimmy who? to President Elect. No one is infallible. I urge you to search your own mind, I urge you to seek the guidance of Almighty God before you make your final decision. Whatever your decision I shall abide by it. So there will be no doubt I will be one of the moral fiber I previously described.

Most sincerely and respectfully,
RICHARD SLEPIN.

Washington, D.C., January 14, 1977.

Hon. JAMES B. ALLEN,
U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR ALLEN: The American Legion is most gratified by your expression of opposition to President-Elect Carter's proposed blanket amnesty or pardon plan. Your concern over the probable disastrous effects on the future security of this nation is shared by our organization.

We see this matter as becoming especially critical during recent days with the statement by Attorney General-Designate Griffin Bell outlining the sweeping nature of Mr. Carter's plan. His statement has prompted our National Commander, William J. Rogers, to send the enclosed message by telegram to the President-Elect.

You are being provided with a copy of Commander Rogers' message for your information and for the purpose of demonstrating our desire to cooperate in voicing the strongest possible objection to blanket amnesty or pardon.

Sincerely,
MYLIO S. KRAJA,
Director, National Legislative Commission.

Enclosure.

NATIONAL COMMANDER'S STATEMENT TO DEPARTMENT COMMANDERS, AMERICAN LEGION JANUARY 14, 1977

The following is the statement which I have sent to President-elect Carter today regarding his proposed pardon for draft evaders and military deserters and those receiving less than honorable discharges:

"The American Legion and the American Legion Auxiliary vehemently protest and unalterably oppose your proposed pardon, amnesty plan for draft evaders, military deserters and those receiving less than honorable discharges during the Vietnam period. We

continue to urge that each case be judged on an individual basis through the existing judicial and administrative channels currently open to those individuals.

"The American Legion reaffirms its belief in the fairness and compassion of the American judicial system. The proposed blanket amnesty would insult the vast majority of Americans who served honorably during the Vietnam period. Moreover, a pardon could have serious effects on our already lagging, all-volunteer force and will raise serious questions about military service for our people in the event of a future national emergency.

"We submit that, rather than healing wounds, the proposed action will prove a divisive influence."

I am personally asking each of you to individually and collectively mobilize the membership of your Department to advise President-elect Carter and your elected representatives of our strong and unwavering opposition to any pardon. I ask that you do this by telegram and by other responsible action within your Department. The pardon/amnesty issue is of paramount importance to The American Legion and to the future of American society as we know it. America's future may be at a crossroad and we may lose our oldest tradition of citizen responsibility and a nation under law if this proposed pardon is enacted.

If you have any questions concerning my phone call today, call Mike Schlee (collect), Director, National Security-Foreign Relations Division at 202/393-4811.

Mr. ALLEN. I also have a transcript of the TV interview with Judge Griffin Bell that indicates that the President plans now to go far beyond what originally seemed indicated, in the first place, as to some 9,000 persons who have been convicted in the courts for violation of the law in connection with service in the Armed Forces, and he has also indicated that enactment of laws will be sought that would allow some deserters or evaders who went to foreign countries and became citizens of those countries to reenter the United States.

So I ask unanimous consent that that transcript also be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FROM NBC TV NEWS, JANUARY 12, 1977, JOHN CHANCELLOR-DAVID BRINKLEY

CHANCELLOR. We got the first details today on what Jimmy Carter's plans are for pardoning Vietnam draft resisters and evaders which will be one of his first actions as President. The details came from Griffin Bell, Carter's choice to be Attorney General. Carl Stern has the story.

STERN. At the confirmation hearings, Bell outlined for the first time what is expected to be the Carter Administration's program for Vietnam war pardons. The plan Bell described is wider than the one first proposed by Mr. Carter.

Bell said the plan calls for pardons for draft evaders who have been convicted, who number about 9,000, and the dropping of charges against about 3,000 others who are technically still listed as fugitives. Bell also indicated a change would be sought in immigration laws to permit young men who fled and became citizens of other countries to reenter the United States. He said there would be an extradited review in certain cases for those who received less than honorable discharges for opposition to the war while in the military.

He also said there would be a review system set up to see which military deserters deserved to be pardoned. Bell stressed that the language is still being worked on but the major work has been done.

BELL (Voice). I think it is a reasonable plan from what I've seen. There may be changes but I have seen drafts over the past month. The Attorney General will have some role in the over-all plan. I don't foresee any problems in implementing this plan.

STERN. Parts of the program are not as broad or as automatic as Carter's own staff had recommended but Bell said he did consider it equitable. Spokesmen for veterans groups in Washington said that they are still opposed to blanket pardon.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. GOLDWATER. Not being a lawyer I wish to ask a lawyer's opinion. Does the President of the United States have the power to grant amnesty?

Mr. ALLEN. In my judgment, the Constitution of the United States does give the President that authority, but it does not prevent the Senate from expressing its opinion on this contemplated action. He has that authority, and that resolution does not seek to force him not to issue blanket pardon and amnesty. But it does give the President, who has stated that he wants to cooperate with Congress, the benefit of the views of the Senate.

Possibly, the Senate will vote this resolution down. I do not know. All I am asking is that the leadership, instead of interposing quorum calls when the matter is called for a vote, allow this issue to come to a vote. I decry these efforts on the part of the leadership to prevent the Senate from taking a stand on this issue.

Mr. GOLDWATER. I might say to my friend from Alabama that I believe—and I will take the word of the Senator who is a lawyer—the Constitution only gives the President the right to grant a pardon, that he has no right to give amnesty but he can pardon. I think sometime during the debate we ought to clear that matter up.

Mr. President, if my friend from Alabama, has no objection, I wish to be included as a cosponsor on his resolution.

Mr. ALLEN. I thank the distinguished Senator.

Mr. GOLDWATER. I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I also ask unanimous consent that the distinguished Senator from South Carolina (Mr. THURMOND) and the distinguished Senator from California (Mr. HAYAKAWA) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CRANSTON. This Senator would just like to explain that the actions taken thus far by the "leadership" do not represent an effort to prevent the matter from ultimately coming to a vote. They represent an effort to make sure that Senators who have any interest in the matter are fully alerted that there may be a vote, if they wish to participate.

Mr. ALLEN. Will the Senator be willing by unanimous consent to set a time certain for a vote on the resolution?

Mr. CRANSTON. Not unless Senators who have an interest have been alerted to the fact that such a request may come before the Senate.

Mr. ALLEN. Yes. I believe the Senator has been alerted to that fact because on the very first day of the session the Senator from Alamaba spoke on the subject and printed in the RECORD, by unanimous consent, a copy of the resolution in which he stated at the first available time he would introduce that resolution. He refrained from introducing it on the first day at the request of the leadership which did not want any bills or resolutions other than routine housekeeping resolutions introduced at that time. So complying with the wishes of the leadership, the Senator from Alabama delayed until the 6th of January to introduce that resolution. It has been in the RECORD. The whip notices have stated that in all likelihood or probability this resolution might come to a vote today. So I believe there has been ample notice. But I hope that around 1:55 p.m., then, we might possibly have a vote on the issue.

Mr. CRANSTON. The Senator from California is aware of all that the Senator from Alabama has stated. In his capacity as whip he put out notices regarding these resolutions, stating not that there would probably be rollcall votes, but that there might be. It was not then known that the Senator from Alabama would necessarily want the yeas and nays and insist upon a rollcall. The Senator's request for the yeas and nays makes firm what was only in part anticipated, and the leadership feels that Senators who have any interest in the matter should be given the full opportunity to know about the new situation before any action is taken.

Mr. ALLEN. I wonder if the Senator might agree on a certain time for debate on Wednesday and vote on Wednesday? That ought to give ample time, I should think.

Mr. CRANSTON. The Senator from California has already stated that at this time he is not prepared, because of the potential interest of other Senators, to enter into any unanimous-consent agreement.

Mr. ALLEN. I must say it seems passing strange to the Senator from Alabama that the leadership, which is so often anxious to bring issues to a vote here in the Senate, now seems hesitant and extremely reluctant to allow the Senate to take a stand on this important issue.

Mr. CRANSTON. The Senator knows the leadership is often anxious to see that matters are brought expeditiously to a vote. The Senator also knows the leadership has a responsibility to see to it that all Senators are protected in matters that may be of interest to them. That is what the leadership is now doing.

Mr. ALLEN. Will the Senator use his good offices to see that we get a vote on this issue not later than the 19th of January?

Mr. CRANSTON. The Senator will use

his good offices to see to it that all Senators who may have an interest in the matter are fully alerted before decisions are made.

Mr. ALLEN. And it comes to a vote by the 19th?

Mr. CRANSTON. That is up to the Senate as a whole. In fairness to all Senators, they should be alerted to unanimous-consent requests for votes on matters they are interested in before such agreements are entered into. They are entitled to the opportunity, if they so wish, to modify them, expedite them, delay them, or do anything about them. They have that right as individual Senators.

Mr. ALLEN. We have had about four or five unanimous-consent requests granted already this morning. I wonder why the insistence on alerting Senators on this one.

Mr. CRANSTON. I think the Senator is referring to matters that plainly were not controversial, as this matter may be. This Senator does not know whether it will be controversial or not, but he is seeking to protect the rights of those Senators for whom it might be.

There was a request to provide a substantial block of time at some time in the near future to provide for eulogies to the outgoing President which was not felt to be a controversial matter.

Mr. ALLEN. It could well have been, because the Senator from Alabama recognizes, as I am sure the Senator from California does, that it might freeze out discussion of this matter on Wednesday, making it all the more imperative that we vote on this matter today.

Mr. CRANSTON. This Senator feels, with respect to that matter, that it is important that there be an opportunity for eulogies to President Ford, who, as all of us feel, has done a splendid job. That was evidenced by his reception in the House Chamber Wednesday evening. Therefore it is important that opportunity be accorded to Senators, both for personal and historical reasons, to express their affection to Gerald Ford.

Mr. ALLEN. I agree with the Senator, but I would think after those 4 hours are up there would be an opportunity for a vote on this issue. I would hope the Senator would not hide behind the Senate rules to delay action on this matter.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. ALLEN. I yield the floor, unless the Senator wishes to address me.

Mr. HELMS. I simply want to ask if my understanding is correct that the leadership intends to prevent a vote on this issue today. Is that correct?

Mr. CRANSTON. Not necessarily.

Mr. HELMS. Mr. President, I suggest we vote.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. Mr. President, I object.

The PRESIDING OFFICER (Mr. MORGAN). Objection is heard.

The assistant legislative clerk resumed the call of the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 2 Leg.]

Abourezk	Hatch	Riegle
Allen	Hayakawa	Schmitt
Anderson	Helms	Stevens
Church	Leahy	Thurmond
Cranston	Metzenbaum	Zorinsky
Ford	Morgan	
Goldwater	Pearson	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of absent Senators.

The assistant legislative clerk resumed the call of the roll.

Mr. HELMS. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Arizona (Mr. DECONCINI), the Senator from New Hampshire (Mr. DURKIN), the Senators from Colorado (Mr. HART and Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), the Senator from Maryland (Mr. SARBANES), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Delaware (Mr. ROTH), the Senator from Virginia (Mr. SCOTT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 75, nays 0, as follows:

[Rollcall Vote No. 1 Leg.]

YEAS—75

Abourezk	Cannon	Domenici
Allen	Case	Eagleton
Anderson	Chafee	Eastland
Bellmon	Chiles	Ford
Bentsen	Church	Garn
Bumpers	Clark	Glenn
Burdick	Cranston	Goldwater
Byrd, Harry F., Jr.	Culver	Gravel
Byrd, Robert C.	Danforth	Griffin
	Dole	Hansen
Hatch	McClellan	Riegle
Hatfield	McClure	Sasser
Hayakawa	McGovern	Schmitt
Heinz	McIntyre	Schweiker
Helms	Melcher	Sparkman
Humphrey	Metcalf	Stafford
Inouye	Metzenbaum	Stevens
Jackson	Morgan	Stevenson
Javits	Muskie	Stone
Johnston	Nelson	Thurmond
Laxalt	Pearson	Wallop
Leahy	Pell	Williams
Long	Percy	Young
Lugar	Proxmire	Zorinsky
Mathias	Randolph	
Matsunaga	Ribicoff	

NAYS—0

NOT VOTING—25

Baker	Haskell	Roth
Bartlett	Hathaway	Sarbanes
Bayh	Hollings	Scott
Biden	Huddleston	Stennis
Brooke	Kennedy	Talmadge
Curtis	Magnuson	Tower
DeConcini	Moynihan	Weicker
Durkin	Nunn	
Hart	Packwood	

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

The Senator from South Dakota is recognized.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I think the resolution pending before us is a very ill-advised move and one that I hope the Senate will not accept.

It deals with one of the most complicated problems before the country today. That is the question of what to do with the thousands of young men who either manifested their opposition to the recent war in Vietnam by going into exile or by risking a prison sentence here at home.

It also raises the question of whether those men should be treated on the same basis as those who signed up for military service and then deserted.

As Senators know, the President-elect has drawn a distinction between these two groups of men. He has said that those who stood up against the war on the ground of conscience and refused to be drafted, refused to participate in it, should be covered by a general pardon. There is some confusion as to what the difference is between a general pardon and amnesty. If we look at Webster's dictionary, the first definition of "amnesty" is a general pardon. It becomes amnesty when it becomes general. So there is an argument about the difference between these two terms.

In any event, President-elect Carter has taken the same position I took 4 years ago, that those who deserted should be dealt with on a case-by-case basis.

There are various reasons why people desert military service. Some of it may be connected with their moral opposition to the war. Some of it may be connected with the fact that they just become bored or that they committed some kind of crime. Maybe they are guilty of something other than a protest against the war. In those cases, it does seem to make sense to deal with them on an individual basis rather than on a general amnesty or general pardon.

In any event, it seems to me a mistake

to confuse the issue by a resolution which, by implication at least, leaves the impression that what is before us is a proposal from the President or the President-elect of a general pardon or general amnesty for all those who were draft resisters or deserters. That is not the proposal that the newly elected President has made. He never has suggested that.

I think this resolution confuses the issue, both in the minds of Senators and of the public, the way it is now worded.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield to the Senator for a question or an observation.

Mr. ABOUREZK. It is important to note that this was one of the major campaign issues of President-elect Carter. If this resolution is agreed to, it will, in a way, deprive him of the opportunity to fulfill what he had pledged during the campaign and what the people of this country expect him to do under his promises.

I believe that the measure should be referred to a committee, for the committee's consideration and to give the President-elect time to do whatever he has to do on it.

I agree with the Senator from South Dakota that it is most ill-advised. I favor an amnesty of a sort that is even stronger than the President-elect has announced he favors.

So I suggest to the Senator that this matter be referred to a committee for consideration at least, so that we can get the views of the incoming administration on it.

Mr. McGOVERN. I think the Senator's point is well taken, and at the appropriate time I intend to make such a motion.

I draw the attention of the Senate to the fact that we really have not been focusing on this issue. I believe that I have been as concerned about it as most Senators, but I have not been concentrating on this issue for many months. The one Senator who really took the time and effort to deal with this issue seriously in recent months no longer is with us. I refer to the late Senator Hart of Michigan. This was the issue that was closest to his concerns in the closing months of his life. He gave the major attention to it. He probably was one of the few Members of the Senate who really thought the issue through. He was a skilled lawyer, a man of judicious temperament, whom we all respected and loved and admired. He felt very strongly that what was needed was a general amnesty to deal with this problem.

However, I mention him not so much because of his position, but simply to remind us that most of the other Members of the Senate, myself included, have not given the time and attention to this issue that the late Senator Hart did. Most of us have not treated this issue as a major priority. We have been concentrating on other things. I think it would make us look ridiculous to open a new session of the Senate on a complicated question of this kind and then not only go on record in opposition to the publicly stated position of a newly elected President but also apparently in opposition to what is the prevailing view of the American people who just elected this new President.

So I urge, in the spirit of the suggestion of Senator ABOUREZK, that rather than try to vote on this matter today, we refer it to the appropriate committee, where it can be studied and analyzed and we can put in the formula we might want to propose to the President.

At least, we should hear what the administration has to say about it, hear the views of some of the groups that are especially concerned with this issue. We should get the best legal counsel that can be brought to bear on it. We should look at the constitutional implications of it, the humanitarian aspects of it, what the impact might be on future efforts to recruit and to draft men into the armed services. These are all very complicated questions.

It is in that spirit, Mr. President, that I now move that this matter be referred to the Committee on the Judiciary, and I ask for the yeas and nays on that motion.

Mr. ABOUREZK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, it is quite interesting that those who have been insisting in past Congresses that the Senate should take a stand on issues confronting the Nation, that it should do so expeditiously, that dilatory quorum calls should not be called for, are the same people who are preventing this issue from being passed upon by the Senate.

We are starting a new Congress, with new leadership on both sides of the aisle, and an important issue comes before the Senate, an issue that should be acted upon in order that the Senate, as an institution, might give its advice, the sense of the hundred Members, to the incoming President, to allow him to make a proper disposition of this issue.

I was amazed to read a transcript of a television program on which Judge Bell appeared. The interviewer, the commentator, points out, and Judge Bell confirms—he seems to know what the President tentatively is planning to do—that this tentative plan goes much farther than anyone ever dreamed it would go.

According to this transcript, this plan calls for pardoning draft evaders who have been convicted, numbering about 9,000, and dropping charges against others who technically are still listed as fugitives.

More than that, Mr. President, this plan recommends legislation that would permit many deserters who have left the country and have become citizens of other countries—I am not absolutely sure of the number 3,000 as being accurate, but a large number—to come back to the United States after having elected to give up their citizenship.

So. Mr. President, all this issue before the Senate is: shall the Senate take a stand, shall we acquit ourselves as men, shall we be willing to take a stand on this issue and advise the President of our view?

I am of the opinion that Mr. Carter was elected as President of the United States not because of his pledge to take action in this area but in spite of it. I do not feel the American people approve of this action.

It has been stated that we want cooperation between the two branches of government. What better way would we have of cooperating than to advise the President of the view of the Senate in this sensitive issue?

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. ALLEN. The Senator knows I have only a short time. So, Mr. President, I believe this issue should be met head on by the Senate.

Mr. ABOUREZK. Mr. President, will the Senator yield so that I can accomplish his desire?

Mr. ALLEN. I hope the distinguished Senator will not disturb me any further. I will not yield.

In order that we might—obviously, we are not going to get a vote on this issue up or down, so I therefore move, Mr. President, in order to have a test vote on the issue—and I hope the Senators will regard it as a test vote—to lay on the table the motion of the distinguished Senator from South Dakota (Mr. McGOVERN) to commit this resolution.

Mr. HELMS. Mr. President, I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STONE assumed the chair at this point.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Washington (Mr. MAGNUSON), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), the Senator from Maryland (Mr. SARBANES), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announced that, if present and voting, the Senator from Arizona (Mr. DECONCINI), and the Senator from New York (Mr. MOYNIHAN) would each vote "nay."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Delaware (Mr. ROTH), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 37, nays 41, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—37

Allen	Garn	Morgan
Baker	Glenn	Schmitt
Bellmon	Goldwater	Schweiker
Bentsen	Griffin	Scott
Byrd, Harry F., Jr.	Hansen	Sparkman
	Hatch	Stafford
Cannon	Hayakawa	Stevens
Chiles	Helms	Stone
Danforth	Johnston	Thurmond
Dole	Laxalt	Wallop
Domenici	Lugar	Young
Durkin	McClellan	Zorinsky
Ford	McClure	

NAYS—41

Abourezk	Heinz	Metzenbaum
Anderson	Humphrey	Muskie
Bumpers	Inouye	Nelson
Burdick	Jackson	Pearson
Byrd, Robert C.	Javits	Pell
Case	Kennedy	Percy
Chafee	Leahy	Proxmire
Church	Long	Randolph
Clark	Mathias	Ribicoff
Cranston	Matsunaga	Riegle
Culver	McGovern	Sasser
Eagleton	McIntyre	Stevenson
Gravel	Melcher	Williams
Hatfield	Metcalf	

NOT VOTING—22

Bartlett	Haskell	Roth
Bayh	Hathaway	Sarbanes
Biden	Hollings	Stennis
Brooke	Huddleston	Talmadge
Curtis	Magnuson	Tower
DeConcini	Moynihan	Weicker
Eastland	Nunn	
Hart	Packwood	

So the motion to lay on the table was rejected.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The hour of 2 p.m. having passed, Senate Resolution 18 will go to the calendar.

Mr. ALLEN. Mr. President, I do not believe that we should allow the arrival of the hour of 2 o'clock to prevent a final vote on this issue. I hope that the leadership will cooperate in having a final vote on the resolution. Here we are, starting a new administration, a new Congress, and yet the very——

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order. The Senator from Alabama may proceed.

Mr. ALLEN. On the very first issue to come before the Senate, the Senate ducks behind this motion to refer.

Everyone knows that referral would kill the resolution, but rather than permit an up or down vote, this dilatory practice has been resorted to. I am hopeful that we can have an up or down vote. It looks as though the opinion of the Senate was pretty well demonstrated here by the last vote. Why, then, should we not vote up or down on the issue?

Hoping, then, Mr. President, that we will be able to bring the issue before the Senate again, I move that the Senate proceed to the consideration of Senate Resolution 18, and send up a motion in writing to that effect.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

is the motion?

The PRESIDING OFFICER. That the Senate proceed to the consideration of Senate Resolution 18. The question is on agreeing to the motion.

QUORUM

Mr. CRANSTON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GLENN). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. Mr. President, I object.

The PRESIDING OFFICER (Mr. STONE). Objection is heard. The clerk will call the roll.

The second assistant legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 3 Leg.]

Abourezk	Goldwater	Metcalf
Allen	Gravel	Metzenbaum
Anderson	Griffin	Morgan
Baker	Hansen	Muskie
Bellmon	Hatch	Nelson
Bumpers	Hatfield	Pearson
Burdick	Hayakawa	Pell
Byrd, Harry F., Jr.	Heinz	Percy
	Helms	Proxmire
Byrd, Robert C.	Humphrey	Randolph
Cannon	Inouye	Ribicoff
Case	Jackson	Riegle
Chafee	Javits	Sasser
Chiles	Johnston	Schmitt
Church	Kennedy	Schweiker
Clark	Laxalt	Scott
Cranston	Leahy	Sparkman
Culver	Long	Stafford
Danforth	Lugar	Stevens
Dole	Mathias	Stevenson
Domenici	Matsunaga	Stone
Durkin	McClellan	Thurmond
Eagleton	McClure	Wallop
Ford	McGovern	Williams
Garn	McIntyre	Young
Glenn	Melcher	Zorinsky

The PRESIDING OFFICER. A quorum is present.

The Senator from South Dakota is recognized.

Mr. McGOVERN. Mr. President, the Senate, just a few minutes ago, I think very clearly, indicated that it believes that the procedure to follow with reference to the resolution of the Senator from Alabama is to refer it to the Committee on the Judiciary, where it belongs, so that we can look at it as we do other complicated proposals of this kind, in a systematic way. When the Senator talks about dilatory tactics, it is not dilatory to treat a measure of this kind through the committee process. That is the way we deal with legislation of substance. That is all the Senate has said in rejecting the Senator's tabling motion. They are not trying to stall the issue, but simply to put it in the proper committee. We have had a rollcall vote on that and I think the Senate has made its view known.

So, under those circumstances, in order to save the time of the Senate, I move to lay on the table further consideration at this time of the Senator's resolution.

Mr. ALLEN. I call for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered on the motion to lay on the table the motion to proceed.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Washington (Mr. MAGNUSON), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), the Senator from Maryland (Mr. SARBANES), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. DECONCINI) and the Senator from New York (Mr. MOYNIHAN) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Delaware (Mr. ROTH), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 37, nays 40, as follows:

[Rollcall Vote No. 3 Leg.]

YEAS—37

Abourezk	Heinz	Muskie
Anderson	Humphrey	Nelson
Bumpers	Inouye	Pearson
Byrd, Robert C.	Javits	Pell
Case	Kennedy	Percy
Chafee	Leahy	Proxmire
Church	Long	Ribicoff
Clark	Mathias	Riegle
Cranston	Matsunaga	Sasser
Culver	McGovern	Stevenson
Eagleton	McIntyre	Williams
Gravel	Melcher	
Hatfield	Metzenbaum	

NAYS—40

Allen	Glenn	Morgan
Baker	Goldwater	Randolph
Bellmon	Griffin	Schmitt
Burdick	Hansen	Schweiker
Byrd, Harry F., Jr.	Hatch	Scott
	Hayakawa	Sparkman
Cannon	Helms	Stafford
Chiles	Jackson	Stevens
Danforth	Johnston	Stone
Dole	Laxalt	Thurmond
Domenici	Lugar	Wallop
Durkin	McClellan	Young
Ford	McClure	Zorinsky
Garn	Metcalf	

NOT VOTING—23

Bartlett	Hart	Packwood
Bayh	Haskell	Roth
Bentsen	Hathaway	Sarbanes
Biden	Hollings	Stennis
Brooke	Huddleston	Talmadge
Curtis	Magnuson	Tower
DeConcini	Moynihan	Weicker
Eastland	Nunn	

So the motion to table the motion to proceed was rejected.

Mr. SCOTT. Mr. President, I rise in

support of the motion of the distinguished Senator from Alabama and in support of the resolution that he would call before the Senate.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, with the understanding that he not lose his right to the floor, for the purpose only of my making a unanimous-consent request that has nothing to do with this matter?

Mr. SCOTT. I am glad to yield.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TIME LIMITATION ON ROLLCALL VOTES DURING REMAINDER OF 95TH CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on any rollcall vote during the remainder of the 95th Congress of 15 minutes, with the warning bell to be sounded at the midway point—to wit, at the beginning of the last 7½ minutes.

Mr. SCOTT. Mr. President, reserving the right to object, and I am not going to object, I believe that in the past Congress there was a warning bell at a different time. What was the practice? Was it at 10 minutes that we had the warning bell?

Mr. ROBERT C. BYRD. The warning bell sounded at the midway point.

Mr. ALLEN. Mr. President, reserving the right to object, and I shall not object, this question came up during the last Congress, I believe, or possibly the Congress before—that because there had been a slight delay in sounding the warning bell, more than 15 minutes should be allowed for the consummation of the vote. I believe that request was made by one of the Senators and that argument was made.

Could there be an understanding, by unanimous consent, that irrespective of the failure of the clerk to sound the warning bell on time, it would not extend the 15 minutes?

Mr. ROBERT C. BYRD. Mr. President, the Clerk of the Senate is directed to sound that warning bell at the midway point. There are two clerks there, and surely one of them can watch a time watch and see that that is done.

What the Senator has said is pertinent, and what I am saying in return is not in denigration of what he is saying. I am simply saying it is the responsibility of one of those clerks to sound that bell at the midway point so that all Senators know that when that bell sounds they have 7½ minutes to get to the floor.

Mr. ALLEN. Yes. I am not being critical. I just want it understood that if the clerk failed to sound the warning bell until 8½ minutes of the 15 minutes had expired would that extend the 15 minutes. That is what the Senator from Alabama wants to know.

Mr. ROBERT C. BYRD. Well, I think if the clerk fails—and if he fails, may I say, he is going to get some heat——

Mr. ALLEN. I understand that.

Mr. ROBERT C. BYRD. But if he fails and that bell sounds at 8½ minutes after the rollcall begins, I do not think Senators should be penalized for that 1 minute. I think they ought to have the understanding, ought to be able to proceed on the understanding, that when that midway bell sounds they have 7½ minutes to get here.

Mr. ALLEN. In other words, we are not talking about a limit of 15 minutes; we are talking about 7½ minutes after the warning bell sounds; is that correct?

Mr. ROBERT C. BYRD. We are talking about a limit of 15 minutes. In our own caucus only a day or so ago, the leadership was instructed to ask for the regular order when those 15 minutes are up, and it is my intention to follow the direction of the caucus in that regard.

The PRESIDING OFFICER. The Chair is advised by the clerks that the use of the first vote bell automatically triggers the midway bells. It is an automatic situation.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. BUMPERS. Mr. President, reserving the right to object, will the distinguished majority leader consider amending the request also to provide that when the rollcalls are less than 15 minutes by unanimous consent the 7½ minute warning will be sounded 7½ minutes prior to the expiration of that period?

Mr. ROBERT C. BYRD. I will. That was the reason why I so worded my response a moment ago that the midway bell not sound after the first 7½ minutes but that the midway bell sound just prior to the beginning of the last 7½ minutes. That is what I had in mind.

I thought that all Senators should understand that when that midway bell sounds, whether it is a 10-minute vote or a 15-minute vote, they have 7½ minutes to get to the floor, and I include that in my request, as the distinguished Senator from Arkansas has suggested, to wit, if and when the Senate, by unanimous consent, orders a rollcall vote to be 10 minutes in length only that the warning bell be sounded at the beginning of the last 7½ minutes.

Mr. BUMPERS. I thank the Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBERT C. BYRD. May I impose on the Senator's courtesy once again?

Mr. SCOTT. Without losing my right to the floor.

Mr. ROBERT C. BYRD. Mr. President, I am under instructions from my side of the aisle to ask for the regular order when the 15 minutes are up, and when I am not here someone else in the leadership on this side of the aisle is instructed to do that.

Now, of course, if there is a Senator in the well, a Senator comes in the door and is seeking recognition, he is entitled to that recognition even if the 15 minutes are up, and I will do everything I can to protect his rights whether he is on my side of the aisle or the other. But I would hope all Senators do get this message clearly that when the 15 minutes are up the call for the regular order can be made by any Senator. As far as I am concerned, the leadership on this side of the aisle has instructions to do that. I thank the Senator for his courtesy.

Mr. BAKER. Mr. President, will the Senator yield 30 seconds?

Mr. SCOTT. Without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thoroughly concur and agree that we ought to have the regular order after 15 minutes. There will be no objection on my side to that, and I will be happy to do that in concert with the majority leader.

I urge that we always do it so that there is no question about it, so that at the end of 15 minutes the regular order will be to recognize those Senators in the Chamber attempting to vote or clearly making an effort to vote, but other than that that the rollcall ends. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. SCOTT. Commenting briefly on what has been said by the majority leader and the minority leader, there are times when a Senator is passing on his way over here and passes one of the police officers, and they call and say, "A Senator is on his way."

I hope that the leadership on both sides of the aisle, if it is just a matter of a minute, might accommodate a Senator under those circumstances. I am merely expressing a hope that that might be followed. It happened to me this morning.

Mr. ROBERT C. BYRD. Mr. President, may I say to the distinguished Senator that was not included in the instructions given to me by my caucus. If we start to do that, if we start to accommodate one Senator in that regard—and I personally would love to do it in the interest of that Senator—however, in the interest of the other 99 Senators and in the interest of the Senate which, I think, supervenes my interest in accommodating a Senator, we ought to stick to the rule if we are going to have it, and apply it without fear or favor. If it catches me it just catches me.

Mr. SCOTT. It might be that the distinguished majority leader might bring the matter before his caucus again, because I am not speaking on my behalf but collectively the 100 individual Senators do constitute the Senate.

PARDON OF VIETNAM ERA DRAFT EVADERS

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation of Executive order of Vietnam-era draft evaders, and for other purposes.

Mr. SCOTT. Mr. President, we do not know when our country will again face a national emergency on the scale of a major war. We know only that such tragedies have been all too frequent in the past. In wartime crisis, however, the American people have responded to their

Nation's needs. Not all served in uniform, but the vast majority of Americans joined together to provide for the common defense as best they could. The American system derives its strength from the freedom, diversity, and industry of its people, and not from efforts to place every citizen in uniform. For that reason, we can be proud that our system has the physical and moral strength to accept religious and conscientious objectors and to provide a means by which these citizens can also contribute to the common good in time of war.

There have, however, been some who, when unable to obtain exemption or alternative service under the draft laws, have gone into hiding or fled their country in order to avoid induction into the military. Even under the liberal selective service laws of the Vietnam era, there were those who would neither serve nor accept the legal consequences of their failure to show adequate cause why they should not serve. The causes of draft evasion are many, but, fortunately, the actual number of draft evaders was not great. The unity which our Nation displays during times of national emergency and the severe moral and legal sanctions which all nations apply to those who abandon their fellow citizens in time of war have served to keep draft evasion and similar crimes to a minimum.

Legislation which makes draft evasion a crime is not designed to obtain vengeance against those who dodged the draft. It is meant to help deter the act of draft evasion.

Mr. President, I call the Senator's attention to the next to the last paragraph in the preamble of the resolution of the distinguished Senator from Alabama, Senate Resolution 18, and it reads this way:

> Whereas a blanket Presidential pardon for Vietnam era draft evaders, deserters, or military law violators could have dire effect on military morale and discipline and might tend to hamper future defense efforts;

Mr. President, as I understand it, all of our criminal laws are premised on that basis. We are not trying to be punitive, to extract punishment from an individual citizen. I do not believe that the Members of the Senate desire to punish these individuals. I would like to think that we can be forgiving, but at the same time we have to think about the future of this country.

Suppose all of those who failed to observe the laws are pardoned and a blanket pardon is extended to them. What will happen the next time a similar situation arises? Will the individual citizen decide for himself whether it is a just war? Will the individual citizen decide for himself whether or not he should obey the call of his country, whether he should obey whatever means are ordered in the statute as enacted by Congress?

I believe that the adoption of this resolution, if it should be persuasive on the President-elect, if the general pardon is not granted in the future when similar situations arise the individual that is subject to the draft laws will think about the punishment that can be extracted from him if he does not obey the law, and I would hope that we are looking to the future and to the future welfare of the country and our ability to obtain whatever forces may be necessary to defend the country in the years to come.

While humanitarian considerations have moved past Presidents to grant pardon or amnesty for draft evasion, this has usually been done on an individual basis. In each case where a pardon has been granted on other than an individual basis, a major concession was required from the draft evader himself—an oath, alternative service, even jail. President Ford continued this practice by establishing the Clemency Review Board to weigh the merits of the individual cases. I think he was quite lenient in what he did. He did this where draft violators from the Vietnam war era applied for clemency. This limited amnesty program may have served the interests of justice because it is selective. Rather than group draft evaders and putting them into a single category, the clemency board judges whether each individual who has made the decision to apply for clemency sincerely desires to become in good standing as a citizen once again. Not only was it an effort to serve justice, but those persons considering draft evasion in the future will see that they cannot simply sit out the war and wait for forgiveness later. They will see that their conduct will be judged no mater how long they wait. And this consideration will amplify the deterrent effect of our Nation's laws against draft evasion.

Mr. President, President-elect Carter has indicated that he will issue some form of Presidential pardon to all draft evaders from the Vietnam war era. He has said that this will be done as one of his first official acts as President. Certainly, he has the power and authority under article II, section 2 of the Constitution, to do this. However, this is a power that in my opinion, should be used with caution, and I expect that Governor Carter is carefully considering the positive and negative aspects of the statement on pardoning draft violators that he made during the heat of the recent political campaign.

Many Virginians have done more than write to their Congressmen, and I am sure that many of us have received letters on this. A group in Norfolk, Va., have circulated a petition against a blanket pardon. They have gathered thousands of signatures which they hope to present to President-elect Carter. In Virginia Beach, which is near Norfolk, adjoining Norfolk, a former prisoner of war in Vietnam left his military decorations for heroism on the tombstone of a World War I veteran to show his opposition to blanket amnesty. He said he was disillusioned and he felt that the values that he was taught as a child were no longer held in esteem by many Americans. These Virginians recognized the injustice of what the President-elect has indicated that he proposes to do.

A blanket pardon will certainly be unjust to those who overcame their own fears and their own reservations to serve loyally in the Armed Forces of the country. Making the decision to risk one's life in a far-away land for complex reasons is not easy. Some men made the decision not to serve and to take the consequences for their decision. Many others took their cases to the courts, made the best argument that they could and when they lost they foreswore any chance to jump bail and flee. They earned the respect of many people, even those who disagreed with their actions, for standing up for the principles they believed in and accepting the consequences.

They promoted what they believed to be a higher law and at the same time did not undermine the deterrent effects of our laws. A blanket pardon for draft violators would say to these men:

> Don't respect your Nation's laws. Don't even stand up for your own principles. Do the smart thing and hide until the problem goes away.

Mr. President, there is no doubt that there are many draft violators who believe that they have been wronged by society and that they themselves have done no wrong. These draft evaders have made this clear by their refusal to take part in programs sponsored by the Clemency Review Board. Many claim access to a political or moral superiority which exempts them from having to obey the country's law, and they demand recognition of this. Many draft violators see a blanket amnesty or a blanket pardon not as a humanitarian act, but as the symbolic submission of this Nation, our Government, and people to the philosophy of these expatriates. I think we should not submit. We must stand by the laws of the country and by the principles we believe in, not because they are ours, but because we have struggled over the years to make them just.

Mr. President, the thrust of my argument here is that we should consider the resolution of the distinguished Senator from Alabama. We should pass the resolution, expressing the views of the Senate against the granting of blanket amnesty, and in my opinion it is in the interest of the Nation that we not have blanket pardon even though this is a decision to be made by the President now in office or the President-elect when he assumes office.

Mr. President, I yield to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. HAYAKAWA. Mr. President, I wish to speak in support of Senate Resolution 18. But I wish to speak from the point of view of a conscientious objector, who could not and would not take part in combat, since the shedding of blood is contrary to his moral principles. Many of these conscientious objectors served as medical corpsmen, to rescue the wounded and the maimed, to gather up the remains of the dead. They performed this humane service even in the midst of combat, at as much risk—often at greater risk—to their lives and safety as the infantrymen—and many were wounded and killed.

I also wish to speak from the point of view of those who served prison terms, because they would accept neither combatant nor noncombatant service in a

war—because any kind of participation in a war would have been contrary to their own moral principles. However much these people disagreed with the decision of the Government to wage a war, they acknowledged the authority of their Government; and in refusing to participate in war, they nevertheless accepted, in sorrow but with dignity, the penalties for their refusal.

I believe that a blanket amnesty would be an affront not only to those who served and bled and died in the war, but also to those who refused to fight, but nevertheless remained good citizens—indeed exemplary citizens—in that they found ways both of obeying the dictates of their conscience and of acknowledging the legitimate and legal demands of their Government in time of war.

In the interest of justice both to those who fought and to those who honorably refused to fight, but accepted the consequences of that refusal, I respectfully urge the support of Senate Resolution 18.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to the consideration of Senate Resolution 18.

Mr. CRANSTON. Mr. President, what motion was that?

The PRESIDING OFFICER. The motion to proceed with Senate Resolution 18.

The question is on agreeing to the motion.

Mr. CRANSTON. Mr. President, I think there should be an opportunity for a rollcall vote on this matter. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. CRANSTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DURKIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CRANSTON. I was going to ask for the yeas and nays.

The PRESIDING OFFICER. The clerk will continue.

The call of the roll was continued.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, will the Senator yield for the purpose of my asking for the yeas and nays?

Mr. THURMOND. I yield for that purpose.

Mr. CRANSTON. I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I rise in support of Senate Resolution 18 which advises President-elect Jimmy Carter that it is the sense of the Senate he would be ill advised to grant a general amnesty.

It has always been my position that individuals who refuse military service or desert from military service should be dealt with on a case-by-case basis.

Mr. President, there are a number of reasons as to why I support this resolution urging President-elect Carter not to give a general amnesty to draft evaders and deserters.

First, these individuals chose to violate the law rather than serve honorably in the Armed Forces during the Vietnam war. They should not be exempted from the responsibilities of their action.

Second, a general amnesty represents a rebuke to those who served, suffered, and died in Vietnam. Some of those who served did so unwillingly and without commitment, yet despite their reservations, they recognized an obligation to their Government.

Third, the granting of a general amnesty greatly weakens future Presidents when they find it necessary to commit U.S. troops to combat. The morale of our current forces is damaged and the potential for future defections in a time of emergency is increased.

Fourth, President-elect Carter should realize that for each of the approximately 32,000 deserters and 14,000 draft evaders, some other individual had to step forward and serve in their place. Many of these individuals may today be lying in veterans' hospitals, among the missing in action, or buried in the cemeteries of this Nation.

Mr. President, I have some additional statements with me. I have one by the commander of the American Legion, the largest veterans' organization in the world, which I would like to present to the Senate at this time. This is a statement that he made:

The following is the statement which I have sent to President-elect Carter today regarding his proposed pardon for draft evaders and military deserters and those receiving less than honorable discharges:

The American Legion and the American Legion Auxiliary vehemently protest and unalterably oppose your proposed pardon/amnesty plan for draft evaders, military deserters and those receiving less than honorable discharges during the Vietnam period. We continue to urge that each case be judged on an individual basis through the existing judicial and administrative channels currently open to those individuals.

The American Legion reaffirms its belief in the fairness and compassion of the American judicial system. The proposed blanket amnesty would insult the vast majority of Americans who served honorably during the Vietnam period. Moreover, a pardon could have serious effects on our already lagging, all-volunteer force and will raise serious questions about military service for our people in the event of a future national emergency.

We submit that, rather than healing wounds, the proposed action will prove a divisive influence.

The following is his statement to the State commanders:

I am personally asking each of you to individually and collectively mobilize the membership of your Department to advise President-elect Carter and your elected representatives of our strong and unwavering opposition to any pardon.

Then he goes on and outlines a procedure for the Legion to help to stop this.

Mr. President, I have a resolution which was passed by the American Legion on August 26–26, 1976, when it met at Seattle, Wash. This is resolution No. 434 by the national security committee of the Legion. The subject is draft evaders and/or deserters:

FIFTY-EIGHTH NATIONAL CONVENTION OF THE AMERICAN LEGION, SEATTLE, WASH., AUGUST 24–26, 1976

Resolution 434.

Committee: National Security.

Subject: Draft evaders and/or deserters.

Whereas, young men throughout the history of the United States have patriotically answered the call of their country and defended its lands and ideals; and

Whereas, hundreds of thousands of these young men volunteered for, or accepted, duty in Vietnam and served with honor and distinction; and

Whereas, thousands of these young men lost their lives, or were gravely wounded; and

Whereas, thousands were captured by the enemy and were imprisoned and/or tortured for long periods of time; and

Whereas, the question of amnesty for those who have fled the country to avoid induction into the Armed Services, or have deserted their assigned military units to avoid military obligation during the Vietnam conflict has been again raised; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Seattle, Washington, August 24–26, 1976, that we reaffirm our opposition to general amnesty for draft evaders, draft dodgers and military deserters and urge that each case be tried on an individual basis, and each deserter be dealt with as prescribed by the Uniform Code of Military Justice; and, be it further

Resolved, that we urge the United States Government and its courts of justice to prosecute to the full extent of the law, all individuals charged with evading the military draft; and, be it further

Resolved, that all members of The American Legion are urged to publicize our stand on draft evaders, deserters and blanket amnesty.

Mr. President, the Veterans of Foreign Wars also passed a resolution on this subject. The VFW resolution is numbered 401, entitled "No Amnesty or Pardon."

RESOLUTION NO. 401: NO AMNESTY OR PARDON

Whereas, two and one half million American citizens were called upon and honorably served in Vietnam at their country's bidding; and

Whereas, in so doing, 56,234 were killed; 303,000 wounded; over 600 were incarcerated in enemy prison camps; nearly 1,100 are still missing in action, and many returned home to rebuild a life of peace and opportunity for themselves and their families and took their fully earned place in the land for which they fought; and

Whereas, while the overwhelming majority of our men served with courage and honor, others who also had been called upon to serve avoided their responsibilities, and abandoned their country by fleeing outside its borders or going underground; and

Whereas, others, while serving in the military, chose to desert rather than discharge their sworn obligations; and

Whereas, to grant "amnesty" or "pardon" to those draft dodgers and military deserters who violated civil and military laws without penalty would be a gross miscarriage of our judicial system, to the sacrifices made by those who served and are still serving, their

families, POWs-MIAs, and to the United States of America; and

Whereas, the "Clemency" program announced by President Ford at the 75th National Convention of the Veterans of Foreign Wars of the United States finally drew to an unmourned close on September 15, 1975, with the overwhelming majority of draft dodger eligibles turning their backs on the President's unwise—albeit decently-motivated—effort, preferring clearly to await their "vindication" by a Congressional grant of unconditional "amnesty" or "pardon;" and

Whereas, we fully and completely reject the fallacious notion that only those calling for "amnesty" or "pardon" have "compassion," our compassion being reserved for those who fought and their families; now, therefore

Be it resolved, by the 77th National Convention of the Veterans of Foreign Wars of the United States, that we sustain total opposition to both unconditional and conditional "amnesty" or "pardon" for draft dodgers and military deserters; and

Be it further resolved, that we cannot and will not advocate support of any political party or candidate proposing to grant "amnesty" or "pardon" to those refusing to serve in our nation's Armed Forces at a time when other loyal citizens were dying in conflict with our nation's enemies; and

Be it further resolved, that the Veterans of Foreign Wars of the United States, continues our total commitment to pursue the "Amnesty Never" doctrine through our membership to the Congress and to the American people and to be firm in our stand never to relinquish, dilute or compromise this position.

Mr. President, this resolution was adopted at the 77th National Convention of the Veterans of Foreign Wars of the United States held in New York, N.Y., on August 13 through 20, 1976.

Mr. President, I have a VFW memorandum that was put out to the national officers and National Council of Administration, past commanders in chief, department commanders, department adjutants, department publications, and PRO's, from R. D. "Bulldog" Smith, commander in chief, Veterans of Foreign Wars of the United States, dated September 1, 1976:

1. During my acceptance remarks in New York City on August 20, I included the following statements:

"Some say that 'amnesty' will 'bind up the country's wounds.' I say that it would be a mass precedent for desertion and draft dodging and we will never stand for it; and no candidate for political office at any level should forget this for one moment.

"And I specifically include those who call for a Presidential 'pardon.' Changing the word 'amnesty' to the word 'pardon' doesn't fool us for one moment—and I don't believe it will fool the American people."

2. I read where my fellow Georgian, Governor Jimmy Carter, made a speech and included the following:

"I do not favor a blanket amnesty, but for those who violated Selective Service laws, I intend to grant a blanket pardon.

"To me there is a difference. Amnesty means that what you did is right. A pardon means that what you did—right or wrong—is forgiven. So, pardon—yes, amnesty—no.

"It is time for the damage, hatred and divisiveness of the Vietnam War to be over. The cases of deserters from the Armed Forces should be handled individually, in accordance with our nation's system of military justice.

"While all Americans may not be able to agree about whether the nation ever should have been involved in Vietnam, we can now agree to respect those differences and to forget them.

"We must bind up our wounds. We simply cannot afford to let them fester any longer. The world is too dangerous. We cannot remain distracted from what must be our overriding aim. Attention must turn to rebuilding the military, economic and spiritual foundations of a peaceful world order."

3. Governor Carter is as wrong as he can be. My reasons follow.

(a) We should all hate war; we must always honor those we call upon to be our warriors.

(b) The semantical shading between "pardon" (forgiveness) and "amnesty" (forgetfulness) is of no consequence. What is of consequence is that a blanket pardon will gratuitously open up wounds, while a deliberate case-by-case review would bespeak confidence in the fairness and compassion of our on-going system of justice.

(c) The great majority of the next of kin of the 56,234 KIA, 303,000 WIAs, and the 591 returned POWs will be insulted by a step which implies that sacrifices made in a lost cause we could have won (but wouldn't) were not only pointless; they were stupid.

(d) Hundreds of Americans are still—three and one half years after Vietnam—carried on the rolls of their services as MIA.

What must their families think of Governor Carter's priorities?

(e) Of the more than 600,000 draftees who served in Vietnam, 11,500 were killed and 60,000 were wounded. Now, the names of these 71,500 draftee casualties—again I'm talking just of our draftees—would be far different if those called by the country had met the first test of citizenship.

(f) Mr. Carter's proposal is both a mass burial of due process and an irrevocable precedent for future mass defections—possibly during his Presidency. He seems to be saying to our all volunteer forces, if you volunteered in, you can volunteer out.

(g) No American can expect "full customer choice" on the wars he chooses to support.

We all should neither expect more, nor settle for less, than our fair day in court.

I will carefully consider the possibility of calling for a mass demonstration of V.F.W. members, and members of like-minded groups, should Governor Carter's foolish statements on a "blanket pardon" for draft dodgers appear likely to be implemented.

Together we will make it!

Sincerely,

R. D. "Bulldog" Smith, Jr.,
Commander in Chief.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a moment?

Mr. THURMOND. Mr. President, I shall be pleased to yield to the distinguished majority leader without losing my rights to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR U.S. SECRET SERVICE TO CONTINUE TO FURNISH PROTECTION TO CERTAIN FORMER FEDERAL OFFICIALS OR MEMBERS OF THEIR FAMILIES

Mr. ROBERT C. BYRD. Mr. President, the present law with respect to the extension of Secret Service protection to certain Government officials after they leave office extends Secret Service protection to former Presidents, their wives, and their children under the age of 18. However, such protection may not be granted by a President to any former Government official. I am going to introduce a resolution, cosponsored by Mr. Baker and myself, to allow President Carter to extend Secret Service protection, if he feels it is necessary, to those Government officials now protected, but who would lose such protection on January 20, 1977. At the present time, the President and his family, the Vice President and his family, the Secretary of State and his family, and the Secretary of the Treasury and his family are receiving protective service.

All, as I have indicated, except the President and Mrs. Ford, will no longer be protected after January 20, 1977. Under the present law, the President has no authority to extend protection to any of those persons after January 20, 1977, even if he feels that there is a significant danger to their lives.

The resolution jointly introduced by the majority and minority leaders would provide authorization which would expire on July 20, 1977. It is a 6-month emergency situation authorization measure only. During that time, Congress may consider whether it wishes to grant such authority to a President on a permanent basis. In the meantime, President Ford feels that there is a significant danger to the life of Secretary of State Kissinger that such authorization is needed. This resolution has been cleared by me with Senator Long, chairman of the Senate Committee on Finance, for immediate consideration by the Senate, and I shall urge its passage.

I know that the distinguished Republican leader will have some comments. He knows of the resolution, he is a cosponsor of it. He may wish to make his comments now or he may wish to wait until the clerk states the contents of the resolution, whichever my colleague prefers.

Mr. BAKER. Mr. President, if the Senator will yield, it will not take more than a moment to put this in.

Mr. THURMOND. I yield to the distinguished minority leader, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I am a cosponsor of this resolution. I feel it is a matter that requires our immediate attention. I met this morning, as did the distinguished majority leader and bipartisan leaders of both Houses, with the President and representatives of the Secret Service. I am convinced that it is a matter that should be dealt with promptly.

I might say for the record, Mr. President, that Secretary Kissinger himself has not asked for this relief. It was suggested by the President, I understand, on the recommendation of the Secret Service. It leaves to the incoming President of the United States, President-elect Carter, the full discretion that I think a President should have in this respect. I think the resolution is appropriate for the circumstances and I am pleased to be a cosponsor.

Mr. ROBERT C. BYRD. Mr. President, I have now sent the resolution to the desk. I ask unanimous consent that it be stated by the clerk and that the Senate proceed immediately to consider the resolution.

Mr. ALLEN. Reserving the right to object, I do not plan to object.

Will the resolution be stated?

Mr. ROBERT C. BYRD. Yes; I asked that the clerk state the resolution.

The ACTING PRESIDENT pro tempore (Mr. DECONCINI). The joint resolution will be stated.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 12) to authorize the United States Secret Service to continue to furnish protection to certain former Federal officials or members of their immediate families.

Mr. ALLEN. Mr. President, reserving the right to object, and I shall not object, I ask the distinguished majority leader how many Secret Service agents per family would be employed and at what expense to the Treasury?

Mr. ROBERT C. BYRD. I cannot answer that. I cannot answer either of the questions, I say to the distinguished Senator from Alabama.

Mr. ALLEN. Does the Senator not think that is material?

Mr. ROBERT C. BYRD. It is a very pertinent question. I will be glad to see that such information is printed in the RECORD. I will make every attempt to procure that today so that that information will be in the RECORD in response to the Senator's question.

Mr. ALLEN. But that would be after the fact.

Mr. ROBERT C. BYRD. That would be after the fact, yes.

It may be possible for us to get that information now before we act on the resolution, if the Senator would like.

Mr. ALLEN. I will not object, if the Senator will follow that procedure.

Mr. ROBERT C. BYRD. I will certainly make every effort to do so. I have already instructed an aide to get that information.

Mr. ALLEN. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will further indulge me, I send to the desk a communication from the President of the United States in connection with this resolution and I ask that it be stated by the clerk in its entirety.

The PRESIDING OFFICER. The communication will be stated.

The assistant legislative clerk read as follows:

THE WHITE HOUSE,
Washington, January 14, 1977.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting for consideration by the Congress an urgent Joint Resolution which would authorize the Secret Service to furnish protection to a person who as a Federal Government official or as a member of such official's immediate family had been receiving protection for a period immediately preceding January 20, 1977, if the President determined that such person may thereafter be in significant danger. This protection could not continue beyond July 20, 1977, unless otherwise permitted by law.

The lives of the Vice President, the Secretary of State, and other Federal officials have been threatened because of their service to the United States and the American people. The number of threats against prominent Federal officials normally declines after they leave office. The emergence in recent years of numerous and mobile foreign terrorist groups has created an added degree of risk, especially for the Vice President and the Secretary of State; they are natural targets for individuals and groups prone to violence. Threats against Secretary Kissinger's life are current and continuing.

We cannot in good conscience subject any departing Vice President, Secretary of State, or any other Federal official to possible harm because of his or her service to the United States. Because this danger results directly from the high visibility of their positions, I believe that the Federal Government has an obligation to provide them and their immediate families, if necessary, with protection as long as there is significant danger to their lives.

Existing statutory authority is not adequate for this purpose. Consequently, unless the Congress acts immediately, protective services necessary to ensure the continued safety of the Vice President, the Secretary of State, and other Federal officials cannot be provided after they leave office on January 20.

The emergency resolution that I am proposing is a temporary measure. It would allow the next President to extend protection, if the situation warrants, to one or more of the persons having protection now who would otherwise abruptly lose that protection next Thursday. The persons now having protection, in addition to me and my immediate family (of whom Betty and I, but not our children, will have continued protection under existing law) are the Vice President and the Secretaries of State and Treasury and their immediate families, but it is likely that only a few of those persons will require extended protection after next Thursday and for merely limited periods as the next President may determine. In any event no such protection could go beyond July 20, 1977 unless the Congress should act later to permit protection over a longer period in particular instances.

The adoption of this proposed resolution is endorsed by the Secret Service, and I request that the Congress act swiftly on this proposal.

Sincerely,

GERALD R. FORD.

Mr. ROBERT C. BYRD. Mr. President, both the distinguished Republican leader and I are attempting to seek to secure the information in response to the distinguished Senator from Alabama. I believe the distinguished Republican leader has just completed discussing this matter with the Senator. Perhaps the Republican leader would like to speak.

Mr. BAKER. Will the Senator yield under the same circumstances?

Mr. THURMOND. I yield under the same conditions.

Mr. BAKER. Mr. President, I tried just now to ascertain on the phone the two items the Senator from Alabama requested. I am sure I can have those items and numbers very shortly.

I conveyed that information to the Senator from Alabama. It is my understanding that he indicated on that basis he would not object to our proceeding with the immediate consideration of the resolution at this time.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration, and, without objection, the joint resolution will be considered to have been read the second time at length.

The joint resolution (S.J. Res. 12) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 12

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Secret Service, in addition to other duties now provided by law, is authorized to furnish protection to a person who (a) as a Federal Government official has been receiving protection by the United States Secret Service for a period immediately preceding January 20, 1977, or (b) as a member of such official's immediate family has been receiving protection by either the United States Secret Service or other security personnel of the official's department immediately preceding January 20, 1977, if the President determines that such person may thereafter be in significant danger: *Provided, however,* That protection of any such person shall continue only for such period as the President determines and shall not continue beyond July 20, 1977, unless otherwise permitted by law.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I thank my friend from South Carolina for his courtesy.

The PRESIDING OFFICER. The Senator from South Carolina.

PARDON OF VIETNAM ERA DRAFT EVADERS

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation of Executive order of Vietnam era draft evaders, and for other purposes.

Mr. THURMOND. Mr. President, an editorial appeared in the Aiken Standard—that is a newspaper in my home county of Aiken—which I think brought out some good points on this subject, entitled "Problems of Pardon Multiply."

Last August, Jimmy Carter aroused hostile reactions in an American Legion audience when he announced he would grant a blanket pardon to Vietnam draft resisters if he became president. He took pains to point out what he saw as a difference between pardon and amnesty—the former implying forgiveness for having done wrong, the latter implying that no wrong had been done.

It now develops that Mr. Carter may have to qualify the term "blanket" as well. He has told reporters that he had not been aware during the campaign that there were different categories of young men who violated the Selective Service laws. He acknowledged this has raised problems in drafting a proclamation of pardon that would be one of his first official acts as president.

Mr. Carter has encountered the difficulty that has always surrounded the proposals to clear the books of this aspect of the Vietnam war. Some young men failed to obey the draft laws out of ignorance, others out of fear, others out of a desire to protest, others from a conviction of conscience. There are varying degrees of guilt or responsibility

among their cases. An all-inclusive pardon could create injustice by lumping them all together.

That's the problem Mr. Carter created for himself with his campaign promise. He told the Legionnaires in August that his aim was to end the damage and divisiveness that lingers from the Vietnam war. We hope that in fulfilling his promise he can manage to avoid creating more of the same from the way his pardon is applied.

Mr. President, another editorial which I think is of great interest appeared in the Augusta Chronicle, entitled " 'No' to Pardon" on December 22, 1976.

Another article of great interest which appeared is by Pat Buchanan, entitled "If There Is No Reward for Loyal Service . . .," which appeared in the Arizona Republic on December 28, 1976.

Another article appeared in the New York Daily News, entitled "Why the Veterans of Foreign Wars of the United States Will Never Agree to a Blanket Pardon of Draft Dodgers or Military Deserters," by R. D. "Bulldog" Smith, national commander in chief, VFW.

Also, I have a news release by the VFW, entitled "VFW Leader Hits Alaska Judge's 'Playboy' Desertion on Draft Dodgers."

In order to save time, I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Augusta, (Ga.) Chronicle, Dec. 22, 1976]

"No" TO PARDON

If President-elect Jimmy Carter was surprised to see a letter to him signed by 106 members of the Congress asking that he reconsider his pledge to pardon all Vietnam-era draft dodgers, he shouldn't have been.

There is a large bloc of bipartisan sentiment in this country (as evidenced by the fact that 39 Democrats signed the letter to the incoming Democratic President) firmly against such a pardon. As Rep. G. V. (Sonny) Montgomery (D-Miss.) states, there are a great many Americans who are also concerned "about the problems which might arise regarding those who did serve and received less than an honorable discharge." Congressman Montgomery notes that Mr. Carter is under heavy pressure from the left-wing of his party to issue an even broader pardon that would cover groups such as military deserters.

If President-elect Carter fulfills his pledge to issue a blanket pardon a week after he takes office, look at the precedent that would be set:

In some future emergency, any person who simply doesn't choose to risk his life when his country calls would, as a matter of course, remember that the law was virtually nullified by Mr. Carter. Who could blame him for thinking that he need pay no heed to possible future Selective Service obligations, reasoning that if it meant nothing during the Vietnam conflict, it could never mean anything again?

And, when the implications are further extended, who could be surprised if amnesty for draft dodgers and possibly even deserters led to a great increase in law violations of all kinds, encouraged by the conclusion that law as such is a flexible, meaningless thing that can be bent at will by a President?

For Mr. Carter to grant an "easy out" to draft dodgers would be equivalent to dismissing indictments against persons who violated any other law with which they did not agree.

Time hasn't cleansed them of their guilt, nor has the blood of those who met their responsibility washed away the culpability of those who evaded it.

We hope Mr. Carter takes the advice of the 106 congressmen.

[From the Arizona Republic, Dec. 28, 1976]

IF THERE IS NO REWARD FOR LOYAL SERVICE . . .

(By Pat Buchanan)

WASHINGTON.—The nation might be spared a miscarriage of justice if someone will pony up $15 to buy Charles Kirbo, Jimmy Carter's eminence grise, a Christmas book, new on the market.

Authored by John Hubbell, published by Reader's Digest Press, the book is titled "P.O.W."; its subtitle: A Definitive History of the American Prisoner-of-War Experience in Vietnam, 1964–1973.

It is the story of the almost uninterrupted heroism of the American prisoners of war who came home in 1973 from their hellholes in North Vietnam. Not only should it be on the shelves of the nation's military academies, it should be required reading for every high school student in America.

Whatever one believes about Vietnam, the next generation ought to know that within the present U.S. officer corps there is a band of heroes without equal in their country's history.

Kirbo needs to give the book special attention. For, thus far, he has failed to answer the public request of Air Force Colonel George E. (Bud) Day for a meeting to discuss the issues of amnesty for the Vietnam draft dodgers and deserters, and elevating to "honorable" all the "dishonorable" discharges given during the Vietnam era.

Tortured by the Communists until he was permanently crippled, Colonel Day is one of two living ex-POWs to have received the Congressional Medal of Honor for "conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty." (The other is Navy Rear Admiral James B. Stockdale.)

While Kirbo has yet to find time in his busy schedule for Colonel Day, he has found ample time to meet with a pro-amnesty delegation featuring former POW Edison W. Miller.

According to this book, ex-Colonel Miller was the closest thing to a Communist collaborator in the North Vietnamese camps. Kirbo might find this passage from the book's epilogue instructive:

"As the senior Navy returnee, Rear Adm. James B. Stockdale filed charges against . . . Marine Colonel Edison W. Miller. The charges included mutiny, aiding the enemy, conspiracy, soliciting other prisoners to violate the Code of Conduct, and causing or attempting to cause insubordination and disloyalty."

Then-Secretary of the Navy John Warner "found merit in Stockdale's charges." He "issued a letter of censure to Miller, charging him with failing to meet the standards expected of officers of the Armed Forces of the United States. He also announced that the officer should be retired 'in the best interests of the naval service.' "

If former officers like Miller have access to Kirbo, while Vietnam heroes like Day cannot get a hearing, it says something about the incoming administration that is not a little disturbing.

Before Kirbo makes his recommendation to Jimmy Carter on amnesty and pardons, he ought to go to the back of the book "P.O.W." and find and read the respective references to Colonel Day and ex-Colonel Miller. And he might answer in his own mind the question publicly put by Colonel Day:

"If there is no reward for loyal service or sanctions against those who disobey orders in uniform, how can we expect high standards of performance in future military conflicts?" How indeed, Mr. Kirbo?

It is not justice to place on an equal plane those who served honorably with those severed from the services under conditions other than honorable. It is not right to treat equally those who fought with those who ran away.

If Carter, at Kirbo's urging, does grant amnesty to the draft dodgers and deserters as well, if he decides to upgrade to honorable all the "dishonorable discharges" given during the Vietnam War—we ought to fly the American flag upside down, at half mast, when the slugs come marching home.

WHY THE VETERANS OF FOREIGN WARS OF THE UNITED STATES WILL NEVER AGREE TO A BLANKET PARDON OF DRAFT DODGERS OR MILITARY DESERTERS

(By R. D. "Bulldog" Smith National Commander-in-Chief, VFW)

The 1.8 million members of the Veterans of Foreign Wars of the U.S. (including over 500,000 Vietnam veterans), joined by 567,000 members of our Ladies' Auxiliary, oppose with one voice the apparent decision of President-elect Carter to issue a blanket pardon covering all Vietnam war draft dodgers. With equal vehemence, we urge President Ford to hold firm on his decision not to grant an 11th hour mass pardon.

As first announced, Mr. Carter's campaign blunder would affect about 4,000 law breakers. Press reports now indicate that this early blunder is being parlayed by his staff aides into an exercise of mass lunacy; ie, pardons, not only for draft dodgers, but for military deserters and so-called "bad paper" dischargees—some 250,000-plus.

Why will the V.F.W. not agree to Mr. Carter's announced effort to "bind up the nation's wounds?"

To begin with, whose "wounds" will a blanket pardon "bind up?"

Surely not the overwhelming majority of the next-of-kin of the 56,234 American dead from all causes in Vietnam (a war we chose not to win), the 303,000 wounded, the families of the hundreds still carried as Missing in Action, the 591 returned Prisoners of War, the 2½ million who served honorably in Vietnam, the 600,000 conscriptees who served in Vietnam, like it or not, and suffered 71,500 killed and wounded while so doing.

No, Mr. Carter's folly would "bind up" only the self-preening egos of those hard core "amnesty addicts" who have always viewed the amnesty issue as a convenient weapon to discredit our country, our history, and our institutions, and find draft dodgers and deserters to be handy props in this paranoid effort.

As to the future, a distinguished U.S. Senator, John Stennis, Chairman of the Senate Armed Services Committee, foresees the need soon for a resumption of obligatory military service. I believe the need for such a step is becoming increasingly clear. A 1977 blanket pardon would destroy forever the pride and honor connected with service to our beloved country and gut a future conscription before its inception.

But even today there is a serious desertion problem that a blanket pardon would compound. In 1976, for example, the Navy suffered the highest desertion rate in its history—more than double the highest Navy rate during the Vietnam war. The Marines and the Army are also experiencing serious desertion problems.

If war-time desertion and draft dodging are to be excused by the new President (Commander-in-Chief of the Armed Forces), why not the less serious offense of peacetime absences? In the era of all volunteer forces, a young man could reasonably make a deci-

sion to "volunteer out" an easily as he "volunteered in;" and how could he be held accountable?

"Blanket pardon" would constitute class action by a President which would equal mass burial of due process of the law. Judicial findings in light of individual circumstances would never see the light of day. A general pardon or amnesty would define the word "prejudicial."

Amnesty on its merits breaks down badly in terms of (a) equity; (b) precedent; and, (c) faith in the efficacy of our home-grown system of justice—and whatever else may or may not be wrong with the U.S., American justice (properly prodded by a free press) is doing just fine.

The new President has a plateful of real problems to work on; the self-preening and divisive issue of "amnesty" has been center stage for far too long. No American should expect more, nor settle for less, than his fair day in court.

A final thought.

More than most, the V.F.W. knows full well that wars are fought by boys, suffered by women, and started by men old enough to know better.

But—and here's the crucial "but"—while we hate the war, we will never desist in our support for those who are called upon to be our warriors.

I earnestly commend this approach to President-elect Carter and call upon him to reconsider his announced plan and let our on going systems of justice accommodate all violators of the law, before irremediable damage is pointlessly inflicted on the country he has been summoned to lead.

VFW Leader Hits Alaska Judge's "Playboy" Decision on Draft Dodgers

Washington, D.C.—R. D. "Bulldog" Smith, National Commander-in-Chief of the Veterans of Foreign Wars of the United States, today described as "weird" an Alaskan Judge's citation of President-elect Carter's views on pardoning draft dodgers, as reported in the girlie magazine "Playboy," as the basis for releasing a draft dodger without bail.

(Anchorage, Alaska Judge Terry Aglietti said Carter's statement on draft dodgers in his "Playboy" Magazine interview was a major factor in his decision to release 34-year old Dickran James Erkiletian on his own recognizance with no travel restrictions. Erkiletian is under a 1967 draft evasion indictment from a St. Louis, Missouri U.S. District Court. He has renounced U.S. citizenship and has become a Canadian.)

The V.F.W. leader cited the following reasons for his "shock and anger" over Judge Aglietti's decision:

"While I forecast President-elect Carter's plan to grant a blanket pardon to draft dodgers will be the first major mistake of his new Administration, no one disputes his authority, under our Constitution, to so act, but, and here's the crucial 'but,' the Judge's action pre-judges Carter's decision. As of now, there is no precedent for the Judge's ruling;

"President-elect Carter, reportedly, has moderated his forecast on when the rate of unemployment may be reduced without inducing galloping inflation. Millions of America's veterans, active duty, reserve, and retired servicemen, and their families see in the Carter 'blanket pardon' a gratuitous affront to their dearest values in an effort to win over the left/liberal fringe. I forecast the political and social damage of this step will be irremedial and the perceived sop to the left incomplete and unappreciated, therefore, I urge the President-elect to rethink his stated position and call for a fully safe-guarded, due process, case-by-case review of both military deserters and draft dodgers. Both equity and compassion would be served by such a reconsideration;

"Perhaps we might all now agree that 'Playboy' Magazine makes a mighty poor vehicle for the transmittal of national goals. Its commercial success has been based upon very different criteria; and

"There is time for mature and responsible reconsideration of the 'blanket pardon' plan. I again urge Mr. Carter to come down on the side of due process and equity on this matter. No American should expect more, nor settle for less, than his fair day in court."

Mr. THURMOND. Mr. President, this is a most important matter. I deeply regret that President-elect Carter has taken the stand he has. I hope the Senate will agree to this resolution and that it will have influence on the President-elect not to take the position he has taken about granting a pardon to these draft evaders.

Mr. President, I yield the floor.

EXECUTIVE B, 95TH CONGRESS—REMOVAL OF INJUNCTION OF SECRECY

Mr. ANDERSON. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from two related protocols done at Montreal on September 25, 1975, amending the Convention for the Unification of Certain Rules Relating to International Carriage by Air, as amended (Executive B, 95th Congress, first session), transmitted to the Senate today by the President of the United States, and that the treaty with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification two related Protocols done at Montreal on September 25, 1975 entitled:

a) Additional Protocol No. 3 to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929, as Amended by the Protocols done at The Hague, on September 28, 1955, and at Guatemala City, March 8, 1971 (hereinafter, Montreal Protocol No. 3); and

b) Montreal Protocol No. 4 to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929, as Amended by the Protocol done at The Hague on September 8, 1955 (hereinafter, Montreal Protocol No. 4).

The report of the Department of State with respect to the protocols is enclosed for the information of the Senate in connection with its consideration of them. The two protocols provide a set of modernized rules applicable to international air carriage of passengers, baggage, and cargo to replace currently applicable provisions of the 1929 Warsaw Convention, to which the United States has been party since 1934.

The United States has been one of the leaders in the efforts which have resulted in the adoption of Montreal Protocols No. 3 and No. 4. For nearly two decades the United States, while recognizing the value of a unified legal regime which would assure stability in international air transportation, has sought to ensure that the regime would be responsive to the needs of today's international air travelers and shippers. To this end this government has been in the forefront in urging amendments to the Warsaw Convention to provide for no-fault liability of air carriers, increased limits of liability, and rapid settlement of claims at a fair level. Ratification of Montreal Protocols No. 3 and No. 4 by the United States will significantly advance these efforts to increase the economic protection of users of the international air transport system. Ratification by the United States will be an invitation to those States which have hesitated, while awaiting United States action, to approve the Protocols.

Montreal Protocols No. 3 and No. 4 are part of what would be a comprehensive package of benefits available to United States citizens traveling to and from the United States by air and to international shippers by air. This package would include a proposed domestic plan to supplement recoveries under the new protocols in cases of passenger injury or death, which is now being considered by the Civil Aeronautics Board.

The development of a comprehensive system of compensation for injured parties in aviation accidents, and modernized rules relating to baggage, ticketing procedures, and cargo documentation and damage provisions are achievements that, upon the entry into force of Montreal Protocols No. 3 and No. 4, will bring the legal regime which has developed under the 1929 Warsaw Convention into today's world. For these reasons, I recommend that the Senate give prompt consideration to these protocols and give its advice and consent to ratification at an early date.

GERALD R. FORD.

THE WHITE HOUSE, *January 14, 1977.*

AUTHORIZATION FOR U.S. SECRET SERVICE TO CONTINUE TO FURNISH PROTECTION TO CERTAIN FORMER FEDERAL OFFICIALS OR MEMBERS OF THEIR FAMILIES

The Senate continued with the consideration of the resolution (S.J. Res. 12) to authorize the U.S. Secret Service to continue to furnish protection to certain former Federal officials or members of their immediate families.

Mr. ROBERT C. BYRD. Mr. President, may I have the attention of the distinguished Senator from Alabama?

In respect to his question, it will not be possible for the majority leader or the Republican leader to secure a direct response to the Senator's question as to the dollar amounts that would be involved, for the reason that if the dollar amounts were known, the number of Secret Service personnel assigned to the

protection of the individuals aforementioned also could be known.

However, the distinguished Republican leader will be in a position, and perhaps I will, also—either of us—not today but on one day next week, to put into the RECORD a letter from the President or from one of his aides to explain this matter. I think it will be to the satisfaction of the Senator from Alabama.

Am I correct?

Mr. BAKER. Mr. President, if the distinguished majority leader will yield briefly, I talked to Mr. Paul Buchen, Presidential Counselor, who indicated to me that he would ask the Secret Service and other agencies to provide, in suitable form, a letter addressed to the majority leader and to me, responding to the requests that were made by the Senator from Alabama. I believe the Senator will find the information satisfactory and still consonant with the requirements of security.

Mr. ALLEN. I thank the distinguished leadership.

Obviously, the Senator from Alabama is not going to object, whatever the cost, because human life cannot be measured in dollars and cents. Yet, he thought it was pertinent to obtain this information. However, the explanation that has been given is entirely satisfactory to the Senator from Alabama. He understands that that would be a disclosure of the amount of protection that is furnished.

Mr. ROBERT C. BYRD. I thank the Senator.

ADDRESS TO THE SENATE BY THE VICE PRESIDENT OF THE UNITED STATES

Mr. ROBERT C. BYRD. Mr. President, in response to the query by the distinguished Republican leader, I ask unanimous consent that following the address to the Senate on Tuesday next by the very distinguished Vice President of the United States, there be a period of not to exceed 30 minutes in which Senators may respond to the Vice President, if they desire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, further, that the majority leader and the minority leader be in control of that time, that it be divided equally between the majority and minority leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTION PERTAINING TO THE RELEASE OF ABU DAOUD—UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, it has been brought to my attention that the Committee on Foreign Relations today has reported a sense of the Senate resolution with respect to the release by the French Government of an alleged terrorist.

I ask the majority leader if it might be possible on Tuesday next to schedule a brief time, controlled time, for the debate and consideration of that sense of the Senate resolution.

Mr. ROBERT C. BYRD. Does the Senator have a proposal as to the amount of time needed?

Mr. BAKER. I would think that 30 minutes, equally divided, on the resolution would be adequate. I understand that it came from the Committee on Foreign Relations unanimously; and so far as we can ascertain, there is no objection to the consideration or the adoption of the resolution.

Mr. ROBERT C. BYRD. Very well.

Mr. President, an order has been ordered providing that not to exceed 2 hours next Tuesday be allotted, to be equally controlled by the majority and minority leaders, for the extending of best wishes to President Ford. I ask unanimous consent that upon the expiration of that time—or if such time is yielded back in part—the Senate may then proceed to the consideration of the resolution to which the distinguished Republican leader has referred, a resolution expressing the sense of the Senate relative to the release of Abu Daoud; that there be a time limitation for debate thereon of 30 minutes, to be equally divided between the Republican leader and myself; a time limitation on any amendment thereto of 20 minutes; a time limitation on any debatable motion or appeal or point of order, if such is submitted to the Senate, of 10 minutes, and, of course, we do not expect any of these; and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Does that adequately respond?

Mr. BAKER. I thank the majority leader. I think that covers the situation, and I am grateful for the arrangement.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader.

ORDER FOR ADJOURNMENT TO WEDNESDAY, JANUARY 19, 1977, AT 2 P.M. FROM TUESDAY NEXT

Mr. ALLEN. Mr. President, will the Senator be kind enough to yield?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. I am not sure whether the distinguished majority leader has announced that there will be a session on Wednesday.

Mr. ROBERT C. BYRD. Yes, there will be a session of the Senate on Wednesday. May I ask the Chair if an order has already been entered for a time for convening of the Senate on Wednesday?

The PRESIDING OFFICER. No, it has not.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, in partial response, in further response, to the distinguished Senator from Alabama, I ask unanimous consent that when the Senate completes its business on Tuesday next it stand in adjournment until the hour of 2 p.m. on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, will the Senator yield further?

Mr. ROBERT C. BYRD. Yes.

PARDON OF VIETNAM ERA DRAFT EVADERS

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation of Executive order of Vietnam era draft evaders, and for other purposes.

Mr. ALLEN. The Senator from Alabama and other Senators who have sponsored Senate Resolution 18, which is the most important issue before the Senate at this time, have been, as the distinguished Senator knows, extremely cooperative with the leadership as they have made requests that have used up the available time on next Tuesday, the next day that we will meet, and we have had several test votes, so to speak, on Senate Resolution 18, the last test vote being the failure of the motion to table by the distinguished Senator from South Dakota (Mr. MCGOVERN) of the motion of the Senator from Alabama to proceed to the consideration of Senate Resolution 18.

Some Senators may possibly be unfortunately shown by these two test votes we have had to have to have voted for a position that really does not reflect their views on this issue, and they may have gone off for procedural factors or reasons.

The Senator from Alabama is anxious, as I know the leadership is anxious, to see important issues coming before the Senate resolved, and that delaying tactics be not used to defeat them from coming to a vote.

The Senator from Alabama wonders if the leadership would be willing, in view of the cooperation that the proponents of this resolution have given the leadership, to seek to work out a time certain under which this matter might come before the Senate so that the Senate could work its will on this resolution.

Two Senators pointed out a clause in the resolution they felt they could not agree with, and they asked that that be amended. The Senator from Alabama and others supporting the resolution would be glad to amend it in this fashion. But would there be any chance that an effort would be made to allow this matter to come before the Senate and that it work its will under a time limitation?

Mr. ROBERT C. BYRD. I will be delighted, may I say, in response to my friend from Alabama, to seek to reach an agreement to that effect. I am not very sanguine at the moment as to the prospects, but it may be achievable, and I will make the effort.

Mr. ALLEN. I thank the distinguished majority leader. I know he will make this effort in all sincerity. I appreciate his pledge to seek to do that. I believe if the Senator from West Virginia puts his shoulder to the wheel we are going to see that wheel move, we are going to see a vote on this resolution. I thank the distinguished Senator.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. ALLEN. Mr. President, I have left at the desk an amendment to the McGovern amendment.

If Senate Resolution 18 should again become the pending business in the Senate, what it would do is whereas he moves that the resolution go to the Judiciary Committee, my amendment would say it would be reported out forthwith by the Judiciary Committee with the minor amendment that I referred to.

I would just like to ask unanimous consent that this amendment be printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Bill Jackson may have the privileges of the floor during the consideration of Senate Resolution 18.

The PRESIDING OFFICER. Without objection, it is so ordered.

BLANKET PARDON WOULD BE MISTAKE

Mr. DOLE. Mr. President, I want to take this opportunity today to restate my continued strong objections to issuance of a blanket Presidential pardon for draft evaders, military deserters, or those with less than honorable discharges. It would be a serious mistake for any of us to underestimate the negative impact which such a pardon would have on our country's future defense capabilities, as well as on the concept of equal justice for all in this Nation.

The President-elect has already indicated that he intends to issue a blanket pardon for all Vietnam-era draft resisters within 1 week following his inauguration. There have been indications that the pardon will be extended to military deserters and violaters of military law as well. My colleague from the State of Alabama has introduced a Senate resolution urging that no such general amnesty be issued by the new President, and I fully support the purpose of this measure.

A DANGEROUS PRECEDENT

It seems entirely clear that a sweeping pardon for those who willingly violated our selective service laws undermines the very sense of an individual's legal and moral responsibility, which bolsters our national defense system. We are not engaging in an academic debate about the morality of the Vietnam war. We are discussing the executive-level sanctioning of willful violations of conscription laws. Hundreds of thousands obeyed those laws, providing the military resource upon which our Nation has traditionally relied. A serious crisis to our national security in the future would require the same sort of reliance. I shudder to think of a situation where each man of military age would decide, in a cavalier manner, whether to obey or disregard the draft law. But a blanket pardon at this time would encourage that behavior, I believe.

Each of those who consciously evaded this responsibility in the last war did so for his own very personal reasons. I do not doubt for a moment that some of those reasons were well-founded and justified. Those who felt motivated by a legitimate cause should not hesitate to ask that it be considered on its own merits. I am not opposed to a compassionate review of such circumstances on a case-by-case basis. But a democracy such as ours is based on obedience to the law, and disobedience should not be condoned on a blanket basis. If it is, then the strength of our Nation's security will be reduced by chaos and confusion.

AN OFFENSE TO THOSE WHO SERVED

Advocates of blanket amnesty or pardon talk of national reconciliation, compassion, and justice. What about equal justice under the law? What about justice and compassion for those who answered their Nation's call; for those who returned disabled by war; and for the families of those killed in action and those still missing? I personally find it very difficult to characterize draft evaders or military deserters as "moral heroes" who were "victimized" by circumstances, when they have shown no inclination to make an alternative contribution to their country. Certainly, the men and women who performed their legal and political duties when called upon contributed an integral part of themselves to the welfare of this Nation. The attitude which I and many of my colleagues in Congress share on this issue is not one of vindictiveness, but represents a commitment to equal treatment for all. This attitude, I believe, is shared by many Americans today.

I was deeply impressed by news reports last week of the former Vietnam prisoner of war, Lt. Comdr. Michael D. Christian, who announced his retirement from the Navy to protest blanket amnesty for draft evaders. He was quoted as saying that:

> Over the years, we have brainwashed ourselves into being bad guys. Now we make heroes out of deserters and condemn ourselves. The price of honor seems pretty cheap this year.

Commander Christian, who has been awarded more than 10 medals of commendation, announced that he would leave his medals on the graves of Vietnam veterans to further dramatize his concern. I, for one, respect his decision and know that his concerns are the concerns of many Americans.

BLANKET PARDON ILL-ADVISED

It is appalling to think that a blanket pardon will be one of the first official acts of the new administration. I am particularly concerned that priority attention is being given to that matter when we still do not possess all available information about the fates of our MIA's in Indochina. The final report issued by the House Select Committee on Missing Servicemen last month concluded, on the basis of their studies, that the Vietnamese do possess additional information about MIA's that has never been turned over to our Government. I believe that this is the matter which deserves priority attention, and I have introduced legislation calling for early creation of a Presidential task force to obtain such additional information.

Although the wisdom and morality of the Vietnam war is still disputed in some circles, its legality—and that of the Selective Service System—was well established. Those who answered their country's call and served, those who were wounded or killed in that effort, and those who were imprisoned in enemy territory were the real "heroes" of that era. Others who evaded their responsibility have already been given a fair opportunity for clemency, which thousands accepted. Our clemency program was by far the most lenient amnesty program administered in this country during the 20th century, and more than 5,000 full pardons were individually granted under the program. Thousands accepted alternative civilian service to compensate for their evasion of duty. There is no need for a sweeping Presidential pardon for any military violators at this time.

There is no virtue in assigning a "moral heroism" to draft evasion. It establishes a dangerous precedent and certainly must offend the conscience of anyone who believes in equal justice and fairness for all.

ORDER GRANTING PERMISSION TO FILE UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until 5 p.m. today to introduce statements, petitions, memorials, bills, and resolutions into the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORTS OF THE SECRETARY OF DEFENSE AND THE SECRETARY OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT—PM 17

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Armed Services:

To the Congress of the United States:

Forwarded herewith in accordance with the provisions of 1 U.S.C. 1124 are reports of the Secretary of Defense and the Secretary of Transportation on awards made during Fiscal Year 1976 to members of the Armed Forces for suggestions, inventions and scientific achievements.

Participation by military personnel in the cash awards program was authorized by the Congress in 1965. More than 1.89 million suggestion submissions since that time attest to the success which the program has had as a means of motivating military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, more than 296,000 have been adopted with resultant tangible first-year benefits in excess of $929,000,000.

Of the 119,256 suggestions which were submitted by military personnel (including Coast Guard military personnel)

during Fiscal Year 1976, 19,375 were adopted. Cash awards totaling $1,343,224 were paid for these adopted suggestions, based not only on the tangible first-year benefits of $52,983,753 which were realized therefrom, but also on many additional benefits and improvements of an intangible nature. Enlisted personnel received $1,104,328 in awards, which represents 82 percent of the total cash awards paid. The remaining 18 percent was received by officer personnel and amounted to $238,896.

Attached are reports of the Secretary of Defense and the Secretary of Transportation containing statistical information on the military awards program and brief descriptions of some of the more noteworthy contributions made by military personnel during Fiscal Year 1976.

GERALD R. FORD.

THE WHITE HOUSE, *January 13, 1977.*

REPORTS OF THE SECRETARY OF DEFENSE AND THE SECRETARY OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT—PM 18

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Armed Services:

To the Congress of the United States:

Forwarded herewith in accordance with the provisions of 10 U.S.C. 1124 are reports of the Secretary of Defense and the Secretary of Transportation on awards made during Fiscal Year 1975 to members of the Armed Forces for suggestions, inventions and scientific achievements.

Participation by military personnel in the cash awards program was authorized by the Congress in 1965. More than 1.76 million suggestion submissions since that time attest to the success which the program has had as a means of motivating military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, more than 275,000 have been adopted with resultant tangible first-year benefits in excess of $873,000,000.

Of the 125,777 suggestions which were submitted by military personnel (including Coast Guard military personnel) during Fiscal Year 1975, 20,760 were adopted. Cash awards totaling $1,442,536 were paid for these adopted suggestions, based not only on the tangible first-year benefits of $74,347,607.94 which were realized therefrom, but also on many additional benefits and improvements of an intangible nature. Enlisted personnel received $1,175,908.50 in awards, which represents 81 percent of the total cash awards paid. The remaining 19 percent was received by officer personnel and amounted to $266,627.50.

Attached are reports of the Secretary of the Defense and the Secretary of Transportation containing statistical information on the military awards program and brief descriptions of some of the more noteworthy contributions made by military personnel during Fiscal Year 1975.

GERALD R. FORD.

THE WHITE HOUSE, *January 13, 1977.*

AVIATION ACT OF 1977—MESSAGE FROM THE PRESIDENT—PM 19

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

In October of 1975, I sent to the Congress a bill, the Aviation Act of 1975, that would have fundamentally reformed the manner in which the Civil Aeronautics Board regulates the airline industry. The bill was designed to make that industry more competitive and responsive to the needs of the American consumer. At the same time, the bill would have permitted efficient, well-managed companies to earn a fair return on investment and to attract the large amounts of capital needed for long-term growth, thus helping to make the industry healthier.

Many events have taken place since late 1975. Although my proposed aviation regulatory reform bill was not enacted, major and thorough hearings were held in both houses of the Congress on the many proposals to reform the economic regulation of the airlines. These hearings attracted wide public participation and discussion. They built an impressive record of detailed economic study and practical airline industry experience.

We have carefully reviewed testimony presented in these hearings and debates. The record is clear: The present regulatory system is costly to the consumer and is also sapping the financial health of the industry. Reform of airline economic regulation is needed, as soon as possible, and it must be thorough and substantial—even beyond my original proposal. Accordingly, I am submitting today the Aviation Act of 1977.

This new proposal is based on the same concepts as the 1975 bill and, like it, would reform aviation regulation in three key areas: Pricing, entry and exit, and antitrust exemptions. In each of these areas the Aviation Act of 1977 provides meaningful reform of the current, archaic regulatory system to allow this naturally competitive industry to reach its full potential. This proposed legislation is an improvement over the Aviation Act of 1975 since it builds upon the experience and information developed during the Congressional hearings and incorporates constructive concepts contained in other aviation reform proposals considered last year. The result is a simpler bill which provides a more appropriate approach to pricing and entry reform than was originally proposed. Furthermore, the bill contains other improvements, including a provision which would assure the continuation of essential air service to small communities.

The case for reform has been made. It is now time to act. My firm hope is that the Aviation Act of 1977 will receive prompt consideration and action by the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *January 13, 1977.*

FISHERY AGREEMENT BETWEEN UNITED STATES AND PEOPLE'S REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT—PM 20

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

In accordance with The Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the People's Republic of Bulgaria, signed at Washington on December 17, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 14, 1977.*

Mr. ANDERSON. Mr. President, I ask unanimous consent that the message from the President of the United States, pursuant to Public Law 94–265, transmitting a governing international fishery agreement between the United States and the People's Republic of Bulgaria, be jointly referred to the Committee on Commerce and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it will be jointly referred.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

EC–380. A letter from the Chairman of the United States Consumer Product Safety Commission transmitting, pursuant to law, the Fourth Annual Report of the Consumer Product Safety Commission (with an accompanying report); jointly, by unanimous consent, to the Committees on Commerce and Labor and Public Welfare.

EC–381. A letter from the Executive Secretary of the National Music Council transmitting, pursuant to law, their audit report for the fiscal period ending April 30, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–382. A communication from the President of the United States transmitting proposed legislation which would authorize the Secret Service to furnish protection to a person who as a Federal Government Of-

ficial or as a member of such official's immediate family had been receiving protection for a period immediately preceding January 20, 1977, if the President determined that such person may thereafter be in significant danger (with accompanying papers); to the Committee on Finance.

EC–383. A communication from the President of the United States transmitting proposed legislation entitled "The Puerto Rico Statehood Act of 1977" (with accompanying papers); to the Committee on Interior and Insular Affairs.

EC–384. A letter from the National Executive Director of the American Veterans of World War II–Korea–Vietnam transmitting, pursuant to law, the audit report of AMVETS for the fiscal year ending August 31, 1976 (with an accompanying report); to the Committee on the Judiciary.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the fourth annual report of the Consumer Product Safety Commission, transmitted by the chairman of that Commission, be referred jointly to the Committees on Commerce and Labor and Public Welfare.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions, which were referred as indicated:

POM–1. A resolution from the Arkansas Legislative Council, opposing legislation on publicly supported retirement systems under the Employees Retirement Income Security Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a resolution from the Arkansas Legislative Council, opposing legislation on public supported retirement systems under the Employees Retirement Income Security Act, be referred jointly to the Committees on Finance, Post Office and Civil Service, Labor and Public Welfare, and Government Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

POM–2. Three resolutions adopted by the National Convention of the Ladies' Auxiliary, Ancient Order of Hibernians; to the Committee on the Judiciary.

POM–3. A resolution adopted by the House of Delegates of the Nebraska Medical Association on National Health planning and resources development; to the Committee on Labor and Public Welfare.

POM–4. A resolution endorsed by the Women in Communications, Inc., concerning copyright legislation; to the Committee on the Judiciary.

POM–5. Resolution No. 77–2 adopted by the Central Virginia Planning District Commission; to the Committee on Government Operations.

POM–6. A resolution adopted by the National Board of the Croatian Fraternal Union of America; ordered to lie on the table.

POM–7. A resolution adopted by the National Association for Community Development calling for full congressional representation for the District of Columbia; to the Committee on the Judiciary.

POM–8. A resolution of the Pico Rivera Chamber of Comlerce, Pico Rivera, Calif., relating to tne Consumer Communications Reform Act of 1976; to the Committee on Commerce.

POM–9. Resolutions adopted by the Massachusetts State Senate urging the President of the United States to sign the Public Safety Officers Benefit Act; ordered to lie on the table:

Whereas, HR–366, the public safety officers benefit act, provides fifty thousand dollars for a firefighter or police officer killed in the line of duty; and

Whereas, Said HR–366 passed each branch of the Congress, in the House of Representatives by a vote of two hundred and ninety to seventy-one, and in the Senate by a voice vote; now therefore, be it

Resolved, That the Massachusetts Senate respectfully urges the President of the United States to sign HR–366, the public safety officers benefit act of nineteen hundred and seventy-six; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, the presiding officer of each branch of the Congress, and to the members thereof from the Commonwealth.

POM–10. A resolution adopted by the Lithuanian Workers Society expressing thanks for the privilege of arriving on American shores; ordered to lie on the table.

POM–11. A petition from Mrs. Mary C. Torres, Keaau, Hawaii, calling for assurance the continued sugar production in Hawaii and the rest of the United States; to the Committee on Finance.

POM–12. A petition from Mrs. Mary C. Torres, Keaau, Hawaii, calling for assurance the continued sugar production in Hawaii and the rest of the United States; to the Committee on Finance.

POM–13. Resolutions adopted by the Massachusetts State Senate memorializing Congress to absorb the cost of education in the city of Boston public school system; to the Committee on Labor and Public Welfare:

Whereas, The cost of education has had a direct and detrimental bearing upon the city of Boston's tax rate; and

Whereas, The tax rate in nineteen hundred and seventy-two for school education was thirty-five dollars and fourteen cents and it has tripled to eighty-one dollars and eighty-seven cents in nineteen hundred and seventy-six; and

Whereas, The federal courts created this dilemma; now therefore, be it

Resolved, That the Massachusetts Senate hereby urges the federal government to bear the financial burden of the cost of education in the city of Boston; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the presiding officer of each branch of the Congress and to each member thereof from the Commonwealth.

POM–14, Joint Resolution No. 60, adopted by the California Legislature, relative to the exchange of public lands; to the Committee on Interior and Insular Affairs:

Whereas, The State of California owns approximately 600,000 acres of land which was granted for the benefit of common schools and has an additional entitlement of approximately 100,000 acres of these school lands still to be received; and

Whereas, These land resources of the state are generally unmanageable and unproductive because they are scattered widely throughout the state; are enclosed within the boundaries of federal military reservations, national monuments, and national forests; contain unexploded military ordnance; and remain unsurveyed; and

Whereas, These serious and enduring management problems can largely be resolved by timely indemnity selections and land exchanges with the Federal Bureau of Land Management; and

Whereas, This selection and exchange of lands is long overdue and would clearly allow the state and federal governments to improve their respective land ownership patterns and develop better land management programs; and

Whereas, The citizens of the nation and the state would benefit materially from the more efficient use of these federal and state lands; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation which would mandate the immediate satisfaction of California's school land entitlement and which would grant this state first priority of classification of national resource lands for this purpose and for the purpose of extensive land exchanges; and be it further

Resolved, That the California State Lands Commission is requested to cooperate fully in the drafting, enactment, and subsequent implementation of this highly desirable legislation; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the Interior, and to the California State Lands Commission.

POM–15. Resolution No. 69–1976, adopted by the City Council, Norton, Ohio, commending the humanitarianism of the Members of the U.S. Congress for enacting the Local Public Works Employment Act of 1976; to the Committee on Public Works.

POM–16. House Concurrent Resolution No. 667, adopted by the Michigan Legislature, memorializing the U.S. Congress to increase the Federal effort for the control of Reye's Syndrome; to the Committee on Labor and Public Welfare:

Whereas, Reye's Syndrome is known to be a killer of young children, with the fatality rate for reported cases being nearly forty percent. Michigan had the highest reported incidence of Reye's Syndrome in the Nation for the last reported year; and

Whereas, The incidence of Reye's Syndrome is suspected to be on the increase. The onset of Reye's Syndrome is commonly precipitated by viral infection such as influenza and a nationwide influenza epidemic is anticipated in the coming winter season; and

Whereas, Research activities and findings related to Reye's Syndrome are not coordinated and are generally confined to a few major medical centers. However, the ability exists within the federal government to provide support and coordination for research activities and to collect the necessary epidemiologic data relating to the incidence of Reye's Syndrome; and

Whereas, Reye's Syndrome is a national health problem and the understanding of its etiology can be greatly enhanced by the collection and analysis of epidemiological data on a federal level; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Michigan Legislature hereby memorialize the Congress of the United States to increase the efforts of the Center for Disease Control, the National Institutes of Health, and any other appropriate resources to implement mechanisms for the coordination of data collection and research activities for Reye's Syndrome; these mechanisms should, at a minimum include:

A. A system for the collection of epidemiologic data specific for Reye's Syndrome;

B. Periodic reports containing the findings of data analysis and research activities for Reye's Syndrome:

C. Research contracts to institutions of higher learning to study Reye's Syndrome;

D. Methods to educate physicians regard-

ing the detection and treatment of Reye's Syndrome; and be it further

Resolved, That copies of this resolution be transmitted to the Speaker of the House, the President of the Senate, and the Michigan Congressional delegation, as well as the Reye's Syndrome Foundation who has pioneered the movement to combat Reye's Syndrome.

POM–17. A resolution adopted by the Georgia Association of Chiefs of Police reaffirming their appreciation for the late Director Hoover; to the Committee on the Judiciary.

POM–18. Resolution 186–1976 adopted by the Westchester County Board of Legislators, White Plains, N.Y., urging the continuance of the present level of financial support to the mobile radio district program; to the Committee on the Judiciary.

POM–19. A petition from Mr. John J. Yarnall, Wayne, Pa., on new evidence or criminal evidence not considered by the court of claims because of the jurisdictional regulations for Civil Procedure of Law; to the Committee on the Judiciary.

POM–20. Resolution No. 76–137, adopted by the Council of the County of Maui, Wailuku, Hawaii, requesting the Hawaii delegation to Congress to introduce appropriate legislation to return prayer to the schools; to the Committee on the Judiciary.

POM-21. Resolutions adopted by the Massachusetts State Senate urging the President of the United States to release the names of companies complying with the Arab boycott; to the Committee on Commerce.

Whereas, It has been the expressed policy of both the United States and the commonwealth of Massachusetts to act in opposition to economic boycotts of American businessmen by foreign nations; and

Whereas, The commonwealth by act of the legislature has this year incorporated this policy into the law of the commonwealth; and

Whereas, The President of the United States in an address to the American people on Wednesday evening October sixth, nineteen hundred and seventy-six reiterated that it was the domestic and foreign policy of the United States to take strong action in opposition to such boycotts of American businessmen on the basis of religion or doing business with nations friendly with the United States; and

Whereas, The President on October sixth, nineteen hundred and seventy-six stated that he was then ordering the department of commerce to disclose the names of companies who have participated in the Arab boycott; and

Whereas, Since that day the President has indicated a change in position and has instead asked the department of commerce not to release the names of past participants in the boycott; now, therefore be it

Resolved, That the Massachusetts Senate urges the President of the United States to order the department of commerce to release immediately the names of all companies who have been and are now complying with the Arab boycott, and to periodically and regularly publish and make available to the American people the lists of such companies; and be it further

Resolved, That the Massachusetts Senate further urges the President and the Congress to enact legislation that incorporates a prohibition against such boycotts into the written laws of the United States; and be it further

Resolved, That a copy of these resolutions be transmitted by the Clerk of the Senate to the President of the United States, to the presiding officers of each branch of the Congress, and to each member thereof from the commonwealth.

POM–22. A deposition and legal demand from Mr. Edward C. Rose, Chicago, Ill.; to the Committee on the Judiciary.

POM–23. Resolution No. 296–1976, adopted by the Northern Mariana Islands Legislature, urging and requesting the U.S. Government to approve the constitution of the Commonwealth of the Northern Mariana Islands; to the Committee on Interior and Insular Affairs:

Whereas, Article II of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, signed on February 15, 1975, and thereafter approved by the United States Congress, authorizes the people of the Northern Mariana Islands to draft and approve a Constitution for their future internal government; and

Whereas, pursuant to the provisions on the said Article II, the Fourth Northern Mariana Islands Legislature enacted District Law No. 4–205, calling for a Constitutional Convention for the Northern Mariana Islands, Prescribing its powers, duties and functions, authorizing appropriation therefore, and for other purposes; and

Whereas, the Northern Marianas Constitutional Convention was held at Saipan, Northern Mariana Islands, from October 18 to December 6, 1976; and

Whereas, the said Constitutional Convention drafted a Constitution of the Commonwealth of the Northern Mariana Islands, and the President of the Convention has transmitted the said Constitution to the Resident Commissioner for submission to the people in a referendum; and

Whereas, upon aproval by popular referendum, the Constitution will be transmitted to the President of the United States, on behalf of the Government of the United States, for its consideration; and

Whereas, the Constitution of the Commonwealth of the Northern Mariana Islands reflects the political aspirations of the people of the Northern Mariana Islands, as expressed by their duly elected representatives sitting in the Constitutional Convention; and

Whereas, it is the sense of the Northern Mariana Islands Legislature that said Constitution is fully consistent with the Covenant to establish a Commonwealth of the Northern Mariana Islands and those provisions of the Constitution, treaties and laws of the United States which will be applicable to the Northern Mariana Islands pursuant to the said Covenant; and

Whereas, the Northern Marianas Constitutional Convention has adopted Resolution No. 17, calling for the prompt consideration and approval of the Constitution by the Government of the United States following its approval by the people of the Northern Mariana Islands; and

Whereas the approval of the Constitution of the Commonwealth of the Northern Mariana Islands by the United States Government in accordance with Section 202 of the Commonwealth Covenant will permit the people of the Northern Mariana Islands to attain their desire for a constitutional government in political union with the United States of America;

Now, therefore, be it resolved by the Fourth Northern Mariana Islands Legislature, Eighth Regular Session, 1976, that the United States Government is hereby respectfully requested to accord prompt consideration to and approval of the Constitution of the Commonwealth of the Northern Mariana Islands following its approval by popular referendum of the people of the Northern Mariana Islands; and

Be it further resolved, that certified copies of this Resolution be transmitted to the President of the United States; to the Secretary of Interior; to the President of the Senate; to the Speaker of the House of Representatives; to the Chairman of the Senate Committee on Interior and Insular Affairs; to the Chairman of the House of Representatives Committee on Interior and Insular Affairs; to the Chairman of the House of Reginia Association of School Business Officials resentatives Subcommittee on Territorial and Insular Affairs; to the President's Personal Representative for Micronesian Status Negotiations; to the Director of the Office of Transition Studies and Planning; to the Resident Commissioner of the Northern Mariana Islands; and to the President of the Northern Marianas Constitutional Convention.

POM–24. A petition from the Marshall Islands Nitijela requesting a delay in the implementation of the proposed regulations concerning a trust territory medical fee schedule; to the Committee on Interior and Insular Affairs.

POM–25. Resolution No. 383 adopted by the 13th Guam Legislature expressing the dissatisfaction of the legislature with the recent resolution passed by the United Nations Committee on Non-self-governing Territories; to the Committee on Interior and Insular Affairs:

Whereas, the United Nations Committee on Non-self-governing Territories has again passed a resolution demanding that the United States allow the residents of Guam political self-determination and independence, and criticizing the presence of U.S. military bases on Guam; and

Whereas, the military presence on Guam is vital to providing optimum defense for all America including Guam; the military provides the island's major economic support including thousands of jobs for the local residents; the military personnel and their families are, in fact, a very important part of our community and over the years have made many valuable contributions to the community; and

Whereas, the U.N. Committee Resolution was passed after the United States Ambassador to the U.N., William Scranton, correctly informed the Committee members that Guam is an integral part of the United States, Guam residents being citizens of the United States by their own request since 1950; and

Whereas, the United States President and Congress have recognized the right of the citizens of Guam to draft and approve their own Constitution by enacting Public Law 94–584; and

Whereas, the Guam Legislature is in the process of enacting legislation calling for a Constitutional Convention to convene on July 1, 1977; now, therefore, be it

Resolved, That the members of the 13th Guam Legislature although recognizing the concern of the U.N. Committee on Non-self-governing Territories toward the island's welfare, do hereby deplore the misconceptions of the committee regarding our status and their failure to recognize the facts of the present close and harmonious relationship between the Territory of Guam and the United States of America; and be it further

Resolved, That the members of the 13th Guam Legislature hereby restate their support for the continued close relationship with the United Sates as approved by the people of Guam, their approval of recent actions taken by the United States Congress and the President to further improve the close relationship between the Territory of Guam and the United States, and their support for the continued presence of the United States military personnel and operations within the Territory of Guam; and be it further

Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; the Speaker of the House of Representatives; the President Pro tempore of the U.S. Senate; the United States Ambassador to the United Nations; the Chairman of the United Nations Committee on Non-self-governing Territories and to the Governor of Guam.

POM–26. A resolution adopted by the Virginia Association of School Business Officials in opposition to H.R. 77, 94th Congress; to the Committee on Labor and Public Welfare.

POM–27. A petition from Mr. Charlie J. Harrison, Jr., State representative, Michigan, in opposition to the abolition of the Senate Veterans' Affairs Committee; to the Committee on Rules and Administration.

POM–28. House Resolution No. 527 adopted by the Michigan House of Representatives urging the Senate of the United States not to abolish the Senate Veterans' Affairs Committee; to the Committee on Rules and Administration:

Whereas, For many years, the Senate Veterans' Affairs Committee has met the special needs of America's thirty million living veterans; and

Whereas, Now the Temporary Select Committee to Study the Senate Committee System has recommended a plan to abolish the Veterans' Affairs Committee, and to combine it with several other committees in a proposed human resources unit; and

Whereas, Since the interests of veterans would then be looked after by those concerned with numerous other groups, including welfare, health, and labor, abolishing the Veterans' Affairs Committee would almost certainly mean a drastic reduction in aid to America's veterans; and

Whereas, The effect of this action would ultimately lead to the neglect of the Nation's men and women who risked life and limb for their country during times of armed conflict. Most certainly, we cannot allow this to happen; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body urge the Senate of the United States not to abolish the Senate Veterans' Affairs Committee; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate and to each member of the Michigan delegation to the Senate of the United States.

POM–29. Resolution No. 261–1976 adopted by the Northern Mariana Islands Legislature commending U.S. Senator Hiram L. Fong for his outstanding and distinguished service to the people of the Trust Territory of the Pacific Islands; ordered to lie on the table:

Whereas, in a recent announcement, the Honorable Hiram L. Fong, a Senator of the United States Congress, announced that he will retire from the United States Senate at the end of his present term; and

Whereas, his retirement from the United States Senate marks the end of a milestone in his outstanding and distinguished career to public service and to the people of the Trust Territory of the Pacific Islands; and

Whereas, the life and political career of Senator Hiram L. Fong is a remarkable account of the rise from humble beginnings to a prominent figure in the United States of America; and

Whereas, during his tenure, the Honorable Hiram L. Fong has consistently shown a keen interest in the welfare of the people of the Trust Territory of the Pacific Islands and specifically for the welfare of the Northern Mariana Islands; and

Whereas, over the years, Senator Hiram L. Fong has always made himself available in Washington to assist various delegations from the Northern Mariana Islands during their visit to Washington and assist in resolving their problems of facilitating delegations to meet those individuals that are in a position to assist in solving their problems, all of which we are very grateful; and

Whereas, needless to say, the people of the Northern Mariana Islands will greatly miss the assistance and dedicated service of Senator Hiram L. Fong after his retirement, but wish to take this opportunity to express to him a sincere appreciation and gratitude of the people of the Northern Mariana Islands for all of his assistance over the years and to wish him a very enjoyable retirement from public service; and

Whereas, we, the elected leaders in the Northern Mariana Islands, for and on behalf of our people, do hereby extend to the Honorable Hiram L. Fong our heartiest and sincere thanks for his outstanding dedication to the people of the Northern Mariana Islands and to the public and wish for him a very enjoyable retirement;

Now, therefore, be it resolved by the Fourth Northern Mariana Islands Legislature, Eighth Regular Session, 1976, that United States Senator Hiram L. Fong be and he hereby is commended for his outstanding and distinguished service to the people of the Trust Territory of the Pacific Islands;

And be it further resolved, that certified copies of this Resolution be transmitted to the President, United States Senate; to the Speaker, United States House of Representatives; to the Governor of Hawaii, George Ariyoshi; to the Resident Commissioner of the Northern Mariana Islands; and to Senator Hiram L. Fong of Hawaii.

POM–30. A resolution adopted by the 42d Conference of Southern Governors on the Report of the Task Force Committee on Correctional Problems; to the Committee on the Judiciary.

POM–31. A resolution adopted by the 42d Conference of Southern Governors on metropolitan planning organizations; to the Committee on Banking, Housing and Urban Affairs.

POM–32. A resolution adopted by the 42d Conference of Southern Governors on the Interstate Highway System; to the Committee on Commerce.

POM–33. A resolution adopted by the 42d Conference of Southern Governors on airport development; to the Committee on Commerce.

POM–34. A resolution adopted by the 42d Conference of Southern Governors on coordinated public transportation; to the Committee on Commerce.

POM–35. A resolution adopted by the 42d Conference of Southern Governors on policies to improve analysis and review of regulations from the U.S. Department of Transportation; to the Committee on Commerce.

POM–36. A resolution adopted by the 42d Conference of Southern Governors on the Landsat follow-on program; to the Committee on Aeronautics and Space Sciences.

POM–37. A resolution adopted by the 42d Conference of Southern Governors on the clearinghouse of corrections and mental health information; to the Committee on the Judiciary.

POM–38. A resolution adopted by the 42d Conference of Southern Governors on respective State-local-Federal roles in research management; to the Committee on Interior and Insular Affairs.

POM–39. A resolution adopted by the 42d Conference of Southern Governors on Section 404, Water Pollution Control Act amendments; to the Committee on Public Works.

POM–40. A resolution adopted by the 42d Conference of Southern Governors on finance capitalization problems of energy industries; to the Committee on Interior and Insular Affairs.

POM–41. A resolution adopted by the 42d Conference of Southern Governors on natural gas transmission from the Arctic Slope; to the Committee on Interior and Insular Affairs.

POM–42. A resolution adopted by the 42d Conference of Southern Governors on prevention of mental retardation through maternal and child health; to the Committee on Labor and Public Welfare.

POM–43. A resolution adopted by the 42d Conference of Southern Governors on vocational rehabilitation; to the Committee on Labor and Public Welfare.

POM–44. A resolution adopted by the 42d Conference of Southern Governors on aging and adult services; to the Committee on Labor and Public Welfare.

POM–45. A resolution adopted by the 42d Conference of Southern Governors on emotionally disturbed children; to the Committee on Labor and Public Welfare.

POM–46. A resolution adopted by the 42d Conference of Southern Governors on educational governance; to the Committee on Labor and Public Welfare.

POM–47. A resolution adopted by the 42d Conference of Southern Governors on health; to the Committee on Labor and Public Welfare.

POM–48. A resolution adopted by the 42d Conference of Southern Governors on mental health; to the Committee on Labor and Public Welfare.

POM–49. A resolution adopted by the 42d Conference of Southern Governors on medicare reimbursement of physician extenders; to the Committee on Finance.

POM–50. A resolution adopted by the 42d Conference of Southern Governors on health manpower licensure; to the Committee on Labor and Public Welfare.

POM–51. A resolution adopted by the 42d Conference of Southern Governors on food stamps; to the Committee on Agriculture and Forestry.

POM–52. A resolution adopted by the 42d Conference of Southern Governors on fiscal responsibility; to the Committee on the Judiciary.

POM–53. A resolution adopted by the 42d Conference of Southern Governors on Navy contracts with private shipyards; to the Committee on Armed Services.

POM–54. A resolution adopted by the 42d Conference of Southern Governors on national coordinated tourism policy; to the Committee on Commerce.

POM–55. A resolution adopted by the 42d Conference of Southern Governors on regional primaries; to the Committee on Rules and Administration.

POM–56. A resolution adopted by the 42d Conference of Southern Governors on their guest speaker; ordered to lie on the table.

POM–57. A resolution adopted by the 42d Conference of Southern Governors on appreciation; ordered to lie on the table.

EXECUTIVE REPORTS FROM THE COMMITTEE ON ARMED SERVICES

Mr. HARRY F. BYRD, JR. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 78 in the Air Force for temporary and permanent appointment to major general and brigadier general (list beginning with Brig. Gen. James H. Ahmann); and 44 in the Air Force for temporary appointment to the grade of brigadier general (list beginning with Col. Walter J. Bacon); and Maj. Gen. Robert Gibbins Gard, Jr., Army, to be lieutenant general as president, National Defense University. Also, there are 24 in the Army for permanent appointment to the grade of major general and brigadier general (list beginning with Maj. Gen. Cecil W. Hospelhorn); and 39 in the Army for temporary appointment to the grade of major general (list beginning with Charles K. Heiden); and 50 in the Army for temporary appointment to the grade of brigadier general (list beginning with Col. Frederick J. Brown III). I ask that these nominations be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 6, 1977, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BENTSEN:

S. 209. A bill for the relief of Manuel Suarez and his wife, Aurora Garcia Suarez; and

S. 21. A bill for the relief of Dr. Juan Fidel Viola, Helen de Guzman Viola, Mariquit de Guzman Viola, and Mark Winston de Guzman Viola; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 211. A bill to provide for the recognition of nonprofit health maintenance organizations as charitable organizations; to the Committee on Finance.

By Mr. METCALF:

S. 212. A bill to provide additional funds to the States for carrying out restoration projects and programs, and for other purposes; to the Committee on Commerce.

S. 213. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit, by the Comptroller General, of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco, and Firearms; to the Committee on Government Operations.

S. 214. A bill to direct the Secretary of the Interior to pay certain legal and other expenses incurred by all parties to the action commenced by the Northern Cheyenne Tribe pursuant to the act of July 24, 1968 (82 Stat. 424, 425); to the Committee on Interior and Insular Affairs.

S. 215. A bill for the relief of Nostratollah Moradi; to the Committee on the Judiciary.

S. 216. A bill for the relief of the Mondakota Gas Co.; to the Committee on the Judiciary.

By Mr. McINTYRE (for himself and Mr. PROXMIRE):

S. 217. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. HANSEN:

S. 218. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly by unanimous consent to the Committees on Finance and Labor and Public Welfare.

By Mr. McINTYRE:

S. 219. A bill for the relief of Samy Ennabe; to the Committee on the Judiciary.

S. 220. A bill for the relief of Georgios Ballasis; to the Committee on the Judiciary

By Mr. INOUYE:

S. 221. A bill to authorize the Secretary of the Navy to set aside and clear a certain portion of the Island of Kahoolawe, Hawaii, as a pilot project to determine the feasibility and cost factors of clearing the entire island and surrounding waters of naval ordnance which is on such island and in such waters as the result of such island being used as a target range; to the Committee on Armed Services.

By Mr. PEARSON:

S. 222. A bill for the relief of Dr. Nazeeh A. L. Abdul-Hadi; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 223. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by professional registered nurses in the peer review, and related activities authorized thereunder; to the Committee on Finance.

By Mr. INOUYE:

S. 224. A bill to amend title 5, United States Code, to allow credit for civil service retirement purposes for time spent by Japanese-Americans in World War II internment camps; to the Committee on Post Office and Civil Service.

By Mr. PROXMIRE (for himself, Mr. McINTYRE, and Mr. WILLIAMS):

S. 225. A bill to amend the Federal Credit Union Act in order to improve the efficiency and flexibility of the financial system of the United States by permitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members, by reorganizing the National Credit Union Administration, and by establishing a Central Liquidity Fund for Federal and State credit unions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. GRAVEL:

S. 226. A bill for the relief of Carlos C. Montanes;

S. 227. A bill for the relief of Richard Zorza; and

S. 228. A bill for the relief of Clifford and Yvonne Gibbons; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 229. A bill to amend chapter 35 of title 38, United States Code, to permit children who are eligible for educational assistance under such chapter to pursue a program of education under such chapter exclusively by correspondence; to the Committee on Veterans' Affairs.

S. 230. A bill to amend the Federal Water Pollution Control Act relating to the discharge of pollutants into open ocean waters; to the Committee on Public Works.

S. 231. A bill to require that skilled nursing homes furnishing services under the medicare and medicaid programs be adequately equipped with wheelchairs and other appropriate equipment and supplies; to the Committee on Finance.

S. 232. A bill to amend title 10, United States Code, so as to provide that the Chief of the Biomedical Sciences Corps of the Air Force shall be a brigadier general, and for other purposes; to the Committee on Armed Services.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 233. A bill to provide for a greater utilization of the professional services of qualified professional psychiatric nurses in the medicare and medicaid programs; to the Committee on Finance.

By Mr. INOUYE:

S. 234. A bill to provide Federal programs of educational, employment, and other assistance to areas with heavy concentrations of foreign-born persons; to the Committee on Labor and Public Welfare.

By Mr. CRANSTON:

S. 235. A bill for the relief of Felix Hernandez-Arana and his wife, Felicia Ogaldez-De Hernandez; to the Committee on the Judiciary.

By Mr. ABOUREZK:

S. 236. A bill to amend the Veterans' Education and Employment Assistance Act of 1976; to the Committee on Veterans' Affairs.

By Mr. BELLMON (for Mr. BARTLETT):

S. 237. A bill to amend the headnote to the tariff schedules of the United States; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 238. A bill to amend the Internal Revenue Code of 1954 to exempt farm trucks and soil and water conservation trucks from the Highway Use Tax: to the Committee on Finance.

By Mr. BELLMON (for Mr. BARTLETT):

S. 239. A bill to amend Public Law 88-482; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 240. A bill to amend the Soil Conservation and Domestic Allotment Act to provide an updated national direction to the conditions under which the Federal Government will provide financial assistance to agricultural producers for needed soil, water, wood, and wildlife conservation on agricultural lands; to the Committee on Agriculture and Forestry.

By Mr. THURMOND:

S. 241. A bill for the relief of Henry C. Fleming III; to the Committee on Armed Services.

By Mr. CHURCH (for himself, Mr. JACKSON, Mr. MELCHER, Mr. HANSEN, and Mr. McCLURE):

S. 242. A bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreages under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. NELSON (for himself and Mr. JAVITS):

S. 243. A bill to amend the Small Business Act and the Small Business Investment Act of 1958; to the Committee on Small Business.

By Mr. THURMOND (for himself, Mr. CANNON, Mr. DOMENICI, and Mr. HATHAWAY):

S. 244. A bill to authorize the construction and maintenance of the General Draza Mihailovich Monument in Washington, District of Columbia, in recognition of the role he played in saving the lives of approximately five hundred United States airmen in Yugoslavia during World War II; to the Committee on Rules and Administration.

By Mr. THURMOND:

S. 245. A bill to amend title 5, United States Code, to permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such individual is eligible for social security benefits, but requiring the civil service annuity to be offset by the amount of his social security benefit that is attributable to his military service; to the Committee on Post Office and Civil Service.

S. 246. A bill to amend chapter 67, relating to retired pay for nonregular service) of title 10, United States Code, to authorize payment of retired pay actuarially computed to persons, otherwise eligible, at age fifty, and for other purposes; to the Committee on Armed Services.

By Mr. GOLDWATER:

S. 247. A bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administration; to the Committee on Veterans' affairs.

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 248. A bill to establish a National Agricultural Research Policy Advisory Committee on Agriculture and Forestry.

Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 249. A bill to amend the Youth Conservation Corps Act of 1970 (84 Stat. 794); to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 250. A bill to amend title I of the Employee Retirement Income Security Act of

1974, and the Internal Revenue Code of 1954 to prohibit the reduction of disability payments under employer-maintained disability compensation plan whenever certain social security benefit payments are increased; to the Committee on Finance.

By Mr. MUSKIE:

S. 251. A bill to amend the Clean Air Act, as amended; to the Committee on Public Works.

By Mr. MUSKIE (for himself, Mr. RANDOLPH, Mr. STAFFORD, and Mr. BAKER):

S. 252. A bill to amend the Clean Air Act, as amended; and

S. 253. A bill to amend the Clean Air Act, as amended; to the Committee on Public Works.

By Mr. HUMPHREY:

S. 254. A bill for the relief of Mr. Jeff Yee; to the Committee on the Judiciary.

S. 255. A bill to establish a Department of Education; to the Committee on Government Operations.

By Mr. PEARSON (for himself and Mr. BENTSEN):

S. 256. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Commerce.

By Mr. HUMPHREY (for himself, Mr. RANDOLPH, Mr. ROBERT C. BYRD, and Mr. HUDDLESTON):

S. 257. A bill to establish fiscal incentives for the conversion of existing petroleum-fired and natural gas-fired powerplants and fuel burning installations to coal as a primary energy source and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. RIBICOFF (for himself, Mr. WEICKER, Mr. HUMPHREY, Mr. PELL, and Mr. MAGNUSON):

S. 258. A bill to provide for the development and implementation of programs for children and youth camp safety; to the Committee on Labor and Public Welfare.

By Mr. HANSEN (for himself and Mr. WALLOP):

S. 259. A bill to extend certain oil and gas leases by a period sufficient to allow the drilling of an ultra-deep well; to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself and Mr. MCCLELLAN):

S. 260. A bill to amend title 18, United States Code, so as to impose mandatory minimum terms with respect to certain offenses, and for other purposes; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, and Mr. DECONCINI):

S. 261. A bill to amend the Internal Revenue Code of 1954 to provide an election under which State and local governments may issue taxable obligations and receive a Federal subsidy of 40 percent of the interest yield on such obligations; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. ALLEN):

S. 262. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. PEARSON (for himself and Mr. MAGNUSON):

S. 263. A bill to provide for interim regulatory reform as to certain independent regulatory agencies; to the Committee on Commerce.

By Mr. DOLE:

S. 264. A bill to increase the maximum Federal contribution to the cost of any State meat or poultry inspection system from 50 to 80 per centum; to the Committee on Agriculture and Forestry.

By Mr. MCINTYRE (for himself, Mr. HUMPHREY, Mr. LEAHY, Mr. MELCHER, and Mr. RANDOLPH):

S. 265. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Commerce.

By Mr. JACKSON (for himself and Mr. BAKER):

S. 266. A bill to authorize appropriations for fiscal year 1977 to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended and section 305 of the Energy Reorganization Act of 1974; to the Joint Committee on Atomic Energy.

By Mr. DOLE:

S. 267. A bill to amend the Commodity Exchange Act, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LEAHY (for himself, Mr. STAFFORD, Mr. PEARSON, Mr. HUMPHREY, Mr. MATHIAS, Mr. MCGOVERN, Mr. HUDDLESTON, Mr. ABOUREZK, and Mr. STEVENS):

S. 268. A bill to create within the Department of Agriculture an office specifically charged with the responsibility of assessing the fuel and energy needs of rural residents as such needs pertain to home heating and cooling, transportation, agricultural production, electrical generation, conservation, and research and development; jointly, by unanimous consent, to the Committees on Agriculture and Forestry, Banking, Housing and Urban Affairs, Commerce, Interior and Insular Affairs.

By Mr. PEARSON:

S. 269. A bill to provide additional emergency credit for farmers and ranchers and to expand existing credit, and emergency credit authority available to farmers and ranchers under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture and Forestry.

By Mr. KENNEDY (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BROOKE, Mr. CHURCH, Mr. DURKIN, Mr. FORD, Mr. HUMPHREY, Mr. JAVITS, Mr. MATHIAS, Mr. MAGNUSON, Mr. METCALF, Mr. PELL, Mr. RIBICOFF, and Mr. WILLIAMS):

S. 270. A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in Federal agency proceedings, and for other purposes; jointly, by unanimous consent, to the Committees on Government Operations and the Judiciary; and the second committee to report the bill after the first committee reports said bill.

By Mr. RANDOLPH:

S. 271. A bill to provide authority to institute emergency measures to minimize the adverse effects of natural gas shortages and curtailments, to provide authority to allocate propane, and for other purposes; to the Committee on Commerce.

S. 272. A bill to require, to the extent practicable, that electric powerplants and major fuel burning installations utilize other than natural gas as their primary energy source in compliance with applicable environmental requirements, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for himself, Mr. HUDDLESTON, Mr. HUMPHREY, and Mr. JACKSON):

S. 273. A bill to require, to the extent practicable, that new electric powerplants and new major fuel burning installations, in categories to be determined, be constructed with the capability to utilize other than natural gas or petroleum as their primary energy source in compliance with applicable environmental requirements, and for other purposes; to the Committee on Commerce.

By Mr. JAVITS:

S.J. Res. 7. A joint resolution to authorize a special gold medal to be awarded to Miss Marian Anderson; to the Committee on Banking, Housing and Urban Affairs.

By Mr. CANNON:

S.J. Res. 8. A joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and the Vice President of the United States; to the Committee on the Judiciary.

By Mr. JAVITS (for himself, Mr. BROOKE, Mr. GLENN, Mr. HART, Mr. HASKELL, Mr. HUMPHREY, Mr. MAGNUSON, Mr. CHURCH, Mr. HATFIELD, Mr. KENNEDY, Mr. WEICKER, Mr. JAVITS, Mr. MCGOVERN, Mr. CASE, Mr. STAFFORD, Mr. STEVENS, Mr. WILLIAMS, Mr. STEVENSON, Mr. PERCY, Mr. CLARK, Mr. PELL, Mr. METZENBAUM, Mr. DECONCINI, Mr. BAYH, Mr. CULVER, Mr. MCINTYRE, Mr. STONE, Mr. ABOUREZK, Mr. BUMPERS, Mr. LUGAR, Mr. PEARSON, Mr. BELLMON, Mr. CRANSTON, Mr. GRAVEL, Mr. DANFORTH, Mr. DOLE, Mr. JACKSON, Mr. PROXMIRE, Mr. MATHIAS, Mr. GRIFFIN, Mr. NELSON, Mr. EAGLETON, Mr. MATSUNAGA, Mr. BURDICK, Mr. BIDEN, Mr. MUSKIE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. RIEGLE, Mr. FORD, Mr. SARBANES, Mr. HUDDLESTON, Mr. RIBICOFF, Mr. HEINZ, and Mr. WALLOP):

S.J. Res. 9. A joint resolution designating January 15 of each year as "Martin Luther King Day"; to the Committee on the Judiciary.

By Mr. ABOUREZK:

S.J. Res. 10. A joint resolution to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission; to the Committee on Interior and Insular Affairs.

By Mr. STONE (for himself, Mr. ROBERT C. BYRD, Mr. DANFORTH, Mr. JACKSON, Mr. RANDOLPH, Mr. CHILES, Mr. NUNN, Mr. HATFIELD, and Mr. MELCHER):

S.J. Res. 11. A joint resolution providing for a National Leadership Conference on Energy Policy to be held during 1977; to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS:

S. 211. A bill to provide for the recognition of nonprofit health maintenance organizations as charitable organizations; to the Committee on Finance.

Mr. BUMPERS. Mr. President, in recent years, health care costs have been rising much faster than overall prices. In order to reverse the structural and incentive deficiencies of the present health delivery system, costs should be controlled by organizing a system so that consumers and providers have incentives to control the cost of medical care.

These incentives exist in Health Maintenance Organizations—HMO's—which provide for the delivery of a comprehensive range of health care services to a specific population for a fixed, prepaid fee.

The merits of this type of health care delivery system were debated at length during the consideration of the HMO Act of 1973 (Public Law 93–222) and the HMO Amendments of 1976 (Public Law 94–460).

The support for HMO's is based on several assumptions about their differences

from the traditional fee-for-service system: First, lower hospital utilization and subsequent lower costs; second, continuity of care rather than fragmentation; third, emphasis on prevention, early detection, and treatment, rather than on acute care; fourth, greater accessibility to and use of primary medical care; and fifth, greater satisfaction with medical care received. These differences are said to result from the unique organization and financial arrangements of HMO's.

Unlike a traditional fragmented delivery system, a health maintenance organization provides both inpatient and ambulatory care within one organizational structure. The availability and coverage of ambulatory care alternatives, combined with a fixed budget basis of financing, tend to reduce the unnecessary use of institutional services. Evidence already compiled reveals a significant reduction in hospitalization for HMO's compared to other financing and delivery arrangements.

For example, a study of medicare expenditures for calendar year 1970 reveals a per capita savings of more than 15 percent for the 125,000 beneficiaries in a total of seven HMO's compared to those in non-HMO arrangements. Similarly, a recently published study of Medicaid recipients enrolled in the Group Health Association of Washington, D.C. from 1972 to 1974 reveals a 37-percent savings in per capita costs and significant decreases in hospital admissions—within 2 years after enrollment—44 percent for surgery and over 60 percent for medical problems. In addition, for 1976 over 1975, enrollment costs for Washington area Federal employees in HMO's increased less than half as much as these for the "high option" fee-for-service insurance arrangement.

This type of evidence is impressive, especially when we are seeking solutions to spiraling health care costs. With the 1976 amendments, Congress addressed many of the problems encountered by applicants in the implementation of the 1973 act. However, there is still need for clarification of the tax laws pertaining to HMO's.

The IRS has not published a ruling setting forths its official position on the tax status of HMO's. Its position in recent years has been that HMO's can qualify as social welfare organizations under section 501(c)(4), but not as charitable organizations under section 501(c)(3).

An exemption under section 501(c)(3) is desirable for HMO's because: First, organizations so described are exempt from the payment of Federal income tax; second, contributions to such organizations are deductible for Federal income, estate, and gift tax purposes; third, grants by private foundations are generally limited to section 501(c)(3) organizations, not 501(c)(4) organizations; fourth, section 501(c)(3) organizations are often exempt from certain excise and employment taxes and are given special mailing privileges at considerable financial savings; fifth, failure to qualify under section 501(c)(3) can have adverse consequences at the State level for income tax exemptions, as well as real and personal property and sales tax exemptions; sixth, the ability of 501(c)(3) organizations to attract highly qualified personnel through offering them tax-sheltered annuity plans which are only available to such tax-exempt organizations; and seventh, the ability of new projects to attract facilities construction and renovation funds which are not supplied under the HMO Act. The abovementioned factors can significantly influence the ability of an HMO both to attract funds and to enjoy favorable tax advantages. These two circumstances often have significant effects on the financial viability of HMO's.

For these reasons I am introducing a bill which will provide tax exempt status for HMO's under 501(c)(3) if the HMO is nonprofit and meets the requirements of the HMO Act.

The logic of this position cannot be disputed. The Federal Government is supplying funds under a project grant program to stimulate a more rational and economically feasible means of delivering health services, while, at the same time, through the Tax Code provisions, placing an additional burden on those same federally supported programs.

In order for an HMO to receive funds under the grants program, it must be fiscally sound. Once established, the HMO must become financially self-sufficient, and this financial integrity would be aided by a tax-exempt classification.

Mr. President, I introduce this bill to encourage a more complete Federal commitment to the development of HMO's. The ambiguity that exists in the present Tax Code wording on the tax-exempt status of prepaid health plans has created difficulty for potential development of HMO's. The effectiveness of the Federal investment in prepaid plans would be greatly increased if private funds could be used to reinforce the tax dollar commitment in a joint Federal-private sector endeavor.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of the Internal Revenue Code of 1954, a health maintenance organization which meets the requirements of section 1301 of the Public Health Service Act (42 U.S.C. 300e) and which is organized and operated as a corporation not for profit shall be treated as an organization described in section 501(c)(3) of such Code exempt from tax under section 501(a) of such Code.

By Mr. METCALF:

S. 212. A bill to provide additional funds to the States for carrying out restoration projects and programs, and for other purposes; to the Committee on Commerce.

Mr. METCALF. Mr. President, I am introducing a bill today that would provide State wildlife agencies additional money for wildlife restoration and hunter education programs. Inflation, new responsibilities, increasing numbers of wildlife users, accelerating habitat destruction, and other factors have put an unbearable strain on these agencies' budgets.

The bill I am proposing would help relieve that financial pressure on State wildlife agencies. It would not, however, require appropriations from the general treasury. The money would come from a tax levied on component parts of handloaded ammunition, the purchasers and manufacturers of which support this bill.

The bill is in the form of an amendment to the Federal aid in wildlife restoration program. It would establish an 11-percent manufacturer's excise tax on component parts. The receipts, estimated at $6 million annually, would be added to those already being collected on handguns and archery equipment and apportioned to the States.

The Federal aid in wildlife restoration program was initiated in 1937. It is funded by an 11-percent manufacturers' excise tax on sporting firearms and factory-made ammunition. Sportsmen pay those taxes. The program is not supported at all by general tax revenues. The U.S. Fish and Wildlife Service retains enough of the receipts to pay Federal administrative costs. The remainder is divided among the States to pay 75 percent of the cost for wildlife projects approved by the Service. The State agencies provide 25 percent of the funding. All of the receipts from sporting arms and factory-made ammunition—more than $60 million anually—is used for wildlife restoration.

In 1970, Congress increased funding for the program by redirecting the 10-percent manufacturers' excise tax on handgunds from general receipts to the Federal aid program. In addition, Congress gave States the option of using up to half of their apportionment of handgun tax receipts for hunter education programs and shooting range construction. The remainder could be used for wildlife purposes.

In 1972, Congress imposed an 11-percent tax on certain items of archery equipment. Those receipts are used just as are the ones from handguns.

Receipts from the components tax I am proposing would be added to the handgun and archery equipment moneys and would be used for the same purposes. I should point out that this bill would not affect the use of receipts from sporting firearms and factory-made ammunition which make up the bulk of the overall program money. Those would continue to be used only for wildlife restoration work. Only portions of the handgun and archery receipts—as has always been the case—and components receipts could be used for hunter education and shooting range purposes.

The only change this bill would make in existing law, other than acquiring additional funds, would be to require the States to use a full 50 percent of the handgun, archery equipment, and components receipts for hunter education and shooting range purposes, if it is used at all by the States. Unused money would be transferred to the migratory bird conservation account and invested in national wildlife refuge land acquisition.

This provision was inserted in the bill to accommodate the interests of those who would be paying the tax. Most pur-

chases of handgun, archery, and components are not for wildlife related purposes. The items are used mainly for skeet, trap, and target shooting. The purchasers' interest in State agency programs is restricted mainly to hunter education efforts, which include firearm safety training. They are willing for half of their tax money to go for wildlife restoration, but they want some assurance that education programs are adequate.

Requiring that 50 percent of the handgun, archery equipment, and component taxes be used for education and ranges would not reduce funding for wildlife as some have claimed erroneously. In fact, the additional receipts from component parts would increase funding both for wildlife and education purposes. That is because the States already are using and increasing the amount of the funds available for education purposes. All 50 States have hunter education programs. In 25 States, the program is mandatory for all first-time hunters.

According to the U.S. Fish and Wildlife Service, $11.8 million in handgun and archery gear taxes were distributed to the States last year. The States used $8.3 million for wildlife and $3.5 million for hunter education and ranges. If the bill I propose had been in effect, receipts from the three sources would have been at least $17.8 million. The States would have been apportioned $8.9 million for wildlife—$600,000 more than they were—and $8.9 million for education and ranges—$5.4 million more than they were.

Last year the House Merchant Marine and Fisheries Committee and the Ways and Means Committee reported this bill favorably late in the session, but time ran out before further action could be taken. I hope Congress this year will expedite enactment of this bill. I urge my colleagues to lend their support.

By Mr. METCALF:

S. 213. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit, by the Comptroller General, of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco, and Firearms; to the Committee on Government Operations.

GAO AUDIT OF THE IRS AND ATFB

Mr. METCALF. Mr. President, again, I introduce for appropriate reference a bill to authorize the Comptroller General to make an independent audit of the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms of the Treasury Department.

This legislation passed the Senate on the last day of the session, and apparently became the victim of papershuffling and legislative redtape, since it arrived at the Speaker's desk for House action shortly after the House had adjourned sine die. Thus, we must start over again in the 95th Congress, and I hope that the legislation will be moved quickly to enactment, since all the basic work has been done, and all appropriate committees and agencies have signified their approval.

The main purpose of this bill is to resolve a longstanding disagreement between the IRS and the GAO, and to make clear that the Comptroller General has the authority to self-start regular management reviews of the IRS and the ATFB, to obtain access to pertinent records and personnel, including tax returns and information, and to conduct such audits on an independent basis. It should be noted that the bill states unequivocally that the final authority of the Secretary of the Treasury to make decisions regarding the merits of claims under the internal revenue laws would not be disturbed.

A second, and most important purpose of the legislation is to assure that such audits will in no way result in the unauthorized disclosure of tax returns and tax information, that there shall be full congressional oversight over GAO's procedures for protecting this confidentiality and that for such unauthorized disclosure GAO employees are subject to the same penalties and sanctions as are employees of the IRS.

By way of a brief legislative history, Mr. President, the measure was reported by the Senate Government Operations Committee on April 14, 1976 (S. Rept. 94–752) and was referred to the Senate Finance Committee, which reported its version to the Senate on May 20, 1976 (S. Rept. 94–909).

The Finance Committee preserved the "self-starting" authority of the Comptroller General to initiate the audit, but it added the requirement that any access by the GAO to tax returns or information must be subject to the approval of the Senate Finance Committee, the House Ways and Means Committee, or the Joint Committee on Internal Revenue Taxation.

The Senate Government Operations Committee version had provided for various reporting requirements to be followed by the GAO in notifying the Joint Committee and the Government Operations Committee as to those with access to tax returns and information, and to its procedures for protecting confidentiality, but it did not require any such prior committee approval.

The differences between the two committees on the legislation became involved in the debate on the 1976 tax reform measure. In that bill, the Senate Finance Committee inserted an amendment that again would require the Comptroller General to obtain first approval from the tax writing committees before he could look at tax returns or information in making an audit.

After certain discussion between the floor leaders on that legislation, a modified amendment was agreed to for insertion in the bill. That amendment permitted the GAO to initiate audits on its own or at the request of members or committees, but GAO would have to notify the Joint Committee on Internal Revenue Taxation of the subject matter of its planned audit and its plans for inspection of tax returns and information, and could independently proceed with the audit unless the joint committee by a two-thirds vote of its members vetoed the audit plan within 30 days after first receiving notice.

Now that the tax reform bill has passed into law, it is still necessary to move the original measure which establishes the authority in the GAO to make its independent audit and have access to the tax return information subject to the limitations provided in the tax bill. The Senate Finance Committee has no objections to such a bill.

The legislation which I introduce today is in full conformance with the tax reform bill amendment and the agreements worked out by the Senate committees. Indeed when the language passed the Senate in the closing hours of the 94th Congress, the language was understood to be acceptable to the House and was expected to be passed. However it never reached that body.

In summary, Mr. President, this bill provides for an independent audit and review of the tax agencies by the GAO, and assures that the GAO shall have access to tax returns and related information but only subject to notice to, and opportunity for veto by, the joint committee.

In keeping with the objective of protection of privacy, it further requires that no GAO personnel shall disclose such information which in any way would identify a taxpayer and that if he did, he would be subject to the same stiff penalties as are IRS employees.

It includes the same reporting requirements which were in the Government Operations Committee amendments, that is, that GAO shall designate in writing the name and title of each officer and employee who will have access to the returns, and shall forward same to the Senate and House tax writing committees and the two Government Operations Committees and the IRS and ATFB.

It also provides for reports to Congress on the results of audits performed, and for annual reports to the tax committees and Government Operations Committees as to the procedures to be followed with respect to protecting the confidentiality of tax returns and tax information, the scope and subject matter of audits and review authorized, and findings, conclusions, and recommendations made as a result of the GAO review.

Mr. President, I will urge that this bill be taken up again by the Government Operations Committee and reported to the Senate for action as soon as possible in the new session.

By Mr. HANSEN:

S. 218. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly by unanimous consent to the Committees on Finance and Labor and Public Welfare.

COMPREHENSIVE HEALTH CARE ACT OF 1977

Mr. HANSEN. Mr. President, it is my privilege to introduce for consideration by the Congress the American Medical Association's national health insurance proposal.

The legislation, similar to measures I

have sponsored or cosponsored in past Congresses, will build on the present system of employer-employee group health insurance plans and I commend it to the attention of my colleagues.

It will provide for Federal financial assistance on the basis of need.

The AMA bill will allow everyone to choose his own physician, dentist, and health insurance plan.

The legislation will protect against the costs of catastrophic illness; there will be no ceiling on these benefits.

As the principal sponsor in the Senate, I am confident that this measure can meet our needs at a cost, in new tax dollars, that will not be burdensome.

Mr. President, I am fully aware that this proposal is one of several dealing with national health insurance that the Congress will study. But I believe it is a good program and a balanced program and worthy of serious attention.

Let me take this means to briefly summarize the main functions of the legislation as outlined by the AMA's Washington office:

FULL HEALTH CARE FOR ALL

The basic concept of this proposal is full health care for all persons through private health insurance. For many who are now employed and have some insurance protection, it will mean a substantial increase in allowable benefits that will assure that their health care needs will be met. Equally comprehensive benefits will be available to the poor and the indigent, through Federal participation in the cost of insurance. A special program of supplemental insurance will provide like protection for the medicare population.

EMPLOYER AND EMPLOYEE COVERAGE

Most persons will receive their health care protection under employer insurance programs fully financed by premium paid by employers and their employees. Employers will be required to offer the coverage, and participation will be optional for the employee; 65 percent of the premium will be payable by the employer—who could, if individually agreed upon, pay more than 65 percent—for the benefit of the employee—and family; the employee will pay the balance.

Individuals regularly working at least 20 hours per week, as well as full-time employees, will be entitled to this coverage.

For those employers, particularly any small employers, who will incur a substantial increase in payroll costs as a result of the new requirement to provide insurance for employees, Federal assistance, over a period of 5 years, will largely alleviate the added burden. Moreover, a Government study ordered by the bill will determine any need for continuing assistance.

SELF-EMPLOYED, NONEMPLOYED, AND THE ELDERLY

Needs of the poor and the medically indigent will be met through a system of insurance premium subsidies providing either credits against income tax, or "certificates of entitlement" acceptable by carriers toward payment of premium. Such subsidies will be scaled according to income, and will pay all of the premium for some and a part of the premium for others.

A nonemployed person or a self-employed person would buy health care insurance which is "qualified," that is, meets federally established standards and conditions of coverage affording a person—and family—full care—diagnostic, therapeutic, and preventive, in and out of the hospital. A person could choose to pay the premium, in which case, when computing income tax return at year-end, the individual would simply reduce the amount of income tax by the amount of credit to which the person is entitled. On the other hand, a person might choose, instead, to make an application for a certificate of entitlement. An individual's insurance company could provide assistance—if so desired—and even put the insurance in force pending receipt of the certificate—with the Government guaranteeing payment of the premium during the interval between application and receipt of the certificate.

The amount of the Federal contribution will be based on individual or family income, measured by income tax liability for the year preceding the year for which the purchase is made. A table incorporated in the bill will show for each level of income tax liability—in $10 intervals—the percentage of the insurance premiums which the Government will contribute. Low income individuals and families having no income tax liability will be entitled to income tax credit—or a certificate—for the full amount of the premium; for other eligible persons, the entitlement will change gradually—within a range of 99 to 10 percent of the premium.

Since medicare benefits fall short of the standard benefits provided in "qualified" insurance, special provision is made to offer "supplemental" insurance for the elderly. This will make available to them the full range of benefits provided for the under-65 population. The supplemental insurance premium will be supported by the Federal Government, in full for the aged poor, in part for the others, according to income.

CONTINUITY OF INSURANCE FOR THE UNEMPLOYED

Persons between jobs will be covered under a special program. All employer-sponsored insurance will provide coverage of employees and their families for 30 days following termination of employment. In addition, however, an individual will, during the period for which a person is entitled to unemployment compensation, be eligible for continuation of the same insurance held at the time of termination of employment, and such continuing insurance will be fully paid for by the Federal Government.

BENEFITS

Health benefits under the program are comprehensive and afford the basic needs as well as the catastrophic expenses that a family might encounter. Any person covered under the program will be entitled to all the hospital inpatient care a person might need, as many as 100 days of inpatient care in a skilled nursing facility, and all home health services. Each member of the family will also be entitled to full physician services, providing all surgical needs as well as general care, and a full range of preventive services, including physicial examinations, immunizations, and inoculations, and outpatient psychiatric care. Children under 7 will be fully covered for dental care, and this age limit will be raised each year so as ultimately to include all persons under 18. Adults will be covered for emergency dental care. But the plan will not pay for items normally excluded, such as comfort items or cosmetic surgery.

COINSURANCE REQUIREMENTS

To keep costs down, and as a curb against overutilization, individuals will be subject to a payment of 20 percent—called "coinsurance"—of health benefits derived. However, the total coinsurance which a family will have to pay in any year will be limited according to its income. The poor will pay no coinsurance, others will pay a maximum in any year of 10 percent of income reduced by a "coinsurance deduction" that will assure that the obligation for coinsurance will increase only gradually as income rises. In effect, a family of four with a total income of $4,200, with no income tax liability, will be exempt from coinsurance. At $4,300 of income, the coinsurance limit would be 10 percent of the additional $100 of income, or $10; at $10,000 the limit would be $580. In no case could the annual coinsurance limit be more than $1,500 for an individual of $2,000 for a family. The limitation on coinsurance triggers the catastrophic expense protection, for health services are free of coinsurance when the limit is reached.

INSURANCE AVAILABILITY

Insurance will be available to all persons, regardless of prior medical history and on a guaranteed renewable basis. All carriers will offer the insurance, and will participate in an assigned-risk pool, if the State believes such pool is necessary to assure the availability of the coverage. In addition, premium for individuals or small groups within a State will be not more than 125 percent of the cost of insurance for members of large employee groups—over 50 persons—in a State.

ADMINISTRATION

State governments will regulate insurance within the State, subject to Federal guidelines established under the program by a 15-member Health Insurance Board. The Secretary of Health, Education, and Welfare and the Commissioner of Internal Revenue will be members of the board, and the additional members will include seven practicing doctors of medicine, a doctor of osteopathy, a doctor of dentistry, and members of the general public. The new board will also consult with carriers, providers, and consumers in planning and developing programs for quality medical care, and will make annual progress reports to the President and to the Congress.

Mr. CRANSTON. Mr. President, I ask unanimous consent that a bill introduced by Senator HANSEN relative to establishing a comprehensive Health Care Act of 1977, be jointly referred to the Committees on Labor and Public Welfare, and Finance.

The PRESIDING OFFICER. Without objection, the bill will be jointly referred.

By Mr. INOUYE:

S. 221. A bill to authorize the Secretary of the Navy to set aside and clear a certain portion of the island of Kahoolawe, Hawaii, as a pilot project to determine the feasibility and cost factors of clearing the entire island and surrounding waters of naval ordnance which is on such island and in such waters as the result of such island being used as a target range; to the Committee on Armed Services.

Mr. INOUYE. Mr. President, I am today introducing a bill affecting Kahoolawe Island, one of the eight major islands in the Hawaiian chain. For more than 35 years, Kahoolawe has been the site of aerial bombing and ship-to-shore target practice, conducted primarily by the U.S. Navy as part of its general training exercises.

This island has the dubious distinction of being one of the most bombed islands in the Pacific. I am concerned about this island, not so much because its somewhat limited resources are being destroyed by the Navy's live ammunition practices, but rather because the island is no more than 8 miles off the coast of a fast-developing population center on the island of Maui. The threat to the lives and property of the Maui residents is very real and warrants the concern of my distinguished colleagues in the Congress.

The bill I introduce today would direct the Navy to conduct a pilot project to clear a portion of the island within a year and to report back to the appropriate congressional committees about the project results.

I see this legislation as a significant step toward the eventual clearance of the entire 45-square-mile island of unexploded bombs and other ordnance and debris. And I expect this bill to pave the way for the eventual transfer of a revitalized Kahoolawe from the U.S. Government to the State of Hawaii.

It is true that there are other areas within the territorial boundaries of the United States used for similar military training purposes, but Kahoolawe is different from these locales. The State of Hawaii retains residential rights over Kahoolawe since it formerly owned the island, subject only to "temporary" military exigencies enumerated in the Executive order reserving use of the island to the U.S. Government. Furthermore, because of the close proximity of Kahoolawe to Maui, the second largest island in the State, Maui residents have long complained of the effects of aerial and shore bombardment. Finally, Kahoolawe was once usable for other purposes. It is now rapidly being destroyed and rendered unfit for human habitation. This erosion is an unforgiveable waste in a State where land is at a premium.

In the last three Congresses, I introduced measures that would have transferred Kahoolawe back to the State of Hawaii and that would have authorized moneys needed to clear the island of ordnance now estimated at over 10,000 tons. The bill met stiff opposition by the Navy Department in each Congress and most probably would have no hope for survival in this Congress as well.

The measure I now propose incorporates recent findings of a year-long study of Kahoolawe by the Navy Department, the most significant of which was the feasibility of clearing 90 percent of the land to a depth of 4½ feet in about 6 years. Prior to the study, the Navy made repeated claims that clearance of the island—to an extent feasible for human habitation—was impossible.

I succeeded in inserting a directive to the Navy in the 1975 military construction appropriations bill to conduct the 1-year study so that cost estimates of clearing Kahoolawe could be made for the first time. The Navy did a thorough and commendable study—one which I have found instructive.

The study finds not only that it is indeed feasible to restore Kahoolawe for human habitation, but also finds that a clearing operation on the island would be advantageous for Navy explosive ordnance disposal—EOD—training programs. The study says the civilian work force lacks the personnel qualifications for ordnance clearance on a par with the EOD teams. The study says also:

> The use of active duty EOD personnel would be advantageous from the standpoint of current qualifications, familiarity with the ordnance and area and potential labor cost reductions. From a military standpoint, it would provide unique operational training for the EOD group and valuable experience toward improving ordnance clearance techniques and equipment.

One other major finding of this study is that no precedent exists for a clearing operation on the scale of an island land mass like Kahoolawe. The study says:

> The lack of precedent for large-scale clearance and the magnitude of this effort in terms of cost indicate it would be prudent to undertake a pilot program to test procedures and confirm clearance rates. This would allow for refinement of cost estimates and subsequent cost benefit analysis based on land-use alternatives.

I agree with the recommendation that a pilot project be implemented, and I hope consideration of my bill may proceed carefully, but expeditiously through the Congress. I do not believe Kahoolawe Island is a mere "hell hole," as the Navy once alleged a few years ago. It is true the island, which has rich possibilities as a future State wilderness park, picnic-recreation site or wildlife refuge, is becoming unfit for anything except bombardment unless we reverse Navy policies of neglect and destruction.

Kahoolawe was not always the victim of defense demands. Through most of our history as a territory, Kahoolawe was owned by the territorial government and leased to private parties for grazing. In 1919 and again in 1933, the territory leased most of the island to a private ranch. In 1940, the Navy obtained a sublease to the island. Then in 1952 the original lease was canceled by the territory. In 1953 the area that was not being used for a lighthouse, which was already Federal property, was taken by the United States under the controversial Presidential Executive Order 10436.

Under the terms of the Executive order, when the Navy decided that the area was no longer needed, the island would be rendered reasonably safe for human habitation without cost to Hawaii and returned to the latter's jurisdiction. Moreover, the Navy was to either eradicate all goats from the island or strictly control their number. Finally, the Navy was to permit the then territory to enter and inspect the island and take appropriate measures to conduct a program of soil conservation.

What has happened in the years since the Navy secured control of the island? Kahoolawe is rapidly deteriorating between the Navy's bombardment and the animals that are stripping away the natural covering. In an era of environmental concern, Kahoolawe stands as mute testimony to the failure of the Federal Government to practice what it preaches. Soon, between the animals and the Navy, Hawaii will be left with nothing except outcroppings of rock from the Pacific.

Kahoolawe was and remains an integral part of Hawaii. Under the terms of the Admission Act, all lands reserved to the United States remained Federal property. However, the Executive order reserved only use, and the order's drafters clearly foresaw eventual return to the State. Thus title remains vested in Hawaii, which has granted the Federal Government use of the island.

The people of Hawaii have shown remarkably good faith and tolerance for the Navy's activities. We have recognized the fact that security requirements can demand a sacrifice on our part. However, the limits of our tolerance have long been exceeded, and the Navy has failed to prove that our defense posture will be undermined by the cessation of the bombardment of Kahoolawe.

Aside from the actual physical ruin of Kahoolawe itself, which is proceeding apace, the bombing constitutes a serious danger to the people of Maui. In September 1969 unexploded ordnance was discovered buried in the pasture of the mayor of the county of Maui. After an investigation, the Navy determined that the bomb had been dropped in 1966 but was in no danger of detonating.

However, this has not been the only incident. Residents have often complained about the noise from aircraft utilizing Kahoolawe. Because the population of Maui is expanding and the use of Kahoolawe is very heavy, the odds of an accidental bombing of Maui are very high. In the interest of the safety and comfort of the citizens of Maui, the policies of the Navy must be reversed.

I have made countless inquiries with the Navy about Kahoolawe and one exchange of letters stands out in my mind. In response to my correspondence in late 1969, Rear Adm. D. C. Davis, Commander, Hawaiian Sea Frontier, alleged that—

> The ravages of over a quarter of a century of air and surface bombardment have probably irrevocably eliminated the possibility of future safe, domestic use of the island.

He continued:

> This element has not been realistically faced in years past.

In his response to my inquiry, Admiral Davis added—

> The time has come to inform the local public that Kahoolawe should remain for the indefinite future an uninhabited monument to the requirements of our national security.

Admiral Davis should be commended for his frankness in stating that Navy utilization has rendered Kahoolawe bar-

ren and useless, but this candor was long overdue. I cannot believe that this discovery was suddenly made in 1969 only at my urging. Where was this candor during the previous 29 years of Navy use?

The Navy has claimed that there are no alternate sites available, but no one in the civilian sector really knows what efforts have been made to locate a less objectionable location. In fact, the Navy already uses the uninhabited island of Kaula, which is farther away from population centers and which is totally useless for any further development.

Furthermore, Mr. President, what are the people of Hawaii to make of the Executive order which promised to return Kahoolawe to the State after it was no longer required and to provide conservation programs for the island? The Navy Department obviously is saying in effect that it may some day return this ravaged "uninhabited monument" after it renders it sterile, but there is no indication when, if ever, we can expect this action.

We hear much about the credibility gap, and it is precisely this kind of callous disregard for the safety of civilians that contributes to the growing alienation of civilians from the Armed Forces.

Within the last 12 months, a wide range of local Hawaiian community groups, the two largest daily newspapers, the Hawaii Chamber of Commerce, all four county councils in the State and both State legislative houses have passed resolutions and written letters to Navy officials and the President to seek an end to the bombing, restoration of the island and return of the rights to the land to the State of Hawaii. The people of my State are looking toward Washington for a resolution of this devastating problem.

Mr. President, I request unanimous consent to have printed in the RECORD the text of the bill, along with two editorials from the Honolulu Advertiser, which were published before and after the Navy conducted the 1976 Kahoolawe study.

There being no objection, the bill and editorials were ordered to be printed in the RECORD, as follows:

S. 221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to determine the feasibility and cost of clearing the island of Kahoolawe, Hawaii, and the surrounding waters of ordnance and other debris resulting from the use of such island as a target range by the United States Navy the Secretary of the Navy is authorized and directed to (1) select and set aside, in consultation with the appropriate officials of the State of Hawaii, a land area of such island equal to not less than one percent of the land area of the island, and (2) clear all ordnance and other debris from such set-aside area. The set-aside area shall be cleared to a depth of at least 4½ feet.

SEC. 2. The pilot project authorized by the first section shall be completed not later than one year after the date of enactment of this Act. The Secretary of the Navy shall report to the Committees on Armed Services of the Senate and the House of Representatives the results of such project not later than 60 days after the completion of such project.

SEC. 3. The land area of the island of Kahoolawe which is cleared as provided in this Act shall, after the clearing operations have been completed, be used for such purpose or purposes as shall be agreed upon by the Secretary of the Navy and the State of Hawaii.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

KAHOOLAWE: WHEN?

Kahoolawe belongs to Hawaii, not to the U.S. Navy which uses the island as a bombing range.

Under the 35-year-old agreement allowing such use, the Navy is obligated to eventually restore and return Kahoolawe to civilian use.

Toward that end, Congress in November told the Defense Department to make a study and report within a year on the feasibility of restoration and return.

So it's not a question of whether Kahoolawe will be returned. The question is when—when dates are set for the end of the bombing, the start of the cleanup, and the turn over.

Until recently, at least, pressure has not been great here for such action, although The Advertiser has made the point it's an issue that won't go away and will grow for a couple of reasons:

Most immediate, from a safety and nuisance standpoint, it is increasingly untenable to be bombing just a few miles from the growing resort and residential area on Maui.

This month's symbolic "invasion" of Kahoolawe by a few Hawaiians just stresses a broader point that political opposition is possible on several levels.

At some future date, Hawaii's people are going to need Kahoolawe for some productive use by our growing population. Between now and then, it will take many years to clean up unexploded bombs, control the goats, restore vegetation, provide water and otherwise make the island livable.

Hard as it is to see in a practical way now, given new technology and ideas there may be a viable long-range future for Kahoolawe, a future that will never begin to be approached as long as it remains a barren bombing target.

At the same time, we would not romanticize Kahoolawe's history or the potential in its present condition. An article on the front page of this section deals with the past.

The Navy study may well contend again that bombing Kahoolawe is essential for national security. But too much for too long—proclaimed for such a reason to be accepted at face value.

Moreover, it must be weighed against other considerations such as safety and ultimate alternate land uses.

In that regard, it's hard to see how Hawaii's position as a Mid-Pacific defense center would be threatened by a return of Kahoolawe to the State.

Governor Ariyoshi has expressed support of Kahoolawe's return, and the Legislature in the past has entertained resolutions to that effect.

Now some stronger expressions, hearings and more detailed local research would seem in order to be prepared for the next phases of the effort.

CLEANING UP KAHOOLAWE

Results of a private study done for the U.S. Navy on the cost of clearing Kahoolawe should be encouraging to those who seek return of the target island to civilian control and more productive use.

The cost may seem high, ranging from $77 to $130 million, depending on how much of the island is cleared of bombs, shells and other debris and to what depth.

But that cost would be spread over four to six years, and it is not out of sight compared to that of some military hardware. For example, the current estimated cost for a single B–1 bomber is $93.8 million and rising.

Moreover, the Navy has an obligation to return the island in reasonable condition as part of its 35-year-old agreement with the State.

As we have said many times before, it's not a question of whether the U.S. government should clean up Kahoolawe and return it to the people of Hawaii. The only question is when—and it's in everyone's long-range interest to start moving toward that end.

The study, requested by Senator Dan Inouye as part of the military construction appropriation bill, is a step in that direction.

The senator expects to follow it up with a new proposal to the next Congress in behalf of Hawaii's case for return of the island. That is a needed move.

But, as also stated before, there is already the basis for a reasonable compromise, a phased reduction of bombing coupled with restoration of parts of the island.

That's possible because bombing is now confined to the side of Kahoolawe away from Maui. That could continue for a time, especially with use of smoke or similar bombs instead of live ordnance. Meanwhile, work could begin right away on clearing up the other side of the island and returning it for State park or other use.

Kahoolawe's long-range future is most uncertain. If it's now hard to see real economic possibilities, it would be a mistake to underestimate what's possible with new technology in years ahead.

Nor should anyone take lightly the feelings of some Hawaiian groups about Kahoolawe and the demands for its return by Maui Mayor Cravalho and others.

For its part, the military has legitimate concerns about its training needs—as well as an obligation to actively seek out alternatives to dropping live bombs on an island so near Maui's tourism center.

The transition of Kahoolawe from bombing target to something better offers a chance for military-civilian cooperation. The chance should not be lost due too much militancy on either side.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 223. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by professional registered nurses in the peer review, and related activities authorized thereunder; to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am introducing legislation to amend the Social Security Act in order to assure that members of the nursing profession will be active participants in our Nation's Professional Standards Review Organizations.

Under the terms of this proposed legislation, our professional registered nurses will become eligible for, and receive, full voting membership on local PSRO's, as well as on the Statewide and National Professional Standards Review Councils.

It would seem to me that if we are to provide for effective review of health care, the present law must be amended to include participation of registered nurses, the largest single group of health care practitioners in the country—numbering some 907,000.

The nursing profession has a long history of concern for developing and improving mechanisms for self regulation to assure the public of the competence of those who engage in the practice of nursing and to foster accountability of individual nurses for high standards of care. This concern has been reflected over the years in such things as the profes-

sion's establishment of state licensure, promotion of continuing education, the initiation of a certification program and the development of standards for practice.

Under current provisions of the PSRO law, physicians are involved in all levels of PSRO activities and have authority for decisionmaking relative to medical care. It is apparent to me that it is time to make clear provision as well for nursing involvement in PSROs, and I hope my colleagues will join me in seeking to make this beneficial change in the law.

I am pleased to report that the American Nursing Association strongly endorses this proposal.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1152(b)(1)(A) of the Social Security Act is amended—

(1) by inserting "and professional registered nurses licensed to engage in the practice of nursing in such area," immediately after "medicine or surgery in such area,",

(2) by inserting ", and at least 30 per centum of the membership of which is composed of professional registered nurses" immediately after "all such physicians in such area",

(3) by inserting ", and all professional registered nurses licensed to engage in the practice of nursing in such area," immediately after "licensed to engage in the practice of medicine or surgery in such area", and

(4) by inserting "or health" immediately after "organized medical".

SEC. 2. Section 1155(a)(1)(C) of the Social Security Act is amended by striking out "medical" and inserting in lieu thereof "health".

SEC. 3. Section 1162(b)(2) of the Social Security Act is amended by inserting ", and two professional registered nurses who may be designated by the State nursing association of such State," immediately after "hospital association of such State".

SEC. 4. (a) Section 1163(a)(1) of the Social Security Act is amended by inserting "and three professional registered nurses immediately after "eleven physicians".

(b) Section 1163(b) of such Act is amended—

(1) by striking out "members" in the first sentence and inserting in lieu thereof "The physician members", and

(2) by inserting immediately after the first sentence the following new sentence: "The three professional registered nurse members of the Council shall be individuals of recognized standing in the appraisal of professional registered nurse practice.".

(c) The amendments made by subsections (a) and (b) shall be effective in the case of appointments to the National Professional Standards Review Council made after the date of enactment of this Act.

SEC. 5. (a) Section 1167(c) of the Social Security Act is amended—

(1) by inserting ", no professional registered nurse," after "No doctor of medicine or osteopathy",

(2) by inserting ", professional registered nurse," after "such doctor of medicine or osteopathy", and

(3) by inserting "or a professional registered nurse" after "a doctor of medicine or osteopathy".

(b) The amendments made by subsection (a) shall be effective with respect to professional actions taken by professional nurses after the date of enactment of this Act.

By Mr. INOUYE:

S. 224. A bill to amend title 5, United States Code, to allow credit for civil service retirement purposes for time spent by Japanese-Americans in World War II internment camps; to the Committee on Post Office and Civil Service.

Mr. INOUYE. Mr. President, I am introducing a bill designed to give Japanese Americans interned during World War II credit toward civil service retirement for the time spent in the internment or relocation camps from 1942 to 1945.

Japanese Americans interned during those years were deprived of their liberty and the opportunity to engage in normal economic pursuits. Many lost valuable property in addition to their loss of the opportunity to practice their professions and continue working at their jobs.

A previous amendment to the Social Security Act allows them credit toward social security for the years spent in the camps if they were 18 years or older.

However, many have invested their time and service in the Government rather than private concerns, and thus have not been able to take advantage of that provision of that law. This bill simply complements the previous social security amendment. It extends to Federal employees the right to claim those years for civil service retirement credit.

I urge prompt action to enact this bill so that justice may be done.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 224

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8332 of title 5, United States Code, is amended by adding at the end thereof following new subsection:

"(1)(1) Any employee or Member who is a Japanese-American World War II internee shall be allowed credit for the period or periods after his 18th birthday during which he was detained or interned in a camp or similar facility or installation during World War II as described in paragraph (2)(A) of this subsection (and shall be considered to have performed service creditable for purposes of this subchapter while so detained or interned).

"(2) As used in this subsection—

"(A) the term 'Japanese-American World War II internee' means a United States citizen (or alien lawfully admitted for permanent residence) of Japanese ancestry who was evacuated or excluded by the appropriate military commander from a military or geographic area in the United States (or voluntarily departed from such an area prior to but in anticipation of an order of exclusion therefrom) during World War II, and was detained or interned in a camp or similar facility or installation in accordance with the policy and program of the United States with respect to persons of Japanese ancestry in the interests of the national security during World War II, whether pursuant to Executive Order Numbered 9066, dated February 19, 1942, section 67 of the Act of April 30, 1900, Executive Order Numbered 9489, dated October 18, 1944, sections 4067 through 4070 of the Revised Statutes of the United States, or otherwise; and

"(B) the term 'World War II' means the period beginning with September 1, 1940, and ending at the close of July 24, 1947.

"(3)(A) The Commission shall prescribe such regulations and take such actions as may be necessary or appropriate to insure that all Japanese-American World War II internees will be informed of their rights under this subsection and to assist them in submitting (in or with their applications for annuities under this subchapter) the information required to substantiate the performance by them of service referred to in paragraph (1).

"(B) Notwithstanding any other provision of this subchapter, any Japanese-American World War II internee who is entitled to an annuity under this subchapter for the month in which this subsection is enacted, or who thereafter becomes so entitled without having taken into account service referred to in paragraph (1), may request in writing (in such manner and form as the Commission shall prescribe) that such service be credited to him in computing his annuity under section 8339; and the Commission shall thereupon recompute such internees annuity so as to give him credit for such service, effective with the month following the month in which such request is made.

"(4) Any department or agency of the United States which performed functions or presently possesses records relating to the detention or internment of persons of Japanese ancestry during World War II shall, at the request of the Commission, certify to the Commission with respect to any Japanese-American World War II internee such information as the Commission deems necessary to carry out its functions under this subsection."

SEC. 2. (a) Section 8333(a) of title 5, United States Code, is amended by inserting "(not including any service described in section 8332(1))" after "service".

(b) Section 8334(g) of such Code is amended by striking out "or" at the end of paragraph (4), by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(6) periods of detention or interment credited under section 8332(1) of this title."

SEC. 3. Except as otherwise provided in the amendments made by this Act, such amendments shall apply with respect to annuities accruing under subchapter III of chapter 83 of title 5, United States Code, for months after the month in which this Act is enacted.

By Mr. PROXMIRE (for himself, Mr. MCINTYRE, and Mr. WILLIAMS):

S. 225. A bill to amend the Federal Credit Union Act in order to improve the efficiency and flexibility of the financial system of the United States by permitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members, by reorganizing the National Credit Union Administration, and by establishing a Central Liquidity Funds for Federal and State credit unions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

CREDIT UNION MODERNIZATION ACT OF 1977

Mr. PROXMIRE. Mr. President, I am today cosponsoring a bill, with Senator MCINTYRE and Senator WILLIAMS, by request, to amend the Federal Credit Union Act for reference to the Committee on Banking, Housing and Urban Affairs. The purpose of this legislation is to improve the efficiency and flexibility of the financial system of the United States by per-

mitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members; and to reorganize the National Credit Union Administration so that the Government regulatory system having supervisory jurisdiction over insured credit unions will be updated to meet current needs.

Mr. President, I am proud of the credit union movement and the significant contributions the State of Wisconsin has made to the evolution of credit unions. Credit Unions fulfill important and growing public interest purposes. There are over 23,000 credit unions in operation with $36 billion in assets.

I am one of those who believe that the contributions of credit unions to the public interest will see their greatest days in the future. That is why I generally support the provisions of this legislation which will increase the ability of credit unions to serve their members and the public interest.

There is no good public policy reason to allow the commercial banking industry to retain a monopoly on checking account services. The ability to provide such services gives commercial banks an unfair competitive advantage over other types of financial institutions. Consumers benefit by the convenience to them of maintaining their checking accounts where they deposit their savings and at places where they maintain their common bond. This legislation will remedy this problem by giving credit unions checking account powers.

This legislation will also help borrowers to own their own homes. The homebuilding industry has been required to bear the brunt of every recent money crunch. During periods of tight money, funds have flowed out of thrift institutions and into the commercial banks. In the process, the homebuilding industry has been decimated. The provisions of this bill will allow credit unions to make home mortgage loans. This should be of benefit to homeowners and the homebuilding industry. There is no question that homeownership strengthens our democracy by giving the ordinary citizen an important stake in our society. Every effort should be made to encourage homeownership. This bill is an important step in that direction.

This bill will also reorganize the Federal Credit Union Administration in two important ways: First, by abolishing the single administrator in favor of a three-man board, and second, providing a fixed 6-year term for members of the three-man board. This will provide a better management structure for administering the credit union program and remove the day-to-day decisions of the credit union administration from the political arena.

Mr. President, I have discussed the principal thrust of this legislation. I ask unanimous consent that a section-by-section analysis of the bill, together with the text of the bill, be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Credit Union Modernization Act of 1977".

TITLE I—NEW POWERS AND MODERNIZATION

SEC. 101. (a) Paragraph (1) of section 101 of the Federal Credit Union Act (12 U.S.C. 1752) is amended to read as follows:

"(1) 'Federal credit union' means a cooperative thrift institution incorporated in accordance with the provisions of this subchapter for the purpose of (A) encouraging thrift, (B) creating a source of credit at fair and reasonable rates of interest, (C) meeting the financial needs of its members and the member's family, and (D) providing an opportunity for its members to use and control their own money in order to improve their economic and social condition."

(b) Paragraph (4) of such section which begins with "The terms 'member account' " is redesignated paragraph "(5)" and the succeeding paragraphs numbered (5) through (8) are redesignated as paragraphs (6) through (9) respectively.

(c) Paragraph (5) of section 101 of the Federal Credit Union Act (12 U.S.C. 1752), as redesignated by (b) of this section is amended—

(1) by striking out "The terms"; and

(2) by striking out "(when referring to the account of a member of a credit union)"; and

(3) by striking out "or" each time it appears between the words "share certificate," and "share deposit"; and

(4) by inserting "or demand deposits," after the "," following "share deposits" each time such words appear therein; and

(5) by striking out "Administrator" each time it appears and inserting "Board" in lieu thereof.

SEC. 102. Section 103 of the Federal Credit Union Act, as amended (12 U.S.C. 1753), is amended—

(1) by striking out the words "some officer competent to administer oaths" and inserting "a witness either individually or collectively," in lieu thereof; and

(2) by striking out the words "$5 each" at the end of paragraph (4) thereof and inserting in lieu thereof: "in $5 multiples, not less than $5 and not more than $25 each".

SEC. 103. (a) Paragraph (5) of section 107 of the Federal Credit Union Act, as amended (12 U.S.C. 1757), is amended to read as follows:

"(5) to make loans and extend lines of credit to its members, to other credit unions and to credit union organizations and to participate with other credit unions, credit union organizations or financial organizations in making loans to credit union members in accordance with the following:

"(A) Loans to members shall be made in conformity with criteria established by the board of directors, except that—

"(i) except as otherwise specifically provided herein, the maturity of any such loan may not exceed 12 years;

"(ii) a residential real estate loan which is made to finance the purchase of construction of a one-to-four family dwelling for the residence of a credit union member, and which is secured by a first lien upon such dwelling, may have a maturity not exceeding 30 years;

"(iii) a loan to finance the purchase of a mobile home, which shall be secured by a first lien on such mobile home, to be used by the credit union member as his residence, or for the repair, alteration, or improvement of a residential dwelling which is the residence of a credit union member shall have a maturity not to exceed 15 years unless such loan is insured or guaranteed as provided in subparagraph (iv);

"(iv) a loan secured by the insurance or guarantee of the Federal Government, or a State government, or any agency of either may be made for the maturity and under the terms and conditions specified in the law under which such insurance or guarantee is provided;

"(v) a loan or aggregate of loans to a director or member of the supervisory or credit committee of the credit union making the loan which exceeds $5,000 plus pledged shares, must be approved by the board of directors;

"(vi) loans to other members for which directors or members of the supervisory or credit committee act as guarantor or endorser must be approved by the board of directors when such loans standing alone or when added to any outstanding loan or loans of the guarantor or endorser exceeds $5,000;

"(vii) loans must be approved by the credit committee or a loan officer;

"(viii) the rate of interest shall not exceed 1 per centum per month on the unpaid balance, inclusive of all charges incident to making the loan, or such higher rate for specific classes of loans as is permitted by the Board, but in no case to exceed 1.5 per centum per month on the unpaid balance.

"(ix) the taking, receiving, reserving, or charging of a rate of interest greater than is allowed by this paragraph, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person by whom it has been paid, or his legal representatives, may recover back from the credit union taking or receiving the same, in an action in the nature of an action of debt, the entire amount of interest paid; but such action must be commenced within two years from the time the usurious collection was made;

"(x) a borrower may repay his loan, prior to maturity in whole or in part on any business day without penalty;

"(xi) loans shall be paid or amortized in accordance with rules and regulations prescribed by the Board after taking into account the needs or conditions of the borrowers, the amounts and duration of the loans, the interests of the members and the credit unions, and such other factors as the Board deems relevant.

"(B) A self-replenishing line of credit to a borrower may be established to a stated maximum amount on certain terms and conditions which may be different from the terms and conditions established for another borrower.

"(C) Loans to other credit unions shall be approved by the board of directors.

"(D) Loans to credit union organizations shall be approved by the board of directors and shall not exceed 1 per centum of the paid-in and unimpaired capital and surplus of the credit union. For purposes of this paragraph, a credit union organization is any organization which primarily serves credit unions, and of which the credit union is a member.

"(E) Participation loans with other credit unions, credit union organizations or financial organizations shall be in accordance with written policies of the board of directors;".

(b) Paragraph (6) of such section is deleted.

(c) Paragraph (7) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is redesignated paragraph (6) and is amended to read as follows:

"(6)(A) to receive from its members,

from other credit unions, from an officer, employee, or agent of those nonmember units of Federal, State, or local governments and political subdivisions thereof enumerated in section 207 of this Act and in the manner so prescribed, and from nonmembers in the case of credit unions serving predominantly low-income members (as defined by the Board) payments on—

"(i) shares, share certificates and share deposits, any of which may be issued at varying dividend rates and maturities, subject to such terms, rates, and conditions as may be established by the board of directors, within limitations prescribed by the Board, and

"(ii) demand deposits, subject to the prior approval of the Board, in accordance with rules and regulations which shall be prescribed by the Board;

(d) Paragraph (8) of such section is redesignated paragraph (7) and amended to read as follows:

"(7) to invest funds (A) in securities, obligations, certificates, or other instruments of, or issued, or fully guaranteed as to principal and interest by the United States of America, any agency or instrumentality thereof, or any corporation wholly or partially owned or established by the United States of America or any agency or instrumentality thereof, or by any trust or trusts established by the United States of America or any agency or instrumentality thereof; (B) in obligations fully guaranteed as to principal and interest of any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Panama Canal Zone, the several territories and possessions or any political subdivision thereof; (C) in the shares, stocks, or obligations of any other organization, corporation, or association which strengthens or advances the development of credit unions or credit union organizations, up to 5 per centum of the total paid-in and unimpaired capital and surplus of the credit union with the approval of the Board;"

(e) Paragraph (9) of such section is redesignated paragraph (8) and amended to read as follows:

"(8) to place its funds (A) in shares, accounts, or deposits of savings and loan associations and mutual savings banks which are insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation; (B) in shares, share certificates, share deposits, demand or time deposits of any federally or State insured credit union; (C) in shares, share certificates, share deposits, demand or time deposits of any central credit union in which such investments are specifically authorized by the board of directors of the Federal credit union making the investment; (D) in demand or time deposits of any bank or trust company the deposits of which are insured by the Federal Deposit Insurance Corporation; (E) for Federal credit unions, or credit unions authorized by the Department of Defense, operating suboffices on American military installations in foreign countries or trust territories of the United States, in demand deposit accounts in banks located in those countries or trust territories, if such banks are correspondents of banks described in clause (D) of this paragraph, subject to such regulations as may be issued by the Board;".

(f) Such section is amended by redesignating paragraphs (10) through (14) as paragraphs (9) through (13).

(g) Paragraph (12) of such section, as redesignated, is amended by striking out everything after "Administrator," and inserting in lieu thereof the following: "to sell, purchase, or handle any money transfer instrument to or for members;".

(h) Paragraph (13), as redesignated, of such section is amended by inserting after the first comma the following: "to purchase, sell, pledge, or discount or otherwise receive or dispose of, in whole or in part, any eligible obligations (as defined by the Board) of its members and".

(i) Such section is further amended by adding the following new paragraphs after paragraph (13):

"(14) to sell all or a part of its assets to another credit union, to purchase all or part of the assets of another credit union and to assume the liabilities of the selling credit union and those of its members subject to regulations of the Board;

"(15) with the approval of the Board, to permit its members to transfer money to and from their accounts at such intervals and by such means as may be permitted by regulations of the Board;"

(j) Paragraph (15) of such section is redesignated paragraph (16) and is amended by inserting "to meet the financial needs of its members and its members' families and" after "to enable it".

SEC. 104. Section 111 of the Federal Credit Union Act (12 U.S.C. 1761) is amended to read as follows:

"MANAGEMENT

"SEC. 111. The management of a Federal credit union shall be by a board of directors, a supervisory committee and, when the bylaws so provide, a credit committee.

"The board shall consist of an odd number of directors, at least five in number, to be elected annually by and from the members as the bylaws provide. Any vacancy occurring on the board shall be filled until the next annual election by appointment by the remainder of the directors.

"The supervisory committee shall be appointed by the board of directors and shall consist of not less than three members nor more than five mmebers; one of whom may be a director other than the treasurer.

"A record of the names and addresses of the executive officers and the chairperson of the supervisory and, when utilized, the credit committee shall be filed with the Board within ten days' after their election or appointment.

"No member of the board or of any committee shall, as such, be compensated: *Provided, however,* That reasonable health, accident, and similar insurance protection shall not be considered compensation.".

SEC. 105. Section 112 of the Federal Credit Union Act (12 U.S.C. 1761a) is amended to read as follows:

"OFFICERS

"SEC. 112. At their organization meeting and within thirty days following each annual meeting of the members thereafter, the directors shall elect from their own number an executive officer who may be designated as chairperson of the board or president, a vice chairperson of the board or one or more vice presidents, a treasurer, and a secretary, of whom the last two may be the same individual, and the persons so elected shall be the executive officers.

"No executive officer, except the treasurer, shall be compensated as such.

"The board of directors may employ a person to be in charge of operations whose title shall be president or general manager; or, in lieu thereof, the board of directors may designate the treasurer to act as general manager or president and be in active charge of the affairs of the Federal credit union.

"The duties of the officers shall be as determined in the bylaws.

"Before the officer in charge of operations acting as general manager or president or the treasurer shall assume the duties of the office, such officer shall give bond with good and sufficient surety, in an amount and character to be determined by the board of directors in compliance with regulations prescribed from time to time by the Board, conditioned upon the faithful performance of such officer's trust.".

SEC. 106. Section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended to read as follows:

"DIRECTORS

"SEC. 113. The Board of directors shall meet at least once a month and shall have the general direction and control of the affairs of the Federal credit union. Minutes of all meetings shall be kept.

"Among other things, the board shall—

"(A) act upon applications for membership or appoint membership officers from among the members, other than the treasurer, and assistant treasurer, or a loan officer, to act on its behalf;

"(B) require any officer or employee having custody of or handling funds to give bond with good and sufficient surety in an amount and character in compliance with regulations of the Board, and authorize the payment of the premium or premiums therefor from the funds of the Federal credit union;

"(C) fill vacancies on the board until successors elected at the next annual meeting have qualified;

"(D) if the bylaws provide for an elected credit committee, fill vacancies on the credit committee until successors elected at the next annual meeting have qualified;

"(E) appoint the members of the supervisory committee and, if the bylaws so provide, appoint the members of the credit committee;

"(F) have charge of investments including the right to designate an investment committee of not less than two to act on its behalf;

"(G) determine the maximum number of shares, share certificates, and share deposits, and the classes of shares, share certificates, and share deposits that may be held by members, and in the case of low-income credit unions, nonmembers;

"(H) subject to the limitations of this subchapter, determine the interest rates on loans, the security, and the maximum amount which may be loaned or provided in lines of credit;

"(I) authorize interest refunds to members from income earned and received on such classes of loans and under such conditions deemed fair;

"(J) provide for the hiring and compensation of employees, including loan officers in cases where there is no credit committee;

"(K) if the bylaws so provide, appoint an executive committee of not less than three directors to act on its behalf and any other committees to which it can delegate specific functions;

"(L) prescribe conditions and limitations for the investment, executive, appointed credit committee, and any other committee which it appoints;

"(M) review at each monthly meeting a list of approved or pending applications for membership received since the previous monthly meetings altogether with such other related information as it or the bylaws require;

"(N) make provision for the furnishing of the written reasons for the denial of any membership application upon the written request of the applicant;

"(O) establish the dividend to be paid on share accounts;

"(P) specify, prior to offering, the dividend rate to be paid on share certificate and share deposit accounts;

"(Q) do all other things that are necessary and proper to carrying out the purposes and powers of the Federal credit union.".

SEC. 107. Section 114 of the Federal Credit Union Act (12 U.S.C. 1761c) is amended to read as follows:

"CREDIT COMMITTEE

"SEC. 114. The board of directors may appoint or the members may elect a credit committee consisting of an odd number of members of the credit union. The method used shall be set forth in the bylaws. The

credit committee shall hold such meetings as the business of the Federal credit union may require, not less frequently than once a month, to consider applications for loans or lines of credit. Approval of an application shall be by a majority of the committee who are present at the meeting at which it is considered provided that a majority of the full committee is present. The credit committee may appoint and delegate to loan officers the authority to approve applications.

"If loan officers are utilized, loans or lines of credit not approved by the loan officer shall be reviewed by the credit committee and the approval of a majority of the members who are present at the meeting when such review is undertaken shall be required to reverse the loan officer's decision provided a majority of the full committee is present.

"No loan may be made to any member if, upon the making of that loan, the member would be indebted to the Federal credit union upon loans made to him in an aggregate amount which would exceed 10 per centum of the credit union's unimpaired capital and surplus.".

SEC. 108. Section 116 of the Federal Credit Union Act (12 U.S.C. 1762) is amended by striking out all after the colon in subsection (a), by striking out subsection (b), and by inserting in lieu thereof the following:

"(1) A credit union in operation for more than 4 years and having assets of $500,000 or more shall set aside (A) 10 per centum of gross income until the regular reserve shall equal 4 per centum of the total of outstanding loans and risk assets, then (B) 5 per centum of gross income until the regular reserve shall equal 6 per centum of the total of outstanding loans and risk assets.

"(2) A credit union in operation less than 4 years or having assets of less than $500,000 shall set aside (A) 10 per centum of gross income until the regular reserve shall equal 7½ per centum of the total of outstanding loans and risk assets, then (B) 5 per centum of gross income until the regular reserve shall equal 10 per centum of the total of outstanding loans and risk assets.

"(3) Whenever the regular reserve falls below the stated per centum of the total of outstanding loans and risk assets, it shall be replenished by regular contributions in such amounts as may be needed to maintain the stated reserve goals.

"(b) The Board may decrease the reserve requirement set forth in subsection (a) of this section when in his opinion such a decrease is necessary or desirable. The Board may also require special reserves to protect the interests of members either by regulation or for an individual credit union in any special case.".

"(c) Each Federal credit union shall maintain interest-bearing reserves against its demand deposits in balances in the Central Liquidity Fund or agents thereof, in currency and coin, or in such other form as the Board of Governors of the Federal Reserve System may provide for similar reserves of member banks, equal to not less than such percentages of its aggregate amounts of such deposits (not less than 1 per centum nor more than 22 per centum) as may be established by the Board of Governors after consultation with the Board. Such determination and consultation shall take into consideration the various types of accounts of the institutions, the length of time such accounts have been offered by any institution, and such other factors as may be deemed appropriate, and different percentages may be prescribed on the basis of such considerations.".

SEC. 109. Section 117 of the Federal Credit Union Act (12 U.S.C. 1763) is amended to read as follows:

"DIVIDENDS

"SEC. 117. At such intervals as the board of directors may authorize, and after provision for required reserves, the board may declare a dividend to be paid at different rates on different types of shares and at different maturity dates in the case of share certificates and share deposits. Dividend credit may be accrued on various types of shares as authorized by the board of directors.

SEC. 110. Subsection (b)(3)(B) of section 120 of the Federal Credit Union Act, as amended (12 U.S.C. 1766), is amended by striking out "shares" and inserting in lieu thereof "member accounts".

SEC. 111. Sections 1, 2, and 3 of Public Law 88-395 (12 U.S.C. 1773-1775) are repealed.

TITLE II—RESTRUCTURING THE NATIONAL CREDIT UNION ADMINISTRATION

SEC. 201. (a) Paragraph (2) of section 101 of the Federal Credit Union Act (12 U.S.C. 1752) is amended by—

(1) striking out "the term";

(2) striking out "Administrator" both times it appears and inserting "Chairperson" in lieu thereof;

(3) inserting "Board" after "Administration".

(b) Paragraph (3) of such section is amended by striking out "the term" and "and".

(c) Paragraph (4) of such section is amended by—

(1) striking out "the term";

(2) inserting "Administration" after "Union";

(d) Redesignated paragraph (6) of such section is amended by striking out "The terms".

(e) Redesignated paragraph (7) of such section is amended by—

(1) striking out "the term";

(2) striking out "title" and inserting in lieu thereof "subchapter";

(3) striking out "Act" and inserting in lieu thereof "chapter".

(f) Redesignated paragraph (8) is amended to read as follows:

"(8) Share Insurance Fund or 'Insurance Fund' or 'Fund' means the National Credit Union Share Insurance Fund.

(g) Redesignated paragraph (9) of such section is amended by striking out "The term".

(h) Such section is further amended by adding the following:

"(10) 'Central Liquidity Fund' or 'Liquidity Fund' mean the National Credit Union Central Liquidity Fund;".

SEC. 202. Section 102 of the Federal Credit Union Act (12 U.S.C. 1752a) is amended to read as follows:

"ESTABLISHMENT OF BOARD

"SEC. 102. (a) There is hereby established in the executive branch of the Government an independent agency to be known as the National Credit Union Administration. The management of the Administration shall be vested in the National Credit Union Administration Board.

"(b) The Board shall consist of three members having tested credit union experience appointed by the President with the advice and consent of the Senate. In appointing the members of the Board, the President shall designate the Chairperson. The Chairperson shall be compensated at level III of the Executive Schedule (5 U.S.C. 5315) and the remaining Board members shall be compensated at level IV of the Executive Schedule. Not more than two members of the Board shall be members of the same political party.

"(c) The term of office of each member of the Board shall be six years. However, the terms of the members of the Board initially appointed shall expire as follows: one two years from the date of appointment, one four years from the date of appointment, and one (Chairperson) six years from the date of appointment. Any Board member may continue to serve as such after the expiration of said member's term until a successor has qualified.

"(d) The Board shall adopt such rules as it sees fit for the transaction of its business and shall keep permanent and complete records and minutes of its acts and proceedings. A majority of the Board shall constitute a quorum. The Board shall make an annual report to the President for submission to the Congress summarizing the activities of the Administration. The Board will begin to function as soon as the last member of the Board is approved. The Administrator or the Administration prior to the effective date of these provisions shall exercise the authority contained in this chapter until such time as the last Board member is approved.

"(e) The Chairperson of the Board shall be the spokesperson of the Board and shall represent the Board and the National Credit Union Administration in its official relations with other branches of the Government. The Chairperson shall determine each Board member's area of responsibility and shall review such assignments biennially. It shall be the Chairperson's responsibility to direct the implementation of the adopted policies and regulations of the board.

"(f) The members of the Board shall be ineligible during the time they are in office or for two years thereafter to hold any office, position, or employment in any credit union, except that this restriction shall not apply to any member who has served the full term for which he was appointed.

"(g) Except as provided by this Act, provisions of law now or hereafter in effect shall not apply to funds, contracts obligations, expenditures, lending or payments; to fees and charges authorized in connection with applications, or in connection with the providing of information, services, facilities, to any persons; to claims, demands, or accounts of or against or relating to either: *Provided* (without regard to any provision of the Government Corporation Control Act as to government capital) banking and checking accounts of the Administration, including their receipts, shall be maintained in accordance wtih section 302 of said last named Act as now in effect, and the financial transactions of the Administration shall be subject to audit (except, however, closed sections of Examination Reports shall not be deemed to be records of any type necessary to facilitate the audit), which may be on a calendar year basis, in accordance with subchapter I of said Act as now in effect.

"(h) All policies, procedures, rules, and regulations effective at the time this section becomes effective shall remain in effect until modified or withdrawn by the Board.".

SEC. 203. (a) Subsection (b) of section 120 of the Federal Credit Union Act (12 U.S.C. 1766) is amended by—

(1) striking out "bankrupt or" in paragraph (1);

(2) by inserting the following new paragraph at the end thereof:

"(6) Any aggrieved party may seek to enjoin or obtain other appropriate remedy when a charter revocation or suspension or an involuntary liquidation is ordered by the Board. Any such suit may be brought in any court of the United States of competent jurisdiction in the district or territory in which the principal office of the credit union is located.".

(b) Subsection (1) of such section is amended—

(1) by striking out in paragraph (2) ", and perform such other functions or acts deemed necesary or appropriate to carry out the provisions of this Act"; and

(2) by striking out "." at the end of paragraph (3) and inserting "; and" in lieu thereof; and

(3) by adding the following new paragraph:

"(4) to exercise all powers specifically granted by the provisions of this chapter and such incidental powers as shall be necessary to carry out the powers so granted.".

SEC. 204. Section 5108 of title 5, United States Code, is amended by adding the following new paragraph:

"(h) In addition to the number of positions authorized by subsection (a), the National Credit Union Administration is authorized without regard to any other provision in this section, to place in the Administration one position at Level V of the Executive Schedule, three positions at GS–18 and a total of twelve positions at GS–16 or GS–17."

TITLE III—SHARE INSURANCE

SEC. 301. (a) Paragraph (a) of section 201 of the Federal Credit Union Act (12 U.S.C. 1781) is amended by—

(1) inserting ", including the trust territories," after "several territories";

(2) striking out "title" and inserting "subchapter" in lieu thereof;

(3) striking out "Act" and inserting "chapter" in lieu thereof

(b) Paragraph (b)(7) of such section is amended by inserting "except for accounts authorized by State law for State credit unions" before the semicolon.

(c) Paragraphs (b)(8) and (b)(9) of such section are amended by striking out "title" and inserting "subchapter" in lieu thereof.

(d) Paragraphs (c)(1)(E) and (c)(2) of such section are amended by striking out "for provident or productive purposes" and inserting "at a fair and reasonable rate of interest" in lieu thereof.

(e) Paragraph (c)(3) of such section is amended by striking out the last sentence thereof.

(f) Such section is further amended by striking out all of paragraph (d) and redesignating paragraph (e) as (d).

SEC. 302. Section 202 of the Federal Credit Union Act (12 U.S.C. 1782) is amended by—

(1) striking out "his" in the fifth sentence of paragraph (a)(1) and inserting "said officer's" in lieu thereof;

(2) striking out "title" and "Act" in paragraph (a)(5) and inserting "subchapter" and "chapter", respectively in lieu thereof.

SEC. 303. Section 205 of the Federal Credit Union Act is amended by striking out "for provident or productive purposes" in paragraph (c)(6) and inserting "at a fair and reasonable rate of interest" in lieu thereof.

SEC. 304. Section 208 of the Federal Credit Union Act (12 U.S.C. 1788) is amended by striking out "SPECIAL ASSISTANCE TO AVOID LIQUIDATION" and inserting "SPECIAL ASSISTANCE FOR FEDERALLY INSURED CREDIT UNIONS" in lieu thereof.

TITLE IV—CENTRAL LIQUIDITY FUND

SEC. 401. The Federal Credit Union Act (12 U.S.C. 1751–1790) is amended by adding at the end thereof the following:

"TITLE III—NATIONAL CREDIT UNION CENTRAL LIQUIDITY FUND

"FINDINGS

"SEC. 301. The Congress finds that the stability of credit unions will encourage savings and will be promoted by establishing a National Credit Union Central Liquidity Fund to provide funds to meet the temporary liquidity needs of credit unions and for that purpose to provide for the orderly transfer of funds among and between credit unions and other financial institutions.

"DEFINITIONS

"SEC. 302. As used in this title—

"(1) 'member' means any shareholder of the National Credit Union Central Liquidity Fund;

"(2) 'temporary liquidity needs' include emergency needs, seasonal needs, and needs arising from local economic dislocations;

"(3) 'Central Liquidity Fund' or 'Liquidity Fund' mean the National Credit Union Central Liquidity Fund;

"(4) 'Board' means the three member Board of the National Credit Union Administration;

"(5) 'State credit union' means a credit union organized under the laws of the States of the United States or the District of Columbia, the several territories, including the trust territories and possessions of the United States, the Panama Canal Zone, and the Commonwealth of Puerto Rico and which is not prohibited by the laws under which it is organized from becoming a member of the Discount Fund in accordance with the requirements of this title;

"(6) 'federally-insured credit union' means any credit union insured by the National Credit Union Administration Share Insurance Fund;

"(7) 'State-insured credit union' means any State credit union that has obtained a certificate of insurance from a corporation authorized and duly licensed to insure member accounts by the State in which the credit union is chartered; and

"(8) 'paid-in and unimpaired capital and surplus' means the balance of the paid-in shares account as of a given date, less any loss that may have been incurred for which there is no reserve or which has not been charged against undivided earnings, plus the credit balance (or less the debit balance) of the undivided earnings account as of a given date, after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom. Reserves shall not be considered as part of surplus.

"ESTABLISHMENT OF THE NATIONAL CREDIT UNION CENTRAL LIQUIDITY FUND

"SEC. 303. There is hereby created the National Credit Union Administration Central Liquidity Fund which shall exist perpetually within the National Credit Union Administration unless and until dissolved or transferred by Act of Congress. The principal office shall be located at the principal office of the National Credit Union Administration but the Board may establish such regional, district, or branch offices as he deems necessary and appropriate.

"MANAGEMENT

"SEC. 304. The management of the Liquidity Fund shall be vested in the Board. The Board shall administer the affairs of the Liquidity Fund fairly and impartially and without discrimination in favor of or against any member, and shall, subject to the provisions of this title, extend to each credit union authorized to secure advances such advances as may be made safely and reasonably with due regard to the maintenance of an adequate credit standing for the Liquidity Fund and its obligations.

"INITIAL EXPENSES

"SEC. 305. In order to facilitate the formation of the Liquidity Fund, the Board is authorized to borrow up to $500,000 from the National Credit Union Share Insurance Fund, to be utilized for the initial organizational and operating expenses of the Liquidity Fund. Any sums advanced hereunder shall be repaid within a reasonable time.

"CAPITALIZATION

"SEC. 306. (a) As soon as practicable after the effective date of this subchapter, the Board shall open books for subscriptions to the capital stock.

"(b) The capital stock shall be divided into shares having a par value of $50 each. The minimum capital stock shall be issued at par. Stock issued thereafter shall be issued at such price not less than par as may be fixed by the Board.

"(c)(1)(A) The original stock subscription of each credit union eligible to become a member under paragraphs (f) and (g) of this section shall be an amount equal to at least one-half of 1 per centum of the subscriber's paid-in and unimpaired capital and surplus, but not less than $50.

"(B) Only one-half of the required subscription amount must be transferred to the Liquidity Fund. The other one-half may be held by the credit union on call of the Board and be invested in such assets as the Board may determine.

"(C) The regular reserve requirement, as set forth in section 116, may, pursuant to such terms and conditions as may be prescribed by the Board be reduced by an amount equal to the funds transferred to or held on call by the Liquidity Fund.

"(D) The Liquidity Fund shall annually adjust, at the close of the calendar year, in such manner and upon such terms and conditions as the Board may prescribe, the amount of stock held by each member so that such member shall have invested in the stock of the Liquidity Fund at least an amount calculated in the manner provided in paragraphs (c)(1)(A) and (B) of this section (but not less than $50).

"(E) If the investment in stock of any member is greater than that required under this section, the Board may, in its discretion and upon application of such member, retire the stock of such member in excess of the amount so required.

"(F) The Board may provide for adjustment in the amounts of stock to be issued or retired but not in fractional shares.

"(2) Upon the reitrement of the stock of any member, the Board shall pay such member for the stock retired an amount equal to what the member paid for such stock, or, at the direction of the Board the whole or any part of the payment which would otherwise be so made shall be credited upon the indebtedness of the member to the Liquidity Fund. In either such event, stock equal in par value to the amount of the payment or credit, or both, as the case may be, shall be canceled.

"(3) The Board may require each member to submit such reports and information as the Board deems necessary or appropriate to carry out his duties and responsibilities under this title.

"(d) Stock subscriptions shall be paid for in cash or in securities or other assets deemed acceptable by the Board and shall be paid for at the time of application therefor, or, at the election of the subscriber, in installments, but not less than one-fourth of the total amount payable shall be paid at the time of filing the applications, and the remaining amounts at such intervals as may be prescribed by the Board: *Provided, however,* That the last payment shall become due on the one hundred and eightieth day after the date of the application.

"(e) Stock subscribed for shall not be transferred or hypothecated except as provided herein and the certificates therefor shall so state.

"(f)(1) Federal and State credit unions may become members of the Liquidity Fund at any time.

"(2) Credit unions that become members later than one hundred and eighty days from the effective date of this title cannot borrow or receive advances from the Liquidity Fund for a period of one hundred and eighty days after joining.

"(g)(1) Any member may withdraw from membership in the Liquidity Fund one hundred and eighty days after filing with the Board written notice of its intention to do so.

"(2) The Board may, subject to a hearing at the member's request, under procedures set forth in regulations, remove any member from membership, if in his opinion, the member has failed to comply with any provisions of this subchapter or regulations of the Board issued pursuant thereto. In such case, the indebtedness of such member shall be liquidated and the capital stock owned by such member surrendered and canceled. Upon the liquidation of such indebtedness, such member shall be entitled to the return of its collateral, and, upon the surrender and cancellation of such capital stock, the member shall receive a sum equal to what it paid for subscriptions of the capital stock surrendered.

"(h) All stock of the Liquidity Fund shall share in dividend distributions without

preference at rates to be determined by the Board.

"CERTAIN POWERS OF THE BOARD

"SEC. 307. The Board shall have the authority on behalf of the Liquidity Fund to:

"(a) Sue and be sued, complain and defend, in any court of law or equity, State or Federal. All suits of a civil nature at common law or in equity to which the Board shall be a party shall be deemed to arise under the laws of the United States. The United States district courts shall have original jurisdiction thereof, without regard to the amount in controversy.

"The Board may, without bond or security, remove any such action, suit or proceeding from a State court to the United States district court for the district or division embracing the place where the same is pending by following any procedure for removal now or hereafter in effect.

"The Board may, notwithstanding any other provision of law, retain private counsel to represent him.

"No attachment or execution shall be issued against the Board or property of the Liquidity Fund before final judgment in any suit, action, or proceeding in any State, county, municipal or United States court.

The Board shall designate an agent upon whom service of process may be made in any State, territory, or jurisdiction in which any member credit union is located.

"(b) Adopt a seal.

"(c) Pursue to final disposition by way of compromise or otherwise claims both for and against the United States (other than tort claims, claims involving administrative expenses, and claims in excess of $5,000 arising out of contracts for construction, repairs, and the purchase of supplies and materials) which are not in litigation and have not been referred to the Department of Justice.

"(d) Appoint, employ, and dismiss such officers and employees as are not otherwise provided for in this title, define their duties, fix their compensation, require bonds of them and fix the penalty thereof. Nothing in this or any other Act shall be construed to prevent the appointment and compensation as an officer or employee of the Administration of any officer or employee of the United States in any board, commission, independent establishment, or executive department thereof.

"(e) Employ or contract with experts, professionals, and consultants or organizations thereof.

"(f) Prescribe the manner in which general business may be conducted and the privileges granted to him by law may be exercised and enjoyed.

"(g) Require information and reports from member credit unions.

"(h) Delegate to any officer or employee of the Administration such functions as he deems appropriate.

"(i) Prescribe rules and regulations as he may deem necessary or appropriate to carry out the provisions of this title.

"(j) Conduct business, carry on operations, have offices, and exercise the powers granted by this title in any State or territory.

"(k) Lease, purchase, or otherwise acquire and own, hold, improve, use, or otherwise deal in and with property, real, personal, or mixed, or any interest therein, wherever situated.

"(l) Accept gifts or donations of services, or property, real, personal, or mixed, tangible or intangible, in and for the purposes of the Liquidity Fund.

"(m) Enter into contracts with public or private organizations, corporations, or individuals, at the local, regional, State or National level including, but not exclusive to, credit unions, central credit unions, credit union organizations, and other financial institutions; act as agent for or otherwise assist the Liquidity Fund in the conduct of its business; contract for services such as, but not limited to, data processing, printing, and communications where time or economics dictate; and, do all things which are necessary or incidental to the proper management of the affairs and the proper conduct of the business of the Liquidity Fund.

"(n) Obtain indirect participation by private and other public financial sources by issuing bonds, debentures, and such other certificates of indebtedness having such maturities and bearing such interest as the Board may determine. In no event, however, shall the aggregate of such debentures and similar obligations outstanding at any one time exceed twenty times the paid-in capital and surplus of the Liquidity Fund. The obligations of the Liquidity Fund issued under this paragraph shall be fully and unconditionally guaranteed both as to principal and interest by the United States, and such guaranty shall be expressed on the face thereof;

"(o) Make deposits in federally insured commerical banks, mutual savings banks, savings and loan associations, insured credit unions, member credit unions, and financial institutions acting as agents on either a demand or time basis;

"(p) Purchase from any member with its endorsement any note, draft, or other such obligation presented by the member, under limits to be established by the Board;

"(q) Invest such part of the assets of the Liquidity Fund as are not required for advances to members or other purposes specified by this subchapter, and to such extent as the Board may deem desirable, in obligations of the United States or any agency thereof and in obligations or participations issued by an agency of the United States in trust for another agency of the United States;

"(r) Subject to rules and regulations of the Board, to borrow and to give security therefor and pay interest thereon, including from the National Credit Union Share Insurance Fund.

"(s) Exercise all powers specifically granted by the provisions of this subchapter and such incidental powers as shall be necessary to carry out the powers so granted and purposes so stated.

"ADVANCES

"SEC. 308. (a) (1) Any member of the Fund shall be entitled to apply in a form prescribed by regulations for advances. The Board may deny any application, or may grant it, upon such terms, conditions, and maturities as it may prescribe by regulations.

"(2) Advances to members shall be upon such security as the Board may prescribe. Such security may include, but not necessarily be limited to, obligations of the United States, obligations issued in trust by any agency of the United States on behalf of any agency of the United States, notes made by the member in the form of loans to its members or any other legal asset of a credit union. Any such advance, if secured by obligations of the United States, obligations fully guaranteed by the United States, or obligations issued in trust by any agency of the United States, shall be for an amount not in excess of the face value of such obligations.

"(3) Advances shall be made upon the note or obligation of the member, secured as provided in this section, bearing such rate of interest as the Board shall determine, and the Liquidity Fund shall have a lien on and shall hold the stock of such member as further collateral security for all indebtedness of the member to the Liquidity Fund.

"(4) The member applying for an advance shall enter into a primary and unconditional obligation to pay off all advances, together with interest and any unpaid costs and expenses in connection therewith according to the terms under which they were made, in such form as shall meet the requirements of the Liquidity Fund and the approval of the Board. The Liquidity Fund shall reserve the right to require at any time, when deemed necessary for its protection, deposits of additional collateral security or substitutions of security by borrowing institutions, and each borrowing institution shall assign additional or substituted security when and as required.

"(5) The limit on the aggregate amount of outstanding advances to be made to any one member shall be established by the Board by regulation.

"(b) The Secretary of the Treasury is authorized and directed to purchase any obligation issued by the Board in the event that there are insufficient funds in the Liquidity Fund to meet obligations arising under paragraph (a) of this section.

"Purchases by the Secretary of the Treasury under this paragraph outstanding at any time shall be limited to such amounts not in excess of $500,000,000. Such advances shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such advances adjusted to the nearest one-eighth of 1 per centum.

"ANNUAL REPORT

"SEC. 309. Not later than ninety days after the close of each calendar year the Board shall prepare and submit to the President and to the Congress a full report of the activities of the Central Liquidity Fund for each previous fiscal year. This report may be a part of the Board's annual report to the President and to the Congress, as required by subchapter I of this chapter.

"REIMBURSEMENT TO NATIONAL CREDIT UNION ADMINISTRATION

"SEC. 310. The Board annually shall determine the expenditures under this subchapter incurred in carrying out the responsibilities imposed upon him, and, in conjunction with fees paid for chartering, examination, supervision, and insuring of Federal credit unions, and federally-insured State credit unions, shall assess the Liquidity Fund for its share of such expenses. Receipts derived by the Administrator from the Liquidity Fund for the above purpose shall be deposited in a special deposit account with the Treasurer of the United States and may be withdrawn therefrom from time to time to defray the general expenses of the Administration.

"TAX EXEMPTION

"SEC. 311. The Liquidity Fund, its property, its franchise, capital reserves, surplus holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that any real property and tangible personal property shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed."

"AUDIT OF FINANCIAL TRANSACTIONS

"SEC. 312. The Board shall maintain an integral set of accounts of the Liquidity Fund which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions as provided by section 105 of the Government Corporation Control Act. An annual business-type budget as provided for wholly owned Government corporations by the Government Corporation Control Act shall be prepared."

AMENDMENT TO THE FEDERAL CREDIT UNION ACT

"SEC. 402. Section 107 of the Federal Credit Union Act, as amended (12 U.S.C. 1757), is amended by adding at the end thereof the following:

"(17) notwithstanding any other provisions of law, to subscribe for stock in the Fund if otherwise eligible to do so under the National Credit Union Central Liquidity terms of this Act, and to exercise such other functions as may be necessary to participate fully as a member of the Liquidity Fund.

TITLE V—CLERICAL AMENDMENTS

SEC. 501. (a) The Federal Credit Union Act (12 U.S.C. 1751–1790) is further amended by striking out "Administrator" and inserting in lieu thereof "Board" in the following sections:

(1) section 103 (12 U.S.C. 1753);
(2) section 104 (12 U.S.C. 1754);
(3) section 105 (12 U.S.C. 1755);
(4) section 106 (12 U.S.C. 1756);
(5) paragraphs (5), (8), (9), (10), (13), and (14) of section 107 (12 U.S.C. 1757);
(6) section 108 (12 U.S.C. 1758);
(7) section 109 (12 U.S.C. 1759);
(8) section 111 (12 U.S.C. 1761);
(9) section 112 (12 U.S.C. 1761a);
(10) section 113 (12 U.S.C. 1761b);
(11) section 115 (12 U.S.C. 1761d);
(12) paragraph (b)(2) of section 116 (12 U.S.C. 1762);
(13) the title of section 120 (12 U.S.C. 1766);
(14) section 120(a) (12 U.S.C. 1766);
(15) section 120(b)(1) (12 U.S.C. 1766);
(16) section 120(b)(2) (12 U.S.C. 1766);
(17) section 120(b)(3) (12 U.S.C. 1766);
(18) section 120(b)(4) (12 U.S.C. 1766);
(19) section 120(b)(5) (12 U.S.C. 1766);
(20) section 120(c) (12 U.S.C. 1766);
(21) section 120(d) (12 U.S.C. 1766);
(22) section 120(e) (12 U.S.C. 1766);
(23) section 120(f)(1) (12 U.S.C. 1766);
(24) section 120(f)(2)(A) (12 U.S.C. 1766);
(25) section 120(f)(2)(B) (12 U.S.C. 1766);
(26) section 120(g) (12 U.S.C. 1766);
(27) section 120(h) (12 U.S.C. 1766);
(28) section 120(i) (12 U.S.C. 1766);
(29) section 120(l)(3) (12 U.S.C. 1766);
(30) section 121 (12 U.S.C. 1767);
(31) section 125(b)(1) (12 U.S.C. 1771);
(32) section 125(b)(2) (12 U.S.C. 1771);
(33) section 127 (12 U.S.C. 1772a); and
(34) sections 201 to 210 (12 U.S.C. 1773–1775).

(b) Such Act is further amended by striking out the personal pronouns "he", "him", and "his" when referring to the Administrator and inserting in lieu thereof "it", "they", and "its" as appropriate wherever such words appear therein.

SECTION-BY-SECTION ANALYSIS OF THE CREDIT UNION MODERNIZATION ACT OF 1977

TITLE I—NEW POWERS AND MODERNIZATION

This title modernizes some existing powers for federal credit unions and provides for some new powers. It updates the organizational and managerial structure of federal credit unions, improves the ability of federal credit unions to meet the increasing competition in the consumer credit and savings market, and strengthens the relationships between and among credit unions and credit union organizations. The term "Act" used throughout shall refer to the existing Federal Credit Union Act.

Definition of Federal credit union

Section 101(a) changes the definition of "Federal credit union" in section 101 of the Act by specifying that federal credit unions are thrift institutions and by providing that among their purposes federal credit unions are to meet the financial needs of the member's family as well as the member and to provide opportunities for credit union members to use and control their money in order to improve their economic and social condition. In addition, the language is modernized by providing that one of the purposes of a federal credit union is to create a source of credit at fair and reasonable rates of interest rather than to create a source of credit for provident or productive purposes.

Technical correction

Section 101(b) simply corrects a technical error in the existing Act by redesignating the paragraph numbers.

Demand deposits

Section 101(c) amends the definition of "member account" and "account" found in section 101 of the Act by providing that demand deposits shall be considered member accounts. When considered in conjunction with other amendments in this bill, this amendment authorizes federal credit unions to accept the demand deposits of their members, and it would extend National Credit Union Administration (NCUA) share insurance to cover the demand deposits of federal and state-chartered credit unions.

Organization and share par value

Section 102 makes two simple changes in the Act. Subsection (1) permits more flexible procedures in the organization process. Subsection (2) permits shares to be denominated in $5 multiples of not less than $5 and not more than $25 rather only in a par value of $5 each.

Loan powers

Section 103(a) consolidates all of the lending powers contained throughout the Act into a revised paragraph (5) of section 107 of the Act. It would permit real estate loans, lines of credit, participation loans and loans to credit union organizations.

Revised paragraph (5)(A) contains the standards that the board of directors of the credit union must adhere to in establishing the criteria for making loans to members.

Loan maturity limit

Revised paragraph (5)(A)(i) establishes a maturity limit of 12 years and vests the board of directors with the authority to determine the terms and the security for such loans. The Act has a five-year maturity limit for secured loans and a ten-year maturity limit for secured loans.

Real estate loans

Revised paragraph (5)(A)(ii) permits a federal credit union to make mortgage loans secured by a residential dwelling with a maturity of thirty years or less. Since the Act has a maximum maturity limit of ten years, federal credit unions are effectively precluded from extending long-term mortgage loans to their members.

Mobile home and home improvement loans

Revised paragraph (5)(A)(iii) permits a federal credit union to make conventional mobile home and home improvement loans with a maturity of fifteen years. The present maximum maturity for all loans is ten years.

Guaranteed or insured loans

Revised paragraph (5)(A)(iv) permits loans that are secured by the insurance or guarantee of the federal, or any state government, or any agency of either to be made for the maturities and under the terms and conditions specified in the law under which such guarantee or insurance is provided, regardless of what is provided in the Act. The Act provides that mobile home and home improvement loans insured or guaranteed by the Veterans Administration or the Federal Housing Administration may be made for the maturity specified in the VA and FHA statutes dealing with such loans.

Officer loans

Revised paragraph (5)(A)(v) raises the amount of a loan that can be extended to a director or member of the supervisory or credit committee without the approval of the board of directors of the credit union to $5,000 plus pledged shares. This increased limit more realistically reflects certain other provisions of the bill to remove the unsecured loan amount and authorizes lines of credit. At the present time, loans to such credit union officers in excess of $2,500 plus pledged shares must be approved by the board of directors.

Revised paragraph (5)(A)(vi) is in the Act at paragraph (6) of section 107. Since it deals with loans, it has been transferred to paragraph (5). However, the amount for which an officer can be guarantor or endorser has been raised from $2,500 to $5,000 to conform it with the new officer borrowing limit set forth in (5)(A)(v).

Loan approval

Revised paragraph (5)(A)(vii) is contained in the Act in paragraph (5) of section 107 and provides that loans must be approved by the credit committee or a loan officer.

Interest rate on loans

Revised paragraph (5)(A)(viii) would permit the National Credit Union Administration to establish an interest rate on specified classes of loans higher than the statutory 1 percent per month (12% APR) but not to exceed 1½ percent per month (18% APR). At the present time, the statutory maximum rate is 1 percent per month, and there is no authority for the National Credit Union Administration to raise the rate to accommodate open-end credit plans or credit card plans.

Penalty for excess interest on loans

Revised paragraph (5)(A)(ix) is identical to a sentence contained in paragraph (5) of section 107 of the Act and provides a penalty of forfeiture for unlawful excess interest charges.

Repayment without penalty

Revised paragraph (5)(A)(x) is contained in substance in paragraph (5) of section 107 of the Act. However, the Act does not specifically state, and this amendment makes it clear that a borrower may repay his loan prior to maturity without penalty.

Loan amortization

Revised paragraph (5)(A)(xi) is identical to language contained in the Act in paragraph (5) of section 107 and deals with amortization of loans. This amendment simply identifies it as a separate clause for purposes of organization.

Lines of credit

Revised paragraph (5)(B) permits federal credit unions to establish revolving lines of credit for their members. Such lines of credit must have a stated maximum amount, and the terms and conditions for the line of credit may be different for different borrowers. The board of directors of the credit union would establish the terms and conditions.

Loans to credit unions

Revised paragraph (5)(C) permits a credit union to make loans to other credit unions without limitation so long as such loans are approved by the board of directors of the credit union making the loan. Section 107(a)(C) of the Act permits such loans to be made up to 25 percent of the lending credit union's paid-in and unimpaired capital and surplus. That limitation would be removed by this amendment.

Loans to credit union organizations

Revised paragraph (5)(D) would authorize federal credit unions to make loans to credit union organizations so long as such loans were approved by the board of directors and did not exceed 1 percent of the unimpaired capital and surplus of the credit union. A credit union organization is defined as any organization serving credit unions primarily, of which the lending credit union is a member. There is no authority in the Act for credit unions to make loans to credit union organizations.

Participation loans

Revised paragraph (5)(E) permits participation loans to members to be in accordance with written policies of the board of directors.

Transfer of officer borrowing provision

Section 103(b) eliminates paragraph (6) of section 107 of the Act dealing with officer borrowing since the provisions contained therein dealt with loans and have been transferred to the revised paragraph (5) by this bill.

Sources of funds and varying rates

Section 103(c) redesignates paragraph (7) of the present Act as paragraph (6) and

amends it to provide that the board of directors of the federal credit union may establish the terms, rates and conditions for the receipt of payments on shares, share certificates and share deposits and that credit unions may receive payments on demand deposits with NCUA approval. Under the present Act, the board of directors has no clear authority to vary the rate payable on classes of shares, and credit unions are not authorized to receive demand deposits from any source.

Investments

Section 103(d) redesignates paragraph (8) of the Act as paragraph (7) and consolidates therein all of the investment powers of federal credit unions.

Government obligations

Revised paragraph (7)(A) permits a federal credit union to invest its funds in the securities, obligations, certificates or other instruments that are fully guaranteed as to principal and interest by the United States of America or any agency or instrumentality thereof or by any corporation which is wholly or partially owned or which has been established by the United States of America or any agency or instrumentality thereof or by any trust or trusts established by the United States of America or any agency or instrumentality thereof. In addition, a federal credit union would be able to invest in the securities, obligations, certificates or other instruments issued by any of these entities, if fully guaranteed as to principal and interest. The Act designates the specific governmental entities in which federal credit unions may invest their funds. They include Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal National Mortgage Association, Government National Mortgage Association, Student Loan Marketing Association, participation certificates issued by trusts, and others. The new language covers all of these institutions and provides future flexibility for credit unions to invest in the obligations of new governmental entities without further amending the Act.

Municipal obligations

Revised paragraph (7)(B) permits a federal credit union to invest in municipal obligations, i.e., obligations issued by any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and Panama Canal Zone, the several territories and possessions or any political subdivision thereof. Such obligations must be fully guaranteed as to principal and interest. There is no authority in the existing Act for investment in municipal obligations.

Leeway

Revised paragraph (7)(C) is what is commonly referred to as a "leeway" provision. It permits federal credit unions to invest up to 5 percent of their assets in the shares, stocks or obligations of any organization, corporation or association which strengthens or advances the development of credit unions or credit union organizations. Such investments would have to be approved by the NCUA.

Placing funds

Section 103(e) redesignates paragraph (9) as paragraph (8) and consolidates all of the provisions of the Act dealing with the institutions and types of accounts in which credit unions may place their funds.

Redesignated paragraph (8)(A) contains the authority for placing funds in insured savings and loan associations and insured mutual savings banks. This authority is contained in paragraph (9) of section 107 of the Act. The restriction on the authority to place funds only in an institution in the state in which the credit union does business is removed.

Revised paragraph (8)(B) contains the authority for placing funds in any federally or state insured credit union. Such funds could be placed in the forms of shares, share certificates, share deposits, demand or time deposits. The Act permits a federal credit union to place its funds in shares, share certificates or share deposits of federally insured credit unions only, as specified in section 107(8)(H).

Revised paragraph (8)(C) authorizes federal credit unions to invest in shares, share certificates, share deposits, demand or time deposits of central credit unions if specifically authorized by the investing credit union board of directors. Section 107(8)(G) of the Act authorizes federal credit unions to invest in shares or deposits of central credit unions. The amendment would conform the right to invest in central credit unions with the right to invest in other insured credit unions.

Revised paragraph (8)(D) permits a federal credit union to place its funds in a demand or time deposit of any bank insured by the Federal Deposit Insurance Corporation. This authority is presently contained in paragraph (9) of section 107 of the Act. However, the Federal Reserve Board has ruled that credit unions cannot have savings accounts in commercial banks. The inclusion of the words "time deposits" is intended to override that interpretation of the Federal Reserve and to make it clear that credit unions can open savings accounts at commercial banks.

Foreign banks

Revised paragraph (8)(E) deals with the authority of overseas credit unions to maintain demand deposits in foreign banks and restates the provisions contained in paragraph (9) of the Act.

Technical correction

Section 103(f) redesignates paragraph numbers to conform to the revised Act.

Money transfer instruments

Section 103(g) amends paragraph (13) of section 107 of the Act which contains the authority for credit unions to sell negotiable checks and money orders to their members. The amendment provides that a federal credit union can sell, purchase or handle any money transfer instrument to or for members. This more general language is designed to provide flexibility to the NCUA to use its regulatory powers to permit federal credit unions to adopt for their members new money transfer instruments that come on the market. The amendment also eliminates the requirement that the fee charged for such services should not exceed the direct and indirect cost incident to providing such service.

Discounting eligible obligations

Section 103(h) amends paragraph (14) of section 107 of the Act by expanding the authority of credit unions to discount member notes. It would permit credit unions to purchase, sell, pledge, discount or otherwise receive or dispose of, in whole or in part, any eligible obligations of its members. "Eligible obligations" is to be defined by the NCUA.

New powers

Section 103(i) adds two new paragraphs to section 107 of the Act.

New paragraph (14) would permit a federal credit union to sell or purchase all or part of its assets or to purchase or assume the assets or the liabilities of another credit union subject to regulations of the NCUA. The NCUA would be authorized to issue regulations implementing this authority.

Electronic funds transfer

New paragraph (15) would permit credit union members to transfer money to and from their accounts at any interval and by whatever means permitted by regulations of the NCUA. This would give federal credit unions the flexibility needed to respond to electronic funds transfer developments.

Incidental powers

Section 103(j) amends paragraph (15) of section 107, the incidental powers clause, to make it clear that incidental powers may be used by a federal credit union to meet the financial needs of the members and the member's family.

Management structure

Section 104 amends section 111 of the Act which deals with the management structure of federal credit unions. The amendments would permit a federal credit union to have any odd number of at least a five-member board of directors. The amendment would also permit a federal credit union to decide whether or not it wants a credit committee either member elected or board appointed. It also provides that only the names of the chairpersons of the credit and supervisory committees must be submitted to the NCUA. Now, the names of all the members of these committees must be submitted.

Officer's titles

Section 105 amends section 112 of the Act which deals with the officers of credit unions. The amendment simply gives federal credit unions the flexibility to designate the officers of the credit union with various titles including chairperson of the board, president, vice chairperson of the board, vice president. Under the Act, the selection of titles is limited.

Board of directors

Section 106 amends section 113 of the Act which deals with the board of directors. For the most part, this amendment simply separately identifies the powers of the board of directors. It provides that when a credit union decides to have an unelected credit committee, the board of directors can appoint the credit committee if the bylaws so provide. This section also vests the board with the authority to delegate its functions to committees with conditions and limitations. In addition, this amendment authorizes the board to determine the rates applicable to lines of credit and to authorize interest refunds on such classes of loans and under such conditions deemed fair. At the present time, interest refunds paid by credit unions choosing to do so must be uniform.

Credit committee and unsecured loan amount

Section 107 amends section 114 of the Act which deals with the credit committee. The amendment permits a credit union to determine whether or not it wants a credit committee and to determine whether or not the credit committee shall be elected by the members. The amendment also provides that applications for loans can be approved by a majority of the credit committee present at the meeting at which the application is considered. Presently, a majority of the entire committee and all committee members present must approve loan applications.

The amendment would also do away with the unsecured loan amount limit. The board of directors of each federal credit union would establish the unsecured loan amount limit. However, the 10 percent limitation on loans to an individual member would remain.

Statutory reserve requirement and reserves against demand deposits

Section 108 amends section 116 of the Act which deals with regular reserves. The amendment establishes a two-tier regular reserve formula by permitting federal credit unions with assets of more than $500,000 that have been in operation for more than four years to use a different, less stringent reserve requirement, and permits adjustment of the reserve requirements by the NCUA.

It also adds a new reserve requirement to the Act which would be applicable to the demand deposits or checking accounts of federal credit unions. The reserve against demand deposits would be held in interest-

bearing balances with the NCUA Central Liquidity Fund, in currency and in coin, or in a form to be prescribed by the Board of Governors of the Federal Reserve System. The percentage requirements, to range between 1 percent and 22 percent, are to be set by the Board of Governors after consultation with the National Credit Union Administration.

Dividends

Section 109 amends section 117 of the Act which deals with dividends to reflect more accurately and realistically the dividend related practices that must be applied to variable member accounts.

Technical correction

Section 110 contains a clarifying amendment to conform the types of claims made by members in liquidation to reflect all types of member accounts rather than only "shares". Member accounts include share, share certificate, share deposit, and demand deposit accounts.

Obsolete provisions

Section 111 simply eliminates from the Act some provisions that were originally enacted to require credit unions chartered in the District of Columbia to convert to federal status. At the time, the District of Columbia Code provisions dealing with credit unions in the District of Columbia were placed under the jurisdiction of the NCUA. These provisions are no longer needed.

TITLE II—RESTRUCTURING THE NATIONAL CREDIT UNION ADMINISTRATION

The National Credit Union Administration originally had a limited function to charter, examine and supervise federal credit unions. In recent years, it has been given authority over the share insurance fund which insures the member accounts of federal and state-chartered credit unions. And, this bill would create a Central Liquidity Facility within the National Credit Union Administration. For these reasons, it is deemed advisable to restructure the National Credit Union Administration so that it will be administered by a Board rather than by a single individual. Most of the amendments in this title are designed to implement the restructuring.

Definitions and terminology

Section 201 amends the definitions section of the Act to reflect the changes that are being made in the Act and corrects terminology as necessary.

Section 202(a) is the same as the present Act except that it vests the Board rather than an Administrator with the authority to manage the NCUA.

Three-member board

Section 202(b) provides that the National Credit Union Administration Board shall consist of three members having tested credit union experience. Members are to be appointed by the President with the advice and consent of the Senate. The President is to designate the Chairperson of the Board. In addition, it provides that the Chairperson shall be compensated at Level III of the Executive Schedule and that the other two board members shall be compensated at Level IV of the Executive Schedule.

Six-year term

Section 202(c) provides a six-year term of office for the board members. The term is to be six years. Staggered terms for initial appointees are provided.

Organization of board and transition

Section 202(d) imposes rules for Board including recordkeeping and reporting requirements. It also gives Administrator authority during transition until last Board member is approved.

Chairperson

Section 202(e) provides that the Chairperson of the Board shall be the official spokesperson of the Board in dealing with other government agencies and that the Chairperson shall designate each Board member's area of responsibility.

Conflict of interest

Section 202(f) is a standard conflict of interest provision prohibiting Board members from working for credit unions while in office or two years thereafter unless the member has served the full term.

Finances and audit

Section 202(g) contains the provision authorizing the NCUA to handle finances, contracts and various other administrative matters. It also provides for an audit.

Existing policies

Section 202(h) grandfathers all existing policies, procedures, rules and regulations until modified or withdrawn by the newly established Board.

Court review

Section 203(a) corrects some terminology that is inappropriate by removing the word "bankrupt" from the Act. It also provides for injunctions upon court review for credit unions whose charters have been revoked, suspended or placed in involuntary liquidation by the NCUA.

Incidental powers

Section 203(b) simply identifies as a separate paragraph a revised incidental powers clause of the NCUA.

Grade levels

Section 204 provides authorization for the NCUA to add sixteen new positions at super grade levels to reflect the increased responsibilities that the agency has and will be incurring as a result of this bill.

TITLE III—SHARE INSURANCE

Trust territories

Section 301(a) extends the share insurance provisions to credit unions operating in the trust territories of the United States. In the 93rd Congress, the Federal Credit Union Act was made applicable to those credit unions. This section also makes clerical amendments to correct terminology.

Accounts permitted by State law

Section 301(b) permits federally-insured, state-chartered credit unions to maintain whatever types of accounts are authorized by state law. At the present time, federally-insured, state-chartered credit unions may only maintain those types of accounts that have been approved by the Administrator of the National Credit Union Administration.

Clerical

Section 301 (c) and (d) are clerical and conforming amendments.

Insurance for demand deposits of State-chartered credit unions

Section 301(e) eliminates the provision that prohibits the National Credit Union Administration from insuring the demand deposit accounts of federally-insured, state-chartered credit unions.

Clerical amendments

Sections 301(f), 302, 303 and 304 contain clerical, conforming and technical amendments of minor substance.

TITLE IV—CENTRAL LIQUIDITY FUND

For many years, the credit union movement has been engaged in efforts to create organizations for the transfer of excess liquidity from one area to another. Throughout the country there are various central credit unions performing this function. But periods of disintermediation and economic uncertainty have advanced the concept of establishing a National Central Liquidity Fund under the auspices of the National Credit Union Administration while making full use of existing credit union organizations.

Section 401 adds an entire new subsection to the Federal Credit Union Act. The subchapter provides for the establishment of a National Credit Union Administration Central Liquidity Fund.

Purpose

Section 301 of the new subchapter is the findings and purpose clause. The purpose of the Liquidity Fund is to provide funds to meet the temporary liquidity needs of credit unions and to provide for the orderly transfer of funds among and between credit unions and other financial institutions.

Definitions

Section 302 of the new subchapter simply contains definitions for the terms used in the subchapter. Definitions are set forth for "members" of the Liquidity Fund, "state credit union," "federally-insured credit union," "state-insured credit union," and "paid-in and unimpaired capital and surplus."

Establishment and location

Section 303 of the new subchapter simply provides for perpetuity of the Fund and grants discretionary authority to establish regional and branch offices.

Management

Section 304 of the new subchapter provides that the management of the Liquidity Fund shall be vested in the National Credit Union Administration Board.

Initial expenses

Section 305 of the new subchapter permits the Liquidity Fund to borrow up to $500,000 from the Share Insurance Fund for the initial organizational and operating expenses. The loan is to be repaid within a reasonable period.

Capitalization

Section 306 (a) and (b) of the new subchapter requires the Board to open books for subscriptions of capital stock and provides that the capital stock of the Liquidity Fund shall be divided into shares having a par value of $50 each. After the initial offering, stock may be issued at prices to be fixed by the Board.

Stock subscriptions

Section 306(c)(1) of the new subchapter contains the provisions providing for credit union purchase of stock in the Liquidity Fund. Credit unions becoming members must purchase an amount equal to at least ½ of 1% of its paid-in and unimpaired capital and surplus. A minimum subscription of $50 is required. Only one-half of the required subscription must be transferred to the Liquidity Fund. The other half remains on call. Regular reserves may be reduced by an amount equal to the funds transferred to or held on call by the Liquidity Fund. Provisions are provided to vest the Board with the authority to adjust the amount of stock held by member credit unions.

Retiring stock

Section 306(c)(2) of the new subchapter provides that when the stock of any member credit union is retired, the credit union is to get at least what it paid for the stock but the Board retains the right of offset against any outstanding indebtedness.

Reports from credit unions

Section 306(c)(3) of the new subchapter permits the Board to require member credit unions to submit such reports and information as the Board deems necessary and appropriate.

Payment for stock

Section 306(d) of the new subchapter provides that member credit unions must pay for stock subscriptions in cash or with other assets deemed acceptable by the Board. Payments can be made in full with the application for membership or in installments over a 180-day period.

Nontransferable

Section 306(e) of the new subchapter provides that the stock of the Liquidity Fund

is non-transferrable and may not be hypothecated and that such restrictions are to be stated on the certificate.

Memberships

Section 306(f) permits Federal and state credit unions to become members of the Fund at any time. However, credit unions joining later than 180 days after the establishment of the Fund must wait for a period of 180 days before borrowing or receiving advances therefrom.

Withdrawal and expulsion

Section 306(g) of the new subchapter contains the requirements for withdrawal from membership. Any member may withdraw from membership 180 days after filing notice of intention to do so. Expulsion procedures require a hearing at the member's request and must be based on failure to comply with provisions of laws or regulations. Provision is made for retirement of debt and payment of stock upon expulsion.

Dividends

Section 306(h) of the new subchapter provides that all Liquidity Fund members shall share in dividend distribution without preference. The rates of dividends are to be determined by the Board.

Authority of board

Section 307 of the new subchapter vests the Board with the authority to act on behalf of the Liquidity Fund in various matters. Certain matters listed are the usual boiler plate provisions for agencies, e.g., the right to sue and be sued, to adopt a seal, to hire necessary employees, to contract, to delegate functions and to prescribe rules and regulations. More significant sections are described below.

Contracts with organizations

Section 307(m) of the new subchapter contains the authority for the Liquidity Fund to enter into contracts with various organizations to act as the agent or otherwise assist in the conduct of its business. Among the organizations with whom the Liquidity Fund can contract are credit unions, central credit unions and credit union organizations.

Issue debt instruments

Section 307(n) of the new subchapter permits the Liquidity Fund to issue bonds, debentures or other obligations to the Secretary of the Treasury. It also permits the issuance of similar obligations to the private market with a government guarantee. The aggregate of such obligations issued to the private market cannot exceed 20 times the surplus and paid-in capital of the Liquidity Fund.

Deposits

Section 307(o) of the new subchapter contains the authority for the Liquidity Fund to make deposits in federally-insured commercial banks, mutual savings banks and savings and loan assocations and in insured credit unions and member credit unions. In addition, financial institutions, including central credit unions, acting as agents for the Liquidity Fund may be recipients of such deposits. Such deposits may be made on a demand or time basis.

Purchase of notes

Section 307(p) of the new subchapter permits the Liquidity Fund to purchase from member credit unions notes, drafts or other obligations. The limits of such purchases are to be established by the Board.

Invest in Government obligations

Section 307(q) of the new subchapter contains the authority for the Liquidity Fund to invest assets in obligations of the United States or any agency thereof.

Borrowing from share insurance fund

Section 307(r) of the new subchapter provides that the Liquidity Fund may borrow from any source, including the Share Insurance Fund subject to security and interest pursuant to terms and conditions to be established by the Board.

Incidental powers

Section 307(s) of the new subchapter contains the incidental powers clause authorizing the Board to exercise the powers specifically granted and such incidental powers as are necessary to carry out the provisions of the Liquidity Fund subchapter.

Advances to member credit unions

Section 308(a) of the new subchapter contains the standards and requirements that are to be applied to advances that are to be made by the Liquidity Fund to member credit unions. The Board is vested with the authority to determine the security for advances as well as the terms, conditions and maturities. Certain limitations are placed on certain types of security. Advances secured by obligations of the United States may not exceed the face value of such obligations. The Liquidity Fund may require additional security when deemed necessary and the Board is to determine the aggregate amount of outstanding advances that may be made to any one member of the Liquidity Fund.

Treasury backing

Section 308(b) of the new subchapter permits the Liquidity Fund to draw on the Treasury an amount not to exceed $500,000,000. This is an emergency draw which is to be used in the event that there are insufficient funds in the Fund to meet its obligations. Advances from the Treasury are to bear a rate of interest to be determined by the Secretary of the Treasury as provided.

Annual report

Section 309 of the new subchapter requires the Board to submit to the President and to the Congress an annual report of its activities. Such report may be included in the Board's annual report as required by subchapter I.

Reimbursement for costs

Section 310 of the new subchapter contains the authority for the Liquidity Fund to reimburse the Board for all costs incurred in administering the Liquidity Fund. Receipts derived for such purposes shall be deposited in a special deposit account with the Treasurer of the United States.

Tax exemption

Section 311 of the new subchapter provides that the Liquidity Fund is to be tax exempt except that real property and tangible personal property may be subject to federal, state and local taxation to the same extent as similar property is taxed.

Audit of financial transactions

Section 312 of the new subchapter requires an annual audit of the Liquidity Fund by the General Accounting Office.

Conforming amendment

Section 402 amends section 107 of the Act to give federal credit unions the power to participate fully in the Central Liquidity Fund.

TITLE V—CLERICAL AMENDMENTS

Section 501 contains clerical amendments which conform the provisions of this entire chapter to the amendments contained in this bill. For the most part, such clerical amendments consist of striking out "Administrator" and inserting in lieu thereof "Board." Also, singular personal pronouns are changed to plural personal pronouns where appropriate.

By Mr. INOUYE:

S. 229. A bill to amend chapter 35 of title 38, United States Code, to permit children who are eligible for educational assistance under such chapter to pursue a program of education under such chapter exclusively by correspondence; to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, to those who have lost a spouse or parent in the service of our country, the United States owes a deep obligation. Traditionally, the Government has provided opportunities aimed toward alleviating the economic hardships caused by the disability or death of the veteran.

Perhaps the most significant contribution the Government can give to these families is in the form of education assistance. In 1958, the Congress committed itself to aiding families of the deceased or disabled veteran "in attaining the educational status which they might normally have aspired to and obtained but for the disability or death of a parent." Toward this goal, we should strive to provide the widest possible range of educational opportunities for widows and dependents.

Correspondence courses have proven to be viable alternatives to institutional training. Under chapter 43 of the GI bill, which permitted veterans to enroll in correspondence schools, many veterans successfully completed courses by correspondence and, as a result, were able to makeup for educational deficiencies and command better salaries. Six years ago Congress recognized the value of these courses by extending their unique benefits to wives and widows of disabled or deceased veterans. For those eligible people who have children or lack transportation, correspondence courses provide a means toward educational betterment which would otherwise be impossible.

Yet, dependents of disabled or deceased veterans—to whom Congress promised a broad scope of educational options—do not presently have the same opportunity. Though dependents can receive full benefits for attendance at a regularly university, they are prohibited from taking any courses of correspondence.

The distinction seems to be an arbitrary one. This bill would rectify this situation by permitting eligible dependents to pursue a program of education through correspondence, thereby making available the same educational opportunities now offered to widows and veterans. It would be but a small compensation for the loss or disability of a beloved parent.

Mr. President, I ask uanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1734(b) of title 38, United States Code, is amended by striking out "wife or widow" and inserting in lieu thereof "person".

Mr. INOUYE:

S. 230. A bill to amend the Federal Water Pollution Control Act relating to the discharge of pollutants into open ocean waters; to the Committee on Public Works.

Mr. INOUYE. Mr. President, today I am reintroducing legislation to amend the Federal Water Pollution Control Act, Public Law 92-500, to specifically exempt Hawaii and the other Pacific basin is-

lands from the current secondary sewage requirements.

On March 18, 1974, the Subcommittee on Environmental Pollution, Senate Committee on Public Works, held extensive hearings in Honolulu on this very matter. It is the overwhelming consensus of my constituents in Hawaii in both the private and public sectors that this current technological requirement is neither necessary, nor even beneficial for our unique ecological environment.

Unfortunately, however under our current law, it is not possible for the Administrator of the Environmental Protection Agency to grant an exemption regardless of the merits of the State's case.

Accordingly, today I am introducing this bill to provide the Administrator with this necessary flexibility. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301 of the Federal Water Pollution Control Act (33 U.S.C. 1311) is amended by adding at the end thereof the following new subsection:

"(g)(1) The Administrator may modify the requirements of subsection (b)(1) (B) and (C) of this section for any publicly owned treatment works discharging into open ocean waters upon application and proof satisfactory to the Administrator that compliance with such requirements is inappropriate. In determining whether to grant a modification, the Administrator shall consider the social, economic, and environmental costs involved in developing the designated treatment procedure.

"(2) For purposes of this subsection, the term 'open ocean waters' means those waters immediately contiguous to Hawaii, Guam, American Samoa, and the Trust Territory of the Pacific Islands.".

By Mr. INOUYE:

S. 231. A bill to require that skilled nursing homes furnishing services under the medicare and medicaid programs be adequately equipped with wheelchairs and other appropriate equipment and supplies; to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am introducing legislation that will be a step in the improvement of our system of nursing homes. This bill would require those homes which furnish services under medicare and medicaid programs to be adequately equipped with wheelchairs and other appropriate equipment and supplies.

We have come to realize that our system of care for the aged and infirm has been a tragic failure in public policy. While many nursing homes provide a lifestyle which invigorates their patients, countless others can be rightly depicted as crimes against humanity. Sadly, many of these homes have become places to die, where life is gradually sapped away by a daily routine of humiliation and dehumanization.

The state of physical facilities in the nursing home has a direct bearing on the quality of health services provided. In many homes now receiving medicare and medicaid reimbursements, a lack of wheelchairs confines patients to beds and limits therapy to watching television. Such treatment has been empirically proven to be debilitating to the convalescent's mental and physical well-being. Where patients have enjoyed a variety of stimulating activities, dramatic improvement in their health and outlook on life has resulted.

The legislation that I am proposing would provide for the availability of wheelchairs for patients. While it would be too much to expect that these nursing homes will initiate programs of beneficial therapy, patients will be assured of freedom of movement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 231

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(j) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (13),

(2) by inserting "and" at the end of paragraph (15), and

(3) by adding immediately after paragraph (15) the following new paragraph.

"(16) is adequately equipped (as determined under regulations of the Secretary) with wheelchairs and other appropriate equipment and supplies;".

(b) The amendment made by subsection (a) shall take effect on the first day of the calendar month which begins more than 90 days after the date of enactment of this Act, and the Secretary of Health, Education, and Welfare, shall, prior to such date promulgate and have published in the Federal Register, the regulations which are referred to in section 1861(j)(16) of the Social Security Act (as amended by subsection (a) of this section).

By Mr. INOUYE:

S. 232. A bill to amend title 10, United States Code, so as to provide that the Chief of the Biomedical Sciences Corps of the Air Force shall be a brigadier general, and for other purposes; to the Committee on Armed Services.

Mr. INOUYE. Mr. President, today I am introducing legislation to amend title 10 of the United States Code so as to provide that the Chief of the Biomedical Sciences Corps of the U.S. Air Force shall be appointed to the rank of brigadier general.

The U.S. Air Force Biomedical Science Corps has approximately 1,300 officers assigned to its 15 diverse scientific specialities. These include professionals trained in the area of clinical psychology, podiatry, optometry, pharmacy, dietetics, bioenvironmental engineering and aerospace physiology. Unfortunately, however, it has recently come to my attention that in the proud 26-year history of the corps, no biomedical sciences officer has ever been promoted to star rank. This, as shown in the table below, is in sharp contrast to the 1/200 ratios currently achieved by their attorney and physician colleagues:

Group and approximate strength, summer 1975	*Generals*	*Ratio*
Biomedical scientists, 1,300	0	-----
Lawyers, 1,200	6	1/200
Chaplains, 900	2	1/450
Dentists, 1,500	1	-----
Nurses, 3,800	1	-----
Physicians, 3,000	15	1/200
All AF officers, 100,000	400	1/250

There is no justification for this apparent discrimination against a whole class of dedicated officers who serve the field of medical science as well as our Military Establishment. The bill I am authoring will assure the recognition of the importance of their service.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8036 of title 10, United States Code, is amended by inserting "(a)" immediately before "There is" and by adding at the end thereof the following:

"(b) The Secretary shall appoint the Chief of the Biomedical Sciences Corps from those officers of the Air Force Biomedical Sciences Corps whose regular grade is above captain. The Chief serves during the pleasure of the Secretary, and has the grade of a brigadier general while so serving, without vacating his or her regular grade. For purposes of determining the number of officers, general officers, or brigadier generals in the Air Force, any officers holding the grade of brigadier general under the provisions of this section shall be disregarded.".

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 233. A bill to provide for a greater utilization of the professional services of qualified professional psychiatric nurses in the medicare and medicaid programs; to the Commmittee on Finance.

Mr. INOUYE. Mr. President, I am today reintroducing legislation which I introduced last year which would amend the Social Security Act to provide for a greater utilization of the professional services of qualified professional psychiatric nurses under medicare and medicaid programs.

I believe that the changes in the social security law which I am proposing would have a most beneficial impact on the delivery of mental health services especially in helping to assure such services in rural and inner-city areas where they are all too frequently in short supply today.

The specialist in psychiatric and mental health nursing is distinguished by: graduate education; supervised clinical experience; and depth and amount of knowledge, competence, and skill in the practice of psychiatric and mental health nursing.

These nurses work in such diverse settings as: hospitals, community mental health centers, public health agencies, emergency and crisis care units, clinics, day and night care centers, offices, homes, schools, correctional institutions, camps, and industrial centers. In the role of primary care provider, the nurse assumes responsibility for continuous care for individuals and families, beginning at the point of client's entry into the mental health delivery system

and extending through the treatment and rehabilitation phases.

Direct nursing care functions include individual psychotherapy, group psychotherapy, family therapy, plus performing intake screening and evaluation, making home visits, establishing a therapeutic milieu, conducting health teaching activities, providing support and medication surveillance, and responding to client's needs through community action if that is appropriate.

Current third party reimbursement policy poses a problem which is frustrating and daily threatens the survival of competent practitioners who are accessible to people in need and who are providing valuable services. Let me cite a few examples:

A psychiatric-mental health nurse practitioner in a nearby Maryland county was billed $1,900 by a psychiatrist to review her 93 cases and sign off so the nurse could receive third-party reimbursement. The doctor reviewed the nurse's progress notes on each patient but did not see the patients.

A psychiatric nursing consultation group in Minnesota has repeatedly found that they can reduce the client's anxiety state at crisis points in the home thus preventing unnecessary hospitalization. The hospitalization room and board runs $70 per day while the cost of a nursing visit in the home is $40. The survival of this psychiatric nursing consultation group is threatened because medicare and other insurance programs do not provide for the recognition of nurse psychotherapists as a category for reimbursement.

A child psychiatrist nurse specialist working as a therapist in a group practice in California has been continually refused reimbursement "since the patient was not seen initially by a psychiatrist who states that the child needed therapy." The third-party payer insisted that it needed "proof" that a nurse can do psychotherapy. Social workers and psychologists in the same agency were reimbursed.

These examples can be multiplied many times throughout the country. I believe that they illustrate the need for change in the social security law. There is one provision of this proposal which I would especially like to bring to my colleagues' attention, and that is the requirement that all intermediate care facilities and all skilled nursing facilities shall provide for the services of a qualified professional psychiatric nurse on at least a consultant basis, as a condition for receiving medicare or medicaid reimbursement. I do not like to suggest blameworthiness or culpability. However, I have been deeply saddened by the continuing revelations of inadequate care and treatment for our elderly, and most strongly feel that positive action must now be taken. In this area, there are many services which a psychiatric-mental health nurse can provide to medicare patients. For example:

Supervision of elderly patients when they leave State mental hospitals or other institutions, helping them to reintegrate into the community, coordinating their care with other health care professionals, intervening in crisis, counseling families to aid in readjustment, and making home visits.

Providing psychosocial support to elderly patients in their homes and thus preventing unwanted and expensive institutionalization.

Health teaching to promote psychosocial adaptation to the aging process in the community and in homes of the elderly.

Medication surveillance and instruction geared to the needs of the elderly and consultation to nursing homes, extended and intermediate care facilities, hospitals and State institutions on the special needs of the mentally ill elderly patient.

Over the months since I first introduced this legislation we have seen in the public press many new accounts of the continuing inadequate care and treatment of our elderly and especially the mentally ill aged. I strongly feel that passage of this bill could contribute greatly to improved care for the elderly and open up a source of assistance that is now too often denied because of our outmoded reimbursement requirements.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 233

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(j)(4) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (A) thereof, and

(2) by inserting immediately before the semicolon at the end thereof the following: ", and (C) provides for having a qualified professional psychiatric nurse available, on at least a consultant basis, to assure that necessary psychiatric nursing services are furnished,".

(b) Section 1861(r) of the Social Security Act is amended by—

(1) striking out "or" at the end of clause (4) thereof, and

(2) inserting immediately before the period at the end thereof the following: ", or (6) a qualified professional psychiatric nurse who is licensed by the State in which such nurse performs such function or action, but only with respect to functions or actions which such nurse is legally authorized to perform as a registered nurse by the State in which he or she performs them and, then, only for purposes of section 1861(s)(1), 1861(s)(2)(A), for purposes of making a certification of the type required by section 1814(a)(2)(A), and for purposes of the meeting of the requirement imposed with respect to psychiatric hospitals that each patient of such a hospital be under the care of a physician".

(c) Section 1861 of such Act is further amended by adding at the end thereof the following new subsection:

"QUALIFIED PROFESSIONAL PSYCHIATRIC NURSE

"(aa)(1) The term 'qualified professional psychiatric nurse', when used in connection with the performance of any function or action, means an individual who—

"(A) is licensed to practice nursing by the State in which such function or action is performed,

"(B) holds a master's degree in psychiatric nursing or a related field from an accredited educational institution, and

"(C) is certified as a psychiatric nurse by the duly recognized professional nurses organization.

"(2) An individual who meets the conditions prescribed by clauses (A) and (C) of paragraph (1), but does not meet the condition prescribed by clause (B) of such paragraph, shall, nevertheless, be deemed to be a qualified professional psychiatric nurse with respect to any particular function or action performed by such individual if such individual performed such function or action under the supervision of a person who meets the conditions prescribed in clauses (A), (B), and (C) of paragraph (1).".

(d) The amendments made by this section shall be applicable only with respect to services furnished after the month which follows the month in which this Act is enacted.

SEC. 2. (a) Section 1902(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of clause (35) thereof,

(2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon, and

(3) by adding after clause (36) thereof the following new clauses:

"(37) provide that, with respect to mental health services which are covered under the State plan, payment will be made for professional services furnished by a qualified professional psychiatric nurse who is legally authorized to provide them;

"(38) provide that payment under the State plan will not be made for services furnished by any intermediate care facility or skilled nursing facility unless such facility provides for having a qualified professional psychiatric nurse available, on at least a consultant basis, to assure that necessary psychiatric nursing services are furnished to the patients in such facility; and

"(39) provide that payment under the State plan will not be made for inpatient services furnished by any psychiatric hospital unless, in the operation of such hospital, there is extended to qualified professional psychiatric nurses, with respect to professional services which both physicians and qualified professional psychiatric nurses are authorized to provide, the same staff and similar privileges as are extended to physicians caring for patients in such hospital. Admissions to such hospitals by qualified professional psychiatric nurses will be based on nursing diagnoses or a determined functional diagnosis.".

(b) Section 1905 of such Act is amended by adding at the end thereof the following new subsection:

"(l)(1) The term 'qualified professional psychiatric nurse', when used in connection with the performance of any function or action, means an individual who—

"(A) is licensed to practice nursing by the State in which such function or action is performed,

"(B) holds a master's degree in psychiatric nursing or a related field from an accredtied educational institution, and

"(C) is certified as a psychiatric nurse by the duly recognized professional nurses organization.

"(2) An individual who meets the conditions prescribed by clauses (A) and (C) of paragraph (1), but does not meet the condition prescribed by clause (B) of such paragraph, shall, nevertheless, be deemed to be a qualified professional psychiatric nurse with respect to any particular function or action performed by such individual if such individual performed such function or action under the supervision of a person who meets the conditions prescribed in clauses (A), (B), and (C) of paragraph (1).".

(c) The amendments made by this section shall take effect on January 1, 1978.

By Mr. INOUYE:

S. 234. A bill to provide Federal programs of educational, employment, and other assistance to areas with heavy concentrations of foreign-born persons; to

the Committee on Labor and Public Welfare.

Mr. INOUYE. Mr. President, today I am reintroducing a measure which would provide Federal financial assistance to gateway cities and States with large numbers of foreign-born immigrants to meet their social, health, and economic needs.

Hawaii has become home for many foreign-born immigrants being one of the top 10 States in our country with the largest number of foreign-born residents, the three leading States being New York, California, and Pennsylvania. Thus, we have a situation in which a few States have been asked to bear a disproportionate share of a national responsibility.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "New Americans Education and Employment Assistance Act".

DECLARATIONS AND FINDING

SEC. 2. The Congress finds and declares that—

(1) many foreign-born persons in the United States lack sufficient education to function adequately in our technological society;

(2) the lack of adequate education prevents many such persons from having satisfactory employment opportunities;

(3) newly arrived foreign-born Americans also experience difficulty in such areas as food, housing, and health;

(4) the needs of newly arrived foreign-born Americans may place heavy financial strains on the communities in which they reside;

(5) a number of "gateway cities" exist where such persons reside in great numbers, thereby placing disproportionate burdens on particular areas of the country;

(6) the policies under which persons move to the United States are set and determined by the Federal Government; and

(7) the Federal Government therefore has a responsibility to assist those States and cities having concentrations of foreign-born populations in meeting the special needs thereby thrust upon such communities.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa;

(2) the term "immigrant" means a foreign-born individual residing in the United States whose residence is based on a permanent residence visa (but does not include any person in the United States for purposes of representing other governments in a diplomatic or similar capacity) and American Samoans residing in any part of the United States, other than American Samoa; and

(3) the term "gateway city" means any city or unit of local government having a population of fifty thousand or greater, having more than 5 per centum of such population who are immigrants.

ENTITLEMENT

SEC. 4. (a) The Secretary of Health, Education, and Welfare (hereinafter in this Act referred to as the "Secretary") shall determine the entitlement of each State and each gateway city under subsection (b) for each fiscal year at least six months prior to the commencement of that fiscal year.

(b) (1) The entitlement of each State for the purposes of grants under section 5 for each fiscal year shall be the number of dollars resulting from multiplying the number of immigrants who arrived in that State during the immediately preceding calendar year by $1,000.

(2) the entitlement of each gateway city within a State for the purposes of grants under section 6 shall be subtracted from the entitlement of that State and shall consist of that percentage of the State entitlement which is equal to the number of dollars resulting from multiplying the number of immigrants who arrived in that State during the immediately preceding calendar year who reside in such city by $1,000.

GRANTS TO STATES

SEC. 5. The Secretary shall make grants each fiscal year to each State, on such terms and conditions as he shall establish, to carry out the purposes of this Act, for programs in education, job training, counseling (including health counseling), orientation, and other similar activities for the benefit of immigrants. The total of such grants shall equal in the case of each State the entitlement of that State under section 4(b)(1) for such fiscal year, but if sufficient funds are not appropriated for that purpose the amounts of grants to each State shall be reduced pro rata by the Secretary.

GRANTS TO GATEWAY CITIES

SEC. 6. The Secretary shall make grants each fiscal year to each gateway city, on such terms and conditions as he shall establish, to carry out the purposes of this Act, for programs in education, job training, counseling (including health counseling), orientation, and other similar activities for the benefit of immigrants. The total of such grants shall equal in the case of each State the entitlement under section 4(b)(2) for such fiscal year, but if sufficient funds are not appropriated for that purpose, the amount of grants to each gateway city shall be reduced pro rata by the Secretary.

DISCRETIONARY GRANTS TO GATEWAY CITIES

SEC. 7. (a) The Secretary is authorized to make additional grants to gateway cities, on such terms and conditions as he shall establish in addition to the requirement of subsection (b), to carry out the purposes of this Act, for programs in education, job training, counseling (including health counseling), orientation, and other similar activities for the benefit of immigrants.

(b) No grant made under subsection (a) shall exceed 75 per centum of the cost of the total annual programs and activities conducted by such city under this section, but the remaining 25 per centum may be supplied by such city from funds granted under section 6.

EMPLOYMENT LOCATION ASSISTANCE

SEC. 8. (a) The Secretary is authorized to make grants of up to $250 to each immigrant arriving in the United States not more than one year prior to the making of the grant, to enable such immigrant to travel for the purpose of changing residence from any gateway city to any State other than that in which such gateway city is located, if an employer in the place to which such immigrant is to travel under the grant certifies that such employer will employ that immigrant. In addition, the Secretary is authorized to make grants of up to $250 to each member of an immigrant's immediate family to enable such member to accompany the immigrant in travel assisted under this subsection.

(b) The United States Employment Service is directed to establish and maintain programs in gateway cities of job referrals for immigrants to jobs available in States other than that in which such gateway city is located.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. (a) There are authorized to be appropriated such sums as are necessary for the purposes of grants under sections 5, 6, and 7. If sufficient funds are not appropriated for any fiscal year for the purposes of grants under sections 5, 6, and 7 no funds shall be allocated under section 7 until all funds available shall have been allocated under section 6, and no funds shall be allocated under section 6 until all funds available have been allocated under section 5.

(b) There is authorized to be appropriated the sum of $20,000,000, to remain available until expended, for grants and programs under sections 8(a) and 8(b).

By Mr. ABOUREZK:

S. 236. A bill to amend the Veterans' Education and Employment Assistance Act of 1976; to the Committee on Veterans' Affairs.

Mr. ABOUREZK. Mr. President. today I am introducing a bill which would eliminate a part of section 205 of Public Law 94–502, the Veterans' Education and Employment Assistance Act of 1976. Included as a part of section 205 is the "85–15 clause" which prohibits colleges and universities from receiving VA educational benefits for classes in which more than 85 percent of the enrollment is composed of students having their fees paid by either the Federal Government or the institution themselves. This section the law extended the past rule to cover any courses in all schools.

I fully recognize that one of the main purposes of this clause was to limit abuses in VA educational aid and to save the Government some money. In fact, the savings were estimated at $31.6 million. But at the same time, by arriving at the 85 percent requirement by counting all aid to students drastically limits the educational opportunities for eligible veterans. Any kind of subsidy, no matter how small it is, now counts toward the limit. Academic counseling and determination of major programs to achieve career goals will be severely confined by limiting classes to those not having 85 percent of their students on aid.

I have long been an active and strong supporter of the continuation of the GI bill for educational benefits and I am concerned that this 85–15 clause closes the educational opportunities door to veterans. There is no reason why the majority of veterans should suffer because of the abuses of a small minority.

The 85–15 provision affects virtually all veterans who want to enroll in colleges and universities and it affects the institutions themselves. Many of the schools will be required to install costly record-keeping methods to comply with the law and many additional manhours will be necessary for determining, class by class, those which have 85 percent of their students on financial assistance.

There are abuses in the VA educational program but I do not feel this 85–15 clause will eliminate them. In fact, it creates additional problems. There will always be abuses in the educational system but the Veterans' Administration working together with the institutions will have sufficient power to pinpoint them and to deal with them on a case-by-case basis.

But the 85–15 clause does have a po-

tentially devastating impact on the future of many veterans. I urge my colleagues to join me in supporting this bill to eliminate the 85–15 clause of the Veterans' Assistance and Employment Act of 1976.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205 of the Veterans Education and Employment Assistance Act of 1976 (Public Law 94–502) 90 Stat. 2387, is amended by:

(a) inserting the word "and" after the semicolon at the end of subsection (2); and (b) striking all after the words "standard college degree," in subsection (4) to the end of the section, and inserting in lieu thereof a period.

By Mr. BELLMON (for Mr. BARTLETT):

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BARTLETT), I introduce a bill and I ask unanimous consent that a statement by Senator BARTLETT be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARTLETT

Today I am introducing a bill to amend the Meat Import Law in order to close a technical interpretation which has allowed foreign importers to send partially processed meat into this country, thereby avoiding the formula limitations. Our domestic cattle industry has suffered greatly from numerous causes, and many individuals have been irreparably harmed. The bill I am introducing today would help to relieve the serious financial condition of the livestock producers of the United States.

My bill would clarify the definition found in the headnote to Part 2 of Schedule 1, and would affect two items in the schedule. These two items are meats which are partially prepared outside of this country with the remaining processing being done in the foreign trade zone. This allows the meat to bypass the formula restriction.

The first item 107.60 which is meat valued over 30 cents per pound has shown the following pattern:

Year:	*Millions of pounds*
1970	25.5
1971	41.6
1972	24.4
1973	6.0
1974	3.4
1975	2.7
1976 (first half)	5.6

As you can see, this item has shown great fluctuations, but is on the increase this year.

The other item, 107.55, which is meat not valued over 30¢ per pound, has shown an equally erratic pattern, but is on the increase:

Year:	*Millions of pounds*
1970	0.7
1971	0.6
1972	0.3
1973	0
1974	0.3
1975	0.7
1976 (first half)	0.2

The two terms dealt with in this are "fresh, chilled or frozen" and "prepared or preserved," and are currently defined as follows:

"Fresh, Chilled, or Frozen" covers meats even though completely detendonized and deboned, but does not cover meats which have been prepared or preserved.

"Prepared or preserved" covers meats even if in a fresh, chilled, or frozen state if such meats have been ground or comminuted, diced or cut into sizes for stew meat or similar uses, rolled and skewered, or specially processed into fancy cuts, special shapes, or otherwise made ready for particular uses by the retail consumer; and also covers meats which have been subjected to processes such as drying, curing, smoking, cooking, seasoning, flavoring, or to any combination of such processes.

My bill would include within the meaning of "fresh, chilled, or frozen" that meat on which further preparation or preservation must be done after it reaches this country.

This bill, although very limited in nature, would aid our beleaguered cattle industry which will have to compete in this year, at current rates, with somewhere in excess of 10 million pounds of these two items. Our domestic cattle industry has endured great hardships, partly as a result of the present meat import laws. I therefore urge my fellow Senators to support this bill and show their good faith to the cattlemen of this country.

By Mr. DOLE (for himself and Mr. MCGOVERN):

S. 238. A bill to amend the Internal Revenue Code of 1954 to exempt farm trucks and soil and water conservation trucks from the highway use tax; to the Committee on Finance.

HIGHWAY USE TAX EXEMPTION

Mr. DOLE. Mr. President, I am very pleased to join with my distinguished colleague from South Dakota (Mr. MCGOVERN) in offering legislation to exempt vehicles used for agricultural and closely related purposes from Federal highway use tax liability.

USE TAX INEQUITY

Under different circumstances, I would be very reluctant to propose any further exemptions from a tax which has proved so successful in funding Federal road construction and maintenance. But an existing inequity demands immediate correction.

The highway use tax, which is imposed on most heavy road vehicles, is the means for generating highway trust fund revenues. Unfortunately, for purposes of use tax liability, the Internal Revenue Code fails to distinguish between commercial trucking firms, which use the Federal highway system on a regular basis, and those farmers and ranchers who own heavy vehicles, but seldomly use them on Federal highways, and only for agricultural rather than commercial purposes.

In my State of Kansas, for instance, a growing number of farmers and ranchers have purchased low-boy trailer trucks to carry their tractors and combines from one field to another. Yet these family farmers are subject to the same use tax burden which applies to large, interstate trucking firms.

CONSERVATION VEHICLES

A similar inequity exists in regard to vehicles which are used exclusively for soil and water conservation purposes. A recent survey conducted by the Land Improvement Contractors of America has found that these conservation vehicles are each subject to an average annual use tax of $175, despite the fact that the typical conservation vehicle travels less than 600 miles per year on Federal roads.

I understand that in Kansas some conservation contractors pay as much as $300 per year on trailer trucks which travel less than 1,000 miles annually on Federal highways. In such cases, the tax amounts to more than 33 cents per mile—an unreasonable burden.

By and large, the typical conservation contractor is a small businessman with limited operating capital. The average firm employs only six people and grosses under $100,000 per year. Profit margins on conservation jobs are traditionally low—under 10 percent. But the work they perform is absolutely vital to the future productivity of our soil resources. This is work that our tax system should encourage, not penalize.

Since the use tax is most burdensome to small contractors, our bill proposes to exempt firms with gross annual receipts of less than $950,000 from liability on vehicles used exclusively for conservation work. Hopefully, an exemption of this type will encourage a greater number of small rural contractors to bid on conservation jobs, and result in lowering the cost of this essential work.

COST TO TREASURY SMALL

The Internal Revenue Service does not calculate the total use tax revenue from farmers and conservation contractors, and it is therefore difficult to estimate accurately the fiscal impact of our bill. However, the Joint Committee on Internal Revenue Taxation has estimated that the annual revenue loss on conservation vehicles would not exceed $7 million. Since there are far fewer liable farm vehicles, the total annual loss to the Treasury would probably not exceed $10 million. This is a small price to pay for a greater measure of equity for American farmers, and for new incentives for soil and water conservation.

Exemptions from the use tax are now granted to derrick-drilling trucks, some logging trucks, and oversized vehicles. It is only fair to add farm and conservation vehicles to this list. I strongly recommend this bill to my colleagues in the Senate for timely and affirmative action.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4483 of the Internal Revenue Code of 1954, (relating to exemptions from tax on use of certain vehicles) is amended by adding at the end thereof the following new subsection:

"(d) FARM AND SOIL AND WATER CONSERVATION TRUCKS.—Under regulations prescribed by the Secretary, the tax imposed by section 4481 on the use of a highway motor vehicle shall not apply to a vehicle owned by an individual who is the owner, tenant, or operator of a farm if such vehicle is used primarily for farming purposes (within the meaning of section 6420(c) (3) or for transporting agricultural or horticultural commodities, livestock, bees, poultry, or fur-bearing animals or wildlife, or supplies, and equipment used in connection with such farming purposes, between his farm and other places; or used in soil and water conservation practices or in the transport of

equipment used for soil and water conservation. This subsection does not apply to a vehicle registered in the name of a corporation the gross receipts of which for the last taxable year exceeded $950,000, or which derived more than 50 percent of its gross receipts for such taxable year from activities other than farming or soil and water conservation."

SEC. 2. The amendment made by the first section of this Act applies to uses after June 30, 1977.

Mr. McGOVERN. Mr. President, during the 94th Congress, Senator DOLE and I introduced bills designed to correct inequities in the manner in which the highway use tax currently applies to vehicles used for agricultural and closely related purposes. We are introducing a bill combining these concerns.

The use tax is intended to generate highway trust fund revenues in order to offset increased road construction and maintenance costs associated with heavy vehicle operation. Some critics argue that the rates are too low—$3 per year for each 1,000 pounds of taxable gross weight of 26,000 pounds or more—but there are few who would quarrel with the principle of a use tax.

The overwhelming majority of those who pay the use tax are commercial truckers. As regular users of the road system, it is entirely appropriate to expect commercial truckers to contribute toward public expenses which are necessary to sustain their own industry.

Unfortunately, however, the current language of the law is so broad that it extends user tax liability to those relatively few persons who make very limited use of the public road system for agricultural rather than commercial purposes. In one case with which I am familiar, for example, the IRS found a farmer fully liable for the use tax on his truck despite the fact that he operated it 90 percent of the time on township roads or on his own farm. To make matters worse, this individual, as well as others from whom I have heard, had no idea that he might have to pay the tax until he received a bill from the IRS some 18 months after he registered the truck. My earlier bill, S. 2897 in the 94th Congress, was intended to exempt farm vehicles from the use tax.

In addition to farm trucks, the IRS has also found that vehicles used exclusively in soil and water conservation activities are liable for this tax. Even though a recent survey showed that the average conservation vehicle travels only 3,000 miles per year—and 80 percent of that on State and county roads—soil and water conservation vehicles continue to be subject to an average annual Federal tax of $175. In the 94th Congress, Senator DOLE introduced a bill, S. 17, in an effort to correct this unjust situation.

Mr. President, I do not think that it makes sense to treat farm trucks and soil and water conservation vehicles in the same way we treat commercial trucks for highway use tax purposes. I do not believe that it was the intent of Congress to equate the farmer transporting his own supplies or the small businessmen engaged in soil and water conservation with the long-distance trucker moving the Nation's freight.

Our bill would correct this situation by adding heavy trucks used for farm and soil and water conservation purposes to the list of exemptions from the highway use tax. In order to insure that the exemption is limited to family farmers and small soil and water conservation concerns, the amendment specifically excludes vehicles registered in the name of any corporation with gross receipts for the last taxable year in excess of $950,000 or which derived more than 50 percent of its gross receipts in that taxable year from activities other than farming or soil and water conservation activities.

If enacted, this measure will have a minimal effect on highway trust fund revenues. Revenue from farm trucks, for example, is so small that the IRS does not bother to segregate income from this source in compiling its own internal data. Where soil and water conservation vehicles are concerns, Senator DOLE has estimated that an exemption would cost the Treasury approximately $7 million per year. It can be argued that the cost of collecting the tax probably comes to a high percentage of the total revenue generated by this means.

I submit that this tax is little more than a nuisance. It penalizes farmers and small businessmen unfairly, produces little revenue and absorbs IRS time and energy which could better be expended elsewhere. I see no good reason to retain this discriminatory tax.

By Mr. BELLMON (for Mr. BARTLETT):

S. 239. A bill to amend Public Law 88–482; to the Committee on Finance.

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BARTLETT), I introduce a bill and I ask unanimous consent that a statement by Senator BARTLETT be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARTLETT

Today I am introducing a bill to amend the Meat Import Law in order to alleviate the serious financial condition of the livestock producers of the United States. Total cattle numbers are up, and the supply-demand situation is out of balance. Low beef prices and high grain costs have distorted the market as more and more cattle are going directly from the range to slaughter. In 1974 the ratio was approximately 45% non-fed to 55% fed slaughtered. For 1975, the ratio changed to approximately 35% non-fed to 65% fed.

The 1964 Meat Import Act was drafted in such a manner as to allow imports from other countries, primarily grass-fed beef straight from the range, to be increased in proportion to total domestic production, including non-fed and fed cattle. This approach to beef imports has been counterproductive and has further complicated an already difficult situation. It makes little sense to allow more imported beef into the country when there is greater domestic beef production and to allow less imported beef when there is lesser domestic production. The reverse, which does make sense, is the central provision of my bill.

While I understand that many cattle producers believe a total beef import embargo is justified, because of consumer and free international trade convictions of many members of Congress, it appears unlikely that such action would be taken by the Congress. In my opinion, the bill I am introducing is a reasonable compromise for all concerned.

Basically, it amends the Meat Import Law in two important ways: First, it would establish a new meat import base level for any one-year period of 750 million pounds, subject to adjustment either up or down based on a new domestic production ratio. This compares to a limit of 725.4 million pounds under the current Meat Import Law which was adjusted during the domestic overproduction of 1975 to 1.3 billion pounds. Second, future import adjustments will be based upon a responsive relationship to a 1969–72 base period. If the ratio of domestic grain-fed beef slaughter decreases in comparison to total slaughter, foreign beef imports would be reduced on an equivalent basis.

However, if this ratio increased above the 73 percent established under the base period, imports would increase accordingly. In such a case, we would exceed the 750 million pound level.

A brief example will illustrate how this would work: From 1969–72 the percentage of total slaughter which was grain-fed was 73 percent. This 1969–72 period reflects operation of a relatively stable market and is used for the base percentage. Since late 1973 there has been economic adjustment in the beef industry. This has taken the form of increased domestic production of non-fed beef, which must compete with foreign non-fed beef imports. The extent of this adjustment is evident in the fact that fed-cattle marketings in the last quarter of 1974 fell to 60 percent of the total beef slaughter, a decrease of 13 percent of fed cattle during the base period. The 13 percent decrease represents a 17.8 percent change from the base period of 73 percent. This 17.8 percent decline in fed-beef production would then be utilized to further reduce the level of foreign beef imports. Thus, the base of 750 million pounds would be reduced on a quarterly basis by 17.8 percent so that total beef imports for the quarter could not exceed 154.1 million pounds—616.5 million pounds at an annual rate.

The quarterly import limit of 154.1 million pounds is obtained by multiplying the 750 million-pound base limit by 17.8 percent, the percentage decrease in the ratio of fed to total domestic slaughter in the last quarter of 1974 compared to the fed to total domestic slaughter of the base period. This gives a figure of 133.5 million pounds which, when subtracted from the base level of 750 million pounds, gives the annual rate of 616.5 million pounds. Dividing by 4 gives us the fourth quarter of 1974 limit of 154.1 million pounds.

The 154.1 million pounds under the formula of this proposed amendment compares to 300 million pounds per quarter which could be imported under the present act and represents a reduction of foreign beef imports of nearly 50 percent when domestic cattle conditions are critical.

Many American livestock producers find themselves near bankruptcy today because of actions taken by this Government under the economic stabilization program. Consequently, I do not believe it to be unrealistic for the Federal Government to take some steps to alleviate the damage. Passage of this bill is one action we can take which would be beneficial to both producers and consumers in the long run.

Producers would know that large domestic beef production will not result in their being penalized by ever-increasing foreign imports. Consumers would benefit from a stabilized meat supply situation because, under our present meat import law, imports go down as domestic production decreases, while under my bill, periods of domestic production decreases would bring about increased imports.

This legislation is needed for the stability

it would bring, and I encourage the acceptance of this legislation.

ATTACHMENT 1

The figures for the examples stated in this testimony are as follows:

Yearly rate: $\frac{750*(rt)}{.73}$

Quarterly rate: $\frac{}{4}$

Where rt=fed-beef÷total slaughter.

#1 Where rt=0.60.
Quarterly imports=$\frac{750*.6}{.73}{4}=154.109.$

This would equa lan annual rate of 616.436 million pounds.

#2 Where rt=0.79.
Quarterly imports=$\frac{750*.79}{.73}{4}=202.93.$

This would equal an annual rate of 811.64 million pounds.

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 240. A bill to amend the Soil Conservation and Domestic Allotment Act to provide an updated national direction to the conditions under which the Federal Government will provide financial assistance to agricultural producers for needed soil, water, wood, and wildlife conservation on agricultural lands; to the Committee on Agriculture and Forestry.

NEW DIRECTION FOR THE AGRICULTURAL CONSERVATION PROGRAM

Mr. DOLE. Mr. President, during the last session of Congress, I introduced S. 3299, a bill to update and redirect the agricultural conservation program—ACP. Since then I have received from informed groups and individuals many thoughtful and constructive suggestions on how to improve my bill. I am pleased today to introduce a new version of S. 3299, reflecting many of the expert concerns expressed to me.

Dating from 1936, the agricultural conservation program represents one of the earliest nationwide efforts at promoting sound conservation and erosion control practices on agricultural land. It is also the principal single channel of Federal soil, water, woodland, and wildlife conservation assistance.

Originally, the agricultural conservation program offered cost-share payments to farmers and ranchers for land use and production-oriented adjustments in addition to longer term conservation measures. Since 1944, however, the Department of Agriculture has attempted, with mixed success, to limit ACP assistance to erosion control measures which agricultural producers generally would not be likely to carry out to the needed extent without cost-sharing incentives.

ENDURING CONSERVATION PRACTICES

A principal purpose of my legislation is to direct the ACP toward an emphasis on enduring conservation and environmental enhancement practices which otherwise might not be undertaken by farmers and ranchers. These include practices aimed at:

Establishing long-lasting protective cover;

Improving or sustaining protective cover;

Conserving or safely disposing of water;

Preventing or abating agricultural-related pollution;

Providing protection against soil erosion and flood damage; and

Meeting special regional conservation needs.

Such enduring measures are especially needed in a time of heavy agricultural production and strict environmental requirements.

UPDATING THE ACP

At the inception of the ACP, farm incomes were low, farm technology was in its infancy, and many producers were unfamiliar with the benefits of conservation farming. The program provided then-needed incentives for liming and other basic soil building and conservation practices which were, at that time, unproven or untried by a majority of producers. Today, however, farmers and ranchers are well aware of the advantages of scientific production practices. But they still require financial incentives to undertake the more ambitious conservation projects such as the installation of terraces, grassed waterways, and shelter belts. In keeping with this new emphasis, I have provided for greater coordination between ACP and the Soil Conservation Service's conservation operations program. Since these projects are more costly than short-term, production-oriented practices, new flexibility in the amount of ACP payments is needed. My bill, therefore, authorizes the Secretary of Agriculture to set administratively the maximum payment limitation.

Several additional aspects of the current authorizing legislation are inconsistent with modern agricultural conditions. Among these is the provision concerning the apportionment of acreage allotments which is no longer applicable or operative under present farm programs. Another outdated provision concerns the incremental formula which proportionately increased the Government's share of the cost of a conservation measure totaling less than $200. I propose to delete these and other provisions which are no longer pertinent or necessary.

IMPROVED FUNDING SYSTEM

One weakness in the agricultural conservation program concerns the funding mechanism. Originally operating under a direct appropriation from the Congress, the program was shifted to an advance authorization funding system in 1944. I understand that the change that was made—simply was a bookkeeping manipulation to make the appropriation budget appear smaller for a single year in 1944. Unfortunately, this current advance appropriation system requires a great deal of paperwork and unnecessarily delays payments to cooperating producers.

Moreover, program funds must be spent within a year, or returned to the Treasury. This creates a use-it or lose-it management approach that results in waste and inefficiency.

My bill reestablishes direct appropriation funding, and stipulates that funds are available for obligation and payment until expended. This will enable the program to function on a continuous basis subject only to subsequent appropriations from the Congress. It will also eliminate the extra paperwork requirements resulting from the current funding system.

In addition, my bill provides that a percentage of appropriated funds be reserved for long-term agreements providing cost-share assistance over a period of several years. The present system discourages long-term agreements by requiring that the Federal share of all projects be charged to a single year's budget account.

Left unchanged is the basic funding authorization which has stood at $500 million since the program's inception in 1936.

NEW MISSION FOR ACP

Mr. President, we have now entered an era of all-out agricultural production to the great benefit of the Nation and the world. But fence-row to fence-row cultivation has taken its toll in our soil and water resources. Soil losses of 50 tons and more annually per acre are now being recorded in Iowa and other major producing areas—an increase in loss over recent past years. This chilling statistic suggests that we may be nearing the point of jeopardizing the means of future productivity. We are not yet facing a crisis situation, but a strengthened conservation effort on agricultural land is clearly indicated. An updated and redirected agricultural conservation program, operating at the current funding level, can go a long way toward accomplishing this task.

An important corollary mission of the program is to aid producers in complying with the National Environmental Policy Act, the Water Pollution Control Act, and other environmental laws and requirements. I am particularly concerned that farmers are assisted in complying with the soon-to-be implemented restrictions on surface runoff and other forms of nonpoint source pollution.

Mr. President, I conclude my introductory remarks by expressing the faith that my legislation will help the ACP regain its focus and once again become the efficient vehicle by which the public cooperates with farmers to make improvements in soil and water for the good of all.

I ask unanimous consent that the bill and a summary be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 7 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(a)) is amended to read as follows:

"(a) Congress recognizes that agricultural producers, as the suppliers of the Nation's food and fiber and managers of private lands, have the responsibility for making the management decisions related to (1) changes in land use or cropping systems which are needed to conserve, develop, and protect soil and water resources on agricultural land;

(2) the installation of long term, enduring soil and water conservation measures to protect agricultural land from erosion, deterioration, and pollution by natural and manmade causes; (3) the improvement of water quality through the prevention and abatement of agricultural-related pollution. It is hereby declared to be the policy and purpose of this act to assist agricultural producers in attaining these objectives and thereby help assure (1) the continued supply of food and fiber necessary for the maintenance of a strong and healthy people and economy, and (2) the conservation of vital natural resources and enhancement of the environment. The activities necessary to attain these objectives shall be carried out to the maximum extent feasible in such a way as to benefit fish and wildlife resources; promote recreation; preserve open space and enhance natural beauty; preserve vital historic and archeological sites; maintain important aquatic areas to help prevent floods and improve water management; prevent pollution and environmental degradation; and avoid the creation of hazards to persons or animals."

SEC. 2. Section 8 of said Act (16 U.S.C. 590h) is amended by (a) striking the first three sentences of subsection (b) and inserting in lieu thereof the following:

"(b) The Secretary is authorized to carry out the policy and purpose specified in section 7(a) by providing financial assistance to agricultural producers, based on farm and ranch conservation plans approved by local conservation districts, where such districts are organized, for carrying out enduring conservation and environmental enhancement measures. Eligibility for financial assistance shall be based upon the existence of conservation or environmental problems which cause a reduction in the productive capacity of the Nation's land and water resources or cause a degradation of environmental quality.

The amount of financial assistance to be provided shall be that portion of the cost of effectuating the physical installation of conservation and environmental enhancement measures, which the Secretary determines is necessary. In determining level of payment, consideration will be given to—

"(1) The farmers' inability to carry out the needed measures with his own resources.

"(2) The amount of expected conservation or environmental benefit accruing to society.

"(3) The total cost of carrying out the needed measures.

"(4) The degree to which the farmer benefits from other public programs aimed at conservation and environmental enhancement.

"(5) The degree to which appropriate conservation or pollution abatement practices will be applied in the absence of financial assistance."

The Secretary, in formulating the national program, shall take into consideration:

"(1) The need to control erosion and sedimentation from agricultural land and to conserve the water resources on such land.

"(2) The need to control pollution from animal wastes.

"(3) The need to facilitate sound resource management systems through soil and water conservation.

"(4) The need to encourage voluntary compliance by agricultural producers with Federal and state requirements to solve point and non-point sources of pollution.

"(5) National priorities reflected in the National Environmental Policy Act and other current congressional and administrative actions.

"(6) The degree to which the measures contribute to the national objective of assuring a continued supply of food and fiber necessary for the maintenance of a strong and healthy people and economy.

"(7) The type of conservation measures needed to improve water quality in rural America."

(b) striking from the end of the first paragraph of subsection (b) the phrase ", and, wherever practicable, they shall be classified on two bases: (a) soil-depleting crop and practices, (b) soil building crops and practice.";

(c) striking subsection (c) and inserting in lieu thereof the following: "Funds appropriated for carrying out the purpose of this Act may not be utilized to provide financial or technical assistance for drainage or filling on wetlands designated as Wetland Types 3 through 20 in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956, or other equivalent reports issued subsequently.";

(d) striking subsection (d);

(e) striking the first paragraph of subsection (e) and inserting in lieu thereof the following:

"Payments made by the Secretary under subsection (b) to agricultural producers shall be divided among landlords, tenants, and sharecroppers in proportion to the extent such landlords, tenants, and sharecroppers contribute to the cost of carrying out the conservation or environmental enhancement measures.

"The maximum payment which may be made to any person shall be determined by the Secretary.";

(f) striking subsection (f); and

(g) striking the second sentence of subsection (g).

SEC. 3. Section 10 of said Act (16 U.S.C. 590j) is repealed.

SEC. 4. Section 12 of said Act (16 U.S.C. 590l) is repealed.

SEC. 5. Section 13 of said Act (16 U.S.C. 580m) is amended by striking "Production and Marketing Administration" wherever it appears therein and substituting "Agricultural Stabilization and Conservation Service" by striking "Administration" and substituting "Service".

SEC. 6. Section 15 of said Act (16 U.S.C. 5900) is amended by adding the following to the first paragraph and deleting the remainder of the section.

"The amount appropriated shall be available until expended. A specific amount of percentage of the appropriation shall be designated for long-term agreements. The Secretary shall distribute the funds available for financial assistance among the several States in accordance with their conservation needs, as determined by the Secretary."

SEC. 7. Subsection (a) and (e) of section 16 of said Act (16 U.S.C. 590p (a), 590p (e)) are repealed.

SEC. 8. The last proviso under the heading "CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES. DEPARTMENT OF AGRICULTURE" in the Act of June 16, 1938 (52 Stat. 710, 746; 16 U.S.C. 590h–1) is repealed.

SECTION-BY-SECTION SUMMARY

SECTION 1

Sets out the policy and purposes of the Soil Conservation and Domestic Allotment Act. It limits the Act to provisions pertaining to soil, water, woodland and wildlife conservation on agricultural lands. It reaffirms that agricultural producers are responsible for making management decisions that affect soil and water conservation and pollution prevention. States that the policy and purpose of the Act is to assist producers in carrying out soil and water conservation and pollution control so as to assure the future productivity of agricultural resources and to prevent environmental degradation from agricultural sources. Activities carried out under the Act are to be beneficial to wildlife as well as aesthetic, historical and environmental values of the community. It further explicitly cites the goal of improved water quality resulting from the reduction of nonpoint sources of pollution.

SECTION 2

Authorizes the Secretary to provide financial assistance to agricultural producers for carrying out enduring conservation measures. An emphasis is placed on enduring (as opposed to production-oriented) practices, and on long-term agreements based on conservation plans approved by local soil conservation districts.

The Secretary is required to develop annually a national program of recommended soil and water conservation and pollution abatement practices. But county ASC committees may develop other special practices needed to meet local conservation problems, subject to the approval of the State committee. In drafting the national program, the Secretary must consider, among other things, the need to plan a sound resource management system, the need for voluntary compliance by agricultural producers with Federal and State requirements to solve point and nonpoint sources of pollution, and the need to assure a continued supply of food and fiber.

No assistance can be given for drainage of wetland types 3 through 20. This is consistent with recent appropriations Acts.

The small cost-share increase (SCI) provision, which establishes a complex formula to increase the cost-share payment whenever annual cost-share earnings are less than $200 for a farm, is deleted. The administrative costs of this provision far outweigh the benefits to the agricultural producer since the maximum premium under the SCI is only $14.

In keeping with the new emphasis on enduring and long-term conservation practices, the Secretary is authorized to lift the ceiling which is currently imposed on the payment which may be made to any single cooperator.

SECTION 3

Deletes Section 10 of the Act which sets out the definition of the term "agricultural commodity" since all commodity references have been eliminated and such a definition is now unnecessary.

SECTION 4

Deletes Section 10 of the Act which authorizes the use of appropriated program funds for domestic and foreign market expansion, authorizes expenditures for the disposal of surplus commodities, and authorizes advances to farmers for the purpose of assisting them in acquiring crop insurance from the Federal Crop Insurance Corporation. This section is deleted since such authority exists in other legislation and is not needed for the purposes of this Act.

SECTION 5

Alters Section 13 of the Act to designate the Agricultural Stabilization and Conservation Service (ASCS), rather than the defunct Production and Marketing Service, as the administering agency.

SECTION 6

Specifies that appropriated program funds be carried over from one fiscal year to the next and remain available, until expended, for entering into obligations and making payments. It further provides that a percentage of appropriated funds be designated for long-term agreements and that the current system of advance authorization be replaced by direct appropriations.

SECTION 7

Deletes the provision of the Act which concerns obligation authority, since both appropriation and obligation authority are

contained in Section 6 of the bill. Also deletes reference to the Land Use Adjustment Program since authority for the program has expired.

SECTION 8

Deletes the section of the Act which authorizes the use of producer associations or any agency of the Government to assist in the efficient administration of the Naval Stores Conservation Program. The program is now administered through the ASC county committee system, and assistance from State forestry agencies is already authorized in Section 8(b) of the Act.

By Mr. THURMOND:

S. 241. A bill for the relief of Henry C. Fleming III; to the Committee on Armed Services.

HENRY C. FLEMING III

Mr. THURMOND. Mr. President, Mr. Henry C. Fleming III, of Greenwood, S.C., enlisted in the Marine Corps Reserve on February 3, 1976. He was assigned to initial active duty for training on June 30, 1976.

It was subsequently discovered that although his enlistment documents indicated his status as married with one dependent, his true marital status was married with one child but legally separated from his wife with a court order for support of the child.

Mr. President, an investigation was conducted by the Marine Corps regarding the circumstances of Mr. Fleming's enlistment. It was revealed that Mr. Fleming informed the recruiter of his marital status and was improperly advised by the recruiter not to indicate the existence of the child in order to save time and paperwork. Mr. Fleming agreed but later requested that the recruiter correct his enlistment documents. The correction was not accomplished.

All of the circumstances in Mr. Fleming's case were carefully reviewed at Headquarters, Marine Corps, and it was determined that, since his enlistment involved recruiter misfeasance, Mr. Fleming had never legally terminated his status as a civilian; that his enlistment was void from its inception; that the Marine Corps lacked jurisdiction over him; and that it was necessary to release him from military control as expeditiously as possible.

On October 22, 1976, Marine Corps Headquarters directed the Commanding General, Marine Corps Recruit Depot, Parris Island, S.C., to void Mr. Fleming's enlistment and release him from military control immediately. Mr. Fleming was released from military control on October 27, 1976, after performing his boot camp training in an outstanding manner.

Mr. President, in order to be discharged from an enlistment contract, a Marine must first have a valid contract. Since Mr. Fleming's enlistment was void from its inception, it was impossible to discharge him. The period of time which he spent with the Marine Corps was not considered active service and is not creditable as such.

It is current policy of the Department of Defense to suspend immediately payment of Government funds to an individual whose enlistment is believed to be void. If it is determined through investigation that the individual is serving a valid enlistment, payment of Government funds is authorized and the individual is entitled to all pay held in abeyance. If it is determined that the individual's enlistment is void, no further pay is authorized and all pay held in abeyance pending final determination in his case is retained by the Government.

Mr. Fleming's case has again been reviewed by the Marine Corps Headquarters. It has been determined that Mr. Fleming was not properly enlisted; that his contract was void from the beginning in acordance with the ruling of the Court of Military Apeals in *U.S.* v. *Russo*, 23 USCMA 511, 50 CMR 651 (1975). As a consequence, his status as a civilian was never terminated. He was properly released from military control, and all pay withheld from Mr. Fleming was properly witheld in consonance with applicable policies, procedures, and laws governing void contracts.

Mr. President, the Marine Corps is not authorized to pay Mr. Fleming for his last 27 days of recruit training, even though his enlistment was a Marine Corps error. Consequently, I am introducing a private relief bill to authorize the Government to pay Mr. Fleming $426.08 for his last 27 days of active duty with the Marine Corps.

Mr. President, I urge my distinguished colleagues to support this bill to correct an injustice. I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized and directed to pay, out of any funds available for the pay and allowances of Marine Corps personnel, to Henry C. Fleming III of Greenwood, South Carolina, the sum of $426.08 representing the amount that would have been paid to the said Henry C. Fleming III as pay and allowances for service as a member of the United States Marine Corps for the period beginning October 1, 1976, and ending October 27, 1976, had the enlistment of the said Henry C. Fleming III not been declared void by the Marine Corps as the result of misfeasance by recruiting personnel.

SEC. 2. No part of the amount appropriated by this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same is unlawful, any contract to the contrary notwithstanding. A violation of this section is a misdemeanor punishable by a fine in an amount not to exceed $10,000.

By Mr. CHURCH (for himself, Mr. JACKSON, Mr. MELCHER, Mr. HANSEN, and Mr. MCCLURE):

S. 242. A bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreages under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

RECLAMATION EQUIVALENCY

Mr. CHURCH. Mr. President, on behalf of a distinguished group of Senators from the West, Mr. JACKSON, Mr. MELCHER, Mr. HANSEN, Mr. HATFIELD, and Mr. MCCLURE, I am sending to the desk a bill to provide for a greatly needed change in the law which governs our reclamation projects. I am particularly pleased that, as chairman of the Senate Interior and Insular Affairs Subcommittee on Energy Research and Water Resources, I am able to join my colleagues in cosponsoring a measure which can mean so much to the farmers of the arid West.

First, let me explain what the law is as it applies to most reclamation projects today. A cardinal principle on Federal reclamation projects is that there is a limitation on the area of land for which any one landowner can receive project benefits. That is, an individual is limited as to the quantity of his lands which are eligible to receive irrigation water from a Federal reclamation project. The basic eligible entitlement is 160 acres or in the case of a husband and wife, 320 acres. This philosophy of limiting the benefits accruing to an individual owner has not changed over the past 70 years and in fact should remain one of the basic principles of reclamation law. However, in some instances the application of a strict acreage limitation works a hardship on farm families and denies the vagaries of nature.

Soils within a project area may vary greatly in their productivity as may other conditions such as slope, exposure, or drainage. On a larger scale, projects in higher altitudes of Northern States may be subject to a short growing season. All of these factors, singly or in combination, can work against the farmer and ultimately defeat the promise implied by reclamation law and the Congress that the people who farm the land may earn a decent living as farmers.

The Congress has, from time to time, recognized on a project-by-project basis the need for departure from the 160-acre limitation as an across-the-board rule. Since 1958, language has been included in reclamation project authorizations which provides for a degree of flexibility in establishing acreages eligible to receive project water in order to reflect varied soils and growing conditions. This is the so-called class I equivalency concept which provides that in those instances where lands of relatively poor quality have been included in a Federal reclamation project, the Secretary of the Interior may increase the acreage limitation beyond 160 acres. The effect is to increase the size of an ownership eligible to receive water so that it would be the equivalent in productive value to 160 acres of class I lands.

The application of the class I equivalency concept has worked well for those projects authorized since 1958, but for the farmers on the many projects built earlier under the reclamation program, there is no flexibility for adjusting eligible acreages to reflect adverse natural conditions. The measure which I introduce today would provide that flexibility to the farmers on those projects which meet specific criteria contained in the bill.

As chairman of the Subcommittee on Energy Research and Water Resources, it was my privilege to take public and administration testimony on a similar

measure in the 94th Congress. At that time concern was expressed for safeguarding the rights of the landowners who would be affected by application of the class I equivalency concept and for assuring full opportunity for public participation in the decisionmaking process. The measure introduced today directly addresses those concerns by specifying that the actions by the Secretary in applying the class I equivalency concept are subject to the requirements of the Administrative Procedure Act of 1946.

It may be that as the subcommittee gathers additional information and comments regarding the application of the class I equivalency concept, the need will arise for further perfecting language to the measure. Be that as it may, the bill as introduced will provide a point of departure and a focus for comment on this aspect of the reclamation program. In turn, the subcommittee will provide a forum for those whose lands and lives would be affected should the measure become law to express their views and offer their suggestions for improvement. I am anticipating a keen interest on the part of those concerned with this measure and I am most earnestly soliciting their views as to how the proposal can be made more responsive to the needs of the farmers in the arid lands of the West.

The committee has already compiled an extensive factual record as a result of the August 26, 1976, public hearing and it is my intent to gather additional information. However, this legislation goes much further than the reams of statistics and cold facts. This legislation may spell the difference between survival and defeat for hundreds of family farms in the western United States.

I am hopeful that the measure will receive the attention of the full Senate in the near future.

By Mr. NELSON (for himself and Mr. JAVITS):

S. 243. A bill to amend the Small Business Act and the Small Business Investment Act of 1958; to the Committee on Small Business.

Mr. NELSON. Mr. President, I am introducing today with Senator JACOB K. JAVITS, ranking minority member of the Select Committee on Small Business, a bill to raise the Small Business Administration's program authorization levels for fiscal year 1977. This bill would raise the ceiling of the business loan fund from $6 billion to $6.8 billion, the small business investment company loan fund from $725 million to $775 million, and the surety bond fund from $56.5 million to $68.5 million. These increases, if enacted, will allow the SBA to operate at full strength throughout fiscal year 1977, ending September 30, 1977.

On Friday, January 7, the Senate Select Committee on Small Business held its first Small Business Administration legislative hearing under the powers given it by Senate Resolution 104, passed on April 29, 1976.

The House and Senate did not agree on a bill to increase the SBA's program ceilings during the second session of the 94th Congress. Because no bill was passed by the Congress, the SBA is fast approaching its statutory fund ceilings. When the SBA reaches 75 percent of its statutory ceiling on any of its loan funds, the agency is compelled to seek increased authorization levels from the Congress. Since the agency has exceeded the 75 percent level in certain programs, Mitchell Kobelinski, the SBA Administrator, came before the Senate Small Business Committee to request program ceiling increases.

He testified before the committee that the agency will reach its lending ceilings by January 31, 1977. If the ceiling is not increased, the SBA will have to reduce its activity by at least one-half, he said.

I ask unanimous consent that the text of the bill and the section-by-section analysis be inserted in the RECORD at this point and that the bill be appropriately referred.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 243

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subparagraph 4(A) of section 4(c) of the Small Business Act is amended by striking out "$6,000,000,000" and inserting in lieu thereof "$6,800,000,000."

SEC. 2. Subparagraph 4(B) of section 4(c) of the Small Business Act is amended by striking out "$725,000,000" and inserting in lieu thereof "$775,000,000."

SEC. 3. Section 412 of the Small Business Investment Act of 1958 is amended by striking out "$56,500,000" and inserting in lieu thereof "$68,500,000."

SECTION BY SECTION ANALYSIS

SECTION 1

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under Sections 7(a), 7(b)(3), 7(e), 7(h), 7(i) and 8(a) of the Small Business Act (under the business loan and investment revolving fund) is now limited by 4(c)(4)(A) to $6 billion. Section 1 would raise this subceiling to $6.8 billion.

SECTION 2

The total amount of loans, guarantees and other obligations or commitments heretofore or hereafter entered into by the Administration which are outstanding at any one time under Title III of the Small Business Investment Act of 1958 (under the business loan and investment revolving fund) is now limited to $725 million. Section 2 would raise this subceiling to $775 million.

SECTION 3

An increase is required in the capital authorized for the Surety Bond Guarantee Fund to finance the 1977 level for this program of $833 million. Section 3 would amend Section 412 of the Small Business Investment Act of 1958 by increasing the authorization to $68.5 million and thereby enable an appropriation of $36 million.

By Mr. THURMOND (for himself, Mr. CANNON, Mr. DOMENICI, and Mr. HATHAWAY):

S. 244. A bill to authorize the construction and maintenance of the General Draza Mihailovich Monument in Washington, District of Columbia, in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on Rules and Administration.

Mr. THURMOND. Mr. President, last session, I introduced S. 2135, a bill to authorize the National Committee of American Airmen Rescued by General Draza Mihailovich to erect a monument in Washington, D.C.

This legislation passed the Senate unanimously, but in the rush toward adjournment, did not pass the House.

Mr. President, I am, therefore, reintroducing the identical legislation as that passed by the Senate last year to erect the General Draza Mihailovich Monument in Washington, D.C.

This monument is to be erected with funds solicited from the general public and will not cost American taxpayers 1 cent.

During World War II, the forces of General Mihailovich, a Yugoslav resistance leader, saved the lives of approximately 500 American airmen and returned them to safety in Italy. For this and his other services to the Allied cause, General Mihailovich was posthumously awarded the Legion of Merit by President Truman in 1948.

The surviving airmen involved in this dramatic rescue have recently petitioned Congress to enact legislation authorizing them to erect a monument to General Mihailovich. I am hopeful the Senate can again pass this legislation expeditiously, so the noble purpose for which it is designed can be accomplished.

Mr. President, when I originally introduced S. 2135, I made extensive remarks detailing the history and background of the Mihailovich movement. Mr. President, I ask unanimous consent that the text of the bill and the detailed analysis which was included in the RECORD on July 17, 1975, be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to section 2 of this bill, the Secretary of the Interior shall permit the National Committee of American Airmen Rescued by General Mihailovich to construct and maintain a monument to General Draza Mihailovich, in recognition of the role he played in saving the lives of approximately five hundred United States airmen in Yugoslavia during World War II, as described in such committee's petition to Congress concerning the authorization of such monument. Such monument shall be located on public land within the District of Columbia, to be located according to plans approved by the National Capital Planning Commission, the Fine Arts Commission, and the Secretary of the Interior.

SEC. 2. The National Committee of American Airmen Rescued by General Mihailovich shall accept private funds which shall be the sole source for the construction and maintenance of such monument. The Secretary of the Interior shall only permit such committee to begin the construction of such monument when he determines that such committee has sufficient funds to complete such construction and to provide for such maintenance; except that such committee must have such funds no later than two years after the date of enactment of this Act.

ANALYSIS

During World War II, the United States and Great Britain initially supported the nationalist resistance movement in Yugoslavia, led by Gen. Drazha Mihailovich. Due to a tragic combination of errors and mistaken information, the Allies withdrew their support from Mihailovich at the end of 1943 and threw their weight behind the Communist resistance movement under the leadership of Marshal Tito. Despite his abandonment by the Allies, and despite the merciless war waged against him by both the Communists and the Nazis during 1944, General Mihailovich and his forces, known as the Chetniks, succeeded in rescuing some 500 American airmen who were shot down over Yugoslavia. Most of these men were safely evacuated to Italy in a series of dramatic air rescue missions, which picked them up from the heart of Nazi-occupied Yugoslavia and flew them to Italy.

President Harry S. Truman in 1948 posthumously awarded the Legion of Merit to General Mihailovich for his services in rescuing American airmen, and for his larger services to the Allied cause. Unfortunately, the State Department kept the award to Mihailovich classified "secret" for almost 20 years, for fear of offending the sensitivities of the Yugoslavia Communist Government.

Now, more than 30 years after their rescue, a group of American airmen have organized themselves into a National Committee of American Airmen Rescued by General Mihailovich and have launched a movement to build a memorial in Washington, D.C., dedicated in gratitude to the man who saved their lives. Today is the anniversary of General Mihailovich's execution. To mark this anniversary, the rescued airmen have assembled in Washington today and are holding a memorial service on the steps of the Capitol.

I am introducing this legislation in response to a petition I have received, signed by 26 of the rescued airmen and eight members of the Air Crew Rescue Mission that organized their evacuation from Yugoslavia. I would like to quote a few paragraphs from this petition:

"To say that General Mihailovich and his men saved our lives tells only a very small part of the story. Frequently, they had to fight off the Germans in order to rescue us. Because of Mihailovich's commitment to protect us at all costs, scores of innocent hostages were executed by the Nazis; the Nazis always knew when an American crew bailed out, and when they could find no trace of the crew, they assumed, quite correctly that they were being sheltered by the Chetniks. Those of us who were wounded received the best medical attention available, sometimes in underground hospitals. Desperately short of supplies, Mihailovich's men frequently went hungry themselves in *order* to feed us.

"All this we can never forget.

"Our ranks have begun to thin with the passage of years. But the years have no way diminished the admiration, affection and gratitude which we hold in our hearts for General Mihailovich and his gallant forces.

"Having consulted with each other, and confident that we speak for all of the 500 airmen who were rescued by the forces of General Mihailovich, the undersigned airmen have decided that it would be proper to give enduring expression to this gratitude by erecting a monument in Washington, D.C. with funds contributed by ourselves and by members of the American public, to "General Mihailovich, Saviour of American Airmen." This concrete expression of gratitude, we feel, would also be in complete harmony with American tradition.

"We respectfully petition the Congress of the United States to enact legislation permitting the erection of such a monument so that we may appropriately discharge what all of us regard as a sacred debt of honor—a debt of honor all the more compelling because Mihailovich in his lifetime received no recognition and no reward for the many services to the Allied cause of which President Truman spoke in his citation."

I can think of no better way of discharging this debt than to authorize these airmen to erect the monument they have in mind. I want to emphasize that this would be done with publicly subscribed funds and will not cost the American taxpayer one penny. Additionally, I was informed that the airmen want to avoid politics and that they intend to abstain from any propaganda against the Tito government—all they want to do is give enduring expression to their gratitude to General Mihailovich by erecting a monument in his memory. This will be a simple memorial, bearing on one side a plaque listing the names of 500 American airmen rescued by General Mihailovich, and on the other side the text of President Truman's citation in awarding the Legion of Merit to General Mihailovich.

By Mr. THURMOND:

S. 245. A bill to amend title 5, United States Code, to permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such individual is eligible for social security benefits, but requiring the civil service annuity to be offset by the amount of his social security benefit that is attributable to his military service; to the Committee on Post Office and Civil Service.

Mr. THURMOND. Mr. President, in the last session of Congress, I introduced a bill, known as S. 2564, in behalf of military retirees who subsequently earn civil service eligibility and retire under the civil service retirement law.

When these retirees reach age 62, the law requires a recomputation of their retirement annuities which results in a substantial reduction because of their contribution to social security during military service since 1956. In view of this injustice, I believe it is important for this legislation to be considered by the Senate since the previous measure was never acted upon by the Post Office and Civil Service Committee. Consequently, I am reintroducing this bill which will prevent military retirees who earn civil service retirement credit from being penalized because they contributed to their own social security entitlements.

Mr. President, this bill will amend title 5, United States Code, to permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such an individual is eligible for social security benefits. However, it will require the civil service annuity to be offset by the amount of his social security benefit that is attributable to his military service.

In order to help clarify the problem and explain this legislation, I have extracted the following part from my previous remarks in the Senate on October 22, 1975:

It is noted that section 8332(J) of title 5, United States Code, provides that a retiree's annuity must be recomputed when he becomes eligible for social security benefits. In this recomputation, his years of military service performed after December, 1956, are excluded in the computation of his civil service annuity. He will receive a reduced annuity and social security benefits, presumably because the latter would offset the reduction caused by excluding certain years of military service.

Mr. President, the purpose of this section of the law is perfectly clear. It prevents, and rightly so, the retiree from using military service in the computation of both civil service retirement and social security benefits. However, as presently written in the law, it is mandatory that this recomputation be made, even though it might drastically decrease the income an individual receives. Under the present law, when some reach age 62, civil service retirement will be recomputed, excluding as much or more than 9 years of military service.

Mr. President, I am proposing legislation to achieve this objective by offsetting at age 62 the amount of any social security benefit attributable to military service against the civil service retirement annuity.

The social security 'attributable to military service' is computed assuming that the only source of social security coverage is that which results from active military service. The years of military service would continue to be creditable in the social security system and any benefit to which the individual would be entitled under the social security system based on his lifetime covered earnings would be paid by the Social Security Administration. If the individual were not entitled to social security—for example, if he did not have sufficient social security coverage to warrant payment of a benefit—no offset would be accomplished from the civil service retirement annuity. On the other hand, if the individual were entitled to a social security benefit based on his life time covered earnings, a benefit amount equal to that which is attributable to military service would be offset from the civil service annuity; any benefit amount above that which is attributable to military service would be received in addition to the civil service annuity.

Consequently, I am proposing legislation to correct this inequity. . . . It will permit military service performed by an individual after 1956 to be credited under the civil service retirement program, even though such an individual is eligible for social security benefits. My proposal would provide for offset computations for retirees in this unique category. A retiree's civil service annuity would be reduced only by the amount equal to that which he will receive under social security.

There will be some additional cost resulting from enactment of this proposal because the amount of the social security offset will, generally, be less than the value of the military years of service used in computing civil service retired pay. However, this additional cost should be nominal. I believe the administration will recommend enactment of this proposed legislation.

Mr. President, I urge my distinguished colleagues to support this most worthwhile measure. I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8332(j) of title 5, United States Code, is amended to read as follows:

"(j)(1) Notwithstanding any other provision of this section, the period of an individual's services as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964, and the period of an in-

dividual's service as a volunteer or volunteer leader under chapter 34 of title 22, shall be excluded in determining the aggregate period of service on which an annuity payable under this subchapter to the individual or to his widow or child is based, if the individual, widow, or child is entitled, or would on proper application be entitled, at the time of that determination, to monthly old-age or survivors benefits under section 402 of title 42 based on the individual's wages and self-employment income. If the service as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 or as a volunteer or volunteer leader under chapter 34 of title 22 is not excluded by the preceding sentence, but on becoming 62 years of age, the individual or widow becomes entitled, or would on proper application be entitled, to the described benefits, the Civil Service Commission shall redetermine the aggregate period of service on which the annuity is based, effective as of the first day of the month in which he or she becomes 62 years of age, so as to exclude that service. For the purpose of this subsection, the period of an individual's service as a volunteer or volunteer leader under chapter 34 of title 22 is the period between enrollment as a volunteer or volunteer leader and termination of that service by the President or by death or resignation, and the period of an individual's service as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 is the period between enrollment as a volunteer and termination of that service by the Director of the Office of Economic Opportunity or by death or resignation.

"(2) Notwithstanding any other provision of this section, under regulations prescribed by the Commission with the concurrence of the Secretary of Health, Education, and Welfare, in any case where an individual performed military service (except military service covered by military leave with pay from a civilian position) after December 1956 and he (or his widow or child) is or becomes entitled, or would on proper application be entitled, to monthly benefits under section 402 of title 42 based on his wages and self-employment income, the Commission shall exclude from the annuity payable to him (or his widow or child) under this subchapter an amount equal to that portion of the monthly benefit (to which he or his widow or child is entitled under section 402 of title 42) which is attributable to his military service.

"(3) The Secretary of Health, Education, and Welfare, on request of the Commission, shall inform the Commission whether or not the individual, widow, or child described in this subsection is entitled at any named time to the described benefits.".

By Mr. THURMOND:

S. 246. A bill to amend chapter 67—relating to retired pay for nonregular service—of title 10, United States Code, to authorize payment of retired pay actuarially computed to persons, otherwise eligible, at age 50, and for other purposes; to the Committee on Armed Services.

Mr. THURMOND. Mr. President, in the last several sessions of Congress I have introduced a bill which would provide retired pay for nonregular military service at age 50 on an elective basis.

This legislation provoked heavy and favorable correspondence to my office and a number of my colleagues joined as cosponsors. Because it is my belief this legislation is fiscally sound and fully justified I wish to reintroduce this bill today.

Chief among my reasons for reintroduction is the need to provide incentives to keep young reservists and guardsmen in uniform in the All-Volunteer Armed Forces environment.

Mr. President, experience has shown that title III retirement at age 60 for guardsmen and reservists has not proven to be an effective retention incentive. This is significantly true among enlisted personnel where retention is most critical.

Currently, most guardsmen and reservists who are required to retire because of service time must suffer a loss of income corresponding to their Guard or Reserve pay. There is no opportunity to recover any part of this lost income through severance pay or through retired pay until age 60.

Many guardsmen and reservists, especially enlisted personnel where shortfalls are a constant problem, would be attracted to Reserve service if retired pay would commence at the time of retirement from their primary civilian employment. Such a combination of retirement pay, even at a lower rate, would provide added income at just the time when it is needed most.

Under an actuarial plan, as recommended in this legislation, an individual who elects retirement prior to age 60 would draw proportionately less per month. However, there would be some additional costs to the Government as the individual would become eligible for certain retirement benefits other than pay such as the survivor benefit plan, medical care, post exchange, and commissary privileges.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1331(a) of title 10, United States Code, is amended by adding the following flush sentence to the end: "However, a person who is under the age prescribed in clause (1), but is at least 50 years of age, is entitled to retired pay computed under section 1401 of this title, based upon mortality rates, among those who are currently retired, actuarially computed and prescribed for his age in the following table:

"For ages:	Rate per $100 of retired pay
50	$49.19
51	52.44
52	55.97
53	59.83
54	64.06
55	68.68
56	73.77
57	79.37
58	85.55
59	92.40.".

SEC. 2. Section 1335(a) of title 10, United States Code, is amended by striking out "60" and inserting in place thereof "50".

SEC. 3. The enactment of this Act does not reduce or increase the retired or retainer pay to which a member or former member of an armed force was entitled on the day before its effective date.

SEC. 4. This Act becomes effective on the first day of the first calendar month beginning after the date of enactment.

By Mr. GOLDWATER:

S. 247. A bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

THE WASPS—WORLD WAR FORGOTTEN PILOTS

Mr. GOLDWATER. Mr. President, one of my greatest disappointments in the last Congress was the failure of the 94th Congress to enact legislation recognizing the contributions of the Women's Air Force Service Pilots during World War II. These ladies came close to success. An amendment I offered on their behalf passed the Senate on September 10, 1976, but on September 14, the House of Representatives specifically objected to the WASP amendment. That killed the proposal for the session.

The women pilots did achieve a partial success, however, in that both the House and Senate Veterans' Affairs Committees gave formal, written commitments to hold hearings early in the next session of Congress—that is the Congress just begun. Letters giving these promises and signed by both the chairmen and ranking minority members of both committees were placed in the CONGRESSIONAL RECORD of October 1, 1976.

In order to lay the basis for those hearings, I am today reintroducing legislation on behalf of the WASP. The bill would provide veterans pension, disability compensation, hospital and medical care, and other GI benefits to them. Similar legislation is being introduced in the House of Representatives.

Mr. President, let me explain that the WASP are women who served as pilots with, but not in, the Army Air Forces during World War II. They were organized by Gen. "Hap" Arnold, commanding general of the Army Air Forces, as a special experimental program. Everyone concerned with the program expected the women would be commissioned into military service once their performance in the program proved successful. This plan had the full endorsement not only of General Arnold, but of the Secretary of War and of General Marshall, Chief of Staff of the Army.

Well, the girls did meet the highest aviation standards of the military, and, as a result, the Army Air Corps presented a bill to Congress seeking authority to militarize the WASP. This bill was actually approved by the House Committee on Military Affairs and was reported favorably to the House of Representatives. Unfortunately, Congress did not approve the bill at that time because of extraneous matters which have left the taint of sex discrimination.

Now, no other organization that I know of, who has not eventually been taken into the military service, had circumstances like these. The very reason the group was organized from the outset was for militarization; the group proved their military capabilities to the satisfaction of the Army Air Corps; and they had

a militarization bill favorably reported by a congressional committee.

Mr. President, there is no sound nor reasonable basis on which a bill giving recognition to the WASP for their services to their country can be turned down. These women served with distinction in the ferrying of combat aircraft more than 60 million miles during the war, towing targets for fledgling men pilots, and even training men pilots. I was privileged to have served in the second ferrying group stationed at New Castle, Del., when they were there. I made many flights with them and it convinced me that their ability as pilots was equal, and in some instances, superior to men.

This was long before the days of women's lib, but every man who wore wings and flew for the Army had and still has an admiration for these girls, 38 of whom were killed in service. I feel I represent the entire flying service in seeking to have a bill passed to have proper recognition paid to them. I know Congress will welcome these ladies to Capitol Hill as they appear to testify and witness the hearings that have been promised, and am confident that once they present their case in person, Congress will approve their legislation posthaste.

Mr. President, extensive news articles and television commentaries have appeared in the media all across the country since the Senate passed the amendment for them last September, and I ask unanimous consent that five of these informative histories of the WASP be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Daily News, Sept. 7, 1976]

THE FORGOTTEN WOMEN OF WORLD WAR II

(By Paula Bernstein)

Where are the women pilots who made aviation history in World War II? A nationwide search has begun for the 1,074 members of the Women's Airforce Service Pilots (WASP) who flew hundreds of missions over the continental U.S. and Canada from 1942 until the end of 1944.

A reunion is planned Oct. 22, 23, and 24 in Hot Springs, Ark., for all participants in the short-lived WASP training program. About 600 of them have already been located, according to Ziggy Hunter of Dallas, national membership chairman.

The reunion, largest and latest since 1970, with Air Force Thunderbirds giving a show, is sponsored by the Order of Fifinella. This is the WASP alumni group named for the little gremlin, Miss Fifinella, designed for the WASPs by Walt Disney. Both graduates and nongraduates who were cadet trainees at Houston or Sweetwater, Tex., as well as WASP instructors and field staff, are eligible for membership. The current president is Bee Haydu, RD 2, Box 519, Newton, N.J. 07860. Ziggy Hunter, the national membership chairman, lives at 838 Havenwood, Dallas 75232.

According to Ms. Hunter, WASP's were not just co-pilots but first pilots on all the fighter planes and cargo planes, "the hot pursuits" such as the P-51, P-40, P-47, P-38, P-39.

FLEW DOMESTIC MISSIONS

"They also checked out and flew domestic missions on such twin-engine bombers as the B-26 and B-25, and many were assigned to four-engine craft such as the Flying Fortress B-17, B-24, and even the Superfortress B-29. In addition, the jet fighter, just coming into its own at that time, was checked out and piloted by a WASP. Cross-country flights with all-woman pilot crews were by no means uncommon."

The WASPs ferried thousands of new fighter planes from factory to points of embarkation for the battlefront. They ferried combat-weary planes back to maintenance and repair stations. They towed target sleeves behind their planes so fighter pilots could practice with live ammunition at a moving target. They towed gliders; they taught instrument fight controls; they tested radio controls.

"And then it was, 'Get out, girls, the guys are back,'" said Leonora Anderson of Queens, a former WASP, now an Air Force Reserve lieutenant colonel, and a health and physical education teacher at Andrew Jackson High School in Queens.

Gen. H.H. 'Hap' Arnold, chief of the U.S Army Air Force back then, put it a more polite way: "You have freed male pilots for other work," he told the WASPs when they were disbanded. "The situation is that if you continue in service you will be replacing, instead of releasing, our young men."

DEACTIVATED THEM

The WASPs of course, were delighted that combat losses among male pilots were lower than anticipated. Yet they never expected their country to turn its back on women pilots and not only deactivate them, but forget them.

"Due to the experimental secrecy of their program," Ms. Hunter said, "they received litle recognition at the time, and during the intervening 30-plus years, the country has largely overlooked the contribution they made toward winning the air victory in World War II."

Lt. Col. Anderson, who like other WASPs, was a licensed pilot when she volunteered for the program, also believes that WASPs deserve recognition. "The WASPs, although serving under military discipline, and flying military aircraft, received no benefits of any kind," she observed. "They had no insurance, no hospitalization, no GI bill, and no veterans' benefits, The 38 WASPs who lost their lives in service received no consideration.

"A bill in 1944 to militarize the WASPs was defeated by a small margin, due to the well-supported efforts of male civilian pilot organizations who were facing the draft. If we got flying jobs, they wouldn't have flying jobs."

Lt. Col. Anderson learned to fly in Somerville, N.J., at age 20, after graduating from Hunter College where her boyfriends interested her in their hobby—flying. By the time she joined the WASPs she had 180 hours of flying time, her private pilot's license, her master's degree in health and physical education, and a second master's degree in guidance and counseling. As a WASP, she tested airplanes, became an instrument coach, then joined a tow target squadron.

Bills currently pending in Congress (S. 1345 and H.R. 6595) would give the WASP military status and recognition. The bills are apparently stalled in Sen. Vance Hartke's Veterans Affairs Committee, awaiting hearing.

According to a Washington spokesman for the Senate Veterans Affairs Committee, VA officials oppose the bills because they want to define "veterans" narrowly, fearing other civilians who served under military jurisdiction may seek similar benefits. They cite the men who chose alternative service during the Vietnam War.

Sen. Barry Goldwater (R-Ariz.), the Senate sponsor of the bill to give WASPs recognition, and now a retired Air Force reserve major general, flew with WASPs in the Ferrying Command at New Castle, Del.

"These ladies flew 60 million miles for the Air Forces, equal to 2,050 times around the globe," he said. "Their performance was equal in every way to male pilots and was better in some instances, such as towing targets for gunnery practice. They flew the same routes and the same aircraft that male pilots did within the U.S. and Canada. They were under military discipline and subject to all military rules and regulations. They received no benefits such as insurance and hospitalization, and it is long overdue that they acquire this entitlement."

If the bill is passed, the WASPs' major "entitlement" would be the right to enter a veterans' hospital, and the right to have some scholarship money for their children. "It would only cost $90,000 a year," said Terry Emerson, legislative aid to Goldwater. Emerson can't understand the VA objection that other groups might demand the same benefits. "That has nothing to do with this," he insisted. Let others have hearings and prove their case. Then separate legislation could be passed for them on their own merits."

If the bill is stalled too long in the Veterans Affairs Committee, Goldwater plans to offer it as an amendment to other bills on the Senate floor. "He'll keep fighting for it," promised Emerson.

[From the Newark, N.J., Sunday Star-Ledger, Oct. 3, 1976]

WOMAN PILOT RECALLS WW2 EXPERIENCE

(By James Warren)

They were heroines of World War II who became frustrated footnotes in U.S. history. They flew precarious missions so the men could go overseas, but are left without the recognition of their male counterparts.

"I don't think the government has ever treated us well," said Mrs. Joseph Haydu of Newton. "Yet there's no denying the experience shaped our lives."

Wearing baggy GI overalls, Bee Haydu was one of 1,074 women who logged 60 million miles with the short-lived Women's Airforce Service Pilots (WASPs). Formed in late 1943 because of a national pilot shortage, they ferried fighter planes, towed targets for combat pilots and antiaircraft batteries to shoot at and simulated bombing missions for ground troops, among many duties.

They received the same training as Army Air Force (AAF) cadets but were disbanded amid congressional controversy in 1944. The government had promised to militarize the civilian women, but all was scotched in the face of tough lobbying by male pilots.

Efforts to aid the WASPs have continued through the years. The most recent legislation, sponsored by Sen. Barry Goldwater (R-Arizona), would have brought medical and hospital benefits, but died in committee Friday.

Nevertheless, the memories are vivid for Bee Haydu, president of the Order of Finella, a group of ex-WASPs named after the special emblem designed for the WASPs by Walt Disney.

She was a 22-year-old secretary for a Newark zipper firm when General Henry Harley "Hap" Arnold, commanding general of the AAF, established the unique band of females. Coincidentally, she had been taking flying lessons in Pennsylvania on weekends.

She was one of 25,000 applicants contacted by program chief Jacqueline Cochran, the famed aviatrix and wife of millionaire industrialist Floyd Odlum. Haydu passed a standard army physical at Newark Airport and paid her own way to Houston and Sweetwater, Tex., for the seven-month training course which produced 1,074 graduates.

Early in 1944 she was sent to "the middle of nowhere," an austere twin-engine advanced school in barren Pecos, Tex. "You never had a problem finding a date," she remembers. There were several hundred men and 13 women.

They received $250 a month, minus lodging and food. They were issued just one

uniform and accorded all the privileges of the second lieutenants they expected to be. Their places of work became twin-engine bombers such as the B26 and B25, and pursuit planes like the P51.

"The girls were resented at many bases, but we felt very welcome at Pecos," she said. "And we just didn't think we were so unusual. We just wanted to help end the war."

The women's duties may have been far from the European front but the duties were not pristine and safe. Thirty-eight WASPs died during a variety of dangerous tasks: Simulating search light and tracking missions, towing target sleeves which fighter pilots tried to hit with live ammunition, running strafing missions for the benefit of ground troops and controlling small drone airplanes which antiaircraft batteries set their sights on.

"There was even the infamous P39, known as "The Flying Coffin,'" Haydu said. "There had been tremendous problems with the plane but the reason was the men weren't flying them to proper specification. We started flying them correctly and proved everybody wrong."

The East Orange native has not taken kindly to criticism directed at the women's motivation. Some have seen the WASPs as flippant members of the propertied class, wealthy girls out for some kicks.

"That's really crazy. We were women ranging from 18 to 30 years old and came from all walks of life. Some may have had boyfriends or husbands in service but we all loved flying," Haydu said.

Laboring in arid Pecos, the connection to the war became the radio and local base paper. "There may have been feelings of panic elsewhere in the country, but we were so busy training there wasn't even time for that nervous sensation," she said.

Cornelia Fort, 24, of Nashville, Tenn., was the first WASP to die, falling prey to a bomber crash. Yet before she was killed, she authored a piece for a national magazine which described the less-than-glamorous existence.

"We get up in the cold dark in order to get to the airport by daylight. We wear heavy cumbersome flying clothes and a 30-pound parachute. You are either cold or hot. If you are female your lipstick wears off and your hair gets straighter and straighter. You look forward all afternoon to the bath you will have. Sometimes we are too tired to eat and fall wearily into bed."

But even while Fort was writing, the stage was being set for the ultimate dissolution of the group. With the benefit of hindsight Haydu admits that bad luck, and not just prejudice, played a part.

AAF had always wanted the WASPs militarized and functioning as a separate entity. The Women's Army Corps (WAC), however, wanted the women under it and an angry debate continued through most of 1944.

A California congressman, with the backing of the Secretary of War, introduced the first WASP militarization bill in late 1943. There were complications but it was redrafted and ready for action in February, 1944.

Unfortunately, the Army began priming for the invasion of Europe. The flying programs of the Civil Aeronautics Administration-War Training Service (CAA–WTS) were being phased out to free those pilots for ground duty. When those same men heard of the WASP legislation, they deluged the Congress with letters of protest.

AAF Historical Study No. 55 indicates the fate of the militarization measure: ". . . From the record of the congressional proceedings, it appears that the supporters of the measure were too poorly organized and worked too slowly to match the legislative tactics of the opposition." The measure was defeated by 19 votes in the House.

The AAF study is no whitewash, noting the women "were frequently confronted by hostility on the part of male pilots and commanding officers" but "their very successful record of accomplishment has proved that in any future effort the nation can count on thousands of its young women to fly any of its aircraft."

"There is no doubt the failure to militarize women pilots was unfair to many WASPs who had given good service. They were left without the benefits to which veterans' status would have entitled them, and the families of the girls who had been killed in the performance of their duties were denied the gratuities which they would have received as beneficiaries of military personnel."

Life has gone on for the WASPs, who include a federal judge in Arizona, the head of a major cosmetics firm, an anesthesiologist and several lawyers. Bee married Joseph Haydu in 1951, has three children and helps with the family's large meat packing firm, the Haydu Packing Co. in Neptune.

Immediately after the war she stayed in aviation and even started her own flight school in Woodbridge in 1947. The school went well until it was decided to build the Garden State Parkway.

"In those days the New Jersey Department of Transportation wasn't legally bound to give any notice of impending construction," she said. "I woke up one morning to find bulldozers wiping out part of our runway."

She spends many hours working for the Order of Fifinella, especially in tracking down those women who have remained out of touch. The group has had several reunions and the next is set for Oct. 22–24 in Hot Springs, Ark.

One would figure the offspring, raised in a world of supersonic aircraft and color television, might have trouble empathizing with tales about "the war." But it's not true.

"My 21-year-old daughter, Diana, will come to the reunion," said a happy Bee Haydu. "It's a very interesting phenomenon. She just thinks we were a fascinating group of women and I surely won't disagree."

Apparently, old WASPs never die. They just fade into proud adulthood.

[From the Baltimore Evening Sun, Oct. 14, 1976]

WORLD WAR II'S WOMEN PILOTS FEEL FORGOTTEN, THEIR BENEFITS IGNORED

(By Josephine Novak)

Thirty-two years after they flew for their country and sometimes died in flaming crashes, more than 950 former war-time fliers who had been attached to the United States Air Force feel they are not gone but that they are forgotten.

"It appears we are being lost in the records of time," said Elaine D. Harmon, of Silver Spring, Md., a former member of the Women's Air Force Service Pilots.

Scotty Bradley Gough, of Gaithersburg, Mr., agrees.

"Most adults in the early 1940's had no idea of the kind of work we were doing for the Air Force," she says. "And, today, many of the younger people have never heard of us.

"We were trained by military pilots and flew every plane the Air Force had. We went to staff officers' training schools, had military inspections and had to observe military discipline. Our orders were cut on the same page as orders of commissioned officers who were to fly to the same points, sometimes in the same aircraft. We were truly military, yet the families of the women who died were not even accorded the gold star and received no benefits. None of us did."

About 15 women in the Maryland area were among the WASP's who flew thousands of missions throughout the U.S. and Canada between 1942 and the end of 1944. And a Marylander was the youngest of them all.

The youngest WASP, Janet Lee Hutchinson (now Janet Simpson), longtime resident of Ruxton, in Baltimore county, joined the organization when she was 18½. Janet's father was George R. Hutchinson, pioneer aviator, who taught all the members of his family to fly with him. The family became famous as "The Flying Hutchinsons."

Janet had seven months of training with the WASP's, became a test pilot and then took advanced instrument training. She taught flying and ferried in what she recalls as "the happiest year of my life."

"A lot of us washed out in training," she recalls. "My class started with 120 and ended with 60, and 7 of those were killed in training before graduation. One was my roommate."

Another Marylander was Marsha Courtney Bellassai, of Laurel. Assigned primarily to a tow target squadron, she engaged in simulated strafing missions and trained anti-aircraft companies to track with radar. She "knew very well" two girls in her class who were killed in training.

A reunion of all the pilots who served in WASP is scheduled October 22, 23 and 24 in Hot Springs, Ark.

The women pilots of World War II had hoped to come to the reunion, having seen a bill passed last month giving them veterans' hospital and medical benefits. But it was not to be.

A proposal, sponsorod by Senator Barry Goldwater (R., Ariz.), was passed by the Senate as an amendment to a House-passed bill under which Polish or Czechoslovak soldiers who fought with allied forces in World War I or II, and who have been U.S. citizens at least 10 years would be eligible for veterans' hospital and medical benefits. The amended bill, forwarded to the House, was returned to the Senate without action.

The disappointment to the WASP's was one among many they have had.

A previous bill would have accorded them full veterans' benefits, but the bill could not get a hearing in either the Senate Veterans Committee or the House.

No one who is helping the women fight for the benefits, however, is giving up at this point, including Senator Goldwater and Col. Bruce Arnold, son of the late Gen. H. H. (Hap) Arnold, under whose aegis the WASP's were organized in 1942.

Senator Goldwater, who flew with WASP's in the Ferrying Command at New Castle, Del., pointed out to his Senate colleagues that the women had served under military discipline but had been "shunted aside" at the end of 1944. He said 38 of the 1,102 WASP's had lost their lives.

The Ferrying Command delivered aircraft under their own power to tactical units.

The reason given for opposition to the bill in Congress was that WASP was actually a civilian organization, and some veterans' officials oppose a bill to give to them veterans' benefits because they fear other civilian groups who served under military jurisdiction may seek similar benefits.

Colonel Arnold, who for years has been offering his assistance as a concerned citizen, said he is "amazed that a few non-thinking members of the House would fail to understand the WASP's' position."

"Inherent in their organization was the fact that they would be militarized when proven effective," he said. "They tested to prove, and did prove, their effectiveness."

The WASP's were organized for General Arnold, then commanding general of the Army Air Corps, by Jacqueline Cochran, who had herself flown almost every kind of plane and several times had won air races from men.

At first the recruited women all were to be attached to the Ferrying Command, but the WASP program was expanded to the

point that they were handling the fastest fighters and heaviest bombers.

Colonel Arnold ticked off WASP assignments:

Some carried side arms and were under orders to guard their planes with their lives if a plane they were delivering was in the classified category. They performed track missions, towed target sleeves behind planes for aerial gunnery trainees, were instrument and flight instructors for male pilots training for combat, and flew radio controlled drone flights.

WASP's towed large gliders with personnel in them, flew airline operations for military transport, simulated strafing and bomb assignments over practicing ground troops, did test flying, laid smoke screens and did other chemical missions, piloted new aircraft on test runs, did engineering testing and piloted for naval and bombardier students.

In instances involving three new aircraft, the women were used by their commanders to shame male pilots back into the cockpit.

The first such instance, Colonel Arnold said, pertained to the P-39, which the men called "flying coffins because this airplane had its engine behind the pilot and required entirely different flying rules than they were accustomed to. The men would forget they were different and were crashing."

In his book, entitled "Over the Hump," Brig. Gen. William H. Tunner, who headed the Ferrying Command at this time, wrote, "I decided I would put girls in the airplane because I realized they were much more careful pilots, and the girls, of course, flew the airplane perfectly and had no problem at all, and charmed the men back into the cockpit."

A second case involved the B-26. The men training in the B-26 in Florida were crashing, getting psyched out, and had coined the expression, "One a day in Tampa Bay."

Women were then trained to fly the plane to show the men there was nothing difficult about the B-26. "Thereafter, the men had a brilliant record overseas, but this was in training," Colonel Arnold reiterated.

"The third instance involved the B–29. When the first crews were formed, the men were leery of the plane because of its large size. Col. Paul W. Tibbets, Jr., (who dropped the first atomic bomb) checked out Dorothea Johnson and Dora Strother in this airplane and had them fly it to bases where men were stationed to show them they could handle it. Again, the reaction of the men was that if the women could do it the men could, too."

In 1944, the chief of the Army Air Corps sponsored a bill to militarize the WASP's and increase their number to 5,000.

"The WASP's had proved they could fly as well, and in some instances better, than the men," Colonel Arnold said. "But you have to recall the timing: the first atomic bomb had not yet been dropped, the war in the Pacific was still to be won, and there had been fewer casualties than expected among the pilots in the European theater.

"We were bringing the pilots back, but what do you do with them while you're waiting for the big push in Japan?

"Not only were the women pilots filling the shoes of the military men at home, but there were many civilian male pilots contracted to the Air Force who knew they would have no jobs in the U.S. and would also be subject to the draft if the bill sponsored by the Air Force would pass.

"The civilian pilots formed a powerful lobby and, in the main, were responsible for the bill's defeat. The girls lost by only 19 votes, but the fight was terrific in the House. The chairman of the Civil Service Committee, in his committee report, damned the WASP's with half truths and out-and-out lies, but, in conclusion, recommended that they be given hospitalization and medical insurance. Then he never took action on the recommendation.

"The sad thing is that they could have gotten at least a few benefits, but were denied even those."

[From the Charlotte Observer, Oct. 24, 1976]

WHAT DID YOU DO IN THE WAR, LADY?

(By Elizabeth Rhodes)

She didn't fill a Rosie the Riveter stereotype. She wasn't a Betty Grable and now, three decades after World War II, no one ever asks Dorothy Hoover what she did in the war.

The answer might surprise you. Mrs. Hoover, 59 and a freelance court stenographer in Asheville, flew for her country. She was an aviation pioneer, one of 1,074 women, including at least a dozen Carolinians, who were Women's Airforce Service Pilots, WASPs for short.

From 1942 until the end of 1944, WASPs flew 60 million miles across the United States and Canada (they were never sent to combat zones). Classified as civil servants, they were nonetheless subjected to Army rules, regulations and received duty orders just as male pilots did.

Some WASPs, such as Hazel Pracht Caldwell, now a practical nurse at Baptist Hospital in Columbia, S.C., ferried thousands of planes, including the B17 bomber, from factories to points of embarkation.

Others, such as Florine Phillips Scaife, a Chicagoan now transplated to Sea Pines Plantation, S.C., piloted air ambulances carrying wounded servicemen.

Many more WASPs towed huge gliders or pulled target sleeves that fledgling fighter pilots and antiaircraft gunners bombarded with live ammunition.

Armed with Army 45-caliber pistols, WASPs flew planes carrying highly secret equipment they were instructed to protect with their lives. Still others towed "drone plane" targets that were literally shot down in flames.

Thirty-eight WASPs died in service to their country, including several killed in North Carolina and South Carolina.

And yet, 32 years after they were disbanded so their jobs could be given to returning male pilots, the WASPs have been all but forgotten. The country that gave them military training and military duties refuses to classify them as veterans with the attendant benefits: insurance, hospitalization, GI Bill and the chance to apply for scholarship money for their children.

But the 600 or so remaining WASPs and their supporters, including Arizona Sen. Barry Goldwater, aren't willing to forget.

Goldwater, who flew with them during the war and says, "Their performance was equal in every way to male pilots and was better in some instances," has twice sponsored legislation that would give WASPs recognition.

Congressional opponents, fearing this would open the door for other civilian groups to claim costly veterans benefits, have managed to stall and eventually kill WASP legislation.

Yet earlier this month, Congress passed a bill giving GI benefits to approximately 40,000 former Polish and Czechoslovakian citizens (they became Americans after World Wars I and II) who fought for America's allies but not for the United States.

Said Goldwater's legislative aide Terry Emerson, "The rejection of the WASP amendment seems discriminatory against Americans who were citizens at that time, as well as against women. The argument about it setting precedent is bunk."

In 1942, the WASPs did set precedent. Afraid the United States would run out of male combat pilots, the Army Air Force, predecessor of today's Air Force, agreed to train some of the 3,000 licensed women pilots to take over stateside flying missions. Britain and Russia had similar programs.

But according to Ziggy Hunter, a WASP flight instructor who now lives in Dallas, Texas and is writing a book about the women pilots ("Zoot Suits and Parachutes"), the idea was met with trepidation.

"There was a great deal of hesitancy on the part of Air Force people," Mrs. Hunter remembers. "At that time, there was a stereotype that women weren't bright enough to think on their feet. They also wondered if women were strong enough."

Or perhaps diligent enough. A July 19, 1943 Life magazine article paid them a backhanded compliment, saying, "Girls are very serious about their chance to fly . . . even when it means giving up nail polish, beauty parlors and dates for a regimented 22½ weeks (of training)."

The women persevered. They learned to fly military aircraft (they checked out on all fighter and cargo planes, including the P51, P38, P39, B25, B26 and B29) and took on a variety of duties that culminated, for some, in death.

Raleigh resident Mary Clifford Lyman was one of the first WASPs to be stationed at Camp Davis, near Wilmington, N.C., where she towed targets for beginning antiaircraft gunners—and lost a friend, Betty Taylor, wife of WASP instructor Charlie Wood.

On Aug. 23, 1943, Mrs. Wood's plane hit a mound at the end of the runway and flipped over, sending the lone female pilot into the windshield.

Another WASP, Jeanne Norbeck, 31, died Oct. 16, 1944, during an engineering test flight over Shaw Field in Camden, S.C.

Four days later, the Shaw Field News wrote of her, "She has died in the service of her country. She has completed her mission as gloriously as our men overseas who go down heroically with their war planes. (Her) memory will never be forgotten."

"Of course it was forgotten," Ziggy Hunter says dryly.

Nothing, not even a couple of close calls, could deter Dot Hoover, the court reporter from Asheville. She started her WASP career towing the hulking gliders destined for the invasion of Normandy, progressed to towing targets for beginning fighter pilots and ended as a flight instructor.

Three decades later she speaks, in a whispery voice that almost camouflages her zeal, of her great love—flying—and the WASP years that were surely one of the highlights of her life.

But these aren't oft-told war tales. No one's been interested, until now, in an ex-pilot who got the crazy idea, at age 10, that she'd one day fly for the military.

Born in Asheville to Mr. and Mrs. Albert Post, Dorothy was 10 years old when the Lone Eagle, Charles Lindbergh, flew the Atlantic, May 21, 1927. "I was completely fascinated," she recalls. "I had a scrapbook on Lindbergh about yea-thick."

Little Dorothy Post kept that scrapbook for years, through high school when she started "hanging around Asheville-Hendersonville Airport when I could sneak off." Being "kinda bashful," she didn't make her ambitions known and no one ever took her up for a flight.

In 1934, she graduated from Asheville-Biltmore College (now a branch of the University of North Carolina) with a major in English and in 1938 married H. Oliver Hoover. She held a variety of office jobs before and after her marriage. Her dream of flying, a secret from her husband, was dormant, but not forgotten.

In the fall of 1939, Dorothy Hoover, living in Greenville, S.C. where her mate was working for Sears, read that the Civil Aeronautics Administration was sponsoring a pilot training program for male Furman College students. Although she was a married working

woman, she applied anyway and was accepted.

The memory of her first flight is crystal clear. She was in a Piper Cub two-seater with dual controls. An instructor was in the second seat.

"I guess I was sort of numb until we started to leave the ground. I got 100 feet up and said, 'Oh, Lord, this is it! This is what I want more than anything else in the world.'

"I just knew I had to make it through the course, so I really worked at it."

Twenty-seven students graduated. On the final exam, Mrs. Hoover missed one question out of approximately 400. She was first in her class.

Then it was back to the ground and office jobs. Her husband, from whom she was divorced 10 years ago (they had no children), was not enthusiastic about her grand ambition.

In 1941 Oliver Hoover was drafted and sent to the South Pacific. Dorothy Hoover went home to Asheville. In January 1943, she read a short newspaper article. Any "girl" pilot with 200 or more hours of flying time (she had 225) who was between 21 and 34, a high school grad and could pass an Army physical was invited to join the WASPs.

"When I read that, I came up out of my chair. I could hardly wait to get a letter off." Propelled by her own ambition, Mrs. Hoover was nevertheless aware that she was joining to please her father.

"My father was a very dedicated and patriotic person," she explains. "I felt inferior because I was a girl and couldn't go into the Army and fight for my country. That's why I think I grabbed at the opportunity to get into the WASP's." Her mother opposed the idea.

A month later, the pilot was on her way to Avenger Field near Sweetwater, Texas.

There were 40 women in her class. Some were married with husbands overseas. Some had been office workers. One glamorous recruit had been a Powers model. All were crazy about flying and didn't care how it was dished out.

They accepted the fact that they were in the civil service not the military, and yet under the training and regulations of the Army.

"We got identical flying training with Army cadets," Mrs. Hoover says. "We were the first class of women for the instructors who started instructing us and they didn't even change the cuss words.

"We also marched in the sun, chewed dust and had mud on our feet. We went where we were told and did what we were told to do."

After graduation Hoover (the women had no rank and were called simply by their last names) reported to South Plains air field near Lubbock, Texas. Glider crews were being trained for the invasion of Normandy and she was to copilot the tow plane, an 18-ton Lockheed Lodestar. Big as the Lodestar was, the glider, which held 15 men and a jeep, was even bigger.

"It wasn't easy to get the doggone elephant off the ground" she laughs: "The takeoff is critical because you've got to have your glider above your tow ship at all times to keep him out of your slip stream (or the glider will stall the tow ship's engines). You've got to get up enough speed going down the runway to get him airborne first."

Once, when she and a male Army pilot had been towing a glider for four hours in the early morning darkness, the glider pilot fell asleep, drifted into her craft's slip stream and almost stalled her out. Twelve tow planes had been sent up, with 12 gliders attached and they were stacked like cordwood over Lubbock.

Suddenly the glider pilot awoke. Sensing the danger, he cut himself loose and you should have heard that radio! Free glider in the area, clear the area! Everybody was going every which way." Miraculously, there were no midair collisions.

When the glider program finished, Mrs. Hoover was reassigned to Eagle Pass, Texas. She was given an AT6 equipped with a tow mechanism that trailed a 3-by-8-foot banner. Every day sh'd fly a 10-mile course while three or four beginning fighter pilots banked, dove and shot at her banner.

Was she ever frightened that one might miss and send her splat onto the bleak landscape of South Texas? Nope. But "They shot my cable off one time three feet behind my tail and I got a little irritated."

Mrs. Hoover piloted single-engine planes alone. On twin-engine flights she served as copilot. The pilot was always a male. "Every one we ever flew with we had to prove that we could fly," she claims, and adds, "They'd pull little tricks on you."

On one hop from Lubbock to Minneapolis, Minn., the pilot tested her by purposely giving her the wrong map to read. He got away with the prank for about two seconds and on the return trip she got revenge of sorts.

They stopped for the night in Kansas City, went to a hotel and found the waiting room bursting with people.

"After a while the WAC (in charge of reservations) called my captain and said, 'Captain, I found a room for you and your copilot.'

"He was kind of an old maid and he just squawked. She said, 'What's the matter with you—are you too good to sleep with your copilot?'"

Mrs. Hoover found a room with another WASP. And the pilot? Well. "You've never seen anybody so relieved in your life!

"You know," she continues, "there were lots of chances to fool around. But there was a saying that there was nothing more useless that a pregnant pilot. We all wanted to fly so bad that we were pretty darn sure that we weren't going to wash out for that."

Most WASPs did enjoy being rare birds. Says South Carolinian Florine Phillips Scaife, "It was exciting, new and a challenge and nobody knew who we were. We'd fly into a field and they'd know it was an Army plane.

"Many times the tower would ask who the pilot was and be absolutely astonished that I was by myself."

Dot Hoover had just completed instructor's training when the WASPs were deactivated Dec. 20, 1944, to make way for the surplus of male pilots. Gen. H. H. "Hap" Arnold, chief of the Army Air Force at the time, put it this way: "You have freed male pilots for other work. The situation is that if you continue in service you will be replacing, instead of releasing our young men."

Today Arnold's son, Col. Bruce Arnold (USAF-Ret.), has thrown his support to the WASPs and is working on his own to get them official recognition.

The deactivation left Dorothy Hoover heartsick but accepting.

"I racked my brains trying to figure out some way I could turn flying into a lifelong career. I thought if I could get up enough money I could buy an airline. If I had not been married, I would have gone on to college and studied aeronautical engineering and been a test pilot.

"I even thought, gosh, it would be great if I could be an airline pilot, but I'm a woman so you have to give it up and turn to other things."

She gave up flying, for lack of money, and for 16 years served as court reporter of the Buncombe County Superior Court, criminal division. Three years ago she resigned to start Western Carolina Reporters and now is busier than ever.

Like most other WASPs, 30 per cent of whom still fly, Dorothy Hoover yearns for official recognition. "I'd like some recognition, if nothing else. I felt like it was my contribution to the war effort.

"Nobody ever said thanks. We were never told we were appreciated."

This weekend many of the 600 remaining WASPs are meeting in Hot Springs, Ark. They're excited because CBS News is filming their reunion and because Barry Goldwater has Senate and House pledges that hearings on the WASPs' plight will be held during the next Congressional session.

Those hearings could come as early as December, says Goldwater aide Terry Emerson. "They will give the women the opportunity to come to Washington and testify.

"Sen. Goldwater feels that if it is turned down next year, it can only be on the basis of sex discrimination."

[From the Kansas City Times, Nov. 11, 1976]

WOMEN FERRY PILOTS: SEX BARS GI BENEFITS

(By James J. Fisher)

Imagine this. During World War II you answer the call to service. You are trained as a pilot. The training is rigorous and demanding, with 50 per cent of the cadets washing out.

Uniforms are issued. Military discipline is enforced. Cadets live in barracks. The food is military. Pay is $150 a month during training; $250 a month on graduation. Hours are long and hard, ferrying planes, training other pilots, towing targets. All to help America win the war.

There are just a couple of problems. If your plane crashes and you are injured or killed, you have to pay for your hospitalization or funeral. And on deactivation (not discharge) you are back in civilian life with no benefits, GI bill, Veterans Administration hospitalization or insurance.

Sound impossible? Discriminatory? It happened. And those it happened to weren't black, or Latin, or Oriental. They weren't criminals or politically suspect or aliens.

They were women.

"Of course, in those days no one talked about women's rights," Mrs. Francie Park, a Kansas Citian who lived through it, said. "They'd have locked you up as a nut. You just choked back the tears and anger and took your lumps."

Mrs. Park was Miss Francie Meisner then and was a member of the Women's Air Force Service Pilots (WASPS), who flew millions of miles and thousands of missions over the United States and Canada between September, 1942, and December, 1944, when political pressure killed the program.

Other women in the Kansas City area also were members of the WASPS. They include Mrs. Helen Pittenger, Mrs. Margaret Temme, Mrs. Marjorie Rees, Mrs. June Evans, Miss Wilma Miller and Mrs. Mary VanScyoc.

And while Mrs. Park remembers "how devastated we all were" when the WASPS were deactivated in 1944, she and the other 600 surviving members of the group haven't given up.

A good part of the WASPS reunion last week in Hot Springs, Ark., was devoted to methods of bringing pressure to bear on Congress next year to force passage of bills that would give the former WASPS hospital and medical benefits from the Veterans Administration. The bills also would retroactively militarize the WASPS, giving them, as Mrs. Park hopes, a chance to get some retroactive GI education training for themselves or their children.

"Face it," Mrs. Park said, "we were, to use the curent phrase, ripped off 30 years ago. If they tried that now, you'd hear screams all over Washington. But then it wasn't the same as it is now. Women were supposed to stay at home or at most work in the war effort by getting a factory job. But fly an airplane? Never."

More than 300 former WASPS attended the Hot Springs convention and Mrs. Park characterized them as "militant" about the bills before Congress. "We are going to get what's

coming to us. Back then we were young, politically naive and yelling for your rights—rights we'd earned—just wasn't done."

When the bills come up for public hearing many of the former WASPS plan to descend on Washington, Mrs. Park said. Some, she said, will even wear their old blue uniform. "Incidentally," she said, "mine still fits."

Opposing the benefits for the WASPS are the VA, the American Legion, the Disabled American Veterans and the Veterans of Foreign Wars.

According to a spokesman, the VA opposes the bills because the VA wants to define "veterans" narrowly, fearing that other civilians who served under military jurisdiction might want to seek similar benefits. VA officials point to the men who chose alternative service during the Vietnam War.

Mrs. Park said such arguments are specious.

She said the women joined the WASPS believing the unit was to be militarized and many were made to swear they would remain in the WASPS when it was militarized; that a militarization bill for the WASPS passed the House committee on military affairs, something that happened to no other organization; that the WASPS were sponsored for militarization by Gen. H. H. (Hap) Arnold, commanding officer of the U.S. Army Air Forces during World War II, and that the WASPS continually were tested for their military capabilities, bringing the accolade from General Arnold that "the women pilots (WASPS) are professionals."

General Arnold knew what he was talking about. He had ordered formation of the WASPS in September, 1942, as strategic planners estimated that American casualties in the air war over Europe and the Pacific would claim 20 per cent of all fliers.

General Arnold named Miss Jacqueline Cochran director of the WASPS, and more than 1,000 of 1,800 women pilots who applied were graduated from Avenger field near Sweetwater, Tex., during the next two years.

During those years the WASPS flew more than 60 million miles, ferrying air transports, towing targets for fledgling men fighter pilots, testing aircraft for engineering problems and training men pilots.

Thirty-eight WASPS died on duty or during training. They received no death benefits because the WASPS were paid as civilians while the Army Air Force tried to get congressional legislation to militarize them.

WASPS, an Air Force history of the period states, flew every type of aircraft in the United States inventory during the War—from AT6 trainers to B29s. One WASP even was qualified to handle the first United States jet, the Bell P59.

"There was one time in Texas that a B29 came in, one of the first produced, and gave the guys on the ground quite an air show," Mrs. Park said. "The Air Corps personnel just went wild about the plane. They hadn't seen many of them. And they went a little bit wilder when the crew stepped out, all WASPS."

During the two years of the WASPS' existence, General Arnold, his subordinates, and Miss Cochran worked to get the women militarized.

But in March, 1944, the political pressures on Congress mounted, largely from men pilots working for contract flying schools. Anticipated air losses were well below the 20 percent envisioned 18 months earlier and there was a crying need for ground troops which had snatched 36,000 men out of the pool for flight training and assigned them to infantry.

The contract pilots, facing the end of their schools, faced either a draft notice or no pay as the civilian flight training programs wound down. Appropriations for the WASPS were cut off and many men pilots took over their jobs ferrying aircraft.

"The rumors went around for months," Mrs. Park said. "Still when the end of the program was announced, there were a lot of tears. And a lot of anger."

Mrs. Park said any thought of the WASPS getting their rights remained dormant until the 1960s. "Then one of the girls put together a mailing list and from that came the first reunion. And right away there was talk about getting what we figured was owed to us. And it gets stronger every year."

At every reunion, Mrs. Park said, the Order of Fifinella, the official name for alumni of the WASPS, is proudly displayed. Fifinella is a female gremlin and the drawing for the WASPS was created by the Walt Disney studios.

"As you know," Mrs. Park said, "gremlins are persistent. They are indeed."

By Mr. DOLE (for himself and Mr. McGOVERN):

S. 248. A bill to establish a National Agricultural Research Policy Advisory Board, and for other purposes; to the Committee on Agriculture and Forestry.

NATIONAL AGRICULTURAL RESEARCH POLICY ACT OF 1977

Mr. DOLE. Mr. President, during the last session of Congress, the Senator from South Dakota (Mr. McGOVERN) and I introduced The National Agricultural Research Policy Act of 1976. The bill was received with broad, bipartisan approval, but it was introduced so late in the session that there was simply not enough time for the measure to receive full consideration by this body, or be enacted into law.

Today, I am pleased to introduce a similar bill—The National Agricultural Research Policy Act of 1977. The purpose of this legislation is to place increased emphasis on agricultural research so that the food and fiber needs of the Nation and the world can be met in the future.

RESEARCH NEEDS

The record of past successes in agricultural science is impressive. The U.S. Department of Agriculture, universities, foundations, and private enterprise have all made important contributions. Today, a single American farmworker supplies enough food and fiber for 56 people. But past success has created a feeling of complacency. Expenditures on agricultural research have not kept up with inflation during recent years.

For example, in 1965, agricultural research funding from Federal and State agricultural experiment stations, and industry sources was estimated at $854 million. A comparable estimate for 1975 was about $1.6 billion. However, after discounting for inflation, the 1975 expenditure had less purchasing power than the amount spent in 1965.

The President's budget request for the major research arm of the U.S. Department of Agriculture, the Agricultural Research Service, for fiscal 1977 is only about 60 percent of what it was 10 years ago in constant dollars.

It is also informative to compare resources for agricultural research with other sectors of the economy. Suppose we look at the 1977 budget. The President requested that total research and development budget authority be expanded by 11 percent for 1977. This compared to a total budget authority increase of 6.1 percent. The increase for agricultural research was only 5 percent. Thus, agriculture research came up short when compared to total research, the total budget and inflation—should the latter exceed 5 percent.

Beyond the immediate concern of dollar expenditures, however, is the knowledge that available research funds have had to be stretched again and again to cover emerging new needs. Human nutrition, environmental quality, and energy availability are examples of worthy research priorities. At the same time, though, these priorities have forced reductions in production and marketing research.

NEW DEMANDS

Demands for more food production continue to grow. Even with the declining birthrate in the United States, our population is expected to increase from 214 million to 270 million by the year 2000. Worldwide population is expected to increase from 4 billion to at least 6 billion during the same period.

Furthermore, as we look to the future, it appears that it will not be as easy to turn on the spigot of agricultural production as it has been in the past. We no longer have 60 million acres being held out of production as in the early 1970's. In many areas, chemical fertilizers have reached a point of diminishing returns. Crop yields appear to be nearing a biological ceiling unless there is a research breakthrough.

In 1974, the Economic Research Service of USDA gave this assessment of past research accomplishments and our prospects for the future:

An extensive inquiry was made into the root causes of productivity change in agriculture. Factors considered were: mechanization, hybridization, fertilization, and pesticides. Change in aggregate agriculture productivity was made a function of changes in the adoption of these major technologies. There is strong evidence that these few technologies were responsible for the bulk of productivity change during this century. Since most of the major technologies were nearly exploited by 1960, the productivity increase has slackened since that time. For the future, minor technologies will contribute a modest improvement in productivity but major change will have to wait the discovery of new major technology.

This means the day has passed when we can take for granted our excellent past record in bettering our agricultural performance.

FRAGMENTATION OF RESEARCH

While the evidence strongly suggests that there is a need for upgrading the priority given to agricultural research expenditures in this country, increased coordination of research is also needed. In addition to USDA, many colleges and universities—including the land grant colleges—State agricultural experiment stations, the National Science Foundation, the National Institutes of Health, the Department of Health, Education, and Welfare, the Environmental Protection Agency, and the Energy Research and Development Administration all carry out some farm-related research.

Such fragmentation greatly hinders our ability to focus the vast research capabilities of this Nation on the research needs of highest priority.

In short, this country needs to revi-

talize agricultural research through increased funding and better coordination. Then we can begin to tackle basic research in such promising areas as: photosynthesis; nitrogen fixation; crop and livestock protection; water and nutrient efficiencies; genetics; biochemical aspects of handling and processing of crops, livestock, and fish; soil and water relationships; and alternative market arrangements.

This legislation is being introduced so that these goals can be realized.

PROVISIONS OF THE BILL

To accomplish the purposes outlined here, the bill:

First. Establishes one additional Assistant Secretary of Agriculture position to perform such duties as the Secretary may direct, including carrying out the purposes of this act.

Second. Creates a 22-member national agricultural research policy advisory board to advise the Secretary of Agriculture on programs, policies, and goals of research and education.

Third. Provides for coordination and authorizes $7,500 for human nutrition research in the fiscal year ending September 30, 1978.

Fourth. Contains authorization for mission-oriented research grants to all colleges and universities having demonstrable capacity in agricultural research.

Fifth. Establishes a new competitive grant program to be awarded to Federal agencies, research institutions, organizations, and individuals for the purpose of carrying out agricultural research with authorized funding for this program of $15,000,000 in fiscal 1978, and such sums as may be necessary for the 2 subsequent fiscal years up to a total of $750,000,000 for all 3 years.

Sixth. Raises the authorization for existing agricultural research programs and for sections 5 and 6 of this act to a total of $600,000,000 for the year ending September 30, 1978.

Mr. President, I believe that we must put increased emphasis on agricultural research in this country. Consumers in the future will depend on the action we take now. I urge my colleagues in the Senate to take early and affirmative action on this bill.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "National Agricultural Research Policy Act of 1977".

FINDINGS, DEFINITIONS, AND PURPOSES

FINDINGS

SEC. 2. (a) The Congress finds that—

(1) agricultural research, which includes research on food, nutrition, and fiber as well as timber growth and utilization and on other agricultural commodities, is vital to the Nation's well-being;

(2) the projected increase in the population of the United States, together wtih the worldwide population expansion, places increasing demands on agricultural production in the United States;

(3) agriculture and agricultural production are a national resource and should be supported by a strong system of agriculturally related research, resident instruction, and extension;

(4) more intensive research and extension programs oriented to the specific, known needs of small-farm operators are essential to the preservation of the family farm system in this country;

(5) meeting the Nation's needs for wood products, consistent with the principles of multiple use and sustained yield, is in the national interest;

(6) the production of healthy animals and plants is essential to insure a safe food supply for the Nation;

(7) expanding exports of agricultural commodities is essential for maintaining a positive balance of payments in international trade;

(8) the public wants plentiful supplies of quality agricultural and forestry products at reasonable prices;

(9) agricultural research and extension costs have risen more rapidly than appropriations;

(10) various factors such as energy, the environment, and social, political, and economic considerations should be incorporated into planning for the agricultural sciences;

(11) the level of Federal support for the agricultural sciences, including research, conducted by the United States Department of Agriculture, and research and extension conducted by the land-grant colleges, State agricultural experiment stations, and other colleges and universities engaged in agricultural research and the training of agricultural research engineers and scientists, should be substantially increased;

(12) it is important to assure that the results of agricultural research be effectively communicated to farmers and all other users who can benefit therefrom; and

(13) this Nation has an opportunity and a responsibility to use its preeminence in the field of agricultural research to assist chronic food deficit developing countries to increase their own food production for domestic use.

DEFINITIONS

(b) For purposes of this Act:

(1) The term "agricultural research" shall include research into the laws and principles underlying the basic problems of agriculture in its broadest aspects. This term shall include, but not be limited to, those subject areas described or defined in section 1 of the Act of June 29, 1935, as amended (7 U.S.C. 427), section 7 of the Act of October 10, 1962 (16 U.S.C. 582a–6, commonly known as the McIntire-Stennis Act), section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622), the Act of May 22, 1928, as amended (16 U.S.C. 581 et seq.), and the Manual of Classification of Agricultural and Forestry Research prepared by the Research Classification Subcommittee of the Agricultural Research Policy Advisory Committee.

(2) The term "mission-oriented agricultural research" includes agriculturally related research on fundamental scientific problems with regard to which—

(A) there is a need already in existence for the new knowledge that would be generated by this research;

(B) the research has a strong potential to be of benefit to mankind; and

(C) the research deals with more than an unproven concept.

(3) The word "Board" means the National Agricultural Research Policy Board established pursuant to section 4 of this Act.

(4) The word "Secretary" means the Secretary of Agriculture.

PURPOSES

(c) The purposes of this Act are—

(1) to emphasize agricultural research and education as distinct missions of the United States Department of Agriculture;

(2) to encourage and facilitate the development and implementation of more efficient and environmentally sound methods of producing, processing, marketing, and utilizing food, fiber, and wood products;

(3) to provide for research on human nutrition in order to maximize the health and vitality of the people of the United States; and

(4) to provide a mechanism for identifying the Nation's highest priorities for agricultural research, to assure that high priority research is effectively implemented, and to be certain that all research related to agriculture is effectively planned, coordinated, and evaluated.

COORDINATION OF AGRICULTURAL RESEARCH

SEC. 3. (a) The Secretary shall—

(1) coordinate and disseminate all agricultural research information, conducted or financed by or affiliated with the United States Department of Agriculture, and to the maximum extent practicable after consultation with other Federal departments and agencies coordinate all such research and the dissemination of information related thereto;

(2) keep abreast of developments in, and the Nation's needs for, agricultural research and education and represent the needs for such research and education in deliberations within the United States Department of Agriculture and the executive branch of the United States Government, and with the States and their educational and research institutions, private educational institutions, agricultural and related industries, and other interested institutions and groups;

(3) designate an officer or employee of the United States Department of Agriculture as cochairman of the National Agricultural Research Policy Advisory Board established pursuant to section 4 of this Act;

(4) establish pursuant to the provisions of title 5, United States Code, governing appointments in the competitive service, an appropriate staff to assist him in carrying out the provisions of this Act and to provide such staff support for the Board as he deems necessary. The Secretary shall appoint from such staff one person to serve as the Executive Secretary of the Board; and

(5) provide liaison with other units within the executive branch which are involved in agricultural research activities in other countries.

(b) In addition to the Assistant Secretaries of Agriculture now provided for by law, there shall be one additional Assistant Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as the Secretary may direct, including, but not limited to, such duties as are necessary to carry out the purposes of this Act, and he shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of Agriculture.

(c) Paragraph (11) of section 5315 of title 5, United States Code, is amended by striking the number which appears in parentheses following the phrase "Assistant Secretaries of Agriculture" and inserting the next higher number.

ESTABLISHMENT OF NATIONAL AGRICULTURAL RESEARCH POLICY ADVISORY BOARD

SEC. 4. (a) There is established within the United States Department of Agriculture a permanent board to be known as the National Agricultural Research Policy Advisory Board.

(b) The Board shall consist of twenty-two members appointed by the Secretary as follows:

(1) two representatives from the United States Department of Agriculture, one from the Agricultural Research Service and one from the Cooperative State Research Service;

(2) five representatives from colleges and universities engaged in agricultural research;

(3) one representative from each of the following organizations upon the recommendation of the head of such organization:

(A) the National Academy of Sciences;

(B) the National Science Foundation;

(C) the Office of Technology Assessment of the Congress of the United States;

(D) the Environmental Protection Agency;

(E) the Food and Drug Administration, United States Department of Health, Education, and Welfare; and

(F) the Agency for International Development.

(4) nine representatives from the following types of organizations, as designated by the Secretary:

(A) two from national farm organizations;

(B) one from a national forestry organization;

(C) two from agricultural commodity associations;

(D) one from a national environmental organization;

(E) one from a national veterinary medical association;

(F) one from a national consumer organization; and

(G) one from a private sector organization involved in development programs and issues in developing countries.

(c) The Board shall be chaired jointly by the designee of the Secretary and a member of the Board elected by the Board.

(d) The Board's responsibilities shall include, but not be limited to—

(1) establishing appropriate means for evaluating the economic, environmental, and social impacts of research and extension programs related to the agricultural, food, and nutrition sciences;

(2) reviewing programs, policies, and goals of the agricultural research and extension agencies of the Department of Agriculture and the agricultural research and extension portions of programs in other agencies having primary missions outside of such Department, including colleges and universities;

(3) providing a forum for the exchange of information on plans and programs of other Federal agencies sponsoring or conducting research and education programs related to agriculture, food, and nutrition, including information to be provided through the Federal Coordinating Council for Science, Engineering, and Technology;

(4) developing and recommending national policies, priorities, and strategies for agricultural research and education for both the short and the long term for consideration by the Department of Agriculture and other agencies and institutions conducting agricultural research; and

(5) reviewing and making recommendations to the Secretary with regard to the allocation of funds for all programs of research and extension carried out by the Department of Agriculture.

(e) In formulating its recommendations to the Secretary, the Board may obtain the assistance of United States Department of Agriculture employees, and to the maximum extent practicable and after appropriate consultations, obtain the assistance of employees of other Federal departments and agencies conducting related research, and of appropriate representatives of land-grant and other colleges and universities, State agricultural experiment stations, and other non-Federal organizations conducting significant programs in the agricultural sciences.

(f) While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with applicable laws.

(g) In the event a vacancy should occur on the Board it shall be filled in the same manner as provided in subsection (b) of this section.

(h) No later than January 31 of each year, the Board shall submit a report on its activities during the preceding fiscal year to the President and the House Committee on Agriculture, the House Committee on Appropriations, the Senate Committee on Agriculture and Forestry, and the Senate Committee on Appropriations. The report may include the separate views of members of the Board. The first report shall be due following the first complete fiscal year after the enactment of this Act. The second annual report shall include a long-range plan for Agricultural Research and Extension, to be updated every five years.

COORDINATION OF HUMAN NUTRITION RESEARCH

SEC. 5. (a) To promote the coordination of human nutrition research and development, the Secretary shall, in cooperation with the heads of other Federal agencies, conduct a continuing inventory of ongoing human nutrition research projects and results. To the extent possible, this inventory shall make use of studies and other inventories being carried on by the Federal agencies, including information contained within the Department of Agriculture's Current Research Information System.

(b) Such inventory shall be conducted by a Clearing House for Federal Human Nutrition Research, to be established within the Department of Agriculture. The purpose of this office shall be to—

(1) collect on a continuing basis from each Federal agency information held by such agency which pertains to research which has been, is being, or will be conducted by or for such agency with regard to human nutrition. Such information shall include complete descriptions of the projects, and the final research results. Human nutrition research shall include studies on the nutritive value of foods, human nutrition requirements, the nutritional impact of Federal food programs, nutrient function and metabolism, malnutrition, food cost plans, nutrient analysis of foods, dietary or food consumption surveys, current dietary practices or habits, nutritional surveillance and status, nutritional education, clinical nutrition, dietary therapy, nutrition and its relationship to alcohol, environmental toxicants, cancer, and so forth, malabsorption syndromes, and familial or inherited errors in metabolism or nutritional defects;

(2) prepare a report containing a detailed summary of the information described in paragraph (1);

(3) submit such report, and each periodic revision thereof, to the Congress and each Federal agency from which the office collected information pursuant to paragraph (1);

(4) forward such report to the appropriate offices within the Department of Agriculture responsible for nutrition research activities; and

(5) make such report and collected information available to the public. The first such report shall be submitted and made available pursuant to paragraphs (3), (4), and (5) not later than one year after the date of enactment of this Act and shall be updated, resubmitted and made available in its updated form every year thereafter.

GRANTS FOR MISSION-ORIENTED RESEARCH

SEC. 6. (a) In addition to any other grants made under Federal law, the Secretary is authorized to make grants to land-grant colleges and universities eligible for assistance under the Acts of July 2, 1862 (commonly known as the First Morrill Act), and of August 30, 1890 (commonly known as the Second Morrill Act), the Tuskegee Institute, and to State agricultural experiment stations eligible for assistance under the Act of March 2, 1887 (commonly known as the Hatch Act), and to all colleges and universities having demonstrable capacity in agricultural research as determined by the Secretary, to carry out mission-oriented agricultural research. These grants shall be made without regard to matching funds being provided by the States in which the recipients are located. The Secretary shall limit allowable overhead costs to those necessary to carry out the purposes of a grant.

(b) Section 3(c)(4) of the Act of March 2, 1887, as amended (7 U.S.C. 361(c)(4)), is hereby repealed.

COMPETITIVE GRANT PROGRAM

SEC. 7. In addition to any other grants made under Federal law, the Secretary is further authorized to make grants, on a competitive basis, to Federal agencies, research institutions, organizations, and individuals for the purpose of carrying out agricultural research. These grants shall be made without regard to maching funds being provided by the States in which the recipients are located. The Secretary shall limit allowable overhead costs to those necessary to carry out the purposes of a grant.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. (a) Except as provided in subsection (b), there is authorized to be appropriated for the purposes of carrying out the provisions of section 7 of this Act $15,000,000 for the fiscal year ending September 30, 1978, and such sums as may be necessary for the two subsequent fiscal years ending September 30, 1979, and September 30, 1980, except that the total amount of such appropriations shall not exceed $150,000,000 during the three-year period beginning October 1, 1977, and ending September 30, 1980, and not in excess of such sums as may thereafter be authorized by law for any subsequent fiscal year.

(b) There is authorized to be appropriated for the purpose of conducting human nutrition research under this Act $7,500,000 for the fiscal year ending September 30, 1978, and such sums as may be necessary to carry out such research for each of the fiscal years ending September 30, 1979, and September 30, 1980, and not in excess of such sums as may thereafter be authorized by law for any subsequent fiscal year.

AUTHORIZATIONS FOR OTHER PROGRAMS

SEC. 9. Notwithstanding any authorization for appropriations for agricultural research in any Act existing prior to the date of enactment of this Act, there is authorized to be appropriated for the fiscal year ending September 30, 1978, a total of $600,000,000 for those agricultural research programs existing prior to the enactment of this Act and for sections 5 and 6 of this Act, and not in excess of such sums as may thereafter be authorized by law for any subsequent fiscal year.

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 249. A bill to amend the Youth Conservation Corps Act of 1970 (84 Stat. 794); to the Committee on Interior and Insular Affairs.

YOUNG ADULT CONSERVATION CORPS ACT

Mr. JACKSON. Mr. President, I am introducing today for appropriate reference, a bill to amend the Youth Conservation Corps—YCC—Act of 1970. The purpose of the legislation I am introducing today is to create a Young Adult Conservation Corps to complement the highly successful YCC.

During the depression of the thirties, President Franklin D. Roosevelt proposed a sensible approach to relieving massive unemployment, the Civilian Conservation Corps. The CCC served this Nation well in the 1930's by providing productive jobs for almost 3 million Corps participants. The results of this

program can still be seen today in our national parks and other public lands.

Patterned after the CCC, Congress passed, in 1970, a pilot program—the Youth Conservation Corps—to provide summer employment on our public lands to approximately 3,000 young people 15 to 18 years of age. Since 1970, the Congress has twice extended and expanded the program making the YCC a permanent part of our national scene. Like the CCC, it has proven to be a very successful and popular program.

Since its inception, and including this year's enrollment, some 56,000 young men and women from all segments of society have participated in the YCC program. These young people have made meaningful improvements to our natural resources worth almost $30 million. In so doing, they have returned to the Nation approximately 80 cents on every dollar appropriated. The popularity of the program is attested to by the fact that 200,000 young people applied for approximately 24,000 YCC enrollee positions available last summer.

The legislation I am introducing today builds upon the proven concepts of the CCC and YCC by providing young people, primarily those 19 to 24 years of age, with jobs in conservation-related projects on public lands and waters of the United States. In addition, under the provisions of this proposal grants can be made to States to assist them in developing projects to employ young adults for preservation and maintenance of non-Federal public lands and waters within the States.

The need for creating this new Young Adult Conservation Corps is thoroughly demonstrated by the unconscionably high levels of youth unemployment and the backlog of conservation-related work on our public lands. A large proportion of the Nation's youth are failing in or being failed by, the labor market. At any one time in 1975, 3.6 million jobseekers between the ages of 16 and 24 were unable to find jobs. The unemployment rate for teenagers—16 to 19 years old—was almost three times that for persons 25 and over, while the rate for young adults—20 through 24 years old—was more than twice the rate for older adults. The absolute and relative rates of youth joblessness in the United States are significantly above those in most other industrialized nations.

The situation is much more critical for minority youth, especially those living in central cities and those residing in low-income rural areas. Nearly 3 of every 10 nonwhites under the age of 25 who seek work cannot find it. This unemployment rate is almost double that for young whites.

The rate of teenage unemployment in the central cities in 1975 was nearly a third higher than in the suburbs. More revealing, only 38 percent of central city teenagers were employed, compared with 47 percent of suburban youths. The recession has unquestionably been a depression for youth, especially for minority teenagers. In the first quarter of 1976, the overall teenage rate of unemployment had risen to 19.4 percent, while the nonwhite unemployment rate reached an appalling 35.2 percent. In the third quarter of 1976, the nonwhite teenage unemployment rate was still close to 30 percent and the unemployment rate for nonwhites between the ages of 18 to 24 residing in our Nation's central cities was over 26 percent. For the same age group residing in central city poverty areas the rate was almost 32 percent.

Ironically, while millions of the young people are jobless, jobs that need doing on our Nation's public lands go wanting. There is a tremendous backlog of resource conservation and restoration work on Federal and State owned lands. In almost every part of the country there is a desperate need to replant forests, to prevent erosion, to abate pollution, to guard against and fight fire, to enhance the beauty and utility of our parks, to add new facilities—trails, bridges, and camping areas—in our recreation areas, to improve watershed management, and to make the beauty and grandeur of our public lands accessible to the American people.

The Departments of the Interior and Agriculture estimate a backlog of some 720,000 man-years of recurrent and nonrecurrent work which could be performed by Young Adult Conservation Corps members. They estimate they could easily employ 90,000 to 100,000 youth in the first year of the program's operation given the support and cooperation of other Federal agencies. Significantly, most of the work is highly labor intensive and does not involve extensive supervision or expensive machinery. This critically important work is there waiting to be done and it requires only the people to do the job and the money to pay them.

Mr. President, this legislation is very similar to S. 2630 which I introduced in the 94th Congress. The Senate Interior and Insular Affairs Committee conducted hearings and favorably reported the House-passed version of this legislation—H.R. 10138—in July but no floor action was taken. I hope that we can move expeditiously to enact this legislation during the 95th Congress.

I am pleased to note that one of the recent recommendations of the National Commission for Manpower Policy calls for the conversion of the YCC program from an 8-week summer program to a year-round training/work program for 50,000 young people from low-income families, particularly—but not exclusively—those from rural backgrounds. While the legislation I introduce today is designed to employ more than 50,000 young people and will not directly affect the existing YCC program, I am encouraged by the Commission's recognition of the value of the Young Adult Conservation Corps approach in solving the problem of youth unemployment. I urge my colleagues to join with me in support of this very important legislation. We cannot afford to waste the energy and skills of the young people in our Nation who have an honest desire to work and contribute to their communities.

I ask unanimous consent that the bill and a summary of its major provisions be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Young Adult Conservation Corps Act".

SEC. 2. The Act entitled "An Act to establish a pilot program in the Departments of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes", enacted August 13, 1970 (84 Stat. 794; as amended, 16 U.S.C. 1701–170) (hereinafter in this Act referred to as the "Youth Conservation Corps Act"), is amended by adding at the end thereof the following new Title:

"TITLE II—YOUNG ADULT CONSERVATION CORPS

"POLICY AND PURPOSE

"SEC. 201. The Congress finds that—

"(1) unemployment levels are excessively high among young adults;

"(2) young adults have minimal or no job experience, and that considering our country's current economic situation, these young adults have a limited opportunity of gaining the necessary job experience, training, and fundamental skills required to enter the labor force at a competitive level;

"(3) as a result of the high unemployment levels of this age group our country's social service resources are being unnecessarily drained, and the Government is losing tax revenues;

"(4) due to their limited opportunities, crime rates are higher among young adults;

"(5) there are large inventories of conservation work and other work of a public nature within the national park system, the national forest system, States, municipalities, and other public land and water areas of the United States which require large amounts of labor and relatively small capital investments; and

"(6) much of the conservation work and other work of a public and environmental nature on the lands and waters of the United States, such as reforestation, timber stand improvement, fighting forest fires, trail and campground improvements, and control of insects, diseases, soil erosion, and floods and other natural disasters, can only be accomplished during certain seasons or by a year-round work program.

It is, therefore, the purpose of this title to complement the highly successful Youth Conservation Corps and to provide employment and other benefits to young adults who would not otherwise be currently productively employed while reducing the inventory of conservation work and completing many other projects of a public nature on the lands and waters of the United States. This title shall in no way limit the requirement set forth in the Employment Act of 1946 (15 U.S.C. 1021 et seq.) that the Federal Government promote maximum production and purchasing power in the Nation's economy. This title supplements and extends the provisions of title I of this Act and does not limit or repeal any existing authority provided by title I of this Act.

"EXTENSION OF YOUTH CONSERVATION CORPS

"SEC. 202. The Secretary of the Interior and the Secretary of Agriculture (hereafter in this title referred to as the 'Secretaries') shall jointly extend the Youth Conservation Corps so as to make possible the year-round employment of young adults. Section 102 of this Act applies to the extended Corps under this title, except that individuals employed as Corps members under this title—

"(1)(A) shall have attained age nineteen

but not attained age twenty-four or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(2) shall be physically capable, as determined under regulations established by the Secretaries, to carry out the work of the Corps;

"(3) shall be given preference for employment if they reside in counties having a rate of unemployment equal to or in excess of 6 per centum for three consecutive months, or, if such data is not kept by counties, such other statistical area basis as is used within the State involved, as determined by the Secretary of Labor; and

"(4) may be employed for a total period of not more than twelve months, with such maximum employment period consisting of one continuous twelve-month period or of two or more periods which together total twelve months.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 203. (a) Section 103 of this Act, relating to the duties and functions of the Secretaries, applies to this title, except that in administering this title the Secretaries shall—

"(1) place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available;

"(2) employ such individuals in such projects as but not limited to—

"(A) tree nursery operations, planting, pruning, thinning, and other silvicultural measures;

"(B) erosion control and flood damage;

"(C) wildlife habitat improvements;

"(D) range management improvements;

"(E) recreation development, rehabilitation, and maintenance;

"(F) forest insect and disease control, road and trail improvements, and wildlife preservation; and

"(G) general sanitation, cleanup, and maintenance of State and public lands;

"(3) in determining appropriate work projects for Corps members, give priority to projects that—

"(A) are relatively labor intensive;

"(B) have work plans or for which work plans could be readily developed;

"(C) may be initiated promptly; and

"(D) are productive;

"(4) to the maximum extent practicable employ such individuals in areas where existing residential facilities are available;

"(5) to the maximum extent practicable employ such individuals in activities similar to activities of those employed in seasonal and part-time employment, in the case of the Secretary of the Interior, in the National Park Service, Bureau of Outdoor Recreation, the United States Fish and Wildlife Service, the Bureau of Reclamation, the Bureau of Land Management, and the Bureau of Indian Affairs, and, in the case of the Secretary of Agriculture, in the Forest Service and the Soil Conservation Service; and

"(6) determine rates of pay for Corps members by giving consideration to housing, transportation, food, medical, and other direct benefits of employment (except that supplies and equipment shall not be benefits of employment), but in no event shall rates be set at less than the current Federal minimum wage, set forth in section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

"(b) In carrying out this title, the Secretaries shall provide, to the maximum extent practicable, that Corps members under this title shall not, at the same time, share common facilites or work on common projects with Corps members under title I of this Act.

"EXTENSION OF GRANT PROGRAM FOR STATE PROJECTS

"SEC. 204. (a) The Secretaries shall jointly extend the grant program for State projects required by section 104 of this Act so as to provide increased employment to young adults to develop, preserve, and maintain non-Federal public lands and waters within the States, as defined in section 104(a) (and such employment may include employment on projects which assist the selective cutting and thinning of timber on such lands for essential fuel purposes). Sections 104(a), (b), and (c) of this Act apply to the extended grant program for State projects under this title, except that for the purposes of this title, each grant application shall contain assurances satisfactory to the Secretaries that individual employed under the project for which the application is submitted—

"(1)(A) shall have attained age nineteen but not attained age twenty-four, or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(2) shall be physically capable, as determined under regulations established by the Secretaries;

"(3) shall be given preference for employment if they reside in counties having a rate of unemployment equal to or in excess of 6 per centum for three consecutive months, or if such date is not kept by counties, such other statistical area basis as is used within that State, as determined by the Secretary of Labor;

"(4) be employed for a total period of not more than twelve months, with such maximum employment consisting of one continuous twelve-month period or of two or more periods which together total twelve months; and

"(5) shall be paid at the rate set under section 203(a)(3).

"(b) Of the sums appropriated under section 207(b) for the fiscal year beginning October 1, 1977, not more than twenty-five per centum shall be made available for grants under this section. Of the sums appropriated under section 207(b) for the fiscal year beginning October 1, 1978, thirty per centum shall be made available for grants under this section. Amounts reserved for this section in any subsequent fiscal year shall be determined by the Congress after receiving the recommendations of the Secretaries of Agriculture and Interior in the report required by section 205. Within 90 days from the date such report is referred to the House Committee on Education and Labor and the Senate Committee on Interior and Insular Affairs, each such Committee shall report legislation providing authorization for the fiscal year to which the report refers.

"(c) The States, in employing young adults in the extended grant programs authorized by this section, shall have the same duty, with respect to common facilities and projects, as is imposed on the Secretaries under section 203(b).

"SECRETARIAL REPORTS

"SEC. 205. The Secretaries shall prepare jointly and submit to the President and the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the date of enactment of this Act. The Secretaries shall include in such report such recommendations as they deem appropriate for changes in the percentage of funds allocated to States under section 204(b).

"TIME PERIOD FOR PLANNING AND PREPARATION

"SEC. 206. (a) During the period beginning on the date of enactment of this title and ending on October 1, 1977, the Secretaries shall prepare a plan to carry out the activities authorized by this title. Such plan shall contain an estimate of the annual costs of carrying out the activities authorized by this title, a procedure for selecting candidates, a detailed list and description of the work projects selected by the Secretaries to be initiated under this title, and a detailed list and description of site locations, facilities, and equipment selected by the Secretaries for use under this title. In selecting work projects, the Secretaries shall give priority to reforestation, timber stand improvements, fighting forest fires, trail and campground improvements, and control of insects, disease, soil erosion, and floods. In selecting facilities for Corps camps, the Secretaries shall utilize existing facilities, including military facilities, whenever possible.

"(b) No young adults shall be employed under section 202 and no grants shall be made to the States under the extended grant program of section 204(a) until January 1, 1978.

"(c) The Secretaries shall submit to the Congress the plan they prepared pursuant to subsection (a) no later than October 1, 1977. If neither House of Congress disapproves such plan within sixty days after its submission, such plan shall be deemed approved.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 207. (a) There is authorized to be appropriated to the Secretaries for preparing the plan required under section 206 of this Act, and for preparing the sites, facilities, and equipment selected in such plan (utilizing persons eligible for employment under this title, where practicable), $50,000,000 for the period beginning on the date of enactment of this title and ending on the two hundred and fortieth day after such date.

"(b) There are authorized to be appropriated in addition to the amounts appropriated under subsection (a) such sums as may be necessary for the fiscal year beginning October 1, 1977, and for each of the three succeeding fiscal years, for the purpose of carrying out this title.".

SEC. 3. The Youth Conservation Corps Act is further amended by—

(1) inserting immediately after the enacting clause the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) redesignating sections 1 through 6 as sections 101 through 106, respectively;

(3) striking out "section 6" in section 104(d) (as redesignated by clause 2 of this section) and inserting in lieu thereof "section 106"; and

(4) striking out "Act" each place it appears in sections 101 through 106 (as redesignated by clause 2 of this section) and inserting in lieu thereof "title".

SUMMARY OF MAJOR PROVISIONS

S. 249 instructs the Secretaries of the Interior and Agriculture to extend the Youth Conservation Corps by creating a Young Adult Conservation Corps to make possible year-round employment of young adults ages 19–24. The bill also provides for the employment of youths 16–18 years of age who are high school graduates and permits employment of non-high school graduates within this age category provided that such individuals do not drop out of school for purposes of obtaining employment in the Young Adult Conservation Corps.

The Secretaries are directed, beginning on the date of enactment, to prepare a de-

tailed plan to carry out the activities authorized under this legislation. Such plan shall contain an estimate of annual cost, procedures for selecting candidates, a list and description of the work projects initially selected, and a list and description of site locations, facilities and equipment required.

The bill provides that enrollees in the Young Adult Conservation Corps shall be employed a maximum period of 12 months either in one continuous period or two or more periods which together total 12 months and shall be paid the current Federal minimum wage set forth in section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. Preference for employment is to be given to those individuals residing in counties having an unemployment rate equal to or in excess of 6 percent for three consecutive months as determined by the Secretary of Labor.

The legislation also extends the grant program for state projects authorized by Section 104 of the Youth Conservation Corps Act of 1970. This program will allow State participation in the development and preservation of non-Federal public lands and waters.

By Mr. INOUYE:

S. 250. A bill to amend title I of the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1954 to prohibit the reduction of disability payments under employer-maintained disability compensation plan whenever certain social security benefit payments are increased; to the Committee on Finance.

Mr. INOUYE. Mr. President, I have learned that a gross inequity exists involving private disability insurance benefits and social security cost-of-living increases. I have received letters describing an apparently legal practice where insurance companies have reduced their benefits by the amount of each cost-of-living increase in social security payments.

This practice means that the cost-of-living adjustments in social security never reach the intended recipient; they instead accrue toward the contracted liabilities of insurance carriers, reducing the benefits they pay out. This obviously subverts the purpose of cost-of-living adjustments.

Therefore, I wish to offer some means of corrective action. I believe the bill I am reintroducing today will accomplish this. It does not encroach on the customary jurisdiction claimed by the States in regulating the insurance industry. It does, however, amend the 1974 Employee Retirement Income Security Act and the 1954 Internal Revenue Code by prohibiting the accrual of the increased social security benefits toward defraying, reducing, or subrogating the benefits owed recipients under private insurance companies.

Mr. President, I ask that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 250

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 206(b) of the Employment Retirement Income Security Act of 1974 is amended by striking out "pension plan" in paragraph (1) and inserting in lieu thereof "employee welfare benefit plan".

SEC. 2. (a) Section 264 of the Internal Revenue Code of 1954 (relating to certain amounts paid in connection with insurance contracts) is amended by adding at the end thereof the following new subsection:

"(d) CERTAIN DISABILITY COMPENSATION PLANS.—Notwithstanding the provisions of sections 162, 212, and 404, no deduction is allowed for amounts paid or contributed to or under a disability compensation plan by the employer maintaining that plan if under the plan the benefits payable to an individual receiving benefits under the plan are reduced, or any scheduled increase in such benefits is omitted, on account of an increase in monthly insurance benefits to which such an individual is entitled under title II of the Social Security Act if such increase occurs after such individual begins to receive benefits under such plan. For purposes of this subsection, the term 'disability compensation plan' means a program (including a program of insurance) established by an employer under which employees receive periodic payments or a lump-sum payment in compensation for physical or mental disability resulting from their employment.".

(b)(1) The caption of section 264 of such Code is amended by inserting after "CONTRACTS" the following: "OR UNDER CERTAIN DISABILITY COMPENSATION PLANS".

(2) The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 264 and inserting in lieu thereof the following:

"SEC. 264. Certain amounts paid in connection with insurance contracts or under certain disability compensation plans.".

SEC. 3. The amendment made by the first section of this Act applies to plan years beginning after the date of enactment of this Act. The amendment made by section 2 applies to taxable years beginning after the date of enactment of this Act.

By Mr. MUSKIE:

S. 251. A bill to amend the Clean Air Act, as amended; to the Committee on Public Works.

By Mr. MUSKIE (for himself, Mr. RANDOLPH, Mr. STAFFORD, and Mr. BAKER):

S. 252. A bill to amend the Clean Air Act, as amended; and

S. 253. A bill to amend the Clean Air Act, as amended; to the Committee on Public Works.

CLEAN AIR ACT AMENDMENTS

Mr. MUSKIE. Mr. President, last year the Congress was unable to complete action on legislation to amend the Clean Air Act. We have now been asked to act quickly to deal with pressing issues, the most visible of which is the question of auto emission standards.

I do not know whether it will be possible in a short time period to move a new bill to the President, but I am willing to try. In order to expedite that process, I am introducing today three bills, one of which is identical to the bill which the Senate passed last August 5; another of which is, in all practical respects, similar to the conference report which was brought to the Senate on September 30, and the third which is similar to legislation I offered last year which extended clean air authority, and modified the auto NO_x emission standards.

As the Members will note, none of the dates in the Senate-passed bill and the conference report of last session have been changed. In many places, the title "Clean Air Amendments of 1976" appears. There are timetable adjustments which would have to be made in the legislation if any of these provisions were adopted this year. I introduce the bills unchanged to emphasize that they are working documents.

Mr. President, last year I told the Senate that I viewed as minimal the need to amend the Clean Air Act. I still hold that view. I am introducing two of these bills today, with Senators RANDOLPH, STAFFORD, and BAKER, not because we support all, or any, of the provisions of each, but because they represent much work, much compromise, and much thought of the House and Senate committees involved. They will be the subject of hearings on February 9, 10, and 11. They will be reviewed again. The first bill, as passed by the Senate, will be the agenda for committee markup sessions scheduled to begin after the Lincoln Day recess. The second bill is only offered to provide an opportunity to build a record in the event we get to conference with the House on a bill similar to that which was passed by that body last year.

I would be happy and satisfied to bring to the Senate today the bill we passed last year and defend it. I would be happy to bring the conference agreement to the Senate and defend it. And because those alternatives may not be wholly acceptable as written, I will try, as a result of the hearings and the markups that follow, to bring a new bill to the Senate and defend it.

I only caution my colleagues that time is running out. We have worked 2 years on clean air amendments. We have held 56 days of hearings on clean air issues over the past 6 years. We know the issues and the implications of most of the alternatives. We are not likely to know a great deal more whether we legislate today or 2 months or 2 years from now. But our job is to legislate and I am prepared to move as fast as the Senate will permit.

I hope Senators will act immediately to let the committee know their views on the minimum number of issues which demand action so we can soon get down to the business of reviewing the Clean Air Act.

Because there is little time and because there will be only a limited opportunity to take oral testimony, I would hope potential witnesses would immediately write to the Subcommittee on Environmental Pollution, the Committee on Public Works, indicating areas on which they would like to comment so that a hearing schedule can be developed.

Mr. President, I ask unanimous consent to include in the RECORD at this point a copy of a letter which was addressed to the members of the Committee on Public Works, which sets forth the schedule for Clean Air Act considerations. This schedule has been tentatively approved by the Committee on Public Works.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 13, 1977.

Much interest has been expressed in the plans of the Subcommittee as regards Clean Air Amendments. I have discussed this mat-

ter with Representative Paul Rogers, and the Public Works Committee staff has met to discuss alternatives.

In order to expedite consideration of this important legislation, I propose the following:

1. Introduction of the Senate-passed bill and the Conference Report (I may also introduce a separate auto emission bill);

2. Hearings on February 9, 10, and 11 to take testimony on these bills and such other recommendations as witnesses may desire;

3. Full Committee mark-up sessions on February 21, 22 and 23 with the Senate passed bill as the agenda;

4. Attempt to report a bill before March 15.

This procedure has been discussed with Chairman Randolph and Senators Stafford and Baker. It is intended to speed the process while not precluding any Member from initiating any amendments or examining any witness. However, if we are to get this job done expeditiously so that we can turn to the much-needed review of the Clean Water Act, a tight time schedule must be followed and Members will have to commit blocks of time to the hearings and mark-ups.

If you concur with this approach I will instruct the staff to announce the hearings and begin to schedule as many witnesses as request to appear and can be accommodated during the days set aside, taking into account the commitment of Members to participate.

I would be happy to discuss this further and am open to alternative suggestions. I would like to introduce these two bills as soon as possible and make an announcement of hearings at the same time so that a schedule can be worked out and witnesses will have an opportunity to prepare testimony.

Sincerely,

EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution.

By Mr. HUMPHREY:

S. 255. A bill to establish a Department of Education; to the Committee on Government Operations.

EDUCATION REORGANIZATION ACT OF 1977

Mr. HUMPHREY. Mr. President, I am introducing today a bill to create a Cabinet-level Department of Education, to establish a Federal Interagency Committee on Education, and to set up a National Advisory Commission on Education. By organizing the Federal education effort in this way, we can move effectively to establish national education priorities and better administer our wide-ranging education programs.

This action is long overdue. Similar bills have been introduced in recent years—only to die. But now, in 1977, we cannot afford to delay any longer. A lack of support for education shown by the Nixon and Ford administrations has led to a deterioration of our educational system—the public disinterest in education was exploited rather than dispelled. Continued ineffective management of education programs could spell disaster for colleges and universities that depend on Federal resources for stability. Lack of coordination could deprive local and State education agencies of the level of support required to maintain the high standards of quality in education that we demand for our children. Restructuring and consolidation must be the bywords to strengthen the Federal education effort and to meet the needs of the future.

We are the only major nation in the world that lacks a Cabinet-level post in Education. A Federal Department of Education would not add to the levels of the Federal structure. Rather, it follows directly from President-elect Carter's campaign pledges to streamline the bureaucracy by incorporating all of the Federal education agencies into one department. Such a department would provide the national leadership and the assignment of responsibility in an area which has for too long been neglected. Furthermore, it would put us in the best position to address the problems of our fragmented education effort which have been created by a lack of effective communication among Federal agencies.

The present Department of Health, Education, and Welfare has outlived its usefulness in supervising education programs. Its mountainous bureaucracy serves only to impede rather than expedite administration.

The need for a Department of Education has never been more pressing.

A full-time Secretary of Education would oversee all education efforts and speak with Cabinet-level authority to the President, the Congress, the Office of Management and Budget, and the American people. He would provide expert insight into existing programs, proposed programs, and program changes. He could more effectively make the case for deserving but struggling programs. He would be the Nation's chief policy planner for education.

A Department of Education would consolidate existing Federal programs. The responsibility for education is now spread throughout the Federal Department structure. Under my bill, all education policy will be transferred to the Department of Education, and, in addition to other duties, the new Federal Interagency Committee on Education will set the standards, revise the operations of and set policy guidelines for the various and sundry schools, institutes, and nonmission oriented training programs operated by Federal agencies.

Without a Department of Education, there is no overall coordination or direction in the allocation of the many billions of dollars we now spend on education. There is no effective check on duplicated effort or wasted money. There is no way to properly fix responsibility.

Congress itself would benefit from the creation of a Department of Education. We could begin to deal with educational problems systematically, instead of piecemeal and haphazardly. Better information on education legislation would be available. We could more accurately determine whether a given program required strengthening, modification, or abolition. In short, we could expect a more responsible and more responsive execution of education policy.

Mr. President, the United States must reaffirm and strengthen its commitment to the quality education of our young people. We cannot simply pay lip service to the importance of preparing our children to live in a rapidly changing world: We must provide the institutional means to set and implement our goals.

The establishment of a Department of Education would represent a giant step toward these ends. We must take that step—and take it now.

Mr. President, I ask unanimous consent that a summary of my bill to establish a Department of Education, and the text of this legislation, be included in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Reorganization Act of 1977".

DEPARTMENT ESTABLISHED

SEC. 2. There is established an executive department which shall be known as the Department of Education (hereinafter referred to as the "Department"). There shall be at the head of the Department a Secretary of Education (hereinafter referred to as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for level I of the Federal Executive Salary Schedule established under section 5312 of title 5, United States Code. The Department shall be administered under the supervision and direction of the Secretary.

FUNCTION AND PURPOSE

SEC. 3. The function and purpose of the Department shall be to promote the cause and advancement of education throughout the Nation. To that end the Secretary shall, among his responsibilities, (1) advise the President with respect to the progress of education; (2) develop and recommend to the President appropriate policies and programs to foster the orderly growth and development of the Nation's educational facilities and resources; (3) exercise leadership at the direction of the President in coordinating Federal activities affecting education; (4) conduct continuing comprehensive surveys, collect data, and make available findings, on the progress of education; (5) provide information and such other assistance as may be authorized by the Congress to aid in the maintenance of efficient school systems; and (6) encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State, and community educational activities at the local level.

UNDER SECRETARY AND OTHER OFFICERS

SEC. 4. There shall be in the Department an Under Secretary, four Assistant Secretaries, and a General Counsel, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions and duties as the Secretary may prescribe. The Under Secretary shall receive compensation at the rate prescribed for level III of the Federal Executive Salary Schedule established under section 5314 of title 5, United States Code, and the Assistant Secretaries and General Counsel shall receive compensation at the rate prescribed for level IV under section 5315 of such title. The Under Secretary (or during the absence or disability of the office of Under Secretary, an Assistant Secretary determined according to such order as the Secretary shall prescribe) shall act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary.

PROVISIONS OF LAW APPLICABLE TO THE DEPARTMENT

SEC. 5. Except to the extent inconsistent with this Act, all provisions of law applicable to the executive departments generally shall apply to the Department.

SEAL

SEC. 6. The Secretary shall cause a seal of office to be made for the Department, of such design as the President shall approve, and judicial notice shall be taken thereof.

DELEGATION OF AUTHORITY

SEC. 7. The Secretary may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department as he may designate.

TRANSFER TO DEPARTMENT

SEC. 8. (a) The Education Division of the Department of Health, Education, and Welfare, consisting of the Office of Education and the National Institute of Education, together with all of its functions, personnel, property, records, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds is transferred to the Department, and all functions of the Secretary of Health, Education, and Welfare being administered through such division, and all functions of the Secretary of Health, Education, and Welfare, and all functions of the Assistant Secretary of Health, Education, and Welfare for Education, and all functions of the Commissioner of Education with respect to such Division, Office, and Institute, are transferred to the Secretary.

(b) The following additional functions of the Secretary of Health, Education, and Welfare are transferred to the Secretary:

(1) With respect to and being administered by the Secretary of Health, Education, and Welfare through the Office of Child Development;

(2) With respect to all laws dealing with the relationship between Gallaudet College, Howard University, and American Printing House for the Blind, and the Department of Health, Education, and Welfare;

(3) Under section 394 of the Communications Act of 1934, relating to Federal grants for the construction of television broadcasting facilities to be used for educational purposes; and

(c) There are transferred to the Secretary all functions of the Secretary of Housing and Urban Development under title IV of the Housing Act of 1950 relating to college housing.

(d) There are transferred to the Secretary all functions of the National Science Foundation which the Director of the Office of Management and Budget determines relate to instructional personnel development programs, instructional program development, and programs in computer innovations designed for use in education.

(e) All personnel, property, leases, obligations, and commitments and unexpended balances of appropriations, allocations, and other funds which the Director of the Office of Management and Budget determines are to be used with respect to any office, agency, bureau, foundation, or function transferred under the provisions of this section, are transferred to the Department of Education.

ADDITIONAL TRANSFERS

SEC. 9. The President is authorized to transfer to the Department of Education any other agency or instrumentality of the Federal Government which he determines has functions relating to education and should be transferred to the Department of Education to promote efficiency in Government and to carry out the purposes of this Act. Such transfers shall be completed within one hundred and eighty days after the date of enactment of this Act, and a report describing such transfers shall be submitted to the Congress not later than thirty days thereafter.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 10. (a) There is hereby established a Federal Interagency Committee on Education (hereafter referred to as the "Committee").

(b) The Committee shall study and recommend such actions as may be necessary to assure effective coordination of Federal programs affecting education, including—

(1) development of Federal programs in accordance with the educational goals and policies of the Nation;

(2) consistent administration of policies and practices among Federal agencies in the conduct of similar programs;

(3) full and effective communication among Federal agencies to avoid unnecessary duplication of activities;

(4) adequate procedures for the availability of information on educational matters requested by the Secretary;

(5) set uniform standards, review the operations of, and set policy guidelines for all non-mission-oriented training programs and schools operated by the Federal agencies; and

(6) full and effective cooperation with the Secretary on such studies and analyses as are necessary to carry out the purposes of this Act.

(c) The Committee shall make an annual report, to the President for submission to the Congress once each year, on all Federal programs affecting education.

(d) The Committee shall, within ninety days of the enactment of this Act, advise the President with respect to his responsibilities under section 9.

(e) The Committee shall be composed of the Secretary, who shall be the Chairman, and one appropriate representative of each of the following: The Department of State, the Department of Defense, the Department of Agriculture, the Department of Labor, the Department of Health and Welfare, the Department of Housing and Urban Development, the National Science Foundation, the Energy Research and Development Administration, the National Aeronautics and Space Administration, the National Endowments for the Arts and the Humanities, and the Community Services Administration. Other members may be added by Executive Order of the President as he determines may be necessary.

(f) The Chairman may invite Federal agencies in addition to agencies represented on the Committee under the provisions of subsection (d) of this section to designate representatives to participate in meetings of the Committee on matters of substantial interest to such agencies which are to be considered by the Committee.

(g) The Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Executive Director of the Domestic Council may each designate a member of his staff to attend meetings of the Committee as observers.

(h) Each Federal agency which is represented on the Committee under the provisions of subsection (d) of this section shall furnish necessary assistance to the Committee in accordance with section 214 of the Act of May 3, 1945 (31 U.S.C. 691).

NATIONAL ADVISORY COMMISSION ON EDUCATION

SEC. 11. (a) There is hereby established a National Advisory Commission on Education (hereafter referred to as the "National Commission") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate from among individuals—

(1) who are familiar with the educational needs and goals of the United States,

(2) who have competence in assessing the progress of educational agencies, institutions, and organizations in meeting those needs and achieving those goals,

(3) who are familiar with the administration of State and local educational agencies and of institutions of higher education, and

(4) who are representative of the mass media, industry, and the general public.

Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one year each and one-third of the members shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only.

(b) The National Commission shall—

(1) review the administration of, general regulations for, and operation of Federal education programs;

(2) advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of appropriate agencies, institutions, organizations of the Nation in order to meet those needs and achieve those goals;

(3) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of Federal education programs;

(5) consult with Federal, State, and local and other educating agencies, institutions, and organizations with respect to assessing education in the United States and the improvement of the quality of education, including—

(A) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(B) determination of priorities among unmet needs and national goals; and

(C) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement;

(6) conduct national conferences on the assessment, improvement, and renewal of education, in which national and regional education associations and organizations, State and local education related organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education;

(7) conduct, and report on, comparative studies and evaluations of education systems in foreign countries; and

(8) advise and assist in the coordination of all the advisory bodies to Federal education programs.

(c) The National Commission shall make an annual report and such other reports as it deems appropriate, concerning its findings, recommendations, and activities to the President for submission to the Congress once each year.

(d) In carrying out its responsibilities under this section, the National Commission shall take, together with the Secretary, whatever action is necessary to carry out section 448 of the General Education Provisions Act, to devise a manageable and effective advisory structure for the Department. The National Commission shall advise the Secretary on the number of advisory bodies that are necessary and the manner in which such bodies relate to one another. The National Commission shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development the National Advisory

Council on Educational Research and Development, and such other advisory councils and committees as may be appropriate to carry out its functions under this subsection. All Federal agencies are directed to cooperate with the National Commission in carrying out its functions under this subsection.

(e) The National Commission is authorized to engage such technical assistance as may be required to carry out its functions and the Secretary shall, in addition, make available to the National Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department as the National Commission may require to carry out its functions.

(f) Members of the National Commission who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the National Commission or while otherwise engaged in the business of the National Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the National Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(g) The President shall appoint the National Commission not later than thirty days after the date of enactment of this Act.

TRANSFER MATTERS

SEC. 12. All laws relating to any agency or function transferred under this Act shall, insofar as such laws are not inapplicable, remain in full force and effect. Any transfer of personnel pursuant to this Act shall be without change in classification or compensation, except that this requirement shall not operate to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned. All orders, rules, regulations, permits, or other privileges made, issued, or granted by any agency or in connection with any functions transferred by this Act, and in effect at the time of the transfer, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed. No suit, action, or other proceeding lawfully commenced by or against any agency or any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this Act, but the court, on motion or supplemental petition filed at any time wtihin twelve months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the appropriate agency or officer of the United States.

ANNUAL REPORT

SEC. 13. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for the submission to the Congress on the activities of the Department during the preceding calendar year. Such report shall also contain objective data on enrollments, expenditures, numbers of teachers, administrative, supervisory, and auxiliary personnel, numbers of professionals who lack full qualifications, needs for classroom and other construction, special needs of critical areas such as urban and rural areas, and similar data.

CONFORMING AMENDMENTS

SEC. 14. (a) Section 19(d)(1) of title 3, United States Code, is amended by striking out "Secretary of Health, Education, and Welfare" at the end thereof and inserting the following: "Secretary of Health and Welfare, Secretary of Education."

(b) Section 1 of title 5, United States Code, is amended by adding at the end thereof: "Eleventh. The Department of Education." and by striking out "Health, Education, and Welfare" and inserting "Health and Welfare."

(c) Any reference to the Office of Education or the Commissioner of Education, in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Education or the Secretary of Education, as may be appropriate.

(d) Any reference to the Department of Health, Education, and Welfare or the Secretary of Health, Education, and Welfare in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Health and Welfare and the Secretary of Health and Welfare respectively.

EXPENDITURES AUTHORIZED

SEC. 15. The Secretary is authorized to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere for lawbooks, books of reference and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this Act, and as may be provided for by the Congress from time to time.

APPROPRIATIONS AUTHORIZED

SEC. 16. There are authorized to be appropriated such sums as may be necessary to enable the Department to carry out the provisions of this Act and to perform any other duties which may be imposed upon it by law.

EFFECTIVE DATE

SEC. 17. The provisions of this Act shall be effective on its date of enactment, except that section 8 shall be effective within ninety days following such date.

SUMMARY OF THE EDUCATION REORGANIZATION ACT OF 1977

Establishes a Department of Education headed by a Secretary at cabinet level, to promote the cause and advancement of education throughout the Nation. Provides for certain functions to be performed by the Secretary of Education and Assistant Secretaries in the fulfillment of this purpose. Transfers to the Department, the Education Division of the Department of Health, Education, and Welfare, as well as specified functions in the area of education, of the Secretary of Health, Education, and Welfare, of the Secretary of Housing and Urban Development, and of the National Science Foundation. The President is authorized to transfer other Federal agency functions to the Department as he determines necessary to carry out the purposes of this act. Specified transfers and the establishment of the Department are made effective within 90 days of the date of enactment of this title. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Provides for the creation of a Federal Interagency Committee on Education, to be composed of designated Federal agency officials, whose basic purpose shall be to assure effective coordination of all Federal programs affecting education.

Creates a National Advisory Commission on Education, composed of fifteen members appointed by the President, by and with the advice and consent of the Senate, from among those who have recognized expertise and direct involvement in the field of education, as well as representatives from the general public, industry, and the mass media. The Commission shall review the administration and operation of Federal education programs, conduct evaluations, and make recommendations for necessary improvements and new directions to be undertaken, including legislative recommendations—basically directed toward the determination and implementation of priorities among unmet needs and national goals in education. The Commission shall make annual reports to the President and to Congress. The Commission shall also recommend to the Secretary of Education necessary changes to achieve a manageable and effective advisory structure for the Department.

Provides for a comprehensive report on education to be made annually by the Secretary to the President for submission to the Congress.

By Mr. PEARSON (for himself and Mr. BENTSEN):

S. 256. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Commerce.

NATURAL GAS ACT AMENDMENTS OF 1977

Mr. PEARSON. Mr. President, I introduce for appropriate reference, on behalf of Senator BENTSEN and myself, a bill to deregulate the wellhead price of new natural gas produced from onshore reserves, to phase out the wellhead price regulation of new natural gas produced from the Outer Continental Shelf lands, to provide a statutory priority for essential uses of natural gas in agricultural and industrial processes, to phase out the wasteful use of natural gas as a boiler fuel for the generation of electricity in large plants, to provide for emergency sales of natural gas from intrastate sources to distressed pipelines and end users, and for other purposes.

Mr. President, I ask unanimous consent that the text of our bill, together with a section-by-section summary of its provisions, be printed in the RECORD following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. PEARSON. Mr. President, the natural gas shortage today is more serious than at any time in the past. The actual curtailments of natural gas deliveries by interstate pipelines during the year September 1975–August 1976 were in the aggregate 3 trillion cubic feet. According to the Federal Power Commission, estimated curtailments for the year ending August 1977 will equal 3.8 trillion cubic feet—an increase of 26.7 percent above the curtailments of the previous year.

The problems faced by the pipelines are compounded by the current extremely cold weather. This week schools were closed in Kansas City because of the gas shortage. The mayor chose to close the schools rather than ask senior citizens, who are susceptible to infection and pneumonia, to lower the temperatures in their apartments and homes below 55 degrees Fahrenheit.

Mr. President, the current natural gas supply crisis had been predicted to occur last year, and the year before that. The Nation was spared in past years because pipelines cooperated in the voluntary transfer of gas supplies to the most distressed systems.

The Nation was spared in past years

because the Federal Power Commission, within the existing framework of regulation, was successful in creating limited exceptions to wellhead price controls for limited sales to distressed end users and pipeline companies.

The Nation was spared in past years because industrial users made massive efforts and investments to convert to alternate fuels during the winter season.

The Nation was spared in past years because of unusually warm weather throughout the winter in most of the United States.

The Nation was spared in past years because recession conditions pervaded the economy and industrial consumption of energy was depressed compared to normal demand.

Mr. President, the weather is cold this year; the economy is recovering; the access to surplus intrastate natural gas is limited by the unusually high demand, caused by abnormally cold weather, in the producing States themselves The capacity of industry to convert to alternate fuels is rapidly being exhausted; and even those pipelines with traditionally good supply have very little natural gas available for voluntary transfer to their more distressed partners in the industry.

Therefore, Mr. President, Congress no longer has the luxury of endless debate on the natural gas issue. The accumulating shortage these past 2 years has become too great to be offset by stop-gap initiatives. The time for decisive action is at hand.

Mr. President, throughout the years since this gas shortage emerged the Congress has debated alternatives to deal with the impact on consumers and the national economy. Finally, on October 22, 1975, the Senate on a rollcall vote of 58 to 32 approved a comprehensive measure sponsored by Senator BENTSEN and me that was designed, among other things, to increase supply and reduce demand where conversion to alternate fuels was practicable.

Our proposal, despite broad-based bipartisan support in the Senate, did not become law in the 94th Congress. It is necessary, therefore, to press once again for timely congressional action on this major national issue.

Mr. President, today Senator BENTSEN and I are introducing a bill which carries forward the fundamental features of S. 2310, 94th Congress, as passed by the Senate on October 22, 1975. There are changes in the bill, of course, to reflect changed circumstances. There are provisions which have required technical redrafting to improve clarity and minimize confusion as to meaning.

Certain provisions of S. 2310, incorporated originally as floor amendments, have been retained and strengthened; others that originated as floor amendments have been deleted as unnecessary or counterproductive. But the fundamental substance of S. 2310, as passed by the Senate, has been incorporated in the text of the bill that we are submitting today for Senate action.

Mr. President, Senator BENTSEN and I are seeking, as a matter of urgency, the approval of our bill not only because it represents the best long-term policy to enhance energy production in America, but also because it contains the most appropriate short-term response to the present emergency supply situation. Within the terms of our bill, emergency provisions are designed to facilitate deliveries of substantial quantities of natural gas from the surplus in the intrastate network without jeopardizing the intrastate status of the sellers. These emergency provisions, in essence, were contained in S. 2310.

The opportunities of the FPC to respond to the current emergency, without further statutory authority, have more or less been exhausted. The weather has taken a turn for the worse. The Senate, in our judgment, should reaffirm the approach taken more than a year ago and approve, as a matter of high priority, the bill which we are offering today.

Mr. President, the system of wellhead price regulation in the interstate market serves as a barrier to the delivery of new natural gas to that market. It serves as a barrier to capital investment in exploration and development of new reserves for the interstate system. Wellhead price regulation has directly caused the current shortage. In order to alleviate the shortage, the wellhead price of new natural gas must be decontrolled.

Under the terms of our bill, the impact on the consumer will be minimized by a phase-in of decontrol on the outer continental shelf lands. But I would observe that the consumer suffers most from the shortage in the first instance. If the wellhead price of new natural gas is decontrolled, the consumer will benefit from increased supplies and reduced natural gas transportation charges per unit of delivery; the consumer will benefit from lower priced natural gas—compared to alternate fuels—and the consumer will benefit from the renewed availability of clean, efficient fuel for a variety of industrial and commercial uses.

Mr. President, in conclusion may I observe that new natural gas is decontrolled under the terms of this legislation. Old, flowing natural gas remains under FPC wellhead rate regulation. There is no attempt to provide a windfall to producers of old natural gas. New wells in old reservoirs would be allowed new natural gas treatment only if it can be shown that such new wells are necessary to increase deliveries and to promote increased overall production of natural gas. This treatment of development wells is completely consistent with the policy established by the Federal Power Commission in its opinion 770A.

Thus, Mr. President, our bill is a balanced approach to the problem. The legitimate concerns of the consumer and the pipeline companies have been recognized and accommodated.

The producing industry will be assured of decontrol for new supplies, and certainty in the regulatory treatment of the producing industry will be accomplished. Essential agricultural and industrial users will be protected.

This bill represents a constructive and measured response by the Senate to the natural gas supply problem, and I urge my colleagues to consider its provisions favorably at the earliest practicable time.

Mr. BENTSEN. Mr. President, I join with the distinguished senior Senator from Kansas, Mr. PEARSON, in submitting a natural gas deregulation bill which is essentially the same as a bill passed last year by the Senate on a rollcall vote of 58 to 32. It is my firm belief that the interest of natural gas consumers and the interests of this Nation are best protected by less regulation of the wellhead price of natural gas.

Mr. President, there can hardly be any disagreement on the seriousness of the crisis in energy production faced by the Nation. Just this week severe curtailments of natural gas occurred in Ohio, Texas, Oklahoma, Kansas, and elsewhere. This forced the closing of schools and industries in these areas. In fact, the Federal Energy Administration—FEA—has predicted a 30 percent higher rate of gas curtailments this year over last year. Moreover, a continuance of this period of unusually cold weather could cause critical shortages of even alternative fuels in some areas, particularly the Carolinas, Georgia, Maryland, Tennessee, Virginia, Arizona, Kentucky, and West Virginia.

With deregulation the decreasing supply situation can be reversed. The Federal Power Commission—FPC—in the past has experimented with deregulation of small producers and the results were most favorable. In the Texas Panhandle the year after the small producer exemption was approved by the FPC, there was a 50-percent increase in the wells drilled in that area. Natural gas wells completed jumped from 68 in 1971 to 114 in 1972. I believe that this is a fairly good test of what deregulation could mean.

As the Senate determined last year, it is eminently clear that regulation should no longer extend to the prices which interstate pipeline companies are allowed to pay domestic producers of natural gas. What this country needs is immediate action which will make possible increased development and production of natural gas reserves and which will result in the fairest and most efficient distribution of a most precious natural resource.

Our choices are clear, Mr. President, either we establish almost dictatorial powers in the FPC requiring the complete rationing of an ever decreasing supply of natural gas, or we proceed with phased deregulation of the wellhead price of natural gas and allow major exploration and development of new supplies to take place. I do not believe anyone can call a policy of "spreading shortages" an adequate national policy. A national policy must include increases in supply.

Our only sensible choice, Mr. President, is the enactment of a system of phased deregulation and I firmly believe that this bill represents the best achievable compromise by providing for the immediate deregulation of the wellhead price of new onshore natural gas and a 5-year phaseout of regulation of new natural gas produced from offshore Federal lands within the Outer Continental Shelf.

Although the costs to natural gas users forced to convert to alternate energy supplies is measurable in dollars, the human agony of jobless workers and

freezing consumers is not measurable in monetary terms. The facts are simple: We are critically short of natural gas and untold economic and social loss will result unless we do something about it.

Over 7.56 million people in this country are presently unemployed, Mr. President, constituting over 7.9 percent of the Nation's work force. The bulk of this unemployment is the result of economic mismanagement but an increasing portion is due to curtailments of natural gas. If we continue to sit on our hands and do nothing about the natural gas shortage, the unemployment rolls will be further increased by jobless workers displaced because of continued natural gas curtailments.

Mr. President, our problem is clearly evident. We must assure that there exist market incentives for the full development of our domestic natural gas reserves, which are increasingly more expensive to find and develop. It is apparent that the present regulatory scheme acts as a disincentive to the exploration for and development of these new higher cost natural gas reserves. The wellhead price of natural gas must be permitted over a period of time to more nearly reflect market conditions in order to attract the risk capital necessary to increase our natural gas production and to redistribute among other energy sources demands which can be fulfilled by other fuels. Because of the rapidly expanding curtailment rate and because of the time lag involved in obtaining actual production after investment decisions are made, it is essential that our decision be made now. We have clung to outdated policies far too long.

Of even more immediate importance than the goal of increased production is the short-term crisis created by curtailments. Only if the price of natural gas is permitted to rise according to market conditions will there be a fair distribution of this national resource among all energy users. Otherwise, Mr. President, we will be faced with the intolerable situation of certain areas of the country obtaining the benefits of a natural gas supply, albeit at higher prices, while other geographic areas suffer the trauma of having no gas at all.

Frankly, Mr. President, some of my constituents in Texas are satisfied with the present regulatory system which allows them to outbid the interstate market for new reserves. They are willing to pay full value. But a rational energy policy is a national problem and we must face it as a Nation. We must adopt policies that mean more energy reserves for all our people.

While I am on record as being actively engaged in incentives for the development of alternate sources of fuel for our long-term demand, such as gasification of coal, solar energy, geothermal energy, energy from solid wastes, and eventually thermonuclear fusion, we need to act now on solutions which will occur within the immediate future.

People who have taken the time to carefully evaluate the effect of FPC regulation have all concluded that deregulation is necessary. A 1973 study in Harvard Law Review by an MIT economist and Harvard law professor indicated that phased deregulation could reduce the shortage of natural gas to negligible levels by 1980. A later study published by the Brookings Institute concluded that the present method of price regulation has contributed significantly to the natural gas shortage.

Mr. President, opponents of phased deregulation have argued that the OPEC cartel should not be permitted to set the prices of our domestic petroleum supplies. But OPEC, Mr. President, is a fact of life which we cannot ignore and which must be dealt with by affirmative action and not by wishfully pleading that by ignoring the world price of petroleum we will somehow resolve our crisis. For years I have warned about our increasing dependence on foreign oil, and for years I have recommended that we move toward self-sufficiency. The complaints about the oil sheiks setting our domesetic prices simply are not the solution to the problem. The only way to break the hold they have on this Nation is by efforts to both develop and conserve energy resources, whatever form they take whether oil, coal or natural gas.

Central controls over the pricing of natural gas will not allocate gas resources as well as a free market system which will promote competition and substitution among fuels. This is the mechanism necessary for a vastly expanded commitment of capital to develop our remaining gas resources.

Mr. President, the bill which Senator PEARSON and I introduced today is the result of discussions, hearings, and debate which go back considerably prior to the 95th Congress. In fact, there has been a deregulation bill introduced in each session of Congress since 1954 when the Phillips decision thrust upon the FPC the administratively unmanageable burden of regulating the price of natural gas at the wellhead. Moreover, events leading directly up to the introduction of this bill can be traced back at least 3 years. The point being, Mr. President, that this bill offers the best hope of balancing the interests of the smallest domestic consumers of gas, the large users as well as that of the natural gas industry.

I fully recognize that this measure, if enacted, will ultimately result in higher gas prices. But I submit to you that the alternative of a dependable supply of natural gas at modestly higher prices is infinitely preferable to that of no gas or drastically curtailed supplies for all classes of users. Conditions existing today on the interstate pipeline system indicate that curtailment levels on some pipelines could reach such a degree over the next 5 years that service to even residential and commercial users could not be maintained on some systems.

The increase in price which most consumers would pay in the aftermath of the deregulation of new, onshore gas would be relatively small. Transmission and distribution costs constitute two-thirds to three-fourths of the cost of natural gas delivered to residential users in the East and Midwest. These transportation costs will not increase and will not be removed from regulation.

Pipelines, like airlines, have fixed costs which must be paid regardless of the volume of traffic. No matter how many people are traveling on any given airline flight, it costs the same for that plane to take off, fly to its destination and land. The more people who are on the plane, the less it costs, per person, for that plane to fly. By the same token, increasing the volume of natural gas in a pipeline brings down the cost, per cubic foot, of transporting natural gas.

A good example of this type of transportation cost structure is found in the airline industry. When you fly in a plane it makes no difference if the plane is full or half empty—the cost to the passenger is still the same. Similarly, the volume of gas flowing in a pipeline will not cause changes in the rate charged for that gas.

Furthermore, the onshore gas which is deregulated is only new gas—flowing gas will remain controlled. New gas is defined as gas from wells in new reservoirs, from extensions of old reservoirs and from new wells which add gas that would not otherwise be economically recoverable from an existing well.

I believe this is an acceptable way to price the cleanest burning and most adaptable of all fuels, especially when the alternatives cost much, much more.

Mr. President, there is also a provision in this bill to provide certain agricultural users a priority for natural gas second only to residential and small users and public health and safety requirements. I strongly support this important provision, and believe it vital to protecting our food and fiber supply.

Mr. President, the time has come when we must encourage the use of other fuels by electric power generation facilities and other large users who burn natural gas as a boiler fuel and who are able to use other fuels as a substitute.

Burning natural gas as a boiler fuel is a most wasteful use of our cleanest energy source.

The impact of a phaseout in my State will be momentous. Today, about 98 percent of the electric power produced in Texas is generated by natural gas. However, the utilities in Texas have recognized for some time now that natural gas is a premium fuel which should be reserved for higher order uses. The question remaining for them is how best to phase out the use of natural gas in the shortest possible time, yet minimize the impact which construction of new plants and the increased cost of the substitute fuel will have on the ratepayers. This bill provides for a reasonable conversion schedule over a period of years in order not to jeopardize system reliability and disrupt service.

In short, Mr. President, this bill requires some sacrifices and sacrifices directed at moving this Nation toward the goal of energy self-sufficiency.

I urge all of my colleagues in the Senate to carefully study the proposal made today and to support this move to get the Nation back on the right energy track.

As so well expressed in a Washington Post editorial in support of phased deregulation, it makes no sense to hold the price of natural gas at artificially low levels encouraging consumption while discovering production. I ask that that editorial be printed in the RECORD at this point along with a text of the bill and with a section-by-section analysis.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 3, 1975]

GAS PRICES AND JELLYBEANS

As the shortage of natural gas grows more serious in the Washington area, some customers are being forced to convert to oil. Nobody converts voluntarily. The price of gas to a large customer is $1.60 per thousand cubic feet. The equivalent energy in the form of fuel oil is now up around $2.60. That difference is, in fact, the explanation of the gas shortage. There are three basic fuels. Congress insists on holding the price of gas far below the prices of oil and coal. That is the heart of the controversy over the deregulation of natural gas.

The local distributor, Washington Gas Light, has accepted no new customers for three years. The pipeline companies supplying the Washington area have cut back deliveries and, in turn, Washington Gas Light is dropping service to its interruptible customers—those that got a lower rate for signing a condition contract. Most of them are big apartment houses and office buildings, but the list includes some schools and colleges. Next in jeopardy are the industrial customers. Some of them would have been cut off months ago if the weather had been normal. But for the second year in a row this region was lucky. It was a warm winter. What about next winter?

Gas is the cleanest of all the major fuels, and ought to be sold at a premium on environmental grounds alone. Instead, as the cheapest of the three competing fuels, it is used to fire boilers by an industry or utility that can get it. With the enormous increases in oil prices over the past two years, the disparity has become increasingly severe. By last summer, to use a standard comparison, the gas delivered to utility generators throughout the country cost only 26 per cent as much as their fuel oil. Coal cost 38 per cent as much but was rising fast, as contracts expired or were renegotiated. Soft coal went for about $5 a ton throughout the 1960s, but prices now range from $15 to $25 and are climbing. The wider the price gap between gas and the other fuels, the more severe the gas shortage will be.

It is as though Congress were keeping down the price of red jellybeans, to protect the consumers—but not the prices of black or white jellybeans which, in the current inflation, are rising. In time you would find it increasingly difficult to get red jellybeans, although there would be plenty of the others in the stores. In Congress, the defenders of the consumer would explain that the rapacious and monopolistic jellybean industry was willfully withholding red jellybeans from the public. That, of course, would be an outrage. Several senators would promptly introduce bills establishing intricate rules for allocating the dwindling national supply of red jellybeans and maybe extending price controls in the black ones as well, since they are getting increasingly popular.

In the Senate Commerce Committee, Sens. Warren G. Magnuson (D.-Wash.) and Adlai E. Stevenson (D.-Ill.) are currently drafting a bill to resolve the natural gas issue pretty much along the lines of the jellybean case. Their bill would greatly expand and refine the system of allocation and price control that is already in effect. It would extend price ceilings for the first time to gas burned within the state where it is produced. The uncontrolled intrastate prices are currently running almost four times as high as the present federal maximum for gas crossing state lines.

The Commerce Committee's draft bill is pursuing a principle that deserves attention. It would raise the present ceiling price, but deliberately keep it far below the comparable price for oil. The price of oil has been jacked up artificially high, the argument goes, by a cartel of foreign governments. If the U.S. government has lost control of oil and coal prices, why should it voluntarily permit gas prices to accompany them to such unreasonable heights? This view is not a frivolous one. It reflects a well-considered conviction that, as a matter of social justice, it is better to have shortages—managed by various allocation and rationing systems—than high prices.

But keep in mind that any price ceiling turns out to be a subsidy paid by somebody. As people in the Southwest point out, a low ceiling on natural gas means that relatively low-income states like Oklahoma and Louisiana are subsidizing the standards of living in much wealthier states of the northeast—not to mention metropolitan Washington. To help the poor and the elderly in times of rapidly rising prices, the most effective remedies are those that directly increase the amounts of money in their pockets. Straightforward income redistribution is infinitely better than trying to fiddle and distort the mechanisms for pricing each of the hundreds of commodities that are, to one degree or another, necessities of life.

The way to deal with the gas shortage is to deregulate the price. In persent circumstances, it ought to be done in stages, over several years, to cushion the impact. No one can exactly say where fuel prices will be several years from now. But they certainly will not return to the level of two years ago. The basic reason for the great upswing in fuel costs is not the producers' cartel but a worldwide surge of demand for cheap fuel. Higher prices are a signal that supplies are not unlimited and we have to begin conserving. Price controls merely suppress that warning signal. Natural gas currently provides one-third of this country's energy supply. We can afford to make mistakes in our national policy on jellybeans, but not on basic fuels.

EXHIBIT 1

S. 256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Act Amendments of 1977".

SEC. 2. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by (1) striking out section 24 thereof (15 U.S.C. 717w); and (2) amending section 1 thereof by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively, and inserting therein the following new subsection:

"(a) This Act may be cited as the 'Natural Gas Act'.".

SEC. 3. Section 1(c) of the Natural Gas Act, as redesignated by the Natural Gas Act Amendments of 1977 (15 U.S.C. 717(b)), is amended (1) by deleting "The" at the beginning thereof and by inserting in lieu thereof immediately after "(c)" the following: "(1) Except as provided in paragraph (2) of this subsection, the"; and (2) by inserting at the end thereof the following two new paragraphs:

"(2) Subject to the provisions of section 24 of this Act, after the date of enactment of the Natural Gas Act Amendments of 1977, the authority of the Commission to regulate the sale of natural gas to a natural-gas company for resale in interstate commerce pursuant to this Act shall cease to exist with respect to, and shall not apply to, new natural gas: *Provided,* That nothing contained in the Natural Gas Act Amendments of 1977 shall modify or affect the authority of the Commission in effect prior to the date of enactment of such amendments to (A) regulate the transportation in interstate commerce of natural gas or the sale in interstate commerce for resale of old nautral gas or (B) regulate the sale for resale of natural gas by any natural-gas company which transports natural gas in interstate commerce.

"(3) Any activity or person or facility owned by such person which is exempted under subsection (c) or (d) of this section shall not have that exempt status affected by making an emergency sale or delivery of natural gas not to exceed 180 days to, or by providing emergency transportation of natural gas not to exceed 180 days for, (i) a natural-gas company whose deliveries to its customers (including persons engaged in the local distribution of natural gas) who are, or who supply natural gas to, existing essential users whose supplies of natural gas for essential uses are being curtailed or will, during the period of the emergency sale, be curtailed under reasonably foreseeable circumstances or (ii) a direct or indirect customer (including a person engaged in the local distribution of natural gas) of such a company who is, or who supplies natural gas to, an existing essential user and whose supply requirements for essential uses are being curtailed or will, during the period of the emergency sale, be curtailed under reasonably foreseeable circumstances: *Provided,* That for the purposes of this paragraph, essential uses and essential users shall be deemed to be those uses and users identified in section 25 of this Act. Any contractual provision in any contract entered into by any such exempted person prohibiting emergency sales, deliveries, or transportation of natural gas in interstate commerce or terminating any other obligations of any supply or sales contracts as a result of such sale, delivery, or transportation shall be suspended and unenforceable with respect to and for the duration of such emergency sale or delivery. Natural gas sold or delivered pursuant to this paragraph shall be considered new natural gas for the duration of such sale or delivery regardless of whether such natural gas was sold or delivered in intrastate commerce for the first time prior to January 1, 1977.".

SEC. 4. (a) Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by redesignating paragraphs (7) through (9) as paragraphs (13) through (15), and by inserting the following new paragraphs:

"(7) 'New natural gas' means (A) natural gas sold or delivered in interstate commerce for the first time on or after January 1, 1977: *Provided,* That such natural gas was not sold or delivered in intrastate commerce for the first time prior to January 1, 1977: *Provided further,* That new natural gas contracted for sale or delivery from offshore Federal lands shall be committed for an initial contract term of not less than 15 years or for the life of the reservoir from which it is produced if less than 15 years: *Provided further,* That any natural gas sold or delivered in interstate commerce prior to the date of enactment of the Natural Gas Act Amendments of 1977 pursuant to limited term certificates (5 years or less) or temporary emergency contracts shall not be considered, for the purpose of this provision, as having been committed to interstate commerce, or (B) (1) natural gas produced from a reservoir discovered on or after January 1, 1977 (including a reservoir discovered by the deeper drilling of an existing well), as determined by rule by the Commission, regardless of whether or not the leases covering such newly discovered reservoirs were committed by contract or otherwise dedicated to the interstate market, or (2) natural gas produced from a well or wells initiated on or after January 1, 1977, and completed within an extension of a previously discovered reservoir, as determined by rule by the Commission, regardless of whether or not the leases cover-

ing such previously discovered reservoir were committed by contract or otherwise dedicated to the interstate market, or (3) natural gas produced from a well or wells initiated on or after January 1, 1977, and completed within a previously discovered reservoir, regardless of whether or not the leases covering such previously discovered reservoirs were committed by contract or otherwise dedicated to the interstate market: *Provided*, That the seller of such natural gas, in a proper form and manner determined by rule by the Commission within 30 days of the date of enactment of the Natural Gas Act Amendments of 1977, files (i) appropriate documentation that such well or wells are necessary to deplete in a efficient and economic manner the previously discovered reservoir and that each such well is necessary to permit the recovery of additional reserves from such previously discovered reservoir which would not otherwise be economically recoverable from an existing well or wells in such reservoir, in accordance with good operation practices, and the applicable regulations of the appropriate local, State, or Federal agency, (ii) all documentation filed with or issued by a local, State, or Feredal agency charged with authority to authorize such well or wells, and, (iii) any other documentation that may be issued by such local, State, or Federal agency relating to the need for such well or wells: *Provided further*, That any such filing shall be deemed to have been approved by the Commission if the Commission does not reject such filing as not being supported by substantial evidence within 90 days from the date that such application is received by the Commission for filing.

"(8) 'Old natural gas' means natural gas sold or delivered in interstate commerce other than new natural gas: *Provided*, That old natural gas sold or delivered in intrastate commerce for the first time prior to January 1, 1977 shall, if sold or delivered in interstate commerce for the first time after January 1, 1977, be deemed by the Commission as having been sold or delivered from wells commenced on or after January 1, 1975.

"(9) 'Boiler fuel use of natural gas' means the use of natural gas as the source of fuel in a generating unit of more than 25 megawatts rated net generating capacity in the previous quarter, or in any unit which is part of an electric utility system with a total net generating capacity of more than 150 megawatts in the previous quarter, for the purpose of generating electricity.

"(10) 'Affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person, as determined by rule by the Commission.

"(11) 'Offshore Federal lands' means any land or subsurface area within the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).

"(12) 'Interstate commerce' means commerce within the United States other than interstate commerce.".

SEC. 5. Section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing, the Commission shall have no power to deny, in whole or in part, any rate or charge made, demanded, or received by any natural-gas company for, or in connection with, the purchase or sale, except (A) to the extent that such rates or charges, or such portion thereof, for new natural gas sold or delivered from offshore Federal lands exceed the national ceiling or interim ceiling established or modified by regulation of the Commission pursuant to section 24 of this Act or (B) in any case where a natural-gas company which transports natural gas in interstate commerce purchases new natural gas from an affiliate or produces new natural gas from its own properties, to the extent that the rates and charges therefor exceed the current rates and charges, or portion thereof, made, demanded, or received for comparable sales by persons not affiliated with such natural-gas company.".

SEC. 6. Section 5(a) of the Natural Gas Act (15 U.S.C. 717d(a)) is amended by striking the period at the end thereof and by adding the following: ": *Provided further*, That the Commission shall have no power (1) to deny, in whole or in part, any rate or change made, demanded, or received by any natural-gas company for, or in connection with, the purchase or sale of new natural gas, or that portion of the rates and charges of such natural-gas company which relates to such purchase or sale except (A) to the extent that such rates or charges, or such portions thereof, for new natural gas sold or delivered from offshore Federal lands exceed the national ceiling or interim ceiling established or modified by regulation of the Commission pursuant to section 24 of this Act, or (B) in any case where a natural-gas company which transports natural gas in interstate commerce purchases new natural gas from an affiliate or produces new natural gas from its own properties, to the extent that the Commission determines that the rates and charges therefor exceed the current rates and charges, or portion thereof, made, demanded, or received for comparable sales by persons not affiliated with such natural-gas company; or (2) to order a decrease in the rate or charge made, demanded, or received for the sale or transfer of old natural gas or new natural gas produced from offshore Federal lands by a natural-gas company if such rate or charge has been previously determined or deemed to be just and reasonable pursuant to this Act.".

SEC. 7. Section 7 of the Natural Gas Act (15 U.S.C. 717f) is amended by adding at the end thereof the following new subsection:

"(i) Subject to the provisions of section 24 of this Act, after the date of enactment of the Natural Gas Act Amendments of 1977, the provisions of this section shall not permit the Commission to condition the grant of, or to deny, a certificate of public convenience and necessity to a natural-gas company which transports natural gas in interstate commerce for the transportation in interstate commerce or for the sale in interstate commerce for resale of natural gas, or for the facilities used thereof, based on the price of new natural gas: *Provided, however*, That any contract for new natural gas shall be filed with the Commission by the purchasing natural-gas company which transports natural gas in interstate commerce.".

SEC. 8. Section 14 of the Natural Gas Act (15 U.S.C. 717m) is amended by adding at the end thereof the following three new subsections:

"(h) The Commission is further authorized and directed to conduct studies of the private or public exploration, production, sale, transportation, distribution, and consumption of natural gas, produced in the United States or in any State, whether or not otherwise subject to the jurisdiction of the Commission, and to make an annual independent estimate of total natural-gas reserves. The Commission shall, insofar as practicable, obtain and keep current information regarding (1) the ownership, operation, management, and control of all facilities for such exploration, production, sale, transportation, distribution, and consumption; (2) the independent estimate of total natural-gas reserves in the United States as required by this subsection, the current utilization of natural gas, and the relationship between the two; (3) the rates, charges, and contracts for natural-gas service to residential, rural, commercial, and industrial consumers, and private and public agencies; and (4) the relationship of any and all such information to the requirements of conservation, industry, commerce, and the national defense. Notwithstanding the provisions of section 1 of this Act (15 U..C. 717), the provisions of sections 20, 21, and 22 of this Act (15 U.S.C. 717s, 717t, and 717u) shall be applicable to the enforcement of this section. The Commission shall report annually to the Congress and shall publish and make available the results of studies, investigations, and estimates made pursuant to this subsection.

"(i) In making studies, investigations, and reports pursuant to this section, the Commission shall utilize, insofar as practicable, the services, studies, reports, information, and programs of existing agencies and other instrumentalities of the United States, of the several States, and of the natural-gas industry. Such agencies or instrumentalities of the United States shall cooperate with the Commission to the maximum extent practical to carry out the purposes of this subsection. Nothing in this section shall be construed as modifying, reassigning, or otherwise affecting the investigative and reporting activities, duties, powers and functions of any other agency or instrumentality of the United States.

"(j) The reports and information made public by the Commission shall be so composited and published as to preserve the confidentiality of trade secrets and other proprietary information obtained by the Commission as provided by law.".

SEC. 9. The Natural Gas Act, as amended by the Natural Gas Act Amendments of 1977, is further amended by adding at the end thereof the following four new sections:

"NATIONAL CEILING FOR RATES AND CHARGES

"SEC. 24. (a) The Commission shall by rule, as soon as practicable after the date of enactment of the Natural Gas Act Amendments of 1977, establish, an may from time to time modify, a national ceiling for rates and charges for new natural gas sold or delivered from offshore Federal lands on or after January 1, 1977, through December 31, 1982. In establishing such national ceiling the Commission shall consider the following factors and only these factors:

"(1) the prospective costs attributable to the exploration, development, production, gathering, and sale of new natural gas from offshore Federal lands;

"(2) the rates and charges necessary to encourage the optimum levels of (A) the exploration for natural gas, (B) the development, production, and gathering of natural gas, and (C) the maintenance of proved reserves of natural gas;

"(3) the promotion of sound conservation practices in natural-gas consumption necessary to contribute to the maintenance of a supply of energy resources at reasonable prices to consumers; and

"(4) the rates and charges that will protect consumers of natural gas from price increases that would, in the absence of a national ceiling during periods of actual or anticipated shortages, exceed the rates and charges necessary to achieve the objectives of paragraphs (1) through (3) of this subsection.

"(b) The Commission shall monitor the national ceiling established pursuant to subsection (a) or the interim ceiling established pursuant to subsection (d) during the period such ceiling is in effect, and commencing on July 1, 1977, the Commission shall report to the Congress not less than annually on the effectiveness of such national ceiling or interim ceiling in meeting the factors set forth in subsection (a).

"(c) The Commission may authorize a person to charge an amount in excess of the national ceiling established pursuant to subsection (a) or the interim ceiling established pursuant to subsection (d) for new natural gas produced from offshore Federal lands from any high cost production area or verti-

cal drilling depth as designated by the Commission by rule.

"(d) Pending the establishment of a national ceiling pursuant to subsection (a) by a final Commission order which is no longer subject to judicial review and within 30 days after the date of enactment of the Natural Gas Act Amendments of 1977 and on January first of each year thereafter until such establishment of a national ceiling, the Commission shall establish an interim ceiling for rates and charges for new natural gas sold or delivered from offshore Federal lands which shall be effective January 1, 1977, and which shall be equivalent on a British thermal unit (Btu) basis to the average first sale price for new crude oil produced in the United States in effect on the date of enactment of the Natural Gas Act Amendments of 1977 as determined by the Federal Energy Administration pursuant to section 8 of the Emergency Petroleum Allocation Act of 1973, as amended (15 U.S.C. 757). After the establishment of a national ceiling pursuant to subsection (a) by final Commission order which is no longer subject to judicial review, any person who has sold or delivered new natural gas from offshore Federal lands during the period the interim ceiling price was in effect shall thereafter have the benefit of the national ceiling: *Provided, however,* That the Commission shall have no power to order a reduction in the rates and charges for such sale or delivery below the interim ceiling price in effect on the dates of the establishment of the national ceiling.

"(e) From and after January 1, 1983, there shall be no ceiling price applicable to the sale or delivery of new natural gas from offshore Federal lands.

"(f) No price established by or pursuant to the Natural Gas Act Amendments of 1977 for new natural gas produced from offshore Federal lands shall be retroactive so as to affect any price for any natural gas sold or delivered in interstate commerce prior to January 1, 1977.

"(g) The rates and charges made, demanded, or received by any natural-gas company for, or in connection with, a contract for new natural gas sold or delivered from offshore Federal lands shall be deemed to be just and reasonable for the purposes of this Act, if they do not exceed the applicable national ceiling or interim ceiling established by regulation of the Commission or subsequently modified by the Commission pursuant to this section, in effect at the time when such new natural gas is either first sold or first delivered under such contract to a natural-gas company.

"NATURAL GAS FOR ESSENTIAL AGRICULTURE AND OTHER PURPOSES

"SEC. 25. (a) Except to the extent that natural-gas supplies are required to maintain natural-gas service to residential users, small users, hospitals, and similar users vital to public health and safety, as defined by the Commission, and notwithstanding any other provision of law (other than the provisions of this Act) or of any natural-gas curtailment plan in effect under existing law, the Commission shall within 120 days of the date of enactment of the Natural Gas Act Amendments of 1977, by rule, prohibit curtailment by a natural-gas company, to the maximum extent practicable, of natural gas for essential agricultural, food processing, and food packaging purposes for which natural gas is necessary, including but not limited to irrigation, pumping, crop drying, and the use of natural gas as a raw material feedstock or process fuel and in the production of fertilizer and essential agricultural chemicals in both existing plants (for present or expanded capacity) and new plants. The Secretary of Agriculture shall determine by rule within 60 days of the date of enactment of the Natural Gas Act Amendments of 1977 the agricultural, food-processing, and food-packaging purposes for which natural gas is necessary. The Secretary of Agriculture shall certify to the Commission the amount of natural gas which is necessary for such essential uses to meet requirements for full food and fiber production.

"(b) Except to the extent that natural-gas supplies are required to maintain natural-gas service for purposes specified under subsection (a) of this section, the Commission shall prohibit curtailment by a natural-gas company, to the maximum extent practicable, of natural gas for industrial purposes for which natural gas is essential for uses (other than boiler fuel) for which there is no practicable substitute.

"(c) The Commission shall decide applications for special relief from a curtailment plan as soon as practicable, but in no event later than 120 days after the date such applications are accepted for filing.

"NATURAL-GAS CONSERVATION

"SEC. 26. (a) Except as provided in subsections (c) and (e) of this section, the Commission shall by rule prohibit boiler fuel use of natural gas affecting commerce which is supplied pursuant to any delivery arrangement which becomes effective, or contract executed on or after January 4, 1977, unless, upon petition by the user the Commission determines for the subsequent 12-month period that—

"(1) alternative fuels, other than crude oil or products refined therefrom, propane, natural-gas liquid products, are not reasonably available to such user; or

"(2) it is not practicable or feasible to utilize such alternative fuels at the time of such Commission determination.

"(b) Except as provided in subsections (c) and (e) of this section, the Commission shall by rule prohibit boiler fuel use of natural gas affecting commerce which is supplied pursuant to any delivery arrangement in effect or contract initially executed prior to January 4, 1977, at the expiration of such contract or delivery arrangement or 10 years after the date of enactment of the Natural Gas Act Amendment of 1977, whichever is earlier, unless, upon petition of such user, the Commission determines for the subsequent 12-month period that—

"(1) alternative fuels, other than crude oil or products refined therefrom, propane, natural-gas liquids, natural-gas condensate, or natural-gas liquid products are not reasonably available to such user, or—

"(2) it is not practicable or feasible to utilize such alternative fuels at the time of such Commission determination.

The Commission shall modify or terminate certificates of public convenience and necessity issued pursuant to section 7 of this Act that relate to such contracts to the extent necessary to carry out the purpose of this subsection.

"(c) The Commission shall exempt from any rule under this section the boiler fuel use of natural gas by powerplants for the purpose of operating pollution abatement systems to the extent natural gas is required as determined by the Commission for the efficient operation of such pollution abatement systems.

"(d) Nothing in this section shall impair any requirement in any State or Federal law pertaining to safety or environmental protection.

"(e) The Commission shall not prohibit the boiler fuel use of natural gas for the necessary processes of ignition, startup, testing, and flame stabilization by a facility, or for the purpose of alleviating short-term or seasonal air quality emergencies or any other significant risk to the public health or safety.

"(f) Except as expressly provided in subsections (b) and (g) of this section, the Commission under the authority of the Natural Gas Act, shall not (1) modify, amend, or abrogate contracts entered into prior to January 4, 1977, for the sale or transportation of natural gas for boiler fuel use, (2) modify, amend, or abrogate the supply terms of certificates of public convenience and necessity issued pursuant to section 7 of this Act that authorize the sale or transportation of natural gas under such contracts, except upon application duly made by the holder of a certificate under section 7 of this Act; or (3) prevent, impair, or limit, either directly or indirectly, the deliveries under any such contract or certificate except upon application duly made by the holder of a certificate under section 7 of this Act.

"(g) The provisions of this section shall not modify or limit the authority of the Commission to effectuate curtailments of natural gas transported and sold by a natural-gas company.

"(h) Notwithstanding the provisions of section 1 of this Act (15 U.S.C. 717), the provisions of sections 20, 21, and 22 (15 U.S.C. 717s, 717t, and 717u) shall be applicable for the enforcement of this section.

"COMMISSION JURISDICTION OVER SYNTHETIC GAS

"SEC. 27. (a) The provisions of this Act shall apply to any facility constructed or operated by a natural-gas company or an affiliate thereof for the manufacture of pipeline-quality gas from hydrocarbon-containing materials for the purposes of transportation in interstate commerce or sale in interstate commerce for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, to such transportation or sale by a natural-gas company or affiliate thereof, and to natural-gas companies or their affiliates engaged in such manufacture, transportaiton, or sale: *Provided,* That the provisions of this Act shall not apply to the mining production, transportation, sale, delivery, or any other activity related to the furnishing of hydrocarbon-containing material to a natural-gas company or its affiliate for production of such pipeline-quality gas: *Provided further,* That the provisions of this Act shall not apply to such manufacture, transportation, or sale, or facilities used therefor, of such pipeline-quality gas prior to commingling with natural gas if such pipeline-quality gas is derived, in whole or in part, from any of the following hydrocarbon-containing materials: crude oil, residual fuel oil, refined petroleum products, natural-gas liquids or condensate, or natural-gas liquid products.

"(b) If any natural-gas company or predecessor in interest was bona fide engaged in the manufacture of pipeline-quality gas from hydrocarbon-containing material or transportation or sale for resale of such pipeline-quality gas, subject to the jurisdiction of the Commission, or if a certificate of public convenience and necessity has been issued by the Commission authorizing the transportation or sale of such pipeline-quality gas by a natural-gas company prior to the effective date of the Natural Gas Act Amendments of 1977, the Commission shall issue a certificate for such manufacture, transportation, or sale for resale of such pipeline-quality gas without requiring further proof that the public convenience and necessity will be served by such operation, and without further proceedings pursuant to the Natural Gas Act or any other provision of law, if application for a certificate is made to the Commission within 90 days after the effective date of the Natural Gas Act Amendments of 1977. Pending the determination of any such application, the continuance of such operation shall be lawful.

"(c) For purposes of this section, 'pipeline-quality gas' shall mean gas the principal ingredient of which is methane and which is interchangeable and compatible with natural gas as determined by rule by the Commission.".

EXHIBIT 2

SECTION-BY-SECTION ANALYSIS OF THE NATURAL GAS AMENDMENTS OF 1977

SECTION 1—Names the bill the "Natural Gas Act Amendments of 1977."

SEC. 2—Redesignates existing subsections of section 1 of the Natural Gas Act and designates existing section 24 as section 1(a).

SEC. 3—This section, in conjunction with section 9, is the keystone of the Natural Gas Act Amendments of 1977. Section 3 amends section 1 of the Natural Gas Act which latter section establishes the jurisdictional parameters of FPC natural gas regulatory authority. In order to terminate Federal wellhead price regulation over new onshore natural gas, and phase out Federal wellhead price regulation of new offshore gas while preserving the present structure of regulation of "old natural gas" and pipeline operations, section 3 directs that, from and after the effective date of this legislation, the FPC's authority to regulate sales of "new natural gas" for resale in interstate commerce "shall cease to exist * * * and shall not apply."

Federal wellhead price regulation, for a 5-year period, of new natural gas sales from the offshore Federal domain is then reestablished in section 9, but section 3 expressly provides that it shall in no way modify, or affect, the FPC's existing authority (a) to regulate the transportation or sale of old natural gas, or (b) to regulate pipeline rates and service. The second provision further guarantees that there will be no impairment of the FPC's authority to regulate curtailments of services by interstate pipelines, since this authority is derived from the Commission's authority over transportation by pipelines of natural gas in interstate commerce.

The present FPC authority to regulate wellhead sales of natural gas derives, by judicial construction, from existing sections 1, 4, 5, and 7 of the Natural Gas Act. Thus section 3 first terminates all existing FPC authority over new wellhead sales, then reestablishes regulatory authority only as to new offshore sales for the years 1977 through 1982, inclusive. As section 3 makes clear, however, existing authority over wellhead sales of old natural gas and pipeline operations is unchanged.

There is no intent to expand the scope of remaining FPC jurisdiction through this amendment to section 1 of the Natural Gas Act. Thus, for example, retention of FPC transportation authority does not expand FPC jurisdiction to include producer gathering facilities in which natural gas is transported.

Section 3 further amends section 1 of the Natural Gas Act by authorizing emergency sales or transportation of natural gas to interstate pipelines which are curtailing their essential direct or indirect customers. Such sales may also be made to distribution companies and end-users who are essential users and whose supplies are being, or under reasonably foreseeable circumstances during the emergency period will be, curtailed by their interstate pipeline supplier.

These emergency sales, or transportation of natural gas, which will be made by intrastate producers, intrastate pipelines and natural gas distribution companies to curtailing interstate pipelines and their essential customers, will not be subject to FPC jurisdiction nor will the persons making such sales, who are otherwise exempt from FPC jurisdiction, become subject to Federal regulation under the Natural Gas Act due to such sales. Emergency sales under section 3 of the bill may not exceed 180 days nor may natural gas sold pursuant thereto be produced from offshore Federal lands. Contractual provisions which prohibit or prevent the sale of intrastate natural gas to the interstate market shall be suspended and unenforceable with respect to and for the duration of any emergency sale. Flowing intrastate natural gas may be sold pursuant to section 3 of the bill and not be subject to the price and other jurisdictional limitations placed on such natural gas when otherwise sold in interstate commerce as provided in the definition for "new natural gas" in section 4 of the bill.

SEC. 4—Definitions. This section provides the new definitions essential to application of the Natural Gas Act Amendments of 1977. The new definitions, which will appear in section 2 of the Natural Gas Act, are:

(a) "New natural gas" is defined as:

(1) Natural gas sold or delivered in interstate commerce for the first time on or after January 1, 1977. Natural gas that was sold in the intrastate market prior to January 1, 1977 will not qualify for exempt new gas sales. If the sale is from the Federal offshore area the term of the sale must be for a minimum of 15 years or life of the reservoir from which the gas is produced if less than 15 years. Further, the sale is considered new gas even if previously sold or delivered in interstate commerce if such sale was under an FPC limited term certificate of 5 years or less or under a temporary emergency contract.

The intent of this portion of the new gas definition is to insure that new supplies which have not been previously sold will be available for sale to the interstate and intrastate market on an equal basis without granting a preference to purchasers in either market and without the historical impediments of Federal Power Commission regulation. To this end, with respect to sales which have been previously made in the intrastate or interstate market, the status quo will continue. The interstate purchasers will not be able to enter into a bidding war for gas already relied upon by consumers in the intrastate market when contracts for such flowing intrastate gas expire. Substantive disruptions and inflationary pressures in those areas will thus be averted. Conversely, the intrastate purchasers will not be able to bid gas away from the interstate pipelines when interstate contracts expire (thereby avoiding disruptions and inflationary pressures in their marketing areas).

(2) Natural gas produced from a reservoir discovered or extended on or after January 1, 1977 (including a reservoir discovered by the deeper drilling of an existing well) even if the acreage on which the well is drilled was previously committed to the interstate market. The Federal Power Commission will by general rulemaking set out the procedure which will have to be followed in order for deliveries from a new reservoir or an extension of a reservoir to qualify as new natural gas.

The intent of this portion of the definition is to provide incentives to producers to accelerate their drilling programs to search for all new supplies of gas. This includes encouraging the deeper drilling of wells into new reservoirs which in many respects is like drilling a new well.

The interstate consumer must be provided the opportunity to get supplies which would not otherwise be available in the near term to their suppliers. If the gas is not produced the consumer does not pay for these supplies.

To insure that the exemption applies only to sales from these new reservoirs or extensions of reservoirs, the Commission, as it has consistently done since its Opinion No. 567, issued Oct. 3, 1969, must set up the procedures producers must follow in order to qualify for these classifications of new gas.

With respect to "extension of a reservoir," the purpose here is to insure that the potential gas in a known reservoir is developed and made available to the consumer. The ultimate size of a reservoir is often determined by drilling in years subsequent to discovery of the reservoir. Certain wells specifically add to the proved area of the reservoir. The enlargement of the proved area of the reservoir is classified as an "extension".

(3) Natural gas produced from a well or wells initiated on or after January 1, 1977 and completed in a previously discovered reservoir, regardless of whether the acreage on which the well is drilled was committed to interstate commerce.

The intent of this portion of the new gas definition is to bring the concept of what is new gas in line with the policy the Commission recently adopted in Opinion No. 770A, (FPC Docket No. RM–75–14, issued November 5, 1976). Though it is very important to exempt from Commission jurisdiction sales from newly discovered reservoirs and extensions of reservoirs, the most immediate supply of gas to the interstate consumer will come from the drilling of new wells into already known reservoirs.

This drilling of these wells would assure the most efficient and economic recovery of reserves of natural gas in a reservoir. Many large gas reservoirs producing today are developed on relatively sparse spacing, and under improved pricing conditions could be developed economically by the drilling of such wells, but they must be drilled at today's costs. Deregulation of sales from these new wells will permit wells which will recover additional natural gas, as well as permit proved natural gas reserves to be withdrawn from the reservior at a more rapid rate.

In order to avoid the drilling of any unnecessary wells the Commission is provided ample safeguards. First, the Commission will set out by general rulemaking the form and manner in which a filing by a producer must be made to justify classifying this type gas as new gas. It must be documented in the filing that the wells are necessary to deplete the existing reservoir in an efficient and economic manner in accordance with good operation practices and applicable regulations of the appropriate local, State or Federal agency. In addition, it must be shown that each such well is necessary to permit the recovery of additional reserves from the previously discovered reservoir which would not otherwise be economically recoverable from an existing well. Further, all filings made with an issue by a local, State or Federal agency related to the necessity for the drilling of such well or wells must be filed with the Commission. Finally, the Commission has 90 days to reject the filing if it finds that it is not supported by substantial evidence.

(b) "Old natural gas" is defined as natural gas sold or delivered in interstate commerce other than new natural gas. While flowing intrastate ntaural gas, if sold in interstate commerce, will be treated as "old natural gas," such sales are to be priced by the FPC as if they had been sold or delivered from wells commenced on or after January 1, 1975. The intent of this provision is to allow flowing intrastate natural gas to receive the ceiling price authorized by the FPC in Opinion 770–A for sales of jurisdictional natural gas from wells commenced on or after January 1, 1975. That price was $1.42 per Mcf plus a 1¢ quarterly escalator.

(c) "Boiler fuel use of natural gas" is defined as the use of natural gas as the source of generating electricity in certain large generating units and utility systems.

(d) "Affiliate" is defined in terms of control or ownership with the Commission to make detailed determinations of affiliate relationships after rulemaking. Natural gas purchased by a pipeline from its own affiliate should not be totally unregulated because of the absence of arm's-length bargaining in such transactions. As set forth in section 5 and 6, a pipeline's affiliate production may be sold for no higher rate to the parent pipeline than a rate paid for comparable sales by non-affiliated producers.

(e) "Offshore Federal lands" are defined by reference to the meaning of such term

in the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).

(f) "Intrastate commerce" is defined as commerce other than interstate commerce.

SEC. 5—*Cost Pass-Through*. Amends existing section 4(e) of the Natural Gas Act to prohibit the Commission from denying to pipelines their cost of purchased new natural gas except in the following two specific instances:

1. When the pipeline purchases new offshore gas and pays more than the Commission-set ceiling price applicable to such gas; or

2. When the pipeline purchases gas from an affiliate and pays more to its affiliate than it pays to a nonaffiliated producer.

In these instances, and only in these instances, is the Commission empowered to deny the pipeline recovery of the excessive portion of the wellhead price paid to producers.

It is the intent of this proposed section to make only those changes in existing section 4 of the Natural Gas Act as are necessary to effectuate the basic restructuring of producer regulation set forth in sections 3 and 9 of this amendment—that is, that Commission authority over old natural gas and over pipeline sales for resale, transportation, and curtailment should remain intact; that Commission jurisdiction over sales for new natural gas from offshore Federal lands should continue in modified form only through 1982; and that all Commission jurisdiction over sales for resale in interstate commerce of new onshore gas should cease to exist upon enactment of the amendment. Nothing contained in section 5 is to be construed as authorizing the FPC to exercise any wellhead rate jurisdiction over a sale of new onshore natural gas to an interstate pipeline, except where this sale is by an affiliate to its parent pipeline.

SEC. 6—*Cost Pass-Through and Sanctity of Contract*. Section 6 amends existing section 5(a) of the Natural Gas Act to accommodate the new regulatory structure. The amendment of existing section 5 is comparable to the amendment of existing section 4(e) which is set forth in section 5 with respect to cost pass-through, and which is described above.

It is necessary to amend both existing section 4(e) and 5(a) of the Natural Gas Act because of the interaction of the two sections on producer regulation. Existing section 4(e) establishes the Commission's authority to act on producer rate filings, while existing section 5(a) empowers the Commission to act on its own initiative to decrease rates which may be excessive. Thus, the amendment of existing section 5(a) of the Natural Gas Act, as set forth in section 6 of the bill, is a conforming amendment necessary to maintain internal consistency.

It is the intent of section 6 to make only such changes in existing section 5(a) as are necessary to effectuate the basic restructuring of producer regulation established in section 3—that is, that Commission authority over "old natural gas" and pipeline sales for resale, transportation, and curtailment should remain intact; that Commission jurisdiction over sales for new gas from offshore Federal lands should continue in modified form only through the end of 1982; and that all Commission jurisdiction over sales for resale in interstate commerce of new onshore gas should cease to exist upon enactment. Nothing contained in section 6 is to be construed as authorizing the FPC to exercise wellhead rate jurisdiction over a sale of new onshore gas to an interstate pipeline, except where such sale is by an affiliate to its parent pipeline.

Finally, section 6 brings to producer rate regulation (with respect to old gas sales and new offshore gas sales) the requisite degree of certainty that has heretofore been lacking in the regulatory structure. Section 6 prohibits the Commission from engaging in rate redeterminations, after having determined the just and reasonable rate for a sale. Without this amendatory language establishing sanctity of contract, the Commission would retain authority to readjudicate producer rates at any time without regard to prior final FPC decisions establishing such rates.

SEC. 7—*Amendment to FPC Certificate Authority*. Section 7 adds a new subsection to existing section 7 of the Natural Gas Act. This provision clarifies that the Commission may not use its certification authority to indirectly regulate producer sales of new natural gas which have been exempted from FPC jurisdiction pursuant to the Natural Gas Act Amendments of 1977.

SEC. 8—*FPC Natural Gas Studies*. This section creates new authority in the FPC to gather information, conduct studies and report to Congress on matters relating to natural gas supplies, production, transportation, and consumption.

The FPC currently does not have statutory authority to engage in comprehensive data collection. Its authority is limited to the power to compel reports on sales and services from companies subject to its jurisdiction. The Commission has consistently sought broadened powers to enable it to secure comprehensive data on natural gas. Section 8 would grant such authority.

SEC. 9—*Offshore Ceiling Rates; Agricultural Priority; Boiler Fuel Prohibition; Synthetic Gas*. This section proposes four new sections to the Natural Gas Act:

1. New section 24 provides regulatory criteria for sales of new offshore gas;

2. New section 25 establishes for essential uses of natural gas;

3. New section 26 establishes a basis for phasing out consumption of natural gas for boiler fuel use in generating electricity; and

4. New section 27 creates FPC jurisdiction over certain synthetic gas operations and facilities.

New section 24 grants to the FPC, for a period of 5 years beginning January 1, 1977, wellhead price jurisdiction over sales of "new natural gas" produced from offshore Federal lands. It is the intent that FPC wellhead rate jurisdiction over new gas sales to interstate pipelines be expressly limited to only one category of new gas; namely, gas produced from offshore Federal lands.

During the 5-year period of phased-out regulation of new offshore gas, the Commission is directed to discard utility-type, cost-of-service rate regulation, and to establish rates, instead, on the basis of the following four enumerated criteria—and only those criteria:

1. Prospective costs;

2. The rate necessary to achieve optimum deliveries of natural gas;

3. The rate necessary to promote conservation of natural gas; and

4. The rate necessary to protect consumers from price increases attributable to shortage conditions.

The FPC is directed to set a national ceiling rate for new offshore gas as soon as practicable by rulemaking, through consideration of the four criteria set forth above, and to modify such ceiling rate as necessary, from time to time, prior to December 31, 1982. The Commission also is empowered to authorize rates in excess of the national ceiling for high-cost or deep drilling activities.

Pending the establishment of a national ceiling by a final Commission order which is no longer subject to judicial review, the FPC is directed to establish an interim ceiling rate for sales of new natural gas from offshore Federal lands. This interim ceiling is to be the equivalent of the "upper tier" price allowed for domestic crude oil production which is in effect on the date of enactment of the Natural Gas Act Amendments of 1977; that is, the interim ceiling is to be the regulated price allowed under section 8 of the Emergency Petroleum Allocation Act as amended by Title IV of the Energy Production and Conservation Act for new crude oil production.

Sales of new offshore natural gas at or below the national ceiling will be "just and reasonable" for the purpose of the Natural Gas Act. Producers may be denied their contract rate for new offshore gas only if such contracts exceed the applicable Commission-set ceiling rate for such gas. If the contract rate is excessive, the Commission may reject producer rate filings to the extent that the rate sought exceeds the applicable ceiling.

Finally, new section 24 states that there shall be no ceiling price applicable retroactively to the sale of old natural gas produced from offshore Federal lands.

New section 25 directs the Commission to assure the availability of natural gas supplies, during times of shortage, to residential users, small users, and to hospitals and similar services vital to public health and safety. After these priority uses are protected, the Commission is directed to give next priority for essential agricultural, food processing and packaging purposes. The Secretary of Agriculture shall determine by rule the essential agricultural, food processing, or packaging purposes for which natural gas is essential.

The intent of this section is to specify by statutory language those categories of service to receive natural gas in order of priority pursuant to FPC curtailment plans. New section 25 does not expand the statutory scope, as judicially construed, of FPC curtailment authority nor does it allow the Commission to order physical interconnections or mandatory allocations of natural gas between interstate pipelines.

New section 26 will bring about conservation of natural gas for higher priority utilization by phasing out the use of natural gas as a boiler fuel for the generation of electricity. Proposed section 26(a) directs the Commission to prohibit, by rulemaking, any new sale of natural gas for such boiler fuel purposes, unless the Commission expressly finds that there is no alternate fuel—other than crude oil, crude oil derivatives or propane, or natural gas liquids—available to the purchaser, or that use of alternate fuel is not feasible or practicable.

Proposed section 26(b) requires the termination of the use of natural gas as a boiler fuel by electrical utilities within 10 years after the date of enactment. Alternative fuels, other than crude oil, crude oil derivatives or propane, or natural gas liquids, must be available and their use must be feasible or practicable. Sanctity of contract is provided for electrical utilities who acquired a supply of natural gas for boiler fuel use prior to January 1, 1977. Such contracts for natural gas supply would, however, be subject to the overriding requirements for phaseout within 10 years, and would further be subject to all curtailment orders issued by the Commission under authority of other provisions of the Natural Gas Act.

Subsections (c), (d), and (e) of new section 27 would provide three exemptions from the FPC's boiler fuel conversion authority: (c) an exemption for the burning of essential natural gas for the purpose of operating pollution abatement systems; (d) a prohibition from impairing any State or Federal requirement pertaining to safety or environmental protection; (e) an exemption for the use of natural gas for the necessary processes of ignition, startup, testing, and flame stabilization or for alleviating emergencies to the public health, safety or welfare.

New section 27 establishes Commission jurisdiction over certain synthetic natural gas (SNG) facilities and operations.

The FPC currently has no jurisdiction over SNG until it enters into a natural gas stream

(i.e., jurisdiction now adheres at the tap and valve point of an interstate pipeline). Section 27 would place under FPC authority, with respect to SNG, any plant used for the production of SNG, any sales or transportation of SNG, and any person owning and/or operating such a plant. Expressly exempted from FPC jurisdiction is the feedstock of an SNG plant. Commission rate and certification authority over SNG will be the same as the FPC's present regulatory authority over natural gas. That is, sections 3, 5, and 6 of the 1977 Amendments, and proposed section 24 as contained in section 9 of the Amendments, and proposed section 24 as contained in section 9 of the Amendments, are not to be considered by the FPC in its regulation of SNG. Those SNG plants in existence prior to the date of enactment of the bill will not be required to undergo a certification proceeding pursuant to section 7 of the Natural Gas Act.

New section 27 is not intended to extend FPC jurisdiction over intrastate SNG facilities and operations. Furthermore, no regulatory authority is established with respect to plants employing any of the following feedstocks: crude oil, residual fuel oil, refined petroleum products, natural gas liquids or condensate, or natural gas liquid products. SNG produced from such exempted plants will not become subject to FPC jurisdiction until injection into a jurisdictional natural gas stream.

By Mr. HUMPHREY (for himself, Mr. RANDOLPH, Mr. ROBERT C. BYRD, and Mr. HUDDLESTON):

S. 257. A bill to establish fiscal incentives for the conversion of existing petroleum-fired and natural gas-fired powerplants and fuel burning installations to coal as a primary energy source and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

COAL SUBSTITUTION INCENTIVE ACT OF 1977

Mr. HUMPHREY. Mr. President, Federal efforts to deal with our growing foreign oil dependency have been disappointing, particularly in light of the recent OPEC oil price hike—a price hike we all knew was coming. That price increase and our increased need for foreign oil will cost American consumers close to $5 billion more this year than last for oil and oil related products. In 1977, we will be spending $38 billion for foreign oil, and our reliance on imports will exceed a staggering 40 percent of total domestic oil demand.

In the near future, this dangerous dependence on foreign oil can only be minimized by increased utilization of coal. We must use more coal and less oil, particularly in the production of electricity. All proposals to achieve energy independence assign a major role to coal. Yet, few powerplants have turned to coal, largely due to the expense of satisfying clean air standards with uncertain technology.

Our coal reserves are breathtaking. We have 434 billion tons of known—yes, known—reserves. The energy contained in that coal is over 2½ times the energy contained in all known oil reserves worldwide. It is 10 times the energy contained in reserves of the largest oil producer, Saudi Arabia. It is, furthermore, enough energy to supply our entire economy at 1976's rate of consumption for 200 years.

Yet, we have drastically failed to utilize this remarkable resource—a resource, I might add, which is by far the most abundant in this country, and the least efficiently used. From 1947 to 1976, coal's contribution to domestic energy supplies has fallen to 18 percent from 47 percent. The Federal Energy Administration—FEA—has projected that coal will serve 19 percent of our needs this year. Compared to our increasing rate of oil consumption, this projected increase for coal is inadequate.

The slight improvement in coal use last year was encouraging. But it was hardly unexpected in view of the fact that, on a Btu-equivalent basis, coal is now just one-half as expensive as oil. We should see a further growth and a new record output in 1977, as our economic recovery stimulates industrial production.

HOW TO INCREASE COAL DEMAND

What must be done to stimulate coal demand?

The most effective step would be to encourage the substitution of coal for expensive oil and scarce natural gas. We must aggressively pursue the conversion of electric powerplants to coal from oil and gas. Utilities now burn 70 percent of all coal used. They can achieve economies of scale in purchasing and, especially, in handling coal that few industries can match. I believe Federal conversion efforts, as a result, should be concentrated on them.

The Federal Energy Administration has ordered conversions to coal by some 196 powerplants: The Energy Policy and Conservation Act—EPCA—specifically extended and expanded this FEA program through 1984: And, the Energy Conservation and Production Act provides loan guarantees to new and existing coal mines and to reopen underground coal mines that had previously been closed—all of these programs to expand domestic coal usage. Clearly, Congress supports and will continue to support mandatory coal conversions.

Second, we must see to it that our coal industry remains financially healthy and able to supply a growing market. Realistically, there appears now to be little question that most coal producers can acquire the necessary capital for expansion—even despite the softening of coal prices since early 1975. If this situation is reversed, Congress will not hesitate to provide whatever fiscal assistance is appropriate.

Third, we must resolve the conflict between the necessity for clean air and rather uneven performance and very high cost of pollution control devices for coal users. Marked success has been achieved by removing the visible fly-ash pollution from smoke stacks, but sulphur dioxide is quite another story. The Clean Air Act of 1970 mandated rigorous air quality standards and the Edison Electric Institute has estimated that it will cost utilities $1.7 billion annually just to meet these new and, I believe, necessary standards.

In 1900, coal was used to meet 90 percent of America's energy demands. Beginning in 1920, however, coal became the victim of an inexpensive oil and gas revolution. In spite of all this, coal production remains constant. If we are to see a rapid growth in coal use again, we must either accept a relaxation in clean air standards or pay a lot more for pollution abatement devices and, in turn, coal based energy.

I want clean air, and I think it is the responsibility of the Federal Government to see that we have clean air. But I believe strongly that it is also the responsibility of the Federal Government to promote energy independence based on greater coal use. And part of that responsibility includes assisting firms to convert to coal if the necessary pollution abatement devices impose an undue financial burden on such firms.

THE COAL SUBSTITUTION INCENTIVE ACT OF 1977

For these reasons, I have authored and am today introducing the Coal Substitution Incentive Act of 1977, with several of my distinguished colleagues.

In a real sense, it is a companion effort to the Natural Gas and Petroleum Conservation and Coal Utilization Act of 1977, authored by my good friend, Senator RANDOLPH, and being introduced today. This excellent bill calls for a necessary and quite impressive mandatory transition in the next decade to a coal based economy—particularly for industry. It is a worthwhile bill and I am delighted to cosponsor it.

The Coal Substitution Incentive Act of 1977 complements Senator RANDOLPH's bill in providing up to $500 million annually in loan guarantees and $100 million in low interest rate loans to firms converting to coal; the assistance is for use in acquiring pollution control devices.

It establishes a 10-year program; outstanding loan guarantees could reach as high as $5 billion at any one time, and outstanding low-interest rates could total $1 billion. It also mandates a moderate insurance fee on these loans to avoid any Federal revenue loss should default occur. As a result, this package of financial incentives will be provided without the expenditure of any tax dollars. Yet, in conjunction with Senator RANDOLPH's companion bill, it will accelerate the conversion to coal by utilities and industrial firms now using oil and natural gas—conversions which could equal as much as 30 percent—1.8 million barrels/day—of our oil imports.

Reduced oil imports, utilization of our own domestic resources, no tax outlays and clean air: that is what the Coal Substitution Incentive Act of 1977 is all about. I urge my colleagues to support this bill. Mr. President, I ask unanimous consent that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coal Substitution Incentive Act of 1977".

SEC. 2. The Energy Supply and Environmental Coordination Act of 1974 is amended by adding the following new title"

"TITLE II

"FINDINGS AND PURPOSE

"SEC. 201. (a) The Congress finds that—

"(1) the United States is now and will increasingly be dependent on unreliable foreign sources of fossil fuel energy;

"(2) this dependency can be reduced by the use of domestic energy resources at existing major electric powerplants and fuel burning installations;

"(3) the only domestic energy sufficiently abundant to be the primary energy source for such existing facilities is coal; and

"(4) the substitution of coal for petroleum or natural gas as the primary energy source in existing electric powerplants and fuel-burning installations is expensive, and will not occur to a substantial degree without temporary Federal fiscal assistance .

"(b) The purposes of this title are—

"(1) to authorize the Federal Energy Administration to provide loan guarantees and low-interest rate loans for the purchase of pollution-abatement devices necessary to comply with applicable environmental requirements, thereby stimulating the conversion to coal as a primary energy source in existing electric powerplants and fuel burning installations now utilizing petroleum or natural gas; and

(2) to ease the capital requirements temporarily imposed by a conversion to coal or other fuel as the primary energy source by existing electric powerplants and fuel burning installations now utilizing petroleum or natural gas as a primary energy source.

"DEFINITIONS

"SEC. 202. For the purposes of this Act:

"(a) The term 'Administration' means the Administrator of the Federal Energy Administration.

"(b) The term 'natural gas' includes dry natural gas, casinghead gas, and synthetic natural gas derived from natural gas liquids and which is commingled with natural gas.

"(c) The term 'person' includes a Federal, State, or local agency, who owns, leases, operates, or controls any electric powerplant or fuel burning installation.

"(d) The term 'petroleum' includes crude oil, residual fuel oil, refined petroleum products, liquid petroleum gas, or synthetic natural gas delivered from petroleum.

"(e) The term 'coal or other fuel' means coal and any fuel other than natural gas or petroleum.

"(f) The term 'small electric powerplant' means a fossil-fuel fired electric generating unit, which is part of an electric utilities system with a total net generating capacity of less than one hundred and fifty megawatts, that produces electric power for the purposes of sale or exchange.

"(g) The term 'fuel burning installation' means an industrial installation, other than an electric powerplant, that contains a fossil-fuel boiler, a gas turbine unit, combined cycle unit, a diesel engine, that by design is capable of being fired for the generation of steam or heat and includes combinations of more than one such unit at the same site.

"(h) The term 'small industrial installation' means fuel burning installation that by design is not capable of being operated at a total fuel heat input in excess of two hundred and fifty million British thermal units per hour.

"(i) The term 'primary energy source' means the fuel used by an electric powerplant or fuel burning installation for normal operation. The minimum amounts of fuel required (1) for boiler start-up, testing, flame stabilization, control uses, and fuel preparation; (2) to alleviate or prevent acute short-term air quality emergencies; and (3) to alleviate or prevent emergencies directly affecting the public health, safety, and welfare which would result from electric power outages.

"(j) The term 'air pollution control device' means equipment designed to reduce the quantity of atmospheric emissions by any electric powerplants and fuel burning installation using coal or other fuel as its primary energy source.

"LOAN GUARANTEES

"SEC. 203. (a)(1) The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, and after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee the bonds, debentures, notes, and other obligations issued by or on behalf of any person who owns, leases, operates, or controls any existing electric powerplant or fuel burning installation, for the specific purpose of financing the purchase and installation of air pollution control devices at such electric powerplants or fuel burning installations. The aggregate amount of outstanding indebtedness guaranteed under this section may at no time exceed $5,000,000,000. No guarantee or commitment to guarantee shall be undertaken under this section after January 1, 1985.

"(2) An applicant for a guarantee under this section shall provide evidence in writing to the Administrator in such form and with such content and other submissions as the Administrator deems necessary to protect the interest of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Administrator deems appropriate.

"(b) The Administrator shall guarantee or make a commitment under subsection (a) of this section, with respect to air pollution control devices, subject to conditions and priorities pursuant to section 205 of this title, and if—

"(1) the Administrator is satisfied that the guarantee will significantly reduce the borrowing costs associated with acquisition of capital for the purchase of such pollution control devices;

"(2) the Administrator is satisfied that the acquisition of such air pollution control devices would be significantly delayed in the absence of a loan guarantee;

"(3) the amount guaranteed does not exceed 66⅔ per centum of such air pollution control device acquisition costs;

"(4) the Administrator is satisfied that the financial assistance applied for is not otherwise available from other Federal agencies and that assistance as provided in section 204 of this title has not been obtained for such air pollution control devices; and

"(5) the bonds, debentures, notes, or other obligations for which guarantees are made shall not have redemption dates or a maturity in excess of ten years from date of issuance.

"(c)(1) The Administrator shall charge and collect such amounts as he may deem reasonable for the investigations for a guarantee, for the appraisal of properties offered as security for a guarantee, or for the issuance of commitments for a loan or other obligation guaranteed under this section, but such charge shall not exceed one-quarter of one per centum of the amount of the loan or other obligation.

"(2) The Administrator shall charge and collect an insurance fee designed to avoid a Federal revenue loss in the event of a default of a loan or other obligation guaranteed under this section, but such fee shall not exceed one-half of one per centum per annum of such guaranteed loan or other obligation during the twelve-month period following enactment of this title.

"(d) No guarantee or commitment to guarantee an obligation entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Administrator entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

"(e)(1) If there is a default in any payment by the obligor of interest or principal due under an obligation guaranteed by the Administrator under this section and such default has continued for ninety days, the holder of such obligation or his agents has the right to demand payment by the Administrator of such unpaid amount. Within such period as may be specified in the guarantee or related agreements, but not later than forty-five days from the date of such demand, the Administrator shall promptly pay to the obligee or his agent the unpaid interest on and unpaid principal of the obligation guaranteed by the Administrator as to which the obligor has defaulted, using funds collected for such purpose as insurance fees pursuant to subsection (c), unless the Administrator finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, he shall have all rights specified in the guarantee or related agreements with respect to any security which he held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

"(3) If there is a default under and guarantee or commitment to guarantee an obligation, the Administrator shall notify the Attorney General who shall take such action against the obligor or any other parties liable thereunder as is, in his discretion, necessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

"COAL CONVERSION LOANS

"SEC. 204. (a)(1) The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, and after consultation with the Secretary of the Treasury, to make loans and to make commitments to loan to any person who owns, leases, operates or controls any existing electric powerplant, or fuel burning installation, for the specific purpose of financing the purchase and installation of air pollution control devices at such electric powerplants or such fuel burning installations. The aggregate amount of loans outstanding under this section may at no time exceed $1,000,000,000. No loan or commitment to loan shall be made under this section after January 1, 1985.

"(2) An applicant for a loan under this section shall provide evidence in writing to the Administrator in such form and with such content and other submissions as the Administrator deems necessary to protect the interest of the United States.

"(3) Each loan shall be extended in such form, under such conditions and terms, and pursuant to such regulations as the Administrator deems appropriate: *Provided*, That the Administrator shall, from time to time as he deems appropriate and on advice of the Secretary of the Treasury, establish the interest rate or rates at which loans shall be

made under this section: *Provided further,* That this interest rate shall be established at the current rate being paid by the Secretary of the Treasury on bonds, notes, and other obligations of comparable duration issued on behalf of the Federal Government, plus such fees and other charges as the Administrator may specify pursuant to subsection (c) of this section, not to exceed one per centum per annum.

"(b) The Administrator shall loan or make a commitment to loan under subsection (a) of this section with respect to air pollution control devices, subject to conditions and priorities pursuant to section 205 of this title and if—

"(1) the Administrator is satisfied that the financial assistance applied for is not otherwise available from other Federal agencies and that assistance as provided in Section 203 of this title has not been obtained for such air pollution control devices;

"(2) the Administrator is satisfied that the acquisition of such air pollution control devices would not occur in the absence of a loan;

"(3) the loan does not exceed 66⅔ per centum of the cost of acquiring and installing such air pollution control devices; and

"(4) the loan does not have a maturity date in excess of ten years.

"(c)(1) The Administrator shall charge and collect such amounts as he may deem reasonable for the investigations for a loan, for the appraisal of properties offered as security for a loan, or for the issuance of a commitment: *Provided,* That such amounts shall not exceed one-half of one per centum of the loan amount authorized pursuant to subsection (a) of this section.

(2) The Administrator shall charge and collect an insurance fee designed to avoid a Federal revenue loss in the event of a default of a loan made pursuant to this section. Such fee shall not exceed one-half of one per centum of such loan during the twelve-month period following enactment of this title.

"(d) No loan or commitment to loan entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator.

"(e)(1) If there is a default in any payment by the obligor of interest or principal due under a loan entered into by the Administrator under this section and such default has continued for ninety days, the Administrator has the right to demand payment of such unpaid amount, unless the Administrator finds that such default has been remedied, or a satisfactory plan to remedy such default by the obligor has been accepted by the Administrator.

"(2) In demanding payment of unpaid interest or principal by the obligor, the Administrator has all rights specified in the loan-related agreements with respect to any security which he held with respect to the loan, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such loan or related agreements.

"(3) If there is a default under any loan or commitment to loan, the Administrator shall notify the Attorney General who shall take such action against the obligor or other parties liable thereunder as is, in his direction, necessary to protect the interests of the United States. The holder of such loan shall make available to the United States all records and evidence necessary to prosecute any such suit.

"(f) There are hereby authorized to be appropriated to the Administrator such sums as shall be sufficient for the purposes of this title, but which shall not exceed the sum of $200,000,000 for each fiscal year 1978 through 1982.

"CONDITIONS AND PRIORITIES

"SEC. 205. (a) The Administrator shall guarantee or make a commitment to guarantee as authorized in section 203 of this title, or loan or make a commitment to loan as authorized in section 204 of this title, only when conditions set forth in such sections are satisfied, and if—

"(1) air pollution control devices to be acquired pursuant to this title shall satisfy any applicable environmental requirements;

"(2) the Administrator is satisfied that the acquisition of air pollution control devices will not create serious shortages in the supply of such items, or that temporary price increases will not occur as a result of such acquisitions;

"(3) the Administrator is satisfied that such air pollution control device is necessary to effect a substitution of coal for natural gas or petroleum as the primary energy source for an existing fuel burning installation or electric powerplant;

"(4) the Administrator, in consultation with the Administrator of the Environmental Protection Agency, is satisfied that such air pollution control device does not duplicate or displace existing air pollution control devices with a remaining useful economic life in excess of two years and that such air pollution control devices are being installed are—

"(A) being installed on or after the effective data of this title; or

"(B) being installed to replace any existing electric power plants or fuel or burning installations using natural gas or petroleum as its primary energy source;

"(5) the Administrator has determined that there will be a continued reasonable assurance of full repayment of a loan, or that a realistic plan exists for redeeming all bonds, debentures, notes, or other obligations for which a guarantee is requested; and

"(6) the Administrator is satisfied that competition among private entities for the provision of air pollution control devices for any electric powerplants or fuel burning installations using coal as its primary energy source, to be assisted under this title will be in no way limited to or precluded.

"(b) In making guarantees or commitments to guarantee pursuant to section 203 of this title, or in making loans or commitments to loan pursuant to section 204 of this title, the Administrator is directed to—

"(1) allocate 25 percentum of available financial assistance, to the extent feasible and practicable, to existing small electric powerplants, and to small existing industrial installations; and

"(2) give priority consideration to requests for financial assistance by existing major fuel burning installations and electric powerplants subject to, and in receipt of, a coal conversion order issued by the Administrator pursuant to title I of the Energy Supply and Environmenal Coordination Act of 1974.

"(c)(1) The Administrator shall require all persons receiving financial assistance or guarantees under this title whether in the form of loans, obligation guarantees, or other arrangements, to keep such records as the Administrator shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section or full repayment of interest and principal on a loan made or guaranteed pursuant to provisions of this title, have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which in the opinion of the Administrator or the Comptroller General may be related or pertinent to the loans, obligation guarantees, or other arrangements referred to in such subsection."

By Mr. RIBICOFF (for himself, Mr. WEICKER, Mr. HUMPHREY, Mr. PELL, and Mr. MAGNUSON):

S. 258. A bill to provide for the development and implementation of programs for children and youth camp safety; to the Committee on Labor and Public Welfare.

YOUTH CAMP SAFETY

Mr. RIBICOFF. Mr. President, the Federal Government estimates that 8 million children attend 10,000 camps each summer. These youngsters' parents assume that their children will have enjoyable and rewarding summers and that the camps they attend are safe, have adequate facilities, and are staffed by trained and competent personnel. Tragically, approximately 100 deaths and more than a quarter of a million serious accidents will occur each summer at these camps.

Conditions at many summer camps are simply appalling. All too frequently there is dangerous equipment, unsafe or improperly operated vehicles, poor sanitation facilities, inadequate medical provisions, and unqualified personnel. Particularly distressing is the fact that only eight States have centralized administrations responsible for monitoring camp conditions and operations.

In 1973 the Department of Health, Education, and Welfare conducted a study of summer camps. This invertigation revealed serious inadequacies in State laws relating to camp safety—24 States have no medical aid and services regulations, 45 States have no rules governing out-of-camp trips, 35 States have no day camp regulations, and 10 States have no provisions pertaining to trained supervision of aquatic activities. In addition, 44 percent of the camps studied did not require a driver's license for employees, 53 percent failed to require flotation devices in boats, and 57 percent had inadequate or no firefighting equipment.

To end unfortunate and senseless deaths and injuries among young summer campers, I authored legislation eliminating unacceptable and unsafe conditions which exist in far too many camps. This measure was originally introduced 10 years ago. To date, no affirmative action has been taken to correct the situation. While the Senate adopted the Ribicoff Youth Camp Safety Act as an amendment to the Higher Education Act in 1971, it was subsequently rejected by the House in favor of much weaker language.

It is a sad commentary that we enact legislation to protect plants, sealife, wild horses and burros and other animals, yet we fail to provide meaningful safeguards for the millions of boys and girls—our children and grandchildren—who attend summer camps.

In the past, organizations such as the

American Camping Association, the Association of Private Camps, the National Recreation and Park Association, scouting organizations, Y camps and certain religious organizations have endorsed this legislation. They recognize the need for proper camp safety standards. Many of them have had to develop and enforce their own standards because of the lack of adequate State and Federal regulations. They know how important it is to have effective measures to properly protect young campers.

I am today reintroducing this legislation. I hope that it will be the last time I must do so. We simply cannot permit more children to be killed or permanently maimed and injured. I am sure that many needless accidents would have been prevented had this measure been enacted into law before this time.

The Senate has already gone on record in support of youth camp safety legislation. I trust it will do so again during this session of the 95th Congress. I am encouraged that our distinguished former colleague, WALTER MONDALE, was an original cosponsor of this measure and actively worked on its behalf, particularly as chairman of the Children and Youth Subcommittee. I hope that, as Vice President, he will continue his efforts in support of the legislation and will assist in its passage.

The children and youth camp safety bill I am reintroducing today—and for which I am seeking cosponsors—is a necessary and positive approach to the long-standing problem of camp accidents. Although no panacea, the bill will initiate efforts to eliminate the sources of camp accidents and will set in motion a mechanism for dealing with this persistent problem.

The children and youth camp safety bill provides that the Secretary of HEW will establish, within 9 months of enactment, minimum standards for the operation of safe and sanitary camp facilities. These standards will be developed in cooperation with an Advisory Council on Children and Youth Camp Safety and must be approved by both the House and Senate. The regulations will go into effect 21 months after enactment.

To comply with these Federal minimum standards, States will have three options. First, the State may choose to accept and enforce the Federal standards. Second, the State may choose to enforce its own safety regulations, which must be at least equal to the Federal guidelines. Third, the State may grant HEW authority to enforce the Federal standards in that State. Financial incentives, up to 80 percent matching funds, are available to those States choosing to enforce the program themselves.

In addition, the bill requires that all camp accidents be reported to the Secretary. Repeated or willful violations of safety regulations will subject the camp operator to financial penalties.

I am pleased that Senators WEICKER, HUMPHREY, and PELL have joined as original cosponsors. I urge that action be taken on this measure as soon as possible so that young campers can be afforded the protection they so desperately need.

By Mr. HANSEN (for himself and Mr. WALLOP):

S. 259. A bill to extend certain oil and gas leases by a period sufficient to allow the drilling of an ultradeep well; to the Committee on Interior and Insular Affairs.

Mr. HANSEN. Mr. President, the purpose of the legislation I introduce today for myself and Mr. WALLOP is to extend certain noncompetitive oil and gas leases located in the State of Wyoming for a period sufficient to allow the drilling of an ultradeep well in Sublette County, Wyo., by a group of six small independent producers, known as the Rainbow Resources Group.

The group consists of Rainbow Resources, Inc., Farmlands International Energy Co., Greenbrier Operating Co., and Oil and Gas Futures, Inc., of Texas.

The well, potentially measuring over 25,000 feet, would be the deepest ever attempted in the Rocky Mountain region. In all likelihood, it will require over 2 years to drill such an ultradeep well, and if mechanical problems develop it could require over 3 years to complete and equip. However, critical leases on the Pacific Creek structure where the well is to be drilled are due to expire in July 1977 because of the unintended effect of the March 1975 administrative redefinition of lease terms under the Mineral Leasing Act of 1920, as amended, by the Department of the Interior. The new regulations prohibit more than one 2-year extension of an oil and gas lease beyond its primary term.

Under the Mineral Leasing Act of 1920, as amended, a lease shall continue so long after its "primary term" as oil or gas is produced in paying quantities. As the result of a change in Department of the Interior regulations in March of 1975, the primary term of the lease is limited to the "initial 10 year period," as opposed to "all periods in all the life of the leases," as the phrase had previously been constructed by the Department prior to March 1975. The Rainbow Group took out leases on the Pacific Creek structure prior to the Department of the Interior's administrative redefinition. If the pre-March 1975 definition were currently effective these independents could drill the 25,000 feet test well since the primary term of the lease, which is now in an extended state, would again be extended for an additional term by reason of such drilling.

To date, the Rainbow Resources Group and associates have expended approximately $13.5 million in the search for gas reserves in the Peceance and Green River Basins. Several million dollars have been spent in order to form and initiate the initial test on the Pacific Creek unit in an attempt to obtain commercial production of natural gas in paying quantities and thereby extend the primary term of the leases. In the past year alone, these small independent producers have attempted one completion at 13,500 feet and two recompletions between 8,500 and 9,500 feet, all of which resulted in dry holes. An ultradeep well has not heretofore been drilled to 25,000 feet since the seismic survey delineating the Pacific Creek structure was not completed until 1974.

The potential proven natural gas reserve of the Pacific Creek structure may be substantial. This reserve potential, however, will not be developed unless these small independents are given the opportunity to drill the 25,000-foot, ultradeep test well. The group has determined that they will have to expend between $6 and $10 million in the next several years to drill, complete, and equip a 25,000-foot exploratory well. Obviously, a prudent businessman will not spend this sum to drill a well which will require more than 2 years to complete and equip on leases that are due to expire in July of 1977. Moreover, the usual lease extension calling for one 2-year period would not allow enough time for the drilling of this ultradeep well in the event any mechanical problems developed.

In a time of nationwide energy shortages, particularly with respect to natural gas, the public interest favors the continued exploration and development of vital natural resources. The ultradeep formations of the Pacific Creek structure could unlock vast new quantities of natural gas reserves to supplement the existing demand for a scarce national resource. Because the proposed 25,000-foot well would be the deepest ever drilled in the Rocky Mountain area, the results of the exploratory operation may well translate into new technology to assist future drilling efforts.

There is no question that the legislation being introduced today is consistent with the spirit and intent of the Mineral Leasing Act of 1920, as amended. The legislative history of the act and its 1960 amendments indicates that the statute was designed to encourage the prompt and efficient development of this country's vital natural resources. Limitations on oil and gas leases were enacted to encourage lease owners to exploit their leases rather than sit on them. The effect of the March 1975 regulations of the Department of the Interior, as applied in the case of these small independent producers, will be to prohibit these lease owners from undertaking ultradeep operations and development on their own leases. The regulations were never intended to work such a hardship.

Moreover, our national energy policy favors the expeditious development of new domestic natural gas supplies in order to eliminate our reliance on foreign sources. If these leases terminate in July of 1977, the ultradeep test of the formation may never be drilled, since it will take many years before a block of newly issued leases can be assembled in common ownership which could justify the cost of such an ultradeep well. The vast potential of the Pacific Creek structure could therefore remain untapped indefinitely.

This legislation will not be detrimental to the interests of the United States. If the leases should expire, any new leases that might be subsequently issued would be noncompetitive and bear the same royalty and rental rate as those held by these small independent producers. If

the ultradeep test well should fail, the leases would automatically terminate, leaving the United States free to reissue the leases. Any substantial benefit that would accrue to these independents or to the United States would thus be the result of commercial production from a deep test well. The Mineral Leasing Act as amended was not intended to deny to a leaseowner the benefits of a substantial investment in an ultradeep exploratory well that is lawfully commenced within the extended term of a lease, but which cannot be completed, equipped, and demonstrated to be capable of production prior to the expiration of the leases. The critical problem faced by these small independents is simply one of time. In cutting off the extension of oil and gas leases, neither Congress nor the Department of the Interior anticipated that lease owners would be attempting to drill 25,000-foot wells which would take 2 or more years to drill. The legislation before us is necessary, therefore, to insure that the diligent operations of the Rainbow Resources Group will not be frustrated.

By Mr. KENNEDY (for himself and Mr. McCLELLAN):

S. 260. A bill to amend title 18, United States Code, so as to impose mandatory minimum terms with respect to certain offenses, and for other purposes; to the Committee on the Judiciary.

MANDATORY MINIMUM SENTENCES FOR CERTAIN VIOLENT CRIMES

Mr. KENNEDY. Mr. President, today I reintroduce legislation cosponsored by Senator McCLELLAN which provides for the imposition of mandatory minimum sentences in certain limited cases of violent street crime. Similar legislation was introduced in the last Congress as S. 2698.

The legislation calls for a mandatory minimum sentence of 2 years imprisonment—without the possibility of probation or parole—in Federal cases involving burglary or aggravated assault under the Federal assimilated crime statute, murder in the second degree, crimes in which a handgun or other dangerous weapon is used, rape, robbery where the victim suffers serious bodily injury and trafficking in heroin. In addition, a 4-year minimum term would be imposed if the convicted defendant were a repeat offender who had committed one of the above enumerated crimes for a second time.

An important exception to the imposition of the mandatory minimum sentence would be permitted in those cases where the defendant was under 16 years of age, was suffering from a mental disease, was acting under duress or was merely an accomplice and not the principal offender. A posttrial hearing would be held to resolve such situations.

Mr. President, this legislation is designed to deal with the violent criminal who all too often plagues our city streets. The soaring rise in violent street crime must be dealt with firmly. One way to combat the menace of crime is by providing punishment of the offender which is both swift and certain. Mandatory minimum sentencing puts the criminal element in American society on notice that apprehension and conviction will result in imprisonment. This bill can be a valuable model for local governments in confronting their own problems of sentencing.

It is important in discussing the merits of such a sentencing procedure to spell out what this legislation does not do. What I introduce today is not touted as the final solution to the Nation's crime problem. The problem of crime is elusive and complex. There is no magic formula for reducing the Nation's crime rate.

The bill is a modest one, limited in application to the most violent crimes and, even then, only to those crimes in which Federal jurisdiction is found to exist. As I have said on numerous occasions violent crime is primarily a local problem.

Nor does mandatory minimum sentencing, in and of itself, assure the incarceration of the violent offender. Imprisonment of the violent offender first requires that the offender be apprehended—no sure thing today where the apprehension rate has slowly increased at a rate appreciably less than the soaring increase in crime.

In addition, any mandatory sentencing proposal will be of little value if punishment of the offender is not made more swift. Our existing criminal justice system—beset with expanding dockets, court congestion, and overcrowding—does not persuade the criminal offender that if he is caught, the chances are high that he will be swiftly brought to trial. Delay is the rule. The result in all too many cases today is that crime does indeed pay—and pay handsomely. Today in my own State of Massachusetts the average offender, including the repeat offender, stands a 98-percent chance of "succeeding," that is of avoiding any punishment at all. In New York City, 99 percent of all adults arrested for a felony are filtered out of the system and escape a prison term.

Finally, even if the violent offender is apprehended and swiftly brought to trial, a conviction cannot guarantee an appreciable term of imprisonment unless prison capacity is increased. Mr. President, the simple fact is that the lack of prison space available today has become a major excuse for lenient sentencing policies. A recent comprehensive study commissioned by the Massachusetts Institute of Technology demonstrates, through a careful analysis of the Massachusetts criminal justice system, that the shortage of prison capacity is the critical variable affecting the ability of the system to lower crime rates. And in an enlightening article by Prof. James Q. Wilson in last month's Commentary magazine—a copy of which accompanies my statement—the need for increased prison capacity as a sine qua non for any crime-fighting program is convincingly made.

In light of these facts mandatory minimum sentencing of the violent offender can be realistically viewed as just one small step in the comprehensive reform of our criminal justice system. We need to improve police resources and eliminate court delay—the new Law Enforcement Assistance Administration reauthorization bill, which has become law, is designed to aid localities accomplish these ends. The Congress must yet act in a meaningful way to deal with the critical problem of prison overcrowding. And, added to this mix, is the concept of mandatory minimum sentencing.

By imposing mandatory minimum sentences this bill makes certainty of punishment more of a reality. The bill is not based on any vindictive desire to punish. It studiously avoids any mandatory minimum sentence of 10 years—the former Federal narcotics law—or life imprisonment—the New York State narcotics law—which laws have not only been unjust, but unworkable. It recognizes that in some situations imposition of the mandatory minimum might work an injustice, and, therefore, provides for just such a circumstance—thus distinguishing this measure from laws such as the Bartley-Fox law in Massachusetts, which calls for a 1-year mandatory sentence for certain gun crimes in all cases.

Rather, this bill arises out of the need to deter potential offenders from criminal conduct while at the same time keeping the violent offender in jail and off the street for at least a limited period of time.

In applying the mandatory minimum sentence we must also make sure that it is applied evenhandedly to all offenders, regardless of social class. Just as the poor suffer the most as victims of crime, so too do they often pay a heavier price for crime than others in society. We must end that shameful double standard and assure that mandatory sentences be applied with an equal hand.

Mr. President, I am not persuaded by those who argue that mandatory minimum sentencing simply compounds the problems confronting our criminal justice system. Those problems must be addressed—effectively and comprehensively. But mandatory minimum sentences of 2 years, for those specific crimes listed in my bill, can have a positive impact in providing certain punishment of the criminal offender. We must stem the wave of violent crime. This bill is a step in that direction.

I ask unanimous consent to have printed in the RECORD the text of the bill establishing mandatory minimum sentences for certain violent crimes and the article by Prof. James Q. Wilson.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 13 of title 18, United States Code, is amended by striking out "and subject to a like punishment," and inserting the following new sentence: "Whoever is found guilty of a like offense under the provisions of this section shall be subject to a like punishment except that in those cases in which a person is convicted of committing any act which, according to the laws thereof in force at the time, constitutes—

"(a) the crime of burglary, where at night a person, with intent to engage in conduct constituting a crime, enters without privilege, or remains surreptitiously within, a dwelling that is the property of another; or

"(b) the crime of aggravated assault, where a person, by physical force, intentionally causes serious bodily injury to another person;

said person shall be sentenced to a term of imprisonment which may not be less than two years.".

SEC. 2. The third paragraph of subsection (b) of section 1111 of title 18, United States Code, is amended to read as follows:

"Whoever is guilty of murder in the second degree, shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to life imprisonment.".

SEC. 3. Subsection (c) of section 924 of title 18, United States Code, is amended to read as follows:

"(c) Whoever, while engaged in the commission of any offense for which he may be prosecuted in a court of the United States, knowingly possesses, displays, brandishes, or otherwise uses a firearm, destructive device, or other dangerous weapon, shall, in addition to the punishment provided for the commission of such offense, be sentenced to a term of imprisonment which may not be less than two years and which may be up to ten years. In the case of a second or subsequent conviction of a violation of this subsection, or in the case of a conviction under this subsection following a conviction of a State offense during the commission of which the defendant knowingly possessed, displayed, brandished, or otherwise used a firearm, destructive device, or other dangerous weapon, such defendant, with respect to such conviction under this subsection, shall be sentenced to a term of imprisonment which may not be less than four years and which may be up to twenty years.".

SEC. 4. Section 2031 of title 18, United States Code, is amended by striking out "imprisonment for any term of years or for life" and inserting in lieu thereof "shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to life imprisonment".

SEC. 5. (a) Section 2111 of title 18, United States Code, is amended by striking out "shall be imprisoned for not more than fifteen years" and inserting in lieu thereof "shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to fifteen years".

(b) Section 2112 of title 18, United States Code, is amended by deleting "shall be imprisoned not more than fifteen years" and inserting in lieu thereof "shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to fifteen years".

(c) The third paragraph of section 2113 (a) of title 18, United States Code, is amended by deleting "or imprisoned not more than twenty years, or both" and inserting "and shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to twenty years".

(d) The first paragraph of section 2113 (b) of title 18, United States Code, is amended by deleting "or imprisoned not more than ten years, or both" and inserting in lieu thereof "and shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to ten years".

(e) Section 2113(d) of title 18, United States Code, is amended by deleting "or imprisoned not more than twenty-five years, or both" and inserting in lieu thereof "and shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to twenty-five years".

SEC. 6. (a) Section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841) is amended (1) by adding after the words "more than $25,000, or both", the following sentence: "In the case of a controlled substance in schedule I which is the narcotic drug heroin, such person shall be sentenced to a term of imprisonment of not less than two years or more than fifteen years, and a fine of not more than $25,000"; and (2) by adding after the words "more than $50,000, or both" the following new sentence: "In the case of a controlled substance in schedule I which is the narcotic drug heroin, such person shall be sentenced to a term of imprisonment of not less than two years or more than thirty years, and a fine of not more than $50,000.".

(b) Section 1010(b)(1) of the Controlled Substances Act (21 U.S.C. 960) is amended by adding after the words "not more than $25,000, or both" the following new sentence: "In the case of a controlled substance in schedule I which is the narcotic drug heroin, such person shall be sentenced to a term of imprisonment of not less than two years or more than fifteen years and fine of not more than $25,000.".

SEC. 7. (a) Title 18, United States Code, is amended by adding immediately after section 3578 the following new sections:

"§ 3579. Increased sentence for repeat offenders

"(a) Whoever has been found guilty of an offense described in the provisions of section 13 relating to burglary and aggravated assault as defined therein, section 1111 relating to murder in the second degree, section 2031, section 2111, section 2112, any provision of section 2113 (other than the provisions contained in the second paragraph of subsection (b) of such section), or section 924(c) of this title, or section 401(b) of the Controlled Substances Act, relating to the narcotic drug heroin in schedule I or the provisions of section 1010 of the Controlled Substances Act relating to the narcotic drug heroin in schedule I, and said person is found to be a repeat offender, pursuant to subsection (c) of this section shall be sentenced to imprisonment for an appropriate term which may not be less than four years and may be up to the maximum provided by law for such violation for which he was convicted. Otherwise the court shall sentence the defendant in accordance with the law prescribing penalties for such violation. The court shall place in the record its findings, including an identification of the information relied upon in making such findings, and its reasons for the sentence imposed.

"(b) Notwithstanding any other provision of this section, the court shall not sentence a repeat offender to less than any mandatory minimum penalty prescribed by law for such violation.

"(c) A defendant is a repeat offender for purposes of this section if the defendant has previously been convicted in the courts of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, any political subdivision, or any department, agency, or instrumentality thereof, for a violation of any provision within the purview of subsection (a) of this section committed on an occasion different from the alleged violation referred to in subsection (a), or has previously been convicted in any State court of a violation of a State law involving murder in the second degree, rape, robbery, burglary, aggravated assault, the commission of any offense while knowingly possessing, displaying, brandishing, or otherwise using a firearm, destructive device, or other dangerous weapon, or the commission of any offense involving the manufacturing, distributing, selling, dispensing, possessing, or importing of the narcotic drug heroin. A conviction shown on direct or collateral review or at the hearing to be invalid or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of this paragraph.

"§ 3580. Imposition and execution of sentence

"(a) Except to the extent otherwise provided by subsection (b), the imposition or execution of any mandatory minimum sentence pursuant to the provisions of section 13 (relating to burglary and aggravated assault), section 1111 (relating to murder in the second degree), section 924(c), section 2031, section 2111, section 2112, section 2113, or section 3579, of title 18, United States Code, or section 401(b)(1)(A) or section 1010(b)(1), of the Controlled Substances Act, shall not be suspended, probation shall not be granted, and section 4202 and chapters 309, 311, and 402 of this title shall not be applicable.

"(b) Notwithstanding any other provision of this title, no mandatory minimum sentence shall be imposed, and the provisions of subsection (a) shall not be applicable, with respect to any individual sentenced pursuant to any provision of this title referred to in subsection (a) if—

"(1) the individual was less than sixteen years of age at the time of the commission of the offense for which he is to be sentenced;

"(2) the individual's mental capacity, at the time of the commission of the offense for which he is to be sentenced, was significantly impaired, although not so impaired as to constitute a defense to the prosecution;

"(3) the individual, at the time of the commission of the offense for which he is to be sentenced, was acting under unusual and substantial duress, although not such duress as would constitute a defense to the prosecution;

"(4) the individual to be sentenced was an accomplice, the conduct constituting the offense was principally the conduct of another person, and the individual's participation was relatively minor; or

"(5) as to the crimes enumerated in sections 2111, 2112, and 2113, no serious bodily injury was inflicted on the victim.

"(c) Whoever is convicted of an offense described in subsection (a) of this section shall be granted a hearing by the court prior to imposition of sentence to determine whether any of the factors enumerated in subsection (b) of this section are applicable. The hearing shall be held before the court sitting without a jury, and the defendant and the government shall be entitled to assistance of counsel, compulsory process, and cross-examination of such witnesses as appear at the hearing. If it appears by a preponderance of the information, including information submitted during the trial, during the sentencing hearing, and in so much of the presentence report as the court relies on, that the defendant is subject to a term of imprisonment as set forth in subsection (a) of this section, the court shall so sentence the defendant. The court shall submit its findings in writing, including an identification of the facts relied upon in making its determination.".

(b) The analysis of chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following:

"3579. Increased sentence for repeat offenders.
"3580. Imposition and execution of sentence.".

WHO IS IN PRISON?

(By James Q. Wilson)

Prisons are usually newsworthy only when their inmates riot, but of late they have become the focus of more general, and on the whole more constructive, attention. The revival of interest in the deterrent effects of the criminal-justice system, the spreading "prisoner-rights" movement, the decisions of various federal judges to close (or to threaten to close) various overcrowded or indecent jails and prisons, the sudden in-

crease in the size of the prison population, and the emerging debate over whether new prison construction is desirable have all combined to thrust a venerable and unpleasant institution onto center stage.

The debate over prisons raises many issues—the length of sentences, the function of parole, the level of amenity, the feasibility of rehabilitation, the rights of inmates—but central to most of these issues are some mundane but rarely examined constraints. If one wishes to award longer sentences to those who now go to prison, or short sentences to a larger fraction of those convicted of a crime, one must find a place to put them. If one wishes to increase the level of amenity, it presumably requires lowering the density of prison populations: it is hard to imagine how to make any institution less brutal if three or four persons are assigned to a cell designed for one, or if persons must sleep in the corridor or on the floor. Among the rights that most inmates certainly cherish is the right not to be abused by fellow prisoners, yet that can scarcely be insured without producing a greater degree of privacy, and accordingly supplying more square feet, for each inmate. In short, the sheer capacity of the prison system will importantly influence what, if anything, can be done toward achieving various objectives.

In general, we do not know what the "capacity" of our prison system is. There are about 400 prisons, 158 community centers and work farms, and 33 other (reception, diagnostic, medical, or classification) facilities operated by the states. Half of all of these are located in the South. These figures, the best available, were compiled by the Census Bureau in January 1974, but that agency admits that there may be more or different institutions—it is hard to be certain what is a distinct facility, some facilities have more than one function, and half of the institutions in one state (Massachusetts) did not even bother to reply to the questionnaire. The survey did not indicate what the "capacity" of each facility was and no survey probably could, inasmuch as many correctional administrators have long since had to put more inmates into a prison than it was designed to receive and in consequence have administratively redefined what constitutes its capacity.

We do know that the great majority of prisoners are in conventional closed prisons, not in work farms or community centers. Though the movement to place more convicted offenders in these "open" facilities has grown of late, less than a tenth of the correctional population is in community centers and less than a seventh on prison farms. Though most inmates are in real prisons, the popular image of these facilities as uniformly ancient and decrepit is not necessarily true. Nearly half of all prisons were built since 1949 and three-fourths were constructed since 1924. There are at least 50 prisons, however, that were built in the 19th century, several around the time of the Civil War.

If we cannot measure the capacitty of prisons, we can at least count their populations. Except for the period during and just after World War II, that population has been remarkably stable. There were 180,000 persons in state and federal prisons in 1939; and there were still about that many in prison fifteen years later, in 1954. During the 1950's, a period of relatively stable or only moderately rising crime rates, the prison population went up sharply—from 166,000 in 1950 to 213,000 in 1960. Then, during the 1960's, a period of rapidly increasing crime rates, the prison population actually declined from 213,000 in 1960 to 196,000 in 1970.

Why the prison population should go up when crime is not serious and go down when it has become a national crisis still defies explanation. One possibility is that certain judges came to believe that prison was an inappropriate way to treat criminals—because these facilities did not rehabilitate, or because they were unpleasant places to live, or because prison was generally "illiberal." This explanation is lent plausibility by the fact that many of the largest reductions in state-prison populations during this decade occurred in states, such as New York, Michigan, Pennsylvania, Minnesota, and Hawaii, with a strong tradition of liberal politics and presumably a liberal judiciary. Yet declines also occurred in Mississippi, West Virginia, Georgia, Alabama, Kansas, and Kentucky, hardly hotbeds of leftists.

One of the most intriguing theories devised to explain the relative stability over long periods of time in imprisonment rates is that advanced by Alfred Blumstein, Jacqueline Cohen, and Daniel Nagin of Carnegie-Mellon University. They show that, not only in the United States but in Norway and Canada as well, the imprisonment rate—the number of persons in prison per 100,000 population—is remarkably stable. Between 1930 and 1970 in this country it averaged around 110 with only small variations around this mean (the standard deviation was less than 9). In the late 1930's, the rate went up to abnormally high levels, in the 1940's down to abnormally low ones, in the 1950's it increased, and in the 1960's it decreased. Their theory is that society penalizes less serious offenses at times when serious crime is not a problem and lets off minor offenders when serious crime has become endemic. If murder is relatively uncommon or at least declining in rate (as it was during the 1950's), society will worry more about shoplifting, prostitution, and auto theft. When murder, assault, and robbery are increasing rapidly (as they did in the 1960's), society will ignore the shoplifter and seek—*de facto* if not *de jure*—to decriminalize prostitution.

The theory is quite suggestive, but thus far unproved. Among other difficulties, it does not account for the substantial variation among states in the use of prison. Crime rates during the 1960's were soaring in both Michigan and New Jersey, but whereas the former state reduced its prison population, the latter increased it despite similar rates of population change. Massachusetts officials have long been preoccupied with the dangers of overcrowded prisons and perhaps in consequence of this kept their prison population constant during the 1960's, despite a tripling of the serious crime rate. South Carolina, on the other hand, allowed its prison population to rise by more than 30 per cent even though it meant increased overcrowding. For some states, the capacity of the prison system is apparently an important constraint on the sentencing practices of judges, but in other states it is not.

In recent years, the prison population has started to rise again. In early 1976, according to *Correctians* magazine, there were nearly 250,000 persons in prison, the largest number since figures began to be kept. In the Blumstein, *et al.*, theory, this was to be expected—after allowing the imprisonment rate to fall during the 1960's (from 119 per 100,000 in 1960 to 97 per 100,000 in 1970), it was inevitable that pressure to respond to the crime wave would drive it back up to its traditional average of around 110. If that rate is applied to the estimated 1975 total population, it would produce a prison population of 234,000, significantly below the actual figure.

The reasons for the increase above expected levels are not hard to find. The population today is more youthful than at any other time in this century, and since young people are disproportionately criminals, it is not surprising that prisoners are growing in numbers faster than society generally. Furthermore, many of the young offenders who were first convicted in the 1960's are now being convicted for the third or fourth time and as a result can no longer expect to avoid prison through probation or suspended sentences. In addition, it is *possible* that judges are becoming more severe, but since we have no national statistics on sentencing that can only be a conjecture.

There is nothing magical about the long-term stability of the imprisonment rate. Society can choose a higher or a lower rate, in part by altering its prison capacity. That can be accomplished by either building more facilities, reducing the sentences of those going to prison, or changing the mix of persons in prison. The first policy results in an absolute increase in prison size, the second permits more persons to be sentenced to prisons despite a constant capacity, and the third permits one to find prison space for increased numbers of more serious offenders.

No accurate national figures exist on changes in total prison capacity. The Federal Bureau of Prisons, which has in confinement about 10 per cent of all prisoners, has, in the last five years, opened thirteen new facilities with a total capacity of over 4,000 inmates but still feels that its system is overcrowded by about 5,000 inmates. Among the states, major new building programs are under way or proposed in Florida, Alabama, North Carolina, Ohio, and elsewhere. The National Moratorium on Prison Construction, a lobbying group sponsored by the Unitarian-Universalist Service Association and the National Council on Crime and Delinquency, which opposes prison construction, reports that it has heard of over 500 planned institutions. Whatever the actual figure, it has so far been inadequate to alleviate the severe overcrowding that now exists and that will, almost certainly, become worse.

Because capacity has not kept up with inmates, there has occurred a dramatic shift in the kinds of crimes for which persons go to prison. In 1960, the Federal Bureau of Prisons counted about 151,000 persons in state prisons. In 1974, the Census Bureau (which has taken over the job of keeping track of prison populations) estimated, on the basis of a survey of about 10,000 inmates, that there were 188,000 persons in state prisons. The increase in size is partly an artifact of who was counted; in 1960, some states gave incomplete or inaccurate figures and persons not in closed prisons were often omitted. In 1974, the coverage was broader and included persons in certain state mental hospitals, as well as those on work-release programs and in community centers. Because the figures are not entirely reliable, only gross differences should be noted. The striking finding is that prison is increasingly reserved for only the most serious offenders. Persons convicted of homicide, robbery, and assault made up one-third of the state-prison population in 1960 but nearly half in 1974. There are nearly twice as many murderers in prison today as in 1960 and 70 per cent more robbers. By contrast, the number of burglars, thieves, and auto thieves in prison has actually declined—from about 55,300 in 1960 to about 49,200 in 1974. (During this period, the reported rate of these crimes increased more than fourfold.)

OFFENSES FOR WHICH ADULT INMATES WERE SENTENCED TO STATE PRISONS*

1974—Estimates derived from National Criminal Justice Information and Statistical Services, Law Enforcement Assistance Administration, "Survey of Inmates of State Correctional Facilities, 1974," *National Prisoner Statistics* (SD–NPS–SR–2), Table 4. Because 1974 figures are estimates from a sample survey, they have been rounded off to the nearest hundred.

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* Source: 1960—Federal Bureau of Prisons, "Characteristics of State Prisons, 1960," *National Prisoner Statistics*, Table P4, page 10.

Offenses	1960	1974
Homicide	18,538	34,000
Robbery	24,627	42,400
Assault	7,739	9,000
Burglary	35,418	33,800
Larceny	14,284	12,200
Auto theft	5,633	3,200
Embezzlement, fraud forgery	15,633	8,100
Sex (including rape)	12,656	11,700
Drugs	8,030	18,700
Other	8,144	14,400
Total	150,702	187,500

Some have argued that we do not need more prisons because the ones we have are crowded with persons serving sentences for various "victimless" crimes. This was not true in 1960 and it is not true today. Only 10 per cent of the 1974 inmates were serving sentences for drug offenses and only one per cent for sex offenses other than forcible rape. Of the drug offenders, nearly half were serving time for trafficking in hard drugs, such as heroin. Thus, only 6 per cent of the inmates were doing time for merely possessing a drug or trafficking in marijuana. The number of persons in prison for gambling is not reported, but could not exceed one per cent.

Others have argued that prison should be reserved for repeat offenders and not used for persons convicted for the first time. By and large, that is already the case. Less than one per cent of the inmates had never been sentenced before; 28 per cent had served four or more prior sentences.

Prison inmates are, as one would expect, disproportionately drawn from among the poorly educated and those with low income. About half are black (in 1960 only a third were) and most never finished high school. Contrary to what one might suppose, inmates are not typically unemployed during the month preceding their arrest. Two-thirds were employed, and almost all of these said they were employed full time. Of those unemployed, the majority said they had not been looking for work and did not want work.

The other way society can alter its prison capacity is by changing the amount of time the average inmate serves. The shorter that period, the more space each year for additional inmates. Unfortunately, no good figures are available on time served by inmates of all state prisons. We do have such data for certain jurisdictions, however, and we can make an estimate of it for prisons generally. Overall, the length of time served in prison seems to have remained pretty much the same over the last decades or so: for the average inmate, about two years (he may be sentenced to much longer terms, but offenders are actually incarcerated for no more than one-third to one-half of their nominal sentences). This would suggest that nothing has changed. But that is a mistaken inference. Recall that the average prisoner is more likely today to be a murderer or robber and much less likely to be a burglar or auto thief. If time served has remained constant, it can only mean the time served in prison for more serious offenses, such as murder and robbery, has become less.

It is not clear, of course, whether any changes in time served were the result of judicial decisions. Other agencies, such as parole boards, can and do decide how long a person will stay in prison whatever the initial sentence. How this has changed is vividly shown by the experience of the federal correctional system. Federal judges, like their state counterparts, sent fewer persons to prison in 1970 than in 1960—30 per cent fewer, as it turns out—despite the rising crime rate. For those they did imprison, however, they issued longer sentences: in 1960, average sentence length was about 27 months, but in 1970 it was over 38 months. At the same time, however, the proportion of the sentence actually served fell—from about 64 per cent in 1960 to 51 per cent in 1970. As a result, the actual time served remained about constant (around a year and a half) despite the fact that federal prisons in 1970 had a larger proportion of inmates who had committed more serious crimes, such as robbery, assault, and firearms-law violations.

In sum, we have adapted to higher crime rates by reducing the proportions of arrested persons going to prison (a pattern that recently may have been reversed), changing the mix of prison populations to emphasize serious over less serious offenders, keeping more or less constant the average amount of time served despite the fact that those in prison are guilty of more serious crimes, and allowing overcrowding to occur in many systems (especially in the South).

From many different, and even competing, perspectives, this has not been a rational response. If you believe that increasing the percentage of convicted offenders who are imprisoned will deter others from committing crimes, then a declining prison population and a declining imprisonment rate are mistakes. If you believe that more serious offenders should be kept off the streets longer, then a constant sentence length at a time when the prison population is coming disproportionately to consist of serious offenders is a mistake. If you believe that prison conditions are inhuman and indecent, then allowing overcrowding to occur in many states makes difficult or impossible the provision of higher levels of privacy and amenity. If you believe that "white-collar" criminals should be given prison sentences more frequently (either to deter others, to exact retribution, or to prevent the burden of prison from falling overwhelmingly on the poor and the black), then maintaining a limited prison capacity is a mistake, because white-collar (and other nonviolent) offenders will inevitably be displaced by blue-collar, violent ones. (Between 1960 and 1970, the number of persons in federal prison who were convicted of income-tax violations, embezzlement, fraud, and forgery declined while the number convicted of robbery increased.)

In short, increasing the capacity of our prison system is consistent with, if not indeed mandated by, a variety of policy goals that are often thought to be in opposition. It is not clear, of course, that merely having more "prisons"—and by that I mean all variety of facilities, community-based as well as maximum-security—will induce judges to use them more, parole boards to leave serious offenders in longer, or wardens to devote more effort to producing decent and humane environments. It would seem, however, that for the nation as a whole if not for every state, the more or less fixed capacity of our prison system has been allowed to become a major constraint on, or excuse for, sentencing policy. William A. Shaffer of MIT has shown through a careful analysis of the Massachusetts criminal-justice system, how this constraint operates in practice. In that state, he suggests, the shortage of prison capacity is the critical variable affecting the ability of the system to lower crime rates—much more so than police resources or court decisions.

The cities and states, of course, are often pinched for money, in some cases led by officials who believe that only harsh correctional systems are of any value, and usually caught in the middle between citizen groups that want less crime and those that want to block the construction of new prisons. The problem will become more acute as prison populations continue to rise, as they have begun to do. I suggest that the next national administration, whether motivated principally by a concern for victims or inmates, has an obligation to examine the federal relationship to the state-prison system and to think seriously about the desirability of supplying both more funds for expansion of that system and higher standards for its operation.

By Mr. KENNEDY (for himself, Mr. DECONCINI and Mr. WILLIAMS):

S. 261. A bill to amend the Internal Revenue Code of 1954 to provide an election under which State and local governments may issue taxable obligations and receive a Federal subsidy of 40 percent of the interest yield on such obligations; to the Committee on Finance.

MUNICIPAL TAXABLE BOND ALTERNATIVE ACT OF 1977

Mr. KENNEDY. Mr. Speaker, I send to the desk legislation proposing a 40-percent Federal interest subsidy for State and local governments that elect to issue taxable bonds. The legislation is similar to a measure which Congressman HENRY REUSS and I introduced last year in the House and Senate, and which was reported favorably by the House Ways and Means Committee in April 1976. I am introducing the current legislation on behalf of Senator DECONCINI, Senator WILLIAMS, and myself.

The purpose of the taxable bond option is to provide an additional method of Federal financial assistance to help hard-pressed State and local governments ease their current serious problems of obtaining capital. By offering a substantial Federal interest subsidy for jurisdictions that elect to issue taxable bonds, Congress can provide an effective new means of financial assistance to States and cities. At the same time, the legislation would not affect the currently available option of States and cities to obtain capital through the issuance of tax exempt bonds.

A major advantage of the measure is that it involves no Federal approval or other intrusion into State and local affairs. The interest subsidy is automatic—all jurisdictions that elect to issue taxable bonds will qualify automatically for the 40-percent Federal subsidy of the interest cost.

In my view, the taxable bond option should be one of the key aspects of a new program of expanded Federal aid to State and local governments in the years ahead. For example, under this approach, the Commonwealth of Massachusetts, the city of Boston, or any other State or city in the Nation could go into the municipal bond market and raise funds more easily. If the going rate of interest is 10 percent, then the State or city would be entitled to have 4 percent of the interest on its bond issue paid by the Federal Government. The State or city itself would be responsible only for the remaining 6 percent. For many cities, the program would be a lifeline, because it means they would be able to obtain capital at lower interest rates than they are paying now. And the cost to the Federal Government would be extremely modest, compared to the savings that would be achieved by States and cities.

The recession, the recent seige of high interest rates, and the New York City fiscal crisis have sensitized the country

to the serious budget problems confronting many other jurisdictions, especially the Nation's cities. Before another such crisis overtakes us, we have to develop better ways to deal with the financing needs of State and local governments, particularly in New England and the Northeast region, where the needs are especially urgent.

The net cost of the taxable bond program to the Federal Government is relatively low, because the initial Federal cost of the subsidy will be offset in large part by new tax dollars paid into the Treasury by individuals and institutions investing in the taxable bonds. In effect, the Federal subsidy becomes "seed money" to attract new capital and stimulate a larger flow of private funds into investments in State and local bonds. In fact, I know of no other potential Federal program in which so much new benefit can be channeled to the States and cities with so little net expenditure of Federal funds.

For example, according to recent revenue estimates, the program would reduce State and local borrowing costs by $282 million in the first year of the program, at a net Federal revenue cost of $45 million. By the 10th year, the State savings would be $3.5 billion, at a Federal cost of $568 million. Thus, each dollar of Federal spending generates about $7 worth of savings in interest costs paid by State and local governments.

In fact, the traditional method of State and local financing through tax-exempt bonds is a wasteful and inefficient form of Federal subsidy, in spite of its long-standing popularity and its status as a fiscal sacred cow.

The remarkable efficiency of the taxable bond stands in sharp contrast to the inefficiency of the existing subsidy to tax-free State and local bonds. Under the current tax exemption, Congress is providing an annual $5 billion tax subsidy to State and local governments—that is the cost of the current loophole for tax-exempt bonds. But only $3.3 billion of the subsidy actually reaches its destination in the form of lower interest rates for States and cities; $1.6 billion is siphoned off in the form of tax benefits for wealthy private citizens, commercial banks, and insurance companies who have been the principal purchasers of tax-exempt bonds.

In other words, it costs the Federal Government $1 to provide 67 cents worth of benefits to State and local governments under the tax-free bond approach. By contrast, for each dollar spent under the taxable bond alternative, $7 of benefits flow through to State and local governments. Thus, the new alternative is 10 times more efficient as a program of Federal aid than the existing subsidy for tax-exempt bonds. If the current $5 billion subsidy through tax-free bonds were being paid out instead under the taxable bond program, State and local governments would be saving $35 billion a year in interest costs instead of only the $3.3 billion they save today.

However, because the existing tax exemption is widely used by State and local governments, any effort to close this tax loophole for wealthy investors would inevitably raise the cost of State and local borrowing. The virtue of the taxable bond option is that it avoids these undesirable consequences while offering a more efficient form of Federal subsidy to State and local governments willing to adopt the taxable bond approach to their financing.

One of the most important features of this new approach to State and local financing is its entirely voluntary nature. Any jurisdiction may continue to issue tax-exempt bonds. But the new program will encourage jurisdictions to use the taxable bond alternative as a way of obtaining substantial new Federal assistance at a low cost to the Federal Treasury, and at lower interest cost than they are currently paying on tax-free bonds.

A major virtue of the proposal is that it involves no Federal intrusion into the traditional preserve of State and local financing. The subsidy will be automatic, in the sense that it will be available to all jurisdictions issuing taxable bonds; there will be no requirement of Federal approval of the bond issue, and no Federal oversight of the use of the funds.

In addition, the subsidy will be set at a level low enough—40 percent—to guarantee that it will not disrupt the existing tax-exempt bond market, which will continue to be available for all jurisdictions that wish to use it. At a 40-percent level, only about 17 percent of State and local bond issues would shift from tax-exempt to taxable status. Thus, the vast majority of State and local financing—83 percent—would continue to be tax exempt. There is no substantial possibility that this small amount of taxable bond financing would disrupt the traditional tax-exempt market.

In the coming years, I see the taxable bond program taking its place alongside revenue sharing as one of the pillars of a more responsive Federal approach to the immediate and long-term financial needs of State and local governments.

In these years of severe pressure on budgets at all levels of government, it makes obvious sense to adopt methods of Federal aid that channel needed funds to State and local governments with a maximum of efficiency and a minimum of waste. The taxable bond option is designed to meet that need, and I hope that it will be enacted by the current Congress.

Mr. President, I ask unanimous consent that a fact sheet on the bill and the text of the bill may be printed in the RECORD.

There being no objection, the bill and factsheet were ordered to be printed in the RECORD, as follows:

S. 261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Municipal Taxable Bond Alternative Act of 1977".

SEC. 2. AMENDMENT OF SECTION 103.

(a) IN GENERAL.—Subsections (a) and (b) of section 103 of the Internal Revenue Code of 1954 (relating to tax-exempt interest) are amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State or a possession of the United States, any political subdivision of any of the foregoing, or the District of Columbia.

"(b) ELECTION TO ISSUE TAXABLE BONDS.—

"(1) SUBSECTION (a) NOT TO APPLY.—Except as provided in paragraph (2), the issuer of obligations described in subsection (a) may elect to issue obligations to which subsection (a) does not apply.

"(2) ELECTION NOT AVAILABLE FOR INDUSTRIAL DEVELOPMENT BONDS, ETC.—No election may be made under this subsection—

"(A) for any industrial development bond,

"(B) for any obligation not described in subsection (a),

"(C) for any obligation the interest on which is includible in gross income without regard to this subsection, and

"(D) for any obligation with respect to which the United States (or any agency or instrumentality thereof)—

"(i) guarantees part or all of the principal or interest under any law of the United States,

"(ii) is obligated under any law of the United States (other than section 3 of the Municipal Taxable Bond Alternative Act of 1976) to pay part or all of the interest,

"(iii) has a commitment to acquire the obligation in connection with a Federal assistance program, or

"(iv) as to principal or interest, provides financial assistance similar to assistance described in clause (i), (ii), or (iii).

"(3) SPECIAL RULE FOR OBLIGATIONS NOT ISSUED PURSUANT TO PUBLIC UNDERWRITING WHICH ARE HELD BY RELATED ENTITIES.—An election under this subsection shall not apply to any obligation not issued pursuant to a public underwriting for any period during which such obligation is held by a related entity.

"(4) ELECTION.—The election described in paragraph (1) shall be made (at such time and in such manner as the Secretary or his delegate by regulation prescribes) separately with respect to each issue of obligations to which it is to apply. An election with respect to any issue once made shall be irrevocable.

(5) CROSS REFERENCE.—

"For provisions relating to the payment by the United States of a portion of the interest cost of an obligation which is part of an issue for which the election described in this subsection has been made, see section 3 of the Municipal Taxable Bond Alternative Act of 1977.".

(b) DETERMINATION OF YIELD FOR PURPOSES OF PROVISION RELATING TO ARBITRAGE BONDS.—Subsection (d) of section 103 of such Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) YIELD DETERMINED WITHOUT REGARD TO UNITED STATES PAYMENTS.—For purposes of determining under this subsection whether or not an obligation is an arbitrage bond, the yield on such obligation shall be reduced by that portion of such yield which is to be borne by the United States under section 3 of the Municipal Taxable Bond Alternative Act of 1977.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (c)(2) of section 103 of such Code is amended by striking out "For purposes of this subsection," and inserting in lieu thereof "For purposes of this subsection and subsection (b),".

(2) Sections 103(c)(1), 103(c)(6)(G), 103(d)(1), and 103(d)(2)(A) of such Code are each amended by striking out "subsection (a)(1)" and inserting in lieu thereof "subsection (a)".

(3) The paragraph headings for paragraph (1) of subsection (c) and paragraph (1) of subsection (d) of section 103 of such Code are each amended by striking out "SUBSECTION (a)(1)" and inserting in lieu thereof "SUBSECTION (a)".

(4) Section 103 of such Code is amended by striking out subsection (f) and insert-

ing in lieu thereof the following new subsections:

"(f) SPECIAL RULES FOR APPLYING SUBSECTION (b)(3).—For purposes of paragraph (3) of subsection (b)—

"(1) PUBLIC UNDERWRITING.—The term 'public underwriting' means a procedure for selling the obligations in which—

"(A) competitive bids for the right to sell the obligations to the general public are solicited from independent parties, and

"(B) 25 percent or more of the obligations sold are acquired by persons who are not related entities.

"(2) RELATED ENTITY.—The term 'related entity' means—

"(A) in the case of obligations issued by a State, such State and any political subdivision of such State,

"(B) in the case of obligations issued by a political subdivision of a State, such State and any political subdivision thereof, and

"(C) in the case of obligations issued by an instrumentality of two or more States, each such State and each political subdivision thereof.

For purposes of this subsection, any agency or instrumentality of a State or political subdivision shall be treated as such State or political subdivision, and any trust or plan for the benefit of the employees of a State or political subdivision shall be treated as an instrumentality of such State or political subdivision, as the case may be.

"(g) CROSS REFERENCES.—

"For provisions relating to the taxable status of—

"(1) Puerto Rican bonds, see section 3 of the Act of March 2, 1917, as amended (48 U.S.C. 745).

"(2) Virgin Islands insular and municipal bonds, see section 1 of the Act of October 27, 1949 (48 U.S.C. 1403).

"(3) Certain obligations issued under title I of the Housing Act of 1949, see section 102 (g) of title I of such Act (42 U.S.C. 1452 (g)).".

(5) Subparagraph (A) of section 6049(b)(2) of such code is amended to read as follows:

"(A) interest on obligations to which section 103(a) (relating to interest on certain governmental obligations) applies;".

(6) Paragraph (4) of section 6362(b) of such Code is amended—

(A) by striking out "described in section 103(a)(1)" in subparagraph (A) and inserting in lieu thereof "to which section 103 applies"; and

(B) by striking out "described in such section" in subparagraph (B) and inserting in lieu thereof "to which such section applies".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after June 30, 1977, with respect to which the due date for the first payment of interest occurs after September 30, 1977.

SEC. 3. UNITED STATES TO PAY 40 PERCENT OF INTEREST YIELD ON TAXATION ISSUES

(a) PAYMENT OF 40 PERCENT OF INTEREST YIELD.—

(1) IN GENERAL.—The Secretary of the Treasury or his delegate shall without any condition or requirement (other than that provided by paragraph (4)) pay 40 percent of the interest yield on each obligation to which an election under section 103(b) of the Internal Revenue Code of 1954 applies. Payment of such interest shall be made not later than the time the issuer makes its corresponding interest payment with respect to the obligation.

(2) INTEREST YIELD.—For purposes of this section, the interest yield on any obligation is the yield over the term of such obligation, determined immediately after such obligation is issued and by taking into account any discount or premium.

(3) ISSUER TO BE PAYING AGENT FOR UNITED STATES.—The issuer of any obligation to which an election under section 103(b) of the Internal Revenue Code of 1954 applies shall be the paying agent for the United States for the payments with respect to such obligation provided by this section. The Secretary of the Treasury or his delegate shall pay to the issuer the amount required to be paid pursuant to paragraph (1).

(4) LIMITATION ON LIABILITY OF THE UNITED STATES.—Nothing in this section shall be deemed to be an assumption by the United States of any liability for the payment of any portion of the principal on any obligation, for the payment of any portion of the interest on any obligation payable by the issuer thereof, or for the payment of any interest at a time when the issuer has not made the corresponding payment.

(b) NO AUTHORITY TO REVIEW PURPOSES OF OBLIGATIONS.—Nothing in this section shall be construed to authorize the Secretary of the Treasury or his delegate to review or approve the purposes of the issuance of any obligation to which an election under section 103(b) of the Internal Revenue Code of 1954 applies.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the fiscal year beginning October 1, 1976, and for each fiscal year thereafter, such sums as may be necessary to pay the entitlements provided by subsection (a).

FACT SHEET ON TAXABLE BOND OPTION LEGISLATION

GENERAL

1. The bill would give State and local governments the option of issuing taxable bonds, with a 40% interest subsidy from the Federal Government. (* * * 10% taxable bond, the State or local government would pay 6% of the interest, and the Treasury would pay the remaining 4%).

2. The Federal subsidy would be on a "no strings" basis—any jurisdiction would qualify for the subsidy by issuing a bond. The subsidy would be funded by a "permanent entitlement" (like Social Security) to avoid the delays and uncertainties of the annual appropriations process. The 40% subsidy is set at a level low enough to avoid disruption of the existing tax-exempt bond market. The subsidy will not affect the right of States and local governments to continue to issue tax free bonds.

3. The bill is identical to legislation favorably reported by the House Ways and Means Committee in April 1976 (H.R. 12774), except that the level of the subsidy in the House bill was set at 35%.

4. The taxable bond option will be available for bonds issued after June 30, 1977, so that the first interest subsidy payments would be made in FY 1978.

REVENUE EFFECT

1. Federal Cost.—The bill will have no effect on Federal revenues in FY 1977. In the first full year, the cost will be $45 million. In the tenth year, when it is anticipated that the program will have reached equilibrium, the cost will be $568 million.

2. State and Local Savings.—For each dollar of Federal revenue cost, State and local governments will save approximately $7 in borrowing costs. By contrast, under tax-exempt bonds, each dollar of Federal revenue costs saves only 67¢ in State and local borrowing costs. This relatively high efficiency is the chief advantage of the taxable bond option.

DISCUSSION

1. Although the current tax-exemption for interest on State and local bonds is costing the Treasury $5 billion a year in FY 1977, the exemption is also a lifeline for State and local governments. The taxable bond option avoids the undesirable consequences of imposing a regular tax or minimum tax on tax-free bonds, while offering a more efficient form of federal interest subsidy to state and local governments.

2. The proposal will not in any way impair the tax exemption option available to State and local governments. Any jurisdiction may continue to issue tax exempt bonds. But the bill will encourage jurisdictions to use the taxable bond alternative, as a way of obtaining substantial new Federal assistance at a lower cost to the Federal Treasury, and at lower net interest rates to themselves, than they would have to pay on tax exempt bonds.

3. The proposal involves no federal intrusion into the traditional preserve of state and local financing. On this issue, the bill involves no more intrusion than revenue sharing.

Since the taxable bond alternative is only an option, no jurisdiction is obliged to use it.

The Federal subsidy will be automatic. It will be available, without federal strings, conditions or other federal oversight, to all jurisdictions that choose the alternative of issuing taxable bonds. No Federal agency or official will have to approve the purposes for which the bond is offered.

The subsidy will be funded by a so-called permanent entitlement, which means that the federal funds for the subsidy will be a binding legal obligation of the federal government. In this way, the subsidy funds will be insulated as much as possible from the vagaries and delays and uncertainties of the annual appropriations process in Congress. The entitlement method of funding is the same method used for Social Security payments, and is a necessary guarantee to States and cities that the program will be funded and carried forward in good faith by the Federal Government.

The subsidy will be set at a level low enough to guarantee that it will not disrupt the existing tax exempt bond market, which will continue to be available for all jurisdictions that wish to use it.

4. The principal issue is the subsidy level. The following table indicates the estimated effect of the proposal at various subsidy levels on current State and local financing ($30 billion a year).

[Dollar amounts in billions]

Subsidy level (percent)	Amount of taxable bonds issued				Amount of tax exempt bonds issued	
	Short term	Long term	Total	Percent	Total	Percent
30		1.4	1.4	5	28.6	95
35	0.2	2.9	3.1	10	26.9	90
40	.5	4.5	5.0	17	25.0	83
45	1.0	6.2	7.2	24	22.8	76
50	14.5	13.7	28.2	94	1.8	6

At a 40% subsidy level, only about 17% of the current volume would shift to taxable bonds. Even at 45%, only 24% would shift. Thus, at the 40% level, the vast majority of financing would continue to be tax-exempt. There is no significant possibility that this small amount of taxable bond financing would disrupt this market.

5. The following table illustrates the efficiency of the 40% Federal subsidy for taxable bonds in providing benefits to the State and local governments. Dollars are in millions.

	First year	*Tenth year*
Gross Subsidy Cost	$181	$2,272
Revenues Generated	135	1,704
Net Subsidy Cost	45	568
Reduction in State and Local Borrowing Costs	282	3,547

The remarkable efficiency of the TBO stands in sharp contrast to the inefficiency of the existing subsidy for state and local bonds. At a cost of $45 million to the Federal Treasury in the first year, states and localities will save $282 million; by the tenth year, there will be savings of $3.5 billion at a cost of $0.5 billion.

Through the current tax exemption, Congress is now providing an annual $5 billion tax subsidy to state and local governments, but only $3.3 billion of the subsidy actually reaches its destination: $1.6 billion is siphoned off in the form of tax benefits for the wealthy private citizens, commercial banks and insurance companies who have been the principal purchasers of tax exempt bonds. In other words, it costs the federal government $1.00 to provide 67¢ worth of benefits to state and local governments. By contrast, for each dollar spent under the taxable bond alternative, seven dollars of benefits flow through to state and local governments. Thus, the alternative is ten times more efficient than the existing subsidy for tax exempt bonds.

6. Other economic and tax policy considerations support the taxable bond alternative.

It will help to ease the crisis over municipal capital formation by broadening the existing market for state and local bonds. The current municipal bond market is too narrow to absorb the increasing levels of state and local obligations. Annual long term municipal borrowing has climbed from $10 billion in 1964 to nearly $30 billion today. The development of other attractive investments and tax shelters has diverted traditional investors, especially banks, from the municipal market. For institutions that are already tax exempt, tax free bonds have no attraction, since higher returns are available in the taxable bond market. The taxable bond option will make municipal bonds attractive to many investors now foreclosed to state and local government, especially pension funds, charities, universities, and other tax exempt institutions.

The availability of the taxable bond will exert a beneficial countercyclical effect, by shielding state and local governments from the squeeze felt in periods of tight money. During such periods, tax exempt interest rates tend to rise faster than taxable bond rates. Under the taxable bond option, jurisdictions wil be encouraged to use the taxable bonds whenever the interest rate gap between tax exempt and taxable bonds is less than 40%.

Use of the taxable bond option will reduce the inequity of the current subsidy for tax exempt bonds. According to estimates of the Joint Tax Committee, 88% of the current tax benefits for individuals go to the richest 1.2% of the population, those with incomes over $50,000 a year. By encouraging state and local governments to issue taxable bonds, the option would help to reduce this inequity.

The option will improve the access of state and local governments to the long term bond market. Because of the commercial banks' preference for short term obligations, many municipalities have recently been forced to finance long term projects through a series of one year, bond anticipation notes. As a result, the jurisdictions find themselves in constant jeopardy of default each time the short term note comes up for renewal. The taxable bond alternative will help state and local governments to tap the long term taxable market, thereby reducing their dependence on less stable short term obligations.

7. The taxable bond option is neither new nor the special preserve of any political party. It was initially proposed by Democratic administrations in the 1960's and was incorporated in the House version of the Tax Reform Act of 1969. It has subsequently been endorsed by both the Nixon and Ford Administrations, but at a 30% subsidy level. As the above table indicates, however, at a 30% subsidy level, only a negligible amount of bond issues would be likely to follow the taxable bond option; thus, the value of the option would be substantially curtailed.

Mr. DECONCINI. Mr. President, it is with considerable pleasure that I join with my distinguished colleague from Massachusetts (Mr. KENNEDY) in offering legislation to alleviate some of the financial difficulties confronting many State and local governmental jurisdictions.

The interest-free municipal bond is a cherished financial instrument. Over the years, it has served local jurisdictions well. It must be recognized that the interest-free bond is a subsidy from the Federal Government to State and local governments created to facilitate their access to money markets. By foregoing the right to tax the interest accruing to individuals holding these bonds, the Federal Government insures that municipalities will be able to finance their needs at rates of interest lower than those available to private industries.

I want to make it clear, as Senator KENNEDY has, that in cosponsoring this legislation I do not imply any objection to the tax-free bond, nor do I wish to denigrate the role it has played in financing the many and varied needs of our cities and States. It is a valuable instrumentality which should be continued. But in recent years we have witnessed a dramatic increase in the financial problems plaguing our cities. As a result, their ability to raise money has been circumscribed.

What we are proposing today is an alternative to the tax-free bond. Perhaps, more accurately, it should be viewed as a supplement. It would give State and local jurisdictions the option of issuing either tax-free bonds or bonds at commercial rates of interest that would be taxable. When the municipality chooses to issue bonds at commercial rates, the Federal Government would continue to subsidize it, but in a somewhat different manner.

The new option created by this legislation would involve a direct rather than an indirect subsidy. When a State or local jurisdiction chooses to issue bonds at commercial rates of interest, the U.S. Treasury would pay 40 percent of the interest cost. The legislation would not, however, empower the Federal Government to exercise any new controls over the issuing jurisdiction; State and local governments would retain their present freedom.

Economists have noted that during periods of tight money, the interest rate of the interest-free bond tends to rise more rapidly than the interest rate of the commercial bond. The effect is to raise the price of money for municipalities, adding to their difficulties. With the direct subsidy option, they would be better able to cope with inflationary strains.

The direct subsidy alternative is a more efficient form of subsidy—in economic as well as social terms. In his statement, Senator KENNEDY has already provided an analysis of the relative efficiencies of the two methods. It is clear that to the extent that the new option is employed, it will reduce the cost to the Federal Government of providing bond subsides.

There is another important dimension to this legislation. It can be viewed as a tax reform measure. At present, approximately 88 percent of the tax advantages accruing as a result of the tax-free bond are enjoyed by the richest 1.2 percent of the population. The tax-free bond has become a tax haven for the wealthy. The direct subsidy approach envisioned by this legislation would, to the extent that it was employed, redistribute some of these benefits to broader segments of the population. This would occur, first, because the market for commercial rate bonds is greater; and, second, because overall Treasury outlays—including revenues lost—for bond subsidies would decrease.

A variety of useful social functions are promoted by this legislation. Local jurisdictions are given greater access to money markets, especially during periods of tight money. Aggregate Federal outlays for bond subsidies decrease. And, finally a measure of tax reform is achieved.

In light of these reasons as well as the House Ways and Means Committee's favorable action during the 94th Congress, I urge the Senate to consider this measure quickly and favorably.

By Mr. KENNEDY (for himself and Mr. ALLEN):

S. 262. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance, and for other purposes; to the Committee on the Judiciary.

PUBLIC SAFETY OFFICER GROUP LIFE INSURANCE

Mr. KENNEDY. Mr. President, today I join with Senator ALLEN in reintroducing a bill establishing a group life insurance program for State and local government public safety officers. This bill has passed the Senate by overwhelming votes on three separate occasions. Just last year this exact same bill passed the Senate as an amendment to H.R. 366, the public safety officer death benefits bill. Of the handful of Senators who voted against my bill at that time most objected, not to the merits of the group life insurance program, but to efforts to tie it to the death benefits bill. At the request of the chairman of the House Judiciary Committee, Mr. RODINO, the Senate conferees agreed to drop the group life insurance program in conference to expedite passage of the death benefits bill. That bill has now become law. The distinguished chairman, Mr. RODINO, has pledged to move the group life insurance bill early this session and House action seems promising.

This bill—like the three previous bills—provides for a nationwide, federally subsidized program of group life, accidental death, and dismemberment insurance for State and local public safety officers, including police, firefighters—both organized and part of a volunteer program—correctional guards, and probation, parole, and court officers.

The bill is endorsed by the leading public safety officer organizations, including the International Conference of Police Associations through its president, Edward J. Kiernan, and its secretary-treasurer, Robert D. Gordon.

Coverage under this plan is patterned closely after the highly successful Federal employees' and servicemen's group life insurance programs, which are generally available to all Federal civilian employees and to members of our Armed Forces. The Law Enforcement Assistance Administration would buy a national group policy from eligible nationwide life insurance carriers so that the underlying coverage would be provided—and most of the administrative work would be handled—by the private sector. The risks are assumed by private commercial insurance companies with premium contributions by the Federal Government.

Any applicable unit of State or local government could apply to LEAA to participate in the program. Officers in participating groups could elect not to be covered; those remaining in the program would have their share of the premiums deducted from their wages. LEAA would pay up to one-third of the total cost of the premiums, leaving the remainder to be withheld by the insured and/or the employing agency from the insured's salary. This national pooling of risks will help reduce actuarial and administrative costs.

Coverage would be at a level of the officer's annual salary plus $2,000, with a floor of $10,000 coverage rising to a maximum of $32,000. Thus we are talking about a very modest program. Accidental death and dismemberment insurance would be included with the usual double indemnity feature. LEAA would set the premium rate based on such factors as general actuarial tables, age, risk, and so forth. Coverage would continue during the course of employment. Such coverage would cease 2 months after termination of employment or pay, but the bill provides for the subsequent conversion of individual policies to private policies at prevailing insurance rates without the requirement of a medical examination.

I am aware that public safety is and must remain a local responsibility. If an existing State or local group life insurance plan is already in existence which provides similar coverage for public safety officers, eligible officers could choose in a referendum between the Federal and local plan. If they chose the local plan, they would still be eligible to receive the same significant Federal subsidy, without being bound by the provisions of the Federal program. The bill thus respects fully the interest of States, localities, and their officers in their existing plans. Local preferences and options are not preempted by this bill.

From my contact with public safety officers and groups across the Nation, the picture that emerges of available insurance is a very mixed one, with some officers enjoying good benefits at reasonable cost but many others having little or no coverage, higher cost, or less favorable conditions. Many areas are unable or unwilling to provide this benefit, which is so important both to officers personally and to the recruitment and retention of highly qualified personnel. This bill would aid localities to meet their burdens of providing public safety officers with some of the basic benefits to which they are entitled.

Nor does the congressional commitment to assist State and local public safety officers begin with this bill. Since 1968 the Federal Government has committed itself to providing major financial aid to State and local law enforcement personnel in an effort to help them attain a 20th-century level of performance. Last year's passage of the death benefits bill, which I vigorously supported, was just such a bill. This bill is a further important step taken by the Congress to aid States and localities in their struggle to make their communities a safer, better place in which to live.

My bill provides 24-hour coverage to all participants on an attractive low-cost basis because of the national group approach and the Federal subsidy, yet by requiring a contribution of at least two-thirds from the officer or his employer it keeps the cost to the Federal taxpayer at a reasonable level. The congressional budget office projects that the Federal cost of implementing this program will be approximately $27 million for 1978 and $29 million for 1979. Included in these figures are the administrative costs of the program.

Moreover, the insurance approach honors the principle of independence for State and local public safety officers. It would not place any officer or officer's family on the receiving end of a direct pipeline from Washington. It would require no detailed Federal inquiry into the circumstances into each death to determine the job relatedness of the cause.

Mr. President, we all talk about the need to support the efforts of our public safety personnel. This bill provides us with an opportunity to back up our words with action. As was the case in 1970, 1972, and last session, this bill should not lead to any partisan division. In the past it has attracted support from Democrats and Republicans, liberals and conservatives. It has received wide-ranging support from the major public safety officers' organizations and the insurance industry.

Most importantly Mr. President, this bill will go a long way toward alleviating a serious human problem with which the Federal Government is uniquely qualified to deal. We owe these men and women no less. The time for action is now if we are to provide adequate insurance for our Nation's public service protectors.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 262

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers' Group Life Insurance Act of 1977".

SECTION 1. It is the declared purpose of Congress in this Act to promote the public welfare by establishing a means of meeting the financial needs of public safety officers or their surviving dependents through group life, accidental death, and dismemberment insurance, and to assist State and local governments to provide such insurance.

INSURANCE PROGRAM AUTHORIZED

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by adding at the end the following new part:

"PART K—PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"DEFINITIONS

"SEC. 800. For the purposes of this part—

"(1) 'child' means any natural, adopted, illegitimate or posthumous child, or stepchild;

"(2) 'month' means a month that runs from a given day in one month to a day of the corresponding number in the next or specified succeeding months, except when the last month has not so many days, in which event it expires on the last day of the month; and

"(3) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, in—

"(A) the enforcement of the criminal laws, including highway patrol,

"(B) a correctional probation or parole program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees,

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

"(D) firefighting, including officially recognized or designated and legally organized volunteer firefighting, but does not include any person eligible to participate in the insurance program established by chapter 87 of title 5 of the United States Code, or any person participating in the program established by subchapter III of chapter 19 of title 38 of the United States Code;

"(4) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States or any unit of local government, combination of such States, or units, or any department, agency or instrumentality of any of the foregoing.

"Subpart 1—Nationwide Program of Group Life Insurance for Public Safety Officers

"ELIGIBLE INSURANCE COMPANIES

"SEC. 801. (a) The Administration is authorized, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), to purchase from one or more life insurance companies a policy or policies of group life insurance to provide the benefits in this subpart. Each such life insurance company must (1) be licensed to issue life, accidental death, and dismemberment insurance in each of the fifty States of the United States and the District of Columbia, and (2) as of the most recent December 31 for which information is available to the Administration, have in effect at least 1 per centum of the total amount of group life insurance companies have in effect in the United States.

"(b) Any life insurance company issuing such a policy shall establish an administrative office at a place and under a name designated by the Administration.

"(c) The Administration may at any time discontinue any policy which it has purchased from any insurance company under this subpart.

"REINSURANCE

"SEC. 802. (a) The Administration shall arrange with each life insurance company issuing a policy under this subpart for the reinsurance, under conditions approved by the Administration, of portions of the total amount of insurance under the policy, determined under this section, with other life insurance companies which elect to participate in the reinsurance.

"(b) The Administration shall determine for and in advance of a policy year which companies are eligible to participate as reinsurers and the amount of insurance under a policy which is to be allocated to the issuing company and to reinsurers. The Administration shall make this determination at least every three years and when a participating company withdraws.

"(c) The Administration shall establish a formula under which the amount of insurance retained by an issuing company after ceding reinsurance, and the amount of reinsurance ceded to each reinsurer, is in proportion to the total amount of each company's group life insurance, excluding insurance purchased under this subpart, in force in the United States on the determination date, which is the most recent December 31 for which information is available to the Administration. In determining the proportions, the portion of a company's group life insurance in force on the determination date in excess of $100,000,000 shall be reduced by—

"(1) 25 per centum of the first $100,000,000 of the excess;

"(2) 50 per centum of the second $100,000,000 of the excess;

"(3) 75 per centum of the third $100,000,000 of the excess; and

"(4) 95 per centum of the remaining excess.

However, the amount retained by or ceded to a company may not exceed 25 per centum of the amount of the company's total life insurance in force in the United States on the determination date.

"(d) The Administration may modify the computations under this section as necessary to carry out the intent of this section.

"PERSONS INSURED; AMOUNT

"SEC. 803. (a) Any policy of insurance purchased by the Administration under this subpart shall automatically insure any public safety officer of a State or unit of general local government which has (1) applied to the Administration for participation in the insurance program under this subpart, and (2) agreed to deduct from such officer's pay the amount of such officer's contribution, if any, and forward such amount to the Administration or such other agency or office as is designated by the Administration as the collection agency or office for such contributions. The insurance provided under this subpart shall take effect from the first day agreed upon by the Administration and the responsible officials of the State or unit of general local government making application for participation in the program as to public safety officers then on the payroll, and as to public safety officers thereafter entering on duty from the first day of such duty. The insurance provided by this subpart shall to insure all such public safety officers unless any such officer elects in writing not to be insured under this subpart. If any such officer elects not to be insured under this subpart he may thereafter, if eligible, be insured under this subpart upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administration.

"(b) A public safety officer eligible for insurance under this subpart is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule:

"If annual pay is—		The amount of group insurance is—	
Greater than—	But not greater than—	Life	Accidental death and dismemberment
0	$8,000	$10,000	$10,000
$8,000	9,000	11,000	11,000
$9,000	10,000	12,000	12,000
$10,000	11,000	13,000	13,000
$11,000	12,000	14,000	14,000
$12,000	13,000	15,000	15,000
$13,000	14,000	16,000	16,000
$14,000	15,000	17,000	17,000
$15,000	16,000	18,000	18,000
$16,000	17,000	19,000	19,000
$17,000	18,000	20,000	20,000
$18,000	19,000	21,000	21,000
$19,000	20,000	22,000	22,000
$20,000	21,000	23,000	23,000
$21,000	22,000	24,000	24,000
$22,000	23,000	25,000	25,000
$23,000	24,000	26,000	26,000
$24,000	25,000	27,000	27,000
$25,000	26,000	28,000	28,000
$26,000	27,000	29,000	29,000
$27,000	28,000	30,000	30,000
$28,000	29,000	31,000	31,000
$29,000	------	32,000	32,000

The amount of such insurance shall automatically increase at any time the amount of increase in the annual basic rate of pay places any such officer in a new pay bracket of the schedule and any necessary adjustment is made in his contribution to the total premium.

"(c) Subject to conditions and limitations approved by the Administration which shall be included in any policy purchased by it, the group accidental death and dismemberment insurance shall provide for the following payments:

"Loss	Amount payable
For loss of life	Full amount shown in the schedule in subsection (b) of this section.
Loss of one hand or one foot or loss of sight of one eye.	One-half of the amount shown in the schedule in subsection (b) of this section.
Loss of two or more such members	Full amount shown in the schedule in subsection (b) of this section.

The aggregate amount of group accidental death and dismemberment insurance that may be paid in the case of any insured as the result of any one accident may not exceed the amount shown in the schedule in subsection (b) of this section.

"(d) Any policy purchased under this subpart may provide for adjustments to prevent duplication of payments under any program of Federal gratuities for killed or injured public safety officers.

"(e) Group life insurance shall include provisions approved by the Administration for continuance of such life insurance without requirement of contribution payment during a period of disability of a public safety officer covered for such life insurance.

"(f) The Administration shall prescribe regulations providing for the conversion of other than annual rates of pay to annual rates of pay and shall specify the types of pay included in annual pay.

"TERMINATION OF COVERAGE

"SEC. 804. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, to the effect that any insurance thereunder on any public safety officer shall cease two months after (1) his separation or release from duty as such an officer or (2) discontinuance of his pay as such an officer, whichever is earlier: *Provided, however,* That coverage shall be continued during periods of leave or limited disciplinary suspension if such an officer authorizes or otherwise agrees to make or continue to make any required contribution for the insurance provided by this subpart.

"CONVERSION

"SEC. 805. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, for the conversion of the group life insurance portion of the policy to an individual policy of life insurance effective the day following the date such insurance would cease as provided in section 804 of this subpart. During the period such insurance is in force, the insured, upon request to the Administration, shall be furnished a list of life insurance companies participating in the program established under this subpart and upon written application (with such period) to the participating company selected by the insured and payment of the required premiums, the insured shall be granted life insurance without a medical examination on a permanent plan then currently written by such company which does not provide for the payment of any sum less than the face value thereof. In addition to the life insurance companies participating in the program established under this subpart, such list shall include additional life insurance companies (not so participating) which meet qualifying criteria, terms, and condi-

tions, established by the Administration and agree to sell insurance to any eligible insured in accordance with the provisions of this section.

"WITHHOLDING OF PREMIUMS FROM PAY

"SEC. 806. During any period in which a public safety officer is insured under a policy of insurance purchased by the Administration under this subpart, his employer shall withhold each pay period from his basic or other pay until separattion or release from duty as a public safety officer an amount determined by the Administration to be such officer's share of the cost of his group life insurance and accidental death and dismemberment insurance. Any such amount not withheld from the basic or other pay of such officer insured under this subpart while on duty as a public safety officer, if not otherwise paid, shall be deducted from the proceeds of any insurance thereafter payable. The initial amount determined by the Administration to be charged any public safety officer for each unit of insurance under this subpart may be continued from year to year, except that the Administration may redetermine such amount from time to time in accordance.

"SHARING OF COST OF INSURANCE

"SEC. 807. For each month any public safety officer is insured under this subpart, the Administration shall bear not more than one-third of the cost of insurance for such officer, or such lesser amount as may from time to time be determined by the Administration to be a practicable and equitable obligation of the United States in assisting the States and units of general local government in recruiting and retaining their public safety officers.

"INVESTMENTS AND EXPENSES

"SEC. 808. (a) The amounts withheld from the basic or other pay of public safety officers as contributions to premiums for insurance under section 806 of this subpart, any sums contributed by the Administration under section 807 of this subpart, and any sums contributed for insurance under this subpart by States and units of general local government under section 15 of this part, together with the income derived from any dividends or premium rate readjustment from insurers, shall be deposited to the credit of a revolving fund established by section 17 of this part. All premium payments on any insurance policy or policies purchased under this subpart and the administrative costs to the Administration of the insurance program established by this subpart shall be paid from the revolving fund by the Administration.

"(b) The Administration is authorized to set aside out of the revolving fund such amounts as may be required to meet the administrative costs to the Administration of the program and all current premium payments on any policy purchased under this subpart. The Secretary of the Treasury is authorized to invest in and to sell and retire special interest-bearing obligations of the United States for the account of the revolving fund. Such obligations issued for this purpose shall have maturities fixed with due regard for the needs of the fund and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligation shall be the multiple of one-eighth of 1 per centum nearest market yield. The interest on and the proceeds from the sale of these obligations, and the income derived from dividends or premium rate adjustments from insurers, shall become a part of the revolving fund.

"BENEFICIARIES; PAYMENT OF INSURANCE

"SEC. 809. (a) Any amount of insurance in force under this subpart on any public safety officer or former public safety officer on the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

"(1) to the beneficiary or beneficiaries as the public safety officer or former public safety officer may have designated by a writing received in his employer's office prior to his death;

"(2) if there is no such beneficiary, to the surviving spouse of such officer or former officer;

"(3) if none of the above, to the child or children of such officer of former officer and to the descendants of deceased children by representation in equal shares;

"(4) if none of the above, to the parent or parents of such officer or former officer, in equal shares; or

"(5) if none of the above, to the duly appointed executor or administrator of the estate of such officer or former officer.

Provided, however, That if a claim has not been made by a person under this section within the period set forth in subsection (b) of this section, the amount payable shall escheat to the credit of the revolving fund established by section 17 of this part.

"(b) A claim for payment shall be made by a person entitled under the order of precedence set forth in subsection (a) of this section within two years from the date of death of a public safety officer or former public safety officer.

"(c) The public safety officer may elect settlement of insurance under this subpart either in a lump sum or in thirty-six equal monthly installments. If no such election is made by such officer, the beneficiary or other person entitled to payment under this section may elect settlement either in a lump sum or in thirty-six equal monthly installments. If any such officer has elected settlement in a lump sum, the beneficiary or other person entitled to payment under this section may elect settlement in thirty-six equal monthly installments.

"BASIC TABLES OF PREMIUMS; READJUSTMENTS OF RATES

"SEC. 810. (a) Each policy or policies purchased under this subpart shall include for the first policy year a schedule of basic premium rates by age which the Administration shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, taking into account expense and risk charges and other rates based on the special characteristics of the group. The schedule of basic premium rates by age shall be applied, except as otherwise provided in this section, to the distribution by age of the amount of group life insurance and group accidental death and dismemberment insurance under the policy at its date of issue to determine an average basic premium per $1,000 of insurance, taking into account all savings based on the size of the group established by this subpart. Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company issuing the policy on a basis determined by the Administration in advance of such year to be consistent with the general practice of life insurance companies under policies of group life insurance and group accidental death and dismemberment insurance issued to large employers.

"(b) Each policy so purchased shall include a provision that, in the event the Administration determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, the Administration may approve the determination of a tentative average group life premium, for the first of any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate may be increased by the Administration during any policy year upon a showing by the insurance company issuing the policy that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

"(c) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Administration on a basis consistent with the general level of such charges made by life insurance companies under policies of group life insurance and group accidental health and dismemberment insurance issued to large employers, taking into consideration peculiar characteristics of the group. Such maximum charges shall be continued from year to year, except that the Administration may redetermine such maximum charges for any year either by agreement with the insurance companies or companies issuing the policy or upon written notice given by the Administration to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

"(d) Each such policy shall provide for an accounting to the Administration not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Administration, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality, dismemberment, and other claim charges incurred for that period, and (3) the amounts of the insurer's expense and risk charge for that period. Any excess of item (1) over the sum of items (2) and (3) shall be held by the insurance company issuing the policy as a special contingency reserve to be used by such insurance company for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company issuing the policy, which rate shall be approved by the Administration as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Administration determines that such special contingency reserve has attained an amount estimated by the Administration to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under this subpart. If and when such policy is discontinued, and if, after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

"BENEFIT CERTIFICATES

"SEC. 811. The Administration shall arrange to have each public safety officer insured under a policy purchased under this subpart receive a certificate setting forth the benefits to which such officer is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the officer. Such certificate shall be in lieu of the certificate which the insurance company would otherwise be required to issue.

"Subpart 2—Assistance to States and Localities for Public Safety Officer's Group Life Insurance Programs

"SEC. 812. (a) Any State or unit of general local government having an existing program of group life insurance for, or including as eligible, public safety officers during the first year after the effective date of this part, which desires to receive assistance under the provisions of this subpart, shall—

"(1) inform the public safety officers of the benefits and allocation of premium costs under both the Federal program established by subpart 1 of this part and the existing State or unit of general local government program;

"(2) hold a referendum of the eligible public safety officers of the State or unit of general local government to determine whether such officers want to continue in the existing group life insurance program or apply for inclusion in the Federal program under the provisions of subpart 1 of this part; and

"(3) recognize the results of the referendum as finally binding on the State or unit of general local government for the purposes of this part.

"(b) Upon an affirmative vote of a majority of such officers to continue in such State or unit of general local government program, a State or unit of general local government may apply for assistance for such program of group life insurance and the Administration shall provide assistance in accordance with this subpart.

"(c) State and unit of general local government programs eligible for assistance under this subpart shall receive assistance on the same basis as if the officer were enrolled under subpart 1 of this part, subject to proportionate reduction if—

"(1) the program offers a lesser amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only to the extent of coverage actually afforded;

"(2) the program offers a greater amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only for the amount of coverage afforded under subpart 1 of this part;

"(3) the cost per unit of insurance is greater than for the program under subpart 1 of this part, in which case assistance shall be available only at the rate per unit of insurance provided under subpart 1 of this part; or

"(4) the amount of assistance would otherwise be a larger fraction of the total cost of the State or unit of general local government program than is granted under subpart 1 of this part, in which case assistance shall not exceed the fraction of total cost available under subpart 1 of this part.

"(d) Assistance under this subpart shall be used to reduce proportionately the contributions paid by the State or unit of general local government and by the appropriate public safety officers to the total premium under such program: *Provided, however,* That the State or unit of general local government and the insured public safety officers may by agreement change the contributions to premium costs paid by each, but not so that such officers must pay a higher fraction of the total premium than before the granting of assistance.

"Subpart 3—General Provisions

"UTILIZATION OF OTHER AGENCIES

"SEC. 813. In administering the provisions of this part, the Administration is authorized to utilize the services and facilities of any agency of the Federal Government or a State or unit of general local government or a company from which insurance is purchased under this part, in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

"ADVISORY COUNCIL ON PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"SEC. 814. There is hereby created an Advisory Council on Public Safety Officers' Group Life Insurance consisting of the Attorney General as Chairman, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the Office of Management and Budget, each of whom shall serve without additional compensation. The Council shall meet not less than once a year, at the call of the Chairman, and shall review the administration of this part and advise the Administration on matters of policy relating to its activity thereunder. In addition, the Administration may solicit advice and recommendations from any State or unit of general local government participating in a public safety officers' group life insurance program under this part, and from public safety officers participating in group life insurance programs under this part.

"PREMIUM PAYMENTS ON BEHALF OF PUBLIC SAFETY OFFICERS

"SEC. 815. Nothing in this part shall be construed to preclude any State or unit of general local government from making contributions on behalf of public safety officers to the premiums required to be paid by them for any group life insurance program receiving assistance under this part.

"WAIVER OF SOVEREIGN IMMUNITY

"SEC. 816. The Administration may sue or be sued on any cause of action arising under this part.

"PUBLIC SAFETY OFFICERS' GROUP INSURANCE REVOLVING FUND

"SEC. 817. There is hereby created on the books of the Treasury of the United States a fund known as the Public Safety Officers' Group Life Insurance Revolving Fund which may be utilized only for the purposes of subpart 1 of this part.".

MISCELLANEOUS

SEC. 3. Subsection (c) of section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by striking the words "part J" at the end thereof and substituting in lieu thereof the words "parts J and K.".

SEC. 4. The authority to make payments under part K of the Omnibus Crime Control and Safe Streets Act of 1968 (as added by section 2 of this Act) shall be effective only to the extent provided for in advance by appropriation Acts.

SEC. 5. If the provisions of any part of this Act are found invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 6. This Act shall become effective on date of enactment.

By Mr. PEARSON (for himself and Mr. MAGNUSON):

S. 263. A bill to provide for interim regulatory reform as to certain independent regulatory agencies; to the Committee on Commerce.

INTERIM REGULATORY REFORM ACT OF 1977

Mr. PEARSON. Mr. President, I introduce for myself and the distinguished chairman of the Committee on Commerce (Mr. MAGNUSON), a bill entitled the "Interim Regulatory Reform Act of 1977."

This legislation is substantially the same as S. 3308, 94th Congress, which I introduced and which was reported by the Committee on Commerce and passed by the Senate without dissent on May 19, 1976. Unfortunately, no further action was taken in the other body on S. 3308 before adjournment sine die of the 94th Congress.

Mr. President, the bill which Chairman MAGNUSON and I are introducing today is major legislation. It requires a comprehensive restructuring of the regulations-in-force that have been promulgated by each of seven independent regulatory agencies of the Federal Government. The subject agencies include the Interstate Commerce Commission, the Federal Trade Commission, the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Board, the Federal Maritime Commission, and the Consumer Product Safety Commission.

This legislation imposes the requirement that the subject agencies recodify their regulations in order to achieve the type of efficiencies and improvements achieved when the Department of Transportation was required to revise its regulations governing the transportation of hazardous materials. After the recodifications of those regulations was completed, the verbiage had been reduced by half, safety requirements had been strengthened, and the regulatory requirements on industry had been clarified and streamlined.

Other agencies can, and should, strive for comparable efficiencies through a comprehensive review and recodification of their regulations in force. This bill would mandate such a process.

Mr. President, this legislation also requires all of the designated independent regulatory agencies to propose comprehensive revisions of the statutes which they are, respectively, required to administer. Within a reasonable time frame, each of the agencies is required to propose to Congress a complete modernization of the relevant statutes.

Mr. President, the Interim Regulatory Reform Act imposes upon the other regulatory agencies the provisions enacted previously to mandate the CPSC and the ICC to respond promptly to any petition received from a Government agency, business, union, association, individual, or other interested person, if the petition requests the agency to commence a proceeding for the issuance, amendment, or repeal of an order, rule, or regulation under any statute. Because the courts have held that an agency has the power to control its own docket without substantial judicial review, this legislation should be extended to the other independent regulatory agencies to avoid denial of a legitimate petition simply by ignoring it.

Mr. President, our bill also extends to

all seven regulatory agencies the requirement previously approved by our committee that the FTC, the CPSC, and the ICC provide access in a timely fashion to the appropriate committees of Congress all information required by those committees in exercising their constitutional duties. Without the information that this bill envisions would be submitted to the relevant congressional committees, effective oversight of the agencies cannot be conducted.

Mr. President, the chairman and I are also including in this bill the authority for each regulatory agency, in cooperation with the Department of Justice, to conduct its own litigation directly in certain appropriate cases. This feature of our bill reflects provisions previously approved by our committee with respect to the FTC, the CPSC, and the ICC.

Under existing law, certain Federal officers have Federal protection in the sense that an attack on their person is a Federal crime. Representatives of the ICC, and other agencies, have petitioned for comparable protection. This legislation would extend the protection afforded by sections 1114 and 111 of title 18, United States Code, to the officers and employees of the seven designated independent regulatory agencies.

Mr. President, our comprehensive proposal further requires that former commissioners and members of independent regulatory agencies avoid the appearance of conflict of interest in their professional conduct following their service in the Government. Under the terms of our bill, no person appointed following the date of enactment to serve as a commissioner or member would be eligible to represent any person before his commission or board in a professional capacity for 2 years following his or her service. Moreover, no person serving as commissioner or member of one of the seven designated agencies would be permitted concurrently with his service to engage in any other occupation or business enterprise.

Mr. President, our bill carries forward a provision already applicable to the CPSC to remove, to the extent provided, certain exemptions which have the effect of immunizing the independent agencies from lawsuits based upon misrepresentation or on the exercise or failure to exercise a discretionary function. The historic doctrine of "sovereign immunity" to shield Government from legal responsibility for misfeasance or nonfeasance of its agents, offices, and employees has limited relevance, particularly in the case of agencies whose principal business is the economic regulation of private business activities. Our limited provision on this point will improve the accountability of these agencies.

Mr. President, our bill provides that the chairman of each regulatory agency will be appointed, as chairman, by the President for a fixed term of office. This appointment to the chairmanship will be subject to the advice and consent of the Senate. This improvement in the law will assure that greater independence of the designated agencies is achieved.

Mr. President, it should be noted that our bill closes the open-ended authorizations under which serveral of the agencies operate each year. In order to insure more effective congressional oversight of agency performance, our bill provides that each agency, or a staggered schedule, shall be subject to oversight on the question of authorization of appropriations for continued operations.

In a sense, this provision will force the appropriate committees of the Congress to focus on the actual needs of the several agencies for increases—or reductions—in appropriated funds.

Mr. President, our bill has other minor features. It is an omnibus bill in the sense that it extends reforms considered by the Committee on Comerce to be worthwhile to all seven agencies uniformly and in one document. It is a limited bill, on the other hand, because it does not seek to accomplish within its terms the reform of those economic regulation policies established over the years by the agencies.

The major reform bills dealing with reform of economic regulation of industry, will be considered separately.

Mr. President, the Interim Regulatory Reform Act was approved by the Senate without dissent in the last Congress. We urge timely action on the present bill in this Congress to assure immediate improvement in the accountability of the several regulatory agencies, as well as other structural and operational improvements in their organization and administration of the laws.

By Mr. DOLE:

S. 264. A bill to increase the maximum Federal contribution to the cost of any State meat or poultry inspection system from 50 to 80 percent; to the Committee on Agriculture and Forestry.

STATE-FEDERAL MEAT INSPECTION

Mr. DOLE. Mr. President, today I am introducing legislation which increases the Federal Government's share of meat and poultry inspection programs from 50 to 80 percent of the total cost.

Under provisions of the Federal Meat and Poultry Inspection Acts, the U.S. Department of Agriculture is required to assume responsibility for inspecting intrastate meat or poultry plants in States which are unwilling or unable to conduct inspection programs equal to Federal requirements. At the present time, the Federal Government is responsible for poultry inspection in 24 States. Another 17 States have Federal meat inspection.

The trend has been toward forcing Federal Government to take over intrastate meat and poultry inspection. This shifts the cost of inspection from State governments to the Federal Government.

Mr. President, I believe that many livestock producers and packers would like to maintain State inspection services. However with most State governments operating on extremely tight budgets, one means of saving money has been to shift inspection services to the Federal Government.

If the Federal Government assumes 80 percent of the inspection costs, State inspection will be a much more viable alternative to many State governments. The Federal Government obviously would also make a smaller total outlay than would be necessary by the complete takeover of all State inspection services.

Legislation to amend section 301 of the Federal Meat Inspection Act and section 5 of the Poultry Products Inspection Act was approved by the Senate in the last three Congresses. In each case, this legislation has failed to pass the House of Representatives.

I urge the Senate to again approve this legislation. Prompt approval in the Senate would enhance its changes for success in the other body.

By Mr. McINTYRE (for himself, Mr. HUMPHREY, Mr. LEAHY, Mr. MELCHER, and Mr. RANDOLPH):

S. 265. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Commerce.

ELDERLY AND HANDICAPPED PERSONS TRANSPORTATION ACT OF 1977

Mr. McINTYRE. Mr. President, today I am introducing the Elderly and Handicapped Persons Transportation Act of 1977. I am joined by Senators HUMPHREY, LEAHY, MELCHER, and RANDOLPH.

It would approve reduced air fares on a space-available basis for persons 60 years of age and older, and, for the handicapped and attendants of the handicapped. It would also require the CAB to study the economic feasibility of reduced fare for youth.

This bill is a modification of S. 29, which I introduced on January 10.

This bill would remove the statutory limitations on the CAB's ability to approve reduced fares for deserving groups, if the fares meet the economic test generally applied to discount fares.

The problems affecting the elderly are numerous and transportation has consistently been a major concern. Many of our elderly and handicapped are unable to drive and consequently rely primarily on public transportation. With many medical specialists located only in the metropolitan areas and friends and family spread throughout the country, I believe this legislation would provide many people with the opportunity to make use of the airways who otherwise would find it financially impossible. The mobility provided by air transportation is especially important to the elderly and the handicapped.

The handicapped and elderly are unquestionably deserving of this opportunity and past experimentation has proven that air travel by senior citizens is significantly increased when reduced fares have been provided. When Hawaiian Air Lines offered reduced fares to senior citizens from 1967 to 1973, the carriers' senior citizens traffic increased by 340 percent.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this

Act may be cited as the "Elderly and Handicapped Persons Transportation Act of 1977".

SEC. 2. (a) Section 403(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)(1)) is amended by striking out "to ministers of religion on a space available basis." and inserting in lieu thereof "on a space-available basis to any minister of religion, any person who is sixty years of age or older, and to any handicapped person and any attendant required by such handicapped person. For the purposes of this subsection, the term 'handicapped person' means any person who has severely impaired vision or hearing, and any other physically or mentally handicapped person as defined by the Board.".

(b) Within six months after the date of enactment of this Act, the Board shall study and report to Congress on the feasibility and economic impact of air carriers and foreign air carriers providing reduced-rate transportation on a space-available basis to persons twenty-one years of age or younger.

By Mr. JACKSON (for himself and Mr. BAKER):

S. 266. A bill to authorize appropriations for fiscal year 1977 to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended and section 305 of the Energy Reorganization Act of 1974; to the Joint Committee on Atomic Energy.

Mr. JACKSON. Mr. President, I introduce for appropriate reference, legislation to authorize appropriations for fiscal year 1977 for programs administered by the Energy Research and Development Administration dealing with nuclear energy and national security matters.

This bill complements the legislation, S. 36 and S. 37, which I introduced on January 10, 1977. That legislation would authorize appropriations for activities within ERDA which deal with nonnuclear energy research, development, and demonstration programs. Funding for programs supportive of both nuclear and nonnuclear programs, specifically authorization for programs in the environmental and safety research, physical sciences and program support categories, were included in the authorizations already proposed.

The bill I now introduced would, if enacted, authorize funds for ERDA's nuclear energy R. & D. and national security functions.

Provisions of this measure are idential to language agreed upon by the conference committee members to the ERDA authorization bill considered in the closing days of the 94th Congress.

This bill provides authorizations of $5,271,679,000, for nuclear energy R. & D., basic research, space nuclear systems, uranium enrichment and other related programs. In addition, a total of $227,553,000 is authorized for programs in environmental research and safety, basic energy sciences, and program support.

As I indicated in my remarks accompanying the introduction of S. 36 and S. 37, this authorizing legislation is needed by the end of March. Otherwise, a significant portion of ERDA's operations will have to cease by virtue of the limitation requiring authorization which has been placed upon the availability of fiscal year 1977 appropriations. I want to emphasize, therefore, the need for early consideration of this legislation.

For the information of the Senate, I ask unanimous consent that the provisions of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 266

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 261 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2017), and section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), there is hereby authorized to be appropriated to the Energy Research and Development Administration for fiscal year 1977, subject to the provisions of this Act, the following:

(A) For nuclear energy research and development, basic research, space nuclear systems and other technology, uranium enrichment, national security, and related programs, $5,271,679,000.

(B) For environmental research and safety, basic energy sciences, program support, and related programs directly associated with nuclear programs, $227,553,000.

TITLE I.—FOR NUCLEAR ENERGY RESEARCH AND DEVELOPMENT, BASIC RESEARCH, SPACE NUCLEAR SYSTEMS AND OTHER TECHNOLOGY, URANIUM ENRICHMENT, NATIONAL SECURITY, AND RELATED PROGRAMS

OPERATING EXPENSES

SEC. 101. For "Operating expenses", $3,390,051,000. No funds authorized under this Act may be used to produce any nuclear fuel for export to supply a nuclear power reactor under an Agreement for Cooperation which has not been reviewed by the Congress of the United States under the procedures in section 123d. of the Atomic Energy Act of 1954 (42 U.S.C., 2153(d)), as amended by Public Law 93-485, to a country which has not ratified the Treaty on Nonproliferation of Nuclear Weapons unless the first proposed license authorizing the export of either such reactor or such fuel after the date of this Act is first submitted to the Congress for review under the congressional review procedures provided for Agreements for Cooperation in the above-referenced section 123d. of the Atomic Energy Act of 1954, as amended.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Magnetic Fusion:

Project 77-2-a, computer building, Lawrence Livermore Laboratory, Livermore, California, $5,000,000.

(2) Laser Fusion:

Project 77-3-a, electron beam fusion, facilities, Sandia Laboratories, Albuquerque, New Mexico, $13,500,000.

(3) Fission Power Reactor Development:

Project 77-4-a, modifications to reactors, $5,000,000.

Project 77-4-b, breeding nondestructive assay facility, Idaho National Engineering Laboratory, Idaho, $9,500,000.

Project 77-4-c, high performance fuel laboratory, Richland, Washington (A-E only), $1,500,000.

Project 77-4-d, fuel storage facility, Richland, Washington (A-E and long-lead procurement), $7,000,000.

(4) Fission Power Reactor Development:

Project 77-5-a, computer building acquisition, Idaho National Enginering Laboratory, Idaho Falls, Idaho, $950,000.

(5) High Energy Physics:

Project 77-7-a, accelerator improvements and modifications, various locations, $3,600,000.

(6) Basic Energy Sciences:

Project 77-8-a, accelerator and reactor improvements and modifications, various locations, $1,300,000.

Project 77-8-b, expanded experimental capabilities, Bates Linear Accelerator, Massachusetts Institute of Technology, Massachusetts, $5,000,000.

Project 77-8-c, increased flux, high flux beam reactor, Brookhaven National Laboratory, New York, $2,500,000.

Project 77-8-d, conversion of steam plant facilities, Oak Ridge National Laboratory, Tennessee, $12,200,000.

(7) Uranium Enrichment Activities:

Project 77-9-a, expansion of feed vaporization and sampling facilities, gaseous diffusion plants, multiple sites, $30,000,000.

Project 77-9-b, air and nitrogen system uprating, gaseous diffusion plant, Oak Ridge, Tennessee, $5,200,000.

Project 77-9-c, upgrade ventilation systems, technical services building, gaseous diffusion plant, Portsmouth, Ohio, $3,000,000.

Project 77-9-d, centrifuge plant demonstration facility, Oak Ridge, Tennessee, $60,000,000.

(8) Uranium Enrichment Activities:

Project 77-10-a, fire protection upgrading, gaseous diffusion plants, multiple sites, $8,300,000.

Project 77-10-b, modifications to comply with the Occupational Safety and Health Act, gaseous diffusion plants, and Feed Materials Production Center, Fernald, Ohio, $8,200,000.

(9) Weapons Activities:

Project 77-11-a, safeguards and research and development laboratory facility, Sandio Laboratories, Albuquerque, New Mexico, $9,300,000.

Project 77-11-b, safeguards and site security improvements, various locations, $13,500,000.

Project 77-11-c, 8-inch artillery fired atomic projectile production facilities, various locations, $20,500,000.

Project 77-11-d, tritium confinement system, Savannah River, South Carolina, $3,500,000.

(10) Weapons Activities:

Project 77-12-a, fire and safety project, Lawrence Livermore Laboratory, California, $2,300,000.

Project 77-12-b, life safety corridor modifications, Bendix Plant, Kansas City, Missouri, $3,100,000.

Project 77-12-c, modifications to comply with the Occupational Safety and Health Act, Y-12 Plant, Oak Ridge, Tennessee, $6,400,000.

Project 77-12-d, upgrade reliability of fire protection, Bendix Plant, Kansas City, Missouri, $7,800,000.

Project 77-12-e, sludge disposal facility, Y-12 Plant, Oak Ridge, Tennessee, $3,000,000.

(11) Weapons Materials Production:

Project 77-13-a, fluorinel dissolution process and fuel receiving improvements, Idaho Chemical Processing Plan, Idaho National Engineering Laboratory, Idaho (A-E and long-lead procurement), $10,000,000.

Project 77-13-b, improved confinement of radioactive releases, reactor areas, Savannah River, South Carolina, $6,000,000.

Project 77-13-c, seismic protection, reactor areas, Savannah River, South Carolina, $3,000,000.

Project 77-13-d, high level waste storage and waste management facilities, Savannah River, South Carolina, $56,000,000.

Project 77-13-e, high level waste storage and handling facilities, Richland, Washington, $40,000,000.

Project 77-13-f, waste isolation pilot plant, site undesignated (A-E, land acquisition, and long-lead procurement), $6,000,000.

Project 77-13-g, safeguards and security

upgrading, production facilities, multiple sites, $12,600,000.

Project 77–13–h, personnel protection and support facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $10,500,000.

(12) Project 77–14 General Plant Projects, $74,610,000.

(13) Project 77–15, Construction Planning and Design $7,200,000.

(14) Capital Equipment, not related to construction, $276,368,000.

LIMITATIONS

SEC. 103. The Administration is authorized to start any project set forth in title I, subsections 102 (2), (3), (5), (6), (7), (9), and (11), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

SEC. 104. The Administration is authorized to start any project set forth in title I, subsections 102 (1), (4), (8), and (10), only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

SEC. 105. The Administration is authorized to start any project under title I, subsection 102(12) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall not exceed $300,000: *Provided,* That the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under title I, subsection 102(12) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 106. The total cost of any project undertaken under title I, subsections 102 (2), (3), (5), (6), (7), (9), and (11), shall not exceed the estimated cost set forth for that project by more than 25 per centum unless and until additional appropriations are authorized: *Provided,* That this subsection will not apply to any project with an estimated cost less than $5,000,000.

SEC. 107. The total cost of any project undertaken under title I, subsections 102 (1), (4), (8), and (10), shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized: *Provided,* That this subsection will not apply to any project with an estimated cost less than $5,000,000.

AMENDMENTS TO PRIOR YEAR ACTS

SEC. 108. (a) Section 101 of Public Law 89–428, as amended, is further amended by striking from subsection (b)(3), project 67–3–a, a fast flux test facility, the figure "$420,000,000" and substituting therefor the figure "$540,000,000".

(b) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b)(1), project 71–1–f, process equipment modifications, gaseous diffusion plans, the figure "$510,100,000" and substituting therefor the figure "$820,000,000".

(c) Section 101 of Public Law 93–60, as amended, is further amended by striking from subsection (b)(1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the figure "$270,400,000" and substituting therefor the figure "$417,300,000".

(d) Section 101 of Public Law 93–276, as amended, is further amended by—

(1) striking from subsection (b)(1), project 75–1–c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, the figure "$27,500,000" and substituting therefor the figure "$65,000,000";

(2) striking from subsection (b)(3), project 75–3–b, high energy laser facility, Los Alamos Scientific Laboratory, New Mexico, the figure "$22,600,000" and substituting therefor the figure "$54,500,000";

(3) striking from subsection (b)(6), project 75–6–c, positron-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, the figure "$11,900,000" and substituting therefor the figure "$78,000,000".

(e) Public Law 94–187 is amended by—

(1) striking from subsection 101(b)(5), "project 76–5–a, Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $23,000,000.", and striking from subsection 201(b)(5) "project 76–5–a, Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $7,000,000.", which authorized appropriations for this project totaling $30,000,000 and substituting therefor in section 101(b)(5), "project 76–5–a, Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $214,600,000.";

(2) striking from subsection 101(b)(8), project 76–8–e, conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio, the figure "$12,200,000" and substituting therefor the figure "$13,500,000";

(3) transferring the text appearing as section 106 in section 201(a) of title II to follow immediately after the colon in (d) of section 103 of title I; and

(4) striking the words "June 30, 1976, and the interim period following that fiscal year and ending September 30, 1976" in the text of section 106(a) and substitute therefor the words "September 30, 1977";

(5) prior to issuing a Construction Permit for the Clinch River Breeder Reactor Demonstration Plant the Nuclear Regulatory Commission must first find that there is reasonable assurance that the plant can be constructed and operated at the proposed location without undue risk to the health and safety of the public and that, in the opinion of the Commission, the issuance of a Construction Permit will not be inimical to the common defense and security;

(6) striking from subsection 101(b)(8), "project 76–8–g, additional facilities, enriched uranium production, locations undetermined, $25,000,000." and substituting therefor "project 76–8–g, enriched uranium production facility, Portsmouth, Ohio, $255,000,000.".

SEC. 109. For a period of one year subsequent to the date of enactment of this Act, no nuclear fuel shall be exported to supply a nuclear power reactor under an Agreement for Cooperation which has not been reviewed by the Congress of the United States under the procedures in section 123d. of the Atomic Energy Act of 1954 (42 U.S.C. 2153 (d)), as amended by Public Law 93–485, to a non-nuclear-weapon state (within the meaning of the Treaty on the Non-Proliferation of Nuclear Weapons) which has not ratified the Treaty on the Non-Proliferation of Nuclear Weapons unless the first proposed license under such agreement authorizing the export of either such facility or such material after the date of this Act is first submitted to the Congress for review under procedures provided for Agreements for Cooperation in the above-referenced section 123d. for the Atomic Energy Act of 1954, as amended; *Provided, however,* That the foregoing prohibition shall not apply where the Nuclear Regulatory Commission receives advice, in accordance with procedures established by the President, that it is the judgment of the Department of State and other concerned Executive Branch agencies that the proposed export would not be inimical to the Common defense and security of the United States and where the Nuclear Regulatory Commission finds that the recipient nation or group of nations has committed itself to apply and adhere to the following principles or their equivalent, and any others which the Commission deems necessary to meet the applicable statutory requirements of the Atomic Energy Act of 1954, as amended, and where the Commission finds that such principles will be applied in a manner acceptable to the United States:

(1) International Atomic Energy Agency safeguards as required by Article III(2) of the Treaty shall be applied with respect to such export and to any special nuclear material produced through the use thereof.

(2) No such material produced through the use thereof, shall be used for any nuclear explosive device or for research on or development of any nuclear explosive device.

(3) Adequate physical security measures shall be maintained with respect to the material or equipment transferred and with respect to any special nuclear material produced through the use thereof.

(4) No such material or equipment transferred, and no special nuclear material produced through the use thereof, shall be retransferred to the jurisdiction of any other nation or group of nations except under conditions acceptable to the United States. The United States shall not approve such retions designated to receive such retransfer agree that it shall be subject to the principles stated herein.

(5) No such material transferred and no special nuclear material used in or produced through the use of transferred nuclear material or equipment shall be reprocessed, and transfer unless the nation or group of nano irradiated fuel elements containing such material removed from a reactor shall be altered in form or content, unless the prior approval of the United States is obtained for such reprocessing or alteration, or unless such reprocessing or alteration will be under other conditions acceptable to the United States.

(6) The foregoing conditions shall be applied to any nuclear material or equipment which is produced or constructed in the recipient nation or group of nations by or through the use of any exported sensitive nuclear technology.

TITLE II—FOR ENVIRONMENTAL RESEARCH AND SAFETY, BASIC ENERGY SCIENCES, PROGRAM SUPPORT, AND RELATED PROGRAMS

OPERATING EXPENSES

SEC. 201. For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(1) Biomedical and environmental research, $85,900,000.

(2) Operational safety, $4,300,000.

(3) Environmental control technology, $8,900,000.

(4) Basic energy sciences for the following:

(A) Material sciences, $19,400,000.

(B) Molecular, mathematical, and geosciences, $11,800,000.

(5) Program support, $88,035,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 202. For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Capital Equipment, not related to construction:

(A) Biomedical and environmental research, $4,818,000.

(B) Operational safety, $1,100,000.

(C) Environmental control technology, $400,000.

(D) Basic energy sciences for the following:

(i) Material sciences, $1,700,000.

(ii) Molecular, mathematical and geosciences, $700,000.

(E) Program Support, $500,000.

AMENDMENTS TO PRIOR YEAR ACTS

SEC. 203(a) Section 101 of Public Law 92-314 is amended by striking from subsection (a) "Operating expenses" the figure "$2,110,480,000" and substituting therefor the figure "$2,113,480,000".

(b) Section 202 of Public Law 92-314 is amended by—

(1) striking from subsection (b) the words "four years" and substituting therefor the words "seven years", and

(2) adding the following subsections:

"(h) that payment may be made to those who undertook action of a remedial nature prior to the date of this amendment without the determination required in subsection (b) of this section and notwithstanding the requirement in subsection (c) of this section: *Provided, however,* That the determination whether and to what extent such payment shall be made shall be the decision of the Administration based on the recommendation of the State; that requests for such payments shall not be considered after one year from the date of this amendment; *And provided further,* That the United States shall be released from any mill tailings related liability or claim thereof upon such payment.

"(i) That the requirement in subsection (c) of this section that any remedial action shall be performed by the State of Colorado or its authorized contractor may be waived in advance in writing by the State with approval of the Administration: *Provided, however,* That the determination whether and to what extent payment shall be made shall be the decision of the administration based on the recommendation of the State: *And provided further,* That the United States shall be released from any mill tailings related liability or claim thereof upon such payment.".

(c) Section 204 of Public Law 92-314 is amended by striking the figure "$5,000,000" and substituting therefor the figure "$8,000,000".

TITLE III—GENERAL PROVISIONS

SEC. 301. Subject to the applicable requirements and limitations of this Act, when so specified in appropriations Acts amounts appropriated for the Administration pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriations for the Administration.

SEC. 302. When so specified in appropriation Acts, amounts appropriated pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may remain available until expended.

SEC. 303. Amounts appropriated pursuant to title I of this Act for construction planning and design, and for general plant projects, are available for use, when necessary, in connection with all Administration programs.

SEC. 304. (a) Any Government-owned contractor operated laboratory, energy research center, or other laboratory performing functions under contract to the Administration may, with the approval of the Administrator, use a reasonable amount of its operating budget for the funding of employee-suggested research projects up to the pilot stage of development. It shall be a condition of any such approval that the director of the laboratory or center involved form an internal review mechanism for determining which employee-suggested projects merit funding in a given fiscal year; and any such project may be funded in one or more succeeding years if the review process indicates that it merits such funding.

(b) Each director of a laboratory or center specified in subsection (a) of this section shall submit an annual report to the Administrator on projects being funded under this section; and on completion of each such project shall submit a report to the Technical Information Center of the Administration for inclusion in its data base.

SEC. 305. The Administrator is authorized to perform construction design services for any Administration construction project whenever the Administrator determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction in order to meet the needs of national defense or protection of life and property or health and safety.

SEC. 306. Any moneys received by the Adminstration may be retained and used, as provided in annual appropriations Acts enacted after the date of enactment of this Act, for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)), notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended. Funds may be obligated for purposes stated in this section only to the extent provided in appropriations Acts.

SEC. 307. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred, may be merged with the appropriation to which transferred.

SEC. 308. (a) Each officer or employee of the Energy Research and Development Administration who—

(1) performs any function or duty under this Act or any other Act amended by this Act; and

(2) has any known financial interest—

(A) in any person engaged in the business, other than at the retail level, of developing, producing, refining, transporting by pipeline, or converting into synthetic fuel, minerals, wastes, or renewable resources, or in the generation of energy from such minerals, wastes, or renewable resources, or in conducting research, development, and demonstration with financial assistance under this Act or any other Act amended by this Act, or

(B) in property from which minerals are commercially produced,

shall, beginning on February 1, 1977, annually file with the Administrator a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statements shall be available to the public.

(b) The Administrator shall—

(1) act within ninety days after the date of enactment of this section—

(A) to define the term "known financial interest" for purposes of paragraph (2) of subsection (a) of this section; and

(B) to establish the methods by which the requirement to file written statements specified in subsection (a) of this section will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Administrator of such statements; and

(2) report to the Congress on June 1 of each calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year.

(c) In the rules prescribed in subsection (b) of this section, the Administrator may identify specific positions within the Administration which are of a nonpolicymaking nature and provide that officers or employees occupying such positions shall be exempt from the requirements of this section.

(d) Any officer or employee who is subject to, and knowingly violates, this section or any regulation issued thereunder, shall be fined not more than $2,500 or imprisoned not more than one year, or both.

SEC. 309. The Administrator shall not use any funds appropriated pursuant to this Act under any contract in effect on or after October 1, 1977 for research, services, or material conducted or supplied by the Lawrence Livermore Laboratory for the Energy Research and Development Administration unless that contract specifically provides that the employees of the Lawrence Livermore Laboratory will be guaranteed the establishment of an impartial grievance procedure and further guarantees employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all of such activities: Provided, however, That no employee rights or activities shall be guaranteed in such contract which would be in violation of California State law.

TITLE IV.—BASIS FOR GOVERNMENT CHARGE FOR URANIUM ENRICHMENT SERVICES

SEC. 401. Subsection 161v. of the Atomic Energy Act of 1954, as amended, is amended—

(1) by striking out the word "Commission" each time it appears in the subsection, and inserting in lieu thereof the words "Administrator of Energy Research and Development" in all instances except when the deleted word "Commission" is used in the context of ownership of uranium enrichment facilities, the words "Energy Research and Development Administration" shall be substituted therefor:

(2) by deleting in the first proviso in this subsection the words after "(iii)" of the first proviso to the beginning of the second proviso and inserting in lieu thereof the following: "any prices established under this subsection shall be on such a basis as will recover not less than the Government's costs over a reasonable period of time, and in the opinion of the Administrator of Energy Research and Development will not discourage the development of domestic sources of supply independent of the Energy Research and Development Administration" and

(3) by deleting the third proviso in this subsection and substituting therefor the following, "*Provided,* That before the Administrator of Energy Research and Development establishes such criteria, the proposed criteria shall be submited to the Congress and referred to the Joint Committee and a period of sixty days shall elapse while the Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of adjournment of more than three days) *And provided further,* That any such proposed criteria shall not become effective if during such sixty-day period the Congress passes a joint resolution stating in substance that it does not favor the proposed action: *And provided further,* That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall hold full and complete hearings on the proposed criteria and shall submit a report to the Congress of its views and recommendations respecting the proposed criteria and an accompanying proposed joint resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed criteria. The foregoing provision for Joint Committee review and approval shall also apply prior to any changes by the Administrator of Energy Research and Development in the basic approach used in arriving at the fair value charge for the Government's

uranium enrichment services or any additions to that charge for the purpose of not discouraging the development of private uranium enrichment projects."

Mr. BAKER. Mr. President, I join with my distinguished colleague from the State of Washington in sponsoring this bill to authorize appropriations for fiscal year 1977 for the nuclear programs of the Energy Research and Development Administration. This bill would give ERDA the full authority needed to spend those funds for ERDA's nuclear programs for fiscal year 1977 which have already been appropriated.

The language of this bill, which is the same as that agreed to by the conference committee on H.R. 13350 during the last Congress, will provide a basis for Senate consideration of the necessary authorizing legislation.

Due to restrictions under present law, enactment of authorizing legislation before March 31, 1977, is essential if we are to avoid serious disruption of ERDA's important nuclear programs. I hope, therefore, that this legislation will receive prompt consideration by the Senate.

By Mr. DOLE:

S. 267. A bill to amend the Commodity Exchange Act, and for other purposes; to the Committee on Agriculture and Forestry.

CFTC AMENDMENTS

Mr. DOLE. Mr. President, today I am pleased to introduec a bill to amend the Commodity Futures Trading Commission Act of 1974.

The Commodity Futures Trading Commission Act of 1974 made extensive changes in the Commodity Exchange Act, bringing under Federal regulation all agricultural and other commodities, goods, and services traded on exchanges, and otherwise strengthening the regulation of the Nation's $600 billion commodity futures industry. One of the most significant changes made by the 1974 act was the creation of the Commodity Futures Trading Commission, an independent regulatory agency consisting of a chairman and four other Commissioners.

To remove any constitutional question regarding the appointment of the Commission's Executive Director, which may be based on the Supreme Court's decision in *Buckley* v. *Valeo*, (96 Sup. Ct. 612 (1976)), the bill deletes the requirement that the appointment be made "by and with the advice and consent of the Senate."

The bill I am introducing would enable the Commission to grant "use" immunity to witnesses in CFTC proceedings. This is consistent with the powers of its predecessor agency, the Commodity Exchange Authority, which could grant such immunity by virtue of being an agency of an "executive department" within the context of section 6001 of title 18 of the United States Code.

This bill also would effect technical amendments to the 1974 act which would among other things: First, extend to 6 months the time for acting on the registration of any commodity trading advisor or commodity pool operator; and second, make it unlawful for any commodity trading advisor or commodity pool operator "who is or should be registered under this act" to defraud any client or participant.

This bill is substantially similar to the House of Representative's amendments to S. 3051 which passed in the Senate during the 94th Congress. However, due to the press of last minute business the Senate was unable to consider the House amendments.

This bill is the result of a request from the Commodity Futures Trading Commission and is largely composed of amendments which are technical or house-keeping in nature.

I hope this bill will be passed quickly so as to allow the Commodity Futures Trading Commission to increase the effectiveness of its regulatory activities.

By Mr. LEAHY (for himself, Mr. STAFFORD, Mr. PEARSON, Mr. HUMPHREY, Mr. MATHIAS, Mr. MCGOVERN, Mr. HUDDLESTON, Mr. ABOUREZK, and Mr. STEVENS):

S. 268. A bill to create within the Department of Agriculture an office specifically charged with the responsibility of rural residents as such needs pertain to home heating and cooling, transportation, agricultural production, electrical generation, conservation, and research and development; jointly, by unanimous consent, to the Committees on Agriculture and Forestry, Banking, Housing and Urban Affairs, Commerce, Interior and Insular Affairs.

RURAL ENERGY OFFICE OF 1977

Mr. LEAHY. Mr. President, when I first introduced this bill last year I warned my colleagues that it would be tragic indeed to lose sight of long-range projections indicating future energy shortages because of a mild winter, a temporary petroleum surplus, and a relaxation of the crisis atmosphere that followed the 1973 embargo. The Federal administration's national energy outlook, 1976, contends that:

The reserves from which most of today's oil is being produced—mainly on-shore in the lower 48 states—will decline by almost two-thirds by 1985 and about 80% by 1990.

The trepidation that preceded the recent two-tier oil price increase by the OPEC nations and the unusually severe winter we have experienced thus far—and which some climatologists warn may signal a major change in our weather patterns—should serve to remind us that we are just as vulnerable to the unpredictable vagaries of price and supply as we were 3 short years ago.

It is clear, therefore, that the energy crisis is not going to disappear. And, as those of us in the Northeast are painfully aware, the energy crisis does not affect all sections of the Nation equally. No fact has been more strikingly demonstrated during past energy shortages than their unequal impact on particular regions and sectors.

As a Vermonter, I have seen the energy crisis hit with special force. Vermonters experience very severe winters. Oil constitutes the major heating source in 70 percent of Vermont households. If our experience in Vermont so far this winter is indicative, that situation is going to get worse. As of December, middle distillate use for home heating in Vermont alone had increased at least 25 percent over last winter at the same time.

While Vermont has only 0.22 percent of the Nation's population, it consumed 0.89 percent of the Nation's supply of No. 2 distillate oil in 1974, an amount four times greater than the national average.

In that regard, Vermont is similar to the other New England States where 5.8 percent of all Americans live, but which consumed 21 percent of the Nation's supply of No. 2 distillate in 1974.

However, to comprehend fully the energy problems of Vermont, it must be perceived not only as a New England State, but also as a rural State. In fact, Vermont is the most rural State in the Nation, and becoming even more rural. Between 1960 and 1970, the number of Americans residing in rural areas decreased slightly between 1960 and 1970, while the number of Vermonters residing in rural areas increased by 25.4 percent.

As a result, there are genuine differences between Vermont and the other States within the New England region, especially with regard to energy. This shows up most vividly in the matter of residual oil—the fuel which fires many New England powerplants and moves the machines in the region's industrial sector. A simple comparison makes this clear. For every 100 barrels of residual oil consumed by Vermonters in 1974, 912 barrels of distillate and 1,047 barrels of motor gasoline were consumed. In contrast residents of the other five New England States consumed 81 barrels of distillate and 87 barrels of motor gasoline for every 100 barrels of residual oil consumed.

Vermont clearly has a different energy consumption pattern than other States in the region, but does have one very similar to that in other rural States.

The more we delve into the energy requirements of rural areas versus urban areas, the clearer it becomes that the energy needs of rural America have been shamefully neglected.

Therefore, I am today reintroducing legislation which would create within the Department of Agriculture a Rural Energy Office, charged specifically with the responsibility of assessing the fuel and energy needs of rural America.

This Office will have two major functions. The first will concentrate upon gathering information. The Department of Agriculture has a well-functioning set of information-gathering offices: The Agricultural Research Service, the AMS, the Economic Research Service, the REA, the ASCS, the Cooperative State Research Service, the Extension Service, the Forest Service, the National Agricultural Library, the Soil Conservation Service, and the Statistical Reporting Service.

Individuals in each with expertise in energy-related subjects would be transferred to the new Rural Energy Office where they could concentrate their efforts in assessing the full dimensions of

energy needs facing rural Americans. No new bureaucracy would be created. People would merely be transferred to an area where they can be more effective.

The second major activity of the Rural Energy Office would be to serve as a clearinghouse for energy legislation likely to impact heavily upon rural and agricultural interests. In this capacity, it would advise the Secretary of Agriculture on the consequences of each proposal that might affect the Nation's food and fiber production or the quality of rural life.

The bill specifically mandates that the FEA Administrator, the ERDA Administrator, the Federal Highway Administrator, and the Chairman of the Federal Power Commission notify the Secretary of Agriculture of proposed regulations for his comments within a prescribed time period prior to their publication.

In promoting the energy interests of rural Americans, the Rural Energy Office would of necessity work with other Federal agencies in a variety of ways.

Its voice would be heard in the preparation of any allocation plans that might be necessary in the future.

It would assist rural residents in obtaining grants from the Energy Research and Development Administration for the development of nonfossil fuels for energy production. Compared to urban areas, rural America has an abundant supply of the nonfossil sources which ERDA has been researching: solar, wind, hydro, geothermal, and wood.

Also, given national anxiety about the possible hazards of nuclear energy and the growing propensity to locate nuclear plants in underpopulated areas, the REO would be consulted on future nuclear plant sitings having a direct impact upon rural America.

Activities of the FPC which directly affect either natural gas distribution or the production of electricity should come to the attention of the Rural Energy Office which, in conjunction with the REA would attempt to prevent serious disclocations in their availability.

Components of the Community Services Administration which relate directly to the "weatherization" of rural housing would also receive REO attention, as would the activities of the Rural Transit Office of the Department of Transportation.

Mr. President, in researching the urban-rural energy consumption problems, my office made inquiries at the FEA's Office of Consumer Affairs/Special Impact. We learned that no formal study of the energy needs of rural people had been prepared, despite the fact that FEA's own Project Independence report in 1974 indicated that one of the groups which would be hit especially hard by the energy crisis was the rural poor.

As a result, we were obliged to develop our own statistics regarding urban-rural energy consumption. Using materials from the FEA, the FPC, the Federal Highway Administration, the Bureau of Mines, and the Census Bureau, outlines were able to be developed of meaningful urban-rural differences in the consumption of petroleum products—the Nation's scarcest and most critical energy source.

Mr. President, in order to focus more clearly on these differences, I have assessed each of the three major petroleum products in terms of how they relate directly to urban-rural differences. With regard to distillate fuel—the lighter weight fuel used primarily in home heating—the 10 States with the lowest metropolitan percentages had a per capita consumption of 352.3 gallons in 1974, a figure 65 percent higher than the 214.2 gallons per capita consumed by all Americans.

In contrast, the 1974 per capita consumption of distillate oil in the 10 most metropolitan States was 212.5 gallons, slightly less than that consumed in the United States as a whole, and 40 percent below that consumed in the least metropolitan States.

Comparisons indicate that as each State's metropolitan percentage rises, per capita consumption of distillate oil decreases. Apart from climate differentials, housing patterns constitute the single most important reason. There are more single-family dwellings in rural areas, and they tend to be less fuel-efficient than the multiple-unit apartment dwellings of metropolitan areas. In addition, as a report for last year's National Conference on Rural America pointed out:

> Rural areas . . . have about one-fourth of the nation's population and 60% of its substandard housing.

This housing is in most cases poorly insulated and energy-wasteful.

However, rural areas are not wasteful when it comes to the consumption of residual fuel—the heavier weight oil used for industrial purposes and the generation of electricity. Residents in the ten most metropolitan States consumed 310.4 gallons of residual oil in 1974, exceeding overall national consumption of residual oil by 120 gallons per capita and that of the 10 least metropolitan States by 142 gallons. This means that the most urban States had a per capita consumption figure 63 percent higher than that for the most rural States.

In direct contrast to distillate, as metropolitan percentages increase, per capita consumption of residual fuel also increases.

The primary reason for the high per-capita consumption of residual fuel in metropolitan States is the dependence of those States upon electricity generated in oil-fired powerplants. Sixteen percent of the Nation's total kilowatt hours are produced by oil-burning plants. However, in the 10 most metropolitan States, 45 percent of all the electricity comes from oil-burning plants.

Caribbean refiners produce most of the Nation's supply of residual. And it is the Caribbean refiners which are the most dependent upon foreign oil imports. Therefore, the actions of OPEC hit hardest those States with the highest consumption of residual fuel.

The reason for this is the fact that domestic refineries produce very little residual fuel. Most of their petroleum products are distillate oil and motor gasoline. According to FEA figures released in February, the normal yield pattern for a domestic refiner is 45 percent gasoline, 22 percent distillate, 8 percent residual, and 25 percent other petroleum products. Caribbean refiners, on the other hand, have a yield pattern of 10 percent gasoline, 11 percent distillate, 60 percent residual, and 19 percent other products.

Electricity production in rural areas is far less dependent upon oil. Only 9 percent of the kilowatt hours produced in the 10 least metropolitan States comes from oil-fired plants. The vast bulk of rural electricity, 38.2 percent, comes from coal and hydropower which furnishes 35.4 percent. FEA's National Energy Outlook for 1976 contends that—

> At current consumption levels, we have enough coal reserves to last at least 300 years.

Therefore, the electricity sources most widely used in rural areas are not subject to the vicissitudes of international energy cartels.

Mr. President, the third major area where urban-rural differences must be assessed relates to motor gasoline. People living in the 10 least metropolitan States consumed 567 gallons of motor gasoline per capita in 1974. This is 31 percent more than that consumed in the 10 most metropolitan States, and 18 percent higher than that for the entire Nation.

Comparisons show that as metropolitan percentages in an area increase gasoline consumption decreases. This is not surprising. Rural people are very dependent upon their automobiles. There are no subways in rural areas. Bus service is sporadic and taxis seldom venture beyond town lines. Mass transit is not a factor in rural life.

A fact not often appreciated by some Federal bureaucrats is that most people living in rural areas are not farmers, and that even among farm families, USDA estimated in 1971 that off-farm income represented about 53 percent of the average family's net income.

Readily available gasoline is crucial to making a living in rural areas. A report of the Nationwide Personal Transportation Study reveals that people living in the Nation's unincorporated areas made 34 percent of all automobile trips even though they constituted only 26.5 percent of the population. In addition to making more automobile trips, their trips are longer on the average. The average trip in the unincorporated areas was 11.0 miles, 28 percent higher than the 8.6 miles recorded for incorporated places.

Rural people have to make more trips because basic social services are not readily available to them. My own State of Vermont has 9 of its 14 counties classified as "hinterland" counties because of the absence of crucial health care and marketing facilities. Vermonters, like rural people elsewhere, have to travel great distances for their basic services. Eighty percent of Vermonters require their cars to get back and forth to work.

Compounding the distance problem in rural areas is the fact, according to a National Opinion Research Center survey cited in FEA's Project Independence Report:

> That the used cars the poor will be buying for the new decade will be the gas guzzlers of

the last few years. Thus, gasoline consumption of rural poor may actually increase over the next few years even though the price may rise.

Obliged to travel great distances for their employment and their social services in automobiles which are not fuel-efficient, rural residents are at a serious disadvantage. As if these problems were not bad enough, the rural resident has to face another crisis—the "pullout" of major gasoline marketers from rural areas.

During the 1960's when gasoline was abundant, a number of major gasoline companies sought to expand their retail outlets by moving into rural areas. This was particularly true of marketers moving beyond their "historic" retail areas. With the energy crunch, many of these marketers decided to pull out of areas far removed from their historic markets and great distances away from their refineries. Others want to concentrate their retail efforts in the more highly profitable urban markets. The areas hardest hit by these pullouts will be rural ones.

In order to slow this process, I recently introduced legislation which would require that companies anticipating pullouts give sufficient notice to the Governor of the State involved so that alternate suppliers can be sought and gas availability to rural areas continue uninterrupted.

While this would be an important step, it would constitute only a short-range solution to the ongoing problems of getting adequate gasoline stocks to the rural areas.

If the Nation is truly committed to a balanced national growth policy, then insuring that adequate and economical motor gasoline is available to rural areas for agricultural and developmental purposes must have a high priority.

Mr. President, given the ever-mounting pressure for a more comprehensive conservation policy, it is important that Congress not take precipitous action which can create long-range harm.

Much of the conservation effort to date has focused upon reduction of motor gasoline consumption. I support this effort wholeheartedly in the area of requiring auto manufacturers to make more energy-efficient automobiles.

However, there are other aspects to the gasoline problem which have not been fully addressed. It appears as if the major thrust for reducing the consumption of gas is to free up the availability of crude oil for the production of residual fuel for industrial purposes.

My study of petroleum consumption reveals that there is no rural-urban difference in the per capita consumption total of motor gasoline and residual fuel combined. The 10 most metropolitan States had a per capita consumption of 742 gallons of residual and gasoline combined in 1974, while the 10 least metropolitan States had a per capita consumption of 735 gallons.

The problem arises from the fact that while the urban consumption is roughly balanced between gasoline and residual in rural areas three times as much gasoline is consumed as residual.

What this means simply is that any conservation effort which seeks only to reduce motor gas consumption in order to create greater supplies of residual fuel is an urban solution. Rural areas will not benefit from the increased availability of residual fuel. In fact, they will be hurt by the decrease in the available supply of gasoline.

Decisions as to whether to use crude oil for residual fuel or for motor gasoline raise fundamental questions about the future of American lifestyles.

This is not the only example of how "urban" solutions to the energy crisis may seriously harm rural citizens. Another involves the purchase of vast quantities of liquefied petroleum gases by industrial firms to compensate for natural gas shortages. Liquefied petroleum gases are crucial for agricultural production, particularly for crop drying. However, with shortages of natural gas in many industrial areas, liquefied petroleum gas is being purchased to cover the shortages. Too often agricultural producers have been outbid for the available supply.

Once again we may see the competition between urban and industrial interests on one side and rural and agricultural ones on the other. And it does not always seem as if those who make energy policy — including the Congress — are wholly mindful of this competition or of the potential hazards which it portends.

Mr. President, the energy crisis alerted Americans to the fact that virtually every aspect of our existence relates in some way to energy. Whether it be our jobs, our heating, our electricity, our transportation, or even our food, the availability of energy affects us all.

Rural Americans, no less than other citizens, have pressing and critical energy needs. Now is the time to create an agency which will assess those needs and to serve as an advocate for rural people and agricultural interests in the councils of Government.

Therefore, on behalf of Mr. STAFFORD, Mr. PEARSON, Mr. HUMPHREY, Mr. MATHIAS, Mr. MCGOVERN, Mr. HUDDLESTON, Mr. ABOUREZK, Mr. STEVENS and myself, I am today introducing legislation which would create within the Department of Agriculture a Rural Energy Office, charged specifically with the responsibility of assessing the fuel and energy needs of rural America.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 268

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Energy Office Act of 1977".

ESTABLISHMENT OF OFFICE

SEC. 2. (a) There is established within the Department of Agriculture an office to be known as the Office of Rural Energy Assessment and Development (hereinafter in this Act referred to as the "Office").

(b) There shall be at the head of the Office a Director who shall be appointed by the Secretary of Agriculture. The Director shall be assisted by an Assistant Director and a staff composed of a sufficient number of economists, statisticians, computer experts, and engineers to conduct the duties of the Office in a timely, efficient, and professional manner.

(c) The Director shall be subject to the supervision and control of the Secretary of Agriculture.

DUTIES OF OFFICE

SEC. 3. (a) The Office shall be responsible for identifying, locating, developing, classifying, and compiling data pertaining to all fuel and other energy needs of people of the United States residing in—

(1) areas outside standard metropolitan statistical areas; and

(2) areas within standard metropolitan statistical areas which are unincorporated or are specified by the Bureau of the Census, Department of Commerce, as rural areas.

(b) Information needed to carry out the duties specified in subsection (a) shall be obtained through independent development by the Office and through the solicitation of information from other governmental agencies at the Federal, State, and local levels, and from private entities.

(c) The Office shall, using the authority and information described in subsections (a) and (b), submit to the Congress, no later than February 15 and September 15 of each year, a report containing a detailed accounting of the findings and conclusions of the Office with respect to the following subject matters as they pertain to the needs of people residing in the areas described in subsection (a):

(1) the heating and cooling of residential dwelling units, especially with regard to—

(A) the methods and sources of heating and cooling existing dwelling units;

(B) anticipated new construction of dwelling units;

(C) energy sources which could be used in heating and cooling such newly constructed units; and

(D) the possibilities of converting existing dwelling units to heating and cooling systems which can be produced but are not widely used;

(2) transportation, especially with regard to—

(A) gasoline for motor vehicles used primarily on highways, including a specification of—

(i) amounts and retail prices of such gasoline;

(ii) the approximate number and location, by State, of existing retail outlets; and

(iii) anticipated changes in the marketing and availability of (and demand for) gasoline, anticipated responses to the changes, and the potential effect of research on these changes;

(B) all fuel, diesel and otherwise, available for farm equipment used primarily in areas other than highways, including a specification of the factors referred to in clauses (i) through (iii) of subparagraph (A) of this paragraph; and

(C) existing availability of intercity and intracity public transportation and the feasibility of expanding such transportation;

(3) the production of agricultural commodities, especially with regard to—

(A) the amount of liquified petroleum gases consumed in the production of various agricultural commodities;

(B) the amount of petrochemicals, fertilizers, and related byproducts consumed in the production of various agricultural commodities;

(C) the marketing and related costs involved in the production and transportation of agricultural commodities; and

(D) the amount of energy used to produce agricultural commodities on different-sized farms;

(4) energy needs of businesses and industries, especially with regard to—

(A) maintaining existing business and industry in rural areas;

(B) attracting new business and industry to such areas; and

(C) comparing the degree of dependence of such industry and business on conventional and on alternative sources of energy with the degree of dependence of urban industry and business on each such source;

(5) sources of electricity, especially with regard to—

(A) existing sources;

(B) short- and long-range anticipated needs for electricity;

(C) short- and long-range projected conversions from electrical to other sources of energy, including nuclear and solar energy;

(D) short- and long-range plans concerning the location of nuclear plants; and

(E) the estimated costs (in 3, 5, and 10 year intervals) of utilizing existing sources of electricity, meeting anticipated needs for electricity, converting from electricity to other sources of energy, and establishing nuclear plants;

(6) conservation of energy, especially with regard to—

(A) the extent of existing programs designed to conserve energy; and

(B) the potential for developing new programs of conservation and the costs thereof, especially with regard to encouraging self-sufficiency by utilizing wood, solar energy, wind, and water to supply alternate sources of energy; and

(7) energy research and development, especially with regard to locating, identifying, developing, and providing information on alternate fuels and the potential use of energy technologies which have not been fully developed or widely utilized.

(d) The report submitted pursuant to subsection (c) shall be provided, by the Office, to the Committees on Agriculture, Interior and Insular Affairs, Interstate and Foreign Commerce of the House of Representatives, the Committees on Agriculture and Forestry, Interior and Insular Affairs, and Commerce of the Senate.

Such committees shall cooperate in publishing and making available to the public every six months a document containing the information provided them by the Office in its most recent report.

PENALTY FOR FAILURE TO SUBMIT REPORT ON TIME

SEC. 4. If the Director of the Office fails to submit to the Congress the report described in section 3(c) on or prior to the date on which the report is required to be submitted, the Director shall be assessed a civil penalty of $1,000 for each day in the period beginning on the day after the date on which the report is to be submitted and ending with the day preceding the day on which the report is submitted, except that no civil penalty shall be imposed (1) with regard to any report for which no funds have been appropriated, or (2) with respect to any day during any period specified by a resolution approved by the Committee on Agriculture of the House of Representatives and by the Committee on Agriculture and Forestry of the Senate as an extension period for the submission of the report. This subsection shall be enforced by the Attorney General of the United States through a civil action filed and litigated on behalf of the United States in the District Court of the United States for the District of Columbia against the individual who is the Director of the Office during the period for which the civil penalty is assessed. No Federal funds may be expended with regard to the payment of such civil penalty.

REGULATIONS OF OTHER AGENCIES

SEC. 5. (a) The Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, the Administrator of the Federal Highway Administration, and the Chairman of the Federal Power Commission shall submit to the Secretary of Agriculture a copy of any regulation proposed to be issued by such Administration or Commission, as the case may be, which relates to any energy matter referred to in this Act. Any such proposed regulation shall be submitted to the Secretary of Agriculture not less than 60 days prior to promulgation thereof.

(b) The Secretary of Agriculture shall submit to the Administrator or Chairman from whom any proposed regulation is received such comments and recommendations regarding such proposed regulation as the Secretary deems appropriate, taking into consideration the potential impact such regulation may have on rural areas.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EXPIRATION OF OFFICE

SEC. 7. The Office and the provisions of this Act shall expire five years after the date of enactment of this Act.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the bill introduced by the Senator from Vermont (Mr. LEAHY) for himself and others relative to creating a Rural Energy Office within the Department of Agriculture be jointly referred to the Commitees on Agriculture and Forestry, Banking, Housing and Urban Affairs, Commerce, and Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered, and the bill will be jointly referred.

By Mr. PEARSON:

S. 269. A bill to provide additional emergency credit for farmers and ranchers and to expand existing credit, and emergency credit authority available to farmers and ranchers under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture and Forestry.

EMERGENCY FARM CREDIT ACT OF 1977

Mr. PEARSON. Mr. President, I introduce the Emergency Farm Credit Act of 1977 today providing additional sources of credit to farmers caught up in a severe economic crunch.

During the past few weeks I have had the occasion to talk to a number of bankers and farmers across Kansas. As a result of these conversations it is clear to me that unless some additional credit is made available very soon, the banks will find it necessary to foreclose on a significant number of farmers. I think this is quite unacceptable and I think much of it can be prevented. The legislation I introduce today addresses this problem but I am sure there are other steps and alternatives that might be considered. Whatever the case, I hope that we will be able to move ahead very quickly on this matter because if I am reading the conditions correctly, time is short.

Mr. President, title I of the Emergency Farm Credit Act of 1977 provides a new source of loan authority through 1978. Under this authority farmers would be able to obtain loans of up to $350,000. This section is patterned after the 1974 act that Congress created to provide some special help to livestock producers. However, we have made an effort to improve the mechanics of this program because I know there have been some problems in the administration of the 1974 act.

Title II of the Emergency Farm Credit Act of 1977 would make some permanent changes to the Consolidated Farm and Rural Development Act. First of all, the present ceiling of $50,000 on operating loans would be increased to $100,000. This figure much more accurately reflects the present credit needs.

Second, the maximum total real estate debt ceiling for farm ownership loans would be increased from $225,000 to $325,000. The Farmers Home Administration's share of the farm ownership loan would be increased from the present $100,000 to $150,000.

Third, the Farmers Home Administration would be authorized to make direct loans and guaranty loans to partnerships and family farm corporations. The agency is now prevented from doing this and this has been an impediment which seems to me quite unnecessary.

Mr. President, the present credit crunch facing the agriculture community stems from the longer range problem of soaring costs and falling prices. Congress will be addressing this more fundamental problem in the months ahead as we rewrite the farm program. In the meantime, I believe we must come to grips quickly with this growing credit problem before it results in bankruptcy of too many of our family farmers.

By Mr. KENNEDY (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BROOKE, Mr. CHURCH, Mr. DURKIN, Mr. FORD, Mr. HUMPHREY, Mr. JAVITS, Mr. MATHIAS, Mr. MAGNUSON, Mr. METCALF, Mr. PELL, Mr. RIBICOFF, and Mr. WILLIAMS):

S. 270. A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in Federal agency proceedings, and for other purposes; jointly, by unanimous consent, to the Committees on Government Operations and the Judiciary; and the second committee to report the bill after the first committee reports said bill.

PUBLIC PARTICIPATION IN FEDERAL AGENCY PROCEEDINGS ACT OF 1977

Mr. KENNEDY. Mr. President, today Senator MATHIAS and I are reintroducing the Public Participation in Federal Agency Proceedings Act, designed to promote increased public participation in proceedings before Federal agencies. Senators ABOUREZK, BAYH, BROOKE, CHURCH, FORD, HUMPHREY, JAVITS, MAGNUSON, METCALF, PELL, RIBICOFF and WILLIAMS have joined as cosponsors of this bill. Companion legislation is also being introduced in the House of Representatives by Congressmen RODINO and KOCH.

The legislation we are proposing will encourage and support the involvement of citizens who do not have direct or substantial economic interests in the outcome of agency proceedings or in court actions for review of agency decisions, but who seek to raise significant issues of public concern which must be fully considered by the agencies and the courts. To accomplish this, the bill authorizes Federal agencies to make awards

of reasonable attorneys' and expert witness' fees, and other reasonable costs of participation, to persons the agencies deem capable of making substantial contributions to a fair resolution of the issues involved in agency proceedings, but who are financially unable to sustain the costs of such participation. The bill further authorizes Federal courts to make discretionary awards of reasonable fees and costs in lawsuits for review of agency decisions, where a plaintiff both prevails and the court determines that the bringing of the action served an important public purpose. The bill also authorizes funds to be appropriated for these purposes during the next 3 fiscal years—on an experimental basis—for the agencies and courts.

The legislation we are introducing today embodies a mechanism that has already been adopted in a number of regulatory contexts at the State and Federal levels. The Regional Rail Reorganization Act of 1973 created an Office of Public Counsel within the Interstate Commerce Commission with the authority to retain outside counsel to represent communities threatened with loss of rail service. The Magnuson-Moss Federal Trade Commission Improvement Act of 1975 authorized the FTC to provide compensation to citizens for participation in rulemaking proceedings. And, just 4 months ago, Congress authorized the Environmental Protection Agency to award fees in proceedings conducted under the Toxic Substance Control Act. Our bill would extend this authority to all agencies of the Government, to be utilized in all rulemaking, ratemaking, licensing, and certain other agency proceedings.

The bill's provisions authorizing courts to award fees in successful actions for review of agency decisions have more extensive legislative precedents. Over 50 Federal laws already provide that parties who manage to compel governmental compliance with congressionally articulated national policies should be awarded attorneys' fees. The Voting Rights Extension Act, the Freedom of Information Act amendments, the Privacy Act, the Toxic Substances Control Act, the Government in the Sunshine Act, and the Civil Rights Attorneys' Fees Awards Act are among the newest of these statutes. Each contains explicit authority for courts to make discretionary awards of attorneys' fees to successful litigants, consistent with recent Supreme Court rulings.

Extensive hearings on this proposal were conducted during the second session of the 94th Congress before the Committee on Government Operations, chaired by Senator RIBICOFF, and before my own Subcommittee on Administrative Practice and Procedures. The bill (S. 2715) was reported by the Judiciary Committee in May of last year (S. Rept. 94–863), but, regrettably, the Senate was unable to take action on it by the time we adjourned in early October.

Mr. President, no American can escape the reach and impact of the activities of the Federal Government. Federal agencies have devised regulations which touch upon virtually every aspect of our lives—in the marketplace and in the home. The Food and Drug Administration is supposed to police the safety and effectiveness of the drugs we take, and the cleanliness of the food we eat. The Department of Agriculture sets the prices we pay for many farm products. The Civil Aeronautics Board determines what airlines can fly to which cities and how much they can charge travelers. The Federal Power and Nuclear Regulatory Commissions decide whether powerplants can be built in our communities. The Department of Transportation determines where highways are built, how safe our automobiles must be, and whether supersonic airplanes are to fly over our cities. The Consumer Product Safety Commission sets the manufacturing standards for everything from bicycles, to mattresses, to fireworks. The Federal Trade Commission is supposed to prevent deceptive advertising practices and monopolistic agreements in industry. The Federal Communications Commission regulates every aspect of our communications systems; and the Interstate Commerce Commission controls how our goods are shipped, and whether rail service to our communities is to be terminated. The list is endless.

Yet most Americans feel powerless to affect the course of agency decisions. They know they have little voice in how, or even if, these pervasive regulations should be developed. They are confused, intimidated, and often angry about Government's increasing influence in their lives. Many are convinced that the regulatory system is out of hand, that the protection it affords the public from the kinds of abuses agencies were originally intended to prevent is more than outweighed by the unwarranted intrusions into their lives that have resulted. Calls for reform are being heard with increasing frequency, and from almost every segment of our society.

Congress has now begun the difficult task of reexamining the nature and scope of the administrative process, and it is likely to effect far-reaching changes in the system. Extensive regulation of certain industries may no longer be necessary or appropriate; regulation in other areas may be streamlined considerably. It is clear, though, that despite the changes which must eventually come, Government involvement in many areas will remain—and for good and valid purposes. Unless Congress acts to open up the decisionmaking processes in areas which remain subject to governmental regulation, the patterns of citizen powerlessness to affect agency determinations will continue.

The value of public involvement in agency proceedings is no longer open to debate. In the last 8 years there have been over 25 hearings in Congress focusing upon the need to foster greater public participation in the administrative process. The extensive record of these hearings and the hearings on S. 2715 conducted last year leads to one inescapable conclusion: without increased citizen participation, our regulatory system cannot function properly. Agency lethargy, unresponsiveness, conflict-of-interest, cooption by some of the very interests they are supposed to regulate, and outright hostility to the "public interests" agencies are charged with protecting—indeed, all the negative consequences of closed governmental processes—have been documented at length. While there have been some recent improvements in agency performance, the roots of these problems have yet to be addressed in a responsible and comprehensive fashion.

The agencies themselves were once thought to embody—and to provide advocacy for—the broadest interests of the general public. But this assumption is no longer valid. Eleven years ago, Judge—now Chief Justice—Burger stated the issue clearly in a case involving an FCC license renewal:

> The theory that the Commission can always effectively represent the listener interests . . . without the aid and participation or legitimate listener representatives fulfilling the role of private attorneys general is one of those assumptions we collectively try to work with so long as they are reasonably adequate. When it becomes clear, as it does to us now, that it is no longer a valid assumption which stands up under the realities of actual experience, neither we nor the Commission can continue to rely on it.

In recent years, the courts have gone to significant lengths in expanding the right to intervene in agency proceedings and to seek judicial review of agency decisions, by relaxing the stringent requirements for standing that had previously been established. No longer is it necessary for prospective intervenors to prove that they have legally protected interests or even an economic stake in the outcome of a proceeding, before they are permitted to intervene. Standing today is approached through such inquiries as to whether an intervenor is "aggrieved in fact" by a prospective agency decision, or whether it represents an interest that is "arguably within the zone of interests to be protected or regulated by the statute or constitutional guarantee in question."

These developments in the law were no accident. The courts have recognized, inevitably, that in order for Federal agencies to fulfill their statutory mandates to protect the public interest, they must have input from the public in direct and meaningful ways.

Public involvement to date, however, has been unable to provide the far-reaching Federal bureaucracy with sufficient input on matters intimately, and often adversely, affecting the public interest. The reason is clear. Even where the public has a legal right to participate in agency proceedings, its ability to do so has been severely impaired by the enormously high costs of participation. Thus, it is abundantly clear that the focus has now shifted from the judicial struggle to create a right of public intervention to the emerging congressional consensus that we must now act to make that right a reality.

In the end, however, we cannot hope to free agencies from an inevitably industry-oriented perspective unless we provide for the regular presentation of the public's views in everyday agency decisionmaking. One way to do this is through an institutional advocate—either inside or outside the agency. The

Postal Rate Commission, the Railroad Passenger Service Corporation, and the Civil Aeronautics Board have in-house public advocates. The Agency for Consumer Advocacy would promote just this kind of independent advocacy of the consumer interests before all Federal agencies. I fully support these institutional public interest representatives. In fact, 5 years ago I proposed the establishment of a Public Counsel Corporation, a wholly independent public corporation to undertake advocacy in administrative proceedings of interests not otherwise represented.

There can be no dispute as to the importance of the governmental public advocate approach in providing the kind of sustained, indepth legal and technical expertise needed for effective presentations of public views. At the same time, however, we should recognize that there are some inherent limitations to this approach. A public counsel cannot, by himself, be expected to provide advocacy for the full range of citizens' interests that are affected by agency actions. No such office or individual could have the resources or the capability of performing a task of this magnitude. As a consequence, public confidence in the ability of a public advocacy agency to protect adequately the interests of all citizens could well be diminished—and the agency's overall effectiveness curtailed—if its very existence raises expectations which cannot be fulfilled. Direct representation of citizens' interests by citizens themselves in proceedings where a public advocacy agency may not be involved is therefore an important complement to the effectiveness of that agency itself.

While S. 2715 was not enacted into law during the last session of Congress, the debate it engendered prompted several agencies of the Government to institute compensation programs of their own, modeled along the lines of the bill. In a letter to Congressman JOHN E. Moss, chairman of the Subcommittee on Oversight and Investigations of the House Committee on Interstate and Foreign Commerce, the Comptroller General expressed his view that numerous agencies—particularly the Federal Communications Commission, Federal Trade Commission, Federal Power Commission, Interstate Commerce Commission, Consumer Product Safety Commission, Securities and Exchange Commission, Food and Drug Administration, Environmental Protection Agency, and the National Highway Traffic Safety Administration—already had inherent statutory authority to provide compensation to impecunious participants in their proceedings.

In November 1976, the consumer Product Safety Commission decided to institute a compensation program to aid participants in its proceedings. In addition, the Food and Drug Administration and the Civil Aeronautics Board have recently initiated rulemaking proceedings to determine whether to establish compensation programs of their own.

Other agencies, however, have exhibited greater reluctance to assist public groups which could contribute significantly to their proceedings. The Federal Power Commission, for example, decided over a year ago that it would not provide reimbursement to indigent public intervenors in its powerplant siting proceedings unless specifically authorized to do so by Congress. That decision, however, was overturned just last month by the U.S. Court of Appeals for the Second Circuit (*Greene County Planning Board v. FPC*), which held that—

> Public hearings are integral to the functioning of an agency such as the FPC, and authorization for reimbursement of indigent intervenors who make important contributions in these hearings can reasonably be found in the agency's general statutory mandate.

The Nuclear Regulatory Commission is another agency that has sought to deny financial assistance to indigent public intervenors, especially in its nuclear plant siting proceedings. After a 2-year rulemaking proceeding, the Commission finally decided at the end of last year that it lacked the authority to provide such assistance. Citing language in a decision by the Comptroller General issued 10 months earlier, which held that awards of compensation to public intervenors in licensing proceedings are appropriate where such participation is essential to dispose of the issues involved, the Commission ruled that it was without such authority since it could always make the required determinations without public participation.

In its efforts to preclude meaningful public participation in its proceedings, the NRC was clearly grasping at straws. In an opinion issued December 3, 1976, holding that the Food and Drug Administration had the authority to provide direct financial assistance to participants in its proceedings, the Comptroller General went out of his way to clarify that part of his earlier NRC decision which the Commission had seized upon as the basis for denying applications for assistance:

> While our decision to NRC did refer to participation being "essential", we did not intend to imply that participation must be absolutely indispensable. We would agree . . . that it would be sufficient if an agency determines that a particular expenditure for participation "can reasonably be expected to contribute substantially to a full and fair determination of" the issues before it, even though the expenditure may not be "essential" in the sense that the issues cannot be decided at all without such participation.

This latest decision by the Comptroller General indicates that the test embodied in the legislation I am introducing today—the substantial contribution test—is a valid basis for determining an agency's authority to provide direct financial compensation in its proceedings.

The protracted fight over the NRC's ability to make these kinds of awards underscores the importance of enacting this legislation now. The public simply cannot be required to wait while each agency of the Federal Government undertakes lengthy rulemaking proceedings to determine whether they in fact have the authority that the Comptroller General says they already have, or how to exercise that authority. It is an unfortunate reality that those agencies who have demonstrated hostility to the concept of effective public participation in their proceedings may be able to delay adoption of compensation programs for years, and the regulations that they finally do adopt may be severely restrictive.

The Comptroller General has also stated, Mr. President, that congressional action to define clearly the types of proceedings in which direct financial assistance would be appropriate, as well as the kinds of persons which ought to receive such awards, would be extremely helpful. He is right; we should act. The legislation I propose today is designated to clarify the authority of Federal agencies to provide assistance to public participants in their proceedings, and would establish the criteria to govern such awards. Unless Congress acts to provide explicit guidance to the agencies, the present confusion will continue unabated.

The bill I am submitting embodies two primary components: Provisions governing attorney fee awards in agency proceedings, and those governing awards in civil actions to secure review of agency decisions.

Section 2 sets forth the standards and criteria for the agency component. It provides for awards of reasonable attorneys' fees, expert witness fees, and other reasonable costs of participation in any rulemaking, ratemaking, or licensing proceeding, and in certain other proceedings where public participation promotes a full and fair determination of the issues involved in the proceeding.

A person or group would qualify for fees and costs where it can substantially contribute to a fair determination of the proceeding, taking into account the number and complexity of the issues presented, the importance of widespread public participation, the need for representation of a fair balance of interests and whether or not the person represents an interest that is not otherwise adequate represented. The person would also have to demonstrate that he has a small economic interest in the outcome of the proceeding compared to the costs of participation, or that he lacks the resources to participate without compensation. The agency would decide who should receive awards, when there should be a consolidation of petitions to avoid duplication of effort, and how funds should be allocated among eligible participants when they are insufficient fully to compensate them all.

Payment of all fees and costs under this section is to be made within 90 days of any final decision or order. Special advancements may be made where a person establishes that his ability to participate will be severely impaired by failure to receive funds prior to the conclusions of the proceeding, and substantially contribute to a full and fair determination of the proceeding. Another important feature is the requirement that all awards of fees and costs be based on prevailing market rates for the kind of quality of the service rendered. The bill does, however, establish maximum limits on

the rates at which attorneys and experts may be paid.

Generally, the agency will reimburse participants eligible for compensation out of agency funds appropriated specifically for this purpose. However, in certain situations the agency may require that a participant's expenses be shifted to the other party. The agency may require a participant to pay some or all of another participant's expenses upon a determination by the agency that the participant has "acted during the course of the proceedings in an obdurate, dilatory, mendacious, or oppressive manner."

Section 3 of the bill embodies the review component. It would strengthen the judicial review provisions of the Administrative Procedure Act by providing for awards of attorneys' fees and other litigation expenses in civil actions to secure review of agency decisions. These would be allowed where the court affords a person the relief sought in substantial measure, or after the filing of such action, the agency affords the person the relief sought in substantial measure. The court must also determine that the initiation and prosecution of such action served an important public interest, and that the person meets the economic interest test set forth in section 2 of the bill, before it can award fees. The awards provided by this section are a necessary complement to the increased public participation in agency proceedings made possible by section 2.

Congress attempted through chapter 7 of the Administrative Procedure Act to insure that the rights established by Federal laws are enforced by, among other things, allowing citizens to challenge administrative actions in court. In the absence of statutory authorizations of attorneys' fees, citizens were often financially able to bring such suits only because the court rewarded them for their efforts by granting them attorneys' fees for acting as "private attorneys general." On May 12, 1975, however, the Supreme Court in the Alyeska Pipeline case severely undercut the ability of the general public to seek judicial review of administrative decisions by ruling that attorneys' fees can no longer be awarded to "private attorneys general" unless Congress specifically provides for such an award by statute. If Congress is to guarantee that the rights which we enact do not exist only in theory, then we must provide the wherewithal for citizens to step in where agencies fail to act, or to challenge agency decisions that violate the law; section 3 would achieve this objective.

Section 4 contains reporting requirements and section 5 a special authorization to provide funds to carry out the provisions of the bill.

I would also point out that the bill we are introducing today differs in several substantive respects from the one reported last year by the Judiciary Committee. I believe these changes significantly strengthen the bill, as they provide clearer directions to the agencies as to how the appropriated funds are to be apportioned among competing applicants, and eliminate the potential for abuse of the provisions of the act by individuals or groups who are not eligible to receive awards.

These changes accomplish the following:

First. Clarify the types of agency activities to which the provisions of the act are to be applied. (Sec. 558a(b)(1)(B).)

Second. Expressly state that the bill does not authorize funds for merely attending, as opposed to participating in, agency proceedings, nor for proceedings where costs are minimal. (Sec. 558a(b)(2)(B).)

Third. Eliminate provisions for funding of class actions in agency proceedings. (Sec. 558a(b)(1)(A).)

Fourth. Emphasize that the bill does not alter present agency rules governing standing. (Sec. 558a(b)(2)(C).)

Fifth. Amend the eligibility test to preclude agencies from funding groups which seek to represent interests which are already adequately represented by a participant other than the agency itself. (Sec. 558(d)(1)(A).)

Sixth. Expressly authorize agencies to require consolidation of duplicative presentations, and to select one or more effective representations, offer compensation only for certain categories of expenses, or compensate jointly persons representing identical or closely related viewpoints. (Sec. 558(f)(2).)

Seventh. Set monetary limits on the rates of compensation at which experts and attorneys can be compensated. (Sec. 558a(f)(6).)

I also want to mention that this proposal has been endorsed by a number of public, private, and governmental organizations, among them the following:

The U.S. Commission on Civil Rights.
Advisory Committee on National Growth Policy Processes of the National Commission on Supplies and Shortages.
Consumer Federation of America.
Bar Association of the City of New York.
J. C. Penney Co.
National Council of Senior Citizens.
The Attorneys General of South Carolina, New Mexico, Florida, and Texas.
The International Ladies Garment Workers Union.
The United Automobile Workers.
The Consumers Councils of Michigan, Rhode Island, Massachusetts, and Arizona.
Public Citizen.
The Oil, Chemical, and Atomic Workers International Union.
Retail Clerks International Association.
Council for Public Interest Law.
Mexican American Legal Defense and Education Fund.
Consumers Union.
Esther Peterson, Consumer Representative, Giant Food Corp.
American Association of Retired Persons.

I believe, Mr. President, that public confidence in our institutions of Government cannot be restored until the American people are able effectively to participate in the Government's decisionmaking processes and to challenge its failure to carry out the law with justice. As chairman of the Senate Subcommittee on Administrative Practice and Procedure, I have attempted over the past 8 years to promote increased citizen involvement in agency activities. Throughout, I have pressed each agency to open its doors to greater public involvement in order to remove many of the legal and procedural hurdles to public intervention. Insofar as Government secrecy makes effective public involvement impossible, I have maintained a continuous effort to remove the curtains of secrecy that surround the conduct of the people's business.

It is clear that removing barriers and opening processes are not enough. If we are really to bring the unrepresented public directly and fully into the governmental processes, we must provide for the Government to shoulder part of the cost. If we are to make judicial review of Government decisions practically available to the public, then courts must be able to shift to Government the costs of litigation. That is what this bill seeks to achieve. Its enactment would breathe life into that public interest standard which has of late grown stale from disuse, and would restore to the practice of our administrative agencies the guiding theory of our legal system.

Mr. MATHIAS. Mr. President, I am pleased again to join today with the Senator from Massachusetts (Mr. KENNEDY) in introducing legislation which would authorize the payment of fees for attorneys and expert witnesses for citizens participating in Federal agency proceedings and seeking judicial review of agency actions.

If enacted, this proposal will provide two significant improvements in the way our agencies of Government function. First, it would allow for greater participation in the administrative process by the general public. It would also move us closer toward the goal of reform of our regulatory agencies by helping to insure that all sides are heard at agency proceedings, thus increasing the responsiveness of Federal decisionmakers to the will of all our people.

In the past decade, our society has greatly benefited from a tremendous growth in the number and effectiveness of nonprofit public interest groups. This legislation will give these groups—and all other public-spirited citizens—far broader input regarding the rulemaking and other procedures of the regulatory agencies which increasingly govern our lives.

Our bill would allow participants in rulemaking, licensing, and other proceedings of Federal agencies to recover their attorneys' fees, expert witness fees, and other costs of participation, up to a reasonable amount. They would be reimbursed when and if the agency itself determines that they represent an interest which makes a substantial contribution to the proceeding.

This legislation is clearly necessary at a time when regulatory agencies exercise more intricate control over our economic life than ever before. In spite of many recent efforts to open up the administrative process to allow citizens to have some influence on Federal agency decisions, most proceedings have little or no public involvement today. The high cost of hiring attorneys and expert witnesses to penetrate the complex layers of issues under agency consideration and of preparing and duplicating materials for presentation to the agencies makes it virtually impossible for most individuals or organizations to participate. Ordinary citizens obviously cannot be expected to

make a contribution under these circumstances unless at least some of their costs are paid by the Government, as this bill would provide.

In the past Congress has frequently sought to insure that the rights established under the laws we passed are enforced by, among other things, permitting citizens to challenge administrative actions in court. In most cases, however, citizens have been able to afford to bring such suits only because the courts often were prepared to grant them attorneys' fees when their cases had merit, under the theory that they in effect acted as "private attorneys general."

More recently, the 1975 Supreme Court decision in the Alyeska Pipeline case has severely undercut the ability of the general public to seek judicial review of administrative decisions. In that case, the Court ruled that attorneys' fees can no longer be awarded to "private attorneys general" unless Congress specifically provides for such an award by statute. That decision makes the legislation we are introducing today all the more necessary. Congress fashioned a partial response to Alyeska when it enacted the Civil Rights Attorneys Fees Awards Act of 1976. But more legislation is needed.

If Congress is in fact to guarantee that the rights which we enact do not exist only in theory, this legislation is needed to assist in paying the enormous legal costs necessary to encourage citizens to step in where agencies fail to act, or to challenge agency decisions which may stray from the appropriate mandate.

This bill would also grant reasonable attorneys' fees to persons who bring civil suits for judicial review of agency action. These fees could be obtained only if the relief sought by the plaintiffs were afforded in substantial measure either by the court itself or by the agency—after the filing of such action—and if the court determined that the plaintiffs served an important public interest.

It is to be hoped, of course, that these issues can be resolved first at the agency level, without the need to resort to court action. A great deal of litigation regarding administrative actions can be avoided in the first instance if we make it easier for citizens to present their viewpoints in administrative procedings before final action is taken.

Again, however, the enormous cost of participation makes it impossible to expect the average citizen to be able to afford to give an agency the additional information that may significantly contribute to an informed and considered decision. This citizen participation is a necessity in almost all Federal agencies, since their jurisdiction and duties are so vast. As long as citizens are not afforded counsel fees for bringing to the attention of administrative agencies an independent viewpoint, there is bound to be little general public participation.

This will be likely to perpetuate one inevitable result: the only interests capable of devoting the substantial resources necessary to participate in these procedings will continue to be those with a large enough direct financial stake in the outcome—namely, the very industries which are supposed to be regulated. Nonprofit public interest groups simply do not have the resources to compete on the same ground.

Former FCC Commissioner Nicholas Johnson has observed from his own experience that citizen participation in the decisionmaking process "is virtually nonexistent," with the "necessary but unhappy result that the FCC is a captive of the very industry it is purportedly attempting to regulate." One need not imply any bad motives in this kind of situation in order to observe the likely outcome when any agency hears primarily from only one side of an issue.

A few illustrations of the difficulty of participating in administrative proceedings suggest why attorneys' fees are necessary. For example, one witness before a Senate Commerce Committee hearing last year pointed out that proceedings initiated by Southern Railway to demonstrate that its proposed rates were not unreasonable for its new "Big John" boxcars "took 4 years, covered 17,000 pages of testimony, and damaged the health of the ICC examiner involved. Many determinations take far longer. The average age of dockets in the CAB in 1960 was 32 months."

When one considers the large number of Federal agencies and the thousands of cases like Southern Railway, it becomes obvious that the average citizen or public interest group cannot be expected to make any kind of relatively important contribution without the potential of an attorneys' fee award.

Expert witnesses, as well as attorneys, are often needed to make an adequate presentation before a Federal agency. Yet they, too, may require a large expenditure of funds. For example, expert witnesses who appear before the Interstate Commerce Commission on behalf of industry representatives often cost as much as $4,000 or $5,000 in an average rate case.

This proposed legislation is modeled after a similar provision in the 1975 Magnuson-Moss Warranty—FTC Improvement Act already passed by Congress. That act authorized a fund of $1 million for participants in FTC proceedings, and the criteria for the award of such funds have now been developed in final regulations adopted by the FTC.

I should also like to stress that this legislation would not provide attorneys' fees automatically to any person or group which intervenes in any agency proceeding. Quite to the contrary, the agency itself would be authorized to determine, under the tight guidelines set down in this bill, whether the public interest was served by such intervention and to award reasonable fees only when the person or group demonstrates to the satisfaction of the agency that they would not otherwise have sufficient resources to participate.

I believe this bill represents a responsible, modest, but significant step in the direction of greater agency responsiveness, and urge my colleagues to join Senator KENNEDY and me in moving this or similar legislation through the legislative process to enactment.

Mr. ABOUREZK. Mr. President, I am pleased to join Senator KENNEDY and Senator MATHIAS as a sponsor of S. 270, the Public Participation in Government Proceedings Act of 1977. I was a sponsor of this same bill when it was introduced in the last Congress as S. 2715 on November 20, 1975, and voted to report the bill from the Judiciary Committee. I am hopeful that this Congress can take action on this important legislation.

I believe firmly that our National Government can fairly reflect the interests of the people only to the extent that the people themselves are allowed and encouraged to participate in the process of government. When citizens actively participate in their Government I do not doubt that the Government will function more effectively and that it will reflect the public interest. Conversely, if the public is not allowed and encouraged to participate, government will grow more remote and unresponsive.

This legislation will make sure that citizens will not be barred from participating in Government proceedings or challenging illegal Government action because they cannot afford the expenses of such participation or challenge.

The people of South Dakota are often frustrated by an unresponsivle bureaucracy in Washington, but do not have the funds to testify at agency proceedings or bring court actions to restrain illegal Government actions. Under this legislation, citizens who petition their Government can be reimbursed for their efforts. For example, attorneys fees could be recovered by farmers bringing suit to invalidate the existing eligibility regulations for drought relief assistance or for the emergency feed and livestock program of the Agricultural Stabilization and Conservation Service. Other farmers could be reimbursed for testifying before the Agriculture Department regarding the proposed rules now pending to implement the Beef Information and Promotion Act of 1976. Fees could also have been awarded for a suit to force the Small Business Administration to promulgate rules to allow farmers to apply for small business loans.

Several features of the bill guarantee that the compensation to be given to citizens and citizens' groups will be well spent. First, the bill allows compensation only to citizens or groups whose participation contributes substantially to a fair determination of a matter pending before the Government and who need the money in order to participate. Second, the agency before which a matter is pending is the body which will determine the eligibility for and amount of any award to a participant. Third, an express limitation on the rate of pay for an expert witness or attorney representing a citizen group before an agency is set in the bill. Fourth, the provisions of the bill will operate for a trial period of only 3 years at which time the Congress must reevaluate its implementation.

In evaluating how this money will be spent to compensate citizens or citizen groups, one must remember that special interest groups who participate in Government proceedings and bring actions challenging agency action are already partially compensated by the Government for their expenses. They simply deduct the amounts as business expense deductions and there are virtually no limits on amounts they can claim. By

compensating citizens and citizen groups for their participation, this bill allows the average citizen to participate on a par with the powerful special interests.

Every American should be encouraged to participate in Government decisionmaking. Adoption of this bill will make this democratic principle a reality for citizens who are presently frozen out of the Government process.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the bill introduced earlier by Senator KENNEDY and others relating to public participation in Federal agency proceedings be referred jointly to the Government Operations Committee and the Judiciary Committee, and that when it is reported by either one of those committees the other committee would have a period of not to exceed 30 days in which to consider it, as was done in the last Congress.

The PRESIDING OFFICER. Without objection, it will be jointly referred.

Mr. KENNEDY. I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 270

A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in Federal agency proceedings, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Public Participation in Federal Agency Proceedings Act of 1977".

SEC. 2. (a) Subchapter II of chapter 5 of title 5, United States Code (relating to administrative procedure), is amended by inserting after section 558 of such title the following new section:

"§ 558a. Attorneys' fees; fees and costs of experts; participation expenses

"(a)(1) The Congress finds that effective functioning of the administrative process of Government requires Federal agencies to seek the views of all affected citizens. In practice, access to the administrative process is frequently an exclusive function of a person's ability to meet the high costs of participation in Government proceedings.

"(2) The purpose of this section is to promote increased public participation in agency proceedings, thereby insuring more effective functioning of the administrative process by enabling all affected persons to secure the representation in agency proceedings to which such persons are entitled. The Congress intends that Federal agencies shall utilize to the fullest extent the authority and funds provided pursuant to this section.

"(b)(1) For the purpose of this section the term—

"(A) 'person' means any person as defined in section 551(2) of this title and includes a group of individuals with similar interests;

"(B) 'proceeding' means any agency process including adjudication, licensing, rulemaking, ratemaking, or any other agency process in which there may be public participation pursuant to statute, regulation, or agency practice, whether or not such process is subject to the provisions of this subchapter.

"(2)(A) This section applies to all rulemaking, ratemaking, and licensing proceedings, and, in addition, to such other proceedings involving issues which relate directly to health, safety, civil rights, the environment, and the economic well-being of consumers in the marketplace.

"(B) This section does not authorize funds for merely attending, as opposed to participating in, agency proceedings, nor for proceedings where the cost of participation is minimal.

"(C) This section does not create any new right to participate in any Federal agency proceeding which is not authorized by other provisions of law.

"(c) Each agency is authorized, in accordance with the provisions of this section, to award reasonable attorneys' fees, fees and costs of experts, and other costs of participation incurred by eligible persons in any agency proceeding whenever public participation in the proceeding promotes or can reasonably be expected to promote a full and fair determination of the issues involved in the proceeding.

"(d) Any person is eligible to receive an award under this section for participation (whether or not as a party) in an agency proceeding if—

"(1) the person represents an interest the representation of which contributes or can reasonably be expected to contribute substantially to a fair determination of the proceeding, taking into account—

"(A) whether the person represents an interest which is not adequately represented by a participant other than the agency itself,

"(B) the number and complexity of the issues presented,

"(C) the importance of public participation, in consideration of the need to encourage participation by segments of the public who, as individuals, may have little economic incentive to participate, and

"(D) the need for representation of a fair balance of interests; and

"(2)(A) the economic interest of the person in the outcome of the proceeding is small in comparison to the costs of effective participation in the proceeding by that person, or whenever the person is a group or organization, the economic interest of a substantial majority of the individual members of such group or organization is small in comparison to the costs of effective participation in the proceeding, or

"(B) the person demonstrates to the satisfaction of the agency that such person does not have sufficient resources available to participate effectively in the proceeding in the absence of an award under this section.

"(e) In any agency proceeding, the agency may require any participant to pay part or all of an award under this section if the agency determines that the participant has acted toward any other participant in an obdurate, dilatory, mendacious, or oppressive manner.

"(f)(1) Upon application for an award under this section, each agency shall make a written determination, giving reasons therefore, of the eligibility of a person for such award, and the amount and computation of such award. The determination required by this paragraph shall be made prior to the commencement of any proceeding in which application for an award is made (or as soon as practicable after such application is filed, if the application is filed after the commencement of the proceeding), unless the agency makes an express written findings that all or any part of such determination relating solely to the amount or computation of such award cannot practicably be made at the time the initial determination is made. The agency shall make such determination after consideration of the maximum amount payable for awards under this section for the proceeding and the requests or possible requests for awards under this section by other eligible participants in the proceeding.

"(2) Whenever multiple applications are submitted, the agency may require consolidation of duplicative presentations, select one or more effective representatives to participate, offer compensation only for certain categories of expenses, or jointly compensate persons representing identical or closely related viewpoints.

"(3) Payment of fees and costs under this section shall be made within ninety days after the date on which a final decision or order disposing of the matters involved in the proceeding is made by the agency, or, if the agency has not made a determination with respect to the amount and computation of an award under subsection (f)(1) of this section by the date of such final decision, within ninety days after the eligible person submits to the agency a statement of fees and costs which it has incurred.

"(4) If an eligible person establishes that the ability of such person to participate in the proceeding will be impaired by failure to receive funds prior to the conclusion of such proceeding, then the agency shall make advance payments to permit the person to participate or to continue to participate in the proceeding.

"(5) A person who receives advance payments pursuant to this section or who the agency determines to be eligible to receive a specified award pursuant to this section shall be liable for repayment of part or all of such payments actually received, or for forfeiture of part or all of the specified award for which such person is determined to be eligible, whenever the agency determines that—

"(A) the person clearly has not provided the representation for which the payments or specified award was made, or

"(B) the person has acted toward any other participant in an obdurate, dilatory, mendacious, or oppressive manner.

"(6) The amount of reasonable attorneys' fees, fees and costs of experts, and other costs of participation awarded under this section shall be based upon prevailing market rates for the kind and quality of the services furnished, except that (A) no expert or consultant shall be compensated at a rate in excess of the highest rate of compensation for experts and consultants paid by the agency involved; and (B) attorneys' fees shall not be awarded in excess of $75 per hour for any such participation unless the agency determines that special factors, such as an increase in the cost of living or limited availability of qualified attorneys for the proceedings involved justify a higher fee.

"(g) A person may bring an action in accordance with chapter 7 of this title for review of a final agency action under this section—

"(1) denying an award or failing to pay an award of fees or costs or both, or

"(2) granting an amount of fees or costs, or both, which is insufficient to enable such person to participate effectively in a proceeding, or

"(3) reimbursing an amount of fees or costs, or both, which is insufficient to compensate adequately such participation

in the appropriate court of the United States having jurisdiction of an appeal from the proceeding in which such person participated or sought to participate, except that no order to stay the proceeding in which application for payment of fees and costs under this section was made shall be entered by that court in such an action.

"(h)(1) Each agency shall, within ninety days after the date of enactment of this section, propose regulations to carry out the provisions of this section. Such regulations shall be adopted by the agency and take effect no later than one hundred and eighty days after the date of enactment of this section.

"(2) The head of each agency to which this section applies shall prepare and transmit to Congress on the date of submission of the President's budget an annual report with respect to the nature and disposition of all pro-

ceedings in which grants of fees and costs pursuant to this section were sought, and which report shall include the amounts sought and awarded in each such proceeding, the computation of such amounts, and the identity of each applicant and recipient.".

(b) The analysis of chapter 5 of title 5, United States Code, is amended by inserting immediately after the item relating to section 558 of such title the following new item:

"558a. Attorneys' fees; fees and costs of experts; participation expenses.".

SEC. 3. (a) Chapter 7 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 707. Attorneys' fees; fees and costs of experts; litigation expenses

"(a) For the purpose of this section, the term 'person' means any person defined by section 551(2) of this title and includes a class of individuals and any individual member of such class.

"(b) Notwithstanding any other provision of law, any party or party intervenor in a civil action or other proceeding for judicial review of agency action under this chapter shall be entitled to recover reasonable attorneys' fees, fees and costs of experts, and other reasonable costs of litigation, including taxable costs, from the United States if—

"(1) the court affords such person the relief sought in substantial measure or, after the filing of such action, the agency affords such person the relief sought in substantial measure;

"(2) the court determines that such action served an important public purpose; and

"(3)(A) the economic interest of the person is small in comparison to the costs of effective participation in the action by that person, or whenever the person is a group or organization, the economic interest of a substantial majority of the individual members of such group or organization is small in comparison to the costs of effective participation in the action, or

"(B) the person demonstrates to the satisfaction of the court that such person does not have sufficient resources available to participate effectively in the action in the absence of an award under this section.

"(c) Reasonable attorneys' fees, fees and costs of experts, and other costs of litigation awarded under this section shall be based upon prevailing market rates for the kind and quality of the services furnished.".

(b) The analysis of chapter 7 of title 5, United States Code, is amended by adding immediately after the item relating to section 706 of such title the following new item:

"707. Attorneys' fees; fees and costs of experts; litigation expenses.".

SEC. 4. The Administrative Office of the United States Courts shall, in accordance with such rules as the Judicial Conference of the United States may prescribe, prepare, and transmit to Congress an annual report on awards of attorneys' fees and litigation expenses against the United States under section 707 of title 5, United States Code. Such report shall contain a list of all civil actions in which such awards were sought, and shall include the amounts awarded in each such action and the identity of each recipient.

SEC. 5. (a) In addition to the sums authorized under subsection (b), and in addition to any funds otherwise available for supporting public participation in agency proceedings, there are authorized to be appropriated for the purposes of carrying out the provisions of the amendment made by section 2 of this Act the sums of $10,000,000 for the fiscal year 1978, $10,000,000 for the fiscal year 1979, and $10,000,000 for the fiscal year 1980. All funds for any fiscal year which are not expended during such year shall remain available for expenditure in succeeding fiscal years for awards of fees and costs in proceedings commenced during such fiscal year.

(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of the amendments made by section 3 of this Act for each fiscal year prior to October 1, 1980, and there are authorized to be appropriated, for the fiscal year 1981 and succeeding fiscal years, such sums as may be necessary to satisfy court awards of fees pursuant to the amendments made by section 3 where the action was brought prior to the end of fiscal year 1980.

SEC. 6. The provisions of this Act shall take effect on the date of its enactment, except that—

(1) the amendment made by section 2 shall take effect one hundred and eighty days after such date, but the provisions of the amendment made by such section shall apply to the proceedings in which regulations are required to be issued under section 558a (h)(1); and

(2) the amendments made by section 3 shall apply to any civil action brought after such date of enactment.

By Mr. RANDOLPH:

S. 271. A bill to provide authority to institute emergency measures to minimize the adverse effects of natural gas shortages and curtailments, to provide authority to allocate propane, and for other purposes; to the Committee on Commerce.

S. 272. A bill to require, to the extent practicable, that electric powerplants and major fuel burning installations utilize other than natural gas as their primary energy source in compliance with applicable environmental requirements, and for other purposes; to the Committee on Interior and Insular Affairs.

EMERGENCY NATURAL GAS LEGISLATION

Mr. RANDOLPH. Mr. President, on November 10, 1976, the Federal Energy Administration announced that "natural gas curtailments to end-users under normal weather conditions for the coming winter are estimated at 1.84 trillion cubic feet, an increase of 424 billion cubic feet, or 30 percent over curtailments actually experienced last year."

No curtailments of residential customers was projected for the heating season. However, "some curtailment of commercial customers is projected and—as was the case last year—industrial and electric utility users are expected to receive the largest increases in curtailments."

Commercial curtailments are expected to increase from 4 percent of requirements to 6 percent, industrial curtailments from 19 to 25 percent and electric utility curtailments from 45 to 51 percent.

The final impact on end-users will depend also upon the availability of alternate fuels, supplemental gas, or emergency gas used to offset the curtailments.

Inventories of middle distillates and propane are high as the Nation enters the heating season. But primary stocks of heavy fuel oils are 9 percent lower than last year.

However, projections also show that a prolonged cold weather period could place a temporary local strain on delivery capabilities affecting the availability of propane in Arizona, Georgia, Kentucky, Maryland, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia. Such a situation could also affect availability of middle distillates in Arizona, Kentucky, Tennessee, and West Virginia.

In our State of West Virginia natural gas supplies 21 percent of our energy needs. Over 69 percent of the homes use natural gas. Last year's actual curtailments were 8.1 percent of normal usage. This year, with the unprecedented cold weather across the Nation, conditions have worsened.

Many industries dependent on natural gas have experienced severe curtailments, the largest in the State's history. Among these are the steel and glass industries, which have been forced to lay off workers during the winter months. Further curtailments seem highly probable as set forth in the same letter from Federal Power Commission Secretary Plumb:

Impact of a curtailment of natural gas service upon an industrial user will depend upon whether the user has operational alternate fuel facilities and upon the availability of alternate fuel sources in the area.

The resultant adverse consequences on the economy and employment in West Virginia and Appalachia are obvious. In addition, there are the significant secondary impacts on other industries which depend on manufacturers within this region for materials and supplies.

The FEA anticipates that some customers with no alternative fuel capability in Ohio, Iowa, North Carolina, and Indiana could have problems this winter.

But the major impact of incremental gas curtailments this winter over last winter will be higher costs for alternate fuels used to replace gas curtailment volumes. These additional costs relative to last year, could be from $550 to $650 million across the Nation.

These estimates anticipated normal weather conditions this winter: however, according to the National Oceanic and Atmospheric Administration signs through middle-December indicate a colder than normal winter for the industrial northeast. Early December was 40 percent colder than normal for the Northeast and 60 percent colder than the same period last year. Because of their concern the Federal Power Commission Commissioners wrote the 28 major interstate pipelines emphasizing the "colder than normal" temperatures observed through the middle of December "throughout most of the Nation may have an adverse impact on underground storage controlled or owner operated by interstate pipelines."

The latter requested the pipeline companies to document the following information:

The average systemwide level of curtailments to customers on an actual basis per day in Mcf for the previous 2 weeks and projections for the coming two weeks with a notation of the end-use priority status of the customers being curtailed;

Estimates of underground storage and deliverability including comparisons with last winter, comparisons of actual levels with anticipated levels and withdrawal levels;

Information concerning any significant contingencies which affect supplies;

Surveys of direct industrial and distribution customers on each system to gauge significantly adverse problems such

as production or employment losses brought about by end-user curtailments, and

Suggestions from the pipeline to help alleviate individual systematic emergencies.

As the Federal Energy Administration noted:

The curtailments of natural gas deliveries are symptomatic of a fundamental problem—declining supplies of domestic natural gas. Natural gas production reached its peak in the United States in 1973 when a total of 22.6 trillion cubic feet was produced. Since then, production has declined at a significant rate.

In 1974, natural gas production dropped by 5 percent to 21.6 trillion cubic feet. In 1975, the decline accelerated to 7 percent. And production reached a level of only 20.1 trillion cubic feet. Preliminary data from the Bureau of Mines indicate that a further decline to between 19.5 and 19.9 trillion cubic feet can be expected this year.

Because the existing and potential demand for natural gas is and will be much larger than available supplies, shortages thus will continue to grow. As the December 1974 staff report of the Federal Power Commission concluded:

A significant point that emerges from our analysis is that conventional U.S. gas production has reached its peak and will be declining for the indefinite future. This reverses a long historical record of growth and introduces a new dimension to the gas shortage. It is no longer simply a matter of gas supply failing to meet increased requirements. It means that from here on we must make do with less gas in absolute terms. We see this as inevitable regardless of the size of the U.S. undiscovered natural gas resource base.

The factors contributing to this critical situation were reviewed in my Senate statement on September 13, 1976. The controversy centers on what national price is reasonable for new interstate natural gas production. However, the recent decision by the Federal Power Commission in opinion No. 770 may have rendered legislative action by the Congress on price unnecessary. This recent action represents an exercise of the FPC's authority over interstate natural gas prices, as provided for by law. But emergency legislation still is needed to enable the Federal Power Commission to better cope with anticipated winter curtailments.

On October 22, 1975, the Senate passed S. 2310, the Natural Gas Emergency Standby Act of 1975, by 58 to 32. The Natural Gas Emergency Standby Act of 1975, S. 2310, as passed by the Senate on October 22, 1975, contained the necessary authorities to cope with anticipated shortages. In order to mitigate the anticipated adverse impact on employment similar standby emergency provisions should be enacted at this time. For the most part price relief has been provided by the recent decision of the Federal Power Commission.

A reason for the shortage is that interstate pipelines cannot as a practical matter buy natural gas, except on the Federal domain, because intrastate natural gas can sell at the higher prices. Surplus gas is available in the intrastate market in sufficient quantities to mitigate shortages that would otherwise cause widespread additional unemployment. Legislation needs to provide a priority for the interstate pipeline systems in distress to buy the gas on equal terms with intrastate purchasers. Emergency legislation also should assure maximum production and delivery to essential users and do so without inflating the price of natural gas.

The essential minimum features essential for such legislation were outlined in my September 13, 1976, Senate statement to include the following provisions:

STATEMENT BY SENATOR JENNINGS RANDOLPH

First, the interstate pipelines experiencing curtailments of customers that cannot use alternative fuels, should be given a priority to buy natural gas in the intrastate market, at the same price as intrastate purchasers. All other interstate pipelines also should be able to purchase natural gas at the same price as intrastate purchasers if a priority interstate pipeline is not in a position to purchase the gas.

Second, an interstate pipeline that is not initially determined by the FPC to be a priority purchaser should by application be able to become a priority purchaser if it can demonstrate that without such designation its essential users will be without necessary natural gas supplies.

Third, high priority consumers of interstate natural gas, who are being curtailed, should be authorized to purchase natural gas from intrastate sources at market prices and arrange for its shipment through interstate pipeline systems. This would aid end-users which are unable to secure natural gas at regulated prices for high priority uses from their pipelines. While these end-users might pay more than the regulated interstate price, this authority would provide them with an alternative to shutting down due to lack of gas. Under such an arrangement, the pipeline would operate as a "common carrier" without owning the natural gas.

Fourth, authority should be provided under the Energy Supply and Environmental Coordination Act of 1974 to require electric powerplants and major industrial installations with the capability to use other than natural gas to switch to coal or to oil if environmental requirements permit. The released natural gas can be made available to priority purchasers. In addition, consideration should be given to have the ultimate user of the released natural gas compensate the powerplant or industrial installation for extra costs required to switch and the affected pipelines for possible losses.

Fifth, new natural gas contracts by electric power plants and major industrial installations for boiler purposes should be prohibited.

Sixth, natural gas needed for essential agriculture production should be made available consistent with the goal of substantially limiting overall unemployment and maintaining gas supplies to residential users and to hospitals and services vital to public health and safety.

Seventh, withholding of gas should be discouraged by requiring maximum production and providing that any gas withheld could never be sold at a price higher than that permitted during the emergency period.

Because these authorities are of an emergency character the provisions of the Natural Gas Emergency and Conservation Act of 1977 would be available to grant emergency relief this winter—through March 1977. Such emergency legislation is needed to provide necessary relief for the pipelines in distress. The gas supply posture of the other interstate pipeline systems would be strengthened for the reason stated in the Commerce Committee staff report on S. 2310:

First, at present none of the interstate pipelines are able to purchase natural gas in the intrastate market in competition with intrastate purchasers. Pipelines in distress would be given a priority over other pipelines for buying as in the intrastate market at the same price as intrastate purchasers. But other interstate pipelines also would be able to enlarge their opportunities for buying more natural gas where there is no priority interstate purchaser in position to purchase the gas.

Second, the provisions for maximizing production would enlarge the available supply for all pipelines.

Third, the only diversions of existing supply would be the gas supply for electric utilities who could in fact obtain other alternative fuels. The customer receiving the diverted gas would thus be required to pay any extra costs incurred by the utility required to switch, and any losses incurred by affected pipeline;

Fourth, diversion of natural gas from one pipeline system to another would be permitted except for boiler uses as specified.

These are urgently needed provisions that could be implemented this winter. They would minimize unemployment and assure full domestic food production if enacted.

Unemployment could increase drastically this winter as natural gas curtailments cut into industrial requirements where no substitute fuels are available. Projections for last winter of 6.5 million workers out of work might well be exceeded if we have a cold winter.

Our country cannot afford delay in taking the necessary steps to offset natural gas shortages expected this winter. For these reasons I introduce S. 271, the Natural Gas Emergency and Conservation Act of 1977.

Because of my concern for the wasteful consumption of natural gas for major boiler uses I also introduce S. 272, the Natural Gas Conservation Act of 1977. This provision of the emergency legislation deserves priority consideration; it passed the Senate in the 94th Congress on two occasions in S. 2310 and S. 622, but did not receive final congressional approval.

The measure would amend the Energy Supply and Environmental Coordination Act of 1974 to provide authority to require electric powerplants and major industrial installations with the capability to use other than natural gas to switch to coal or to oil if environmental requirements permit. The released natural gas then could be made available to priority purchases.

Mr. President, I ask unanimous consent that these two bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 271

A bill to provide authority to institute emergency measures to minimize the adverse effects of natural gas shortages and curtailments, to provide authority to allocate propane, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 101. This title may be cited as the "Natural Gas Emergency and Conservation Act of 1977".

FINDINGS AND PURPOSES

SEC. 102. (a) The Congress finds and declares that the Nation will suffer severe shortages of natural gas during the heating season from the date of enactment through March 1977. The Congress further finds and declares that such imminent shortages in our Nation's natural gas supply constitute an emergency which can be alleviated by providing for limited exemptions from regulation of natural gas and for the prohibition of the use of natural gas as boiler fuel.

(b) The purpose of this Act is to grant the Federal Power Commission authority to allow natural-gas companies which transport natural gas in interstate commerce with inadequate quantities of natural gas to meet the requirements of their high priority consumers of natural gas to purchase natural gas from sources not in interstate commerce and from other such companies on an emergency basis free from the provisions of the Natural Gas Act (15 U.S.C. 717 et seq.), except for the reporting requirements of such Act; to grant the Federal Energy Administration authority to prohibit the use of natural gas as boiler fuel; and to provide the President with standby authority to allocate propane during periods of actual or threatened severe shortages of natural gas.

DEFINITIONS

SEC. 103. For the purposes of this Act—

(a) The term "natural-gas distributing company" means a person involved in the distribution or transportation of natural gas for ultimate public consumption for domestic, commercial, industrial, or any other use but such term does not include a natural gas company as defined in section 2(6) of the Natural Gas Act (15 U.S.C. 717a(6)).

(b) The term "high priority consumer of natural gas" means an essential user whose supply requirements cannot be served by an interstate pipeline which is a priority interstate purchaser as determined by the Commission.

(c) The term "independent producer" means a person, as determined by the Commission, (1) who is not affiliated with a person engaged in the transportation of natural gas in interstate commerce, and (2) who is not a producing division of such a person engaged in the transportation of natural gas in interstate commerce.

(d) The term "boiler fuel use of natural gas" means the use of natural gas as the source of fuel in a generating unit of more than 25 megawatts rated net generating capacity or in any unit which is part of an electric utilities system with a total net generating capacity of more than 150 megawatts for the purpose of generating electricity for distribution.

(e) The term "propane" means (1) the chemical C_3H_8 in its commercial form whether recovered from natural-gas streams or crude oil refining, (2) C_3H_8 component of raw domestic mixtures containing more than ten percent of such component by weight, and (3) commercial propane-butane mixes containing by weight more than ten percent of propane and not more than five percent of constituents other than propane or butane.

(f) The term "United States" means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(g) The term "Administrator" means the Administrator of the Federal Energy Administration.

(h) The term "Commission" means the Federal Power Commission.

(i) The term "essential user" means a user, or a class of users, who satisfies criteria to be established by the Commission, by rule, as indicative of a user for which no alternative fuel is reasonably available and whose supply requirements must be met in order to avoid substantial unemployment or impairment of food production or the public health, safety, or welfare.

EMERGENCY EXEMPTIONS

SEC. 104. Section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by designating the two unnumbered paragraphs thereof as paragraphs (1) and (2), by deleting the period at the end of paragraph (2) as designated hereby, and inserting in lieu thereof the following: ": *Provided further*, That within 15 days after the enactment of the Natural Gas Emergency and Conservation Act of 1977, the Commission shall by regulation exempt from the provisions of this Act, except for reporting requirements, any activities, operations, facilities, or services relating to the transportation, sale and delivery, transfer, or exchange of natural gas from any source, other than any offshore Federal lands, by an independent producer, a natural-gas company which transports natural gas in interstate commerce, a person who transports natural gas in other than interstate commerce, or a natural-gas distributing company to or with a natural-gas company which transports natural gas in interstate commerce which does not have or which under reasonably foreseeable circumstances may not have, a sufficient supply of natural gas to meet the requirements of its high priority consumers of natural gas and which is curtailing during the heating season from the date of enactment through March 1977 pursuant to a curtailment plan on file with the Commission. Exemptions granted pursuant to this proviso shall be for periods of no more than 180 consecutive days. Persons who are exempt under section 1 (b) or (c) of this Act shall not have their exempt status affected in any way by making the sales or deliveries contemplated by this subsection: *Provided further*, That the Commission shall have no power to deny, in whole or in part, recovery by any natural-gas company in its jurisdictional rates of the amount paid by it for natural gas delivered to it pursuant to sales and contracts as described herein, except to the extent that an interstate transporter purchases natural gas from an affiliate at a rate in excess of the price paid by the transporter to nonaffiliated sellers in comparable sales transactions: *Provided further*, That natural gas sold and delivered or transported pursuant to any exemption granted under section 104 of the Natural Gas Emergency and Conservation Act of 1977 shall not be or become subject to the jurisdiction of the Commission because of such sale and delivery or transportation whether or not such sale is a sale for resale in interstate commerce or such transportation is in interstate commerce: *Provided further*, That any contractual provision prohibiting sales or transportation entitled to any such exemption or terminating any other obligations of any gas supply or sales contracts as a result of such sales or transportation shall be unenforceable in respect to any such sale or transportation: *Provided further*, That it shall be a violation of the Natural Gas Act (as amended) for any natural-gas distributing company to charge residential users and small users (as defined by the Commission) rates which reflect any costs incurred by an interstate transporter as a result of purchases of natural gas made pursuant to an exemption granted under this section: *And provided further*, That no first sale of natural gas after enactment and prior to expiration of the Natural Gas Emergency and Conservation Act of 1975 shall be made at a price which exceeds the highest wellhead price (as determined by the Commission) at which natural gas was sold during the period of June 1, 1975, through August 1, 1975, in the State in which such first sale is made.".

PROHIBITION OF USE OF NATURAL GAS AS BOILER FUEL

SEC. 105. (a) The purpose of this section is to continue the conservation of natural gas and petroleum products by fostering the use of coal by powerplants and major fuel burning installations, and if coal cannot be utilized, to provide authority to prohibit the use of natural gas when petroleum products can be substituted.

(b) Section 2 of the Energy Supply and Environmental Coordination Act of 1974 (88 Stat. 246) is amended by—

(1) redesignating subsections (e) and (f) as subsection (f) and (g), respectively;

(2) inserting after redesignated subsection (g)(1) the following new sentence: "Authority to issue orders or rules under subsection (e) of this section shall expire at midnight September 30, 1980.".

(c) Inserting after subsection (d) the following new subsection (e):

"(e)(1) The Administrator may, by order, prohibit any powerplant or major fuel burning installation from burning natural gas if—

"(A) The Administrator determines that:

"(i) such powerplant or installation had on June 30, 1975 (or at any time thereafter) the capability and necessary plant equipment to burn petroleum products;

"(ii) an order under subsection (a) may not be issued, with respect to such powerplant or installation;

"(iii) the burning of petroleum products by such powerplant or installation in lieu of natural gas is practicable;

"(iv) petroleum products will be available during the period the order is in effect;

"(v) with respect to powerplants, the prohibition under this subsection will not impair the liability of service in the area served by the plant; and

"(B) the Administrator of the Environmental Protection Agency has certified that such powerplant or installation will be able to burn the petroleum products which the Administrator has determined under subparagraph (A)(iv) will be available to it and will be able to comply with the Clean Air Act (including applicable implementation plans).

"(2) An order under this subsection shall not take effect until the earliest date the Administrator of the Environmental Protection Agency has certified that the powerplant or installation can burn petroleum products and can comply with the Clean Air Act (including applicable implementation plans).

"(3) The Administrator may specify in any order issued under this subsection the periods of time during which the order will be in effect and the quality (or rate of use) of natural gas that may be burned by a powerplant or major fuel burning installation during such periods, including the burning of natural gas by a powerplant to meet peaking load requirements.

"(4) Conversion to petroleum products pursuant to an order issued under this subsection shall not be deemed to be a modification for the purposes of paragraph (2) and (4) of subsection 111(a) of the Clean Air Act, as amended.

"(5) The Administrator shall exempt from any order issued pursuant to this subsection the burning of natural gas for the necessary processes of boiler startup, testing, flame stabilization, and control uses by a facility.

"(6) The Administrator shall modify or suspend any order issued pursuant to this subsection to the extent necessary to alleviate or prevent any short-term air quality emergencies directly affecting public health, safety, or welfare which would result from electric power outages.

"(d)(1) Within one year of the date of enactment of this title, the Administrator, in conjunction with the Federal Power Commission, shall submit to the Congress a national plan formulated and designed to prohibit or discourage, to the maximum extent practicable by January 1, 1985, the use of natural gas other than for essential uses for which there is no feasible raw material or fuel substitute. Such plan shall include a report and recommendations regarding any

additional statutory authority necessary to prevent such nonessential uses by January 1, 1985.

"(2) In developing such plan, the Administrator shall include an estimate of the increased demand for coal and other alternative fuels that would be the result of the prohibition of the boiler fuel use of natural gas, and shall identify by geographic region of the United States, the location of users currently burning natural gas as a primary source atnd location of users that would be required to use coal or alternative fuels in lieu of natural gas as a result of the prohibition of boiler fuel use of natural gas.".

PROPANE ALLOCATION PROGRAM

SEC. 106. Notwithstanding the provisions of section 4(g) or any other provision of the Emergency Petroleum Allocation Act of 1973, as amended, the regulations promulgated by the President under section 4 of such Act and the authority of the President under such Act shall, with respect to propane and butane, remain in effect until midnight April 4, 1978.

EMERGENCY PURCHASES BY CURTAILED CONSUMERS

SEC. 107. (a) The purpose of this section is to allow curtailed high priority consumers of natural gas to purchase natural gas from the intrastate market by enabling them to arrange for the transportation of such gas by regulated interstate pipeline companies.

(b) The provisions of the Natural Gas Act shall not apply to the use of the facilities of a natural gas distributing company for the transportation of natural gas produced by an independent producer from lands, other than any land or subsurface area within the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), and sold by such a producer directly to a high-priority consumer of natural gas: *Provided*, That the rates applicable to the use of such facilities for the transportation of natural gas described in this subsection are subject to regulation by a State commission. The transportation of natural gas exempted from the provisions of the Natural Gas Act by this subsection is hereby declared to be a matter primarily of local concern and subject to regulation by the several States. A certification from such State commission to the Commission that such State commission has regulatory jurisdiction over rates and service of such person and facilities and is exercising such jurisdiction shall constitute conclusive evidence of such regulatory power or jurisdiction.

(c) Pursuant to the substantive and procedural provisions of this section the Commission may in its discretion issue a certificate of public convenience and necessity upon filing of an application by a natural-gas company to transport natural gas produced by independent producers from lands, other than any land or subsurface area within the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), and sold by such producers directly to existing high-priority consumers of natural gas whose current supply of natural gas is curtailed due to natural-gas company curtailment plans on file with the Commission: *Provided, however*, That in issuing a certificate pursuant to this subsection, the Commission need not review or approve the price paid by a high priority consumer of natural gas directly to an independent producer.

EXPIRATION DATE

SEC. 108. (a) This Act shall expire on midnight April 4, 1978.

(b) The expiration of this Act and the authority granted under this Act shall not affect any action or pending proceedings not finally determined on the date of such expiration, or any action or proceeding based upon any act committed prior to such date.

S. 272

A bill to require, to the extent practicable, that electric powerplants and major fuel-burning installations utilize other than natural gas as their primary energy source in compliance with applicable environmental requirements, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. This Act may be cited as the "Natural Gas Conservation Act of 1977".

SEC. 102. (a) Section 2(f) of the Energy Supply and Environmental Coordination Act of 1974 (88 Stat. 246) is amended by inserting after subsection (d) the following new subsection (e):

"(e)(1) The Federal Energy Administrator may, by order, prohibit any powerplant or major fuel-burning installation from burning natural gas if—

"(A) the Administrator determines that—

"(i) such powerplant or installation had on June 30, 1975, or at any time thereafter, the capability and necessary plant equipment to burn petroleum products;

"(ii) an order under subsection (a) may not be issued, with respect to such powerplant or installation;

"(iii) the burning of petroleum products by such powerplant or installation in lieu of natural gas is practicable;

"(iv) petroleum products will be available during the period the order is in effect;

"(v) with respect to powerplants, the prohibition under this subsection will not impair the reliability of service in the area served by the plant; and

"(B) the Administrator of the Environmental Protection Agency has certified that such powerplant or installation will be able to burn the petroleum products which the Federal Energy Administrator has determined under subparagraph (A)(iv) will be available to it and will be able to comply with the Clean Air Act (including applicable implementation plans).

"(2) An order under this subsection shall not take effect until the earliest date the Administrator of the Environmental Protection Agency has certified that the powerplant or installation can burn petroleum products and can comply with the Clean Air Act (including applicable implementation plans).

"(3) The Federal Energy Administrator may specify in any order issued under this subsection the periods of time during which the order will be in effect and the quantity (or rate of use) of natural gas that may be burned by a powerplant or major fuel burning installation during such periods, including the burning of natural gas by a powerplant to meet peaking load requirements.".

PROHIBITION OF NATURAL GAS FOR BOILER FUEL USES

SEC. 103. (a) Within one year of the date of enactment of this title, the Administrator, in conjunction with the Federal Power Commission, shall submit to the Congress a national plan formulated and designed to prohibit or discourage, to the maximum extent practicable by January 1, 1985, the use of natural gas other than for essential uses for which there is no feasible raw material or fuel substitute. Such plan shall include a report and recommendations regarding any additional statutory authority necessary to prevent such nonessential uses by January 1, 1985.

(b) In developing such plan, the Administrator shall include an estimate of the increased demand for coal and other alternative fuels that would be the result of the prohibition of the boiler fuel use of natural gas, and shall identify, by geographic region of the United States, the location of users currently burning natural gas as a primary source and the location of users that would be required to use coal or alternative fuels in lieu of natural gas as a result of the prohibition of boiler fuel use of natural gas.

By Mr. RANDOLPH (for himself, Mr. HUDDLESTON, Mr. HUMPHREY, and Mr. JACKSON):

S. 273. A bill to require, to the extent practicable, that new electric powerplants and new major fuel burning installations, in categories to be determined, be constructed with the capability to utilize and utilize other than natural gas or petroleum as their primary energy source in compliance with applicable environmental requirements, and for other purposes; to the Committee on Commerce.

GREATER COAL UTILIZATION

Mr. RANDOLPH. Mr. President, a national coal policy in support of greater coal utilization is needed, urgently needed, to remove the present uncertainties regarding coal's future. The Natural Gas and Petroleum Conservation and Coal Utilization Act of 1977, which I introduce today, provides this by firmly expressing as national policy the goal of using domestically produced coal to the greatest extent practicable. In the absense of such a policy commitment, the forces which have led this Nation to its current reliance on oil and gas will continue to act as impediments to greater reliance on our largest domestic energy resource.

Many of us have known that America must make greater use of coal to meet its energy needs. Following the inauguration, we will be fortunate in having in the White House a man who shares this belief.

On August 14, 1976, in Charleston, W. Va., candidate Jimmy Carter stated his commitment to coal. He said:

> The future of West Virginia Appalachian coal is indeed bright if we can have a government policy that recognizes this valuable resource.

In an interview a month later, candidate Carter said "a shift from oil to coal" is a key part of his proposed energy program for our Nation. He has several times reaffirmed his commitment to the fullest utilization of coal.

President-elect Carter has given me opportunities to discuss this subject with him on three occasions. I anticipate that we will have an administration aware of the importance of coal and determined to use this vast resource. This is essential to creation of an orderly energy policy and the reduction of our perilous dependence on foreign sources of energy.

Energy conservation can minimize the economic impact of greater energy independence, but its influence on growth of energy demand is yet to be realized in any adequate degree. Energy savings since the 1973 embargo generally have resulted from our economic recession, higher energy prices, and the 55-mile-per-hour speed limit. We must have a

renewed sense of the urgency for conservation of energy.

But even should major conservation efforts reduce the rate of growth of energy consumption, our country's energy future would depend on greater coal utilization for at least the next 100 years.

Renewable energy resources offer significant potential, but it may take 50 years to harness them. Solar heating is an exception. In my judgment, this is an unnecessary gamble. These technologies are unproven as sources of bulk energy supply.

In the interim, only the vastly expanded production and utilization of coal can reduce the United States long-term dependence on unreliable foreign oil.

As natural gas and oil become more scarce and increasingly expensive, their advantages over coal will diminish. The role for coal as the natural successor to oil and natural gas thus will be established. Bulk energy supplies, such as industrial steam and electric power generation, thus will convert to production from coal. Cost, rather than the conveniences of oil or gas, is the prime consideration for these large-scale users.

The cost of electricity is very sensitive to increases in the cost of primary energy, such as the increase in international oil prices over the last 3 years. Since these prices can be expected to continue to rise, it would be in the consumers' and the national interest for utilities to convert to coal.

To encourage greater coal utilization, I introduced S. 1777 in the 94th Congress. This measure would have required new electric powerplants and other major fuel burning installations to be constructed with the capability to use coal where consistent with environmental policies.

On June 10, 1975, 5 days of hearings were convened to receive testimony from Government officials, industry spokesmen, environmentalists, labor, and other affected parties. During the hearings verbal testimony was received from 19 witnesses and 40 other statements were submitted for the record. The printed record in its 2,400 pages clearly delineates the national issues attendant to greater coal utilization.

Mr. President, I ask unanimous consent that a summary of this hearing record be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF HEARINGS ON S. 1777

NEED FOR THIS BILL

The Industrial Revolution was built on coal. For more than a century, American industry depended on it almost exclusively for energy. For half a century, it supplied the raw material for the Nation's fledgling organic chemicals industry. At its peak in the 1940's, the coal industry employed some 600,000 workers.

Since the discovery of major oil fields in the Southwest at the beginning of this century, coal's role has been declining. In 1920, it provided some 80 percent of the Nation's energy. By the end of World War II, its share had dropped to 50 percent. By 1970, it had dropped to less than 20 percent and last year (1975) supplied only 18.5 percent of the U.S. total energy needs.

The pattern of coal consumption has changed significantly since 1945, as shown in table 1. At the end of World War II, the two biggest markets were railroads and manufacturing industries (primarily chemical), with home heating third and coking plants for the steel industry running fourth. Coking operations are still major coal consumers, but the railroads have disappeared as a coal market, the home heating market has almost disappeared, and the chemical industry has switched almost completely from acetylene (made from coal-derived calcium carbide) to ethylene (made from natural gas liquids and petroleum fractions).

TABLE 1.—YEARLY CONSUMPTION, BY CONSUMER CLASS, OF BITUMINOUS COAL

[In millions of tons]

Year	Electric power utilities	Bunker foreign trade	Railroads (class I)	Beehive coke plants	Oven coke plants	Steel and rolling mills	Cement mills	Other manufacturing and mining industries	Retail dealer deliveries	Total
1935	30.9	2.3	77,109	1.5	49.0	16.5	3.5	94.5	80.4	356.3
1940	49.1	3.0	85,130	4.8	76.5	14.1	5.6	107.8	84.6	430.9
1945	71.6	3.2	125,120	8.1	87.2	14.2	4.2	126.5	119.2	559.5
1950	88.2	2.0	60,969	9.1	94.7	10.8	7.9	95.8	84.4	454.2
1955	140.5	1.5	15,473	2.9	104.5	7.3	8.5	89.6	53.0	423.4
1960	173.8	.9	2,101	1.6	79.3	7.3	8.2	76.4	30.4	380.4
1961	179.5	.8	(1)	1.5	72.3	7.4	7.6	77.2	27.7	374.4
1962	190.8	.7	(1)	1.3	72.9	7.3	7.7	78.7	28.1	387.7
1963	209.0	.7	(1)	1.6	76.0	7.4	8.1	82.7	23.5	409.2
1964	223.0	.7	(1)	2.0	86.7	7.3	8.7	82.9	19.6	431.1
1965	242.7	.7	(1)	2.7	92.0	7.4	8.9	85.6	19.0	459.1
1966	264.2	.6	(1)	2.4	93.5	7.1	9.1	89.3	19.9	486.2
1967	271.7	.5	(1)	1.4	90.9	6.3	8.9	83.5	17.0	480.4
1968	294.7	.4	(1)	1.3	89.4	5.6	9.4	82.6	15.2	498.9
1969	308.4	.3	(1)	1.2	91.7	5.5	(3 4)	85.3	14.6	507.2
1970	320.4	.3	(1)	1.4	94.5	5.4	(4)	82.9	12.0	517.1
1971	326.2	.2	(1)	1.3	81.5	5.5	(4)	63.6	11.3	494.8
1972	348.6	.2	(1)	1.1	86.3	4.8	(4)	67.1	8.7	512.7
1973	386.9	.1	(1)	1.3	92.3	6.4	(5)	60.8	8.2	556.0
1974 [2]	390.1	.1	(1)	(5)	89.7	(5)	(5)	64.1	8.8	552.7
1975 [6]	404.0		(1)	(5)	85.0	(5)	(6)	65.0	8.0	563.0

[1] Canvass discontinued.
[2] Preliminary.
[3] 1969 consumption figures were revised. No revised breakdown between "Cement mills" and "Other manufacturing and mining industries" was available.
[4] Included with "Other manufacturing and mining industries," 1969–74.
[5] Included with other manufacturing and mining industries, 1974–75.
[6] Preliminary.

Sources: "Bituminous Coal Data," National Coal Association; U.S. Department of the Interior.

The loss of these three markets has changed coal from a broad-spectrum basic raw material into almost a one-market product. That one major market is electric utilities, since metallurgical coke must be low-sulfur, and much of the remaining industrial demand is for in-plant steam generation, for which the competition is similar to that in the utilities market.

Coal exports, have been a relatively minor factor, but also have been rather erratic. Somewhat under 30 million tons in 1945, coal exports have fluctuated between 25 million tons and 80 million tons, and were about 66 million tons in 1975. The majority of exported coal is high quality metallurgical or coking coals used in steelmaking. These coals are normally low in sulfur content and premium priced.

In contrast to railroad, chemical, and retail use of coal, the general pattern of consumption by the electric utility industry has reflected a rapidly increasing demand. While at the end of World War II annual coal consumption by the electric utility industry was about 72 million tons (about 13 percent of total coal consumption) it jumped to 174 million tons in 1960 (46 percent to total coal consumption), and to 404 million tons in 1975 (72 percent of total coal consumption).

However, while the total tonnage of coal used for generation of electricity has shown these rather dramatic increases, coal's relative share as a primary fuel for the utilities market has failed to increase and has even declined in the last decade (table 2). In 1945, 52 percent of the total kilowatt hours of electricity produced was generated from coal, compared to about 4 percent from oil and 9 percent from gas. In 1960, coal was still the primary fuel, accounting for 52 percent of electricity generated compared to 6 percent for oil and 21 percent for gas. Ten years later, 1970, coal's relative share, while still the largest had slipped to 45 percent of total electric power generation. Oil was at 13 percent, gas 24 percent, and nuclear had entered the picture at less than 2 percent. Last year, 1975, coal was at 44 percent, oil at 17 percent, gas at 16 percent, and nuclear at 8 percent. Increasingly, much of the new generating capacity in the last 20 years has turned to oil or gas for fuel, rather than coal, because of lower price (including the regulated price of interstate gas) and most recently because of air pollution control (primarily sulfur) requirements. During this same period, hydroelectric power declined from 35 percent to 15 percent of total electric power generation as total electric generation increased but few new hydroelectric plants were built.

TABLE 2.—ENERGY INPUT TO ELECTRIC SECTOR

[Percent]

Year	Coal	Oil	Gas	Hydro-power	Nuclear
1945	52	4	9	35	
1950	45	13	13	29	
1955	53	8	18	21	
1960	52	6	21	20	1
1965	53	7	21	18	1
1970	45	13	24	16	2
1971	44	14	24	16	2
1972	43	15	23	16	3
1973	43	18	19	15	5
1974	43	18	17	16	6
1975	44	17	16	15	8

INDUSTRIAL ENERGY SUPPLY

Although electric utilities have received the most attention with respect to potential for conversion to coal. American industry consumes more energy in total and about as much in primary fuels as the utilities do. In 1975, for example, the utilities sector consumed 20.1 quadrillion Btu, while industry consumed 18.9 quadrillion Btu in primary fuels plus 2.7 quadrillion Btu in electricity. Of industry's 18.9 quadrillion Btu in primary fuel input, 22 percent was from coal, 47 percent from gas (down from 52 percent in 1974), and 30 percent from petroleum. (The remainder was hydropower.)

Thus, in 1975, industry consumed about 38 percent of total U.S. energy input, including about 42 percent of total electricity. About 10 to 12 percent of the energy materials used directly by industry (other than coking plants) go to feedstocks, the rest for fuel. The fuel is used for direct process heat (about 40 percent) and for steam (about 60 percent). About 30 percent of the steam is used to generate electricity.

Although industry does generate some electricity for its own use, the amount is small compared to its total need for electricity (one recent estimate shows it to be about 14 percent). This reliance on utility electricity by industry is the result of a long term trend. At the beginning of this century, industry generated most of its own electricity. By 1960, self-generation accounted for 21 percent of its consumption, compared to the 14 percent estimated for 1974.

The basic reason for this shift is the economic advantage of electricity generated in large central power plants compared to smaller ones. Hence industry has turned more and more to purchased electricity while continuing to generate steam internally, using units designed specifically for that purpose. Other factors are also involved, of course, including the tax structure which makes operating expenses (buying electricity) advantageous compared to capital expenditures (generating electricity), shorter work weeks (more idle time for industrial powerplants), and management attitudes that managing a power generating facility distracts management attention from the company's primary activities of producing and marketing products.

The result of these trends was the installation of a large number of gas- or oil-fired industrial boilers for steam—about 30 percent oil-fired, and 55 percent gas-fired—in the period 1968 to 1972. These "packaged boilers" have relatively low thermal efficiencies but are relatively inexpensive and require a minimum of operating know-how and attention.

Most of these packaged boilers have firing rates of 50 million to 200 million Btu per hour and there are tens of thousands of them. About half of all industrial steam is generated in only 400 or so large boilers (300 million Btu per hour or higher) and about two-thirds in some 6,000 boilers of 250 million Btu or higher.

Most of these plants operate at temperatures and pressures too low for by-product electric power generation, and most cannot be converted to coal. A 1973 survey by National Association of Manufacturers showed that only about 20 percent of its survey respondents could convert from oil or gas to coal, with about 44 percent of that 20 percent already using some coal in their fuel mix.

FUTURE ENERGY SUPPLIES

While the U.S. economy in general, and the utilities and industry in particular, have been increasing their relative dependence on oil and gas over the years, the U.S. resource picture has been pointing in a different direction. Reserves of oil and gas are rapidly being depleted, while our much larger reserves of coal remain largely undeveloped.

Domestic production of natural gas peaked in 1973 at 22.65 trillion cubic feet (tcf), declined to 21.6 tcf in 1974 and to 20.1 tcf in 1975. Net additions to gas reserves have been smaller than annual production since 1968, except for the one year, 1970, when the Alaska fields were added. Currently proven reserves represent only about a 10-year supply at current production rates.

Estimates of undiscovered recoverable reserves have varied widely over the years, as is expected when addressing the unknown. It is significant, however, that in 1975 two respected authoritative sources, the U.S. Geological Survey and the National Academy of Sciences, each issued reports revising sharply downward their earlier estimates of how much natural gas remains to be discovered. USGS changed its estimate from over 1,000 tcf to under 500, while NAS estimated slightly more than 500 tcf.

Domestic petroleum production has been declining since 1970 at about 1 percent per year. Currently proven reserves represent only about 12 years of production at current levels, while estimates of recoverable undiscovered petroleum range from a low of 55 to a high of 458 billion barrels. But as with natural gas, the most recent reevaluations of undiscovered recoverable reserves by NAS and USGS represent sharp cutbacks from earlier optimistic estimates.

In contrast to the picture of oil and gas, U.S. coal reserves are vast—434 billion tons classified as mineable under today's technology and economics, more than a trillion additional tons already identified, and some 1.6 trillion tons beyond that estimated to be present but not yet located. According to the U.S. Department of the Interior, this vast coal resource base constitutes about one-third of the world's recoverable coal reserves. It rivals—in fact some claim it outstrips—the Middle East in available Btu's.

Yet despite the tremendous reserves of coal and the relatively limited reserves of oil and gas, most forecasters of energy supply and demand do not consider that the trends of the past 30 years away from coal will be reversed in the next 10 years. Within a projected overall energy demand growth of somewhere between 2 and 4 percent per year, the growth trends are expected to favor imported oil and nuclear energy. Coal consumption by 1985 is forecast to hit somewhere between 800 million and one billion tons (Ford Energy Policy project. National Petroleum Council, National Academy of Engineering), with one (Shell Oil) pessimistic at 700 million tons and the updated Project Independence slightly optimistic at 1.04 billion tons under the "business as usual" scenario. A recent analysis by Congressional Research Service estimated 900 million tons and even hedged that estimate with disclaimers that it might be too optimistic.

These discouraging estimates of the rate at which the Nation's energy consuming industries will turn to coal are confirmed by testimony before our committees in hearings on this bill. The electric utilities individually and collectively expressed grave doubts about the ability of the coal producing industry to guarantee availability of the necessary coal in terms of both tonnage and sulfur content. Leasing delays in the West, transportation problems, and availability of capital were important components of their reasons for concern.

S. 1777 provides the necessary Federal push toward greater coal utilization. It requires that all future utility and industrial fossil fuel-fired boilers be designed to use coal and use it unless the coal is not available. Small boilers and combustion gas turbines used for peak power generation are excepted. The bill also requires that existing gas-fired units be converted to oil as rapidly as feasible, hopefully within 5 years, and that all oil firing be terminated within the following 5 years.

Individual facilities can petition for relief from these requirements on the basis of scheduled retirement or other factors that would cause adverse economic or other effects. Although the ultimate impact of S. 1777 cannot be predicted with confidence, because of the large number of factors that must be considered in each case, some 6,300,000 barrels per day of oil equivalent projected for consumption in 1985 are at stake.

GENERATION OF ELECTRICITY

Electricity generation is one of the fastest growing segments of our economy, with a growth rate of 6.7 percent per year from 1965 to 1974. Although electricity consumption did not increase in 1974 and has increased only 1.6 percent in 1975, it is expected to resume its historic growth rate in 1976 and to continue to grow at between 5 and 7 percent per year through the next two decades.

Current utility industry plans include a heavy reliance on coal and on nuclear power to provide this growth in electric generating capacity. The latest study of coal demand for electricity generation by Federal Energy Administration, completed in August 1975, shows an increase of some 150 million tons of coal demand by 1980. Planned powerplants whose fuel has not yet been selected could add another 70 million tons, should coal be the fuel of choice.

Licensing delays, rapid escalation of capital costs, and concerns over safety and theft of nuclear materials may prevent current plans for nuclear generating capacity from reaching fruition. Should this occur, and demand grow as forecast, there will be additional need for fossil fuel-fired powerplants which could add up to 100 million tons of coal demand.

Existing and planned oil- and gas-fired electrical generating capacity, were it fueled by coal, would require some 400 million additional tons of coal per year, but it would release over three trillion cubic feet of natural gas per year for other uses, many of which cannot use anything other than gas, and some 1.5 million barrels of oil per day which could be subtracted from imports. It is unreasonable to expect that all of this capacity could be converted to coal. Much of it is for equipment that cannot operate on coal; some is for equipment so near to the end of its useful life that to convert it would constitute economic waste. And some of it is located at plants that cannot be modified to accept coal deliveries, handle ash disposal, or meet environmental requirements.

INDUSTRIAL PROCESS HEAT

According to testimony from the American Boiler Manufacturers Association, there are some 42,000 oil- or gas-fired boilers in industry consuming some 3.2 million barrels of oil equivalent per day. Over the period 1968–72, 85 percent of all new indusrial boilers were oil- or gas-fired—two thirds being gas-fired. More recently, a smaller proportion of new boilers are gas fired, but in cases other than large field-erected boilers there is no shift toward coal.

AVAILABILITY OF COAL

Current shortages of natural gas, high oil prices, and announced plans for coal utilization lead to expectations that coal demand over the next decade will increase sharply to at least 900 million tons (1975 production is estimated at 640 million tons) and possibly considerably more. But these projections could easily grossly overstate the demand greatly. Most existing and planned fossil fuel-fired boilers can also burn oil or gas and will do so if supplies are available and relative prices make them economically attractive.

Despite current interest in coal-burning capability, there is no certainty that circumstances will continue to support greater use of coal. The potential change of greatest significance would lie in the realm of oil pricing by the Organization of Petroleum Exporting Countries, which could at any time reduce oil prices and lead American fuel users to even greater dependence on imported oil.

This uncertainty about future oil prices, coupled with the environmental concerns and costs associated with coal use and the greater ease of use of oil and gas, are reflected in coal industry production statistics and plans for expansion. Despite all the concern over security of oil supply, the current higher price of oil, and the continuing national debate over energy independence, coal production is at almost the same level it was three years ago, and demand has softened to the point where spot market prices have returned to normal and many small producers are suspending operations.

Mr. RANDOLPH. Mr. President, the bill I introduce would further our efforts to facilitate the greater use of coal.

Under the present program set forth in the Energy Supply and Environmental Coordination Act of 1974, as amended in December 1975 by the Energy Policy and Conservation Act, the FEA Administrator is empowered:

First, to order existing powerplants and major fuel burning installations with the capability to burn coal to do so. This authority to issue orders expires on June 30, 1977, while the authority to enforce such orders expires on December 31, 1984;

Second, the FEA Administrator is empowered to issue construction orders to electric powerplants in the early planning process to require them to be designed with a capability to use coal. This authority expires on June 30, 1977; and

Third, the FEA Administrator is provided similar construction order authority for major fuel burning installations in the early planning process. This authority also expires on June 30, 1977.

The FEA Administrator was given total discretion, without any congressional guidance, to issue the aforementioned construction orders. By comparison, detailed conditions were set forth in the 1974 act to be applied by the FEA when ordering existing plants to utilize coal.

The Natural Gas and Petroleum Conservation and Coal Utilization Act of 1977 emphasizes new electric powerplants and new major industrial installations. In summary, the measure would:

First, prohibit the construction of new electric powerplants unless they are designed with the capability to use other than natural gas or oil as their primary energy source in compliance with applicable environmental requirements. If such facilities were constructed to use coal, they would satisfy the purposes of this act; however, the use of geothermal energy, or solar energy, also would do so;

Second, the FEA Administrator is authorized to include under the prohibition on natural gas or petroleum use categories of new major industrial installations. Because this authority is discretionary, the FEA authority to issue construction orders to new major fuel burning installations is extended until September 30, 1980. This would enable the issuance of orders to individual installations where a category designation is not warranted;

Third, general authority for compliance date extensions is provided in those instances where the new electric powerplant or new major industrial installation has demonstrated that despite good faith efforts compliance is not possible;

Fourth, authority is provided for exemptions where the powerplant or installation demonstrates that adequate coal—or fuel other than natural gas or petroleum—supplies are not available or transportation facilities for such fuels are not available;

Fifth, an exemption is also provided for new powerplants or installations which are constructed to be operated solely as peak load facilities. Such facilities are by definition restricted to powerplants or installations which operate less than 1,500 full load hours or less per year;

Sixth, general authority to issue rules and regulations is provided, modeled after the FEA Act;

Seventh, enforcement authority and penalties are provided, modeled after similar provisions in the Energy Supply and Environmental Coordination Act of 1974—Title I; and

Eighth, the authority to issue prohibition orders under the Energy Supply and Environmental Coordination Act of 1974 is extended until September 30, 1980, and expanded to include restrictions on the conversion of existing electric powerplants and major fuel burning installations from coal to natural gas or oil.

Mr. President, this vital measure is cosponsored by Senators HUMPHREY, HUDDLESTON, JACKSON, and myself. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. This Act may be cited as the "Natural Gas and Petroleum Conservation and Coal Utilization Act of 1977".

SEC. 102. (a) Section 2(f) of the Energy Supply and Environmental Coordination Act of 1974, is amended (1) by striking paragraph (1) and inserting in lieu thereof:

"(1) Authority to issue orders or rules under subsections (a) and (b) of this section shall expire at midnight, September 30, 1980. Authority to issue orders or rules under subsection (c) of this section to any powerplant shall expire ninety days after the effective date of regulations implementing sections 205 and 206 of title II of this Act. Authority to issue orders or rules under subsection (c) of this section to any major fuel burning installation shall expire at midnight, September 30, 1980. A rule or order issued under subsections (a), (c), and (d) of this section may take effect at any time before January 1, 1985.".

(2) By striking out paragraph (2) and inserting in lieu thereof:

"(2) Expiration pursuant to paragraph (1) of this subsection shall not affect or impair the Federal Energy Administrator's authority to amend, repeal, rescind, modify, or enforce such rules or orders.".

(b) Section 2(d)(2) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "this Act" and inserting in lieu thereof "this title and as required to permit compliance with the requirements of section 211 of title II of this Act.".

(c) Section 2(c) of the Energy Supply and Environmental Coordination Act of 1974 is amended by inserting after the words "combined cycle unit" and before the ")" the words "except as provided for in title II of this Act".

(d) Redesignate subsections (c) and (f) of the Energy Supply and Environmental Coordination Act of 1974 as subsections (g) and (h) respectively and substitute therefor new subsections (e) and (f) as follows:

"(e) The Federal Energy Administrator shall by rule prohibit any powerplant or major fuel burning installation which, upon the date of enactment of this subsection, burns coal as its primary energy source from thereafter burning natural gas as a primary energy source.

"(f) The Federal Energy Administrator shall by rule require the issuance of a permit to authorize the burning of oil as a primary energy source by any powerplant or major fuel burning installation which, after the date of enactment of this subsection, burns coal as its primary energy source."

SEC. 103. Section 11(g)(2) of the Energy Supply and Environmental Coordination Act of 1974 is amended by adding after the phrase "The provisions of this section expire" the phrase ", except to the extent necessary to carry out the purposes of section 203 of title II of this Act,".

SEC. 104. The Energy Supply and Environmental Coordination Act of 1974 is amended by inserting "TITLE I" before "SECTION 1. SHORT TITLE; PURPOSE." and adding the following new title:

"TITLE II

"TABLE OF CONTENTS

"Sec. 201. Findings and purposes.
"Sec. 202. Definitions.
"Sec. 203. Disclosure.
"Sec. 204. New facilities.
"Sec. 205. Temporary exemptions.
"Sec. 206. Exemptions.
"Sec. 207. Environmental requirements.
"Sec. 208. Disruption of supply contracts.
"Sec. 209. Rules and regulations.
"Sec. 210. Enforcement and penalties.
"Sec. 211. Emergency powers.
"Sec. 212. Federal facilities.
"Sec. 213. Reports.

"FINDINGS

"SEC. 201. FINDINGS.—(a) The Congress finds that the protection of public welfare and the preservation of national security require—

"(1) the furtherance of national energy self-sufficiency consistent with applicable environmental requirements;

"(2) the capability to use indigenous energy resources of the United States in lieu of imported energy supplies by the substitution of coal and other fuels for natural gas and petroleum products as the primary energy source for new electric powerplants and new major fuel-burning installations;

"(3) the conservation of natural gas and petroleum for uses other than the generation of electricity or boiler fuel, for which uses there are no feasible alternative fuels or raw material substitutes; and

"(4) the construction of new electric powerplants and new major fuel burning installations, with the capability to utilize fuels other than natural gas and petroleum as their primary energy source, and the utilization of such fuels by such powerplants or installations except in those circumstances provided for herein.

"(b) The Congress finds that any new electric powerplant or any new major fuel-burning installation shall be deemed in compliance with the purposes of this title if such powerplant or installation has the capability to use coal and utilizes coal as its primary energy source in conformance with applicable environmental requirements.

"DEFINITIONS

"SEC. 202. For the purposes of this title:

"(a) The term 'Administrator' means the Administrator of the Federal Energy Administration established by the Federal Energy Administration Act of 1974; except that if such Administration ceases to exist such term means any officer of the United States designated as Federal Energy Administrator by the President for the purposes of this title.

"(b) The term 'person' includes any person or individual; (2) any corporation, company, partnership, association, firm, society, trust, joint venture, or joint stock company; (3) the Federal Government, including corporations, departments, Federal agencies, and other instrumentalities; and (4) any State or political subdivision thereof, including the District of Columbia, or other government entity, which owns, leases, operates, or controls any new electric powerplant or new major fuel-burning installation.

"(c) The term 'natural gas' includes (1) dry natural gas and casing-head gas; (2) synthetic gas derived from natural gas liquids; and (3) synthetic gas derived from coal, but does not include synthetic gas derived from coal where such synthetic gas is produced by a person for use by an electric powerplant or a major fuel-burning installation regulated pursuant to section 204 of this title.

"(d) The term 'petroleum' includes crude oil, residual fuel oil, refined petroleum products, liquid petroleum gas, and synthetic gas derived from petroleum, but does not include process waste gases, carbon monoxide, and waste gases and other liquid and solid by-products of refinery operations within the United States, which have no commercial significance.

"(e) The term 'coal or other fuel' means coal and any fuel other than natural gas or petroleum, including, without limitation, (1) coal derivatives, including (A) synthetic liquid or solid fuels which are derived from coal, (B) low British thermal units synthetic gas derived from coal, and (C) synthetic gas derived from coal where such gas is produced by a person for use by an electric powerplant or a major fuel-burning installation regulated by section 204 of this title; (2) petroleum coke; (3) combustible municipal, industrial, or agricultural solid wastes; and (4) wood or other bio-mass, but does not include coal derivatives where such derivatives are produced by a person for the primary purpose of use as other than a fuel.

"(f) The term 'electric powerplant' means a fossil fuel-fired electric generating unit, including a gas turbine unit or a combined cycle unit, that is by design capable of being operated at a fuel heat input of one hundred million British thermal units per hour or greater, or a combination of more than one such units at the same site which in the aggregate is by design capable of being operated at a fuel heat input of two hundred and fifty million British thermal units per hour or greater, that produce electric power for the purposes of sale or exchange: *Provided, however,* That the Administrator may include in the definition of electric powerplant any such electric powerplant or a combination of more than one such unit, which is by design capable of being operated at lower fuel heat inputs where the Administrator finds the inclusion of such powerplant in such definition to be in the public interest.

"(g) The term 'major fuel burning installation' means a major industrial installation, other than an electric powerplant, that contains a fossil fuel fired boiler, a gas turbine unit, combined cycle unit, or diesel engine, that by design is capable of being operated at a fuel heat input of one hundred million British thermal units per hour or greater, or a combination of more than one such units at the same site which in the aggregate is by design capable of being operated at a fuel heat input of two hundred and fifty million British thermal units per hour or greater: *Provided, however,* That the Administrator may include in the definition of a major fuel burning installation, a major fuel burning installation, or combination of more than one such unit, which by design is capable of being operated at lower fuel heat inputs where the Administrator finds the inclusion of such installation in such definition to be in the public interest.

"(h) The term 'new'—

"(1) when used to modify 'electric powerplant' means—

"(A) any electric powerplant that—

"(i) as of ninety days after the effective date of regulations implementing sections 205 and 206 has not commenced the driving of the foundation piling, or another appropriate structural event, as determined by the Administrator, in accordance with approved final drawings or an equivalent design document for the main boiler; or

"(ii) as of the date of enactment of this title, has not been contracted for in whole or in part or cannot be canceled, redesigned, or rescheduled without adversely affecting electric system reliability; or

"(B) an electric powerplant that has been issued an order under section 2(c) of title I of this Act; and

"(2) when used to modify 'major fuel burning installation' means any major fuel burning installation which was in the early planning process ninety days after the effective date of regulations applicable to the category of installations to which such installation belongs as identified pursuant to section 204(b) of this title, or which thereafter enters the early planning process. Such regulations shall define the term 'early planning process' as it applies to each category of installations.

"(i) The term 'primary energy source' means the fuel used by a new electric powerplant or a new major fuel burning installation for normal operation, but does not include the minimum amounts of fuel required (1) for boiler startup, testing, flame stabilization, and control uses; (2) to implement enforceable air pollution control emergency requirements; and (3) to alleviate or prevent any emergencies directly affecting the public health, safety, or welfare which would result from electric power outages.

"(j) The term 'applicable environmental requirements' includes any Federal, State, or local governmental standard, limitation, or other requirement applicable to emissions of environmental pollutants (including air and water pollutants) or disposal of solid waste, residues resulting from the combustion of coal or other fuels or operation of air pollution control equipment, and includes without limitation, any standard, limitation, or other requirement established pursuant to the Clean Air Act, the Federal Water Pollution Control Act, or the Solid Waste Disposal Act.

"(k) The term 'peakload' when used to modify an electric powerplant or a major fuel burning installation means such a powerplant which operates the equivalent of one thousand five hundred full-load hours or less per calendar year.

"(l) The term 'cost' means total costs (both operating and capital) incurred over the estimated useful life of a new electric powerplant, discounted to present value, taking into account any change in the utilization of existing powerplants in the relevant dispatching system and other relevant economic factors that are included in planning for the production, transmission and distribution of electric power within such system.

"DISCLOSURE

"SEC. 203. The Administrator shall require the disclosure of the extent, characteristics, and productive capacity of coal reserves held by any private, corporate, public, or Government owner, or interest-holder in such reserves, as necessary, pursuant to section 11 of title I of this Act, and shall publish a summary of such information: *Provided,* That the Administrator may exempt small reserves from the requirements of this section where the Administrator finds that the imposition of the requirements of this section would impose an unreasonable economic burden on the owner or would not be of significant aid to achievement of the purposes of this title, except for emergency operations authorized or subsequently approved by the Administrator pursuant to section 211 of this title.

"NEW FACILITIES

"SEC. 204. (a) Except as provided for in sections 205 and 206, any new electric powerplant, or any new major fuel burning installation in a category identified pursuant to subsection (b) of this section, shall be constructed with the capability (including the necessary auxiliary equipment and facilities) to use coal or another fuel other than natural gas or petroleum as its primary energy source in compliance with applicable environmental requirements.

"(b)(1) The Administrator, in consultation with the Administrator of the Environmental Protection Agency with respect to the availability and applicability of pollution control technologies to comply with applicable environmental requirements, may, by rule, from time to time, identify categories of new major fuel burning installations which shall be subject to the requirements and prohibitions of subsections (a) and (d) of this section. In identifying such categories of major fuel burning installations two-digit classification, within the manufacturing division of economic activity set forth in the Standard Industrial Classification Manual: *Provided,* That the Administrator shall consider for such identification at least the ten most energy-consumptive categories of major fuel burning installations as identified by such classifications.

"(2) In identifying categories of major fuel burning installations pursuant to this subsection, the Administrator shall take into account any special circumstances or characteristics of the category of such installations that will be subject to the rule.

"(c) Except as provided for in title I of this Act and sections 205, 206, and 211 of this title no new electric powerplant, nor new major fuel burning installation in a category identified pursuant to section 204(b) of this section shall utilize natural gas or petroleum as its primary energy source.

"(d) The Administrator may establish criteria consistent with sections 205, 206, and 211 of this title by which a person may apply for an exemption, a temporary exemption, or a stay for a new electric powerplant or a new major fuel burning installation in a category identified in subsection (b) from the requirements of section 204 of this title, but not including applicable environmental

requirements. Such exemptions or temporary exceptions may be granted at the discretion of the Administrator for such period of time as the Administrator determines.

"TEMPORARY EXCEPTIONS

"SEC. 205. (a) COMPLIANCE DATE EXTENSION.—The Administrator, upon application of the person owning, operating, constructing, or proposing to construct a new electric powerplant, or new major fuel burning installation in a category identified pursuant to section 204(b) of this title, may, for such powerplant or installation, grant a temporary exemption, in accordance with subsection (b) of this section, to the deadlines for compliance with the requirements of section 204(c) of this title if—

"(1) such person prior to the effective date of any prohibition pursuant to section 204 of this title, has submitted a compliance plan to the Administrator containing a compliance schedule for such powerplant or installation which the Administrator has approved pursuant to this section; and

"(2) the Administrator finds that such person has demonstrated that, despite good faith efforts of such person, one or more of the following items is not available for operation of such powerplant or installation in compliance with section 204(d) of this title:

"(A) sufficient quantities of coal or other fuel of the quality necessary to achieve compliance with applicable environmental requirements or conformance with boiler design requirements;

"(B) adequate transportation facilities for such coal or other fuel;

"(C) pollution control abatement equipment or devices, including flue gas desulfurization equipment and electrostatic precipitators, necessary to assure compliance with applicable environmental requirements; or

"(D) such other equipment or facilities as the Administrator determines are necessary for the reliable operation of such powerplant or installation; or

"(3) such powerplant or installation will comply with the requirements of section 204(d) of this title by the use of synthetic fuels derived from coal or innovative techniques for utilizing coal or other fuel.

"(b) The temporary exemption granted in subsection (a) of this section shall be for a period of time and upon such terms and conditions as the Administrator deems reasonable and necessary for the removal of the impediment to compliance with the requirements of section 204(d) of this title, upon which the requested extension is based.

"(c) The Administrator shall exempt from the penalties provided for in section 210 of the title any electric powerplant or major fuel burning installation granted a temporary exemption pursuant to subsection (a) of this section for the period of such exemption.

"(d) In no event may the action of the Administrator on a request for an extension under this section result in any delay in compliance with any applicable environmental requirement.

"EXEMPTION

"SEC. 206. (a) The Administrator, upon application by a person owning, operating, constructing, or proposing to construct or operate a new electric powerplant, or new major fuel burning installation in a category identified pursuant to section 204(b) of this title, proposing to use petroleum as its primary energy source shall, within one year of such application, grant an exemption with respect to petroleum from the requirements, prohibitions, and penalties of sections 204 and 210 of this title, if the Administrator finds that such person has demonstrated that—

"(1) despite good faith efforts (A) an adequate and reliable supply of coal or other fuel is not expected to be available during a majority of the first five years of operation or a majority of the useful life of such powerplant or installation; or (B) physical factors, and legal factors which cannot reasonably be expected to be overcome by diligent good faith efforts by the applicant; preclude compliance with the requirements of section 204 of this title because of site specific limitations, such as access to coal or other transportation facilities; and

"(2) in the case of a powerplant, despite good faith efforts, there is no reasonable alternative site—

"(A) at which an adequate and reliable supply of coal or other fuel allowable as a primary energy source pursuant to sections 204(a) and (c) of this title is or would be available during a majority of the first five years of operation or the majority of the useful life of such powerplant;

"(B) at which the other resources, facilities, etc., necessary for operation of the powerplant are expected to be reasonably available during a majority of the first five years of operation and a majority of the useful life of such powerplants;

"(C) at which neither the location of such alternative site nor the time schedule for construction will impair reliability of service;

"(D) at which a powerplant can be constructed and operated in compliance with applicable environmental requirements; and

"(3) in the case of a powerplant, there is not an alternative supply of power which can be obtained during the majority of the useful life of such powerplant from another source without impairing reliability of service;

"(4) the cost of using coal appreciably exceeds the cost of using imported petroleum.

"(b) The Administrator shall upon application by a person owning, operating, constructing, or proposing to construct or operate a new electric powerplant, or new major fuel-burning installation in a category identified pursuant to section 204(b) of this title grant an exemption with respect to the use of petroleum for such powerplant or such installation from the requirements, prohibitions, and penalties of sections 204 and 210 of this title, if the Administrator finds the applicant has demonstrated that—

"(1) such powerplant or installation is to be constructed and operated solely as a peakload powerplant or major fuel-burning installation; or

"(2) as of the date of effectiveness of the prohibitions and requirements of section 204 of this title, such powerplant or installation was in an advanced stage of construction such that imposition of such prohibitions or requirements would impose an unreasonable economic burden.

"(c) Any person proposing to construct a new powerplant, or new major fuel-burning installation in a category identified pursuant to subsection 204(b) of this title, may apply to the Administrator for an exemption under this section from the requirements of section 204 of this title and the Administrator may grant such an exemption upon a finding that compliance would not be in the public interest or would not be of significant value in serving the purposes of this title. The Administrator shall publish his findings within 12 months after filing of the application for exemption. If the Administrator's findings support an exemption, that exemption shall be granted upon publication of the findings.

"ENVIRONMENTAL REQUIREMENTS

"SEC. 207. For the purposes of sections 205, 206, and 211 of this title in order to ascertain environmental control equipment and fuel requirements necessary to comply with applicable environmental requirements, the Administrator shall consult, as appropriate, with the Administrator of the Environmental Protection Agency or appropriate State and local authorities.

"DISRUPTION OF ENERGY SUPPLY CONTRACTS

"SEC. 208. (a) Whenever the application of any of the provisions of this title to any new electric powerplant, or any new major fuel burning installation in a category identified pursuant to section 204(b) of this title, would result in prohibiting the use of natural gas or petroleum under contract as of the date of enactment of this title by any facility as its primary energy source, the sale, exchange, or other transfer of such natural gas or petroleum by any such powerplant or installation shall not be prevented or otherwise impaired by the force majeure or other clauses of any contract under which, but for the application of the requirements of section 204(c) of this title, such natural gas or petroleum products would have been provided to such powerplant or installation.

"(b) COMPENSATION.—(1) Whenever the application of the requirements of section 204 of this Act to any new electric powerplant or any new major fuel burning installation would result in prohibiting any person from utilizing intrastate natural gas which such person contracted for prior to the date of enactment of this title, then such person shall be eligible for just compensation from the person or persons (designated by the Administrator) to whom such gas is subsequently delivered. The person or persons to whom such natural gas is delivered shall make payment of just compensation to the person to whom the prohibition applies and to any person who but for such prohibition would have transported such natural gas to such facility. The person or persons who pay such just compensation shall, upon payment thereof, be entitled to assume any contractual rights which the person to whom the prohibition applies may have with respect to such natural gas. If the charges for transportation or sale of natural gas delivered pursuant to such a contract were not regulated under the Natural Gas Act prior to its assumption under this subsection, the assumption of such contract under this subsection and transportation or sale of such natural gas under such contract after its assumption shall not be subject to the Natural Gas Act.

"(2) For purposes of this subsection, the term 'just compensation' means compensation for—

"(A) increased fuel costs, if any, incurred by the electric powerplant or major fuel burning installation to which the prohibition applies; and

"(B) loss of revenue, if any, incurred by the person who transported gas to such powerplant, to the extent such loss would not have occurred but for such prohibition.

"(3) The amount of such compensation shall be determined on the record after agency hearing by the Administrator. A prohibition on the use of natural gas under this title may take effect before the amount of such compensation is finally determined by the Administrator. The Administrator may order any person to pay the amount of compensation established by the Administrator or to adjust rates of payment to reflect underpayments or overpayments.

"RULES AND REGULATIONS

"SEC. 209. (a) The Administrator shall promulgate such rules, regulations, and procedures as may be necessary to carry out the functions and powers vested in the Administrator by this title.

"(b) Nothing in this title or in any rule promulgated or order issued pursuant thereto shall impair any requirement, prohibition, or duty imposed pursuant to title I of this Act or any authority covered thereby.

"ENFORCEMENT AND PENALTIES

"SEC. 210. (a) It shall be unlawful for any person to violate any provisions of this title or to violate any rule, regulation, requirement, or order issued pursuant to this title.

"(b)(1) Whenever, on the basis of any in-

formation available, the Administrator finds that any person is in violation of any provision of this title or any rule, regulation, requirement, or order issued pursuant to this title, the Administrator shall issue notice of such violation and may issue an order requiring compliance with such provision, rule, regulation, requirement, or order.

"(2) Any order issued under this section shall be in writing and shall state with reasonable specificity the nature of the violation and specify a time for compliance which the Administrator determines is reasonable, taking into account the seriousness of the violation and any good faith efforts to comply with applicable requirements of this title.

"(c) (1) Any person who violates any provision of this title shall be subject to a civil penalty of not more than $10,000 for each violation. Each day that such violation continues shall be deemed a separate violation.

"(2) Any person who willfully violates any provision of this title shall be fined not more than $25,000 for each violation. Each day that such violation continues shall be deemed a separate violation.

"(3) Whenever it appears to the Administrator or any person authorized by the Administrator to exercise authority under this title that any person has engaged or is engaged in acts or practices constituting a violation described in subsection (a) of this section the Administration or such person may request the Attorney General to bring a civil action to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. In such action, the court may also issue mandatory injunctions commanding any person to comply with any provision, the violation of which is made unlawful by subsection (a) of this section.

"(4) Any person suffering legal wrong because of any act or practice arising out of any violation of subsection (a) of this section may bring a civil action for appropriate relief, including an action for a declaratory judgment of writ of injunction. United States district courts shall have jurisdiction of actions under this paragraph without regard to the amount in controversy. Nothing in this paragraph shall authorize any person to recover damages.

"(d) The owner, operator, or lessor of any new electric powerplant or new major fuel-burning installation, granted an exemption under section 206(b)(1) as a peakload electric powerplant or major fuel-burning installation, which, for any consecutive 12-month period operates in excess of 1,500 equivalent full-load hours, shall be liable for a civil penalty of up to $10 per barrel of oil or $3 per thousand cubic feet of natural gas, used in excess of the equivalent of one thousand five hundred full-load hours, except (1) as provided for in sections 202(k) and 211 of this title or (2) in the case where the owner, operator, or lessor can demonstrate that operation in excess of one thousand five hundred hours was necessary to meet peak load demand or where other peak load electric powerplants within the system were unavailable for service due to unit or system outages, provided that the combined use of the affected peak load units or installations on the system does not exceed the equivalent of one thousand five hundred full load hours for all such affected units in any calendar year. In such a case, the owner, operator, or lessor of such a peak load power plant or major fuel-burning installation shall be liable for a civil penalty of up to $10 per barrel of oil or $3 per thousand cubic feet of natural gas should his equipment be used in excess of the equivalent of one thousand five hundred full-load hours, average use, of all affected peak load electric powerplans within the utility system.

"(e) For purposes of this section, the term 'person' shall not include the Federal Government, including corporations, departments, Federal agencies, and other instrumentalities.

"EMERGENCY POWERS

"SEC. 211. (a) The Administrator may stay or otherwise exempt for such period as the Administrator deems appropriate, the application of the requirements, prohibitions, and penalties of sections 204(d) and 210 of this title—

"(1) in the event of national, regional, or statewide shortages of coal or other fuel supplies or of coal transportation facilities or other necessary facilities which may or will affect reliability service of new electric powerplants subject to such requirements and prohibitions; or

"(2) otherwise as necessary to alleviate or prevent any emergencies directly affecting the public health, safety, or welfare, which would result from electric power outages.

"(b) The Administrator shall stay the application of the requirements and prohibitions of section 204(d) of this title for such periods as necessary to implement enforceable air pollution requirements.

"(c) Any allocation of coal or coal transportation must be documented and a report stating the need, justification and results of such allocation must be filed with the Administrator and available as public information.

"FEDERAL FACILITIES

"SEC. 212. Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any new electric powerplant, or new major industrial fuel-burning installation in a category identified pursuant to section 204 (b) of this title shall comply with the requirements and prohibitions of this title. The President may exempt any such powerplant or installation of any department, agency, or instrumentality in the executive branch from compliance with such requirement or prohibition, if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriations as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. The President shall report each January to the Congress all exemptions granted under this section from the requirements and prohibitions of this Act during the preceding calendar year, together with his reason for granting each such exemption.

"REPORT

"SEC. 213. Beginning one year after the date of enactment of this title, the Administrator shall report annually to the Congress on the implementation of this title.".

Mr. HUDDLESTON. Mr. President, I am pleased to join my distinguished colleague from West Virginia (Mr. RANDOLPH) in cosponsoring a bill designed to encourage the increased utilization of coal.

The measure would require, to the extent practicable, that new electric powerplants and new major fuel burning installations utilize other than natural gas or petroleum as their primary energy source in compliance with applicable environmental requirements. Further, it would extend until Septemer 30, 1980, the Federal Energy Administration's authority under existing law to require conversions of existing facilities where possible. As a complement to this, I am also cosponsoring the Coal Substitution Incentive Act—introduced by the distinguished Senator from Minnesota—to provide limited, temporary assistance for the purchase of pollution abatement equipment by firms converting to coal.

The concepts behind these proposals are not new. Rather, these bills are an incorporation of many of the best recommendations which have emerged in extensive hearings and debate on similar proposals in previous congresses.

Indeed, we have known for a long time that economic considerations and national security require the development and use of fuels other than oil and natural gas. Yet, these two fuels continue to account for approximately 75 percent of our total domestic energy consumption as our domestic reserves dwindle and costly and largely unreliable imports increase. In 1976, 41 percent of our petroleum requirements were imported at a cost of over $34 billion—11 times what we spent for such imports in 1970, and $160 for every man, woman, and child in America. Further, the Federal Energy Administration projects that this percentage will increase to 46 percent by the end of this year and over 50 percent by 1985. We cannot afford to let that happen.

Coal and synthetic fuels from coal are an attractive alternative. Recoverable coal reserves are estimated at about 219 billion tons—enough for more than 300 years at the present rate of consumption. And, that coal can be liquefied or gasified into relatively clean fuels which would require minimal change in fuel distribution and use patterns. But coal—our most abundant and versatile fossil fuel—accounts for only 19 percent of our energy consumption.

It is time to end the huge disparity between domestically available energy resources and our current mix of fuels utilization. Coal, which fueled the industrial revolution that made the United States a world power, can help to keep us one if given the boosts it needs to reassume its rightful place as a major energy source.

Since the Arab oil embargo, significant strides have been made toward that goal. Coal's share of the Federal energy research and development budget has increased substantially. Coal gasification and liquefaction plants—five of them in my own State of Kentucky—are gaining approval and funding. Under existing authorities to be extended by the bill being introduced today, 74 existing powerplants have been identified as candidates for conversion from oil and gas and almost half have actually started burning coal.

Clearly, coal production is up and use is increasing—but not enough. A lot remains to be done, and we can ill afford to wait for another embargo or crisis to jolt us into doing it.

The national interest will be well served by the swift passage and implementation of these measures.

By Mr. CANNON:

Senate Joint Resolution 8. A joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and the Vice President of the United States; to the Committee on the Judiciary.

Mr. CANNON. Mr. President, I intro-

duce for appropriate reference a joint resolution to amend the Constitution of the United States with respect to the election of the President and Vice President.

This resolution provides for the proportional casting of electoral votes in each State and the District of Columbia in exact ratio to the popular votes cast for each candidate for President and Vice President at the polls throughout the Nation on election day.

It is a matter of great familiarity to all Members of the Senate, I am sure, that today's method of electing the highest officers in the United States is antiquated and inequitable. The winner of the popular vote in any given State receives all of the electoral votes and the loser receives none. This winner-take-all system may not appear to be unfair when an election is won by a clear majority of all the votes cast. But when an election is hotly contested and the margin of victory is narrow, then the electoral votes in each State are extremely important. The swing of electoral votes in a few large States, or even in a number of smaller States, could change the results of an election.

Mr. President, my bill would eliminate the winner-take-all factor and would insure the fair and accurate apportionment of electoral votes among the candidates for President and Vice President.

The popular votes in each State and the District of Columbia would be counted and certified to the Congress where each person for whom votes were cast would be credited with the proportion of the electoral votes he would be entitled to in direct ratio to the popular votes cast for him in each State and the District of Columbia. Electoral votes would be reduced to fractions down to one one-thousandth of an electoral vote. This precise method would insure to the people a kind of guarantee that the candidates of their choice would receive the votes cast for them.

Another benefit of this bill would be the elimination of the unfaithful elector—one who is charged with casting an electoral vote for the winner of the presidential election in a given State, but who violates his trust and votes for some other person. Thus, a bona fide candidate is denied an important electoral vote. That practice must be prohibited. It would be impossible under my bill since proportional electoral votes would be given to each candidate without the services of presidential electors.

Finally, but of equal importance, my bill would preserve the electoral votes, if not the electors, as provided for in the U.S. Constitution. In principle, the electoral votes were intended to impart some balance among the States by giving each, one electoral vote for each U.S. Senator, and to reflect the population of each State, an additional electoral vote is given for each Representative.

If all electoral votes were cast on the basis of popular votes, the existing system would still be most desirable, but when losers receive nothing or when electoral votes are cast facetiously, then it is time for a change to a better, more equitable system.

I hope that this bill and others like it will be given early consideration so that in the next Presidential election, we will have a truly fair and accurate method for counting and apportioning votes cast for presidential and vice presidential candidates.

By Mr. JAVITS (for Mr. BROOKE, for himself, and Mr. GLENN, Mr. HART, Mr. HASKELL, Mr. HUMPHREY, Mr. MAGNUSON, Mr. CHURCH, Mr. HATFIELD, Mr. KENNEDY, Mr. WEICKER, Mr. JAVITS, Mr. MCGOVERN, Mr. CASE, Mr. STAFFORD, Mr. STEVENS, Mr. WILLIAMS, Mr. STEVENSON, Mr. PERCY, Mr. CLARK, Mr. PELL, Mr. METZENBAUM, Mr. DECONCINI, Mr. BAYH, Mr. CULVER, Mr. MCINTYRE, Mr. STONE, Mr. ABOUREZK, Mr. BUMPERS, Mr. LUGAR, Mr. PEARSON, Mr. BELLMON, Mr. CRANSTON, Mr. GRAVEL, Mr. DANFORTH, Mr. DOLE, Mr. JACKSON, Mr. PROXMIRE, Mr. MATHIAS, Mr. GRIFFIN, Mr. NELSON, Mr. EAGLETON, Mr. MATSUNAGA, Mr. BURDICK, Mr. BIDEN, Mr. MUSKIE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. RIEGLE, Mr. FORD, Mr. SARBANES, Mr. HUDDLESTON, Mr. RIBICOFF, Mr. HEINZ, and Mr. WALLOP):

Senate Joint Resolution 9. A joint resolution designating January 15 of each year as "Martin Luther King Day"; to the Committee on the Judiciary.

MARTIN LUTHER KING DAY

Mr. JAVITS. Mr. President, tomorrow, January 15, marks the 48th anniversary of the birth of Dr. Martin Luther King, Jr. It is a most appropriate time to honor this great man and the dream he articulated for all Americans.

The year of his death, 1968, seems very far behind us today. In large part, passions have cooled and the flames of anguish, bitterness and frustration that consumed the Nation in that tumultuous year have died away. What is left to us, in the perspective of history and of our image of ourselves as a Nation and a people is the vision that Martin Luther King lived for, the dream for which he died.

That vision was not just for black Americans, or for oppressed minorities, or even just for the poor. It embraced all Americans in the quest to bring to full fruition our fundamental principles, that "all men are created equal," and with an equal right to "life, liberty, and the pursuit of happiness." Dr. King's vision was an America purged of racial prejudice, hatred, and fear; at peace with itself and united by new bonds of Christian brotherhod and reconciliation.

In the face of every threat to his life and safety, and those of his friends and family, and despite all the violence and humiliation to which he and his followers were subjected, Dr. King held to his belief in nonviolence.

Some have said that Dr. King had a naive optimism in nonviolence. But his militant nonviolence accomplished more in his short lifetime than all the violence of the racists, black or white. He set the civil rights movement on a new course in the United States, and it will yet prevail. He helped to unify the races by showing what one man could do by believing in brotherhood. Others are continuing and will continue, his work. The dream of true equality of rights and opportunities without regard to race is nearer because of Martin Luther King.

In this Bicentennial era, I can think of no man whose life better symbolizes the principles on which this Nation was founded—the principles of freedom for which generations of Americans have fought and died—for which Martin Luther King fought and died.

Today, Mr. President, as one way of insuring renewed dedication to his goals of freedom and equality, I would like to introduce, as I did in 1968, 1969, 1971, 1973, and 1975, a resolution making the birthday of Martin Luther King, Jr., January 15, a national day of commemoration. This day of commemoration will always remind us of how we must respect and understand one another if we are ever to realize the principles upon which this Nation was established.

I am very pleased that a majority of the Senate has cosponsored this resolution. And I am hopeful that this overwhelming support is an indication of how expeditiously we will consider and pass this important legislation.

I ask unanimous consent that the text of this resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 9

Designating January 15 of each year as "Martin Luther King Day"

Whereas the United States of America was deeply grieved by the vicious and senseless act which ended the life of the Reverend Dr. Martin Luther King, Junior, this country's apostle of nonviolence;

Whereas the United States of America, and its Senators and Representatives in Congress, recognize and appreciate the immense contribution and sacrifice of this dedicated American;

Whereas the American people are determined that the life and works of this great man shall not be obscured by violence and anger, but rather that they shall remain a shining symbol of the Nation's nonviolent struggle for social progress;

Whereas it is incumbent upon us to recognize that violence, hatred, and national division do no honor to the man who has been taken from us;

Whereas mutual respect and a firm commitment to the ideals of nonviolence for which he labored will be the most lasting memorial to the life of the Reverend Doctor Martin Luther King, Junior;

Whereas it is fervently hoped that his death may serve to reconcile those among us who have harbored hatred and resentment for their fellow Americans, to the end that our country may at last realize the ideal of equality set forth in our Constitution: Therefore, it is hereby

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in honor of the Reverend Doctor Martin Luther King, Junior, who was born on January 15, 1929, January 15 of each year is hereby designated as "Martin Luther King Day". The President is authorized and requested to issue a proclamation each year calling upon the people of the United States to commemorate the life and the service to his country and its citizens of the Reverend Doctor Martin Luther King, Junior, and to observe that day with appropriate honors, ceremonies, and prayers.

By Mr. ABOUREZK:

Senate Joint Resolution 10. A joint resolution to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission; to the Committee on Interior and Insular Affairs.

Mr. ABOUREZK. Mr. President, on November 23, 1976, the members of the American Indian Policy Review Commission, which I chair, voted to extend the time in which the American Indian Policy Review Commission must submit its final report to Congress by 3 months. Since the original submission date was set forth in Public Law 93–580, which provided for the establishment of the American Indian Policy Review Commission, such extension requires an amendment to the authorization. This amendment which in effect establishes May 18 as the final date for submission of the Commission report will not extend or alter the expiration date of the American Indian Policy Review Commission as established in section 5a of Public Law 93–580, which is June 30, 1977. The 3-month extension will also necessitate an increase in the appropriations. Since the full amount authorized for the American Indian Policy Review Commission, $2,500,000, has been appropriated, I am requesting that an additional authorization of $100,000 be provided to complete the important work of the American Indian Policy Review Commission.

By Mr. STONE (for himself, Mr. ROBERT C. BYRD, Mr. JACKSON, Mr. RANDOLPH, Mr. CHILES, Mr. NUNN, Mr. HATFIELD, Mr. MELCHER, and Mr. DANFORTH):

Senate Joint Resolution 11. A joint resolution providing for a National Leadership Conference on Energy Policy to be held during 1977; to the Committee on Interior and Insular Affairs.

NATIONAL LEADERSHIP CONFERENCE ON ENERGY POLICY

Mr. STONE. Mr. President, I am today introducing, with several other Senators, a resolution which calls upon the President of the United States to convene a national leadership conference on energy policy. On August 27, 1976, the Senate passed an almost identical resolution, Senate Joint Resolution 206. Unfortunately, the same resolution introduced by Congressman HARLEY STAGGERS, chairman of the Interstate and Foreign Commerce Committee, was not acted upon by the House of Representatives before the 94th Congress adjourned. I am introducing this resolution again because the country does not as yet have a comprehensive, national energy policy. This is the case despite the fact that our dependence on foreign sources of energy is increasing and our vulnerability to any future embargo is greater than ever before.

The dangerous situation we are in was recently dramatized by the ability of the Organization of Petroleum Exporting Countries to increase yet again the price of crude oil. Even though Saudi Arabia and the United Arab Emirates will apparently keep this price increase less than expected, the fact remains that our country and other industrial countries must pay whatever price the OPEC nations decide to set. This is certainly an intolerable situation.

Mr. President, the new administration has a unique opportunity to lead the Nation toward the development of an effective national energy policy. Certainly, a fresh approach is needed and I am confident that President-elect Carter will provide that approach. In my opinion, the National Leadership Conference on Energy Policy, as called for by this resolution, would be of considerable assistance to the new President in this respect. I have presented the suggestion of a National Energy Conference to President-elect Carter and his energy advisers. The introduction of this resolution today is in the spirit of suggestion and with the belief that such a conference can help the President and the Congress to come to grips with the continuing energy problem.

In directing the President to convene a National Leadership Conference on Energy Policy, this resolution seeks to renew the public's concern and attention with respect to the Nation's energy crisis and to stimulate the development, adoption, and implementation of a comprehensive national energy policy.

The resolution sets forth a list of individuals, institutions, organizations, and citizens groups which shall be represented at the conference, including Members of Congress and other Government officials; representatives of energy industries, public utilities, industrial and financial trade organizations; representatives of environmental, conservation, agricultural, and consumer organizations; representatives of organized labor; and individual citizens with particular academic, scientific, or other special expertise in the energy field.

The 1973 embargo on petroleum exports imposed by the Organization of Petroleum Exporting Countries shocked the economies of the United States and other industrialized countries. In this country, inflationary pressures were dangerously exacerbated and the recession was deepened. Unemployment increased dramatically in sectors of the economy particularly dependent on energy consumption. America's national security interests and position within the community of nations were adversely affected. The OPEC embargo dramatized how precariously dependent America had become on foreign sources of energy. It also underscored how wasteful America had become in its consumption of energy.

Before, during, and after the embargo, the 93d Congress took a number of significant actions in the energy field, including the enactment of the Emergency Petroleum Allocation Act; the establishment of a major energy research and development program; and the creation of the Federal Energy Administration to administer allocation and pricing programs, collect energy information, and develop new energy policies.

Although the end of the embargo alleviated some of the immediate problems facing the country, the fundamental problems of increasing dependence on foreign energy sources and increasing energy demand remain. Energy prices have quadrupled in 3 years and are increasing. Our economy and our national security are more dependent than ever before on unreliable sources of energy.

With this situation in mind, the 94th Congress considered and debated numerous legislative proposals dealing with various aspects of the Nation's energy crisis. Countless days of public hearings were conducted by many different committees of the Senate and House of Representatives. A number of significant measures were enacted including the Energy Policy and Conservation Act, the Naval Petroleum Reserves Production Act, and the Energy Conservation and Production Act. These measures provide, among other things, for the development of a Strategic Reserve System, the administration of domestic energy pricing policies, and the establishment of major conservation programs.

Despite the enactment of these and other statutes, Mr. President, experts and Government leaders remain divided and uncertain as to the contents of an effective national energy policy and the public appears to have become indifferent. Energy demand, having leveled off for 2 years following the embargo, is rising again as economic recovery proceeds. Although the short-term supply situation appears secure, America's dependence on foreign sources of energy continues to increase and OPEC continues to raise its prices for petroleum and petroleum products.

We remain today—as we were at the time of the 1973 embargo—dangerously dependent upon OPEC for our vital energy supplies. Until this situation is corrected, our national security—as well as our economic well-being—will to a large extent be subject to decisions made beyond our shores and over which we have no control.

I respectfully suggest, Mr. President, that we have come to a point of national indifference toward America's energy supply. As a people we seem to prefer the illusion of short-term comfort to the reality of dealing with our fundamental energy problems. Ironically, this apathy is increasing as the country begins to recover from the economic recession and has a higher demand for energy. If the recovery continues—as we hope it would—demand for more energy must be expected to rise in tandem.

An example is the increased demand for motor gasoline. For the month of September 1976, demand for motor gasoline was 7.08 million barrels per day. Compared to the same period in the last 3 years, demand was up 5.2 percent over 1975; 10.8 percent over 1974; and 7.6 percent over 1973. Motor gasoline demand for the year 1976 to date—ending in September—was up 4.6 percent over the same period for 1975; 7.2 percent over 1974; and 4.1 percent over 1973.

In order to rekindle our national resolve and to focus our thinking about energy, I propose that the conference should convene soon enough to lay the groundwork for a Presidential and congressional energy policy initiative early this year. The recommendations of the conference should provide a springboard

for the President and the Congress to achieve a truly comprehensive energy program for the country.

As set forth in section 2 of the joint resolution, the conference would consider alternative policies available to the United States in resolving the energy problems confronting us. The conference would review our present situation, analyze our opportunities and difficulties, and construct proposals which would form the basis for an immediate national energy policy. In this process, the conference would consider the development of reliable sources of energy, the need for meaningful energy conservation, the economic, environmental, and international as well as domestic impact of specific energy proposals.

Section 3 of the joint resolution directs the President to establish a conference committee, composed of 15 individuals representative of conference participants, to plan the conference pursuant to Presidential guidelines. It provides for the staffing of the conference under the authority of and direction of the conference committee. The conference committee should be directed by the President to consult with interested citizens, organizations, and associations at every stage of planning and structuring the conference, in order to assure that the format and focus of the conference reflects the whole range of concerns and viewpoints regarding energy.

Section 6 of the joint resolution provides for the authorization of such sums of money as are necessary to carry out the provisions of the resolution. The Conference Planning Committee would have control over the cost of the energy conference, but it could be and should be as inexpensive as possible. As in the case of past Presidential conferences, I anticipate that most of the particants would pay their own way in order to present their views at such a crucial symposium.

The main focus of this conference is to be the development of a near-term energy policy. While we have much to accomplish in the area of research and development for new energy sources and improved technology, the Nation's most urgent need is to put into place an energy policy which will assure reasonable economic growth, encourage meaningful conservation, and safeguard the environment over the next 10 years. The conference should concentrate on what should be done now to encourage greater domestic production of oil, gas and coal recognizing that the American economy and standard of living will continue to require enormous amounts of energy.

We need to review and analyze the impact of present Government policies including oil and gas price control, Federal coalmining regulation, and Federal tax provisions—to determine their impact on America's energy situation. Although the 94th Congress enacted the Energy Policy and Conservation Act of 1975 and worked hard on other legislation affecting energy, we do not have either a clear understanding of the resulting impact of the present energy legislation or the proper future role of Government regulation in the energy field.

The conference should give attention to at least five areas which bear upon the formulation of a national energy policy. These areas are: the worldwide energy situation, energy resources in the United States, the social, economic, and political implications of energy policy options, the environmental implications of energy policy options, and energy conservation. All of these areas interrelate and these relationships should also be explored.

Most Americans realize that there can be no consideration of America's energy needs without reference to the international energy situation. The OPEC cartel controls crucial production and pricing levels. To a great extent, the economics of the industrial West and Japan and the survival and development capabilities of the Third World are tied to OEPC supplies. The possibility of changing this control seems remote; therefore, we have to review the international situation carefully in the process of developing a national energy policy.

The conference will want to study our own American resources. Our highly developed technological capabilities and our abundant natural resources give the United States a unique position among industrialized nations in meeting future energy needs. Taken together and properly fastened, we may have sufficient sources of oil, gas, coal, and nuclear power to meet our energy needs in the near future. How wisely we use these resources and this technology will in large part determine our future economic development and national security.

There is a price to be paid for new energy development or the lack thereof. The impact of alternative energy policies on our way of life must be recognized. It is incumbent upon us as a people to chart a course somewhere between ill-considered development and no development at all. The conference must address these matters.

There is a strong sentiment that energy development in this country must not be undertaken without first carefully considering the impact on the environment. We have already paid a high price for the random energy development practices of the past. Only the orderly and intelligent use of the Nation's energy resources can provide for continued economic development without ruining our precious natural heritage. The National Leadership Conference on Energy Policy should review carefully the relationship between the need for energy development and the imperative of preserving the environment.

Additionally, Mr. President, the conference must look to energy conservation. No nation wastes more energy than the United States. A significant amount of our consumption is mindlessly lost without purpose. As yet, neither the Federal Government nor State governments have implemented an effective energy conservation program. Consumption levels must be reduced, however, without undue disruptions to the essential requirements of our economy and standard of living. What we need, and what the conference should work toward, is a practical and equitable conservation program for the country that will have the support of the American people.

Mr. President, we need a comprehensive energy program now. Waiting earns us nothing and may cost us plenty in lost jobs, another round of inflation, and low national morale. Our energy problems are serious—and they are not going away by wishful thinking. Let us marshal our resources—our advanced technology, our material abundance, our diplomatic skills, and our "can do" spirit—and direct them toward our most critical continuing dilemma—energy. To do less is to invite disaster.

For all these reasons, Mr. President, the resolution I have submitted today, calling for what amounts to a summit conference on energy, should be agreed to and implemented.

Mr. President, I would like to include in the RECORD a chart of U.S. petroleum imports for the period of January through September 1976. I ask unanimous consent that this chart, some other articles, and the text of the joint resolution be printed at this point in the RECORD.

There being no objection, the joint resolution and material were ordered to be printed in the RECORD, as follows:

S.J. RES. 11

Whereas the United States continues to face critical problems relating to energy, despite enactment in 1975 of the Energy Policy and Conservation Act;

Whereas because of insufficient development of reliable domestic energy sources, such as oil, gas, and coal, and insufficient energy conservation programs, United States dependence on unreliable foreign energy sources continued to increase during 1976;

Whereas the Nation's security, economic vitality, and environmental well-being depend upon the adoption of a comprehensive energy policy to resolve these problems; and

Whereas the successful development and implementation of such a policy requires the active support of the American people and the cooperation of all levels and branches of government: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall call a National Leadership Conference on Energy Policy (hereafter in this joint resolution referred to as the "Conference") to convene in Washington during 1977. The President shall, not later than April 1, 1977, announce the beginning date of the Conference.

SEC. 2. (a) It shall be the purpose of the Conference to consider alternate policy approaches available to the United States with respect to energy. In particular, the Conference shall develop specific proposals to increase the supply of energy from reliable sources with minimum impact on the environment, and decrease domestic energy demand in ways not harmful to America's economic recovery, which shall form the basis for the development of a national energy policy to be implemented during 1977 and thereafter.

(b) The Conference shall be composed of, and bring together—

(1) Members of the Congress and Federal, State, and local government officials with responsibility over energy policies and programs;

(2) representatives of energy industries;

(3) representatives of public utilities;

(4) representatives of environmental and conservation organizations;

(5) representatives of consumer organizations;

(6) representatives of industrial and financial trade associations;

(7) representatives of organized labor;

(8) representatives of the academic and scientific communities;

(9) representatives of agricultural groups; and

(10) individual citizens with particular expertise in the energy field.

SEC. 3. (a) Within thirty days after January 22, 1977, the President shall appoint a committee which shall make all necessary arrangements and preparations for the Conference. The committee shall consist of fifteen members and shall, insofar as possible, be representative of members of the Conference. The President shall designate one of the members of the committee to serve as chairman and one to serve as vice chairman.

(b) The committee shall prepare and make available background materials for the use of members of the Conference.

(c) The committee is authorized—

(1) to request the cooperation and assistance of other Federal departments and agencies in order to carry out its responsibilities, and

(2) to employ such personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 51, and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, but no individual so employed may be paid compensation at a rate higher than the annual rate of level V of the Executive Schedule under section 5316 of such title.

(d) Each Federal department and agency is authorized and directed to cooperate with and provide assistance to the committee upon its request.

SEC. 4. Members of the Conference and members of the committee shall, when attending the Conference or when attending to the business of the committee, as the case may be, and away from their homes or regular places of business, be allowed travel expenses, including per diem in lieu of subsistence, as may be authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

SEC. 5. A final report of the Conference, containing such findings and recommendations as may be made by the Conference, shall be submitted to the President not later than sixty days following the close of the Conference, which final report shall be transmitted to the Congress and made public.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

TOTAL U.S. PETROLEUM IMPORTS BY COUNTRY OR AREA SOURCE

[Thousands of barrels per day]

1976	January	February	March	April	May	June	July	August	September	9 mo Average	9 mo Percent of imports
OPEC:											
Algeria	345	357	329	446	411	501	548	510	435	432	6.1
Iraq	0	0	0	0	0	0	0	32	124	17	.2
Kuwait	5	21	3	0	0	2	4	0	11	5	.1
Libya	451	328	379	356	362	488	487	464	491	423	6.0
Qatar	13	11	12	11	10	0	39	46	41	20	.3
Saudi Arabia	1,112	1,081	1,158	1,027	1,141	1,205	1,328	1,318	1,288	1,185	16.8
United Arab Emirates	119	119	159	196	214	290	305	228	335	219	3.1
Total Arab OPEC	2,045	1,917	2,040	2,036	2,138	2,486	2,711	2,598	2,725	2,301	32.6
Ecuador	50	13	42	66	59	47	60	47	17	45	.6
Gabon	18	50	27	5	67	21	9	8	5	23	.3
Indonesia	478	465	552	468	485	604	581	555	570	529	7.5
Iran	387	241	287	323	184	323	374	294	275	299	4.3
Nigeria	782	831	905	997	855	1,128	1,137	1,029	1,173	982	14.0
Venezuela	534	781	457	497	488	668	808	704	933	651	9.3
Total non-Arab OPEC	2,249	2,381	2,270	2,356	2,138	2,791	2,969	2,637	2,973	2,529	36.0
Total OPEC	4,294	4,298	4,310	4,392	4,276	5,277	5,680	5,235	5,698	4,830	68.6
OPEC as a percent of total imports	65.0	65.7	65.1	66.7	67.6	70.6	72.0	70.9	72.0	68.6	
Canada	682	645	590	578	615	653	582	581	565	610	8.7
Mexico	59	70	103	112	89	80	79	88	85	86	1.2
Central America/Caribbean	970	965	942	819	772	777	843	894	934	879	12.5
Non-OPEC South America	362	357	329	307	293	333	332	206	218	304	4.3
Non-Communist Europe	90	65	158	152	125	149	125	417	184	133	1.9
Non-OPEC Africa	98	65	91	100	51	103	73	68	84	81	1.1
Non-OPEC Asia	18	6	26	31	24	14	42	21	51	27	.4
Non-OPEC Middle East	3	15	17	26	17	27	19	45	57	25	.4
Communist nations	15	21	26	38	29	19	55	40	22	29	.4
Oceania	19	36	27	34	32	47	60	57	15	36	.5
Total non-OPEC	2,316	2,245	2,314	2,197	2,047	2,202	2,210	2,147	2,215	2,210	31.4
Eastern Hemisphere	3,934	3,676	4,129	4,176	3,975	4,874	5,133	4,816	5,146	4,431	62.9
Western Hemisphere	2,676	2,877	2,495	2,413	2,348	2,605	2,757	2,566	2,767	2,609	37.1
Total imports	6,610	6,543	6,624	6,589	6,323	7,479	7,890	7,382	7,913	7,040	100.0
Total U.S. domestic demand	18,543	17,340	17,239	16,597	15,977	16,836	16,613	16,642	16,825	16,987	
Imports as a percent of domestic demand	35.6	37.7	38.4	39.7	39.6	44.4	47.5	44.4	47.0	41.4	
OPEC imports as a percent of domestic demand	23.1	24.8	25.0	26.5	26.8	31.3	34.2	31.5	33.9	28.4	
Arab OPEC imports as a percent of domestic demand	11.0	11.1	11.8	12.3	13.4	14.8	16.3	15.6	16.2	14.9	

[From the St. Petersburg Times, Aug. 2, 1976]

OIL TIME BOMB

The 200th year of American independence is also the third year of Project Independence—1980, the resolute but fleeting national commitment to make the United States invulnerable to any future Arab oil embargo.

Its purpose, said Richard Nixon in November, 1973, was "to insure that by the end of this decade, Americans will not have to rely on any source of energy beyond our own." "Our independence," he said, "will depend on maintaining and achieving self-sufficiency in energy."

After those first exuberant months, the goal for achieving self-sufficiency was set back to a more realistic 1985. And since then, with gasoline plentiful at the pumps, it has effectively disappeared from official exhortation, and from the public consciousness.

Meanwhile, our dependence on foreign oil has increased, not diminished; imports have risen steadily since 1974 and in March crept above the level of 8-million barrels a day for the first time in history. At that level, oil imports exceed domestic production.

As long as Middle East oil is available, the principal effect of such heavy imports—serious enough—is financial. But what if events in that part of the world lead to another Arab embargo, as in 1973–74? The answer given by Elliott Richardson, U.S. Secretary of Commerce, is chilling.

The economic consequences, said Richardson last week, "would be literally catastrophic . . . Pressures would mount for a prompt international 'solution'. Some, no doubt, would argue for abandonment of our traditional support of Israel. Others would demand forceful intervention against the Arabs. Either course of action could fundamentally destabilize the international balance of power—and threaten ultimately to involve the United States in a major military struggle."

Few knowledgeable people disagree with this grim assessment.

Real progress toward energy independence calls first for strong, effective conservation measures. Too much of our energy consumption is recklessly wasteful. It requires, also, greatly expanded research and development of alternative sources, including utilization of solar energy.

Only government can supply the necessary funds for research and the leadership for conservation. The leadership must be not only truthful, but believable. In a recent survey, 32 per cent of those questioned believed that the gasoline shortage of three years ago was unreal and contrived.

Given confidence that the government knows what it is doing, and that it is telling the truth, an overwhelming majority would respond.

[From the Washington Star, Sept. 16, 1976]

ENERGY POLICY OUT OF STEAM

(By James J. Kilpatrick)

What ever became of a national energy policy? It hasn't been heard from lately. An uneasy impression will not go away that in terms of both conservation and development, we are drifting.

Here in Washington, one listens for the impact of hard decisions; and one hears mainly the soft shuffle of papers. The several agencies concerned with energy appear to be laboring mightily; whatever shortages one hears about, there is no shortage of statements, reports, speeches and miscellaneous publications. Talk is in over-supply. But of action, one perceives very little.

Two or three years ago, it appeared that a small sense of urgency was beginning to take root. The oil embargo that began in October of 1973 had some good effect: For the first time, great numbers of our people became aware of certain truths that should have been evident all along. These were truths about the nature of the world, and about the nature of energy. We had never thought much about them.

Suddenly there was recognition that the United States, which depends upon oil for its economic life, was criticaly dependent upon oil from foreign sources. It began to sink in that conservation and development were problems not only for America, but for the world. The think-tank experts had been warning for 30 years that time was running out on "cheap energy." Now the warnings were being heard. The government leaped to its saddle and rode off in all directions.

The embargo ended in mid-March of 1974. What happened to the fired-up sense of urgency? The steam leaked out. Little remains of the conservation programs of 1974. Our cities are brilliantly lighted by night. The 55-mile speed limit is universally disdained. Nobody even talks much about conservation anymore.

The American Petroleum Institute has the most authoritative figures on the oil picture. This is the sobering fact: We are now importing 41 per cent of our demand. In the period immediately before the embargo, imports from the Arab nations averaged 1.1 million barrels per day. That figure is now 2 million barrels per day. Despite significant improvements in automobile engines, demand keeps rising steadily.

Urgency has faded not only on the conservation side, but on the development side also. We ought to be far along in the drilling of test wells in promising offshore areas; progress is exceedingly slow. The development of nuclear power plants is hobbled by endless red tape. We ought to be investing billions in bold programs—space age programs—to harness infinite sources of energy in the sun, the wind, the tides, and in the convention of hydrogen. Some interesting and promising work is being done, but we are working mostly nine to five.

What will it take to revitalize the effort? Another embargo? Massive brownouts? Rigorous restrictions upon consumption? No ready answers are forthcoming. Once they get good and galvanized, the American people are the greatest bunch of three-shift, full-throttle miracle workers in the world. It takes a lively shock to get them going. Mere exhortations accomplish little; and statistics are a bore.

So we muddle along. The Alaskan pipeline should be in operation in another 15 to 18 months, bringing in 600,000 to a million barrels per day. Four or five years hence, offshore wells may make an important contribution. If a free market were permitted to operate an oil and gas prices, sharp price increases might have a useful shock effect on the development of competitive sources.

It is all pretty iffy, hohum, and may-and-might. When it comes to an energy policy, the image of America is the visage of Mad magazine's Alfred E. Newman. Who? Me worry? It's no way to lead the free world.

[From the Florida Times-Union, Oct. 6, 1976]

THE PRICE OF GAS

When the Arab oil embargo plastered "oil crisis" headlines across the U.S. (and created long lines at service station pumps) the U.S. took the leadership (in the person of Secretary of State Henry Kissinger) in forming the International Energy Agency.

The IEA, in theory, was to be the Western counterforce to OPEC (Organization of Petroleum Exporting Countries). The IEA members then set about devising some effective conservation measures directed at lowering the dependence of the industrial West upon the OPEC oil producers.

A set of conservation policies was worked out, put into effect, and in general seemed to work—everywhere, except in the U.S., which started the whole thing.

This spring, for example, this nation, for the first time in history, imported more oil than we produced. Our domestic production, in fact, was a million barrels a day down from the 1970 (non-crisis) era.

Contrarywise, most European members of IEA have made great strides in conservation, in new resources (such as the exploitation of North Sea oil) and developing alternate energy resources (France is way ahead of the U.S. in nuclear energy).

And our European allies have not hesitated to point out from time to time that it is the U.S.—the guiding light in founding the IEA—which is most dragging its feet.

Accordingly, a current bit of gratuitous advice from our IEA allies, in the form of a recent IEA report, is likely to fall upon deaf ears in the U.S. Their (rather unappealing) appeal: We should double the price of gasoline (by increased taxation) to encourage conservation.

Such a proposal—add 60 cents new tax to the current 60 cents average price of U.S. gas—will hardly draw applause from U.S. motorists. But, before snorting at "such a dumb idea," the aforementioned average U.S. motorist might do well to listen to the IEA's rationale. As reported by Jim Browning of the Christian Science Monitor from the IEA Paris headquarters:

" 'Beginning in 1985,' says one analyst, 'we know that demand for oil is going to start exceeding capacity to produce. Then, prices are really going to go up. What we must do now is convince people that energy prices must go up, so that they will begin reacting and preparing....' "

It is not necessary that the U.S. take IEA's specific remedy and double the price of oil. But we would be remiss not to accept the basic underlying point: that the world of even relatively cheap energy will not last much longer.

The point remains that, despite the warning issued by the Arab oil boycott more than two years ago, this nation still has no comprehensive national energy program at work. Continuing this procrastination could well lead to future disaster.

[From the Orlando Sentinel Star, Oct. 24, 1976]

CONGRESS INACTION ADDS UP TO LITTLE CHANGE ON ENERGY

(By Representative JIM WRIGHT)

WASHINGTON.—The 94th Congress was no model of energy efficiency. Hundreds of proposals, thousands of words and hours of debate on the nation's energy problems added up to little positive change in the nation's production or consumption of fuel.

"Since the Arab oil embargo three years ago, we have tried to do a few timid things to reduce consumption, but they have not been very successful," said Rep. Jim Wright, D-Tex. a few days before the end of the 1976 session.

"We have dabbled with oil and gas pricing. We have made more money available for long-range research, for things like solar energy, that may help us 30 or 40 years from now. But as far as doing anything practical to increase the supply of energy and reduce our dependence upon foreign sources in the foreseeable future, we have done nothing."

A Congressional Quarterly study of 16 key House and Senate votes on energy issues during the 94th Congress bears out Wright's verdict. These votes show that when Congress faced a tough energy decision it usually failed to take any positive action, thereby preserving the existing situation.

One major exception to this trend came early in 1975, when the House and Senate agreed to repeal the tax depletion allowance for major oil and gas producers. But critics argued that this action aggravated the nation's energy problems, by absorbing into the federal Treasury dollars that the industry would otherwise invest in further exploration.

In other energy key votes, the 94th Congress:

Deadlocked over whether to lift federal controls on the price of natural gas. The Senate and the Ford administration decided in favor of such deregulation; the House opposed it.

Refused to increase gasoline taxes, demonstrating its lack of stomach for imposing tough or unpopular conservation measures. The House rejected such a tax, the keystone of the congressional Democrats' energy package, by a margin of 5 to 1; the Senate later rejected a smaller tax, 3 to 1.

Rejected an effort to require industry to share equally with the federal government in the burden of cost overruns on the controversial nuclear breeder reactor project. This joint government-industry project is now expected to cost about $2-billion, up from the initial estimate of just below $700-million.

Upheld President Ford's veto of a strip mining control measure.

Defeated a move to break up the nation's major oil companies.

Gave unenthusiastic approval to a massive but watered-down energy policy bill, the major energy legislation enacted during the 1975–76 sessions.

President Ford won a surprising number of these key votes, considering the overwhelming Democratic majorities in both chambers.

Part of the secret of his success was the fact that the Democrats found themselves badly divided when the subject of energy arose. Economic, philosophical and regional differences overrode party loyalty to produce an unusual number of close votes.

Late in the session, by a four-vote margin, Ford won defeat of a bill to revise the way in which federal offshore oil is leased for development. But he saw Congress, by even narrower margins, kill his proposals for transferring the uranium enrichment business to private industry and for providing new forms of aid for developing synthetic fuels.

A number of significant energy-related votes came on environmental matters, clean air requirements in particular. But again, the outcome was inconclusive.

Electric utilities and other industries suffered a setback when Congress refused to strike out of clean air law the protection extended to pristine air, barring any degradation. The auto industry, backed by the Ford administration, was more successful, winning House approval of a delay in auto emission deadlines and defeating a Senate move to force earlier compliance with those standards.

All these votes, however, were nullified on

the last day of the session. The Senate choked the clean air bill to death by a filibuster.

[From the Washington Post, Dec. 21, 1976]

USEFUL OIL PRESSURES

(By Joseph Kraft)

The Saudis are throwing their full weight against an open door when they use oil policy to press the United States into pushing Israel to negotiate for a settlement in the Near East. For the present Israeli regime, as the latest political developments make plain, is actually eager to negotiate.

As a result, the incoming Carter administration now enjoys a double opportunity. It has the leeway to accommodate this country's interest in a just settlement in the Near East with its interest in a serious energy policy.

The Israeli eagerness to negotiate springs from the inner necessities of domestic politics. The dominant labor party of Prime Minister Yitzhak Rabin faces so much trouble—in the form of inflation, strikes and internal division—that the only card it can play with public opinion is that of potential peacemaker.

Mr. Rabin has announced this fact in many different ways over the past few weeks. First he told visitors, including this columnist, that he intended to go to the country on the peace issue in the elections due next year.

Next he passed the word discreetly to both the Ford administration and senior foreign policy officials of the incoming Carter administration. That job was done by a supposed Israeli hawk, defense minister Shimon Peres.

Mr. Peres met with Secretary of State Henry Kissinger in Washington on the afternoon of Dec. 11. That evening he met with Secretary of State-designate Cyrus Vance and Mr. Carter's appointee as national security adviser. Zbigniew Brzezinski, at the home of Warren Manshel, a New York banker and publisher. Mr. Brzezinski came away from that session convinced that the internal competition in Israel was to be a peacemaker, not a hawk.

Finally, there has been the break with the coalition parties most opposed to concession of territories—the national religious parties. That cleared the way for Mr. Rabin's resignation and an early election in which he can go to the country asking for a mandate to make concessions.

In these circumstances the pressure to negotiate from Saudi Arabia is no great worry. For one thing, the Saudis' terms, as discussed by Ambassador Alireza with Secretary of State Henry Kissinger, are not so far from the Israeli notions.

Moreover, the oil policy selected by the Saudis as a means of pressure on Washington is by no means unwelcome. In order to impress the United States, the Saudis have split with other countries in the oil-exporting cartel known as OPEC. While the other OPEC countries decided to raise oil prices by 10 per cent now and 5 per cent in 90 days, the Saudis and their proteges, the United Arab Emirates, have elected to increase prices by only 5 per cent now.

The immediate upshot is a slightly smaller price increase than otherwise would have been obtained. That, in itself, is a slight gain.

The gain can be made a good deal bigger, given present circumstances in the United States. My strong impression is that this country, after a couple of years of infighting, has finally achieved a general consensus that something needs to be done about dependence on foreign oil.

Furthermore, it is already clear that the Democrats can take one vital step which they would not let the Republicans take. Because they are not suspected of being finks for industry, the Democrats can allow prices to rise. The price increase will go a long way—on top of measures already taken—to foster energy conservation in the U.S.

One final, and all-important, step is also open. President-elect Carter can flash to the world that he is dead serious about putting together a coherent energy policy. He can do that by naming former Defense Secretary James Schlesinger as energy czar, with the all-out mandate Mr. Schlesinger seeks as a condition for taking the job.

The United States would then be in a strong position to make the most of the double opportunity. It could foster Saudi moderation on price by going for the serious negotiations which the Israelis want anyhow. It can use Saudi moderation on price to prevent the OPEC hawks from imposing truly devastating rises. The gradual rises which are inevitable are merely a spur to the one thing this country most needs in the energy field—a coherent long-term program.

Managing all this, to be sure, is not going to be simple, especially for new boys. Progress, far from coming overnight, will have to be strung out over months and years. But for the first time there is maneuvering room, leeway to play the oil-Middle Eastern hand as it should be played.

[From the Miami Herald, November 26, 1976]

NO MATTER WHAT ARABS DO, U.S. NEEDS AN ENERGY POLICY

The Arab oil producing nations are meeting in Kuwait to decide on a price policy to take to OPEC when all the producers meet in mid-December. It is not whether prices will be increased, but how much, ranging from 10 per cent to 25 per cent.

Since the rest of OPEC consists mainly of No. 3 Venezuela and No. 9 Indonesia, the Kuwait decision will be seminal. Iraqi talk of a 25 per cent hoist has sent shivers up and down Western backs, to say nothing of Japanese.

We cannot believe that the major and dominant producer, Saudi Arabia, which is a friend of the United States and produces four times as much oil as Iraq, would listen to this patent Arab holdup.

Should it do so, Britain for one well might be driven over the brink of fiscal disaster, and others would suffer relatively. British North Sea oil is not due on line for another two years.

Unless we are wrong, the United States would be driven at least to much, much higher domestic gas taxes to cut down on consumption (rather than pay the same taxes to OPEC) and at most to some severe but historically unworkable form of rationing.

The trouble lies, of course, in the absence of any ongoing, honest, effective energy program at the same time that more and more foreign oil has had to be imported.

We need not blame the OPEC countries unduly: they are reacting not wholly out of greed, but also of the high degree of rise in prices in the things they import from the West. But that doesn't heat homes or move traffice in the United States. To do both since 1973 has caused a rise in oil imports from 35 per cent of all U.S. consumption to 42 per cent this year and probably to 46 per cent next year.

Trusting that the moderation of Saudi Arabia will prevail over the impetuous Iraqis, we still urge that Americans respond with an energy program that is just, innovative and doable. This could be, and probably will be, the new President's first major challenge when he takes office, for that seems to be the word from Kuwait. There is reason to believe that Jimmy Carter understands this, and that he will be an energy take-charge President.

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. METCALF, the Senator from South Dakota (Mr. ABOUREZK) and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of S. 7, the Surface Mining Control and Reclamation Act of 1977.

S. 38

At the request of Mr. MCCLURE, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 38, to repeal the Gun Control Act of 1968.

S. 45

At the request of Mr. MCCLURE, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 45, to amend chapter 44 of title 18 of the United States Code (respecting firearms).

S. 57

Mr. MUSKIE. Mr. President, I ask unanimous consent that the Senator from West Virginia (Mr. RANDOLPH), the Senator from Alaska (Mr. GRAVEL), the Senator from South Dakota (Mr. BURDICK), the Senator from Iowa (Mr. CULVER), the Senator from North Carolina (Mr. MORGAN), the Senator from Vermont (Mr. STAFFORD), and the Senator from New Mexico (Mr. DOMENICI) be added as cosponsors of S. 57, a bill to amend the Federal Water Pollution Control Act Amendments of 1972.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I am glad to support the efforts of the senior Senator from Maine to act quickly on needed water pollution authorizations. The proposed allocation formula is not, perhaps, the best that could be devised if more time were available. I agree, however, that immediate action is needed to assist those States which will run out of sewage treatment plant construction funds this year.

I do intend to offer an amendment to S. 57 to provide that no State will receive less than one-third of 1 percent of the total allotment. I believe this minor modification of S. 57 is necessary to do equity to States, like my own, whose proportionate shares are being reduced below their 1975 allocation.

I do not propose to delay action on this simple extension, and will offer my amendment in the most expeditious manner possible. It is important, however, to insure that in our quick action we not do harm to orderly State programs already underway.

S. 76

At the request of Mr. STONE, the Senator from Florida (Mr. CHILES), the Senator from North Dakota (Mr. BURDICK), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 76, to amend title XVIII of the Social Security Act.

S. 78

At the request of Mr. STONE, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 78, a bill to amend title II of the Social Security Act.

S. 87

At the request of Mr. BUMPERS, the Senator from Minnesota (Mr. ANDERSON),

the Senator from Maryland (Mr. MATHIAS), the Senator from Vermont (Mr. LEAHY), and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 87, to amend title II of the Social Security Act.

S. 141

At the request of Mr. FORD, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 141, for the relief of Dr. Orlando Fusilero Bravo.

S. 146

At the request of Mr. GOLDWATER, the Senator from Oregon (Mr. HATFIELD, the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), the Senator from Nevada (Mr. CANNON), the Senator from Rhode Island (Mr. PELL), the Senator from Kansas (Mr. DOLE), and the Senator from Washington (Mr. MAGNUSON) were added as cosponsors of S. 146, to repeal the earnings limitation of the Social Security Act for all workers age 65 and over.

S. 174

At the request of Mr. CLARK, the Senator from Rhode Island (Mr. PELL), the Senator from New Jersey (Mr. CASE), and the Senator from Iowa (Mr. CULVER) were added as cosponsors of S. 174, to amend the United Nations Participation Act of 1945.

S. 189

At the request of Mr. THURMOND, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 189, to amend title II of the Social Security Act.

S.J. RES. 2

At the request of Mr. BUMPERS, the Senator from Alabama (Mr. ALLEN), the Senator from Florida (Mr. STONE), and the Senator from North Carolina (Mr. MORGAN) were added as cosponsors of Senate Joint Resolution 2, proposing an amendment to the Constitution of the United States calling for a balanced budget except in time of war or national emergency.

S. RES. 18

At the request of Mr. HELMS, the Senator from Utah (Mr. GARN) was added as a cosponsor of Senate Resolution 18, relating to amnesty for certain draft evaders.

At the request of Mr. ALLEN, the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. HATCH), and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of Senate Resolution 18, supra.

S. RES. 25

At the request of Mr. BUMPERS, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of Senate Resolution 25, amending Rule III of the Standing Rules of the Senate.

SENATE RESOLUTION 32—SUBMISSION OF FOUR RESOLUTIONS RELATING TO CONFEREES ON THE PART OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. HANSEN (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. GARN, Mr. HELMS, and Mr. SCHMITT) submitted the following resolution:

S. RES. 32

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. Conferees on the part of the Senate may not consider any motion (other than a motion to adjourn) in a meeting of a committee of conference unless the written text of the motion, or a written explanation of the substantive effect of the motion, has been furnished to each conferee on the part of the Senate prior to its consideration. It shall not be in order to consider the report of a committee of conference if any motion was considered by the conferees on the part of the Senate in violation of this paragraph.".

Mr. HANSEN (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. GARN, Mr. HELMS, Mr. SCHMITT, Mr. STONE, Mr. FORD, and Mr. MCCLURE) submitted the following resolution:

S. RES. 33

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"5. No Senate member who is not an appointed member of a committee of conference may participate in or vote at any meeting of a committee of conference unless he is first appointed to the committee of conference in place of a previously appointed member; in which event the member he replaces shall not be permitted to participate in or vote at any subsequent meeting of the committee of conference. The appointment of a new Senate member to a committee of conference in place of a member previously appointed must be announced on the Senate floor when the Senate is in session and appropriately entered upon and printed in the Senate Calendar of Business before such newly appointed members shall be permitted to participate in or vote on any matter before the committee of conference. If a conference report is ordered reported and any newly appointed Senate member of the committee of conference participates in the committee of conference, other than in conformity with the procedures provided in this paragraph, a point of order may be made against the conference report and if the point of order is sustained, the report shall be recommended to the committee of conference.".

Mr. HANSEN (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. GARN, Mr. HELMS, Mr. SCHMITT, Mr. FORD, and Mr. MCCLURE) submitted the following resolution:

S. RES. 34

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. When the Senate has agreed to a motion for the Presiding Officer to appoint conferees on the part of the Senate, if the matter or matters which are to be considered by the committee of conference were referred to and considered by more than one committee of the Senate, the Presiding Officer shall not appoint conferees on the part of the Senate until he has received the recommendation of the majority leader in consultation with the minority leader, and the chairman and ranking minority member of each of such Senate committees with respect to (1) the Senators to be appointed and (2) if Senators are to be appointed from more than one committee, that portion of the matters in conference with respect to which the Senators appointed from each committee are to serve as conferees.".

Mr. HANSEN (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. GARN, Mr. HELMS, Mr. SCHMITT, Mr. STONE, Mr. FORD, and Mr. MCCLURE) submitted the following resolution:

S. RES. 35

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"6. Senate conferees shall not conduct conference business or vote on any committee of conference unless a quorum consisting of a majority of the appointed Senate conferees, including at least one Senate conferee of the minority party, may agree that a Senate quorum for the purposes of a meeting of a specific committee of conference shall consist of less than a majority of the appointed Senate conferees: *Provided, however,* That a majority of the appointed Senate conferees must be present at a meeting of a committee of conference to agree upon the final text of a conference report in order to order it reported. If, pursuant to the procedures provided in this paragraph, a Senate quorum of less than a majority of the appointed Senate conferees is agreed upon for a specific conference, such an arrangement will be in order during a specific conference only upon the announcement of such an arrangement on the Senate floor when the Senate is in session and only after such announcement has been accompanied by the printing in the Congressional Record of a letter addressed to the President of the Senate, subscribed to by a majority of the representatives of each party appointed to the conference announcing that such an arrangement has been agreed upon. If a conference report is ordered reported other than in conformity with the procedures specified in this paragraph, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.".

Mr. HANSEN. Mr. President. I am reintroducing resolutions that would considerably reform a very important aspect of the legislative system: the conference committee. The measures, I believe, make conference committee procedures more equitable for all persons involved.

I. THE IMPORTANCE OF CONFERENCE COMMITTEES

Often called the third House of Congress, the conference committees compromise and adjust the differing and conflicting versions of legislation passed by the two Houses. Since few, if any, of the important bills ever pass both Houses in identical form and since the final shape of legislation must be determined in conference, the importance of conference committees should not be underestimated.

Eleven to twelve percent of all public laws enacted during recent Congresses have gone through conference. But number alone cannot provide a proper index of the importance of the central role that conference committees play in the legislative process. Submitted to these House-Senate negotiations are most of the important measures before Congress, including most appropriations bills.

Once a conference report reaches the floor it is almost impossible to defeat. A report is of the highest priority and may be brought up at any time except when the Journal is being read or when the Senate is dividing. As of August 30 of last year, 182 conference reports have

been filed in the 94th Congress and only 7 have failed.

It is not in order to amend a conference report and it must be voted up or down in its entirety without debate. This, combined with the difficulty of reconvening or calling a new conference greatly enhances the power of conferees, especially near the close of a session.

II. THE IMPORTANCE OF CONFERENCE COMMITTEES TO THE COMMITTEE SYSTEM

When a bill reaches the conference stage of the legislative process, it has generally passed through subcommittee, full committee, and achieved floor passage in both Houses. Often there have been hearings on the bill and much committee time has been devoted to its consideration. And then, when it reaches the conference table, in the space of a few minutes, conferees can change the most important provisions of the bill. A former U.S. Senator, Albert Gore, commented on conference committees:

It is here . . . that a few men can sit down and undo the most painstaking work of months of effort by several standing committees and the full membership of both Houses.

Conference committees have the potential to waste the investment of valuable time, energy, and work of committee members.

The Committee on Committees is considering reform of the committee system. The objectives include reforms in jurisdictions, referrals, numbers and sizes, and limitations on assignments, but reform of the committee system without reform of the conference committee is incomplete. There is a saying that a chain is only as strong as its weakest link and I believe the conference committee to be the committee system's weakest link.

From my experience as a conferee on dozens of bills, I see the need for reform more clearly in the conference committee than anywhere else. Solving the problems of overlapping jurisdictions, bill referrals, and the like will help the Senate perform its general legislative duties more effectively, but if we are not represented well in conference, our effectiveness will be severely limited.

III. THE CONFERENCE COMMITTEE AS THE "WEAK LINK" IN THE COMMITTEE SYSTEM

Many times I have felt the frustration of coming out of conference knowing that the Senate position was not upheld as well as it should have been. We are no match for House conferees who seem to be able to uphold their Chamber's position on the most important provisions of a bill. Comparing the representatives from each Chamber it is easy to see that House conferees are usually far better organized. The Senate conferees, in contrast, come less prepared, if they come at all, and conduct business in an almost haphazard way; one might be hard pressed to realize that they are representing a common cause.

The difference between the two Houses in conference has not gone unrecognized. Richard Fenno, who studied the House Ways and Means Committee, commented on the differences in his book, "The Power of the Purse":

By general agreement, the House conferees are better prepared, better organized, better informed, more single-minded in their interest, and employ a more belligerent bargaining style.

David Paretz, one of the few contemporary political scientists to study conference committees, also noted the disparity between the House and Senate conferees:

Burdened by more committees, more subcommittees, ordinarily larger constituencies, greater demands by the mass media, and other conference committee responsibilities, Senators are frequently less diligent in their attendance, less informed and less involved in a conference than Representatives.

No doubt that when the Reorganization Committee finishes its work and its recommendations are implemented in the Senate, many of these problems will be mitigated. However, due to the nature of the differences between the House and Senate conferees, I cannot hope that we will be able to come to conference on equal footing with the House unless we reform the conference committees themselves.

My staff and I have worked together on what seem to be the most pressing problems facing Senate representatives in conference and as solutions to the problems we have isolated the need for rules governing conference proceedings. At present, there are few rules relating to the internal workings of a conference. The publication containing the Senate rules and relevant provisions of the Legislative Reorganization Act is 181 pages long. Only seven paragraphs, or slightly more than a full page, are devoted to conferences. Of the seven paragraphs only two are devoted to the actual conference itself. The remaining five paragraphs pertain to the handling of conference reports on the floor.

The lack of rules seems to favor the House conferees. Business is conducted in such a manner as to leave the Senate conferees confused, divided, and resultingly unrepresentative of the strengths of the Senate position. Granted that there is a need for flexibility in conference in order to work out interchamber differences and that rules are generally inflexible but, at present, flexibility is the ability to recede to the House position.

There are four specific areas where reform in conference committees would help Senate conferees uphold their Chamber's position: Rules governing conference proceedings in the areas of: First, attendance at conferences; second, the manner of proposing amendments during conference; third, the voting limitations of conferees from different committees; and fourth, the substitution of conferees.

IV. ATTENDANCE AT CONFERENCE

The Senate attendance at conference is markedly worse than that of the House. Typically in conference all of the appointed House Members end up facing only one or two Senators across a long green table. The House conference chairman, with a full contingent of conferees to support him, can become a very persuasive bargainer.

Poor Senate attendance gives the House a big advantage in conference. On a bill with many titles it is important to have the Senators present who have developed an expertise on a particular title. And it is not enough to have each Senator present only during the consideration of his particular titles. Tradeoffs, bargains, and concessions have to be made, all of which require a knowledge of the entire bill. An absent Senator can only entrust his proxy to a colleague who may not be as interested in his particular issue and its relevance to the bill as a whole.

A quorum requirement would go a long way toward lessening these disadvantages in conference. At present, there is no such requirement and one Senator may conduct business in the name of his entire Chamber. If the conference committee is to function as a viable and representative institution then it requires participation and rules governing participation.

A third paragraph as an amendment to rule XXVII of the Standing Rules of the Senate would solve the problem. It would require that a majority of the appointed conferees be present in order to conduct business at any committee of conference.

The proposed amendment also provides for the suspension of the quorum requirement if agreed to by a majority of the Senate conferees. This would give the conferees a degree of flexibility at conferences on unimportant bills with no major disagreements between the two Houses. These conferences serve only to hammer out the final language of a bill—often a tedious process which requires the presence of only one Senator.

V. THE MANNER OF PROPOSING AMENDMENTS

A second problem with conferences is that the details of the legislation being considered are such as to make it impossible to avoid significant errors in judgment. Although this problem is not limited to the conference stage of the legislative process, it is more pronounced here than anywhere else. When amendments are being rapidly thrown back and forth across the conference table, it is difficult to be aware of the ramifications of a particular amendment.

Here again, the House has an edge in dealing with the problem. The average House Member who sits on only one or two committees is more likely to be an expert in the subject under consideration and to have done the legislative work himself. Senators, by contrast, sit on three to five committees and are sometimes unaware of the specific provisions of a bill. When they propose amendments, they often do so in vague and very general terms, working with the result that the staff members, who must draft the language for the conference report, have little idea what the amendment's proponent had in mind.

House conferees usually present amendments in writing for all conferees to read, or at least dictate amendments from notes for all conferees to write down and think about before discussion and voting. If we could follow the House example, we could better avoid errors in judgment and improve our position

relative to the House in conference. A requirement that Senate conferees have in writing, the proposed amendment in front of them for a certain time period, would serve this purpose. It would give the Senate conferees a time to seriously study the proposals in front of them and make intelligent decisions on behalf of the Senate.

VI. VOTING LIMITATIONS ON CONFEREES FROM DIFFERENT COMMITTEES

The appointment of conferees from several standing committees causes yet another problem for the Senate conferees. Each conferee is limited, somewhat arbitrarily, to voting only on the particular title of a bill that comes out of his committee. It is often unclear exactly who has jurisdiction over what issues and when he is allowed to vote. Amendments added on the Senate floor and issues only addressed in the House bill compound the problem. It is difficult to fit a particular title of a bill under the jurisdiction of a few of the conferees without some kind of discussion and clarification.

The disorganization which often has disastrous effects for the Senate conferees, could easily be avoided by defining the role of each conferee before coming to conference. A formal agreement between the various committee chairmen and ranking minority members in consultation with the majority and minority leaders of the Senate would serve the purpose.

The Senate conferees would come to the conference table knowing exactly what their areas of jurisdiction are. There would be time to prepare for a particular issue and the initial confusion would disappear.

VII. THE SUBSTITUION OF CONFEREES

The fourth area of reform in conference pertains to the substitution of conferees. I have noticed, on several occasions, that Senators who are not duly-appointed conferees will attend and even vote in the name of absent conferees. There are certainly times when Senators who are not members of the conference committee can and should be invited to attend and address themselves to an issue before the conference, but such participation should be formalized.

Senators who are not conference members, voting in the name of an absent Senator, will only increase the confusion on the Senate side of the bargaining table. Substitute Senators will have to be brought up to date on all of the proceedings which takes a lot of time and, even then, they may still not be aware of all the issues at stake. New participants in a conference are more easily taken advantage of and serve to weaken the Senate position.

This highly irregular practice also violates the entire intent of having the Senate appoint conferees to represent it at conference. It establishes the frightening precedent that, in the absence of a duly-appointed conferee, any other Senator may represent the Senate without its knowledge or acquiescence. The regular method of appointment, which was established to choose conferees who represent the strengths of the Senate position is easily circumvented by this procedure.

Accordingly, the fourth reform I propose will codify what is usually thought of as a standard Senate practice, that only Members who are duly appointed may participate as Senate conferees in committees of conference. First, it would prohibit a Senator who is not a duly-appointed conferee from participating in or voting at any meeting of a conference. Second, it would provide that new Members may be appointed in place of Members already appointed as conferees if properly announced on the Senate floor when the Senate is in session and entered upon and printed in the Senate calendar.

SENATE CONCURRENT RESOLUTION 5—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO DIPLOMATIC RECOGNITION OF VIETNAM

(Referred to the Committee on Foreign Relations.)

ACCOUNTING FOR THE MIA'S

Mr. GRIFFIN. Mr. President, today I am introducing a concurrent resolution concerning those members of our Armed Forces who are still missing in action or unaccounted for in Indochina.

Some facts are clear:

About 2,300 Americans remain missing in action or otherwise unaccounted for—4 years after U.S. forces were withdrawn.

The Communist Government of Vietnam has a moral as well as a legal obligation to assist in accounting for these men.

By its own admissions, the Government of Vietnam has information about our MIA's which it has refused to make available.

Ignoring its humanitarian and legal obligations, the Government of Vietnam—the Socialist Republic of Vietnam—has regarded and treated the MIA information it has as a bargaining chip which it seeks to use to extort money or other concessions from the United States.

President Ford has consistently and persistently demanded that Hanoi live up to its legal and humanitarian obligations to account for the MIA's as a precondition to consideration of other matters. To this end, he has refused to grant diplomatic recognition to Vietnam, and on three different occasions he has directed our Representative to the Security Council to veto Vietnam's application for U.N. membership.

President-elect Carter has expressed support for our MIA's, and has indicated that a satisfactory resolution of this matter should precede normalization of relations. Accordingly, this is a bipartisan as well as a humanitarian cause.

Unfortunately, as Ambassador Scranton noted in his November 26, 1976, statement to the U.N. General Assembly:

> Vietnam apparently persists in its efforts to play upon the anguish of the families of these men (the MIA's) for political and economic advantage.

It seems to me that one of the first orders of business of this Congress ought to be the adoption of a resolution to demonstrate the concern and solidarity of all Americans on this humanitarian issue. Such an action would serve to dispel any expectation that time and a change in administrations may lessen our resolve. Furthermore, it would strengthen President Carter's negotiating hand as he endeavors to deal with the situation.

It is with this in mind that I offer this resolution and urge its speedy approval.

Mr. President, I ask that the text of my resolution be printed at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 5

Whereas approximately 2,300 Americans remain missing or unaccounted for in Indochina, despite extensive efforts of the United States Government to secure an accounting;

Whereas on numerous occasions representatives of the Socialist Republic of Vietnam have acknowledged that they possess additional information pertaining to American servicemen and civilians listed as missing in action in Indochina, and the existence of such information is confirmed by the United States intelligence agencies;

Whereas the heinous refusal of the Socialist Republic of Vietnam to provide detailed information on the fate of these men has caused untold suffering for their relatives and friends;

Whereas the refusal of the Socialist Republic of Vietnam to cooperate in this matter is a flagrant violation of humanitarian principles embodied in the Charter of the United Nations, and directly conflicts with the resolution adopted by the United Nations General Assembly on November 6, 1974, by a vote of 95–0, which called upon "parties to armed conflicts, regardless of their character or location, during and after the end of hostilities and in accordance with the Geneva Conventions of 1949, to take such action as may be within their power to help locate and mark the graves of the dead, to facilitate the disinterment and the return of remains, if requested by their families, and to provide information about those who are missing in action"; and

Whereas article 8(b) of the 1973 Paris Agreement on Ending the War and Restoring Peace in Vietnam provided that: "The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action . . . and to take any such other measures as may be required to get information about those still considered missing in action": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that, until such time as the Socialist Republic of Vietnam cooperates in securing a satisfactory accounting for those Americans missing in action and unaccounted for in the territory under its control, the United States should—

(1) continue to oppose membership in the United Nations of the Socialist Republic of Vietnam; and

(2) continue to deny diplomatic recognition to the Socialist Republic of Vietnam.

AMENDMENTS SUBMITTED FOR PRINTING

APPOINTMENT OF ADDITIONAL DISTRICT COURT JUDGES—S. 11

AMENDMENT NO. 18

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. ABOUREZK. Mr. President, on Monday, together with Senator MCCLEL-

LAN and several of my colleagues, I cosponsored legislation to provide additional district judges for our overworked and understaffed Federal judiciary. That bill, S. 11, provides 45 additional Federal judges, the number approved by this body during the last session when we passed S. 287.

It is my understanding that another bill, representing the recommendation of the Judicial Conference of the United States, will be introduced in the near future. The Judicial Conference bill represents data compiled from the conference's 1976 quadrennial survey of the needs of the federal system, whereas S. 287—and consequently S. 11—represents recommendations based upon the 1972 quadrennial survey. The Judicial Conference will ask the Congress to approve a greater number of district judges than that recommended in S. 11. I believe that the greater number of judges is not only justified but urgently needed, and I intend to join in sponsorship of that legislation at the appropriate time.

I am cosponsoring the legislation introduced by Senator MCCLELLAN to underscore my belief that we must provide the Federal judiciary with some assistance and we must do it now. This bill makes an initial step in that direction.

I am also introducing an amendment to S. 11 to provide an additional district judge for the district of South Dakota. South Dakota came very close to meeting the criteria used in recommending judgeships under S. 287 during the last session, however, that criteria was based on the 1972 quadrennial survey of the Judicial Conference. I have been working closely with the judges and State bar in South Dakota, as well as with the staffs of the Judicial Conference of the United States and of the Subcommittee on Improvements in Judicial Machinery, in order to compile as completely as possible the data demonstrating the need for another Federal judge in my State. The most recent caseload statistics, compiled by the Judicial Conference in its 1976 quadrennial survey, substantiate the position that the district of South Dakota urgently requires an additional district judge.

The Judicial Conference will include South Dakota among those districts requiring an additional judge in the proposed legislation which the Conference will soon submit to the Congress. Rather than merely wait for that legislation, however, I am proposing this amendment today, to insure that any consideration of the manpower needs of other districts in the Federal judiciary includes the needs of South Dakota as well.

Let me briefly describe to my colleagues the reasons why I believe South Dakota so urgently requires an additional Federal judge. While South Dakota is a relatively small State in terms of population, it is quite large in area. In fact, its 77,000 square miles make it the 16th largest State in the United States. Despite its large size, South Dakota has only two district judges: One sits in Sioux Falls in the southeastern corner of the State, the other sits 360 miles away in Rapid City. These two locations are logical choices for a district court seat, as they are the two largest cities in the State. Yet for many of the litigants and lawyers of the State, trial in the district court has become very costly, time consuming, and physically difficult task. It is not uncommon for a litigant in South Dakota to travel 200 miles for a single routine court appearance. I think that those who have practiced and appeared in the district courts in the more urbanized sections of the country have difficulty in appreciating the enormous hardships which this situation entails.

Our two district court judges have striven manfully to relieve this burden, periodically holding court in other cities. But a rotating, "circuit rider" approach to justice fails to meet the continuing needs of South Dakota citizens, and also imposes an unnecessary burden on the inadequate time available to the two judges in the first place. I believe that the total cost to the system, in terms of manhours as well as dollars, would be less if a third, permanent judgeship were established centrally in Pierre, than under the current system, where at least five temporary district judges have been brought into the State during the past 2 years, to alleviate the burdens on the two overworked judges.

If travel problems were the only reason for providing an additional judge for South Dakota, then perhaps other solutions would be satisfactory. But that is not the case, as statistics reflecting the caseload in the district also demonstrate the need for an additional judge. The most important statistic used by the Subcommittee on Judicial Improvements in recommending judgeships in S. 287 was filings per judge. For fiscal year 1975, South Dakota fell just under the 400 filings used by the subcommittee as its standard. However, if another judge is not provided to the district, its per-judge caseload will reach 465 in the next 3 years, according to the projection by the Judicial Conference. In fact, since 1970, total filings within the district have increased 92.9 percent—the largest increase in the eight circuit and eighth largest in the entire Nation; yet no judgeships have been approved.

Adding to the mere numerical burden is the fact that an unusually large proportion of the South Dakota case filings are criminal cases. In 1975, the district ranked eighth in the entire Nation in total criminal filings. This results largely from the fact that a large portion of our State is covered by Indian reservation land. Under Federal law, much of the serious crime that would be handled by the State system elsewhere must be handled by the Federal system in South Dakota, because the crime was committed on a reservation. Thus the high criminal caseload does not mean that South Dakotans are more criminal than citizens of other States; it simply reflects the manner in which Federal law allocates criminal jurisdiction in States such as South Dakota. Since the Federal system has imposed this unusual burden on my State, there remains a Federal responsibility to see that adequate resources are provided to meet that burden.

The Administrative Office of the U.S. Courts has a special statistical category for those crimes which take up an inordinate amount of a judge's time. This heavier-than-average category consist of forgery and counterfeiting, fraud and embezzlement, and homicide, robbery, assault, and sex offenses. Fifty-one percent of the criminal filings in South Dakota for fiscal year 1975 fell into this special category. This compares to the national average of 33 percent heavier-than-average criminal filings per district. That gives South Dakota the largest heavier-than-average caseload per judge—107.5—of any district in the entire country. Only one other district has more than 100 heavier-than-average cases per judge—that district, the eastern district of California, will receive two judges under S. 11—and no other district has more than 70 such cases per judge. Implementation of the Speedy Trial Act of 1974, which states that court congestion is not a valid justification for lengthy delay of criminal cases, will thus impinge on the district court of South Dakota more heavily than on any district in the country, absent an additional Federal judge. While this statement may surprise those who think mainly of urban areas when they think of crime, it reflects an unpleasant reality to the citizens of my State, who deserve personnel and resources adequate to the criminal justice needs of the Federal courts in our State.

In summary, Mr. President, I am cosponsoring S. 11 because it meets the basic, minimum needs of an overworked Federal judiciary. I will also cosponsor legislation designed to meet the current needs of the judiciary as recommended by the Judicial Conference, when that legislation is introduced in the near future. And, in conjunction with both pieces of legislation, I intend to vigorously press my case to provide an additional judge for the overworked and understaffed district court bench in South Dakota.

OPPOSITION TO PRESIDENTIAL PARDON OF DRAFT EVADERS—S. RES. 18

AMENDMENT NO. 14

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment to the motion to refer to the Committee on the Judiciary the resolution (S. Res. 18) to express the sense of the Senate in opposition to a general Presidential pardon by proclamation or Executive order of Vietnam era draft evaders, and for other purposes.

NOTICES OF HEARINGS

MONOPOLY SUBCOMMITTEE OF THE SMALL BUSINESS COMMITTEE

Mr. NELSON. Mr. President, the monopoly Subcommittee of the Senate small Business Committee will hold 2 days of hearings on competition and other marketing problems in the eyeglass industry. These hearings will begin each day at 9:30 a.m., February 1 and 2 in room 1318 of the Dirksen Senate Office Building. Additional days of hearings on this subject will be held subsequently. Witnesses will be announced at a later date.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. CHURCH. Mr. President, I wish to announce for the information of the Senate and the public the scheduling of

a public hearing before the Subcommittee on Energy Research and Water Resources of the Senate Committee on Interior and Insular Affairs.

The hearing is scheduled for Monday, January 24, 1977, at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony will be received from various individuals and committees that have participated in the investigation of the failure of the Teton Dam. This hearing is intended to receive the information gathered by each of these groups. In addition, it is anticipated that the subcommittee will receive testimony from the Bureau of Reclamation and the Corps of Engineers regarding procedures utilized in the construction of dams.

For further information regarding the hearing, you may wish to contact Mr. Ben Yamagata, counsel for the Subcommittee on Energy Research and Water Resources, at (202) 224–1076, or room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

SUBCOMMITTEE ON THE HANDICAPPED

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on the Handicapped, I announce that the subcommittee has scheduled hearings on a review of programs for the handicapped. The hearings will be held on Monday, February 7, 1977, and Tuesday, February 8, 1977, in room 4232, Dirksen Senate Office Building starting at 9:30 a.m.

Persons wishing to testify should contact Mrs. Patria Forsythe, professional staff member, 10–B Russell Senate Office Building, (202) 224–9075.

ADDITIONAL STATEMENTS

PERFORMANCE OF SECRETARY CARLA HILLS AND THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. TOWER. Mr. President, at the January 10, 1977, hearings held by the Senate Banking and Urban Affairs Committee to consider the nomination of Patricia Harris as Secretary of the Department of Housing and Urban Development, Senator PROXMIRE, in his position as chairman of the committee, released a statement which criticized the Department's recent accomplishments as being "pitfully inadequate." He further stated that—

HUD is in a shambles . . . morale is low . . . and (both recent Secretaries) were failures.

These characterizations are both inaccurate and unfortunate. The record speaks for itself.

Regarding assisted housing, the following facts attest to HUD's record over the past 22 months. From the inception of the public housing program in 1937 to the enactment of the new section 8 rental assistance program in 1974, approximately 1,100,000 units were set aside for occupancy by low-income families in federally subsidized public housing projects—an average of 30,000 families per year. In 1976, the number of needy families occupying decent housing under the new rental subsidy program increased by approximately 140,000; more than 4½ times the annual average on the old program, and over 300 percent higher than the best year (1952) ever recorded for public housing.

Additionally, HUD surpassed its goal for authorizing new assisted housing units. As Secretary-designate Harris indicated, many additional units were approved during 1976, thereby insuring a continuation of the impressive occupancy record. At the beginning of the fiscal year, a high-priority goal was set to secure up to 400,000 such approvals by September 30, 1976. Nine months ago, Senator PROXMIRE expressed great skepticism that the goal could be attained, and ridiculed HUD's performance on the program through February 1976. In actual fact, the number of approvals came to more than 490,000 units by the target date, exceeding the goal by more than 20 percent.

Regarding new units started, HUD has set a record for the most starts under the shortest time period, for any new public housing program. Since the section 8 rental assistance program was only passed by the Congress in the summer of 1974, the 40,000 construction starts cited by Senator PROXMIRE for 1976 comes as no surprise to parties who are familiar with the housing industry. Ignoring HUD-required processing steps for the moment, just the length of time required by the developer to select and acquire an acceptable site, prepare suitable architectural and engineering plans, secure appropriate financing, obtain all of the environmental and other clearances associated with a multimillion-dollar project and negotiate firm construction contracts takes up to a half year.

Additional safeguards, which are essential to protect both the taxpayer's dollar as well as the interests of low-income and elderly tenants who will eventually occupy the units, make the processing cycle understandably longer for a federally subsidized project. In this context, it is most clear that the 40,000 units started is not "incredibly pathetic" as alleged by Senator PROXMIRE. If anything, it is exemplary. By comparison, in the 2 years immediately following the enactment of the turnkey public housing program in 1965, only 4,800 starts had been achieved.

Regarding community development, the HUD record has been outstanding. Senator PROXMIRE stated that "HUD is sound asleep" at a time when our cities constitute perhaps our greatest social-economic problem. This is not the case at all. Armed with the enlightened strategy developed through the cooperative efforts of the Congress and HUD, and reflected in the Housing and Community Development Act of 1974, the Department provided $2.69 billion to over 3,100 communities during 1976, 33 percent more than that provided in the peak year of 1973 under the restrictive, categorical programs that preceded it. Senator SPARKMAN, chairman of the committee at the time of enactment, praised the act as "the most important legislation on community development since the passage of the Housing Act of 1949."

Two years later, Mayor John Poelker of St. Louis testified on behalf of the U.S. Conference of Mayors before the Senate Subcommittee on Oversight—also chaired by Senator PROXMIRE—that:

To date, the Community Development Act has been successful . . . overall community development strategies and local capacity have significantly improved . . . long term planning and priority setting have become more pragmatic and concrete . . . the housing assistance plan can in fact establish a link between community development and housing as well as between the public and private sector . . . application processes have been streamlined, and local governments are realizing a reduction in bureaucratic redtape.

With regard to the effectiveness of the program in the area of nonmetropolitan communities, Margaret Thorpe, an official in the department of local affairs and development from Senator PROXMIRE's State of Wisconsin made the following statement:

As a state official who is as guilty as any other state official of regularly using the federal government as a scapegoat, I am pleased to come here this morning to say that, for once, the federal government has done something right. The Title I Community Development Block Grant program of the Department of Housing and Urban Development, created in the 1974 Housing and Community Development Act, has, in general, been of effective use and service to the communities of non-metropolitan Wisconsin.

Mayor Poelker's comments on streamlined processing are not without foundation. The average length of time to review and act on the more than 1,300 entitlement applications came to only 61 days, thereby bettering the legislatively mandated goal of 75 days by a comfortable margin. This achievement becomes even more remarkable from a historical point of view—the average total time required for the preparation, review, approval, and contract execution on a CDBG application is approximately 9 months. Under the old urban renewal program, the comparable time was 31 months. As for the qualitative job done by HUD's staff, the comment made by Administrator Thorpe in her testimony speaks for itself.

In Wisconsin, the community development staff of the HUD Area Office has done an outstanding job of utilizing limited funds to serve a variety of types of needs and a variety of communities. The program managers have judged applications on the need of the community and the quality of the program presented, not upon the size of the town or the slick graphics and paper of a consultant.

HUD has also exceeded its goal regarding the closeout of urban renewal projects. The closeout of old urban renewal grants through September 30, 1976, came to 447; 16-percent higher than the ambitious goal set at the beginning of the fiscal year, and more than double the prior record achieved in 1973 despite a reduction in available staff due to the phase-in of the new block grant program.This is especially significant in view of the fact that the interest paid by the Federal Government on open urban renewal loans comes to more than $300,000 per day.

Many other examples can be cited which contradict the statements made by the chairman.

Fair housing: The backlog of title VIII complaints in excess of 150 days old was reduced from 684 at the start of the fiscal year to only 70 by September 30, 1976.

Sales of acquired property: More than 70,000 single family properties and approximately 200 multifamily projects were sold out of HUD's inventory of foreclosed properties from the start of fiscal year 1976 to the start of fiscal year 1977—an all-time record for both. More importantly, it returned badly needed units to the marketplace where they can benefit people in need of shelter. The single family inventory now stands at the lowest level since August 1971, and acquisitions due to defaults on FHA-insured mortgages have been reduced from an annual rate of 45,523 in December 1975 to 31,452 at the beginning of December 1976.

New communities: A goal was set at the beginning of the fiscal year to develop detailed business plans for each of the federally guaranteed New Communities. The goal was achieved with a few weeks to spare.

Flood insurance: At the beginning of fiscal year 1976, a goal was set to complete 924 detailed rate studies in conjunction with the flood insurance program. By the end of the year, 1,091 had been completed.

This list of accomplishments is not intended to be all-encompassing. Many additional examples are available for those who care to examine the facts. To ignore these facts and unfairly demean the performance and motivation of those thousands of people who work so hard to produce the results is a grave injustice to them, to the Congress and to the American public.

Mr. President, I think that Secretary Hills and the employees at HUD should be commended for the outstanding job they have done during the past 22 months. Their efficiency and productivity have saved the taxpayers millions of dollars while at the same time, providing much needed shelter to the very neediest of families.

At the nomination hearing of Mrs. Harris to be the HUD Secretary, Senator PROXMIRE quoted from testimony given by Ms. Cushing Dolbeare at the nomination hearing of Carla Hills. At that time, Ms. Dolbeare opposed the nomination of Secretary Hills on the grounds that she was an amateur, and inexperienced to carry out the important functions of Secretary of HUD. These are the same reasons Senator PROXMIRE used in his opposition to Mrs. Harris at her nomination hearing.

After 22 months as HUD Secretary, however, after seeing what Secretary Hills has accomplished at HUD, Ms. Dolbeare, who was head of the National Rural Housing Conference, thought that Secretary Hills had done such an outstanding job, that the Carter-Mondale transition group considered renominating her as the HUD Secretary. I request that a copy of the January 11, 1977, letter from Ms. Cushing N. Dolbeare to Senator WILLIAM PROXMIRE and a copy of a letter from Secretary Hills to Senator PROXMIRE, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PHILADELPHIA, PA.,
January 11, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Development, U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: I write both to urge your support for the nomination of Patricia Roberts Harris as Secretary of HUD and, since you quoted me in your statement yesterday, to set the record straight with regard to my own views of the current administration of the Department of Housing and Urban Development.

Given my choice, I would far rather have a Secretary of HUD with commitment and understanding of low income housing needs than one with a background, professionally, in housing. Ms. Harris demonstrated that commitment and that understanding yesterday. Since, in my view, the programs that HUD has had available to it have never provided more than a token opportunity to deal with low income needs, having a technician at the helm may be desirable—provided that technician cares about results—but it is not essential.

With respect to HUD, I have been impressed with a number of factors. First and foremost, HUD's subsidized housing program was, I think, the only major discretionary program serving low and moderate income people that did not have its program level cut back by President Ford in his proposed budget for the current year. While I am unfamiliar with the details, I find that evidence of effective advocacy at OMB and the White House. Ironically, it was the Congress which chose to cut back the appropriation for public housing/Section 8 to less than 80 percent of the Administration's request.

Furthermore, while I am sure that I do not need to enumerate for you my numerous policy disagreements with HUD and with the Secretary, the morale and the quality of operation at HUD seem to me to be vastly better than they were two years ago. Clearly, had she had experience in housing, I think Carla Hills would have done a better job. On the other hand, had I known then what I know now, I would not have opposed her nomination. Indeed, I suggested more than once to the Carter-Mondale Transition Group that they consider renominating her.

I am sure you know how completely I agree with you about the importance of sensitivity to housing needs and the economic potential of housing programs. I hope that both Ms. Harris and the Carter Administation will move forward on these matters. I also hope that you will give them your strong support when it comes to providing the appropriations and budget authority necessary to make adequate low income housing programs a reality.

Sincerely,

CUSHING N. DOLBEARE.

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., January 11, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Banking, Housing and Urban Affairs Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Your statement made yesterday at the hearings on the nomination of Patricia Roberts Harris to be the Secretary of the Department of Housing and Urban Development demonstrates total ignorance of what HUD has accomplished over the past 22 months on an intentional distortion of the facts.

Every knowledgeable person in housing is aware of what the people at HUD have produced, and produced brilliantly, over the past 22 months. On almost every score they have done better than they promised. Let me point out a few facts:

In Housing we said we would reserve 400,000 units of rental assistance by September 30—and we reserved 492,000.

In Community Planning and Development we said we would achieve 386 Urban Renewal closeouts, and we closed out 447.

In New Communities we said we would have a Business Plan setting forth a work-out schedule for each of the 13 New Communities by the end of Fiscal 76, and we did so with a couple of weeks to spare.

In Property Disposition we said we would sell 57,501 single-family homes by June 30, and we beat that goal by 411.

We said we would launch a successful Urban Homesteading program, and we did—one with coordinated neighborhood strategy.

In Equal Opportunity we said we would obtain 62 areawide Affirmative Marketing Agreements by the end of the Transitional Quarter—and we obtained 77.

We said we would complete 924 Food Insurance rate studies by June 30, and we completed 1,091.

I could go on and on.

Your saying that HUD is in shambles does not make it so. The record demonstrates to the contrary. But your insistence on ignoring the record and publicly belittling this Department is grossly unfair and counterproductive.

Your saying that HUD's morale is low does not make it so. The quantity of communications that I have received in the past few months not only from HUD employees but from all kinds of people dealing with HUD, including homebuilders, developers, consumers, and mortgage bankers, vividly demonstrates to the contrary. Morale is higher than it has been in many years. There is real excitement and pride about what the HUD team, pulling together, was able to accomplish for the American people.

We are handing over a strong and shiny piece of equipment to the new Administration. Programs, work measurement standards and tracking mechanisms are firmly in place. I believe that the current condition of HUD will enable Pat Harris with her demonstrated concern for people to do an outstanding job, despite your criticism of her lack of experience.

You and I differ on some policies. For example, you would artificially stimulate the production of 2.6 million or more housing starts per year, which I believe would create overproduction in many markets, cause abandonment and waste of existing stock and thus blight, generate a disequilibrium in the market by borrowing forward and thus cause another disastrous housing cycle. Many urbanologists and economists who have spent a lifetime in study of housing markets agree with my assessment.

But these policy differences cannot in fairness or in truth be said to tarnish the fine record built by HUD personnel carrying out the programs set forth in the Housing and Community Development Act of 1974.

Even comparing the production record of the rental subsidy program, which subsidizes people not bricks and mortar, with the most popular public housing program, turnkey public housing, our record is spectacular. Two years after the 1965 enactment of turnkey public housing there were 4800 starts and 2300 in occupancy, whereas in the same period the rental subsidy program had approximately 40,000 starts and over 140,000 in occupancy.

Moreover, in the single-family market, 1976 will rank as the third best year in this nation's history for both production and sale of new homes, and the highest year on record for the sale of existing homes.

Also, homeownership has never been higher. Today, seventy-five percent of American families own their homes.

A Chairman of a Senate Committee as important as the Senate Banking, Housing and Urban Affairs Committee has an obligation to the public to understand—not grandstand. I hope the facts supplied herein

will help you in the future to assist, not falsely ridicule, the dedicated people at HUD.

Sincerely,

CARLA A. HILLS.

Mr. TOWER. Mr. President, I hope that this partially sets the record straight as to what has been happening at HUD over the past 22 months. Secretary Hills, by her leadership and by the purpose she has instilled in the employees at HUD during her tenure, has turned the original doubters into active supporters. It is unfortunate for us on the Banking Committee who have worked closely with her, and especially for the American people, that she will be leaving HUD. She has left a proud record, and has laid the groundwork for the effective utilization of our resources to provide housing for those who need it most.

THE CONTRADICTION OF OPPOSING THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, a resolution approving the Convention on the Prevention and Punishment of the Crime of Genocide was adopted by the United Nations General Assembly in December 1948, by a vote of 55 to 0. Two days later, the United States signed the treaty. President Harry S Truman then submitted this convention for Senate ratification. Briefly, the convention stated that genocide was a crime under international law and defined it as the commission of specified acts, in the time of peace or in the time of war, with the intent to destroy, in part or in whole, a racial, religious, ethnic, or national group.

Soon after Truman's submission of the treaty to the Senate, a Senate Subcommittee on the International Convenion on the Prevenion and Punishment of the Crime of Genocide was created. Over 80 nations have ratified the document yet the United States has refused to do so despite the extensive deliberations by the subcommittee.

It can be seen by these actions that a common goal among all nations is that of world peace and harmony. The United States has always been active in protecting human rights. Why stop now?

I stand before you once again to ask that you consider my proposal. Let us not waste any more time. Let us show that all past efforts in fighing for human rights were sincere.

Mr. President, our continuing failure to ratify this treaty is a handicap in our dealings with other nations as well. During any kind of negotiation or meeting, how can we effectively argue in favor of human rights and dignity, freedom or peace, when we consistently oppose the freedoms and rights offered by the Genocide Convention?

Mr. President, I urge the Senate to take the initiative, without any hesitation, and ratify this convention at once!

KENNETH LAZARUS LEAVES POST AS ASSOCIATE COUNSEL TO PRESIDENT

Mr. McCLELLAN. Mr. President, in August 1974, I made a favorable recommendation to President Ford regarding Kenneth Lazarus, at that time minority counsel to the Senate Judiciary Committee and a candidate for appointment to the White House staff. Shortly thereafter, in September 1974, Mr. Lazarus was appointed as associate counsel to the President. At that time he was the youngest of the original group of appointees to the White House staff.

During the past 2 years, Mr. Lazarus has participated in the development of a number of legislative items in the area of law enforcement and the administration of justice.

Recently, he submitted his resignation to the President in order to accept a partnership in the law firm of Bierbower and Rockefeller here in Washington. I wish Mr. Lazarus every success and happiness in his future endeavors.

PATRIOTIC HOLIDAYS

Mr. THURMOND. Mr. President, I have recently read an excellent editorial written by William C. Plowden, Jr., of New Zion, S.C., for the South Carolina Legionnaire, and reprinted in the January 10, 1977, Marlboro Herald Advocate of Bennettsville, S.C.

Mr. President, Bill Plowden is one of the most devoted American patriots I have ever known. His statement on "Patriotic Holidays" deserves the thoughtful attention of all Americans as we begin our next 100 years.

Mr. President, in order to share this excellent statement with my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PATRIOTIC HOLIDAYS

(By William C. Plowden)

As our Bicentennial year comes to a close, and as we begin another 100 years of our history, we should answer this question:

What are patriotic holidays and what do they mean?

At periodic intervals it becomes necessary for a people to reassert loyalty and renew dedication to their country. Unless this is done, love of country can weaken and the great ideals upon which the nation was founded can grow dim.

The noblest days in national history are those in which citizens, young and old, rekindle the fires first set by their forefathers. If a time comes when neglect and even aspersion are accorded to America, or when patriotism is depreciated, then it is time for all of us to fervently say, "I pledge allegiance—"

How can we help? By praising our great country and doing our best to make it even better. Care enough about it to preserve our freedom. Don't take it for granted. Care enough about it to preserve its beauty, its history, its tradition.

If we observe and promote, our patriotic holidays our young people will understand the real meaning of them and learn to appreciate America and its heritage. Are you sure someone has taught them what our holidays really mean to America?

In his book Heritage and Destiny, Dr. John Mackay has a chapter heading which says: "The road to tomorrow leads through yesterday." On each of our patriotic holidays we should once more travel through yesterday and discover once again the heritage of freedom left to us by preceding generations. Perhaps the reawakened interest in yesterday and its heritage will open a new pathway to tomorrow.

The price of liberty was, and still is, great. We must remember the sacrifices of all Americans who stood tall and straight, unwavering in their quest for freedom, not only for themselves but also for future generations.—SC Legionnaire.

BOYCOTTS

Mr. ABOUREZK. Mr. President, I thought it would be interesting to Members of Congress, both Senate and House, to learn that there are several boycotts by various countries against various other countries. While for obvious reasons, most of the publicity has centered on boycotts by Arab countries against Israel, strangely enough Israel also has a boycott against the Arab countries.

I ask unanimous consent to have printed in the RECORD an article by Stephen M. Aug which appeared in the Washington Star on December 14, 1976, which discusses this boycott.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CALIFORNIA LAW BRINGS IT TO LIGHT—ARABS ARE NOT THE ONLY ONES; ISRAELIS ALSO HAVE A BOYCOTT

(By Stephen M. Aug)

Although most recent publicity surrounding international economic boycotts has involved the widely known Arab boycott of Israel, a lesser-known Israeli boycott has begun causing a few difficulties as well.

A recent cable from the U.S. Embassy in Tel Aviv to the State Department here—a copy of which The Washington Star has obtained—says the Wells Fargo bank in San Francisco has refused to process letters of credit on behalf of a firm which was to ship walnuts to Israel.

The reason was the bank's interpretation of a new state anti-boycott law in California. The law forbids California firms to comply with foreign economic boycotts.

The cable asked for further information about the California anti-boycott law because it had received a number of inquiries concerning it.

Meanwhile, sources say, an Israeli contractor, in an initial contract with a U.S. firm, apparently had included a clause that specifically excluded people of Arab origin from taking part in the work covered by the agreement. The clause reportedly was later eliminated.

The new California law, effective Jan. 1, apparently interferred with a number of overseas contracts because several California banks declined to process the necessary letters of credit. The banks were uncertain as to how the law should be applied, although they had evidently decided to begin adhering to the law before it went into effect.

Clifford Churchill, president of the Churchill Nut Co. of Hollister, Calif., said that after Wells Fargo bank refused to process a letter of credit involving $178,567 for about 165,000 pounds of walnuts, he tried several other banks, but the results were spotty and eventually none would allow the letters to be processed.

The situation continued for several weeks, he said, with bankers saying they would have to consult their lawyers. Then, several days ago, he said, the letters began flowing again.

The clause in the letter of credit said Israel would not accept shipments unless it could received certification that the vessel transporting the merchandise would not enter territorial waters of Egypt, Yemen, Jordan, Saudi Arabia, Iraq, Lebanon, Syria or Kuwait before it unloaded in Israel. Federal regulations do not require such a clause to be reported to the Commerce Department because it is not considered to constitute a boycott.

George Caulfield, a vice president at Wells Fargo, said the provisional view of the bank's lawyers "was that all clauses were covered by this new law. Therefore, in anticipation of this new law becoming effective Jan. 1, we started to phase out all letters of credit involving clauses of any type."

He said three primary types of clauses involved certifications of country of origin, the question of whether a vessel is owned by Israel or Arab groups, or whether vessels called first at Arab or Israeli ports.

Caulfield said the bank began processing letters, including these clauses, after California Atty. Gen. Evelle Younger ruled recently that primary boycott clauses were not covered under the new law.

Warren Abbott, a deputy attorney general who has been deeply involved in the new anti-boycott law, said the California law was designed to prohibit so-called secondary and tertiary boycotts.

In a primary boycott one country simply refuses to import goods from another country. Such boycotts are traditional when involving nations that are at war with one another.

But a secondary boycott involves, for example, an Arab country refusing to do business with a California corporation unless the firm stops doing business with Israel. In a tertiary boycott, for example, an Arab nation would say to a California firm it will not deal with the company as long as the company continued doing business with another firm that is on the Arab blacklist.

Abbott said the state attorney general issued the opinion clarifying the situation after the California secretary of commerce questioned the meaning of the law. He said one of the questions involved the type of clause Israel uses routinely involving ports of call for fear that goods destined for Israel might be confiscated if the ship called in an Arab port first. "We concluded that the legislators did not intend to prohibit such clauses," Abbott said.

Abbott also said the attorney general has decided the new law, which "would on its face appear to prohibit any participation" in any boycott, did not intend to prohibit participating in a primary boycott. As a result, California firms will still be able to certify that goods they are shipping to the Arabs were either made in the United States or did not come from Israel.

The Israeli Embassy reportedly approached the Commerce Department shortly after it drafted its boycott regulations in 1965 and contended Israel's policy was not intended to restrict trade, but was merely cautionary to protect the security of goods. Israeli officials said they do not permit their own exports to be shipped on vessels that later stop at Arab ports. As a result, the regulations were amended to exclude that type of clause as a restrictive trade practice.

MILWARD L. SIMPSON

Mr. HANSEN. Mr. President, the senior Members of the Senate will remember one of their colleagues from the early sixties, Milward L. Simpson.

Milward Simpson was elected to this body in 1962 from my home State of Wyoming to continue his public service, which included serving in the Wyoming State Legislature, and later as Governor of that great State.

Milward Simpson brought with him to Washington the integrity, honesty, and public-mindedness he propounded throughout his service in and to Wyoming.

In 1966, Senator Simpson retired from this distinguished body because he had learned he had Parkinson's disease. Doctors told him then that he had maybe 1,000 steps left, and so he returned to Wyoming.

Today, Governor Simpson, now 79 years of age, is still lending his spirit and character to the people of Wyoming, as was recently pointed out in an article from the Denver Post of October 31, 1976.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post, Oct. 31, 1976]

MILWARD L. SIMPSON

When Milward L. Simpson of Cody served Wyoming as legislator, governor and U.S. Senator, he stood 6 feet tall and weighed 185 pounds. Age—he will be 79 in 2 weeks—and illness has shrunk him to 5 feet 9 and 165, and he needs an arm crutch to walk.

But neither crippling arthritis nor Parkinson's disease have shriveled his gift for pungent phrases or his fierce dedication to what he believes is right for Wyoming, and for America.

"I got the name 'Fiery Petrel' when I first went to the state legislature because I was always pointing out the right and wrong of things," he says. "The name was a takeoff on the stormy petrel, the bird that is supposed to bring storm warnings."

These days, when Simpson makes a public appearance, he is usually addressed as "Mr. Wyoming" or "Mr. Republican."

But old-timers still call him "Simp" or "Simpy," though most folks address him as "Senator."

Simpson prefers to be called "Governor."

"The 100 senators ride off on their horses in 100 directions," he explains. "But a governor is top gun in his state.

"I think my best work for Wyoming was done as governor. Nowadays, people seem to feel the same.

"I didn't do anything spectacular in the Senate. I was elected in 1962, and early in 1966, while walking through a Senate corridor, I fell flat on my ding-dong and couldn't get up. I had to crawl.

"That's when the doctors told me I was doomed by Parkinson's disease, that I had maybe 1,000 steps left. New drugs since gave me a lot more steps, but I didn't know that then. So I retired. I was damned if I would ask the people of Wyoming to send a handicapped man to Washington!"

Simpson was a few months short of qualifying for a $22,000 annual senator's pension. He notes with indignation that some "phonies" thought he should conceal his illness, run again and then quit when he had the pension cinched. (Gov. Simpson does not draw a pension from any of his elected posts.)

"I could never consider something so dishonest," he declares. "I knew senators so senile or paralyzed they could not work or find their way home.

"I have always refused to compromise my principles for possible personal benefit. Such compromises are dangerous—they just take you to a lesser value. And the only values worth having are the ones God gave us."

That sentiment is more than rhetoric: Gov. Simpson is a former lay preacher in the Episcopal Church.

He prays every morning in his Cody home at the big living room window which frames a view of the high cross atop Christ Episcopal Church against Cedar and Rattlesnake Mountains.

He also says grace at every meal, even in restaurants, and after asking the blessing for the food, adds: "God bless America and keep her free from discord and confusion."

Yet he can cuss a streak; he notes cheerfully that piety and earthliness come naturally to a man "whose father was a cowpuncher and whose mother attended church for a century."

The governor was born Nov. 12, 1897, at Jackson, Wyo., the youngest of the three children of Margaret Burnett and William Lee Simpson. His father, a native of Fort Lyon, Colo., trailed cattle into the Jackson Hole area in 1884 and stayed to become a prominent attorney before his death in 1940. His mother, whose family settled in the South Pass area in 1865, was 100 years old when she died in 1974.

Young Milward spent his first years in Lander, where his father was Fremont County prosecutor. (He was the only prosecutor, the governor proudly notes, who ever managed to convict famed outlaw Butch Cassidy.)

Later, the family moved to Meeteetse, then Cody.

Simpson graduated from Cody High School in 1916 and enrolled at the University of Wyoming at Laramie. When America entered World War I, he quit school to become an infantry officer. After the war, Simpson returned to Laramie, earning his B.S. in 1921.

He went to law school at Harvard University but dropped out in his third year.

"People take it for granted that because I am a lawyer, I have a law degree," he says. "But I received special dispensation from the state district court to start practicing without a degree and before taking the bar exam."

The reason was dramatic. In 1924 his father stood trial for murder.

"We were living in Thermopolis then," the governor says, "but this happened in Cody. Some guy my father had beaten in a lawsuit attacked him on the street, hitting him on the head with a rock. My father shot the man. It was self-defense and my father was acquitted, but he had to drop his practice because of his injuries. The court allowed me to take over."

Simpson passed the bar exam with high marks in 1926, and that same year, at age 29, was elected to the Wyoming Legislature.

"I was the only Republican elected in Hot Springs County," he says. "Folks knew me pretty well, not only because of my father, but because I was a hot semipro baseball player.

"I played for Keene, N.H., while I was studying in the East, and I played centerfield for Red Lodge, Mont., when I was home. Even had an offer to go to the big leagues but my father made an impassioned speech to me about ball players' legs only lasting five years, so I never tried out.

"My father, one of the most convincing orators I ever heard, talked me into becoming a Republican.

"My parents were terrific Democrats and I blatted the Democratic cause all through high school. But when I was 21 and about to cast my first vote, my dad made one of his speeches. He convinced me that Democrats are fine, but Republicans always win, so I registered as a Republican.

"I have stayed on that side of the fence ever since because I like the GOP philosophy."

When a leader of the Women's Christian Temperance Union (WCTU) demanded to know if the freshman legislator was "wet" or "dry," Simpson replied:

"Ma'am, I'm so wet if you blew on me, I'd ripple."

The WCTU lady stalked off before he could explain: "You can't legislate morals into people. I think Prohibition was one of the blackest periods in American history."

Besides, Simpson admits with a laugh: "In those days I drank. They made a fine apricot brandy around Cody for $5 a pint."

One of Simpson's more-publicized legislative efforts was a bill reducing the residency required for divorce in Wyoming from a year to four months.

"People pilloried me for attacking marriage.

"Heck, I wasn't even married then. I just wanted to bring some divorce business to Wyoming. But the only thing I accomplished was scaring Nevada into lowering its divorce residency requirement to three months."

Simpson did not run for re-election to the legislature because his father recovered his health and moved his practice to Jackson. The governor moved to Cody, which has been his home ever since.

But there was another reason: Being a legislator in Cheyenne put him too far away from "a darn pretty blue-eyed brunette" named Lorna Kooi (pronounced *Coy*), who lived in Sheridan and who had finally said, "Yes."

"I'd been courting her for darn near three years," Simpson recalls. "Her father operated the coal mines at Kooi (now a ghost town) near Sheridan.

"We met at a wedding in 1926, and after that I arranged an awful lot of ball games in Sheridan. Most of the time she was off on round-the-world cruises with her parents, meeting all kinds of rich fellows. But I was persistent. I sent her a cable and a bouquet of roses at every port."

They were married in June 1929. Nearly 48 years later, Lorna and Milward still hold hands, cuddle and call each other loving names.

After his marriage, Gov. Simpson devoted most of his time to his growing law practice in Cody.

He became well-known for his sharp wit. Old-timers chuckle over Simpson's advice to the GOP on how to elect a handsome but inarticulate candidate.

"Just braid his tail and mane like a stud horse and run him up and down the platform."

(Simpson was right: The candidate won. But the man's relatives have not spoken to him since.)

In 1940 Simpson ran for the U.S. Senate: "I was unhappy with President Franklin D. Roosevelt's give-away philosophy and the trend toward social democracy."

He was defeated, by a wide margin, by Democrat Joseph C. O'Mahoney.

The following year, America's entry into World War II put a temporary halt to his political activity.

Simpson, 44, tried to rejoin the Army for "three good reasons—my wife and my two sons."

"I was told to report, so I practically gave away my law practice. Then, at the last minute, I was turned down," he says.

Simpson stayed in Cody, acting as caretaker for various businesses whose owners had gone to war.

"We managed a newspaper, a motel, a building and two drug stores. Lorna and I even changed sheets at the motel," he recalls.

"It seemed I was working 24 hours a day. I couldn't sleep, I couldn't eat, but I was a husky guy and figured I could last. But the exhaustion and the anxiety of those years took their toll later."

When the war ended, Simpson remained "up to my navel in everything, like an idiot."

Besides his flourishing law practice, he worked for a variety of civic organizations. Among other posts, he headed the board of trustees for the University of Wyoming and served on the National Executive Council of the Boy Scouts. (The governor holds the Silver Beaver Award, the highest honor given in Scouting.)

But he "stayed quiet in politics" until Dwight D. Eisenhower ran for the presidency in 1952.

"I met Ike in Denver before he announced his candidacy," Simpson says. "I told him I was worried about immorality in government and the lack of religious faith in some of our leaders. He took out a coin that had a cross on one side and the flag on the other. And he told me he didn't see how a person could live without faith, or how a country could either.

"I became Eisenhower's representative in Wyoming. Ike won 60 percent of the Wyoming vote—the biggest landslide in state history. And he gave me part of the credit.

"In 1957, President Eisenhower offered me the post of secretary of interior. I was halfway into my term as governor, and I told him I couldn't do it. I had campaigned on the promise that I would be governor for four years. We'd had a couple of two-year governors who quit in midterm to run for the Senate. Ike understood I had to keep my promise, but he didn't forget. Years later, when I was running for the Senate, he gave me a big boost by revealing publicly that I had turned down a job in his cabinet because I wanted to keep my word to the people of Wyoming."

Simpson's decision to run for governor was personal; he told the GOP he intended to run.

"I wanted to be governor of the state I loved."

Simpson beat William (Scottie) Jack in the 1954 election by 1,100 votes to become the first native son governor in the state's history.

The big, bald governor then proceeded to stand Wyoming on its ear. He had promised such things as efficiency, economy, equality and "Wyoming for Wyomingites." Probably few voters realized he meant every word.

He irked state workers by cutting down on their coffee breaks and state-supplied Christmas cards. He upset veterans by eliminating their special tax exemptions while modernizing the state tax structure. And he closed the saloons and wide-open gambling joints in the Jackson Hole area, which annoyed Wyomingites.

"I was a veteran. And I used to gamble in Jackson myself," Simpson says. "But when I became governor I swore to uphold state law, and people were riled because I did just that."

Ironically, about the only popular move he made was one that failed: He tried to buy the concessions at Yellowstone National Park for Wyoming.

In spite of his stormy administration, Simpson felt he did a good job. He was crushed when he ran for reelection in 1958 and lost to Joseph J. Hickey by 2,500 votes.

"And when we came home to Cody," the governor says ruefully, "some old boy who walked around in bib overalls said to me, 'Simp, where the hell have you been? I ain't seen you for four years!' "

Like his father before him, Simpson became city attorney of Cody. But he itched for a return to politics.

He got his chance when Gov. Hickey appointed himself to the U.S. Senate in 1960 to fill a vacancy. The GOP took a poll to see which Republican should oppose Hickey in 1962, and Simpson's name led the list.

"That time," Simpson chortles, "I beat the pants off old Joe. I won by 19,000 votes."

When he retired from the Senate Simpson returned home expecting to die.

"My wife wouldn't let me," he says with tears in his eyes. "She kept me alive.

"By 1967 I couldn't walk, my hands shook, my head shook, I lost my voice and the sight of my left eye. But Lorna insisted on giving me therapy every day to keep my circulation and my muscles going. She also made the doctor try the drug L-Dopa on me in 1968. It was still experimental but I turned out to be one of the lucky ones who could tolerate it.

"Within weeks I went from a wheel chair to a slow walk, and my voice came back. I improved so much the doctors did surgery on my right hip bone and gave me a new steel ball.

"My right leg still goes out now and then, my left hand shakes and I get around mostly by stagger, but I'm too old to go dancing anyhow!"

In recent years, Simpson has been showered with honors; streets and stadiums and university chairs have been named for him.

"People are trying to make me feel warm before I die," he grumbles, but adds with a grin:

"I enjoy it. Gives me a chance to make speeches. I still have three good reasons for hanging on to this existence—and six grandkids, too."

His son Peter Kooi Simpson, 46, who stands 6 feet 5, is assistant to the president of Casper College in Casper, Wyo., and a well-known educator. Peter and his wife Lynne have three children.

Alan Kooi Simpson, 45 and 6 feet 7, is a lawyer in Cody. He has been a state representative for 10 years, and is majority leader of the Wyoming House. Alan and his wife Ann have three children.

"The kids are mighty good to me," Gov. Simpson says. "They act like they like the old man. So do a lot of people in Wyoming, including some that called me names.

"Makes me want to hang on and see what happens next. Besides, I still have a hell of a lot to say on how Wyoming and America ought to be run!"

Simpson likes to tell a story to illustrate "how little some of those Eastern bureaucrats know about the West." He claims it really happened:

A Wyoming sheep rancher was summoned to Washington, D.C., by a government official.

"Can't come," wired the rancher. "It's lambing time."

Back came an order from Washington: "Postpone lambing!"

Simpson uses that anecdote to warn against possible federal misuse of the West's lands and resources. He points out that the federal government owns 52 percent of Wyoming's land and 36 per cent of Colorado's.

"Twenty years ago I said we ought to put a fence around Wyoming to keep people out. I was called an isolationist. But the federal government could come in and strip Wyoming bare.

"No Western state can afford to let its resources be dissipated without a return. Coal, oil, underground water are limited resources, but the federal government could take them out and not leave a dime behind.

"We should tax things like the coal removed from Wyoming soil, and impound the money for Wyoming's future. Otherwise one day the coal will be gone and we'll have nothing to show for it but scarred land.

"We can't lock up our natural resources, but we can prevent people from working our resources until they peter out and then just walking off."

Simpson still receives about a dozen letters a day.

"My old cronies keep me posted. And I also get mail from plain folks in Wyoming who want my help."

Some of the letter writers get answers they may not like. He is vehement about some things, like paying back debts.

"I never took a bankruptcy case," he says, "because I believe people should work off what they owe.

"I've been in debt, but I have always paid. Being governor was costly. Lorna and I went $150,000 into the red; the governor's annual salary then was $10,500. But we paid it off a little at a time.

"Our national budget is a joke. We put out money for wild expenditures like studying the aggressions of fish, and we're spending ourselves into insolvency.

"Wyoming has no debts. Why should the people of this state have to bail out the federal government?"

Gov. Simpson thinks the chief hope of balancing the U.S. budget lies with the Congress. He says: "Congress must reassert its fiscal responsibility and retain control of the money it votes."

But he has little hope that will happen, adding: "It is hard to respect members of the Congress when they sneak in a permanent 40 percent raise for themselves.

"I remember an argument I had with a liberal senator about some outrageous boondoggle. I told him we had to be realistic about money to protect the country. You know what that bastard told me? He said,

"You go on being realistic, I'll go on being re-elected."

"I have always operated on the advice my father gave me when I first went to the legislature: 'I can't tell you how to succeed but I can tell you how to fail—just try to please everybody.' I never did. I voted my conscience and I have no regrets."

He opposed two of the most famous legislative actions of the 1960s: The Nuclear Test-Ban Treaty of 1963, in which the U.S. and the Soviet Union, along with many other countries, agreed to ban nuclear tests above ground and below water, and the Civil Rights Bill of 1964, which forbid discrimination in public places and led to the school busing controversy.

"I think I have been proven right," he says.

"The Soviets have used that test-ban treaty to outstrip us in military power. As for the civil rights bill, anyone who could think would have known it was going to cause trouble and confusion. Trying to force civil rights by threatening communities which wanted to maintain their own schools with loss of funds, or threatening people with jail, could only create dissension. I still feel we should have let integration come naturally. Without the bill, it might have taken a generation longer, but it could have been done with love instead of resentment on both sides."

Seated in his red leather chair, holding on to his arm crutch, his hazel eyes flash, his voice grows stronger and he is obviously enjoying himself. "That's the nicest part of living long enough to be called an 'elder statesman,'" he jokes. "You're allowed to talk."

Gov. Simpson has almost as low an opinion of environmentalists as he does of "Eastern bureaucracts" and "liberals."

"I think environmentalists do good things," he says, "and I have helped them with legislation designed to protect the environment. But they have become arrogant with success.

"Now they are trying to lock up the West and make every day Sunday. If they succeed, it will make for long clear days, and bitter black nights, because people cannot afford to stay where there is no work, and if you clean up the air by eliminating industry, you also eliminate people.

"What's really insulting to every Westerner born is the environmentalist idea that nobody took care of the land before. Some industries take better care of the land than those ecology-spouting newcomers do.

"The sheep and cattle ranchers are in a bind. They run private operations, but with the help of federal land. So some government type that never saw a cow starts telling the ranchers what to do in their private businesses, right down to whether they can poison a coyote or put up a fence.

"The liberals can talk all they want to about how bad things are here. Well, maybe we divide capital unequally, but socialism divides misery equally.

"Our system of government is the best damn thing that ever happened in the world. Ask any Westerner!"

A PLAN FOR REAL TAX REFORM BY RUSSELL E. TRAIN

Mr. PELL. Mr. President, at this time of new beginnings, in a new year with a new President and a new Congress, I believe it is timely to take a fresh look at one of the most difficult problems confronting our Nation—our Federal income tax structure.

The Honorable Russell E. Train, currently serving as Administrator of the Environmental Protection Agency, has offered a plan for comprehensive tax reform that I believe offers a promising path out of the existing jungle of our Federal tax code.

Mr. Train, who has had extensive Federal tax experience on congressional tax committees, in the Treasury Department and in the U.S. Tax Court, argues convincingly that real reform of the existing tax code through modifications and amendments is hopeless. Mr. Train makes a compelling case that the goals of equity, fairness, and simplicity in our tax law can best be achieved by abandoning completely our present code and substituting a single flat rate income tax with few permitted deductions, and an increased personal income exemption.

I believe Mr. Train's proposal is an excellent one that deserves serious attention and study by the Congress. Mr. Train presented his tax proposal in an article in the Washington Post on October 24, 1976, shortly after the 94th Congress had adjourned. I ask unanimous consent that the article entitled "A Plan for Real Tax Reform," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 24, 1976]

A PLAN FOR REAL TAX REFORM

(By Russell E. Train)

Every year or so—particularly around election time—there is a great deal of talk about the need for tax reform. The rhetoric is familiar. Once again, the long-suffering American taxpayer-voter, always hopeful that help is on the way at last, responds favorably to the reform effort. And once again, when the smoke clears, a few old loopholes have been closed or modified, some new special treatments have been added and a whole new dimension of exception and complexity has been introduced. The only certainty in the entire process is that every time we go through the so-called reform, the law becomes more complex and more impossible for the average citizen to work with and understand.

Nearly 20 years' experience with our tax laws—in the writing of the laws themselves, in their administration and, finally, in their interpretation as a judge—has convinced me that the present federal individual income tax structure is beyond essential reform. It can be tinkered with; it can be patched here and there. No doubt some improvements can be made. However, it is fundamentally beyond repair. The sooner we understand and accept this fact, the sooner we can get on with the job of real tax reform.

I truly believe that real reform of the present tax system is hopeless. I equally firmly believe that real tax reform is not only possible but fully within our reach—and long overdue. And I should make clear that the views I express here are entirely personal and are in no way intended to represent administration policy.

The answer, as I see it, is to abandon the progressive net income tax and substitute a single flat rate tax on adjusted gross income—that is, on an individual's total income, less personal exemptions, less allowable business expenses but before any personal deductions. In fact, personal deductions (including the deduction of charitable contributions) go out the window under this approach. Personal exemptions (which should be increased to at least $1,000) should still be provided to cushion the burden at the bottom of the income scale (but, of course, should be extended, as now, across the board). Special treatment of capital gains would be eliminated as no longer necessary, thus removing one of the greatest sources of complexity and potentials for abuse in the entire system. The tax exemption of interest on state and municipal securities would be eliminated as to future issues.

What sort of tax rate would be involved? I estimate that a tax base such as I have described would require an across-the-board rate of no more than 13 per cent and probably closer to 10 per cent to produce approximately the same revenue as produced by the present federal individual income tax. This compares with a first bracket rate today of 14 per cent and a top bracket rate of 70 per cent. I seriously doubt that the tax burden on lower incomes would be any greater than today and could well be lower.

It may seem that I am proposing more favorable treatment for business deductions than for personal deductions. The fact is that they do require different treatment in most cases. To disallow business expenses as a deduction would in many cases result in a tax on negative income. For example, the farmer should not be taxed on the proceeds from the sale of his crop without first deducting the cost of his seed, fertilizer, pesticides, labor, equipment, etc. Any individual with business income should have the same right.

The major exception I would make in the field of business expenses would be to disallow quite broadly deductions for entertainment, meals, gifts and travel. Some deductibility of travel would doubtless have to be allowed where it is integral to the operation of the business, but this should be the exception rather than the rule. Some hardship would undoubtedly result, but the abuses in this whole area are so great that the hardships would be a small price to pay for their elimination. And at a flat rate of about 10 per cent, nondeductibility isn't such a tremendous penalty in any event.

AN ILLUSORY ADVANTAGE

The major objection to such a plan would be its apparent regressivity.

There are basically four answers to this objection. The first is that the supposed progressivity of the present income tax is largely illusory and mostly window dressing. Whether it operates progressively or not is very much a hit-or-miss proposition, varying according to the happenstance of the particular taxpayer. While the rate structure creates the appearance of strong progressivity, the plethora of special treatment means that the reality is often quite different. Second, I believe current economic analysis has in fact concluded that the present overall system, taking into account the social security tax, is quite definitely regressive in effect in any event. Third, there being so little honest progressivity in the present system, its preservation hardly justifies continuance of the present morass of complexity and special treatment. Fourth, if it were decided to build more real progressivity into a system such as I propose, this could be done quite easily and without inviting a repetition of the kind of mess we now have.

For example, it would seem to make sense to explore merging the employee share of the social security tax into the overall income tax structure. This approach could be considered as part of a comprehensive review of the present funding of the social security system.

A promising new possibility for consideration as part of any restructuring of the tax structure would be a consumption tax. Such a tax on expenditures above a certain amount could be utilized both to provide a portion of the revenue which would be otherwise raised by the income tax (and thus permit a further lowering of the income tax rate) and to eliminate any possible problem of regressivity in the tax system that I have proposed. A flat rate consumption tax could introduce significant new equity into our tax structure, without the disadvantages of a progressive tax on incomes.

As for the corporate income tax, its problems are quite different. However, the dif-

ferences in rates between corporate and noncorporate income lead to many of the complexities of the Internal Revenue Code. I have the strong impression that the corporate income tax operates in effect as a hidden sales tax. If that is correct, the corporate income tax is passed on as part of the cost of goods sold and gets paid in the final analysis by the consumer. Such an effect must be strongly regressive since the passed-on tax must enter into the price of everything we buy—without exemptions. It must also be inflationary since the amount of tax must be assumed to be "pyramided" through markups at the successive stages of the distribution and marketing system.

While it is politically far more palatable to tax corporations than to tax individuals, any basic overhaul of our tax system should not overlook the interrelationship between the corporate and individual tax systems. If the rates of the two taxes could be brought into greater parity, one of the major causes of complexity in our tax structure would be largely eliminated.

THE COSTS OF COMPLEXITY

The overly complex nature of the present system has another effect: it makes it practically impossible for our government and, particularly, the Congress to deal rapidly and efficiently with the need to adjust revenue in response to the nation's fiscal needs. Inevitably, the congressional effort gets bogged down in the political issue of how to distribute the tax increase or the tax relief, as the case may be, and inevitably issues of special treatment arise. Inevitably, any tax revision program brings out a horde of special pleaders—seeking either to secure new benefits or to protect the benefits they already enjoy. What should be a relatively straightforward process for raising or lowering tax receipts (which is, after all, what the tax system is supposed to be all about) becomes a legislative morass. Accordingly, two years is about par for a congressional response to the need for a revenue change. And the outcome is totally uncertain up until the last moment.

Such delay is intolerable when our government should come to grips effectively and promptly with budget needs and economic policy requirements. It is a delay that contributes to the growing public sense of the incapacity of government to govern. A simple flat rate income tax such as I propose would be a far more useful and efficient instrument of fiscal policy. A simple increase or decrease of the basic rate by a percentage point or two, or even by a fraction of a point, would be all that would be involved. I do not pretent that such a decision would necessarily be an easy one but, at least, policy makers would be able to focus on the gut issue: Should revenues be raised or lowered, and by how much? Frankly, under the present system, it is pretty hard to tell what the Congress is up to. I suspect that that is a judgment that most members of Congress would share.

The fact is that tax matters today are largely the province of experts. These experts, primarily in the legal and accounting professions, constitute a sort of priesthood on whom the rest of us must rely for interpretation of the holy mysteries. The priesthood even has its own private language and vocabulary.

This is bunk, and it is dangerous bunk in a democratic society. It is the kind of nonsense that contributes to the alienation of people from government. If we believe that greater public participation in the processes of government is vital to the restoration of confidence in government, then we had better insist that the basic governmental processes are susceptible to common understanding. A good place to start on such a course is the present tax system. Since one of the causes of the American Revolution was to get control of taxation into our own hands (or those of our own representatives), it might be fitting in this bicentennial year to stage another tax revolt—this time to take taxation away from the experts. My proposal makes this possible.

The present tax system helps erode the credibility of government. There is a widespread feeling that the system is not fair, that the other guy is getting away with something—and he very likely is. That is not a healthy atmosphere, and it can have a corrosive effect on our institutions generally. It can have a disastrous effect on our tax system itself.

The American income tax is fundamentally a "self-assessed" tax. Were it not for the basic good will and honesty of our taxpayers, even an army of policemen could not make it work. Unfortunately, there is considerable evidence today that this spirit of cooperation is wearing thin. Unless we restore confidence in the basic fairness of the system, we run a real risk of undermining our ability to support our government.

While outright tax evasion is a crime, tax avoidance is usually treated as a virtue. In the great game of taxation between citizen and government, the citizen is expected and even encouraged to take advantage of every legal way to minimize his taxes. Given the stakes involved, it is not surprising that there is a good deal of stretching of the technical legalities. In my opinion, the individual income tax has done more than any other single device, with the possible exception of Prohibition, to promote disrespect for the law, encourage cheating and put a premium on corner-cutting in our relations with government and our fellows.

WHOSE OX IS GORED?

Since the benefits of such a fundamental tax reform seem overwhelming, who could possibly be against it? The answer, alas, is: practically everyone.

The beneficiaries of existing loopholes would fear and probably resist their elimination, despite the low rate that would be substituted.

There would be the politicians and others who would demagogue over the apparent lowering of rates on the wealthy, while continuing behind the scenes to play the game of special tax benefits.

Many tax lawyers and accountants would oppose such a basic change—some doubtless because of the potential loss of a highly remunerative occupation but more generally, I suspect, because of a strong mind-set against getting away from the familiar. It is for this latter reason that I would urge that, if any public commission were to be set up to recommend changes in our tax structure, tax professionals be excluded from its membership. Tax reform is too important to be left to the experts.

State and local governments would oppose the change because of the elimination (albeit prospectively only) of the tax exemption of interest on municipal bonds. This element of the plan would unquestionably lead to a rise in the cost of state and local borrowing at a time when these governments are already hard-pressed in the financial markets. An appropriate answer to this problem would seem to be a direct federal subsidy outside the tax system. The present tax exemption is already a subsidy, hidden perhaps but nonetheless real in terms of lost federal revenue. A comparable effect could be achieved by the federal government paying some percentage of the interest cost of future borrowing to state and local governments—a percentage designed to be roughly equivalent to the rate advantage previously enjoyed. It should cost us about the same.

Churches, private educational institutions and other exempt organizations generally referred to as "charitable" would presumably oppose the change for fear that the nondeductibility of their contributions would dry up their support. There would undoubtedly be some reduction in very large gifts by upper bracket taxpayers made relatively painless today by tax deductions.

Tax considerations would no longer represent a moving force behind gifts. Actually, there are many reasons, aside from taxes, why people give their money away—a sense of social responsibility, simple charitable impulse, a feeling of affection or gratitude toward the institution concerned, religious conviction, a desire for a personal memorial, etc. These would all continue absent tax deductibility. Who knows, nontax donations might even take on a new vitality. Moreover, the low flat rate I propose should result overall in more disposable income being left to individuals out of which to satisfy their charitable impulses. And at the proposed low level of tax, nondeductibility should not result in any significant disincentive to charitable gifts.

If my proposal for substantially eliminating deductions for business entertaining, meals and travel were adopted, there would be strong opposition from those service industries that benefit from expense account spending. The uproar from restaurants, theaters, night clubs and convention centers in many areas would be considerable, to say the least. Moreover, customers might even start insisting on decent service, inasmuch as they would be paying out of their own pocket.

ADJUSTMENT PROBLEMS

All of this leads to the plain conclusion that, whatever the merits of the "Train plan," there would be adjustment problems in its implementation. The significance of these adjustment problems is an indication of the very real extent to which the present tax system has already influenced ("warped" might be a better word) the patterns of behavior of our society. I believe we can only benefit by eliminating this influence and by making the federal tax bite essentially neutral to our personal decisions. The withdrawal pains will be considerable. Thus, some transitional device, such as phasing in the new system over five years, might be desirable.

I do not hold out my proposal as being technically perfect—far from it. There are doubtless many technical difficulties. However, I am confident that, if a minute fraction of the time and effort that we have spent over the years in developing our present Rube Goldberg tax structure were put into perfecting the kind of plan I have put forward, we would readily solve any technical difficulties.

If we are serious about tax reform, a completely fresh start is required. We can in fact have a simple, fair, understandable and effective tax system if we want it and are willing to make the hard political choices which are involved. I frankly doubt that we are.

ADDRESS BY DR. ANN ACKOUREY

Mr. BAKER. Mr. President, I would like to take this opportunity to share with my colleagues in the Senate an address presented recently to the Southeastern Regional Conference on International Education by a distinguished Tennessee educator, Dr. Ann Ackourey, executive vice president of Cumberland College in Lebanon, Tenn.

Dr. Ackourey stresses the importance of internationalizing education as we attempt to put all of our resources to work in seeking solutions to global problems confronting all nations today.

Mr. President, I ask unanimous consent that Dr. Ackourey's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOUTHEASTERN REGIONAL CONFERENCE ON INTERNATIONAL EDUCATION—BROAD INTEGRATED APPROACHES TO THE CONTEMPORARY WORLD

Recently I attended an international symposium organized by the American Council of Learned Societies, the American Studies Association, and the Smithsonian Institution. Those of us representing education had as our task along with politicians, economists, and artists, to examine the role of American culture in other world societies. The answers that resulted can be summarized by saying most foreign educators liked the idea of what our educational system maintained: equality of opportunity, experimentalism, comprehensiveness. But they were apprehensive about the effect American education and culture might bear on their respective societies. Let me select some revealing statements to show you how they felt.

Alexander Kwapong, Vice Rector of the United Nations University in Tokyo, felt invaded by American cultural and educational practices.

William Armytage, Professor of Education at Britain's University of Sheffield, noted that the University of London was established, in part, on the American model dating to the day of Jefferson's University of Virginia.

Sahair El Calamawy, Professor of Modern Arabic Literature at Cairo University, found American educators—the early missionaries—brought fundamental changes to Egypt in the 19th century as well as offered education to women.

Ivan Boldizsr, a Hungarian writer, speculated on what the reaction would be back home when he told his colleagues he had spent time in the United States discussing comic books; political reform and jazz were other aspects of the American culture discussed at the Conference.

Torsten Husén, Director for the Study of International Problems in Education at the University of Stockholm, commented at the conclusion that he had always been intrigued by the type of masochism found in American education.

What implications do these professional exchanges have for us here today? These will become apparent to us if we stop a minute to examine further some population predictions and their concomitant effects.

According to the most recent edition of the *United Nations Demographic Yearbook,* the world's population of 3.89 billion will double by year 2012 if the latest annual growth rate of 1.9 percent is held. Problems likely to surface to a much greater extent than present according to members of the National Association of Science at their recent world conference will be:

(1) food and health.
(2) environment.
(3) resources and energy.
(4) arms control and nuclear technology.

Many international experts claim these major global problems will be with us for the next quarter century. We in higher education, then, have a significant opportunity to join forces within our institutions, our communities, our states, our nation, and with other nations to provide some real solutions. These solutions could include the development of a globalized curriculum on our campuses, formal courses using two or more related disciplines, or linking understandings in the social or behavioral sciences with those in the arts, humanities, and sciences. Whatever broad, integrated approach we use to align with our contemporary world we should concentrate first on the needs and purposes in educating people on an international basis.

In the areas of food and health—we need our colleges and universities, the technical community, and society-at-large to apply our present technological tools in search for new ones.

In the area of the environment—we need colleges and universities to monitor, assess risks, and communicate what we know so the proper decisions can be made with the minimization of uncertainties.

In the area of resource and energy—we need our colleges and universities to develop a storehouse so that options of one material substituted over another can be made.

In the area of arms control and nuclear proliferation—we need our colleges and universities to increase the cognizance of the disarmament issues by scientists all over the world and how involvement in the arms race can be affected by the political process.

If we are to provide the linkages to internationalizing and opening more doors to global-type education, we shall need to do four things:

1. Improve the process for generating and managing the introduction and evolution of technology with the human element.

2. Maintain new standards of scientific research and apply them to problems of widespread public significance.

3. Disseminate research findings throughout the world and especially among developing nations.

4. Fortify the framework of decision making of issues related to global issues.

Whatever route we take in higher education we should subscribe to values which are not culture bound. We will have to be cognizant in whatever approach we select that what is humanly valuable may be found in foreign cultures as well as in our own.

This brings us next to the range of practical tasks which appear to face us in higher education as we aspire toward the paradoxical concepts of unity and diversity. These tasks can be divided into two attempts:

1. the intramural—to widen the college curricula, faculty, and exchange.

2. the extramural—to direct internationalization and to educate our governments and citizens concerning the role and value of higher education in international affairs.

In curriculum, the business of extending education of the rising generation beyond what George Santayana once called "the frontiers of Christendom and respectability" remains in the main, unfinished. In some quarters though the case for an internationalized curriculum has been noteworthy. At the present I suggest that colleges which wish to move farther in this direction do two things:

1. Find ways to enable the faculty in social science and in the humanities to add a degree of specialized knowledge of non-Western societies and cultures. Two-year sabbaticals in mid-career might be an effective means to this end.

2. Nationals from non-Western societies should be included in faculties to expand the curricula.

These approaches could ward off future unemployment trends with the proper balance of staff, expanded fields of offerings, and for the student, longer periods in school to master the ever-growing field of knowledge. We need to be concerned about these. A survey of 23 nations conducted by the International Labor Organization indicated that the jobless reached 18 million last December. Over 7 million or 41 per cent of the unemployed were persons under 25 years of age. Even though this age group represented 22 per cent of the total labor force in the nations surveyed—18 European countries outside the Soviet Bloc, the United States, Canada, Japan, Australia, and New Zealand, the problem could be alleviated to some extent by our educational institutions studying and recommending solutions.

Another approach to internationalizing education involves collaboration of scholars and scientists of other societies. It would be salutary for one and all if the knowledge each society had of itself were to be shared with others. Think of the contributions already made to the understanding of our own society by such foreign observers as Alexis de Tocqueville in the nineteenth century and Gunnar Myrdal in the twentieth.

However broad the approach, selective, carefully skilled collaboration in comparative research among national and other scholars and scientists drawn from countries having comparable problems would seem most promising. The proper scaling and casting of collaborative research and curriculum developments must come from the host colleges, host scholars, and scientists and not the non-national researcher or funding agency. And if doors to international education are to remain open the colleges must make the case for the internationalization of education and must manage its further realization. This means the colleges and universities will have to debate and clarify the issues with tenacity in order to persuade themselves and their financial supporters that their values to society are to expand the national consciousness, not simply to reinforce it.

In summary, then, we have said that in integrating the broad approaches to international education we need to know the objectives, the needs, the assessments. The guidelines presented were based on the rationale that development assistance is no longer regarded as the export and application of ready-made technology but as presenting a deep intellectual challenge. Several colleges and universities have met this challenge by broadening subjects and recognizing that different countries go about them differently. And last, but not least, internationalism in higher education needs to be grounded in the very idea of a college or university—this idea to be focused on a universal view of knowledge and respect for different values.

To illustrate this last critical point let us take the traditional Middle East tale of Nasrudin Mulla.

A man saw Nasrudin searching for something on the ground.

"What have you lost, Mulla?" he asked.

"My key," said Mulla.

So the man went down on his knees, too, and they both looked for it.

After a time, the other man asked:

"Where exactly did you drop it?"

"In my own house."

"Then why are you looking here?"

"There is more light here than inside my house."

All of us concerned with the international linkages to education know that there are many doors to open. Like Nasrudin Mulla we, too, frequently look for solutions to problems in places where it may be easiest and most convenient to look, but not in the places where the roots of the problem lie.

Most of us charged with the responsibility of meeting broad integrated approaches to international education must go back inside to develop a strong foundation to share with and wherever appropriate the contributions of education for a better world.

KEN MACDONALD RETIRES FROM DES MOINES REGISTER AND TRIBUNE

Mr. CULVER. Mr. President, on January 1, one of the Nation's most eminent editors and publishers retired after 50 years of service from the Des Moines Register and Tribune.

In his long tenure, Ken MacDonald won many distinctions for himself and his newspapers and brought an impressive number of young newsmen along to Pulitzer Prize caliber.

But what is really unique about Ken MacDonald is the image of integrity and courage he has carried throughout his

life and career with unvarying kindness and civility toward all with whom he came in contact.

A gentleman who looks the part, Mr. MacDonald has exerted a half-century of leadership in a sometimes stormy profession without finding it necessary to raise his voice. He possesses perhaps the rarest and most precious of all human qualities—genuine humility.

He once said:

The real reason our times are out of joint is that we have moved ahead much more rapidly in natural and physical sciences than we have in the humanities, the behavioral sciences, in politics, in the art of governing ourselves.

Our knowledge has increased faster than our understanding.

I would like to share the story of Kenneth MacDonald's life and career with my colleagues. For I think it restores all of our souls to know that there are persons of this quality and wisdom among us.

I ask unanimous consent that the editorial and news story of Mr. MacDonald's retirement in the January 2, 1977, issue of the Des Moines Register be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Des Moines Sunday Register, Jan. 2, 1977]

GENTLEMAN OF THE PRESS

Kenneth MacDonald's name is missing from the masthead above these columns for the first time in decades. The absence, and his retirement, are a source of sadness to those privileged to work with him.

A newspaper's executives tend to be less well-known to its readers than by-lined reporters and columnists, but editors shape a publication by determining its character and philosophy. We have been fortunate to have had a person of Ken MacDonald's breadth and integrity imprinting his values on The Register and Tribune for so many years.

Ken MacDonald's contribution has been to journalism, not just to our newspapers. He has fought for freedom of the press and for responsibility in journalism, and he is recognized by his peers as a major national figure.

James Flansburg's article elsewhere in today's paper leaves little more to say about Ken MacDonald, except for the one word—"gentleman"—that comes insistently to mind when we think of him. Our dictionary objectively defines "gentleman" as "a polite, gracious, or considerate man with high standards of propriety or correct behavior." We are being objective when we say there is no more fitting description of our colleague.

[From the Des Moines Sunday Register, Jan. 2, 1977]

KENNETH MACDONALD RETIRES FROM R AND T

(By James Flansburg)

Kenneth MacDonald retired Saturday from The Register and Tribune.

Now 71, he was with the newspapers for 50 years, and he was head of the newspapers' news operations for nearly 40 years. At his retirement he was editorial chairman and a vice-president of the company.

For 10 years—from 1960 to 1970—MacDonald also was publisher and chief operating officer of the newspapers. He relinquished those titles to David Kruidenier in 1970, and he turned over the title of editor to Michael Gartner a year ago.

Relinquishing titles of power is unusual, but it is typical of MacDonald. He is a man of little ego in a business of egocentrics. He is a man whose power is derived from his integrity and intelligence, not from titles or trappings.

But no matter what his title, MacDonald has always been a center of power in the newspaper here, in the newspaper industry and in the community. Though David Kruidenier is president and publisher and, according to The Sunday Register, the second most powerful man in town, it is unlikely he would do anything that MacDonald counseled vigorously against. Though Michael Gartner is editor and has wrought many changes, none has been made without first clearing with MacDonald.

Indeed, this story—its length and its tone—represents one of the few times MacDonald has been outvoted by his colleagues.

THIRD EDITOR

MacDonald was only the third man to be editor of these newspapers since the Cowles interests bought them in 1903. Under him, the papers have grown in size and stature. During his tenure, 12 staff members won Pulitzer prizes. But given a chance, he would credit the readers for these successes.

"Without a literate, alert, progressive community, no newspaper can endure," he once said.

He is a generalist in an age of specialists, interested, it seems, in virtually every subject. That trait led The Register and Tribune to be among the first general circulation newspapers to look at such diverse things as conservation, education, medicine, utility regulation, religion and the arts as regular sources of news.

Register and Tribune readers were among the first in the country to learn of the energy crisis, the dangers of weed and insect sprays, lipstick dyes, untested tranquilizer drugs and poorly designed automobiles.

Under MacDonald, The Register became the country's premier daily newspaper in American agriculture and one of the few provincial newspapers whose voice was heard in Washington.

MacDonald held a number of civic positions—among them, president of the Greater Des Moines Committee, vice-president of the Greater Des Moines Chamber of Commerce, chairman of the Board of Simpson College and a director of Iowa Lutheran Hospital—and several important national positions: President of the American Society of Newspaper Editors, member of the board of the Associated Press, member of the Columbia University advisory board on the Pulitzer Prize awards.

TARGET OF IRE

But none of those duties ever caused him to take his hand off the tiller guiding Register and Tribune news and editorial policy. In his view, authority but never responsibility can be delegated. When the newspapers turned the glare of publicity on the activities of friends or associates, MacDonald held himself responsible—even though, under his system of hiring talented people and giving them great freedom, he may have known nothing about it beforehand.

"You don't have any business being in this field unless you expect to be in trouble about half the time," says MacDonald.

"An editor had better be prepared to lose most of his friends temporarily because sooner or later you're going to irritate or aggravate anybody you know."

MacDonald's view is that proper newspaper presentation of a controversy can end the controversy because it gives each side a chance to see what the other really looks like and how both look to the rest of the world.

Nevertheless, the calm, dignified man, whose patrician appearance and manners brought to mind the fictitional George Apley, often ended up in the center of raging battles and was the target of appeals about his own aggressive news policies.

"The most difficult thing I've encountered is to get the public to understand what the real function of a newspaper is," he says. "It's extremely difficult to get people to understand and accept the concept that the real function of a newspaper is news coverage and that it isn't to be for or against anything.

"One of the reasons they fail to understand is that a newspaper is also a business, and it's extremely difficult for many to understand that you can make a decision that isn't strictly a business decision.

"Of course, if we weren't a successful business, we couldn't be a responsible newspaper. And I think it's an article of faith that a democratic society can't exist unless it has a competent, responsible form of communication, so that people can understand the type of community they live in."

This is a philosophy inherited from the Gardner Cowleses—senior and junior—and now shared by MacDonald's successors as publisher and editor.

SELLING INFORMATION

The Register and Tribune's business has been selling information—not ideology—to the community of Iowa, MacDonald says. Numbers support the concept. Since MacDonald joined the newspapers upon his graduation from the University of Iowa in 1926, The Sunday Register's circulation has grown from 150,038 to 444,197, the morning Register's from 88,240 to 237,938 and the evening Tribune from 87,739 to 98,366—and that's during a period when the state's population has remained fundamentally static.

MacDonald's usual approach was the Socratic method—asking questions until the student finds the answer—delivered with the command presence of a five-star general and the demeanor of one who has seen the grail; in 50 years with the papers, he has never been known to pound a desk or raise his voice in anger. But he has been unyielding to those who pound and yell at him.

His principle was to get the news into print, rather than hold things until they're tidy, so that the readers can make their own decisions. "Give the reader the information that he or she needs in order to exercise some control over his own existence," he says.

THE STATEWIDE ISSUE

"The reader" question was dominant in a policy decision of some impact: That The Register should continue to be a statewide newspaper, gathering and disseminating news in all corners of the state, rather than concentrating on a tiny section surrounding Des Moines, as some countinghouse types recommended.

In those discussions, the Socratic teacher was replaced by the hard-hitting editorial writer:

"There is a need for a newspaper that covers this state, not just a city. I don't need to explain to any of you that there are many areas of vital concern to Iowans where we are the only newspaper with the staff, the resources, the competence to provide quality coverage."

Like all successful stewards, MacDonald is a futurist, interested in constructing a firm foundation today for tomorrow.

"He's an old turk always pushing for change," Michael Gartner once said, and nowhere was this more evident than in the design changes of the papers' format in the past three or four years.

MORE USEFUL

MacDonald's purpose was to make the papers "more attractive to the eye, easier to read, more useful, more convenient so that readers can find and identify whatever they are looking for."

The same philosophy prevailed when The Register and Tribune converted to an electronic editing system. It was tailored to meet the needs and habits of Iowa readers, although a standardized system would have saved the company hundreds of thousands of dollars.

The Register may be the country's sole surviving big-state statewide newspaper, and

that curious role—serving Des Moines and Iowa—has given it a residual strength not seen in most newspapers.

Undoubtedly, that strength bolstered the intellectual bent of the papers' owners and managers in battles with advertisers and community leaders who wanted to suppress some news development.

MacDonald regularly stood fast when advertisers pulled out their business because of unhappiness with news and editorial pages. The Register and Tribune, if it gave in to advertisers' whims, he would say, would no longer be an effective sales medium because readers would sense they were not getting all the news.

The same principle held when Des Moines community leaders put enormous pressure on the papers to quit publishing advertisements for massage parlors and X-rated movies.

MacDonald himself wrote the editorial saying that The Register and Tribune will accept advertising for any product or service that may legally be offered for sale.

"We don't think newspapers should decide who is permitted to operate a business in the community and who is forbidden to operate," it said. "In a democratic society that is a function of the community's elected officials, the police and the courts."

EXCELLENT SITUATION

Thus MacDonald had the same latitude from the newspapers' stockholders that he gave to his employees.

"I can't imagine an editor having a better situation than I've had here," he said, singling out Gardner (Mike) Cowles, the former publisher, president and for many years the papers' most prominent shareholder.

"I've never had an occasion when Mike Cowles or Dave Kruidenier or any member of the Cowles family insisted that I do something that I didn't think the paper should do."

Except for editorials, MacDonald wrote very little for publication. His prose, nevertheless, is a model for young reporters to follow, and there have been times when young reporters were sent to the files to study articles MacDonald wrote after a 1957 tour of Europe, the Mideast and India, and a 1963 visit to South America.

So a picture begins to emerge: A statesman in an unstatesmanlike profession and yet a craftsman whose professional skills exceed those of most of his colleagues.

THE STRONGEST TRAIT

But the strongest trait of all was finding and holding men and women of talent by giving them the latitude, authority and protection to do a superior job of gathering and presenting the news.

"It's the only way to get things done," he said, as he mulled over the names of some of those he has sent off to battle.

Pulitzer Prize winners James Risser, Frank Miller, Clark Mollenhoff, Lauren Soth, Richard Wilson, and on and on.

Behind them was a platoon of highly talented but unsung editors, the people who each day take the millions of words, stories and pictures that come rushing in and weave them into something that resembles sense and order.

MacDonald has been described as a renaissance man—well read, a formidable hiker (3 miles daily before going to the office), a pianist, carpenter and picture-framer, a man who taught himself to sail at age 67 or 68—but he does have gaps. One points up his strength as an editor because it would never be spotted by a Register reader.

He knows next to nothing about sports, and yet under him The Register has come to have a sporting page that is known and admired across the country.

MacDonald was born (Sept. 3, 1905) and reared in the Iowa town of Jefferson, the son of a farmer-banker, and after finishing public schools there, he entered the University of Iowa in Iowa City.

Like most journalists, he has no concrete idea of why he ended up in the field, but in any case he was drawn toward the Daily Iowan, where he met a couple of youngsters from Newton, Frank Eyerly, who served as MacDonald's managing editor for nearly a quarter century, and Richard Wilson, who upon becoming the papers' Washington correspondent in 1933 led them to a dominance in agricultural news that they have never relinquished.

The three gravitated to Des Moines and The Register—for a time they took rooms together at the old Hotel Victoria—stood up to the constant jibes about being journalism school dandies, and were quickly caught up in the intoxicating whirl of daily journalism.

A DIVIDING POINT

It was a dividing point between eras—today's professionalism and yesterday's tramp printer and editor who bummed from paper to paper.

It was before radio news and television. Newspapers were the only purveyor of daily news, and, as the 23-year-old city editor in 1929 (he'd taken the job on the condition that Wilson be hired back from the St. Louis Globe-Democrat), MacDonald brought off a feat that is still mentioned by the old timers.

Long after the city edition had gone to press, MacDonald got word that several persons had been killed in a fire at the Hotel Kirkwood. He rousted out a staff and produced what was called an "extra" that went on the streets for sale to readers as they went to work that morning.

(There was a flaw: Everybody got the word except the man in charge of carrier boys. But that didn't daunt MacDonald and his crew. They grabbed bunches of papers and hawked them through Des Moines' early morning streets.)

For about three years—1930 to 1933—MacDonald was The Register's news editor, Eyerly was telegraph editor and Wilson was city editor—a formidable trio whose imprint will remain on the paper and Iowa journalism for a long time.

For one thing, they recognized that the role of the newspaper was changing. The radio—news reports and entertainment programming—became a competitor for the readers' time.

A NEWS STORY

Unlike other papers, which tried to pretend that radio didn't exist (to the point of refusing to publish program schedules), The Register and Tribune treated radio for what it was: One of the big news stories of the day.

Perhaps that led to Eyerly's definition—"News is the authentication of human experience."—and MacDonald's philosophy that anything is grist for the newspaper's mill.

History repeated itself some 20 years later with the advent of television. Other editors were figuratively hiding under their beds while The Register treated it as a significant news story—sometimes even reviewing programs on the front page.

"It seemed to me that it was a great boon to newspapers," recalls MacDonald. "Because it exposed many people to things that they'd never seen or heard before, and, therefore, they were more interested in reading about it."

There is, however, much more to the art of editing a newspaper than identifying and capitalizing on trends. An editor has to focus the resources of his paper so he can tell the reader what makes his community tick.

Register reporter Arnold Garson's study of the power structure in Des Moines a few months ago is an example. So was a statewide survey nearly 15 years ago showing that Iowa liquor laws were a farce. So in a larger sense were James Risser's stories on grain inspection, Nick Kotz's examination of dirty meat packers, reports on the dubious practices of Parsons College, the Teamsters Union, the secrets of the Yalta Conference, the financial finagling of stock salesmen, and on and on. Fully 20 years before the Pentagon Papers, The Register published secret government documents to bring the Harry Dexter White spy case to a head.

Probably hundreds of screams of outraged, and usually baseless, anguish have been aimed at MacDonald. Visiting Des Moines once, then Vice-President Hubert Humphrey nearly frothed at the mouth over a Register report about Democrats being padded on a deprived-youth payroll. Often as not the target of the anger, the reporter, heard nothing from MacDonald.

A COMPLIMENT

"It goes on all your professional life," says MacDonald. "You take it as being an unrecognized compliment. People think it is their paper. If they didn't give a damn, they wouldn't say anything about it."

He was talking about, it should be noted, the flak an editor takes even when a report is correct. An erroneous report produced a quick reaction: A correction and an apology. Former reporters can provide other details.

It is in this quite touchy area that MacDonald has also been a leader. He has long been an advocate of national and local press councils to look into complaints about the press.

Many of his fellow editors fear such an inspection, arguing that it could abridge freedom of the press. About three years ago, MacDonald took to the podium at a meeting of the American Society of Newspaper Editors to argue his case.

"I can readily understand why a newspaper or a news service might find cooperation with a press council time-consuming or frustrating or uncomfortable or, perhaps, embarrassing," he said. "But I don't see how a newspaper's freedom would be endangered providing the council has no connection with government and no power to compel newspapers to do anything."

He added: "We may be producing the best newspapers in history, but if readers in sizable numbers continue to suspect otherwise, freedom of the press eventually will be abridged."

In conversations about MacDonald with his friends, colleagues and employes, integrity is a word that comes up early. His stand on press councils—a willingness to be publicly judged—is a better example than dozens of quotes that can be gathered.

Courage is another term that comes up, and in a large news organization—about 250 editors, reporters and other at The Register and Tribune—it is not enough for the top man to have courage. He, aided by ownership and management, must create an atmosphere to permit that delicate plant to flourish, an atmosphere where a person has no more fear of saying, "I was wrong," than he does of saying, "I am right."

M'CARTHY DAYS

In the dark days of McCarthyism in the early 1950s, MacDonald presented a paper to the Prairie Club in Des Moines. "Why Are We Afraid?" was the title, and he listed the phobias that dominated the day, adding:

"Just as a child afraid of the dark can hear an enemy in every whisper of the wind, so those who suffer from this affliction, or who use it for their own selfish ends, can see a Red conspiracy everywhere they look.

"This is a fear which warps our political judgments, divides our citizens, confuses the naive, panics the faint-hearted, encourages the demagogues and threatens to sap our national vitality."

He noted sentiment in the country against even debating recognition of Red China.

"If we are afraid to debate recognition of Red China, how can we conceivably know what the wise course is with respect to that issue?" he asked, contending that a nation could move so far to secure its freedoms

that it would no longer have the thing it was trying to secure.

"If we want absolute security," he said, "we shouldn't permit road maps. They would be of inestimable value to an enemy in the event of an invasion."

Many people at the time were thinking the same things, but few were saying them because they feared being damaged by the hysteria of the day.

But at The Register and Tribune, MacDonald's historical perspective created a calm island in an angry sea. Small wonder that not much later, while others were calling for bomb shelters, Editorial Page Editor Lauren Soth wrote his Pulitzer Prize-winning editorial inviting Nikita Khrushchev and his Russians to come to Iowa to learn about agriculture.

Hindsight shows that the resulting agricultural exchanges and the Khrushchev visit marked the beginning of the end of the dreadful tensions of the Cold War.

IN THE VANGUARD

While MacDonald's body of writing is not very great, he did speak fairly often and a perusal of those speeches shows that time and again he ran in the vanguard of American thought.

Ten years ago, in a speech to the Prairie Club, he talked about the interdependence that has enveloped the world because of instant communications and the threat of mass destruction.

"The real reason our times are out of joint," he said, "is that we have moved ahead much more rapidly in the natural and physical sciences than we have in the humanities, the behavioral sciences, in politics, in the art of governing ourselves.

"Our knowledge has increased faster than our understanding."

The thirst for understanding the old and seeing the new has been with MacDonald for years. At the end of World War II, he and some fellow Naval intelligence officers wanted to visit Shanghai, and so they searched around until they found a good reason to go there: Map the China coast while things were in such an uproar that no one would object.

Over the years, MacDonald was the recipient of several honorary degrees, was a member of the American Council of Education for Journalism, a national accrediting organization for journalism schools. He was named a "master editor-publisher" by the Iowa Press Association, is a member of the University of Iowa's Iowa Journalism Hall of Fame.

In retirement, MacDonald and his wife (the former Helen Inman) will continue to live in Des Moines at 3412 Southern Hills Drive. MacDonald plans some writing, will remain a member of the board of directors of the Des Moines Register and Tribune Company, and he plans some travel including a visit to their son, Stephen, in New York City, and to a magnificent old inn that the MacDonalds discovered in Maine a year or so ago.

WYOMING'S MALCOLM WALLOP

Mr. HANSEN. Mr. President, the people of my State have a new champion in Washington to help advance their causes in the Congress and before the agencies of Government. He is U.S. Senator MALCOLM WALLOP. I am proud to welcome him to the Senate and enthusiastic about working with him in behalf of the citizens of the Equality State.

Senator WALLOP has served notice on Washington that he will vigorously fight attempts to increase the Federal Government's influence in and control of the lives of Wyoming citizens. At least one Washington resident has already acknowledged the message. He is George Will, a distinguished political writer, who said in a recent column about my State's newest Senator:

Wyoming, for its part, has sent Wallop to Washington with this message: Wyoming's master hasn't been born yet.

Mr. Will is so right, and I predict that Government officials are going to be hearing from Senator WALLOP.

Mr. President, I ask unanimous consent that Mr. Will's January 13 column from the Washington Post about Senator WALLOP be printed in the RECORD for the benefit of my colleagues.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WYOMING'S MASTER HAS NOT BEEN BORN

(By George F. Will)

An Englishman visiting a Wyoming ranch in the 1880s asked the foreman, "Is your master home?" and the foreman replied, "The s.o.b. hasn't been born yet." Another Englishman (or perhaps the same one) was mentioned in a cowboy's letter to a ranch owner wintering in the East:

"Deer sur, we have brand 800 caves this roundup we have made sum hay potatoes is a fare crop. That Inglishman you lef in charge at the other camp got to fresh and we had to kill the s.o.b. Nothing much has happened since yu lef. Yurs truly, Jim."

I hope, gentle reader, that you will pardon the pungency of Wyoming expression. Westeners are said to believe that "swearing takes the strain off the liver," a medical opinion you should not ridicule in the presence of Jim.

Western lore includes many stories about Englishmen because in the 19th century the West, and especially Wyoming, attracted a lot of English investments and investors. They produced ambitious land and cattle enterprises, many of which went smash because of the blizzard of 1887.

But a lot of cattle and a few Englishmen survived, so the new junior senator from Wyoming is Malcolm Wallop.

Some names are perfect. Captain Marvel, Mr. Keen, Tracer of Lost Persons, Senator Wallop, Wyoming Republican. He runs a modest spread of 15,000 acres near Sheridan, and probably can roll a cigarette while breaking a mustang.

Wallop's grandfather came from England about 100 years ago, and was the only person to serve in both the House of Lords and the Wyoming legislature. One of his sons (Wallop's uncle) returned to England and is the Earl of Portsmouth. Now Wallop has come to Washington as an ambassador, of sorts, from his state, and from a state of mind called the Mountain West.

The Mountain West is like the Old South in this sense: More than any other region, the Mountain West has a sense of regional identity, pride in the superiority of its values, and a dark and well-founded suspicion that the nation's other regions may try to impose their will on it.

Wyoming's population is under 400,000, fewer than four people per square mile, but it always has had a sophisticated electorate. Wyoming pioneered women's suffrage (and had the first woman governor) because Wyoming's pioneer women were full partners in planting civilization in one of the nation's harshest climates. Today Wyoming voters know they must defend, against the federal government, their right to make decisions that, made poorly, can ruin the state.

Eighty-six per cent of the Wyoming electorate voted in 1976. Few electorates have such a stake in government. The federal government owns 50 per cent of Wyoming's land, 86 per cent of the minerals. Two of the state's most important problems are water and coal. It has too little of the former and may have too much of the latter.

Draw a north-south line through the nation passing along the Kansas-Missouri border. Only one-third of the water in the continental United States is west of that line, and two-thirds of that one-third is in the Columbia River drainage.

Thirteen Western states (including Wyoming) that comprise half the land mass of the continental United States have only 12 per cent of the water. Today water flows, in effect, through Washington, especially through Congress and the Army Corps of Engineers.

Wyoming, like Montana and other states in the region, is sitting on huge deposits of coal. The issue is not whether to mine it, but how, and with what land-reclamation commitments. The danger is that the rest of the nation will try to solve its energy problems by treating the Mountain West as a "utilities wasteland," mining it ruthlessly and planting it thick with generating plants.

The 1890 Census declared the frontier closed. In 1976, for the first time, the population of the South and West exceeded that of the rest of the nation. But most of the Mountain West has been spared the very mixed blessings of industrialization and remains, if not a frontier, an enclave of the special values that made the West such an important part of the American experience and spirit.

Wyoming, for its part, has sent Wallop to Washington with this message: Wyoming's master hasn't been born yet.

WILLIMANTIC CHRONICLE OBSERVES A CENTURY OF NEWSPAPER PUBLISHING

Mr. RIBICOFF. Mr. President, the Chronicle of Willimantic, Conn., is observing its 100th anniversary this month. The Chronicle is one of the best newspapers, in my State of Connecticut. It enjoys a well-earned reputation for enterprise, accuracy, constructive, and independent commentary and high public service. On this occasion, congratulations are certainly in order for the Chronicle's publisher, Mrs. Lucy Bartlett Crosbie, the management and staff and other personnel associated with this outstanding newspaper.

Mrs. Crosbie wrote two fascinating articles about the Chronicle and about the northeastern section of Connecticut which her newspaper serves. The articles are entitled, "1877 * * * The Way It Was," and "The Crosbies: We Came as Babes in the Woods." The articles appeared in the January 4, 1977, special centennial edition of the Chronicle. Mr. President, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

1877 * * * THE WAY IT WAS

(By Lucy B. Crosbie)

It was a gentle subdued era, the decade in which The Chronicle was born.

The Civil War was still a vivid, painful memory.

The health of the 7,000 inhabitants of the borough of Willimantic was precarious in 1877. Illness and epidemics were distressingly common, sanitation, medical care and public health services were distressingly inadequate. There would be no hospital until 1907, but there was a "Pest-House" on Pleasant Street where victims of smallpox and diphtheria epidemics were quarantined and isolated for treatment at borough expense.

But even though times were hard, the

local spirit remained undaunted, asserting itself in the quiet but cherished distractions of the day.

The lack of telephones didn't seem to hamper the flow of "news" and gossip. Willimantic was still a place where almost everyone knew everyone else.

The wooden sidewalks and the dirt streets were alternately dusty or muddy. The Willimantic Gas Company had been organized in 1853 but it would be 10 years before electricity for lighting and power would be introduced into Willimantic.

The borough had just completed laying iron water pipes through the principal streets. The mill companies along the river agreed to furnish power for pumping the water in return for a rebate of one-half of their taxes to the borough.

There were three fire alarm boxes—one at the corner of Main and High Streets, one at Main and Church Streets and one at the corner of Union and Jackson Streets. The ringing of these alarm boxes simultaneously started the pumps in the three mills which furnished water for the fire department. The keys to the three fire alarm boxes were "distributed to responsible persons in the immediate vicinity of their location", according to the borough report for 1877.

One hoped the "responsible people" were in the vicinity of the location when you needed them. The Baptist Church bell was also used to call out the 100-man volunteer fire department.

Within nine years, six miles of pipe would be laid for what the borough burgesses called "Willimantic's Splendid Sewer System" with final disposition of the flow into the Natchaug River.

In 1877 other conveniences now taken for granted were then luxuries. Even indoor plumbing was still considered novel.

There can be no doubt that the everyday routine of living was considerably more demanding in 1877 than in 1977. For the working man, whether he clerked in the general store or labored in the mill, hours were long, pay low, and benefits non-existent. Women and children toiled in these same occupations but at lower wages.

Women ran a household without machinery and conveniences now taken for granted, doing everything laboriously by hand from scrubbing clothes with homemade soap on Monday morning to plucking the chicken for Sunday dinner.

It is difficult to work up much nostalgic longing for an outdoor privy on a January morning or the plague of flies endemic to a horse-drawn society.

By all appearances, Willimantic was a town entirely typical of its time and place.

The horse was still king and every town accommodated to that fact. On page one in the first edition of The Chronicle on January 4, 1877, the editor deplored that "fast driving on Sunday is still indulged in."

At the center of much activity was the railroad depot, a favorite gathering place. Three railroad lines and fifty trains a day passed through Willimantic and The Chronicle printed the schedule of all of them.

Willimantic was a lively place and was the market town for an area more than double its population. Willimantic hotels, The National, The European, The Brainerd, The Windham, and the soon-to-be-completed Hooker House, were jammed with drummers and salesmen. The hotels advertised sample rooms for display of the commercial travellers wares and goods. There were four billiard parlors in the borough, numerous saloons and six temperance societies.

Descendants of the founding families, joined by newcomers, many of them immigrants from Ireland, England and Eastern Europe, found employment in the mills and factories. In 1877, sixty thousand spindles at the Willimantic Linen Company turned out over twenty-four million yards of thread each day. The Windham Cotton Manufacturing Company consumed 12,000 pounds of cotton in producing 70,000 yards of print cloth per week.

As the era of the "Gay Nineties" approached, Willimantic began to bustle and the general tempo of life for the average citizen was picking up speed. The population of Willimantic borough would increase 63 per cent between 1870 and 1880, the largest increase in population in any decade since. The population in 1870 was 4,048; in 1880, 6,612.

The family was still the primary focus of social life for both young and old. The piano and games, Bible readings and church bazaars, and berrypicking were activities that were shared by children as well as adults. Major social events were structured around family events and the church.

A growing immigrant population swelled the rolls of the newly built St. Joseph's Roman Catholic church, but most Willimantic residents worshipped at one of the borough's Protestant houses.

In the summer, people from miles around flocked to the Willimantic Camp Ground, established by the Methodist Church in 1860.

For the most part, it was an era of quiet worship—very little of the grand revivals and fire-and-brimestone preaching that earlier and later swept over the area.

There were two free libraries in Willimantic, one owned by the borough and located in the front room of the second floor of the Union Block over what was Wolmer and Case, Jewelers, when the Union Block was demolished by urban renewal in 1976.

The American Linen Company maintained the Dunham Library in a portion of the company store at the junction of lower Union Street and South Main Streets. The first day the Dunham Library opened, 400 of the 600 volumes were checked out by patrons.

"The lack of places like this is what has seriously affected the morals of our manufacturing towns," reported the Hartford Courant in describing the Dunham reading room as "well lighted with gas, and the sight of it is a temptation to sit down and enjoy it. . . . Adjoining is another room for smokers. . . . And all of this is free."

Like so many other characteristics of small-town living, most of life's pleasures were simple and local but no less pleasurable. People went for walks and buggy rides and bicycle tours; they fished and camped out and swam in rivers and nearby lakes. They picknicked and played croquet. Annual clambakes, birthday parties, Easter and Christmas festivities gave the city a gala touch. The highlight of the summer was the Fourth of July.

In winter they went for sleigh rides, ice skated, tobogganed and a few even tried iceboating.

Long before the automobile, before inventions of radio and television, the fun and entertainment of Willimantic in the 1870's was simple and moderate, though by no means puritan.

Despite a scarcity of cash, common in that day, the various halls and the Loomer Opera House at the corner of Main and North Streets drew large crowds, enjoying cultural affairs such as Italian operas, as well as minstrels shows and the often bawdy jokes of traveling shows such as The Blond Horse Excelsior and Old Dan Himself. There were amateur theatricals and frequent concerts. The Fireman's Ball was a popular winter event in Willimantic.

The rank-and-file resident of Willimantic had little reason to consider their environment either barren or sterile.

In the east end of the borough, at what is now Recreation Park, the spacious grounds of the Willimantic Fair Association with its half-mile track for trotters attracted huge crowds.

There were railroad excursions from Willimantic to Rocky Point in Rhode Island and others that connected with steamboats to Watch Hill and to Nantasket Beach.

Games and activities vary with the years, but laughter and smiles aren't dependent on the time of the century. Children laughed then as they do now. Rosy-cheeked boys and girls held hands, couples courted and the grownups—regardless of social or economic status—still found reasons to smile.

As with people of any age, those who wanted to have fun, did.

In 1877, there was a comfortable rhythm to the pattern of daily life in Willimantic that bred confidence in the natural order of things.

There was also a special mood that enveloped many Americans, especially small-town Americans, like people in Willimantic, in this era that historian Vincent Seidel Canby termed "The Age of Confidence."

"They really believed all they heard on the Fourth of July or read in school readers," he wrote. "They set on one plane of time, and that the present, the Declaration of Independence, the manifest destiny of America, the new plumbing, the growth of the factor system, the evening paper, and the church sociable. It was all there at once, better than elsewhere, their own and permanent . . . They had just the country they wanted . . . and they believed it would be the same, except for more bathtubs and faster trains, forever . . ." And he concludes, "for the last time in living memory everyone knew exactly what it meant to be an American."

It is probably true that figments of wishful thinking have embellished the Good Old Days, if they ever did exist. Someone has written that 1880 was a great time to be living . . . unless you had a toothache.

Still, if the Good Old Days ever did exist, if they marked a time when tranquility, individuality, decency and peace of mind were the common currency of daily living . . . then one place they were surely found was in the Willimantic of January, 1877, when The Chronicle was founded . . . a full century and several life styles ago.

THE CROSBIES: "WE CAME AS BABES IN THE WOODS"

(NOTE.—Lucy Bartlett Crosbie has been Chronicle President and Publisher for 22 years. Mrs. Crosbie, 47, went to work at the Chronicle on her sixteenth birthday in May, 1945, one week after the death of her father, G. Donald Bartlett, Chronicle publisher. His step-grand father, John A. McDonald, was the first publisher and so Mrs. Crosbie is the fourth generation of her family to have that title.

(A junior in boarding school when her father died, she worked summers at the newspaper becoming a fulltime employee in 1950 following graduation from Boston University School of Management. She completed her degree in Business Administration in three years because she was in such a hurry to get back to The Chronicle, she recalls.

(In 1952 she married Arthur W. "Bud" Crosbie, who was then a Lieutenant Commander in the U.S. Navy. A World War II veteran, he had been recalled to active duty during the Korean War and the Crosbies spent the next year living in Norfolk, Va., until his discharge in 1953.

(In November 1953, they returned to Willimantic and began a partnership of management at the newspaper that lasted 23 years, until his death Sept. 23 last year at age 56.

(She tells this story of the Chronicle.

(We were babes in the woods in the newspaper business in 1953. There was so much to learn and we had a long way to go. We made a lot of mistakes, suffered endless frustrations, worked like dogs and had lots of fun.)

With almost no training or experience we became, all at once, reporters, editorial writers, photographers, advertising salesmen, motor carrier drivers, bookkeepers and production 'experts'.

In 1953 there was no advertising depart-

ment or salesman at the newspaper. If you wanted to advertise, you came in to the office and handed your ad over the counter. Bud and I divided up the town, went out on the street and sold advertising.

If you lived outside the area served by newsboys, you got your paper by mail. Bud and I started two motor routes and drove them ourselves in the beginning. My mother, Teresa Bartlett, and my sister, Joan, who was then a student at Willimantic State College, drove the third and fourth routes.

We had no facilities for printing local pictures in the paper then. If someone brought in a picture we had to send it to The Norwich Bulletin to have an engraving made.

Bud bought a camera and became the first Chronicle photographer, I can remember the frantic rush to get home at five to cook dinner as fast as possible so he could be off on the evening assignments. We had no darkroom so the Camera Centre used to develop the pictures overnight for us.

The Fairchild Scan-A-Graver, an electronic engraving machine designed for the smaller newspaper came on the market then and we were able to make our own engravings. We built a darkroom and hired a photographer. But for years later people would still call our home at night to see if Bud could run over to such and such a place to take a picture of the installation of officers of some club "because we forgot to call the office during the day."

When we came to the paper Rick Downer was the editor and the two reporters, Charlie Curran and Jim Malone, and Rick performed miracles in turning out and editing all the copy they did. Bud and I took turns helping write obituaries, going to accidents and fires and covering meetings at night. We began to write local editorials.

We installed a fire-police radio in our kitchen which we monitored nights and weekends. Bud would rush out at night to cover the accidents. By then we had two children, Vincent, born in 1955 and Kevin, in 1960. They grew up knowing the fire and police codes.

If there was a "working fire" Bud would stay home and baby sit and let me go to the fire since anyone who knows me well knows I am a fire buff par excellence . . . a sort of closet fireman.

I still monitor the fire-police radio and still go to the fires although we have long since had reporters and photographers who regularly staff this beat.

As the paper expanded and we hired more people, Bud's and my area of supervision sort of fell into a natural division. I supervised the business office and editorial department and he handled advertising, circulation, and production.

Bud insisted that I retain the title Publisher to keep the title in direct descent in the Bartlett family. He was the general manager and he said if people questioned why the wife had the "higher title" that was their problem.

That we were able to work together all day and go home friends most evenings, was a testimony to the close relationship that developed between us in almost 24 years of 24-an-hour-day association.

Of course we didn't always agree and in fact used to have some terrible rows. My office had a glass wall so everyone could see us as we sat in conference. If we were arguing I would keep saying to him "keep your voice down" and SMILE so people won't know we are fighting. But I'm sure we didn't fool anyone.

Bud became fascinated with the revolutionary technological developments in printing composition and presswork that started in the mid 1950's. The last twenty years have seen more change in printing techniques than in the whole span between Gutenburg's invention of moveable type and Ottmar Mergenthaler's Linotype machine.

Bud was intrigued with the possibility of getting greater production in typesetting by installing Teletypesetter operating units on the linecasting machines. Operators could punch paper tapes on typewriters and feed the tapes into the linotypes, one of which could set the type electronically from several operators. In 1956 the Chronicle installed teletypesetter units and Bud and I learned, along with the operators how to punch stories into perforated tape. In 1967, we installed a computer which operated the linecasting machine automatically, wordspaced the type, hyphenated words and justified the right-hand margin. The computer doubled the speed of the tape perforator operators.

Bud's interest in photocomposition, called "cold-type" led him to become something of an expert on the filmsetting machines that were being developed to set type photographically and entirely eliminate the use of hot metal type.

He was quick to catch what became known in the trade as "offset fever" as newspapers began converting from letterpress to offset printing.

He was far ahead of most of us in the trade in seeing the possibilities for faster production, better reproduction and cleaner, more comfortable working conditions in photo composition and offset printing. He studied every machine and system and we visited printing plants, factories and trade shows all over the country.

I was much slower to become excited probably because I was terrified at the prospect of converting to offset and having to scrap every piece of equipment we owned, buying all new equipment, learning a whole new method of production and building a new plant.

Bud sort of dragged me into the new world of technology all the while I was muttering to him that if my great-grandfather had wanted an offset paper he would have started one in 1877.

I soon caught Bud's offset fever and he taught me the confusing new technology.

We had outgrown the Church street building and spent the summer of 1970 searching for a new location, selecting equipment and sketching plant designs and layout.

We were able to make the move and conversion in three months because we found an existing building, the Daole Hatchery Plant . . . a single-floor structure with wide open expanses which would lend itself to smooth production flow.

By then John Sweeney, former publisher of the Journal-Inquirer in Rockville, who had been through offset conversion had been hired as a consultant. Instead of hiring a team of professional newspaper engineering consultants, John, Bud and I designed and supervised every step of the change-over and acted as our own contractors.

As soon as we got the chicken crates, incubators and other debris out of the hatchery plant and had the place cleaned up, we began chalking lines in the floors to indicate walls, machines, and work-flow. Soon the place looked like a giant hop-scotch patch because we each had our own ideas.

Somehow we put it all together and in January 1971 the newspaper moved locations overnight and simultaneously converted from hot metal letterpress to photo-offset lithographic reproduction without interruption in publication or without missing a deadline.

Renovation of the building, installation of new equipment, retraining of personnel—the total conversion to offset took less than three months.

On Friday, January 22, 1971, the moving vans arrived at the Church street plant just after the press stopped at 1:30 in the afternoon. We moved overnight and went to press Saturday with the new equipment in a whole new technology. And we went to press on time.

Of course everyone stayed up almost all night long to do it. When the first offset press run was completed we were literally so exhausted we could not stand upright. We all sat or stretched out flat on the floor and drank champagne and then took Sunday off to recuperate and start all over on Monday.

The key to this successful conversion was the time Bud and John spent on careful planning and on proper training of employees. Chronicle employees, some of whom had worked in hot metal for nearly fifty years, made the transition successfully because of their determination to make it work.

Since 1970, Bud's enthusiasm for new ways to generate typeset characters continued unabated. Soon we began to hear him talk about the use of CRT's and VDT's and now I had to learn about cathode ray tube typesetters and video display terminals. We have them in operation in the Chronicle plant today.

The day Bud died he had been explaining to me enthusiastically that afternoon the exciting possibilities of magnetic disk drives and something called "floppy disk units" and magnet cassette readers that would eliminate paper tape. He saw the future and he always tried to provide for it. My challenge now is to keep up with all the advances in technology and typesetting trends as he would have.

Bud died of a massive coronary attack the evening of September 23, 1976 which occurred as I was driving us along Prospect street. By the time we reached the hospital three blocks away it was too late.

I came back to work the day after his funeral because I had to. I'm grateful for this busy job which keeps me occupied and involved . . . and for my two children, Vincent, 21 and Kevin, 16 . . . and for my association with the Chronicle staff—my 'other' family.

Someone (probably a newspaper publisher whose telephone rings night after night with the complaint calls I get) once said that the only friend a newspaper publisher can have is another newspaper publisher. And some days I think that is true. Especially when you publish a newspaper in a small community where everyone knows who you are and how to get to you with what seems like an endless stream of complaints and requests.

You have to have a thick skin and sometimes I think my skin isn't tough enough. Then I remember Harry Truman's advice about getting out of the kitchen if you can't stand the heat and I'm right back in the kitchen standing over the stove again.

A newspaper is an imperfect institution no matter what the best of publishers may tell you. It is produced by imperfect human beings. It is read and perceived by imperfect human beings, which makes perfect understanding impossible even if one had a perfect newspaper to start.

I'm proud of this newspaper and impressed by the way the men and women of the past who have worked on it left something behind that made The Chronicle that much better for their having been involved.

The ties that bind a newspaper to the community are unique.

We feel confident in the future of the region the newspaper serves and it is to this community that we owe a debt of gratitude for the support of The Chronicle these past 100 years.

MILITARY UNIONISM—A HOAX AND DECEPTION

Mr. GOLDWATER. Mr. President, it is my considered opinion that we have taken far too long in discussing the possibility of military services being organized by the unions. The idea is ridiculous on its face and should be treated that way by the President, the Defense Department, and the Congress. Already, the discussion about military unionism has created too much confusion and now threat-

ens to have a serious impact upon the morale of our Armed Forces.

Mr. President, recently the Association of the U.S. Army suggested a three-pronged course of action to handle this problem. First, it said the President should immediately issue an Executive order that would prohibit service personnel from joining a union. Second, the Defense Department should promulgate service regulations that would prohibit service personnel from joining military unions, bar organizing activities on military installations, and prohibit commanders from dealing with unions. Congress should enact promptly legislation redefining these prohibitions in clear language so there can be no misunderstanding about the intent of Congress and the attitude of Government on this subject. Mr. President, I agree with the association's approach, however, I believe that Congress should move ahead on its own to promptly enact legislation that would settle this problem once and for all. I ask unanimous consent to have the association's position paper entitled, "Military Unionism—A Hoax and Deception," printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

MILITARY UNIONISM—A HOAX AND DECEPTION

For almost the past two years the Services and the Congress have been "viewing with alarm" suggestions by one or more unions that they might try to organize military personnel into unions and take strong action to better the lot of uniformed personnel. There has been a great deal of rhetoric, confusion and general milling around—at a rate controlled by spokesmen for the union who decide on their own when they would like to stir the pot. The situation for a nation of our stature is both incredible and intolerable and needs to be brought promptly to a halt for the good of the country.

The whole concept being bandied about, principally by the American Federation of Government Employees, is a cruel hoax and deception. Implicit in all of their fanfare is the concept that by some magic means the union could obtain for the serviceman increased compensation, better working and living conditions and a much stronger voice in the management of the Armed Forces. Such proposals display either little respect for the intelligence of the individual serviceman or a complete ignorance of our governmental system, our Constitution and the body of law which governs our society.

This divisive issue impacts seriously on the morale of those who serve and, if for no other reason, should be stopped now.

We urge several courses of action. First, the President should immediately issue a new Executive order that would prohibit service personnel from joining a union. He already has the authority as Commander in Chief of the Armed Forces to do so.

Secondly, the Department of Defense should issue a directive to be promulgated into Service Regulations that prohibit service personnel from joining military unions, bar organizing activities on military installations and continue the prohibition of Commanders from dealing with unions.

Third, the Congress should enact promptly legislation redefining these prohibitions in clear language so that there can be no misunderstanding of the intent of Congress and the unanimity in the Government on this subject.

Finally, the Services need to insure that wide publicity is given to all ranks explaining more clearly existing grievance machinery and insuring that all in the chain of command understand fully their responsibilities.

There will be those who will challenge the prohibition against joining a union as an infringement of the Constitutional rights of the individual serviceman. We recognize that military personnel enjoy the protection of Constitutional rights. However, those rights in this case, as they do in others, must yield to the unique role of the military. The need for discipline, obedience and unswerving loyalty is an absolute military necessity. These precepts could be seriously eroded were military personnel permitted to join servicemen's unions. By finding the needs of the military to be paramount, this situation need never arise. Moreover, there have been a variety of cases in which the Supreme Court has recognized this unique role of the military. ". . . the rights of men in the Armed Forces must perforce be conditioned to meet certain overriding demands of discipline and duty." United States Ex Rel. *Toth v. Quarles*, 350 U.S. 11 (1955). See also: *Orloff v. Willoughby*, 345 U.S. 83 (1953); *Parker v. Levy*, 417 U.S. 733 (1974) which states in part:

"The fundamental necessity for obedience, and the consequent necessity for imposition of discipline, may render permissible with the military that which would be constitutionally impermissible outside it."

For many years the Supreme Court was reluctant to review actions arising out of military activities. They and other Federal courts now do so regularly. However, the Supreme Court in such review has recognized that, because of the unique role played by the military, Congress and the executive branches of government are better equipped to govern the military than are the courts. Because the framers of the Consitution entrusted to Congress and the President the responsibility of running the military, the courts have been hesitant to interfere unless clearly defined judicial matters are involved (Orloff v. Willoughby, supra, and Burns v. Wilson, supra).

One of the very purposes for which the Constitution was ordained and established was to "provide for the common defense," and the Supreme Court over the years has on countless occasions recognized the special constitutional function of the military in our national life, a function both explicit and indispensable. (Citations omitted.)

In view of the judicially recognized necessity of discipline and obedience within the military, any activity reasonably calculated to degrade such discipline and obedience must yield. An organization which espouses collective bargaining between soldiers and the Government and which purports to represent and negotiate for soldiers with the chain of command on matters pertaining to pay, personnel practices, grievances and working conditions is inimicable, *per se*, to the maintenance of discipline and obedience. Obedience to military orders cannot be the subject of negotiation or bargaining. Accordingly, membership in such a union by soldiers must yield to the greater national need. This would be so even though the union claims no right to strike; first, because the ultimate bargaining tool of any union, contrary to any representations made, is a work slowdown, job action, or strike (e.g., "illegal" postal strike in 1970); second, because the insertion of a third party between the soldier and his chain of command would, of necessity, degrade the authority of the latter over the former, at least as perceived by the soldier.

It would appear that the mechanics of the problem could be solved promptly by Presidential Executive Order augmenting Executive Order 11491 which covers the administration of labor management relations in the Federal Government, recognition of units, negotiation of contracts, rights and conduct of management, labor unions and employees. It already prohibits striking or bargaining for wages by federal unions or employees. It also prohibits collective bargaining *National Security Organizations*, specifically the Federal Bureau of Investigation and Central Intelligence Agency.

It scarcely seems credible that it should be necessary to specifically identify the Armed Forces as "National Security Organizations." But if that is a hang up, we urge the President, in the new Executive Order, to make that point clear.

In our view, the Department of Defense should now issue a directive which the Services could pass downward in the form of regulations that would prohibit uniformed personnel from joining military unions.

We would urge as well prompt passage of legislation along the lines of that proposed by Senator Strom Thurmond and others during the last session of Congress which would prohibit servicemen from joining military unions. This legislation would clear up that gray constitutional area between the Congress and the Executive Branch with respect to specific controls of the military.

The Chief of Staff of the Army has quite rightly made the point that he is the principal ombudsman for the Army. And he has pointed up clearly that the chain of command functioning properly will consistently reflect the morale and concerns of those who serve. If the system functions efficiently, soldiers will look to the chain of command for problem solving. There is no substitute for leadership in these matters. A commander who successfully instills unit pride and sense of mission accomplishment, who makes sure his troops know he is concerned about their welfare, who eliminates petty harassment and senseless details will have no prospects for union membership in his command.

For those instances where the chain of command falters, and there will be instances, the soldiers must know that the existing grievance machinery—beginning in the lowest unit and working up formally through the Inspector General will work fairly and impartially—and that any who seek to impede it will be dealt with harshly. These are areas which the Chief of Staff of the Army is currently giving great emphasis—and they will help immeasurably.

There will continue to be a perception among some, both serving and retired, that the concerns and needs of the military require vigorous support beyond that which is available officially. They want assurance that those concerns and requirements are being fairly presented and getting full consideration at those levels of the government empowered to take corrective action, i.e., the Department of Defense, Office of Management and Budget, the White House and Congress. Moreover, they want to have a sense that their accomplishments and problems have the sympathetic understanding amongst the broad reach of our citizenry.

This is a job that the Association of the U.S. Army and similar associations of the other Services are now performing—and more effectively than any union could. There are a variety of reasons for this.

AUSA and its sister associations enjoy sizeable memberships in their Services across a broad spectrum. Organizationally, with Chapters or similar units throughout the country, they have excellent grass-roots participation. Most of these organizations have in recent years increased their coverage and dissemination of information on the needs of the military—through position papers, fact sheets, testimony, newspaper columns, movies and T.V. shows.

These organizations have been active in the military field for long periods of time, most over a quarter of a century. So they are knowledgeable in the complexities of the needs of military people.

Perhaps one of the most significant advantages that these organizations enjoy is the fact that they have the respect and confidence of those who are in a position to make the decisions that affect the welfare of those

who serve. Not infrequently they are called upon to help suggest solutions. This role should be broadened.

These organizations perform these useful, even essential functions, without disrupting the chain of command or undermining in any way existing military authority.

Obviously, the costs to the career soldier who wants to support this effort are far less through an association than even minimal union dues.

AUSA's views as expressed above could fairly be termed self-serving because we are the Army—those who serve and those who support them. Our whole reason for existence is to support the Army which is, after all, people. Making the Army a better place to live and work has been our principal effort for the past quarter of a century.

We can be fairly criticized for doing an inadequate job of advertising our wares. In those areas where we have done a good job of publicizing what we do, people use and support AUSA—both as an ombudsman and as an external spokesman for their concerns. This is undoubtedly true of the principal associations of the other Services. But much more needs to be done to publicize the activities and accomplishments to make clear the important role that AUSA and other organizations already play. More public recognition of these association efforts by the Services, the Administration and the Congress would help assure those in uniform that they have strong support for their concerns—in addition to that evidenced in the chain of command.

We are persuaded as we stated publicly last May, that there is no useful role for unionism in the military. Events in the intervening months have strengthened that view. The time to lay this delusion to rest is now. The Administration and the Congress should act promptly so that all can get on with the important work that needs to be done.

BROADCAST JOURNALISM: SERVING THE DEMOCRATIC PROCESS

Mr. PROXMIRE. Mr. President, several days ago I introduced S. 22, the First Amendment Clarification Act of 1977, which is designed to give the people of the United States the full benefit of a free press, electronic as well as printed.

In America today, the preferred source of news for 76 percent of our people is radio and television. Yet, because of the Fairness Doctrine, the equal time rule, and other governmental controls, broadcasters are not on a par with publishers regarding first amendment rights.

My proposal, S. 22, would restrict the Federal Communications Commission's present power over what television and radio can say by limiting FCC regulation of the broadcast media to the policing of channels in order to prevent technical interference.

Enactment of S. 22 would result in the repeal of section 315 of the Communications Act of 1934, which contains both the equal time rule and the authorization for the FCC's Fairness Doctrine.

The equal time rule requires that when a candidate for public office is given or sold broadcast time, any other candidate for that same office must be given an equal opportunity. That sounds great. But the equal time rule is an abridgment of the first amendment. It is governmental control over a part of the free press.

Under the Fairness Doctrine, broadcasters are required to afford reasonable opportunities for the presentation of contrasting viewpoints on controversial issues of public importance.

Unlike the equal time requirement, the Fairness Doctrine does not call for each viewpoint to receive the same amount of air time. Neither does it require that the other viewpoints be given in the same program.

Again, all this sounds fine. But the trouble is, even if it were constitutional, the Fairness Doctrine is applied case by case with only the particulars of past cases to use in judging its applicability.

Mr. President, it is not my present intention to recite all the arguments in favor of S. 22 and against the Fairness Doctrine, the equal time rule, and other governmental controls on the broadcast media.

But I would like to share with my colleagues some pertinent passages from a copy of a speech I received in today's mail. Having just introduced S. 22 some fews days ago, I was especially pleased to read the text of "Broadcast Journalism: Serving the Democratic Process," an address given by Julian Goodman, chairman of the board of the National Broadcasting Co., at Ithaca College in New York on October 22, 1976.

Mr. Goodman's impressive statement represents a spirited defense of the need for full first amendment rights for broadcasters. What he has to say about Presidential debates is particularly interesting and enlightening.

The 1960 Kennedy-Nixon debates, Mr. Goodman reminds us, could not have taken place but for congressional suspension of the equal time rule. And in 1976 the same obstacle stood in the way of similar debates. This time Congress did not act to suspend the equal time provision. Rather, the Ford-Carter, as well as the Dole-Mondale, debates were held under a new FCC interpretation of section 315, which exempted Presidential and Vice-Presidential debates from the equal time provision if they were held in the context of a news event.

To qualify, the 1976 debates had to take place under the aegis of a nonbroadcaster. We know, of course, that the League of Women Voters fulfilled that role and performed that service. All Americans are grateful to that excellent organization for doing so.

But, as Mr. Goodman points out, the crucial point remains that the very existence of section 315 prevented broadcasters "from any special news coverage outside of regularly scheduled news and news-interview programs without the risk of supplying equal time to all the minor parties." And, according to the Federal Election Commission, there were at least 18 minority party Presidential nominees and 23 independents.

Again, enactment of my proposal, S. 22, would do away with this unwise and unwarranted restriction on broadcasters. But if we do nothing, as Goodman indicates, "The public loses the opportunity to know about the contenders for their votes."

What is at stake here is well put by Goodman:

> The principle that a journalist must be free to do his job.

And as he further explains:

> News coverage—if it is to meet its obligation to the public—cannot be controlled, directly or indirectly, by the people who are being covered, or by any intermediary.

Mr. Goodman has many valid and thoughtful points to make about section 315 and the 1976 Presidential and Vice-Presidential debates. All of what he says, it seems to me, supports the need for prompt congressional approval of S. 22.

Perhaps the best summation of Goodman's general point of view, and one to which I fully subscribe, is this passage from his Ithaca speech:

> At the heart of all this is the continuing denial of full First Amendment status to broadcast news. Such restrictions as the equal-time rule and the Fairness Doctrine apply only to electronic journalists, and through them the journalists and the public are deprived of basic free-press rights. These rights can never be adequately restored unless broadcasters are given permanent relief from Section 315.
>
> The lesson we keep learning over and over again in broadcast journalism is that you can't read the First Amendment two different ways. You can't have a news medium that operates half-free and half-controlled.

Mr. President, Mr. Goodman's excellent speech makes clear that broadcast jouralism can do an even better job in serving the democratic process if it receives the same full measure of first amendment freedom enjoyed by other media. Enactment of my First Amendment Clarification Act of 1977 would achieve this result.

So that my colleagues can have the opportunity to read the full text of Mr. Goodman's address, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BROADCAST JOURNALISM: SERVING THE DEMOCRATIC PROCESS

(By Julian Goodman)

I understand that many of you here are looking forward to careers in broadcast journalism.

I have spent more than 30 years in that profession, and I can tell you that it has its rewards and its exciting moments.

One of its highlights for me was 16 years ago. I was Vice President of NBC News then, and I had the responsibility for producing one of the four televised debates between John Kennedy and Richard Nixon. That was the first election in which we had such a confrontation between the Presidential candidates of the two major parties before a nationwide television audience.

I have a vivid memory of going by the rooms where the candidates were waiting before the broadcast—in separated areas of the building—and finding each one standing in a quiet corner by himself, in what seemed to be an attitude of prayer.

I felt like a little praying myself. It was not only a tough test for the candidates. It was a test for NBC and for television. The medium had a chance to make an unprecedented contribution to the American electoral process. And it did.

The 1960 televised debates drew an audience of about 135 million people, and the turnout on Election Day set a record that hasn't been equaled since.

It is generally agreed that 1960 was a high-water mark for television's effectiveness in helping the nation choose its political leadership. It is no wonder that in the three national elections since 1960, broadcasters have sought the opportunity to broadcast Presidential debates again. We've urged this before the Congress, the Federal Communications

Commission and in other public forums, without success.

This year that did indeed come about. We have face-to-face debates between the Presidential and Vice Presidential candidates, and the network news organizations have once again brought them to the people—and to tonight's conclusion.

It should follow that the public, as well as the network news managements, would be delighted and grateful. But neither seems as enthusiastic as might have been expected. In fact, before the Ford-Carter debates could go forward at all, there were difficult negotiations in which the networks raised a series of objections. At one point the arguing became so heated that the head of one network news organization left the meeting and suggested his network might not carry the debates.

There has been a good reason for these reservations but, unfortunately, the reasons may not be thoroughly understood. I'd like to talk a little about that today.

There is a basic difference between the current televised debates and those of 1960. That difference is in the legal and regulatory framework that made the debates possible.

To put campaign debates on the air, the broadcaster has to overcome a tough obstacle, namely a provision of Section 315 of the Communications Act—the so-called equal-time rule.

The rule says that if a broadcaster makes time available to one candidate during an election campaign, he has to provide equal opportunity to any legally qualified opponent. And here the equal-time rule has a discouraging effect, because if the broadcaster offers free time for the appearance of major-party candidates, he is legally accessible to a flood of requests from minority-party candidates, most of whom have very little popular support, and even less prospect of being elected.

To make way for the 1960 debates, Congress suspended Section 315 for Presidential and Vice Presidential candidates. This year Congress has not suspended the equal-time provision. The fact that it remains in effect makes the significant difference.

The debates this year are being held under a new FCC interpretation of Section 315. That interpretation says that Presidential and Vice Presidential debates are exempt from equal-time requirements if they are held in the context of a news event. The FCC has said that to qualify, these events must take place under the auspices of somebody who is not a broadcaster. The non-broadcaster who is filling that role in this campaign is the League of Women Voters.

And that's the basis for the networks' reservations.

It is not—as some have speculated—a question of whether cameras could cut away from the speakers to the audience, over who was to choose the reporters to ask the questions, over having pool coverage instead of each of the three networks providing unilateral coverage. It is not a question of the networks wanting to have their own way.

Let me make it clear that NBC—and I believe the other networks—are happy to cooperate with the League of Women Voters. The League has performed a distinct public service in stepping forward to provide a needed national forum. But it would be a mistake to conclude that because the debates exist the problem is solved. Not only is it not solved but it may be obscured—because the most publicized fact is that we are permitted to cover debates between Presidential candidates of the two major parties, and between Vice Presidential candidates. Beyond that, however, the existence of Section 315 prevents us from any special news coverage outside of regularly scheduled news and news-interview programs without the risk of supplying equal time to all the minor parties. The Federal Election Commission lists at least 18 minority party Presidential nominees and at least 23 independents.

And why does this archaic restriction stay with us? Well, first of all, it would take action by the Congress to eliminate it. And the conventional wisdom tells us that the incumbent—the present holder of office—loses some of his edge if his opposition receives significant exposure on television. That is because it is assumed the incumbent is better known than the opposition. Since the practical effect of 315 generally is to limit the exposure of all candidates, for all offices, we come up to a classic, Catch 22, situation. The incumbent member of Congress is reluctant to vote for something—in this case the elimination of the equal-time requirement—that would allow his opposition to get wider attention. So Section 315 stays with us, and that situation is not likely to change in the foreseeable future.

Who loses? The public loses the opportunity to know about the contenders for their votes.

What is at stake is not camera shots or studio lighting. It is a principle. The principle that a journalist must be free to do his job.

News coverage—if it is to meet its obligation to the public—cannot be controlled, directly or indirectly, by the people who are being covered, or by any intermediary.

If the 1976 debates are news events, they should be televised as news, by news professionals. Otherwise the whole principle of independent journalism is in jeopardy. That is an article of faith with NBC News, as it is with every responsible journalist. The public stands to get a better and more truthful view of events if the press functions with maximum freedom. When rules and formulas are imposed on news coverage the public is deprived of a Constitutional right.

At the heart of all this is the continuing denial of full First Amendment status to broadcast news. Such restrictions as the equal-time rule and the Fairness Doctrine apply only to electronic journalists, and through them the journalists and the public are deprived of basic free-press rights. These rights can never be adequately restored unless broacasters are given permanent relief from Section 315.

The lesson we keep learning over and over again in broadcast journalism is that you can't read the First Amendment two different ways. You can't have a news medium that operates half-free and half-controlled.

First, as I've suggested, restrictions have led to the creation of a news event that is being kept at arm's length from the news media themselves. And second, because the debates are based on a complicated FCC reinterpretation of the law, broadcasters could easily be caught up in a tangle of new equal-time demands by additional, minor candidates.

The problem I'm describing goes far beyond the question of the joint appearances of candidates Ford and Carter. What is more important is that our reporting on the entire election process is hampered. The result has been a lack of dimension in campaign coverage down the line, from the first New Hampshire primary to the eve of Election Day. Television and radio are severely inhibited in their ability to present the candidates directly, in the kind of journalistic context voters might find most useful.

It has been charged by some who fail to take the full picture into account that the network news organizations have not done a full and proper job in informing the public adequately on the candidates and the issues during Presidential election campaigns. A prime example of this is in a recent book called "The Unseeing Eye" by two gentlemen from Syracuse University, Thomas Patterson and Robert McClure. My colleagues in NBC News have tried to read it with an objective eye, although we believe our medium does a far better job than the authors give it credit for. But what is most frustrating about such studies of television news is their failure to acknowledge the effects of equal-time restrictions on campaign coverage. As in criticizing the piano-playing of a man in a straightjacket, you have to make a few allowances.

I think we would all agree, however, that television—the medium most Americans rely on more than any other for news and insight—is not fulfilling its potential in election campaigns. That potential is considerable. And it goes well beyond the presentation of debates.

While this year NBC News has provided more campaign coverage than either of the other networks and more than any time in its history, programs, outside of regular news and news-interview presentation, have had to avoid inclusion of the candidates themselves.

Without regulatory curbs, a variety of formats might be used to present the candidates and issues. For instance, NBC this year proposed to Congress and the FCC that, if Section 315 were suspended, we would offer four half-hours, free, to each of the major parties, in addition to the debates. We made similar proposals for every election going back to 1960. We would also have provided opportunity for candidates to appear in a series of campaign specials. Unfortunately, Section 315 has stayed in effect, and we could not follow through on this. I think the electoral process, and the public, were the losers.

But within the limitations imposed on us we do try, and try very hard. NBC has never mounted so large an effort of election reporting as in this Bicentennial year. Our coverage has stretched over a record number of 30 primary contests, two national conventions, and every step of the Presidential campaign itself. We've had more special election programming than ever before, and we've deployed a small army of reporters, technicians and producers along the campaign trail. We've also tried to put our reporting on a more scientific footing—with public polling, voter analysis and computer projections. Whatever works to inform and involve the voter—NBC is using it.

Beyond this, we're proposing political broadcasting—the sale of time to candidates. New election-financing rules—added to the increasing reliance on primary contests by candidates this year—have complicated the problem of finding space in the prime-time schedule to accommodate the candidates' needs.

We have suggested that before the 1980 Presidential primaries, the three television networks set aside an ample but fixed reserve of five-minute and half-hour periods in prime time. The national committees of the parties could serve as the clearinghouses for such a system, and some order can be brought to an area that's now very confused.

There are, of course, much larger questions concerning the electoral process that Americans should be thinking about. We hope to make a contribution there, too.

Next March, in Washington, before this election has faded from everyone's mind, NBC will conduct a major symposium on the whole electoral process and what needs to be done to make it more vital and effective. The meeting will be called the NBC Forum. It will be attended by political leaders, campaign specialists, former candidates, students of politics and journalists. It will study the most basic questions about our electoral process—from reforming the primary system to choosing a Vice President. And, of course, it won't ignore that perennial issue—the role of the media in elections. The Forum's findings will then be summarized and reported by NBC News on television and radio.

What I've been saying to you today can probably be summed up fairly simply: Television does serve the democratic process. It

can do an even better job for the public and the voters of this country if given the same freedom to report on elections and politics as enjoyed by other media. We're trying to bring that about, and I hope that by the time you are broadcasting the news, we'll have made the job a little easier.

SENATE COMMITTEE SYSTEM REORGANIZATION

Mr. SCHMITT. Mr. President, because of my strong belief in the necessity of congressional reform and reorganization of the Senate's committee system, I was pleased to testify before the Committee on Rules and Administration in support of the recommendations of the select committee and Senate Resolution 4.

There is an urgent need to apply more efficient management techniques to the operations of Congress if the Members are to meet effectively their responsibilities as the people's representatives. In my opinion, enactment of the select committee's reorganization plan would eliminate overlapping jurisdictions, improve legislative oversight, maximize manpower resources and skills, and provide a more equitable distribution of responsibility and workload among Senators and Senate committees. It is my hope, therefore, that the Senate, recognizing the legitimate needs and interests of the Republican minority, will approve the thrust of the committee's reforms and pass Senate Resolution 4.

In light of the general interest of my colleagues in Senate reorganization, I ask unanimous consent that my statement before the Rules Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. HARRISON A. SCHMITT, A U.S. SENATOR FROM THE STATE OF NEW MEXICO

Senator SCHMITT. Mr. Chairman, members of the Committee on Rules and Administration, I greatly appreciate this opportunity to speak to you concerning the Select Committee's proposed reorganization of the Senate committee system.

As a newly-elected Senator, my experience with the structure and operation of the Senate is obviously very limited, and I must defer in most areas to your judgment and that of the Select Committee whose recommendations are now under discussion.

On the other hand, my experience outside the Senate may offer a few new perspectives to your deliberations. My background is in science, technology and management, and as NASA's former Assistant Administrator in charge of energy programs, I have appeared before Senate committees on numerous occasions.

At the outset, I wish to compliment Senator Stevenson, former Senator Brock, and the members of the Select Committee for their outstanding efforts in the face of many difficulties and pressures. I fully support their general recommendations as set forth in the Select Committee's report.

I might add my other suggestions I may have are merely suggestions, and I will, in fact, support the reorganization effort if it appears in roughly its present form on the Senate floor.

The specific aspects of the Select Committee's recommendations to which I wish to address myself today are, first, the urgent need for more efficient management of the United States Senate; second, the desirability of systematic utilization of sequential referrals of proposed legislation; and, third, the necessity of reducing the fragmentation of legislative jurisdiction in the field of Science and Technology.

Before making these specific points, however, I wish to emphasize the critical need to insure that the Minority Party's—whichever party that may be in the future—that the Minority Party's ability to perform as the "loyal opposition" is not impaired by this reorganization.

At least one-half of the people of this country expect this party to present ably alternative views in the consideration of national legislation and policy. The assignment of committee jurisdictions, memberships and staff allowances for investigative purposes must always take this fact into account.

The elimination of the bipartisan nature in the investigation of matters of ethics must also be approached very carefully by this Committee and by the Senate.

In the area of efficient management, on those occasions when I had reason to testify before committees of the Senate, I became aware of the unfortunate consequences and deficiences of the existing committee structure and scheduling system.

I am sure that you believe me, Mr. Chairman, when I say that there is nothing more discouraging to a witness than to appear at the appointed hour in a committee's chambers in order to learn that there is nobody present initially to listen; then to find that, as a result of schedule conflicts, the members arrive late, going into and out of the hearing room one at a time, very often in the middle of the testimony; to see the chairmanship continually change as one member must leave and be replaced by another; to find that there are prolonged points during which no Senators are physically present; and even, on some occasions, to have one's testimony postponed or canceled altogether at the last minute.

Moreover, it has been my experience that a witness must frequently proceed from one subcommittee to another and appear at different times before different committees, repeating the same testimony, making the same points over and over again, to different groups of Senators.

Unfortunately, this system is, in large part, responsible for the widespread criticism of the Senate and public condemnation and disrespect for the institutions of this body generally.

During my recent election campaign, I heard many voters criticize the Senate for its failure to solve pressing problems or to make positive accomplishments.

Obviously, many of these criticisms are undeserved, but nevertheless the perception by the public is there. The taxpayers of New Mexico, like Americans elsewhere, are angered by what they regard as waste and extravagance in government, and they do not isolate the Senate as an exception.

My own experience with testimony before the Senate Committees has convinced me that the taxpaying public could be saved large sums of money if witnesses were not required to prepare duplicate testimony and appear before nearly empty chambers with few Senators to hear or question that testimony.

Mr. Chairman, I, and most, if not all freshman Senators, sincerely hope that the 95th Congress will take positive steps to improve vastly this situation. In my opinion, the Select Committee, in its recommendations and the sponsors of Senate Joint Resolution 586, as modified, have made great strides toward resolving the kinds of difficulties that I and many others have experienced in dealing with the committees of the United States Senate.

The Senate is a body of 100 persons, all of whom are deemed equals. It must tackle, during the course of a Congressional Session, a wide diversity of complex and controversial issues of public importance. It is clear that the management structure for such a body must provide for an equitable distribution of responsibility and powers. The management of the Senate must also insure that individual members can utilize their time efficiently among many areas of responsibility with the certainty that those areas will be covered in ways appropriate to their priorities.

Mr. Chairman, I would like to suggest to you that the management problem that now faces us as Senators is not unlike that of keeping 70 astronauts, most of whom are assigned to specific missions, working efficiently and within their areas of responsibility. Most astronauts consider themselves first among equals even though some become commanders, some merely pilots. Each has an opinion on everything related to space flight, much as Senators have an opinion on everything related to legislative and public issues.

Most opinions are well-reasoned and well-informed, and should be considered. They must work, not only with respect to the training for their mission, but with respect to their interface with essential elements of mission planning and mission engineering.

In this case, Mr. Chairman, I find an interesting parallel between my previous profession and my new responsibilities in the Senate.

During my astronaut days, we actually did much of what, in terms of management, has been proposed by the Select Committee. We were dependent on clearly-defined jurisdictions between missions and within mission planning and engineering responsibilities.

We were also required to maintain an efficient and visible scheduling operation so that everyone could be where he needed to be at a given time, and all the essential work of the group would be accomplished according to the master schedule.

Of course, in the Congress, a master schedule has now been created—at least in part—for us to follow as a consequence of the Budget Reform Act of 1974. We might even consider defining other milestones by which major national problems will have real solutions; however, that is a matter best left for another time.

I realize that the opposition to many of the Select Committee's proposals will be formidable. There are interest groups in the country who feel that they will be hurt through the elimination of committees specifically identified with their interests. They believe that there will be a loss of attention to their special interests, needs and problems.

I submit that, with the more efficient operation of all of the committees and the more equitable distribution of workload among the Senators, the needs of all interests in the country will receive much greater attention than they have under the present system.

As one interest is incorporated with the interests of other groups, the whole, I believe, will receive better informed consideration and more intelligent treatment than has been possible previously. If this does not occur, in fact, as a consequence of the changes envisaged by the Select Committee, I pledge—and I am confident that all of you would promise—to re-examine what we have achieved in order to assure that no legitimate concerns and interests of the citizenry of this country are ignored by the operation of the Senate committee system.

In my study of the Senate Select Committee's report, I attempted to search out those areas in which, maximum potential conflict of jurisdiction might occur, either expressed or implied.

I am pleased to acknowledge that I found few such areas of conflict. In those areas where conflict might occur, they generally would occur only between two committees. Most of these conflicts are documented by the Committee report. Some of them are il-

lustrated in the attachments to my testimony.

Where major conflicts do develop, I believe that the problem will be resolved if proposed legislation is referred sequentially to the two committees in question, with instructions for the first to report to the second by a time certain.

With some reservations, I also support the Select Committee's proposal for establishing ad hoc committees to consider proposed legislation falling within the jurisdiction of two or more committees provided this device is used sparingly. Such an ad hoc committee could serve best as a kind of conference committee of limited life to iron out any major differences that may arise between two standing committees.

However, a proliferation of such ad hoc committees could result in further confusion and abuses that could seriously undermine the very reforms we are now trying to achieve.

I shall speak briefly about the area of science and technology, an area of my special expertise.

Science and technology are the unquestioned mainstays of the modern United States, in national security, industry, health, agriculture, balance of trade and space, among many other areas.

The intent of the Select Committee clearly was to place general oversight and legislative jurisdiction for science and technology in the new Committee on Commerce, Science and Transportation.

Unfortunately, I find that legislative jurisdiction for major areas of research has been assigned to several other committees. For example, agricultural research would come under the Agriculture and Small Business Committee; biomedical research under the new Human Resources Committee; energy and earth resources research under the Energy and Natural Resources Committee; environmental and weather research under Environment and Public Works; military research under the Armed Services Committee; and jurisdiction over ocean research would remain extremely fragmented, falling under three separate committees.

I strongly suggest that the Committee reconsider the split jurisdictions over basic research in science and technology, and see that if, at least, some of them should not be recombined under a very strong Committee of Commerce, Science and Transportation.

In particular, I recommend that legislative responsibility for biomedical, earth resources, oceanic and meteorological research and very basic research in general, be included under the Committee on Commerce, Science, and Transportation. I also recommend that the Committee be particularly diligent in its oversight responsibilities to insure that synergism can occur between all areas of science and technology.

For many years I have been involved in science and technology in an extremely wide range of fields and with scientists and engineers who are presently conducting the fundamental research that forms the foundation upon which we move into the future.

My experiences have led me to conclude that if overall jurisdiction for basic scientific and technological research is not combined under one committee that is deliberating national policy, we will run the risk of missing the synergistic effect that comes from one science interacting with another and from one technology interacting with another.

To illustrate the magnitude of this risk of loss, I wish to point out the great potential transfer of technology developed in our space program to the energy field; what we have learned and developed in aerospace and research and development can be applied to satisfying our nation's future needs for energy self-sufficiency and independence.

In addition, many of the greatest advances in modern times in biomedical research have come about as a consequence of this synergism, because physicists, chemists, and others have taken their art and their knowledge into the field of biomedicine and have contributed to a medical revolution in our country. We are now able to prolong and ease life and to make life far more than just a matter of chance.

With that, of course, will come the problem of increasing health costs, which we must also treat.

Mr. Chairman, I have one final comment to make about this matter.

Realizing that the proposed committee reorganization represents a snapshot of the needs of the United States Senate in the mid 1970s and will require future modifications, I would submit to you that one area of potentially great national involvement seems to have been underemphasized by the Select Committee. I am referring to space exploration and the use of space, science and technology for the benefit of mankind.

Obviously, this is a parochial view of mine, but let me add a little to that.

At the present time, this great country of ours is embarked on developing a space transportation system which, if successful in its development, will be the first major step toward opening up the space environment for use and service to mankind, including use by commercial enterprises and for national security purposes.

The newspaper this morning, or at least the Washington Post, did make mention of some of the problems of national security now facing us in this new environment. Even though the present outlays allocated for the exploration and utilization of space are less than one percent of the total annual budget of the Federal Government, it nevertheless represents one of our principal investments in the long-term future of this country and of mankind.

If I may make a prediction, I believe that, within ten years, some of us will be meeting before the Committee on Rules and Administration of the United States Senate to discuss a proposal that a new committee be formed with legislative jurisdiction over the commerce, science, and transportation of space.

Mr. Chairman, we have seen, in the last two decades, the beginning of a revolution in man's thinking and attitudes toward the environment surrounding his earth. That change is reflected in many ways, most obviously in his analysis and prediction of weather, in his use of satellite communications and in his intellectual view of the planet Earth, his view of the Moon as a sister planet to that Earth, of the other planets of the solar system in which we now live, of the Sun from which we draw our sustaining energy for life and human activity, and of the cosmos itself wherein may lie the great intellectual revolutions in science and philosophy for succeeding generations.

I can speak with certainty from my recent political campaign and experience as an astronaut that the next generation of leaders in this country, who are young people in the high schools and colleges of America, are looking toward a future that will involve many of them in the Commerce, Science, and Transportation of Space.

Thank you very much. I will be very happy to answer any questions.

The CHAIRMAN. Thank you very much for a very fine statement.

As you say in your statement, you do support the resolution as it is now proposed?

Senator SCHMITT. Yes, sir.

All I am offering is a suggestion on how it might be improved.

The CHAIRMAN. Thank you very much.

Senator Hatfield.

Senator HATFIELD. Very excellent statement. I have no questions.

The CHAIRMAN. Senator Pell.

Senator PELL. No questions.

Fine statement.

Senator SCHMITT. Thank you, sir.

The CHAIRMAN. Senator Griffin.

Senator GRIFFIN. I want to join in the commendation of this very excellent statement. I think that especially coming from one of our newly-elected Senators, it gives some indication of the caliber and the quality of this new freshman class. And I find it very, very interesting, very useful, very helpful.

Thank you very much.

Senator SCHMITT. Thank you.

PHILIP HART: THE GENTLE WAY

Mr. McINTYRE. Mr. President, we have read many eloquent testimonials to our late, beloved colleague from Michigan in recent days, and I am certain a number of those tributes will be placed in the RECORD.

Because those kind words about Philip Hart were so richly deserved, it is sadly ironic that they did not appear in print until after his death. For though I know how much his family and his countless friends appreciated what was written about Phil, he, himself, did not have the satisfaction of reading how truly esteemed he was.

Fortunately, however, one of the most moving of all tributes was published before Phil Hart's death; indeed it appeared in the Washington Post almost a year ago.

I saved that tribute because it was so moving and because I felt it captured the Phil Hart we all knew and loved as well as anything I have heard before or since.

I ask unanimous consent that Colman McCarthy's column of February 2, 1976, a column appropriately titled "Philip Hart: The Gentle Way as the Effective Way," be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 2, 1976]

PHILIP HART: THE GENTLE WAY AS THE EFFECTIVE WAY

(By Colman McCarthy)

A few years ago a Washington journalist wrote a book in which he called Sen. Philip Hart "a man widely regarded as the gentlest and kindest in the Senate." The galleys of the book were sent to then-Sen. Paul Douglas of Illinois, who had been asked to review the book for The Washington Post. He read the reference to Hart but was troubled. It took Douglas several phone calls to track down the author, who was at his vacation retreat. Talking with him, Douglas explained that he knew it was unusual for a reviewer to call an author before the book came out, but he had a suggestion for a galley change. Must it say that Senator Hart is "widely regarded" as the Senate's gentlest and kindest man? Couldn't the book just state "he is," and avoid the cop-out qualifier?

This story is not one of the vintage political tales that float to the top of the air currents in Congress, so many of the stories flavored to put down another member or raise up the teller. But the solicitude of Sen. Douglas—authentic feeling, not the hollow "my distinguished colleague" kind—suggests that nothing less was due Philip Hart than unqualified esteem. The session of Congress now beginning is Hart's last. His recent retirement announcement has prompted a number of Michigan politicians to seek to replace him. They can stop now. The seat will be replaced, but not the man.

In his 18 years in the Senate, Philip Hart

has practiced as pure a style of politics as that body has ever seen, elevating not only the level of thought but also the vocation itself. In a profession often trivalized by fitful hacks who think political impact is made by the raised voice or eyebrow, Hart has remained loyal to the Greek meaning, politikos: of the citizens. What concerns the citizen? What possibilities can he be drawn to, or to what form of humanized service can the politician, the server, give himself?

Before a politician can adopt this cast of mind, he has to think first of keeping his job. From the record, it could seem that Hart has represented not Michigan at all, but a territorial outback whose citizens sent him to Washington with a moral compass, not a political one: point the needles not merely to our wishes back home, they instructed, but also to honesty and fairness. We will be served that way. Thus, with the auto industry as Michigan's largest employer, Hart has persisted in attacking the monopoly practices of the Big Three. He began or supported every major safety or environmental regulation involving Detroit. The state has the nation's second largest hunting force, but no one in the Senate has called for stronger gun controls. He supported busing in Michigan (because he believed in his the rightness of it in the South) when other Democrats ran for pillows to make the issue more comfortable for fence-sitting.

Electoral risks put senators on slide rules, moving them along exponentials that make the conscience a variable. The issues, like logarithms, are said to be complex. Perhaps. But Hart has remained the still point in the middle of complexity. Situation ethics make as little sense as situation politics. He was the only senator to speak out in 1972 against Sen. James Eastland's becoming president of the Senate. The courage of Hart's stances has been perceived by the voters. He has never had a close re-election race; in 1970, he received as many votes as Gerald Ford in Ford's home district.

How is it possible for a man to be in the Senate 18 years, a defender of periphery causes, and yet be held in deep affection by most other members? It is assuredly something more than Hart's soft voice or the merry Irish twinkle in his eye that does it. One explanation is that he has a style of personal humility that keeps his convictions from being crushed with either blowhard or diehard righteousness. He is known, much to staff impatience, for spending as much time examining an opposing position as in presenting his own.

"You never know your own motive most of the time," he said recently, "but most people are always assuming they know the motives of everyone else. But it's hard. It's hard for a politician looking at another politician. It's even more difficult for the public looking at the votes and the positions taken by a politician to determine what motivated that man. I am sure that there are people in Michigan, for example, who believe that the reason I have a voting record that conforms generally with the labor movement is because labor gave me money. And certainly in the liberal group, there's much too much of the assumption that the reason some conservative around here is conservative is because some company or corporate officials fund him. We liberals don't credit conservatives with what we credit ourselves. I say I vote in a way that finds approval with labor because it happens that I believe that this is the best for the people. Our goals are common, but we arrive at them independently. The liberal is apt not to give the conservative credit for the same thing. A conservative may conclude quite independently of constituent pressure that the program of, say, the National Manufacturers Association makes good sense."

If Hart can look at liberals dispassionately, he also sees his own role in the Senate with a measure of restraint. "There's a terrible tendency here to think that everything we do and say, or omit to do, is of world consequence. But you know full well that you can go across the street and the bus driver couldn't care less." If caring is present, it must come from within the man. "I remember the expression that the politician is the lay-priest of society. The corporate works of mercy are part of the business of how the government runs. A solid case can be made that whatever the venality that attaches to the profession, politics is still a high vocation. . . . I have regarded it as an opportunity to make a more humane life for everybody."

Hart's humanism was shaped by what he calls a typical education within the church school system; the Sisters of Mercy for eight years, the Christian Brothers for four, the Jesuits (at Georgetown) for four. At a moment when politicians and their families are being examined, Hart says of his children: "I won't try and guess what my own children may have felt about my being in politics or about me as a father, but I think my strong love for them has been reciprocated."

Little of Hart's Senate work has made him a national figure. He caught the glare during the ITT scandal when he was in the Senate contingent that went to Dita Beard's bedside, and he was on the committee that Richard Kleindienst deceived. Instead, he has been committed to the hidden and unshowy work of the hearing room. He came early and has stayed late on such issues as pesticide poisoning, lead gas fumes among inner city children, amnesty, no-fault insurance, decriminalization of marijuana, freedom of information, divestiture of the oil and auto companies. He will be gone before these matters are resolved in a way that citizens deserve, and others will likely be on hand to take winner's credit. But those who have watched closely will know who began the bold struggles.

Hart has no bitterness that his issues have attracted little press attention. "It is hard to expect reporters to sit through unglamorous economic or antitrust hearings he says, when at the same time in the next room you have some hoodlum invoking the fifth amendment." For the occasional reporter who does cover the unnoticed hearing, Hart has special feelings. He speaks of one Washington journalist: "he has excitement in his stories simply because he is able to describe the way certain private interests have been able to twist debate or cause decisions to be made that disserve the general interest. But more often than not, this man is reporting the important issue though it is relatively heavy and unexciting."

In recent months, Sen. Hart has been hospitalized for cancer. On the subject of death and dying, he is as gently candid as on anything else: "When the doctor walks in and says it's cancer, and they chase around for weeks trying to find the original source and still can't, you'd have to be a very insensitive fellow not to be shaken up. Sure you think about it. (Death) becomes not something vague that everyone knows is going to happen. It's something that not only is on schedule . . . but is in motion. And you do review the bidding and test the faith. I think now I'm prepared."

For the rest of this session, news reports will tell of other members of Congress retiring. Careers will be reviewed and testimonies given. It is likely to be different for Philip Hart. The public won't fully know how valuable and towering he has been in the Senate until next year, when he is not there.

FEDERAL EDUCATION ASSISTANCE PROGRAMS—1976

Mr. GOLDWATER. Mr. President, for the past few years, and particularly during the last Presidential campaign, much was said about cutting our defense budget. In the face of a rising Soviet military superiority, this vocal minority has advocated deep cuts in defense spending and then transferring this money to so-called social welfare programs. The ironic thing about this is that the liberals, who consistently push this approach, have yet to show that they can control, let alone manage, the huge expenditures already being made in the name of "social welfare."

As proof of this, one has only to take a look at a new catalog entitled "Federal Education Assistance Programs—1976," which, I am sure, arrived in every office on Capitol Hill last week. This inch and a half thick book lists all the money and services available from the Federal Government for educational purposes only, for the past 3 years. While it probably can be argued that some expenditures in the name of education are worthwhile, a glance at this newest catalog reveals some rather mindboggling statistics. Generally, these figures do not reveal the administrative costs so, whatever that sum is would have to be added to the cost of Federal education programs.

A brief look at these costs shows that during fiscal year 1974, the Federal Government doled out more than $8.1 billion in the name of education. In fiscal 1975, that figure had doubled to more than $19.3 billion. By fiscal 1976, the yearly dole had jumped to more than $22.1 billion. All in all, in just 3 short years the Federal Government has spent almost $50 billion. Based on a population of approximately 215 million people, the Federal Government alone has managed to spend $230,000 for every man, woman, and child in this country in the past 3 years. Let us face it, at that rate this country should be the best educated in the history of mankind. And all of this for what? In spite of the billions we continue to throw at the problem, we have only succeeded in creating a whole generation of "Johnnies who can't read" and "Marys who can't balance a checkbook."

In other words, we have enriched the educational tinkerers at the expense of our children who are, functionally, illiterate. If we would apply the defense budget yardstick of "the biggest bang for the buck" then, our education budget has got to be the biggest "dud" of all time.

On top of the obvious problem, one of the worst features of the whole program is the ever-increasing financial dependence of the local schools on the Federal Government. In far too many cases, this dependence has led to the ultimate of having the Federal Government dictate the methods and operations of the local schools in complete disregard of local wishes. For the middle-income homeowner who is footing the bill, the combination has proved almost intolerable and, it is no small wonder they are beginning to revolt. If we are ever going to restore confidence in our system, we had better be willing to scrutinize our social welfare budgets as thoroughly as we pick apart the defense budget.

EQUAL OPPORTUNITY IN EMPLOYMENT IN THE CARTER TRANSITION

Mr. PROXMIRE. Mr. President, a few weeks ago, I had an opportunity to thumb through a copy of the "U.S. Government Policy and Supporting Positions," booklet. These are the policy positions available to the new administration not subject to civil service.

What an excellent opportunity it provides for us to focus on the right to equal opportunity in employment. I see this right as an essential feature in the Carter transition and as a commitment to our fellow citizens. Many hopes are rekindled. While résumés are being collected, sorted, classified, and neatly stacked just a few blocks away from this forum, we are presented new challenges and opportunities to propose qualified individuals who in the past have been passed over in too large numbers because there were blacks or women or Latin Americans or some other group seeking its place in the sun. And the new administration has an equal opportunity to appoint qualified individuals who have been passed over.

Simply stated, the essential elements of my interest in equal opportunity in employment are: First, the right to get a job; second, the right to keep a job; and third, the right to progress on the job, without arbitrary discrimination. My interest is present at all stages of the employment relationship from the initial step of recruitment to the final step of discharge.

There is no need for me to spell out the historical types of discrimination for they are obvious. I am interested, however, in the professional fields where the use of quota systems for minorities and women, and the exclusion of certain minorities from professional associations may be typical. We should ask questions as to the extent freedom from discrimination will be recognized as a legal right and determine what remains to be done to make such freedom from discrimination a universal fact—starting with the opportunities we have during this period of transition. I believe the people of the United States expect us to take new initiatives. I believe we ought to take a close look at the appointment ratios, to insure that there will be a change from pretransition-benign neglect to post-transition democracy and fair play.

I believe that those involved in the stages of the employment and assignment processes, should take a critical look at the kind and quality of all personnel, both majority and minority individuals. There need not necessarily be a single emphasis on placing minorities and women only in the No. 1 positions. There are certain advantages to those concerned to also have opportunities in a variety of professional positions throughout the executive branch. Longevity is one advantage which immediately comes to mind, for in these professional positions such professionals would not be replaced with the changing of the guard. These professional positions also provide real opportunities to influence actual policies of any administration. And, let us not forget the Federal court systems which could affect the implementation of administration policy.

I do not intend to make specific recommendations as to how the personnel job hunt ought to be conducted. I will defer to the judgment of those involved. Nevertheless, we should take an aggressive posture and judge the results, after the fact, as having vindicated our feeling of good faith and confidence in the sensitivity of the new administration.

MANPOWER PROBLEMS

Mr. GOLDWATER. Mr. President, defense manpower requirements are gradually assuming an ever higher proportion of our preparedness budget and problems arising from this fact are growing more important every day. I am sure all the Members have read statements by various officials concerning how we should handle this problem in the future. Recently the Association of the U.S. Army adopted a series of resolutions on manpower problems as they affect the Army. Because of the importance of this subject, I ask unanimous consent that these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

1976 RESOLUTIONS

1976 RESOLUTIONS COMMITTEE

Chairman: Col. Richard H. Duea, USAR Ret., East Bay Chapter.

Chairman, Subcommittee A: Col. Kurt W. Messmer, USAR Ret., Seattle Chapter.

Members: Mr. B. M. Beck, Central Texas-Fort Hood Chapter; Col. B. L. Dukes, In-ARNG, Indiana Chapter; Mr. Fred K. Guest, Tennessee Valley Chapter; Lt. Col. David E. Lain, USA Ret., Braxton Bragg Chapter.

Chairman, Subcommittee B: Mr. Richard L. Thiessen, Fort Riley-Central Kansas-1st Infantry Division Chapter.

Members: Col. Duane H. Bartrem, MiARNG, Southwestern Michigan Chapter; CSM Warren A. Paulk, USA Ret., Columbus-Phenix City-Fort Benning Chapter; Lt. Daniel P. Ragsdale, USA Ret., Alamo Chapter.

PREAMBLE

The hallmark of a great nation is its ability to assess its strengths and weaknesses and to act accordingly.

Discussions of social issues—welfare programs, unemployment and a balanced budget—tend to cloud the fact that there is little room for maneuver in the fields of foreign policy and national defense, if national interests are to be preserved. The problems impacting most heavily on foreign policy and national security are externally created and difficult to control. The Soviet Union continues to expand its overall ambitions. Overpopulation, a worldwide shortage of foodstuffs, dwindling energy resources, the maldistribution of strategic raw materials, the exploitation of resources from the seas, and nuclear proliferation all contribute directly to global tensions and unrest. Further, the discontent present in many of the emerging nations, the distrusts of centuries-old antagonists in the Mid-East, racism in Africa, the remaining vestiges of colonialism through parts of the world, and the instability of many national governments also hinder the progress of peaceful endeavors. In the last year and a half, the head of government has changed 35 times in 30 countries. Such instability not only makes our efforts in international negotiation most difficult but provides the constant threat of armed conflict.

The bedrock of our foreign policy and principal focus of our national interest continues to lie with our NATO alliance in Europe. In spite of all its stresses and strains, NATO continues to serve the cause of world peace and prosperity. For the past twenty years, there have been great efforts to establish a European economic and political community; however, progress has been painfully slow. It is difficult to forecast when our strong NATO military presence in Europe can be safely terminated. The United States has reduced its military participation substantially and should not tempt fate by further reductions.

The Pacific doctrine for the United States enunciated last year seeks to buttress our non-Communist allies and at the same time increase our cooperation and communication with the leadership of the Chinese Peoples Republic. United States military forces support our overall security objectives in the Pacific and are generally a stabilizing element. As such, they are important to Japan's sense of security, and to our avowed obligation to provide such security. Unfortunately, the United States projects a diminishing military profile in the Far East. Congress has indicated that the Department of Defense should look at further reductions of our forces in Korea which now include only one division with supporting troops, air defense forces, and some Air Force units. A withdrawal at this time would produce an unwise and unnecessary risk.

The civil war in Lebanon, the confrontation in Cyprus, the instability of Africa, and the Panama Canal negotiations will take a high degree of diplomatic and political skill to solve satisfactorily. All have the ingredients for potential trouble serious enough to necessitate the availability of credible United States deterrent forces.

A recent poll of our citizens showed that seventy-one percent believe that promoting the security of the United States should be the most important pillar of our national policy. What is needed to support that pillar? Simply stated:

We need the capability, in conjunction with our allies, to deter warfare at all levels and to defend our interests should deterrence fail.

We need to maintain United States technological superiority over the Soviet Union.

Above all, we need to provide the strength upon which further peace negotiations can be pursued.

In addition to how much defense is needed, the United States must decide on what type—especially in view of current strategic nuclear equivalency. Most thoughtful observers agree that given the present strategic nuclear arsenals of the Soviet Union and the United States, the least likely form of conflict for the immediate future would be a major nuclear war. The prospect will continue to be true as long as our nuclear arsenal remains viable, modern and credible. This is one area where costly investments in strategic weaponry have provided national insurance that all can understand and for which most are willing to pay. Of greater concern is the growing list of countries developing a nuclear capability. They especially must believe our strategic arsenal is credible.

Since 1945, there have been literally hundreds of armed conflicts between and within nations. The United States has been involved to a varying degree in only a dozen. All were fought with conventiondal weapons, although the United States had an overwhelming nuclear capability. It follows that the United States must be certain that its conventional forces remain capable of adequately supporting our national objectives. This means an Army and Marine Corps manned and equipped to effectively respond to this wide spectrum of potential troubles; a modern

Navy to keep sea lanes open and to transport and support any necessary projection of land forces; and an Air Force sufficiently strong in conventional weapons to provide air supremacy, support for the ground battle, movement of men and equipment and other strategic capabilities.

There are those who will advance the premise that land forces are no longer essential. Wars are fought for the control of land areas and their inhabitants. Although land, sea and air forces are complementary, Army forces possess capabilities which set them apart. The Army provides the ultimate decisive act of entering, securing and occupying those land areas necessary to the achievement of our national objectives. The Army is required to maintain fulltime comprehensive control over the land, its resources and its people. In peacetime, this power is the basis of the stability, law and order essential to a free society.

In its deterrent role, the political impact conveyed by a military force is as important as the sheer destructive power that it can wield. In this era of nuclear stalemate, the role of the Army has taken on even greater importance. It emerges as the significant balance of employable power and has profound effect on the military relations between nations.

The United States has serious shortfalls in all of its conventional forces in equipment, munitions and aircraft. But beyond the provision of hardware, it is essential that the nation maintain a deep concern for the compensation, welfare and conditions under which the men and women of its armed forces must serve. People constitute the basic strength of our nation's defense and they must be accorded continuing consideration commensurate with their service and responsibilities.

In developing our defense budgets, it has been popular to consider reordering priorities. To many this means taking money from allegedly "fat" defense budgets for other programs. This is exactly what we have been doing for the majority of the last 22 years. Defense spending is at its lowest level since the immediate post World War II period in terms of purchasing power, the national budget and the Gross National Product. The study, "Significant Features of Fiscal Federation—1976 Edition," prepared by the Advisory Commission on Inter-governmental Relations, indicates that during the past two decades the rapid growth in domestic spending has been financed half by taxes and deficits and half by a shift from defense to civilian programs. Obviously, the priority reordering has already taken place and further shifts are not feasible if we are to have a credible defense. It will require *real growth* defense budgets over a period of years to provide the credible deterrence to support our national policy.

It is imperative that our adversaries, as well as our friends and allies, continue to recognize our country as the viable fulcrum in world power on the side of peace. They must see, as we do, that the Age of America is not declining. John F. Kennedy enunciated a goal that is worth remembering. What we really want, he said, "is a peaceful world, that is fairly safe for diversity."

It is to this end that the Association of the United States Army pledges its full resources and adopts the following resolutions.

1. THE NATIONAL COMMITMENT TO THE VOLUNTEER ARMY

The Army, with the support of Congress and an informed American public, is successfully meeting the challenge of an all volunteer force in a non-draft environment only by an exceptional effort on the part of all of its personnel. Neither the Army, the Congress, nor the people can waver in their effort.

Although great strides have been made in improving the attractiveness of service life in order to retain high quality people, the maintenance of these conditions is essential to the volunteer Army. Unfortunately, there exists a widespread perception among soldiers that the commitment of the nation to their welfare is declining.

In view of the unique mission of the Armed Forces, the Association continues to believe that mission accomplishment would be seriously jeopardized should the Armed Forces become simply a place to earn a living. Men and women do not remain committed to the Army and to the inherent burdens and dangers involved for financial rewards alone or, for that matter, solely because of patriotism. Rather, this commitment is developed through a sense of belonging to an institution which is uniquely different from any other way of life in the nation. The Army, in providing on-post housing, medical care, commissary, post exchange and recreational facilities for its members and their families, reinforces the opportunity for total identification and commitment. Thus, these so-called fringe benefits are an essential element of this unique way of life so necessary for participation in battle or even for a high degree of combat readiness, particularly during periods when the full support of the American people is not in evidence.

As manpower costs continue to absorb an increasingly large part of the Defense budget, there has been a definitive effort on the part of the Administration to reduce these fringe benefits. The twice-rejected effort to establish self-sufficient commissaries and the fair market rental government housing proposal are examples. In addition, there are pressures to subject commissary and exchange sales to state taxes. The rationale to support these changes is based on theoretical military pay comparability.

Compensation is governed by two principles—competitiveness and equity. It should be recognized that the pay raises of the last several years have gone far toward making military pay comparable, but, according to the results of the Defense Manpower Commission study, pay is not yet competitive. Equity is another matter, as it involves rewards and obligations undertaken. Equal obligations do not exist in the civilian sector. Equity would suggest additional compensation for additional obligations. In addition to the community commitment that fringe benefits obtain, they may be looked upon as additional compensation for placing the needs of the service above family and self—for assuming unlimited obligations.

Removal of real or perceived benefits can produce Service reactions far out of proportion to the savings involved. Presumed savings then become illusory; trained personnel who might have been motivated toward a career leave the Service at the first opportunity; and those who have chosen a military career feel that the Government has broken faith with them. The investment in recruiting, training and experience of all those lost may well exceed any savings originally contemplated. The adverse impact on the morale of those remaining should be obvious and a cause for deep concern.

The Association agrees with the Defense Manpower Commission recommendation that a "Bill of Rights" be enacted specifying the benefits that accrue from military service. This Bill of Rights would provide that such benefits would only be changed or eliminated prospectively and changes would not apply to those already in the Service.

In view of the announced intention by the American Federation of Government Employees to represent military personnel in those areas where it is now legally permissible to do so, it is important to the national interest that the Executive Branch, the Congress, the public and, most importantly, the men and women of the Army, recognize the Army Chief of Staff as the representative of the interests of Army personnel at the seat of government. At the same time, the national civilian leadership of the Army—the President, Secretary of Defense, Secretary of the Army and, most particularly, the Congress—must be aware that they and their staffs shape public attitudes toward service in the military by their words, actions and attitudes.

We Therefore Resolve to reaffirm our support of the volunteer force and of those measures designed to:

Improve the attractiveness of a military career, both active and reserve, in order to obtain and retain high quality people.

Enhance professionalism.

Expand citizen support for the men and women of the volunteer Army.

We Further Resolve to strongly urge the development of a Service "Bill of Rights."

We Further Resolve to urge the continued exemption of commissary and exchange sales from local taxes.

2. STRENGTH OF THE ARMY

A strong Army of the United States with a high state of materiel and personnel readiness is essential, if the Army is to make its assigned contribution to the protection of our national interests. Military and civilian officials continue to state their firm belief that the current combined strength of the active Army, the Army National Guard and the United States Army Reserve, supported by a corps of highly professional civilian employees is barely adequate for the accomplishment of the Army's assigned missions.

Through stringent personnel economies and Congressional support for stable manpower and budgetary authority, recently the Army has markedly increased its combat strength without an increase in authorized manpower levels. Affiliation and round-out programs for the Army National Guard and Army Reserve, coupled with expanded roles and missions, have further improved total force capability and readiness.

We Therefore Resolve to continue to vigorously support a strength for the active Army of approximately 790,000, a paid Army National Guard of not less than 400,000, and a paid United States Army Reserve of not less than 259,000, supported by a civilian work force of approximately 403,000.

We Further Resolve that these strengths continue to be stabilized on a long-range basis so that commanders at all levels can attain the readiness posture required for national security.

3. ORGANIZATION OF THE ARMY

The best measure of relative military power under conditions of nuclear parity is conventional force capability. The USSR has responded to nuclear parity by increasing its army manpower by some 400,000—creating 20 new divisions—and fielding an array of sophisticated new weapons which significantly improve the firepower, air defense and mobility of its ground combat forces.

The Joint Chiefs of Staff have stated that a force of more than 30 Army divisions is needed to meet U.S. strategic commitments with minimum risk. In their best judgment, competing national priorities preclude maintenance of this force and a smaller force with a greater level of risk must be accepted. In terms of the Army, the minimum prudent risk level that can satisfy national security requirements is a force of 24 divisions (16 Active and 8 National Guard), all at maximum combat readiness. These provide the best balance between necessity and cost.

To accomplish this within current manpower strengths, greater reliance has been placed on the reserve components by including many of their units among the immediately available combat forces and requiring them to attain increased readiness. As the active Army has reduced its support capabil-

ity in order to increase its combat strength, the reserve components have been assigned increased immediate support missions. This new role places special emphasis on the requirement for fully manned, highly trained and adequately equipped Army National Guard and Army Reserve units capable of rapid mobilization. Recent Congressional action to grant the President authority to call up a limited number of selected reservists for a restricted period without the declaration of war or national emergency adds credibility to the reserve component's mission.

In the past, individuals—primarily draftees—completing their six-year service obligation, constituted a large reservoir of trained manpower in the Individual Ready Reserve (IRR), part of the Army's rapid response capability. With the end of the draft, this pool has rapidly decreased to the dangerous point of failing to meet the Army's general mobilization requirements for trained fillers by some 150,000 men, primarily in the enlisted combat arms areas. Proposals to remedy the situation by extending future reserve obligations to age 28 and, for the first time, including women in the six-year obligation will, in the first instance, be counter productive to Army National Guard and Army Reserve recruiting and, in the second instance, while valid, will not solve the combat skills shortage.

AUSA again suggests that new initiatives be explored to include consideration of a program that would allow individuals to enlist voluntarily for the IRR basic and advanced individual training in shortage skills to be conducted by reserve training divisions. Upon completion of this training, volunteers could have the option of enlisting for service in the active Army or in the reserve components. In any case, the volunteer would incur a six-year obligation, any inactive portion of which would be served in the IRR.

We therefore resolve to reaffirm support of a ready Army Total Force of 16 Active and 8 National Guard divisions, including all support forces, as the minimum force essential to meet national security requirements.

We further resolve to continue to urge new initiatives to solve the IRR shortfall.

4. ARMY BUDGETARY SUPPORT

The Association of the United States Army applauds the Administration for its submission of the Fiscal Year 1977 Defense Budget reflecting a modest increase to compensate for the loss of buying power of the dollar as well as a modest increase for program growth. We further applaud the Congress for taking a positive attitude toward our national defenses by adopting the 1977 Defense Budget reflecting these modest increases.

The overriding requirement to achieve the planned 24-division Army Total Force is long-range stability in terms of manpower and money. The Army requires a stabilized manpower authorization and continued appropriations support. The Army Budget must continue to reflect appropriate adjustments to compensate for inflation, cost of known pay increases and for program growth.

We therefore reaffirm our continued support for subsequent Army budgetary action to provide for proper inflationary safeguards and, further, to provide for program growth.

5. RESEARCH, DEVELOPMENT, MODERNIZATION AND PRODUCTION BASE

The 1973 Middle East War revealed the extent of Soviet efforts to improve their conventional forces through the development and deployment of new Soviet tanks, infantry combat vehicles, helicopters, and antiaircraft and antitank missile systems. The USSR's conventional warfare capabilities are continuing to improve through organizational changes which, when coupled with new equipment, will increase the armored firepower and mobility of combat units.

In this period of minimal United States military manpower authorization, the combat effectiveness of both men and equipment in the Total Force must be maximized. Thus, funding for Research and Development must be increased to prevent strategic surprises by the communist bloc countries. It is also necessary that our current Total Force be equipped with modern weapons, equipment and adequate logistical support.

This points to the urgent need for the five major items now in the Army's development program:

A field army air defense system.

An improved tactical utility helicopter.

An advanced attack helicopter.

A main battle tank.

An armored infantry fighting vehicle.

Deployment of these weapons, together with modern command/control/communications and battlefield surveillance systems, will ensure the continued reequipping of the Army with superior equipment. The DOD imposed delay in the selection of the future main battle tank, with its promise of a significant improvement in this critical area of our ground combat capability, without consultation with the users, is of deep concern.

The new Soviet trend to add sophistication to its already massive quantitative superiority makes it imperative that this nation continue to modernize its ground forces equipment and pursue those potentially rewarding new areas of technology which may, in the future, prove to be the decisive factor.

The United States is extremely vulnerable with virtually no deployed air defense and no ballistic missile defense. In view of the rapidly increasing Soviet first strike offensive forces and of the strategic offensive and defensive forces being developed by other countries, we also feel that a reappraisal of continental defense requirements is needed.

The requirement to provide the Army's Total Force with the most modern equipment highlights the need to broaden the United States production base for Armed Forces materiel.

We Therefore Resolve to continue to urge that sufficient budgetary support be provided to:

Ensure adequate research and development to reduce the risk of technological surprise and to provide advanced weapons to compensate for our lack of numerical superiority.

Expedite development of the Army's big five equipment program and deployment with additional support equipment necessary to guarantee an efficient combat capability.

Provide adequate logistic support for the Army in a high-attrition conflict, and develop and maintain a modern production base for replacing equipment and supplies.

Equip our Total Force with adequate levels of modern equipment.

We Further Resolve to urge a reappraisal of U.S. continental defense requirements.

6. CHEMICAL WARFARE CAPABILITIES

The Soviet Union today is better equipped militarily and psychologically for chemical warfare, especially with nerve gas, than any other nation. The Red Army organizational structure, doctrine, training and emphasis on individual and unit proficiency in chemical warfare indicates readiness to fight in such an environment.

USSR seriousness about the use of chemicals in combat is demonstrated by the fact that their chemical warfare troops number nearly 80,000—one tenth of the strength of the entire U.S. Army. By contrast, there are about 2,000 U.S. Army chemical warfare troops. The Soviets have chemical warfare personnel organic in their military organizations down to regiment—the equivalent of a U.S. Army brigade, which has none.

The Soviets can deliver chemical munitions with rockets, missiles, aircraft and large caliber artillery. In their field maneuvers, they constantly practice realistic offensive and defensive chemical warfare. Large-scale decontamination exercises are held regularly in addition to regular training exercises. As was learned from vehicles captured during the 1973 Israeli War, their personnel carriers, tanks and command post vehicles are designed to fight in a chemical environment with minimum personnel losses.

The current U.S. position renouncing all but defensive development and use of chemical weapons places U.S. forces at a serious tactical disadvantage.

We therefore resolve to strongly urge all actions necessary to achieve a viable chemical warfare capability, to include realistic offensive and defensive training and the establishment of a binary chemical munitions production facility.

7. FORWARD DEPLOYMENT

The overseas deployment of well balanced United States military forces is essential to our national security. These forces must be adequate, not only as a deterrent force, but sufficiently strong to absorb with our allies the first shock of conflict should it occur. Above all, they must provide, to our allies and adversaries alike, a clear and credible signal of national resolve to meet our international commitments.

Slow progress in the Mutual and Balanced Force Reduction (MBFR) negotiations, together with the continued Warsaw Pact force build-up over the past ten years, emphasizes the need for continued deployment of United States NATO-committed forces so as not to weaken our negotiating position and Allied confidence in our commitment. There should be no unilateral reduction. This is particularly true in view of the Soviet Union's modernization developments in the past decade, which have resulted in a dramatic increase in their production of combat equipment. All Pact forces have improved mobile firepower. The variety of antiaircraft guns and surface-to-air missiles currently in their ground forces can provide multiweapon air defense coverage at all altitudes likely to be used by NATO tactical aircraft. Although some equipment shortfalls remain, on balance the Pact ground forces are now maturing as a modern force with sophistication comparable to Western armies.

The recent deployment of two U.S. combat brigades to Europe at no increase in overall troop strength will contribute to reassuring our Allies of our determination to keep the peace in Europe and will improve our MBFR bargaining position. Similarly, the continued presence of American forces in Asia and the Pacific is essential to the stability of that area in which our national interests are so deeply involved.

We Therefore Reaffirm our strong opposition to any unilateral reduction of United States forces in NATO and our strong support of the retention of United States military land forces in the Far East.

We Further Resolve to continue to support efforts by the Administration to induce our NATO allies to continue to increase their share of the NATO defense.

8. STRATEGIC MOBILITY

AUSA continues its strong concern that United States strategic reaction forces do not presently have adequate air and sea lift resources to react promptly, with substantial conventional forces, to possible aggression. Increased strategic mobility is essential if the Army is to perform adequately its assigned defense missions.

Without an apparent and convincing capability to rapidly deploy and sustain adequate conventional forces wherever required to support our national policies and commitments, the United States forfeits a principal deterrent to aggression and diminishes the credibility of its announced goals and policies.

Implementation of the urgent strategic mobility requirement includes procurement of additional military strategic airlift aircraft (to include the projected Advanced Medium STOL Transport), providing aerial refueling capabilities for all strategic airlift aircraft in inventory, improvement of the Civil Reserve Air Fleet (CRAF) program by modification of wide-bodied, long-range aircraft, and by revitalizing the National Defense Reserve Fleet.

We Therefore Reaffirm strongly our support for the prompt development of a demonstrable capability to quickly deploy and sustain required combat forces overseas, with particular emphasis on the CRAF modification to accept outsize cargo and revitalization of surface bulk cargo resupply capabilities.

9. CIVIL DEFENSE

Due to a massive build-up of new Soviet strategic weapons which threaten the survivability of America's strategic retaliatory force, the conscious governmental decision over the past decade to downplay U.S. civil defense measures is of serious concern.

Conversely, the Soviet Union has made enormous, all inclusive preparations for civil defense over the past 25 years, with increased emphasis since the signing of SALT I in 1972.

These two facts—improved Soviet weaponry and a protected civilian population—would tend to destabilize the balance of nuclear power and encourage the Soviet Union to pursue higher-risk policies in future international crises. Many Americans believe that nuclear war is unthinkable and, therefore, seek strategic stability. The Soviet leaders certainly wish to avoid nuclear war but, if it comes, are preparing to fight and win.

Spending one billion dollars annually, or approximately ten times the U.S. effort, on urban planning, underground shelters, extensive dispersal and hardening of new industrial sites, storage of critical machinery, fuel, water and food, and detailed civil defense training of school children and every adult, the Soviet Union is taking affirmative action to protect its people and to provide the capability to recover from a nuclear exchange.

We Therefore Resolve to request the Administration and the Congress, as a matter of national urgency, to revitalize U.S. civil defense measures and reevaluate America's policy of strategic stability.

10. SELECTIVE SERVICE SYSTEM

AUSA has long suported the need for the retention of a viable, operating Selective Service System and the continued requirement for Presidential induction authority. The Selective Service System—the only agency authorized to provide non-voluntary manpower when a voluntary effort is unable to fill emergency manpower needs—has been emasculated by the Administration to a standby posture, neither registering nor classifying individuals for possible service. The lack of Presidential induction authority has further impaired the ability of the degraded Selective Service System to respond to a national emergency in a timely manner.

The changes in the Selective Service System do not comply with the spirit or intent of the Military Selective Service Act which requires "an active standby organization, with a complete registration and classification structure capable of immediate operation in the event of a national emergency, and personnel adequate to reinstitute immediately the full operation of the System."

AUSA agrees with the Defense Manpower Commission's observation that it is "less than prudent to allow a major underpinning of our Total Force (the Selective Service System) to be less than immediately available and of use."

We Therefore Reaffirm our strong support for:

Sufficient funding to provide a viable Selective Service System based on the functioning of local boards, registration upon attaining age 18 and timely classification procedures.

The reestablishment of Presidential induction authority.

11. UNIONIZATION OF THE MILITARY

The American Federation of Government Employees, a union affiliated with the AFL–CIO, has amended its constitution to make all employees of the federal government, including military personnel of the Armed Forces, eligible for membership.

There exists the distinct possibility that attempts will be made to create collective bargaining units for the purpose of bargaining with duly constituted military authority on matters concerning military life. The creation of such bargaining units and their authority to engage in collective bargaining would erode completely the military ethical standards of the United States Army, thereby compromising and destroying discipline.

The training and discipline of Armed Forces is predicated on the essential requirement in combat for immediate response to orders from the chain of command. In peacetime—training for war—the leadership chain must be exercised. Any action which interferes with commanders' ability to deal directly with matters affecting the welfare of their subordinates will impact adversely on the military effectiveness of their units.

We Therefore Resolve to reiterate the Association's unalterable opposition to any effort to unionize the military personnel of the Armed Forces.

Be It Further Resolved that AUSA urges the Congress of the United States and the President to take measures against the unionization of the Armed Forces.

12. MILITARY COMPENSATION

It has long been the Association's belief that military compensation is not fully understood both by Congress and the recipients to whom it should provide a clear incentive for service. We further believe that the piecemeal approach used over the years to develop the total package has contributed to this lack of understanding, as well as to the inequities which now exist. The current Quadrennial Review of Military Compensation provides an opportunity to ensure the development of a competitive, visible and dynamic system and, at the same time, to correct existing inequities, which include:

Lack of severance pay provisions for enlisted personnel when subjected to reduction in force.

Variance in quarters allowance between married and single service personnel.

Lack of dependent PCS travel transportation entitlements for junior enlisted personnel.

Variance in subsistence allowance between enlisted and officer recipients.

Discriminatory prohibition on *enlisted* band members which precludes off-duty civilian hire in their primary skill.

Enlisted retirees, unlike officers, do not receive credit for inactive reserve duty prior to 1 July 1958.

Provisions of the Dual Compensation Act discriminate against the retired Regular Army officer.

Older retirees of all ranks bear the brunt of the 1958 legislation that discontinued recomputation of retired pay, a decision made before either the rapid increase of military base pay over the last ten years or the alarming inflation of the general economy was foreseeable.

However, the successful achievement of a professional Army worldwide depends largely on measures and conditions which will attract and retain qualified men and women. Of paramount importance are housing, medical and dental care, educational opportunities and pay.

Troop and transient government housing, worldwide, is limited. There is a critical shortage of adequate and acceptable family and bachelor quarters for all ranks. Much of the desirable off-post housing cannot be rented by service personnel due to limited availability, excessive cost and landlord policies. Of concern, despite Congressional disapproval during FY77 Budget deliberations, are indications of continuing Administration efforts to institute a Fair Market Rental plan for on-post housing, including metered utilities. We believe this will ultimately encourage individuals to live off-post, thus disintegrating the military community, so vital to morale and esprit.

While the shortage of military general practitioners appeared to have been resolved by the Armed Forces Health Benefit (AFHB) scholarships, the taxation of future recipients on the value of the scholarships will seriously detract from the attractiveness of the program. Further, uniformly adequate dental care does not exist although the recently announced decision to use reserve forces dentists and technicians for weekend dependent care is applauded. Quality medical and dental care for all classes of beneficiaries must be maintained.

A primary area of service benefits has been the ability of the serviceman and veteran to pursue his education with government aid. In addition, the G.I. Bills of World War II, Korea and Vietnam have been a significant benefit to the country through the increased general level of education of the veteran population. Approved legislation under the Veterans Education and Employment Assistance Act of 1976 continues to provide educational benefits for currently serving personnel. Post-Vietnam Era Veterans Readjustment Assistance, a cost share program, provides assistance to those entering service after 1 January 1977. This legislation provides significant enlistment incentive at a time when recruiting goals are critical to the maintenance of the required numbers and quality of personnel. However, the Pre-discharge Education Program (PREP) will no longer be available to new personnel under the "G.I. Bill." We believe a replacement DOD funded program is required.

We Therefore Resolve to:

Continue to urge the Quadrennial Military Compensation Review Board and the legislative and executive branches of the government to stop the piecemeal approach to military compensation matters and to develop a total package which is easily understood, eliminates inequities within the service and is equitable in terms of competitiveness and obligations.

Continue to strongly support additional worldwide troop, bachelor, family and transient housing programs, and urge that special efforts be made to undertake leasing or similar arrangements in areas where construction of government housing is neither desirable nor feasible.

Oppose the Fair Market Rental proposal for on-post housing.

Reaffirm our opposition to any action which wouldd weaken the military medical system, including Champus, and our support of quality medical and dental care for all classes of beneficiaries.

Urge an exemption from taxation of the AFHB scholarship.

Continue to urge action to provide equal and adequate dental care to all classes of military health care beneficiaries through a combination of military facilities and a modified CHAMPUS program with minimum contributory costs.

Reiterate our support for the continuation of a DOD funded enlistment incentive similar to the Pre-discharge Education Program (PREP).

13. RESERVE COMPONENT INCENTIVES

National policy has placed heavy responsibility on the National Guard and Reserve forces for the defense of the nation. A high

overall state of readiness for the Army elements of the reserve components is mandatory. Much is being accomplished in the equipment and training area, but a basic requirement is the maintenance of full strength units with particular emphasis on increased enlistments of non-prior service personnel and increased retention of first term enlistees.

The level of effort demanded of commanders to recruit and retain personnel reduces seriously the time available that can be devoted to essential training, administration, supply and maintenance. Recruiting and retention personnel must be authorized, funded and organized to permit the commander to devote full time to training for mobilization readiness. In addition, other incentives are also required and as suggested by AUSA these must include:

Educational assistance for first and second term enlistees.

Enlistment and reenlistment bonuses.

Shorter initial enlistment commitment.

Broadened military medical care to include injuries incurred on inactive duty training and during annual training periods.

Upward revision of the current inactive duty annual retirement point ceiling in recognition of increased training assembly requirements.

Revised reserve retirement plan to permit full retirement annuity at age 55 with 30 years service and actuarily reduced annuities as early as age 50 with at least 20 years service.

Granting exchange/commissary privileges to and developing an equitable means of participating in the Survivor Benefit Plan for reserve personnel upon attainment of retired status in all aspects except the drawing of retired pay.

We Therefore Resolve to support most urgently the provision of reserve component incentives to include educational assistance, enlistment and reenlistment bonuses, improved medical care, increased retirement point credit, shorter enlistment commitment, a revised reserve retirement plan, and benefits to retired reservists before age 60 and their spouses.

We Further Resolve to continue to urge employers—civil as well as local and federal government—to support, without discrimination, all Guardsmen and Reservists who voluntarily devote their time to the national defense.

14. ROTC PROGRAM

The Reserve Officers' Training Corps program, revitalized by Congress in 1964 as a means by which highly qualified Reserve officers and career-minded Regular officers might be procured, has been the Army's largest single source of officer personnel. With the commendable assistance of campus administrators, the declining Senior ROTC enrollment trend following the Vietnam war has been reversed. However, additional incentives are required to ensure that leaders of the highest potential are encouraged to participate.

The Junior ROTC program, voluntary participation in the development of citizenship, respect for authority, character building and self-discipline, exerts a positive influence toward all forms of military service but particularly toward the Senior ROTC.

While it is noted that the Congress increased the authorized number of Junior ROTC units as urged by AUSA, there is evidence of reduced DOD commitment to the program as an integral part of the defense establishment.

In order to more closely integrate the Reserve Officers' Training Corps program with the ultimate users of its graduates, use of active, reserve and national guard units to support ROTC activities is suggested, when such support also furthers the units' own training.

We Therefore Resolve to:

Continue to actively support increased ROTC recruiting, including publicity efforts designed to identify qualified candidates.

Urge an increase in Army Senior ROTC scholarships to 10,000.

Urge the DOD to continue active support of the Junior ROTC program.

Encourage the use of military units of all components to support ROTC programs when such support also furthers the units' training mission.

15. DEPENDENT EDUCATION

School districts which include significant numbers of children of federal civilian and military personnel require known federal funding levels early in their own budgetary process. Annually, school administrators continue to remain uncertain as to federal support. This uncertainty affects the morale and welfare of military families and is of deep concern to AUSA.

Overseas federal dependents have long been subjected to substandard educational facilities as compared to generally accepted CONUS standards. The great disparity in available facilities, teaching aids and materials causes overcrowding and an atmosphere not conducive to proper learning.

We Therefore Resolve to actively urge the federal government to provide the necessary funding under Public Law 815 to construct and modernize school facilities on military installations for the education of dependents of military personnel who reside on military installations.

We Further Resolve to reaffirm our view that the federal government must recognize its responsibility for quality primary and secondary education of dependents of federal military and civilian personnel, and provide the necessary long-range committed budgetary support of Public Law 874 to federally impacted school districts and to DOD overseas dependent school systems.

16. DEFENSE OFFICER PERSONNEL MANAGEMENT ACT

Professionalism, an essential ingredient of any viable armed force, requires the most efficient use of the best qualified personnel. The active Army's current dual system of career reserve and regular officers with its temporary and permanent promotions and the greater vulnerability of career reserve officers to reductions in force, does not fully meet this criterion.

The Defense Officer Personnel Management Act (DOPMA) would provide a one component officer program (beyond eleven years of service) with a single promotion system and the career opportunities to attract and retain the number of high caliber officers needed in the active Army.

We therefore reaffirm our continued support of a single component officer system as proposed in the Defense Officer Personnel Management Act as a key to increased professionalism in the active Army.

17. SURVIVOR BENEFIT PLAN

The Survivor Benefit Plan, enacted into law in 1972 and recently amended by the Congress to improve its attractiveness, provides much needed protection for the surviving dependents of military retirees. However, the 100% Social Security offset, at age 62, of military service benefits to which the widow/widower is entitled remains unchanged. It is AUSA's considered view that this offset should be reduced to 50%—that portion of the benefit attributable to the Federal Government's contribution to the retirement account—and should be eliminated completely if the beneficiary is eligible for equal or higher Social Security benefits as a result of his/her own employment.

We Therefore Resolve to continue to urge that the Social Security offset be reduced to 50% of that benefit attributable to military service, eliminating the offset when the beneficiary is entitled to equal or greater Social Security benefits due to his/her own employment.

18. U.S. MISSING IN ACTION

Despite the efforts of the federal government, the Democratic Republic of Vietnam has failed to live up to Article 8(b) of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, which provides:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other mesures as may be required to get information about those still considered missing in action."

We Therefore Again Reaffirm our call upon the executive and legislative branches to revitalize their commitment and efforts, including such new initiatives as might be necessary, to ascertain the status of American servicemen and civilians missing in action in Southeast Asia.

19. AMNESTY

AUSA reiterates its opposition to general amnesty for servicemen in a desertion or AWOL status and/or pardon for those individuals who deliberately avoided draft.

It has been the consistent position of AUSA that each violator of civilian or military law should, with rights fully protected, be adjudged within the applicable judicial system on a case-by-case basis. To do otherwise would erode the nation's system of justice and be prejudicial to good order and discipline within the military service.

Those who deserted or evaded the draft knowingly broke the law. As a nation of laws, we cannot permit citizens to select which laws they will obey. To condone such action is to invite anarchy.

Those who failed to carry out their military obligations during the Vietnam conflict required other law abiding citizens to take their places. In our view, condoning any general amnesty action would impair any future induction program necessitated by national emergency.

We Therefore Reaffirm our opposition to general amnesty or pardon of either military deserters or draft evaders and strongly urge the nation's elected representatives to evince faith in the established judicial system for such matters.

THE OUTLOOK—REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

Mr. HARRY F. BYRD, JR. Mr. President, some economists believe that in the rush to provide stimulus to the economy, those advising the President-elect are neglecting a very real threat of renewed inflation. I am in agreement with the economists—concerned about inflation.

An expression of this view, well documented with numerous economic statistics, appeared in the January 10 edition of the Wall Street Journal. In this article Alfred L. Malabre, Jr., observes:

The good news about the business outlook is that it has grown increasingly clear that the economy will keep expanding as the new year unfolds, very possibly with exceptional vigor. The bad news is that the danger of worsening inflation appears greater than at any time in some three years.

Mr. Malabre buttresses his statement with a recitation of such indicators as

raw material prices and growth in the money supply, broadly defined to include currency in circulation plus deposits in checking and savings accounts. He also notes that at present only 20 percent of U.S. plant capacity stands idle—only slightly more than the percentage which prevailed just before the 1973–74 price spiral.

In testimony at his confirmation hearing before the Senate Finance Committee, the designee for Secretary of the Treasury, W. Michael Blumenthal, conceded that the Federal deficit for the current year, including the Carter stimulus package, will be around $75 billion. That is $9 billion more than last year and is the largest in the history of the United States, including the World War II years.

The inflationary force of this deficit, added to the trends which Mr. Malabre has spotted in the private sector, suggest to me that we are running a serious risk of high-level inflation in the next year or so.

I ask unanimous consent that Mr. Malabre's column in the Wall Street Journal be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 10, 1977]

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

The good news about the business outlook is that it has grown increasingly clear that the economy will keep expanding as the new year unfolds, very possibly with exceptional vigor. The bad news is that the danger of worsening inflation appears greater than at any time in some three years.

The good news can be glimpsed, among other places, in the behavior of various economic statistics that tend to foreshadow broad business trends. As recently as Nov. 22, it was noted in this space that these indicators of future economic activity had switched from green and were ominously "flashing yellow." The next few months, the column went on, "should tell whether the yellow switches to a recessionary red."

Now, as mid-January approaches, it is plainly apparent that the yellow has switched not to a recessionary red but safely back to green.

Take, for instance, the performance of a particularly farseeing percursor of business activity. The indicator is actually a ratio of two other indexes—a composite of so-called coincident indicators, such as employment, that normally move up or down concurrently with general business activity and a composite of lagging indicators, such as business loans, that tend to trail the overall economic trend.

During the post-World War II era, this ratio has signaled approaching recessions, through declining decisively, by an average warning-time of 18 months. In August, after a long climb from the 1973–75 recession, the ratio reached a recovery high of 101.9. It fell in September to 100.9 and in October to 100.5. A third straight decline would have seriously suggested a recession by early 1978. However, the ratio rose sharply in November, the latest month available. It climbed, in fact, to a new recovery high of 102.

A similar improvement is apparent in most other statistics that usually warn of approaching recessions. A case in point is the recent upturn, after a period of decline, in the composite index of leading economic indicators. This index receives far more publicity than the ratio of coincident to lagging indicators, no doubt because it is the subject of a monthly government press release.

While signs of a possible recession have diminished in recent weeks, the danger of reaccelerating inflation has risen.

This bad news, paradoxically, relates in part to the aforementioned good news. Economic history helps to explain the paradox. It shows that inflationary pressures eventually build as economic expansion periods lengthen. The current expansion is already some 21 months old. If it persists through 1977, as seems most probable, it will match the average length of 28 previous expansion periods charted in history books of the U.S. business cycle. It will exceed by seven months the average length of all previous peacetime expansions.

A closer look at the record shows that after expansions are under way for more than a couple of years price increases usually grow larger. A rare exception is the long 1961–69 expansion. Even then, however, inflation began to accelerate after three years.

Indeed, the current expansion seems remarkable in that price increases generally remain smaller than those posted way back in the spring of 1975, when the business upturn was starting.

While there is nothing in the record to suggest a rerun of the corrosive, double-digit rates of inflation that prevailed in much of 1973–74, business-cycle experience unmistakably teaches that inflation should shortly begin to worsen.

Relatively obscure price gauges that often presage broad trends on the price front also indicate worsening inflation. One such measure is an index compiled weekly by the Federal Reserve Board. It reflects changes in price levels of some two dozen key materials used in industry. These range from metals to rubber to textiles. In the past, this index has moved up or down as long as a year before such broad inflation yardsticks as the consumer price index have followed suit.

During much of last year, the Fed's index remained nearly level. In fact, it declined slightly between April and October. However, since then the trend has been markedly upward. If the recent rise continues for another month or two, the index will exceed its record level of 233.8 (a base of 1971 equals 100) reached in April of 1974. Only two months ago, the index was below 210.

Still another sign that inflation is likely to intensify can be detected in figures involving the nation's money supply.

The money supply, broadly defined to include currency in circulation plus deposits in checking and savings accounts, has climbed about 12% in the past year. Studies show that such a rate, continuing over so long a period, is likely to generate substantial inflationary pressure. The U.S. economy's capacity to grow over the long term is put by most economists at an annual rate of less than 4%. Quite obviously, monetary growth of 12% annually will eventually tend to overburden that capacity.

The prolonged surge in the money supply would appear less worrisome if the economy were operating far below its potential. But this is no longer the case. Some slack remains from the 1973–75 recession. But the amount has shrunk a great deal.

Recently revised government estimates show that less than 20% of U.S. plant capacity now stands idle, down from about 30% in early 1975. A further drop of several percentage points would bring the rate down to levels that immediately preceded the 1973–74 price spiral.

To the many purely economic indications that inflation may soon worsen must be added disturbing political considerations. These include the ability of Mideastern oil producers to command ever-higher prices and the perennial penchant of U.S. policymakers to overspend. That penchant is visible in Jimmy Carter's apparent plan to stimulate further an economy that already is briskly on the rise.—ALFRED L. MALABRE, Jr.

LIBRARY OF CONGRESS EXHIBIT "BEGINNINGS"

Mr. CANNON. Mr. President, on November 9, the Library of Congress marked the opening of an exhibit "Beginnings" with a dinner honoring many of its friends whose generosity has made it possible for the Library to be one of the greatest repositories of man's cultural heritage in the world. This exhibit, which only whets one's appetite with respect to these treasures, features such unique items as the first map of Manhattan Island (1639), Morse's first telegraphic tape, Alexander Graham Bell's drawing of the telephone, Orville Wright's diary, Sigmund Freud's letters to Carl Jung, and Whitman's manuscript of "Leaves of Grass." Many of the items on view are from the 14th and 15th centuries.

I ask unanimous consent to have printed in the RECORD the remarks made that evening by the Librarian of Congress, Daniel J. Boorstin, and the response made by the Chief Justice of the United States.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY DANIEL J. BOORSTIN

Our theme tonight is beginnings. We can never be sure when we have seen one, when there has been one, or when there will be one. The origin of this robust Anglo-Saxon word is itself shrouded in mystery. "Begin" seems to have the same root as that from which we get our word "to yawn." Yawning, too, is a kind of opening.

Beginnings have always inspired awe. The Bible begins with "in the beginning," and "in the beginning was the Word." Everything is a beginning, though it has taken most of human history to make this discovery. To discover this truth is to discover history—that the life of our species is not mere repetition, but is full of novelty, full of beginnings. The capacity for beginnings makes us human and keeps us human.

The exhibition which opens this evening will help us grasp and witness again and again the mystery of beginnings. In the *natural* world if we know the seed we can predict the fruit. But, never in our human world—the world of thought and science and art. What makes our beginnings human is precisely their unpredictability. Copernicus would bear an exotic harvest—new religious sects, a new sense of time, a new universe of travel. Emerson's encouraging letter to Whitman and Whitman's own new accents fructified a new sense of what was American, a new sense of the poetic. The human miracle, which we celebrate here tonight—perhaps what those have meant who say that God created man in his own image—is that man seems able to create new kinds of everything.

Here, with these treasures spread before us, we can learn to distinguish the real beginning from the annual model. In our age countless items proceed from novelty to obsolescence without ever having become new beginnings. Hula-hoops and Edsels obsolesce without innovating. Overnight sensations, headline makers, full-page-ad fillers are not necessarily beginnings. Today as never before we need a place like the Library of Congress where we can distinguish the debris of still unrecycled annual models which only disfigure the landscape—from the epoch-markers and epoch-makers, the accumulating works of intellectual beginnings

from all past ages, which can brighten our vistas and widen our vision.

This Library is a treasury of beginnings. Here we can sample their mysteries and their promise. What beginnings are most fertile of other beginnings? How does Samuel de Champlain's map of northeastern America, or Alexander Graham Bell's telephone, or Sigmund Freud's idea of the subconscious, or Albert Einstein's concept of space-time relations—how do all these become opening chapters for later adventures into the unknown?

Ours is not a teaching institution. But it is a learning institution. Successful teaching imposes special limitations. There must be a curriculum with disciplined channels of study—and then tests of achievement, and badges of achievement, grades and honors and degrees. Teaching institutions obviously depend on teachers whose services are irregular and discontinuous, whose teachings are channelled and curricularized. Teachers are mortal, they seek better posts elsewhere, they go on vacation, they lose their elastic step, their clear, articulate voice. The stimulus of the classroom depends, too, on the qualities of fellow-students.

A *learning* institution like ours does not provide the teacher, the curriculum, or the classmates. Our opportunities are not narrowed by a curriculum nor by the rhetoric of any particular professor. Our offerings do not vary with the season, the semester, or the sabbaticals of the teaching staff.

Here in this *learning* institution, the learner—call him a student or whatever you will—is supreme. His interests and desires, even his whims, *are* the curriculum. Here everyman makes his own university.

We are the most traditional of educational institutions. We offer the classics, the great books, the heritage of learning. Yet we are the most progressive of educational institutions. John Dewey need not preach here. We already open vistas of uninhibited self-discovery. Here the only complaint of the learner may be that of the proverbial progressive school student, "Do I really *have* to do what I want to do?"

In a country of great teaching institutions how can we make this the best possible learning institution? Congress and the American people have endowed us here with learning resources unexampled in human history, unparalleled in the world today. Our collections of books and periodicals, of maps and atlases, of photographs and the graphic arts, of motion pictures, of musical recordings, musical scores and librettos, incunabula and rare books, manuscripts, Braille books and talking books—each of these collections shines by comparison with any similar collection past or present.

We reach into all past ages and touch all nations on all continents. Here we get the word from ancient Egypt and Chaldea, from earliest China and Korea and Greece and Rome. Here we learn not only about Islam and Christianity and Judaism, but also about Buddhism and Shinto and Tao, about tribal religions and how people have sought and found their gods.

Our unexcelled collections about everything American—our culture, our literature, our economy, our geography, our politics, our technology, our science, our achievements and frustrations in war and in peace—make us a national library. We are a national library too, by our service to all the nation's libraries. Over three quarters of a century we have distributed more than two billion two hundred million cards, along with immeasurable economies of time and money, and other benefits that reach to the smallest libraries in the remote corners of our nation. During this period we have actively shared our resources through some seven million interlibrary loans.

Of course, our primary function is to be the Congress' and the Nation's library. It is less noted that in a sense, we are also the world's library. We have *had* to become an international library in order to serve the needs of the Congress and of the Nation, in order to be a truly national library for the United States in the 20th century. This year we Americans have been reminded again and again, that we are, in Whitman's words, a nation of nations. "Our blood is as the flood of the Amazon," Melville explained, "made up of a thousand noble currents all pouring into one. We are not a nation, so much as a world." It may suffice for national libraries of other nations to confine their major collections to their own language and their limited territory. If we are to be a national library for these United States we have no choice but to be world-wide in our interests, catholic, multi-lingual, fully human in our collections. It should not be surprising, then, that some two-thirds of our 17.5 million books, of our total of eighty million items, are in languages other than English. In this Library we catalogue in some 468 languages. The competence of our staff now reaches some 120 living languages. This kind of Congressional library has required an outreach to people in far places. Keeping these comprehensive collections up to date—in the service of the Congress, of scholars, and of an enlightened citizenry—requires that our staff be versatile, vigilant, efficient, enterprising, and imaginative.

Of course, we have our problems. Problems of space. Where to put and how best to preserve our accumulating treasurers. Problems of service. How to find promptly from our millions the one particular item wanted by a member of Congress, by a scholar, by any interested reader here, or by the reader in another library. We are working at these and other problems with the aid of an able task force from our staff and of advisory groups from the whole nation. Our problems are the price of our prosperity.

Our problems come from the vast extent of our treasure, from its constant increase. We receive 1½ items every working second, and we would not have it otherwise. Our problems come also from the welcome, ever-increasing demands of a nation of learners. Our problems, like our treasures, are a measure of our opportunities.

Now we will have the new opportunity to draw together collections from a dozen locations into the magnificent James Madison Building across the street. We will remove the unsightly partitions which have defaced this building, will provide our staff with a more acceptable working environment and finally will give the treasures now crowded into this building the living-space they need and deserve. At long last we can restore this grand building to its intended grandeur—the grandeur of civilization itself.

In our new age this building, the symbolic heart of our Library, will play a special role. Details for the fulfillment of our hopes will have to be worked out under the guidance and in close consultation with the Joint Committee of the Congress, in collaboration with the inspired Architect of the Capitol and his able staff, in cooperation with the nation-wide communities of our constituents, and, of course, with the peerless staff of the Library.

In a nation replete with great and effective centers of teaching, what are the special—not only the residual, but the unique and remarkable—roles of this grand center of learning?

These past decades in the United States have seen the multiplication of schools and colleges and universities, of learned societies and specialized publications. In my own field of history alone we see countless new societies and new journals—for interdisciplinary history, for psycho-history, for cliometrics, along with periodicals focused on the needs and problems, the arts and literature and economy and politics of every part of the world. New "disciplines," new categories of information, new ways of gathering facts, and then of interrelating facts in one category to those in another—all these multiply with the seasons.

World War II more than any world event before dramatized the crucial place of research and development in the nation's survival. R&D entered our jargon. Research institutes have multiplied. The first known national estimate of trends in expenditure for research and development was made by Dr. Vannevar Bush as recently as 1945. The first such figures appear in our Historical Statistics (Bureau of Census) in 1953, when funds expended in the USA for Research and Development amounted to $5.2 billion. By 1970 the figure reached 26.5 billion (55% were Federal funds). The titles of books published in the United States increased from some 11 thousand in 1950 to some 40 thousand this year. Every year, the new periodicals started somewhere in the world number about 17,000. And I have not even mentioned that for any single year (1970 for example) there may be copyrighted as many as eighty-odd thousand musical compositions, two thousand maps, 25 hundred motion picture films, along with thousands of still photographs, and miscellaneous other items which must be counted among sources of knowledge.

This overwhelming bulk has led other institutions to become increasingly selective. Inflation and lack of community support have forced libraries to limit their scope. But even our best efforts to help other libraries meet their financial needs will not enable them to be fully comprehensive in their collections. Their limits and their specialization inevitably mean the separation of one kind of knowledge from another.

We must not allow our nation's success, our intellectual ferment and creativity irreparably to fragment our culture. Someone somewhere must make the effort to be comprehensive. Where is that place?

It is here! Certain parts of this task have been undertaken by the National Library of Medicine and the National Agricultural Library. But the essential task of comprehensiveness remains ours, right here in the Library of Congress. For decades we have been working at this assignment, and have, on the whole, been remarkably successful.

We must be fertile and comprehensive, not only in our collections, but in our use of our treasures. We must enlist more scholars to explore here. We must have a Center for the Book to help us understand the history of the book and the place of the book in history. The Engelhard lectures on the Book, begun this year, are a new start. We must be a nursery of scholarship and music, and the graphic arts. We must find ways to display them—by traveling exhibits and other means to perform them, and to encourage their performance. We must be a home for a comprehensive American culture for the benefit of Americans everywhere.

In this increasingly necessary, ever-more-urgent task this Library of Congress Building is our focus. This, our central building will be our Encyclopedia. "Encyclopedia" originally meant the circle of knowledge of the arts and sciences essential to a liberal education. An Encyclopedia, in Sir Thomas Browne's phrase, offers "the round of knowledge." For this purpose the shape of our grand reading room, which I would like to christen the Hall of Knowledge, is not merely symbolic. It will be functional. From our central Hall of Knowledge any serious comer should be able to survey the sweep of knowledge—to see vistas in all directions. From here the learner will be guided into more specialized learning rooms, some (on this floor) for particular disciplines—the social

sciences, the humanities, the physical sciences—some (on the floor above) for particular civilizations, defined by language and by geographic area. And then on to our vast specialized collections—on economics, on Orientalia, on aeronautics—where he can settle down to work in depth. At each of these points we hope to aid him with human guides from the widely and deeply learned staff of this library who know the intellectual landscape because they have been there themselves.

Earlier ages have been oppressed by ignorance. It would be ironic if ours should be victimized by the excess of knowledge. Our Library exists to help us prevent that unnecessary tragedy. Therefore, we must provide not only an Encyclopedia, but an Index. We must not only help any willing person to survey the wilderness of knowledge, we must help him find his way.

This central Hall of Knowledge must be a headquarters for exploration. There the learner seeks a guide, from there he will be introduced to others of our great corps of guides elsewhere in the Library. The central Hall of Knowledge will provide not merely the traditional apparatus of catalogue cards, but the magical new apparatus of the computer, to offer the most modern most usable index to the knowledge of all times and places.

Today the drift of American civilization must impress on us the need for institutions where Americans may explore for themselves. Even while knowledge is extended and while our arts become more adventurous and more varied, the channels of popular communication (which dominate our lives more than ever) somehow become narrower. While colleges offer us "curricula" (a word appropriately derived from Latin "currere," to run, as along a race-course) which change with the seasons, broadcasting offers us channels. Competition on the airwaves—a hallmark of our free society—seems itself to reduce the reality and the range of our choices. Every season there seems less difference between what the different channels offer us.

Meanwhile, in the word of book publishing, the annually increasing titles make us desperate to escape from the bewildering multitude of apparent choices, and so dig deeper the channels of best-sellerdom. The pressures toward celebrity—in books, as in people—become ever more overwhelming. Just as the celebrity-person who dominates our news is someone well-known for his well-knownness, so too, the celebrity-book which dominates our reviewing media sells because it is (or is reputed to be) a best-seller.

Our world of channels needs this Library. Libraries remain islands of choice in a world of channels. And this great Library of Congress is a vast continent of choices.

We can remain a temple of autonomy, where the free autonomous individual can think and explore and read and see and hear as he wishes. Those who still wish to swim in the swiftly changing current of best-sellerdom can do so here. Those who wish to become refugees from an over-channelled world can find their refugee here. Those who wish to grasp the latest fragment of news or the newest information in literature, in politics, in economics, in the sciences, can find those fragments here. Those who wish to reach back across the channels and across the centuries can delight in the world that was news to Copernicus or Champlain or Alexander Graham Bell or Orville Wright. Those who wish to enjoy the latest product—in maps, in photographs, in movies, in prints, in phonograph recordings and tape-recordings—find their treasure here. So, too, those who wish to enjoy a page of Caxton, a Beethoven manuscript, a print by Blake, a medieval Book of Hours.

Some of our opportunities for new beginnings are dramatized here tonight in the exhibition which surrounds us. This building was intended to be not only an Encyclopedia, an Index to civilization and to civilizations, but a showplace for the human, and especially the American, achievement. With the opportunities now offered us—foreshadowed in the renovation (I almost said the denovation") of this great hall and the circumambient halls—we will witness a renaissance of our exhibits, a grand reopening of our American treasury. We want more Americans to come here to see what they did not know was their own. Our exhibits will, we hope, be irresistible appetizers. We will try to make them as dramatic, as enticing (as suggested by the invitations each of us received for this evening), as our wondrous treasures deserve.

We must point the way from everyone's special territory to all neighboring territories. We must keep the frontiers open so that people can freely move back and forth—without need for tuition, entrance examination, or other academic passport—from the world of incunabula to the world of news, from books to maps, from the printed word to the imprinted image and the recorded sound.

This central building, we hope, will be, more than ever before, a place of beginnings for millions of voyages of exploration and discovery, each uniquely designed by and for each new explorer. Here is the point of departure for countless expeditions—each a party of one. This building is the new Independence—like the old Independence, Missouri—from which every intellectual pioneer can find and move into his very own new West.

We must provide here a fellowship of adventuring learners. We must, in this very building, provide a beautiful, congenial home where explorers can delight in one another's work, exchanging tales of their adventures. This can be an explorers' club open to all.

Here is a great treasury of the known, but an even richer treasury of the unknown. We must find new ways to help each of us, each American, learn again and again to be a beginner.

THE CHIEF JUSTICE OF THE UNITED STATES—NOVEMBER 9, 1976

Dr. Boorstin, distinguished guests, ladies and gentlemen, I am not on the program—no one is on the program but the distinguished Librarian of Congress—but I have in a sense been drafted, in the way these drafts will occur in an assembly of this kind, to express a word or two about the distinguished Librarian of Congress. This office, this position, has been occupied over a period of many years by many remarkable, outstanding scholars and the present incumbent of the office as a scholar and historian is no exception to that. As a lawyer, it troubles me a little that so often in a recital of background, it is often completely overlooked that he was not only trained as a lawyer but functioned as a lawyer, and is a member of one of the great—one of the four great Inns of Court in London—something which I am happy to say I share with him. His status as a lawyer thus being denigrated suggests something about his status as a scholar. What he has said here tonight has indicated something of what the future holds under his stewardship of this office and this institution which is unique in the world. As an historian and scholar—and then I must add parochially as a working lawyer—he brings to this office something perhaps distinctive that has never been here in quite the same way that it is today. He will, I suggest, bring to the Library of Congress something of what Cardinal Newman did so many years ago in his essay on the great conception of the idea of a university. And Dr. Boorstin will bring a new dimension to the idea of a Library of Congress, a world library, a world institution of learning and of knowledge. And had I had the wit to bring a glass with me, which I did not (but I will borrow my wife's), I would ask you to join me in raising a glass, any glass, in a toast to Dr. Boorstin and his colleagues at the Library of Congress and the future of this great institution.

DEFENSE POLICIES

Mr. GOLDWATER. Mr. President, the United States today "confronts the Soviet drive for military superiority with fragmented will and purpose." That quotation was taken directly from a statement of policy adopted by the Air Force Association at its 30th anniversary convention. The policy statement gives an excellent appraisal of Soviet military activities and underlines a need to rethink this Nation's foreign and defense policies. One of the most important comments in the statement goes as follows:

In our kind of democracy, the dedication and excellence of our military forces and the superiority of the arms they bear cannot alone provide national security. Our strongest bulwark is, and always will be, America's national will to bear the burdens of freedom. We believe it is time to lay before the American people all the facts about the threats they face. Given the facts, this great nation, today more than ever mankind's last best hope, will respond as it always has in past moments of grave danger.

Mr. President, because of the extreme importance of preparedness at this time in our history, I ask unanimous consent that this statement of policy and two policy papers adopted by the Air Force Association on "Force Modernization and Readiness" and on "Defense Manpower Issues," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AFA'S 1976–77—STATEMENT OF POLICY

(Adopted unanimously by delegates to AFA's Thirtieth Anniversary National Convention, Sept. 20, 1976.)

As the SALT I accords enter their fifth year and as the national political cycle emphasizes the need to rethink the nation's foreign and defense policies—and the linkage between them—misconceptions about security issues abound. There is widespread misreading of the meaning of limited accommodations with the USSR. And there is a woeful lack of information, understanding, and concern regarding Soviet efforts to develop and acquire the means for surviving and winning nuclear war. As a result, inadequacies in US national policies and military capabilities—and in the national resolve to oppose aggression—are developing. In time, they could lead to political and military impotence.

The United States confronts the Soviet drive for military superiority with fragmented will and purpose. The majority of Americans who support strong defenses is opposed by vocal minorities advocating limited deterrent forces, isolation, or reliance on the goodwill of the Kremlin. We do not question the right or the motives of those who hold these views. But we assert our own right and responsibility to challenge misstatements, misunderstandings, and false economies that jeopardize national security.

We see no evidence that SALT has caused the Soviet Union to slow its prodigious program of arms development and deployment. Nevertheless, the SALT negotiations should be pursued vigorously for reasons of morality

and self-interest. But they must be shielded from the pressures of political expedience and political deadlines.

We do see clear-cut evidence that new weapons to bolster the USSR's strategic offensive, strategic defensive, and theater war capabilities are being developed, and many of them are being deployed. Second-generation Soviet intercontinental ballistic missiles (ICBMs)—the SS–16, SS–17, SS–18, and SS–19—are being introduced into the inventory at a rate of some 200 a year. This family of missiles is about three times as accurate and has throwweights up to four times greater than the ICBMs they are replacing. Hopes that the SALT I Interim Agreement would freeze Soviet deployment of destabilizing weapons have proved false. To the contrary, Soviet counterforce capabilities that threaten our ICBMs are being developed through larger, more accurate, MIRVed missiles at a steadily accelerating rate that permits but one interpretation: The USSR seeks a first-strike posture and is willing to stretch the SALT terms to the breaking point. SALT I ambiguities provided the Soviets vast advantages and facilitate the USSR's present maneuvers. Now a third generation of Soviet strategic missiles is emerging, consisting of at least six distinct designs, some or all of which can be expected to reach operational status within two or three years.

Equally destabilizing, and a circumvention of at least the spirit of SALT, is the deployment of the SS–20 mobile missile. Ostensibly of intermediate range and hence not counted against the number of strategic offensive weapons permitted by SALT, it is clearly capable of intercontinental range and is, in fact, the world's first operational mobile ICBM. In the NATO area, that system also extends Soviet regional nuclear force superiority, described by the US Arms Control and Disarmament Agency as growing "like a towering, dark cloud over Europe and Asia."

We also are concerned by Soviet activity in antiballistic missile (ABM) defense that stretches, if it does not break, the SALT I ABM accord by deploying key ABM elements that might be combined rapidly to achieve full operational status. The relentless Soviet drive toward comprehensive military superiority is manifest also in the flight-testing of new advanced MIRVable, submarine-launched, ballistic missiles that have even more range and throw-weight than the 4,200-nm-range SS–N–8, which recently became operational. Under construction in the Soviet Union are several ballistic-missile submarines of a new type that may be larger than the Trident, the newest US SSBN now under development.

Soviet stategic offensive capabilities in space are being refined through improved, quick-reaction killer satellities that could destroy essential US space-based systems while they are out of sight of US tracking stations. These space interceptors can be launched, can rendezvous with, and can destroy US spacecraft in less than one orbital revolution.

Soviet strategic air defenses, consisting of some 555,000 troops, more than 5,000 early warning and ground control intercept radars, some 2,600 fighter-interceptors, and almost 12,000 strategic surface-to-air missiles, dwarf those of the U.S. These massive defenses lessen the superiority of the US strategic bomber force over that of the USSR.

Among the most destabilizing strategic gaps between the USSR and US is the survivability of people, industry, and the national command structure. The Soviet lead is awesome, and it is widening.

Industrial operations essential to survival are dispensed and hardened. Grain stored in hardened underground silos is to provide reserves to feed the entire Soviet population for about a year. The Russian people, protected by an elaborate civil defense system, are told that a US nuclear attack would kill "only" from seven to eleven million Soviet citizens, half the Soviet losses in World War II. There is a massive hardening program for the Soviet command and control structure.

Capping the Soviet drive for nuclear superiority is a research and development program of unprecedented size and staggering cost. Its emphasis is on achieving technological breakthroughs, such as ballistic missile defense with laser and charged particle beam weapons. Unless countered by expanded US R&D and acquisition programs the Soviets could achieve dominance of deployed military technology within four or five years, according to senor Defense Department officials. Our strategic nuclear forces could then be unable to deter a counterforce strike by the Soviets; unable to provide minimum retaliation against Soviet attacks on our cities; unable to deter limited nuclear attack; and unable to support US military operations against conventionally armed forces.

The picture is equally grim in terms of theater warfare capabilities, with the Soviet Union developing a range of new tactical nuclear weapons from the MIRVed SS–20 ballistic missile down to one-tenth-kiloton artillery shells. At the same time, the production and stockpiling of biological and chemical warefare weapons are at extraordinary levels and increasing.

Soviet tactical aircraft production is close to twice that of all US military services. The USSR's tactical aviation is undergoing a marked shift toward offensive capabilities with the introduction of several new, nuclear-capable fighter-bombers that have twice the range and greater speed and payload than the aircraft they replace, and include such advanced features as terrain-avoidance radars, laser rangefinders, and comprehensive hardening against nuclear effects.

Soviet airlift capabilities have increased manyfold over the past decade and now, because of shorter distances, roughly match the tonnage that US airlift could deliver to such potential trouble spots as the Mideast and Southern Africa.

This Association believes that the unparalleled Soviet military buildup, especially in the strategic sector, mandates nonpartisan reassessment of the geopolitical and military threats facing this nation and how we must respond in terms of national policy in general, and defense policy in particular.

The starting point must be the US position at current and future Strategic Arms Limitation Talks. A nonnegotiable minimum is the principle of "balanced capabilities" for both parties, defined in terms that are unambiguous, capable of verification, and that reduce "breakout potential"—meaning intrinsic advantages to one party in case a SALT accord is either abrogated or permitted to expire. The principle of "balanced capabilities" also requires that SALT eventually be broadened to take into account all capabilities and weapons that affect the strategic balance to preclude imbalances developing outside of narrowly negotiated areas.

We believe it is imperative to modernize the strategic triad. We must develop capabilities at least equal to those of the Soviet Union—from limited options to assured destruction—and with reliable provision for adequate survivability and the ability to penetrate advanced defense systems. Key elements are deployment of the B–1 and Trident and accelerated engineering development and early production of the M–X large-throw-weight ICBM and the Air-Launched Cruise Missile. These actions, in concert, are necessary to prevent the Soviet Union from attaining a credible first-strike posture.

To support these central actions, secure and survivable command and control capabilities must be developed in space, air, and on the ground by exploiting all available technological opportunities to provide rapid, unmistakable warning and attack assessment to our national leaders in a form that can be acted on intelligently and quickly. Providing such capabilities, and signaling their existence by exercising them presents formidable evidence to the Soviets that a surprise attack is neither possible nor profitable. We see this as a means for buying effective deterrence at bargain-basement prices.

Two glaring deficiencies in US strategic capabilities are air defense and civil defense. In the case of the latter, we view as a minimum essential the development of civil defense capabilities to provide protection against fall out where major population centers are near concentrations of strategic targets. Growth of the Soviet's Backfire strategic bomber inventory makes indispensable the rapid revitalizing of continental US air defenses.

Key to keeping the nuclear threshold high are US and NATO general-purpose and theater warfare capabilities. We take pride in the family of superb new USAF aircraft that is entering the inventory and that will revolutionize this nation's tactical air capabilities. Two factors are essential if the full potential of these aircraft is to be realized. They must be acquired in the programmed quantities and manned, maintained and supported by an adequate number of the world's top aerospace professionals—the men and women of the United States Air Force. This force, reduced to barebones levels, cannot sustain further cuts without major impact on readiness, and basic effectiveness, conditions that apply equally to USAF's strategic, tactical, airlift, and other forces.

We deplore congressional actions that tend to deepen cracks in the vital southern flank of NATO, and we urge both the Administration and the Congress to take all possible steps to heal those rifts and shore up this area. Similarly, we urge that no effort be spared to resolve the Panama Canal issue, without either compromising fundamental US defense interests or good relations with our Latin American neighbors.

In our kind of democracy the dedication and excellence of our military forces and the superiority of the arms they bear cannot alone provide national security. Our strongest bulwark is and always will be, America's national will to bear the burdens of freedom. We believe it is time to lay before the American people all the facts about the threats they face. Given the facts, this great nation, today more than ever mankind's last best hope, will respond as it always has in the past moments of grave danger.

AFA Policy Paper: Force Modernization and Readiness

(Adopted unanimously by delegates to AFA's Thirtieth Anniversary National Convention, Sept. 20, 1976.)

Compared to potential adversaries, this country's population is limited and the costs of maintaining its military manpower are high. It is our creed that wars involving American forces must be waged with the lowest possible loss of American lives. It follows, then, that we must rely on technical superiority to make up for what we lack in numbers, be that people or equipment. Force modernization—both the acquisition of systems needed now and research and development for the weapons of tomorrow—and force readiness—to permit the effective, sustained use of these weapons—clearly are the dominant needs.

Failure to provide for these twin requirements would give the Soviet Union a decisive lead in military capabilities that could be exploited aggressively. The primary measure of the adequacy of U.S. force modernization is whether or not there is broad equivalence with Soviet capabilities and forces. Subordinating force modernization to the budget demands of domestic causes could, over the

long run, lead to a fatal shortchanging of both. Congressional actions to date that have reduced the Defense Department's RDT&E and acquisition accounts by some $2.7 billion for FY '77 point up this danger.

In acquiring and developing strategic systems, the governing factors, in our view, are these: The Soviet Union does not consider nuclear war unthinkable, does not accept the premise of mutual destruction, and consequently can no longer be deterred through the threat of assured destruction alone.

The SALT agreements now in effect give the Soviet Union major quantitative advantages in intercontinental ballistic missiles, including more than a fifty percent lead in sheer numbers and a throw-weight advantage as high as four to one. This combination of factors creates a number of urgent needs in terms of USAF's strategic and general-purpose systems.

B–1

First, the B–1 strategic bomber must be produced and put into operational service. A viable bomber force is fundamental to credible, flexible deterrence and can be attained most cost-effectively through a mix of B–1, B–52, and FB–111 aircraft. The strategic bomber continues to be the least destabilizing, least provocative US deterrence tool and the best antidote to rapid, irreversible escalation of crises.

The central element of this bomber mix must be the force of 244 B–1s, tailored to penetrate future, advanced air defenses around Soviet high-value targets. The B–1 is optimized for this mission through improved payload, unequaled electronic warfare systems, reduced radar cross-section, high penetration speed at low altitude, and high survivability through shorter takeoff, faster escape speed, and high structural and electromagnetic hardness.

Progress of the B–1 program has been highly satisfactory so far. To date the B–1 has passed more development and preproduction analyses and tests than any previous military or civilian aircraft at a comparable program phase. There are no technical reasons that justify delay. At best, the first B–1 will not enter SAC's operational inventory until 1980, and the entire force will not be operational until a decade from now. It is the right and duty of any incoming Administration to reexamine critically all national policies—including the commitment to triad that has provided effective nuclear deterrence during the past sixteen years. We are confident that the B–1 program can and will stand up under the most rigorous, objective review.

CRUISE MISSILES

Modernization of the nation's strategic bomber force must, in addition to the B–1, extend the utility of the B–52 by fitting the newer models with the versatile air-launched cruise missiles now being developed and tested. These new weapons—small, hard-to-find, cost-effective, and with a range of more than 1,000 miles—can expand the B–52's target coverage and increase its survivability. We see compelling reason for developing cruise missiles employing integral rocket ramjet propulsion technologies to provide great range with high supersonic speed essential for the penetration of advanced air defense systems.

These versatile strategic weapons are made possible by technologies in which this country clearly leads the Soviet Union; thus they contribute to perceived equivalence with our principal adversary for some time to come. This US advantage must not be bargained away for anything short of an unequivocal concession of equal value.

ADVANCED ICBMS

The intercontinental ballistic missile (ICBM)—with its speed, accuracy, low operational cost, constant high readiness, and short flight time to target—represents this nation's principal means for exercising flexible strategic options, especially against time urgent, hardened targets, and, thereby, a means for terminating nuclear conflict below the level of assured mutual destruction. But this option remains open only as long as these weapons can cope credibly with the increasing threats that advancing Soviet technology and proliferation of warheads bring to bear on them. The need, therefore, is to move resolutely toward full engineering development and subsequent deployment of the M–X, an advanced ICBM that provides both the increased throw-weight and accuracy required to deal with hard Soviet targets and the intrinsic option of fixed silo basing plus an alternate, more survivable basing mode. The M–X program schedule is conservative. But the speed-up of Soviet ICBM development and deployment programs that underlies the need for M–X militates against slowing or halting the M–X effort because of budgetary politics.

This Association is particularly concerned about the tendency in the Congress to specify basing modes for the system without full coordination with the Defense Department and the Air Force.

MINUTEMAN UPGRADING

Programs to upgrade the Minuteman force must be continued, including deployment of the improved-yield MK 12A warheads and the option to increase the number of Minuteman III's beyond the current total of 550.

WARNING AND ATTACK ASSESSMENT

While the strategic forces continue to be the central factor of our national defense capabilities, the ability to control these forces in real time and in step with changes in the battle situation also is of pervasive importance. Essential here are programs to improve that part of the national Early Warning System known as attack assessment, encompassing rapid detection and transmission of information about impending attacks by Soviet ICBMs, SLBMs, and bombers, and involving sufficient precision and detail to permit immediate formulation of counteraction by the National Command Authorities. Cobra Dane, Pave Paws, OTH–B, and the Joint Surveillance System rank high on this list of program priorities.

We see an urgent need to improve our warning systems and their associated command control and communications systems to obtain comprehensive raid characterization information leading to appropriate and controlled responses, retargeting, and the ability to selectively execute or withhold strikes to control escalation. Such a capability, of itself, constitutes persuasive deterrence by quashing a potential aggressor's hopes of staging a successful first strike against USAF's ICBMs; no matter how great the attacker's warhead accuracy or their number, he must reckon with the high probability that his weapons will be attacking empty silos. Equally vital are command control and communications systems that permit rapid and reliable execution of responses to enemy attack, even when exposed to the effects of nuclear weapons and countermeasures.

E–4 AND AFSATCOM

Primary here are the E-4 Advanced Airborne Command Post, the World Wide Military Command and Control System and its subnets, and the Air Force Satellite Communications System (AFSATCOM I and II). Together, improved early warning, attack assessment, and survivable command control and communications capability multiply the effectiveness of our strategic forces to a degree not attainable by other means. We see a pressing need to maintain a strong R&D program within DoD to preclude technological surprise in ABM defenses.

The Soviet Union's modernization of its strategic bomber force through the introduction of Backfire warrants reassessment of this country's extremely limited air defense capabilities. Some sixty Backfire supersonic intercontinental bombers, the most modern operational bombers in the world, are now in the inventory of Soviet Long Range and Naval Aviation. We endorse USAF's recognition of the need to modernize and improve US air defenses, particularly as the Backfire threat increases, and we believe that the time to begin is now.

USAF'S COLLATERAL MISSION

Other crucial elements of US deterrence, and probably the most likely to be tested in future conflicts, are forward-based nuclear and conventional theater forces. The effectiveness of both, in case of sustained engagements, is impaired by limitations in available airlift and jeopardized by increasing Soviet threats to the US Navy's ability to keep the sea-lanes open. The Air Force's collateral mission of supporting the Navy in the sea-control mission thus takes on added urgency. USAF's intrinsic ability to assist in maritime search and identification; electronic warfare; attack against hostile naval surface and air units; and aerial minelaying must be developed fully and rapidly.

AIRLIFT ENHANCEMENT

Full implementation of the Air Force's multifaceted Airlift Enhancement Program, including improvements of the C-141 and C-5 aircraft, and modification of the aircraft of the Civil Reserve Air Fleet (CRAF), must not be delayed further. We also endorse acquisition of the Advanced Tanker/Cargo Aircraft (ATCA) as well as development and eventual acquisition of the Advanced Medium Short Takeoff and landing aircraft (AMST) to modernize tactical airlift in the 1980s.

NEW TACTICAL AIRCRAFT

Nowhere are the erosive effects of declining USAF purchasing power more evident than in the procurement of Air Force aircraft, which plummeted from a Korean War high of more than 8,000 aircraft per year, and an annual rate of more than 1,000 at the peak of the Southeast Asian war, to fewer than 200 for each of the past five years. The FY '77 buy sought by the Air Force is for 239 aircraft, reflecting a modest recouping of lost ground. The Soviet tactical aircraft fleet now exceeds the equivalent US force by some thirty percent. This condition is exacerbated by the increasing offensive capabilities and higher quality of Soviet late-model aircraft, able to perform deep strikes against NATO targets without prior forward deployment. Since 1968, the tactical aircraft of the Warsaw Pact forces (mainly Soviet) available for deployment against NATO have increased by 1,300, to an overall total of about 5,000. The danger, then, is that we soon may lose our qualitative lead while at the same time suffering the consequences of aircraft age creep, obsolescence, and an ever shrinking force structure.

Coming into the Air Force inventory now are aircraft and capabilities of unparalleled scope and versatility, i.e., the F–15, F–16, A–10, EF–111, F–4G Wild Weasel, AWACS, etc. The need is to acquire these weapons in the necessary quantities and on schedule to assure maximum return on these investments. As these aircraft enter the Air Force's active inventory, other, still-capable aircraft, such as the F–4 and the A–7 as well as some production A–10's, must replace obsolescent combat planes in the Air National Guard and Air Force Reserve forces to improve the combat capability of the Total Force.

Tactical combat forces must be trained and exercised under realistic, warlike conditions. Improvement and development of tactical training ranges in accord with relevant Air Force programs are of vital importance to the combat readiness of this nation's tactical airpower.

FOREIGN MILITARY SALES

In this context, the Air Force Association notes with concern the impact on legislative policy of poorly reasoned and doctrinaire opposition to Foreign Military Sales. Judicious export of US weapon systems to allies under the direct control of the appropriate US government agencies is beneficial to the nation in a number of ways. Foreign sales of USAF weapon systems reduce unit costs to the Air Force and sustain the vital defense industry at a time when the profitability of defense business is marginal. Equally important, every efficient weapon system in the arsenal of our allies contributes directly to the Free World's total force strength, fosters equipment standardization, broadens USAF's logistics support base, and thus adds to force readiness.

RESEARCH AND DEVELOPMENT

This Association recognizes the impracticality of matching the Soviet Union aircraft for aircraft and missile for missile. But as the Soviets get bigger and bigger, we must be smarter. US exploitation of defense technology must concentrate on high payoff areas, exemplified by systems that multiply the effectiveness of the existing force, such as AWACS, the NAVSTAR Global Positioning System, and the Space Shuttle. Most important, we must be ready with concepts and technologies that can neutralize the massive Soviet investments. But this will not happen if we let our technology continue to slip. This year USAF's budget allocates only four percent of its total funding to advanced and basic technology programs.

Basic research, combined with exploratory and advanced development, form the bedrock of future US national security years hence. There is a clear need, for example, to pursue vigorously such programs as the X–24C hypersonic research aircraft. Our technological bedrock began to erode in the late 1960s and early 1970s when the USSR pulled ahead of the US in level of effort, a lead she has been permitted to maintain ever since. This imbalance, until recently, was aggravated by the tendency to pay for unforeseen, immediate R&D needs out of funds allocated to maintain the national technology base. Either of these trends represents a mortgaging of the nation's future, primarily in the sense of national defense and survival, secondarily, in terms of lowered productivity and industrial capability and, indirectly, through reduction of the US standard of living.

The level of net effort supporting the military technology base dropped by almost forty percent between FY '67 and FY '75 even though the range of technological options burgeoned during that period. As a result, innovative projects involving higher risks and high payoffs were either canceled or deferred in favor of conservative, low-risk undertakings. Yet during this period the Soviet Union changed her R&D direction toward high-risk, high-payoff areas until now some advanced Soviet programs are beyond the ken of US science and technology, a condition that can be expected to become more prevalent. Of itself, the clearly stated Soviet goal of technological superiority over the US probably represents the single-most ominous external threat this country faces; if the danger is multiplied by our inability to understand the specifics of that threat, and thus the ability to counter it, the consequences become intolerable. Consequently, we categorically oppose the transfer of US and other Free World technologies that expand the USSR's technology base, especially in the areas of guidance systems, high-speed computers, and advanced aircraft engines.

The central need is for a sustained commitment to assure the adequacy of the military technology base over the long pull. We see as a minimum requirement a real, net increase in the overall level of research effort by ten percent per year through FY '80. Continuity of effort at a moderately increasing level is more productive, and far more economical, than spasmodic crash programs, conceived and executed in haste. Neither the national security nor the national economy deserves any less than the RDT&E funding requested in DoD's five-year budget proposal.

AFA POLICY PAPER: DEFENSE MANPOWER ISSUES

(Adopted unanimously by delegates to AFA's Thirtieth Anniversary National Convention, Sept. 20, 1976.)

We sense a pervasive uneasiness among military people who fear erosion of benefits to which they feel they are entitled. More and more men and women of the armed forces question whether the axiom "We take care of our own" is losing its meaning. The threat of piecemeal hacking at the complex system of compensation is cited to justify their concern.

Interest in a military union is a visible manifestation of the current disquiet. We already have expressed our "unalterable opposition to unionization of the military" by calling upon the Administration to "exercise its authority and prohibit it." Our opposition to unionization of the military remains solid.

Yet, we recognize the underlying—and potentially undermining — dissatisfaction which breeds talk of such action. And we believe it must be addressed quickly and fairly by leadership at all levels.

We join the Defense Manpower Commission in its recommendation that military compensation be examined and dealt with as a system. Tampering with it part by part will, in our opinion, only tend to increase apprehension.

Because people in uniform have no firm contractual claims to specific benefits, we endorse the concept of the Defense Manpower Commission's proposed "Bill of Rights" for military people. As the Commission noted, "Removal of real or perceived benefits, regardless of the reason, can and frequently does produce service reactions out of proportion to the savings involved. The Commission believes that a 'Bill of Rights' should be enacted specifying the benefits that accrue from military service. The Bill of Rights would provide that such benefits would only be changed or eliminated prospectively and in the service."

We endorse this concept because we feel it will provide an essential sense of stability for those in the armed services. But we also caution that military life is, by its very nature, unstable. Changes over which no leader has control must be accepted as part of military life. The military profession always has been marked by sacrifice and a sense of cause before self.

We do not question that the lot of the military person is significantly better than it was ten years ago. Indeed, we take great pride in the fact that the Air Force Association was at the fore in achieving a reasonable level of compensation for our citizens in uniform—particularly lower-ranking officers and enlisted people.

But military service is not just another job. Few civilians are called upon to uproot their families involuntarily every few years . . . to endure twenty-four-hour alert duty assignments . . . to work overtime without additional compensation . . . to serve in remote and isolated areas . . . to forfeit certain freedoms and rights . . . to risk injury, personal disability, even death in battle.

One union official has said of today's volunteer force, "People are selecting a military career as a means of livelihood, and not for patriotic reasons."

If this is true, then the nation must reconsider the draft or universal military training.

Today's social and economic environment places a great burden on our military leaders and those they lead. The pinch on the defense budget is severe at a time when it is essential that we modernize our strategic and tactical forces. The increasing portion that manpower costs are taking from the budget cannot be ignored.

This, then, is the twin challenge: To maintain freedom and security through dedicated and selfless efforts by our citizens who serve in our armed forces; and through courageous and articulate leadership that demonstrates a sincere concern for human values.

Against this background, the Air Force Association adopts the following positions:

COMPENSATION

Pending the results of the Quadrennial Review of Military Compensation and other current studies on this subject, we support the present system of military and federal employee compensation.

We oppose a military and federal employee "pay cap" in the fear that such action again will put military and other government people behind the cost-of-living curve.

We support:

Travel reimbursement for dependents of junior enlisted people.

Increased per-diem allowances for enlisted people.

Repeal of the restriction that prohibits enlisted band members from the same off-duty employment opportunities available to all other members of the armed forces.

Variable allowance to equalize compensation for military and civilian people assigned to high cost-of-living areas.

Enlistment and reenlistment bonuses for members of the active force, Air Force Reserve, and Air National Guard.

Tuition assistance for members of the Air Force Reserve, and Air National Guard.

Amendment of the DoD Joint Travel Regulations (JTR) to eliminate discrimination against mobile home owners.

Removal of the tax on reimbursement to military people for the cost of moving their household goods.

Federal employee reimbursement of moving/travel expenses, upon retirement or death, to home-of-record (or equal distance) if the move was for the convenience of the government.

SPECIFIC BENEFITS

Commissaries

While urging improved management to reduce military base commissary store subsidies, we oppose any action that would reduce the benefits of this service to active military people and their dependents, retirees, eligible widows, and disabled veterans.

Medical health care

We support:

A medical health care system that will fully serve the needs of active and retired military people, and their dependents.

Bonuses for military physicians.

Upgrading Air Force Physician and Dental Assistants to at least equal status with their counterparts in the other military services.

Dental care for dependents of all military personnel.

A change in the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), which would provide lifetime coverage for the military retiree; remove current nonavailability certificate requirements; and restore original procedures of determining allowable reimbursements.

Survivors' benefits and insurance

We support amendments to the current Survivors' Benefit Plan (SBP), which would:

Remove the provision requiring a military retiree to continue paying for this coverage for life, even if the designated beneficiary dies.

Remove the provision whereby survivors eligible for Social Security benefits must have their SBP benefits offset by proportion-

ate amounts of their earned Social Security benefits.

Establish a provision that would permit survivors of Reservists and Guardsmen who die before reaching the established retirement age to receive a proportionate amount of the retirement annuity the Reservist or Guardsman would have received at retirement.

We support:

An amendment to the Veterans' Special Life Insurance (VSLI) program which would permit Reservists who are in a nonpay but active status to participate fully in the program.

An amendment to the Federal Employees Group Life Insurance (FEGI) program which would permit federal employees to contribute after retirement, with continued coverage.

The goals of the Air Force Enlisted Men's Widow's and Dependents Home Foundation.

Retirement

We believe that any new nondisability retirement plan must guarantee no reduction in benefits for military and federal employees serving at the time of enactment.

We support:

A new nondisability retirement plan on a reduced annuity basis for Reservists and Guardsmen.

A reduction in the retirement penalty for federal employees under age fifty-five to one percent for each year.

Lump-sum payments immediately upon retirement for those federal employees retiring for disability.

A lifting of the sixty creditable training point ceiling for retirement purposes for Reservists and Guardsmen.

Recomputation to provide equalization of retired pay.

Removal of dual-compensation limitations for retired regular officers.

PERSONNEL POLICIES

We support:

Enactment of the Defense Officer Personnel Management Act (DOPMA).

The Airmen Education and Commissioning Program.

Direct commissioning of qualified enlisted people.

Graduate education for officers, and more efficient use of these graduates.

Award of E–3 rank to Junior ROTC graduates entering the active Air Force, Air Force Reserve, or Air National Guard.

The same tax advantage for federal employees who sell their homes when assigned to overseas duty as that provided military personnel.

Retired pay for federal civilian employees who continue service that is at least equivalent to those who have retired earlier in the same grade and with the same years of service.

A proposal for the testing of rescheduling working hours of federal employees in place of the statutory eight hours per day, five days per week schedule.

We continue to oppose arbitrary end strength restrictions placed upon the civilian manpower structure.

RESERVE OFFICER TRAINING CORPS (ROTC)

In our suport of vigorous and stable Air Force ROTC programs (Junior and Senior), we urge an increase in the number of USAF Junior ROTC units, equitable with that of other services.

COMMUNITY COLLEGE OF THE AIR FORCE

We support the mission of the Community College of the Air Force (CCAF) and its goal of granting Associate Degrees to qualified Air Force enlisted people.

CIVIL AIR PATROL

We support Civil Air Patrol and we favor increasing CAP's capability to perform its search and rescue mission.

SELECTIVE SERVICE

We are alarmed at the virtual dismantling of the Selective Service System. We support a viable system that retains at least the essential elements at federal and state levels, and that can deliver draftees within thirty days.

AMNESTY

We oppose blanket amnesty or pardon for those who unlawfully avoid military service; and we endorse the principle that each case should be examined and adjudicated individually according to existing laws and regulations.

MIAS/POWS
(Southeast Asia)

We urge the government to vigorously pursue its attempt to resolve, as quickly as possible and to the maximum attainable degree, the status of all Americans identified as Missing in Action or Prisoners of War in Southeast Asia. We support and urge a U.S. veto to admission of Vietnam in the United Nations until such accounting has been satisfactorily accomplished.

DISABLED VETERANS

We support:

The tax exemption applied to military disability retired pay.

Continuation of the "sick pay" exclusion from federal income tax, without a reduction based on adjusted gross income, for federal retirees receiving disability retirement benefits.

Passage of legislation allowing disabled veterans, who are retired from the service on a longevity basis, to receive full military pay and VA disability compensation.

ATTORNEY FEES IN IRS CASES

Mr. ALLEN. Mr. President, unfortunately during adjournment some misunderstanding has arisen over the effect of an amendment I offered to the Civil Rights Attorney's Fees Awards Act of 1976, Public Law 94–559. As Senators will recall, during the debate of this measure in the Senate several amendments were proposed which were designed to allow a taxpayer to recover attorney's fees in disputes with the Internal Revenue Service. The Senate eventually adopted an amendment I offered designed to permit a court to award attorney fees to a prevailing taxpayer in a dispute with the Internal Revenue Service regarding the taxpayer's tax liability.

I regret to say that several commentators in reviewing the new law, and in particular in analyzing my amendment, have failed to give it a correct interpretation. I believe the difficulty has occurred in part because of statements inserted in the RECORD by certain Senators after passage of the amendment and after the actual debate regarding the meaning of the amendment had been concluded. Had the inserted statements actually been uttered on the floor, I would have made a point of explaining further the scope of my proposal.

We all know that the individual taxpayer or the small businessman is no match for the IRS and the vast resources of the Tax Division of the Justice Department of the United States. We have all heard countless stories of Internal Revenue Service intransigence, stubbornness, and willingness to expend vast amounts for legal costs in order to force settlement of disputed tax claims. Against that backdrop the Congress did see fit finally to adopt a provision which would help a taxpayer facing the vast array of resources available to the Government, but the provision would only apply if the taxpayer's position were proven correct. The chief object of the provision we adopted is to encourage taxpayers to seek a vindication of their position and to discourage the Government from needlessly litigating disputes for the purpose of forcing settlement notwithstanding the actual merits of the controversy.

My amendment is meant to cover, for example, cases in which a relatively small tax liability is at issue, legal precedent on the subject clearly favors the taxpayer, yet the Government persists in litigating an issue which has been previously resolved or which is fairly obviously going to result in a decision in favor of the taxpayer. In such cases, my amendment will permit a court in its discretion to award attorney fees and costs to a taxpayer who elected to "go to the mat" with the Government rather than to cave-in when faced with the prospect of protracted litigation and substantial attorney fees over an issue involving a relatively small sum. But, Mr. President, the court need not determine that the Government has harassed the taxpayer nor need the court determine that the Government has in some way acted in bad faith. The amendment adopted mentions neither harassment nor bad faith, but for some reason commentators have implied that such conduct would be a necessary precondition to an award of fees to a prevailing taxpayer. No, Mr. President, a court in exercising its discretion should focus rather on the relative resources of the parties and on the perseverance of the taxpayer in vindicating his position.

I believe, Mr. President, that the misunderstanding with respect to the need for harassment or bad faith is a result of the unfortunate RECORD insertions I mentioned earlier. Also I might say that I am not surprised that the issue did become somewhat confused since, during debate of the act in the Senate over some 2 weeks, the Senate conducted 38 rollcall votes and considered 19 different amendments, several of which also related to IRS proceedings.

On September 22, 1976, I offered an amendment to the measure which would have permitted the award of attorney fees and costs only in the event the IRS was shown to have acted against a taxpayer in a frivolous or vexatious fashion. That amendment was clearly designed to require harassment on the part of the Internal Revenue Service before an award of fees and costs could be made to a prevailing taxpayer. But, Mr. President, my first amendment was soundly defeated by a rollcall vote of 47 to 39.

The next day, on September 23, my distinguished colleague, the senior Senator from Arizona, offered another Internal Revenue Service fee award amendment, which was also severely limited in application and which permitted fees and costs only in cases of obvious harassment in which the Internal Revenue Service had conducted a second audit of a taxpayer prior to asserting the tax liability in dispute. This narrow proposal of Senator GOLDWATER's was adopted when

offered as an amendment to the bill itself, but when offered as an amendment to the substitute it was rejected.

Senators will recall that the distinguished assistant majority leader had by that time indicated that the substitute would be the vehicle used by the majority for final passage and therefore amendments to the bill were meaningless while amendments to the substitute were critical. Hence, in effect Senator GOLDWATER's narrow proposal was rejected by the Senate.

As debate continued, several days later, on September 29, I drafted and presented to the Senate a new amendment greatly broadening the scope of the two earlier unsuccessful amendments. My second proposed IRS fee amendment was drafted to permit the award of fees and costs to a prevailing taxpayer entirely at the discretion of the court with no requirement whatsoever that the IRS be shown to have acted frivolously, vexatiously, or in bad faith. I deliberately excluded any reference to those terms so that it would be clear that the matter would rest entirely within the discretion of the court.

Moreover, I inserted the word "proceeding" in my new amendment specifically to include administrative proceedings or audits so that fees and costs in connection with audits or other IRS agency proceedings could be awarded by a court on application of a prevailing taxpayer. I also included the term "proceeding" so that it would be clear that in any case involving a disputed tax, the court would be free to award attorney fees so long as the taxpayer prevailed and the court felt that a fee award was appropriate considering all factors in the case and notwithstanding the formalistic characterization of the taxpayer as plaintiff or defendant or as appellant and appellee.

Incredibly, Mr. President, some commentators have suggested that my amendment would only apply in cases in which the Internal Revenue Service brought an action to recover an alleged overpayment of a tax refund. I find that suggestion ludicrous. Certainly that could not have been in the mind of any Senator here when we adopted my proposal. No, Mr. President, that interpretation of my amendment would make our action meaningless and would require a highly formalistic—indeed, almost 18th century—reading of the words used. Mr. President, the idea is simple, and I believe it was reasonably clearly expressed.

The idea simply is that in any proceeding in which the Government asserts a taxpayer's liability for a tax and the taxpayer asserts that he is not liable for the tax and thereafter prevails, then a court may award fees to the taxpayer as the court sees fit. The form which the action takes is not of consequence. Since all tax disputes boil down to the Government asserting a liability and a taxpayer denying it, the formal position of the two parties is immaterial. The problem my amendment corrects does not relate to procedural formalities; it relates instead to the substantive imbalance in resources available to the Government and to a taxpayer when the two dispute an issue of tax liability. Thus, differing standards with respect to a plaintiff or a defendant, which a court might for policy reasons apply in litigated controversies in other areas of the law, have no proper application in tax disputes.

There is only one kind of tax dispute regardless of who is a named plaintiff or a named defendant, or who is an appellant or an appellee, or who is an auditor or an auditee. A tax dispute is inherently a taxpayer asserting that he is not liable for a tax and the Government insisting that he is. The reasons of public policy which would make proper a discretionary award of fees are thus present or not present in a given tax controversy regardless of the formal position of the parties.

Mr. President, I make these remarks because confusion did arise in the press as to the meaning and impact of my amendment and because I believe my amendment properly interpreted will have far-reaching, beneficial effects on the Government's treatment of small taxpayers and on the present somewhat tarnished public image of the Internal Revenue Service.

AN OPEN LETTER TO PRESIDENT-ELECT CARTER

Mr. GOLDWATER. Mr. President, Vice Adm. Gerald E. Miller, USN, retired, in the December 1976, issue of Armed Forces Journal writes an open letter to President-elect Carter addressing the excessive number of civilians serving in the Office of the Secretary of Defense—OSD—Admiral Miller points out that—

> We have expanded OSD from a modest staff under Secretary Forrestal, which dealt strictly in policy, to an organization embracing more than 2,000 permanent civilian positions, to be paid from funds available to the Secretary of Defense.

He further points out that those positions do not include supporting agencies such as the Joint Chiefs of Staff, Defense Intelligence Agency, and others.

Some 24 flag and general officers serve in deputy or assistant positions to the 26 civilian appointed officials. Then, Admiral Miller says that backing up this array are 181 flag-officer-equivalent civil servants, 37 of whom are of 4-star equivalence.

It is hard to fully comprehend why a civilian force of this size is required, especially when similar-type structure are found in each service.

Many harp continually about the need to reduce the number of flag and general officers. I do not object to that when it can be properly justified, but it seems to me that there should be some paring down in the high-ranking DOD civilian force before any more military reductions are in order.

The new administration has an excellent opportunity to begin by not filling all of these executive-level positions.

Mr. President, I ask unanimous consent that the open letter, an accompanying chart, and a biographical sketch of Admiral Miller be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO PRESIDENT-ELECT CARTER

(By Vice Admiral Gerald E. Miller, USN-Ret.)

DEAR MR. CARTER: As you come to the Washington arena to grapple with the bureaucracies and the promises you made to the electorate, the Department of Defense (DoD) is going to occupy much of your time. The pressures for reducing the defense budget will be great and the proponents for reductions, for the large part, will be concentrating on expensive weapons systems such as the B–1 aircraft and the TRIDENT submarine. There will be some suggestions that you reduce manpower and the costs associated therewith. Some will suggest that you get rid of most or all of the admirals and generals.

It is doubtful, however, that you will receive any suggestions that you pare down the number of civilian officials in the Office of the Secretary of Defense who are in fact the real authority in DoD. I suggest that you examine that area as a starter. The salaries involved are incidental. If you got rid of all the admirals, generals, and high-level civilians, you wouldn't save much. It is the bureaucratic support that each official represents and the programs his individual operation generates that represent the real targets for cost reduction. In short, may I suggest that you take a look and see who is in charge?

It may be well to remember that in World War II we had no Secretary of Defense; the Secretaries of Navy and War held cabinet rank and reported directly to the President; and the military heads of the individual services also had direct access to the President. But with the so-called unification of the Armed Services and the creation of the Department of Defense, we began to have some changes.

Coincident with the Korean and Vietnam campaigns, and particularly because of the advent of nuclear weapons, we have experienced ever-increasing pressure for more civilian authority and control over the military. People become frightened at the erroneous idea that the commanding officer of a TRIDENT submarine can blow up the world by deciding independently to launch his boatload of nuclear-tipped missiles. Somehow the idea has developed that if we place enough civilians in the DoD, we can prevent future Koreas, Vietnams, and nuclear destruction.

And so we have experienced a mushrooming of the office of the Secretary of Defense (OSD). According to the FY 77 budget, we have expanded OSD from a modest staff under Secretary Forrestal, which dealt strictly in policy, to an organization embracing more than 2,000 permanent civilian positions, to be paid from funds available to the Secretary of Defense. I emphasize that the positions relate to OSD, not to any of the supporting agencies such as the Joint Chiefs of Staff, the Defense Intelligence Agency, and so on. Those and other Defense agencies have additional top-level management structure, exclusive of OSD.

The composition of leadership in OSD is interesting to note. According to the budget tables, there are a total of 26 executive-level positions, sometimes referred to as civilian appointed officials. I hope you don't replace all of them too rapidly, for their knowledge and sphere of control is considerable. Rapid replacement could be disruptive, although they are supported by a total of 24 flag and general officers from the mili-

tary ranks. However, it is a rare occasion when any of these military gentlemen is in charge of anything. They sit in deputy or assistant positions to the 26 civilian appointed officials, and you know that little authority is vested in an "assistant" or "deputy."

Backing up this interesting array is a group of high-level civil servants. The budget table shows a total of 181 flag officer equivalent civil servants in OSD. Of these, 37 are of four-star equivalence. In passing, I suppose I should mention that there are also 322 civil servants of the captain/colonel equivalent rank. Not included in the above are numerous scientific and professional positions, established under various U.S. Codes. Nor have I touched on all the analytic think tanks such as the RAND Corp., Institute for Defense Analysis, etc., that contribute to the direct support of OSD.

Please don't get the idea that action to eliminate many of these positions would save large sums of money by itself. The budget says that although it takes $2.7 billion to operate and maintain activities and agencies of the Department of Defense, it only takes $79.6 million to administer the immediate office of the Secretary. Over the long haul, however, elimination of some of these positions might create savings through elimination of some of the bureaucratic structures that exist to support them.

A possible alternate to reducing the staff in OSD would be the reduction or elimination of some of the supporting staffs in the individual Services. If we are to have such a large civilian control structure in OSD, maybe we don't need civilian control structures in each Service.

For instance, the budget shows that in the Army, Navy, and Air Force combined, there are a total of 23 executive level (civilian appointed) officials, backed up by a considerable number of military and civilian personnel. Maybe we don't need a Secretary for each Service anymore. If a military chief of a service must take his case to OSD for approval, what capabilities is he lacking that are provided by a civilian secretariat? Maybe there is need for a key civilian research counselor or financial manager, but do we really need a Secretary for each Service now that OSD is so well staffed? Personally, I liked the idea of a civilian Secretary for each Service, but with the escalation of OSD and the transfer of authority to the Secretary of Defense, his two Deputies, and a multitude of Assistants and Deputy Assistants, it is becoming apparent that if you want any action in the Pentagon, you bypass the Service secretariat. Again, you would not save much directly with this alternative in the way of pay and allowances, but you might eventually streamline and improve the decision-making process. That usually has a beneficial effect on the financial health of an organization.

While I'm at it, I might also address the military staffs. Years ago we created a Joint Staff under the Joint Chiefs of Staff. The functions have expanded and the numbers of personnel have increased over the years, with minor exceptions, however, we have never really reduced the functions or roles of the individual Service staffs. They still review every significant proposed action, plan, or thought from an individual Service point of view. Maybe it is time to see if the Joint Staff could be trusted to produce joint solutions to problems dealing with strategy, requirements, policy advice, operations, etc. At least the elimination of such a parochially-oriented review process might provide fewer waffled compromises and more hard guidance for the civilian masters. Maybe this smacks of a general staff concept, which some say is to be avoided at all costs. But perhaps we already have a general staff in the form of civilian appointed officials and don't even know it. I suggest it might be worth looking into.

Perhaps the greatest good that could come from your study of who's in charge in DoD, is a realization that authority in the military profession has been seriously eroded since you wore the Navy Blue. Had you remained in the Navy and progressed to the rank of admiral (any grade), you would have expected considerable authority to go with the responsibility you were handed with your flag officer commission. I believe that you would be surprised at how that authority has evaporated today, under the guise of civilian authority and control, and because of the vacuum created by waffled, compromised counsel provided to the civilian masters as a result of parochial differences within the military.

A young man or woman entering the military today can look forward to a pleasant, rewarding career—up to a point. That point comes when he reaches senior rank, captain/colonel or admiral/general. At the time he expects to be in charge of his profession, he finds the authority in the hands of others. If he really wants to have power and authority in DoD with some significant impact on his own profession, he might better do ten years as a commissioned officer, resign, go to graduate school, get a doctoral degree, and come back to DoD as an Assistant Secretary of Defense. He can reach the goal in fewer years and be more effective.

A serious defense problem you'll face during your administration will be the growing interest and pressure for military unions. Eminent military historians and sociologists have explained how the military profession is in a state of transition from one of "calling" to that of an "occupation." Whereas duty, honor, and country were the key words, we now find them being replaced by expectations of an eight-hour workday, equal rights under the Bill of Rights, and a union to negotiate with management. Most old pros are against the concept of military unions, but the evidence is mounting. We will have to come to grips with the problem, sooner or later. The American Federation of Government Employees will be interesting to watch as it expands its interest in the military.

It is obvious to the military professional that he should not need a union to negotiate for him. That is the responsibility of the leaders of the military profession. But those leaders must have authority. They must be perceived by members of the profession as being the voice of the profession—the fighters for the safety, morale, and general welfare of those in their charge. That is not a function or responsibility of the civil authority.

If you study the command structure of the Pentagon and you decide as the Commander-in-Chief that more authority should be restored to the military professional, you may have taken a long step towards heading off the union problem. And you might save some money as well.

So I'm suggesting that you study DoD and find out who is in charge. If you can determine the answer to that question, you will probably be well on the road to building a better defense for the United States, at less cost. Our record with such expanded civilian authority and control is not particularly impressive. Maybe we overdid it.

May the wisdom of our forefathers guide you in the most difficult task of preserving the proper division of power, among the many competent seekers of that power. Your task won't be easy—but you wouldn't have wanted it any other way, I'm sure.

DEFENSE AGENCIES

Consolidated schedule of permanent positions paid from funds available to the office of the Secretary of Defense

	1975 actual	1976 est.	1977 est.
Executive level I	1	1	1
Executive level II	2	2	2
Executive level III	1	1	1
Executive level IV	12	12	12
Executive level V	10	10	10
Subtotal	26	26	26
GS–18	37	37	37
GS–17	42	42	42
GS–16	100	102	102
GS–15	376	369	322
GS–14	176	176	182
GS–13	123	183	185
GS–12	62	264	321
GS–11	72	283	334
GS–10	16	54	46
GS–9	85	129	129
GS–8	86	91	71
GS–7	263	306	271
GS–6	226	253	252
GS–5	52	156	155
GS–4	33	158	166
GS–3	10	96	92
GS–2	-----	-----	1
Subtotal	1,758	2,699	2,708
Positions established by the Secretary of Defense: (10 U.S.C. 1581): Scientific and professional, $36,338 to $37,800	54	54	54
(22 U.S.C. 2151): Mutual security assistant, $36,338 to $37,800	8	8	8
(20 U.S.C. 901–907): Overseas teachers	-----	-----	7,793
Grades established by the Secretary of Defense: (22 U.S.C. 2385): FD–1, $37,800	1	1	1
FD–2, $36,092 to $37,800	3	3	3
Ungraded: Wage boards	46	55	55
Local employees	-----	173	233
Total permanent positions	1,896	3,019	10,881
Unfilled positions, end of year	—94	-----	-----
Total permanent employment, end of year	1,802	3,019	10,881

BIOGRAPHICAL SKETCH

Vice Admiral Gerald E. (Jerry) Miller, USN-Ret, served in cruisers in the Pacific in WW II, commanded a jet fighter squadron in Korea and a carrier division in Vietnam. He commanded the Second Fleet in the Atlantic and Sixth Fleet in the Mediterranean. Admiral Miller served 10 years in the Pentagon, and two tours at Strategic Air Command headquarters in Omaha, targeting nuclear weapons. He is currently a private consultant to government and business.

FEDERAL PAPERWORK

Mr. McINTYRE. Mr. President, on November 18 and 19 of last year the Commission on Federal Paperwork, on which I serve as cochairman, held hearings in Miami, Fla.

These hearings are part of the continuing work by the Commission to try to deal with this overwhelming problem.

Mr. President, I ask unanimous consent that an editorial concerning these hearings from the November 18 Miami Herald be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AND PAPERWORK THAT WILL NOT QUIT

One of the better shows opening this week in Miami will have only a two-day run, but the public should enjoy it thoroughly. It pays to enjoy this one.

The Commission on Federal Paperwork will hold hearings today and Friday at the new Howard Johnson Hotel in Dupont Plaza, taking testimony on expensive and excessive red tape involved in the fields of Medicare, welfare, pension programs and equal employment opportunity. We predict there will be enough evidence to qualify this as a horror show.

The cost of federal paperwork is estimated at $40 billion a year and there is testimony already before the commission that at least 30 per cent of that amount could be saved by getting rid of needless forms. The favorite example is the paperwork that must be done by the estimated 200,000 citizens who make wine at home. More serious is the entanglement of applications and files involved in the administration of 41 separate welfare agencies. A minimum of $6 billion a year could be saved if that paper mess could be cleared up.

One of the wise decisions made by Congress in the establishment of this paperwork commission was to mandate that it go out of business in two years, with one year additional for review of compliance with its recommendations. The commissioners agree with this wisdom, Chairman Frank Horton noting that the purpose of it all is to demonstrate that the finest programs devised by Congress can't have a hope of achieving their purpose if they become entangled in red tape.

In addition to saluting the fine high purpose of the commission, we want to note that its own trumpeting of achievements in the just concluded first year was held to only three pieces of paper eight by 10 inches. And both sides of the paper were used.

We have seen press releases from most federal agencies and commissions that run 20 pages and say nothing of value to the taxpayers who footed the bills.

OIL TANKER INCIDENTS

Mr. MUSKIE. Mr. President, we are all aware, I am sure, of the many recent incidents along our coast involving oil tankers, incidents with results varying from the inestimably disastrous, as with the *Argo Merchant* off Nantucket, to narrow escapes in the Delaware River. These events have created a renewed and heightened concern by the public and the Congress that we act promptly and meaningfully to deal with the problem.

I was happy to be able to contribute my thoughts regarding our approach to these problems in a hearing of the Administrative Practices Subcommittee chaired by Senator KENNEDY immediately after the *Argo* tragedy. I would like to share the statement I made at that time with my colleagues and request unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR MUSKIE

Thank you Mr. Chairman for the opportunity to add my comments to the proceedings here today.

I congratulate you for your prompt action in scheduling this hearing to review the capabilities and actions of the federal government in responding to the tragic oil spill off Nantucket, which threatens to despoil the beaches and waters of both our states and to disrupt and destroy our marine resources to an as yet undetermined extent. The immediate consequences of this disaster can be seen in the oil soaked gulls and ducks struggling to shore and in the traces of oil already appearing on some beaches. But we may never fully appreciate the long range consequences of the tons of oil globules sinking into some of the richest fishing grounds in the Atlantic to continue mixing for the foreseeable future with the basic microscopic nutrients vital to marine life. This toxic mixture may pose the greatest threat to Maine fishermen from the long range damage to herring spawning grounds.

It is difficult in the midst of massive disaster such as this to chart a reliable course out of the immediate confusion and difficulties in a direction which will avoid future reoccurrences but it appears to me that we need to explore four basic approaches.

1. We have to assure that the full resources of federal, state and local governments are brought to bear on the immediate problem of limiting the extent of the disaster.

2. An immediate investigation should be conducted to determine the direct consequences of the spill to our fishing industry and to our coastal communities to assess the potential damage and identify the need for assistance.

3. We should launch a long range intensive study of the total consequences of this type of spill on maritime ecosystems to help us as we continue to shape energy policy which will necessarily involve difficult judgments about the risks of oil spills and discharges into our oceans.

4. We should recognize the inadequacy of present international regulation and proceed to establish U.S. jurisdiction over pollution in the area of most direct concern to the United States—the 200 mile zone off our shores. And make clear to polluters that they will be held accountable for their activities within that zone.

This tragedy occurring 28 miles off our shores dramatically affects our interests and demonstrates again the inadequacy of limiting our attentions to the contiguous zone from 3 to 12 miles. It exposes the need for an adequate Law of the Sea Treaty which recognizes that pollution control is as vital an area of international concern as navigation and economic exploitation. And the failure of the Law of the Sea Negotiations to seriously consider pollution control suggests that we in the United States should proceed to establish our own pollution control zone beyond the twelve mile contiguous zone to protect our vital coastal interests and hopefully stimulate international actions addressing the global aspects of this problem.

In that regard I introduced, in March of 1975, a bill to amend the Federal Water Pollution Control Act Amendments of 1972, and the Ports and Waterways Safety Act of 1972, to extend U.S. vessel pollution control of jurisdiction 200 miles from shore.

The Federal Water Pollution Control Act Amendment of 1972 and the Ports and Waterways Safety Act of 1972 affirm our country's jurisdiction over pollution from vessels in our territorial seas, which presently extend 3 miles to 12 from our coastline.

The Ports and Waterways Safety Act mandates the Secretary of Transportation to promulgate design and construction standards with which all vessels of certain cargoes must comply for the purposes of reducing the pollution of our territorial seas and our coastline.

The Federal Water Pollution Control Act gives the Administrator of the Environmental Protection Agency authority to establish liability and penalty limits for discharges of oil and hazardous substances into the navigable waters of the United States. It also gives the Environmental Protection Agency authority to establish standards of performance for vessels to control the discharge of sewage into the navigable waters of the United States.

The bill which I introduced would extend these same jurisdictions to a limit of 200 miles. It would continue to require the Secretary of Transportation to promulgate regulations to achieve the objectives of the Ports and Waterways Safety Act, and it would require the Administrator of the Environmental Protection Agency to set limits of liability for discharges of oil and hazardous substances and standards of performance controlling the discharge of sewage from vessels in the 200 mile zone, just as he presently has that responsibility out to the 3–12 mile limit under the Federal Water Pollution Control Act.

It is ironic that at the international level, we are still applying 19th century navigational standards and cargo safety principles to the 20th century maritime industry with its massive tankers and ultra hazardous cargoes. The technology to achieve improved control is available and we can rapidly improve navigation and cargo safety practices in the maritime trade to the high standards we have applied to airborne commerce if we recognize the urgency of the need and make a real commitment.

Pollution of our coastal waters, our coastline, and the oceans from myriad sources continues at an accelerated rate. There is no need to detail the increasing threat that oil pollution from vessels poses to the marine coastal environments of this Nation. The significance of this threat is underscored by a study of the National Oceanic and Atmospheric Administration which recently found that "oil globules—in massive proportions infect nearly 700,000 square miles of blue water from Cape Cod to the Carribean Sea".

The spill you are examining today will add thousands of tons of additional oil globules to that grim scene on our sea beds. The waters surrounding the United States and the U.S. coastline continue to be polluted by discharges of oil, hazardous substances, and sewage from vessels, creating substantial hazards to the resources of the marine and coastal environments including fish, shellfish, wildlife, marine and coastal ecosystems, and recreation and scenic values.

The spill off Nantucket is less than one week old but it is already a matter of history and we will never be able to fully exert the consequences. I encourage the Coast Guard and other involved agencies to continue their efforts to control the dispersion of this oil and encourage them to proceed with all their vigor. No resource should be spared in mitigating the damage.

Our next real task now is to launch an immediate intensive study of the oil discharged from the ARGO, to trace its dispersion, evaluate its immediate and potential

interaction with sea water and try to anticipate the impact of the spill on the marine life and coast lines in the area. Our fishermen and coastal residents have an immediate interest in knowing to what extent a spill of these proportions will disrupt their day to day fishing activities. We have reports already of some vessels and gear encountering problems with the slick and shellfish smeared with viscous oil which has settled to the bottom, but we know far too little about the varying reactions of different marine life forms and know far too little about the character of the spill to give our fishermen adequate advise or reassurances as to the immediate future of their industry or to determine what type of assistance might be appropriate. Our coastal communities likewise are anxious about the potential damage to beaches and coastal marine activities. We have an obligation to provide the best possible information to both those groups, and that clearly requires a commitment of resources by the federal government through the Coast Guard, Environmental Protection Agency and the National Oceanic and Atmospheric administration.

Along with an intensive evaluation of the immediate consequences for our fishing industry and coastal communities we should seize this occasion to conduct an intensive study of the long range ecological consequences of this type of spill on marine life systems. The spill from the ARGO is now the largest in United States history but our growing dependence on oil tankers and the general inadequacy of regulation in their tanker transport industry suggest that it may not hold that dubious distinction for long. The debate over controls will be given new impetus by this disaster but unless we gain from this occurrence a more solid understanding of the total consequences of oil spills in our oceans that debate may flounder without achieving a consensus for meaningful actions.

The Coast Guard, EPA and NOAA should commit all available resources to this task and be prepared to advise Congress of additional resources which might be necessary in this undertaking.

I have today written to EPA Administrator Russell Train, to request that this process be commenced immediately. A copy of that letter is attached for the record.

The appropriate total response to avoid future occurrences needs greater definition but it seems clear that we have to exert jurisdiction over the areas of greatest potential harm to our coastal interests and that is perhaps best defined as our continental shelf or for simplicity a 200 mile coastal zone. We have to make clear immediately to those who dispoil our waters in this area that they will be held accountable for the full extent of damages to all the interests concerned. I believe the 200 mile pollution control legislation which I introduced in the last Congress gives us this necessary first step.

The legislations did not gain broad support in the last Congress, but I will be introducing a similar bill in the 95th Congress and expect that incidents such as the spill we now face will add impetus to the review and enactment of this proposal. I urge you to join me in supporting that legislation.

REFORMING AIRLINE REGULATION

Mr. KENNEDY. Mr. President, the Federal Government is shortchanging our Nation's air travelers and airlines. By rigidly setting the prices of airline tickets and by preventing new and existing firms from offering additional air service at lower prices, Federal airline regulation forces existing airline firms to compete with each other in wasteful, costly, and uneconomic ways. Instead of competing in price, airlines compete in service—more food, more drink, more frills, and more flights. While prices are skyhigh, airline profits are sometimes at rock bottom. Meanwhile, the notion that regulation is responsible for providing air service to some small communities that otherwise would not receive service has been shown to be a myth. Rigid regulation seems to inhibit—not encourage—efficient service to small communities. The fact is that airlines in California and Texas—who operate free of Federal regulation—provide air service at prices 30 to 60 percent lower than CAB regulated carriers, and they serve large and small communities with modern jet equipment, convenient scheduling, and unblemished safety records.

The agency responsible for Federal airline regulation is fortunate to have as its chairman an enlightened public servant who recognizes that Federal regulation must be drastically reduced if we are to keep air fares low and provide airlines with the profits needed to provide service, purchase equipment, and employ 300,000 people. John E. Robson, Chairman of the Civil Aeronautics Board, lucidly presented the case for less regulation in a recent article in the New York Times. I would urge my colleagues to read Chairman Robson's remarks and ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ON AIRLINE REGULATION

(By John E. Robson)

WASHINGTON.—Defenders of current aviation regulation warn of a "naive and dangerous" idea: reforming the 1938 Federal regulatory laws to make air transportation more competitive.

The reforms contemplate fewer restrictions against entering the airline business and more freedom to lower or raise fares and expand or contract service. They are embodied in legislation supported by President Ford, Congressional aviation leaders of both parties and the Civil Aeronautics Board.

Because airline fares have historically risen less than the consumer price index, opponents of reform argue that fares cannot be considered "too high." In the highly competitive electronics business, a technological revolution made hand-held calculators available to the consumers at a fraction of their introductory price. In 1959, jet aircraft brought a technological revolution to the airlines. Yet from 1958 to 1966—while airlines enjoyed spectacular operating-cost savings and the consumer-price index inched up at an annual average barely over 1 percent—regulated airline fares were basically static. Even the historically favorable comparison to the general price index has recently disappeared, despite airline complaints that the C.A.B. unconsciously suppresses fare levels.

If airlines fly fewer empty seats, fares can be lowered or stabilized. Yet, even during the dramatic airline-passenger growth of 1960–1970, "load factors" declined. ("Load factor" is the percentage of seats flown occupied by passengers.) The reason was that the airlines went on an overscheduling binge, mounting many more flights than were needed to handle the traffic.

Indeed, a pernicious airline tendency under current regulation is to compete by trying to outfly or out-gimmick the other guys instead of beating their basic price.

There is a dizzying variety of "discount" air fares, customarily restricted to particular markets or time periods and by other conditions. But no Federally regulated scheduled airline ever sought to reduce regular coach fares throughout its route system.

Under the existing regulatory structure, a limited number of airlines are authorized to fly each route and price cutters can't jump it. So incumbent airlines have little incentive for basic price competition. Instead, they compete with more flights or other enticements. Too many flights and "freebies" raise costs and, ultimately, fares. One airline official called the current New York-to-Florida airline war being waged with complimentary lox, bagels, drinks and movies a "giveaway scramble" that will "be passed on to the customer."

But there are notable examples outside the Federally regulated scheduled air system where carriers provide excellent, low-fare service and can make money at it.

In a genuinely competitive system, limited instances of short-run over-capacity might occur. But, in the long run, the efficient carriers will set the competitive benchmarks and no airline could long afford wasteful forms of competition. To argue, as some deregulation opponents do, that airlines would pursue long-term self-destructive competitive practices seems a most damning assessment of the industry.

Defenders of the status quo claim that America's air system would wither without Federal regulation. What built and sustains our air system is not regulation but the tremendous demand for air travel in a geographically immense, affluent, travel-minded nation. The C.A.B. doesn't make people buy airline tickets. And reducing C.A.B. regulation would not curb either the public's appetite for air travel or the airlines' motive to furnish it.

In recent years the financial bloom has been off the airline industry's rose. And, during the last quarter-century the airlines earned the currently authorized return on investment only three times. With their subpar historical earnings record and a need for greatly improved future earnings if they hope to attract adequate capital, one wonders why the airlines cling so doggedly to the old regulatory regime.

The regulatory laws were passed in 1938 when air transportation was an infant industry. It is now mature. And many see the airlines' future economic environment as much less salubrious than the past: more modest traffic growth, rapidly rising costs and limited productivity gains. These changes require changes in the regulatory system.

Advocates of a more competition-oriented regulatory system have not promised magic. We maintain that, in the long term, it should foster a more efficient air-transportation system that can be reflected in fare levels, can stimulate growth, can enable airlines to attain more consistent profitability, and meet the demands of the flying public.

Admittedly, the transition from the present protective regulatory system to a more competitive one poses uncertainties for the airlines. Nonetheless, the potential benefits seem strongly to warrant the change. It is relevant that, following the Northeast railroads' financial collapse, Federal rail regulation was relaxed to stimulate a more competitive climate.

JENNINGS RANDOLPH

Mr. JAVITS. Mr. President, I understand that certain undocumented charges had been made against my good friend and colleague, JENNINGS RANDOLPH from West Virginia in a criminal trial in

Mississippi. There never was any suggestion in the trial that Senator RANDOLPH was involved in any way in that particular case nor was there any further substantiation of the statements made about Senator RANDOLPH during the course of the trial.

On the contrary, the Legislative Audit Committee of Mississippi and the attorney general of the State of Mississippi who were jointly responsible for the investigation which led to the embezzlement conviction made clear that they had traced all of the embezzled funds involved and that there was no evidence implicating anyone else.

But I feel it is my public duty to speak of the character of Senator RANDOLPH. I have worked with JENNINGS RANDOLPH for many years on the Labor and Public Welfare Committee and also have had close contact with him in his capacity as chairman of the Senate Public Works Committee. In both areas I have found him to be a man of high integrity and character and with a foreground and life-long concern for the social and human values of the people of his State and Nation. I do not believe that Senator RANDOLPH's career needs to be defended by anyone as his record is so distinguished, but for my friend I feel compelled to speak.

PROSPECTIVE NOMINATION OF CYRUS VANCE TO BE SECRETARY OF STATE

Mr. SPARKMAN. Mr. President, on January 11, the Foreign Relations Committee conducted a public hearing on the prospective nomination of the Honorable Cyrus Vance to be Secretary of State.

Mr. Vance had no prepared statement, but his extemporaneous answer to the first question put to him by the distinguished Senator from Idaho (Mr. CHURCH) was so eloquent that it might well have served as a prepared statement. I shall ask unanimous consent that the text, taken from the transcript of the Foreign Relations Committee, be printed in the RECORD at the conclusion of these remarks.

I should also say that the complete hearings will be available in printed form to Senators and the public next week.

Finally, I want to note that this morning in public session the committee voted 15 to 0 to report the nomination of Mr. Vance, when received. I hope that the Senate will act propmtly on that nomination when it is received.

Mr. President, I ask unanimous consent that the text from the transcript be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

Senator CHURCH. Mr. Vance, we have just come through an election campaign in which there was a lively debate on foreign policy matters. I think as a result of the election there is the expectation that the new President will be initiating changes in American foreign policy.

I wonder if you might headline for the committee what you think some of those changes may be, and what your own view may be respecting that.

STATEMENT OF CYRUS VANCE, NOMINATED TO BE SECRETARY OF STATE OF THE UNITED STATES OF AMERICA

Mr. VANCE. Thank you very much, Senator Church. I would be very happy to do that.

First, let me start by briefly sketching what I would consider to be the fundamental policy principles which one could expect to guide the development of foreign policy during the next administration.

Let me say that in doing this I run the risk of vastly over-simplifying the problem. But with that caveat at the outset, let my try.

The first principle is the maintenance of peace. This depends upon healthy alliances, American strength, creative efforts to facilitate the resolution of regional disputes, as, for example, the problems of the Middle East. In this connection I think we must remember that American strength and leadership abroad proceed first from a strong America at home—strong in our economy, strong in our cohesiveness, strong in our confidence and our commitment to fundamental values.

The second principle is a public confidence in our foreign policy requires confidence in how those policies are made. This, in my judgment, has at the heart of it a close and cooperative relationship between the Executive Branch and the Legislative Branch. I do not believe that we can develop or properly implement American foreign policy without the closest cooperation between these two branches of the government.

I pledge myself and this administration to that end.

Next, I believe that we must have openness, and toward that end all that can properly be disclosed in open sessions should be disclosed in open sessions. There will obviously be times when things cannot be, but the guiding principle will be that we will try and be as open as possible. I know that the President-elect intends to communicate openly with the American people through the process of fireside chats in discussing foreign policy as well as domestic policy.

I intend to meet once a month with the press, if not more often because of special circumstances, and hold a press conference to discuss with them whatever questions they may have.

The third principle is the need for clear, easily understood, substantive priorities that will contribute to building the world that we want to live in. I have four particularly in mind.

First is a strengthening of cooperation among our allies. This is central to everything else.

Second, East-West relations are critical because they affect the question of world peace. In my judgment we should pursue the lessening of tensions with the Soviet Union in an active and aggressive way, particularly in th area of the reduction and control of nuclear weapons.

Further, I believe that we should seek a clearer understanding between the U.S. and the Soviet Union on the meaning of détente so that we understand better how each of us perceives the process to operate. I think this is possible and can be done. In saying this, I do not believe that we will not continue to have political competition. I think indeed that we will have political competition with the Soviet Union. But I do think it is important to have a better understanding of what the ground rules are and what we can expect of each other.

Let me note that I do not think that the preoccupation with these vitally important issues should so dominate our foreign policy that we neglect other critical issues which are growing increasingly important.

Let me turn to them.

These I consider to be of cardinal importance: I believe we must keep our eyes fixed on long-term objectives as well as on immediate political crises. These long-term objectives include control of nuclear arms and nuclear proliferation, economic development and the dignity of the developing world, energy, food, population, environment, and conventional arms transfers.

These are the global issues which will determine how the next generation lives, and even whether it lives.

I note, as all of you know better than I, that foreign policy is increasingly intertwined with economic policy. These sets of intertwined issues in my judgment are going to be some of the most important and complex issues with which we will be dealing in the years ahead. Indeed, I believe as we look over the next five to ten years, we may find that these issues will be replacing many of the security issues which have so dominated the foreign policy agenda in the last ten or twenty years as the most important issues with which we have to deal.

Finally, we must have policies based upon fundamental values. In particular, we must stand for human rights. Without being interventionist I believe we can make this concern a major focus of our foreign policy calculations.

I apologize for the condensation of these many and complex problems. But perhaps this will serve as a basis from which to start our discussion.

LETTERS OF PROTEST TO THE FRENCH AMBASSADOR

Mr. CRANSTON. Mr. President, I ask unanimous consent that a statement of Senator HASKELL and attachments be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR FLOYD K. HASKELL

LETTER OF PROTEST TO THE FRENCH AMBASSADOR

Mr. HASKELL. Mr. President, like countless other Americans and people throughout the world, I felt a deep sense of outrage at the decision of French authorities to release suspected Black September terrorist Abu Daoud from custody. Daoud is accused of masterminding the massacre of 11 Israeli athletes at the 1972 Munich Olympic games, an incident in which a total of 17 persons were killed. Decency demands that Daoud stand trial for his alleged role in that act of barbarism. Instead he is a free man in Algeria, transported there first-class with the complicity of the French government.

I am proud that President-elect Carter and Secretary of State Kissinger publicly expressed their strong disapproval of the French action, and that a formal diplomatic protest was lodged. I felt compelled, however, to convey my own dismay regarding Daoud's release directly to the French Ambassador to the United States. I am grateful that 43 of my colleagues in the Senate have joined me in signing the letter, and am also honored that four Members of the House indicated their desire to sign the letter.

The Congress of the United States has made its point strongly and succinctly by conveying to the French the disgust which a great many Members feel at the decision to capitulate to political pressures and terrorist threats. My hope is that such a shameful incident will not recur.

Too many people have already suffered and died at the hands of ruthless political terrorists. Yet those individuals and organizations which resort to terrorism in pursuit of political ends can only take renewed encouragement from the French action.

I can only hope that we in the Congress and the executive branch will redouble our

own efforts to combat terrorism as a result of this outragous and disgraceful action.

Mr. President, I ask unanimous consent that the text of the letter to the French Ambassador be printed in the RECORD along with two editorials from the Washington Post and the New York Times.

U.S. SENATE,
Washington, D.C., January 12, 1977.

His Excellency M. JACQUES KOSCIUSKO-MORIZET,
Ambassador of France, Office of the Embassy, Washington, D.C.

DEAR MR. AMBASSADOR: We deplore and deeply regret the decision of French authorities to release Abu Daoud from custody and allow his departure to Algeria.

Abu Daoud is strongly suspected of masterminding the massacre of eleven Israeli athletes participating in the 1972 Olympic games in Munich. A total of seventeen human beings were killed in that savage act. Abu Daoud should stand trial for his alleged role to their slaughter.

All governments, moreover, must cooperate in a genuine effort to expunge the scourge of political terrorism from the world. All too many people from many countries have suffered and died at the hands of ruthless political terrorists. The release of Abu Daoud can only mean renewed encouragement to those individuals and organizations which resort to terrorism in pursuit of political ends.

We trust you will convey our very deep dissatisfaction and dismay at this action to your government.

Sincerely,

Floyd K. Haskell, Hubert H. Humphrey, Clifford P. Case, Jacob K. Javits, Abraham Ribicoff, William Proxmire, Richard Stone, Birch Bayh, Jim Sasser, H. John Heinz, III, Lee Metcalf, Dale Bumpers, Edmund S. Muskie, Henry M. Jackson, Adlai E. Stevenson, III, Howard W. Cannon, John L. McClellan, Dennis DeConcini, John Melcher, Harrison A. Williams, Jr., Robert P. Griffin, Howard Metzenbaum, Thomas Eagleton, Dewey Bartlett, Wendell Anderson, William D. Hathaway, Wendell H. Ford, Richard S. Schweiker, Gaylord Nelson, Gary Hart, John Danforth, Alan Cranston, Walter D. Huddleston, Frank Church, Edward M. Kennedy, John H. Chafee, Daniel Patrick Moynihan, S. I. Hayakawa, Joseph R. Biden, Lloyd Bentsen, Russell B. Long, J. Bennett Johnston, Bob Packwood, Strom Thurmond.
U.S. Senators.

Jonathan Bingham, Dante Fascell, Abner J. Mikva, Sidney R. Yates,
Members of Congress.

[From the Washington Post, Jan. 11, 1977]

LA BELLE FRANCE

Abu Daoud, alleged leader of the Munich Olympic massacre, is in Algeria today, courtesy of the government of France. He had slipped into Paris last week to attend a slain colleague's funeral. French officials knew exactly who he was, he was even received at the Foreign Ministry. They admitted him out of the familiar considerations which led France some years ago to mortgage its foreign policy to Arab oil and Arab markets—no matter that the actual fruits of this bootlicking policy are nonexistent. In fact, it was only by inadvertence that Mr. Daoud was even briefly inconvenienced. A "Black September" colleague, the mysterious "Carlos" had murdered two officers of a French police branch in 1975 and the branch, tipped off by the Israelis, thought Mr. Daoud was fair game under the law. He was arrested. Within a few days the French government, moving with a haste that preempted German and Israeli extradition requests, arranged for a court to let him go free.

The wonder is not that a suspected terrorist was sent off to plan who knows what other crimes—oh, how the French will pine if the future victims are Israelis. (One past victim of Mr. Daoud's organization was the American ambassador in Khartoum; he was killed while being held hostage against the release of Mr. Daoud from a previous incarceration, in Jordan in 1973). The wonder is that he was arrested and held at all. As it was, the Arabs had only to crook a finger at this formerly self-respecting nation, one which in its Gaullist years had elevated sovereignty virtually to a religion, to induce it to consummate its own humiliation. France wished to avoid complicating its relations with its Arab friends. It also wished to slough off the burden of holding a prisoner whose comrades might be tempted to take additional hostages to free him. All this seemed more important to Paris than acting with dignity.

Say what you will of the French government—it is not easily shamed. Counterattacking against the criticism it expected to receive (and is receiving) for releasing Mr. Daoud, it suggests that Israel had a suspect motive in wanting him arrested and publicly tried. That motive was not simply to combat terrorism, the French suggest, but to tar all Palestinians with a terrorist brush and thereby to blunt the building pressures to seat the Palestinians at a Geneva peace conference. The suggestion overlooks, however, the larger reality that there is nothing contradictory—indeed, there is much that is consistent—between fighting terrorism and searching for peace. France may have opted out of both activities. There is little reason to think it will be sorely missed.

[From the New York Times, Jan. 11, 1977]

THE FRENCH ABJECTION

Three things stand out from the fog of extradition legalisms swirling in Paris concerning Abu Daoud, a Palestinian accused of planning the terror killings of Israeli athletes at the Olympic Games in Munich in September 1972.

1. He is clearly a leader in the Palestinian terror movement. He once admitted, on television, to a role in the Munich massacre. His release from prison in Jordan in 1973 was important enough to that movement to generate the terrorist attack in which the American Ambassador to the Sudan was killed.

2. He was released yesterday, and with confounding haste. Both Israel and West Germany sought to extradite him for prosecution. French law would have permitted his detention for 18 days pending perfection of the extradition requests. Yet after a hearing yesterday, he was rushed to a first-class seat on a plane bound for Algeria.

3. Especially recently, the French Government has taken an increasingly hard line concerning terrorists. It acted decisively and sternly against Croatian hijackers of an American plane last year. It recently agreed to a Common Market accord on extradition of terrorists. It has advocated severe anti-terror measures.

Laws concerning extradition are often subjective, government policy often can and should affect judicial views. So the detached or legalistic explanations so far offered can hardly explain these dismaying contradictions. Without more, the French Government leaves a sad but unmistakable impression—of a great nation willing to look foolish, abject, even cowardly, at the thought of blackmail by terror.

SENATOR PELL INFLUENTIAL IN HIGHER EDUCATION

Mr. KENNEDY. Mr. President, during the 94th Congress and now in the 95th, Senator CLAIBORNE PELL, chairman of the Senate Subcommittee on Education, has handled, and will continue to handle, the complex legislation dealing with our Nation's schools and universities. Education is not a subject that receives a great deal of public attention and when it does, that attention is usually focused on the negative aspects of the field.

However, there is no field that Federal law covers that is as important to our Nation in the long run, and that makes the efforts of the Subcommittee on Education in the area extremely important. Not only does the subcommittee's work concern the millions of students studying today, but it directly concerns the future of our country.

I want to praise Senator PELL for his leadership in the field of education, for his unswerving drive to provide educational opportunity to every student, and for his dedication to improve the quality of our educational system. With his quiet manner, directness, and integrity, he has set the course for education legislation since 1969 and his hard work has often been the key element in arriving at the laws we have produced.

I ask unanimous consent to have printed in the RECORD an article from Change magazine which illuminates the distinguished Senator from Rhode Island. It relates the strong work he did last year and the year before regarding higher and vocational education.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPEAK SOFTLY AND CARRY A SMALL STATE

(By C. Fraser Smith)

Claiborne DeBorda Pell of Rhode Island has made self-effacement the touchstone of his style in the United States Senate. With a calculated grip on obscurity, the quiet and gracious millionaire from Newport has sponsored landmark legislation in a variety of fields. In an institution famous for high profiles and concrete issues, the modest Pell succeeds with programs that sometimes seem frothy and abstract. And he stands apart from, though not above, the politics of touch and whisper. Partly as a result of his style and interests, he is perceived as a man of certain limitations and eccentricities. But one suspects he has cultivated those perceptions and turned them to his advantage.

Last year, the 57-year-old Pell was voted one of the 44 most influential people in American higher education, the result of his work on the Senate Subcommittee on Education. He succeeded Wayne Morse as its chairman in 1969, and three years later produced the Basic Educational Opportunity Grant (BEOG) program, widely regarded as one of the most important pieces of education legislation since the Morrill Act of 1862. He is also the original Senate sponsor of the Sea Grant College Act (which provided funds for research in marine biology, pollution of the world's oceans, and aquaculture), and of the 1966 law establishing endowments for the arts and humanities. In 1974 he cosponsored modifications in the Family Educational Rights and Privacy Act, the so-called "Buckley Amendment." Working jointly with Senator James L. Buckley, Pell helped to amend the amendment in response to severe criticism from colleges and universities of the original law—which gave students access to their education records.

Somewhat awkward, somewhat enigmatic, and more than somewhat wealthy (his forebears once owned much of Westchester County and the Bronx, and one of his grandmothers became, in 1903, sole heir to the P. Lorillard tobacco fortune), Claiborne Pell

has been content to see the spotlight fall on others. That has been one of the luxuries of his life, and it has given him latitude to pursue objectives that call for discretion. His chief interest is undeniably foreign affairs (he is on the Foreign Relations Committee), but he also thinks of himself as a "far thinker," a futurist and planner. In the mid-sixties, for example, his book, Megalopolis Unbound, helped to put the need for high-speed rail service on the legislative agenda. And he has been pushing for 12 years to move the United States to the metric system—an effort that resulted this year in a law providing funds for gradual conversion.

"There is in our society and in the very structure of our democratic system of government a strong bias against thinking, planning, and adopting policies that look ahead more than three or four years," Pell says. But he has survived that bias not only in the Senate but three times at the polls in Rhode Island. Charming and unassuming, he has also been able to overcome the presumed reaction against wealth and privilege in an overwhelmingly blue-collar state. By appearing to be something of a babe-in-the-woods, he has escaped much of the opprobrium traditionally associated with his occupation, although he is probably a better politician than anyone gives him credit for—a perception that meets his needs well.

Indeed, there is a genuine folklore chronicling his fumbling encounters with the real world that pictures him as a man who seems to be visiting from a different planet discovering, as he did inadvertently last fall, that the World Series is an event involving two *baseball* teams. "I never watch football on TV," he told a political reporter who had enlisted him in a prayer for the Boston Red Sox.

During an earlier campaign he was caught unprepared in a downpour. Word went out that the candidate needed a pair of rubbers. An aide purchased and delivered them. "Where did you get these?" Pell inquired. "Thom McAn's," was the reply. At day's end, the millionaire peeled off the rubbers, handed them to the aide, and said politely, "Give these back to Tom and thank him very much."

Some who have heard such stories without knowing the man have labeled him a blue-blooded lightweight. But colleagues and friends say he is a man of worrying intelligence, tireless determination, and visceral independence who can be forgiven his foibles on the grounds that he is involved with matters of greater import than galoshes. Some may think this is a case of the senator's new clothes, but his record, which must be the final arbiter, speaks for itself.

In a recent interview in his Capitol office below the Senate floor, Pell offered a politician's explanation for the eroding stature of education as a priority in the Congress. It is not, he seemed to think, a matter of leadership. His bill on basic opportunity, and the bills of his predecessor, Senator Morse, are proof that leaders are available when needed. "Education has slipped a little bit from the political viewpoint," he says, "because people are disappointed in it. They find no direct relationship between college and a job, particularly in this period of unemployment. They had the idea that with education you could unlock the door to paradise. They have not yet learned that education doesn't always do this—or that it can make life more enjoyable and jobs more easy to switch."

They have learned the negative but not the positive side, perhaps because American dreaming has led both consumer and producer to promise what is not possible at the expense of what is. Moreover, the melancholy truth, says Pell, is that many people who come out of the educational system cannot "read comprehensively, write grammatically, or add accurately. I think it's due to the unrest of the sixties, which caused a decline in the demands of the curriculum. Performance is lower now than it was 10 years ago. Lower standards for staying in college, the pass/fail system, less discipline have lessened the quality of our scholarship."

This year, Pell's primary effort in education seemed directed at staving off attempts to rejigger the formulas for determining how much money a student could get under the basic grants program. "It takes several years for a country like ours to absorb and understand," he says. "If we change it around, it'll be several more years before it's fully understood. I think we should stick with what is basically a good program." The facts appear to bear him out: In only its third year, the BEOG program has given as much as $1,400 to each of 1.2 million students—77 percent of those considered eligible for what Pell unabashedly hopes will become known as "Pell grants"—in the last academic year.

Still, the grant formula remains a bone of contention between Pell and the institutional aid proponents, many of whom can be found among the education associations at One Dupont Circle in Washington. One such proponent says the formulas now "short-sheet the private institutions" by failing to provide enough aid to low-income students who want to attend. According to this view, the grant program tends to channel the poor into public, relatively low-cost schools by limiting the maximum grant to no more than half the cost of tuition. But both sides made a tacit agreement this year to leave the formulas alone. "Unless there were a lot more money," one observer explained, "somebody's ox would get gored."

The truce in this area may be partially the result of increasing sophistication at One Dupont Circle, according to observers both on the Hill and among the associations. Last January, for example, apparently feeling sanguine before his latest round of hearings, Pell told an educational journal that "I and my staff have received much valuable information from the associations as we have begun to extend and amend the 1972 legislation. . . . The end result has not been an inflexible position such as that which the higher education community presented in 1972. Rather, we have been exposed to what I believe is a healthy clash of issues and ideas."

But if the associations are more willing to do what Pell wants, they have not yet, in his view, progressed far enough. "You go down to that One Dupont Circle," he said recently, "and each one of these groups has an ax to grind and they really do not work together much." Pell is also irked at what he regards as an unwillingness to testify briefly before him and to save the detailed positions for written presentation. "They come in and read in a monotone," he says. "There's no statement that can't be done in five or six minutes."

And last May he told the Education Funding Research Council that "education is a group endeavor, but educators don't work as a group. Any community suffers if it is weakened by dissension, and education is." Educators, he said, must at least agree among themselves on the general outlines of their work and stop bringing their fights—public versus private, secular versus sectarian, four-year versus two-year institutions, academic versus vocational—to Congress. "If we could do that," he said, "then there would be one voice speaking for education, loud and clear. The alternative to this is typical: federal intervention. That is something I would like to avoid, for I would rather see Washington sponsor good education than mandate and regulate its way to a poor imitation." Such language reflects the belief, long held by the Pell team, that "the only way you teach the higher education crowd is by banging them over the head."

Roger W. Heyns, president of the American Council on Education and a man whom Pell singles out as an especially effective advocate for education in Washington, doesn't "believe there was ever any hostility toward Pell and certainly if there was it has long since disappeared." As for speaking as one, says Heyns, "If he's got an idea about how to solve that, I'd like to hear it. It's true that the more consensus we can generate the more we can pursue government objectives. But there has been a great deal of consensus in the last couple of years. On the other hand, we're not famous for consensus in any sector of our society."

Pell is sensitive to the charge that the proliferation of government initiatives, each with its own regulations and reporting requirements, has made institutional administration unnecessarily difficult. He is not likely to propose additional federal controls. But his determination to have some more coherent view of what the education establishment wants should be taken seriously. In 1972, according to virtually everyone concerned, the political and educational communities in Washington did not take Pell or his proposals seriously at all. And they learned a lesson. Pell was new to the job, and his idea of education as a matter of right was regarded by some as a pipe dream. It was, again, a good climate for the Pell approach.

When the Senate committee held its hearings, few of the witnesses would even discuss his basic grants proposal. For the most part, they wanted the money to flow to the institutions themselves through existing campus-based programs. They were fearful that new programs would inevitably siphon off money from the others. In short, they tried to ignore the chairman. One of Pell's associates remembers him, heels firmly planted, saying, "I don't mind legislating in ignorance if they won't give me the information I need." Slowly, as Pell's purpose began to bang them about the head and shoulders, a program was developed. With some changes in the formula—which Pell originally had keyed to the income tax return—the committee had a bill.

Then began the famous House-Senate conference committee hearings. Here, behind pre-sunshine era closed doors, Pell exerted extraordinary force to get what he wanted. All the while, some influential conferees still assumed that Pell would give in and give up on his grants program. Not the least of these was former Representative Edith Green. Pell and Green quite simply did not get along. As the proceedings continued, Pell reluctantly and unofficially authorized a negotiating team to work outside the formal conference—and the influence of Green.

Pell had both Democratic Congressman Carl Perkins and Republican Congressman Albert Quie as allies in his desire to have a student-oriented aid program, but there nevertheless remained some serious differences with Quie. A general strategy evolved: Quie and Pell should not discuss the bill lest they expose the incompatibility in their basic philosophies and one or the other balk. "Easy" provisions should be taken before "hard." In this way, the bill would gradually become something of value, worth compromising for. Important members of the committee would find they had a stake in the outcome.

In 1972, a major part of these negotiations was handled by Stephen J. Wexler, counsel to the education subcommittee and a close personal adviser to Pell. Wexler was known on the Hill and among the Washington education establishment as one of the Senate's most effective operatives. He had a reputation for being both brilliant and brutal in

his attention to the needs and desires of his boss. "Stephen made Pell his reason to live," a friend says. "They were alter egos, as different as two people could be in many ways. Pell can be a little lazy, but Stephen found a way to make him do what a senator should do. Stephen didn't make many mistakes and Pell put a lot of confidence in him."

This relationship ended tragically last fall when Wexler was killed in an accident near his Maryland home. Two drag-racing drunks hit him as he rode his motorcycle. (One other Pell staff member was killed recently in a similar accident, moving Pell to propose legislation that would both deal harshly with drinkers who drive and treat alcoholism itself. The bill is given little chance, but Pell is reportedly determined to prove the forecasters wrong and to have a federal law.)

Shortly before the accident, Richard Smith, the man credited with writing the 1972 bill and knowing "every jot and tittle in it," resigned to become a lawyer-lobbyist for various education groups in the city. The jobs that Wexler and Smith held are now handled by one person, Jean Frolicher, formerly a lawyer with HEW. She is regarded as a first-rate attorney, but there is some feeling that no single person could handle the work done by two persons as dynamic as Wexler and Smith.

Of more immediate consequence, these same observers suggest, is the absence of Wexler's take-the-heat assistance as the senator moves through the broken field of politics. A case in point is the tempest over how to treat the National Endowment for the Humanities and its director, Ronald Berman. Pell's desire to restructure the endowment and fire Berman has shoved both the senator and his program into the hot kitchen of cultural-intellectual politics. This probably would not have happened had Wexler been around to engineer a quiet, staff-level solution. "Stephen would never have allowed it to get public," a top Pell aide concedes.

Pell believes Berman has been less than outstanding in the job and should not be retained. He has failed, Pell says, to give humanities the kind of grass-roots foundation Nancy Hanks (Berman's counterpart in the National Endowment for the Arts) has achieved.

Pell's solution is to turn much of the allocation process over to the state-level humanities committees and to begin a program under which average citizens might qualify for small grants. (Both proposals are embodied in the legislation recently passed by Congress extending the life of NEH for another four years.) Berman and a number of national columnists who have come to his aid oppose these proposals as philistinism. They believe the program should continue to support high scholarship and broadly appealing entertainment like *The Adams Chronicles*. They are not moved by Pell's charge that the humanities are now run by Washington-based czars.

Some points may be made to clarify Pell's position. At one time, he did suggest that there might be some bards among the lumberjacks or classical scholars clerking in Mom-and-Pop stores. But these were examples, extremes used to make a point, and not a suggestion that the endowment go into the business of discovering a nation of Eric Hoffers.

Pell's approach also has the advantage of involving the people who pay the bill, an objective his more political colleagues would warmly embrace. At any rate, it seems entirely consistent with his basic philosophy as illustrated in the basic grants: arts and humanities for all as a matter of right, not a passive but a participatory right; money to the people as well as to the foundations and the scholars.

Whatever the merits of the arguments on each side, it is generally agreed that the Pell proposal will result in decreased NEH funding for academic enterprises. And he has had his way: Berman's nomination to a second four-year term as chairman of the endowment has been shelved by the Senate Committee on Labor and Public Welfare, and it is unlikely that his name will be resubmitted when Congress convenes for its next session.

A further exposition of Pell's conception of the humanities in the national life may be found in his recent thoughts about education in the year 2000. He is concerned about the future state of education if people single-mindedly demand more meaningful and job-oriented programs. "If this trend continues," he cautions, "we will be turning our colleges and universities into trade schools, turning out a work force with degrees but not, to my mind, educated. . . . I fear a system that overly emphasizes the relevant and timely while disowning the intellectual content of education. There is a place for great literature as well as occupational training in the education of each individual."

Pell looks forward or into the past with equal facility. While making the future a hallmark of his legislative career, he has enshrined family lore in his personal life. His father, Herbert Claiborne Pell, a one-term congressman from the Silk Stocking District of Manhattan, exerts an influence on his son that runs far beyond the senator's use of inherited belts and suits. The father set a tone of public service assiduously emulated by his son, though the senior Pell was as flamboyant and colorful as his son is cautious and gray.

A portrait in the senator's dining room in Georgetown shows Herbert Pell wearing a pince-nez and high-collared black cape gathered at the neck. "His standards, his objectives, and his sense of always learning, always studying, were very important to me. He was never concerned—he was lucky because he was independent—he was never concerned with himself. He was always concerned with others. He was blessed with less energy and more intelligence than I have. He was a brilliant man. But he was a one-term congressman and I've been a three-term senator, which perhaps makes me more pragmatic."

Just inside the door to his office in the old Senate Office Building, Pell has hung a framed clipping from the *New York Times* reporting a vote by his father on the proposed veterans' bonus after World War I. He might have voted "aye," knowing the bill would not be enacted. He chose instead to vote his convictions. He was a one-term congressman.

Pell says the story is there to remind him to vote his convictions, a practice he almost always follows. But, he says, "There are times when the state's interest or a political consideration might shade my judgment." He makes it clear he would be "more pragmatic" if faced with his father's dilemma. Grand gestures do not further the cause of tactical obscurity.

FAVORABLE ATTITUDE OF SMALLER EMPLOYER PLANS TOWARD ERISA

Mr. WILLIAMS. Mr. President, as chairman of the Senate Labor and Public Welfare Committee and the coauthor of the Employee Retirement Income Security Act of 1974—ERISA, I have been very concerned about reports that administrators and trustees of smaller pension and welfare plans had developed a negative psychology regarding the new law.

There was good reason for this in the months immediately following enactment of ERISA, when the Federal agencies' failure to take positive action created paperwork problems that were a burden, particularly for the smaller plans. And some of them gave up and terminated.

Our committee immediately became aware of this unfortunate situation, and through our oversight function began prodding the Federal administrators of the law. We asked them to simplify compliance procedure and to apply reporting and disclosure requirements to all plans in a fair, reasonable, and flexible manner.

Shortly thereafter, a turnaround began to occur, and the agencies began to issue regulations which significantly reduced the amount of paperwork required to be prepared and filed by smaller employer plans. I approved of these new regulations, because they struck a proper balance between the participants' right to know about their plan provisions and the plan's ability to operate without suffocating paperwork requirements.

But I was puzzled as to why this effort to reduce paperwork burdens for smaller employer plans was not being publicized. Smaller employers were complaining to our committee as if the situation was as bad as it had been in the early days following enactment of the new law.

I was very pleased, therefore, to read in the January 12, 1977, edition of the Wall Street Journal that the attitude of smaller employers toward ERISA is changing for the better. According to the article, smaller plans are having "second thoughts" about ERISA. As one employer is quoted as saying: "We're seeing a little blue sky." This turnaround is welcome.

Of course, the article points out, there are some employers who will never be satisfied with ERISA—those who believe that the "Government should keep its nose out of pension plans." I hope that in time even those employers who feel that way will come to recognize the true value of this reform law.

Mr. President, I ask unanimous consent that for the benefit of my colleagues the Wall Street Journal article I have described be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANY SMALL CONCERNS LEARN THEY CAN LIVE WITH PENSION REFORM

(By Roy J. Harris Jr.)

To many small companies, the Employe Retirement Income Security Act, the new pension-reform law better known as ERISA, has been a textbook example of governmental good intentions gone awry.

Unable to meet its stiffened requirements and complaining bitterly about the mounds of paperwork ERISA entails, more than 10,000 concerns, often employing fewer than 100 workers each, have canceled their pension plans since the 200-page legislative behemoth took effect 28 months ago.

Many in Congress, where ERISA originated, are alarmed. "I can't think of another issue since Watergate that has stirred so much correspondence," says an aide to Rep. Bill Archer, a Texas Republican who recently led more than 100 of his colleagues in seeking a General Accounting Office study of ERISA's

impact. Others on Capitol Hill are mulling an overhaul of the act.

Yet even as criticism of ERISA continues to mount, there is growing evidence that many companies who ended their pension plans in ERISA's wake now are having second thoughts. Some, stung by the angry reaction of long-time employes, are searching for new forms of retirement benefits. Others are discovering that recent changes in ERISA itself make compliance easier. But whatever the reason, their change of heart seems likely to dampen the controversy threatening to gut what backers and detractors alike agree is the boldest attempt ever to regulate the nation's $200 billion private pension system.

THE LAW'S INTENT

In one sense, of course, controversy was what ERISA's congressional sponsors had in mind. They designed the law to safeguard the rights of participants in private pension plans, keep pension administrators honest, and prevent reoccurrence of such debacles as the 1964 collapse of the Studebaker Corp. plan in which pension benefits of some 8,500 workers were virtually erased by a plant closing.

Even so, to most large companies with sophisticated, long-standing pension plans, ERISA hasn't been much of a bother; there are reports that some big concerns have used ERISA's minimum benefit standards as justification to tighten up, not liberalize, their pension plans' coverage.

But many small employers have found ERISA more a burden than a blessing. Typical of such feeling is John Morse, a Virginia dairy farm owner who ended his plan rather than try to comply with ERISA. The law, he contends, is "atrocious," and its complexity and cost of compliance make it "virtually impossible" for small plans like his to survive.

However, the law's sponsors and its joint administrators, the Labor Department and the Internal Revenue Service, say the evidence is now otherwise. They point to recent studies showing that ERISA may not be as difficult to live with as many of its detractors claim. One survey of companies dropping pension plans, for instance, indicates that a majority expects to find new plans that meet the law's standards.

A NEEDED SHAKE-OUT?

Champions of ERISA also contend that while the rate of private pension plan terminations has about doubled since the law took effect, the recent recession may be more to blame than ERISA. Then, losses or sharply reduced profits made retirement benefits an unaffordable fringe at many companies.

What's more, these proponents say, many of the recently canceled pension plans probably shouldn't have existed in the first place. Sen. Jacob Javits, the law's co-author, asserts that the termination figures include "a shake-out of those plans which in any event may well have been unable to meet their obligations to participants and beneficiaries." Indeed, adds William J. Chadwick, administrator of the Labor Department's pension division, one goal of ERISA is to weed out shaky programs.

ERISA's supporters also interpret the small size of the canceled plans as another indication that criticism of the law is misplaced. For while 10,000 defunct plans may seem like a large number, they represent around 320,000 workers, or less than 1% of the 35 million Americans covered by the country's 500,000 pension plans.

Few small businessmen quarrel with ERISA's aims; many even laud such innovations as the Pension Benefit Guarantee Corp., established by the law to insure that members of certain canceled plans don't lose all their accumulated benefits. Rather, they argue that among other things, the law simply fails to recognize that without expensive legal counsel and professional consultants, little companies often can't begin to understand, let alone comply, with its requirements.

"NO ONE ASKED"

On this point, even some of ERISA's supporters acknowledge that the act was drafted without much consideration for the views of small business. For instance, James D. Hutchinson, who headed the Labor Department's pension benefits unit when ERISA was passed, says that "no one asked" for testimony of small company officials during hearings on the legislation.

Making matters worse, the early attempts to administer ERISA proved as confusing to pension experts as they were to small businessmen. Mr. Hutchinson recalls that the initial draft of the required "Plan Description Form" was a lengthy, 22-page document demanding detailed written answers. (For companies with under 100 workers, the form has since been cut to six pages containing mostly boxes to be checked.)

Once small companies began feeling the pinch of the new law, however, Congress did take note. Sen. Gaylord Nelson's small business committee held hearings on the matter and, acting upon the House members' request, the GAO began its investigation. Soon, ERISA's impact on small business appeared to be almost as big an issue as pension reform itself had been.

The result so far has been a concerted effort to simplify ERISA's requirements for the small company. The Labor Department combined some reporting forms and exempted small plans from independent audits of annual financial statements. And the IRS recently ruled that the annual report it gets from a plan can be submitted at the same time the Labor Department report is filed. That time-saving change has been urged by the Commission on Federal Paperwork.

There's also been considerable activity in the so-called "pension industry," loosely comprised of consultants, insurance men, actuaries and others. Consulting firms are drawing up model plans so companies can choose a program without commissioning one from scratch. In California, Home Savings & Loan Association, Union Bank and Professional Services Inc., a Texas-based retirement plan administrator, have drawn up a package called PACER, or Pension Administration for Corporate Employe Retirement, designed to provide uncomplicated, inexpensive plans.

The IRS also is coming out with a model plan, and that agency is considering specific exemption requests from small companies. "We're making every effort to let them keep their plans," says Fred Ochs, director of the employe plans division.

Talks with a number of small companies that have criticized ERISA in the past indicate that these recent modifications are indeed making the law more palatable.

A. I. Schepps, owner of Schepps Grocery Co., Houston, used to make loans out of the company's pension fund to the small grocers that are his customers. "We never lost a penny," he says. "In fact, our return has been 9% or 10%," higher than that earned from the stocks and bonds into which the fund was diverted recently. The diversion came after ERISA set up investment standards to prevent abuse of employe money. Now that the pension law has become more established, however, Mr. Schepps thinks he may be able to resume the old investment policy once he proves his good record. "We're seeing a little blue sky," he says.

Another Houston concern, NSW Corp., a maker of hydraulic power wrenching systems terminated its pension plan because ERISA would force it to invest the fund in conservative, less liquid securities, according to president Christy Neill. The law's reporting requirements also contributed to the decision. "This just isn't for us, as small as we are," Mr. Neill says.

Lately, however, the company has been spreading bonuses among its 55 employes and recommending they place the money in Individual Retirement Accounts, or IRA's. (Such plans have become increasingly popular lately; like company pension plans they offer a tax deferral, although IRA's are limited to contributions of $1,500 a year.)

"One of the big problems we have here is that two giant agencies (Labor and IRS) are trying to handle the same program," complains John R. Phillips, treasurer of Interstate Drop Forge Co., a Milwaukee forgings maker. It has maintained its 250-member profit sharing plan for union employes and a defined benefit plan, which guarantees a specific annuity, for 100 salaried people. The executive figures the cost of compliance was $38,260, resulting in part from the "rewriting of the ERISA regulations almost quarterly" that forced constant reevaluations of the plans by the company.

Government studies of the cost of ERISA to small concerns still are underway. But while some companies estimate that pension administration costs have about doubled since the law took effect, Mr. Phillips, and executives of other companies with pension plans, say they see some signs that administrative problems and costs will taper off this year.

There are, of course, private company owners who will never be satisfied with ERISA, because they believe that the government should keep its nose out of pension plans or any other relationship between employer and employe. "Many employers like to think of a pension as their gift to workers," says one congressional staffer who is familiar with pension plans. "But the law makes it clear that pensions are an earned benefit, and that the government agrees on tax exemptions only if the plans are fair."

Some observers, meanwhile, fear that the government may go too far toward accommodating small companies, thus nullifying the employe pension rights protected by ERISA. But James Hutchinson, the former Labor Department pension official, doubts that Congress would take such dramatic action as, say, exempting small plans from the law. "All you'd need is a handful of cases of abuse to come up afterwards, and the sponsors would be in deep trouble with labor and public interest groups," he says.

AMERICAN PARTICIPATION IN UNESCO

Mr. CASE. Mr. President, the 19th general conference of the United Nations Educational, Scientific, and Cultural Organization was very important, because at issue was the future of American participation in that organization. In 1974, Congress enacted the Case-Bingham amendment on UNESCO which in substance said that no funds should be expended or obligated to support, directly or indirectly, the United Nations Educational, Scientific, and Cultural Organization until the organization adopted policies consistent with its educational, scientific, and cultural objectives and has taken concrete steps to correct its recent actions of a primarily political character.

The 1974 congressional action was motivated by the outcry of thousands of scientists and scholars around the world who deplored strongly a number of political resolutions adopted by UNESCO. The three most controversial, sponsored by the Arab States with the backing of the Soviet Union, were directed at Israel. One excluded Israel from the UNESCO regional working group system in which national membership is essential to participate in UNESCO activities. Another condemned Israel for archeological studies undertaken in Jerusalem, even though the scholarly evidence was that the highest standards were followed in carrying out the work. A third invited UNESCO's Director General to consider giving financial assistance to the Palestine Liberation Organization, though it held no national membership in UNESCO. Cultural funds for Israel likewise were withheld.

All of these resolutions were motivated politically and twisted the truth to gain political ends. Few, if any, of the claims had substance. Adopting these resolutions opened the door to using the scientific community in political conflicts through the UNESCO organization.

As a result of the congressional cutoff of funds, there has been some modest progress at the 19th general conference, but some setbacks as well. One of the three resolutions concerning Israel—that on regional membership—was repealed, though a final decision awaits still a spring meeting of UNESCO's Executive Board which must approve this conference recommendation. In addition, the conference put off for further study a Soviet-sponsored proposal which, had it been adopted, would have sanctioned state controls on the mass media and the international press. This would be a blow for our belief in the freedom of the press and could have set back the progress made with the Soviets in 1975 at Helsinki which called for a greater exchange of ideas between East and West.

UNESCO took steps backward as well. It approved another Middle East resolution, this time on educational practices in the occupied territories, without waiting for a report from its own experts. It adopted a resolution that said that scientists from Taiwan ought to be excluded from all international organizations, both private and public. This is another outrageously political resolution which makes it difficult for scientists and scholars to support UNESCO.

Unfortunately, while the results of the UNESCO conference can only be characterized as a mixed bag, the State Department in an effort to liquidate the Case-Bingham amendment has sought to characterize the UNESCO conference as a complete success, justifying a restoration of full funding by the United States for the organization. Supports of UNESCO in the State Department appear willing to give up any leverage the United States may have had in the organization that resulted from the congressional decision to withhold funds.

I am not willing to go that far, for I believe if we give up all of our leverage no further progress will be possible in UNESCO. Even the Soviets who have backed most of the resolutions we see as obnoxiously political believe that the 19th general conference of UNESCO supported their goals. PRAVDA, the Soviet newspaper, in an article entitled "West's Attempts to 'Depoliticize' UNESCO Fail" reports as follows:

Nairobi, 1 December—A Distinguishing feature of the UNESCO general conference session, which has ended here, was its graphically expressed anticolonial and antimperialist trend.

Representatives of 141 states participated in this session, held for the first time on African soil. The resolutions adopted condemn the forces of colonialism and racism and sharply criticize Israel's flagrant violations of the rights of the population in Arab territories occupied by it, particularly in the sphere of education and culture. Representatives of the socialist and developing countries used specific examples to expose imperialism as the chief mainstay of racist regimes in southern Africa and of the Israeli Zionists.

This session confirmed the organization's adherence to the ideals of the struggle for peace and the people's freedom. Attempts by Western countries to achieve the "depoliticization" of UNESCO and reduce its activities exclusively to technical aspects of problems of education, science and culture, failed. UNESCO has always been and will remain a political organization, Amadou-Mokhtar M'Bow, its director general, declared.

The issue this Congress will face is whether to accept the State Department's judgment that all is well and approve payment of all back dues to UNESCO, or, in the alternative, to approve limited funds for UNESCO which will signal the member states that UNESCO's policies are as yet not fully consistent with its educational, scientific, and cultural objectives and that further steps remain to be taken to right the situation.

I believe we should do the minimum in giving funds to UNESCO and pay only our 1975 back dues which will retain U.S. voting rights in the organization.

The U.S. National Academy of Science stated recently that—

The search for knowledge and understanding of the physical universe and of living things that inhabit it should be conducted under conditions of intellectual freedom, without religious, political, or ideological restriction.

UNESCO has a way to go to live up to this standard, on which we base our support of that organization.

FEDERAL CAMPAIGN LAWS

Mr. BAKER. Mr. President, there appeared a short article in the January edition of the Nation's Business entitled "Will Federal Campaign Laws Make Elections More Honest?" by George D. Webster.

As the title indicates, Mr. Webster has asked some very searching questions about the supposed benefits of public financing of Federal elections. Although I do not pretend to have the answers to all the questions asked, I believed they are questions that we in the Congress must answer.

I commend, therefore, this article to the attention of my colleagues and request unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILL FEDERAL CAMPAIGN LAWS MAKE ELECTIONS MORE HONEST?

(By George D. Webster)

Since 1907 Congress has sought to purge sin from the federal election process. The latest effort culminated with the 1976 amendments to the Federal Election Campaign Act.

Committee reports and floor speeches last year hailed the goal of legislating morality, integrity, and decency through far-reaching regulation of the election system. Such rhetoric as "reducing the influence of big money in federal elections" echoed in the halls of Congress.

The leading House sponsor and House conferee was Wayne Hays, then a representative from Ohio. Mr. Hays was strong in his endorsement of the 1976 amendments as a vehicle to bring virtue to federal officeholders and their elections.

Many of the state legislatures were seized, too, by the so-called post-Watergate morality crusade and enacted extensive new election campaign laws.

CONGRESS COULDN'T WAIT

Congress may have considered election law changes important, but it is interesting to note what happened to a 168-page set of regulations proposed by the Federal Election Commission to cover enforcement of the Federal Election Campaign Act as amended.

The regulations were to go into effect if they had been before Congress for 30 legislative days and if Congress had not taken any action on them.

However, the 94th Congress adjourned last October two days ahead of the 30-day deadline, leaving the country with no federal regulations implementing this legislative action to fight sin in politics.

Despite this, the Federal Election Commission says it will act as if the regulations are in force, moving to ensure compliance with them in court, if necessary. Many provisions in the regulations are so complex as to puzzle even lawyers and accountants. Partly because the statute itself is so complex, some provisions are impractical, and others are of dubious constitutionality.

Now, the regulations are to go before the 95th Congress, and they will go into effect if the new Congress does not reject them in a specified period. There probably will be vigorous debates over certain provisions. However, Congress only has the power to reject provisions in the regulations. It cannot rewrite them.

The serious question is: Assuming the new federal law substantially survives challenges to the constitutionality of various provisions, can it bring true integrity to the election system? Or, to put the question another way, have the knaves in federal elections been curbed? and, even if shortcuts, shenanigans, and outright corruption in the election process are curtailed, how can this operate to make the elected legislatures incorruptible and nonsusceptible to improper or qeustionable influences?

Before the law was enacted—and even before there were any federal election statutes—Presidents and members of Congress were elected who proved to possess high standards of conduct. High-minded, competent public servants obviously can come to power without restrictive federal election laws.

But the appealing and deceptive concept

of "reform" legislation to bring about purity of conduct has been a hardy perennial in our nation's history.

The failure of the "noble experiment" of the Eighteenth Amendment should never be forgotten. Emphasizing that integrity and morality could not be legislated, Franklin Roosevelt spearheaded the repeal of Prohibition.

HUMAN BEINGS ARE HUMAN

What happened under Prohibition, along with numerous other experiences, should teach us that far-flung and draconian election laws cannot bring integrity to the campaign system, contrary to the representations of the laws' sponsors.

As John James Ingalls said, "The purification of politics is an iridescent dream." Laws cannot change the hearts, minds, souls, or consciences of humans beings. The doctrine of original sin cannot be legislated out of existence. There will be rascals in every sector of our society—including the halls of Congress—long after all of us have passed to another world.

If sin could be abolished by legislation, it would be a simple undertaking. No complicated law would be needed. Congress would only have to pass a bill saying there shall be no more sin, the President would sign the bill, implementing regulations would be issued by the appropriate anti-sin regulatory commission (consisting, perhaps, of six former congressmen), and Congress would be willing to stay in session long enough to permit the regulations to become effective. Then there would be no more sin, and the knaves in politics and elsewhere would be forever curbed.

Of course, the problem of sin—in politics or elsewhere—is not that simple to solve. Leaving aside considerations of philosophical, religious, and other complex influences that shape lives, behavior, and votes, let us look briefly at two of this country's older election laws.

THE 1907 ELECTION LAW

In 1907 it became a crime to make a corporate contribution to a federal election. No person ever went to jail for violation of this provision in the first 66 years after its enactment despite literally thousands of known violations. Had the law been enforced in the 1940's, 1950's, and 1960's, the corporate violations of the 1972 campaign might not have occurred. Many of those who failed to enforce the law as originally written in 1907 became judges, members of the Cabinet, and members of Congress.

One of the original election laws on the books prohibits a contribution to a federal official being made at his office. Certainly, this provision, probably violated every day in an election year, has not brought about honesty and clearly has nothing to do with it. It is senseless.

Another example of basically futile tilting at sin was the Internal Revenue Service action in the 1960's to regulate tax deductions for expense account spending. Expense accounts have always been a fertile field for cheaters. IRS issued extensive regulations with much fanfare from the then-head of the agency about enhancing the integrity of the system. Actually, all IRS did with the regulations was to make the expense-account cheater reduce his sin to writing. Sin was not abolished; it was only written up.

Undoubtedly, many—if not most—taxpayers with expense accounts make inaccurate accounting during the course of the year. Such errors are generally inadvertent, but there is no way, even with the most careful and honest of taxpayers, to have an entirely accurate system of business expense accounting. Allocation of expenses is simply not that well-defined or possible.

PUBLIC DOLE: MORE NEUTRAL?

An important function of the Federal Election Commission, aside from its role as policeman, is to dole out money to presidential aspirants, which it did last year. Common Cause, the Washington interest group that was a prime force behind passage of last year's campaign act amendments, says the public treasury is a more neutral source of money for candidates than private donors are. Perhaps. But the federal dole certainly has a corrosive effect on political integrity. It forces the American taxpayer to put money into the campaign of an individual with whom he thoroughly disagrees.

Also, if the presidential campaign of 1976 is any example of the results of public financing, citizen participation is substantially lessened. Volunteer members in both major parties were considerably fewer in the 1976 campaign. Such reduced citizenry participation reduces overall honesty in the system.

Following the Common Cause logic of public financing would dictate this result: All lobbying efforts in Congress should be publicly financed by taxpayers, and both sides should be made even in money and time so the issues could be properly and fairly debated. For example, any money or time used by Common Cause for a legislative effort in behalf of public financing for congressional candidates would have to be made available to the other side.

The argument would also dictate that the public dole be extended to legislative efforts, and that every congressman and senator line up outside the Federal Election Commission for campaign money.

WARNING TO BUSINESS

Indeed, there undoubtedly will be attempts in the new Congress to push through legislation providing for complete public funding of campaigns for seats in the House and Senate.

If so, business had better take heed. Such legislation would shut corporations' political action committees out of congressional races, while labor unions still would be able to exhort their members to work and vote for candidates favored by union leadership.

There also could be an attempt to obtain legislation providing for partial public funding—extending public funds to House and Senate candidates on a matching basis, as is now done for presidential primaries.

This would not shut business out of the congressional campaigns, since candidates would need to obtain contributions in order to qualify for matching funds. However, some congressmen have suggested that a system of matching funds be accompanied by a reduction in the limits on contributions permitted multicandidate committees, including corporate political action committees. And such a reduction would substantially reduce the business role in politics.

IS SMALL BETTER?

The concept of legislating morality is no more valid today than it was when Franklin Roosevelt called for an end to the prohibition on liquor.

One thing the Federal Election Campaign Act has done is prevent large contributors from providing large amounts of money to one candidate. Implicit is the theory that a senator or congressman who could "be bought" for $100,000 would be less responsive to a gift of $2,000 or $5,000.

However, some members of Congress have asserted that the only contributors who in the past asked them for favors were small contributors. Also, some congressmen and senators and presidential campaign aides bitterly complain that the new contribution limits seriously hampered the financing of their 1976 campaigning. Many candidates must have been deeply grateful for lowly contributions.

Of course, few of us are so naive as to believe that handing out money is the only path to political influence.

WHY FAVORS ARE DONE

Favors are done or relief is granted in the government for many reasons. It might be because the favor-seeker is a coreligionist, whether he be Protestant, Catholic, Jewish, or even a fellow nonreligionist. There is no way that laws can eradicate the personal influence factor from the legislator's decision-making process. But most times, appropriate favors are done for the taxpayer simply because the taxpayer is entitled to them as a citizen.

Should a son of a congressman be allowed to lobby before Congress? Should a former congressman turned lobbyist to be allowed to have the use of the floor? Should a former campaign worker become a federal judge? Such practices are common. Should they now end?

Charles Dudley Warner, more than 100 years ago, gave us one of the great axioms of our system—"politics makes strange bedfellows." History is replete with examples which show that election laws cannot abolish bedfellows or alter the many facets of the human personality which influence decisions.

One way to influence an election is for a special prosecutor to raise publicly an unsupportable complaint against a candidate shortly before an election. How is this kind of tremendous influence on an election prevented? One unsupported headline, even though later corrected, can change an election result. Money has nothing to do with this—merely personal bias or ambition or mistake.

OUTLAW BUDDIES?

However, all that the so-called reformers seem to comprehend is money. So they tell us that big money should not be allowed to buy what can be secured by being a brother, a law partner, a classmate, or perhaps even a member of the same church.

If legislation could operate to bar individual influence, we certainly need a mass of new laws. A statute could probably be drawn requiring that parties at interest, relatives, classmates, roommates, campaign workers, drinking or hunting buddies, etc., should be disqualified and disassociated from the legislative and election process. Acts motivated by personal bias or greed or ambition should be outlawed.

Of course, this would take hundreds, maybe thousands, of pages, and make the voluminous 1976 Tax Reform Act seem like a one-liner. Extreme as this would be, it points up more meaningfully the shortsightedness and lack of understanding of our political processes on the part of those who urged the new "anti-money" legislation as a sine qua non for election virtue.

CONCLUSION

The enactment of voluminous and complex legislation and regulations will have scant—if any—effect in making elections more honest than they have been before. Nor does such action mean that political decisions will be reached more conscientiously and objectively, since there are so many influences in elections and the political process.

One campaign worker in a presidential primary reported recently that he witnessed 29 violations of the present federal election laws in a week. The election laws are thus now like the tax laws. Interpretations may vary, and the best that can be done, as with expense accounts, is to make an honest effort to comply with the laws.

While the election laws may be a boon to the legal profession, the public should not be deceived about their contribution to the integrity of the federal election process.

Whatever the merits of such legislation may be, the legislation clearly does not make politics or politicians more honest. Integrity is guaranteed by individuals on the basis of personal commitment—not by a convoluted and complex law.

NATIONAL HEALTH CARE ACT OF 1977

Mr. McINTYRE. Mr. President, on January 10 I introduced S. 5, the National Health Care Act of 1977. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 5

A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "National Health Care Act of 1977".

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TITLE I—FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. FINDINGS.

The Congress hereby finds that—

(a) America confronts a critical testing of its capacity to meet for all of its citizens one of the most basic of human needs, that of protecting and maintaining personal health;

(b) Every citizen of the United States of America should have access to quality health care, but too many Americans find it difficult to secure quality health care when they need it, where they need it, at prices they can afford;

(c) The Nation needs systems of health care organizations, delivery, and financing which combine the high scientific and technical competence of the medical and allied health professions; the flexibility, innovativeness, efficiency, and managerial skills of private enterprise; the legislative and fiscal capacities of government at all levels; and the potentialities of consumer and community participation in developing and maintaining such systems of health care.

SEC. 102. DECLARATION OF PURPOSE.

The Congress declares the purpose of the Act to be to improve the organization, delivery, and financing of health care for all citizens of the United States of America by establishing cost and quality controls, promoting ambulatory care, strengthening health planning, establishing national standards of health care benefits including coverage for medical catastrophes, encouraging provision of such benefits through comprehensive health care insurance, and by assisting persons of low income or in poor health to secure that insurance.

TITLE II—PROVISIONS TO STRENGTHEN HEALTH PLANNING

SUBTITLE A—REVISIONS IN TITLE XV OF THE PUBLIC HEALTH SERVICE ACT

SEC. 201. DESIGNATION OF SURPLUS SERVICES

(a) Section 1513(g)(1) of the Public Health Service Act is amended by striking the period, and substituting a comma, and adding the following wording: "including its recommendations as to which services should be designated as surplus.".

(b) Section 1523(a)(6) of the Public Health Service Act is amended by adding at the end thereof the following new sentence: "Any institutional health service found to be unneeded according to the standards applied in determining whether a proposed new service shall be granted a certificate-of-need shall be declared surplus. In making a determination that a service is unneeded, the State Agency shall take into consideration any recommendations made by the appropriate health system agency and shall indicate the date on which its designation of the service as surplus shall become effective.

(c) Section 1523 of the Public Health Service Act is amended by adding after subsection (c) the following new subsection.

"(d) When a State Agency's designation of an institutional health service as surplus under the terms of Section 1523(a)(6) becomes effective, such service shall, for purposes of the state certificate-of-need program and for purposes of Section 1122 of the Social Security Act, be considered as though it had been denied a certificate-of-need.".

SEC. 202. COMPENSATION FOR SERVICES DECLARED SURPLUS

The Public Health Service Act is amended by adding after Section 1526 the following new section:

"GRANTS FOR SERVICES DECLARED SURPLUS

"SEC. 1527(a). The Secretary shall, upon proper application, make grants to institutions which have discontinued health services pursuant to a determination by a State Agency that such services are surplus as provided in Section 1523(a)(6).

"(b) The amount of any grant under subsection (a) shall not exceed the amount of the debt incurred by the institution in developing the service declared surplus which remains outstanding at the earlier of (1) the time the institution discontinues the service pursuant to the State Agency's determination that it is unneeded, or (2) the effective date of the State Agency's designation of the service as surplus. Such grant shall be used by the institution receiving it to retire such outstanding indebtedness.

"(c) There are authorized to be appropriated to make payments under grants under subsection (a), $500,000,000 for the fiscal year ending September 30, 1978, $750,000,000 for the fiscal year ending September 30, 1979, and $1,000,000,000 for the fiscal year ending September 30 1980.".

SEC. 203. ESTABLISHING A HEALTH DATA CONSORTIUM

(a) Section 1513(b)(1) of the Public Health Service Act is amended by adding "and the health data consortium described

in section 1523(a)(7)" after "programs" in the final paragraph.

(b) Section 1523(a) of the Public Health Service Act is amended by adding after paragraph 6 the following new paragraph 7:

"(7) Establish a health data consortium to serve the common data needs of itself and the following groups authorized to operate in the State—

(A) Health Systems Agencies,

(B) Professional Standards Review Organizations (as designated under Section 1152 of the Social Security Act),

(C) hospitals,

(D) other health care institutions,

(E) hospital, medical, and other service benefit plans, and

(F) insurance companies underwriting health insurance plans.

In establishing such consortium, the State Agency shall assure that

(i) each of the six above-named groups has equal representation with itself on the governing body of the consortium,

(ii) the consortium is adequately staffed to collect, tabulate, analyze and make available to its members the minimum data specified by the Secretary pursuant to Section 1533(b)(1) plus such additional data as may be agreed to by the consortium, and

(iii) the consortium coordinates its activities with the cooperative system provided for under Section 306(e).

SEC. 204. CRITERIA FOR CERTIFICATE-OF-NEED PROGRAMS

Section 1533 of the Public Health Service Act is amended by adding after subsection (d) the following new subsection:

"(e) To assist health systems agencies carry out their functions under section 1513 (f) and State health planning and development agencies to carry out their functions under paragraphs (4) and (5) section 1523 (a), the Secretary shall issue guidelines to be used in establishing certificate-of-need programs and in evaluating the need for new institutional health services. Such guidelines shall include, but not be limited to, criteria with regard to:

"(1) institutions and facilities which should be subject to the certificate-of-need program;

"(2) administrative procedures to be followed to assure a fair hearing on an application for a certificate-of-need;

"(3) sources of information that should be considered in determining the need for new institutional health services;

"(4) necessary financial and manpower resources for operating the additional services or facilities;

"(5) conformity with the health systems plan;

"(6) factors to be considered in evaluating proposed facilities or services;

"(7) procedures for appealing by the certifying agency;

"(8) support of certificate-of-need decisions by related state agencies; and

"(9) effect on the overall cost of the health care system for the area or areas concerned.".

SEC. 205. GOVERNING BODIES FOR HEALTH SYSTEMS AGENCIES

Section 1512(b)(3)(C) of the Public Health Service Act is amended by striking the period at the end of item (ii), substituting a comma, and adding "and at least one member shall be a representative of a service benefit plan and at least one member shall be a representative of an insurance company underwriting health insurance plans.".

SEC. 206. FUNDING HEALTH SYSTEMS AGENCIES

Effective after the fiscal year ending September 30, 1977, subparagraph (A) of section 1516(b)(1) is amended to read as follows:

"(A) the sum of—

"(i) $0.70 per year per person for the first 500,000 persons,

"(ii) $0.50 per year per person for the second 500,000 persons,

"(iii) $0.30 per year per person for the third 500,000 persons, and

"(iv) $0.10 per year per person for additional persons residing in the health service area for which the health systems agency is responsible, or".

SEC. 207. APPROPRIATIONS

(a) Section 1516(c)(1) of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: ", and $200,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

(b) Section 1525(c) of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: ", and $35,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

(c) Section 1526(e) of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: ", and $25,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

(d) Section 1534(d) of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: ", and $10,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

(e) Section 1613 of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: ", and $135,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

(f) Section 1622(e)(2) of the Public Health Service Act is amended by (1) striking "and" after "1976", and (2) striking the period after "1977" and substituting the following: "September 30, 1978, September 30, 1979, and September 30, 1980.".

SEC. 208. GRANTS AND RATE REGULATIONS.

Section 1526(a) of the Public Health Service Act is amended to read as follows:

"SEC. 1526. (a) For the purpose of assisting State agencies to regulate rates for the provision of health care, the Secretary may make to a State agency designated, under an agreement entered into under section 1521(b)(3), for a State which (in accordance with regulations prescribed by the Secretary) has indicated an intent to regulate rates for the provision of health care within the State.".

SEC. 209. TECHNICAL AMENDMENTS.

(a) Section 1501(a) of the Public Health Service Act is amended by striking ", within eighteen months after the date of the enactment of this title,".

(b) Section 1526(a) of the Public Health Service Act is amended by striking "(not later than eighteen months after the date of the enactment of this title)".

SUBTITLE B—PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

SEC. 210. EXTENDING SCOPE OF REVIEW.

(a) Section 1155(a)(1) of the Social Security Act is amended by striking "the" immediately preceding "professional activities", and substituting "all", and striking "for which payment may be made (in whole or in part) under this Act.".

(b) Section 1155(f)(2) of the Social Security Act is amended to read as follows:

"(2) The reasonable and necessary expenses of the Professional Standards Review Organizations in making determinations pursuant to this part shall be passed on to the providers whose services are reviewed and shall be considered an appropriate expense of such providers in determining or approving their charges.".

SEC. 211. HEALTH DATA CONSORTIUM.

Section 1155 of the Social Security Act is amended by adding the following subsection after subsection (g):

"(h) Each Professional Standards Review Organization in a given State shall participate in the health data consortium established in that State pursuant to section 1526(a)(7) of the Public Health Service Act.".

SEC. 212. TECHNICAL AMENDMENT.

The table of contents for title XV of the Public Health Service Act is amended by adding after the entry "Sec. 1526. Grants for rate regulation" the following new entry:

"Sec. 1527. Grants for services declared surplus.".

TITLE III—PROVISIONS TO ENCOURAGE COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

SEC. 301. AMENDMENT OF PURPOSE.

Section 600(a) of the Public Health Service Act is amended by inserting ", including comprehensive ambulatory health care centers" immediately after "other medical facilities."

SEC. 302. AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION AND MODERNIZATION GRANTS.

Section 601 of the Public Health Service Act is amended by adding after subsection (c) the following new subsection:

"(d) $500,000,000 for the fiscal year ending September 30, 1978, and for each of the next succeeding 4 fiscal years for grants for the construction and modernization of comprehensive ambulatory health care centers, and for those administrative, operating, and maintenance costs during the first 3 years of operation of such centers as may be approved by the Secretary. No grant or grants to any institution or for any institution or for any project of funds authorized by this paragraph shall exceed $1,000,000 except that a supplementary grant or grants not to exceed an additional $1,000,000 may be made to any institution or for any project, provided that at the time the application for the supplemental grant is made the institution or project has received from non-Federal sources cash or written pledges payable within one year in an amount at least equal to the amount for which application is made.".

SEC. 303. STATE ALLOTMENTS.

Effective with respect to appropriations pursuant to section 601 of the Public Health Service Act for fiscal years beginning after September 30, 1977, section 602(a)(1) of such Act is amended to read as follows:

"(a)(1) Each State shall be entitled for each fiscal year to an allotment bearing the same ratio to the sums appropriated for such year pursuant to subparagraphs (1), (2), and (3), respectively, of section 601(a), to an allotment bearing the same ratio to the sums appropriated for such year pursuant to section 601(b), and to an allotment bearing the same ratio to the sums appropriated for such year pursuant to section 601(d), as the product of—

"(A) the population of such State, and

"(B) the square of its allotment percentage,

bears to the sum of corresponding products for all of the States."

SEC. 304. PRIORITY OF PROJECTS.

Section 603(a) of the Public Health Service Act is amended by striking "and" after subparagraph (6), by adding "and" after subparagraph (7), and by inserting after subparagraph (7) thereof the following new subparagraph:

"(8) in the case of projects for the construction of comprehensive ambulatory health care centers, to facilities located in densely populated areas where such facilities do not now exist, as determined by the Secretary.".

SEC. 305. STATE PLANS.

(a) Section 604(a)(4) of the Public Health Service Act is amended by redesignating subparagraphs (D) and (E) thereof as subparagraphs (E) and (F), respectively, and inserting after subparagraph (C) thereof the following new subparagraph:

"(D) the comprehensive ambulatory health care centers needed to provide adequate ambulatory health care services for patients residing in the State, including many services which traditionally have been rendered in hospitals, and a plan for distribution of such centers throughout the State.".

(b) Section 604(a)(5) of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care centers" immediately after "outpatient facilities.".

SEC. 306. RECOVERY OF FUNDS.

Section 609(b) of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care center," immediately after "outpatient facility,".

SEC. 307. LOAN GUARANTEES AND LOANS FOR MODERNIZATION AND CONSTRUCTION OF COMPRENSIVE AMBULATORY HEALTH CARE CENTERS.

Section 621 of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care centers," immediately after "outpatient facilities," in paragraphs (1) and (2) of subsection (a) thereof.

SEC. 308. DEFINITION OF COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS.

Section 645 of the Public Health Service Act is amended by adding after paragraph (l) the following new paragraph:

"(m) The term 'comprehensive ambulatory health care center' means a facility (located in or part from a hospital and whether or not part of a health maintenance orgnization) which is organized, equipped, and staffed so as to provide to individuals and families, on a coordinated and continuing basis, a broad range of ambulatory health services, and which—

"(1) has a staff of physicians licensed to practice medicine who provide medical and surgical care for patients not requiring hospitalization;

"(2) possesses or has reasonable access to one or more operating rooms and appropriate recovery rooms, adequately equipped and staffed, in accordance with standards promulgated by the Secretary, to perform those surgical procedures which can be safely performed on a nonconfinement basis;

"(3) is equipped to provide a broad range of diagnostic tests, including X-rays and electrocardiograms, and either has its own laboratory facilities or has reasonable access to such facilities;

"(4) maintains a unified medical record, stored in a central file, for each patient treated in such facility;

"(5) has arrangements with a general hospital and, to the extent possible, with convalescent institutions, home health agencies, and custodial care institutions to assure that services of such institutions will be available to patients of such facility when they can no longer be treated on an ambulatory basis;

"(6) provides preventive care services, including a health education program;

"(7) has a program of peer review to assure quality care and efficient utilization of services; and

"(8) has a program to utilize allied health personnel to assist its professional staff to the maximum extent practicable.".

SEC. 309. TRAINING FOR PERSONNEL NEEDED IN COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS AND PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS.

(a) Section 788(d) of the Public Health Service Act is amended by striking "and" after paragraph (20), by adding "and" after paragraph (21), and by inserting after paragraph (21) the following new paragraph:

"(22) training of persons to administer and staff comprehensive ambulatory health care centers.".

(b) Section 788(e) of the Public Health Service Act is amended by adding after paragraph (2) the following paragraph:

"(3) In making grants from the sums authorized to be appropriated under paragraph (1) for fiscal years 1978, 1979 and 1980, priority shall be given to grants which carry out the purposes of paragraphs (18) and (22) of subsection (d) until the amount of such grants in each fiscal year equal $2,000,000 under paragraph (18) and $10,000,000 under paragraph (22).

TITLE IV—PROVISIONS TO ASSURE A COORDINATED NATIONAL HEALTH POLICY

SUBTITLE A—HEALTH REPORT OF THE PRESIDENT; HEALTH POLICY BOARD

SEC. 401. HEALTH REPORT OF THE PRESIDENT.

The President shall transmit to the Congress not later than July 1 of each year, beginning in 1978, a health report (hereinafter referred to as the "health report") which shall set forth (1) the status and condition of the health care system of the Nation; (2) current and foreseeable trends in the health care needs of the Nation, the organization, financing, delivery, and quality of health care services, and the effects of those trends on the health of Americans and the social, economic, and other requirements of the Nation; (3) the adequacy of available manpower and physical resources for fulfilling the health care needs of the Nation in the light of expected population pressures; (4) a review of the health programs and activities of the Federal Government, the State and local governments and nongovernmental entities, with particular reference to their contribution to the achievement of the policy set forth in title I of this Act; and (5) a program for carrying out the policy set forth in title I of this Act, together with recommendations for legislation.

SEC. 402. HEALTH POLICY BOARD.

There is created in the Executive Office of the President a Health Policy Board (hereinafter referred to as the "Board"). The Board shall be composed of three members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. The President shall designate one of the members of the Board to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainments is exceptionally well qualified to analyze and interpret trends in the health care field; to appraise programs and activities of the Federal Government in the light of the policy set forth in title I of this Act; and to formulate and recommend national policies to promote the improvement of health care.

SEC. 403. EMPLOYMENT OF OFFICERS, EMPLOYEES, EXPERTS AND CONSULTANTS

The Board is authorized to employ and fix the compensation of such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Board may employ and fix the compensation of such experts and consultants as may be necessary to carry out its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

SEC. 404. RESPONSIBILITIES OF BOARD.

(a) GENERAL FUNCTIONS AND DUTIES.—It shall be the duty and function of the Board—

(1) to assist and advise the President in the preparation of the health report;

(2) to review and appraise the health programs and activities of the Federal Government in the light of the policy set forth in title I of this Act for the purpose of determining the extent to which such programs and activities are contributing to the achievement of such policy, and to make recommendations with respect therefor;

(3) to develop and recommend procedures for the interagency coordination of Federal health programs, to propose interagency consolidations of programs and eliminations of programs to assure efficient, effective, and economic operation of all Federal health programs and to avoid waste and duplication;

(4) to develop and recommend goals for a national policy to foster and promote the improvement of the organization, financing, delivery and quality of the Nation's health care;

(5) to conduct studies, surveys, research, and analyses relating to health care in the Nation;

(6) to conduct a continuous evaluation of policies and programs related to the Nation's health care and make recommendations for the revision, expansion, and improvement of such policies and programs, including the assignment of priorities to the implementation of such recommendations in accordance with their relative urgency or desirability;

(7) to develop and recommend measures designed to assure the provision of adequate manpower, services, and facilities for the Nation's health care, including the mobilization, allocation, utilization, and retention of such manpower, services, and facilities;

(8) to develop and recommend guidelines for the allocation of funds for health care designed to furnish all citizens equal access to quality health care; and

(9) to make and furnish such studies, reports thereon, and recommendations with respect to matters of health care policy and legislation as the President may request.

(b) ANNUAL HEALTH REPORT TO THE PRESIDENT.—The Board shall submit to the President a first report not later than April 1, 1978, and an annual report not later than April 1 of each year thereafter. Each such report shall also be transmitted to the Congress supplementary to the next health report of the President.

(c) CONTENTS OF INITIAL ANNUAL HEALTH REPORTS.—In its first report and in the first of its annual reports to the President as required by subsection (b) of this section, the Board shall (1) specially report on all Federal programs which provide grants, loans, or other financial aids for the training and development of health manpower of any type; (2) appraise the adequacy of such programs to meet the health care needs of the Nation; (3) develop and recommend procedures for the consolidation, coordination, expansion, and improved efficiency of administration of such existing programs; and (4) develop and recommend measures designed to assure the wider dissemination of public information regarding the existence and purpose of such programs, the aids available there under, and the advantages and benefits of training for career opportunities in the health, nursing, and allied health professions.

SEC. 405. CONSULTATION WITH OTHER ADVISORY BODIES AND REPRESENTATIVE GROUPS; COOPERATIVE UTILIZATION OF SERVICES, FACILITIES, AND INFORMATION.

In exercising its powers, functions, and duties under this Act, the Board shall—

(1) consult with the National Council on Health Planning and Development estab-

lished by section 1503 of title XV of the Public Health Service Act, with any other advisory council or committee concerned with health required by Federal law, and with such representatives of consumer groups, providers of health care, health researchers and educators, insurers, health service organizations, public agencies concerned with health care, voluntary health and welfare organizations, and other groups, as it deems advisable;

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Board's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

SEC. 406. COMPENSATION OF MEMBERS.

Members of the Board shall serve full time and the Chairman of the Board shall be compensated at the rate provided for level II of the Excutive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Board shall be compensated at the rate provided for level IV of the Excutive Schedule Pay Rates (5 U.S.C. 5315).

SEC. 407. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to enable the Board to carry out its functions under this Act.

SUBTITLE B—DEPARTMENTAL RECOMMENDATIONS AND REPORTS

SEC. 411. STATEMENTS REGARDING EFFECT OF DEPARTMENTAL PROPOSAL ON NATION'S HEALTH CARE.

(a) The Congress authorizes and directs that, to the fullest extent possible, all agencies of the Federal Government shall include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting human health and the organization, financing, delivery, and quality of the Nation's health care, whether with regard to all citizens generally or only to classes or segments of the public, a detailed statement by the responsible official on—

(1) the impact of the proposed action on human health and the Nation's health care system;

(2) any adverse effects which cannot be avoided should the proposal be implemented;

(3) alternatives to the proposed action;

(4) the relative priority, if any, assigned to the proposed action (or to any similar or alternative proposal designed to fulfill the same immediate purpose or need) by the Health Policy Board established by subtitle A of this title in its most recent report to the President submitted pursuant to section 404 (b) thereof; and

(5) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

(b) Prior to making any detailed statement required by subsection (a), the responsible Federal officials shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any impact on human health and the Nation's health care system. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies which has responsibilities in such areas shall be made available to the President, the Health Policy Board, and to the public as provided by section 552 of title 5, United States Code, and shall accompany the proposal through the existing agency review processes.

SEC. 412. AGENCY OBLIGATIONS UNDER OTHER FEDERAL STATUTES.

Nothing in section 411 shall in any way affect the specific statutory obligations of any Federal agency (1) to accord priorities or preferences to applications for Federal financial aids in public health and health care programs and activities, based on factors required to be considered by law or regulations pursuant thereto, (2) to coordinate or consult with any other Federal or State agency, or (3) to act, or refrain from acting, contingent upon the recommendations or certification of any other Federal or State agency.

TITLE V—PROVISIONS TO MAKE COMPREHENSIVE HEALTH CARE INSURANCE AVAILABLE TO ALL

SUBTITLE A—ESTABLISHMENT OF MINIMUM STANDARD HEALTH CARE BENEFITS

SEC. 501. DEFINITION OF MINIMUM STANDARD HEALTH CARE BENEFITS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by adding after section 221 the following new section:

"SEC. 222. MINIMUM STANDARD HEALTH CARE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, the minimum standard health care benefits for a covered individual for any given benefit year shall, subject to the other provisions of this section, be equal to the sum of—

"(1) 100 percent of the category I expenses incurred by the individual in that year, and

"(2) 80 percent (50 percent in the case of items (c)(2)(C) and (c)(2)(N)) of the excess, if any, of the category II expenses incurred by the individual in that year over the deductible except that in no event shall the aggregate of the deductibles and copayments assessed in any given benefit year against the category II expenses incurred in that year by all covered members of a given family exceed an amount equal to ten times the deductible applicable to that year.

"(b) CATEGORY I EXPENSES.—

"(1) Category I expenses shall be the charges for the following services and articles:

"(A) diagnostic X-rays and laboratory tests, performed other than while an inpatient in a hospital or skilled nursing facility,

"(B) well child care, including immunizations, for children under age 5.

"(C) one oral examination per year, including prophylaxis, dental X-rays, topical application of fluoride and insertion of space maintainers, by a dentist or, at his direction, a dental hygienist, for children under age 13,

"(D) one eye refraction per year by a physician for children under age 13,

"(E) one pre-natal examination by a physician during each trimester of a pregnancy.

"(c) CATEGORY II EXPENSES.—

"(1) Prior to January 1, 1987, category II expenses shall be the charges for the services and articles described in items (A) through (L) of subsection (c)(2).

"(2) On and after January 1, 1987, category II expenses shall be the charges for the following services and articles to the extent not covered under category I:

"(A)(i) hospital board, room, and routine nursing services for other than the first day of hospital confinement in any given benefit year plus other hospital inpatient services, subject to a limit in the case of one or more confinements for one or more mental conditions to such of these services as are provided during the first ninety days of all such confinements in any given benefit year,

"(ii) hospital services and comprehensive ambulatory health care center services not otherwise described in this subsection that are rendered, on other than an inpatient basis, in connection with either a medical emergency or surgery,

"(B) professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than mental or dental, which are rendered by a physician, practicing either as an individual or as part of an organized entity, or, at his direction, by a staff of registered graduate nurses or allied health professionals,

"(C) the first twenty professional services for the diagnosis or treatment of one or more mental conditions rendered during the year by one or more physicians, practicing as individuals or as part of one or more organized entities, or, at their direction, by a staff of registered graduate nurses or allied health professionals,

"(D) drugs and contraceptive devices requiring a physician's prescription,

"(E) services of a skilled nursing facility for not more than 180 days in a year, provided use of these services commences within 14 days of the termination of a hospital confinement which lasted at least 3 days and which was for the same or a related condition,

"(F) services of a home health agency up to a maximum of 270 services in a year,

"(G) use of radium or other radioactive materials,

"(H) oxygen,

"(I) anesthetics,

"(J) prostheses, other than dental,

"(K) rental, or purchase if the carrier deems purchase would be less expensive, of durable medical equipment which has no personal use in the absence of the condition for which prescribed,

"(L) oral surgery for excision of:

"(i) partially or completely unerupted impacted teeth, or

"(ii) a tooth root without extraction of the entire tooth,

"(M) amalgam, acrylic, synthetic porcelain, and composite fillings and extractions including general anesthetic in connection therewith; injection of antibiotic drugs which are rendered by a dentist or, at his direction, by a staff of allied health professionals,

"(N) other dental services and prostheses, exclusive of orthodontia, which are rendered by a dentist or, at his direction, by a staff of allied health professionals,

"(O) services of a physical therapist,

"(P) services of a speech therapist,

"(Q) one eye refraction every 3 years by a physician for individuals age 13 or older,

"(R) one pair of eyeglasses per prescription, with a limit of one prescription per year for an individual under age 19 and one prescription every 3 years for an individual age 19 or older; with contact lenses considered as a pair of eyeglasses only when required as an integral part of intraocular surgery,

"(S) one hearing examination every 3 years by a physician or audiologist,

"(T) one hearing aid every 3 years for individuals under age 19 and one per lifetime for individuals age 19 or older,

"(U) one physical examination every 5 years for individuals age 5 years or older,

"(V) counseling on family planning and fitting of contraceptive device by a physician or an authorized member of his staff,

"(W) one Papanicolaou smear test every 2 years for women age 19 or over.

"(d) DEDUCTIBLES.—The deductible for each benefit year commencing prior to January 1, 1980, shall be $100. The deductible for each benefit year commencing on or after January 1, 1980, shall be $100 times the ratio of the Consumer Price Index for July of the calendar year next preceding the calendar year in which the benefit year commences to the Consumer Price Index for July 1978,

which product, if not an even multiple of $10, shall be taken to the next lower multiple of $10. Covered expenses incurred and actually applied toward an individual's deductible during the last 3 months of 1 benefit year shall be carried over and applied toward the deductible of that person for the following benefit year.

"(e) EXCLUSIONS.—Charges for the services and articles specified in subsections (b) and (c) do not include any of the following:

"(1) Any charge for any care for any injury or disease either—

"(A) arising out of and in the course of an employment subject to a workmen's compensation or similar law, or

"(B) for which benefits are payable without regard to fault under a coverage statutorily required to be contained in any liability insurance policy or equivalent self-insurance,

"(2) any charge for treatment for cosmetic purposes other than surgery for the prompt repair of a non-occupational injury.

"(3) any charge for travel, other than travel by local professional ambulance to the nearest health care institution qualified to treat the illnes or injury.

"(4) any charge for confinement in a private room to the extent the charge is in excess of the institution's charge for its most common semiprivate room,

"(5) any charge by health care institutions to the extent that it is determined under section 2108 of title XXI of the Social Security Act that the charge exceeds the rates approved thereunder,

"(6) any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel to the extent that it is determined under the procedures established in section 2102(e)(1) of title XXI of the Social Security Act that the charge is unreasonable or that the services or articles for which the charge is made are not necessary,

"(7) any charge for services or articles, the provision of which is not within the scope of the license or certificate of the institution or individual rendering such services or articles, or with respect to which the State requires a certificate of need but such certificate of need had not been received at the time the service was rendered or the article furnished.

"(8) any charge for the treatment of flat foot conditions or the prescription of supportive devices therefor, the treatment of subluxations of the foot, or routine foot care (including the cutting or removal of corns or calluses, the trimming of nails and other routine hygienic care) except when the patient is being treated for a peripheral-vascular disease that is so severe that routine foot care not under the direct supervision of a physician would be hazardous to the patient,

"(9) any charge for orthoptics (eye exercises), or

"(10) any charge for custodial care.

"(F) DEFINITIONS.—In applying this section—

"(1) the term 'physician' means an individual who is licensed or certified by the State as a doctor of medicine; doctor of osteopathy; doctor of podiatry; doctor of optometry; for purposes of oral surgery, doctor of dental surgery or doctor of medical dentistry; and, for purposes of mental conditions, a psychologist who meets the conditions set forth in (2).

"(2) The term 'psychologist' means a person who is duly licensed or certified as a psychologist and has a doctoral degree in clinical psychology and at least 2 years of supervised experience in clinical psychology at a licensed hospital or community mental health center.

"(3) The terms 'skilled nursing facility,' 'home health agency' and 'hospital' (herein referred to as 'health care institutions'), and 'home health services' shall have the meanings assigned to them in section 1861 of the Social Security Act.

"(4) The term 'copayment' means the portion of category II expenses that is not payable by a qualified health care plan and which is thus the obligation of the covered individual concerned to pay.

"(5) The term 'covered individual' means an individual who is covered under a qualified health care plan, except that an individual covered under a qualified employee health care plan who is not required to be so covered pursuant to section 290(c)(5) shall not be treated as a covered individual unless he is eligible under such plan for at least the minimum standard health care benefits.

"(6) The term 'qualified health care plan' means a qualified employee health care plan (as defined in section 290(c) of the Internal Revenue Code of 1954), a qualified individual health care plan (as defined in section 213(g) of the Internal Revenue Code of 1954) or a qualified State health care plan (as defined in section 2102 of the Social Security Act).

"(7) The term 'confinement' means confinement on an inpatient basis in a health care institution.

"(8) The term 'comprehensive ambulatory health care center' shall have the meaning prescribed by section 645(m) of the Public Health Service Act.

"(9) The term 'benefit year' means a period of 12 consecutive months during which the deductible must be met.

"(10) The term 'participating physician' means a physician who then has in effect an agreement with the administering carrier of the qualified State health care plan, as defined in section 2102(a) of the Social Security Act, applicable to the State in which the physician renders the service for which a benefit is to be provided, which agreement indicates that, during its existence, the physician will not charge any patient covered under a qualified health care plan more than the prevailing charge for the service rendered, as defined in section 2102(e)(1)(A) of the Social Security Act, and as determined by the carrier of the patient's plan.

"(11) The term 'custodial care' means care comprised of services and supplies, including room and board and other institutional services, which are provided to an individual, whether disabled or not, primarily to assist him in the activities of daily living. Such services and supplies are custodial care without regard to the practitioner or provider by whom or by which they are prescribed, recommended or performed.

"(g) LIMITATIONS ON MALPRACTICE JUDGMENTS.—In any litigation in any court of the United States or any State seeking damages for injury caused by negligence or other fault in the furnishing of any service or article covered under a qualified health care plan or under any title of the Social Security Act, no damages shall be awarded for the cost of remedial services for which the injured party was or is entitled to have payment made under this Act (or for which he would have been, or would be, entitled to have payment made upon obtaining the services from a physician or health care institution)."

(b) CONFORMING CLERICAL AMENDMENT.—The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof:

"Sec. 22. Minimum standard health care benefits.

SUBTITLE B—QUALIFIED EMPLOYEE HEALTH CARE PLANS

Sec. 511. EMPLOYER'S DEDUCTION FOR EMPLOYEE HEALTH CARE EXPENDITURES.

(a) IN GENERAL.—Subchapter B of chapter 1 of subtitle A of the Internal Revenue Code of 1974 is amended by adding at the end thereof the following new part:

"Part XI—Employee Health Care

"Sec. 290. EMPLOYER'S DEDUCTION FOR EXPENDITURES FOR EMPLOYEE HEALTH CARE.

"(a) LIMITATION ON DEDUCTION.—Except as provided in subsection (b), no deduction shall be allowed for the disallowed percentage of any amount otherwise allowable as a deduction for the taxable year under section 162, 212, or 404 for any amount paid or incurred by the taxpayer for medical care of any employee of the taxpayer, the employee's spouse, or any dependent of the employee. The disallowed percentage of the amount referred to in the preceding sentence is—

"(1) 50 percent if the amount is paid or incurred in 1979,

"(2) 75 percent if the amount is paid or incurred in 1980, and

"(3) 100 percent if the amount is paid or incurred after 1980.

"(b) EXCEPTIONS AND LIMITATIONS.—Subsection (a) shall not apply to any amount paid or incurred by the taxpayer—

"(1) WHERE EMPLOYER MAINTAINS QUALIFIED EMPLOYEE HEALTH CARE PLAN.—For any portion of the taxable year during which the taxpayer has in force a qualified employee health care plan which satisfies all the requirements of subsection (c).

"(2) TAXES.—As a tax imposed by the United States, a possession of the United States, a State, or a political subdivision of the foregoing, or by the District of Columbia

"(3) MEDICAL CARE PROVIDED DIRECTLY BY EMPLOYER.—To directly provide medical care, through health care personnel who are employees of the taxpayer, principally for employees of the taxpayer, or to acquire or maintain equipment or supplies to be used by such personnel for such purpose.

"(c) QUALIFIED EMPLOYEE HEALTH CARE PLAN DEFINED.—For the purposes of this title, the term 'qualified employee health care plan' means a plan of employee health care benefits (as defined in subsection (d)(4)) which satisfies all of the following requirements:

"(1) IN WRITING.—The plan must be in writing.

"(2) ADOPTED BY EMPLOYER.—The plan must be adopted by the taxpayer employer except that trustee plans established pursuant to the Labor Management Relations Act of 1947 shall be deemed to be adopted by the employer.

"(3) COMMUNICATION TO EMPLOYEES.—The terms of the plan must be communicated by the taxpayer to his employees.

"(4) MINIMUM STANDARD HEALTH CARE BENEFITS.—The plan must provide at least the minimum standard health care benefits described in section 222.

"(5) ELIGIBILITY.—The plan must be one under which the individuals eligible to be covered include at least—

"(A) each qualified employee of the taxpayer,

"(B) any such employee's spouse, and

"(C) any such employee's dependent unmarried child who is either under age 19 or under age 25 and a full-time student at an accredited institution of learning.

"(6) COVERAGE CONTINUATION.—The plan must provide for continuation of coverage under each of the following circumstances:

"(A) Upon layoff or termination of employment other than as a result of death of the employee, the employee must be permitted to have coverage under the plan continued for himself and for his covered dependents to the end of the second calendar month following the calendar month in which employment terminated.

"(B) Upon the death of an employee, his covered dependents must be permitted to have coverage under the plan continued to the end of the second calendar month following the calendar month in which death occurred.

"(C) During an employee's absence due to illness or injury, coverage for the employee and his covered dependents must be permitted to continue for up to 30 months from the beginning of such absence.

"(D) Coverage for an employee's dependent unmarried child must be permitted to continue beyond the child's 19th birthday, if the child was covered under the plan prior to attaining age 19, became totally disabled prior to that age, and remains so disabled. The employee must not be required to contribute more for such coverage than would have been required were the child a dependent under age 19.

"(E) Any employee or dependent entitled to continuation of coverage under any of the above subparagraphs at a time when the employer changes his plan and who would thereby lose his continuation of coverage, must be eligible under any successor plan for not less than the continuation of the coverage that would have been required to be continued had the prior plan remained unchanged.

"(F) For purposes of this paragraph, a 'covered dependent' is any individual, other than the employee, who by reason of his relationship to the employee was covered as a dependent under the plan just prior to the event described in subparagraph (A), (B), or (C). A child born after the event described in subparagraph (A), (B), or (C) but before the end of the continuation period so specified, shall be deemed a covered dependent. Coverage for a covered dependent shall not be required to be continued beyond the date the dependent would have ceased to be eligible for coverage as a dependent if the event described in subparagraph (A), (B), or (C) had not occurred.

"(H) Notwithstanding subparagraphs (A), (B), and (C), coverage need not be continued for a covered individual beyond the date such individual first becomes eligible for benefits under title XVIII of the Social Security Act.

"(7) COORDINATION OF BENEFITS PROVISION.—The plan must include a provision identical with or substantially similar to the suggested model group antiduplication provision as modified and interpreted in the report of the industry task force on coordination of benefits attached to the report of the C-1 Accident and Health Protection Subcommittee as set forth in Volume I of the 1971 proceedings of the National Association of Insurance Commissioners.

"(8) OPTIONAL PROVISIONS.—The plan shall not be treated as failing to meet the requirements of this subsection by reason of the inclusion therein of any one or more of the following optional provisions:

"(A) DEDUCTIBLE.—The plan may require a lesser deductible or waive it entirely with respect to one or more items of covered expense.

"(B) COPAYMENTS.—The plan may require lesser copayments or none at all with respect to one or more items of covered expense.

"(C) ADDITIONAL BENEFITS AND COVERAGE.—The plan may provide any benefits for medical care in addition to the minimum standard health care benefits described in section 222 and may also cover any individual in addition to the individuals required under paragraph (5) to be made eligible for coverage.

"(D) EMPLOYEE CONTRIBUTIONS.—The plan may require employee contributions toward its cost; except that the maximum employee contribution shall not exceed the lesser of—

"(i) 50 percent of the premium rate currently charged under the plan for the employee's coverage for himself and his then covered dependents, if any; or

"(ii) 10 percent of the excess, if any, of the employee's wages paid by the employer during the preceding calendar month over one-twelfth of the amount specified in section 2106(g) of title XXI of the Social Security Act.

When a plan requires employee contributions, the plan must provide each eligible employee who is not then enrolled a period of at least 30 days each year in which to decide whether to enroll in the plan. An employee who elects not to enroll during any such period will not again be eligible to enroll until the next such period.

"(d) DEFINITIONS.—For purposes of this section—

"(1) EMPLOYEE.—The term 'employee' shall have the meaning prescribed by section 3121 (d).

"(2) MEDICAL CARE.—The term 'medical care' shall have the meaning prescribed by paragraph (1) without regard to paragraphs (2) and (3) of section 213(e).

"(3) DEPENDENT.—The term 'dependent' as used in this section in reference to a dependent of an employee means an individual over half of whose support, for the calendar year in which the taxable year of such employee begins, was received from such employee.

"(4) PLAN OF EMPLOYEE HEALTH CARE BENEFITS.—The phrase 'plan of employee health care benefits' as used in subsection (c) includes—

"(A) a contract or contracts of insurance (whether one or more group contracts or a group of individual contracts) covering medical care for employees;

"(B) any uninsured arrangement established by an employer to provide medical care for employees;

"(C) an arrangement to secure medical care for employees from any approved health maintenance organization;

"(D) any insured or uninsured trustee arrangement set up pursuant to the Labor Management Relations Act of 1947; and

"(E) any combination of contracts or arrangements described in subparagraphs (A), (B), (C) or (D).

"(5) APPROVED HEALTH MAINTENANCE ORGANIZATION.—The term 'approved health maintenance organization' shall have the meaning prescribed by section 2115(m) of title XXI of the Social Security Act.

"(6) QUALIFIED EMPLOYEE.—The term 'qualified employee' means, with respect to any employer, any employee who—

"(A) either—

"(i) has been such an employee for more than 2 consecutive calendar months; or

"(ii) furnishes the employer proof that on the day before he became an employee of that employer he was covered and had been continuously covered for at least 2 consecutive calendar months under either another qualified employee health care plan or a qualified State health care plan and is now no longer eligible for coverage or continuation of coverage under such qualified health care plan; and

"(B) either—

"(i) is considered to be a full-time employee; or

"(ii) is not considered to be a full-time employee, but who is expected to work at least 20 hours a week for at least the next two calendar months; or

"(iii) is not considered to be a full-time employee, but who has actually worked at least 20 hours a week for at least the two immediately preceding calendar months:

Provided, however, That, as to trustee plans established pursuant to the Labor Management Relations Act of 1947, the term 'qualified employee' means a person eligible to be covered under such trustee plan."

"(7) CHILD.—The term 'child' means a son or daughter of the employee including a legally adopted son or daughter."

(b) CONFORMING CLERICAL AMENDMENTS.—(1) Section 162(h) of the Internal Revenue Code of 1954 (relating to cross references) is amended by adding at the end thereof the following new paragraph:

"(3) For limitation on employer's deduction for employee health care, see section 290."

(2) Section 404 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(h) CROSS REFERENCE.—

"For limitation on employer's deduction for employee health care, see section 290."

(3) Section 212 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following cross reference:

"CROSS REFERENCE.—

"For limitation on employer's deduction for employee health care, see section 290."

(4) The table of sections for — of subchapter B of chapter I of subtitle A of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

PART XI—EMPLOYEE HEALTH CARE

"SEC. 290. EMPLOYER'S DEDUCTION FOR EXPENDITURES FOR EMPLOYEE HEALTH CARE."

(c) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending after December 31, 1978.

(2) CERTAIN COLLECTIVELY BARGAINED PLANS.—In the case of any plan providing benefits for medical care of employees which was established by an employer taxpayer pursuant to an agreement which resulted from collective bargaining between the employer and representatives of his employees and which has not expired at the time specified in paragraph (1), the amendments made by this section shall not apply to such employer taxpayer until the first taxable year beginning after the last date such agreement is in effect or the date two years after the time specified in paragraph (1), whichever such date occurs first.

SUBTITLE C—QUALIFIED INDIVIDUAL HEALTH CARE PLANS

SEC. 521. QUALIFIED INDIVIDUAL HEALTH CARE PLANS.

(a) UNLIMITED DEDUCTION FOR MEDICAL INSURANCE EXPENSES OF INDIVIDUAL COVERED BY QUALIFIED HEALTH CARE PLAN.—Section 213 (a) (2) (relating to individual's deduction for medical insurance expense) of the Internal Revenue Code of 1954 is amended to read as follows:

"(2) the sum of—

"(A) an amount (not in excess of $150) equal to one-half of the expenses (other than those deductible under subparagraph (B)) paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents (as defined in section 152); and

"(B) in the case of a taxpayer who at any time during the taxable year is covered under a qualified health care plan (as defined in section 222), an amount equal to all the expenses paid during the taxable year for any insurance (whether provided under such qualified health care plan or otherwise) which constitutes medical care for the taxpayer, his spouse, or dependents (as defined in section 152), and which constitutes coverage during such portion of the taxable year as the taxpayer is covered by such qualified health care plan.".

(b) DEFINITION OF QUALIFIED INDIVIDUAL

HEALTH CARE PLAN.—Section 213 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(g) QUALIFIED INDIVIDUAL HEALTH CARE PLAN DEFINED.—For purposes of this title, the term 'qualified individual health care plan' means insurance which covers medical care referred to in subparagraphs (A) and (B) of subsection (e)(1), as modified by paragraphs (2) and (3) of subsection (e), and which satisfies all of the following requirements:

"(1) MINIMUM STANDARD HEALTH CARE BENEFITS.—The plan must provide at least the minimum standard health care benefits described in section 222.

"(2) CONTRACT REQUIREMENTS.—Each contract of insurance forming a part of the plan must contain provisions—

"(A) which obligate the insurer to renew the contract until the earlier of—

"(i) the date on which the individual in whose name the contract was issued first becomes eligible for coverage under title XVIII of the Social Security Act, or

"(ii) July 1 of the year in which the insurer shall have given at least 120 days prior notice that it is nonrenewing all contracts issued in that State that either then qualify under subsection (g) or previously have so qualified and that it will no longer issue such contracts, and which also reserve to the insurer the right to adjust premium rates by classes in accordance with its experience under the type of contract involved;

"(B) which, if issued prior to January 1, 1987, enable the individual in whose name the contract was issued to secure on January 1, 1987, without evidence of insurability, the minimum standard health care benefits then effective; and

"(C) which, upon the death of the individual in whose name the contract was issued, permit every other individual then covered under the contract to elect (within such period as shall be specified in the contract) to continue his coverage (under the same or a different contract) until such time as he would have ceased to be entitled to coverage had the individual in whose name the contract was issued lived.

"(3) OPTIONAL PROVISIONS.—An insurance contract shall not be treated as failing to meet the requirements of this subsection by reason of the inclusion therein of any one or more of the following optional features:

"(A) INSURANCE WITH OTHER INSURERS.—The contract may contain a provision coordinating its benefits with any other contract if such provision is approved by the appropriate regulatory authority of the State of issue.

"(B) DEDUCTIBLES.—The contract may require a lesser deductible or waive it entirely with respect to one or more items of covered expense.

"(C) COPAYMENTS.—The contract may require lesser copayments or none at all with respect to one or more items of covered expense.

"(D) ADDITIONAL BENEFITS.—The contract may provide any benefits for medical care in addition to the minimum standard health care benefits."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1978.

SEC. 522. PROCEDURE FOR RULINGS ON QUALIFICATION OF EMPLOYEE AND INDIVIDUAL HEALTH CARE PLANS.

In exercise of the power to issue rulings which is vested in him under section 7805 of the Internal Revenue Code of 1954, the Secretary of the Treasury (or his delegate) may accept the determination of the State insurance regulatory authority that a plan of health care benefits filed with and approved by such authority is a plan satisfying all requirements for qualification either as a qualified employee health care plan (as defined in section 290(c) of the Internal Revenue Code of 1954) or as a qualified individual health care plan (as defined in section 213(g) of the Internal Revenue Code of 1954).

SEC. 523. REGULATIONS.

Any regulations promulgated by the Secretary of the Treasury (or his delegate) with regard to amendments of the Internal Revenue Code of 1954 made by subtitle A, B, or C of this title shall be promulgated in final form not less than 120 days prior to the first day of the calendar year during which they will apply. Such regulations shall be effective only if (a) promulgated in final form within the time prescribed in the preceding sentence, and (b) notice of such regulation in proposed form and of opportunity for public hearing thereon shall have been published not less than 60 days prior to the date of promulgation thereof in final form.

SUBTITLE D—GRANTS TO STATES FOR QUALIFIED STATE HEALTH CARE PLANS FOR THE NEEDY

SEC. 531. GRANTS TO STATES FOR QUALIFIED STATE HEALTH CARE PLANS.

The Social Security Act is amended by adding after title XX the following new title:

"TITLE XXI—GRANTS TO STATES FOR QUALIFIED STATE HEALTH CARE PLANS

"Sec. 2101. Appropriations.
"Sec. 2102. Qualified State health care plan definition.
"Sec. 2103. Eligibility for enrollment.
"Sec. 2104. Determination and review of premium rates.
"Sec. 2105. Procedure for enrollment.
"Sec. 2106. Individual and family contributions and State premium payments.
"Sec. 2107. Extension and termination of coverage.
"Sec. 2108. Approval of institutional rates of reimbursement by State health care institutions cost commissions.
"Sec. 2109. Review of levels of institutional rates of reimbursement by Secretary of Health, Education, and Welfare.
"Sec. 2110. Operation of the qualified State health care benefits pool.
"Sec. 2111. Furnishing of information by other agencies.
"Sec. 2112. Payments to States.
"Sec. 2113. Eligibility of those now covered under certain State or Federal programs.
"Sec. 2114. Premium taxes.
"Sec. 2115. Definitions.
"Sec. 2116. Protection against insolvency.
"Sec. 2117. Regulations.
"Sec. 2118. Underwriting and reinsurance facilities.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 2101. For the purpose of providing comprehensive health care insurance to needy individuals and families in a manner which will enhance personal dignity, there is authorized to be appropriated for each fiscal year a sum sufficient to carry out this title. The sums appropriated pursuant to this section shall be used for making payments to States which have qualified State health care plans which have been approved by the Secretary of Health, Education, and Welfare.

"QUALIFIED STATE HEALTH CARE PLAN DEFINITION

"General Rule

"SEC. 2102 (a) A qualified State health care plan shall be a contract or other agreement between a State and an administering carrier designated by the State with the approval of the Secretary, which provides for payment to practitioners, health care institutions, and other providers of health care, on behalf of the individuals and families required under section 2103 to be made eligible therefor, of the minimum standard health care benefits described in section 222 of the Internal Revenue Code of 1954, subject to the modifications specified in (d) of this section, and which requires the administering carrier to make and publish agreements with physicians desiring to be participating physicians as defined in section 222(f) of the Internal Revenue Code of 1954.

"Option To Elect Coverage Under an Approved Health Maintenance Organization

"(b) An individual or family eligible for enrollment in the qualified State health care plan under section 2103 may, upon written request, submitted to the administering carrier with his enrollment application, elect coverage, if available, under an arrangement between the administering carrier and an approved health maintenance organization (as defined in section 2115(m)), in lieu of coverage under the qualified State health care plan: *Provided, however,* That the charges made to the State through the administering carrier for such alternative coverage shall not exceed the average charge that would have been made to the State had the individual or family not made such election and had enrolled instead in the qualified State health care plan.

"Reinsurance Condition

"(c) The contract risk under a qualified State health care plan shall be reinsured, through the qualified State health care benefits pool described in section 2110, by all carriers (profit and nonprofit) licensed in or otherwise authorized by the State to issue coverage for one or more items of health care, by all approved health maintenance organizations doing business in the State, and by all other persons in the State who provide uninsured plans that are qualified employee health care plans (as defined in section 290 of the Internal Revenue Code of 1954).

"Deductible

"(d)(1) The amount of the deductible for any given policy year shall be the figure shown in the first column of table A corresponding to the applicable adjusted gross income shown in table A for the size of family concerned.

"TABLE A

Deductible	Adjusted gross income		
	Single individual	Family of 2	Family of 3 or more
$10	Less than $1,000	Less than $1,500	Less than $2,000.
$20	$1,000 but less than $1,500	$1,500 but less than $2,250	$2,000 but less than $3,000.
$30	$1,500 but less than $2,000	$2,250 but less than $3,000	$3,000 but less than $4,000.
$40	$2,000 but less than $2,500	$3,000 but less than $3,750	$4,000 but less than $5,000.
$50	$2,500 but less than $3,000	$3,750 but less than $4,500	$5,000 but less than $6,000.
$60	$3,000 but less than $3,500	$4,500 but less than $5,250	$6,000 but less than $7,000.
$70	$3,500 but less than $4,000	$5,250 but less than $6,000	$7,000 but less than $8,000.
$80	$4,000 but less than $4,500	$6,000 but less than $6,750	$8,000 but less than $9,000.
$90	$4,500 but less than $5,000	$6,750 but less than $7,500	$9,000 but less than $10,000.

"(2) At such times as the operation of section 2103(a)(4) may cause individuals or families with adjusted gross incomes in excess of those shown in table A to become eligible for the qualified State health care plan, the deductible applicable to such individuals or families shall be determined by adding to $90—

"(A) $10 for each $500 or fraction thereof by which the adjusted gross income of a single individual exceeds $5,000,

"(B) $10 for each $750 or fraction thereof by which the adjusted gross income of a family of two exceeds $7,500, or

"(C) $10 for each $1,000 or fraction thereof by which the adjusted gross income of a family of three or more exceeds $10,000.

"(3) For the purpose of this subsection, the adjusted gross income to be used shall be that for the last taxable year preceding April 1 of the calendar year in which the policy year commences.

"(4) Covered expenses incurred and actually applied toward an individual's deductible during the last three months of one policy year shall be carried over and applied toward the deductible of that person for the following policy year.

"(5) The limit on the aggregate of deductibles and copayments assessed in any one policy year shall be ten times the amount of the deductible determined for that policy year.

"Limitations

"(e)(1)(A) No charge for a benefit otherwise described by this section, other than charges by a health care institution, shall be reimbursed to the extent that it exceeds a reasonable charge. In determining the reasonable charge for a given health care service or article there shall be taken into consideration the charge for the service or article when rendered under comparable conditions, which is customarily made by the physician, or other person furnishing such service or article, but in no event shall the payment be in excess of the prevailing charge in the locality for the service or article. The prevailing charge in a locality for the period from July 1 of a given calendar year through June 30 of the following calendar year shall be the amount which the administering carrier determines to be the seventy-fifth percentile of a low to high distribution of the actual charges made for similar services or articles by all physicians in the same locality during the calendar year immediately preceding the given year. However, if the percentage increase in the prevailing charge (so determined) from one period to the next would be greater than the percentage increase in the Consumer Price Index during the preceding calendar year, then the prevailing charge for such next period shall be that used for the prior period increased by the same percentage increase as had occurred in the Consumer Price Index. When for any reason in any given period this method of calculation shall produce a prevailing charge for any service or article which in the opinion of the administering carrier is unreasonable or inequitable, the prevailing charge for that service or article in that period shall be determined by the administering carrier in accordance with regulations specified by the Secretary for this purpose.

"(B) No charge by a physician (as defined in section 222(f)(1) of the Internal Revenue Code of 1954) for a benefit otherwise described by this section shall be reimbursed to the extent that it is for health care services or articles rendered by the physician or at his direction and determined not to be necessary according to utilization guidelines that have been established by physicians deemed competent by their peers. Payment for health care services or articles beyond such guidelines may be made only if approved by the health professional staff of the administering carrier of the qualified State health care plan, after review by a professional standards review organization established by the physicians of the locality, if such exists, pursuant to part B of title XI of the Social Security Act.

"(C) No charges for care rendered in any health care institution shall be reimbursed if it is determined, in accordance with and subject to the provisions of section 2108, that the health care institution is not complying with the prospective rate approval conditions established by section 2108.

"(2) No charge for a benefit otherwise described by this section shall be reimbursed to the extent it is a proper reimbursement or would be in the absence of this title under any other insurance plan providing health care benefits, including, but not limited to, benefits provided under title XVIII of the Social Security Act.

"Optional Election of Services of Christian Science Practitioner

"(f) An individual or family eligible for enrollment in a qualified State health care plan under section 2103 may elect, in writing, at the time the individual or family makes application for enrollment, to have the term 'physician' mean 'a Christian Science practitioner' listed as such in the Christian Science Journal current at the time the practitioner provides the service' in lieu of the meaning set forth in section 222(f)(1) of the Internal Revenue Code of 1954. Such election shall not apply to any service or article furnished in connection with a pregnancy or any complication thereof.

"ELIGIBILTY FOR ENROLLMENT

"Needy Individuals and Families

"SEC. 2103. (a) Every individual or family (as defined in section 2115(1))—

"(1) who is a resident of the State;

"(2) who is not eligible to enroll (through either spouse in the case of a family) in a qualified employee health care plan (as described by section 290(c) of the Internal Revenue Code of 1954);

"(3) who, if eligible to enroll in the supplementary medical insurance program for the aged described in part B of title XVIII of the Social Security Act, is, in fact, enrolled in said insurance program; and

"(4) who meets one of the three following conditions—

"(A) whose adjusted gross income for his or its last taxable year preceding April 1 of the calendar year in which the policy year, for which eligibility is being determined, commences was less than—

"(i) $5,000 times the ratio specified in item (5) for a single individual,

"(ii) $7,500 times the ratio specified in item (5) for a family of two, or

"(iii) $10,000 times the ratio specified in item (5) for a family of three or more; or

"(B) who does not meet condition (A) but who furnishes the administering carrier satisfactory evidence that his or its adjusted gross income was less than one-twelfth of the dollar limit applicable to the policy year concerned—

"(i) under item (a)(4)(A)(i) for a single individual,

"(ii) under item (a)(4)(A)(ii) for a family of two, or

"(iii) under item (a)(4)(A)(iii) for a family of three or more;

for each of the last 2 calendar months, who agrees that his or its continued eligibility during that policy year will be contingent upon furnishing satisfactory proof that his or its adjusted gross income for each succeeding calendar month is below the applicable amount specified above and who furnishes such proof prior to the last day of the calendar month next following the month with respect to which proof is furnished; or

"(C) does not meet either condition (A) or (B) above but is a Federal cash recipient as defined in section 2115(1),

shall, in accordance with, and subject to the other provisions of this title, be eligible to enroll in the qualified State health care plan;

"(5) the ratio referred to in item (4)(A) is the ratio of the Consumer Price Index (all items—United States city average as published monthly by the Bureau of Labor Standards of the Department of Labor) for July of the calendar year next preceding the calendar year in which the policy year concerned commences to the Consumer Price Index for July, 1978, which ratio, if not an even multiple of 10 percent shall be taken to the next lower multiple of 10 percent.

"Time for Determining Eligibility

"(b) For the purpose of applying the conditions of eligibility under this section, all determinations shall be made on the day application for enrollment for the policy year is made.

"DETERMINATION AND REVIEW OF PREMIUM RATES

"General Rule

"SEC. 2104. (a) The premium rate to be charged under a qualified State health care plan for each policy year shall be actuarially established in each State for each of the risk categories—

"(1) single individual,

"(2) family of two, and

"(3) family of three or more.

"Composition of Premium

"(b)(1) The premium rate for a given risk category to be charged for the initial policy year shall be determined by the administering carrier on the basis of the sum of only the following factors:

"(A) the arithmetic average of the separate estimates of incurred claim costs for that risk category for the first policy year filed with the insurance regulatory authority of the State pursuant to requests by such authority to two nondomestic insurance companies licensed to issue health care insurance in the 50 States and the District of Columbia, two domestic insurance companies licensed to issue health care insurance in the State, one domestic nonprofit hospital expense indemnity organization, and one domestic nonprofit medical expense indemnity organization;

"(B) the charge for administration as set for the policy year by the administering carrier; and

"(C) a risk charge in an amount mutually agreed upon from time to time by the insurance commissioner, the administering carrier, and three members of the American Academy of Actuaries with experience in health care insurance, two of whom are appointed by the Governor of the State and one by the administering carrier.

"(2) The premium rate for a given risk category to be charged for each subsequent policy year shall be determined by the administering carrier on the basis of the sum of only the following factors:

"(A) the incurred claim costs for that risk category for the prior policy year;

"(B) an amount equal to any projected increase or decrease in incurred claim costs for that risk category for the policy year;

"(C) an amount, if needed, to repay in full any pool losses (described in subsection 2110(c)) of prior years borne by the reinsurers of the pool and not yet recovered by them;

"(D) the charge for administration as set for the policy year by the administering carrier; and

"(E) the risk charge established pursuant to subsection (b)(1)(C).

"Review of the Premium Rates

"(c)(1) The premium rates determined for each State for each policy year pursuant to subsection (b) and the utilization and other assumptions underlying the rates are to be filed by the State with the chief actuary for the Social Security Administration, and if, within ninety days after such filing, the chief actuary determines that the rates are unjustifiably high for the State, he shall recommend to the Secretary a commensurate reduction in the Federal health care percentage described in section 2112(d). The Secretary, to the extent he concurs in and

adopts such recommendation, shall advise the State of the reduction he proposes to promulgate.

"(2) The State may request a hearing within 30 days after receipt of notice of the proposed reduction pursuant to paragraph (1). In such event, the Secretary shall, upon request by the State for a hearing and within 30 days thereof, appoint a hearing board of three actuaries, each of whom shall be a member in good standing of the American Academy of Actuaries, including one actuary who shall be appointed with the concurrence of the Governor of the State, and one actuary who shall be appointed with the concurrence of the administering carrier.

"(3) If a State does not request a hearing, or if the hearing board appointed pursuant to paragraph (2) concurs in the finding that the rates are unjustifiably high, the Secretary shall promulgate the proposed reduction in the Federal health care percentage, which shall apply throughout the period that the rates on which the hearing was based remain in effect.

"(4) If the hearing board appointed pursuant to paragraph (2) determines that the rates are not unjustifiably high for the State, the Federal health care percentage shall not be reduced.

"PROCEDURE FOR ENROLLMENT

"General Rule

"SEC. 2105. (a)(1) The appropriate State agency shall enroll each Federal cash recipient, required under section 2103 to be made eligible therefor, in the qualified State health care plan, and shall file his application with the administering carrier on forms to be provided by the administering carrier.

"(2) All other individuals, or the member of a family who provides the family's chief support, otherwise required under section 2103 to be made eligible therefor, may enroll in a qualified State health care plan upon filing an application with the administering carrier on a form to be provided by the administering carrier.

"Information Required of Each Applicant

"(b) Each eligible applicant described in section 2103 shall provide the administering carrier all information and evidence required to make an eligibility determination, and provide or certify any other essential information required under regulations prescribed by the Secretary, including but not limited to—

"(1) certification of his eligibility as a Federal cash recipient;

"(2) certification of his, or his family's adjusted gross income;

"(3) certification that he and his applicable family members, if eligible for the supplementary medical insurance program for the aged described in part B of title XVIII of the Social Security Act, are enrolled thereunder; or, if not then eligible, certify that he and his applicable family members who may become eligible during the policy year for the insurance program described in part B of title XVII will enroll in such program; and

"(4) permission for the administering carrier to confirm his, or his family's, adjusted gross income with the Internal Revenue Service.

"Enrollment Periods

"(c) Applications for enrollment in a qualified State health care plan shall only be made and filed during an open enrollment period which shall be the calendar month of April of each year for coverage commencing for the policy year beginning the following July 1, except applications for enrollment—

"(1) shall be made by the appropriate State agency on behalf of an individual or family who establishes (other than during an open enrollment period) that he is a Federal cash recipient eligible for enrollment pursuant to section 2103(a), but not then enrolled; and shall be filed with the administering carrier by the appropriate State agency within thirty days following the day on which the State receives satisfactory evidence that such individual or family has established eligibility as a Federal cash recipient; or

"(2) may be made by an individual or family who is not a Federal cash recipient and who is currently eligible for enrollment pursuant to section 2103(a) but was not so eligible at the time of the last open enrollment period and, if so made, shall be filed with the administering carrier by the individual or family within 30 days following the first day, after the last open enrollment period, on which such individual or family so became eligible.

"Effective Date of Coverage

"(d) Qualified State health care plan coverage for an individual or family eligible to enroll shall commence on the first day of the third calendar month following the calendar month in which application for enrollment was filed with the administering carrier, except that—

"(1) coverage shall not commence unless and until—

"(A) any contribution required of the individual or family pursuant to section 2106 has been paid, and

"(B) the applicable premium has been paid by the State;

"(2) as to an individual or family eligible pursuant to subsection 2103(a)(4)(B), coverage shall commence on the first day of the calendar month following the 2 calendar months whose wages are used as the basis of such eligibility provided application for enrollment is filed and contributions and premiums paid within 30 days of such date; and

"(3) as to an individual or family who is a Federal cash recipient, coverage shall be retroactive to the first of the month in which the individual or family became eligible as a Federal cash recipient, and the State shall pay the appropriate premiums for the period of retroactive coverage, as well as the premium for the next month, at the time application for enrollment is submitted to the administering carrier.

"INDIVIDUAL AND FAMILY CONTRIBUTIONS AND STATE PREMIUM PAYMENTS

"Individual and Family Contributions

"SEC. 2106. (a) Individuals and families enrolled in a qualified State health care plan shall be required to contribute toward the cost of the plan for any given policy year, by paying to the administering carrier, for each month for which coverage is provided, an amount limited as follows:

(1) In the case of an individual or family whose eligibility is based on having met the conditions set forth in section 2103(a)(4)(A), the contribution for each month is one-twelfth of 10 percent of the excess of the adjusted gross income of such individual or family for the taxable year on which eligibility is based over the applicable amount specified in subsection (g); *Provided, however,* That the amount so determined shall be reduced (but not below zero) by the total premium, if any, paid for such month by the individual or family to the Social Security Administration for enrollment in the supplementary medical insurance program for the aged described in part B of title XVIII of the Social Security Act.

(2) In the case of an individual or family whose eligibility is based on having met the conditions set forth in section 2103(a)(4)(B) the contribution for each month is one-half of 1 percent of the dollar limit applicable to the policy year concerned—

"(A) under 2103(a)(4)(i) for a single individual

"(B) under 2103(a)(4)(A)(ii) for a family of two, or

"C) under 2103(a)(4)(A)(iii) for a family of three or more.

(3) No contribution shall be required of an individual or family whose eligibility is based on having met the conditions set forth in section 2103(a)(4)(C).

"State Payment of Contributions on Behalf of Certain Individuals and Families

"(b) As to any month of a policy year that an individual or family has established that he or it is a Federal cash recipient, any contribution required for that month pursuant to subsection (a) shall be paid by the State on behalf of that individual or family.

"State's Share of the Premium

"(c) Each State which has a qualified State health care plan shall pay the administering carrier an amount equal to the excess of the sums of items (1) and (3) over item (2)—

"(1) the total premium cost for the policy year,

"(2) the total amount of contributions actually paid to the administering carrier by the individuals and families as provided for in this section,

"(3) the total amount refunded pursuant to subsection (e)(5).

"Nonvariability of Contributions and Premiums

"(d) The amount of contribution and the amount of premium shall be established by family size category on the day application for enrollment was made, and shall not change as a result of a change in family size thereafter.

"Due Date of Contributions and State Premium Payments

"(e)(1) Except as otherwise provided in this subsection, any contribution required of an individual or family, or of the State on behalf of a Federal cash recipient, for a given month of a policy year shall be due and payable—

"(A) in advance of the first day of that month, or

"(B) in the case of the initial contribution by an individual or family whose coverage may commence retroactively to the first of the month pursuant to the exception permitted by subsection 2105(d)(2), on the date application for enrollment is made.

"(2) As to any individual or family whose monthly contribution would, in the absence of this paragraph, be less than the administering carrier's cost of billing and collecting such contributions, the administering carrier shall require contributions to be paid quarterly, semiannually or annually in advance, whichever is necessary in order to first bring such cost below the amount of the less frequent contribution.

"(3) Any individual or family member who is required to make contributions for his coverage other than in accordance with (2) above and who is an employee (as defined in section 3121(d) of the Internal Revenue Code of 1954) may require his employer to make periodic deductions from his wages, and remit each contribution to the administering carrier on or before the due date specified in subsection (1).

"(4)(A) At least 15 days prior to the first day of a given calendar month, the administering carrier shall estimate the excess of the total premiums due that month over the total contributions that will be paid by enrolled individuals and families that month and shall bill the State for such estimated excess. If payment by the State of any such billing is not received by the first day of the month it is due, the administering carrier shall not be liable for benefit payments thereafter.

"(B) After the end of any given policy year, the carrier shall determine the amount required to be paid by the State in accordance with subsection (c), and shall—

"(I) charge the State with any excess of the amount so determined over the total of the estimated monthly payments made by the State with respect to that policy year; or

"(II) credit the State with any excess of the total of the estimated monthly payments made by the State with respect to that policy year over the amount so determined.

Any such charge shall be paid by the State within 30 days of receipt of written notice from the administering carrier.

"(5) If at the end of any given policy year an individual or family covered for all or part of that policy year furnishes the administering carrier satisfactory evidence that his or its adjusted gross income for his or its last taxable year preceding April 1 of the calendar year in which that policy year ended was less than the applicable amount specified in (g), then the administering carrier shall refund to that individual or family the total amount of contributions he or it paid with respect to that policy year, and such refund shall be a valid charge to the State by the administering carrier.

"State Payment of Premiums for Part B Medicare Benefits

"(f) Each State which has a qualified State health care plan shall make available and pay premiums for, supplementary medical insurance benefits under part B of title XVIII of the Social Security Act to any individual or family member who is enrolled in that State's qualified State health care plan, who is eligible for such supplementary medical insurance benefits and who either—

"(1) has established eligibility as a Federal cash recipient at the time his application for enrollment in the qualified State health care plan is made; or

"(2) had adjusted gross income for the taxable year on which eligibility is based less than the applicable amount specified in (g).

Such benefits shall be made available pursuant to an agreement entered into under section 1843 of the Social Security Act, or by reason of the payment of premiums under such title by the appropriate State agency on behalf of the individuals.

"(g) for purposes of (a)(1), (e)(5), and (f)(2) of this section and for purposes of section 290(c)(8)(D)(ii) of the Internal Revenue Code of 1954, the applicable amount shall be 40 percent of the dollar limit applicable to the policy year concerned—

"(A) under section 2103(a)(4)(A)(i) for a single individual,

"(B) under section 2103(a)(4)(A)(ii) for a family of two, or

"(C) under section 2103(a)(4)(A)(iii) for a family of three or more.

"EXTENSION AND TERMINATION OF COVERAGE

"General Rule

"SEC. 2107. (a) Except as provided in subsection (d), subject to timely payment as specified in section 2106(e) of any contribution required under section 2106 by the individual or family and subject to timely payment of the State's share of the premium as specified in section 2106(e), qualified State health care plan coverage shall remain in force—

"(1) with regard to an individual or family made eligible under section 2103(a)(4)(A), for the balance of the policy year;

"(2) with regard to an individual or family made eligible under section 2103(a)(4)(B), until the end of the calendar month following the first calendar month with respect to which the individual or family fails to furnish satisfactory evidence that his or its adjusted gross income was below the applicable amount specified in section 2103(a)(4)(B) or the end of the policy year if earlier; and

"(3) with regard to an individual or family made eligible under section 2103(a)(4)(C), until the end of the third calendar month following the calendar month in which eligibility for public cash assistance ceased or the end of the policy year if earlier.

"Extended Coverage

"(b) Qualified State health care plan coverage shall immediately extend to any child born to, or adopted by, any eligible family member subsequent to the day the application for enrollment was made, and shall continue in force until the date the family's coverage would otherwise terminate in accordance with this section.

"Continued Coverage

"(c) Qualified State health care plan coverage during the policy year shall not be terminated because an individual who was an eligible family member on the day the application for enrollment was made ceases to be an eligible family member subsequent to the date of application.

"Termination of Coverage

"(d)(1) Qualified State health care plan coverage shall terminate as of the first day of any calendar month if any contribution due with respect to that month has not been paid by the applicable due date specified in section 2106(e).

"(2) If qualified State health care plan coverage is terminated in accordance with paragraph (1) and a request for reinstatement is made within 30 days following the day coverage terminated, the individual or family will be extended continuous coverage upon payment of the overdue contribution and all remaining contributions due during the balance of that portion of the policy year that coverage would have remained in force pursuant to subsection (a) had timely payments been made plus a service charge of $10.

"(3) If qualified State health care plan coverage is terminated in accordance with paragraph (1) and the individual or family fails to request reinstatement as provided for in paragraph (2), the individual or family shall not be eligible for any coverage under the qualified State health care plan for the balance of the policy year concerned, and if such individual or family is eligible and desires to enroll for the next policy year, he or it must first pay a service charge of $10.

"APPROVAL OF INSTITUTIONAL RATES OF REIMBURSEMENT BY STATE HEALTH CARE INSTITUTIONS COST COMMISSIONS

"State Commission

"SEC. 2108. (a) In the operation of a qualified State health care plan no charge for services rendered or supplies furnished by hospitals, skilled nursing facilities, or home health agencies (herein collectively referred to as 'health care institutions') shall be reimbursed to the extent that such charges exceed the rates approved by a State health care institutions cost commission. Such commission shall be a State agency designated by the Governor of each State for the purpose of performing the functions described in this section. Such commission shall operate with the advice of a council appointed by the Governor. The council shall include at least two consumer representatives, one hospital representative, one skilled nursing facility representative, one home health agency representative, one hospital service organization representative, one insurance company representative, and one representative of the State health planning and development agency established pursuant to section 1521, Title XV of the Public Health Service Act. One of the representatives shall be designated as chairman of the advisory council.

"Review of Budgets and Charges

"(b) The commission shall review budgets and proposed charges for the health care institutions in the State in order to establish prospectively approved charges which shall be applicable without discrimination to all purchasers of services and supplies from health care institutions irrespective of whether the purchasers are insured pursuant to any provision of this title and irrespective of type of underwriter which may provide insurance to a purchaser. Once each year, each health care institution shall file its budget and proposed charges with the commission. The commission may approve the use of a single charge for all of a group of services commonly rendered a class of patients or a single all-inclusive daily charge for all inpatient services of the health care institution. Filed charges shall be deemed approved unless disapproved by the commission within 60 days after filing.

"Standards for Health Care Institutions

"(c) In reviewing the proposed charges of health care institutions in the State, the commission shall require at least the following standards of each such institution—

"(1)(A) an active review committee of qualified physicians and other personnel that effectively determines whether the services rendered are—

"(i) of good quality,

"(ii) needed for the proper treatment of the patient, and

"(iii) provided only as long as necessary within the health care institution; and

"(B) management that takes effective and prompt action with respect to adverse findings;

"(2) utilization of a standard system of accounting and cost finding established by the commission;

"(3) utilization of the approved charge for all patients; and

"(4) a budget of its expenses for each fiscal year, using the approved standard system of accounting and cost finding, and charges for its services, both reasonably related to the cost of efficient production of such services.

The commission shall also take into consideration economic factors in the health care institution's geographical area, costs of comparable institutions providing comparable services, capital requirements, and the need for incentives to improve service and institute economies which might be secured from the sharing of joint services with other health care institutions.

"Amortization of Capital Costs

"(d) In reviewing that portion of a health care institution's charges which results from financing costs and depreciation relating to prior capital expenditures, the commission shall accept the determination, if any, of the appropriate health systems agency (as defined in section 1512 of the Public Health Service Act) that the construction of such facility was consistent with the health needs of the area, but in no event shall the commission approve charges that would finance services, equipment, or facilities which required but were denied a certificate of need pursuant to section 1523(a) of the Public Health Service Act or section 1122 of the Social Security Act.

"Appeal by Health Care Institution Following Disapproval by Commission

"(e) If the budget submitted by a health care institution reveals significant operating inefficiencies or if the proposed charges otherwise appear to be unjustifiably high, the commission shall disapprove the proposed charges. If the proposed charges are disapproved, the affected health care institution may request consideration of the advisory council constituted by virtue of subsection (a). Upon receipt of such request, the council shall hold a hearing at which the interested parties may appear to present the facts which support the commission's decision and the facts which support the affected health care institution's position. Follow-

ing such hearing the council shall advise the commission of its recommendation, and the commission shall thereupon render a final decision.

"Federal Payment for Cost Commission's Expenses

"(f) The Secretary shall pay to any State which has a qualified State health care plan an amonut equal to 75 percent of the reasonable amounts expended by the State each quarter as found necessary by the Secretary for the proper and efficient administration of the State's health care institutions cost commission and its advisory council except that there shall be no reimbursement by the Secretary for the cost of any institutional audits that may be conducted by the commission.

"REVIEW OF LEVELS OF INSTITUTIONAL RATES OF REIMBURSEMENT BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE

"Filing With the Secretary

"SEC. 2109. (a) Annually on a date specified by the Secretary, each State health care institutions cost commission shall file with the Secretary, on a form prescribed by him, a report of the level of rates of institutional reimbursement approved by the commission for such categories of health care institutions as shall be established by the Secretary. The categories shall take into consideration the type and size of the institutions and differing economic characteristics by geographic areas within each State so that each category will include institutions with similar conditions of operating cost.

"Review by the Secretary

"(b) In the event the Secretary determines that the level of rates approved for a given category of health care institution in a State is unjustifiably high in relation to those of other States, he shall order a reduction for that State in the Federal medical assistance percentage (as defined in section 1905(b) of title XIX of the Social Security Act), and a reduction in the Federal health care percentage (as defined in section 2112(d)) to compensate for the excess cost resulting from the unjustifiably high level of rates for that category of health care institutions in the State. The Senate may appeal the Secretary's decision, and upon receipt of an appeal, the Secretary shall appoint a hearing board of three members which shall hold a hearing at which the interested parties may appear to present the facts which support the Secretary's decision and the facts which support the appellant State's position. The members of the hearing board shall each be knowledgeable with respect to the costs of operating health care institutions of the category concerned and may not be an employee or an owner of any of the health care institutions concerned. Following such hearing the hearing board shall advise the Secretary of its recommendation, and the Secretary shall thereupon render a final decision. There shall be no further right of appeal or review by the State. If the State, whose Federal percentages have been reduced, takes action to correct the situation which produced the unjustifiably high level of rates for the category of health care institutions, it may so notify the Secretary and request restoration of the full amount of the Federal medical assistance percentage and the full amount of the Federal health care percentage. If the Secretary is satisfied that corrective action has been taken, he shall restore the Federal percentages to their full amount for that State as of the date he deems the corrective action to have eliminated the unjustifiably high level of rates.

"OPERATION OF THE QUALIFIED STATE HEALTH CARE BENEFITS POOL

"General Rule

"SEC. 2110. (a) The qualified State health care benefits pool (hereinafter in this section referred to as the 'pool') shall be administered by the administering carrier.

"Fiscal Operation

"(b)(1) The premiums collected pursuant to this title, the service charges described in section 2107(d) and the reimbursements for pool losses described in subsection (c)(2) shall be paid into the pool.

"The pool shall be available—

"(A) without fiscal year limitation to pay all qualified State health care plan benefit claims certified by the administering carrier;

"(B) without fiscal year limitation to pay premiums to approved health maintenance organizations (as defined in section 2115(m));

"(C) to pay the risk charges specified in section 2104(b);

"(D) to repay to pool reinsurers the losses, if any, specified in section 2104(b)(2)(C);

"(E) to pay the administrative charges of the administering carrier described in section 2104(b); and

"(F) to pay any other charges for which the pool has a liability.

"(2) The moneys in the pool shall be invested and reinvested in interest-bearing obligations, which may be sold for the purpose of the pool. The interest on, and the proceeds from the sale of, such obligations become a part of the pool.

"Experience Accounting

"(c)(1) At the close of each policy year, an experience accounting for the pool for the policy year shall be prepared by the administering carrier and submitted to the Secretary, to the State, and to all reinsurers specified in section 2102(c).

"(2)(A) All reinsurers shall participate in any pool losses in accordance with a formula, designed by the administering carrier and approved by the Insurance Commissioner of the State, that equitably allocates pool losses to carriers and approved health maintenance organizations in proportion to their total health care business and to uninsured plans in proportion to their benefit payments under qualified employee health care plans. The aggregate pool losses for any policy year to be apportioned among the pool participants shall be limited to such percent of the qualified State health care plan premiums collected by the pool for the year as shall be mutually agreed upon from time to time by the insurance commissioner, the administering carrier, and three members of the American Academy of Actuaries with experience in health care insurance, two of whom are appointed by the Governor of the State and one by the administering carrier. Losses in excess of this limitation shall be borne by the State.

"(B) The State shall collect the uninsured plans' share of the pool losses, and remit such amount together with the State's payment for its share of the losses to the administering carrier within 45 days after the experience accounting has been submitted. The other reinsurers shall remit their share of the loss to administering carrier within 31 days after the experience accounting has been submitted.

"(3) If the experience accounting reflects a gain (computed after deduction of the reinsurers' risk charge described in section 2104(b)) for the policy year, the gain shall be retained in the pool and used to minimize future premiums to be paid by the State.

"FURNISHING OF INFORMATION BY OTHER AGENCIES

"General Rule

"SEC. 2111. (a) The head of any Federal or State agency shall furnish such information as the administering carrier needs for purposes of spot auditing eligibility for the qualified State health care plan, or verifying other information with respect thereto.

"Carrier's Liability

"(b) A reliance by the administering carrier on information furnished by any Federal or State agency shall relieve the carrier from liability for failure to charge sufficient contributions, overpayment of benefits, or any other erroneous act resulting from the carrier's reliance on such information.

"PAYMENTS TO STATES

"Premiums

"SEC. 2112. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a qualified State health care plan an amount equal to the product obtained by multiplying the total premiums for the qualified State health care plan paid by a State to the administering carrier by the Federal health care percentage defined in subsection (d). In applying the preceding sentence, the amount used as total premiums paid by a State for a qualified State health care plan shall not include any portion thereof that is determined by the Secretary to be attributable to benefits provided under the plan which are in excess of the minimum standard health care benefits then required by section 2102(a) to be provided.

"Pool Losses

"(b) From the sums appropriated therefor, the Secretary shall pay to each State which has a qualified State health care plan an amount equal to the product obtained by multiplying the excess pool losses paid by the State to the administering carrier (as provided by section 2110(c)(2)(A)) by the Federal health care percentage defined in subsection (d). For the purpose of this subsection, the Federal health care percentage shall be as determined before any reduction thereof provided for under section 2104(c)(3), or section 2109.

"Condition for Payment and Compliance

"(c) The amounts authorized to be paid a State under this title shall not be paid by the Secretary unless the State annually certifies to the Secretary, on a date or dates set by the Secretary, that—

"(1) it has established a qualified State health care plan the administering carrier of which has been approved by the Secretary;

"(2) it has authorized the insurance commissioner of that State (as defined in section 2115(a)) to review the premium rates of the qualified State health care plan pursuant to section 2104(c)(1);

"(3) it has authorized a State agency to enroll Federal cash recipients in the qualified State health care plan pursuant to section 2105(c)(1);

"(4) it has authorized the State Treasurer or other appropriate official to make the payments required of the States under sections 2106, 2108, and 2110;

"(5) it has authorized a State agency to perform the functions of the State health care institution cost commission described in section 2108;

"(6) the insurance commissioner of that State is carrying out the duties with regard to protection against insolvency as prescribed by section 2116;

"(7) it has caused to be establish and has implemented regulations governing the operation of a facility to make available minimum standard health care benefits to all eligible individuals, families, and groups of less than 50 employees or members to whom such benefits would not otherwise be available, such facility to be established and operated in accordance with section 2118 below;

"(8) it has not reduced the scope of its State laws concerning workmen's compensation as to types of employment covered, types of accidents or diseases covered, or types of medical expenses covered; and

"(9) it is carrying out the remaining administrative and other duties specified in title XXI.

Such certification shall, after 60 days from the date of receipt by the Secretary, be deemed acceptable unless prior thereto the Secretary notifies the State, in writing, that the certification has not been accepted.

"Federal Health Care Percentage

"(d) The term 'Federal health care percentage' for any State shall be 100 percent less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 45 percent as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (including Alaska and Hawaii); except that (1) the Federal health care percentage shall in no case be less than 70 percent or more than 90 percent, and (2) the Federal health care percentage for Puerto Rico, the Virgin Islands, and Guam shall be 70 percent. The Secretary shall promulgate the Federal health care percentage for each State as soon as possible after enactment of this title, which promulgation shall be conclusive for each of the 4 quarters in the period beginning July 1, 1979, and ending with the close of June 30, 1980. Thereafter, the Federal health care percentage for any State shall be promulgated in accordance with the provisions of section 1101(a)(8)(B) of title XI of the Social Security Act.

"ELIGIBILITY OF THOSE NOW COVERED UNDER CERTAIN STATE OR FEDERAL PROGRAMS

"Federal Programs

"SEC. 2113. (a) Any class of individuals or families, other than employees of the Federal Government and their families, whose members at the time of enactment of this Act, are receiving all, or substantially all, of their medical care under a Federal program, other than a program pursuant to the Social Security Act, shall not be eligible for coverage under a qualified State health care plan unless—

"(1) all members of the class who are resident in the State are enrolled in the plan;

"(2) the Federal Government pays the premium for supplementary medical insurance benefits under part B of title XVIII of the Social Security Act for all such members of the class as are eligible therefor;

"(3) the Federal Government arranges for the enrollment of such individuals and families in the qualified State health care plan and pays the full premium therefor on behalf of such persons without requiring any sharing by the State; and

"(4) the Federal Government agrees to pay the State that proportion of any excess pool losses, charged to the State pursuant to section 2110(c)(2)(A), which the average number of such persons enrolled in such plan during the policy year bears to the average number of all persons enrolled in such plan during that year. In applying section 2112(b), the amount of such payment shall reduce the excess pool losses to which the Federal health care percentage would otherwise be applied.

"State Programs

"(b) Any class of individuals or families, other than employees of a State or local government and their families, whose members, at the time of enactment of this Act, are receiving all, or substantially all, of their medical care under a State program of medical care, other than a program pursuant to the Social Security Act, and who are not otherwise eligible for enrollment in the qualified State health care plan, shall be eligible for coverage in a qualified State health care plan provided—

"(1) all members of the class who are resident in the State are enrolled in the plan;

"(2) the State pays the premium for supplementary medical insurance under part B of title XVIII of the Social Security Act for all such members of the class as are eligible therefor;

"(3) the State arranges for the enrollment of such individuals and families in the qualified State health care plan and pays the full premium therefor on behalf of all such persons; and

"(4) the State agrees to absorb, without any sharing by the Federal Government, that proportion of the excess pool losses, charged to it pursuant to section 2110(c)(2)(A), which the average number of such persons enrolled in such plan during the policy year bears to the average number of all persons enrolled in such plan during that year. In applying section 2112(b), such amount shall reduce the excess pool losses to which the Federal health care percentage would otherwise be applied.

"PREMIUM TAXES

"SEC. 2114. In order to be eligible for Federal appropriations pursuant to this title, a State (or any political subdivision thereof)—

"(1) may not impose any tax of any kind on or with respect to any premium, benefit, income, or other transaction or occurrence connected with any qualified State health care plan, qualified State health care benefits pool, or underwriting and reinsurance facility provided for under this title, and

"(2) may not impose any tax or fee on any domestic carrier which provides health care insurance in the State with respect to any premium or other income received or any benefit provided, or on any other transaction or occurrence, in connection with any health care insurance contract, unless any such tax or fee is applied equally to all domestic carriers which provide health care insurance in the State.

"DEFINITIONS

"SEC. 2115. As used in this title the term—

"(a) 'Insurance commissioner' means the public official charged with the regulation of insurance in each State.

"(b) 'Secretary' means the Secretary of Health, Education, and Welfare.

"(c) 'State' shall include each of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

"(d) 'Administering carrier' means either—

"(1) a carrier licensed to issue health care insurance in each of the 50 States and the District of Columbia,

"(2) a carrier licensed to issue health care insurance in at least one of the 50 States or the District of Columbia which has one or more affiliates or wholly owned subsidiaries licensed to issue health care insurance, if in each of the 50 States and the District of Columbia the carrier or at least one of its affiliates or wholly owned subsidiaries is licensed to issue health care insurance, or

"(3) a domestic carrier, or an assemblage of domestic carriers operating as one administering unit, which the insurance commissioner of the State finds will perform its obligations as administering carrier efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

"(e) 'Underwriter' means a carrier, an approved health maintenance organization, or the person who provides an uninsured plan.

"(f) 'Policy year' means a period beginning any July 1 and ending the close of the following June 30.

"(g) 'Carrier' means an insurance company, hospital service or hospital expense indemnity organization, a medical service or medical expense indemnity organization, dental service or dental expense indemnity organization, fraternal benefit society or other similar organization or society which provides coverage for one or more types of health care.

"(h) 'Uninsured plan' means a plan provided by a person (other than a carrier or an approved health maintenance organization) having an arrangement which has been communicated or described in writing to covered individuals, and which covers at least 26 individuals at least 26 weeks of the calendar year, and which provides, pays for, or reimburses the whole or any part of the cost of the health care of such individuals, but shall not include the Federal Government with report to programs established by it.

"(i) 'Federal cash recipient' means an individual or family who has established eligibility for public cash assistance under a program financed in whole or in part by Federal funds.

"(j) 'Adjusted gross income' shall have the meaning set forth by section 62 of the Internal Revenue Code of 1954.

"(k) 'State of domicile' means the State in which an underwriter, other than an insurance company, maintains its principal place of business. For an insurance company which is an underwriter, 'State of domicile' means the State in which it is incorporated.

"(l) 'Family' means an individual and his spouse if not legally separated under a decree of divorce or of separate maintenance and each of their dependent (as defined in the introductory clause of section 152(a) of the Internal Revenue Code of 1954) unmarried children who have not attained the age of 19.

"(m) 'Approved health maintenance organization' means an organization which meets the definition of a qualified health maintenance organization contained in section 1310(d) of the Public Health Service Act or which has been licensed or certified as a health maintenance organization pursuant to the applicable statute of the State in which such organization is located.

"PROTECTION AGAINST INSOLVENCY

"Definitions

"SEC. 2116. (a) As used in this section, the term—

"(1) 'NHI' means pertaining to one or more qualified health care plans (as defined in section 222(f)(6) of the Internal Revenue Code of 1954).

"(2) 'Premium' means the premium, enrollment fee, or such other comparable fee or periodic charge of an underwriter for NHI coverage.

"Capital and Surplus Requirements

"(b) An NHI underwriter shall have a combined capital and surplus of not less than the greater of: (i) $1,500,000 or (ii) 2 percent of the gross premium income of the underwriter for its immediately preceding fiscal year of operation. In lieu of holding such capital and surplus, an underwriter may, subject to the approval of the insurance commissioner of the State of domicile, either secure a performance bond issued by a company licensed to issue such bonds in the underwriter's State of domicile in an amount that is the greater of: (i) $1,500,000 or (ii) 2 percent of the gross premium income of the underwriter for its immediately preceding fiscal year of operation; or, secure a written contract, from one or more carriers authorized to write NHI contracts in such State and having at least $15,000,000 of unassigned surplus, which provides that the contracting party will, in the event that, and as of the date that, such underwriter ceases to be authorized to provide NHI coverage, provide without qualification NHI coverage for all individuals or families so affected.

"Reserve Requirements

"(c) Each NHI underwriter shall—

"(1) Maintain NHI reserves in an amount not less on any day than—

"(A) the total amount of its liability for unearned premiums, future contingent benefits, and amounts not yet due on claims,

"(B) the total amount of its liability for due and unpaid claims, claims in course of settlement, and incurred but unreported claims, and

"(C) 12½ percent of the total amount of

its NHI claims paid during the preceding calendar year but not more than $25,000,000, which amount shall be called the NHI Contingency Reserve (hereinafter 'NHICR') and may be maintained either directly or as a portion of the underwriter's surplus: *Provided, however*, That such 12½ percent requirement shall be applied to the total amount of an approved health maintenance organization's premium during the preceding calendar year. The underwriter may, subject to the approval of the insurance commissioner of its State of domicile, credit against its NHICR the value of those of its contracts with providers of health services as guarantee the delivery of the contracted services even in the event of insolvency of the underwriter.

"(2) Maintain NHI reserves, including the NHICR, in assets qualified as legal investments for life insurance companies of the same size by the laws of the State of domicile.

"(3) Submit an affidavit, executed by its chief executive officer or by a member of the American Academy of Actuaries or another actuary approved by the insurance commissioner of the State of domicile, to such insurance commissioner within 90 days after the end of each calendar year that its NHI reserves comply with the requirements of this section. Such affidavit shall be accompanied by a financial report for the prior calendar year on a form prescribed by the insurance commissioner describing its NHI business including but not limited to—

"(A) information substantiating the adequacy of its NHI reserves;

"(B) disclosure of the manner in which its NHICR was computed;

"(C) balance sheet; and

"(D) income statement.

"(4) Submit an affidavit to the insurance commissioner of each State in which the underwriter does NHI business within 90 days after the end of each calendar year showing the amount of NHI premiums paid for lives in that State during such calendar year. For an uninsured plan, such NHI premiums shall be the greater of:

"(A) the deduction for a taxable year under section 162, 212, or 404 of the Internal Revenue Code of 1954 claimed by a person having such arrangement with respect to benefits provided under NHI coverage plus the amount of any contributions collected from its members for NHI coverage with respect to the year concerned, or

"(B) 105 percent of NHI claims paid by the uninsured plan during the calendar year.

"State Supervision

"(d) An underwriter not otherwise subject to the supervision of its business by the insurance commissioner of its State of domicile shall, as a condition to providing NHI coverage, file with that insurance commissioner a notarized affidavit agreeing to subject its NHI business to his supervision and to pay any assessments duly levied pursuant to this subtitle D.

"Procedure To Prevent Impairment

"(e)(1) Any NHI underwriter whose NHICR fails to meet the requirements of this section shall be impaired for purposes of this title and promptly shall—

"(A) cease issuance of any new group or individual NHI policies: *Provided, however*, That such NHI underwriter may continue to issue coverage under an existing group plan; and

"(B) provide the insurance commissioner of the underwriter's State of domicile with:

"(i) an appraisal by a member of the American Academy of Actuaries or an actuary provided by the insurance commissioner of the capacity of the underwriter to pay claims on its outstanding NHI coverage; and

"(ii) either a plan for reinsurance of its NHI obligations with an NHI carrier, or a plan for reconstituting its NHICR.

"(C) advise the obligor under the performance bond, if such bond was purchased pursuant to subsection (b), of the NHI underwriter's possible financial inability to meet its obligations under this Act.

"(2) An insurance commisioner, upon receipt of such information, shall—

"(A) determine whether the proposed reinsurance carrier has NHI reserves adequate to comply with this section after accepting the proposed reinsurance and, if he approves the proposed plan for reinsurance, notify the impaired underwriter to execute such plan within 60 days. If the plan for reinsurance is not approved, the insurance commissioner shall notify the impaired underwriter that the plan for reinsurance has not been approved and that a plan for reconstituting its NHICR must be submitted within 30 days; and

"(B) if an impaired underwriter submits a plan for reconstituting its NHICR, appoint a committee to supervise the reconstitution of the NHICR. The committee shall be chaired by the insurance commissioner of the impaired underwriter's State of domicile. The members of the committee shall include the insurance commissioner of the impaired underwriter's State of domicile, a representative of the insurance commission of one of the States in each National Association of Insurance Commissioners zone in which the impaired underwriter issued NHI coverage and at least one officer from five NHI carriers other than the impaired underwriter.

"(3) The committee's responsibilities shall include—

"(A) approval or disapproval of the impaired underwriter's plan for reconstituting its NHICR;

"(B) if such plan is approved, the committee shall provide the insurance commissioner with periodic reports concerning the execution of such plan and the need for any additional protection for NHI policyholders, members, or participants of the impaired underwriter; and

"(C) if the plan for reconstituting the impaired underwriter's NHICR is disapproved, the committee shall determine whether an assessment is necessary to meet the impaired underwriter's NHI obligations.

"(4) If the committee determines that an assessment is necessary, it shall be made according to the following formula where NHI premiums are net after reinsurance:

"(A) the total assessment shall be allocated among the States in which the impaired underwriter issued NHI coverage in proportion to the ratio of the impaired underwriter's NHI premiums paid in the State to the total of its NHI premium paid in all States for the last completed calendar year; and

"(B) a State's share of the assessment, as determined in subsection (A), shall be allocated among NHI underwriters in that State in proportion to the ratio of each underwriter's NHI premiums paid in that State for the last completed calendar year to the total NHI premiums paid in that State for that year by all NHI underwriters other than the impaired underwriter: *Provided*, That if the impaired underwriter is an insurance company, then the portion of a State's assessment that would be so charged to Blue Cross plans and Blue Shield plans shall instead be assessed on the remaining insurance companies which are NHI underwriters in proportion to their shares of that State's assessment, and if the impaired underwriter is a Blue Cross plan or a Blue Shield plan, then the portion of a State's assessment that would be so charged to insurance companies shall instead be assessed on the remaining Blue Cross plans and Blue Shield plans which are NHI underwriters in proportion to their shares of such assessment.

"(5) The insurance commissioner of each State in which the impaired underwriter did NHI business shall furnish NHI underwriters in the State with—

"(A) a copy of the committee's report;

"(B) the total amount of the assessment upon all NHI underwriters;

"(C) the underwriter's share of the assessment produced under the formula; and

"(D) a demand that payment of the assessment be made within 3 months, or such longer period of time as the insurance commissioner may authorize if such payment would, in the opinion of the committee, endanger the ability of the assessed underwriter to fulfill its contractual obligations.

"(6) Failure to make timely payment of the assessment shall be cause for withdrawal of the underwriter's privilege to conduct NHI business.

"(7) Any assessment made upon and paid by an NHI underwriter under this section shall be deductible from any other assessment made under a State insolvency law or other requirement which relates to the NHI underwriter which was deemed impaired pursuant to this section.

"REGULATION

"SEC. 2117. Any regulations promulgated by the Secretary with regard to this title shall be promulgated in final form not less than 9 months prior to the first day of the policy year during which they will apply. Such regulations shall be effective only if (i) promulgated in final form within the time prescribed in the preceding sentence, and (ii) notice of such regulation in proposed form and of opportunity for public hearing thereon shall have been published not less than 60 days prior to the date of promulgation thereof in final form.

"UNDERWRITING AND REINSURANCE FACILITIES

"SEC. 2118. PRINCIPLES OF OPERATION OF THE UNDERWRITING AND REINSURANCE FACILITIES TO ASSURE AVAILABILITY OF MINIMUM STANDARD HEALTH CARE BENEFITS TO THE UNINSURABLE.—(a) The State insurance commissioner shall be responsible for assuring the establishment and regulation of a facility to underwrite or reinsure minimum standard health care benefits for individuals, families, and groups of less than 50 employees or members to whom such benefits would not otherwise be available. He shall name an administering carrier as defined in section 2115 to operate the facility.

"(b)(1) If the State has established by law a duty upon carriers to offer a qualified health care plan to all individuals and groups, then the facility shall reinsure contracts for a qualified health care plan issued by carriers and may, at the option of the State, also issue its own contracts providing a qualified health care plan, upon request by a carrier.

"(2) If the State has established no such duty upon carriers, then the facility shall issue its own contracts to provide a qualified health care plan and may, at the option of the State, also reinsure contracts providing a qualified healh care plan issued by carriers.

"(3) The facility shall design only one form of qualified individual health care plan and one form of qualified employee health care plan, each providing no more and no less than the minimum standard health care benefits specified in section 222 of the Internal Revenue Code of 1954. No plan other than the one individual and one employee health care plan designed by the facility shall be issued or reinsured by the facility.

"(c) The effective date of any coverage issued or insured by the facility shall be the first day of the month following the month in which application was made except that when application is made within 31 days of cessation of prior qualified health care coverage the effective date shall be the day following the date of such cessation of coverage.

"(d) Any coverage issued or reinsured by the facility shall provide that during the first 6 months of coverage, benefits will not be paid on account of any condition that had been diagnosed or treated within the 6 months preceding the date of application for coverage. However, time covered under a qualified health care plan immediately preceding application shall be counted in determining whether six months of coverage have elapsed.

"(e) If State law provides or if subsection (b) above requires that the facility issue its own contracts for qualified health care benefits, then

"(1) every individual—

"(A) who is a resident of the State;

"(B) who is not eligible to enroll (through either spouse in the case of a family) in a qualified employee health care plan (as described in section 290(b) of the Internal Revenue Code of 1954);

"(C) who is not eligible to enroll in the insurance program described in part B of title XVIII of the Social Security Act; and

"(D) who is not eligible to enroll in a qualified State health care plan because he fails to meet any of the conditions specified in section 2103(a)(4); and

"(2) every group—

"(A) which is a valid group for the purposes of obtaining group health care insurance under the laws of the State, and

"(B) which contains fewer than 50 employees or members, and

"(C)(1) all of whose members reside in the State, or

"(2) in the case of an employee group, has its principal place of employment located within the State

shall, in accordance with and subject to the other provisions of this title, be eligible to apply for a qualified health care plan from the facility.

"(f) If State law provides or if subsection (b) above requires that the facility reinsure contracts for qualified health care plans issued by carriers, then only such contracts as have been issued to eligible individuals and groups as defined in subsection (e) above shall be eligible for reinsurance in the facility.

"(g) The State insurance commissioner shall appoint a committee of five actuaries who are members of the American Academy of Actuaries and who have experience in the field of health care insurance. The duties of this committee shall include the determination of expense allowances to carriers for reinsured risks, claim reserve formulas, and other actuarial functions, as well as the recommendation of premium rates for the facility. In recommending premium rates, the committee shall take into consideration the additional morbidity expected on contracts issued or reinsured by the facility, anticipated administrative expenses of the facility, reasonable expense allowances to ceding carriers, and the level of rates charged by carriers to standard risks for coverage similar to that embodied in the health care plan designed by the facility.

"(h) Following the close of each fiscal year of the facility, the administering carrier shall determine—

"(i) with respect to contracts issued by the facility—

"(A) earned premiums less allowable expenses of the facility, and

"(B) incurred losses for the year.

"(ii) with respect to contracts reinsured by the facility—

"(A) earned premiums less administrative expense allowances to carriers,

"(B) the expenses of the administering carrier pertaining to the reinsurance operations of the facility, and

"(C) incurred losses for the year.

Any excess of items (i)(B), (ii)(B), and (ii)(C) over (i)(A) and (ii)(A) shall be assessed against all underwriters in proportion to their share of the total NHI premium paid in the calendar year during which the fiscal year of the facility began. Any excess of items (i)(A) and (ii)(A) over (i)(B), (ii)(B), and (ii)(C) shall be held at interest by the administering carrier to offset future losses or to reduce future premiums. For uninsured plans, the term 'NHI premiums' shall have the meaning specified in section 2116(c)(4)."

SEC. 532. CARRIER COMPLIANCE

Nothing contained in antitrust legislation enacted by the Congress of the United States or by the legislatures of one or more of the several States shall be construed as limiting or in any other way applying to carriers in any activity undertaken in compliance with or in any effort to comply with any provision of this Act.

SEC. 533. CONFORMING AMENDMENTS TO TITLE XVIII OF THE SOCIAL SECURITY ACT.

Title XVIII of the Social Security Act is amended—

(1) by adding after section 1837(h) the following new subsection:

"(i) Notwithstanding the provisions or limitations of subsections (a), (b), (c), (d), (e), and (f), there shall be a general enrollment period during the month of April in each year for individuals who were enrolling for the first time in a qualified State health care plan described in title XXI of the Social Security Act."; and

(2) by adding after section 1843(h) the following new subsection:

"(i) The Secretary shall, at the request of a State, enter into a modification of an agreement entered into with such State pursuant to subsection (a) under which the covered group described in subsection (b) and specified in such agreement is broadened to include individuals who are described in section 2106(f) of title XXI of the Social Security Act."

SEC. 534. CONFORMING AMENDMENTS TO TITLE XIX OF THE SOCIAL SECURITY ACT.

Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"EXCLUSION FROM COVERAGE

"SEC. 1911. Notwithstanding any other provision of this title, no payment under this title may be made (a) for any expenses incurred for services or articles (1) which are covered under a qualified State health care plan (as defined in title XXI), (2) which are incurred after July 1, 1979, and would have been covered under a qualified State health care plan had the State adopted such a plan, or (b) for any copayment required under a qualified State health care plan."

SEC. 535. CONFORMING AMENDMENTS REGARDING "REASONABLE COSTS".

Wherever reference is made in titles V, XVIII, and XIX of the Social Security Act to making payments to a provider on the basis of "reasonable costs" or "reasonable charges", with regard to any amount paid after June 30, 1979, that payment shall not be considered reasonable to the extent that it exceeds the amount which would be determined to be reasonable and necessary under section 2102(e)(1) of title XXI of the Social Security Act.

SEC. 536. CONFORMING AMENDMENTS TO THE INTERNAL REVENUE CODE.

(a) Section 115 of the Internal Revenue Code of 1954 is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or" and by adding after paragraph (2) the following paragraph:

"(3) interest, or any other item of income, derived from any investment by a qualified State health care benefits pool (as defined in section 2110 of title XXI of the Social Security Act) or by an underwriting and reinsurance facility (as defined in section 2118 of title XXI of the Social Security Act).".

(b) Section 501(c)(8) of the Internal Revenue Code of 1954 is amended by the addition of the following item:

"(C) For purposes of this paragraph, payments made directly or indirectly to a qualified State health care benefits pool (as defined in section 2110 of title XXI of the Social Security Act) or to an underwriting and reinsurance facility (as defined in section 2118 of title XXI of the Social Security Act) by a fraternal beneficiary society, order, or association under provisions of the National Health Care Act shall not in any way disqualify such group from its tax-exempt status under this section.".

SEC. 537. EFFECTIVE DATE.

The amendments made by this subtitle shall become effective on the date of enactment of this Act, except that a qualified State health care plan provided for under new title XXI of the Social Security Act shall not provide benefits before July 1, 1979.

ORDER FOR THE PLACEMENT OF PROGRAM IN THE RECORD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that for the remainder of the 95th Congress the statement of the program each day, regardless of when it may be presented, appear in the RECORD immediately prior to the motion to adjourn or recess, whichever is the case.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPEASING AGGRESSION: THE UNLEARNED LESSONS OF MUNICH

Mr. GRIFFIN. Mr. President, earlier this week French authorities released a man who claims to have masterminded the Munich Olympic massacre in 1972. Like many of my colleagues, I am shocked by this turn of events.

Twice in the last half-century Munich has been associated with opportunities for the world to learn important lessons. Ironically and tragically on both occasions the opportunity has been lost.

It was in Munich on September 30, 1938, that leaders of Great Britain and France caved in to Adolf Hitler and allowed him to claim the Sudetenland. As we know, the hopes they harbored then that appeasement would somehow buy peace quickly soured, and that action led to a holocaust.

It was in Munich almost exactly 34 years later that eight Black September terrorists—reportedly under the leadership of Abu Daoud—invaded the Israeli dormitory at the 20th summer Olympic games. When the shooting was over, 10 Israeli athletes, 1 German policeman, and 5 Arab terrorists lay dead.

The Munich massacre was not simply a crime against Israel—it was a heinous crime against all humanity. Allowing the man who claims responsibility for this senseless and brutal act to go free is a new act of appeasement that can only lead to further tragedy.

No wonder the widow of Yosef Romano, one of the Israeli athletes murdered at Munich, has said:

We have nothing but disgust for people who sell blood for oil.

I recognize that France—like most Western nations—is dependent on Arab

oil for energy. I understand also that France is engaged in delicate negotiations with Egypt for the sale of 200 Mirage jet fighters.

I know not the extent to which economic and political considerations may have entered into the French decision. But one thing is clear: The battle against terrorism around the world has been dealt a staggering blow.

The United States has pursued a firm policy of refusing to negotiate with terrorists and has refused to pay international blackmail. Indeed, some able and courageous American officials have died as a result of this policy.

Mr. President, it is most unfortunate that all nations do not recognize that terrorism will not be ended unless we have an international cooperative effort to capture and punish all terrorists regardless of their cause or their country of origin.

We have heard a lot of rhetoric in the United Nations and from world capitals in recent months and years to the effect that terrorism cannot be tolerated. Many of those speeches have a very hollow ring now that Daoud has been released.

Let us hope that this is only a temporary setback in the continuing battle of freedom and justice against the dark forces of terrorism.

I yield the floor.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the pending motion before the Senate is a motion to proceed to the consideration of Senate Resolution 18, both the resolution and the motion by Mr. ALLEN, the motion to table that motion to proceed having failed. It will be in order again, when the Senate meets, for Mr. ALLEN to renew his motion at some point, inasmuch as the motion he has made will die with the adjournment of the Senate today.

Mr. President, the program for Tuesday next is as follows:

The Senate will convene at 1:45 p.m., following an adjournment.

After the two leaders or their designees have been recognized under the standing order, Mr. TALMADGE will be recognized for not to exceed 15 minutes, because his was the first order entered, to be followed by Mr. HATFIELD, by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Each will be recognized for not to exceed 15 minutes.

After the recognition of Mr. HATFIELD, the Vice President of the United States will be recognized, under the order entered, to address the Senate.

Following his address, the distinguished Republican leader and I will be in control of the time, not to exceed 30 minutes, to be utilized by Senators who may wish to respond to the Vice President.

Following such responses, there will be not to exceed 2 hours, again under the control of the distinguished Republican leader and myself, for the purpose of tributes to President Gerald Ford.

Upon the expiration of that time, the Senate will proceed under an agreement entered to consider the resolution that was reported from the Foreign Relations Committee today, the Case-Humphrey resolution, I believe, is the way it is referred to. There is a 30-minute limitation for debate on that resolution. A vote may occur on the adoption of that resolution, and it may be a rollcall vote. There could be other rollcall votes in relation to the resolution. I do not know that there will be.

Following the disposition of that resolution, Mr. ALLEN may wish to renew his motion to proceed to the consideration of Senate Resolution 18. Another motion to table that motion to proceed will then be in order, and other motions would be in order, any of which could necessitate rollcall votes.

I believe that pretty well sums up the program for Tuesday next.

ADJOURNMENT UNTIL 1:45 P.M. TUESDAY, JANUARY 18, 1977

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 1:45 p.m., Tuesday, January 18, 1977.

The motion was agreed to; and at 4:24 p.m., the Senate adjourned until Tuesday, January 18, 1977, at 1:45 p.m.

HOUSE OF REPRESENTATIVES—*Monday, January 17, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Depart from evil and do good, seek peace and pursue it.—Psalms 34:14.

Almighty God, our Father, help us to come before You worthily, to pray earnestly and to seek Your will diligently that we may be good to ourselves and do good to the people of this free land. Enlighten our understanding, purify our thoughts, confirm every high purpose and quicken our wills to make Your way our way in these troubled times.

By Your Spirit may we build our lives and the life of our country upon the firm foundation of truth, justice, and good will. In all our daily duties give us the strength to "depart from evil and do good, to seek peace and pursue it;" to the glory of Your holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a joint resolution of the Senate of the following title in which concurrence of the House is requested.

S.J. Res. 12. Joint resolution to authorize the United States Secret Service to continue to furnish protection to certain former Federal officials or members of their immediate families.

The message also announced that the Vice President, pursuant to Public Law 94–304, appointed Mr. DOLE as a member, on the part of the Senate, of the Commission on Security and Cooperation in Europe, vice Mr. Buckley, resigned.

The message also announced that the Vice President, pursuant to the provisions of sections 42 and 43 of title 20, United States Code, appointed Mr. GOLDWATER as a member, on the part of the Senate, of the Board of Regents of the Smithsonian Institution, vice Mr. Scott of Pennsylvania, resigned.

APPOINTMENT AS MEMBERS OF JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

The SPEAKER. Pursuant to the provisions of section 401(b), title 4, Public Law 91–510, the Chair appoints as members of the Joint Committee on Congressional Operations the following members on the part of the House:

The gentleman from Texas, Mr. BROOKS, the gentleman from Connecticut, Mr. GIAIMO, the gentleman from Minnesota, Mr. OBERSTAR, the gentleman from New Hampshire, Mr. CLEVELAND, and the gentleman from Ohio, Mr. ASHBROOK.

OPPOSITION TO BLANKET PARDON FOR DRAFT EVADERS AND MILITARY DESERTERS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, on behalf of the some 120 Members of the House who have publicly opposed a blanket pardon for draft evaders, I have sent a telegram to President-elect Carter this past Saturday requesting that any pardon proposal be handled on a case-by-case basis. I also requested that no action be taken in regard to military deserters and those with less than honorable discharges. These two categories should also be handled on a case-by-case basis under presently established procedures.

I was greatly concerned by news reports over the weekend indicating that

Senator KENNEDY is not only suggesting a full pardon for deserters, but also restoration of their VA benefits. It is also disturbing that two former officials of the President's Clemency Board are proposing an across-the-board pardon that could affect up to half a million persons.

Mr. Speaker, I am firmly convinced that a majority of the American people are opposed to a blanket pardon for draft evaders, as well as military deserters. We respectfully request that he go no further than a case-by-case review and drop any suggestion of a blanket pardon and also that he meet with veterans groups on this highly controversial issue.

CUT REDTAPE AND PAPERWORK

(Mr. STEED asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEED. Mr. Speaker, as I continue my discussion on the need to reduce paperwork burdens the Federal Government inflicts on the American people, I shall cite statistics and data indicating the immensity of the paperwork problem facing this Nation.

However, in order to give an overview today—a capsule of things to come—I shall list some of the more astounding facts about paperwork:

Government agencies print about 10 billion sheets of paper a year to be filled out by U.S. businessmen—enough to fill more than 4 million cubic feet. Paperwork stemming from Federal, State, and local governments average about 10 forms for every man, woman, and child in the United States.

Official records stored around the country total 11.6 million cubic feet, or an amount 11 times larger than the volume of the Washington Monument. Paperwork generated by Washington alone in 1 year would fill Yankee Stadium from the playing field to the top of the stands 51 times.

The frightening aspect of this avalanche of paper is that its rate of growth is not stabilizing, much less diminishing. Paperwork since 1952 has more than doubled.

Small businesses spend a disproportionate amount of time filling out all the questionnaires, reports, and forms required by the Federal Government. Without access to data processing, the amount of time and effort spent by small business in complying with all these information requests becomes intolerable.

Colleges, universities, and school districts are turning down some Government grants because the costs and bother of complying with all the paperwork requirements outweigh the value and benefits of the grant.

Large corporations and small businesses find it not only very difficult and expensive to respond to all paperwork requests, they find it nearly impossible to identify and understand the mountains of directive, regulations, Executive order, statute, and amendment which describe what information must be provided.

Mr. Speaker, paperwork proliferation and its costs are clearly no laughing matter. The jokes have been told and retold, but the mood of the Nation, the reform declarations of the incoming administration, and the determination of the Congress—all indicate that the time has come to take very seriously our responsibility to cut back unnecessary paperwork and redtape—"To get the government off the backs of the American people."

"VOYAGE OF THE 'HOKULE'A' ": A SHOW WORTH WATCHING

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. Mr. Speaker, I am sure many of our colleagues remember Norris Brock, the tall cameraman who worked the radio-TV galleries for the Time-Life stations in the mid-1960's. He stood out then as now.

Mr. Brock has just completed a personal odyssey, which is of interest to me both in my capacity as chairman of the Communications Subcommittee and as a personal friend from the days when he was filming "talking heads" in the congressional galleries.

For the past 9 years Mr. Brock has been associated with noncommercial television station WQED in Pittsburgh. His career there got off to a rocky start when he was hospitalized for injuries sustained while he was covering a riot. Of late, his evolvement has been more peaceful, as he has honed his skills as a documentary photographer while also branching out into theatrical filmmaking.

Last year, Mr. Brock completed the kind of adventure most of us can only imagine when he spent 34 days on the Hawaiian sailing canoe Hokule'a filming the re-creation of an ancient Polynesian voyage from Hawaii to Tahiti—a distance of some 3,000 miles.

Mr. Brock spent nights on the double-hulled, 60-foot vessel trying to catch some sleep, not an easy proposition when you are six-foot-five and your berth is only five feet long. The cuisine was primitive, the same that sustained the ancient Polynesian seafarers.

Whatever the hardships, the efforts of Mr. Brock and his colleagues have resulted in a stunning documentary, "Voyage of the Hokule'a," which is to be aired Tuesday night over the Public Broadcasting Service. This will be the second in a new season of the acclaimed specials produced by the National Geographic Society and WQED, with the help of a grant from the Gulf Oil Corp. "Voyage of the Hokule'a," which incidentally is the first of these programs to run as long as 90 minutes, is narrated and hosted by the distinguished actor, E. G. Marshall.

But the real stars are the rugged crew and the ship herself, sailed without navigational aids.

For Mr. Brock, the voyage represents another milestone in an interesting career which has taken him a long way from his former beat in the Capitol. I congratulate Mr. Brock and public broadcasting for this success.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
January 14, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:12 P.M. on Friday, January 14, 1977, and said to contain a message from the President wherein he transmits a governing international fishery agreement between the United States and the People's Republic of Bulgaria, in accordance with The Fishery Conservation and Management Act of 1976 (P.L. 94-265, 16 U.S.C. 1801).

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN UNITED STATES AND PEOPLE'S REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95-46)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with The Fishery Conservation and Management Act of 1976 (P.L. 94-26-265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the People's Republic of Bulgaria, signed at Washington on December 17, 1976.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution in order to bring this Agreement into force by that date.

GERALD R. FORD.

THE WHITE HOUSE, *January 14, 1977.*

AUTHORIZING PROTECTION BY U.S. SECRET SERVICE OF FORMER FEDERAL OFFICIALS OR MEMBERS OF THEIR FAMILIES

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 12) to authorize the U.S. Secret Service to continue to furnish

protection to certain former Federal officials or members of their immediate families, and I ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SYMMS. Mr. Speaker, reserving the right to object, will the gentleman from Texas (Mr. WRIGHT) please explain whom all this includes and why we need it.

Mr. WRIGHT. Yes; Mr. Speaker, if the gentleman will yield.

Mr. SYMMS. I shall be happy to yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, last Friday morning the President, Mr. Ford, asked the leadership at a meeting at which the gentleman from Arizona (Mr. RHODES), the minority leader, was present, among others, if we would perform this act as a courtesy to him and the Secret Service.

The Secret Service Director, Mr. Knight, was present and testified to its need.

This would permit having, for not more than 6 months and at the option of the new President, continued Secret Service protection for the President's family; for the Vice President and his family; for the Secretary of State, Dr. Kissinger, and any other member of his family who has been covered through protection by another agency, and for the Secretary of the Treasury, Mr. Simon.

As I have said, Mr. Speaker, it would extend for 6 months. The Secret Service Director indicated to us that there was reason to believe that need exists for this continued protection for this period of time.

Mr. SYMMS. Mr. Speaker, I thank the majority leader for his explanation.

All I know about this is what I read in the Washington Post—I believe it was this morning's paper—which said that Secretary Simon had already refused the Secret Service protection and that he did not want it.

Mr. Rockefeller normally in his life has been used to hiring his own, so it looks as though Dr. Kissinger supposedly is going to make several million dollars on his memoirs. Therefore, I am wondering whether we are establishing a precedent here that is going to go on and on and on and then pretty quickly we are going to have to have protection for everybody in this country. That is my concern.

Mr. WRIGHT. Mr. Speaker, would the gentleman yield further?

Mr. SYMMS. I would be happy to yield to the majority leader.

Mr. WRIGHT. I thank the gentleman for yielding. It is not an entirely unprecedented action. When called upon by the Secret Service in cases which they believed to be meritorious, the Congress on previous occasions has voted for limited periods of time of additional protection. This, I would remind the gentleman, is at the option of the President—the new and incoming President. If it should be, as the gentleman indicates he has read in the newspaper, that one or more of the recipients of this authorized assistance would decline and not desire it, I would assume that the President under those circumstances would not extend it to them.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I will be happy to yield to the gentleman from Arizona, the minority leader.

Mr. RHODES. I thank the gentleman for yielding.

The facts are that those portions of the Government responsible for this sort of thing are always fairly well aware as to whether there is an immediate danger or a possible immediate danger to people who would ordinarily become the target of plots against the lives of public figures. I am informed and I believe that the protection which is sought by this is absolutely necessary.

Mr. SYMMS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 12

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Secret Service, in addition to other duties now provided by law, is authorized to furnish protection to a person who (a) as a Federal Government official has been receiving protection by the United States Secret Service for a period immediately preceding January 20, 1977, or (b) as a member of such official's immediate family has been receiving protection by either the United States Secret Service or other security personnel of the official's department immediately preceding January 20, 1977, if the President determines that such person may thereafter be in significant danger: *Provided, however,* That protection of any such person shall continue only for such period as the President determines and shall not continue beyond July 20, 1977, unless otherwise permitted by law.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE BUDGET—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95-28)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

The budget is the President's blueprint for the operation of the Government in the year ahead. It records his views on priorities and directions for the future—balancing the American desire to solve every perceived problem at once with the practical reality of limited resources and competing needs.

The thirty budgets I have either shaped or helped to shape are a chronicle of our lives and times. They tell us what we have aspired to be and what we have been in fact. They tell us about the growing complexity of our society, about the changing and growing role of our Government, and about new problems we have identified and our attempts to solve them.

In shaping my budgets as President, I have sought to renew the basic questions about the composition and direction of the Government and its programs. In my reviews of existing and proposed programs and activities I have asked:

—Is this activity important to our national security or sense of social equity?

—Is this activity sufficiently important to require that we tax our people or borrow funds to pay for it?

—Must the Federal Government raise the taxes or borrow the funds or should State or local government do so?

—Should the Federal Government direct and manage the activity or should it limit its role to the provision of financing?

—How has the program performed in the past? Have the benefits outweighed the costs in dollars or other burdens imposed?

—Have the benefits gone to the intended beneficiary?

—Does this activity conflict with or overlap another?

As a result of these reviews I have proposed to reverse some trends and to accelerate others.

I have proposed, and repropose this year, a marked slowdown in the rate of growth in Government spending. Over the last three decades, Federal, State, and local government spending has grown from 18% of GNP to 34% of GNP. Federal spending growth has averaged 10% per year over the last decade. And even these percentages do not tell the whole story. As the budget documents illustrate, there has been a trend over the last few years toward so-called "off-budget" spending. This is an undesirable practice because it obscures the real impact of the Federal Government and makes it more difficult for any but the most technically knowledgeable citizens to understand what their Government is doing. Therefore, I am calling for legislation to halt this practice so that our

budget system will fully reflect the financial activities of the Government.

In a related attempt to gain greater control over the rate of growth of Government spending I have given special attention this year to spending plans for fiscal year 1979, the year after the budget year. For the first time, the Federal budget shows detailed planning amounts for the year beyond the budget year. This innovation grows out of my conviction that our only real hope of curbing the growth of Federal spending is to plan further in advance and to discipline ourselves to stick to those plans.

From the standpoint of deficits of most recent years the 1978 budget I present shows us fairly close to balance in 1979 and shows balanced budgets thereafter. The effects on 1978 and 1979 spending of congressional action in the last session rejecting many of the restraints I proposed for the current fiscal year, 1977, made total balance in 1979 impossible unless I was willing to abandon, at least in part, the further immediate tax relief I have advocated since October of 1975 and, for no reason other than being able to show such a 1979 balance, cut back from program levels I feel are justified. These alternatives were unacceptable, but given the greatly reduced deficit for 1979 this budget implies, congressional cooperation on the restraints I propose and a slightly better economic performance in the months ahead than we have used in preparing this 1978 budget, it is entirely possible that when the 1979 budget is due to be submitted, a year from now, it could be in total balance as I have strived to achieve.

With restraint on the growth of Federal spending, we can begin to provide permanent tax reductions to ease the burden on middle-income taxpayers and businesses. For too long Government has presumed that it is "entitled" to the additional tax revenues generated as inflation and increases in real income push taxpayers into higher tax brackets. We need to reverse this presumption. We need to put the burden of proof on the Government to demonstrate the reasons why individuals and businesses should not keep the income and wealth they produce. Accordingly, my long-term budget projections assume further tax relief will be provided, rather than presuming, as has been the practice in the past, that positive margins of receipts over expenditures that show up in projections are "surpluses" or "fiscal dividends" that must be used primarily for more Federal spending, on existing or new programs or both.

One trend has been reversed in the past two years. After several years of decline in real spending for national security purposes the Congress has agreed in substantial part to my recommendations for increases in defense spending. The budget I propose this year and the planning levels for the succeeding four years assume a continuation of this real growth trend. My recommendations are the result of a careful assessment of our own defense posture and that of our potential adversaries. In this area as in all others, I am recommending spending I considered essential while at the same time proposing savings in outmoded or unwarranted activities. For the longer term, my recommendations recognize the simple fact that we must plan now for the defense systems we will need 10 years from now.

This same approach was reflected last year in my recommendations for the Federal Government's basic research and development programs. In spite of the financial pressures on the Federal budget, I recommended real growth. I am again proposing real growth for basic research and development programs this year because I am convinced that we must maintain our world leadership in science and technology in order to increase our national productivity and attain the better life we want for our people and the rest of the world.

I am also calling again for an end to the proliferation of new Federal programs and for consolidation of many of the programs we now have. At last count there are 1,044 programs identified in the Catalog of Federal Domestic Assistance. While our Nation has many needs, there is no rational justification for the maze that has been created.

Overlap and duplication are not the only defects of these programs; nor are they the most serious. More importantly, the current programs too often fail to aid the intended beneficiaries as much as expected, rewarding instead those who have learned how to work the Washington system. Some of these programs fail to pinpoint responsibility and accountability for performance and too many impose a managerial and operating burden on the Federal Government, diverting attention from the functions that must be performed at the Federal level and at the same time usurping the proper roles of State and local governments and the private sector.

If we could ever afford the "luxury" of this inefficiency and ineptitude, we can no longer. Federal programs for health services, elementary and secondary education, child nutrition and welfare, for example, are areas that desperately need reform. I called for action last year and prepared detailed legislative proposals. Those who truly care about the needs of our people will not let another year go by without reform. There is no excuse, for example, for the Federal Government to have 15 different child nutrition programs spending over $3 billion per year and still have 700,000 children from families below the poverty line who receive no aid. Nor is there any reason to take the money out of the taxpayers' pockets to subsidize their own children's school lunch.

It will take real courage to correct these problems and the others I have identified for congressional action without following the all too familiar pattern of the past—simply adding more programs. But, increasingly, courage is not a choice; it is an absolute requirement if we are to avoid ever larger, less responsive government.

The task ahead will not be easy because it will require some fundamental changes in our expectations for Government. As a start, we need to understand that income and wealth are not produced in Washington, they are only redistributed there. As a corollary, we need to overcome the idea that Members of the Congress are elected to bring home Federal projects for their district or State. Until this idea is totally rejected, higher funding levels for old programs and more new programs will be enacted each year as Members of the Congress seek to insure their reelection. We also need to overcome the prevalent attitude that only new programs with multibillion-dollar price tags are worthy of media attention and public discussion and worthy of being judged bold and innovative. The multitude of programs already in a budget of more than $400 billion and initiatives to do something about them are worthy of intense public scrutiny, discussion and judgment in their own right.

These changes in attitude will require leadership not only by the executive branch, but, at least equally important, on the part of each Member of the Congress. Members of the Congress must begin to share the burden of the President in saying no to special interest groups—even those in their own districts or States.

The changes that have occurred in the congressional budgetmaking process in recent years provide some basis for optimism for the future. The new budget committees have begun to provide a counterbalance to the spending and taxing committees, offering hope that the total effect of the splintered actions of the other committees will be given equal weight in the congressional process.

But more progress is needed. Just as the budget process cannot do the whole job in the executive branch, it cannot in the Congress either. No matter how streamlined and properly organized the departments and agencies of the executive branch or the committees and subcommittees of the Congress become—and there is surely room for substantial improvement in this respect at both ends of Pennsylvania Avenue—the executive branch must continue to refine and the Congress must adopt processes whereby recommendations to the President or to the House or Senate, as the case may be, on major issues are developed by task force groups representing the competing priorities of various departments and agencies and of the various congressional committees and subcommittees. The reason is simply that most major issues cut across jurisdictional lines, no matter how well drawn—energy, international affairs, and welfare reform, to name but a few examples. I urge the new administration to build on what has been accomplished in this regard in the executive branch. I urge the Congress promptly to put into place the necessary counterpart mechanisms. Such improvements in process, coupled with further

progress in the development of the budget process, will help substantially in addressing and meeting our problems and attaining the goals we have set for our Nation.

The last thirty budgets record a turbulent period in our history; wars, domestic strife and serious economic problems. In the last two years, we have laid the foundation for a positive future. We have stabilized international relationships and created the framework for global progress. At home, we have restored confidence in government while reversing the trends of inflation and unemployment. Building on this solid base, the policies and programs contained in this budget can help us to fulfill the promise of America.

GERALD R. FORD.

THE WHITE HOUSE, *January 17, 1977.*

FISCAL YEAR 1978 BUDGET

(By unanimous consent Mr. MAHON was allowed to address the House for 10 minutes.)

Mr. MAHON. Mr. Speaker, President Ford has now submitted his budget for fiscal year 1978 to the Congress.

It is a document similar to those of recent years, containing recommendations for a high deficit and an even higher increase in the public debt and proposals for program terminations and reductions. Some will attack its high deficit recommendations while others will vigorously oppose its proposed program reductions and low levels of funding.

However, there is one major, and obvious, difference between this and past budgets. It is the budget of an outgoing President and is certain to be modified in a number of areas by President Carter. For this reason, I do not plan to undertake an extended analysis of the budget at this time as the chairman of the Committee on Appropriations has normally done. After examining the budget over the weekend, I believe such an analysis would be more appropriate at a later date after the new administration has had an opportunity to make its own proposals.

I would say, also, Mr. Speaker, that as soon as the Appropriations Committee is organized, we will promptly begin our work. We have scheduled our overview hearings on the budget with the Director of OMB, the Secretary of the Treasury, and the chairman of the Council of Economic Advisors for February 1 and 2. Most of our subcommittees plan to begin their hearings on February 3.

Mr. Speaker, this will be the first year of operation of the relatively new Congressional Budget Act during which the President and the controlling majority of the Congress are of the same party. It will be a crucial year in terms of determining whether or not the new budget process will work in a meaningful and substantive manner.

An important question about the budget process will be whether it can bring a greater measure of fiscal discipline to the Congress or whether it will simply become a bureaucratic and expensive method of adding up what the various interest groups want from the Federal budget.

I believe in the past 2 years some limited progress and success have been achieved by the Budget Act but obviously only a start has been made and that much more remains to be done.

In this regard, one of the most serious problems that the Congress will face will be the timely availability of authorizations that will allow the Appropriations Committee, the Budget Committee, and indeed the entire Congress, to carry out its responsibilities. This is a serious problem and one which, if unresolved, could destroy the objectives of the Budget Act.

To meet the demanding schedule of the Budget Act will require almost superhuman efforts by the authorizing committees, the Appropriations Committees and the Budget Committees. I am confident we can meet the challenge.

Last year and in prior years, the Appropriations Committee has done a splendid job, in my opinion, in pressing successfully for the handling of appropriation measures of vital importance to the leadership and the Congress.

We have every expectation of doing a good job this year.

Mr. CEDERBERG. Mr. Speaker, I rise in support of President Ford's budget for fiscal 1978, which is today submitted to the 95th Congress. I suggest to my colleagues, and to the President-elect, that this budget contains the most comprehensive and detailed program of reform ever presented en bloc to Congress and the public.

Furthermore, the President's program provides the Congress, and the new President, with a unique opportunity to deliver a balanced budget to the American people.

Few of us are ever free from the intense political pressures which are brought to bear on a Federal budget of some $440 billion, representing approximately one-fifth of our entire gross national product. President Ford, as an outgoing President, has been able to prepare a budget based strictly on the merits of particular policies and programs.

The President-elect has said flatly that he will balance the Federal budget during his first administration. President Ford's program, presented in this budget, would balance the Federal budget in fiscal 1980.

It is a responsible program, which explicitly recommends that the budget margin in fiscal years 1980–82 be applied to permanent tax reduction and carefully selected program reductions and increases. It is based on economic assumptions which are conservative and consistent with the "baseline" assumptions of the Congressional Budget Office. In fact, the President's budget is remarkably similar to the program presented to the House a year ago by the chairman of the House Budget Committee, except that the President has made specific recommendations for application of the budget margin.

Mr. Speaker, at this point I would like to make some observations on specific aspects of the budget, which I think will be of interest to my colleagues.

BUDGET TOTALS FOR FISCAL 1978

Budget authority for fiscal 1978 is estimated and proposed at $480.4 billion, compared to $435.9 bililon for fiscal 1977.

Outlays are estimated at $440 billion, an increase of $28.7 billion, or 7 percent. Nondefense outlays are estimated at $327.7 billion, up $16.5 billion, or 5.3 percent from fiscal 1977. Defense outlays are $112.3 billion, an increase of $12.2 billion, or 12.2 percent over fiscal 1977.

Receipts are estimated and proposed at $393 billion, an increase of $39 billion, or 11 percent, over fiscal 1977.

The Federal unified budget deficit is estimated at $47 billion, down $10 billion from fiscal 1977.

TAX PROGRAM

Through his tax program, the President proposes major tax reductions, and selected increases, which would reduce Federal receipts under current law by $14.6 billion in fiscal 1978, and by $47.5 billion in fiscal 1982.

The President proposes permanent personal income tax reductions which would reduce receipts by $7.2 billion in 1977, by $22.6 billion in 1978, and by $27.3 billion in 1979. These reductions would result from: First, an increase in the personal exemption from $750 to $1,000; second, a reduction in tax rates in the lower- and middle-income brackets; third, an increase in the low-income allowance; and fourth, elimination of the $35 per capita credit, the optional taxable income credit, and the earned income credit.

He proposes permanent extension of the investment tax credit, and permanent corporate income tax reductions in the form of permanent extension of the temporary rate reductions which are scheduled to expire at the end of 1977, and a reduction from 48 percent to 46 percent in the tax rate on corporation income in excess of $50,000.

The President also recommends that for calendar years 1979–82, tax adjustments be made to eliminate the higher effective tax rates which result when wage and salary adjustments for inflation push incomes into higher tax brackets.

EXPENDITURE PROGRAM

Through his expenditure program, the President proposes a combination of increases and restraints which would reduce Federal outlays, below the level required to extend current programs, by $5.4 billion in fiscal 1978, and by $6.1 billion in fiscal 1982.

First, the President recommends a detailed and carefully justified series of expenditure reductions, which are intended to reduce or eliminate ineffective or marginal Federal programs. Significant reforms are shown below, with outlay savings for fiscal 1978 and 1979, where applicable:

Reform defense personnel procedures to terminate dual compensation, reform blue-collar pay, reduce PCS travel, and reform the senior officer grade structure and officer-enlisted ratio, —953 million.

Limit EPA waste treatment grants to highly effective facilities, and eliminate grants to marginal or ineffective facilities.

Limit highway trust fund grants to $6.5 billion, —934 million.

Limit the Federal commitment to METRO to $4.7 billion.

Provide impact aid only where parents live and work on Federal property, —764 million.

Limit medicare disbursements, place depreciation payments in escrow, and provide for coinsurance, —7,270 million.

Eliminate retroactive social security payments, change the retirement test, and eliminate student benefits, —2,697 million.

Improve food-stamp administration, and tighten eligibility standards, —1,791 million.

Require reimbursement for VA non-service-connected disabilities, and limit related travel benefits, —389 million.

Second, the President recommends selected increases in the defense budget, designed to restore our Armed Forces to a level of effectiveness which has been seriously impaired by deep congressional cuts in the defense budget during the 9 fiscal years 1968–76. Significant recommendations are shown below, with outlay increases for fiscal 1978 and 1979:

Increasing defense purchases for supplies, fuel training, recruiting, and other operation and maintenance activities, + 1,738 million.

Increase defense procurement for essential weapons systems, + 3,446 million.

Increase defense RDT & E for development of essential weapon systems, + 1,822 million.

Third, the President proposes highly significant reforms to consolidate and simplify several major programs. These reforms do in some cases save money, but their principal objective is to provide for a more responsive use of resources by the Federal Government. Specifically, the budget contains recommendations:

To consolidate many of the currently fragmented energy functions into a Department of Energy.

To provide a more flexible formula, and more State authority, under community development bloc grants.

To combine 23 elementary and secondary education programs into a bloc grant.

To consolidate medicaid and 19 other health programs into a bloc grant.

To simplify the administration of national income assistance programs.

To combine 15 child nutrition programs into a bloc grant.

To provide greater flexibility to localities in the use of housing assistance funds.

Fourth, the President proposes to increase Federal outlays for selected, high-priority domestic programs. Specifically, significant additional outlays in fiscal 1978 and 1979 are recommended for:

Nuclear and non-nuclear energy R & D, + 973 million.

Support for Northeast Corridor Development, + 455 million.

Support for U.S. exports through the Ex-Imbank, + 340 million.

Expanded Medicare coverage, and limited beneficiary liability, + 2,000 million.

Increased funding for Basic Opportunity Grants, + 856 million.

BUDGET FORMAT AND PROCEDURE

In his budget, the President proposes, supports, or continues a number of important reforms in budget format and procedure.

Off-budget agencies are shown in many of the tables.

Legislation is proposed to bring off-budget agencies within the unified budget.

Precise and practical standards for program evaluation are suggested.

The President lends support to the concept of "zero-based budgeting."

The budget shows and emphasizes budget impact in the next fiscal year—1979—and over the next 3 years, adding detail and emphasis to the attention on "out-year impact" in recent budgets.

Mr. Speaker, a logical extension of zero-based budgeting, and serious attention to out-year projections, is multi-year budgeting in the executive branch, and in the Congress. If we are to seriously examine programs "from zero," we must provide multiyear budget requests, and appropriations, so that only a manageable portion of the budget requires thorough review each year.

CONCLUSION

Mr. Speaker, this concludes my remarks on President Ford's budget for fiscal 1978. For the benefit of my colleagues, and the President-elect, I emphasize the importance of this budget precisely because it was prepared by an outgoing President. If this Congress and the President-elect move quickly and decisively, this budget provides a politically and technically responsible blueprint for program reform and budget balance.

I include the following:

EFFECTS OF BUDGET PROPOSALS

[In billions of dollars]

	1977	1978	1979	1980	1981	1982
Receipts:						
Under current tax law, extended	360.9	407.6	465.0	526.4	584.6	634.8
Proposed tax reductions	−7.2	−16.3	−17.6	−28.3	−45.4	−62.3
Proposed tax increases	.3	1.7	7.0	11.9	13.9	14.8
Budget receipts	354.0	393.0	454.0	510.0	553.1	587.3
Outlays:						
Current programs, unchanged	411.2	445.4	472.7	502.1	531.5	564.8
Proposed increases	1.2	7.0	15.7	21.1	26.7	30.1
Proposed reductions	−1.2	−12.4	−22.4	−26.6	−31.3	−36.2
Budget outlays	411.2	440.0	466.0	496.6	527.0	558.7
Margin, without the President's proposals	−50.3	−37.8	−7.7	24.3	53.0	70.0
Margin under current law and proposed changes	−57.2	−47.0	−11.6	13.4	26.1	28.6

MEMORANDUM—EXAMPLES OF POSSIBLE USE OF THE MARGIN[1]

[In billions of dollars]

	1977	1978	1979	1980	1981	1982
The President's tax program (net), exclusive of next line item	−6.9	−14.9	−10.6	−9.1	−11.9	−16.9
The President's proposal to reduce the average individual income tax rate to 1979 level				−7.3	−19.6	−30.6
Further reduction of the average individual income tax rate to 1977 level				−16.7	−26.9	−29.0
Inflation adjustments[2]		−2.1	−4.7	−7.1	−9.4	−11.5
Costs of renewal of antirecession financial assistance and other temporary programs		−2.0	−2.8	−2.0	−.7	−.5
Debt reduction (up to ½ percent of GNP)				−12.6	−13.7	−14.6
New programs and program growth				(3)	(3)	(3)
Other tax relief for individuals and tax incentives for business				(3)	(3)	(3)

[1] It is obvious that some of these alternatives are mutually exclusive if the budget is to remain in balance in 1980–82.

[2] This outlay adjustment is for inflation only in programs that were not so adjusted in arriving at the outlays shown in the table. See text.

[3] Amounts are dependent on costs of the particular initiatives undertaken.

Source: The Budget of the U.S. Government, Fiscal Year 1978, pp. 4–5, and 9.

OUTLAY REDUCTIONS AND INCREASES RELATIVE TO THE CURRENT SERVICES BASE PROPOSED IN THE 1978 BUDGET IMPACT ON OUTLAYS IN FISCAL YEARS 1977–79

[In millions of dollars]

	Not requiring legislation	Requiring legislation	Total
1. National defense and international relations:			
Reductions	−1,157	−1,125	−2,282
Increases	+9,600	+847	+10,447
Net	+8,443	−278	+8,165
2. Domestic functions:			
Reductions	−11,845	−21,898	−33,743
Increases	+8,766	+4,679	+13,445
Net	−3,079	−17,219	−20,298
3. Total all functions:			
Reductions	−13,002	−23,023	−36,025
Increases	+18,366	+5,526	+23,892
Net	+5,364	−17,497	−12,133

Source: "The Budget of the United States Government, Fiscal Year 1978," pp. 10–24.

RECENT ECONOMIC DEVELOPMENTS

(By Henry W. Moore, Minority Staff, House Committee on Appropriations)

INTRODUCTION

This report includes latest employment, unemployment and wholesale price figures. Comparisons show changes from preceding month or quarter, expressed in seasonally adjusted annual rates unless otherwise stated. Following are highlights of latest changes in U.S. economic indicators.

KEY ECONOMIC INDICATORS

1. Signs of economic recovery continued in early 1977 as total employment rose for the second successive month while unemployment declined. Business plans for capital

spending improved, industrial production and construction activities increased, retail sales gained and leading indicators point to further economic growth ahead.

2. Total employment rose again in December, up 220,000 to a new high of 88.4 million jobholders as measured in seasonally adjusted terms (or 88.494 millions unadjusted). Nearly 600,000 new jobs have been gained in the 2-month November-December period seasonally adjusted).

3. Non-farm jobs: Employment gains were entirely in non-agricultural industries, which gained 222,000 jobs in December to reach an 85.120 million level. Meanwhile, payroll jobs rose by nearly 260,000 to about 80 million, representing altogether nearly half a million new payroll jobs in the last two months.

4. The civil labor force was virtually unchanged in December at 95.9 million persons, as employment gains approximately matched the decline in unemployment. The labor force has expanded by 2.8 million workers over the last 12 months, including 1.1 million adult men, 1.5 million adult women and nearly 200,000 teenagers.

5. Unemployment fell by 210,000 persons in December to 7.6 million people, as seasonally adjusted (and 7.022 million unadjusted), while the overall unemployment rate moved down from 8.1 percent to 7.9 percent.

6. Key unemployment rates show these over-the-month changes from November to December (seasonally adjusted):

All workers down: 8.1 percent to 7.9 percent.

Household heads down: 5.4 percent to 5.2 percent.

Married men down: 4.6 percent to 4.3 percent.

Full-time workers down: 7.7 percent to 7.5 percent.

Minority workers unchanged at 13.6 percent.

Adult men down: 6.5 percent to 6.2 percent.

Adult women down: 7.7 percent to 7.6 percent.

Teenagers down: 19 percent to 18.9 percent.

7. Persons involuntarily working part-time declined by 200,000 to about 3.4 million, the first substantial decrease in this category since last June. The average workweek rose for private non-farm production or non-supervisory workers for the third straight month, edging up 0.1 hour to 36.3 hours weekly in December.

8. Retail sales gained 10 percent for the 4-week period ending January 1st compared with the comparable year-earlier period, while sales for the latest week rose 8 percent over a year earlier. Durable goods gained 14 percent while non-durables gained 8 percent in the 4-week period reported above compared with year-earlier figures.

9. The Price Outlook showed mixed trends, with wholesale prices rising more strongly than in the past two months while consumer prices rose more slowly:

a. Consumer prices rose more slowly in the latest 3 months reported, up 0.3 percent in November following 0.4 percent rises the 2 preceding months with food prices down 0.2 percent and non-food items up 0.4 percent over-month.

b. Wholesale prices rose 0.9 percent seasonally adjusted (0.8 percent unadjusted) in December, largely due to strong gains in farm products prices, up 3.7 percent, while processed foods and feeds rose 2.0 percent and industrial prices slowed sharply to an 0.3 percent rise over-month (seasonally adjusted figures).

10. Industrial production rose 1.2 percent in November, the largest gain in 9 months, according to the Federal Reserve Board Index of Industrial Production, which measures the change in output of the nation's mines, utilities and factories.

11. Gross National Product (GNP), the market value of the nation's production in current dollars, rose 8.2 percent to a record $1,709.8 billion in third quarter 1976, according to revised figures from the U.S. Commerce Department. Real output, which measures GNP in constant dollars to exclude price changes, rose 3.9 percent between quarters, modestly below the 4.5 percent second quarter gain.

12. Personal Income rose by a $15 billion annual rate in November to mark the strongest gain in 15 months, up 1.1 percent to a $1,418 billion annual rate. Wages and salaries grew $10.2 billion to a $921.5 billion annual rate.

13. Leading Economic Indicators rose strongly in November, up 1 percent over October's 0.6 percent gain (as revised), paced by a lengthening average workweek, improved factory orders, a sharp upturn in building permits and gains in selected industry prices deemed specially sensitive to economic fluctuations.

14. Capital spending by business firms is expected to rise by 11.3 percent in 1977 according to a U.S. Commerce Department survey taken in November and December, portraying a more optimistic forecast for the coming year than previously expected. The survey projects business spending of $134.95 billion on new plants and equipment in 1977, up $13.72 billion from the 1976 estimated level of $121.23 billion.

15. The Housing Construction outlook continues favorable, with highest building permit rate in nearly four years, while housing starts remain quite high despite the small October-November seasonal downturn. The October housing starts rate was revised upward to a 1.813 million unit annual rate while the November figure shows a 1.705 million annual rate, with single-family starts at a strong 1.2 million annual rate. Sales of new 1-family houses were estimated at a 696,000 unit annual rate in November, slightly below the 729,000 rate in October, while new 1-family houses for sale—estimated 13 percent above last year's level.

16. New car output is scheduled to rise 5.5 percent this week over last week, up 12.5 percent over the comparable week a year ago, while the production rise thus far in 1977 is estimated 14.3 percent over year-earlier levels. New car sales gained strongly in 1976, up 17 percent from 1975, rising from 8.6 million to 10.1 million cars annually. The 1977 outlook, according to auto executives, may range from 10.6 million to 11.25 million cars. Domestic U.S. model sales rose 22 percent in 1976, up from 7.0 million to 8.6 million cars annually, while imported models declined 5.5 percent to 1.49 million cars. December sales rose 15 percent.

JANUARY 17, 1977.

To: Honorable Elford A. Cederberg
From: Henry W. Moore, Minority Staff, House Committee on Appropriations
Re: Economic Assumptions of President's Budget Compared with CBO Baseline Assumptions and Revisions [1]

1. Comparison of President's Assumptions with CBO baseline: 1976–1978: A comparison of key economic assumptions appearing in the President's 1978 budget with those of the Congressional Budget Office in Five-Year Budget Projections: Fiscal Years 1978–1982 suggests that the President's economic assumptions appear to be generally close to those of the Congressional Budget Office baseline assumptions, but somewhat more conservative for the years 1976 through 1978. The President anticipates somewhat lower GNP growth, slightly higher unemployment, and the same or a moderately higher rise in consumer prices than the CBO baseline figures.

2. Comparison of President's Assumptions with CBO revisions: 1976–1978: A later set of revised figures furnished by CBO [2] is the same as the President's for 1976, but more pessimistic in portraying lower GNP growth and higher unemployment in 1977 and 1978, although showing slightly lower price rises as well. These revisions covered 1976 to 1978 only.

3. Comparison of President's Assumptions with CBO baseline: 1979–1982: For the years following, from 1979 through 1982, the President's economic projections show higher growth for 1979–1980, then slightly lower growth than CBO baseline projections for 1981–1982.

The President's projections also show slightly higher unemployment in 1979–1980, then significantly lower unemployment in the following two years.

4. Conclusions: On the whole, the President's estimates of these key economic changes seem more promising in terms of economic growth through 1980, although accompanied by a slightly higher unemployment—declining to below 5%. However, the higher growth rate suggests higher total employment, as well.

The President's consumer price projections are also slightly higher through 1979, but drop below CBO's baseline to the 4.6% range in 1980, and become sharply lower thereafter.

It is noteworthy that CBO's revised figures are more pessimistic with respect to economic growth in 1977, than those of the recent press statement by Dr. Charles Schultze, Chairman-designate of the new Administration's Council of Economic Advisors. Dr. Schultze expects an economic growth rate above 5% this year, reaching about 6% by year's end.

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[1] See attached table.

[2] Separately furnished by Congressional Budget Office (unpublished); appears on attached table:

ECONOMIC ASSUMPTIONS OF PRESIDENT'S BUDGET COMPARED WITH CBO BASELINE ASSUMPTIONS AND REVISIONS [1]

[In percent]

	1976	1977	1978	1979	1980	1981	1982
Real GNP growth rate:							
President's budget	6.2	5.2	5.1	5.9	5.5	2.9	3.5
CBO baseline	6.4	5.4	5.6	5.5	5.3	4.7	4.5
CBO revision	6.2	4.25	4.3				
Unemployment (total):							
President's budget	7.7	7.3	6.6	5.7	4.9	4.8	4.7
CBO baseline	7.6	6.8	5.9	5.3	4.8	4.4	4.1
CBO revision	7.7	7.66	7.2				
Consumer Price Index (rise):							
President's budget	5.7	5.1	5.4	5.0	4.6	3.8	2.9
CBO baseline	5.7	5.0	4.8	4.8	5.0	5.3	5.8
CBO revision	5.7	5.0	5.1				

[1] Figures represent year-over-year comparisons by calendar years.

Data: The Budget of the U.S. Government, fiscal year 1978, tables pp. 41, 42. Congressional Budget Office: "Five Year Budget Projections, Fiscal Years 1978—82" for "Baseline Assumptions". "Revisions" from revised data supplied by CBO.

EMERGENCY FARM CREDIT ACT OF 1977

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, I am today introducing legislation entitled "The Emergency Farm Credit Act of 1977," legislation identical to a bill that was introduced in the other body January 14 by my colleague, the senior Senator from Kansas, JAMES PEARSON.

The purpose of this legislation is to provide an additional source of credit to farmers caught up in a most severe economic cost-price squeeze. The introduction of the bill last Friday by Senator PEARSON was most appropriate. On that same day approximately 1,500 farmers and farm wives from Kansas, Colorado, and Nebraska met in Goodland, Kans. This meeting represents a genuine grassroots movement among farmers seeking assistance. While this meeting was held within my congressional district, this most severe economic crunch is being felt by farmers through the High Plains.

For several months now I have been seeking advice and suggestions from farmers and bankers throughout Kansas who have been experiencing serious credit problems. It is clear we now face the possibility of numerous foreclosures unless some action is taken. I wish to underscore the fact that time is of the essence in regard to this problem and the emergency nature of this legislation.

Mr. Speaker, there is a recent precedent for this legislation as represented by the emergency livestock loan program in 1974. Under similar authority the Emergency Farm Credit Act of 1977 would enable farmers to obtain loans of up to $250,000.

This legislation would also make some permanent changes to the consolidated Farm and Rural Development Act. First of all, the present ceiling of $50,000 on operating loans would be increased to $100,000. I would like to point out due to increased production costs the present ceiling has been outdated for some time.

The maximum total real estate debt ceiling for farm ownership loans would be increased from $225,000 to $325,000. The Farmers Home Administration's share of the farm ownership loan would be increased from the present $100,000 to $150,000.

Finally, the Farmers Home Administration would be authorized to make direct loans and guaranty loans to partnership and family farm corporations. The agency is now prevented from doing this.

Mr. Speaker, when Senator PEARSON introduced this legislation last week he said:

> The present credit crunch facing the agriculture community stems from the longer range problem of soaring costs and falling prices. Congress will be addressing this more fundamental problem in the months ahead as we rewrite the farm program, in the meantime, I believe we must come to grips quickly with this growing credit problem before it results in bankruptcy of too many of our family farmers.

Mr. Speaker, I believe Senator PEARSON summarized the situation very well. In my view, this legislation represents the kind of response our farm wives and farmers are asking for.

HOUR OF MEETING ON THURSDAY, JANUARY 20, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday, January 19, 1977, it stand adjourned to meet at 10:25 a.m., not 10 o'clock a.m., on Thursday, January 20, 1977.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INAUGURAL CEREMONIES OF THE PRESIDENT AND VICE PRESIDENT OF THE UNITED STATES

Mr. WRIGHT. Mr. Speaker, I offer a resolution (H. Res. 113) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 113

Resolved, That when the House convenes on Thursday, January 20, 1977, it proceed to the east front of the Capitol for the purpose of attending the inaugural ceremonies of the President and Vice President of the United States; and that upon the conclusion of the ceremonies the House stand adjourned until Monday, January 24, 1977.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the Honorable GEORGE MAHON, of Texas, to act as Speaker pro tempore on Thursday, January 20, 1977.

HOUR OF MEETING ON THURSDAY, JANUARY 20, 1977

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WRIGHT. Mr. Speaker, I desire to alert my colleagues that when we adjourn on Wednesday, we will meet on Thursday at 10:25 a.m. I urge all Members to be here promptly, because the procession for Members of the House will leave in a body promptly at 10:30 a.m., so that the inaugural exercises on the platform at the East Front might start precisely at 11 o'clock. There will be no opportunity for Members to join the procession after it leaves the House Chamber.

Members must display their official tickets in order to get a seat on the platform.

The seats to be occupied by Members of the Senate and House of Representatives have no cover and the area is unheated. Members are urged to dress appropriately for the weather.

No children will be allowed upon the platform, and there will be no seats except for Members actually holding tickets for their own seats.

So, if you expect to be in the procession and get a seat on the platform, you must be in the Chamber at 10:25 a.m., on Thursday.

The procession will be headed by the Speaker pro tempore, then the chairmen of committees, and then other Members in order of seniority.

Following the inaugural ceremonies on the East Front, shuttle buses will be available on the east side of New Jersey Avenue between the Cannon and Longworth House Office Buildings, to take Members and two guests, who have purchased tickets for the inaugural parade, to the parade reviewing stands at the White House. The first buses will depart at 12:30 p.m. and the last will leave at 1 p.m., promptly. The buses will also be available to bring Members back to the Capitol after the parade.

RECOMMENDATION OF COMPENSATION INCREASE FOR JUDICIARY AND LEGISLATIVE MEMBERS AND EXECUTIVE BRANCH OFFICIALS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–47)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

As a part of my fiscal year 1978 Budget, I am recommending a substantial increase in the level of compensation for members of the Federal Judiciary and the Congress as well as senior officials in the Executive Branch. I have been guided in this decision by the unanimous recommendation of the Commission on Executive, Legislative, and Judicial Salaries.

At the same time, I am also strongly endorsing the recommendation of the Commission that new and strengthened codes of conduct be adopted by each branch. Like the Commission, I would not recommend the salary increases if there is not a firm commitment to a new code of conduct.

I have personally discussed this matter with President-Elect Carter and he authorized me to say that he fully supports my recommendations concerning salary levels and the need for stronger codes of conduct for all three branches as recommended by the Commission. Thus, the Executive Branch has made the commitment to the improved code of conduct. I have also spoken to the Chief Justice of the United States and he too supports the recommendations of the Commission and is committed to the code of conduct principles outlined in the report.

If the Congress commits itself to adoption of the proposed code of conduct reforms, then I believe the Congress should permit their salary increases to take effect. This will not only restore public

confidence in national leaders, but it will permit the country to be able to attract the most qualified citizens to these important posts.

Congress enacted in 1967 the current procedure which provides for a special Commission on Executive, Legislative, and Judicial Salaries to be established every four years. This Quadrennial Commission reviewed the rates of pay for the Executive Schedule and for positions at comparable levels in the Legislative and Judicial Branches and submitted recommended changes to me. I am required to include my recommendations in the next annual Budget transmitted after the Commission makes its report. These proposed rates go into effect a month later if neither the Senate nor the House disapproves.

The last increase occurred in 1969. Quadrennial adjustments proposed by the President in 1974 were denied by the Senate. Except for a 5% adjustment enacted in 1975, salaries of senior officials in the Executive, Legislative and Judicial Branches have been frozen for nearly eight years. This year's Quadrennial Commission, chaired by former Commerce Secretary Peter G. Peterson, has documented the serious problems in keeping and recruiting qualified officials.

There is also a related problem of salary compression for some Civil Service employees. Most grades of the General Schedule have continued to rise annually as a result of the upward pressure of private salary rates. But under current law no Civil Service employee can be paid more than the statutory pay rate for Executive Level V. Consequently, all senior Civil Service employees in grades GS–16 through 18 and many at the upper levels of GS–15 have reached this ceiling, so that five different levels of officials in the Executive Branch now are paid at much the same rate.

Many of the same problems apply to the Judicial and Legislative Branches. As a result of frozen compensation schedules, a number of Federal Judges have left the bench to return to private law practice, and the Chief Justice has reported to me that others are planning to do so. This represents an alarming loss of talent and experience.

The Quadrennial Commission determined that a 50 percent increase in Executive, Legislative, and Judicial pay would have been justified by economic indicators. However, the Commission members concluded that direct pay comparisons with the private sector are neither feasible nor appropriate for most of the positions covered by their report, and they recommend what they believed to be the minimum increases necessary to attract and retain the best qualified individuals for these positions. Nevertheless, I have somewhat reduced the amount of salary increases recommended by the Commission. I believe the levels contained in the Budget I am submitting to the Congress today, represents the proper balance between the need for higher levels of compensation and my determination that not one cent of the taxpayer's money should be spent unnecessarily.

The Commission's proposals for salary increases were coupled with recommendations for new "Codes of Public Conduct" in the three separate branches of Government. These would provide full public disclosure of each official's financial affairs, place tight restrictions on other earned income, apply strict conflict of interest provisions upon investments, tighten up expense allowances, place reasonable restrictions on post-service employment and provide vigorous and consistent auditing. In effect, the Commission thus recommends providing higher salaries in exchange for limitations upon other forms of income that give rise to questions concerning ethics or conflicts of interest.

In order to demonstrate a firm commitment to the code of conduct reforms, I urge each House of the Congress to take positive action—such as adoption of a resolution—supporting the code within the thirty-day period available to reject the proposed salary increases. I commend the leadership shown thus far by both Houses in moving toward code of conduct reforms and I am confident that the principles stated in the Commission's report will be adopted.

GERALD R. FORD.

THE WHITE HOUSE, *January 17, 1977.*

NINE NEW RESCISSIONS AND EIGHT NEW DEFERRALS UNDER IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–48)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith propose nine new rescissions totaling $1,001.3 million and report eight new deferrals totaling $273.4 million in budget authority developed in connection with the 1978 budget. In addition, I am reporting $70.6 million in increases to five deferrals previously transmitted.

The rescission proposals pertain to programs of the Department of Commerce, Defense, State, and Transportation as well as the Small Business Administration and an International Security Assistance program.

The new deferrals involve programs of the Departments of Commerce and Transportation and the Energy Research and Development Administration while the increases to existing deferrals relate to the Departments of Agriculture, Defense, and Transportation.

I urge the Congress to act favorably on the rescission proposals.

GERALD R. FORD.

THE WHITE HOUSE, *January 17, 1977.*

CONSUMER COMMUNICATIONS REFORM LEGISLATION

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 10 minutes.

Mr. WHALEN. Mr. Speaker, in the 94th Congress, 16 Senators and 175 Representatives cosponsored legislation entitled "The Consumer Communications Reform Act." Although no action was taken in the Senate on the legislation, the House Interstate and Foreign Commerce Committee's Subcommittee on Communications held 3 days—September 28–30, 1976—of hearings on the measure. The bill, which has been the beneficiary of an unprecedented lobbying effort, appears certain to generate considerable controversy in the 95th Congress.

THE COMPOSITION OF THE TELECOMMUNICATIONS INDUSTRY

The most important telecommunications medium today is the integrated telephone industry, dominated by the American Telephone & Telegraph Co.—A.T. & T. In terms of total assets, A.T. & T. is worth $80.2 billion, more than any other corporation in the world. Total annual corporate net income is $3.2 billion.

A.T. & T. actually is a number of telephone companies. It is comprised of 23 local operating companies from coast-to-coast. In addition, A.T. & T. operates Western Electric Co., the manufacturing and supply arm of the Bell System; Bell Telephone Laboratories—a research and development operation, and the long lines department—which operates long distance and other intercity service.

Integrated into the telephone system are some 1,600 independent local phone companies concentrated in five holding companies: General Telephone & Electronics Corp., United Telecommunications, Continental Telephone Corp., Central Telephone & Utilities Corp., and Mid-Continent Telephone Corp. These five organizations own 19.9 million of the 26.8 million telephones possessed by the independents. Looking at the entire telephone industry from the viewpoint of revenues, Bell has 83.9 percent, the independents 15.6 percent, and all other companies—the interconnect companies, the specialized carriers, and the satellite carriers—have 0.5 percent of the industry's total revenue of more than $35 billion.

THE GROWTH OF COMPETITION AND INNOVATION

The Communications Act of 1934, which created the Federal Communications Commission and laid the foundation for a national communications policy, declared as its purpose to "make available, as far as possible, to all the people of the United States a rapid, efficient, nationwide and worldwide wire and radio communication service with adequate facilities at reasonable charges." Contrary to some misconceptions, the act did not mandate or approve monopolistic practices in the telecommunications industry. Nevertheless, a "natural monopoly" was allowed to develop up to the 1950's. The Bell System provided an excellent communications network, and challengers did not step forward to infringe on Bell's preeminence in the field.

Historically, Bell supplied all of its operating companies with equipment through its subsidiary, Western Electric, and prohibited customers from attaching any non-Bell equipment to its lines through tariffs enforced by the FCC and

State regulatory commissions. In effect, only what A.T. & T. supplied could be used.

In the 1950's and 1960's, companies outside of the telephone industry outpaced Bell in the development of sophisticated terminal equipment switchboards, key systems, data modems, answering sets, dialers, and telephone extensions. Moreover, they were able to market them at a lower price than Bell. Eventually, would-be competitors started to challenge A.T. & T. before the regulatory commissions and in the courts.

In the Hush-A-Phone case of 1956, the U.S. Court of Appeals for the District of Columbia overturned carrier tariffs that prohibited consumers from attaching a simple plastic cup to the mouthpiece of their telephone. The court held that the interconnection restrictions in the tariff were "an unwarranted interference with the telephone subscriber's right to use his telephone in ways which are privately beneficial without being publicly detrimental."

Although competition had been simmering in the telecommunications industry for years, it was not until 1968 that competitors were given free rein to move directly against the telephone companies. That year, in the landmark Carterfone decision, the Federal Communications Commission ruled that telephone companies could not arbitrarily deny customers the right to hook their own equipment—in this case, mobile radio units—on to Bell's lines. This opened the way to development of a thriving "interconnect" industry offering Bell customers terminal equipment in competition with Bell's own manufacturing arm, Western Electric. "Interconnect" describes the utilization of customer-owned and maintained terminal equipment, such as telephones, switchboards, data transmitting and receiving equipment, and automatic answering devices. Terminal equipment refers to devices utilized for transmission or reception of communications when interconnected with the public telephone network. This includes the common residential telephones, answering devices, dialers, facsimile devices, computer terminals, private branch exchanges—PBX's and key telephone systems.

Just as the Carterfone decision opened up the terminal market, the Specialized Carrier decision opened up private line services. Private line services refer to dedicated, point-to-point communications facilities which are constructed to meet more specialized communications needs. For example, data communications often require capabilities and features not available from the public telephone network which is designed primarily for voice communications. In 1971, in the Specialized Carrier ruling, the FCC authorized specialized common carriers to compete against Bell in providing certain long-distance service customized to the needs of individual businesses. The cream of the market here is computer data transmission, but there also is a profitable business in telecopier and voice transmission services.

THE IMPACT OF INCREASED COMPETITION ON THE MARKET

After the Carterfone decision in 1968, the interconnect companies made between $500 and $600 million in total sales between 1969 and 1974. However, during that same time, the Bell System increased its revenues from PBX and key system equipment and services by $1.046 billion. Competition clearly encouraged the entry of new firms into the interconnect business, but Bell's market share continued to be well over 90 percent by 1974.

In a telecommunications market which produced $35.3 billion in annual revenues during 1975, the telephone industry received $35.1 billion, or 99.5 percent of the total, while the competitive industry received $186 million, or 0.5 percent of the total. Considering only the private line and terminal equipment submarkets—the only areas open to competition—the telephone industry received $4.1 billion, or 97 percent, as compared to the $186 million, or 3 percent received by the competitive industry.

Although new entries to the telephone market are called competitors, much of their business is a new service, not business taken from the telephone companies. A preliminary report by the Common Carrier Bureau of the Federal Communications Commission on the economic effects of competition in the private line and terminal equipment markets concluded that "the dynamics of competition have apparently stimulated the overall demand for private line services and terminal equipment; telephone industry revenues in these markets have increased at an even greater rate in the presence of competition than before." Thus, competition has generated demand, and the Bell System has benefited from it.

The real competitive battleground, according to industry observers, is not the existing telephone service market, but rather the yet-to-be-exploited computer communications field. It is in this area that large computer companies, such as IBM, ITT, and RCA—rather than the small firms presently involved in the competitive market, are expected to challenge the hold Bell has on the market.

ANALYSIS OF THE KEY PROVISION OF THE CONSUMER COMMUNICATIONS REFORM ACT

The Consumer Communications Reform Act contains eight sections. The following is a summary and analysis of each of the five principal sections of the bill.

SECTION 2—CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

Summary.—In a lengthy introductory section, the bill declares it the findings of Congress that duplication of private line services and equipment interconnection are "contrary to the public interest" because they frustrate economic efficiency and violate the technical integrity of the telephone system. The findings can be summarized as follows:

First. The revenues from "integrated interstate and foreign common carrier telecommunications services" make a contribution to total revenue requirements of the telephone industry and help reduce rates for local services.

Second. The "authorization of lines, facilities, or services of specialized carriers which duplicate the lines, facilities, or services of other telecommunications common carriers"—that is, introduction of competition— absorbs revenues that otherwise would be available for contribution to reducing rates for local services.

Third. Competitors foster inefficiencies in the use of national resources because of their "unnecessary and wasteful" duplication of existing facilities.

Fourth. Competitors impair the technical integrity of the integrated telecommunications network.

Fifth. Competition "has an adverse impact on the national objectives of maintaining stability of consumer price levels, conserving national economic resources, improving productivity, and fostering an economy that will maintain adequate sources and reasonable costs of capital; and is, therefore, contrary to the public interest."

Analysis.—Supporters of the bill describe the Findings Section as a reaffirmation of congressional intent in the Communications Act of 1934. They claim that the goal of that legislation was a single integrated telecommunications system to serve the needs of the entire Nation.

Opponents of the measure assert that the findings, in effect, would establish in court proceedings a legal presumption in favor of monopoly control of technologies and services in the telecommunications industry. In a speech before the Electronic Industries Association, John Eger, Acting Director of the White House Office of Telecommunications Policy, made the following observations about this aspect of the bill:

> Where I disagree, and disagree strongly, is in the basic premise that the established telephone monopoly has put forth as their primary reason for presenting this bill to Congress: The presumption that competition in the telephone industry will ultimately serve to degrade the public telephone network and increase the cost of telephone service to the general public.
>
> (The industry) also has chosen to inject the totally unsubstantiated scare tactics of rising costs and technical harm into the national dialogue in order to preserve its own vested interests at the expense of the consuming public.

SECTION 3—CHARGES FOR SERVICE

Summary.—This section declares that "no compensatory charge for * * * communication service may be found to be unjust or unreasonable on the ground that it is too low." This permits the phone company to charge as low as it wants for its services, as long as the charges exceed the "incremental" costs of providing the service.

Analysis.—Proponents of the bill say this provision is designed to prevent the FCC from setting artifically high rates that permit inefficient competitors to stay in the market.

The measure's critics counter that incremental cost tariffs enable the Bell companies to engage in "predatory pricing" against competitors, shifting costs away from competitive products and services to monopoly activities. They assert that no one except Bell knows just what the company's costs actually are.

SECTION 4—ACQUISITIONS BY AND OF CERTAIN COMMON CARRIERS

Summary.—Upon the application of any common carrier, the FCC would be empowered to approve the acquisition of another domestic common carrier. If the Commission certified its approval of the acquisition, "thereupon any act or acts of Congress making the proposed acquisition unlawful shall not apply."

Analysis.—To protect the customers of private-line companies that go out of business under the burden of proof requirement, the bill gives the established carrier—Bell—immunity from the antitrust laws against taking over duplicating services.

SECTION 6—REAFFIRMATION OF LOCAL TERMINAL AND STATION EQUIPMENT

Summary.—This provision, aimed at the interconnect industry, "reaffirms" the jurisdiction of the States, rather than the FCC, over terminal hookups.

Analysis.—The Communications Act of 1934 did not confer such authority upon the States. The FCC and the Federal Courts continuously have held that the FCC has primary jurisdiction over terminal equipment which requires uniform Federal regulation. As the U.S. Court of Appeals for the Fourth Circuit ruled in the Telerent case in April, 1976:

. . . The (FCC's) declaratory statement of its primary authority over the interconnection of terminal equipment with the national telephone network is a proper and reasonable assertion of jurisdiction conferred by the (Communications Act of 1934).

This section clearly would favor A.T. & T. which already is responsible to the States for rate regulation. Under this provision, the interconnect companies would be forced to market equipment separately, State by State, and possibly to devise different equipment to meet conflicting State requirements. According to the North American Telephone Association, this section "would result in a 50-State crazy quilt of policies which would keep its members effectively tied up in litigation and undermine their ability to compete with the Bell System in the marketplace."

SECTION 8—FINDINGS TO BE INCLUDED IN COMMISSION AUTHORIZATIONS OF SPECIALIZED CARRIERS

Summary.—For the private line market, the bill places a burden of proof upon competing companies to show that their services would not duplicate existing or potential services of the existing company, that their prices would not cause telephone rate increases, and that their services would not impair the technical efficiency of the network.

Analysis.—This section would counter FCC decisions that have permitted the growth of companies providing private lines tailored for specific markets. These companies claim that the burden of proof would be almost impossible to meet, since A.T. & T. always could show that it had the potential to provide a proposed private line service.

THE CENTRAL ISSUE: THE ECONOMIC IMPACT OF COMPETITION

Although supporters of the Consumer Communications Reform Act have argued that the bill is necessary to preserve what they believe to be the intent of the Communications Act of 1934 in the face of the growth of competition and necessary to preserve network integrity against a proliferation of interconnect devices, the principal issue they have raised is the adverse economic impact of competition. Lobbyists for the bill contend that home phone rates will go up dramatically—perhaps as much as 79 percent by 1985—unless competition is reduced.

An A.T. & T. pamphlet urging consumers to contact their Senators and Representatives about the bill frames the issue in the following manner:

The introduction of telecommunications competition, real or contrived, involves major economic implications for tens of millions of home telephone users—*with particular impact on low-income families and those on fixed incomes* (emphasis A.T. & T.'s.)

. . . If, over a period of time all support from other services were to be lost—because of losses to competition or because of repricing to respond to competition—monthly rates for home phones would have to be increased by about 75 percent to cover full costs. Future inflation could, of course, drive rates up even further.

The reasoning here is that basic home phone service is a money loser and must be subsidized from other services, such as long distance tolls, special private lines, and commercial phone equipment. Thus, if part of that business is lost to competitors, rates to home subscribers necessarily will have to go up.

Some opponents of the bill have turned the argument around the other way. They insist that home phones pay for competitive services. A 3-year cost study of the New York Telephone Co.'s operations by the New York Public Service Commission concluded that much of the equipment leased to businesses was underpriced and actually unprofitable. These findings have been vigorously contested by A.T. & T.

The Common Carrier Bureau of the FCC has been examining the economic impact of competition. The summary of its preliminary analysis made the following determination:

The comparative size, market penetration, and financial capabilities of the telephone industry vis-a-vis its competitors appear to be such as to preclude any significant near-term effects on carrier revenues, earnings, or the rates for basic telephone services. This view is further strengthened by our findings that there is no valid support for telephone industry claims that beneficial cross-subsidization from private line services and terminal equipment leasing to basic telephone services even exists—much less, that it will be adversely affected by future competitive developments.

Most observers agree that telephone subscriber rates likely will increase in the near future—but not because of competition. With little or negligible competition in the telephone equipment market between 1970–75, the Bell System has raised the price of basic telephone services by an average of $829 million per year. According to the North American Telephone Association, in view of A.T. & T.'s needs for new capital to modernize telephone plants and to replace existing facilities over the next 5 years, Bell System rate increases will average $1.4 billion per year regardless of competition.

CONCLUSION

After having studied the Consumer Communications Reform Act for several months and after having heard from representatives from both sides on the issues involved, I have concluded that I must oppose it. Five reasons underscore this conclusion.

First, the bill would establish a legal presumption in favor of monopoly control of technologies and services in the telecommunications industry. I cannot accept the view that competition with respect to technologies and services would frustrate economic efficiency and violate the technical integrity of the telecommunications system. On the contrary, I believe that the legal enshrinement of a monopoly would stifle creativity and innovation.

Second, it would grant special exemption from the antitrust laws for the acquisition of duplicative services by the established carrier. This precedent would serve to reward takeovers based upon officially-approved monopolistic practices.

Third, the measure would overturn FCC and Federal court rulings granting primary jurisdiction to the FCC over terminal hookups. The shifting of this authority to the States only would operate to facilitate the fragmentation of new interconnect company competition and bestow an unfair advantage on the telephone company.

Fourth, the legislation would restrict the growth of specialized carrier competition by placing upon these carriers the virtually impossible burden of proving that their services would not duplicate present or potential services of the existing company.

Fifth, I do not support the premise that private line and terminal competition will be responsible for higher rates for home phone subscribers. I agree with the FCC that such a nexus between the two has not been established.

For these reasons, I would vote against this legislation if it were to reach the House floor.

COMPREHENSIVE HEALTH CARE INSURANCE ACT OF 1977

The SPEAKER. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 10 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, in the last several Congresses one of the more important questions has been how can the Congress write a national health insurance plan that will meet unmet national health needs, yet at the same time preserve the fiscal integrity of the Federal Treasury? That question again faces the 95th Congress.

I believe that the proposal of the Nation's physicians—the Comprehensive Health Care Insurance Act of 1977—does the best job to date in extending health insurance to every American at a cost the Nation can afford.

It controls costs by limiting Federal help to those in need by determining that level of need from income tax liability. Additional cost controls are found in its coinsurance factor—except for the poor—its provision of preventive care,

and its promotion of competition among health insurance carriers.

At the same time it provides realistic basic medical and hospital coverage and financially protects all Americans from catastrophic illness.

In short, it does about what the Federal Government can afford to do at this particular time.

It is not legislation that overpromises and underperforms.

This proposed legislation provides Federal assistance on the basis of need. The most help goes to those who need it the most. The least help goes to those who need it the least.

If NHI is to be viable, then it must be prudent—prudent enough to focus Federal resources on those areas that contain the greatest needs. To apply Federal funds broadly across the whole spectrum of health care would serve little purpose other than to dilute the Federal Treasury.

This new NHI proposal is designed to put real patient needs first and foremost on the scale of national health priorities.

Those Americans who lack financial access to quality care would no longer be faced with such barriers.

The fear of catastrophic illness that plagues even well-off Americans would be removed, for the plan provides catastrophic as well as basic coverage for the entire population.

Benefits for any 12-month period would include the following: 365 days of hospital inpatient care; 100 days of inpatient care in a skilled nursing facility; emergency or outpatient services customarily provided by a hospital;

All medical care—diagnostic, therapeutic, or preventive—regardless of where such services are rendered;

Full dental care for children, and emergency dental care for anyone;

Home health benefits;

And many other services, including psychiatric treatment, well-baby care, X-ray and lab tests, and family planning.

Certainly this comprehensive list identifies the first and foremost health needs of Americans.

And certainly it does not attempt to restructure our entire health care system. It builds upon its present strengths. At the same time, it corrects one of its major weaknesses by removing the financial barriers that in the past have denied some Americans access to the system.

Under the new proposal the great bulk of the American population would be covered under an employer-employee financial arrangement. Employers would be mandated to provide health insurance coverage for employees. Under the plan, employers would pay at least 65 percent of the premium costs for NHI. Employees would, however, not be mandated to participate in such an arrangement.

The plan remains essentially voluntary as opposed to a compulsory plan where everyone would be compelled to pay into one system, compelled to accept coverage under one system.

Patients would retain the right to choose what form of health insurance they desired.

While participation would be mandatory for employers, the system would be essentially private.

Significant options would be retained for both patients and providers.

As a consequence, a large measure of pluralism in the administration and financing of any NHI program would be preserved. It is precisely this pluralism—the creativity of the private sector supplemented, not supplanted, by the Government sector—that has made the quality of American medicine the finest in the world today.

The medical profession's NHI plan would be administered by the existing "third-part-payer" system of our insurance industry, the Blues and the commercials.

A 15-man Health Insurance Board would be established and its membership would include the Secretary of Health, Education, and Welfare and the Commissioner of Internal Revenue. The remaining members, not otherwise U.S. employees, would be appointed by the President, with the advice and consent of the Senate. The appointed members of the Board would be selected from persons specifically qualified to serve on the Board by virtue of their education, training, or experience, and would include at least seven persons who are practicing M.D.'s, one D.O., and one dentist recommended by the appropriate national professional organizations. The remaining members of the Board would be members of the general public.

The Health Insurance Board would: First, prescribe such regulations as may be necessary to carry out the act's purposes and provisions; second, establish minimum Federal standards for the use of State insurance departments in determining whether an insurance company and plan are qualified; third, in consultation with carriers, providers of services, and consumers, plan, review, and develop, where necessary, programs to provide for maintaining the quality of medical care, and the effective utilization of avaliable financial resources, health manpower, and facilities, through utilization review, peer review, and other means which provide for the participation of the insurance carriers and the providers of services; and fourth, review of the effectiveness of the program established in this act, and especially the utilization review procedures developed by the carriers and the several professional associations.

In addition to the stipulated cost control mechanisms of the Health Insurance Board, a most important control would be the coinsurance requirement—except for the poor—incorporated into the plan. Experience has shown beyond the shadow of a doubt that a health care system without some regulatory control of usage is soon overwhelmed by the "worried well" who crowd out those who truly need care.

A recent Rand Corp. study has shown that any NHI program will increase the demand for ambulatory services; and that the greater the dollar coverage for such services, the greater the demand.

Regulatory controls of usage—such as coinsurance—are of paramount importance to the fiscal integrity of any NHI program. Such controls are written into the doctors' NHI plan.

Now I am going to make some personal observations about NHI.

Any NHI plan will have, of necessity, three parts: benefits, financing, and administration.

There is no great disagreement in this Chamber, or in the Nation, on the benefit package. As a matter of fact, the plan I sponsor today has as broad a scope of benefits as any current proposal before this body.

The great division of opinion on NHI occurs in the areas of financing and administration. The two are frequently inseparable.

If the Federal Government is to finance NHI—through general revenues or payroll taxes, or a combination of both—then the Federal Government will administer the program. No ifs, ands, or buts.

If the Congress chooses to go this route—and I deplore the very thought of it—then health care in this country will be totally governed by bureaucracy—probably by the already overwhelmed and beleagured Social Security Administration. Redtape would pyramid. And Government would find itself unable to respond to individuals with any degree of sensitivity or indeed with many of the promised benefits of the program. This inability of government to respond to individual need on a one-to-one basis has been demonstrated time and time again.

Perhaps an even sadder result—if the Congress chooses to go the route of total Federal financing and administration of an NHI program—is the inescapable fact that the health care of the American people would compete within the Federal budget with defense spending and other high priority items. This has happened in Sweden and the United Kingdom. And invariably in those countries health care budgets have come out second best, or worse.

No, any NHI plan to be viable must depend heavily on the private sector for its financing and administration. The Federal Government should limit itself to the provision of funds for those Americans in need and to the establishment of the necessary authority to regulate the program at high standards.

The private sector and the governmental sector have been able to work hand in hand in the past, and must continue to do so in the future.

I commend to you, Mr. Speaker and my colleagues, careful consideration of the Comprehensive Health Care Insurance Act—a proposal to extend health insurance to every American.

ARE WE A NATION GOVERNED BY LAWS OR BY MEN?

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, the assassinations of John Kennedy and Martin Luther King shook the very foundations of our governmental structure based on the concept of the free and peaceful exercise of rightful authority and expression of opinion or belief. Indeed, they raised the question of whether or not we are a nation governed by laws or by men. Unfortunately, as a result of potentially ineffectual investigations, the answer to that question has never been fully resolved. Consequently, this House determined that it would, once and for all, decide the extent to which the fabric of our Nation's structure was torn, how, and, by whom.

Some people question whether the House can justify why these investigations should be undertaken. They do not see any possible benefit that can be gained by exploring these past events. Yet no less than the integrity of our democratic process and belief in fundamental freedoms is at stake. The House is the largest body which represents the American people; the public's faith in the integrity of our democratic process and constitutional ideals is the foundation of our authority to govern. We have a continuing obligation to justify such faith. Under such circumstances, the burden is not on the House to justify why it should investigate these assassinations, but on those opposed to the investigations to make a compelling case for why it should not.

In constituting the select committee and charging it with the responsibility to conduct a full and complete investigation, this House vested great responsibility in its committee. In fact, the integrity of the Congress in the future may rest, in some part, on the thoroughness of this investigation. Absent a thorough investigation, we will risk being subject to the same allegations of coverup, ineffectiveness, and the like that are the very reasons it is necessary that we undertake the current investigations. If we do not perform fully and effectively, we will lose the opportunity to explore the jeopardy to our governmental structure at the time of the assassinations.

We will not merely lose the opportunity to learn from a historical lesson, but possibly the opportunity to bring to justice those who have for these many years remained unpunished and unexposed. Thus, it is imperative, as the original resolution charges, that we perform our function completely so that there will be left no unresolved questions as to the past. The purpose of the House, therefore, must not be to restrict the quest for truth, but in fact, to broaden it.

To this end, the original resolution, as well as that in question today, charges the select committee to examine not only the murders of Kennedy and King, but also "any others the select committee shall determine." Much thought has been given to the inclusion of this phrase by the members of our committee and staff. We have determined that in its absence, very grave problems could befall the course of our investigation and we could be thwarted in the vital collection of evidence and testimony. Simply stated, absent this phrase, we might be confined to the investigation of facts restricted in time and place, to the deaths of these two great leaders.

It is known by the Members of this House that many persons have died since the deaths of President Kennedy and Dr. King. Whether they be witnesses, conspirators or deaths totally unrelated to the assassinations, an exploration of the circumstances and the impact of their deaths may be vital to finally answer all the questions that have been raised. Without the clause in question, we might be compelled to prove the death was related to either that of Kennedy or King before we have the authority to investigate that very issue. Courts never presume a relationship in a situation such as this, but require its proof; without broad jurisdiction in this select committee, proof may be impossible.

Most of the questions with regard to the authority and the jurisdiction of the investigation will arise when a subpena is questioned. It is my belief that without this clause, the burden of proof upon the select committee as to the intent of this House will be severely increased. Without this language, a court might narrowly construe the circumstances surrounding the deaths of Kennedy and King to those events which were directly related in time and proximity. Such a narrow construction might preclude the committee from investigating the many mysteries that have arisen concerning the deaths of others which may bear directly on the investigation. Such a narrow construction would be an error given the broad inquiry the committee and House intends to undertake but it is a possibility whose effects we should minimize.

Moreover, since this clause did appear in the original resolution, to delete it at this juncture might suggest that Congress intended to narrow the extent of the authority of the select committee. This might be fatal to the effort to obtain and analyze the evidence.

The point of this discussion is that the inclusion of this language in the resolution as a deliberate and conscious determination by this House will indicate to any court that the Congress wishes the investigation to be unfettered by a narrow delineation of authority. The purpose of embarking upon this inquiry is a full and thorough quest for the truth, and if this involves the deaths, murders, or assassinations of others that may initially appear only tangentially, remotely, or indirectly relevant to those of Kennedy and King, then I hope the committee will be able to examine the issue before it has to demonstrate or prove any relevance to the death of Kennedy or King.

In fact, so that no question should exist in the minds of others, whether they be those under subpena to testify or the courts examining our subpenas, permit me to discuss briefly the areas which this House wishes to have us explore, without narrow limitation. The "circumstances surrounding the assassination, murder, homicide and death" of Kennedy and King is meant to be a very broad scope of inquiry. It is meant to include those who may have been involved in the planning, execution or any coverup of the assassinations. It is meant to include the investigations into each assassination. It is meant to include all events that may relate to either assassination—whether they occurred within days of either death or within the past week.

It is clear that the select committee should attempt to determine the identities and motives of all persons who were in any way involved in the killings of Kennedy and King. This inquiry, of course, would include the examination of whether or not any governmental agencies, Federal, State, or local in the United States or any foreign country were involved. Moreover, the oversight responsibility of the Congress would include examination into whether or not any law enforcement or intelligence agency of the United States had knowledge of or was in any way a party to plots to murder these leaders.

It is important that the select committee determine whether or not any agency of the Federal, State, or local government engaged in the investigation into either assassination fully and effectively performed its function. In fact, was there the required degree of effectiveness in the cooperation among these agencies? Finally, did any person, agency or organization deter the course of the investigation of these assassinations by withholding, destroying, or altering evidence?

The investigation, to date, has raised many questions in the areas that I have just categorized. Although I do not mean to suggest that we have firm conclusions as to the resolution of any of these questions I have raised, there is no doubt that we have uncovered much material which gives rise to further exploration.

Before I conclude, may I take one last moment to urge upon this House that we act quickly and expeditiously to reauthorize the select committee. Any further delay could result in a serious hindrance to our investigation in its quest for truth. The obvious effect of delay would be to suggest to others that this House vacillates and is indecisive as to whether or not it wishes to pursue this cause. This will result in a critical effect on our credibility with other agencies, whether executive branch, State or local, and will suggest a lack of firmness in our pursuit of a subpena with the judicial branch. Of more acute importance, two problems immediately face the committee for we are without any legal authority whatsoever and, in law, do not exist. Thus, 13 vital subpenas for essential evidence which have been issued in Tennessee and Texas are, at present, completely unenforceable. Further, those of us on the committee have seen emergency situations arise in the past where the testimony of witnesses or the collection and custody of evidence is immediately vital, and under our current status, we could only sit helplessly in futility.

In conclusion, I ask you now, expeditiously and with full support to reauthorize the select committee. In effect, I ask you to permit us to finish the job which we have just begun. To turn our

back on this obligation now is unthinkable and would make this House the laughingstock of the world. So much has shaken the confidence of the American people in their governmental institutions in the past two decades that we find ourselves with a rare opportunity, at least in these two areas, to say to our fellow citizens that given this opportunity, we acted.

STATEMENT IN SUPPORT OF BILL TO REQUIRE FOREIGN BANK ACCOUNT QUESTION ON FORM 1040 AND OTHER TAX RETURNS

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, over the past 2 years, the Ways and Means Oversight Subcommittee has collected evidence indicating that the Treasury may be losing billions in revenues through the fraudulent misuse of secret foreign bank accounts.

Such accounts have served as a financial underpinning of organized crime as well as white-collar crime. Narcotics traffickers, gambling operators, and others of their kind have used foreign accounts to hide enormous illicit profits from the tax collector. Foreign accounts have permitted Americans who are regarded as "pillars of the community" to evade taxes and circumvent securities regulations. They have been a channel for laundering corporate money which ends up as bribes or in slush funds. In short, many foreign bank accounts have served as an essential ingredient in frauds against the United States—frauds which cost the honest taxpayer and his Government dearly.

For more than a decade, dedicated Internal Revenue Service agents have had little more to go on than their wits, tips from a handful of informants, and a lot of luck to track down those who commit such frauds. In the past 2 years, just as their efforts were beginning to pay off, they have been hamstrung, not helped, by their IRS superiors.

One curve among many was thrown at these dedicated agents by the departing Commissioner of Internal Revenue in 1975. This official ordered deleted from the form 1040, the basic income tax return, a question as to whether the taxpayer had any interest in or authority over a foreign bank account. The officially stated reason was a lack of space on the form, when in fact space could have been found for the question. And he acted against the advice of top IRS law enforcement officials and of those charged with similar responsibility at the Treasury Department.

Late last year, after much of this chicanery had been exposed, the Commissioner and the Secretary of the Treasury retreated. They found space for the foreign bank account question on schedule B, a part of the income tax forms package which goes to every recipient of the basic form 1040. Not only that, but they found space as well for a question concerning transactions involving a foreign trust.

The question concerning foreign trust transactions is worthwhile from a law enforcement standpoint. But, like the bank account question, its placement or nonplacement on income tax returns can be determined by the flick of a bureaucrat's pen.

Mr. Speaker, we have waited too long in making sure that the fate of such important items as these two questions is not left to administrative whim. We need also to insure that each taxpayer is aware of the questions and that he or she does not cavalierly choose, for whatever reason, not to answer them. And we must make sure that the IRS uses the information derived from the questions—and that it is made available to other Federal law enforcement agencies—to track down those who abuse foreign bank accounts and foreign trusts to the detriment of our tax system.

To those ends, I am today introducing a bill requiring the Secretary of the Treasury and the Commissioner of Internal Revenue to place the foreign bank account question and the question concerning foreign trust transactions on all future income tax returns. Under this bill, the Internal Revenue Code of 1954 would be amended to require that any income tax return—individual, fiduciary, partnership, corporate, or other—contain on the first page questions with respect to whether the filer, during the taxable year—

First. Had any direct or indirect interest in any bank, securities or financial account in a foreign country.

Second. Had any legal or beneficial interest in a trust in a foreign country.

To insure compliance, a civil penalty would be imposed for failure to answer either of the questions, and anyone giving a false answer could be sentenced to a fine up to $5,000 or imprisonment up to 3 years, or both. I feel this is an essential ingredient of the legislation because of our experience under the outgoing administration. In 1974, the last year that the foreign bank account question appeared on the form 1040, a huge percentage of taxpayers did not answer the question—and the IRS did nothing to require them to answer. It is very probable that among the 38 million taxpayers who chose not to answer were several thousand tax dodgers with foreign bank accounts who realized that they could go to jail if they specifically denied having such accounts.

Another part of my bill would require the Treasury Secretary and the IRS Commissioner to place the foreign bank account question on the first page of the return. This is aimed at making sure that future IRS and Treasury administrators do not make the same mistake as their departing predecessors. When the foreign bank account question appeared on the first page of the form 1040—as it did in earlier years—almost 95 percent of individual filers answered the question either "yes" or "no." But in later years, when the question appeared on the back page of the return, almost two-thirds of those filing did not answer the question at all.

I also want to make sure that when the foreign account question and the foreign trust question are placed by law on future tax returns, the IRS and other Federal agencies concerned with white-collar fraud make the most of the information derived. Although the foreign bank account question did appear on returns for the years 1970 through 1974, the IRS did nothing, systematic or otherwise, to follow up on the data that was collected. Nothing was done to match this data with other information gathered by the IRS and other Federal agencies about Americans trying to circumvent our fraud or financial laws.

Because many fraudulent transactions involving foreign accounts are so complex and cross several jurisdictional lines, there should be no barrier to a free exchange of information among Federal agencies investigating such deals. Such a barrier now exists in section 6103 of the Internal Revenue Code of 1954. Presumably, this section would classify the information derived from the foreign bank and foreign trust questions as tax return information not subject to disclosure outside the IRS. For that reason, the bill I am presenting today would exempt taxpayers' answers to these questions from the disclosure prohibitions of section 6103.

Mr. Speaker, 5 years ago the Congress passed a law, the Bank Secrecy Act, which many thought left no doubt about where we stood on the foreign bank account question. In short, we wanted the question to appear on income tax returns—and for several years thereafter, it did. But experience has shown how administrators in the executive can undo what Congress intended.

President-elect Carter's public statements on more vigorous criminal enforcement of the tax laws are an indication that the foreign bank account question will not encounter the difficulties it has during the past few years of the outgoing administration. I believe we can count on that. But we do not know what may happen after the Carter administration leaves office. That's why it is necessary for Congress to put into law what it intended 5 years ago.

The following is the text of the bill which I have introduced today:

H.R. —

A bill to amend the Internal Revenue Code of 1954 to require taxpayers to provide on the first page of any income tax return certain information with respect to their interests in foreign bank accounts and their interests in foreign trusts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to income tax returns) is amended by adding at the end thereof the following new section:

"SEC. 6017B. INFORMATION WITH RESPECT TO INTERESTS IN FOREIGN BANK ACCOUNTS AND IN FOREIGN TRUSTS.

"(a) GENERAL RULE.—Under regulations prescribed by the Secretary, the information required on the first page of any return made by a United States person with respect to the

taxes imposed by chapter 1 for any period shall include—

"(1) information with respect to whether such person, at any time during such period, had any interest in, or signature or other authority over, any bank, securities, or other financial account in a foreign country (other than such an account in a United States military banking facility which is operated by a financial institution which is a United States person); and

"(2) information with respect to whether such person, at any time during such period—

"(A) was the grantor of any foreign trust created during such period;

"(B) transferred any money or property to a foreign trust; or

"(C) was the beneficiary of any foreign trust.

"(b) ADDITIONAL INFORMATION WITH RESPECT TO FOREIGN BANK ACCOUNTS.—The Secretary may, by regulation, require any person who had any interest or authority described in subsection (a)(1) during any period for which a return of the taxes imposed by chapter 1 is made to include with such return such additional information as the Secretary determines to be necessary to carry out the purposes of section 241 of the Currency and Foreign Transactions Reporting Act.

"(c) BENEFICIARY.—For purposes of subsection (a)(2), a person shall be treated as the beneficiary of a foreign trust for any period if—

"(1) under the terms of the trust, the income or corpus of the trust may be paid or accumulated during such period to or for the benefit of such person; or

"(2) any part of the income or corpus of the trust could be paid to or for the benefit of such person if the trust were terminated during such period.

"(d) CROSS REFERENCES.—

"(1) For criminal penalty for false statement under this section, see section 7206.

"(2) For civil penalty for failure to supply information required under this section, see section 6698."

(b) The table of sections for such subpart B is amended by adding at the end thereof the following new item:

"Sec. 6017B. Information with respect to interests in foreign bank accounts and in foreign trusts."

SEC. 2. (a) Subchapter B of chapter 68 of the Internal Revenue Code of 1954 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC. 698. FAILURE TO SUPPLY INFORMATION WITH RESPECT TO FOREIGN BANK ACCOUNTS AND FOREIGN TRUSTS.

"(a) CIVIL PENALTY.—If any person fails to include on his return any information required under section 6017B, such person shall pay a penalty of $100 for each such failure, unless it is shown that such failure is due to reasonable cause.

"(b) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply with respect to the assessment or collection of any penalty imposed by subsection (a)."

(b) The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 6698. Failure to supply information with respect to foreign bank accounts and foreign trusts."

SEC. 3. Subsection (i) of section 6103 of the Internal Revenue Code of 1954 (relating to disclosure of returns and return information to Federal officers or employees for administration of Federal laws not relating to tax administration) is amended by adding at the end thereof the following new paragraph:

"(7) Information with respect to foreign bank accounts and foreign trusts.—The Secretary may disclose to the officers and employees of any Federal agency, solely for use in connection with their official duties, the following return information:

"(A) The information required to be shown on any return under paragraph (1) or (2) of section 6017B(a), including the names and addresses of taxpayers who showed on any return—

"(i) that they had an interest or authority described in section 6017B(a)(1), or

"(ii) that they were a grantor, transferor, or beneficiary of a foreign trust.

"(B) Any return information which the Secretary required to be included with a return under section 6017B(b)."

SEC. 4. The amendments made by the first three sections of this Act shall apply with respect to returns filed for taxable years beginning after the date of the enactment of this Act.

A TWO-PRICE SYSTEM FOR ENERGY

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. WEAVER) is recognized for 15 minutes.

Mr. WEAVER. Mr. Speaker, my Oregon constituents, and I expect most Americans, have been poorly informed by their Government and the energy corporations on the tough energy decisions we face. We are in trouble. We are running out of cheap energy and we may not be able to afford the vastly more expensive new energy sources. Already in this winter's cold wave, many people cannot pay their fuel bills. And the price rises have just begun.

We need a massive conservation effort. Millions of people put to work retrofitting homes and buildings to use less energy; smaller and fewer cars and less reliance on energy consuming appliances, and more energy efficient industrial production methods.

We also need a two price energy system. We still have left some cheap domestic energy and each citizen should have a limited share at a cheap price. And we have expensive foreign oil—and expensive oil from domestic sources such as secondary extraction, Arctic, and offshore—and this energy should be placed in the free market at its true cost. The upshot would be that every citizen would have some cheap energy to obtain the essentials of life, and also a free choice with a strong conservationist thrust to buy or not buy expensive energy.

In price categories even higher than new oil will be the newer energy sources: nuclear, coal, and solar. I emphasize the word "category." The difference in new energy cost is not merely one of degree. New nuclear plants will have to charge 4½ cents a kWh—that is comparable to $30 a barrel for oil—just to amortize the costs of the plants. Coal will be about the same as nuclear, and solar, while probably less costly, will still be in the upper price brackets. Here the two price system is essential to allow the market to determine our real need for ultra expensive energy.

Ours is an economy based on cheap fuel. Our wage levels and pensions are set by standards of low priced essentials, food and fuel. When OPEC quadrupled the price of their oil it sent shock waves through the prices of these essentials, forcing untold millions into poverty. In Northeast States, dependent on foreign oil, there are people whose heating bills exceed their income. Yet I ask my constituents if they would rather have less gas or pay $5 a gallon for all they wanted and their immediate reaction is, we'll pay the $5. They may not have the $5.

It is highly unlikely that we can keep wage levels—much less pensions—high enough to afford the new energy. The bitterness and belligerence in the gas lines of 1973 merely illustrate what will happen as fuel costs begin to price middle income Americans out of the energy market—as they are priced out of the home market already. Civil discontent will result which will not only shake the economy but threaten our democratic institutions.

It is imperative that we enact a positive, well defined energy program to assure the people that our Nation is doing its best to grapple with the energy problem, and to rationalize the hard energy times a-coming. I believe that whatever energy policy we adopt, if it is truly fair and workable, even though it calls for sacrifice it will eventually be accepted by the citizenry.

Here I must admit that the energy companies and the past Republican administration did come forth with an explicit energy program. It is not fair and, in the long run, not good business. Their energy program is threefold.

First. Let the price of energy rise so as to accumulate the corporate capital and to make it profitable, to produce energy from new, expensive sources—but only sources that would be controlled by the energy corporations.

Second. Meld the costs of older, cheaper fuels with newer more expensive ones to disguise the difference in price categories.

Third. Government subsidies for production of new fuels.

The motivating force of this policy is "business as usual," to keep the corporations and their managers in control and doing what they have been doing even though reality is changing. That is not a good basis for a policy.

Letting a melded price rise seems to make economic sense—a melded price is used in the present oil price control law—but it has serious defects. Rationing by price a commodity essential to life is not acceptable. We must face an awesome fact. Our population and the world's has burgeoned in this century due largely to cheap energy—which means cheap food, and the ability to distribute it. We need a policy that preserves our ability to produce cheap food, even to the detriment of other sectors, or there will be trouble we can barely imagine today.

The melded price also subsidizes expensive energy production with inflated profits from the older energy sources—the northwest utilities are attempting to do this now with hydro and nuclear, a move I will oppose in the 95th Congress. Using a profitable product to subsidize an unprofitable product is not good economics. And giving the monopolistic oil

companies outlandish profits is not a good way to preserve a free economic or political system.

The third program element, Government subsidy of energy production, fails every test. If normal lenders will not lend, and energy companies themselves would prefer to use their cash to buy real estate or Montgomery Ward—fearing as they do that the public may not be able or willing to buy their new energy—then the taxpayer should not take up the risk and burden. The only excuse for Government intervention to help the corporations is Project Independence. But what independence will we have if almost all our resources go into energy production to the detriment of the rest of our economy.

The phrase most often used to sell the Ford administration program is "energy means jobs," an equation that is patently false. As the capital requirements of energy production increase per job, and energy is used to automate our economy, fewer jobs will be created. Conservation means jobs, but different kinds of jobs, and that is why any energy policy must have a built-in transition period so that job and industry dislocations are not disruptive.

What we need is a two price energy program to fit the reality of decreasing supplies of cheap fuels, and increasing costs of new energy sources. We need a policy that will provide a transition period of 10 or 20 years for our economy and our people to adjust to the new reality. And we need a policy that is perceived as fair and reasonable by the public.

If a Mideast war or other political upheaval cuts our umbilical cord to OPEC oil, a harsh new policy will be thrust upon us in a hurry. We should not wait for that to happen. And we should not fire up the maddening arms race to pay for that oil. Other nations are hoping we will develop an economy not so dependent on energy—OPEC or our own—and it is my hope that the new Democratic administration and Congress will provide the policies to accomplish this.

Such policies exist. Elements have been discussed for years. I would like to present their broad outlines and urge refinement and adoption.

We should begin with a two price system to meet the reality of the two cost categories. To assure that all our people will be able to afford essentials, we should place permanent price controls on old oil and ration that cheap energy equally to everyone. This would not be onerous, bureaucratic rationing. The Government would have to determine the availability and price, it is true, but then simply give every man and woman over 18 years low price coupons for their share of the cheap, controlled gasoline.

Other, more expensive gasoline—foreign and domestic—would be left on the free market and its price would reflect its true cost of production. This would determine the true profitability of new energy and the public's willingness to pay for it, as well as promoting efficiency and conservation. As the total supply would not be rationed, enforcement would not require an enormous compliance bureaucracy. The oil companies themselves would have an interest in seeing to it that low priced coupons were not violated or counterfeited as each coupon would mean a low price sale for them. An equalization program between companies is already in effect under present law.

One aspect of the price coupon system I particularly like is that energy savers would be rewarded. People who walk or bike or use mass transit or do not travel much at all—the needy elderly, for example—could sell their coupons on the open market. Those who wished more fuel could buy those coupons or buy the high priced gasoline. Businesses who use vehicles and engines as well as the transportation industry itself would have the same deal meted out to them.

I also advocate placing additional taxes on imported oil, and on the free market oil—but not on the price controlled gas—to pay for recycling, conservation and environmental programs, and believe this would be politically more feasible under the two-price system.

Another element of the policy would place the two-price system in effect in the utility field where it has been advocated by the slogan, "lifeline" rates. The overall supply of electricity would be determined as well as its total cost—I will discuss heating oil and regional equalization later. This supply and cost would be divided into two or more categories so that everyone would receive a certain amount of cheap power for home heating, lighting, and appliances: the rest would be very expensive. The total return to the utilities would remain the same dollar amount.

Again a strong incentive is provided for energy saving together with cheap power for eessentials. If you insulated your home, kept the thermostat down and doors and windows closed, did not use a dryer much, your monthly bill might be $40. If you were wasteful or extravagant, your bill could be not just a little higher but categorically higher, say $400.

While these policies would encourage—almost mandate—personal and industrial conservation and the development of cars, heaters, appliances and other devices more fuel efficient—both first law and Barry Commoner's second law of thermodynamics efficiencies—the Government and the private sector could move into the conservation field—with much more public acceptance and will—with low cost loans and grants. Building codes would be further revised toward energy conservation; recycling would be encouraged or mandated; and the thousands of little energy absorbing things that grew like Topsy in the time of cheap fuel would gradually begin to shrink.

These things will happen also as a melded price was rising, but the unfairness and political discontent would be vastly reduced. The well to do, for instance, could still get all the energy they wanted, but they would have to pay much more for it—the real cost of their extravagance, not a melded, subsidized cost.

As important as any of these effects if not more so, millions of jobs with low capital requirements per job would be created—home rehabilitation, installation of solar units—just the opposite of the job picture if we go hell bent for energy at any cost. A Ford Foundation study shows that the less energy we use, the more jobs, at an equivalent gross national product.

The two price system should work for industry as well. Industry would have to bear the brunt of the more expensive energy, but it will do so eventually anyway. I once had an argument with Frank Zarb on the very policies stated here and his ultimate objection was that Government would in the end determine who got energy and who did not: in other words, Government domination of industry.

I do not want that either. By leaving the higher price energy category in the free market, the free market itself would sort out which industrial products the people wanted enough to pay for and which they did not. The people would have the discretion. Now they do not. Rises in electric bills are just like taxes, you have to pay them. Heating a home is an essential. You do not say, on a night 10 degrees below zero, I guess I will not heat my home, cannot afford it. But if an aluminum beer can doubles in price—aluminum is one of the highest users of energy—you can say, I guess I will not buy one, because you do not have to have an aluminum beer can.

There is, however, one industry that a Democratic energy policy should give priority, both in supply and price. That is the only industry we cannot live without: agriculture.

We should give farmers and their suppliers the cheap fuels and fertilizers and reserve much of our remaining natural gas for agriculture. If we do not do this, food costs will soar as energy prices rise.

Energy allocation to agriculture would be good—in my opinion, essential—for the consumer. We face changing weather patterns that may bring worldwide famine. So great will demand for food become that we had better use all our resources to grow all the food we can. We should make sure it is sold to our overseas markets at the real energy costs, however.

As I mentioned earlier, there would need to be provisions to equalize conditions among different heating fuels and also between regions using different, various priced fuels. While the Northwest receives cheap hydro power, New England relies on expensive foreign oil. Other individuals use oil or natural gas to heat their homes and buildings amidst those using electricity. Price coupon allocation for heating oil, lifeline rates and cost transfers would be applied to obtain general equalization to all people and all regions. As an example, New England would receive more cost controlled oil to offset cheaper energy sources in other regions.

There will always be some inequality, and indviduals as well as businesses will adjust to these as best they can. One such adjustment, for instance, would be further migration to the warm climes as heating costs rise. This is probably to the good; it is, in effect, using solar heat-

ing from its original source and it is possible that an energy policy should encourage it.

These programs will certainly require more bureaucracy and decisionmaking by Government. Is it worth it? One can argue that countries such as Sweden and Switzerland now use much less energy per capita to maintain a higher standard of living than ours without such strict Government policies. Here again the reality is that we have a different life style. We waste energy and the system of waste is ingrown into our culture and economy so deeply that it will require Government policy to wean us out of it. Far better to have a rational and fair policy keeping essentials in the reach of all our people; and far wiser to protect the fundamentals of life and our economy than to have a nation of energy have nots and haves.

But the government bureaucracy will not be all that monstrous, and the Government decisionmaking will not be all that pervasive. The free market will operate in the area of more expensive energies and the decisions to produce or not produce, buy or not buy, will for the main be individual decisions.

Not only would we lessen our dependence on foreign oil, through decreased demand, but our economy would become tougher and more resistant to the shock of a sudden halt of imported oil. And we would already have a system ready to handle such a situation if it occurs.

For what I advocate here is a two priced system for the two costs of energy, and the rationing and price controlling of the cheaper energy to assure all the people of their ability to obtain essentials to life. Together with limited allocation and equalization and strong conservation incentives and programs, this policy will get ourselves and our economy through a transition period that will be difficult at best. It allows the market to determine the true demands of increased energy supply—it may be we will not need some of the very expensive new sources; thus this policy could save us billions of investment dollars for other more beneficial uses.

I believe we should continue—actually, speed up—research and development of alternate energy sources. The Government should help fund these endeavors: but not help fund operations and production. Let them find their place in the marketplace.

As to the political possibilities of enacting such a program, I believe the people are ready for real leadership, and with forthright, hard pronouncements, a Carter administration and a Democratic Congress can enact it. There would be some furious fights with some powerful organizations on the other side, but the votes could be there.

My constituents know something is wrong, but they have not been told the truth, or at least the full story, of our energy predicament. If they are convinced that everyone shares the sacrifices equally, that they will still be able to preserve some of their way of life at costs they can afford—and have the option to continue making their own, hard decisions about expensive energy—they will go along.

For there is one truth that is not widely perceived, and when it is we will all be much better off: The less energy we use, the cheaper that energy will be.

CARL A. S. COAN, SR.

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. ASHLEY) is recognized for 5 minutes.

Mr. ASHLEY. Mr. Speaker, on December 21, 1976, Carl A. S. Coan, Sr., the staff director of the Senate Subcommittee on Housing and Urban Affairs, died of complications resulting from minor surgery. Carl's death is a tragic loss not only to all of us who worked with him through the years, but to the whole housing industry and to the urban communities of this Nation.

Carl Coan had served on the staff of the Senate Housing Subcommittee since 1957 and from 1961 until his death had served as the staff director of that distinguished subcommittee under the able chairmanship of the senior Senator from Alabama, JOHN SPARKMAN. Prior to his service with the Senate, he had a distinguished career at the Bureau of the Census.

Having joined the House Housing Subcommittee in 1955, and now the only original member of that subcommittee still serving in the House, and during almost all of the ensuing years I had worked with Carl in the development of all of the major housing and community development legislation that emanated from the Congress during these past two decades. Not only did an excellent relationship develop during the course of our many conferences with the Senate on housing bills, but I also benefited from Carl's advice and wide ranging knowledge in the development of most of the Federal Government's housing and community development policies. I regarded Carl as not only a superb staff person but as a friend whose quiet yet sage advice was always beneficial. Carl Coan had a very natural talent that inspired the confidence of those with whom he worked from one end of the political spectrum to the other. He was a very good and gentle man whose extensive knowledge of the very complicated problems of housing the poor and downtrodden of our society inspired those with whom he worked to develop programs to provide the adequate, safe and sanitary shelter that was needed. I shall miss his advice and counsel and I extend my deepest sympathy to his wife, Flora, and to the rest of his family.

MYTHS AND REALITIES OF WELFARE IN NEW YORK

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 25 minutes.

Mr. BINGHAM. Mr. Speaker, I am sure every Member of the House is aware of the precarious financial condition of New York City. This great city has been to the brink of bankruptcy and back many times since those bleak days in December 1975 when each new financial deadline was awaited with dread to see if this time the city really would go under. Much has been said and written about New York City's financial problems. Some have spoken with knowledge of the facts, others have spoken in complete ignorance. Because of the complexity of the problems, there is much misinformation and misunderstanding.

New York is making extreme efforts to solve its fiscal problems. Funds have been cut for virtually every social service; tens of thousands of city workers have been dropped from the payroll including police, firemen, teachers, and librarians; a variety of publicly supported facilities and institutions have been forced to close or drastically curtail services; school curricula have been cut and class sizes have increased to the point that the quality of education is impaired.

At the beginning of the crisis, a task force on the New York City crisis was established under the aegis of the Community Council of Greater New York to monitor and study the problems of the city and the programs designed to deal with them.

The task force is a temporary, ad hoc coalition of 18 major, private social service agencies in New York City. It disseminates accurate, up-to-date information on the city's financial condition; analyzes the impact of the continuing fiscal crisis upon human service programs and their clients; performs a wide variety of advocacy functions in both the public and private sectors; and offers recommendations for the consideration of city, State, and Federal officials designed to maintain and improve the delivery of human services to New York City's citizens in need.

Sanford Solender, the executive vice president of the Federation of Jewish Philanthropies of New York, chairs the task force.

The task force's latest reports were issued in November and December 1976, while Congress was in recess. The quality of these reports is high, and I would like to draw the attention of my colleagues to three of them: "Myths and Realities of Welfare in New York", "Task Force Statement on Public Assistance Eligibility and Payment Levels," and "Task Force Position Statement on Medicaid Eligibility and Service Levels."

This is the first of a three-part series which I will be inserting into the CONGRESSIONAL RECORD on these three reports. I am submitting them, because I believe it is of the utmost importance that the Congress and the Nation understand some of the causes of the New York City crisis.

The first report, "Myths and Realities of Welfare in New York," was issued because of the task force's concern that there will be "* * * a concerted attempt in the near future to reduce welfare payment and/or eligibility." The reasons for such a possible cut stem "* * * from a web of confusion, misinformation, and misconceptions concerning the nature of the public assistance program and the characteristics of its participants." This report was written in an attempt to counteract some of the major misconceptions about welfare.

First, there is the widespread belief that welfare clients have it too good and

live better than some working people who do not get Government handouts. The report, however, points out that—

The maximum monthly welfare grant in New York City for a family of four not including rent allowance is $258, or $14.88 per week for each family member's basic necessities. This grant level has not risen since July 1974 when the payment amount was brought up to the standard used in 1971. The value of the welfare check in New York then, has not increased in five years, even though the cost of food has gone up by 55 percent, clothing by 22 percent, and untilities by 112 percent in the same period.

Second, the report challenges the assumption that life on welfare is attractive and appealing. The report states:

It is conservatively estimated that more than 300,000 people in the city are eligible for welfare but do not collect it because they dislike being regarded as 'free-loaders who have it too good.'

A third misconception about the New York City welfare system is that the benefits are too generous. In fact, the report states:

The maximum welfare payment in New York State to a family of four is the fifth highest in the nation . . . the New York City metropolitan area actually has the fifth highest cost-of-living standard in the country. Therefore, the grant level cannot be said to be out of line with the expense involved in living in New York City, where most of New York State's welfare recipients reside. The cash payments to welfare families account for about 80% of the total welfare budget in the state, with the rest being consumed by administrative salaries and expenses. Only a small percentage of the 350,000 families on welfare in the city cheat on their benefits or are actually ineligible to receive aid.

Fourth, many think that the reason why many welfare recipients do not work is because they do not want to work, and that they actually enjoy living at the expense of the public. The report states, however, that—

"Hard work" may be the answer to the welfare problem, but it will be so only when adequate day care is provided for mothers with very young children and full employment becomes a national policy so that everyone who wants and needs a job will be able to find one.

Finally, while much has been said about the reasons which led to the financial crisis in New York City, it is the conclusion of the task force that—

If Washington agreed to pay the full cost of welfare programs [in 1977], New York State would save about $3 billion. Property taxes that support the state's welfare budget in many upstate communities could be greatly lowered if this were to happen and in New York City, the so-called fiscal crisis which is causing so many cuts and layoffs would come to an immediate end. As things stand now, New York City has to pay the highest share of welfare costs of any city in the nation.

In other words, if legislation federalizing welfare were passed today, the New York City crisis would disappear overnight.

The task force also challenges the assumption that cutting welfare benefits is the only way to reduce the welfare burden. The task force points out that "savings in both welfare and medicaid ought to be obtained by expediting a set of management and administrative improvements, combating fraud and abuse and reforming funding patterns, rather than restricting eligibility, reducing reimbursement funding patterns, narrowing the range of services available to public assistance recipients and the medically indigent."

Mr. Solender and his entire staff are to be commended for their fine job of putting into perspective those factors most important to understanding the problems of New York City. The reports are articulate, readable, and responsible; they not only discuss the problems but also offer logical, responsible solutions.

The full text of the first report follows:

MYTHS AND REALITIES OF WELFARE IN NEW YORK

The possibility of a concerted attempt in the near future to reduce welfare payments and/or eligibility derives, in significant measure, from a web of confusion, misinformation and misconceptions concerning the nature of the public assistance program and the characteristics of its participants. Reports, commentaries and statements directed to the general public too often reflect a widespread misunderstanding of the realities of welfare. The members of the Task Force on the New York City Crisis are eager to counteract some of these major fallacies. Toward that end, you will find immediately below a description of six "myths" about welfare followed by a description of the realities with respect to each.

MYTH NO. 1

Welfare clients have it too good. They live better than working people who don't get government "handouts."

REALITY

The maximum monthly welfare grant in New York City for a family of four not including rent allowance is $258, or $14.88 per week for each family member's basic necessities. This grant level has not risen since July 1974 when the payment amount was brought up to the standard used in 1971. (The value of the welfare check in New York then, has not increased in five years, even though the cost of food has gone up by 55%, clothing by 24%, and utilities by 112% in that same period.)

A survey of welfare mothers in New York City in 1974 found that 56% were spending less for food than the cost of a nutritionally adequate diet; 86% of the families reported running out of food at the end of most check periods; and, 41% said that their families experienced varying degrees of hunger at all times.

More than 60% of the welfare clients in New York City are children under the age of 18 who do not enjoy the advantages afforded their peers in working families. These children and their mothers usually live in deteriorated housing in crime-infested neighborhoods where the schools, sanitation, and fire protection are among the poorest in the city. If welfare clients really did have it better than working people, one might expect that thousands of workers would quit their jobs and go on relief. But the opposite is true: life on welfare is such a constant struggle to survive that it is conservatively estimated that more than 300,000 people in the city are *eligible* for welfare but do not collect it because they dislike being regarded as "free-loaders who have it too good."

MYTH NO. 2

Welfare costs so much in New York because the benefits are too high.

REALITY

The maximum welfare payment in New York State to a family of four is the fifth highest in the nation (behind Hawaii, Oregon, Wisconsin and Connecticut). The New York City metropolitan area actually has the fifth highest cost-of-living standard in the country. Therefore, the grant level cannot be said to be out of line with the expense involved in living in New York City, where most of New York State's welfare recipients reside. The cash payments to welfare families account for about 80% of the total welfare budget in the state, with the rest being consumed by administrative salaries and expenses. (Only a small percentage of the 350,000 families on wefare in the city cheat on their benefits or are actually ineligible to receive aid.) Some studies place the number of so-called "cheaters" at less than 3% of the city's welfare caseload, while the problem of ineligibility usually results from errors made by the welfare department, not from a deliberate effort by the client to defraud the taxpayer. These administrative and management difficulties are the source of most of the alleged waste in the welfare budget. The city's welfare department last year announced that it was saving $57 million simply by rearranging some management procedures. Commissioners at the state and city level agree that additional millions can be saved by improving the way in which welfare programs are run. Efforts in these areas will save the taxpayer much more money than will cuts in what is already less than a subsistence income.

MYTH NO. 3

Welfare recipients are lazy. They don't want to work and actually enjoy being on the dole.

REALITY

In recent years, city, state and federal governments have experimented with a number of programs to employ welfare recipients. First of all, only 3% of people receiving welfare are able to hold a job. Most clients are young children, mothers who try to care for them, and people with severe health problems. The few able-bodied adults who do receive welfare are nearly all on the rolls because they couldn't find jobs in the first place. More than 300,000 people in New York City are trying desperately to find jobs but cannot do so because of economic conditions here and throughout the nation. When unemployment insurance expires for these jobless workers now receiving benefits, the only option left to them, short of starvation, is to sign up for welfare which will "pay" them a maximum of $94 a month per person, plus rent.

The work programs tried in the late 1960's and early 1970's ended in failure for the most part precisely because no permanent employment could be found for the few people who were forced to "work off" their welfare checks in dead-end jobs that provided no training. "Hard work" may be the answer to the welfare problem, but it will be so only when adequate day care is provided for mothers with very young children and full employment becomes a national policy so that everyone who wants and needs a job will be able to find one.

MYTH NO. 4

Welfare provides a lot of other benefits, like Medicaid. Why should these people get free medical care when everyone else has to pay for it?

REALITY

The private insurance plans available to most workers simply can't be purchased by people who don't have any kind of employment. Even if welfare clients wanted to buy a private health insurance policy, it isn't likely that many companies would sell them one. Very poor people have a much better chance of getting sick or of being hurt in an accident or crime than do most other people. The insurance companies won't write health policies for about 22 million Americans because they are risky investments or because policies can only be ob-

tained through the workplace or labor union. Medicaid does provide welfare clients (and working people with low incomes) with a wide range of services at no cost. If Medicaid didn't exist, most welfare clients wouldn't have any way of getting health care that they could afford. (Eliminating or sharply reducing eligibility to programs like Medicaid means letting poor people go without any care when illness requires them to seek medical services.)

MYTH NO. 5

Welfare, Medicaid, food stamps, etc., etc., look at all these hand-outs that I wind up paying for.

REALITY

In the national budget, welfare and similar programs like food stamps and Medicaid account for about 10% of federal spending this year, as compared with the approximately 32% chunk absorbed by defense-related expenditures. The reason why welfare costs fall so heavily on New York taxpayers is because the federal government doesn't pay its fair share for what is really a national problem, not a local one. (If Washington agreed to pay the full cost of welfare programs next year, New York State would save about $3 billion. Property taxes that support the state's welfare budget in many upstate communities could be greatly lowered if this were to happen and in New York City, the so-called fiscal crisis which is causing so many cuts and layoffs would come to an immediate end.) (As things stand now, New York City has to pay the highest share of welfare costs of any city in the nation.) If the federal government refuses to act to assume its just share of the burden, the state could provide the city and all counties with a great deal of tax relief by agreeing to pay for a larger share of the program's cost here. Finally, all taxpayers would save enormous amounts of money each year if the country decided to create jobs for people who can't find them now. That's the real solution to the problem for taxpayers and for all Americans.

MYTH NO. 6

People come to New York just so they can go on welfare.

REALITY

Studies which analyse whether the level of welfare benefits attracts families and individuals to New York City indicate that very few migrants apply for welfare soon after arriving here. Most examinations of this issue conclude that migration is *not directly* caused by varying welfare benefit levels among states. Rather, population movement to New York City from outside and inside the United States is attributed to the search for employment, improved income and better life prospects.

Enrolling in the welfare program or accepting unemployment insurance is a last resort for the vast majority of those who go on public assistance.

A SALUTE TO MARTIN LUTHER KING

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, today we honor a great man and the even greater vision that he labored, and died, to serve.

Martin Luther King, Jr., was great because of the imperishable dream that he nurtured throughout his life. He gave it new meaning and new promise—but he realized better than anyone that the dream was not original with him.

The hope of human liberty and justice has existed throughout the history of mankind. Here, in America, it has approached its fulfillment. Dr. King saw that hope being thwarted for millions of men and women—including himself. Because he believed deeply in the American dream, he could not see this failure without acting to correct it. He paid for his dedication with his life.

We have come far since 1963 when Dr. King stood at the Lincoln Memorial and put into words what was unspoken in uncounted hearts. What made his message that August day the most eloquent of the 20th century was that he knew what was in those hearts. He understood the suffering and the deprivation—and he understood as well what would be needed to turn that dream into reality.

We who remember him have seen his efforts grow and bear fruit. We have seen that the dream can be fulfilled—for it is ours as much as it was his—and that was how he wished it. Today, we are closer than ever before to making this a nation, a society, where freedom is the unquestioned birthright of every child.

But there are grave responsibilities that go along with that dream. For if freedom is a birthright, it still can be lost, or stolen, or sold.

And that is why, as we rededicate ourselves to the memory of Martin Luther King, we must rededicate ourselves as well to continue the difficult task that he set for himself.

We have come far in the struggle for human rights. We have a long way yet to go. Dr. King's life, his devotion, and his memory have helped us mark the path.

Mr. Speaker, like many cities across America, Newark also observed Dr. King's birthday with a number of special events.

On Thursday morning, the Young Men and Women's Christian Associations sponsored a commemorative breakfast, chaired by my close friend, Ms. Connie Woodruff. About 300 persons attended this sixth annual event, including many leading State and local officials and business leaders. Bishop Joseph A. Francis, of the archdiocese of Newark, delivered a moving and inspiring address.

On Friday night, there was a rally at the Abyssinian Baptist Church in Newark. The Reverend Dr. Ralph D. Abernathy, president of the Southern Christian Leadership Conference—founded and led by Dr. King until his death—spoke not only of Dr. King but of the challenges, the hopes, and the promises that lie ahead.

Then on Saturday morning, Operation PUSH of Essex County held its third annual breakfast at which Charles Gray, executive director of the Julius Nyerere Institute in New Brunswick, N.J., was the keynote speaker.

Dr. King has been the subject of a great many tributes, but these gatherings in the name of human rights show clearly that his memory and the work he began are stronger than ever before.

Mr. Speaker, I was honored to participate in some of these living memorials to a great man and to a vision of liberty and justice which we in America must make a reality for all people.

LEGISLATION TO PERMIT SERVICE ACADEMIES TO SELECT THEIR OWN STUDENTS

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. CORNELL) is recognized for 5 minutes.

Mr. CORNELL. Mr. Speaker, everyone who has served in this House knows the incredible variety of duties which fall upon a Member of Congress. I rise today to introduce a bill which would remove from this long list of responsibilities the role of dean of admissions for our military academies. Our bill permits the service academies to select their own students. We believe this step is overdue and that compelling reasons exist for making this change.

First of all, although each congressional office tirelessly endeavors to select the best candidates from among the applicants, it is still true that no single established standard of admissions exists to guide us. Therefore, the nominees are now being chosen in a variety of ways instead of having all applicants judged by one set standard.

Our bill eliminates the congressional role in the selection process but retains the present geographical distribution pattern so that we can continue to draw our future officers from across the entire country. This means, in short, that the number of positions allotted to the congressional districts, the States on an at-large basis, Puerto Rico, District of Columbia, Guam, Virgin Islands, Panama Canal Zone, and American Samoa remains the same but now the academies themselves will make these selections solely on the basis of merit.

Second, the existing system for naming candidates has political overtones and leads many people to believe, however falsely, that one must personally know the Member of Congress in order to have his son or daughter appointed to the military academies. This misunderstanding has undoubtedly dissuaded some qualified students from even applying. Members of Congress are also placed in the difficult position of having to break the news to the disappointed applicants who were not chosen since there are usually more candidates than vacancies. Under this bill, the Representatives will continue to make the public announcements of those chosen for the service academies but they will play no role in the decision on admission.

Third, for the Merchant Marine Academy at Kings Point, N.Y., we believe the best procedure is a purely competitive admission system. This is currently done at the Coast Guard Academy with great success. The small total enrollment at Kings Point—600—lends itself to this approach.

In order to provide an orderly transition to this new admissions policy and to insure congressional oversight over this process in the future, we have amended the duties of the now existing

boards of visitors for each of the service academies to add the charge of overseeing admissions. An annual report to the Congress would also be required.

We realize that it has become a tradition for Members of Congress to appoint students to the three service academies. We firmly believe, however, that now is the time to break with tradition and to institute a more equitable and efficient process for selecting the future military leaders of the United States.

Mr. Speaker, we are all committed to an officer corps which has superior talent, is well trained, and is reflective of the pluralism of American society. This legislation would serve all of these goals. It gives the academies a mandate to select the best qualified young men and women who show promise of serving the Nation with honor and distinction. The bill also preserves the geographical representation which the present congressional nomination insures. Like most of the Members of Congress, I believe that a geographical balance is healthy for the academies and healthy for the services. The fact of the matter is simply this: It is time to establish a single admissions standard for all candidates, and to remove any possible political overtones in the selection of cadets and midshipmen. I urge my colleagues to join us in supporting this long-overdue change.

TAX POLICY DISCRIMINATES AGAINST TENANTS

The SPEAKER. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, approximately 36 percent of all housing units in the United States are renter occupied. Tenants rent single family homes, townhouses, garden apartments, and high rises; and, they pay property taxes on these dwelling units. However, unlike other taxpayers, tenants—who pay their property taxes through their rent—are not currently allowed to claim their property tax payments for Federal income tax purposes.

There can be no question that a portion of a tenant's rent is a property tax payment: the local government sets the tax rate, the landlord adjusts his rent to collect the tax, the tenant pays the property tax through his rent, and the landlord passes it on to the local government. The property tax collected by the landlord is not and should not be considered as taxable income for the landlord. But certainly the tenants should have the same right as other taxpayers to claim the property tax payment for Federal income tax purposes; there is no reason why our tax laws should discriminate against the taxpayer who rents.

Along with 64 of my colleagues, I have introduced H.R. 84, the tenants' tax justice bill which allows tenants to claim their share of State and local property tax payments for Federal income tax purposes. This bill in no way reduces the advantages of homeownership, nor increases the tax burden on landlords. Simply, the bill extends property tax relief to tenants.

The text of the tenants' tax justice bill and my explanation appear on page 97 of the January 4, 1977, CONGRESSIONAL RECORD. I urge my colleagues who desire additional information about the bill to contact me. The list below indicates by State the percentage of dwelling units which are renter occupied:

PERCENTAGE OF DWELLING UNITS WHICH ARE RENTER OCCUPIED, BY STATE

(The occupants of these dwelling units, unlike other taxpayers, are currently denied the opportunity to claim their property tax payment for federal income tax purposes. Because of this discrimination, the federal income tax liability for these taxpayers is greater.)

[In percent]

Alabama	33.3
Alaska	49.7
Arizona	34.7
Arkansas	33.3
California	45.0
Colorado	36.6
Connecticut	37.5
Delaware	32.0
Dist. of Columbia	71.8
Florida	31.4
Georgia	38.9
Hawaii	53.1
Idaho	29.9
Illinois	40.6
Indiana	28.3
Iowa	28.3
Kansas	30.9
Kentucky	33.1
Louisiana	36.9
Maine	30.0
Maryland	41.2
Massachusetts	42.5
Michigan	25.6
Minnesota	28.5
Mississippi	33.7
Missouri	32.8
Montana	34.3
Nebraska	33.6
Nevada	61.5
New Hampshire	31.8
New Jersey	39.1
New Mexico	33.6
New York	52.7
North Carolina	34.6
North Dakota	31.6
Ohio	32.3
Oklahoma	30.8
Oregon	33.9
Pennsylvania	31.2
Rhode Island	42.1
South Carolina	33.9
South Dakota	30.4
Tennessee	33.3
Texas	35.3
Utah	30.6
Vermont	30.9
Virginia	37.9
Washington	33.2
West Virginia	31.1
Wisconsin	30.9
Wyoming	33.6

NOTE.—Percentages vary within States. For information regarding particular Congressional districts, please call Congressman Harris' office. This information was obtained from Congressional Districts in the 1970's.

ESTATE TAX REFORM

(Mrs. SMITH of Nebraska asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. SMITH of Nebraska. Mr. Speaker, last week I introduced a bill to remove a provision from the estate tax law which will be a real burden to all farmers and small businesses; a burden which totally negates the relief provided by the other estate tax reform provisions in the Tax Reform Act of 1976. I speak of the carryover basis provision of Public Law 94–455.

Unusually complex parliamentary constraints, as well as time limitations, accompanied the conference report on tax reform to the floor last September 16, 1976. Many refused to vote to reconsider the carryover basis problem fearing that the other excellent estate and gift tax changes would be jeopardized. Since this was the first modification of the estate tax law in 34 years, I can understand that hesitancy. But, we must act now to repeal section 2005 of the Tax Reform Act of 1976 before it begins to cause costly and complex litigation and complicates the duties of every administrator or executor of a decedent's estate. From the standpoint of tax theory, the carryover basis provision soon will be an obstacle to free transfer of property and will increase capital outlays.

Before Public Law 94–455 was enacted, a beneficiary received a stepup in tax basis to the date of death for inherited property. This new basis was the fair market value of the estate when the decedent died. This meant that each upcoming generation received a new basis for capital gains taxes.

The Tax Reform Act of 1976, however, changed this equitable scheme drastically. With these changes, the basis for capital gains tax is either the value of the estate as of December 31, 1976, or the decedent's basis. Effectively, this rule postpones some of the adverse effects of section 2005 for a few years. But, eventually, every beneficiary will be locked into holding inherited property to avoid the exorbitant capital gains taxes which would come with a sale.

Nationwide, family-owned and operated farms number around 3 million. Let us take a brief look at what these people face due to section 2005 of Public Law 94–455: Imagine the case of a small rancher or businessman who has worked years to make his business productive. He dies and his surviving wife decides to sell the property and move in with her family. The business, worth $150,000 in 1977, is valued at $200,000 in 1982 when her husband died largely due to inflation. If she sells the business her husband labored to improve, she will be liable for more than $7,000 in capital gains taxes under the present carryover basis rules; this is mostly an unfair tax on inflationary increase. Under the bill I have introduced, however, this carryover provision is simply repealed and the former law is reinstated. This widow would have no tax to pay under my bill's reinstatement of the previous law. If she were struggling to pay the unanticipated debts, which accompany a sudden death, such a tax could be a death-blow to her financial future. This means additional hardship for an already bereaved family. These same facts would

apply to any property the widow might inherit—even her own home.

The present carryover basis provisions are ill-advised for many other reasons which were explored last Congress. Consider for a moment the monumental recordkeeping required to accurately determine a decedent's basis in an estate. The controversy over determination of this basis will result in countless lawsuits.

The arbitrary establishment of December 31, 1976, as the operative date for these provisions has abruptly changed a law upon which many investment decisions relied. There was inadequate warning that December 31, 1976, would be critical to estate planning.

I have already demonstrated the lock-in effect on capital due to reluctance or inability of heirs to sell highly appreciated property. The most disturbing aspect of this problm is that its impact will be felt mostly by the small farm or family-owned business which has been passed down from generation to generation. These comprise the backbone of our country. We desire to preserve family farms and businesses, and yet this carryover provision will strike at the heart of the family enterprise.

The carryover basis provision of the Tax Reform Act of 1976 was a step away from tax reform, not toward it. I urge the Ways and Means Committee to take up my bill and correct this mistake by granting each generation a fresh start for capital gains on inherited property.

A FURTHER ANALYSIS OF THE FISCAL YEAR 1978 MILITARY CONSTRUCTION BUDGET

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the total fiscal year 1978 request for new budget authority for military construction and family housing is $2,705,600,000. This is an insufficient request. It represents a reduction of $633,159,000 from the amount of new budget authority approved for fiscal year 1977.

The fiscal year 1978 request represents a reduction of $883,574,000 from the amount approved in fiscal year 1976. Starting from a realistic base, the fiscal year 1978 construction program has been reduced by about $1.2 billion. The cut was inflicted not in the Department of Defense but by the Office of Management and Budget.

The major reduction proposed in military construction in the United States will be harmful and is based on a false premise.

While the amount of construction overseas recommended in the budget remains at essentially the same level as in the fiscal year 1977 military construction program, the amount of construction in the United States for the Active Forces is to be reduced by about $1 billion as a result of a last minute budget decision. As a consequence, the Department of Defense estimates there will be approximately 50,000 to 75,000 jobs eliminated in direct construction and perhaps twice as many jobs in work associated with construction, or about 150,000 to 225,000 jobs in all. This does not include an additional multiplier effect in the economy as a whole. In addition, the diseconomies which a moratorium in the military construction program creates are well known. Invariably such a step involves greater costs in construction and in the administration of the program and defers savings through efficiencies which construction projects could create, as well as denying facilities the military needs to operate effectively.

The appendix to the budget states on page 257:

> The requested military construction program is consistent with a special presidentially directed study to examine the current domestic basing structure. . . . Construction requested this year at installations within the continental limits of the United States includes only those projects required pending completion of the study.

The Department of Defense likewise indicated this morning that:

> A partial moratorium has been placed upon the military construction program pending a comprehensive review of long facilities and base structure needs.

However, the committee has reliable information that no such comprehensive study or review is being actively pursued within the Department of Defense and that the present administration has specifically rejected the establishment of a blue ribbon panel outside of the Department of Defense. Studies of long-range plans are always desirable. However, a nonexistent study is scarcely sufficient justification for a moratorium or deferral of $1 billion in the military construction program in the United States.

The denial of $1 billion of military public works which are needed, which have been carefully reviewed for soundness, which are in an advanced state of planning, and which can proceed rapidly and effectively within a well-administered and well-established program does not make sense. This is particularly true at a time when expanded nonmilitary public works projects are being proposed as a method of bolstering the economy and eliminating unemployment.

ABU DAOUD: THE FRENCH GOVERNMENT'S CONTRIBUTION TO A SAFER WORLD

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIKVA. Mr. Speaker, in a world which is yet not known for its dedication to the pursuit of justice, it is all too easy to lose one's capacity for outrage in the face of even the most blatant denials of justice.

Perhaps it was the world's tendency to moral indifference that the French Government was banking on when it released Abu Daoud only a few days after the French counterintelligence service had arrested Daoud as the suspected mastermind of the terrorist slaughter of 11 Israeli athletes at the 1972 Olympic games in Munich.

When the most vehement protests came pouring in from Israel and the United States, the French Government professed its surprise, as if exporting the mastermind of the Munich atrocity to the safety of Algiers was like exporting an only-slightly-spoiled case of French wine.

When a so-called enlightened, civilized country like France promptly frees an Arab who specializes in terrorizing the civilized world, the immediate question is why?

Could it be because of the French campaign to win the friendship of the Arab nations, to get Arab oil and Arab business?

Could it have anything to do with the French agreement with Egypt, announced the day after Daoud was freed, for a $1.6 billion deal for 200 Mirage F–1 fighter-bombers, the most advanced operational French warplane?

Or could it have anything to do with the fact that since the 1973 Arab-Israeli war, France has had multibillion-dollar customers among the Arab nations for not only its Mirages but its Aloutte helicopters, rockets, AMX–30 tanks and other weapons?

Would a civilized, enlightened nation trade economic advantage for the safe passage of a terrorist with at least 11 notches on his gun and, no doubt, room for more? One would think not, but then one ought not to confuse the trappings of civility and enlightenment with a genuine commitment to what is just and what is genuinely in the self-interest of a civilized world.

The action by the French Government in freeing Abu Daoud is an outrage of the first order. If the French Government still does not understand that a basic sense of justice demanded that Daoud be tried in a court of law, maybe it is not too late for the French to learn its lesson in the court of world opinion. The Daoud affair will not pass quickly, nor should it. There is a lesson to be learned and even after the murder of 11 Israeli athletes, the French Government has apparently not learned that lesson.

EDUCATIONAL EXPENSES TAX DEFERRAL ACT

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, I am today introducing the Educational Expenses Tax Deferral Act of 1977. This bill is intended to permit parents, who are increasingly burdened by the high costs of a college education for their children, to defer a significant portion of their Federal income tax, in an amount equal to the cost of eligible educational expenses, until after their child has finished his or her education.

Amounts deferred would be repaid over a 10-year period with no interest charged to the parents. Eligible expenses for which a deferral may be taken in-

clude tuition, fees, books, supplies, equipment, and similar items required for the pursuit of an education or training at an institution of higher education or at a vocational school.

Mr. Speaker, higher education learning and vocational training are high priorities in our society. These valuable resources must be within the grasp of all individuals and families regardless of income level. The opportunity to pursue an education at an institution of higher learning or at a vocational school must be afforded to all Americans.

In recent years, the escalating cost of higher education, coupled with the impact of our inflationary economy, has made access to post-secondary institutions increasingly difficult for far too many students. A survey by the College Entrance Examination Board shows that the average cost for a student at a 4-year public university has increased over 50 percent in the last six years. This places a heavy financial burden not only on lower-income families and individuals but also on many middle- and upper-middle income persons in our society. Unfortunately, this trend is continuing. Costs for a student at a public 4-year institution are expected to increase significantly this school year. The U.S. Office of Education has predicted that during the next 8 years there will be an 80 percent increase in the average cost of 4 years of college.

This alarming increase in the cost of higher education is not limited to public institutions. Tuition rates have increased by more than 48 percent at private 4-year institutions since 1970. Because of the private institution's heavier reliance on tuition for revenue, they have been forced to radically increase their tuition rate. Many are now at the point where they are in danger of pricing themselves out of the range of all but a very few American students.

In fact, the Office of Education estimates that the average cost of tuition and fees alone at a private school will be $2,980 for this 1976–77 school year, a cost increasingly out of reach of thousands of families.

In addition to providing assistance for higher educational expenses, the bill authorizes tax relief for reasonable and necessary expenses incurred at business, technical, trade, or other vocational schools. Such schools provide valuable training for millions of Americans in a wide variety of occupations. It certainly seems to me that such training ought to be strongly encouraged and that a tax deferral for vocational school expenses should be made available to the same extent as that for institutions of higher education. This Nation is in great need of persons skilled in all the fields for which training is provided by business, technical, and similar schools.

Mr. Speaker, the bill in brief provides the option of tax deferrals to any taxpayer—including a parent, a student, a spouse, or other person or persons—who pays certain qualified educational expenses for postsecondary education. The amount deferred must not be less than 1 percent of the taxpayer's adjusted gross income. Taxpayers may defer certain educational expenses such as tuition, fees, books, supplies, required equipment, and other items which are actually required for educational or training purposes. Payment would be made in a series of 10 equal installments.

Such payments would be due over a period of 10 years starting in the first taxable year during which the individual is no longer enrolled in a college or a vocational school or during the 10th taxable year after the first year for which the taxpayer took a deferral. A taxpayer could not defer more than $1,500 of tax otherwise due in any given year nor defer more than $10,000 per student for that student's college or vocational education.

Existing Federal programs are, of course, providing assistance to certain students in cases of need. Unfortunately, many of the guidelines that determine eligibility often exclude many middle-income families and individuals who are also truly in need of governmental assistance. Further, inequities in these programs, the lack of full funding of these programs and other reasons demonstrate why new alternatives must be made available. It is my hope that the bill I am introducing today will fill this void.

Mr. Speaker, at this point, I insert the text of the Educational Expenses Tax Deferral Act of 1977 into the RECORD:

H.R. 1961

A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his income tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Educational Expenses Tax Deferral Act of 1977".

SEC. 2. (a) Subchapter B of chapter 62 of the Internal Revenue Code of 1954 (relating to extensions of time for payment of tax) is amended by adding at the end thereof the following new section:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF TAX WHERE TAXPAYER HAS PAID OR INCURRED CERTAIN EDUCATIONAL EXPENSES.

"(a) EXTENSION PERMITTED.—

"(1) IN GENERAL.—In the case of a taxpayer who has paid or incurred qualified educational expenses for the taxable year, such taxpayer may elect to defer payment of part or all of so much of the tax imposed by chapter 1 as does not exceed his qualified educational expenses for such year. Such election shall be made at such time and in such manner as the Secretary or his delegate may prescribe.

"(2) AMOUNT DEFERRED MAY NOT BE LESS THAN 1 PERCENT OF ADJUSTED GROSS INCOME.—Deferral of payment shall not be allowed under paragraph (1) with respect to any amount of tax which is less than 1 percent of the taxpayer's adjusted gross income for the taxable year.

"(b) DEFERRED INSTALLMENT PAYMENTS.—

"(1) IN GENERAL.—The amount of tax a taxpayer has elected to defer payment on under subsection (a) which is attributable to the educational expenses of any one individual shall be payable in 10 equal installments beginning on the 15th day of the 4th month of each of the taxable years following the earlier of—

"(A) the first taxable year during which the individual is not enrolled in an institution of higher education or a vocational school, or

"(B) the 10th taxable year after the first taxable year for which the taxpayer elected to defer tax under this subsection based on the educational expenses of such individual.

"(2) INTEREST.—Notwithstanding section 6601(c)(1) (relating to interest in the case of extensions), interest shall not accrue on any amount of tax deferred under this section for any period before the date such amount is required under this subsection (or subsection (c)) to be paid.

"(c) ACCELERATION OF PAYMENTS.—If—

"(1) the taxpayer dies during the taxable year, or

"(2) any installment under this section is not paid on or before the date fixed for its payment by this section (including any extension of time for the payment of such installment),

the unpaid portion of the tax payable in installments shall be paid upon notice and demand from the Secretary.

"(d) QUALIFIED EDUCATIONAL EXPENSES.—

"(1) IN GENERAL.—The qualified educational expenses of a taxpayer for any taxable year shall be the sum of the reasonable and necessary educational expenses paid or incurred by the taxpayer in connection with the education or training (on a full-time or part-time basis) of the taxpayer, his spouse, or any of his dependents at an institution of higher education or at a vocational school. The maximum amount of educational expenses which may be taken into account with respect to any one individual for any taxable year may not exceed—

"(A) 75 percent of so much of such expenses as does not exceed $1,000,

"(B) 50 percent of so much of such expenses as exceeds $1,000 but does not exceed $2,000, and

"(C) 25 percent of so much of such expenses as exceeds $2,000 but does not exceed $3,000.

"(2) AGGREGATE AMOUNT DEFERRED PER STUDENT NOT TO EXCEED $10,000.—The amount otherwise allowed to be deferred for the taxable year under paragraph (1) with respect to the education or training of an individual which, when added to amounts paid or incurred by the taxpayer in all prior taxable years with respect to such individual which were deferred under this section, may not exceed $10,000.

"(3) HUSBAND AND WIFE.—In applying paragraphs (1) and (2) in the case of a married individual filing a separate return, the $1,000, $2,000, $3,000, and $10,000 amounts specified in such paragraphs shall be $500, $1,000, $1,500, and $5,000, respectively.

"(e) EDUCATIONAL EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'educational expenses' means—

"(A) tuition and fees (including laboratory, library, field study, and enrollment fees) required for the enrollment or attendance at an institution of higher education or a vocational school,

"(B) fees, books, supplies, and equipment required for courses of instruction at such an institution or school, and

"(C) other items which are actually required for the effective pursuit of an education or the training of the type and at the institution involved and the charges for which are imposed by such institution.

Such terms does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. If an amount paid for tuition or fees included an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary.

"(2) ADJUSTMENT FOR SCHOLARSHIPS, GRANTS, ETC.—The educational expenses of any individual with respect to which the taxpayer elects to defer payment of tax under this section for any taxable year shall be reduced by—

"(A) the total amount of student financial aid received by such individual during that year, including—

"(i) any aid received under title IV or IX of the Higher Education Act of 1965,

"(ii) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income, and

"(iii) any educational assistance allowance under chapter 34 or 35 of title 38, United States Code, and

"(B) any educational expense of such individual during the taxable year which is deductible by the taxpayer under section 162.

"(f) OTHER DEFINITIONS.—For purposes of this section—

"(1) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an educational organization described in section 170(b)(1)(A)(ii)—

"(A) which regularly offers education at a level above the 12th grade; and

"(B) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c).

"(2) VOCATIONAL SCHOOL.—The term 'vocational school' means a business, technical, trade or other vocational school or institution, in any State, which—

"(A) is legally authorized to provide, and provides, within that State, a program of vocational education at a level above the 12th grade designed to train individuals for useful employment in recognized occupations; and

"(B) is accredited by an agency or association which is named in the most current list of nationally recognized accrediting agencies published by the United States Commissioner of Education under section 435(c) of the Higher Education Act of 1965 (20 U.S.C. 1085(c)).

"(3) STATE.—The term 'State' includes the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(4) TAXABLE YEAR.—Each reference to a taxable year is a reference to a taxable year of the taxpayer.

"(g) TERMINATION.—This section shall not apply with respect to qualified educational expenses paid or incurred in taxable years beginning after December 31, 1982.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subchapter is amended by adding at the end thereof the following item:

"Sec. 6168. Extension of time for payment of tax where taxpayer has paid or incurred certain educational expenses."

(c) The amendments made by this Act shall apply to taxable years beginning after December 31, 1977.

SEC. 3. The Secretary of the Treasury or his delegate and the Secretary of Health, Education, and Welfare or his delegate shall each conduct a study of the operation and effects of section 6168 of the Internal Revenue Code of 1954 (as added by this Act), and prepare and transmit to the Congress, during the first quarter of calendar years 1980 and 1982, a report containing the results of such study with respect to the period elapsing before such quarter during which such section 6168 was in effect. Each report transmitted to the Congress under the preceding sentence shall be published in the Federal Register.

GRIGORI HESS AND THE CAUSE OF SOVIET JEWISH EMIGRATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIKVA. Mr. Speaker, during the past several years, there has been some movement concerning freer emigration of Soviet Jews. Nevertheless, the rate of movement has all too often been painfully slow and while a significant number of Soviet Jews have been allowed to emigrate, there are thousands more who have been forced to wait, in many instances for several years after applying for an exit visa.

Last year, I brought to the attention of my colleagues the plight of Grigori Hess, his wife, and two daughters. More than a year later, I must sadly report again that Grigori Hess and his family continue to languish in the Soviet Union.

Grigori Hess, an electrical engineer by training, is now 33 years old. Soon after he first applied for a visa in 1972 to emigrate to Israel, he was dismissed from his job and has been unable to find work in his chosen profession.

After his initial exit visa request was refused, he was sent to prison for a year and since his release, the Hess family has been subjected to continual harassment and surveillance by the KGB.

Recent reports indicate that the Hesses have now been threatened with more, severe reprisals if they do not desist in their efforts to emigrate.

The plight of the Hess family is, indeed, a tragic one. But the tragedy of the Hesses is compounded by the many other Soviet Jewish families who have been forced to wait for years for an exit visa, who have also suffered from official harassment and economic deprivation, who have also been separated from close relatives, as the Hesses have been from Mrs. Hess' parents who were allowed to go to Israel 6 years ago.

We must continue to keep the spotlight of world opinion on the Grigori Hess family and all the others in the Soviet Union who seek free emigration. We and freedom-loving people everywhere must continue to let the Soviet Union know that we are watching and waiting for the day when people like the Grigori Hesses can rejoin their loved ones and live without fear.

WHO RUNS CONGRESS?

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, has "the anonymous, nonelected and permanent staff bureaucracy of both the executive and legislative branches" become the dominant force in government? The Wall Street Journal recently asked that question editorially. The Journal pointed to President Ford's excellent parting state of the Union message in which he reminded the Congress that the legislative bureaucracy has been expanding to such an extent that it now costs taxpayers $1 billion a year to run the Congress. Has this legislative bureaucracy taken on a life of its own and does it, instead of the 535 elected Members, actually run the Congress while the rest of us go through the motions?

I think that is an exaggeration. I can say from personal experience that a good staff helps rather then hinders a Congressman to get the information he or she needs to make decisions. But in a city where information is power, perhaps the Journal's questions should not be casually brushed aside. My own view is that the Congress, in recent years, has taken on too many duties. There is not the faintest possibility of personal oversight by individual Members. Our staffs, of necessity, have in many cases grown too large and assumed too much day-to-day control over important matters. This is a serious matter and deserves closest attention by us all.

I think we owe a debt of thanks to President Ford for his forthright and much needed reminder of some of our problems here on the Hill. Let us take a long hard look at whether or not the people are getting their money's worth out of Congress. Let us show the people Congress is capable of the self-discipline necessary to cut back on legislation for the sake of legislation. Making and passing laws we cannot understand because of their complexity or that we have not the personal time to oversee have made Congress not more responsive to the wishes of the people, but less so.

At this point, Mr. Speaker, I would like inserted in the RECORD the editorial "A President's Goodby" from the Wall Street Journal, January 14, 1977.

A PRESIDENT'S GOODBY

Jerry Ford's parting State of the Union message was noteworthy for two things: the truth in his observation that the nation is in better shape today than when he came to power in 1974; the equal validity of his admonitions to the Congress about its own failures.

The fact that Mr. Ford could honestly report that the state of the union is good owes very little to Congress. He had, after all, vetoed 24 bills last year and it is safe to say that had he not done so, the nation would be facing a more serious danger of renewed inflation than it now faces. The economic recovery and steady expansion of jobs that are occurring as Mr. Ford leaves office owe much to his success in getting inflation under control.

Mr. Ford might well have said goodbye to his old workplace of 25 years—where he still has many friends in both parties—in a spirit of benign forgetfulness of the failings he has perceived from his White House perspective. It is a mark of his character that he chose instead to tell that body that if the federal government is to be reformed under a President of either party, the process must begin with a reformed Congress.

He took pains to observe that the legislative bureaucracy has been expanding rapidly while the federal executive has been contracting and the judiciary remains seriously undermanned. The 535 men and women he was primarily addressing now cost the taxpayers over $1 billion a year in legislative branch operating costs.

While the President did not belabor the point, Newsweek recently estimated that legislative bodies at all levels pass some 150,000 new laws every year, which along with administrative regulation are threatening to drown the country in legalities.

There are serious questions to be asked whether the elected representatives in Washington still control the legislative mill or

whether the combined power of the anonymous, non-elected and permanent staff bureaucracy of both the executive and legislative branches has become the dominant force in government. Some recent bills have suggested the latter in their length, complexity and in the sleeper provisions that seemed to surprise many Congressmen themselves after they learned what they had voted for. An example was the provision in the 1,500-page tax bill that will raise taxes so sharply for many Americans working overseas for U.S. companies as to make it impossible for them to retain their jobs.

Increasingly, the legislative bureaucracy is going public instead of working in the shadows of Congressmen. A Senate staff director was recently quoted extensively in the Times with acid criticisms of what he sees as soft federal regulation. "Perhaps the government and the corporations it is supposed to regulate are simply following the Golden Rule—whoever has the gold makes the rules," said this presumptuous spokesman for the United States Congress.

Mr. Ford complained that Congress had sidetracked most of his efforts to consolidate overlapping programs and agencies, to return more decision-making and responsibility to state and local governments and to "eliminate unnecessary red tape and outrageously complex regulations."

The President generously observed that Congress has made some efforts toward better control—the congressional budget process, for example. But he also made it clear that he will continue to be, out of office, a critic of the pervasive and pernicious spread of law and regulation. Over the next four years, it will be less easy for Congressmen to blame the problem on the "Imperial Presidency."

PANAMA, JIMMY CARTER AND THE TELEVISED PRESIDENCY

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MICHEL. Mr. Speaker, it is reported that President-elect Carter will "speed up negotiations for a new Panama Canal treaty." It is also reported that when told of congressional opposition to giving up American control of the canal, Carter said he would deliver a televised fireside chat to present his views.

The Baltimore Sun, May 21, 1976, quoted Carter as saying:

> I will never relinquish actual control of the canal by this country.

That seems clear enough. Jimmy Carter has promised the American People he would not give up "actual control" of the canal.

Then why does he see a need to go on national television to counter the opinions of those of us in Congress who also do not want to give up "actual control?" This puzzles me. Could it be that he has changed his mind—as he has on the timing of reform of welfare and cuts in the defense budget? If so, should not he tell this to the American people, right now?

And speaking of his desire to go on national television, Mr. Speaker: is this any way to begin the honeymoon each President asks for? Is the Congress, to be treated to yet another chapter in the "imperial presidency's" ability to command free network time when Carter has opposition in Congress?

If the President of the United States can get free national network time to present his views on the Panama Canal, does not the congressional opposition have the same right? Or are we a lesser branch of Government? That has never been my view, and I hope it is not Mr. Carter's. So I strongly urge him, if he is to resort to a fireside chat, to join with those in Congress who may oppose his views in urging the networks to grant equal time to us—not a week or a few days later, but immediately, while the subject is still fresh in the minds of the people.

A MEMORIAL FOR DR. MARTIN LUTHER KING, JR., IN THE CAPITOL

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, I am proud to introduce today, with 157 cosponsors, including all members of the Black Caucus, a concurrent resolution to authorize the commissioning of a bust or statue of Dr. Martin Luther King, Jr., for placement in the U.S. Capitol.

I first introduced this resolution in the 92d Congress with 61 cosponsors. The 157 who join me today testify to the ever-increasing esteem in which Dr. King's memory is held.

Last year this resolution passed both Houses. It failed of final passage only because the Senate attached an extraneous amendment, and the 94th Congress adjourned before House-Senate agreement could be reached. I believe that the time has now arrived when Congress will bestow this tribute.

I am pleased that so many Members of the House feel as I do—that the absence of any statue or portrait of a distinguished black American among the 681 statues and portraits in the Capitol is a disgrace to a nation striving to correct the legacy of 200 years of racial injustice. It is not shocking that, of all the black Americans who have contributed to this Nation's greatness, not one is honored among these works of art in these national halls? It need hardly be said here that blacks have contributed greatly to this Nation's development and yet here in these halls there is no recognition of that fact.

Is it any wonder that so few black families are to be seen among the millions of tourists who flock through this Capitol each year? What could black parents tell their children about the absence of a black figure from these Halls? Children could only draw their own conclusions—either blacks have made little contribution to the building of this country or that Congress chooses to ignore that contribution. Both conclusions are destructive and hopefully the second is as incorrect as the first. A bust or statue of Dr. King would begin to right this wrong.

But I do not urge this memorial merely to remedy this serious omission. Dr. Martin Luther King, Jr., should be commemorated at this seat of government because of the life he led and the man he was. Dr. King's life was a shining example to us all. For over a decade he provided to the Nation inspiring leadership in the struggle for equal justice, equal opportunity, and equal rights. Renouncing violence he carried that struggle as far as any man or woman of this century. In 1964 Dr. King was awarded the Nobel Peace Prize.

Dr. King's place in history is secure. He was one of our greatest Americans, A memorial to Dr. King in the Capitol would allow us to celebrate his life while, at the same time, remind us that the battles he fought have not yet been won. It could inspire in us a conviction that they can be. A Capitol memorial to Dr. Martin Luther King, Jr., would honor us as much as it honors him.

In conclusion, let me say that this proposal is not an alternative to the proposal that January 15, Dr. King's birthday, be made a national holiday. Along, with many of the cosponsors of my resolution, I support the holiday proposal as well.

THE SUBSTITUTE PRESCRIPTION DRUG ACT

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, today I am introducing a bill which could save consumers up to 25 percent on their prescription drug costs. In a market of more than $8 billion per year, that is a possible saving of $2 billion annually. Put in individual terms, it could result in very significant savings particularly to the elderly person, who spends up to one quarter of his medical dollar on prescription drugs, and to the family with young children.

What accounts for the high price of the drugs we buy? One very significant factor is the structure of the drug delivery system, and it is this structure that is the focus of my bill. The bill would permit a pharmacist, where the doctor did not prohibit him from doing so, to fill that doctor's prescription for a brand name product with a drug which is generally equivalent to the brand name product. The medication will have the same therapeutic effect, but will cost the patient significantly less.

Some 90 percent of all prescriptions are written by brand name, and in the majority of States substitution is prohibited by law. The antisubstitution laws were originally enacted for a purpose entirely separate from prohibiting interchange of equivalent drugs; they were virtually nonexistent when the laws were passed. The laws were written, rather, to protect the public from counterfeit drugs. These have now been all but eliminated from the marketplace by the Food and Drug Administration, but the anti-substitution laws are still on the books and are resulting in a lack of competition and consequent high prices.

The lack of competition is fostered by over promotion of brand names to physicians. Some $5,000 per year is spent on each of this country's 200,000 doctors each year in brand name promotion—a cost which is naturally passed on to the consumer. The brand names are designed to be catchy, easy to remember, and doctors tend to write out their prescrip-

tions using the name for a drug product which comes most easily to them. The 90 percent rate of brand name prescribing is most impressive.

When the rate of brand promotion is combined with the antisubstitution laws existent in so many States, the natural result is that each of the identical products available becomes a market unto itself and can command a monopoly price. In hearings last Congress, one witness told the Subcommittee on Consumer Protection and Finance of a price reduction from about $50 for each of three brand name bottles of a drug to below $10 per bottle after repeal of a State antisubstitution law. The reason was that each brand now competed with the others on the pharmacist's shelf—he could now order three times as much from the one manufacturer with the lowest price.

In addition to reducing prices of brand name products, the bill could be expected to open the market to competition from high quality drugs sold under generic labels—these are often made by the same manufacturers who supply the brand name companies, just as food packers sell to both brand name and private label retailers. Now the pattern is that the highest priced item also dominates the market, often in the range of 80–90 percent.

During the subcommittee's hearings last Congress, the chief argument made against the bill was that generic drugs are not in fact interchangeable. It was argued that giving a patient a substitute drug can be dangerous to his health because the substitute may not be precisely identical to the brand product, or because the quality control of the brand company is better than that of the substitute drug manufacturer. Neither of these contentions appears well founded. As to quality control, there is simply no significant correlation between the brand/generic distinction and the issue of quality control. The Food and Drug Administration has conducted studies which have demonstrated that. The agency found no significant difference in the recall rate for brands and generics.

Nor does the issue of "bioequivalence" appear to have much substance. Although two drugs manufactured by different companies may be slightly different, that same degree of difference may occur in two batches of the same drug by the same company. And the significant measure of effectiveness is not absolute equivalence in any case, but is rather "therapeutic equivalence," the range in which two drugs have the same curative effect in the human body.

There are indeed a few drugs which do present either actual or potential problems. These few are listed by the Department of Health, Education, and Welfare. But even in those cases, the problem is generally not the act of substitution itself but the advisability of continuing a patient on the same drug product with which he began his therapy. In these instances, the patient generally could be started on either the commonly prescribed brand name product or some other. Since those drugs are few and far between, and since they themselves can be substituted under some circumstances, their existence should certainly not justify prohibiting substitution altogether.

Nor is this by any means the first time substitution has been permitted. There is a trend in the States, although accomplished with varying degrees of success, to permit substitution. All the Federal Government hospitals routinely use generic products and have successfully for years. About 90 percent of private hospitals do the same. The HEW maximum allowable cost program under medicare—MAC—is based upon the same principle.

But the average consumer does not have the benefit of any such substitution when he gets a prescription filled at the corner drugstore. And he generally does not realize what cost savings he could achieve, and at what level of safety.

The bill I am introducing would give him the benefits of substitution. It provides that a pharmacist may substitute a generically equivalent drug for one prescribed by brand name unless the doctor prohibits substitution. If the pharmacist does substitute, he must dispense the least expensive product which he stocks—unless the consumer requests another product.

If the prescription is written generically, the bill provides—with the same caveat for consumer choice—that the pharmacist must dispense the least expensive product which he stocks.

The bill repeals State laws which prohibit substitutions and makes violation of the provisions of the bill a violation of the Federal Trade Commission Act.

Safety to the patient is guaranteed in several ways under the bill. First, if the doctor has any hesitation about the substitutability of a drug, he can prohibit substitution, specify a manufacturer or group of manufacturers, or talk to the pharmacist personally. Second, the pharmacist is trained for several years in the chemistry of drugs and their action in the body, and he is in this respect more qualified than the doctor to know the similarities and differences among drugs. Third, the patient under this bill always has the option to veto a substitution or specify a brand with which he is familiar.

In a very important sector of our economy in which differences in price of 1,000 percent are documented and differences of 200 percent and 300 percent are not unusual, every step should be taken to make the market competitive and to bring prices down to a competitive level.

THE CONSUMER FRAUD ACT TO PROHIBIT UNFAIR OR DECEPTIVE ACTS OR PRACTICES IN COMMERCE

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, on Thursday, January 13, I introduced the Consumer Fraud Act. The purpose of this legislation is to protect consumers from the burgeoning number of frauds being perpetrated upon the public. The bill does this by making the knowing commission of specified consumer frauds subject to criminal sanctions.

Presently, the bulk of our law enforcement efforts are focused on the traditional common law offenses of robbery, larceny and burglary. Yet studies indicate that the loss resulting from consumer frauds may be far greater than that from common law offenses. According to a 1967 study by the President's Commission on Law Enforcement and Administration of Justice, consumer frauds cost an estimated $1.35 billion annually. In comparison, common law theft offenses cost the public about half as much: $200 million for embezzlement, $27 million for robbery, $251 million for burglary and $150 million for auto theft.

As devasting as the economic impact of consumer fraud is, its true measure cannot be taken until the personal element is considered. The President's Committee on Consumer Interests found that 1 in 30 letters it received from consumers conveyed an attitude of frustration, anger, and displeasure with the system. Said one committee member of the letters:

The most striking feature . . . is the sense of unfairness, of disregard of the individual by the organized business community, of lack of effective recourse and of a feeling that the marketplace is unethical.

According to a study entitled "The Nature, Compact and Prosecution of White Collar Crime," the principal victims of the high pressure and often sophisticated sales techniques of consumer fraud are those least able to afford it or defend themselves from it: the poor and the elderly. Compounding the victimization of these two groups is that they typically reside in inner cities where legal assistance is costly and inadequate.

The perpetrators of consumer frauds frequently prevent effective law enforcement by skipping into the next jurisdiction before charges can be preferred and by exploiting the differences between local fraud statutes. Federal prosecution under the Mail and Wire Fraud Acts (18 U.S.C. 1341, 1343) is limited because the jurisdictional requirement of use of interstate means of communication in furtherance of the fraud is often lacking in the consumer fraud context.

Although 40 States have some form of consumer fraud statute, the primary form of relief provided is injunctive in nature. Only 16 States provide for civil penalties. Even in those States in which injunctive and civil sanctions have been imposed, fraudulent operators have easily evaded them by transferring their operations to an undiscovered corporate shell and bankrupting the sanctioned company. Apparently, only substantial prison sentences will take this hard-core consumer fraud offender off the streets. As then Attorney General Saxbe stated in June 1974:

Tough criminal penalties are needed rather than civil sanctions, which too often are toothless.

Criminal sanctions will also put the fraudulent operator on notice that such conduct will no longer be tolerated. The 1967 Presidential task force report on crime and its impact concluded that, while long periods of incarceration are

probably not needed to protect the public, criminal sanctions may have a deterrent effect on at least certain types of consumer fraud offenders.

The Consumer Fraud Act would fill the current gap in consumer protection laws by defining a variety of fraudulent practices which are clearly deceptive and unconscionable. The bill proscribes seven basic kinds of fraudulent activity affecting consumers. First, bait and switch type frauds are prohibited. This type of fraud involves advertising or offering for sale goods or services knowing that such will not be sold as offered or advertised. This proscription also extends to the practice of offering goods or services with the knowledge that there is not a sufficient supply to meet reasonable public demand.

Second, the bill prohibits any person from knowingly making false or misleading statements with respect to repairs, replacement, prior ownership, grade, age, quality, style or model of goods or services. Further, false or misleading statements comparing the price or quality of goods with similar goods or services are prohibited.

Third, false descriptions respecting the sponsorship, approval, origin, ingredients, uses, features, benefits, quantities, safety or performance characteristics of goods or services are prohibited.

Fourth, the bill prohibits any person from accepting payment or refusing to return a deposit when goods or services have not been and will not be delivered or performed.

Fifth, the use of physical force or threats of physical force, in the course of a sale or the collection of a purchase price payment is proscribed.

Sixth, the bill would prohibit statements or advertisements indicating that any consumer good is original or new when the goods are deteriorated, altered, reconditioned, reclaimed, used, or secondhand.

Finally, false or misleading statements respecting the reasons for or the amount of any price reductions respecting consumer goods and services are prohibited.

Anyone who knowingly engages in any of these seven types of unfair consumer practices is subject to a fine of up to $1,000 and/or imprisonment for up to 1 year for the first offense. Subsequent offenses may be punished by fines of up to $10,000 and/or imprisonment for up to 3 years.

The Consumer Fraud Act also authorizes any consumer affected by an unfair consumer practice to void any contract or agreement which results from the fraudulent transaction.

In addition, the consumer may sue for three times the actual damages plus legal costs if it can be shown that the unfair consumer practice was knowingly committed. This treble damages remedy, borrowed from securities and antitrust law, insures that consumers will act as "private attorneys general" and will not be dissuaded from filing suit because of the legal costs.

Treble damage suits may be brought in any Federal or State court of competent jurisdiction. Federal jurisdiction is granted without regard to citizenship of the parties or the amount in controversy. Treble damage actions must be brought within 3 years of the time the unfair consumer practice was discovered or should reasonably have been discovered. Delaying the tolling of the statute of limitations until after the fraud has been discovered or should reasonably have been discovered prevents fraudulent operators from escaping liability by perpetrating well concealed frauds.

The final remedy provided by the Consumer Fraud Act is that the U.S. Attorney General, the appropriate U.S. Attorney or the appropriate State attorney general may seek to enjoin a proscribed consumer practice which has occured or is about to occur. This allows preventive action to be taken before an unfair consumer practice causes loss.

All remedies under this bill are meant to supplement and not supplant existing State or Federal law relating to unfair consumer practices.

A BILL PERTAINING TO THE GATEWAY NATIONAL PARK

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, on Thursday, January 13, I introduced a bill which will expand the Gateway National Recreation Area by including one of New Yorks most renowned landmarks in the park itself. I refer to the Snug Harbor Cultural Center in Staten Island, N.Y.

While Gateway is of recent origin, Snug Harbor is not. It was but a few short years ago that I and many of my colleagues here today fashioned the Gateway Park legislation in an effort to preserve the natural beauty of the key points within New York's port area—the traditional "gateway" to America. Our work culminated in Public Law 92–592, of October 27, 1972, and combined the Jamaica Bay, Breezy Point, Sandy Hook, and Staten Island units into a national recreation area under the direction of the National Park Service.

Snug Harbor, on the other hand, has a rich history which began in the early 19th century when Capt. Robert R. Randall (1750–1801) bequeathed the 80-acre complex to a trust for the express purpose of caring for retired merchant seamen. For more than a century, the facility was put to just that use, and it was only in 1976 that the trust's diminished assets proved incapable of sustaining operations.

The Snug Harbor site has been classified as an historical landmark, and for good reason. On its grounds are Greek Revival ashlar and brick structures built between 1833 and 1880. The middle and end structures feature full-height hexastyle Ionic entrances, porticos, while others have small, one-story corridors, and there are extensive grounds, walkways, and outbuildings. Over the years, the resident mariners planted dozens of exotic plants and trees which have made the center one of New York City's most splendid tourist attraction. It is, in sum, a visual masterpiece, and one of America's historical treasures.

Who can forget the dedication to American art and history which was rekindled by Jacqueline Kennedy Onassis when she was the Nation's First Lady? Well, it was no less an art authority than Mrs. Onassis herself who remarked during a 1976 tour of Snug Harbor that, "The more attention that can be attracted to this lovely place, the better." And that is why I have drafted the legislation which has just been introduced.

The steel wrecking ball and the demolition crews stand ready to ravage Snug Harbor and sever this link with the past. The developers will make short work of its architectural splendor, and deny future generations the right to use this remarkable landmark—unless we act to save Snug Harbor in the 95th Congress.

What can be done? The bill I propose will preserve the center's facilities while opening the site for use as a center for local, visual, and performing art groups. The botanical gardens and other cultural and educational activities will make this an attraction of which all Americans will be proud.

Incorporation of the center will add a new dimension to the present Gateway Recreation Area, and such a move will be fully compatible with the history of the legislation which created Gateway which said that the park was, and I quote, to "preserve and protect for the use and enjoyment of present and future generations an area possessing outstanding natural and recreational features."

Much has been said in recent months about the Northeastern States' share of the Federal dollar. There appears to be a growing awareness that while the industrial Northeast provided the financial impetus for westward expansion over the years, the time has come to restore the declining physical plant in our great cities and deal with their problems. There could be no better way to do this than to reaffirm the proposition implicit in the law which created Gateway Park: America's wealth and beauty can be found in and around her great urban centers as well as in her more remote rivers and streams.

I look forward to taking my proposal through the legislative process. I am anxious to tell my colleagues how proud New Yorkers are of Snug Harbor, and how willing we are to share her with our fellow Americans. But more than that, I am anxious to see us take the logical next step so we can accomplish the legislative intent of the public law which created Gateway Park in 1972.

We stand on the verge of a vital decision: Will we honor our duty to future generations and pass Snug Harbor to them intact, or will we hand it over to demolition teams and thereby breach our generation's duty to preserve our artistic properties? I hope and trust it will be the former, and I introduce this legislation to that end.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BADHAM) to revise and extend their remarks and include extraneous material:)

Mr. WHALEN, for 10 minutes, today.

Mr. DUNCAN of Tennessee, for 10 minutes today.

Mr. RAILSBACK, for 5 minutes, today.

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. VANIK, for 10 minutes, today.

Mr. WEAVER, for 15 minutes, today.

Mr. ASHLEY, for 5 minutes, today.

Mr. BINGHAM, for 25 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. CORNELL, for 5 minutes, today.

Mr. HARRIS, for 5 minutes, today.

Mr. WEISS, for 60 minutes, January 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CEDERBERG, and to include extraneous matter, immediately following remarks of Mr. MAHON on the President's budget.

Mr. YATES, in the RECORD today.

(The following Members (at the request of Mr. BADHAM) and to include extraneous matter:)

Mr. CORCORAN of Illinois.

Mr. COHEN in two instances.

Mr. GILMAN.

Mr. BROOMFIELD.

Mr. DUNCAN of Tennessee.

Mr. LENT.

Mr. CONABLE.

Mr. CARTER in five instances.

Mr. KETCHUM.

Mr. BOB WILSON.

Mr. STOCKMAN.

Mr. ROUSSELOT.

Mr. COUGHLIN.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter:)

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BINGHAM in 10 instances.

Mr. FRASER in five instances.

Mr. LLOYD of California.

Mr. VANIK in three instances.

Mr. BYRON.

Mr. LEHMAN in two instances.

Mr. LONG of Maryland.

Mr. RAHALL.

Mr. CORNELL.

Mr. LEVITAS in two instances.

Mr. WAXMAN.

Miss JORDAN.

Mr. JONES of Tennessee.

Mr. MCDONALD in two instances.

ADJOURNMENT

Mr. KILDEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Wednesday, January 19, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

400. A letter from the President of the United States, transmitting a draft of proposed legislation to enable the people of Puerto Rico to form a constitution and State government, to be admitted into the Union, and for other purposes (H. Doc. No. 95–49); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

401. A letter from the President of the United States, transmitting a draft of a proposed joint resolution to authorize the U.S. Secret Service to continue to furnish protection to certain former Federal officials or members of their immediate families (H. Doc. No. 95–50); to the Committee on the Judiciary and ordered to be printed.

402. A letter from the Secretary of Agriculture, transmitting the seventh annual report on information and technical assistance delivered by the Department of Agriculture, covering fiscal year 1976, pursuant to section 901(d) of the Agricultural Act of 1970; to the Committee on Agriculture.

403. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Southwestern Power Administration, Department of the Interior for Operation and Maintenance for fiscal year 1977, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

404. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriations to the Department of Agriculture for "Salaries and Expenses," Federal Grain Inspection Service, and for "Inspection and Weighing Services," Federal Grain Inspection Service, have been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriations, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

405. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final Teacher Corps funding criteria, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

406. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations governing the National Diffusion Network, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

407. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering the transition quarter on personal property donated to public health and educational institutions and civil defense organizations under section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and real property disposed of to public health and educational institutions under section 203(k) of the act, pursuant to section 203(o) of the act; to the Committee on Government Operations.

408. A letter from the Chairman, Indian Claims Commission, transmitting the Commission's final determination in docket No. 296, The Hopi Tribe, an Indian Reorganization Act organization suing on its own behalf and as a representative of the *Hopi Indians and the villages of First Mesa (Consolidated villages of Walpi, Shitchumovi and Tewa), Mishongnovi, Sipaulavi, Shungopavi, Oraibi, Kyakotsmovi, Bakabi, Hotevilla and Upper and Lower Moenkopi*, plaintiff, v. *The United States of America*, defendant, pursuant to section 21 of the Indian Claims Commission Act (60 Stat. 1055); to the Committee on Interior and Insular Affairs.

409. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting, a report on the allowance of attorney expense claims in proceedings under the Alaska Native Claims Settlement Act, pursuant to section 20(e) of the act; to the Committee on Interior and Insular Affairs.

410. A letter from the Secretary of the Treasury, transmitting the third annual report on the debt situation in the developing countries and the debt relief provided by the United States, pursuant to section 634(g) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

411. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

412. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Regional Rail Reorganization Act of 1973; to the Committee on Interstate and Foreign Commerce.

413. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares of gasoline during August and September 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

414. A letter from the Administrator, Federal Energy Administration, transmitting a report on market shares for distillates and residual fuels during August 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

415. A letter from the Administrator, Federal Energy Administration, transmitting a report covering the period July–September 1976, on imports of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal; reserves and production of crude oil, natural gas, and coal; refinery activities; and inventories, pursuant to section 11(c)(2) of Public Law 93–319, as amended; to the Committee on Interstate and Foreign Commerce.

416. A letter from the Chairman, National Advisory Council on Services and Facilities for the Developmentally Disabled, transmitting an evaluation of the efficiency of the administration of the Developmental Disabilities Services and Facilities Construction

Act, covering fiscal year 1976 and the transition quarter, pursuant to section 108(c)(5) of the act (89 Stat. 500); to the Committee on Interstate and Foreign Commerce.

417. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 1114 of title 18 of the United States Code to include officers and employees of the Bureau of Alcohol, Tobacco and Firearms; to the Committee on the Judiciary.

418. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to remove the limitation on dues for U.S. membership in the International Criminal Police Organization, and for other purposes; to the Committee on the Judiciary.

419. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend chapter 40, title 18, United States Code, to authorize the destruction of explosive materials subject to seizure and forfeiture where it is impractical or unsafe to remove the materials to a place of storage or where such materials cannot be safely stored; to the Committee on the Judiciary.

420. A letter from the chairman, board of directors, Future Farmers of America, transmitting the audit report of the organization for the year ended June 30, 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

421. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the implementation of section 703 of the Railroad Revitalization and Regulatory Reform Act of 1976, and for other purposes; to the Committee on Public Works and Transportation.

422. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on the implementation of the Federal Water Pollution Control Act during calendar years 1974 and 1975, pursuant to section 516(a) of the act; to the Committee on Public Works and Transportation.

423. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the National Firearms Act (26 U.S.C. chapter 53), to eliminate formal forfeiture procedures, both judicial and administrative, involving unregistered National Firearms Act weapons; to the Committee on Ways and Means.

424. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 to raise the monetary ceiling for nonjudicial forfeiture of any vessel, vehicle, merchandise or baggage seized under the customs laws, and for other purposes; to the Committee on Ways and Means.

425. A letter from the Secretary of Labor, transmitting a report on a review of the emergency unemployment compensation program and the special unemployment assistance program, pursuant to section 104 of Public Law 94–45; to the Committee on Ways and Means.

426. A letter from the Special Representative for Trade Negotiations, Executive Office of the President, transmitting a report covering the 6 months ended December 31, 1976, on reviews and hearings arising from complaints of unfair trade practices by foreign governments, pursuant to section 301(d)(2) of the Trade Act of 1974; to the Committee on Ways and Means.

427. A letter from the Comptroller General of the United States, transmitting a report on Federal efforts to help States serve mentally ill and mentally retarded persons in communities rather than in large public institutions; jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, Ways and Means, Education and Labor, and Banking, Finance and Urban Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[*Introduced January 13, 1977*]

By Mr. ECKHARDT (for himself, Mr. ARCHER, and Ms. JORDAN):

H.R. 1942. A bill to amend the definition of the term "lawful bridge" in "An Act to provide for the alteration of certain bridges over navigable waters of the United States", approved June 21, 1940 (54 Stat. 497), for the purpose of clarifying such definition; to the Committee on Public Works and Transportation.

[*Introduced January 17, 1977*]

By Mr. ASHLEY (by request):

H.R. 1943. A bill to exempt insured loans from certain limitations of section 5(c) of the Home Owners' Loan Act of 1933; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BRINKLEY:

H.R. 1944. A bill to amend title 18 of the United States Code to extend the imposition of mandatory prison sentences to certain additional offenses involving the use of firearms; to the Committee on the Judiciary.

By Mr. BRODHEAD:

H.R. 1945. A bill to amend title XVI of the Social Security Act to extend from 9 to 24 months the trial work period during which an individual who is receiving supplemental security income benefits on the basis of disability may render services for remuneration or gain without suffering a loss of or reduction in such benefits; to the Committee on Ways and Means.

H.R. 1946. A bill to amend title XVI of the Social Security Act to eliminate the 33⅓ percent reduction in SSI benefits which is presently imposed when the recipient is living in another person's household, and to provide that support and maintenance furnished the recipient in kind by such other person shall be disregarded in determining such recipient's income for SSI purposes; to the Committee on Ways and Means.

By Mr. BROOMFIELD:

H.R. 1947. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes; jointly to the Committees on Rules and Government Operations.

By Mr. COHEN:

H.R. 1948. A bill to amend the Emergency School Aid Act to extend to Franco-Americans the same benefits afforded other minority groups under that act; to the Committee on Education and Labor.

By Mr. COHEN (for himself and Mr. EMERY):

H.R. 1949. A bill to establish a program to improve U.S. commercial fisheries; to the Committee on Merchant Marine and Fisheries.

H.R. 1950. A bill to increase the subsistence payments to students at State maritime academies; to the Committee on Merchant Marine and Fisheries.

By Mr. CORNELL (for himself, Mr. MCHUGH, Mr. FISH, Mr. BRODHEAD, Mr. CLEVELAND, Mr. DELLUMS, Mr. DERRICK, Mr. EDGAR, Mr. ENGLISH, Mr. FRENZEL, Mr. HANNAFORD, Mrs. MEYNER, Mr. OBERSTAR, Mrs. SCHROEDER, Mr. STUDDS, and Mrs. FENWICK):

H.R. 1951. A bill to revise the laws governing appointments to the service academies so as to relieve Members of Congress from the responsibility of making nominations for appointments thereto, and for other purposes; jointly to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. DANIELSON:

H.R. 1952. A bill to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes; to the Committee on the Judiciary.

H.R. 1953. A bill to amend chapter 44 of title 18 of the United States Code to penalize the use of a cutting or stabbing weapon in the commission of a felony, and to increase the penalties for the use of firearms in the commission of a felony; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 1954. A bill to amend title 38 of the United States Code in order to remove the 10-year delimiting period on educational assistance provided to war orphans and widows; to the Committee on Veterans' Affairs.

H.R. 1955. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. EDWARDS of California:

H.R. 1956. A bill to amend the Immigration and Nationality Act to eliminate the legal custody requirement and the requirement of residence and physical presence in the United States for the naturalization of children adopted by U.S. citizens; to the Committee on the Judiciary.

H.R. 1957. A bill to amend title 38, United States Code, to provide comprehensive mental health, psychosocial readjustment services, counseling, and other services necessary or appropriate for the effective treatment, rehabilitation, or readjustment of veterans and their dependents who are experiencing psychosocial readjustment problems resulting from military service or readjustment from military service; to the Committee on Veterans' Affairs.

By Mr. FORD of Michigan (for himself, and Mr. HANLEY):

H.R. 1958. A bill to amend title 5, United States Code, to provide civilian employees of the National Guard certain rights of members of the competitive service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KILDEE (for himself and Mr. BRODHEAD):

H.R. 1959. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from gross income of a certain portion of amounts received as annuities, pension, or other retirement benefits by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. LLOYD of California (for himself, Mr. MIKVA, Mr. BADHAM, Mr. BLANCHARD, Mr. DAN DANIEL, Mr. DERWINSKI, Mr. DUNCAN of Tennessee, Mr. EMERY, Mr. JACOBS, Mr. JONES of Tennessee, Mr. KETCHUM, Mr. KREBS, Mr. LAGOMARSINO, Mr. LENT, Mr. LEVITAS, Mr. LOTT, Mr. LUJAN, Mr. MAZZOLI, Mr. MCDONALD, Mr. QUAYLE, Mr. RUSSO, Mr. SIMON, Mr. SISK, Mr. CHARLES H. WILSON of California, Mr. CHARLES WILSON of Texas, and Mr. YATRON):

H.R. 1960. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly to the Committees on Government Operations and Rules.

By Mr. MIKVA:

H.R. 1961. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his income tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent; to the Committee on Ways and Means.

By Mr. MITCHELL of New York:

H.R. 1962. A bill to amend the Internal Revenue Code of 1954 to provide that the special expenses incurred in maintaining a retarded or handicapped individual shall be allowable as a medical deduction without regard to the 3-percent floor; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 1963. A bill to permit pharmacists, in certain circumstances, to use substitute drugs in the filling or refilling of prescriptions made by physicians; to the Committee on Interstate and Foreign Commerce.

H.R. 1964. A bill to amend the Community Mental Health Centers Act to permit agencies which are located outside catchment areas with community mental health centers and which have received children's mental health grants before the enactment of the Community Mental Health Centers Amendments of 1975 to continue to receive such grants; to the Committee on Interstate and Foreign Commerce.

By Mr. OBERSTAR:

H.R. 1965. A bill to amend title I of the Housing and Community Development Act of 1974 for the purpose of enabling recipients of grants under such title to utilize such grants with respect to governmental buildings, and for the purpose of providing for the adjustment of geographic boundaries of standard metropolitan statistical areas; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1966. A bill to establish a pilot program to compensate persons who suffer loss or damage from predation by endangered species; to the Committee on Merchant Marine and Fisheries.

By Mr. OBERSTAR (for himself and Mr. BLOUIN):

H.R. 1967. A bill to establish a program for repairing and replacing unsafe highway bridges; jointly to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. RHODES:

H.R. 1968. A bill to amend the Federal Salary Act of 1967, and for other purposes; jointly to the Committees on Post Office and Civil Service, and Rules.

By Mr. ROE:

H.R. 1969. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. CORRADA, Mr. SMITH of Iowa, Mr. WEISS, Mr. MURPHY of Pennsylvania, Mr. KOSTMAYER, Mr. DAVIS, Mr. TONRY, Mr. MARKEY, Mr. FLIPPO, Mr. JONES of Tennessee, Mr. APPLEGATE, Mr. BONIOR, Mr. BENJAMIN, Mr. CORNWELL, Mr. PEASE, Mr. METCALFE, Mr. SHIPLEY, Mr. SIMON, Mr. EARLY, Mr. WHITLEY, Mr. STARK, Mr. FASCELL, Mrs. SPELLMAN, and Mr. KAZEN):

H.R. 1970. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself, Mr. FLYNT, Mrs. COLLINS of Illinois, Mr. LONG of Maryland, Mr. BARNARD, Mr. AKAKA, Mr. WHITE, Mr. DICKS, and Mr. GLICKMAN):

H.R. 1971. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. SATTERFIELD:

H.R. 1972. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. SEBELIUS:

H.R. 1973. A bill to provide additional emergency credit for farmers and ranchers and to expand existing credit, and emergency credit authority available to farmers and ranchers under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. UDALL (for himself, Mr. WIRTH, Mr. BAUCUS, Mr. BONIOR, Mr. LEHMAN, Mr. THOMPSON, Mr. CONTE, Mr. STUDDS, Mr. HANNAFORD, Mr. MAZZOLI, Mr. MOORHEAD of Pennsylvania, Mr. CORMAN, Mr. RANGEL, Mr. COUGHLIN, Mr. WOLFF, Mr. MITCHELL of Maryland, Mr. DE LUGO, Mr. FLOOD, Mr. WHITEHURST, Mr. CORRADA, Mr. STARK, Mr. WEISS, Mr. NIX, Ms. HOLTZMAN, and Mr. SIMON):

H.R. 1974. A bill to designate certain lands in the State of Alaska as units of the National Park, National Wildlife Refuge, Wild and Scenic Rivers and National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALKER:

H.R. 1975. A bill to amend section 8 of the U.S. Housing Act of 1937 for the purpose of requiring the Secretary of Housing and Urban Development and public housing agencies to notify certain Members of Congress before entering into annual contributions contracts under such section; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. WHALEN (for himself, Mr. CARR, Mr. QUIE, Mr. RICHMOND, Mr. SCHEUER, Mr. SHARP, and Mr. WALKER):

H.R. 1976. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Georgia:

H.R. 1977. A bill to amend the Social Security Act to establish a national health care program for all residents of the United States under which all existing health care programs for the aged and poor are consolidated, to provide for the administration of the national health care program and the existing social security programs by a newly established independent Social Security Administration, and for other purposes; jointly; to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. WRIGHT:

H.R. 1978. A bill to amend the Internal Revenue Code of 1954 to provide that child insurance benefits under the Social Security Act and certain veterans' benefits will not be taken into account in determining whether an individual is a dependent of another person; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 1979. A bill to amend the Fair Credit Reporting Act, and to create a new title in the Consumer Credit Protection Act in order to license consumer credit investigators; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1980. A bill to establish within the Department of Housing and Urban Development a program providing financial assistance to low-income individuals and families for the purpose of purchasing and installing solar heating (for combined solar heating and cooling) equipment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1981. A bill to amend title VII of the Civil Rights Act of 1964 to protect the employment rights of the elderly; to the Committee on Education and Labor.

H.R. 1982. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees, and facilities of their schools; to the Committee on Education and Labor.

H.R. 1983. A bill to establish and protect the rights of day laborers; to the Committee on Education and Labor.

By Mr. GOLDWATER (for himself and Mr. KOCH):

H.R. 1984. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. KOCH (for himself and Mr. GOLDWATER):

H.R. 1985. A bill to establish restrictions on the disclosure of certain financial, toll, and credit records, and for other purposes; jointly to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. ROYBAL:

H.R. 1986. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped; to the Committee on Education and Labor.

H.R. 1987. A bill to amend the National Public Employee Relations Act; to the Committee on Education and Labor.

H.R. 1988. A bill to amend the Community Services Act of 1974, to provide for the establishment of a National Office for Migrant and Seasonal Farmworkers within the Community Services Administration, with responsibility for the coordinated administration of all of the programs of that Administration serving migrant and seasonal farmworkers; to the Committee on Education and Labor.

H.R. 1989. A bill to establish a Conservation Corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

H.R. 1990. A bill to establish an Office of Spanish-Speaking Affairs in the Executive Office of the President, and for other purposes; to the Committee on Government Operations.

H.R. 1991. A bill to amend the Public Health Service Act to provide assistance for research and development for improvement in delivery of health services to the critically ill; to the Committee on Interstate and Foreign Commerce.

H.R. 1992. A bill to ban aerosol cans in commerce unless they conform to safety standards set by the Consumer Product Safety Commission; to the Committee on Interstate and Foreign Commerce.

H.R. 1993. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to provide for the registration of manufacturers of cosmetics, the testing of cosmetics, and the labeling of cosmetics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1994. A bill to provide for a payment by the United States for certain medical services and treatment provided to individuals suffering from physical injuries attributable to the atomic bomb explosions on Hiroshima and Nagasaki, Japan, in August 1945; to the Committee on the Judiciary.

H.R. 1995. A bill to amend the Civil Rights Act of 1964 in order to prohibit discrimination on the basis of physical or mental handicap in federally assisted programs; to the Committee on the Judiciary.

H.R. 1996. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 1997. A bill to amend title 5, United States Code, to include as creditable service

for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1998. A bill to provide relief to certain individuals 60 years of age and over who own or rent their homes, through income tax credits and refunds; to the Committee on Ways and Means.

H.R. 1999. A bill to amend title II of the Social Security Act to increase to $7,200 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 2000. A bill to amend section 582 of the Tariff Act of 1930 to require search warrants in connection with certain body search procedures conducted with respect to persons entering the United States from foreign countries, and for other purposes; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.J. Res. 149. Joint resolution proposing an amendment to the Constitution of the United States to the election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. LLOYD of California:

H.J. Res. 150. Joint resolution. A bill proposing an amendment to the Constitution of the United States providing that the term of office of Members of the House of Representatives shall be 4 years, and for other purposes; to the Committe on the Judiciary.

By Mr. RAHALL:

H.J. Res. 151. Joint resolution to provide temporary authority for additional qualified individuals to hear and determine claims under title IV of the Coal Mine Health and Safety Act of 1969 as amended; to the Committee on Education and Labor.

By Mr. BINGHAM (for himself, Mr. ADDABBO, Mr. AKAKA, Mr. ANDERSON of California, Mr. ANDERSON of Illinois, Mr. ASHLEY, Mr. BADILLO, Mr. BALDUS, Mr. BAUCUS, Mr. BEARD of Rhode Island, Mr. BENJAMIN, Mr. BIAGGI, Mr. BLOUIN, Mr. BOLAND, Mr. BOLLING, Mr. BONIOR, Mr. BONKER, Mr. BRADEMAS, Mr. BRODHEAD, Mr. BROWN of Ohio, Mr. BROWN of Michigan, Mr. BROWN of California, Mr. BUCHANAN, Ms. BURKE of California, and Mr. JOHN L. BURTON):

H. Con. Res. 60. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. PHILLIP BURTON, Mr. CAVANAUGH, Ms. CHISHOLM, Mr. CLAY, Mr. COHEN, Ms. COLLINS of Illinois, Mr. CONTE, Mr. CONYERS, Mr. CORMAN, Mr. CORNWELL, Mr. CORRADA, Mr. COTTER, Mr. COUGHLIN, Mr. DELLUMS, Mr. DE LUGO, Mr. DICKS, Mr. DIGGS, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. EDWARDS of California, Mr. EILBERG, and Mr. ERTEL):

H. Con. Res. 61. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. EVANS of Colorado, Mr. FASCELL, Mr. FAUNTROY, Ms. FENWICK, Mr. FINDLEY, Mr. FISH, Mr. FISHER, Mr. FLOOD, Mr. FOLEY, Mr. FORD of Tennessee, Mr. FRASER, Mr. FRENZEL, Mr. GAMMAGE, Mr. GIBBONS, Mr. GILMAN, Mr. GLICKMAN, Mr. HARRINGTON, Mr. HARRIS, Mr. HAWKINS, Ms. HOLT, Ms. HOLTZMAN, Mr. HORTON, Mr. HOWARD, and Mr. HUGHES):

H. Con. Res. 62. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. JACOBS, Mr. JENRETTE, Ms. JORDAN, Mr. KASTENMEIER, Ms. KEYS, Mr. KILDEE, Mr. KOCH, Mr. KOSTMAYER, Mr. LEDERER, Mr. LE FANTE, Mr. LEGGETT, Mr. LONG of Maryland, Mr. LONG of Louisiana, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. MCKINNEY, Mr. MAZZOLI, Mr. MEEDS, Mr. METCALF, Ms. MEYNER, Ms. MIKULSKI, Mr. MIKVA, Mr. MILLER of California, and Mr. MINETA):

H. Con. Res. 63. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. MOORHEAD of Pennsylvania, Mr. MOSS, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. MICHAEL O. MYERS, Mr. NEAL, Mr. NIX, Mr. NOLAN, Mr. NOWAK, Mr. OTTINGER, Mr. PANETTA, Mr. PEPPER, Mr. PRICE, Mr. PRITCHARD, Mr. RAHALL, Mr. RANGEL, Mr. REUSS, Mr. RICHMOND, Mr. ROE, Mr. ROSENTHAL, and Mr. ROYBAL):

H. Con. Res. 64. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. SANTINI, Mr. SCHEUER, Mr. SEIBERLING, Mr. SHARP, Mr. SIMON, Mr. SISK, Mr. SOLARZ, Mr. STANTON, Mr. STARK, Mr. STOCKMAN, Mr. STOKES, Mr. STUDDS, Mr. THOMPSON, Mr. TRAXLER, Mr. TRIBLE, Mr. TSONGAS, Mr. TUCKER, Mr. UDALL, Mr. VAN DEERLIN, Mr. VOLKMER, Mr. WALGREN, Mr. WAXMAN, Mr. WEISS, and Mr. WHALEN):

H. Con. Res. 65. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. CHARLES WILSON of Texas, Mr. CHARLES H. WILSON of California, Mr. WOLFF, Mr. WON PAT, Mr. WYDLER, Mr. YATES, Mr. YATRON, Mr. ZEFERETTI, Ms. BOGGS, Mr. ECKHARDT, Mr. GORE, and Mr. VENTO):

H. Con. Res. 66. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committtee on House Administration.

By Mr. EDGAR (for himself, Mr. TSONGAS, Mr. ARCHER, Mr. BONIOR, Mr. COUGHLIN, Mr. DAVIS, Mr. DERWINSKI, Mr. DODD, Ms. FENWICK, Mr. FRASER, Mr. GEPHARDT, Mr. GIBBONS, Mr. WHITEHURST, Mr. MCDONALD, Ms. MIKULSKI, Mr. MOAKLEY, Mr. MOFFETT, Mr. RINALDO, Mr. ROE, Mr. SIMON, Mr. STEERS, Mr. THOMPSON, Mr. UDALL, Mr. WEISS, and Mr. MAZZOLI):

H. Res. 114. Resolution condemning terrorist activities and the premature release of Abu Daoud; to the Committee on International Relations.

By Mr. GRASSLEY (for himself, Mr. BAUMAN, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. MOTTL, Mr. CLEVELAND, Mr. PURSELL, Mr. TRIBLE, Mr. SEBELIUS, Mr. JACOBS, Mr. ARCHER, Mr. ERTEL, and Mr. CORCORAN):

H. Res. 115. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

6. The SPEAKER presented a memorial of the Council of the District of Columbia relative to unpaid parking tickets written on diplomatic cars; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MICHEL introduced a resolution (H. Res. 116) to refer H.R. 1429 to the Chief Commissioner of the U.S. Court of Claims, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

31. By Mr. SISK: Petition of the Merced County Board of Supervisors, Merced, Calif., relative to the lack of home delivery of mail in Winton, Calif.; to the Committee on Post Office and Civil Service.

32. The Speaker presented a petition of Frank W. Beckendorf, Chalnette, La., relative to the election of Rick Tonry in the Louisiana First Congressional District; to the Committee on House Administration.

EXTENSIONS OF REMARKS

IMPORTANT TAX SHELTER REGULATIONS DELAYED BY TREASURY SECRETARY SIMON

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. VANIK. Mr. Speaker, in a previous speech I pointed out the unfortunate condition of the Treasury Department's process of issuing regulations for the administration of our tax system. As I have noted, the backlog of regulation drafting projects is indefensibly large with more than 300 regulation projects pending.

Some of these projects have been outstanding for 20 years or more. Since regulations are an indispensable source of guidance in the Federal courts, the Internal Revenue Service, tax practitioners and the public, the efficiency of our tax system has been greatly hampered by these delays.

Some indication of what is wrong with the Treasury Department's approach to issuing these very important regulations can be obtained by looking at the fate of a set of proposed regulations issued January 5, only to be summarily shelved a few hours later by Treasury Secretary Simon. By this action, Secretary Simon exercised a one-man veto on the extensive work of Internal Revenue

Service professionals. Because these regulations would have partly reformed the tax shelter area, the action will be warmly received by those rich taxpayers and promoters now benefiting from the flourishing trade in tax shelter arrangements.

The proposed regulations would have straightened out the rules governing whether an enterprise constitutes a partnership or corporation. This classification determines whether an investment will serve as a shelter device for taxable income.

A tax shelter operates by creating artificial paper losses that wealthy investors can use to offset income from other sources. The enterprise's losses are only available to shelter investor's income if the organization is a partnership, since partnerships are not treated as a separate taxable entity, but rather are treated as a conduit, channeling enterprise income or losses to the individual partners. That is to say, a partnership does not report income or loss in its own name, but acts instead like a clearinghouse sorting out the appropriate amounts of income or loss to be allocated to each partner. Therefore, if the tax shelter device constitutes a partnership, the paper losses it produces belong to the investors. If, on the other hand, the shelter device is determined to be a corporation, then whatever losses were generated would belong to the corporation as a taxable entity in its own right, and could not be passed on to the investors. Thus, the valuable paper losses would remain locked inside the corporation, the wealthy investors would receive no shelter benefits, and the scheme would fail as a tax avoidance device.

The present regulations in this area are strongly biased in favor of finding a joint investment enterprise to be a "partnership." In other words, an enterprise can be structured to have many of the attributes of the corporate form of business and still be considered a "partnership." Thus, under current rules, tax shelter benefits are quite liberally available, even in organizations arranged to provide most of the very advantageous corporate characteristics while avoiding the disadvantages associated with the pure partnership form.

This situation has long been in need of reform. The January 5th unfortunately short-lived regulations were a large step to a more balanced and more realistic classification of corporations and partnerships. The veto of these proposed regulations by Secretary Simon means that reform will probably be delayed until at least the change in administration.

It is interesting to note that these very useful regulations have been in the works for over 10 years. This fact, in addition to serving as another example of the substantial delays in issuing tax regulations, raises large questions about Treasury Secretary Simon's decision to hold them back once again. Secretary Simon has explained that he regards the regulations as "controversial" and thus needing further discussion. However, the regulation has already gone back and forth between the drafting section of IRS and the policymakers in the Treasury several times and there is no need for further delay. Moreover, it is doubtful how controversial these regulations are since they were essentially an attempt to correspond the Treasury's rules to the holdings of a line of Federal court cases that the Service has already officially acquiesced in.

In the larger context, the story of the January 5th proposed regulation repeats a pattern of delay and ambivalence that has come to characterize the process of publishing tax regulations. In this connection, I am considering introducing legislation to limit the amount of time a regulation can languish unpublished within the tax bureaucracy. It is clear that such improvement is needed in this very important area. I would also strongly urge that Secretary Simon reverse his position and finally send these important regulations on their way to official adoption.

TRIBUTE TO DWIGHT CASE, A NATIVE CALIFORNIAN

HON JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. ROUSSELOT. Mr. Speaker, with respect and admiration I take this opportunity to recognize a native of California for his personal accomplishments in upholding the American political system and for his remarkable achievements in the field of broadcasting.

Dwight Case has given generously of his time, talents, and capabilities to stimulate a communication between the business and government communities both as a private citizen and in his professional role as president of RKO Radio. As a leader in a field that receives almost as much criticism as the Federal Government, Dwight Case has been exemplary in maintaining a high degree of quality in the media of broadcasting. He has earned an enviable reputation not only as a highly respected broadcast executive, but also as a civic, church, industry, and philanthropic leader. He is, for example, a member of the Committee for New Dimensions of California Lutheran College, Thousand Oaks, a lay leader at the Bel-Air Presbyterian Church, and a member of the Southern California Campaign Committee for the United Negro College Fund.

Dwight Case was born in Modesto, Calif., and graduated cum laude in 1956 from the University of the Pacific. He served in the U.S. Navy from 1949 until 1952. In 1972 he joined the RKO Radio family as vice president and general manager of KHJ in Los Angeles. Prior to that he was a succesful broadcasting executive in Stockton, Modesto, Sacramento, San Francisco, and Bakersfield. He was named vice president-western region and then executive vice president of RKO Radio before becoming president in May 1975. The company includes 13 AM and FM radio stations in Los Angeles, San Francisco, Chicago, Memphis, Washington, Boston, New York, and Ft. Lauderdale. The stations are heard daily by nearly 15 million listeners.

The general managers of RKO's stations are directed by Dwight Case to participate actively in a five-dimension public affairs program which includes the following:

First. Personally get involved in selected local community, educational, philanthropic, professional, service and youth endeavors—not simply to join but rather to become a leader;

Second. Attend one or more college business, communications or liberal arts courses annually, to broaden knowledge and perspective;

Third. International travel, 2 or 3 weeks each year, to observe, to learn, and to meet influential leaders in every aspect of living and working;

Fourth. Annual visit to Washington, D.C., as well as to the seats of local and State government, to interview public officials; and

Fifth. Prepare and articulate in-depth editorials and on-air public affairs programs in attractive time periods to challenge and educate listeners on meaningful contemporary issues.

As a result of this encouragement by Dwight Case, RKO Radio's general managers serve in such community activities as Rotary and Kiwanis Clubs, Junior Achievement, Boys Clubs, March of Dimes, Leukemia Foundation, Boy Scouts, YMCA, League of Women Voters, Chamber of Commerce, Toys for Tots, United Way, American Cancer Society, Heart Association, and Jr. Chamber of Commerce. They also sponsor scholarships, teach university broadcasting courses, and train radio interns.

Since becoming president of RKO Radio, Dwight has successfully devoted much of his time to speaking and writing throughout the United States on the importance of the American free enterprise system and the necessity for each citizen's participation if it is to survive.

In 1976 he was honored by resolution of the California State Assembly for his "illustrious record of personal and professional achievement."

Mr. Speaker, in these days so perilous to the preservation of the American free enterprise system, it is gratifying indeed to know that there are citizens like Dwight Case who will give vigorously of his talents to encourage high level management participation in civic and government affairs. The threat to America's free enterprise system is also a threat to individual freedom.

Dwight's civic and professional activities have set an example not only for the broadcasting industry, which is so influential in shaping the thinking and attitudes of our people, but also for citizen involvement in the local community.

TRIBUTE TO ELMER ADAMS

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. STOCKMAN. Mr. Speaker, two of the most worrisome trends in American society today are the continuing decline in political participation and the pervasive cynicism with which large portions of the citizenry view the basic institutions of our democratic process, especially our two major political parties.

Given these circumstances, it is encouraging to be reminded that such alarming patterns of attitude and belief are not universal; that there are still many Americans dedicated to doing their part to make certain our political system works effectively and that it merits the confidence of the public.

I am proud to note that one of my own constituents, Mr. Elmer Adams of Decatur, Mich., has been, for more than 50 years, one of those rare individuals who takes the responsibilities of citizenship seriously. Beginning in 1932, and for two subsequent decades, he served faithfully as the clerk of his home township. Through his competence, integrity and dedication during those years, he helped demonstrate the viability of a basic truth strongly held in our part of the country: the belief that grass roots government is the most effective and responsible form of government because it is closest to the people it is intended to serve.

During the last 20 years, Elmer Adams has also contributed heavily to the realization of another basic truth of our system: that healthy two-party competition is essential to sound government. As treasurer of the Van Buren County Republican Party, he has played a major role in keeping the party solvent, active, and effective.

Mr. Speaker, as one who has come to know and deeply admire solid, conscientious citizens like Elmer Adams, I am compelled to say that we will continue as the greatest republic history has ever known only if more citizens follow in the footsteps of Elmer Adams. While not everyone will be able to duplicate his many accomplishments on behalf of good government, we can all strive to develop the qualities and high motivation that he symbolizes.

Elmer Adams did not participate in our political system for monetary gain, for prestige and honors, or for power as an end in itself. Rather, his involvement stemmed from a selfless desire to make self-government work and to uphold those high principles of fiscal responsibility, individual liberty, and grass roots government upon which our Nation was founded and has prospered.

At this time of his retirement from active participation in public life and party office, his example is truly worthy of tribute. Elmer Adams is the kind of American without which our democracy could not endure.

THE FORD YEAR

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. BOB WILSON. Mr. Speaker, one of the most expressive tributes to President Ford was made yesterday on the editorial page of the Washington Post, a newspaper that has often been critical of the Ford administration. I am often critical of the Post editorials, but I must say this one is outstanding in its sincere approbation of our President. I personally feel President Ford's appearance here at his state of the Union message last week was truly his finest hour, and I join in congratulating one of the most honorable and true blue persons it has ever been my privilege to know. I ask unanimous consent to include the editorial as a portion of my remarks:

[From the Washington Post, Jan. 16, 1977]

THE FORD YEARS

"At no point has he shown a keen or impressive grasp of the complexities of hard questions. Pedestrian, partisan, dogged—he has been the very model of a second-level party man. It is no accident that over his quarter-century of unremarkable service in the House, he has never been put forward for the presidency. . . ." So we spoke in this space a little over three years ago upon learning that Gerald Ford was about to ascend to the office of Vice President. We do not cite our despondent appraisal because we think it was on the money, but rather because we think it was not. Having been forced to replace his Vice President, and being in not-so-secure condition in office himself, Richard Nixon had just informed a waiting world that Gerald Ford was the one. Frankly, it did not occur to us that Gerald Ford was also the right one.

But we were wrong; he was. The President who will leave office this week brought precisely the needed temperament, character and virtues to the high offices he has temporarily held. These qualities are regularly subsumed under the familiar general heading of "decency," a word that does indeed fit the man. What is so revealing about the times in which we live—and the horrendous political circumstances surrounding Mr. Ford's accession to office—is the vaguely condescending way in which this particular tribute is paid to him: *Well, you have to admit he is a decent human being . . . or . . . Don't get me wrong: Of course, I think he's a decent person . . .* and so on. Decency, in this context, becomes as an attribute something roughly comparable to good posture or punctuality. How odd that so few of us have been willing to acknowledge that decency in the White House can be regarded as a luxury or a bonus or a fringe benefit only at our peril.

It is central. And its absence was central to the sorrows this country endured in the years preceding Mr. Ford's presidency. In his first days and months, it was as if he had liberated Washington—from its personal fears and hostilities and suspicions, from the dark and squalid assumptions that people had come reflexively to make about one another and about the way things "really" worked. God knows who was (and is) still listening in on whose line or who is plotting what gruesome revenge against what political foe. Our point is merely that Gerald Ford brought to the White House an open, unsinister and—yes—decent style of doing things that altered the life of the city and ultimately of the country.

We have found many of the President's programs and positions (and lack of both in some cases) dismal news indeed. But that is yesterday's laundry list. Our summing up of the Ford presidency draws us only to the overriding legacy he leaves.

Will this city under the Carter Democrats be able to preserve that political and personal civility that Gerald Ford did so much, so unexpectedly, to revive? The Carter administration, more activist and energetic, we would guess, than its predecessor, faster-paced, more intellectually self-certain and combative, is almost by nature destined to put some of these homely, but hard-won virtues at risk. We can only hope the new administration will understand their indispensability. Mr. Ford has left it an incomparable gift in the detoxified political atmosphere of the place and the institutions it is about temporarily to inherit.

The outgoing President has also done a great deal for the honor of his party, although you wouldn't necessarily know it to listen to the samurai-like grunts and howls coming out of the struggle for party control. But Gerald Ford did in fact redeem the Nixon moral disaster. His two-and-a-half years gave point and purpose and respectability to the efforts of those innumerable straight-arrow Republicans who had come to work in Washington and who had been let down, in fact betrayed, by their own White House. And the exceptional quality of most of Mr. Ford's own high level appointments—John Paul Stevens, Edward Levi, William Coleman, to name just a few—went a long way to erase the memory of earlier indictment and disgrace.

We will leave it to others to tote up the pluses and minuses of the Ford administration in strict program and/or policy terms. We can frankly do without reviewing it ourselves. We think it is enough to point out that Gerald Ford had an all but impossible assignment—and that he did a hell of a job.

BIRTHDAY OF DR. MARTIN LUTHER KING, JR.

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Ms. JORDAN. Mr. Speaker, on January 15 we celebrated the birthday of Dr. Martin Luther King, Jr. We celebrated in his absence. His absence is a constant reminder of his exhortation:

Sooner or later, all the people of the world will have to discover a way to live together in peace and thereby transform the pending cosmic elegy into a creative psalm of brotherhood. If this is to be achieved, men must evolve through all human conflict a method which rejects revenge, aggression, and retaliation. The foundation of such a method is love.

We have tried to do our best since Dr. King's assassination. We have made some progress. But the road ahead stretches farther than the road we have traversed.

A concrete example of the progress we have made is the participation of blacks in the last election. Six million black Americans voted last November. That is 64 percent of the registered black voters.

Massive voter registration drives increased the number of black voters by 1 million last year. The black vote proved to be the margin of victory for Governor Carter in 13 States.

Dr. King fought hard for the ballot box. He said:

> Give us the ballot and we will transform the salient misdeeds of bloodthirsty mobs into the calculated good deeds of orderly citizens.

I think he would have been pleased with the turnout of voters last November. But at the same time he would have reminded us of the work that remains to be done. He would have pointed to the registered voters who did not vote. He would have pointed to the citizens who did not register. He would have urged repeal of the statutory barriers to registering and voting.

We may glory in our triumphs. In the memory of Dr. Martin Luther King, Jr., it is the work ahead of us to which we must dedicate our full energies.

PHILIP HART: A LEGISLATOR FOR PEOPLE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. BROOMFIELD. Mr. Speaker, with the passing of Senator Philip Hart of Michigan, we have lost one of the truly great Americans who served in the other body during this century.

I knew Phil Hart for more than a quarter of a century, and I knew him well since his election as Lieutenant Governor of Michigan in 1954 when I was serving a fourth term in the Michigan Legislature. He lived in Birmingham, Mich., which I represented in the State legislature.

From the beginning and throughout his political career, Phil was a dedicated public servant whose sympathy and commitment was with people, especially the plight of working people. The driving force in his activity involved issues and legislation that touched people's lives. During his 18 years in the Senate, he was involved in nearly every major legislative effort affecting civil rights, consumers, and antitrust policy.

In addition to his substantial and enduring record of legislation to better the lives of people, the three-term Senator, who did not seek reelection this year, had enviable personal qualities. He was gentle, just, and compassionate. He had a Puritan's sense of duty. What he believed was right, he would fight for to the very end. No one was more loyal to his ideals than he was to his. He was "loyal to the royal within." Although he was completely dedicated to his own beliefs, he respected those whose views differed from his. He had the unique gift of being able to separate the person from the views. He believed in principle over expediency which was especially evident in his political campaigns. He personified truth, dignity, and integrity.

Senator Hart served the people of Michigan and the Nation with great distinction. The American consumer, working persons, and the people of Michigan have all lost a strong and tireless advocate with Senator Hart's passing. He will long be remembered and revered for his courageous efforts in behalf of people's causes. To his widow, Janey, and his children, my wife, Jane, and I extend our heartfelt condolences and deepest sympathy.

ALONG THE ST. JOHN VALLEY

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. COHEN. Mr. Speaker, today I am introducing legislation in the House to extend Federal educational and cultural programs for ethnic minorities to Franco-Americans. As I state in my discussion of this legislation elsewhere in today's RECORD, Franco-Americans constitute the United States' sixth largest ethnic minority, and yet this large and deserving group is seldom recognized outside its areas of greatest concentration, in New England and Louisiana.

In the January 9 edition of the Boston Sunday Globe's New England magazine, there appeared a story by the Globe's distinguished New England correspondent, Richard H. Stewart, on the largely French community along the valley of the St. John River in northern Maine. Mr. Stewart's article captures the unique spirit and character of a part of our country that is rarely visited by outsiders.

I hope many of my colleagues and their staffs will take the time to read this excellent story, and to learn about northern Maine's Franco-American community.

The story follows:

ALONG THE ST. JOHN VALLEY

(By Richard H. Stewart)

("If you answer me that you would come for a nice mess of fiddleheads cooked with salt pork, a thick stack of buckwheat 'playes' with 'griades' or chicken stew, I'll say: 'My lad, my lass, you come from the valley of the River St. John.' "—An Acadian Heritage.)

For nearly 100 of its 400 miles, the St. John River forms the natural boundary that separates the United States and Canada and traces the outline of New England's northern frontier.

Sometimes called the Rhine of North America, its waters, in apparent conflict with nature, flow north out of Maine's vast Allagash wilderness and then easterly across the top of the state before turning sharply south and spilling through New Brunswick Province to the Bay of Fundy.

In the wide valley that is its domain, the St. John courses its way in sweeping turns past plantations, tiny villages and towns unknown to and unseen by most New Englanders:

Dickey, Allagash, St. Francis, St. John, Fort Kent, Frenchville, Madawaska, St. David, Lille, Notre Dame, Keegan, Van Buren, Hamlin.

Under the bright sun, whether attired in the green vestments of summer or laden down with winter's mantle of powdery snow, the sweep of the river valley from its bordering heights offers a majestic view.

By virtue of a treaty (Webster-Ashburton) with Canada, the south side of the valley is part of New England, but it contrasts markedly from the rest of the region.

Throughout the centuries it has been isolated by distance (more than 500 miles from Boston), a vast natural forest barrier, and a heritage that links it more closely to Normandy in France than to England.

The predominant language is French, the distinctive French of the Acadians of Nova Scotia, driven from their village of Grand-Pre 200 years ago by the British for refusing to swear allegiance to the British crown.

Entire families were divided and scattered by the British mandate. A few of them made their way up the St. John River in 15 canoes to settle the village of St. David.

From St. David they spread their kin across the length of the valley. The telephone directory for the valley overflows with French names: Cyr, Daigle, Chasee, Bouchard, Sirois, Thibodeau, Plorde, Michaud, Levesque, many of them related to the original settlers.

Henry Wadsworth Longfellow used the flight of the Acadians from Grand-Pre as the backdrop for his classic poem, Evangeline, whose opening stanza has been memorized by American school children for generations:

> "This is the forest primeval.
> The murmuring pines and the
> hemlocks . . ."

More than 95 percent of the valley residents are Catholic and Catholic churches dominate the skyline in every community. There are few Protestant churches and many Protestants cross the river to Canada to worship and, in time, to be buried.

The environment is harsh and uncompromising. In winter temperatures often dip to the minus 40s and snow depths can reach five feet.

In spring the picturesque St. John, its channel choked with layers of ice, often swells from its normal course to ravage communities in lowland areas. Logging roads on which so much of the commerce of the region depends become quagmires. Winter is the time for working in the woods.

What Mark Twain once said of New England weather seems aptly suited to the valley:

"The people of New England are by nature patient and forbearing, but there are some things they will not stand. Every year they kill a lot of poets for writing about 'Beautiful Spring'."

Distances from villages to the larger towns would seem unreasonable to outsiders. But school children in some cases travel as much as 70 miles daily by bus on their round trip to school.

There is no Yankee accent here, nor the Downeast twang so often associated with Maine. Through most of the valley English is spoken with a decidedly French accent.

Only among the people on its western flank, in the Allagash region, does the valley offer a contrast with the Acadian heritage.

Here, at the confluence of the St. John and Allagash rivers, the progeny of Irish, English, and Scottish frontiersmen make their home. The accent here also is unique to New England, closer to the dialect of America's Midwest than that of the Northeast.

They are a rugged and hardy breed of men and women whose life is closely bound to the rivers and vast forests that surround them. The trend toward industry that has reached

other parts of the valley has not touched the Allagash region.

Unlike their bilingual neighbors to the East, people in the Allagash tend to be more reserved and introverted. Here, "at the end of the blacktop road," strangers are treated courteously but with a reserve that suggests an uneasy tolerance for intruders.

If they seem isolated, they do not sense it. If their environment appears harsh, they do not seem to notice.

Mary Jackson was born in the Allagash 25 years ago. She and her husband, Hushan, 30, a woodcutter, live with their two children in a spacious log cabin on the banks of the St. John. Hushan built the cabin in a year. A single wood stove heats it, the thick log walls providing more than enough insulation from winter's bitterness.

"I don't find it harsh here," she says. "I don't know; mainly it's for the kids growing up. They can grow up like my father and grandfather. They can go out and play and I don't have to worrk about them."

Her words are echoed time and again by other women throughout the valley. This is a place for raising children.

"I like having my own land. We put in a garden every year. We go to parties, baby showers, housewarmings and get together with other couples, mainly. In the summer you go camping in the woods or canoe down the river for day trips on weekends."

Most of the valley people have no desire to go to the big cities to the south. Some have never been farther away than Presque Isle.

"I went to New York City once," says Mary. "I swore I'd never set foot in that city again. Too many people . . . I didn't like the pollution. I was scared to death. I got out of there and said 'Never again'."

This is hunting and fishing country. Two deer hang on the Jacksons' front porch. The big buck was shot by Hushan. The smaller one is Mary's.

Deer and an occasional bear hang on scores of front porches in the region during hunting season. The valley is also an excellent refrigerator in season.

Farther down the forest road, perched on a small knoll that surveys the river, is the home of Lee and Melie Mullins, both in their 80s. Lee has been a woodsman and a guide for sportsmen.

Melie sits at her sewing machine working on another patchwork quilt. She has made a hundred of them. "I gave 'em all away. Never sold a one."

Although she is 81, Melie can neither read nor write. She asks Lee to spell her name for a visitor. She is not sure how.

She was born in the Allagash wilderness and didn't have much schooling.

"Her mother had 15 children," says Lee, 86, a handsome, ruddy-faced man with a thatch of white hair. "And there wasn't no doctor; just an old woman."

For most of their years the St. John was their highway as they traveled by canoe. Now, on occasions, a neighbor will drive them into Fort Kent. If they had the money, they'd like to go to Florida. But they have no regrets.

"We can catch all the fish we want," says Lee, adding with a pixie grin, "and once in a while we steal a deer," a not-so-veiled reference to hunting out of season.

"And we can see a long way along the river in both directions," says Melie.

A sense of values that many Americans yearn for has never left here.

Far out of Melie and Lee Mullins's view, 50 miles down river, is Madawaska, the valley's largest community (Pop. 6000).

Madawaska is a mill town, the site of Fraser Paper Co., a Canadian-owned firm that also operates a plant across the river in Edmundston, Canada (Pop. 16,000).

Madawaska's main street at night reflects scores of neon lights, some of which advertise the 14 bars that seem an excessive number for the population.

But Madawaska is the Fun City of the north country, not just for the Americans but also for their Canadian neighbors across the river.

(Residents have a saying: "You do your drinkin' in Madawaska and your eatin' in Edmundston." Edmundston has better restaurants.)

Madawaska and Edmundston are kissing cousins. The kissing has led to scores of across-the-border marriages and many families in Madawaska can claim relatives across the river.

They also can claim relatives in Connecticut. Hundreds of valley natives moved there during World War II to make the "big money" from the defense plants. Most of them stayed, although a few are coming back to retire in their birthplace.

These French-Americans have a love for good times. Because they work hard, they also play hard.

Unlike the custom in the rest of the country, Tuesday and Wednesday nights are the big nights in Madawaska. Those are the nights the traveling salesmen are in town with their vested suits, shiny shoes, and expense accounts.

Richard Andrews, who manages the Gateway Motel, headquarters for the salesmen, will tell you those are his two best nights.

Most of the customers come over from Edmundston and most of them are women, many of them married. They usually arrive in groups to dance and drink with the salesmen.

To the casual viewer this would appear no less than brazen hanky-panky. But that is not necessarily the case. The women who come together usually leave together.

"These are very social people," says David Willie, 23, a native and a reporter for the weekly St. John Valley Times.

"The man-woman relationship here involves a priority that, first, is a good time. In other places people think it is sex. But their husbands know it is not sexual. They may be out bowling. It's not a using of people for selfish pleasure."

This is underscored by the fact that many of the women are middle aged and beyond.

"They basically enjoy each other and when they communicate it is real communication."

The salesmen are a link to the outside world.

Louis Cyr, 55, is Madawaska's town manager, once a supervisor at the Fraser mill. He has a native pride in the town and the valley. He cringes slightly at the mention of the numerous bars.

"This is a mill town. That is typical of a mill town. We are more wide open than they (Edmundston) are. Edmundston used to be dry. People got used to coming here for night life. It's amazing how few alcoholic problems we have here."

If you prefer the country-western flavor, there is the National Hotel, where the prime attraction is Jean Boucher, a Canadian who sings country music in French. It is a culture shock to most outsiders.

However, Jean, who accompanies himself on electric accordion and a host of electrical gadgets that make him sound like an entire band, offers some songs in English.

"My Shoes Keep Walking Back to You" and "I'm Goin' To Live It Up So You Can Live It Down" are a couple of examples.

Traveling salesmen, drinking, and dancing are not the only things that attract Canadians to the larger valley communities, such as Ft. Kent and Madawaska.

There are American appliances. They are heavily taxed in Canada, as much as 33 percent for a television set.

To beat the tax, some Canadians strap the televisions to their snowmobiles—everybody owns one—and speed them across the frozen St. John River to their homes, where they are likely to watch such American programs as Columbo—in French.

The French language is about all that remains of the Acadian past, and even that is beginning to fade, slowly submerging in the overlays of time.

Few are the mothers who can still recall for their wide-eyed children the stories of the mythical Lutins, those elves of Acadian fairy tales who climbed aboard horses in the frozen night and drove them through the fields, tangling their manes.

All but vanished is the tradition of saying the Catholic Mass in French.

With each new generation the distinctive Acadian French language, which differs from the Canadian and Parisian versions, is being lost.

A short-sighted school policy is partially to blame. For many years, to hasten the learning of English, students were punished if they were overheard speaking French during school hours.

Since abolished, the policy is one of the reasons the younger generation, who usually understand French, seem reluctant to speak it.

Fr. Zenon Charette is pastor for 330 families who attend Mass at St. Luce Church in Frenchville, halfway between Madawaska and Ft. Kent.

He insists on saying Mass in French and is the only priest in the valley who conducts all of the Masses in French. His parishioners voted to support him.

"Ninety-five percent of the people here speak French," he says. "And 40 percent of them don't understand English. I rely on them. They support this church.

"In 42 years in the priesthood, all my Masses have been in French. In three more years, I'll be 70. The one who comes after me may change that."

Almost as an afterthought, he moves forward in his chair and slaps his desk:

"We must be bilingual here!"

In Madawaska, Town Manager Cyr expresses the same concern.

"My mother could not speak English. My father could, but with difficulty. My oldest kids can speak it broken."

His gaze falls on his youngest son, Jeff, a handsome boy of 10. "But Jeff doesn't (speak French) and his kids in another generation will have lost it. We have a lot of old people who don't speak English and they have to be helped at the town offices. The girls who work there have to be bilingual."

Like most of the priests in the valley, Fr. Rauol Fecteau, pastor of St. David Church, was trained at the Grand Seminary in Montreal. French has been their mother tongue.

"We are all over 65," he says, "and ready to retire. But the bishop won't let us. Who is going to replace us? No new priest will speak French."

All of the Masses at St. David used to be in French. Now only one of the four weekend Masses is offered in French.

"The young don't talk it and I fight against it," says Fr. Fecteau. "Two languages are better than one."

Land values and an American trend back to the rural life and away from the cities are luring new people to the valley.

There is a waiting list of highly qualified teachers for many of the school systems that offer a respite from the discipline problems of urban schools and a chance to live in a rural setting where "you can go hunting or fishing 10 minutes from your home."

Longfellow wrote, "Naught but tradition remains of the beautiful village of Grand-Pre . . ."

But even the traditions that remain appear to be passing away, as did the Cyrs and Daigles who first brought them to this valley.

Only the St. John River goes on forever.

TRIBUTE TO HARRY GROMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. WAXMAN. Mr. Speaker, I am gratified to be able to bring to the attention of the Members the many accomplishments of an exemplary American, Mr. Harry Groman of Los Angeles. His concerns for his fellow men are well known to leaders in finance, industry, government, education, and religious endeavors.

Until 1938, Mr. Groman held positions with State and local government agencies. Since then he has been involved in a number of businesses connected with real estate and mortuaries, serving on many clubs and committees having to do with the maintenance of high standards in his fields of endeavor.

However, it is Harry Groman's involvement with community service which leads us to do him honor. He is former president of the Sunair Home for Asthmatic Children, on the board of trustees of the City of Hope, vice president of the Eddie Cantor B'nai B'rith Lodge, vice president and member of the board of directors of the Jewish National Fund, honorary member of the Jewish War Veterans Hollywood Post No. 113, member of the Beverly Hills B'nai B'rith Lodge No. 2253, and Los Angeles Lodge 487, the Criterion Club, Eastern Star Ionic Chapter, the Guardians, Jewish Big Brothers Association, Jewish Home for the Aged, Labor Zionist Order, Mt. Sinai Men's Club, Westwood Shrine Club, Wilshire Boulevard Temple Men's Club, Boy Scouts of America, Alan Catain Leukemia Fund, director of the Variety International Boys' Club and Variety Club Tent 25, member of the Elks and Eagles, Federation of Jewish Charities, the Footprinters and the Foresters. Mr. Groman is a member of the Los Angeles Association for Jewish Education, the Jewish Publication Society of America, Los Angeles Hillel Council, the Los Angeles Jewish Community Council, the American Jewish Committee and the Religious Zionists of America. He has also joined and is active in several Shrine Clubs, and is a charter member of Moose Lodge No. 29.

A number of temples claim Harry Groman's membership; he is on the board of trustees of the Stephen S. Wise Temple and on the board of directors of the Beth Sholom Temple of Santa Monica and is a sponsor of the Harry Groman Youth Forum of the Wilshire Boulevard Temple. Altogether he has joined 16 temples, and in the past has served as board member or officer of five of these organizations.

We must recognize Mr. Groman also for his contributions and donations: A campsite to the Jewish Community, a bungalow to Camp Hess Kramer, and along with William Tamkin, gave land and buildings to the Sunair Home for Asthmatic Children.

He has established the Groman Mortuaries Rabbinical Loan Fund at Hebrew Union College, given a classroom at Hillel Academy in Los Angeles, a community social room to the Farband Community Center in Dimon, Israel, a room at Mt. Sinai Hospital, athletic equipment to the Israeli Army, and planted two miles of trees in Israel near the Gaza Strip. In memory of William Tamkin, Mr. Groman has contributed laboratories to the Massachusetts Institute of Technology, Boston, Mass. He has shared so much with so many that it is almost impossible to memorialize all of Harry Groman's generous gifts. Because of the quality of his achievements in the service of his fellow men and women. I ask the Members to join me in paying tribute to this most valued citizen, Harry Groman.

THE LESSON OF THE FRENCH GOVERNMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. LEHMAN. Mr. Speaker, in 1972, the world was shocked by the cruel and vicious attack on Israeli athletes at the Munich Olympics. Eleven Israeli civilians participating in the international sports competition met their deaths at the hands of Palestinian terrorists.

The individual most responsible for this horrible crime, Abu Daoud, was recently arrested in France. His extradition was requested by both Israel and Germany. Yet unbelievably, the French Government refused both requests and allowed him to return to the Arab world to plot more crimes of terror against innocent civilians.

Men and women of conscience throughout the civilized world, including many citizens of France, have joined to denounce the French Government in giving in to Arab demands for the release of Abu Daoud.

We now have news of a second act by the French Government which shows equal if not greater insensitivity to the cause of world peace and justice. I speak of the announcement that the French Government has agreed to sell 200 of its most advanced warplanes to Egypt.

When I visited Egypt 2 months ago, I found a country overwhelmed by staggering economic and health problems. The vast majority of the people live in abject poverty. These people need peace and economic development, not warplanes.

There is an important lesson to be learned from the French Government's release of the Palestinian terrorist. When faced with Arab demands, the French Government had little hesitation in ignoring its international extradition agreements and the 1976 Anti-Terrorism Treaty which it had signed.

As movement continues toward a settlement in the Middle East, both Israel and the United States will learn from this lesson the hazards of relying on international agreements and outside guarantees.

THEODODE SORENSEN WITHDRAWS AS CIA DIRECTOR-DESIGNATE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. McDONALD. Mr. Speaker, during the past 3 weeks I have made known my strong and principled criticism of the nomination of Theodore Sorensen as director-designate of the Central Intelligence Agency. I said that I believed his nomination was against the best interests of the United States, and my beliefs were reflected by many nationally recognized conservative groups and individuals, by people from the labor movement, by former members of the intelligence community, and by veterans organizations who were anxious to help me stop this nomination.

We involved ourselves in no whispering campaign; we examined Mr. Sorensen's public record and prepared testimony to be delivered in public before the Senate Select Committee on Intelligence.

In view of Mr. Sorensen's withdrawal of his name for consideration, there was no opportunity to present this testimony. The possibility exists that rumor and innuendo may be attached to our efforts; and to preclude such wrong thinking and to present the documentation of the stand we took, I attach a copy of this testimony for the information of my colleagues:

TESTIMONY OF REPRESENTATIVE LARRY McDONALD OF GEORGIA, BEFORE THE SENATE SELECT COMMITTEE ON INTELLIGENCE, THEODORE SORENSEN NOMINATION, JANUARY 17, 1977

Mr. Chairman; Members of the Senate Select Committee on Intelligence: I am Larry McDonald, Member of the U.S. Congress for the 7th District of Georgia.

I have asked for this opportunity to testify on the nomination of Theodore Sorensen as Director of the Central Intelligence Agency only after a great deal of thought. All of us on both sides of the Hill, and on both sides of the aisle naturally respect the rights of a new President to select his own team. In most cases where we have disagreed with the choice of a President it has not been appropriate to ask that the nominee not be confirmed.

However, in a case where the post is high and sensitive, such as that of Director of the CIA, and I believe the designee is both unqualified and a danger to the security of the United States, I am compelled to speak out.

The CIA serves as the eyes and ears of the President of the United States throughout the world. CIA officers and their agents provide valuable information to our government sometimes at the risk of their lives. In a complex world, faced with the activities of hostile intelligence services, our CIA plays a role in the defense of the United States.

The Director of the CIA must be a man with absolute loyalty to the U.S. and must have unquestionable integrity. He should be thoroughly experienced in the techniques and principles of intelligence gathering. The Director of the CIA should have proven administrative and leadership capabilities: It is vital that he should be a person whose appointment will improve the morale of a government agency that in recent years has suffered serious setbacks and difficulties.

I am speaking out in the case of Mr. Sorensen not merely because I disagree with him about matters of public policy, but because I believe that his confirmation would be detrimental to the best interests of our country.

Theodore Sorensen is without a doubt the least appropriate person to be proposed as Director of the CIA.

In addition to his widely recognized lack of administrative experience, he has an equally obvious lack of experience with matters relating to intelligence gathering. Further, serious questions regarding his personal integrity, his discretion and scholarship exist which further disqualify him for this post.

I must share with you the concerns of many loyal and patriotic Americans that Mr. Sorensen, before and during the Korean war, was a conscientious objector: It is my understanding that he retained this status until he had reached an age when he was no longer eligible for military service. By that time he was already on the White House staff.

As late as 1970, when the war in Vietnam was at its height, Mr. Sorensen brought suit against the U.S. Government on behalf of a man who also sought to shirk his military obligations.

Mr. Sorensen indicated at that time he was not merely serving as an attorney, but was also acting as an advocate for a program to sabotage the draft. In this endeavor he collaborated with members of the National Lawyers Guild, the Institute for Policy Studies, and the American Civil Liberties Union.

The National Lawyers Guild has been cited by the House Committee on Un-American Activities as the "foremost legal bulwark of the Communist Party;". It has openly boasted of its support for armed struggle by terrorist groups in the United States, and has been a major U.S. contact for Marxist-Leninist terrorists throughout the world.

The Institute for Policy Studies, an ultra-left think tank based in Washington, D.C., seeks to bring about revolutionary change in our country by a variety of means including political subversion and terrorism. Over the past two years I have provided evidence to my colleagues in the House concerning the role of this institute as a support apparatus for international and domestic terrorist and violence-oriented groups.

The American Civil Liberties Union, which includes both serious defenders of civil liberties and a wide range of irresponsible left-wing elements including Marxist-Leninist totalitarians, stated at the very time when Mr. Sorensen was working with them on that draft case that it had made "the dissolution of the Nation's vast surveillance network a top priority."

An example of Mr. Sorensen lending his support to those who would betray our country was shown in his 1973 testimony on behalf of Daniel Ellsberg and Anthony Russo who stole and disseminated a collection of classified government documents that came to be known as the Pentagon Papers.

In an affidavit made available to Ellsberg's lawyer, Leonard Boudin, whose firm has since 1961 continuously represented the brutal communist regime of Fidel Castro in Cuba, Mr. Sorensen made a number of highly significant statements.

He affirmed that "I removed 67 cartons of papers, documents and files of all kinds (7 cartons of which were classified) from my office in the White House upon my departure in February of 1964."

Subsequently, Mr. Sorensen used these documents to write a book for his personal profit, and to obtain income tax deductions.

Our experiences with former President Nixon, and more recently with Secretary of State Henry Kissinger, have demonstrated a strong belief on the part of the American people and their elected representatives that documents produced on government time and paid for by the government belong to the Government, and not to any private individual.

In the case of President Nixon and Secretary Kissinger, the documents concerned were produced by them: in the case of Mr. Sorensen, he has admitted that the documents were produced by others and had come into his possession by reason of his White House post.

In his Pentagon Papers affidavit, Mr. Sorensen stated that he was "very familiar with the United States Government's military, diplomatic, and intelligence operations, policies and practices . . ." He also said that "I regard myself as a devoutly loyal citizen" (and we presume he meant of the United States). Yet, Mr. Chairman, when Mr. Sorensen was called to the stand by Ellsberg's lawyer, he reviewed two pieces of one volume out of many, many parts, and stated on oath that the release of this material created no security hazard to the United States.

Mr. Sorensen was shown Volume IV, B.5 of the Pentagon Papers entitled "Evolution of the War, The Overthrow of Ngo Dinh Diem, May to November 1963." On oath, Mr. Sorensen answered "No" to the question, "Could the information in the exhibit have been used to cause injury to the United States in relation to the national defense if released in 1969."

To the further question, "Could the information in the exhibit, if released in 1969, have been used to the advantage of a foreign nation with respect to the defense of the United States," Mr. Sorensen replied, "Certainly not."

This view was not shared by either the Department of Defense or the Armed Services Committee of the U.S. House of Representatives. They deleted from the text, printed by the Committee in 1971, pages XV, XVI, XXII, XXIV, 42, 43 and 61 from the very section of the Pentagon Papers that Mr. Sorensen, as a self-proclaimed "expert" specifically considered innocuous.

But those documents contained copies of cable messages which had been transmitted in code, including some marked "Top Secret for the President's Eyes Only." A foreign intelligence service monitoring our coded transmissions could compare the coded versions with the clear text and be immensely aided in its attempts to break our cryptographic secrets and techniques.

In yet another affidavit in the Pentagon Papers case, Mr. Sorensen indicated that our country was not harmed, but actually benefited from the theft and publication of these documents. Yet Part VI, C. 1, 2, 3, and 4 of these documents were not published by the Armed Services Committee of the House of Representatives because to do so would have identified valuable technical sources behind the Iron Curtain.

In view of this, how can our country have possibly benefited by the theft and dissemination of the Pentagon Papers other than in the highly subjective view of Mr. Sorensen and his friends?

As part of his law practice, Mr. Sorensen has represented several foreign governments including Zaire, the former Belgian Congo; Iran; Sierra Leone; and the Canadian province of Newfoundland as their agent in the United States. At a press conference on December 22, 1976, Mr. Sorensen said that he had not registered as a foreign agent on the grounds that "there is an exemption for legal services under the Foreign Agent Registration Act."

However, I believe that the exemption to which Mr. Sorensen refers is related to and confined to those "who engage in the legal representation of a foreign principle." This means that the exemption is for those whose sole activity on behalf of a foreign principle is in the courts or before administrative tribunals.

Yet in August 1969, in a televised appearance on the David Frost Show, Mr. Sorensen said, "I'm not a trial lawyer; I don't get involved in that kind of problem."

Serious doubts exist regarding Mr. Sorensen's integrity. Some of the doubts were created by his own statement in his 1965 book, "Kennedy," in which he admitted inventing quotations and attributing them to our founding fathers.

Mr. Chairman, an ability to do creative writing is not necessarily an asset to the Director of the CIA. The ability to fully and truthfully report information gathered from a variety of sources would be seriously impaired by having too creative an imagination.

Further doubts on Mr. Sorensen's integrity were created as a result of his December 22, 1976 press conference in Plains, Georgia, when he said that he served on the Executive Committee of the National Security Council under President Kennedy.

However, in a 1973 Pentagon Papers affidavit, Mr. Sorensen stated, "I attended, after the Bay of Pigs, virtually all of the formal meetings of the National Security Council. I was not a statutory member but was asked by the President to sit in and observe. I rarely participated actively in these meetings but was asked by the President to give him my views in informal get-togethers at the end of the day." This is hardly holding the position of a member of the NSC Executive Committee, and indicates a lack of candor and qualifications by Mr. Sorensen.

Mr. Chairman, the entire world is watching this committee. Your decision on Theodore Sorensen will affect not only the future of the CIA, but the relationships between our country and the other nations of the free world. Confirmation of Mr. Sorensen, a man not qualified to lead the CIA and whose lack of integrity and scholarship is known to all, will erode still further the ability of friendly nations to cooperate with us in matters of mutual security

In the face of world wide terrorist activities, our country needs the cooperation of friendly intelligence services in gathering information to cope with this serious threat. If we are denied this cooperation because Mr. Sorensen had been allowed to assume this sensitive position, the Senate of the United States may be viewed to blame for not exercising its responsibility on such a vital matter.

In summation, Mr. Chairman, when considering the positive qualities required for the post of CIA Director, Mr. Sorensen lacks the assets of expertise in the principles and techniques of intelligence gathering, of any administrative experience, and of any demonstrated leadership qualities.

In negative qualities, I believe Mr. Sorensen's record demonstrates that he lacks integrity and scholarship, and that he is a highly political and partisan person who has consistently demonstrated a reckless disregard for America's needs in foreign policy and intelligence.

On these grounds I respectfully request that Mr. Sorensen not be confirmed as Director of the Central Intelligence Agency.

THE BALANCE OF POWER—PART IV (XV-a): IS THE UNITED STATES SURVIVING ON STALE STRATEGIC CONCEPTS?

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. BRECKINRIDGE. Mr. Speaker, strategy consistently takes a back seat to tactics and physical strength on Pennsylvania Avenue, in the Pentagon and at Capitol Hill. Critics contend that we overstress budgets and forces, instead of sound ideas, spending billions for items of marginal worth, while imperative interests go begging.

That unsatisfactory approach to national security may have sufficed in the past, because no foe could challenge us successfully, but current trends in the Soviet Union proclaim that a time for a change has come.

Unfortunately, fresh strategic concepts surface more by accident than design in the United States; decisionmakers routinely discard options without serious study, if they seem politically sensitive; committee solutions and compromises kill off many others.

The great national debate called for by Secretary Kissinger is not taking place in private, much less in public. Parochial interests in the Department of State and Defense, the military services and the committees of Congress play with separate pieces of strategic puzzles, but no one puts the pieces into perspective; the National Security Council, which is so charged, concentrates on crisis management, not creative planning.

This subject was first discussed contemporaneously in the public press by Henry S. Bradsher of the Washington Star, who published a two-part survey during the Christmas holiday season on December 29 and 30, when Congress was not in session. I commend it to my colleagues, and reproduce his thoughts here by way of introduction to the remainder of my series on the United States/Soviet Balance(s) of Power. The first part of Mr. Bradsher's article follows:

[From the Washington Star, Dec. 29, 1976]

IS THE U.S. SURVIVING ON STALE STRATEGIC CONCEPTS?

(By Henry S. Bradsher)

The world keeps changing. The foreign policy and military situations facing the United States today are very different from those of two decades ago.

The old simplicity of a nuclear confrontation between a Soviet-led East and an American-led West has blurred into the complications of many additional factors of international relations. Weaponry has new, more complex capabilities of nuclear implications. Vietnam and other nonnuclear wars have affected U.S. perceptions of foreign affairs as well as willingness to take actions abroad.

But one thing has changed only little, U.S. strategic concepts about surviving in the world have scarcely progressed beyond the 1950s.

There is a small, increasing circle of persons in Washington that thinks this is potentially perilous for the nation's security. Concepts that are not adapted to present realities lead to inadequate or just plain wrong policies without much awareness of the potentially dangerous mistakes.

But the policy-makers are often too caught up in immediate problems to re-examine the basic ideas that guide them. Some observers think that only strong support from the White House can encourage fresh conceptual thinking—but not guarantee it, since it takes more than just orders, it takes inspiration.

The just-disclosed revision by the U.S. intelligence community of its estimate of Soviet military intentions—crediting the Kremlin with seeking military superiority over the United States instead of wanting only parity—emphasizes the need for inspiration.

The easy reaction by the United States to this new evaluation would be to seek more and better of the same old military answers to perceived threats. In fact, however, some key pieces of the framework of strategic concepts upon which the old answers were built are being challenged by the Soviet refusal to accept the theoretical bases of American ideas.

The ideas that developed in the '50s have become part of the common language of world affairs. The balance of terror, mutually-assured destruction and other megadeath concepts are the accepted background to current thinking both within the government and among the general public.

Such ideas were developed by intellectuals with well known names like Henry A. Kissinger and Herman Kahn, while little-known ones like Thomas C. Schelling contributed to concepts of managing superpower disputes and other aspects of living with nuclear weapons. They were influential in shaping such major American policies as the flexible military response concept of the Kennedy administration, which sought to fill the hole left by the presumed unusability of nuclear weapons, and the nuclear deterrence system.

There has been a tendency in recent years in both governmental and academic circles to assume that all of the strategic thinking has been done and it is now only necessary to implement ideas from "the golden age" of the '50s and early '60s. Attention is focused on foreign political and military problems in terms of budget cycles plotted against the background of known strategic concepts, without any effort to find fresh ways to approach those problems.

Some of the great names from that golden age, like Kahn and Schelling, think that the ideas that lie behind U.S. security have gotten out of date. The author of a book on strategy who lately has begun stimulating some military and civilian minds on the subject, John M. Collins of the Library of Congress, contends that the United States is surviving on "stale strategic concepts."

It has survived so far because the competition has not been too tough, Collins says, but the military balance is shifting away from a confident American control of its destiny.

Simply buying every conceivable type of new weapon is not the answer, according to Collins. The man in the street has a vital interest in up-to-date, cohesive strategic thinking that insures his security without wasting his money on unnecessary weapons whose long-term need has not been thought out.

A member of Secretary of State Kissinger's brain trust who deals with Soviet-U.S. relations, Dr. Helmut Sonnenfeldt, says the changed situation today "calls for new integrated thinkers. The rising cost of defense, the vulnerability of land-based weapons systems, the possibility of radically new weapons like death rays, the increasing 'third world' complications to the old bipolar relationship—all these mean that we cannot rest on our intellectual oars."

A number of high-level officials say, however, that it is impossible for the government itself to come up with the theoretical approaches to military and political affairs which could become the strategic background to current policies. The government is organized to cope with obvious problems, not to originate ideas.

One official finds "a generalized ill will in the government today toward the think tanks" that played a major role in the 1950s, and, although many universities have developed programs in military and political policies during the last two or three decades, an alienation from anything tainted by nuclear holocaust thinking has developed since the beginning of the Vietnam war.

The gap has begun to bother some academics. Paul Seabury, a political science professor at Berkeley, is trying to organize a conference on strategic thinking.

"The United States has been extrapolating from strategic concerns and doctrines of the 1950s," Seabury says. "The whole concept of strategy has been hijacked" because most people associate it with nuclear weapon usage rather than its more comprehensive meaning of fitting means to political goals.

Seabury thinks a fresh approach is needed by "people who don't have the old hangups" of focusing on superpower nuclear war. He hopes to gather together some military historians, some practicing professional military people and, for balance and perspective, some foreigners.

One of the "golden age" thinkers, Albert Wohlstetter, who wrote about "the delicate balance of terror," says many of the thinkers who attended a 1960 conference had, by the time of a 1974 repeat meeting, become ideologically committed to arms control goals or weapons competitions or other things. That made them sterile as conceptual strategists.

Schelling, who contributed bargaining theory to the arsenal of U.S. strategy, says it was easier to do conceptual thinking in the '50s when the strategic effects of World War II were fresh and the need to assimilate them was generally recognized.

Vietnam turned off young intellectuals, Schelling notes, and the Nixon administration cut down the fertilizing interplay between government and academic institutions which he, Kissinger and others developed. The leak of the Pentagon papers through a research institute increased the administration's hostility toward outside thinkers.

Besides, Schelling says, "we just dealt with a rather gentlemanly duel" in thinking out Soviet-American nuclear relations in the '50s, whereas the world now is vastly more complicated.

Kahn, the ebullient "futurologist" who has delved into many fields since he was "thinking about the unthinkable" of nuclear warfare, says that in the 1950s "we were arguing concepts that tens of able people ever take strategic thinking seriously, on thousands of others" as they were being developed. But most of what passes today for strategic thinking is "top-of-the-head bull sessions," he says.

A gap in conceptual thinking about military-political problems since the early '60s is really just a return to normal, since few people ever take strategic thinking seriously, Kahn says. The only two problems that he feels have been taken seriously since the '60s are reducing the vulnerability of strategic forces so as to protect retaliatory capability and reducing chances of accidental nuclear war.

But Kahn says there are "about 200 other problems that are important." He is refocusing his thinking from civilian problems in order to work on two.

One is the concept of prewar mobilization by other countries when a situation like Hitler's military buildup for war develops. The other is the problem of living with a nuclear-armed world, since Kahn feels the ques-

tion is no longer one of preventing nuclear proliferation but of managing international relations when 10 or 20 countries have A-bombs—which Kahn expects within 13 years.

Kahn finds a "remarkable" lack of interest in "the broader issues," however. Nobody in the government cares enough about them to focus attention on seeking ways of dealing with them.

Collins argues that it takes a personal recognition by the president of the importance of strategic thinking to get any real support for it. Unless the top of the government encourages efforts to develop original approaches for old problems, nothing will happen, he says.

Collins, an Army colonel who taught at the National War College before retiring and going to work for the Library of Congress' Congressional Research Service, says U.S. defense planning has gotten its priorities backward: Military budgets and the armed forces' postures that go into them are stressed without proper examination of the strategic thinking that should shape them.

From his cramped, book-lined office, Collins is beginning to have a quiet influence. His study of the Soviet-U.S. military balance published by the Senate Committee on Armed Services last February was ignored by most media, but it had an impact on members of Congress who deal with Pentagon budgets.

While working on a broader look at the military balance, Collins has been preaching to a growing audience of key government officials, top generals and others on the need for questioning old strategic assumptions.

But the American military establishment, and the nation as a whole, is "oriented on action, not ideas," Collins says. As a result, "strategy takes a back seat while military schools teach tactics. Nonconformists are penalized, not praised, and no one, in or out of the establishment, stresses creative thinking in the field of strategic concepts."

Collins' influential study of the Soviet-U.S. military balance impressed congressmen with its comparisons of tanks and planes. But Collins tries to focus attention elsewhere. "Raw statistics . . . are significant only in context," the study says.

"What each side has is less cogent than what U.S. armed forces can do on demand, despite Soviet opposition." This begins to edge into the ignored strategic field.

There are units in the Pentagon that are trying to think ahead, particularly on future technology and its effects on American military interests. The Defense Department recognizes their limitations, however, and has sought to use outside thinkers the way Kissinger and others were used as consultants in the '50s.

A senior Pentagon official familiar with the subject says the bureaucratic system of contracting out studies fails to attack the really big conceptual problems, however.

CHUCK GRASSLEY OF IOWA PROPOSES WIND EROSION CONTROL

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. GRASSLEY. Mr. Speaker, on July 1, 1976, I introduced legislation to encourage the establishment of wind erosion control and wildlife habitat areas on the Nation's farms. Though time was too short to secure passage of this bill, support for the legislation was substantial and broadly based.

Valuable topsoil is lost each year due to inadequate protection from the wind and this loss translates into millions of dollars of food which could be purchased by domestic consumers or purchasers abroad. All forms of wild life could be provided homes through the establishment of such areas, which thus would insure that species of animals common to particular areas of the country are protected and continue performing their function in nature's cyclical processes. Such areas will, in particular, insure that ample numbers of predators are available to keep under control those natural scavengers that destroy a farmer's crops. My bill will thus promote the protection of a variety of natural resources so that they might continue their role in natural processes.

Each of my colleagues will shortly receive a letter urging cosponsorship of this legislation. Judging from the support my bill has received from average citizens and conservation groups, I believe passage has a good chance this year.

THE 85-PERCENT POLLUTION

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. LENT. Mr. Speaker, while the public protest over the epidemic of oil spills we have seen in the past month is well-deserved, we in the Congress would do well to mind the fact that some 85 percent of all marine pollution comes not from tanker accidents, but from routine tanker operations—the cleaning of tanks, pumping of bilges, "minor" leaks, and jettisoning of excess fuel.

In this regard, I would like to commend to my colleagues an article which appeared in Newsday on Monday, January 10, 1977, written by Mr. Jim Toedtman of Newsday's Washington Bureau:

OIL SPILLS ARE SMALL PART OF THE PROBLEM

(By Jim Toedtman)

WASHINGTON—While dramatic oil spills at sea have dominated the headlines recently, a greater threat to the environment is posed by standard operating procedures of the world's tanker fleet.

About 142 million gallons of crude oil is spilled into the oceans each year as a result of tanker accidents. By comparison, normal procedures are responsible for the discharge of 711 million gallons a year, according to the National Academy of Sciences. Capt. Herbert Lyons of the Coast Guard's Merchant Marine Safety Office characterized such routine procedures as intentional pollution.

As if that were not enough of a problem, a series of developments in tanker traffic raises the prospect of greater oil-pollution problems. The 1977 log of oil tankers that have run aground, split or sunk is a reminder of the large numbers of tankers plying the world's waterways and of the huge quantities of oil they carry.

Roughly two-thirds of the 115 to 125 billion gallons of oil produced each year is shipped by tanker. On any given day, there are about 1.3 billion to 1.5 billion gallons of oil on the high seas—300 million gallons a day arriving in U.S. ports.

The intentional pollution that Lyons mentioned most often involves tankers after they have unloaded their shipments. To balance and help stabilize the large and unwieldy craft and also to clean the emptied oil tanks, tankers pump large quantities of water on board. Then, when the ships are at sea, or about to reach their home ports, they discharge the water-oil mixture back into the ocean. (Frequent visitors to Long Island beaches are familiar with miscalculations that regularly leave long stretches of beachfront littered with oily film and globs of crude oil.)

The Argo Merchant disaster off Nantucket (7.6 million gallons of crude oil), the grounding of the Olympic Games in the Delaware River (134,000 gallons), and the apparent sinking of the Grand Zenith (8.2 million gallons and 38 crew members) south of Nova Scotia have raised anew the issue of tanker safety and pollution control. Environmentalists see the incidents as an occasion to push for new and tougher regulation of tankers, and they will have a forum in public hearings scheduled to begin tomorrow in the U.S. Senate.

Several proposals have been made—and in some instances implemented—that would require design changes, new cleaning techniques, improved navigational and communications machinery and improved training.

"The largest impact right off could be made if we eliminate the intentional discharge of oil," said Lyons. "That's what we've tackled first."

Among the proposed new regulations and procedures would be requirements for double bottoms or double hulls which would add an extra layer of protection in case ships ran aground. The extra layer would also provide ballast space.

But such regulation efforts have been caught in a maze of conflicting pressures. Environmentalists criticize the Coast Guard for not being more aggressive and for basing the regulations on program technology instead of requiring improvements in pollution control technology. Industry criticizes any regulations as having little impact on the overall problem of oil pollution.

At the same time there are several imminent developments that will add substantially to the oil transportation problem:

Alaskan oil will be transported to the West Coast by tanker.

While worldwide demand has been reduced by recession, U.S. imports continue to increase.

Tankers will be carrying the oil imported to replace that transported from Canada by pipeline. Canada has pledged to end oil exports to the United States by 1981.

According to current Interior Department projections, oil produced in the Georges Bank oil field east of Long Island will be transported by small, 18,000-ton tankers.

Approval of two deep-water ports in the Gulf of Mexico means increased traffic in United States waters by supertankers, which have already begun transporting oil to western ports.

LETTER OF PROTEST AGAINST THE FRENCH GOVERNMENT

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. LONG of Maryland. Mr. Speaker, I have joined many of my colleagues in the House in sponsoring a resolution condemning the recent action of the French Government in releasing without trial the accused murderer of 11 Israeli Olympic athletes in Munich in 1972.

However, my own deep sense of outrage at this unconscionable action has prompted me to write a letter of protest to the French Ambassador to the United States. The text of my letter is included here in full:

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 13, 1977.

His Excellency JACQUES KOSCIUSKO-MORIZET,
Embassy of France, Belmont Road NW., Washington, D.C.

DEAR MR. AMBASSADOR: The release by your government of Abu Daoud, suspected in the 1972 Munich Olympics massacre, is one of the most cynical acts of a democratic republic in my lifetime. The release of this accused murderer, without trial, in the face of demands from both Israel and the Federal Republic of Germany for his extradition, defies standards of international conduct and makes a mockery of international law. Perhaps needless to say, the timing of the release to coincide with the sale of 200 Mirage jets to Egypt does nothing to enhance France's reputation as a moral leader.

It is especially disturbing that France, a signatory of the 1976 Anti-Terrorism Treaty, has so disregarded the principles of that treaty. At a very minimum this action encourages future terrorism and violence. In words which may have a colloquial counterpart in your country, the chickens France has hatched may some day come home to roost.

Sincerely,

CLARENCE D. LONG.

DEATH OF OCTAVIO GONZALES: A TRIBUTE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. GILMAN. Mr. Speaker, on December 13, 1976, another dedicated special agent of our drug enforcement agency was slain only hours after $16 million worth of Colombian marihuana was seized in Mount Pocono, Pa. Although there is no known connection between the slaying in Colombia, and the seizure of 8 tons of marihuana in Pennsylvania, the eerie parallels between the two incidents further illustrate a fact which has been characteristic of the progress in America's war against drugs: For each step that is taken forward, there is, inevitably, a step backward, with increasing obstacles and roadblocks undermining and negating the progress of our arduous fight to curb and eradicate narcotics abuse and trafficking.

Our war against drugs is not only costly and deadly, but it is unlike any other war in which the United States has been engaged. We are fighting a nebulous, highly organized and menacing foe which threatens the very fiber of American existence, as it debilitates and cripples our youth. This war is not fought with machines and planes and guns alone, but with tender lives and minds at a cost which cannot be calculated just in dollars, or bombers lost, or ships sunk. The enemy which threatens and succeeds in its demoralization and utter negation of life has no central headquarters, operates from no solitary place, and is not indigenous to any one country. The enemy is enmeshed in a criminal network which permeates many nations, a network which knows no national boundaries, truce agreements, treaties, an enemy to which no appeal for human decency can be made.

The war on drugs claims not only thousands of young lives annually, but also claims the best law enforcement agents that our Nation produces, the finest and bravest of them. There are no medals, no purple hearts awarded in the war on drugs, and words seem to pale in describing the meritorious, valorous conduct of our agents.

There is no glamor in a drug enforcement agent's work, no quick fame, no wide acclaim. Indeed, many Americans live their lives without any recognition of the dangers and violence that such men and women come face to face with each day, and not knowing that these drug agents daily put their lives on the line, and that random, brutal deaths occur without reason, without purpose.

The death of Agent Octavio Gonzales is one such death which occurred, without purpose, seemingly without reason. Because his death was pointless, the life that Mr. Gonzales led and offered, takes on so much more significance. It was a life filled with valor, and a sense of justice, a life which assumes truly heroic proportions at a time when heroism in life too often means the consummation of life in a heroic death.

Three other DEA agents were killed in the line of duty this past year, each exemplifying the dedication and bravery of all DEA agents. These four outstanding men became victims in the treacherous drug war which claims thousands of lives yearly.

Octavio Gonzales was highly respected among his peers and his friends. The Miami Herald in its editorial of December 16 praised him as "a highly competent law enforcement officer with a worldwide reputation * * * he put more than 40 drug traffickers behind bars, received innumerable threats, and at last suffered death from a prime source about which there can be do doubt."

His wife Mariella and children that he leaves behind, Mariella, Sandra, and Catherine must be proud in a special way of the manner in which Gonzales performed his duties, of the courage with which he fought, the hard fight he waged in the protection of all Americans, and for the prevention of countless, senseless deaths. Although his death was senseless, brutal and unnecessary, Mr. Gonzales' life was not lived in vain. It is a chapter from which others can learn: about valor and dedication, about the struggle that men wage to insure the quality of life, about the subtle and unseen ways in which Americans are protected against the terrible foe called narcotics.

Mr. Speaker, I urge my colleagues to give particular note to Agent Gonzales' life and death as worthy examples of the highest of human qualities. There is so much for us to do in our war against narcotics traffickers. It is unfortunate that his death must serve as a gruesome reminder of that fact. We have seen pictures of our young Americans in the throes of drug addiction, the pictures of children and adolescents huddled in doorways, in the alleys of our cities; the pictures of mothers selling narcotics on the street with her children by her side: the pictures of the burnt-out, half-lived lives, wasted potentials, the gone talents of our youths. We have seen all of these, some of these first hand, and their memory haunts us.

It is not too late for us to act. Octavio Gonzales sacrificed his very life in this fight. Let his dedication and his spirit encourage us to devote ourselves to this noble, worthy cause of stamping out illicit drug traffic and drug abuse so that we can insure peace of body and mind to our people.

TRIBUTE TO HARRY BLAIR

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. KETCHUM. Mr. Speaker, today I ask that my colleagues join with me in paying homage to the memory of a truly great man, my good friend, Mr. Harry Blair.

Harry's recent passing will leave a great void in the educational field of Bakersfield, Calif., and I would like to take a few moments to recognize his many contributions during his dedicated lifetime.

Harry Blair served with distinction as superintendent of schools in Kern County, Calif., for 13 years. In total, his career with the county's educational system spanned 28 years, and it may truly be said that he gained the respect and admiration of all who were privileged to know him and to work with him. His contributions to education began in 1941, when he taught fifth grade in the Reedley Elementary Schools. Harry interrupted his career during World War II, serving his country in the U.S. Army Air Force.

Harry will be remembered not only as a man who gave much to education, but also as an outstanding contributor to his community. In addition to his participation in various professional organizations, Harry served in numerous capacities with the American Cancer Society; the United Fund; the Crippled Children's Society; the Bakersfield Junior Chamber of Commerce; the American Legion; the Bakersfield Chamber of Commerce, and the Rotary Club. He was a man who was never too busy to offer his best whenever and wherever he was needed.

I offer my sincere condolences to his widow, Rosemary, and to his two sons, Paul and Harry, Jr. I know that my colleagues will join me in paying tribute to this fine man, whose shoes will be very hard to fill. I, for one, will miss him greatly.

THE DEPARTING PRESIDENT

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. CONABLE. Mr. Speaker, there is much public comment about the impending change in national administration and the stature of departing President Ford. David Broder, one of our most perceptive observers, wrote about this yesterday and I wish to submit his article for the attention of my colleagues. I share the views so well expressed by Mr. Broder:

THE PRESIDENT THE COUNTRY NEEDED

(By David S. Broder)

In an odd, inexplicable way, the truth has begun to dawn on people in the final days of Gerald R. Ford's tenure that he was the kind of President Americans wanted—and didn't know they had.

After a decade of presidential excess, they wanted a man of modesty, good character, honesty and openness. They wanted a President who was humane and prudent, peaceable but firm. Especially, they wanted one uncorrupted by the cynicism and lust for power that they had come to associate with Washington politicians.

Jimmy Carter's campaign was the successful projection of these idealized qualities of the post-Watergate President. It was also a series of promises—to reform the government, end bureaucratic waste, provide an energy policy, curb the nuclear arms race, cure unemployment, etc.

How well President Carter measures up to these character tests and how many of his goals he achieves remains to be seen.

But Gerald Ford—even while acknowledging in his last State of the Union address and in a series of valedictory interviews his disappointments in the fields of economics, energy and governmental reform—gave people a quiet reminder that he has been exactly the kind of personality they prayed to find in the presidency.

He did so in a variety of ways, large and small, not least of which was his demonstration of equanimity in the face of his first—and any politician's greatest—defeat. Both The Washington Post and the New York Times headlined the fact that Ford was "at peace" with himself and his fate, as if that were remarkable for a departing President.

And, of course, is. Two of his three most immediate predecessors had left the White House as political exiles; the third had been murdered.

Ford leaves on a tidal wave of good will, of which the cheers in the House chamber the other night were vocal testimony. As he recalled in his farewell interview with The Post, he had originally planned to wind up his public service this January by making the 94th Congress his last as the representative from Grand Rapids.

As it works out, he is leaving only 17 days "behind schedule," having served 29 months as President and with the country the better for his service.

He leaves with the nation at peace, the international scene as tranquil as it is ever likely to be, and the American people more united and confident than at any time in a decade.

Some of that is luck. Some of it is the healing effect of time on the scars of Vietnam and Watergate. But Gerald Ford also leaves the presidency itself healthier than he found it, and that is because he thought hard about what was needed there—and did it.

Take, for example, the matter of the President's relationship to his Cabinet. One central aspect of the "imperial presidency" was the subordination of Cabinet officers to the arrogant whims of the White House staff.

Jimmy Carter has talked a great deal about his desire for strong, autonomous Cabinet officers, and in the final days before his takeover, was still trying to determine what kind of White House staff arrangements would encourage that decentralization of decision-making.

Yet, as James E. Connor, Ford's staff and Cabinet secretary, pointed out to a visitor the other day, almost no one has noted the extent to which Ford himself already demonstrated how to solve that problem.

Yet it is a fact that the outgoing Cabinet has been spared interference from officious White House staff members either in their departmental decision-making or in their access to the President.

Ford cured this ill by quite conscious, shrewd strategies. He required, for example, that no communication from a Cabinet member to the President could be delayed more than five days for White House "staffing." If the staff comments weren't ready in that time, the Cabinet member's paper went into the President's reading file on its own, rather than being pigeonholed endlessly in the White House bureaucracy.

Ford himself set the example for revolution of decision-making. In the face of heavy pressure to bring all major issues to the White House, he insisted, for example, that the Secretary of Transportation should decide the Concorde landing-rights question and that the Attorney General handle the government's response to Boston's antibusing violence.

In these, and other ways equally important, he demonstrated in practice the virtues of which Carter spoke.

Oddly, neither he nor his advocates made much of this fact in the recent campaign. But Gerald Ford can leave office with some confidence that history will record that he was, in truth, the President the country needed at this time and knew that it wanted, even by another name.

THE FISCAL YEAR 1978 BUDGET—AN ARGUMENT FOR FURTHER TAX REFORM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. VANIK. Mr. Speaker, the President's fiscal year 1978 budget which has been released today provides some interesting data on the burden of taxation in our society. The following table appears in the Special Analysis document, page 8:

TABLE A-2.—FEDERAL SECTOR RECEIPTS AS A PERCENT OF GNP

Description	1948 actual	1958 actual	1968 actual	1978 estimate
Personal tax and nontax receipts	8.2	8.2	8.6	8.7
Corporate profits tax accruals	4.6	4.0	4.0	3.2
Indirect business tax and nontax accruals	3.2	2.6	2.1	1.3
Contributions for social insurance	1.9	2.8	4.6	6.7
Total receipts	17.8	17.7	19.3	19.9

As the table shows, in 1948, the various forms of business taxes constituted 7.8 percent of the GNP while individual and social security taxes formed 10.1 percent. In 1978, business taxes are estimated to be 4.5 percent of the GNP, while individual and social security taxes have risen to 15.4 percent. The largest decline in the percentage of business taxes occurred during the past 10 years.

This table points to the need for a clearer debate in our society on the burdens of taxation and where we should be going in tax policy. For 5 years, I have conducted a study of the effective rate of tax paid by America's major corporations. The average effective rate has been declining and for America's largest corporations, it is about half the statutory rate of 48 percent. For years, I have said that many corporations are becoming "freeloaders," contributing less and less to the support and defense of the Government which protects them.

The fiscal year 1978 budget proposes a "savings" of $835 million by terminating the earned income credit. At the same time, President Ford's budget documents talk about extending the 10 percent investment tax credit, now in place through the end of 1980. I believe it is this philosophy—corporate tax relief instead of low-income family tax relief—which has created the lag in consumer demand and citizen disenchantment with their Government.

I hope that the new administration will reverse these recommendations by keeping the low-income family tax relief and reducing the highly questionable investment tax credit for corporations.

A NEW PRESIDENT OF EUROPE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. FRASER. Mr. Speaker, when the European Community was founded in 1959 its Commission president was expected to be one of the most prestigious leaders in Europe. However, after few substantive accomplishments by the EC, he was reduced to largely administrative and ceremonial roles.

With the election of the Right Honourable Roy Jenkins, M.C., former Home Secretary of Great Britain, the Commission welcomes a new breed of Commission president; the first president who is a political leader. The decision, by the heads of state of the nine member countries, was unanimous.

High expectations have been raised by Mr. Jenkins' election, both throughout the European Community and here in the United States. He becomes president at a unique time, for in the second year of his term the members of the European Parliament for the first time will be elected directly by the voters of Western Europe.

Mr. Jenkins has an international reputation as a devoted supported of Euro-

pean unity. Key European leaders believe new political directions can be expected of Jenkins, because he is one of the few people on the European political scene capable of breathing new life into the Community.

Recently Mr. Jenkins spoke at the Massachusetts Institute of Technology on his new position as president of the Commission, giving his hopes for an expanded role for the EC and calling for greater mutual understanding and patience between the United States and the European Community. Excerpts from his speech follow:

UNITED STATES AND A UNITED EUROPE: ARE WE NOW UNCERTAIN PARTNERS?

It is not perhaps surprising that one of the basic principles of United States foreign policy, at least until 1917, and to some extent well after that, was a desire to avoid the entanglements and sophistries of European diplomacy and conflict. . . .

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It is likewise no wonder that the United States should have become an early, enthusiastic and even impatient supporter of the process of European economic and political integration.

Many needs and motives pushed the United States in this direction:

First there was the understandable desire to avoid any repetition of what had happened in 1917 and 1941. Anything that the Europeans could do to put an end for ever to their civil wars which had so devastatingly involved the world in general and the United States in particular was obviously a prime American interest.

Secondly the Americans had their own inner faith in the advantages of union, of federal institutions, of what could be forged from the heat engendered by the mingling of peoples, traditions, customs and ways of life. In short many Americans saw a union of European States on the same lines as the union they had made for themselves.

Thirdly there was the understandable feeling that the Europeans should organise themselves to use as co-operatively and effectively as possible the massive American economic aid which was so generously provided after the end of the last war.

Finally there was the strong feeling, as strong today as ever, that if the United States was to take the risk of military involvement in the defence of Europe, the Europeans should organise themselves to make the biggest and most effective contribution of their own that they could.

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POLITICS THROUGH ECONOMICS

. . . It is in some ways paradoxical that what was—and is—an essentially political enterprise should have been pursued by largely economic means. . . . But we should not be deceived. The European founding fathers—Robert Schuman, Adenauer, de Gasperi, Paul-Henri Spaak—were always more interested in politics than they were in products and markets. They might have echoed the sentiments of Gladstone when in his thirties he became Vice-President of the Board of Trade: "I wished to concern myself with the great affairs of men, and instead here I am set to look after packages."

But the Europeans made a good job of looking after packages, and soon realised that the loom of trade made a tissue which included supranationality, and itself became, as it remains today, one of the great affairs of men.

* * * * *

Then there was the problem of Britain. Was Europe to consist of the Six or of a larger number? In the 1950s and 60s the debate in Britain was about whether British relations with the countries of the Continent should be more akin to those of the United States with them or to their own with each other. . . . These were the days, much more than in the 20s and 30s, when the British saw themselves as the meeting point of three circles: the Commonwealth, the North Atlantic, and Europe.

This view of ourselves, however understandable at the time, represented a gross over-estimate of British power and British options, and turned out to be a source of misjudgment and misfortune for ourselves and our allies. . . .

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ORIGINS OF THE EC

I now want to say a word about that Community and its institutions, and the way in which they are evolving. . . . In this year of 1976, Americans have probably thought more about their origins than at any time for a century, and have better separated the fact from the fantasy of what happened two hundred years ago. As much by inadvertence as by deliberate intent, . . . a group of remote colonists, . . . threw off the authority of a mother country which was itself divided by the constitutional issues at stake. The new country thus begun had more than a century in which to develop in relative peace, protected for the most part by the British Navy from uncomfortable involvement in the affairs of the rest of the world.

Contrast this with the origins of the European Community. The original Six had one unhappy thing in common: they had all been defeated, and in many cases devastated, in war. They had also been forcibly united for four awful years under the domination of Adolf Hitler. Their first thought was to unite to prevent at all costs a third European civil war. But as their prosperity returned, they became more conscious of their historical roots, their different languages, habits of thought and way of life. The recovery of Europe as a whole meant a recovery in the self-confidence of the participating states. Thus what happened was in a way the reverse of what happened in America. . . . This very diversity is one of the riches of Europe; but it has required looser, different mechanisms which cannot readily be compared with your own.

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INSTITUTIONS OF THE EC

First there is the Commission of which I am to be President. It is the executive body of the Communities and is responsible for ensuring that the principles of the Treaty are observed and for initiating proposals for adoption by representatives of member states sitting together as the Council. * * * At its head are thirteen Commissioners, two each from Germany, France, Italy and Britain, and one from each of the other members. They are chosen by member governments, by common accord but each has to swear an oath to be guided only by the European interest rather than that of his own country. Their decisions are by majority vote.

Then there is the Council, the principal decisionmaking body which is responsible for co-ordination of the general economic policies of member states. The Council consists of representatives of each member government, and the chairmanship moves from one country to another every six months. All important decisions are by unanimity. The Commission and the Council are placed in a state of what has been appropriately called creative tension.

Next there is the European Parliament which has advisory and supervisory powers, and meets eleven times a year for about a week at a time. Its committees also meet between Sessions. At present it consists of members designated by parliaments of member states, but the firm intention is that elections to the Parliament will be by direct universal suffrage from 1978 onwards. * * * The Parliament gives opinions on proposals of the Commission, debates the activities of the Community, and reviews a general report submitted annually to it by the Commission. More important is its power to review the annual budget and to compel the resignation of the thirteen members of the Commission.

Finally there is the Court of Justice, composed of nine judges appointed for six-year terms by common accord of the member states. The primary function of the European Court is to ensure respect for the Treaty and interpret the law of the Community. Its judgments are legally binding throughout member states, and can over-ride national law and bring national states to book. Not so well-known are the powers of the Court to guarantee or improve the position of individuals, and protect fundamental human rights.

Beside these four pillars of the European Communities—the Commission, the Council, the Parliament and the Court—has grown up another more flexible institution outside the scope of the Treaty. This is European political co-operation, and represents an attempt to co-ordinate the foreign policies of the Nine member states towards the outside world. It has no permanent staff and its secretariat simply consists of national officials which change every six months with the chairmanship. Thus the caravan moves from capital to capital of the Community. Nevertheless this is a field in which considerable progress has recently been made. . . . European political co-operation is perhaps the embryo of the European Political Community without which the European Union, to which member states eventually look forward, could have no meaning.

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A NEW DEMOCRATIC BALANCE

Hence the importance of the Council where the Commission proposes and the Council disposes. The Council meets at the level of Ministers of Foreign Affairs, but there are specialist Councils as well, where such Ministers as those of Agriculture, Finance or the Environment can come together.

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If the Commission has sometimes been too bureaucratic and the Council too mindful of national interests, the Parliament, through no fault of its own, has not yet succeeded in achieving adequate power of democratic control.

I believe that the recent agreement on direct elections by universal suffrage will eventually give the Parliament a new and different role, although direct elections will not mean any formal increase in powers. Parliaments have always been keenly interested in the problems of financial supply and control of the budget. The role of the European Parliament in helping us to tackle the problems which now face the Community—from the size and purposes of the budget to the lack of economic balance between the member states—may prove to be crucial. But again it will not be easy. National parliaments are in no hurry to give up their powers; and a whole new balance of democratic power within the Community will eventually have to be established.

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DIVERGENT ECONOMIES

It will be clear from all I have said that although the European Community in its various aspects has economic, political and judicial reality, it is very far from complete. . . . But the Community has faced, and now faces, very serious problems.

Tonight I shall mention only one of them: the economic capacities of the member states, far from reaching a rough equivalence, have recently become more markedly divergent than ever before. Four years ago the small countries feared the dominance of

the four large ones: Germany, France, Britain and Italy. Two years later there was fear of two large countries: Germany and France. Now Germany is alone in a position quite different from the others. A number of ideas are under discussion for righting a disequilibrium which no one wants, least of all the Germans. . . . But I do know that if this fundamental problem is not faced the effect will be that of an earth tremor on a half-built house.

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A FEW REVEALING STATISTICS

I do not want to numb you with figures but one or two statistics about the Community and the states which comprise it will give you an idea of its scope and potentialities. In 1975 the total population was just short of 260 million, against 212 for the United States and 110 million for Japan. Its gross domestic product was $1,362 billion against $1,505 billion for the United States and $491 billion for Japan. The volume of its imports (excluding trade among its members) was $155 billion against $97 billion for the United States and $58 billion for Japan; and the volume of its exports (also excluding trade among member states) was $150 billion against $108 billion for the United States and $56 billion for Japan. Thus you will see at a glance that the European Community comprises an immense population, a gross domestic product almost as great as that of the United States, and a volume of imports and exports which make it decisively the largest trading unit in the world.

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THE EC AGAINST EVERYONE ELSE

In Europe itself the Community has acted as a political as well as an economic magnet. The Six original members were joined by the Three nearly four years ago. Around this central nucleus is a web of association agreements with all the free countries of Europe. Greece is now negotiating for membership, and Portugal is not far behind. Spain may follow, and also Turkey. The Community has also drawn closer to such countries as Yugoslavia and those on the Southern and Eastern shores of the Mediterranean, and through its mechanisms of political cooperation is engaged in a dialogue with the Arab world, where it has still greater economic interests than the United States. It is in the process of working out new economic relations with the countries of Eastern Europe and the Soviet Union, and of course played a major role in the Conference on Security and Cooperation in Europe, which led to that charter of hope for all Europeans on either side of the post-war dividing line: the Helsinki Declaration.

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FOR THE DEFENSE OF EUROPE

I have not so far spoken of the problems of defence . . . the defence of Europe cannot be dissociated from the recovery of Europe and the growth of the new European institutions. . . . Perhaps the fundamental point is that the proper unit of defence is not Western Europe or the Europe of the Community but the North Atlantic area as a whole. Western defence is at present organised in a way which respects the specifically European as well as the broadly Atlantic aspect. Thus there is our joint membership of the North Atlantic Treaty, a more restricted membership of that strictly practical European defence association the Euro-Group, and the still more restricted membership of the Western European Union which involves its seven signatories in the most binding commitment into which any state can enter: an automatic commitment to mutual defence. It is much tighter than the North Atlantic Treaty. If these perspectives are to change, and change they may in the years to come, I think that the main agent of change will be the need for the Europeans to integrate their own defence industries, to standardize equipment among themselves and within the Alliance, and to establish a more even partnership, each making its due contribution. with the United States.

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AN UNEQUAL PARTNERSHIP

So far the partnership across the Atlantic has been unequal. In many respects it remains so. To that extent it remains an uncertain partnership, one with immense possibilities for the future but one which could still go wrong.

I deal first with the economic aspects. Here there is a very lopsided balance of trade in favour of the United States. . . . Unlike the Community the United States is self-sufficient in most raw materials and does much less trade with the outside world. And, foreign competition is more deeply embedded in our home market than it is in yours. Moreover we manage our agricultural market in a different way, and in certain cases give preference to agricultural products from the countries with which the Community has institutional links or come under the Generalised Preference Scheme.

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It is sometimes said that the Community is an economic giant but a political dwarf. This is half-true, but only to the extent that the Europeans make it so. The United States, I suspect, sees no Political Community in Europe in the way that it sees an Economic Community. . . . So long as the Economic Community is a flourishing concern, there is a certain logic driving its members towards at least political cooperation and perhaps one day a Political Community; but if the Economic Community looks sick and the economics of its member states diverge, so that machinery of political co-operation looks sick too, and co-operation, let alone anything more ambitious, becomes increasingly hard to attain.

A PLEA TO BOTH

In this respect I would like to make a simple plea to Europeans and Americans alike. It is that President Carter's words to the effect that Europe would be better able to fulfill its role if it could speak with one voice and act with one will should be heeded by all. I include Americans in my plea because if the United States searches for one European voice and one European will, it will be more likely to find them than if it prefers to look for nine European voices and nine European wills. It will be interesting to see how the forthcoming economic summit meeting, recently proposed by President Giscard d'Estaing of France, and now widely supported, is organised on the European side of the triangle of United States, Japan and Western Europe.

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. . . We are engaged on an enterprise even more difficult and complicated than your own two hundred years ago. We need understanding more than help, patience more than pressure to act in ways which may not be our own. The result can be of vast benefit, not only to us but to you. The more equal the partnership between the United States and the uniting states of Europe the better for both, and the longer it will endure.

STATEMENT ENTERED IN THE CONGRESSIONAL RECORD, JANUARY 17, 1977, BY CONGRESSMAN JIM LLOYD

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. LLOYD of California. Mr. Speaker, a number of city council and public agency officials in my district have expressed dissatisfaction with the Economic Development Administration's allocation of funds under the public works capital development and investment program.

It was extremely difficult for these officials to identify the precise formula and statistical inputs used to calculate the allocation to specific projects that were approved and funded.

Beyond EDA's allocation policy, local government and public agency officials questioned the method by which project proposals were solicited by the agency. The expenditure of hundreds of man-hours were forced by EDA regulations upon cities and agencies to prepare hundreds of pages of legal and technical justification for each of the proposals submitted, and I cannot begin to calculate the cost to the local taxpayer in grant proposal preparation alone.

It is important that Congress give serious consideration to the criticism that has been directed at this program. Congress must take action to insure a more acceptable and equitable grant funding formula.

A MISCHIEVOUS BUDGET

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. VANIK. Mr. Speaker, President Ford today submitted his budget for fiscal year 1978. It is a mischievous document. It reports an artificially low level of expenditures and therefore a phony deficit level. When the Congress and the American people examine the facts behind the figures, they will realize that the costs of many programs have been understated and that certain program cuts requested by the President in this parting shot would never be acceded to—not even by his own party in the Congress. As a result, the eventual budget levels for fiscal year 1978 will be higher than provided in today's budget—and many will then claim that the Democrats are "budget busters."

For example, this budget talks about saving $835 million by repealing the earned income credit for the Nation's working poor. The earned income credit was enacted in 1975 to provide low-income taxpayers with a refundable tax credit equal to 10 percent of the first $4,000 in earned income. The provision was continued through 1977 by the Tax Reform Act of 1976. I do not believe that anyone believes there is any realistic chance of the Congress repealing this tax relief for the lowest income families.

There are other places where multi-billion dollar savings are proposed, for example, in the food stamp program and in child nutrition programs. I have no doubt that these programs could be made more efficient and that savings could be achieved—but I doubt that the Congress will cut these food programs by $1.5 billion between fiscal year 1977 and fiscal year 1978.

As another example of "funny money accounting," the budget documents provide an excellent discussion of the dangers created by off-budget agencies and the use of guaranteed loans—which generally have the same economic impact as direct loans made by on-budget agencies. The President proposes legislation to "halt this practice so that our budget system will fully reflect the financial activities of the Government." Unfortunately, this legislation will "begin with next year's budget." Therefore, the Energy Independence Authority is listed in this budget as "only" costing some $42 million—an amount equal to the estimated net losses of the Authority in its first year of operations during which it is expected to make some $3 billion in loan commitments. But when the legislation is enacted to move the activities of the Energy Independence Authority "on budget" where its impact will be more visible, it will result in a $3 billion addition to President Carter's fiscal year 1978 budget totals!

The budget also makes some impossible legislative proposals. For example, to finance a "catastrophic" health coverage plan for medicare enrollees—certainly a goal which the Congress and the public would support—the President proposes to increase the medicare coinsurance charged to retirees. To offset the $594 million cost of the catastrophic coverage, the President proposes savings in fiscal year 1978 of $603 million by making the Nation's retirees pay for this "savings" through higher out-of-pocket medical coinsurance costs. This same old idea was presented in the President's last budget and hearings by congressional committees revealed that it would increase costs for almost all retirees while providing "catastrophic" protection for only a small fraction of the medicare population. This "savings" was a catastrophic proposal last year—this year it is just a warmed over retread. It would not be worth commenting on except that it is used to "hold down" the budget by a phony $7 million in fiscal year 1978 and about a quarter of a billion dollars in fiscal year 1979.

For these and other reasons, the President's last budget is a political time-bomb—planted to make succeeding administrations and Congresses look like big spenders, when these budget figures are exceeded. I hope that the American people will realize that this budget document is not a document on which to plan—it is only a political last hurrah.

BLACK LUNG CLAIMS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. RAHALL. Mr. Speaker, I have received numerous complaints from my constituents concerning claims for black lung benefits that the law provides. These letters express the outrage of good and decent people who have devoted most of their lives and health to the mining of West Virginia coal resources, receiving precious little in return.

And, finally, the families of these miners of deteriorated health suffer greatly, due to the loss of income which social security and retirement payments do not cover.

For a nation reputed to be kind and compassionate, I believe we all should go much further than we have in meeting the needs of the miners who have given so much of themselves in their life of work.

In talking with my colleagues, I am convinced that the problem encountered by my constituents are similar to the many difficulties faced by others who live and work in coal mining States. The fact that we are relying on coal more and more as a way to help meet our domestic energy crises serves to highlight the health problems of those who extract it from the Earth.

The Labor Department's process for reviewing black lung claims is grossly inefficient. From June 1973 to December 1976, only 3,800 black lung claims were approved out of the 104,000 submitted to the Department. At the present time, Labor Department figures show that 51,200 black lung claims have not yet been acted upon.

Mr. Speaker, because there is a national problem, I am today introducing legislation that will provide temporary authority for additional qualified individuals to hear and determine claims.

THE ANTI-DEFENSE LOBBY–II: CENTER FOR DEFENSE INFORMATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. McDONALD. Mr. Speaker, worldwide Soviet aggression has forced American defense and intelligence analysts, under the prodding of outside experts, to at last recognize that the U.S.S.R.'s goal is global domination, the ending of U.S. influence beyond our own borders, and the isolation of America from the oil and minerals necessary for our economy by subverting countries strategically placed along the major sea shipping routes.

At the same time the Soviet military is being strengthened with 100 supersonic Backfire bombers, our B–1 production is in doubt. And to confuse the United States and our allies, the Russians have warmed up their old campaign for U.S. disarmament. Sophisticated propaganda campaigns aimed at altering "world public opinion" in line with the U.S.S.R.'s foreign policy directives have been instituted.

I have already discussed the Coalition for a New Foreign and Military Policy. Today I will examine related projects sponsored by the Fund for Peace.

Since 1972, the Center for Defense Information, a project of the Fund for Peace which has also received extensive grants from the Field Foundation, has acted in Congress and with the media as a highly vocal counterforce to the Defense Department and to almost all informed opinion on defense matters.

The CDI gives lip service to balance only in a small type statement which appears in each edition of its newsletter, The Defense Monitor. It says that CDI:

supports a strong defense but opposes excessive expenditures or forces. It believes that strong social, economic and political structures contribute equally to national security and are essential to the strength and viability of our country.

However, analysis of CDI's positions over the years indicates the organization believes any Armed Forces stationed outside the continental United States are excessive; that the costs for developing all new major weapons systems such as the B–1, Trident and cruise missiles are excessive; and that the Federal Government should transfer most defense funds to new massive social welfare programs.

To establish credibility for its positions, the CDI has attracted a number of former military officers. Chief among them is CDI director Rear Adm. Gene R. LaRocque, retired. The admiral had a distinguished naval career for some 30 years. However, as the Wall Street Journal reported in 1972 when the Center was formed:

His career had been in irons since 1968, when a task force he headed concluded that the war in Vietnam couldn't be won, even by more bombing. "That didn't endear me to the Naval aviators," says the Admiral good naturedly. One of those Naval aviators was Adm. Thomas Moorer, then Chief of Naval Operations * * *.

The admiral's mistaken conclusions endeared him to the doves and to the pro-Hanoi intellectuals.

In 1975, LaRocque wrote:

I have always felt that we must spend whatever is necessary to defend this country against attack, but only about 25% of the Defense Department budget is for the defense of the U.S. The other 75% is to maintain the capability to defend other countries, project our powers overseas, and look after U.S. interests in various parts of the world.

In other words, the admiral wants the United States to return to an antiquated isolationist position, abandon our allies, and hand them over in the long or short term to the Communist imperialists. This "neo-isolationism" is being encouraged by the Center and related organizations without their making any mention of the fact that the U.S. economy and its defense capability is intimately tied to imports of oil and minerals; or of the fact that the interests of America and our allies in many places are endangered by the U.S.S.R.

CDI's highly selected and distorted research is being used extensively by the old pro-Hanoi antiwar groups. But the CDI is also frequently cited by Radio Moscow and other Communist government propaganda instruments as a source for anti-U.S. defense material. For example, the CDI and its adviser from the Institute for Policy Studies, Earl C. Ravenal, were praised in a Russian language broadcast on February 10, 1975, for their attacks on those who:

are proceeding not from present-day realities but from a strategy devised during the cold

war years which aimed to guarantee for the United States a dominant position * * *.

It is noted that the Communist line is that in light of the realities of the Communist conquest of Southeast Asia and the former Portuguese territories in Angola-Guinea-Bissau and Mozambique, the United States should cease resisting Soviet aggression, "end reactionary cold war policies," and sell out.

As stated in the Defense Monitor, CDI's positions on major defense issues are:

On the Panama Canal: The U.S. has neither commercial nor military reasons for clinging to an outdated treaty * * *. Failure to come to an early agreement on a new canal treaty * * * could spark new violence directed against Americans in the Canal Zone—August 1976.

Actually, the United States has a vital interest in maintaining free access for shipping through the Panama Canal and for retaining the Canal Zone. All U.S. Navy vessels except for the very largest and carriers can travel through the Canal which makes it unnecessary for maintaining two fleets to protect the southern approaches to our borders. The U.S. military presence in the Canal Zone is perceived by the Cuban Communists as a direct inhibiting factor against Cuba and the U.S.S.R. pulling off another "Angola" in Latin America. And American management of the Panama Canal has been efficient and impartial. Turning such a major waterway over to a petty dictator like Torrijos who has apprenticed himself to the Cuban Communists would be a disaster. The Cuban regime is turning Guyana into a base for subversion with the wholehearted support of that government; and the Socialist government of Jamaica has formed a web of alliances with the U.S.S.R.'s Caribbean puppet:

On Spanish bases: American bases in Spain are not essential for the defense of the U.S. or Western Europe—February 1976.

Spanish bases are vital to the defense of the Mediterranean area particularly now that Turkey has withdrawn from NATO.

On Japan: American pressure on Japan to expand its military establishment * * * could prompt a nuclear arms race in East Asia and destabilize political relations in the area—November 1975.

Since the American defeat in Vietnam and the Communist conquest of Cambodia and Laos, Japan has been under constant pressure from the Soviet Union; her defense systems are being challenged; her coastal waters teem with Soviet spy ships; Japanese fishing boats have been harassed and other provocative acts committed by the U.S.S.R. In light of U.S. withdrawal from Vietnam, Japan and South Korea are left further exposed. Any destabilization of Asia has been caused by America's precipitous withdrawal from Vietnam after a decade of "no-win" policies.

On the cruise missile: A U.S. short-term advantage in cruise missiles should be traded for an agreement on ending the qualitative arms race. Accepting a range limitation on cruise missiles, and the small risks of violation [by the Russians], is a better alternative for the U.S. than the consequences of no arms control at all—September 1976.

The cruise missile, contrary to CDI's assertions, offers an advantage for a number of years until the Russians can find some method to counter it, as the U.S.S.R.'s own anticruise missile propaganda reveals. It is interesting to note the CDI is urging a strict range limit for our cruise missiles, while at the same time demanding abandonment of the overseas bases from which "limited range" cruise missiles would have to be deployed. In light of the massive record of Soviet violation of international agreements such as nuclear testing and the development of several missile systems and the Backfire since the 1974 Vladivostok agreement the Center's bald assertion of "small risks of violation" is incredible.

On the arms race: Congress and the American people are being subjected to the most extensive fear campaign since the 1960 "missile gap." * * * Acquisition of weapons and forces that are not needed, however, can only stimulate the Soviets to buy more of their own which will in turn be used to justify larger U.S. military budgets in a self-fulfilling, self-defeating cycle—May 1976.

The campaign that the American people have been subjected to by the U.S.S.R. and its allies is one of lies and deception as to the Communists' aggressive intentions for world hegemony. The disarmament and arms limitation negotiations are designed to stall the development of new weapons systems until Soviet technology can counteract them. They are intended to deceive the American people and citizens of other free-world countries into believing that the Communist imperialists have changed their plans for domination.

As the new CIA estimates point out, the Soviet Union does not want parity of weaponry with the United States: it wants absolute superiority. And the U.S.S.R. is increasing its air defenses and hardening its missile sites so that it could survive a retaliatory attack by the United States with acceptable losses. No one is asking for unneeded weapons of defense systems; and new U.S. systems will have no effect on Soviet weapons expenses, in that until the Soviet Government really reverses its aggressive policies, a technological "arms race" will continue.

Center for Defense Information staff has begun their rounds of the offices of members of the Congressional Armed Services Committees. CDI's present staff includes:

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UKRAINIAN INDEPENDENCE DAY

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. BROOMFIELD. Mr. Speaker, on January 22 millions of Ukrainian-Americans will mark an Independence Day devoid of the dignity, pride, and sense of accomplishment so characteristic of our own Bicentennial. Instead, they will celebrate a distant memory, a brief moment in the aftermath of World War I when the Ukraine knew independence. They will demonstrate to the world that, despite more than half a century of Soviet depression, Ukrainians have maintained a sense of ethnic identity and an undiminished yearning for independence.

It is ironic indeed, Mr. Speaker, that the Ukraine sits today as a puppet member of the United Nations, perched on the knee of the Soviet Union—the very nation that snatched away Ukrainian

freedom 54 years ago. We can get some idea of the Soviet notion of Ukrainian "independence" by comparing the parallel voting records of these two United Nations members.

The quest for an independent Ukraine is hundreds of years old; it has been frustrated for decades by Soviet imperialism, but never abandoned. The Ukraine's sense of identity, its determination to be free, is nurtured by the steadfastness of the overseas Ukrainian community. Ukrainian-Americans have made a substantial, well-recognized contribution to the freedom and vitality of the United States. However, they have never lost their sense of outrage at the sacrifice of their homeland, nor have they become reconciled to a Ukraine perpetually dominated and subverted by the Soviet Union.

In helping to mark the anniversary of Ukrainian independence, we support the dream of a better, freer future for over 47 million people. We help ensure that the world rejects the tragic consequences of Soviet expansionism. And we stand for what is noble and finest in the American experience—freedom and justice for all.

IT'S ABSOLUTELY AMAZING

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. COUGHLIN. Mr. Speaker, in a new category which I propose for the 95th Congress, titled "It's Absolutely Amazing," I enter two subjects worthy of cogitation and discussion by my colleagues: the suddent discovery that the number of poor in the Nation has been cut magically by one-half and the abrupt doubts being raised by majority Members over the financing and scope of the probe by the Select Committee on Assassinations.

The report by the Congressional Budget Office that about 5.4 million families and single individuals had purchasing power under the Federal poverty level in 1975–76 is remarkable for its disclosures and its timing. That it reduces the number of poor from 13.8 percent to 6.9 percent and comes after the Presidential election represents an amazing set of circumstances—especially since the new President will be a Democrat.

While the CBO is under Democratic control, I certainly do not mean to imply anything untoward. The report, however, enables the new President to state that he already has reduced the number of poor in the country by 50 percent without taking any action whatsoever. Indeed, if the campaign promises of Mr. Carter can be fulfilled so easily, the Congress may not even have to consider his legislative proposals.

I wish that there were, in fact, no poor families or individuals in the Nation. Perhaps, the ample and widespread governmental programs enacted over the past decades have been taking effect—without us knowing about it—and that all it takes is a new Democratic administration allied with a Democratic Congress to point this out to us.

By including the in-kind benefits that the Federal Government has been supplying, the CBO now substantiates what so many of us have been contending for years. The Government's benefits have been helping the poor and have cost us billions of dollars. I do not quarrel with the principle that we must help those who cannot help themselves, but I do not believe we are being honest if we do not acknowledge the cost to the U.S. Treasury and the American taxpayers.

CBO contends that in 10 years these in-kind benefits climbed from 6 percent of all Government transfer payments—benefit payments—to individuals to 22 percent for a total of $41.2 billion in 1975. This fantastic rate of acceleration belies the cries of those who forever complain about every other part of the U.S. budget and protest that we do too little in the social welfare fields.

It is absolutely amazing—as are the latest developments in the saga of the Select Committee on Assassinations which, by some quirk of fate, was created before the Presidential election.

I note that the distinguished majority leader of the House has publicly voiced doubts and Members are expressing reservations about the course of the investigations, the methods and the funding. Many of us on the opposite side of the aisle expressed those reservations before the Presidential election and not after it.

From questions over the abuse of civil liberties as evidenced by probe methods to the huge price tag of $6.5 million for a year's funding, I think that those doubts could have been raised previously by our colleagues on the majority side. I understand, of course, that a Democratic administration and a Democratic Congress will be joining forces shortly and the embarrassment of FBI and CIA abuses during the Kennedy-Johnson years may not be the most seemly revelations for this "new generation of leadership."

It is absolutely amazing.

BROADCASTER ON THE MOVE

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. VAN DEERLIN. Mr. Speaker, as chairman of the House Communications Subcommittee, I encounter many leading figures in the broadcasting industry. I have come to respect and admire these people for their knowledge and insights that often transcend the complex, but occasionally mundane matters considered by the subcommittee.

However, I have been privileged to know one of our country's outstanding young broadcasters, Dan McKinnon, for many years, predating my own service in Congress. Dan owns and operates a radio station, KSON, that serves my own home area, San Diego.

Dan also is the son of a former Member, Clinton D. McKinnon, who served in the House during the 81st and 82d Congresses, from 1949 to 1953. Like his father, Dan is endowed with both a keen sense of public responsibility and some shrewd business acumen.

Dan has become a leader of the National Association of Broadcasters and recently was elevated to the presidency of the Country Music Association—a signal honor, as Dan is the first broadcaster ever to head the 5,000-member CMA.

I include at this point a perceptive column about Dan, written by Steve Casey, radio/television writer for the San Diego Evening Tribune:

DAN MCKINNON—HIS FORMULA SPELLS SUCCESS

(By Steve Casey)

Three weekends ago, Dan McKinnon was prowling through the bowels of the San Diego Sports Arena, clasping hands with redneck rock star Willie Nelson, who was appearing in a concert sponsored by McKinnon's radio station.

Two weekends ago, the owner of KSON radio was poking around his 260-acre backcountry ranch, hunting up five truant cows.

Last weekend, McKinnon was visiting the Johnny Cash family in Nashville and beginning work as president of the 5,000-member Country Music Assn., hunting up ways to help radio stations around the nation spread the gospel of country music.

From concert to cattle to Cash is not an unusual schedule for McKinnon, who became the first broadcaster in CMA's 16-year history to head that organization, the major trade group and policy setting body in country music.

People who labor behind the scenes in broadcasting are often times as vibrant as leftover oatmeal, but McKinnon is one of radio's go-go boys.

A former jet jockey and helicopter pilot, McKinnon claims a Navy record for rescues, with 62. The Navy, which doesn't keep such statistics, doesn't dispute the claim.

Son of former Congressman Clinton D. McKinnon, McKinnon the younger flirted with journalism at the Sentinel, a paper his father then owned, after leaving aviation and before taking over KSON in 1962 and trying very hard not to go broke.

"The station was bankrupt and our first month's (advertising) billing was $7,000," he said in a recent conversation. Seven thousand dollars isn't starvation for a station, but it is financial malnutrition.

"For a period of time we changed formats about every three months—we even did candlelight and poetry reading. In October of 1963 we switched to country music and it was an instant success.

"The music was formatted just like a rock station. Before, the disc jockey would take a stack of records and plan out any kind of show he wanted. We took the programing—including record selection—out of the hands of the disc jockeys and no longer does it sound like six different stations."

Then McKinnon moved into heavy promotion, an ingredient for success he finds indispensable and one which he hopes to convince other country broadcasters to use more effectively.

Today, the station combines concerts, games, drawings, billboards, belt-buckle giveaways and sundry promotional gimmicks in an effort to woo and keep listeners.

The effort in the early days was to woo listeners, to be sure, but also to convince advertisers that people who enjoyed country

music weren't all addlebrained hicks who wouldn't, or couldn't, buy products.

That paid off, for today KSON is fiscally healthy and, according to the current Pulse rating book, San Diego's top station during most of the daytime hours among its target 25 to 49 year old audience.

McKinnon is fiscally healthy as well, and one radio promotion stunt even launched two new businesses.

As a result of KSON's annual talent search, McKinnon found local performers sorely in need of management. So he started the House of Hits, which is involved in music publishing and artist management.

He sees no conflict of interest in both managing talent and playing their records, he said, since he doesn't pick the music played on the station and his clients don't get any special breaks.

Active in political and religious circles—he was local chairman of the recent Billy Graham crusade here—McKinnon lives with his wife and two children in Pacific Beach, repairing to the ranch on weekends.

LINTON SCOTT, SEARS MIDWEST TERRITORY CITIZEN-OF-THE-YEAR

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. FRASER. Mr. Speaker, the inauguration of Jimmie Carter brings to Washington people from all over these United States. It is impossible to acknowledge in our RECORD all those visiting from our districts who merit such recognition. But I would like to make special mention of Linton Scott of Minneapolis, Sears, Roebuck & Co., Midwest Territory Citizen-of-the-Year.

After reading Mr. Scott's record of community service, I think my House colleagues will agree that Linton Scott is something special. He seems to find time to devote to so many public service programs that one begins to believe he has found a secret way to increase the number of hours in a day.

I join the people at Sears in saluting Mr. Scott. The Linton Scotts of this Nation along with their families—and Mr. Scott's wife Audrey plays a major role—are the backbone of our country. It is fitting that Mr. and Mrs. Scott are here in Washington to participate in the inaugural events. Minneapolis is proud of them.

A release outlining Linton and Audrey Scott's community service follows:

CITIZEN-OF-THE-YEAR

MINNEAPOLIS, MINN.—"Faith in the ability of the poor to succeed if given the opportunity is my philosophy," says Linton Scott, warehouse worker in Sears Minneapolis retail distribution center. A lifetime spent putting this philosophy into action earned Scott the honor of Sears 1976 MWT Citizen-of-the-Year.

Announcement of the award was made by MWT Executive Vice President Charles C. Wurmstedt on Dec. 14. Scott was selected from 15 terrtiorial finalists by a panel of four non-Sears judges.

One of Scott's major efforts to open doors for the poor and disadvantaged in Minneapolis was founding of "Flight Unlimited", a non-profit oragnization which provides spiritual guidance and aviation training for minority groups and other less fortunate people. The program, begun in April 1970, recruits, encourages and finances the training of minorities seeking careers in aviation while providing an alternative to idleness, crime and violence.

Prior to entering flight training, each student attends a preparatory ground school which has an entire curriculum especially written by Scott himself, in the "inner city man's language." By teaching with materials written in language not over the students' heads, the frustration of learning for the less-educated is lessened, Scott believes.

"Flying is something a person can succeed in and those who do become catalysts in the ghetto—they are leaders, heroes, and are respected. Others then say, "If he can do it, so can I."

"Even the poorest person has the ability to do something for himself," Scott says. "With encouragement and spiritual guidance, we can provide the poor with a sense of discipline, accomplishment, and self-confidence so they may go on to be better people." Through Scott's time and effort, people who once said "I can't" have learned they can.

Today, Flight Unlimited boasts 30 licensed graduates, among them five women.

What has motivated Scott to devote a lifetime helping people better their lives and the society in which they live? In part, Scott says, the riots in the 1960's motivated him to work with angry, dissatisfied youth. Teaching that drugs and violence don't solve problems, he encourages ghetto youth to join and be active in what he has to offer. Through his flight training program, they learn how to lead success-oriented, meaningful lives. "I try to teach them the best way to cope," Scott says.

As an ordained minister, Scott produces his own radio program, "Words of Inspiration" in his well-equipped studio at home. It is heard on station KUXL in Minneapolis and on KCFI in Cedar Falls, IA. Often his wife, Audrey (who works full time as his answering service in his home) helps with the production of a Sunday service by singing spirituals. Through this, he helps promote stability in the black community by speaking of interracial marriage, violence and equal rights, and the racial situation in general.

Scott has come to know many people through his humanistic endeavors, and as a result, many people come to him for personal counseling in his home. "I seem to have a knack for talking with minority people. People trust my judgment because I am one of them." Often, Scott serves as a link between the employer and the employe who has a hard time settling down at his job. "Using simple, common sense," Scott explains, "I help the employer to see the situations as others see it"—through the eyes of less-privileged poor.

"A cultural difference exists between blacks and whites. Blacks are often not job-oriented, success-oriented. Suddenly, a poor black may find himself in a highly organized system and is not ready to handle it." By serving as a liaison between employer and employe, Scott makes the going a little smoother for everyone involved.

Early this year Scott appeared twice on WTCH-TV in Minneapolis. In the interviews, sponsored by the Minneapolis Urban League, he spoke of the honor Sears has given him to attend the Presidential Inauguration as Citizen-of-the-Year. Focusing on progress of the black community in 1976, Scott says that "blacks consider Sears award a commendation and recognition for them."

Scott, 45, a native of Kingston, Jamaica, came to the United States in 1956 to attend Minneapolis' North Central Bible College. Two years later, he received his pilot's license, and in 1961 took a post as assistant minister in a Waterloo, Iowa, church. To supplement his income, he worked as a part-time Div. 33 salesman in the local Sears store. He met his wife, Audrey, there and began his radio program. When he moved back to Minneapolis in 1962, he worked in sales, part-time, but later switched to the service center for regular hours to accommodate his busy speaking schedule. He continued with his radio program through encouragement from parishioners who didn't want to miss his Sunday sermons.

Linton and Audrey Scott have two children, Jeffrey, 11 and Jennifer, 2½. He is a resident of Minneapolis and is an associate pastor at Mount Olivet Lutheran Church.

As a member of the executive board of Viking Council Boy Scouts of America, he has helped in the founding of Boy Scout Troops in the inner city. By devoting about 20 hours a week to the scouts, he has won the confidence and respect of inner city people through active participation.

Scott recently served a 6-month term on the Hennepin County Grand Jury and is a member. Earlier, in 1973, he served a 6-week term on the Federal Jury.

In June 1976, Scott coached the Black Gospel Quintet from North Central Baptist Church in St. Paul, Minn., winning the $1,000 first prize in the 1976 Minnesota State Fair amateur talent contest. The quintet was chosen from eight other finalists selected from a field of 205 contestants.

Scott's active participation in community affairs has won him various awards, including the Good Neighbor Award of CBS affiliate WCCO, Boy Scouts of America Recognition Award, City of Minneapolis Distinguished Citizens Award, Minnesota Department of Aeronautics Recognition Award, Certificate of Commendation from the White House and the title of Mr. Aviation of Minnesota, awarded by Gov. Anderson as a testimonial dinner in June 1976.

He makes regular public appearances at the local Lion Club, Rotary Club, Kiwanis Club and church groups and speaks with inmates at Stillwater State Prison in Minneapolis each month.

Scott considers winning the 1976 Citizen-of-the-Year award a "great honor. Sears, as a major U.S. corporation, is doing something quite unusual," he said. "Instead of selecting a checklist executive to represent Sears in Washington, they toss it out among hundreds of employes. This interest in the quality of life and activities of Sears employes is unique."

Scott is grateful for the award, but says he is "not the only one who deserves it." "I will represent a lot of Sears people," he said. Sears has selected its representative in the best way, Scott thinks, by making it a wide open contest among all employes. Other companies will probably pick up the idea, he believes.

In a ceremony in Minneapolis on Jan. 13, Charles Wurmstedt presented Scott with an engraved silver bowl. Attending the luncheon with Scott were: John Hahabedian, Twin Cities Group manager, Frank Yusup, retail distribution center manager, several group staff members, and all Twin Cities Sears store managers.

Then, on Jan. 20, Scott and his wife will attend the Presidential Inauguration where they will be guests of Sears in recognition of his role as a public-spirited employe and outstanding American citizen.

A TRIBUTE TO GEN. ROBERT E. LEE

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. HARRIS. Mr. Speaker, on April 29, 1975, I introduced a resolution to posthumously grant citizenship to Gen. Robert E. Lee, a Virginian who spent part of his life in my district. The resolution passed the House on July 22, 1975 and was signed into law by the President on August 5, 1975.

I am proud to have been given an opportunity to have taken a part in the restoration of citizenship of this great Virginian and great American. On this, the anniversary of his birthday, I would like to place in the CONGRESSIONAL RECORD some tributes to General Lee written by some citizens in my district who are members of the Creative Writing Workshop of Alexandria Community Y. Their work was published in the January issue of the Alexandrian.

The writers include photojournalist Marguerite Moncure Lamond, whose photographs enhance the written material of Margaret T. Rudd, Lolete Falk Barlow, Alice M. Coit, Helen Millspaugh Webb, Barbara B. Hutchinson, Carroll Flaten, Agnes Nasmith Johnson and Maxine Lampshire, director of the Creative Writing Workshop, coordinator of the project.

I believe this is an especially fitting reminder of the birthday anniversary of Gen. Robert E. Lee. The articles follow:

THE IRONY OF HISTORY, ARLINGTON AND LEE

(By Lolete Falck Barlow)

"No tears at Arlington," Robert E. Lee is said to have gaily comforted his daughter and a departing houseguest in the mid 1850's. "No tears at Arlington!" Ironic words in the light of history! Indeed irony seems to punctuate the story of Arlington House.

Built by George Washington Parke Custis to honor the adopted father whom he idolized, it is now a National Memorial to the son-in-law whom he was slow to accept. Parke Custis was the link between two of the most famous men in American history—George Washington and Robert E. Lee.

Custis filled Arlington House with memorabilia of Washington and delighted in displaying these treasures to all who visited there. He was a congenial and generous host, often opening the grounds for public picnics.

Growing up in Alexandria, Robert E. Lee frequently visited Arlington with his mother, a cousin of Mrs. Custis. Young Lee appreciated the heritage at Arlington House and his character was steeped in the Washington tradition. His father, "Light-Horse Harry" Lee, had served under Washington during the Revolution and later eulogized him as, "First in war, first in peace, first in the hearts of his countrymen." Robert E. Lee and the Custis's only child, Mary, played together on the Potomac hillside as children, never dreaming their lives, along with Arlington itself, would be forever linked in the pages of history.

In June of 1829, Lee graduated from West Point, second in his class and without a single demerit during the whole of his four years at the academy. By 1830 he was courting Mary, with the approval of her mother and to the consternation of her father. Mr. Custis had no personal objection to the young lieutenant except that he was poor and could never support his daughter in the manner to which she was accustomed. It was his only reluctance in consenting to his daughter's marriage. (The Lee family had a history of fiscal tragedies which produced in Robert a thrift and exactness that lasted a lifetime. Years later, Mr. Custis turned to Robert for help in untangling his own mismanaged business affairs.)

On June 30, 1831, Robert E. Lee and Mary Custis were married in the parlor of Arlington House. It has been said that when Lee married Mary he married Arlington House as well. Certainly he considered it as a cherished home for the next thirty years. Six of the seven Lee children were born at Arlington, and for the most part, all of them grew up there. Mrs. Lee, when she could not accompany her husband on his military assignments, remained at Arlington with her parents and the children—three generations in a house which venerated a fourth. To Robert E. Lee, it was where, "my affections and attachments are more strongly placed than at any other place in the world."

There is a saying that a house is not hallowed until there has been a wedding, a birth and a death. With the death of Mrs. Custis in 1853 and Mr. Custis in 1857, Arlington had all three. How much more hallowed it would become, no one could have guessed.

Mr. Custis left Arlington to Mrs. Lee for her lifetime, stipulating that it should then pass to her eldest son Custis, the only Lee child who was NOT born there. It was to his son-in-law that Mr. Custis left the responsibility for administering his complicated will and estate.

Robert E. Lee was 54 years of age, with 32 years of unblemished service to the United States Army when Virginia seceded from the Union in 1861. Praying, he paced the floor at Arlington, he ultimately made the most important decision in his life . . . to resign his commission rather than, "raise my hand against my relatives, my children and my home." Two days later summoned by the Governor of Virginia, Lee left Arlington, never to return.

Because of its strategic location overlooking Washington, Arlington was sure to be militarily occupied. Long crippled by rheumatoid arthritis, Mrs. Lee sorrowfully left her home in May of 1861, carrying with her as much as she could of the family's possessions. She believed that the sanctity of her grandfather's memorial would be respected. It was not! Much of the furnishings were pilfered until General McDowell sent what remained to the Patent Office for safekeeping, never to be returned in her lifetime. In 1862, Congress levied a tax on "insurrectionist property" which had to be paid in person. The invalid Mrs. Lee sent the $97.02 by a cousin, but it was not accepted and the government confiscated the estate.

Robert E. Lee became commander of the Army of Northern Virginia and later the entire Confederate Army while Arlington became headquarters for the army that opposed him. On Christmas Day 1861, General Lee wrote his wife regarding their old home. . . . "It is better to make up our minds to a general loss. They cannot take away the remembrance of the spot, and the memories of those that to us rendered it sacred. That will remain to us as long as life will last, and that we can preserve."

In 1864, the estate became Arlington National Cemetery. The first burials were made next to Mrs. Lee's rose garden, close to the house, purposely making it forever uninhabitable as a home. When the war was over, the Lees settled in Lexington, Virginia, where General Lee spent the remainder of his life as president of Washington College. If the decision he made at Arlington brought sorrow, he did not regret it: "I did only what my duty demanded. I would have taken no other course without dishonor. And if it were to be done over again, I should act in precisely the same manner."

He died at Washington College in 1870 at the age of 63. A man who had been hale and hearty until the last year of his life, he was survived by Mrs. Lee who had been in poor health for 35 years, and an invalid for well over a decade. She lived to see Washington College renamed Washington and Lee University, a tribute which must have pleased her greatly.

Mrs. Lee's love for Arlington was constant and she wrote, "My dear old Arlington. . . . I do not think I can die in peace 'til I have seen it once more." Three months before her death she returned, but did not get out of her carriage. To a friend, she write, "I rode out to see my dear old home but so changed it seemed but as a dream of the past."

There are no ghosts at Arlington House; it was a happy home. Today, many of the things stolen during the War Between the States, have been returned by descendants of those who took them. Gradually the Lee's belongings are returning home. Though the surrounding acres are now a cemetery, General and Mrs. Lee rest for eternity in the chapel at Washington and Lee University.

The ultimate irony is that what was intended to be the desecration of Arlington proved instead to be its consecration. Arlington National Cemetery is a monument to heroes; and there is none more worthly of the title than the quiet man of honor who once lived there. If graves in the rose garden were intended to separate his memory from the land, history has rewritten the script. The mansion on the hillside is still known as Arlington House. It is also the Robert E. Lee Memorial.

AMNESTY AND PARDON—AT LAST

(By Barbara B. Hutchinson)

On October 12, 1870, General Robert E. Lee returned home from a Vestry Meeting at the Protestant Episcopal Church in Lexington, Virginia. It was tea time when he joined Mrs. Lee and other members of their family. As he was asking the blessing, he was struck down, never to rise again.[1] The country not only lost a great statesman but a great patriot. General Lee died, still denied the right to hold any office and other rights of citizenship.

Fortunately, through perseverance of loyal Virginians, and a stroke of good fortune at noon on August 5, 1975, President Gerald R. Ford signed the document officially restoring General Lee's citizenship. Just a year ago in January, a ceremony was performed among a group of General Lee's descendants and others at Lee's old desk on the veranda of Arlington House. On this happy occasion they were not only celebrating his birth, but they also knew, in their own hearts, that the wishes of their great leader had been remembered.

The mystery of the missing Oath of Allegiance became unraveled when in 1970, Mr. Elmer O. Parker of Columbia, South Carolina, noted historian, found General Lee's signed amnesty oath buried among other Civil War documents in the National Archives. While others believed the document did not exist, Mr. Parker did, and his job as a researcher gave him the opportunity to find it. The reason Mr. Parker held on to this belief was that, since General Lee made this request of his men, then most certainly he would comply also.

Between 1971 and 1974, the Virginia General Assembly, with the aid of Senator Harry F. Byrd, started intensive efforts to have General Lee's citizenship restored. The Virginia Delegation did request General Lee be given a Presidential pardon, but it was concluded by the Counsel to the President and the Department of Justice, in a subsequent opinion, that General Lee died with no disability within the President's power to pardon as a result of the December 25, 1868 amnesty proclamation. Therefore, based on Section 3 of the 14th Amendment, congressional action would be required to remove the remaining disability set forth in that section.

In 1974, both Houses of the Virginia General Assembly unanimously passed a joint resolution urging the restoration of full rights of citizenship to General Robert E. Lee.

In the Spring of 1975, Congressman Herbert E. Harris presented H.J. Resolution 418 effective June 13, 1865, that in accordance with Section 3 of the 14th Amendment of the Constitution, General Lee was posthumously restored to full rights of citizenship.

The *Gazette* newspaper, the oldest existing daily in the United States, spearheaded the movement of restoring R. E. Lee's amnesty.

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[1] The National Cyclopaedia of American Biography, Vol. 4, Ref. .E176, .N3

Here in his beloved city of Alexandria, 15,333 petitioners representing 43 states and some foreign countries felt it important enough to stand up and be counted when it came time to fufill one of Lee's greatest dreams. According to the Gazette, one man was particularly bitter, "as a proud Alexandrian native born, and as a proud American I submit the enclosed coupon. I hope it will count as one more voice in an attempt to right what I consider a grievous wrong."

In good faith General Lee, two months after the final battle at Appomatox, has presence to apply for amnesty and pardon and restoration of all rights as a citizen. In good conscience, he followed the request of President Andrew Johnson. This request was also favorably endorsed by Lieut. General U. S. Grant, Commanding Armies of the United States.

On October 2, 1865, General Lee took office as President of Washington University in Lexington, Virginia. On this important occasion, he took the "Oath of Allegiance" to the Constitution of the United States and to the Union. Because of bureaucratic inefficiency, this never arrived at the proper place or the proper time. It was transmitted to an unknown as a souvenir.

General Lee would have regained citizenship had he lived some 28 years longer. Congress passed a law in 1898 restoring the citizenship of ex-Confederate soldiers who were alive at the time, so that they might fight against Spain. It has no posthumous provision so that the deceased Lee was excluded.

How We Celebrate January 19, Today

(By Carroll Flaten)

How did Robert E. Lee celebrate his birthday, January 19, as he grew up? No real evidence has come to light. However, in 1977, we know that January 19 is being celebrated in Virginia and much time and effort has been put into the planning of Robert E. Lee's birthday anniversary.

At Stratford Hall, birthplace of Robert Edward Lee in 1807, observances in the past have included candlelight tours of the great house. Last year 720 visitors came to Stratford for a day-time reception and up to 200 stayed on for the burning of the *cressets* (torches) planted about the house, which cast a soft, dramatic glow on the beautiful mansion.

This year Stratford Hall will host an open house from nine a.m. to five p.m. in the reception center, including refreshments of ginger cookies, fruitcake, and punch. Hostesses in period dress will guide visitors through the "Great House", newly resplendent with a large and valued collection of beautiful 18th century furniture. The planning for this event has been done by the Robert E. Lee Memorial Association, Incorporated.

Arlington House will have a double observance of General Lee's birthday. On Sunday, January 16, at 2:30, a program of period music will feature American compositions and popular tunes of the day. Such favorites as the hymn, "How Firm a Foundation," and "Love Not" will be sung by Brad Stickley, baritone, Marion Louise Pollansch, soprano, and Betsy Miller alto, accompanied by Dorothy Peterson on the 1840 Knabe pianoforte.

On Wednesday, January 19 at 1:30, Jean Graham at the pianoforte will accompany Betsy Miller, alto, in a program reminiscent of the musicals at which Lee's cousin, Martha Custis sang for guests during the years the Lees lived at Arlington. These programs have been planned by the Period Music Volunteer Committee under the leadership of Pauline Raudabaugh. Many of the songs come from the collection of Gen. Lee's daughter, Annie courtesy of Washington and Lee University, Lexington, Virginia.

The reception is free and open to the public. It will be held in the white parlor which was decorated by the then Colonel Lee and Mrs. Lee.

In Alexandria, the Boyhood Home of General Lee, 607 Oronoco Street, will feature a candlelight tour open to the public, on January 19 from seven to nine in the evening. Knowledgeable Alexandria Historical Docents will be stationed in each room of this beautiful early Federalist home, furnished with antiques of the period. Visitors will find the many portraits of famous inhabitants, the Lees and the Fitzhughs, and their relatives, especially interesting. Among them are the five portraits of Robert E. Lee which line the staircase to the second floor and include likenesses of him at 18 when he left to enter West Point (1825), as a member of the Army Corps of Engineers (c. 1835), during the Mexican War (1845), as Superintendent of West Point (c. 1855), and as a Confederate General (1860's).

Light refreshments will be served. Admission costs are $1.50 for adults and $0.50 for children under twelve.

At Christ Church on the Sunday nearest January 19th, "How Firm a Foundation", a favorite hymn of Robert E. Lee, sung to a different tune from the familiar one, is always included in the service. Lee is specifically named in the prayers as are the departed in their several generations.

The Alexandria Chapter, The United Daughters of the Confederacy, place a commerative wreath of red and white carnations (the colors of the National Organization), on the marble tablet to the right of the chancel, dedicated to the memory of Robert Edward Lee. On the left of the chancel is an identical tablet in memory of George Washington.

Later this month, the Lee-Fendall House celebrates "Light Horse Harry's" birthday on January 29, with a candlelight reception from seven to nine in the evening. Continuously occupied since it was built in 1785, Lee-Fendall House is the home of the Society of Lees of Virginia. Docents wearing costumes ranging from the 1780's through the early 1900's will serve as guides in each room. Refreshments will be served and the public is invited. Admission charges are $1.50 for adults, $1 for children 12–18. Lee-Fendall House is located at 429 North Washington Street.

Should you wish to hold your own birthday party in a famous home, you might consider renting the Lee-Fendall House for the occasion. Telephone 548–0931 for more information.

Silver Spurs for the General

George crafted spurs with sentient pride for
one who chose the long, the losing way:
Antietam, where the blood ran blue and grey,
where boys from the North and South
lay side by side.

He curved and shaped the spur bands flat
and wide,
with buckled straps to bind the mortal
clay,
As wings to soar beyond the dying day,
the swan like heels feathered the
soldier's ride.

A silver harvest from the barren earth,
Lee's spurs today, with rowels cool and still,
Captive in glass, upon a field of blue,

Strike sparks, in lands now giving second
birth, upon the anvil of the human
will:
Echoes of ancient silver ringing true.

—Margaret T. Rudd.

Bess Truman, the Ice Pick and the Upside Down Lock

(By Alice M. Coit)

Bess Truman was locked out! She was expected. She lifted the gleaming brass knocker and rapped it down once more.

Inside, Mrs. Robert Goodale (Jo) who with her husband were owners of the Boyhood Lee home, 607 Oronoco Street, at that time, was frantically jabbing at the huge brass lock with an ice-pick. The knocking was distracting as the maid wailed in the background, "What did I do? What did I do?" Her calmness for the day had been shattered when she overheard guests say that the President's wife was expected that afternoon. Instead of opening the door, she had turned the key in the old brass lock. The mechanism finally gave in to the ice-pick. The door swung open triumphantly. And the next guest was the First Lady of the United States. Facing her, ice-pick in hand, was her hostess and open-mouthed maid.

Mrs. Truman never questioned the long delay. Her hostess quickly hid the ice-pick, hoping it was not seen.

This is one of the many stories which have come to pass in the two centuries since the Lee House was built.

The brass lock on the front door is an original, made in England, and it has always been upside-down.

Other distinguished guests of at least twenty families who have called 607 Oronoco home,—George and Martha Washington, who frequently visited the Fitzhughs, original purchasers of the house,—George Washington Parke Custis, Martha's grandson and George's adopted son, who came courting Fitzhugh's daughter,—and General Lafayette, who paid a visit to Mrs. Lee for tea,—have perhaps been locked out while the drama of the upside-down brass lock was taking place inside the stately Early Federal mansion.

The Robert E. Lee Boyhood Home, sometimes called the Fitzhugh-Lee House, is one of twin houses built between 1790–1795 by the Potts Brothers of Pennsylvania. They were friends of George Washington, who had used their home as his headquarters at Valley Forge. It sold soon after completion to William Fitzhugh. Lee married Mary Ann Randolph Curtis, Fitzhugh's granddaughter.

Oronoco Street had been known as the Oronoco Trail. Warehouse sheds stood at the waterfront end. Tobacco barrels were rolled down the trail from Washington Street to North Fairfax Street warehouses. The original name planned was Duchess, but the Oronoco usage prevailed. The Lee House was to have the entrance facing north, hence the upside-down lock.

The house is a handsome, twelve room brick structure with slate roof, all brass hardware, including that lock, and nearly every pane of glass original. Woodwork, mantles, cornices and ceiling show the influence of the Adam Brothers. It is beautifully landscaped with old brick walks and terraces and a charming garden including boxwood, camelias, dogwoods and an enormous magnolia tree. The snowball story connected with Lee may or may not be true, or else the snowball had a hard time surviving in the garden. None was there, so Jo Goodale planted one just to satisfy visitors, but none is there now!

Robert E. Lee moved with his family from his birthplace, Stratford Hall, to Alexandria at the age of four. His ailing father, "Light Horse" Harry Lee, left to recover his health in Barbados and died on the way home. Robert was eleven and hardly knew his father. Ann Carter Lee was a gentle, impoverished widow who reared her five children carefully with the help of protective Lee and Carter relatives. In "genteel poverty" Robert grew to manhood steeped in tradition and hard work. He cared for his mother during her long illnesses, did the household chores, learned to do for himself and siblings. He managed time for school and outdoor pleasures. His background gave him the selflessness that was one of his chief characteristics. His sense of duty and concern for others made him the great leader that he was.

A little boy moved into 607 Oronoco Street.

A man named Robert E. Lee marched out to West Point.

There are no ghosts. The realities of lives well spent are present in this gracious house.

SHE WISHED TO RETURN TO THE TOP OF THE HILL

(By Helen Millspaugh Webb)

Mary Ann Randolph Custis Lee spent a carefree young life at Arlington House. Married here, she waited with her children for Robert when she could not be with him on Army assignments. It was beyond belief that she would ever have to leave. Wishing always to return to the top of the hill overlooking Washington, she is said to have remarked, "It looks as if they laid out Washington City just to be seen from up here."

Robert E. Lee married into affluence. He was not considered a proper match by the bride's father, George Washington Parke Custis, grandson of Martha Washington, adopted son of George and heir to extensive plantations. Little did he know that the mansion he built would become world renowned as the Lee Memorial.

Lee, a second lieutenant and almost penniless, asked for the hand of George Washington Parke Custis' only child Mary. A young woman with a mind of her own, she seems to have encouraged Robert's suit and proposal even though her father did not "take kindly" to one of the greatest military geniuses of history. However, he soon learned to admire and respect his son-in-law's multiple capabilities and achievements.

The abrupt change from the luxurious life of a prosperous planter's daughter to the rigors of Army existence in the cramped quarters then provided, took some adjustment for Mary. Her stays at Arlington were frequent during the early years of her marriage. She learned to cope with facilities provided by the military and became known for her competence and graciousness as a hostess during the ensuing years. By the time Robert was made superintendent at West Point, in addition to entertaining officially, she gathered the cadets into her home, along with her own children, each Saturday afternoon for tea or supper.

The Lees were a large and close family group, with seven children. Mary was inclined to be a rather indulgent mother, Robert, as might be expected the disciplinarian, although a loving and fun-loving parent. Pet names were the order of the household. Robert spoke to his children of their mother as, "the Mim". The children in turn were called by such names as Boo, Wig, Precious Life, Rooney, and Bertus.

Robert Jr., dubbed Rob or Bertus, recalls fondly that he and the other children were often permitted to stay up to see their parents off for an evening. His father was invariably ready first and would tease "the Mim" gently about her habitual tardiness.

With the birth of her second child. Mary developed an infection which appeared to be the cause for the arthritis she developed. In spite of her valiant fight against her "rheumatic ailment," she was almost constantly in pain for the rest of her life and spent her last years in a "rolling chair."

From this wheel chair she continued her supervision of her household and gardens and carried on a busy correspondence with relatives and friends. During the war, she sat and knit countless pair of socks for the Confederate soldiers and insisted that all around her do the same. Later, while Robert was president of Washington College (now Washington and Lee University) she used her talent for painting to color photographs made from the Washington portraits which had finally found their way to Lexington. These she sold for the benefit of her church.

At her father's death, it was found that the financial situation, as well as the general maintenance at Arlington, had badly deteriorated. Robert took leave from military duty to put the estate in order. Thus he saved the property, only to see it go to Union forces within four years.

Like her husband, Mary was not proslavery. The Custis slaves were freed according to the terms of her father's will. She was, however, too much the Virginian lady to go against her native state and familiar way of life she would have supported the Old Dominion under either the Union or the Confederacy. At the time, she wrote a friend, "as a man of honor and a Virginian, my husband must follow the Destiny of his State."

Despite Robert's urgent requests that she leave Arlington for safety, Mary remained where she was until May 1861, when she was warned that the approach of the Federal Army was imminent. She was able to slip away only the family silver and the Washington portraits which so long hung in the entrance hall. She and her daughters departed with just their clothes.

As she rode down the drive, Mary was still unaware that she was never again to live in Arlington House. She would make only one brief visit when she was unable and even unwilling to leave her carriage and observe what had been done to her house in the long years of her absence from "home."

A recent visitor to Alexandria, former resident and owner of Robert E. Lee's boyhood home at 607 Oronoco Street, Mrs. R. C. Goodale, recalled a greeting between the two Lee houses on New Year eves. At midnight, the Goodales and John L. Lewis, labor leader and owner of the Lee-Fendall House, simultaneously threw open their front doors to "let the little New Year in".

The two houses could greet each other in this fashion because during the occupancy of the Louis A. Cazenoves (she was a Lee) excessive alterations were made in the interior of the house. These included moving the stairway to the opposite side of the entrance hall, and installing the front door to open on Oronoco instead of North Washington Street.

Lee Corner, as this area was known, reflected the close-knit kinship of the Lee families. Robert E. Lee's uncles Charles and Edmund Jennings Lee owned and lived in 428 North Washington, across the street with their families. Edmund's son, Cassius, was a favorite companion of Robert E. Lee. He and his family later moved to Lee-Fendall House, just across from Robert's family at 607.

The parents of Robert E. Lee (Henry Lee, Light Horse Harry of Revolutionary War fame, and his second wife, Ann Carter Lee) moved in 1810 to Alexandria from Stratford, Westmoreland to be near relatives and provide suitable education for their four children. Their last child was born in their new home, 611 Cameron Street. Subsequently, Ann moved her family to 407 North Washington Street. Years later it became the Rectory of Christ Church.

The General successfully saw the publication of his Memoirs of the Revolutionary War in 1812, but tragedy soon struck. Light Horse Harry was badly beaten in a mob riot in Baltimore where he had gone to aid his publisher friend, Alexander C. Hanson. Badly disfigured and crippled, he sailed in the summer of 1813 to Barbados to try to regain his health. On his return, in 1818, he died at Cumberland Island, Georgia, the island home of the late General Nathaniel Greene, whom he has admired and fought with in the Revolutionary War.

Today the Lee-Fendall House, purchased by the Virginia Trust for Historic Preservation in 1974, is a house museum and memorial to General Henry Lee, who was a frequent visitor as well as a close relative. His first wife, Matilda, was the step-daughter of Philip Richard Fendall owner-builder. His sister, Mary, became Fendall's third wife and a good friend of Ann Carter Lee.

In this house he dined often with his good friend and former Commander in Chief, George Washington, as Lee traveled back and forth during his governorship of Virginia (1791–1794). Here Henry Lee wrote Alexandria's Farewell when Washington became the nation's first president.

Ten years later "Light Horse Harry" was requested and delivered the funeral oration to Washington before both houses of Congress. His tribute included the familiar words: "First in war, first in peace and first in the hearts of his countrymen." He also said, "He was second to none in the humble and enduring scenes of private life."

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LEE'S ARLINGTON

(by Lolete Falck Barlow)

Above the river wide and still,
A half-moon rests on darkened hill;
Majestic, stately lunar queen,
A noble house, fond Custis dream.
Those windows lit so long ago
By candles casting mellow glow
Now stand emblazoned, bathed with light,
In stark relief against the night.
Would he who loved it best of all,
Yet left to answer duty's call,
Not view with pride the lonely flame
That burns for all who did the same?
On hallowed lawns the nation keeps
A vigil while her heroes sleep.

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A NEW TEST DETECTS CHRONIC ALCOHOLISM

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. BINGHAM. Mr. Speaker, the discovery of a new and promising type of test which may help in the fight against chronic alcoholism has been reported since Congress adjourned last October and I am happy to report that Dr. Charles Lieber of the Bronx Veterans' Administration Hospital was one of those responsible for this discovery.

Earlier last year the prestigious Albert Lasker Award for Basic Medical Investigation was awarded to another member

of the Bronx VA Research Service, Dr. Rosalyn Yalow.

These developments attest to the importance of the research work being carried on at the Bronx Veterans' Administration Hospital.

I insert herewith the New York Times account of the discovery with respect to alcoholism:

[From the New York Times, Nov. 28, 1976]

A NEW TEST DETECTS CHRONIC ALCOHOLISM; RESEARCHERS SAY DISCOVERY OFFERS POTENTIAL FOR BETTER THERAPY FOR MILLIONS OF AMERICANS

(By Lawrence K. Altman)

The first specific blood test to detect chronic alcoholism has been developed by a team of researchers here as an unexpected dividend from their alcohol experiments on baboons. The test offers the potential of more precise and improved therapy for the millions of Americans who suffer from alcoholism, a major public health problem, the researchers reported in a scientific journal published yesterday.

Because the substances measured in the test persist in abnormal amounts after alcohol disappears from the blood, the researchers from the Bronx Veterans Administration Hospital and the Mount Sinai School of Medicine, City University of New York, found that the new test could detect alcoholism even after heavy drinkers stopped drinking.

The test involves taking a blood sample from a patient and then calculating the ratio of two amino acids called alpha amino-n-butyric acid and leucine in the plasma fraction of the blood. Amino acids are the building blocks of proteins.

TWICE AS HIGH IN ALCOHOLICS

For unknown reasons, this plasma fraction was found to be more than twice as high in alcoholics as against nonalcoholics. The studies were done on hospitalized and ambulatory alcoholic patients and healthy nonalcoholic volunteers. The abnormality was unrelated to the patients' nutritional status, because it was found in both well and poorly nourished alcoholics, the researchers, Dr. Spencer Shaw, Dr. Barry Stimmel and Dr. Charles Lieber, reported in the current issue of Science.

The test can be done in any laboratory that has spent up to $50,000 for an amino acid analyzer, and the researchers are using the test to evaluate various treatments in industrial and rehabilitation clinics for alcoholism. But Dr. Lieber said in an interview that he considered the test experimental and not available for routine use until independent teams of researchers had verified the results according to the custom in scientific research.

Dr. Frank B. Seixas, the medical director of the National Council on Alcoholism, said in a separate interview that he considered the new test "a brilliant discovery" and "of tremendous significance" in the field of alcoholism research.

Although there is no universally accepted practical definition of alcoholism, the results of the test were reported to correlate closely with the criteria of alcoholism as defined by the National Council on Alcoholism. "It's the only available biochemical test that can meet these criteria," Dr. Lieber, the research team head, said.

AN IMPORTANT STEP

Development of a blood test for alcoholism is considered an important step toward the eventual scientific unraveling of the mysteries of why many heavy drinkers die of cirrohsis of the liver and brain damage while others seemingly tolerate the effects of chronic drinking without apparent damage.

Doctors now use a variety of blood tests to measure the extent of damage to the liver and other organs resulting from alcoholism. But these tests are nonspecific; that is, the damage found need not have been produced by alcoholism.

Abnormalities found in liver function tests, such as the SGOT enzyme test, reflect damage to the liver from a wide variety of causes, among them alcoholism. The physician correlates the laboratory findings with the information he elicits in an interview with the patient. If the doctor suspects that the abnormalities found in the tests are due to long term drinking, he diagnoses alcoholism.

Doctors can also measure the amount of alcohol in the blood. But there are limits to the usefulness of the test because its presence does not necessarily means chronic alcolholism. Further, because alcohol rapidly disappears from the blood, the alcohol tests may be normal in a chronic alcoholic patient, depending on when the blood sample was taken.

THE PRIMARY CHALLENGE

"The presence of alcohol in the blood is not required for the positivity of this test," the researchers reported.

Dr. Lieber said that the primary challenge to his research team now was to determine the mechanism by which alcohol produced the biochemical changes that were measured by the test.

The researchers have determined that the test results reflect prolonged rather than short-term intake of alcohol; that the test remains positive more than a week after the long-term drinking period ends, and that it tends to become negative as the alcoholic begins abstinence.

"At this point, we know what the test means—it is associated with heavy drinking—but we do not know how the abnormality comes about," Dr. Lieber said.

Dr. Lieber is a specialist in internal medicine whose interest in liver disease has led him over the last 20 years to investigate alcoholism in man and animals. Three years ago, his team upset medical dogma by producing cirrhosis of the liver in baboons that ate a nutritious diet and also drank alcohol each day. It was in the course of the baboon experiment that Dr. Lieber's team made the surprising observation that amino-n-butyric acid was about seven times as high in the blood of alcoholic animals as in nonalcoholic animals.

When Dr. Lieber's team tested for the same substance in humans, similar results were found. Then, aided by the Veterans Administration and the National Institutes of Health, the scientists began the study now reported.

Among the questions that Dr. Lieber's team hopes to answer eventually are the following:

Who is at risk of becoming an alcoholic?

Can heavy drinkers in the community be identified?

Having identified heavy drinkers, can those particularly at risk of developing such severe complications as cirrhosis be singled out before damage results?

"At this time, the test is not a predictor of who will become a heavy drinker but a determinant of who is a heavy drinker," Dr. Lieber concluded.

BILL MANNING RECEIVES SILVER STAR

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, January 17, 1977

Mr. JONES of Tennessee. Mr. Speaker, I want to take this opportunity to pay tribute and honor to one of my constituents who has just been honored with the third highest military decoration of this country—the Silver Star. Bill Manning is now serving as the register of deeds of Gibson County, Tenn., but it was not so long ago that his very life was at stake as he served with our Armed Forces locked in combat in the jungles of Southeast Asia.

On November 10, 1969, Bill Manning was known as Sergeant First Class Manning of Company E, 1st Battalion, 5th Cavalry. The fire base he and his men were helping defend had just withstood a heavy night attack by the North Vietnamese when he was given the mission of conducting a reconnaissance patrol for the purpose of determining if the enemy had actually withdrawn, and if possible to determine what their withdrawal route had been.

What ensued was a nightmare for SFC Manning. According to the citation that accompanied Bill Manning's Silver Star, the patrol had reached a point about 100 yards inside the woods outside the fire base when he heard a noise to the front. He directed his men to take cover while he investigated. Suddenly, he was fired upon by a North Vietnamese ambush. A rocket struck nearby spraying him with shell fragments, severing his left arm from his shoulder, and shattering his right hand.

Although severely wounded, SFC Manning remained calm and crawled back to where he could direct the actions of his patrol. He refused to be evacuated until the ensuing action had been completed. His presence and his actions, although he was gravely wounded, inspired the patrol to overrun the enemy ambush and drive them from the field of battle.

During this same time, I was a newly elected Member of Congress, but I soon came to know Bill Manning when his wife requested my assistance in helping her get to Japan where her husband was hospitalized, close to death after the amputation of both arms. With help from the Department of the Army and a little luck, she was able to get to his bedside to provide him with inspiration and hope.

Since that time, I have kept up with Bill and have grown to admire him more and more in the 7 years that have lapsed since he was wounded in the service of his country. With the determination and dedication that is so uniquely his, Bill Manning has overcome what many others might consider a disabling handicap.

Since his return to civilian life, Bill Manning has adjusted to the artificial limbs that replaced his arms. He has become active in civic work, is active in the work of his church, and has sought and won elected office in his home county.

Moreover, he has won the admiration and affection of those who have known him and who have come to know him. Bill stands as a model of dedication, determination, and courage to the thousands of handicapped citizens in this country as well as those of us who have been blessed with good health all our lives.

The Silver Star that was awarded to Bill Manning for his heroic and unselfish service to his country is a tribute to him and a lasting memorial to a man who epitomizes the true meaning of the words "duty, honor, and courage."